

CITY OF SEBASTOPOL CITY COUNCIL

AGENDA ITEM REPORT FOR MEETING OF: May 21, 2024

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To: Honorable Mayor and City Councilmembers
From: Dante Del Prete, Public Works Superintendent
Subject: Ives Pool Heater Replacement

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RECOMMENDATIONS:

Staff recommends that the City Council request that the Western Sonoma County Swimmers contribute \$70,000 toward replacement of the Ives Pool Heater due to the maintenance history, poor operating condition, and an extended lead-time of approximately 3 to 4 months for a replacement heating unit in the case of an unreparable failure. Staff also recommends that the City Council approve up to \$15,720 in City funds to cover the remaining costs.

EXECUTIVE SUMMARY:

Ives Pool has been an asset to the Sebastopol community since 1941. and is a vital community recreation resource used by many Sebastopol and West County residents. The Learn to Swim program teaches 2nd Grade Swim lessons to over 400 children per spring season and as many as 2000 lessons for kids annually. The swim team has over 125 participants and the Pool itself can average as many as 1000 swimmers per day during the summer months.

The Ives Pool heating system historically has been maintenance intensive due to the continuous year-round operation of the facility. The current heater is in poor condition and in danger of unreparable failure. Staff recommends replacement of the current heating unit as soon as possible. We recommend asking the Ives Pool Board to allocate \$70,000 of their fund balance to the costs of the heater, with the City covering the remaining cost.

BACKGROUND AND DISCUSSION:

The Public Works Department is responsible for the operation and maintenance of the city infrastructure including the Ives Pool mechanical systems. The existing Pool heater was installed in February of 2019 with a new heat exchanger replaced in March of 2022. The replacement quote received is for a direct replacement of the existing heater. This will allow for the most economical replacement as the plumbing and electrical modifications will be minimal. We believe that the existing heater’s usable lifespan was drastically diminished due to problems with the chlorine system used before being replaced last year. The new chlorine system should remedy the solids buildup in the heating components and extend the life of a new unit. The typical life expectancy span of a well-maintained commercial pool heater is 8–12 years. The proposed new heater will have a warranty of one-year parts and labor with a five-year warranty on the heat exchanger element.

With the replacement unit having a 14-to-16-week lead-time from special order to delivery with the actual replacement taking 2 to 3 working days, city staff is recommending that this unit be ordered as soon as practical to limit the potential downtime of pool operations, especially with the upcoming summer season.

This will limit the potential need for closing the pool for an extended time period. If Ives Pool must remain closed due to the heater failing for an extended period, the Western Sonoma County Swimmers Board (WSCS) will lose their source of income during that time and significantly limit their ability to reimburse the city for utility and chemical costs, thus putting this financial burden for these costs on the City’s General Fund.

Realizing the critical nature of continuous operation of the pool, the Western Sonoma County Swimmers have verbally committed a \$40,000 contribution toward the replacement costs. Our latest understanding of their financials is that they have a fund balance of approximately \$270,000, and historically have had a balance of \$200,000. Their annual operating budget is around \$500,000. They have noted that while the heater is the item with the greatest urgency, there are other parts of the facility that will need repair or replacement within the next few years. Also, the pool itself is 80 years old, and eventually will need to be replaced at a substantial cost.

WSCS have been excellent community partners, demonstrating a strong commitment to the community. In addition to operating the pool more cost effectively than the City likely could, and supporting many important community events and programs, they have made substantial investments in the Pool, stating earlier this year that they have contributed \$500,000 toward the facility over the past twenty years.

STAFF ANALYSIS:

Public Works staff has thoroughly evaluated the maintenance history, current poor operating condition of the existing pool heater and with the recommendation from our pool heater maintenance contractor we believe this unit will likely not last another fiscal year.

COMMUNITY OUTREACH:

This item has been noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to schedule meeting date. The City has been in discussion with Western Sonoma County Swimmers regarding the additional \$30,000 request. They will have a Board members at the City Council meeting. Their Board is scheduled to meet on Wednesday, May 22.

