

TO: PARKS AND RECREATION COMMISSION

FROM: JAZMIN LEBLANC, STRATEGY AND OPERATIONS MANAGER,
COMMUNITY SERVICES DEPARTMENT

AGENDA DATE: SEPTEMBER 27, 2016

SUBJECT: PROPOSED CHANGES TO THE PALO ALTO AQUATICS PROGRAM

RECOMMENDATION

Staff requests that the Parks and Recreation Commission provide feedback on the policy implications that arise from potentially contracting out the aquatics program. Staff has reviewed four management alternatives using the following criteria:

- City and Customer Costs
- Quality of Service and Customer Satisfaction
- Diversity of Programming and Accessibility

There are advantages and disadvantages to each of the alternatives. The alternatives differ by the extent to which the cost of aquatics programming is subsidized by the City versus borne more heavily by users. The question of how much the community will value additional pool hours and expanded programming is also a major factor.

Executive Summary

Rinconada Pool is a valued community asset, receiving over 58,000 drop-in visits to its lap and recreation swimming programs each year and providing swimming lessons to over 1,000 youth annually. In the past few years, City residents have made clear that they would like better pool access. Residents want open swim programs available for an extended swim season and would like to increase daily open hours. They would also like more access to youth swimming lessons with more lessons available and at more convenient times during the week. This increased demand for both recreational and instructional swimming, together with CSD's difficulty in hiring adequate lifeguarding staff to provide swim lessons has led staff to recommend several changes to the Aquatics Program.

In December 2015, after receiving direction from the Finance Committee and subsequently the full Council, staff released a Request for Proposal (RFP) to solicit bids for Aquatics Management services to improve the City Aquatics program. The evaluation is still ongoing however staff believes there are opportunities to not just maintain the aquatics program but to meet community requests to expand and enhance aquatics programming for Palo Alto. Staff is

looking forward to discussing the analysis with the Parks and Recreation Commission to answer questions and listen to its perspectives as we work toward a recommendation.

The objective of the RFP is to consider alternatives for how we might best achieve the following:

- 1) Expand the recreational swimming season to open both pools for recreation swimming in mid-April and keep the pool open through late October.
- 2) Adjust and add open hours for lap swim and recreational swimming programs to better meet customer demands for pool use outside of 9 to 5 weekday hours.
- 3) Expand the swim lesson season to match the expanded recreational swim season and adjust swim lesson offerings to provide more evening and weekend lessons.

Staff is evaluating four alternatives, each with advantages, disadvantages and tradeoffs:

<p style="text-align: center;">Alternative 1:</p> <p>CSD staff manages the recreation and lap swim programs and expand the season and hours to better align with customer scheduling preferences and demand, lap and recreation swim hours are increased and adjusted and the recreation swim season is expanded by 8-10 weeks to open earlier in the spring and close later in the fall. CSD contracts out the learn-to-swim program to Team Sheeper as well as management of Rinconada Masters and PASA.</p>	<p style="text-align: center;">Alternative 2:</p> <p>CSD enters into an agreement with Team Sheeper to take over full operation of the City’s aquatics programming including the learn-to-swim program, management of PASA, a masters program, as well as lap swim and recreational swim. Team Sheeper’s proposal offers to expand programming by offering more swimming lessons year round, more weekly lap swim and recreation swim hours, a longer season of recreation swim, summer swim camp, and swim pro services.</p>
<p style="text-align: center;">Alternative 3:</p> <p>CSD expands and updates the in-house Aquatics Program in order to provide a similar level and quality of service as the Team Sheeper proposal. This would entail using more lifeguarding hours than in previous years, dedicating a Community Services Manager position to aquatics (the aquatics program currently uses 25 percent of a Community Services Manager,) increasing lifeguarding hourly pay rates, and expanding the use of SEIU hourly lifeguards.</p>	<p style="text-align: center;">Alternative 4:</p> <p>(Status Quo) The City chooses not to implement any of the first three alternatives. CSD would continue managing the pool in the same way as it has for the past two years. This means that Rinconada continues to operate with similar hours and scheduling as in previous years and the City contracts out the learn-to-swim program as well as management of Rinconada Masters and PASA, each to separate providers.</p>

Background

During the summer season, which runs from mid-June through mid-August, the City of Palo Alto Aquatics Program offers a variety of activities for the community including:

- family recreation swim,
- adult lap swim,

- learn-to-swim lessons,
- facility rentals for private pool parties,
- a youth competitive swim team (PASA - Palo Alto Stanford Aquatics), and
- an adult competitive swim team (Rinconada Masters).

