



June 16, 2023

Project No.	Project Name	Meeting
4885 -01	Healthier Together Center	Steering Committee Workshop 5

Attendees

<input checked="" type="checkbox"/> Carrie Hite – Dir. – Parks & Recreation Strategy	<input checked="" type="checkbox"/> Jim Kalvelage – Opsis Architecture
<input checked="" type="checkbox"/> John Mauro – City Manager	<input checked="" type="checkbox"/> Erica Dunn – Opsis Architecture
<input checked="" type="checkbox"/> Mark McCauley – County Administrator	<input checked="" type="checkbox"/> Chris Jones - Groundswell
<input type="checkbox"/> Mike Glenn – CEO Jefferson Healthcare	<input checked="" type="checkbox"/> Ken Ballard – Ballard*King
<input checked="" type="checkbox"/> Wendy Bart – Ex. Dir. YMCA Olympic Peninsula	<input checked="" type="checkbox"/> Morgan Shook - ECONorthwest
<input checked="" type="checkbox"/> Rich Childers – President JeffCo Aquatic Coalition	<input checked="" type="checkbox"/> Ryan Nachreiner – Water Technology, Inc.
<input checked="" type="checkbox"/> John Nowak – PT School District Board of Directors	<input checked="" type="checkbox"/> Trish Drew – DCW
<input checked="" type="checkbox"/> Eron Berg – Ex. Dir. Port of Port Townsend	<input checked="" type="checkbox"/> Andrew Jonsson – DCW
<input checked="" type="checkbox"/> Kate Dean – District 1 County Commissioner	
<input checked="" type="checkbox"/> Linda Rosenbury – PTSD Superintendent	

Submitted By

Erica Dunn

Distribution

Carrie Hite

MEETING MINUTES

The following meeting minutes represent my understanding of the discussions and directions during the meeting. Attendees should communicate any revisions to Opsis Architecture (hereby Opsis).

Feedback from County Commissioner and City Council Presentations:

- Presented at County Commissioners Meeting and City Council Meetings Monday 6/12
- Commissioners Feedback
 - Liked the design
 - Questions on other tools beyond Sales Tax with a PFD – See Funding section in notes below
- City Council Feedback
 - Concern there is too much parking; desire for multi-modal site access– bikes, bus, walking
 - Suggestion to create more street fronting entry to encourage pedestrian access
 - Other councilors noted concern about other community buildings with a children focus with street front entry creating a not safe situation for children at drop off on a busy street.
- Steering Committee Response:

- Parking – Incorporate Electric Car charging stations at the pool and electric bike charging stations (110 plug-in); Note: Cost estimate includes some electric car charging stations.
- Reducing parking reduces site costs but important to have potential for future expansion to have enough parking for county residents with less ability to take the bus or bike to the site.
- Opsis shared an example of a recent project in Hillsboro Oregon that opened a few years ago and is already expanding their parking to meet demand.

Design Update:

- Site plans for base option and full build out
 - Dotted area is existing aquatics and gym space
 - Base project would not include additional pickleball court, playground, splash pad. Those could be carried as Add Alternates
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- Parking:
 - Base option shows more parking than necessary. Could reduce build out to reduce site costs.
 - Looked at benefit of restriping Blaine to be diagonal parking. Only increases by 8 spaces and adds additional scope/cost in right-of-way
- Design Inspiration:
 - Local maritime environment
 - Use of wood to reflect Port Townsend
- Steering Committee Feedback:
 - Could splashpad move to north end of site near plaza for more public access?

Cost Estimate:

