



AGENDA REPORT  
SAN CLEMENTE CITY COUNCIL MEETING  
Meeting Date: January 8, 2013

Agenda Item 8A  
Approvals: [Signature]  
City Manager \_\_\_\_\_  
Dept. Head \_\_\_\_\_  
Attorney \_\_\_\_\_  
Finance \_\_\_\_\_

**Department:** Beaches, Park & Recreation Department  
Public Works / Engineering Division

**Prepared By:** Sharon Heider, Beaches, Parks & Recreation Director  
Amir K. Ilkhanipour, Senior Civil Engineer

**Subject:** *APPROVAL OF THE OLE HANSON BEACH CLUB REHABILITATION CONCEPT PLANS.*

**Summary:** At the November 27, 2012 City Council meeting, staff presented the Ole Hanson Beach Club Preliminary Design Report (PDR) including three Floor Plan Options for the proposed building and pool improvements, prepared by Architectural Resources Group, Inc. (ARG). Staff presented the full scope of work identified by the Architectural team, and the need to phase construction due to budget limitations. The existing budget is \$2.5 million; however, the project team has identified \$3.7 million of needed repairs to be completed in two phases. The City Council requested a work session to discuss in more detail the floor plan options, costs of the work items identified for phase two, and, information as to the implications of funding the entire full scope of work now.

**FLOOR PLAN OPTIONS**

Included with this report are the three Floor Plan Options which show alternative layouts for the floor plan of the Beach Club. Each of the Floor Plans have similar costs and could be phased to meet the \$2.5 million budget. In each of the Options, building space is at a premium, and concessions have been made to provide all of the required elements in some fashion that include the following: Approximately half of the required number of showers will be outdoor showers located on the pool deck. Private changing rooms in the ladies' locker room would no longer be provided; instead, a single family dressing room would be available for private changing. In addition, Options 1 and 3 place the Lifeguard break room/storage on the pool deck in a cabana type structure. For a more detailed discussion of the Options, refer to attached November 27, 2012 City Council Report (Attachment A).

Floor Plan Option 1 provides an elevator near the lobby entrance and maintains the Club room at the approximate same size. This layout is preferred by staff and the community members attending the public workshop.

Floor Plan Option 2 provides an elevator in the tower and eliminates the internal stairs, reduces the size of the Club room slightly, and provides a small Lifeguard Break room/storage. The elevator in the tower would omit the view of the internal tower features which have been determined to have architectural significance.

*SA-1*

Floor Plan Option 3 uses a Lift (a staff assisted transport for single to two persons only) rather than an elevator to provide American’s with Disabilities Access (ADA) to the second floor, retains the internal stairway, maintains the Club room at the approximate same size, and places the men’s and women’s locker rooms adjacent to each other with a shared entry. The lift in the tower would omit a portion of the internal tower features which have been determined to have architectural significance, and a lift has limited use and requires staff monitoring and assistance.

**ESTIMATES OF COST FOR FUTURE ITEMS**

ARG was asked to provide a comprehensive review of the building and pool and determine what was needed to rehabilitate the facility. The total estimated cost for all items is \$ 3.7 million, anticipated to be completed as two projects. A scope of work to meet the existing budget of \$2.5 million was presented at the November 27, 2012 City Council meeting. Those items considered critical to meet current codes and/or to stop further deterioration were included in the first phase. Those items which could be deferred were included in a future phase when funding was available. The City Council requested staff provide additional detail on the future phase items and costs associated with each. Below is a table of those items and their cost, listed in order of priority as recommended by staff and ARG.

Improvements	Cost
Roof replacement	\$ 130,000
Complete pool repairs, consolidate small pool equipment into pump room, plaster pool, and provide lockers.	\$ 190,000
Remaining work to improve upper floor spaces including floor finishing, bathroom upgrades, completion of structural, heating, and electrical improvements.	\$ 227,000
Completion of catering kitchen	\$ 67,000
Restoration and reinstallation of original windows, interior and exterior lighting fixtures and other decorative fixtures.	\$ 162,000
Site work, landscaping and irrigation improvements.	\$ 424,000
<b>Total</b>	<b>\$1,200,000</b>

Although beyond the scope of work for rehabilitating the existing building as currently used, an option to relocate the pool equipment from the historic building was discussed at the public workshop. Currently, the pool equipment is located within the historic building in a space that could provide building area for other uses and have ocean views. The pool equipment could be relocated to a non-historic ancillary structure but would cost an additional \$793,000 to construct a small structure to relocate the pool equipment and plumbing. This work is not part of this project or proposed for future phasing due to cost.

**DISCUSSION OF FUNDING OPTIONS AND IMPLICATIONS**

Below is a discussion of the various alternatives for funding the additional \$1.2 million. It should be noted that the additional \$1.2 million is the estimate of probable construction

SA-J

costs completed as a separate project. Should the City choose to construct these items as part of this project, some savings can be expected by combining design, project management, and inspection.

**General Fund**

The 2013 Budget projects a General Fund “unassigned” fund balance of \$2,027,646. Funding the additional \$1.2 million from the General Fund will reduce the projected “unassigned” fund balance to \$827,646.