The City has existing contracts to provide the Rinconada Masters and PASA programs, while City staff historically has provided staffing for remaining programs. The majority of the aquatics programs are held at the City-owned Rinconada pool with some summer swim lessons also taking place at the JLS Middle School pool.

Throughout the rest of the year (mid-September through mid-May), the only aquatics activities that are offered at Rinconada are adult lap swim, PASA, and the Rinconada Masters.

For the past two summers (2015 and 2016), the City has struggled to hire and retain adequate pool staff to meet community demand for the Lap Swim, Learn-to-swim and Summer Recreation programs. In 2015, CSD entered into an emergency contract with an outside vendor to mitigate its Learn-to-swim staffing shortages. Working on a very short timeline, CSD was able to write and approve a contract with Team Sheeper INC., a professional third party aquatics service provider who was able to mobilize quickly and provide qualified professional swim instructors and lifeguards to support the Palo Alto aquatics programs.

Following the 2015 summer swim season, CSD staff conducted program evaluations of the summer lessons that Team Sheeper INC. had provided. Parents of participants were very pleased with the experience and felt their children's progress and technique had improved over the course of the lessons. Because the 2015 Team Sheeper program was well received by the community and worked well from a departmental standpoint, CSD entered into another short-term limited contract with Team Sheeper INC. to manage the Learn-to-swim program for the Summer 2016 season.

There are several reasons the City aquatics program is experiencing difficulty hiring and retaining staff. The pay rates for lifeguards and swim instructors are not as competitive compared to other employment opportunities for high school and college students. The City offers mostly seasonal work opportunities and not year round part-time employment. The majority of the aquatics employees are students and after summer they have limited work availability.

Provision of aquatics services for cities in the region is delivered in a number of ways. For example, the City of Menlo Park contracted out their entire aquatics program to Team Sheeper, Inc. and it now operates in a public-private partnership as Menlo Swim & Sport. The City of Morgan Hill has a unique partnership with the YMCA to run their recreation programs. As partners, the City of Morgan Hill and YMCA partner to provide high quality health and fitness, youth, teen, family, and senior programs including aquatics for residents and the surrounding community to enjoy. Currently, the City of Palo Alto provides a hybrid program where the

Aquatics program is predominantly run in house with the exception of our Master's and PASA programs which are provided by contractors.

In December 2015, CSD issued a Request for Proposals (RFP) for the following services: 1) Learn-to-swim lessons; 2) Youth Competitive Swim Team; 3) Adult Master Swim Team; and 4) aquatics facilities operation, including recreational swim, lap swim, and pool rentals. Firms were invited to submit a proposal for one or all of the above services and attend a pre-bid meeting. Two proposals were received and both bidders were invited to present their proposals and respond to questions from the consultant review team. The consultant review team was represented by five City staff, a Recreation Supervisor from the City of Mountain View, a Recreation Supervisor from the City of Milpitas, and a pool user (lap swim).

After careful review of both proposals, discussing with the consultant review team and interviewing the two potential service providers, CSD staff began evaluating short and long term alternatives for future program delivery with Team Sheeper INC.. Team Sheeper has the experience, staffing levels, and innovative programming to not only maintain the City's aquatics program at its current level of service, but also expand it and add additional new programs if the City so desires.

Discussion

In response to community feedback staff hopes to achieve the following:

- 1) Expand the recreational swimming season to open both pools for recreational swimming in mid-April and keep the pool open through late October.
- 2) Adjust and adding open hours for lap swim and recreational swimming programs to better meet customer demands for pool use outside of 9 to 5 weekday hours.
- 3) Expand the swim lesson season to match the expanded recreational swim season and adjust swim lesson offerings to provide more evening and weekend lessons.

