



STAFF REPORT

AGENDA NO: 11a

MEETING DATE: January 21, 2025

To: Honorable Mayor and City Council

Date: January 21, 2025

From: Margaret Glomstad, Parks and Recreation Director – (650) 558-7307
Nicole Acquisti, Recreation Manager – (650) 558-7337

Subject: Burlingame Aquatics Club Update

RECOMMENDATION

Staff recommends that the City Council review the information below regarding the Burlingame Aquatics Club (BAC).

BACKGROUND

The City has a long history with BAC. In 2011, in addition to offering competitive programs, BAC began providing community youth and adult aquatic program offerings (primarily lessons and lap swimming) on behalf of the City at the Burlingame High School (BHS) pool. On August 18, 2014, the City and BAC updated their Agreement to clarify areas of ambiguity and to incorporate current operating practices that had evolved over the term of the Agreement. The agreement was updated again on August 16, 2022 (Exhibit A), to allow BAC time to rebuild its programming due to pandemic-related closures, extensive renovations to the Aquatic Complex, and increased pool costs and cost-sharing with the San Mateo Union High School District (SMUHSD).

BAC operates out of the Burlingame High School Aquatic Complex. The Complex includes a 50-meter by 25-yard competition pool; a smaller, warm pool for lessons; and a pool house with locker rooms, offices, and pool equipment.

Throughout this time, the City has been supporting the community programming efforts with an annual subsidy approved by the City Council each year as part of the City's yearly budget adoption. The budgeted subsidy has varied over the years but has been between \$90,000 and \$155,000 annually. In addition, the City acts as a pass-through between SMUHSD and BAC. SMUHSD bills the City; the City bills BAC for their portion of operational costs; BAC reimburses the City; and the City pays SMUHSD. The City also bills SMUHSD directly for the cost of water.

DISCUSSION

Over the past year, BAC has made notable enhancements to community programming. First, BAC welcomed new Executive Director Tara Joos in 2023. She was tasked with revitalizing the club, its programming, and staffing. She has over 20 years of community-based programming with families and sports. Her background includes being a Community Liaison Officer for the U.S. State

Department's U.S. Embassy Ottawa, a Youth and Family Director of a YMCA in Connecticut, and a Program Director for the Special Olympics in coastal Georgia. Ms. Joos is a certified lifeguard instructor and is also certified in CPR/AED and first aid.

Shortly after Ms. Joos became the Executive Director of BAC, she hired Troy Hartman as the Program Director. Mr. Hartman is responsible for community programming and is also a certified lifeguard instructor. Ms. Joos and Mr. Hartman have enhanced BAC's community programming, including lap swimming, recreational swimming, Splashball, aqua aerobics, and swim lessons (group and private).

BAC's first line of outward-facing community engagement is through its website. Users and staff described BAC's previous website platform as outdated and not user-friendly, and it often had incorrect information or didn't include all the offerings. The revamped website (www.burlingameaquatics.com) is easier to navigate and provides up-to-date information. The updated website has led to improvements for members as well. Implementing membership cards and 10-pack drop-in passes have allowed for easy entry into the pool. Now, visitors scan their cards rather than dealing with payments each time. The monthly auto-renewal of memberships and the ability to keep credit cards on file have reduced the administrative work required from BAC staff and increased revenue by maintaining membership and closing gaps in revenue tracking. The website also has a communication board, which makes staff communication more effective and efficient.

The website was not the only significant change. BAC has completely transformed the Learn to Swim curriculum as well. Previously, BAC's group lessons were designed with independent levels, without emphasizing safety. The new curriculum starts with water safety and, through clearly defined benchmarks, transitions swimmers from a beginner level to a pre-team and competitive level of competency. With this new curriculum, BAC has programs that can feed each other and maintain participant involvement with BAC at every level. For example, if a swimmer attends tryouts for BAC's competitive water polo or swim team and isn't ready, the new curriculum allows them to enroll in community lessons to improve their abilities, thereby ensuring that Burlingame has a consistently thriving aquatic community with options for all community members.

Finally, the lifeguard training program has also transitioned from the American Red Cross to Lifeguard-Pro, which is nationally and internationally recognized and has been approved by the California Department of Public Health. This program provides a first responder advanced training called Title 22 First Aid, is more cost-efficient for certifications, and has more comprehensive training guides and access to online reference materials. This aligns with BAC's safety-first mentality and creates better-trained and prepared staff.

These changes have led to a significant increase in participants and program offerings. For example, in April 2023, the program offered one class with four students. In April 2024, the program offered 60 classes with 164 students. BAC staff conducted a study of neighboring pools to evaluate their fees. Upon review, they discovered they were in the middle of the market and implemented modest increases. Despite rising costs per lesson, BAC's prices remain in the center of the local market.