**CIP Alternative**

The City typically targets \$2.0 million for its Capital Improvements each year, and a new project such as this would be submitted as part of the 2014 CIP process to compete for funding with all of the other needed projects. One possible alternative is to reduce the yearly target of \$2.0 million for General Fund projects in the 2014 budget year and allocate only \$750,000 next year. Below is a recap of the current year budget (which is composed of both capital and maintenance projects), and the projected budget for 2014. As the 2014 projected numbers indicate, they already exceed the yearly target by \$1.5 million.

A major project shown for funding is the \$1.0 million Steed Park lighting replacement. Eliminating or pushing the Steed project of \$1.0 million or other projects to future years, still leaves next year’s projected total near \$2.5 million. It should be noted that if the \$1.0 million shown in the 2014 CIP for the Steed Park lighting renovation is used for this project, no additional revenue source is identified for the lights if they are delayed, and there is a likelihood that that funding may not be available for the lights in future years.

2013 Approved General Fund projects include:

Capital projects	\$1,261,600
Maintenance projects	<u>\$1,155,000</u>
Total	\$2,416,600

2014 General Fund projects (from the City’s CIP) include:

Capital projects	\$1,808,000
Maintenance projects	<u>\$1,670,000</u>
Total	\$3,478,000

2014 CIP Project Detail (projected for next budget year):

Steed Park Lighting Improvements	\$1,000,000
Corps of Engineers Beach Replenishment	\$ 585,000
Boca Del Canon Beach Restroom Design	\$ 100,000
Ave Del Mar Tree & Irrigation Replacement	\$ 63,000
El Portal Beach Access Construction	\$ 500,000
Major Street Maintenance	\$ 550,000
Sidewalk Repairs	\$ 150,000
Slurry Seal	\$ 250,000

SA-3

Lifeguard Towers	\$ 20,000
Wayfinding Master Sign Program	\$ <u>200,000</u>
<b>Total</b>	<b>\$3,478,000</b>

Facilities Reserve

The 5-year projected facilities expenditure amount is \$517,000. The reserve balance is projected to be \$830,000 as of June 30, 2013. \$313,000 could be utilized from the Facilities Reserve without compromising the fiscal requirement of a minimum of 5 years of projected expenditures in the reserve.

Park Asset Reserve

The Park Asset Reserve has approximately \$1.1 million in available fund balance. The reserve was created to fund the replacement of a portion of the City’s park assets. \$28 million of assets was identified when the reserve was created to replace buildings, fencing, lighting, playground and sports equipment, and benches and bleachers related to parks (parking lots, access roads, sidewalks, and natural turf are excluded from this amount). Any drawdown of this reserve will make the reserve non-compliant with fiscal policy.

Debt Issuance

The \$1.2 million could be raised through a debt offering of Certificates of Participation or General Obligation Bonds. Either form of debt issuance would be expensive relative to the amount raised. Additionally, the debt service would be a General Fund obligation, increasing the general fund operating expense over the next twenty years.

\$1.2 million loan, 5% interest, 20 year duration

Annual debt service = \$96,300

Total 20 year debt service cost = \$1,926,000

Future Revenues

The Marblehead Commercial center will eventually generate revenue that could be used for this project. It is expected that this project will begin in the next few years, and the additional funding could be allocated in the year that the City receives those funds.

**Recommended Action:**

STAFF RECOMMENDS THAT the City Council (1) approve the Preliminary Design Report; (2) direct the Architectural Resources Group, Inc. (ARG) to proceed with the final design and preparation of the construction documents based on preferred design concept Option One; (3) direct staff to implement the project budget limit of \$2.5 million; and (4) direct staff to return with consideration of funding the additional improvements during the budget year following the opening of the Marblehead Commercial Center.

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**cal Impact:** None, if project remains at \$2.5 million, as this has been allocated from the General Fund/Beach Maintenance. Yes, fiscal impact could increase by \$1.2 million if full implementation is approved.

**Attachments:** Location Map  
November 27, 2012 City Council Report  
Floor Plan Options 1, 2, and 3  
Preliminary Design Report was previously provided to the City Council via memo and is also available in the City Clerk's office due to size of document