These recommended changes will result in better service to the public and will allow CSD to better meet our core values of:

- **Health, Wellbeing and Creativity** – We provide high quality relevant programs and services that promote health, wellbeing & creativity.
- **Accessibility and Inclusivity** – We deliver a diverse portfolio of programs and services efficiently and effectively, striving to be inclusive and accessible to a wide range of cultures, ages and abilities.
- **Proactive Stewardship** – We protect and preserve parks and open space through comprehensive conservation policies and programs, and we maintain and enhance community facilities through best practice asset management.

- **Strategic Partnerships** – We strategically partner with the non-profit and private sectors, along with individuals in the planning and delivery of programs and services to build and strengthen community.

There are four alternatives the City is considering as outlined below. These alternatives are in draft format, the alternative that will be recommended to Council will be further refined as we hear from the Parks and Recreation Commission (PRC) and additional members of the public. We ask the PRC to consider the policy implications between the alternatives and ask questions that the Commission believe to be most pertinent to help staff make a recommendation to Council that will result in the greatest value and highest and best use of Rinconada Pool for Palo Alto residents.

<p style="text-align: center;">Alternative 1:</p> <p>CSD staff manages the recreation and lap swim programs and expand the season and hours to better align with customer scheduling preferences and demand, lap and recreation swim hours are increased and adjusted and the recreation swim season is expanded by 8-10 weeks to open earlier in the spring and close later in the fall. CSD contracts out the learn-to-swim program to Team Sheeper as well as management of Rinconada Masters and PASA.</p>	<p style="text-align: center;">Alternative 2:</p> <p>CSD enters into an agreement with Team Sheeper to take over full operation of the City’s aquatics programming including the learn-to-swim program, management of PASA, a masters program, as well as lap swim and recreational swim. Team Sheeper’s proposal offers to expand programming by offering more swimming lessons year round, more weekly lap swim and recreation swim hours, a longer season of recreation swim, summer swim camp, and swim pro services.</p>
<p style="text-align: center;">Alternative 3:</p> <p>CSD expands and updates the in-house Aquatics Program in order to provide a similar level and quality of service as the Team Sheeper proposal. This would entail using more lifeguarding hours than in previous years, dedicating a Community Services Manager position to aquatics (the aquatics program currently uses 25 percent of a Community Services Manager,) increasing lifeguarding hourly rates, and expanding the use of SEIU hourly lifeguards.</p>	<p style="text-align: center;">Alternative 4:</p> <p>(Status Quo) The City chooses not to implement staff recommendations. CSD would continue managing the pool in the same was as it has for the past two years. This means that Rinconada continues to operate with similar hours and scheduling as in previous years and the City contracts out the learn-to-swim program as well as management of Rinconada Masters and PASA, each to separate providers.</p>

Net Cost of the Alternatives

The following charts depict anticipated net costs of the four alternatives in Year One and Year Two.

Year One – FY 2017

Forecasted Fiscal Impact FY 2018	Alternative	Alternative	Alternative	Alternative
	1	2	3	4
	Hybrid	Contracted	In House	Status Quo
Revenue	602,747	4,194	602,847	437,083
Operating Expenditures	466,179	60,386	704,425	564,469
Contract Fees	265,000	0	0	265,000
Maintenance and Overhead	299,819	299,819	299,819	274,819
Net General Fund Impact	(428,250)	(356,011)	(466,796)	(622,991)

Potential Implementation Strategies

CSD analyzed each of the four alternatives using the following criteria:

- City and Customer Costs
- Quality of Service and Customer Satisfaction
- Diversity of Programming and Accessibility

Alternative 1 (Hybrid Management)

CSD staff manages the recreation and lap swim programs and expand the season and hours to better align with customer scheduling preferences and demand, lap and recreation swim hours are increased and adjusted and the recreation swim season is expanded by 8-10 weeks to open earlier in the spring and close later in the fall. CSD contracts out the learn-to-swim program as well as management of Rinconada Masters and PASA.

Customer Pricing

Lessons

Alternative 1 prices remain largely unchanged from the current pricing structure but with slightly increased rates for youth swimming lessons. Palo Alto's swim program fees have a cost recovery goal of covering 30 to 70 percent of costs, consistent with the City's User Fee Cost Recovery Policy. The fee structure in place now has regularly met this recovery goal, with approximately 80 percent of direct costs covered by fees; 60 percent of total costs covered.