BAC staff strives to further extend their community programming while continuing thorough staff training to safeguard the well-being of the patrons. With only one year since the implementation of the changes noted above, BAC is on a trajectory to continue to be a leader on the Peninsula for aquatic programming.

FISCAL IMPACT

Under the Use, Operation, and Maintenance Agreement between the City and SMUHSD (Exhibit B), capital outlay costs are split 50/50. Operating costs are shared between the City and SMUHSD, and the percentage split is based on a formula using the hours each Party used the Competition Pool, the hours of shared use, and the hours of unused time. The City and SMUHSD agree upon the percentage before SMUHSD sends the Quarter 1 invoice to the City each year. The percentage split between the City and SMUHSD for the cost of operation and maintenance is:

FY 2021/2022:	City 50%, SMUHSD 50%
FY 2022/2023:	City 71%, SMUHSD 29%
FY 2023/2024:	City 71%, SMUHSD 29%
FY 2024/2025:	City 74%, SMUHSD 26%

When the City receives an invoice from SMUHSD, the City reviews it to determine if any items or repairs should be considered capital outlay. Capital outlay items are the City's responsibility, not BAC's, and the City pays SMUHSD 50% of the cost. Some examples of capital outlay expenditures are deck maintenance and pump repairs.

BAC is responsible for a portion of operating costs and divides operating expenses between its community and competitive programs. BAC pays the City (which pays SMUHSD) for the operating costs associated with competitive programming, and the City provides BAC with a subsidy to help cover the community programming that BAC provides on behalf of the City. In order to help BAC recover from the COVID-19 and construction-related shutdowns, the City allowed BAC to pay a fixed amount of \$10,570.83 per month to cover its competitive costs through June of 2023. This was less than was due based on the competitive program's actual percentage use.

At the end of each fiscal year, BAC pays the City a true-up for the balance due for the community portion minus the City Council-approved subsidy amount.

In the chart below, the number highlighted in purple represents the City's total cost, which includes the four invoices the City received from SMUHSD for the pool in addition to the costs of the City's provision of water. The City pays the cost of water for both the community and competitive programs, and the District pays its portion based on the percentage split described above. The number highlighted in green represents the amount paid to the City by the BAC and SMUHSD. The number highlighted in blue represents the City's net cost for the pool after reimbursements from the Burlingame Aquatic Club and SMUHSD.

BAC has exceeded the budgeted subsidy from the City for the last three years. The budgeted subsidy for each of the years below was \$120,000. While the actual subsidy exceeded the budgeted amount, staff felt it was prudent to help BAC return to full operations while hiring a new leadership team. For these years, funds were available from other aquatic budget line items where

the funds were not fully spent (due to the inconsistency of pool maintenance needs). While this was possible for the years below, the budgetary saving from other line items may not be available in future years.

City Share of Pool Expenses	2021/2022*	2022/2023	2023/2024
Operating-Building & Grounds	\$ 115,875.37	\$ 140,510.89	\$ 218,349.76
Operating-Equipment	\$ 17,729.63	\$ 23,205.33	\$ 40,043.86
Operating-Electric & Gas	\$ 85,717.83	\$ 94,007.34	\$ 130,318.71
Non-Capital Equipment	\$ 12,757.58	\$ 5,000.00	\$ -
Capital Outlay	\$ -	\$ -	\$ 20,256.49
Total Cost of Invoices from SMUHSD	\$ 232,080.40	\$ 262,723.56	\$ 408,968.82
Total Water and Sewer (City and SMUHSD)	\$ 40,617.45	\$ 35,506.43	\$ 60,835.99
Total Cost to City Before Reimbursements	\$ 272,697.85	\$ 298,229.99	\$ 469,804.81
Reimbursements to City			
BAC Competitive Portion Paid to City	\$ 100,925.00	\$ 126,850.00	\$ 211,140.78
BAC Community Portion Paid to City	\$ -	\$ -	\$ -
SMUHSD Payment to City for Water and Sewer	\$ 10,778.00	\$ 14,236.06	\$ 18,585.32
Total Reimbursements to City	\$ 111,703.00	\$ 141,086.06	\$ 229,726.10
Expense to City for Community Aquatics Programs	\$ 160,994.85	\$ 157,143.93	\$ 240,078.71

*The total cost from the SMUHSD for FY21-22 used the average between FY20-21 and FY21-22. This was necessary because of the payment timing between years.

Since the transition from the City operating the community programming to the BAC, the intent of both the City and BAC has been to strive to reduce dependence on the General Fund. Staff will continue to work with the BAC leadership to ensure that City funds are being used in a fiscally conservative manner as they continue to rebuild their programming and revenues, improve their budgeting and expenditure, and streamline their processes so their reliance on the City is minimal.

Exhibits:

- City/BAC Agreement
- Use, Operation, and Maintenance Agreement between the City and SMUHSD