**Notification:** 500-foot radius has been distributed.

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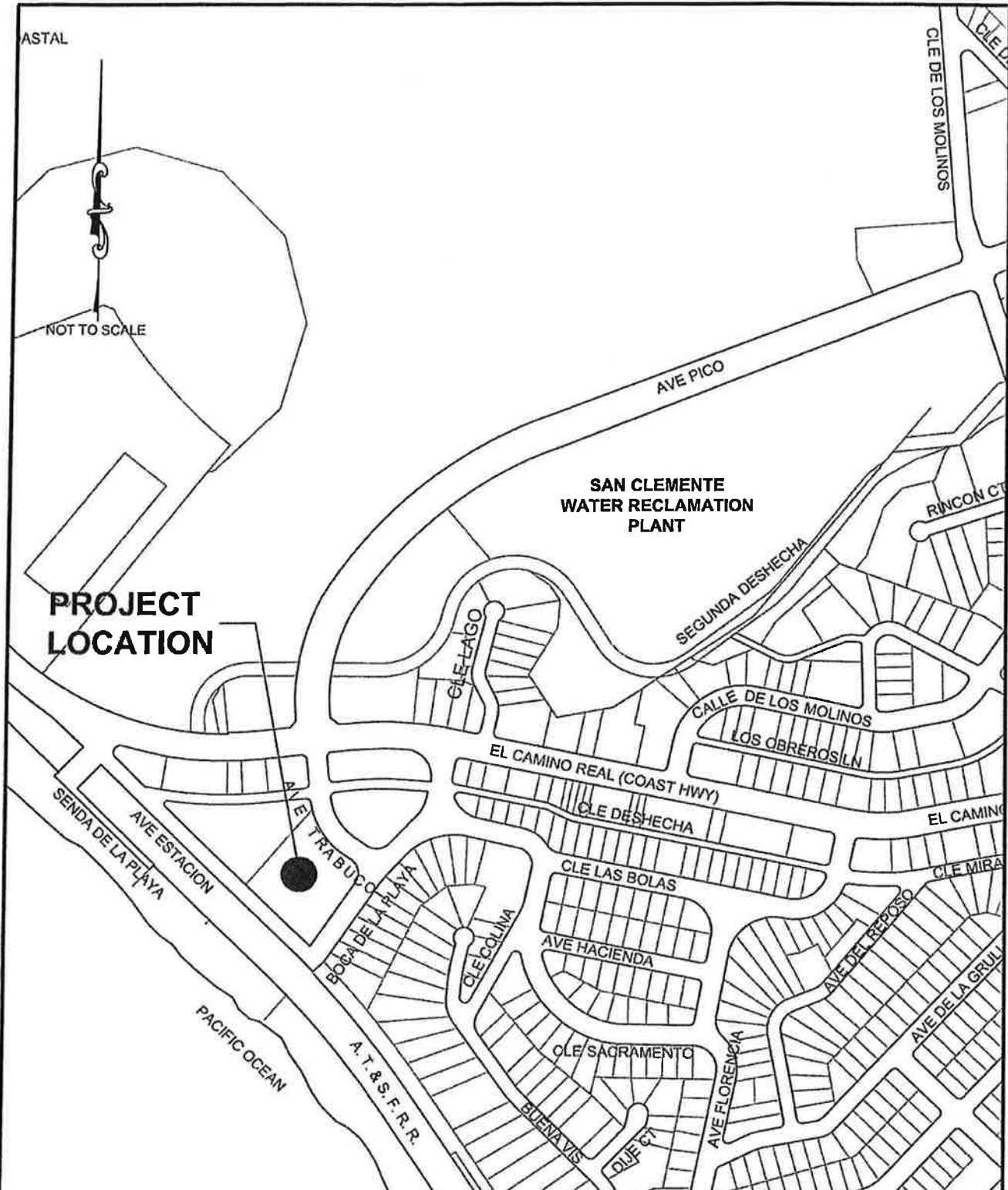
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NOT TO SCALE

**PROJECT  
LOCATION**

**SAN CLEMENTE  
WATER RECLAMATION  
PLANT**



*City of San Clemente*

910 Calle Negocio, Suite 100  
San Clemente, CA 92673  
Tel (949) 361-6100  
Fax (949) 361-8318

**LOCATION MAP  
Ole Hanson Beach Club  
Rehabilitation**

**P.N. 12559**

8A-6



**AGENDA REPORT**  
**SAN CLEMENTE CITY COUNCIL MEETING**  
 Meeting Date: November 27, 2012

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**Approvals:**  
 City Manager [Signature]  
 Dept. Head [Signature]  
 Attorney \_\_\_\_\_  
 Finance \_\_\_\_\_

**Department:** Beaches, Park & Recreation Department  
 Public Works / Engineering Division

**Prepared By:** Sharon Heider, Beaches, Parks & Recreation Director  
 Amir K. Ilkhanipour, Senior Civil Engineer

**Subject:** *APPROVAL OF THE OLE HANSON BEACH CLUB REHABILITATION CONCEPT PLANS.*

**Summary:** The Ole Hanson Beach Club (OHBC) is deteriorating due to its age and exposure to the harsh marine environment and is in need of rehabilitation. City Council awarded a professional services contact to Architectural Resources Group, Inc. (ARG) on November 15, 2011 to assess the existing conditions and recommend the needed improvements for the building and the pool facilities. Due to the Beach Club's listing on the Federal Historic Register, an historic architect as defined by the Secretary of the Interior's Standards and Guidelines for Historic Preservation (i.e. ARG), had to be retained to perform these services. ARG's scope of work is as follows:

- Architectural and engineering (structural, geotechnical, mechanical, electrical, plumbing and civil) assessment of the OHBC and the pool facilities.
- Preparation of a Preliminary Design Report (PDR) including preliminary design alternatives and cost estimates for the needed improvements.
- Preparation of a construction phasing plan for the improvements if the available funding is determined not be sufficient for the recommended improvements for the building and the pool facilities.
- Based on a selected design alternative in the Preliminary Design Report, prepare the final construction documents and bid package for public advertising.
- Participate in various project meetings with City staff and potential advisory committees and public groups.
- Provide assistance during bidding period and support services during construction.