Palo Alto’s pricing is also close to the average of twenty other surveyed public swim programs with regard to group lessons (see Appendix A for more detail). Palo Alto’s group learn-to-swim lessons are priced at about \$11 per lesson, when the area average is about \$13 per lesson.

Palo Alto’s private swim lessons are heavily subsidized and priced much lower than benchmarked jurisdictions. Palo Alto’s private swim lessons are approximately \$24 per lesson, whereas the benchmark average was \$40. If Council chooses Alternative One staff recommends increasing swim lesson pricing to the benchmark average. Staff also recommends increasing non-resident lesson rates to cover 100 percent of the contract cost per class. Currently, non-residents pay 10-12 percent more for swim lessons than residents and account for 20 percent of users.

Proposed Swim Lesson Prices

	Palo Alto	
	Resident	Non-Resident
Group Youth Lessons	\$13	\$20
Semi Private Youth Lessons	N/A	N/A
Private Youth Lessons	\$40	\$63
Group Adult Lessons	N/A	N/A
Private Adult Lessons	\$64 (60 min)	\$75 (60 min)
Summer Camps	N/A	N/A

Lap and Recreational Swim

Palo Alto offers two fee options at Rinconada Pool for entrance to the recreation and lap swim programs: 1) daily entrance rates based on age (adult, youth, senior, and infant,) and 2) ten-pack options with differing prices depending on age and residency status in Palo Alto. We identified a benchmark average entrance rate for recreation and lap swim of \$4 for adults—the same rate as our ten pack adult price.

Lap and Recreation Swimming Prices

Alternative One Lap and Recreation Swim Pricing					
Residents		Adult	Senior	Youth	Infant
	Daily Rate	\$6.00	\$4.00	\$5.00	\$3.00
	10 Pack Per Use	\$4.00	\$2.50	\$3.50	N/A
Non-Residents		Adult	Senior	Youth	Infant
	Daily Rate	\$6.00	\$4.00	\$5.00	\$3.00
	10 Pack Per Use	\$4.50	\$3.00	\$4.00	N/A

City Costs

Alternative 1 has an expected net General Fund cost of approximately \$428,000 per year; roughly \$300,000 of that cost is borne as facilities maintenance and overhead. Alternative 1 does not require any change to City staffing levels although staff would work to increase lifeguarding salaries in order to attract and retain pool staff. Alternative 1 would seek to improve staff deployment at the pools to ensure that we are appropriately staffed at all hours and in order to provide a longer swim season without adding additional hours of staffing at the pool.

Quality of Service and Customer Satisfaction

Team Sheeper and the City both place high value on pool safety and have similar maintenance and cleanliness standards.

The most notable difference in programming between Team Sheeper’s model and the City’s is in the swim lesson model. Palo Alto offers summer-only group swim lessons that are held four days in a row for two weeks at a time. Team Sheeper offers year-round group lessons that meet once weekly and can last as long as necessary for a child to advance. Both programs offer a ratio of 4 students to 1 instructor and utilize high quality instruction methods.

Team Sheeper’s swim lesson programming is different than the City’s traditional Red Cross program. The City’s learn-to-swim program has emphasized water safety and building comfort in the water. Team Sheeper’s program emphasizes water safety and comfort in the water but in addition focuses heavily on building fundamentally sound swim techniques in all four swim strokes.

Alternative One continues to use Team Sheeper to provide swimming lessons as we have for the past two summer seasons. Customer satisfaction has been generally positive for both summers using Team Sheeper to provide lessons. However, a sizable minority of residents have expressed a preference for Palo Alto’s previous model with a desire that the same lifeguards who provide lessons be the lifeguards used to staff the pool. This was the practice in the past and helped to build a sense of community.

Diversity of Programming and Accessibility

Under Alternative One, the diversity of programming would not change but accessibility would increase for recreational and lap swimming due to increased hours and a longer swim season. Swimming lesson accessibility could be enhanced by allowing Team Sheeper to offer more of their lessons on weekends and in the evenings. Because lessons are priced below Team Sheeper’s prices, the number of lessons could not increase without increasing City costs, so there would likely be more demand than available slots.

