

MINUTES OF THE CHESHIRE TOWN COUNCIL JOINT SPECIAL MEETING AND BUDGET COMMITTEE MEETING HELD ON WEDNESDAY, AUGUST 15, 2013, AT 7:00 P.M. IN COUNCIL CHAMBERS, TOWN HALL, 84 SOUTH MAIN STREET, CHESHIRE CT 06410

Present

Tim Slocum, Council Chairman; David Schrumm, Vice Chairman and Budget Committee Chairman; Michael Ecke, Patti Flynn-Harris, Andrew Falvey, Sylvia Nichols, James Sima, Peter Talbot

Staff: Michael A. Milone, Town Manager; James Jaskot, Finance Director; Sheila Adams, Pool Coordinator.

Guests: John Purtill and Kevin Wetmore, Chairmen of the Cheshire Community Pool Evaluation Committee (CCP), and Committee Members Ms. Stevens, Mr. Gavin and Mr. Urquhart; John McIlhargy, Consultant, Mythic Sports.

1. ROLL CALL

The clerk called the roll and a quorum was determined to be present.

2. PLEDGE OF ALLEGIANCE

The group Pledged Allegiance to the Flag.

3. DISCUSSION RE: FY 2013-2014 FIVE YEAR CAPITAL EXPENDITURE PLAN AND ANNUAL CAPITAL EXPENDITURE BUDGET.

CHESHIRE COMMUNITY POOL PERMANENT STRUCTURE

Chairman Slocum thanked Mr. Purtill, Mr. Wetmore, and the members of the CCP for their work and efforts on behalf of the Town as it relates to the community pool. He also expressed appreciation and thanks to Town staff – George Noewatne, PW Director, James Jaskot, Finance Director, Sheila Adams, Pool Coordinator, Pat Sepp and Arnett Talbot from the Town Manager's Office, and Council members Ms. Nichols and Mr. Ecke.

Mr. Purtill introduced the members of the committee present and Mr. McIlhargy the consultant. He informed everyone that the presentation given tonight would be on the Town's web site.

Mr. Purtill announced that the recommendation to the Town Council for the permanent cover of the community pool is the Tension Membrane Structure. CCP has a fast paced plan to make selection of the contractor, to market the proposed structure, and communicate information to the public.

The committee has worked together on the project, learned a great deal from the 2010 dome proposal, and brought in a specialist who has worked on Olympic pools. Eleven (11) options were looked at, and there was a short list of three (3) options considered – Bubble, Tension Membrane, Polycarbonate. Many hours were spent on getting information on what things are needed for the pool, using social network,

communication exchange, and being open with the media. Committee members spent hours of individual time, went on field trips, conferred with operators of various pools throughout the country and with vendors. A package of information was sent out to prospective vendors so they would understand what they were getting into with this project. The committee has tried to give the community a pool structure that is comfortable, while looking at construction and operating costs which are a most important factor. Information from the federal government was used to evaluate the tension membrane structure and life cycle costs. There are two aspects which were considered – recreational swimming and competitive swimming; voters want an all season pool; and the proposed structure is an all season pool. The structure has adequate spectator capacity, works in the northeast climate, and has minimum down time.

Key decision factors included continuation of a year round operation with a proven and robust structure. During committee discussions it was noted the people do not like the amount of money to subsidize the pool operation each year. This subsidy will not be eliminated, but will be reduced to a minimum amount with the new structure. There would be increased revenue, reduction in operating costs and maximum energy savings.

CCP Recommendation – is a Tension Membrane Structure. This type of structure was used in the last Olympics, has been used for many applications, and the committee looked at many tension membrane structures over the past months. The construction is a heavy steel frame, 6 to 8 to 10 foot thick girders, insulated to R-35 for energy savings, and on top is a strong membrane of PVC over polyester substrate or PTFE over fiberglass fabric. The facility has a pavilion like interior, raised/removable sides, skylights and vent panels are possible. The pool will not be totally open; some shading is desirable; and people can walk to the outside areas. More surface space will be gained with elimination of the equipment required for the bubble, with the same pool water structure.

Photographs of the interior of the tension membrane structure and the south gable end were displayed in the power point presentation.

Features of the tension membrane structure – this is a permanent structure; has improved snow shedding, opens to the south, walls and gables open, translucent panels, enclosed pool and picnic area, no air locks, insulation to R-35, dehumidification and air flow, and the membrane field is repairable without closing down the pool.