ARG has completed the PDR (copy attached) including three design concepts (Options) for the proposed building and pool improvements. ARG has determined that the lower floor building interior contains very few "character- defining features", thus allows some flexibility for rearranging the lower floor layout. The building lower floor has gone through multiple changes throughout the years. The proposed upper floor layout has generally remained the same as the existing layout.

On September 18<sup>th</sup>, staff met with the Historical Society, and, on Monday October 29<sup>th</sup>, a public meeting was held to share and solicit input from public for the PDR and design Options. Option 1 was overwhelmingly selected as the preferred building floor plan.

However, there are some items in Option 1 that members of the community were unhappy with, and/or should be noted as changes to the existing layout. Because the new codes require a significantly larger number of toilets and showers, there is not sufficient space to provide private dressing rooms. Currently, there are ten private dressing rooms in the ladies's locker room and none in the men's. Option 1 provides one family changing room that can be used as a private dressing room, but, due to space requirements, does not provide any within the ladies's locker room. When the new Aquatic Center was opened at Vista Hermosa Sports Park there were complaints that the new facility did not include private dressing rooms as the users of the Ole Hanson Beach Club were accustomed to, and only two family changing rooms were available. Due to the high cost of building square footage, Architects have relayed that open dressing areas are more often built in new facilities.

In addition, since the building space is relatively small, approximately half of the showers for each men's and women's including some lockers are proposed to be located on the pool deck as well as creating a cabana area for the Lifeguard staff. Since showers take up building space, and some swimmers come dressed and do not use the locker room, it was assumed that some users could be served by providing a limited number of showers outside. Lifeguard staff also need a location to store equipment and provide for safety breaks for personnel. Option 1 anticipates a cloth cabana type structure would be constructed on the deck to provide this space as inexpensively as possible.

Finally, the Historical Society has requested that priority be placed on restoring building elements that have been removed over the years and have changed the appearance of the building. Windows have been removed and not replaced, ironwork is missing from windows and the weather vane, the buttresses on the tower have been removed, and lighting fixtures are missing. The buttresses are probably not able to be replaced due to clearances needed to walk on the pool deck, but some of the windows, iron work, lighting etc., could be replaced, but are not part of this scope of work.

A summary of the major features of Option 1 is as follows:

- Existing club room is retained, with the loss of a few square feet to permit direct access from the women's toilet/dressing room to the pool deck.
- Women's toilet/dressing room location allows it to be used in conjunction with the club room for weddings and other events.
- Family dressing room is located where it can be easily supervised by staff and also used as a dressing room for events.
- Kitchen is well located to serve the upper level function spaces via the elevator.
- Office is adjacent to the check-in desk and has a view of the pool and access to it via the stair tower.



- Elevator is located where it will (a) have the least impact on historic fabric of the building and (b) be most convenient for users of the upper floor function spaces.
- Elevator opens directly into the lobby and provides convenient access to the 1<sup>st</sup> floor restrooms from the upper floor function spaces.
- Modifications to the mechanical/equipment pool room and piping system
- Combining small pool mechanical equipment (currently located outside) with the competition pool in the existing mechanical/equipment pool room
- Full deck replacement with improved drainage system
- Comply with ADA requirements for the pools, building, and path of travel

The current budget for this project is \$2.5 million. ARG's cost estimate for the full implementation of the recommendations for Option 1 is \$3.7 million including design, project management, construction management and inspection costs. ARG has provided a phased construction program. ARG's general recommendation for the Initial and Future Phases is as follows:

**Initial Phase (within \$2.5 m budget)**

- Implementation of all interior rehabilitation and reconfiguration of all ground floor spaces and elements of the building
- Addressing Code and accessibility, structural including seismic, mechanical, electrical, plumbing and fire protection upgrades
- New architectural finishes
- Relocating the catering kitchen with temporary use of existing appliances
- Upper floor structural work, fire protection and elevator
- Limited roof repair/replacement
- Pool improvements including pool deck replacement, pool equipment repair/replacement and piping

**Future Improvements (with additional \$1.2 m)**

- Upper floor finishing, replace or refinish wood flooring, bathroom upgrades, completion of structural, heating and electrical improvements
- Complete roof replacement
- Completion of the catering kitchen with new appliances
- Restoration and reinstallation of missing original windows, interior and exterior light fixtures and other decorative features
- Completion of pool improvements

The initial Phase includes critical items that need to be implemented at this time to meet current codes, and/or stop further deterioration, whereas Future Phase includes items that can be deferred to a later time when funds are available. The initial phase would enable the building and pool to function in a similar capacity as before the rehabilitation, including the ability to rent the facility for special events, host classes, and provide recreational opportunities in the building and the pool. The future phase would enable caterers to have

8A-9

a better functioning kitchen to provide better service to renters, thus potentially adding additional revenue. In addition, the future phase would add decorative features, helping restore the building back to its original design. The future phase would also include moving the pool equipment, which would add rentable and usable space for the building.

Staff will present a request for funding for the Future phase of work in the upcoming Capital Improvement Budget. However, for the benefit of economies of scale and reduced disturbance to the facility (upper floor) implementation of the Future Phase may be considered at this time should additional funding be allocated. It should be noted that the work in the Future Phase is designed to be accomplished with minimal interruption to the operation of the ground floor and pool if the City chooses to implement a phased construction.