Alternative 2 (Fully Contracted Management)

Alternative Two assumes that CSD enters into an agreement with Team Sheeper to take over full operation of the City’s aquatics programming including the learn-to-swim program, management of PASA and Rinconada Masters, as well as lap swim and recreational swim. Team Sheeper’s proposal offers to expand programming by offering more swimming lessons year round, more weekly lap swim and recreation swim hours, a longer season of recreation swim, summer swim camp, and swim pro services.

Customer Pricing

Alternative Two has the highest customer costs of the four aquatics management Alternatives available. Increases in customer pricing would have the greatest impact on approximately 1,000 youth swim lesson participants and 1,800 10-Pack Lap and Recreation swim users.

Lessons

Team Sheeper would use the same pricing model for swimming lessons that it uses at Burgess Pool in Menlo Park. Their youth swimming lesson pricing is significantly higher than Palo Alto’s current pricing. Team Sheeper also maintains a different model for lessons going beyond the water safety focus that Palo Alto’s lessons have traditionally had and focusing in on swimming technique. Team Sheeper also offers more flexibility in their swim lesson program with the ability to schedule “make-up” lessons, and easily switch lesson levels and scheduling. Proposed swimming lesson pricing is detailed in the chart below:

Swim Lesson Prices

	Palo Alto		Sheeper	Resident Percentage Increase
	Resident	Non-Resident		
Group Youth Lessons	\$11	\$12	\$22	100%
Semi Private Youth Lessons	N/A	N/A	\$37	N/A
Private Youth Lessons	\$24	\$26	\$67	165%
Group Adult Lessons	N/A	N/A	\$30	N/A
Private Adult Lessons	\$64 (60 min)	\$75 (60 min)	\$37 (30 min)	16%

Lap and Recreational Swim

Team Sheeper would use the same pricing model for lap and recreational swimming as it does at the Burgess Pool. Their proposal includes two tiers of walk-up prices, by differentiating between residents and non-residents. Adult residents who pay upon entry would see no change in the price they pay and youth over three years old would see a slight decrease in their rates. Senior rates would increase slightly as would infant rates. The table below outlines these changes.

Alternative Two Lap and Recreation Swim Pricing					
Residents		Adult	Senior	Youth	Infant
	Daily Rate	\$6.00	\$4.50	\$4.50	\$4.50
	Monthly Pass	\$48.00	\$36.00	\$36.00	\$36.00
Non-Residents		Adult	Senior	Youth	Infant
	Daily Rate	\$7.00	\$5.25	\$5.25	\$5.25
	Monthly Pass	\$54.00	\$40.50	\$40.50	\$40.50

Roughly 40 percent of daily entrants to the pool currently are paid through the 10-Pack program which is a lower cost alternative to paying the daily entrance fee. For the current 10-Pack users, prices under the Team Sheeper contract would rise. The chart below indicates the percentage increase in pricing from the current 10-pack prices to the daily entrance fees for Team Sheeper.

Alternative Two Rate Increase for 10-Pack users

Residents	Adult	50%
	Senior	80%
	Youth	29%
	Infant	50%
Non-Residents	Adult	56%
	Senior	75%
	Youth	31%
	Infant	75%

In 2015, approximately 1,330 residents used a 10-pack at some point in 2015 an average of 13 times per year and another 443 non-residents used the 10-pack in 2015 an average of 12 times per year. Approximately 30 percent of 10-pack users are seniors, 60 percent are adults, and 10 percent are youth.

City Costs

Alternative Two offers the lowest City cost to operate the aquatics facilities. Staff expects that Alternative Two would cost the City approximately \$356,000 to operate the Aquatics Program in its first year of operations with the majority of the costs (\$300,000) being attributable to facilities and maintenance. Alternative Two has an impact of about \$70,000 less to the General Fund than Alternative One.

Alternative Two also impacts City staffing. Currently the City has one permanent position and 12 SEIU hourly positions in the Aquatics Program. (Only 5 of 12 hourly positions are currently filled for a total of 2.06 FTE. The remaining 7 unfilled positions total 1.73 FTE.) Staff would need to work with the SEIU and the employees through the Meet and Confer process defined in the City’s Memorandum of Understanding with SEIU to determine how each employee will be impacted.

Quality of Service and Customer Satisfaction

As discussed in Alternative One, Team Sheeper and the City both place high value on pool safety and have similar maintenance and cleanliness standards.