Benefits – no seasonal down time, increase in revenue, improved user loyalty, open, airy feel, open or close at will, faster lifeguard access (without air lock doors), improved traffic flow, energy savings, fabric is guaranteed for 20 to 30 years, and reduced maintenance costs. The south gable end faces the sun.

Cost Estimates: Tension Membrane construction is \$3.2 million; 40 year operational total is \$5.6 million; annual subsidy is \$133,000.

Bubble construction is \$288,000; 40 year operational total is \$12.6 million; annual subsidy is \$371,000.

Polycarbonate construction is \$5.133 million; 40 year operational total is \$6.2 million; annual subsidy is \$118,000.

The facility would be totally ADA compliant. Contract management will be used in lieu of having a general contractor. There will be removal of the existing bubble supports and structure. The pool will have a sprinkler system over the equipment and spectator areas, which is a requirement of all Cheshire buildings. Electrical and lighting materials testing will be done by an independent testing agency. A 10% contingency plus committee adders are included in the cost. Regarding the contingency, the site has some ledge and rock and the committee included an additional \$200,000 for cash flow. \$3.2 million will provide everything needed in order to put this structure in place.

Implementation Plan - The RFP specifications will include steel trusses, galvanized inside and out, zinc or painted coating, annual inspections, a 30 year membrane fabric is preferred, 50 inch slow load, 130 mph wind gusts, 60% interior humidity (bubble had 75% to 80% humidity), 3 to 5 exhaust fans for exhaust at the gable ends, and the structure will be constructed and finished for minimal disruption. The committee has started on the RFP process, knows the cost, and what the structure will look like for the public to buy into it.

It is expected the vendor will assist in the promotion of the project to the public with renderings of the structure, and have contact with the consultant to provide the schematic design. CCP has a promotion committee set up and in motion. After the referendum, if approved, there will be a contract with the selected vendor. Tentative construction time has the work starting in May 2014, and completion in July 2014. There will be some on site digging of footings, running wires, but most of the work takes place at the manufacturer's site. There will be a powdered coating to extend the life of the steel.

Vendors – there will be three (3) vendors known to the consultant who have large market shares in the industry, and quotes from these well known vendors. The time frame for the RFP process will be discussed by the committee. The number must be firmed up and given to the Town Council and the Secretary of State for the referendum by August 27th.

Questions and Comments

Mr. Talbot thanked the CCP for its outstanding effort in a compacted time frame. He asked about the girders not being seen, lights hanging from the girders and membrane on the girders, and the height of the ceiling.

Mr. McIlhargy said the eaves are 53 feet high and edges 15 feet high. The interior layer protects the steel and has an extra layer of fabric.

Regarding the south gable end and large expanse of energy efficient windows, Mr. Talbot asked about maintaining energy costs to maintain the temperature in winter or summer.

Mr. McIlhargy noted that in the summer we want adequate ventilation; natural light will reduce electrical lighting; and translucent panels will promote natural light.

With regard to the construction, Mr. McIlhargy explained that, if the project is approved, permits are secured, footings are put in, fabric is put on the structure; and it will take 8 to 12 weeks. The pool down time is about 7 to 10 days of actual on site construction once everything is in place; there will be work on the great wall; removal of the system holding the bubble dome; and site work for heavy equipment. Most of the work can be done off season. Engineering takes 8 to 10 weeks; then footings are put in; and the longest leg is manufacturing of the product, about 75 days.

The staffing levels and financial plan were questioned by Mr. Talbot, and he referred to page 13 of the pool document, which states additional staffing may be required with increased revenue and pool attendance.

Ms. Adams explained that this was all taken into consideration when the financial plan was compiled.

Mr. Talbot asked about the firm referendum deadline, final construction number on the RFP so there is a definitive on what is being asked for in November.

In response, Mr. Purtill said this is not possible. The vendors must have a walk through of the site; the project is advertised and a package provided; estimates are received; there is selection of the short list, interviews and negotiations must take place.

Chairman Slocum said the Council must have a comfort zone number of \$3.2 million as the number for the project. On August 27th the Council will vote on all of the items in the capital expenditure plan and the resolutions on each item for year one of the plan.

Mr. Schrumm asked for three locations where a tension membrane structure is in place over large facilities.

Mr. Wetmore cited the Mount Hood College in Maryland built in 2003; Court House in Mississippi built in 2004 (which survived Katrina); Spring Lake Fitness Center in Missouri, an area with lots of snow and no problems with the tension membrane structure.