***Recommended***

***Action:***

STAFF RECOMMENDS THAT the City Council approve the Preliminary Design Report and direct the Architectural Group Resources, Inc. (ARG) to proceed with the final design and preparation of the construction documents based on Option 1.

***Fiscal Impact:***

None. Recommended action is not a project. \$2.5 million has been allocated from the General Fund/Beach Maintenance.

***Attachments:***

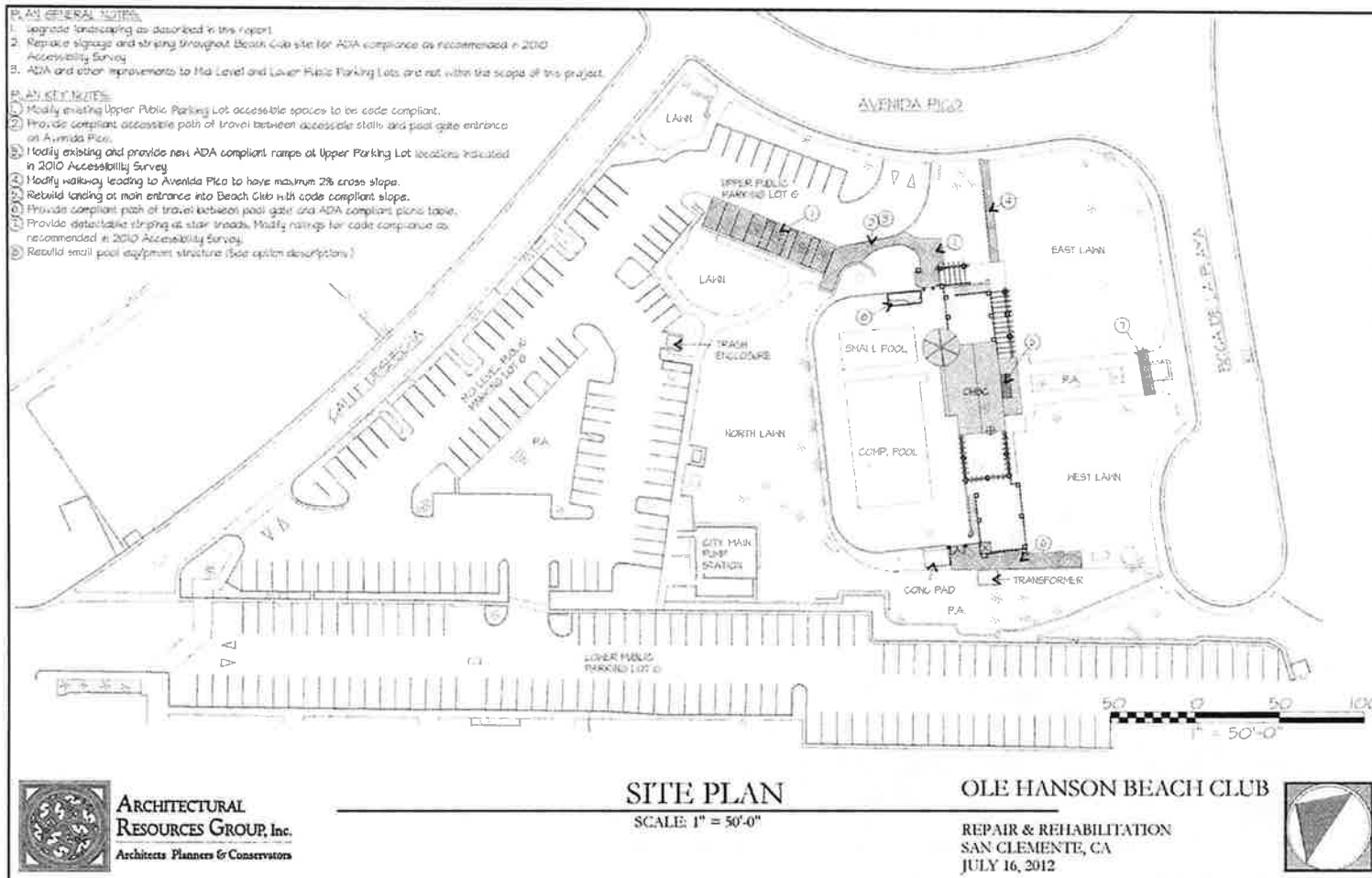
Location Map  
Preliminary Design Report (on file in the City Clerk's Office)

***Notification:***

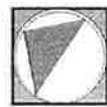
None.