The most notable difference in programming between Team Sheeper’s model and the City’s is in the swim lesson model. Palo Alto offers summer-only group swim lessons that are held four days in a row for two weeks at a time. Team Sheeper offers year-round group lessons that

meet once weekly and can last as long as necessary for a child to advance. Both programs offer a ratio of 4 students to 1 instructor and utilize high quality instruction methods.

Team Sheeper's swim lesson programming is different than the City's traditional Red Cross program. The City's learn-to-swim program has emphasized water safety and building comfort in the water. Team Sheeper's program emphasizes water safety and comfort in the water but in addition focuses heavily on building fundamentally sound swim techniques in all four competitive swim strokes.

Customer satisfaction has been generally positive for both summers using Team Sheeper to provide lessons. However, a sizable minority of lesson users this year had concerns that Team Sheeper's swimming lesson program is not as fun as Rinconada's traditional lessons had been in previous years.

Team Sheeper has provided the information below to elaborate on how their swim program goes beyond a traditional swim safety program:

- Single Goal Approach- Swimmers focus on one skill or stroke at a time, they master the stroke being taught, while building on previous skills with each new level.
- Each lesson is extremely focused on the individual student and their swim ability. We teach to the student while in a group setting.
- Teachers will give students hands on and verbal instruction, they will modify the instruction given with each interaction, giving swimmers the feedback they need and tailoring the lesson to the student in each class.
- Each time a student comes to a swim lesson they have the opportunity to advance. After demonstrating the skill they are working on successfully in three separate lessons, swimmers receive a ribbon and are able to move on to the next skill while staying in the same class.
- Instructors provide support to the progress of the swimmers in collaboration with Deck Coordinators. Deck Coordinators are called over during a lesson to watch the student swim; they then provide feedback to the swimmer, give direction as needed and serve as a way to ensure the student is receiving the opportunity to advance.
- Team Sheeper's program is year round and not session based. Swimmers can continue progress without interruption. Session based programs can stop a swimmer's momentum. The year round approach allows students the opportunity to join a class at any time, without feeling that they are behind.

- Year round classes allow Team Sheeper to hire full-time instructors with more experience than seasonal employees typically have. Team Sheeper’s staff includes many instructors with extensive backgrounds in aquatics, advanced degree in athletics, and some were competitive swimmers in the past.
- They provide ongoing training and continued investment in all swim instructors, training courses include: swim clinics, new teaching methods, innovation to curriculum, teacher to student relationship building, and team building.

Diversity of Programming and Accessibility

Team Sheeper’s proposal offers more hours of lap and recreation swimming as well as other programs that Palo Alto currently does not provide including summer and holiday swim camps, aqua-fitness classes and swim pro services.

		Weekly Open Hours	
		Status Quo	Team Sheeper
Summer	Lap Swim	39	79
	Lap Pool Recreation	27	30
	Wading Pool	55	86
	Lap Swim	42	52
	Lap Pool Recreation	0	4
Non-Summer	Wading Pool	0	46

The biggest potential Accessibility drawback from using Team Sheeper would be that some customers may feel they cannot afford the newly increased prices under a Team Sheeper. Team Sheeper offers a financial aid program for swim lessons, water polo team membership and lifeguard certification classes at its Belle Haven pool which they would explore bringing to Rinconada.

Alternative 3 (Full-Service In-House Management)

CSD expands and updates the in-house Aquatics Program in order to provide a similar level and quality of service as the Team Sheeper proposal. This would entail using more lifeguarding hours than in previous years, dedicating a Community Services Manager position to aquatics (the aquatics program currently uses 25 percent of a Community Services Manager,) increasing lifeguarding hourly rates, and expanding the use of SEIU hourly lifeguards.

Customer Pricing

Lessons

Alternative 3 prices are identical to Alternative 1 pricing. Under Alternative 3, youth group swim lesson pricing would increase to the area average of about \$13 per lesson. If Council chooses Alternative Three staff recommends increasing private swim lesson pricing to the benchmark average of \$40 per lesson. Staff also recommends increasing non-resident lesson rates to cover 100 percent of the cost per class. Currently, non-residents pay 10-12 percent more for swim lessons than residents and account for 20 percent of users.

