CENTRAL GRANT COUNTY AQUATIC CENTER PROPOSAL AND FEASIBILITY REPORT MAY 2020

This study was funded by the City of John Day and the Oregon State Parks and Recreation Department Large Government Grant Program (LG-19-031) with support from the John Day/Canyon City Parks & Recreation District and Special Districts Association of Oregon

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ACKNOWLEDGEMENTS

This report, and more importantly the possibility of constructing a new pool that will proudly serve our residents for the next 50-100 years, would not be possible without the assistance and guidance of local leaders, community stakeholders, and a collaboration of consultants dedicated to this project.

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Special thanks to Oregon State Parks & Recreation Department Large Government Grant Program and the Special Districts Association of Oregon for their financial and planning support for this project

EXECUTIVE SUMMARY

The goal of this report is to create an action plan for replacing Gleason Pool, Grant County's only public swimming pool. This report is a collaborative effort between appointed and elected officials from across central Grant County. They were assisted by a multi-disciplinary team of consultants that specialize in designing and engineering aquatic facilities that meet the needs and the capacity of the organizations they work with. This report is funded by the City of John Day and through a Planning Grant from the Oregon Parks and Recreation Department (OPRD).

Community discussions about replacing the 62-year old pool have been occurring since the 1990's. Most, if not all of those discussions focused on locating the pool at a new site in John Day, which would allow for the expansion of the Kam Wah Chung Heritage Site by OPRD. This proposal recommends the same strategy. In 2018, the City of John Day and OPRD reopened negotiations for the state to acquire the pool property. At this point, negotiations are scheduled to be completed this Fall with the property turned over to OPRD and the pool closed.

Gleason Pool, which is owned by the City of John Day, has been maintained and managed by the John Day Canyon City Park and Recreation (JDCCPR) District since 1990. The pool is at the end of its design life and is in poor condition (Figure 1). The mechanical, heating, and plumbing systems are unreliable and require a significant investment in staff time to be maintained and remain functional. The cost of repairing Gleason Pool and bringing it up to current standards would be substantial and retaining the pool at this location would impair expansion of the Kam Wah Chung Interpretive Center at this site.

FIGURE 1. GLEASON POOL TODAY

After evaluating locations, facility design, cost estimates, funding options, and different strategies for operating the new pool, the following recommendation is being forwarded to the Grant County Court for their consideration and action. Details of this recommendation are provided on page 12.

- Grant County place on the November 3, 2020 General Election two measures to support the construction, maintenance, and management of a new pool:
    - Establish the Central Grant County Aquatic District with a permanent tax rate of $.20/$1000 assessed value which will generate approximately $90,000 a year to subsidize the operation of the pool. The new district would be formed as a

county service district under the governance of the county court. The district would be limited to providing aquatic facilities and programs. The proposed district would encompass the boundaries of the JDCCPR District, Mount Vernon and Prairie City Rural Fire Protection Districts, and the cities of Prairie City, Mount Vernon, and Seneca (Figure 2. See also boundary map and Alternative E in the appendix).

  - Propose a 20-year, $6 million bond measure to the electorate within the proposed district for purposes of constructing a six-lane outdoor pool and aquatics center with space available to add a small warm water wading/therapy pool at the 7th Street Sports Park in John Day (Figure 3). The estimated pool bond tax rate is $.71/$1000. The proposed pool plans and construction estimates are included in the appendix.

- If either measure fails, the district is not formed, and the pool is not constructed. Gleason Pool will be closed and will not reopen after August 2020.
- Grant County shall contract with the JDCCPR District to maintain and manage the new pool with 95% of the permanent tax rate being assigned to the district. The district will place a minimum $10,000 per year into a capital reserve fund for replacement and repair of equipment and the facility.

This recommendation provides county residents with a new public pool that is easily accessible by the greatest percentage of population in the county (Figure 4). Voters within the proposed district have an opportunity to decide if they want to support the new pool with most property owners paying less than $9 a month for the pool. After 20-years, when the bonds are paid off, district residents would see a further reduction in their tax rate of approximately $.71/$1000.

This recommendation also coincides with the Blue Mountain Hospital District bond being paid off in 2020-21. The property tax rate for payment on the hospital bond is $1.185/$1000 assessed value. The combined tax rate on the pool bonds and the permanent tax rate for pool operations is $.91/$1000. As a result, taxpayers within the aquatic district will see a net $.275/$1000 reduction in their property tax rate effective 2021-22 tax year while gaining a new public pool for the enjoyment of residents and visitors from throughout central Grant County.