FISCAL IMPACT:

The replacement heater cost is not currently budgeted in the 2023/24 approved budget.

As proposed:

Total replacement cost of **\$77,927** - Account # 100-43-02-5100

Quoted Net Cost:	\$77,927
+Contingency 10%:	\$7,793
Total=	\$85,720
-WCCS Contribution:	(-\$70,000)
-Budget Adjustment:	\$15,720

Not to Exceed Total: **\$ 85,720**

We expect modest savings in energy and maintenance costs with a new heater. The numbers above are based on one quote; if approved by the Council and WSCS we will pursue additional quotes and proceed with the lowest cost option.

Attached is a working draft of the FY 23-24 year-end budget projections. It shows a projected deficit of \$1.3 million, use of \$1.1 in fund balance as a loan to the sewer fund, and unassigned fund balance of \$3.4 million. Staff is preparing the budget for FY 24-25. We anticipate proposing significant budget cuts to achieve a balanced budget.

OPTIONS:

1. Staff recommends requesting that the City ask for a written commitment from WSCS to contribute \$70,000 toward the cost of replacing the heater, with the City committing to cover the remaining estimated \$15,720. Staff has included a resolution with a budget amendment for this amount.

- 2. The City could commit to funding \$45,720 of the estimated expense, conditional on confirming the WSCS commitment of \$40,000. This would require amending the attached resolution.
- 3. The City could cover the full costs of replacing the heater. This would require amending the attached resolution.
- 4. The City could delay a decision on funding any or all replacement expenses until budget hearings later this year.
- 5. The City could wait to replace the heater until it fails, understanding that the lead time for ordering and installation is a minimum of 14-16 weeks. With no heater it would be anticipated that the pool would be shut down for that length of time.

If the purchase proceeds, the recommended action authorizes the City Manager to sign all necessary documents associated with replacement up to \$85,720.

ATTACHMENTS:

- Resolution
- Pool Heater Replacement Quote
- Ives Pool Public Utilization Numbers (Provided by Ives Pool Board)
- Working Draft of FY 23-24 year-end budget projections

APPROVALS:

Department Head Approval: Approval Date: 5-16-24

CEQA Determination (Planning): Approval Date: 5-16-24

The proposed action is not a project under the California Environmental Quality Act (CEQA)

Administrative Services (Financial) Approval Date: 5-16-24

Costs authorized in City Approved Budget: Yes No N/A

Account Code (f applicable) Fund 103

City Attorney Approval: Approval Date: 5-16-24

City Manager Approval: Approval Date: 5-16-24

RESOLUTION NUMBER: 2024-____

CITY OF SEBASTOPOL

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEBASTOPOL AUTHORIZING A BUDGET AMENDMENT FOR THE IVES POOL RELATED EXPENSES FROM THE BUILDING FACILITIES & INFRASTRUCTURES RESERVE FUND

WHEREAS, Ives Pool is a vital community recreation resource used by many Sebastopol and West County residents; and

WHEREAS, the Ives Pool heating system historically has been maintenance intensive due to the continuous year-round operation of the facility; and

WHEREAS, the current heater is in poor condition and in danger of unrepairable failure, and the Public Works Department is responsible for the operation and maintenance of the city infrastructure including the Ives Pool mechanical systems; and

WHERE, the existing Pool heater was installed in February of 2019 with a new heat exchanger replaced in March of 2022; and

WHEREAS, realizing the critical nature of continuous operation of the pool, the Wester Sonoma County Swimmers have verbally committed a \$40,000 contribution toward the replacement costs of the pool heater; and

WHEREAS, the replacement unit has a 14-to-16-week lead-time from special order to delivery with the actual replacement taking 2 to 3 working days; and

WHEREAS, staff recommends replacement of the current heating unit as soon as possible. We recommend asking the Ives Pool Board to allocate \$70,000 of their fund balance to the costs of the heater, with the City covering the remaining cost.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Sebastopol does hereby approve a budget amendment of \$15,720 identified in the account listed in this resolution to provide Ives Pool the budget amount for the repair.