Proposed Swim Lesson Prices

	Palo Alto	
	Resident	Non-Resident
Group Youth Lessons	\$13	\$20
Semi Private Youth Lessons	N/A	N/A
Private Youth Lessons	\$40	\$63
Group Adult Lessons	N/A	N/A
Private Adult Lessons	\$64 (60 min)	\$75 (60 min)
Summer Camps	N/A	N/A

Lap and Recreational Swim

Pricing for lap and recreational swimming would be unchanged from Alternative One and Alternative Four (the Status Quo) and thus, would remain unchanged from current pricing.

Lap and Recreation Swimming Prices

Alternative One Lap and Recreation Swim Pricing					
		Palo Alto			
		Adult	Senior	Youth	Infant
Residents	Daily Rate	\$6.00	\$4.00	\$5.00	\$3.00
	10 Pack Per Use	\$4.00	\$2.50	\$3.50	N/A
Non-Residents	Daily Rate	\$6.00	\$4.00	\$5.00	\$3.00
	10 Pack Per Use	\$4.50	\$3.00	\$4.00	N/A

City Costs

Alternative 3 has an expected net General Fund cost of approximately \$468,000 per year; roughly \$300,000 of that cost is borne as facilities maintenance and overhead. In order to successfully operate a fully in-house aquatics program, staff recommends adding staffing and adjusting salary ranges. Specifically, Alternative Three requires an additional 0.75 FTE Community Services Manager and recommends increasing lifeguarding salaries by approximately 25 percent in order to attract and retain pool staff. Alternative Three would seek to improve staff deployment at the pools to ensure that we are appropriately staffed at all hours and in order to provide a longer swim season while minimizing additional hours of staffing at the pool, however, under Alternative Three, we expect that we may need to switch some unbenefited lifeguard positions to SEIU hourly lifeguards.

Quality of Service and Customer Satisfaction

The City places high value on pool safety and has high maintenance and cleanliness standards. Additionally, the in-house swimming lessons have historically received high customer service ratings and we would expect this to continue if Alternative Three were selected.

Diversity of Programming and Accessibility

Under Alternative Three, the diversity of programming would not change but accessibility would increase for recreational and lap swimming due to increased hours and a longer swim season.

Alternative 4 (Status Quo)

The City chooses not to implement staff recommendations. CSD would continue managing the pool in the same way as it has for the past two years. This means that Rinconada continues to operate with similar hours and scheduling as in previous years and the City contracts out the learn-to-swim program as well as management of Rinconada Masters and PASA, each to separate providers.

Customer Pricing

Lessons

Lessons are currently priced as follows.

Status Quo Swim Lesson Prices

	Palo Alto	
	Resident	Non-Resident
Group Youth Lessons	\$11	\$12
Semi Private Youth Lessons	N/A	N/A
Private Youth Lessons	\$24	\$26
Group Adult Lessons	N/A	N/A
Private Adult Lessons	\$64 (60 min)	\$75 (60 min)
Summer Camps	N/A	N/A
Masters Swim	\$75-80/month	\$75-80/month

Lap and Recreational Swim

Pricing for lap and recreational swimming would be unchanged from Alternatives One, Three and Four (the Status Quo) and thus, would remain unchanged from current pricing.

Lap and Recreation Swimming Prices

Alternative One Lap and Recreation Swim Pricing					
		Palo Alto			
		Adult	Senior	Youth	Infant
Residents	Daily Rate	\$6.00	\$4.00	\$5.00	\$3.00
	10 Pack Per Use	\$4.00	\$2.50	\$3.50	N/A
Non-Residents	Daily Rate	\$6.00	\$4.00	\$5.00	\$3.00
	10 Pack Per Use	\$4.50	\$3.00	\$4.00	N/A

City Costs

Alternative Four has the greatest expected net General Fund cost of approximately \$640,000 per year; roughly \$275,000 of that cost is borne as facilities maintenance and overhead. The main drivers behind Alternative Four's high costs are: lower revenues from recreation and lap

swimming due to limited hours and higher staffing costs due to using outdated staffing needs models and projections.

Quality of Service and Customer Satisfaction

The City places high value on pool safety and has high maintenance and cleanliness standards. Additionally, the in-house swimming lessons have historically received high customer service ratings and we would expect this to continue if Alternative Four were selected. However, choosing the Status Quo will not alleviate the increasing demands from the community to provide more pool accessibility in the form of an expanding recreational swim season and longer pool hours.