# Design Options: Site Plan

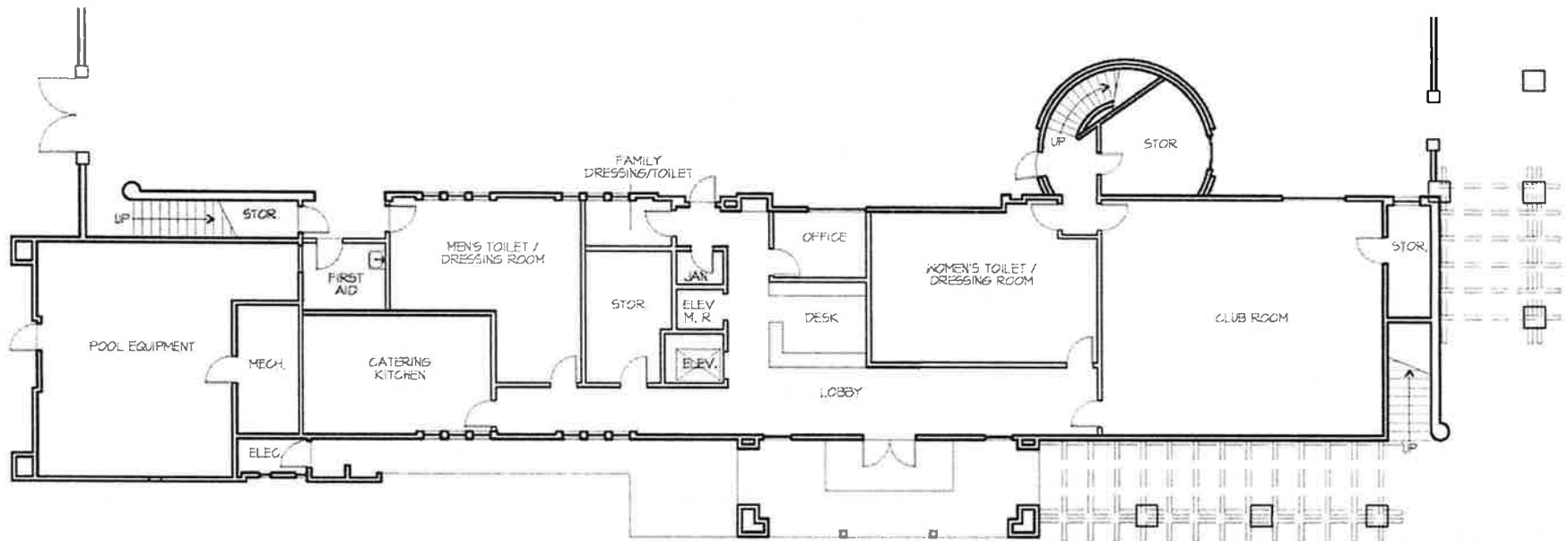


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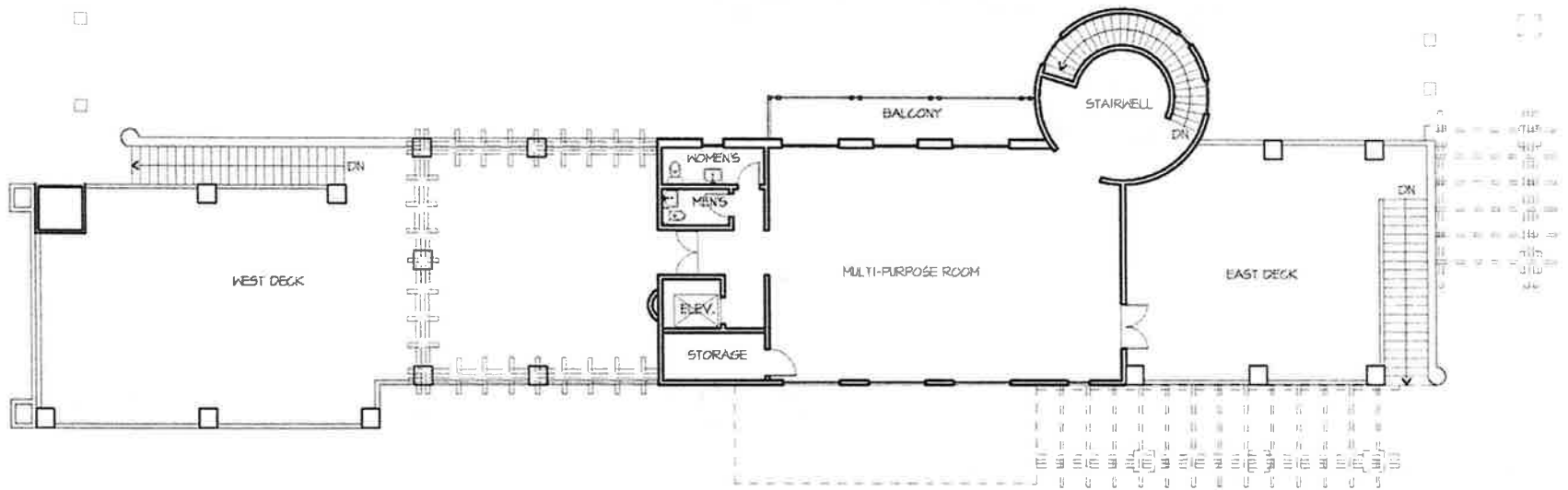
## Design Options: Option 1 – Lower Floor



