

City of Piedmont
CITY COUNCIL AGENDA REPORT

DATE: November 5, 2018

TO: Mayor and Council

FROM: Paul Benoit, City Administrator

SUBJECT: Consideration of Next Steps for the City Council Ad Hoc Aquatics Subcommittee

RECOMMENDATION

Reconvene the City Council Ad Hoc Aquatics Subcommittee consisting of Mayor McBain and Councilmember Andersen to investigate and recommend action items to Council regarding next steps with regard to the Aquatics Master Plan Conceptual Design.

BACKGROUND

At its regular meeting of July 3, 2017, the City Council established an ad hoc subcommittee (Subcommittee), comprised initially of Bob McBain and Teddy King, to review and recommend approaches for how best to undertake next steps relative to development of a new Piedmont Aquatics Facility:

1. Complete an Examination of Potential Funding Mechanisms;
2. Develop Strategies for Public Outreach and Communication to Ensure a Thorough Understanding of the Proposal and it's Financial Implications on the Piedmont Community; and
3. Explore Options to Effectively Evaluate Community Interest and Support for a New Aquatics Facility (Polling).

Relative to steps 2 and 3, the Subcommittee discussed options and approaches with David Metz, of the opinion research firm FM3, and with Barry Barnes of the firm TBWB Strategies. Based on their expert opinions and advice, the Subcommittee chose to move forward with recommending polling prior to making any major investment in public education. The reasoning was that it is best to understand how voters feel about issues on the basis of what they already know, and, depending on survey results, to use the knowledge gained to guide the content and approach of a public education initiative.

At its meeting of September 5, 2017, the City Council, based on the recommendation of staff and the Subcommittee, awarded a contract to the public opinion research and strategy firm of

Fairbanks, Maslin, Maulin, Metz and Associates (FM3) to develop and field a survey to evaluate community interest and support for a new aquatics facility.

On December 18, 2017 Council received a presentation from David Metz (FM3) regarding these polling results. Overall, the survey indicated that Piedmont residents are very pleased with the direction the community is moving in, with 71% of residents rating the City government's performance in providing services as "good to excellent". Relative to service quality, all City departments received high marks, with 86% of residents having a favorable view of the Recreation Department. Relative to aquatics, depending on phrasing of the survey question, up to 53% indicated support for a bond measure for a new facility, well short of the 2/3 majority required for passage of a municipal bond.

Mayor McBain suggested initiation of a "Public Outreach and Communication Initiative" to ensure a thorough understanding of the proposal and its financial implications on the Piedmont community (Subcommittee Task #2) and reconfiguring the Ad Hoc Aquatics Subcommittee to have Councilmember Andersen take Vice Mayor King's position, a suggestion with which Vice Mayor King concurred. The Council provided direction to staff and adjusted membership in the Subcommittee to be Mayor McBain and Councilmember Andersen

Given the FM3 polling results, the Subcommittee spoke with several subject matter experts who advised that the City should develop a deep and thorough understanding of the current condition of the pool before moving forward with developing strategies for public outreach and communication about a new facility.

At the January 16, 2018 Council meeting, Mayor McBain and Councilmember Andersen relayed the work that had been undertaken over the previous month by the Subcommittee. Councilmember Andersen discussed the need to develop a deep and thorough understanding of the conditions of the pool and stated the Subcommittee recommended obtaining additional data to understand the amount of investment that would need to be undertaken to keep the existing pool operating in the short and long term. She suggested using this data to determine whether the City would be willing to continue its investment in the current facility and what scenarios would result in closure of the pool. The Council indicated support for proceeding with obtaining a consultant to provide the data necessary to make a long term decision.

On October 15, 2018 Council received a report from Richard Young of Aquatic Commercial Consulting regarding a current condition assessment of the Piedmont Community Pool. Issues identified in the Aquatics Commercial Consulting report along with identified building infrastructure needs will require in excess of \$350,000 to be expended over the next fiscal year to address immediate needs that should keep the Piedmont Community Pool safe and operational for the next three to five years.

These expenditures are in addition to the projected \$260,000 Aquatics Fund subsidy in the 2018-19 City budget. Inclusive of the projected annual subsidy to operate the pool, it will cost the City at least \$610,000 to keep the substandard PCP safe and operational for the next year, \$870,000 for two years and more than 1.1 million dollars for 3 years.

To extend the life of the pool beyond 5 five years, major renovation work would be required and the city would need to invest in excess of 1.5 million additional dollars, along with a pool closure of six months or more. While difficult to quantify the impact of a lengthy pool closure, we can assume losing a portion of our regular customer base as well as part-time staff to other local facilities.

Assuming a consistent operational deficit (a conservative assumption), altogether, over the next five years, the City would spend upwards of 1.65 million dollars to maintain status quo. Assuming no catastrophic failure of the pool vessel structures themselves, in ten years the City would spend 4.5 million dollars or more and continue to be faced with a large operational shortfall.

Council indicated agreement that this level of investment in a facility that has surpassed its expected life and falls well short of meeting the needs of the Piedmont community may not be a prudent or practical allocation of the City's limited funds. Instead, we have reached the point in the life of the pool where strong consideration should be given to constructing a new facility that would better serve the community needs and require less annual subsidy. Alternatively, consideration perhaps should be given to transitioning out of aquatics programming as a City service.

In order to forge a path forward at this critical juncture, staff recommends reconvening the City Council Ad Hoc Aquatics Subcommittee consisting of Mayor McBain and Councilmember Andersen to investigate and recommend action items to Council regarding next steps. This ad hoc subcommittee would meet with subject matter experts, stakeholders and staff to refine the approach and to develop a scope and budget for previously identified Subcommittee Tasks 1 and 2 which were put on hold until the current condition assessment was completed:

1. Complete an Examination of Potential Funding Mechanisms; and
2. Develop Strategies for Public Outreach and Communication to Ensure a Thorough Understanding of the Proposal and its Financial Implications on the Piedmont Community.

This ad hoc committee will not have decision-making authority, but is to complete investigative work on behalf of the Council, keep the Council apprised of progress, and ultimately report back with specific action-items for consideration.

By: Sara Lillevand, Recreation Director