City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 8, 2013

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: RASHAD M. YOUNG, CITY MANAGER RMY

SUBJECT: BUDGET MEMO #6: SHORT AND LONG TERM OUTLOOK FOR FUNDING THE RECOMMENDATIONS OF THE 2012 AQUATICS FACILITES STUDY

ITEM
This memorandum responds to a request by Councilman Lovain and Councilman Wilson to provide additional information regarding the short and long term outlook for aquatics funding related to the 2012 Aquatics Facilities Study recommendations. This memorandum also addresses Vice Mayor Silberberg's question regarding Warwick pool. Recreation, Parks and Cultural Activities (RPCA) staff would be pleased to meet with City Council to provide a greater level of detail on any of aspects of the study or regarding Warwick pool.

BACKGROUND
The 2012 Aquatics Facilities Study, completed by the firms of Kimley-Horn and Counsilman-Hunsaker, identified a series of recommendations to meet the existing and future aquatic needs in Alexandria, as well as to significantly reduce the current City subsidy per pool user/visit. Information about the study can be found online as part of the City's Recreation, Parks and Cultural Activities website at: http://alexandriava.gov/recreation/info/default.aspx?id=18078. After thorough analysis of the City's current aquatics facilities, the study recommended a five pool system, including two outdoor family aquatic centers, one indoor facility, one therapeutic pool, and one smaller outdoor neighborhood pool. In addition, the study recommended the conversion of three existing pools to spraygrounds and an interactive fountain.

Given the extent of the proposed capital investment, RPCA staff developed additional alternatives based on the consultants' recommendations and held a community meeting with aquatic users and stakeholders to review the multiple options. While the community agreed with the consultants' recommended plan above, the need to have improvements funded and implemented in a more immediate timeframe was discussed and preferred by the stakeholders. In response to this discussion, staff submitted a proposal that differed from the consultants' recommendation.

There are two major differences between the Facilities Study and the RPCA recommendation. First, RPCA does not recommend at this time the renovation of the Chinquapin Recreation Center, which is included as part of the Facilities Study recommendations. Second, RPCA does not recommend funding for a West End pool in the ten-year plan. Factors that excluded the West

End pool from the RPCA recommendation included the cost of land (which is not included in the Facilities Study cost estimate) and the number of private community pools currently in the West End. The table below shows a comparison of the two plans – the Facilities Study and the RPCA staff recommendations. The RPCA cost estimates are consistent with the additional capital projects for City Council's consideration funded by the optional three cents on the base real estate tax rate. Please note that the Facilities Study did not recommend a time frame for implementation, so the fiscal years in which the projects would be funded are noted only in the RPCA staff recommendations column.

Facility	Facilities Study Cost	RPCA Recommendation	Notes
Chinquapin Aquatics Center	$28.4 M	(FY 16-17) $10.7 M	RPCA does not include recreation center renovation. Both costs reflect a 25 meter X 25 yard pool.
*Ewald Sprayground	$2.0 M	(FY 17-18) $2.1 M	Ewald pool is currently closed. Would convert pool to sprayground. Includes park redesign to accommodate new aquatics facility.
Old Town Pool	$5.5 M	(FY 21-22) $5.5 M	Outdoor aquatic facility with new bathhouse, and includes competition and recreational pools.
*Warwick Sprayground	$2.5 M	(FY 22-23) $2.5 M	Warwick pool proposed to be closed beginning FY 2014. Would convert pool to sprayground and construct a new support building with a community meeting room.
Colasanto Interactive Water Feature	$0.8 M	(FY 22-23) $0.8 M	Colasanto pool is currently closed. Would convert pool to interactive water feature.
Lee Center Therapeutic Facilities	$3.4 M	(FY 22-23) $3.4 M	Convert closed Lee Center pool to an indoor therapeutic pool.
West End Pool	$5.3 M	Not Recommended	Would build a new facility in the West End. Land costs not included. Not included in RPCA recommendations.
Total	$47.9 M	$25.0 M	

** Should City Council elect to keep Warwick Pool open, RPCA staff would recommend switching the timing of Ewald and Warwick due to the large capital investment required to maintain Warwick pool as-is.*

PROPOSED FY 2014 – 2023 CIP

The Proposed FY 2014 – 2023 CIP (not including the projects funded with the optional three cents) includes regular Capital Facilities Maintenance Program (CFMP) funding for all city pools at $52,000 annually ($520,000 over the ten-year plan). Additionally, FY 2014 includes $545,000 for capital infrastructure repairs at Chinquapin Aquatics Center, scheduled to start in summer 2013.

When including funding approved in FY 2012 ($160,00), FY 2013 ($1.44 million), and FY

2014 ($545,000), the total budget for capital improvements – which includes HVAC, roof work, and Americans with Disabilities (ADA) access – totals $2.145 million in funding from FY 2012 – 2014.