Mr. McIlhargy cited the Beijing and London Olympic sites. Over \$100 million was spent for aquatic centers, which are permanent facilities.

Mr. Ruocco thanked the committee and Town staff for their hard work and time spent on the charge from the Council. He asked if the interior membrane is a rigid structure and the same fabric as the outside of the building.

The fabric is the same and Mr. McIlhargy said it conforms to the structure.

Regarding the pool subsidy and page 15 of the report, Mr. Ruocco asked about the reduction to \$133,000 from \$371,000, after three years of operation, and if this takes into account increased staffing.

Mr. Wetmore said it was taken into consideration, and is associated with a fourth lifeguard station. The total is about \$100,000 in staffing, and he noted that the Town is far from complete utilization of the pool facility.

The issue of marketing the pool was raised by Mr. Ruocco who asked about plans to promote the referendum. He commented on people coming to meetings and supporting a project, and then not going out to vote on the project.

This was discussed at committee level and Mr. Wetmore informed everyone that there is a subcommittee in place to promote understanding of the pool, what is involved etc. There is also a PAC to fund raise, get out advertising, use of social media, promotions throughout the Town, such as the Fall Festival, and many facets to educate the public. As we get closer to the referendum, supporters of the pool project will go door to door to explain and educate people about the pool.

Mr. Ruocco asked about upgrades to the lobby and locker rooms and painting of lockers.

This is separate and apart from the permanent structure work of the CCP, and Mr. Milone said there is a request for \$125,000 in the first year of the CEP to finish the barrel roof over the mechanical room and lifeguard area.

The concept of a seasonal facility was raised by Mr. Ruocco, a summer only pool, the operating budget, swim team transportation to other facilities, the cost of winterizing the pool, and how this compares to the subsidy.

Mr. Wetmore and Mr. Purtill cited the following facts. A summer only/seasonal pool would lose about \$242,000 in revenue (from +\$500,000 of revenue); expenses are reduced to \$252,000; transportation support for swim teams would be about \$79,000 plus pool rental expenses out of the BOE budget; and it would cost about \$250,000 to winterize the pool, excluding security. Winterization includes \$60,000+ for a pool cover. This pool was voted by the people as a year round pool, so the building is an indoor pool. There are 44 drains to be blown out, jack hammering on the concrete, plus protection of the mechanical equipment and pool itself and other work involved. \$130,000 would have to be set aside for winterizing each year. The past two winters the pool and drains were covered with the collapsed bubble, with the water and facility heated.

A summer pool was looked into and discussed with other communities. Many of them are now looking to go with a year round pool, because a summer pool is not cost effective to open for a short period of time.

The Council and public was told by Mr. McIlhargy that with a summer only pool and winterizing there are items such as insuring plumbing does not freeze, blowing out the water lines, lack of heat 24/7, and high maintenance costs for a pool that is not designed to be a summer only pool.

Ms. Adams commented on a \$50,000 annual cost for a summer only pool along with other issues of climate, vandalism, security, etc.

According to Mr. McIlhargy the fabric for the pool cover will be a tension membrane fabric that is durable, hard, weaved to a certain strength with a structural component.

The R-35 insulation was raised by Mr. Sima who asked if this was just for the dome or the whole structure.

Committee member Mr. Gavin stated that no decision has been made on translucency, solar gain and lighting; energy savings should be through co-generation; and no material that accumulates moisture will be used.

The Town has a dehumidification unit to exchange air inside the bubble to reduce humidity and Mr. Sima asked about using this unit, recapture energy, and maintenance through vendors on this issue. He also asked about the air exchanges from the tension membrane.

Mr. Gavin said CCP is leaning towards a mechanical HVAC, which it is hoped will not run during the summer months. Code will require a dehumidification system and this is costed into the proposal. The recommendation is 6 air exchanges per hour and 60% humidity.

Mr. Sima asked about a schematic design done in coordination with the vendor chosen, when engineering is approved for all the work for the foundation, etc. and the schematic design done by an architect/certified professional.

All work will be done by a certified professional, and Mr. McIlhargy advised that the manufacturer provides for a set of drawings for their system. There may be some other work on the site by the engineers.

Mr. Sima stated the Council needs to make sure the number going forward is the right one, that everything meets code requirements, and if the number is expanded would another referendum be needed. He wants to make sure the number is more than sufficient to put the enclosure on a code compliant building.