The above and foregoing Resolution was duly passed, approved, and adopted at a meeting by the City Council on the 21st day of May, 2024, by the following vote:

VOTE:

Ayes:

Noes:

Absent:

Abstain:

APPROVED: _____

Mayor Diana Rich

ATTEST: _____
Mary Gourley, Assistant City Manager/City Clerk, MMC

APPROVED AS TO FORM: _____
Larry McLaughlin, City Attorney



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Eric Billing
City of Sebastopol
714 Johnson St.
Sebastopol Ca. 95472

May 14, 2024

Project: 7400 Willow St Boiler Replacement

Re: Quote #24010 REV-1

Dear Eric,

Please find below our price and scope for the above referenced project

SCOPE OF WORK

- Disconnect , safe off , remove and off haul existing boiler
- Provide and install new boiler (Like for Like)
- Reconnect gas supply, 2-1/2" CPVC Supply & Return lines & 8" PVC Exhaust
- Provide crane & rigging for boiler replacement
- Provide Electrical disconnect and reconnect of boilers only
- Provide Factory start-up for new boiler
- **REMOVAL & REPLACEMENT OF BOILER SHED COVER BY OTHERS**
- **14-16 WEEK LEAD TIME FOR BOILER FROM TIME OF ORDER**

Our Price \$77,927

ADD ALT FOR MANUFACTURER OUTDOOR VENT CAP FOR BOILER \$350.00

Exclusions: Off hour work / Painting / Patching / Framing / Permits / Fees / Bond / Engineering / Drawings / Pipe freeze or line stops / Third Party Inspections / Containment / Water treatment / Work outside the scope listed above / House keeping pads /all Seismic calculations /Controls



If you have any questions, please contact us at your convenience.
Thank you.

Wayne Ritz
Project Manager

Prices quoted are firm for no more than 30 days from the date of quotation.

Peterson Mechanical

Wayne Ritz 5-14-24

Signature

Date

Title
(Terms: Payment Net 30 Days)

Payments are to be made in U.S funds. Peterson Mechanical, Inc. accepts approved MasterCard and Visa credit cards which, if used for payment, will include a 3% pass through surcharge on any invoice over \$1000. Partial credit card payments will incur a 3% pass through surcharge fee.

*Unless otherwise specified in writing herewith - all invoices are net due 30 days from date of invoice.
Peterson Mechanical, Inc. reserves the right to charge and collect a 1% per month late fee on all invoices remaining unpaid over 30 days from date of invoice.*

Ives pool numbers

- Average open daily 15 hours.
- 2022 Days open 360 days open.
- Number of patrons visit Ives Pool 80,000.
- 13 programs available.
- Swim lessons given 2000.
- Two local Sumer camps visit us during Summer.
- Home of 2nd grade learn to swim for 39 years. More 12,000 kids become water safety.
- Home of Analy high School Swim Team
- Home of our local youth swim team (SSS).
- Home of our Gentle water class. More than 50 seniors visit us.
- Home of Aqua Aerobics more than 9 classes a week.
- Water polo and Under Water hockey teams.
- Our City owned but bought by WSCS solar panels produced more than 600,000 KWH.