Funding included in the Approved FY 2013 – 2022 CIP for Chinquapin renovations and Spray Parks was not included in the Proposed FY 2014 – 2023 CIP, as the projects lacked a defined scope of work and cost estimates did not reflect actual capital infrastructure needs. RPCA staff recommendations are included with the capital projects funded by the optional three cents on the real estate tax rate, and total $25.0 million over the ten-year plan.

ADDITIONAL INFORMATION

Chinquapin Aquatics Center 50 Meter Pool
RPCA staff has looked at the option of converting the Chinquapin pool to a 50 meter (50 meter x 25 yard) competition pool if private funding was available to complement capital funds. The aquatics stakeholders strongly support a larger competitive pool, with advocates for a larger pool indicating a willingness to raise private funds for the additional capital cost. A 50 meter pool would also allow multiple swim teams to practice and hold meets, producing additional revenue to support ongoing operations. The consultants' recommendation for Chinquapin included an optional 50 meter pool instead of the 25 meter x 25 yard pool while keeping the recreation pool. Pending confirmation through engineering analysis, the consultants' believe either option could fit on site at Chinquapin. While the site conditions, including underground utility structures, soil, and final engineering details create a significant unknown, the additional capital cost for a 50 meter is roughly estimated at $5.0 million. A refined cost estimate on facility capital costs with a 50 meter pool is being developed and should be available in late March. As noted above, adding a 50 meter pool will also increase operating costs, but may provide more revenue generating opportunities to offset that increase.

Private Contribution for Aquatics Facilities
An organization, Advocates for Alexandria Aquatics (AAA) has formed to advocate and fund-raise for improved aquatics facilities in Alexandria. Specifically, they have shown interest in fund-raising efforts for a 50 meter pool at Chinquapin Aquatics Center, Warwick pool, and for the therapeutic pool facilities at the Lee Center. City Council may wish to explore with AAA the level of financial commitment along with a time frame to raise required funds to support the construction of the projects noted.

Capital Project Timing
The RPCA staff recommendation would begin plan implementation in FY 2016. The plan is currently funded with the optional three cents on the real estate tax rate, which also funds a number of other capital project initiatives throughout the City (including Alexandria City Public Schools). City Council may choose to accelerate the timing of plan implementation; however, this would come at the cost of other projects included for consideration with the optional three cents. If City Council declines the optional three cents, the aquatics plan could be included in the Proposed CIP by eliminating or delaying projects funded in the base CIP.

Warwick Pool
Warwick pool is proposed to be closed beginning FY 2014, and funding for pool operations is not included in the City Manager's Proposed FY 2014 Operating Budget. Should City Council

elect to keep Warwick pool open in FY 2014, the operating cost would be $92,000. An estimated line-item budget for these operating expenditures includes:

Operating Expenditure	FY 2014 Budget
Staff – (Manager, Operator, Lifeguards, Cashiers, Safety Instructor)	$63,640
Utilities – (Electric, Water, Gas)	$9,795
Chemicals and Supplies	$6,060
Pool and Building Maintenance	$12,505
Total	$92,000

In FY 2013, the dates/hours of operation for Warwick pool were:

- May 26 - June 22
  - Weekends and Memorial Day only from 11 a.m. to 6 p.m.
- June 23 - August 19
  - Monday through Friday from noon – 6 p.m.
  - Weekends from 11 a.m. to 6 p.m.
- August 20 - August 31
  - Monday – Friday from 4 p.m. – 7 p.m.
  - Weekends & Labor Day from 11 a.m. to 6 p.m.

RPCA staff has also identified $551,000 of capital infrastructure needs at Warwick pool which would need to be completed over the next three to five years to keep the pool at acceptable operating standards. Details of capital repairs required over the next five years include:

Capital Category/Expenditure	Five-Year Estimated Costs
Site (Security Lighting, Regulatory Signage, etc.)	$20,000
Health & Safety (ADA Access, Electrical Service, etc.)	$169,000
Building (Showers/Plumbing, HVAC, etc.)	$141,000
Pool (Surface Coating, Pool Deck Repair, etc.)	$221,000
Total	$551,000

Additionally, capital infrastructure repairs at Chinquapin are scheduled to begin in the summer of calendar year 2013, which will require the aquatics facility be closed for several months. This effectively closes two City pools in summer 2013; however, staff has planned for an increase in operating hours at the pools remaining open (Old Town, Charles Houston) to offset pool time lost at the closed facilities.

Additional Operating Impacts

Of the potential projects, three of the aquatics sites (potentially four if Warwick pool is closed) are currently closed (Ewald, Colasanto, and Lee Center). With new facilities, there is expected to be a significant impact on the operating budget associated with annual operations. However, with new facilities comes the opportunity to increase revenues through user fees. The total operating impact has not yet been quantified, and will depend on the type of facility ultimately constructed at each site. Converting Chinquapin to a competition sized pool would allow the City to explore additional sources of revenue, such as hosting local, statewide, and regional competitions.