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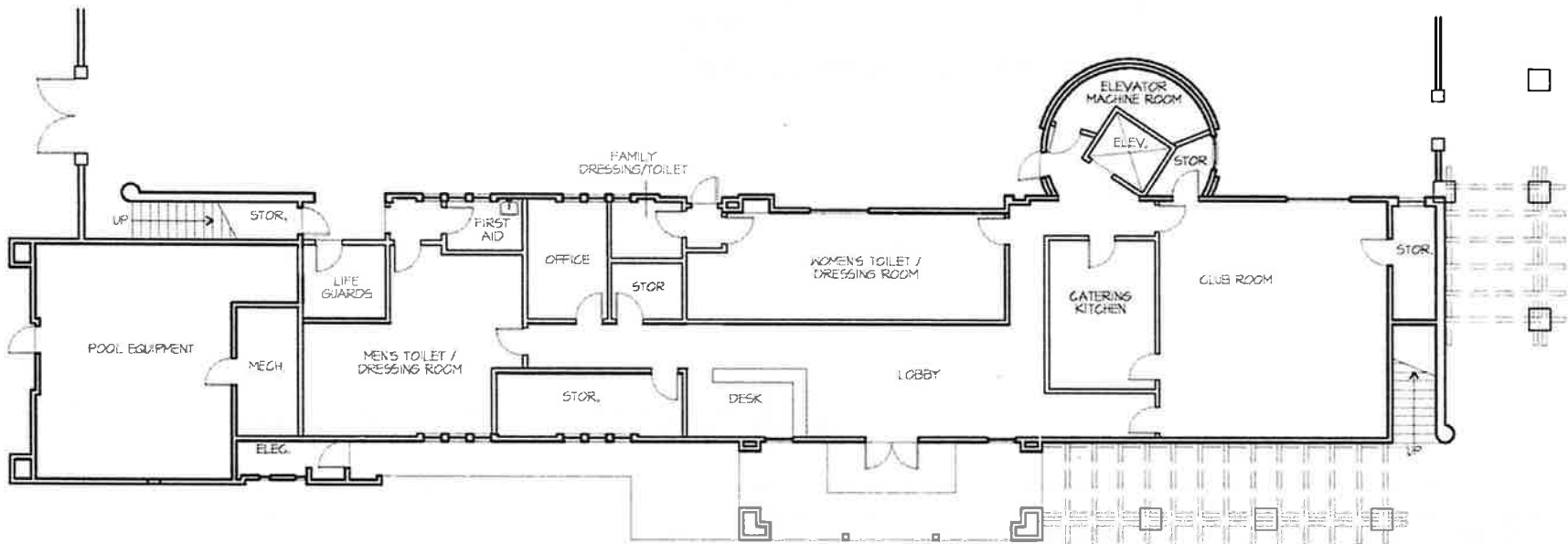
## Design Options: Option 1 – Upper Floor



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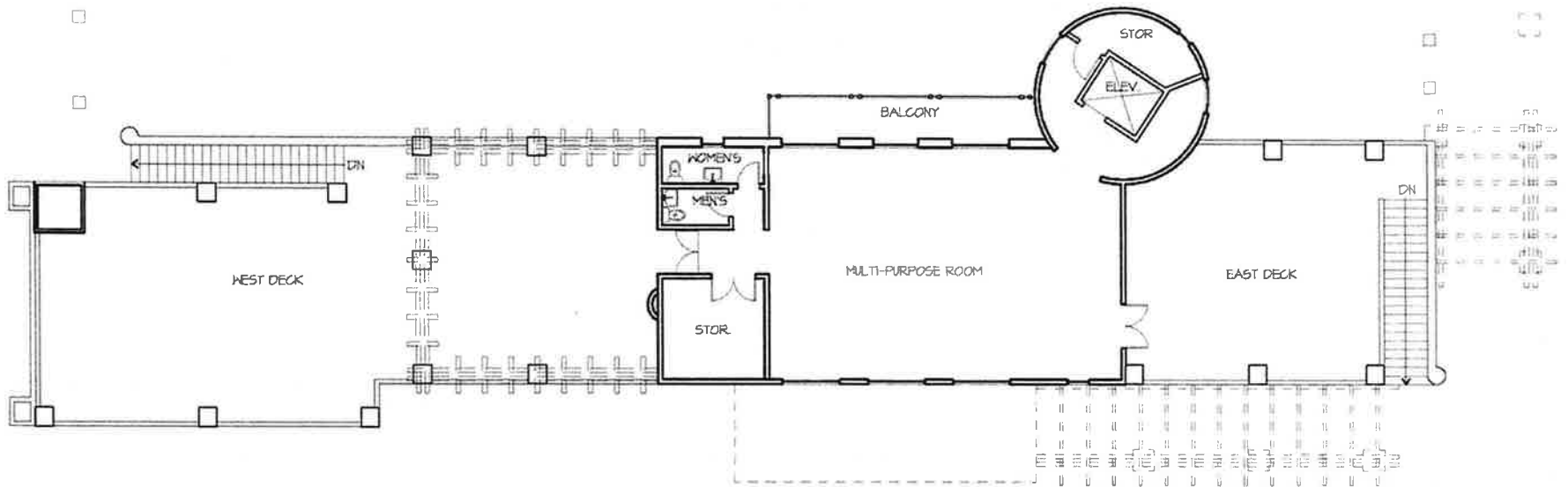
## Design Options: Option 2 – Lower Floor



