



City Council Study Session Agenda Item Cover

MEETING DATE: May 8, 2017

AGENDA ITEM TITLE: Heman Park Pool – Pool Operations/Lifeguards (Discussion, recommendation)

BACKGROUND REVIEW:

On March 27, 2017, City Council approved the Lifeguards Unlimited bid to manage Heman Park Pool for a not-to-exceed amount of \$214,220. A letter of acceptance was subsequently signed by both parties. It was brought to the City’s attention that the hourly pay rate offered to the lifeguards was different than that presented in the bid document and accepted by City Council. Secondly, that lifeguards were being asked to pay for training.

Community Development Department staff met with Lifeguards Unlimited Friday, April 28 to seek clarification. It was determined that portions of the bid submitted were interpreted differently by Lifeguards Unlimited and Community Development Department staff. Below is the section in question:

CITY OF UNIVERSITY CITY
BID PROPOSAL FORM --- PART II
“SALARY BUDGET”

The undersigned, having examined and being familiar with the conditions affecting the service desired to be performed as outlined in the specifications and other contract documents relating to University City Pools hereby proposes and agrees to perform everything required and to provide and furnish any and all labor, including: manager, assistant managers, lifeguards, shallow water guard certification for: top of slide, bottom of slide, and children’s pool; to operate the Pools in a safe and efficient manner in strict accordance with aforementioned contract document for the sum hereafter specified.

MAXIMUM BASE SALARY

Table with 4 columns: Position, 2017, 2018, 2019. Row: Maximum Base Salary for Season. All values are \$ See Addendum A.

SALARIES FOR RECREATION PROGRAMS/SPECIAL EVENTS

Contractor shall provide cost to furnish staff (guards and managers) for other activities, i.e. aquatic programs, swim lessons, rentals, special events when the facility would otherwise be closed to the general public.

Table with 2 columns: Position, Rate. Rows: Manager (\$ 15.50 per hour), Assistant Manager (\$ 13.00 per hour), Lifeguard (\$ 10.65 per hour), Shallow Water Guard (\$ 10.65 per hour).

Note: the rates above are for recreation programs/special events AND regular operations.

Staff learned that the number above is actually a “billing rate” rather than an hourly rate. The billing rates include: Worker’s Compensation, FICA, Professional Liability Insurance, payroll processing expenses, overhead and profit. It is industry standard to provide a billing rate on bid documents, and all other responses included one billing rate.

Staff asked Lifeguards Unlimited to analyze various scenarios to determine if the publicly stated hourly rates could be honored within the \$214,220 not to exceed bid amount. It cannot. Lifeguards Unlimited estimates that an additional \$30,000-\$40,000 would be needed to accommodate those rates.

At this time, we are seeking City Council direction and propose three options for consideration:

1. Provide an additional \$30,000-\$40,000 to Lifeguards Unlimited so that the rates presented to the public as hourly rates are honored. Aquatics operations has always spanned two fiscal years. There is approximately \$44,000 in Salaries, part-time and Temp funds remaining in the FY17 Aquatics budget. The proposed FY18 aquatics budget included contractual funds to cover the entire \$212,220 for Lifeguards Unlimited. There is adequate funding between the two fiscal years for this option.

The pay rate and the billing rate would be:

	Pay Rates	Billing Rates
Manager	\$15.50	\$18.29
Assistant Manager	\$13.00	\$15.34
Lifeguard	\$10.65	\$12.57

2. Proceed with the Lifeguards Unlimited bid as executed with the hourly rate of:

	Pay Rates	Billing Rates
Manager	\$11.00-\$15.00	\$15.50
Assistant Manager	\$10.00-\$14.00	\$13.00
Lifeguard	\$8.50-\$10.50	\$10.65

3. Terminate the bid acceptance (must provide thirty day notice) and proceed with pool operations management in-house. Our hourly rates are established by pay ordinance and are:
 - Lifeguard - \$7.76/hr - \$8.53/hr
 - Assistant Pool Managers - \$8.33/hr - \$8.84/hr
 - Pool Manager - \$9.55/hr - \$11.09/hr

Separately, the bid did not indicate that Lifeguards Unlimited would cover the training costs. There is actually a \$180 fee for new certifications, \$90 for re-certification and \$29 refundable fee for a half day skills review. The City used to cover the cost of certifications for in-house lifeguards as well as conduct the certification testing in-house. To honor what was publicly stated about lifeguards not paying for certifications, it would cost the City approximately \$5,000. This too can be covered with FY17 funds, if City Council desires.

If the City were to manage the pool operations in-house, a certified instructor would need to be hired on a contractual basis and training scheduled. The approximate cost for in-house certifications is also \$5,000.

REQUESTED CITY COUNCIL ACTION:

The pool will open on May 27. Recruitment and training of lifeguards, regardless of whether the pool management is outsourced or performed in-house, needs to occur as soon as possible to ensure Heman Park Pool opens fully staffed. We are seeking a decision on the options outlined above.