- Goal of Cost Estimating process:
 - Maximize the design for the available budget
 - Guide smart material selections to save money, understand which materials have more volatility in price, understand what design decisions might limit competitive pricing due to lack of local tradpartners skilled in that scope of work
 - Can impact cost by 80% now but only by 10% once contractor is selected.
 - Identify and mitigate risks to the project
 - Understand what it's going to cost to build this building in this location
- Shore Aquatics Precedent
 - Total project cost is \$37.3 million in current dollars
 - Site development was minimal as it was already developed – existing grading and base foundations in place.
 - Was a risky project because kept a lot of the existing building and there is the potential for cost increase with the amount of unknowns.
 - Feedback from Shore Aquatics Executive Director is that dive tank does not get a lot of use and would not include it again.
- Healthier Together Preliminary Cost Estimate was program based with \$/sf assigned by space
- DCW completed detailed estimate based on actual design.
 - Estimate includes escalation to April 2025; market will likely continue to soften over the next couple of years.
 - Estimate includes demolition of existing buildings
 - Cost Estimate came in higher than program-based budget
 - Opsis and DCW incorporated cost saving measures to the original design to reduce cost:
 - Reduced glazing
 - Reduced contingency based on taking a Target Value Design approach to the project – identifying budget for each aspect of the building and designing to that budget
 - Changed from mass timber/CLT to standard wood framing and simpler roof system
 - Reduced number of retaining walls
 - Cost estimate still includes Photovoltaic system and size of project remains the same

- Updated estimate of original design is still \$6M over even with above listed reductions
- Soft Costs are not included in the cost estimate but estimated at 33% of the construction costs and include design, permit, owner's contingency, Furniture and Finishes, etc.
- DCW and Opsis identified an alternate approach to the design to reduce costs further while keeping the building as similar as possible
 - Relocated building to the middle of the site to balance cut and fill and save on site development costs
 - If need to remove soil for geotechnical reasons can tuck building into the grade
 - In ground pool instead of above grade Mirtha Pool allows for more competitive bids because more people can build it.
 - Northeast side 8' tall retaining wall - reduces exterior skin, good thermal characteristics
 - Reduced glazing by making southwest facing wall more solid – better for lighting control and privacy from street.
 - Reduce site development costs with less parking to start
 - Don't want to reduce program because otherwise do not get full operational value.
 - Updated Site Plan to reduce cost
 - Nice space for exterior plantings for providing summer shading
 - Separate parking lot to serve Food Bank but can still access the community center
 - Could reduce the parking even more
 - Potential for Addition – area for expansion is larger than before; could do a two court gym if desired
 - Want to make sure whatever we build now is retained and not removed later
 - The ReCyclery site can become expanded parking in the future when needed
 - DCW will complete cost estimate on this revised design but in general looks like it will help reduce costs due to:
 - Efficiencies of using the site contours which reduces foundation costs
 - Orientation – less span out of hillside more aligned with existing conditions
 - Reduction of glazed areas
 - Adjoining parking lot –
 - need to work with Food Bank to get an effective parking lot for their flow
 - could stair access be redesigned for more effective access
 - Site Amenities – can be added over time as part of grants - show it in the plan for the Mountain View Golf Course study
 - Steering Committee Questions/Feedback:
 - Like general direction of revised option
 - Existing building can be maintained during construction but parking would be reduced.
 - Existing gymnasium is in very bad shape and would incur a lot of cost to keep it and renovate it – needs new roof
 - Steering Committee would like to understand cost of adding the gym
 - Show as line item in cost estimate
 - Pickleball – they come inside October to April – or will want a covered opportunity.
 - Gym is a priority to the community over group fitness
 - Schools would use the gym but building a new one is not a top priority
 - Like revised location of splashpad
 - Could Pickleball club help fundraise for Pickleball add alternate?
 - Would like to understand cost of 750sf wellness area
 - Carrie met with ReCyclery board – they weren't surprised. Wanted to know timing. Carrie said a year from now.
 - Could be even further out if this is the approach we use
 - Buffer of parking area between ReCyclery and building is an improvement and takes pressure off that situation.

- Blue Heron land is all marsh land so not a good choice for ReCylcery
 - Looking at the golf course site
- Next Steps:
 - Identify and mitigate risks to reduce contingency
 - Geotech report will identify any unknowns regarding on site soils
 - School District does not have an existing Geotech report for the site.
 - Carrie to explore having one completed.
 - **Opsis and DCW to provide scope of work including soil analysis to 60' at (4) locations below building site. Do not need water infiltration testing.**
 - Identify Soft Costs – currently estimated at 33% of construction cost
 - Identifying these costs now allows for more certainty in the project and for allocation of more dollars towards the cost of construction
 - Adjoining parking lot –
 - need to work with Food Bank to get an effective parking lot for their flow
 - could stair access be redesigned for more effective access
 - Identify Alternates:
 - Gym would be the priority over group fitness
 - Site Amenities – can be added over time as part of grants – but show in plan for the Mountain View Golf Course study so have big picture in mind