Diversity of Programming and Accessibility

With the status quo, the diversity of programming and pool accessibility would remain unchanged and would not address the desires of the community to increase pool access.

Impact on PASA and Rinconada Masters

Council has a choice regarding how to proceed with PASA and Rinconada Masters. If the City elects to contract the aquatics program to Team Sheeper, Team Sheeper has proposed absorbing the Rinconada Master's program and would subcontract with PASA to operate their program.

No matter which Alternative is chosen, CSD is committed to offering high quality master and youth swim programs at Rinconada.

Timeline

- September 2016 – PSO meets with SEIU to notify them of the possible impact on 1 SEIU permanent position and 12 SEIU hourly positions in the Aquatics Program. (Only 5 of 12 are currently filled for a total of 2.06 FTE. The remaining 7 unfilled positions total 1.73 FTE.)
- November 2016 – City Council presentation and discussion of the Aquatics Program Alternatives.
- December 2016 – Pending City Council and CMO direction, contract with Team Sheeper finalized or Aquatics Programming changes begin.
- January 2017 – Pool operations begin for 2017.

Resource Impact

The City's cost recovery expectations for FY 2018 under the various Alternatives outlined in this memorandum are detailed in the chart below.

Forecasted Fiscal Impact FY 2018	Alternative 1 Hybrid	Alternative 2 Contracted	Alternative 3 In House	Alternative 4 Status Quo
Revenue	602,747	4,194	602,847	437,083
Operating Expenditures	466,179	60,386	704,425	564,469
Contract Fees	265,000	0	0	265,000
Maintenance and Overhead	299,819	299,819	299,819	274,819
Net General Fund Impact	(428,250)	(356,011)	(466,796)	(622,991)

The intent of the recommendations in this memorandum are to provide an enhanced level of service at or below current cost. Both Alternatives 1 and 2 meet this goal.

Policy Implications

This proposal is aligned with Comprehensive Plan goal G1: Effective and Efficient Delivery of Community Services.

Environmental Review

The recommendation in this report does not constitute a project requiring review under the California Environmental Quality Act (CEQA).

Attachments

Attachment A – Youth Swim Lesson Program Pricing Comparison

Attachment A

Youth Swim Lesson Program Pricing Comparison

Swim school lesson pricing (per 30 minutes)	Resident/Member		
Public	Group	Private	
City of Mountain View	\$	7.00	\$ 25.00
City of San Jose (Camden Pool)	\$	8.33	N/A
City of Cupertino	\$	8.40	\$ 42.00
City of Milpitas	\$	8.63	\$ 38.00
City of Morgan Hill	\$	9.25	\$ 29.00
City of Santa Clara	\$	10.25	N/A
City of Sunnyvale Pools	\$	10.88	\$ 49.50
City of Palo Alto	\$	11.00	\$ 24.00
City of Fremont	\$	11.13	\$ 33.75
Los Gatos/Saratoga Recreation	\$	12.00	\$ 37.66
Menlo Park Belle Haven	\$	15.00	\$ 67.00
City of Redwood City	\$	15.00	N/A
City of Campbell	\$	17.50	N/A
Menlo Park Burgess	\$	22.00	\$ 67.00
Rancho Rinconada (Cupertino)	N/A		\$ 33.00
Private			
Laurelwood Cabana Club (Santa Clara)	\$	10.63	\$ 30.00
Palo Alto YMCA - Ross	\$	13.00	\$ 52.17
Palo Alto JCC	\$	16.00	\$ 55.00
Flying Fish (Milpitas)	\$	18.00	\$ 54.00
Star (Saratoga)	\$	19.50	\$ 78.00
Sutton Swim (Campbell)	\$	22.00	N/A
AVAC (Almaden Valley)	\$	22.50	N/A
DACA (Cupertino)	\$	22.50	\$ 90.00
Peninsula Swim School (Redwood City)	\$	23.12	\$ 46.00
Kings Academy (Redwood City)	\$	23.25	\$ 64.00
La Petite Baleen (Redwood City)	\$	23.50	\$ 64.00
Waterworks (San Jose)	\$	27.25	\$ 80.25