

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 13, 2010

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: BUDGET MEMO⁵⁸ : CITY POOLS/AQUATIC FACILITIES

This memo is in response to Councilman Krupicka's request for information on public swimming pools operated by the Department of Recreation, Parks and Cultural Activities. Specifically, the Councilman's questions cover pool facility usage (attendance numbers), operating costs, revenue generation, the planned movement towards spray parks rather than neighborhood mini-pools, and the current plan for Warwick Pool.

Outdoor pools operate seasonally from Memorial Day weekend through Labor Day, for a total of 77 days per season. Alexandria has six outdoor pools, they are: Memorial (formerly Charles Houston), Warwick, Old Town, John Ewald, Nannie J. Lee and Colosanto. Two of the pools, Nannie J. Lee and Colosanto, have been closed since the FY 2009-2010 summer due to very low usage and operating budget reductions.

The four open pools are budgeted for \$35,213 in revenue and operating expenditures of \$331,174. Additionally, the CIP contains \$52,000 each year for capital maintenance at the City's outdoor pool facilities, bringing the total annual expenditures to around \$383,000.

This annual capital maintenance amount does not include significant major capital refurbishment or replacement of the City's outdated pools. Total attendance in 2009 was 13,766 for a per visit subsidy of \$25.28. This is the additional increase in a single visit fee necessary to break even. Charging for major capital costs such as renovations or reconstructions would be in addition to this amount. Current admission fees are \$1 for children, \$2 for adults and \$1 for seniors.

The seasonal cost to operate the Warwick Pool in 2009 was \$92,700, which is a portion of the operating costs discussed in the previous paragraph. The pool operates seasonally Monday – Friday from 12:00 p.m. to 7:00 p.m. and Saturday/Sundays from 11:00 am to 6:00 pm., for a total of 77 days per season generating up to \$15,000 in admission and rental revenues. The average daily cost to operate this aquatic facility is \$1,203. The average attendance at Warwick Pool in 2009 was 122 residents per day. Based on these estimates, a fee of \$10 per person would be required to offset the costs to operate the pool. The Recreation Department does not believe such a fee is a viable option. The Warwick pool has operated with low admission fees of \$1 for children aged 4 -17, \$2 Adults age 18 – 59 and \$1 for Seniors age 60 and older. The admission fees are slated to remain the same in FY 2010.

In addition to the regular operating and capital costs needed each year to operate the outdoor pools, a major renovation/reconstruction is currently needed at Warwick Pool. In the past five years, more than \$300,000 has been spent at Warwick Pool to provide emergency, “band aid” patches in order to allow the pool to hold water. Each year the pool’s condition declines a little more and the City is now at the point where these types of small repairs cannot be guaranteed to prevent a total failure of the pool. The Warwick Pool capital account currently has a remaining balance of just over \$300,000, which will be used to keep the facility open and operational as long as possible. The uncertain nature of the pool’s condition means that this may be enough for a few more years of operation or it may only last a single year.

The reality is that Warwick Pool is more than 50 years old and needs to be completely rebuilt. The cost of rebuilding this facility could range from \$3.3 million to more than \$6 million, depending on the project scope and program plan. More specifically, the project price tag would depend on whether the project would involve a traditional pool, a spray park, or both. Using a fee for service model to generate this level of funding is simply not realistic as it would necessitate fees of \$30 to \$60 per person per use to fund the debt service on top of the \$10 fee needed for regular operational cost recovery. The funding for a project of this scale was not included in the FY 2011 – FY 2020 Proposed CIP due to the overall funding constraints and the lack of an aquatics master plan for the City. It was not considered prudent to plan for this level of expenditure without knowing how Warwick Pool and the other outdoor pool facilities fit into a longer range plan for providing aquatic opportunities to the community. In future year CIP’s, funding for this project would be reconsidered if called for in an aquatics master plan.

The City is currently considering the undertaking of an aquatics facility master plan during FY 2011. A component of this planning process would involve determining the level of resident support for outdoor pools, indoor pools, or spray parks. Although there is currently no data specific to Alexandria, aquatic trends from Northern Virginia and around the country support shallow water play oriented facilities or spray parks. These types of facilities have higher attendance and recover a greater percentage of operating costs. For future CIP thinking purposes RPCA staff suggests the community would need two indoor facilities (Chinquapin and Old Town) with the other outdoor pools converted to spraygrounds. A facility master planning effort is needed to determine relevant construction and operating costs as well as public support.

An additional concept being considered by the City for the operation of outdoor pools involves entering into an agreement with an outside entity to take over operations. Some of the City’s outdoor pools (i.e. Old Town and Warwick) are better suited to this type of arrangement than others. The City would be open to this type of agreement with the assumption that overall costs to the taxpayers would be reduced and that a scholarship program for low income youth wishing to use the facilities would still be made available.

The major problem with such a concept for the Warwick Pool is that major capital investments still need to be made as described above. Given the better condition of the Old Town pool, this concept may work better for that facility. If the Old Town pool is rebuilt as part of a public private partnership to redevelop the entire Jefferson Houston School as well, such a concept may make even more sense for that pool. If the City were to seek proposals through a Request for Proposal (RFP) process, it could be expected to take approximately 60-120 days. The lack of certainty pertaining to the long-term capital construction work at the City’s outdoor pools (particularly

Warwick Pool) will likely be a deterrent to many groups who might be interested in this type of arrangement. To date, the City has not actively solicited proposals from any outside organizations to fund or operate any public pools.