



MEMORANDUM
City Manager's Office

TO: Jason Yarborough, Deputy City Manager, Warm Mineral Springs Public Private Partnership Negotiation Team Lead

FROM: A. Jerome Fletcher II, ICMA-CM, MPA, City Manager

SUBJECT: Warm Mineral Springs Public Private Partnership Negotiation Team Motion

DATE: February 2, 2024

Please allow this memo to serve as acknowledgement of the receipt of the memo dated February 1, 2024 from the Warm Mineral Springs Public Private Partnership Negotiation Team.

As noted in that memo, diligent review and thorough negotiation discussions have been underway since the City Commission approved evaluation of the Public Private Partnership on July 25, 2023. However, following reevaluation of plan components including rising staffing costs and significant changes within the Property and Casualty insurance market, Warm Mineral Springs Development Group, LLC has revised their proposal. In the review of the revised proposal from Warm Mineral Springs Development Group, LLC, the City's Warm Mineral Springs Public Private Partnership Negotiation Team has determined that the pursuit of this partnership is no longer in the best interest of the City. Therefore, the Negotiation Team has voted unanimously to cease negotiations on this project.

I appreciate the efforts afforded to this project from every member of the negotiation team, city staff and professional consultants, and concur with the recommendation to cease negotiations.

While this project did not result in a successful Public Private partnership, the City has gained valuable knowledge through the efforts of the Warm Mineral Springs Public Private Partnership team and is in a better position to assess and evaluate future plans for this parcel.