Operations:

- Comparison of two design options – Base and Full Build out
- Operational cost assumptions
 - First year of operation 2026
 - Center is operated by a Public Agency
 - Hours of Operation
 - 69 hours for Base
 - 80 hours for Full Build Out.
 - Fee structure –
 - Slightly different for the Base and Full Build Out Options
 - Variety of Options- daily, 10 visit pass, annual, and month to month
 - Options for adult, youth, senior, and household
 - Swim Lessons do not pay additional access fees, just pay for the swim class
 - Staffing – 2/3 of operating budget comes from staffing – especially with aquatics and need for lifeguards, includes full time and part time staffing in the analysis
 - Cost Recovery at 66% is high for aquatics-only facilities but basing it on what we're seeing at other facilities in the county
 - Subsidy comes into alignment with what City subsidy currently is.
 - Steering Committee Feedback:
 - Salaries – might need to increase wages shown for 2026 and to help retain staff
 - Small difference between resident and non-resident cost – community would expect to see a larger differential. Is that standard?
 - Shore Aquatics center does not have a differential
 - Bainbridge has a very small one
 - This is a reasonably small market to draw from so need to pull in visitors and a greater than 10% differential starts to reduce number of visitors who will visit
 - Shore facility has a VERY low rate structure and operational subsidy is likely significant; Carrie working on getting that information – ED is back next week. Important to understand their finances without Childcare (Spark)
- Adding a gym would be a critical capital investment
 - Steering Committee would like to see operational analysis with Base Design and just the Gym added. Gym doesn't increase revenue in the same way that the cardio/weights piece does. – but could do group fitness in the gymnasium

- Hospital Wellness space already captures a number of fitness classes

Funding:

- **PFD Tools:**
 - Sales tax is the biggest opportunity
 - Admissions tax – district-wide - tack on 5% to memberships, daily use fees
 - Parking tax for facilities that the PFD owns – not likely to tax your own parking
 - Lodging taxes more complicated – intended for convention centers – have to go through a public vote – only applies to lodging units over 40 units and can't go over 2%.
- Can combine all of these options - **Morgan to run an analysis with Sales, Admissions, and Lodging tax**
- Reviewed a variety of analyses of percent of capital coverage and length of debt.
- Analysis based on Median home value - \$600,000
- Per year at the peak - \$260/year
- MPD only with a city subsidy of \$400k/year (70% capital coverage and 30-year debt) yields:
 - Base project - Tax of \$0.28/\$1000 property value
 - Full Build out project – Tax of \$0.36/\$1000 property value
 - Could a fully loaded PFD could you get to this rate? – **Morgan to analyze**
- The 20-30 year debt makes sense because it spreads the effort to future residents.
- These charts assume an MPD using MPD Option 1 for area. An MPD only in the city limits would provide half as much revenue because has half the property valuation The rates would be double what is shown in the charts.
- MPD is always a simple majority vote
- If the Primary Service area is outside the city does the County need to take the lead on putting it up for a vote instead of the City? - **Morgan to research**
- Formation Rules – we can elect a board for the MPD or could appoint a board to the MPD
- PFD and an MPD
 - Still some concern about doing both an MPD and a PFD and the risk of a double vote
 - Could time it to do an MPD first and then in a couple of years do a PFD to lower everyone's taxes or raise additional funds for adding on to the building
- **Carrie and Erica to organize a separate Finance specific meeting**

Communications & Polling:

- Important decisions to communicate:
 - Mountain View Site Selected
 - Site is donated, does not need to be purchased. Appraisal to understand land value
 - Moving forward with Base Plan but carrying gym and outdoor amenities as alternates
- Current school gym is maximized – by the school – could not be used by the pickleball community – 6am and weekend is open gym to community
- City will continue subsidy at the same level
- Design process is incorporating value engineering early
- Polling
 - Will need to do polling but can push to August/September
 - **Carrie will research potential polling resources**
- Opinion piece from JeffCo Aquatics Coalition - highlighting value of facility to the community and the up-coming Open House

Next Steps:

- Erica to share slides
- Carrie and Erica to organize a separate finance only meeting
- Design Team to develop updated layout and get updated pricing from DCW
- Steering Committee Workshop 6 scheduled for July 5th.