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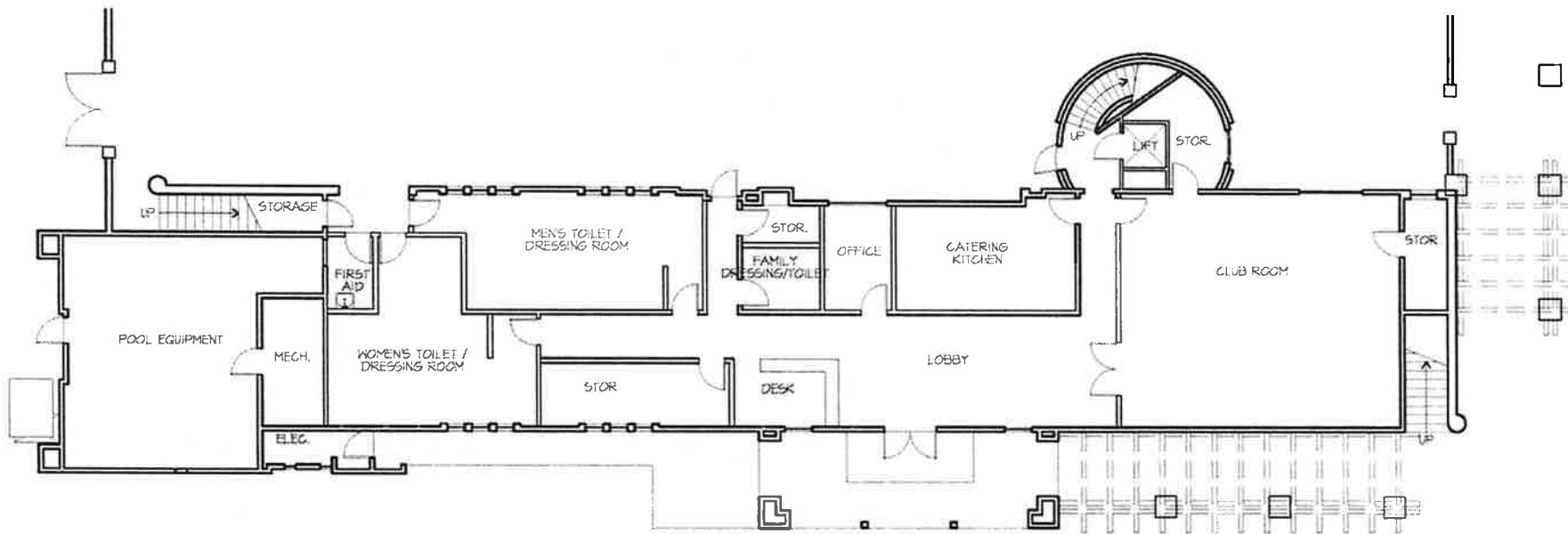
## Design Options: Option 2 – Upper Floor



8A-15



# Design Options: Option 3 – Lower Floor

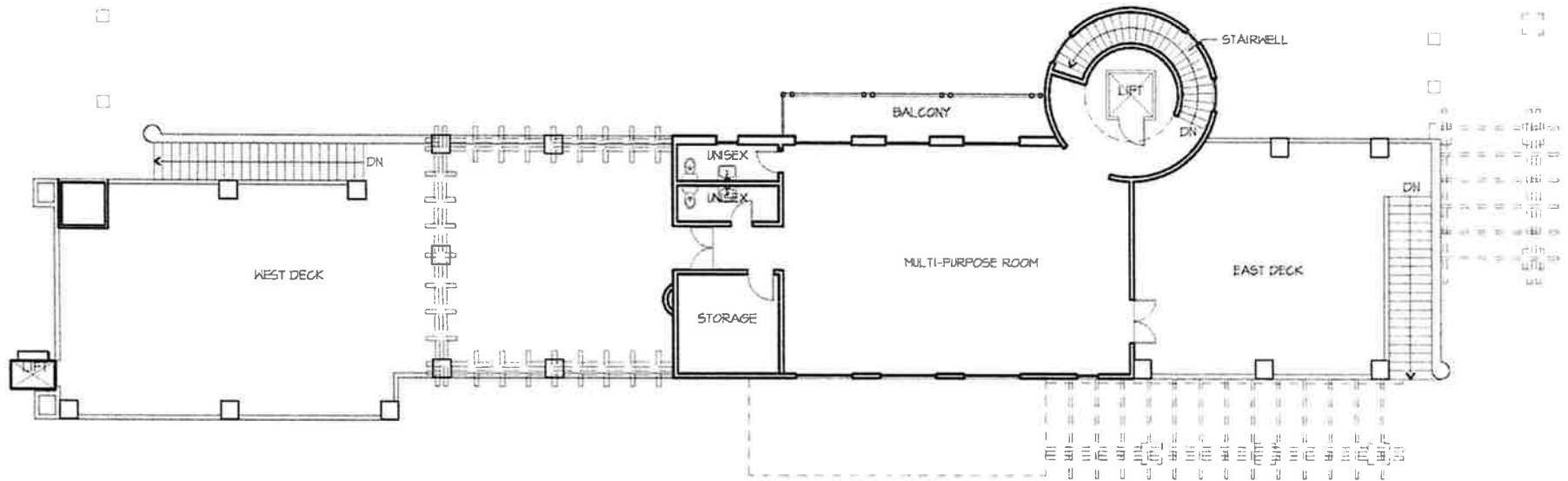


SA-16





## Design Options: Option 3 – Upper Floor



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