GENERAL FUND FINANCIAL SCHEDULE

Description	2022-23 Actual	2023-24 Adopted Budget	2023-24 Adjusted Budget	2023-24 Estimated Actual	\$ Inc/(Dec) Est vs. Adjusted	% Change Est. vs. Adjusted
OPERATING REVENUE						
Property Tax	3,293,347	3,241,600	3,241,600	3,441,000	199,400	6.2%
Real Property Transfer Tax	49,530	50,000	50,000	40,000	-10,000	-20.0%
Sales Taxes	4,718,318	4,794,560	4,794,560	4,536,000	-258,560	-5.4%
User Taxes	858,334	908,000	908,000	865,900	-42,100	-4.6%
Transient Occupancy Tax	544,128	500,000	500,000	506,000	6,000	1.2%
Franchise Fees	468,871	410,000	410,000	490,000	80,000	19.5%
Licenses & Permits	709,578	439,500	439,500	482,500	43,000	9.8%
Fines & Special Assessments	51,623	47,500	47,500	63,200	15,700	33.1%
Intergovernmental Revenues	2,068,971	16,700	16,700	433,710	417,010	2497.1%
Interest & Rents	31,471	96,000	96,000	123,450	27,450	28.6%
Charges for Services	182,938	124,100	124,100	122,530	-1,570	-1.3%
Miscellaneous Revenue	788,352	130,500	130,500	120,010	-10,490	-8.0%
Cost Allocation Plan	2,189,693	2,476,141	2,476,141	2,476,141	-0	0.0%
Direct Cost	770,033	869,898	869,898	756,959	-112,939	-13.0%
Transfers In	102,500	102,000	102,000	112,000	10,000	9.8%
TOTAL REVENUES	16,827,686	14,206,499	14,206,499	14,569,400	362,901	2.6%
OPERATING EXPENDITURE						
10 - City Council	503,256	212,311	212,311	202,615	(9,696)	-4.6%
11 - City Manager	340,598	472,139	672,139	471,412	(200,727)	-29.9%
12 - City Attorney	461,932	645,240	645,240	759,135	113,895	17.7%
13 - City Clerk	424,717	426,745	426,745	403,857	(22,888)	-5.4%
14 - Finance	1,218,805	1,401,180	1,401,180	1,328,543	(72,637)	-5.2%
21 - Planning	596,114	643,456	643,456	542,434	(101,022)	-15.7%
22 - Building	248,051	249,279	249,279	237,689	(11,590)	-4.6%
23 - Engineering	515,766	584,197	584,197	586,898	2,701	0.5%
31 - Fire & Prevention	1,302,704	1,553,903	1,553,903	1,287,858	(266,045)	-17.1%
32 - Police	5,519,998	6,027,039	6,027,039	5,746,235	(280,805)	-4.7%
40 - Senior Center	64,732	69,572	69,572	74,722	5,150	7.4%
41 - Public Works	1,925,630	2,194,385	2,194,385	2,046,807	(147,578)	-6.7%
42 - Community Center	442,528	322,830	322,830	318,465	(4,365)	-1.4%
43 - Ives Pool	146,925	275,355	275,355	281,655	6,300	2.3%
00 - Non Departmental	280,357	289,000	289,000	239,454	(49,546)	-17.1%
Debt Service Payments	254,140	265,903	265,903	208,043	(57,860)	-21.8%
Enterprise Fund Loan (Sewer)	-	-	-	1,100,000	1,100,000	0.0%
Transfers Out	167,572	251,500	251,500	251,500	-	0.0%
Transfers Out - Library Project - Phase 1	60,591	-	-	294,902	294,902	0.0%
Transfers Out - Library Project - Phase 2	-	-	-	351,633	351,633	0.0%
Transfers Out - Police Donation	-	-	-	260,211	260,211	0.0%
TOTAL EXPENDITURES	14,474,418	15,884,034	16,084,034	16,994,067	910,033	5.7%
Net General Fund Surplus/(Deficit)	2,353,268	(1,677,535)	(1,877,535)	(2,424,667)		
Beginning Unassigned Fund Balance	3,450,550	5,808,703	5,808,703	5,808,703		
Estimated Ending Unassigned Fund Balance	5,808,703	4,131,168	3,931,168	3,384,035		
RESERVE						
Policy Reserve Level (Minimum-15%)	2,171,163	2,382,605	2,412,605	2,549,110		
Actual Reserve Level	40.1%	26.0%	24.4%	19.9%		