At this time, Mr. Purtill explained we do not know what existing equipment must be replaced and what can be reused. The estimate of the cost includes purchase of new equipment; electrical and other things come after the manufacturer is chosen. This is why CCP wants to start the RFP process of the structure so soon. Meeting with vendors before the referendum will provide the information needed. The driving factor in the budget is the \$3 million estimate received from manufacturers; this is what they would look to get; and it is not expected the number will go higher. There is a competitive environment and it is possible we will see a reduction in this number. The \$200,000 contingency is included and is specifically related to the fact that there is a preliminary number and no firm commitments for construction.

The Council was told by Mr. McIlhargy that he has met with building officials, reviewed the project and issues; everything is budgeted for a code compliant building; and some of the specs are higher than code. He advised that the smaller pool will be covered.

If approved, Chairman Slocum said this project will be properly managed. He asked about cost savings in not having a general contractor. He wants to make it clear the construction engineer is brought in to make sure the builder has coordinated everything – putting in foundation, talks to dehumidification people, the crane has a place to go and will not crush the pool, etc. He commented on the reorientation of the south gable which softens the look of the facility.

Mr. McIlhargy informed the Council that this is what the structural engineer does.

Two vendors (contractors) have made site visits already and Mr. Wetmore reported that the third vendor will be on site this week. These vendors will know everything that is needed to be done with this project.

The time table was discussed. 75 days off site construction; 8-10 days installation of the structure; about 2 weeks for HVAC and grounds work; and some things are done simultaneously with the installation of the membrane. The structure will be engineered for the mechanical systems; electrical, gas connections, etc. will be done simultaneously. The 53 foot height is about 3 inches higher than the bubble. Mr. McIlhargy expects the structure to be architecturally appealing and unique to Connecticut.

Mr. Wetmore stated that the Town had a great, hard working committee for this project. They tried to remember and learn from the prior proposal, and looked into what is best for the Town and its people...and CCP believes this has been accomplished.

The public hearing on the Five Year Capital Plan will be held on August 20th, 7:30 P.M. in Town Hall, Council Chambers.

PUBLIC COMMENTS AND QUESTIONS

Dan Novak, 16 Heath Court, stated that the tension membrane structure is a great idea

and commended the committee for its work and efforts. He asked about a Plan B if the referendum fails in November.

In response, Chairman Slocum said if the referendum does not pass, the next Council will have to make the hard decision on the pool, and could put it out to another referendum.

Chairman Slocum commented on the five year capital plan with \$50 million worth of projects, and now inclusion of the \$3.2 million for the pool project into the plan. The referendum items will be finalized by the Council on August 27th, and they must go through the bond counsel and legal writing of the resolutions.

Chairman Slocum thanked the CCP for their hard work and efforts on this project, stating they did an excellent job, and it is hoped the Town will end up with a great product.

4. DEBT ANALYSIS – GENERAL FUND (TOWN MANAGER RECOMMENDED) FISCAL YEARS 2014-2018

This information was put together by Finance Director Jaskot, and the only change is in column (5) which is inclusion of the est. bonded debt for the community pool. The cost estimate is \$3.2 million, at 3.25% interest. The first payment is interest of \$95,333 in FY 2016; subsequent years principal and interest adds about \$260,000 to the debt service. The total funded debt is cited in columns 1 through 5 in the analysis. There is \$5.4 million in the debt service reserve account.

Chairman Slocum said that other items in the operating budget for the community pool would be reduced, but this is not factored into the debt service analysis.

The Council was informed by Mr. Milone that the “60 day period” for referendum items is not in the Town Charter, but is by State statute. For column (3), items will be taken out and the number will be adjusted and changed.

Mr. Sima asked about the prior analysis that showed \$590,000 debt decrease, and the subject analysis shows \$490,000. He asked if we are only taking \$100,000 in the first year.

In reply, Mr. Milone said this is the way we borrow; the money is not borrowed immediately; it would be the February 2015 bond sale; the first payment is interest and then interest and principal. The pool money will be borrowed in the 2015 bond issue; it will be in the first year of the CEP; and 3.25% is the interest rate being used. In the analysis, Mr. Milone noted that WPCD has been left the same as in the prior analysis. There would be some changes if the bids are closer to the number used in the projections. Also, the time of construction could push the first payment out one more year.

5. ADJOURNMENT

MOTION by Mr. Schrumm; seconded by Mr. Ruocco.

MOVED to adjourn the meeting at 9:12 p.m.

VOTE The motion passed unanimously by those present.

Attest:

Marilyn W. Milton, Clerk