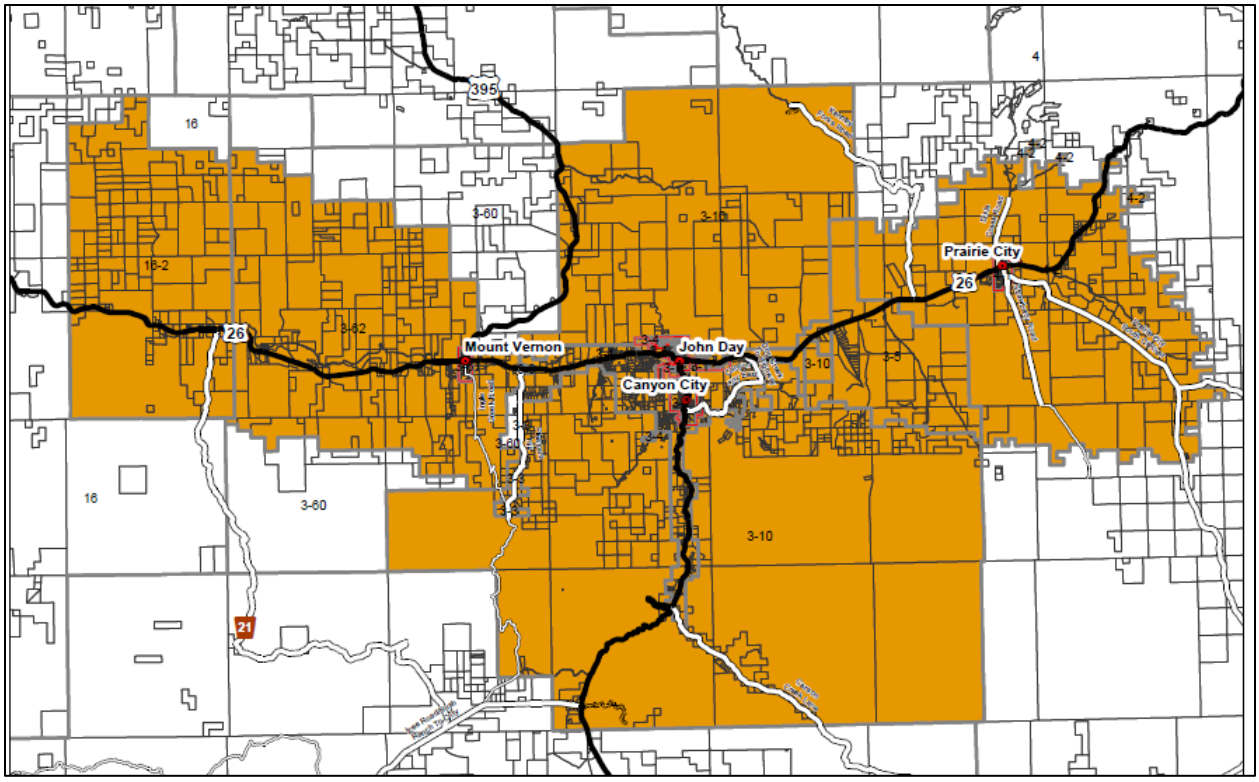

FIGURE 2. PROPOSED AQUATIC DISTRICT BOUNDARIES (PLUS SENECA CITY – NOT SHOWN)

FIGURE 3. PROPOSED POOL LOCATION AT BELSHAW FIELD - WEST END OF 7TH STREET SPORTS COMPLEX

FIGURE 4A. AQUATIC CENTER RENDERING (SOUTHWEST ELEVATION)

FIGURE 4B. AQUATIC CENTER RENDERING (SOUTHEAST ELEVATION)

PURPOSE

The purpose of this report is to provide local leaders and elected officials of the central Grant County area with a recommendation for replacing Gleason Pool, including a strategy for funding the construction of the new pool along with ongoing maintenance, operations and equipment replacement (OM&R).

BACKGROUND

The City of John Day opened Gleason Pool in 1958 at its present location, 250 NW Canton Street. Gleason Pool is the only public swimming pool in all of Grant County. The five-lane outdoor pool with a small wading pool, office space, shower and locker room facilities, and necessary mechanical and equipment storage space was managed and operated by the City until 1990. In 1990, the John Day Canyon City Park and Recreation District (JDCCPR) took over management of the facility under a 5-year lease agreement with the city. The agreement was amended in August 2000 for an additional 20 years and expires on August 8th, 2020 – at which point the operations and maintenance of Gleason Pool and the City Park revert to the city.

The pool is at the end of its design life and in poor condition. The pool tank surface is deteriorating and routinely needs to be painted and repaired. The boiler and other mechanical equipment are inefficient and subject to frequent repairs. Plumbing in the pool tunnels is under constant repair. The pool deck is severely cracked creating safety issues and trip hazards. ADA- accessibility is also limited with no zero-entry ADA-accessible ramps into the pool. The dressing and shower facilities are worn out and the office space is undersized and inadequate for meeting the needs of staff and visitors. The cost of repairing Gleason Pool and bringing it up to current standards would be substantial (see Appendix A for additional detail).

Gleason Pool operates six-days per week, approximately 10 weeks each summer, June through August. Yearly attendance at the pool exceeds 3,200 visits. Historically, the pool operated for a longer season but due to budget and staffing constraints, the season has been reduced. The pool offers a wide variety of swim lessons, aerobic classes, lap swims, and general recreation swims. The pool hosts a strong swim team consisting of over 40 members. The annual operating budget is approximately $62,000 per year. Fees and charges for use of the pool are approximately $23,500 per year. The balance of operation costs is subsidized by the JDCCPR district, $35,000 to $40,000 per year. A reserve fund has not been developed for capital repair and equipment replacement.

Several efforts have been made over the past 25 years to plan for the replacement of Gleason Pool and the restoration of the Chinese cultural and heritage sites located at the adjacent city park. In 1997, John Day and Canyon City began collaborating with Oregon State Parks to develop a transition strategy to replace Gleason Pool and enhance the Kam Wah Chung cultural site. This effort resulted in the *John Day Swim Center & Chinese Cultural Center Final*

Report.[1] The report evaluated multiple sites, including the 7th Street Sports Complex. It estimated the cost for a new 25-yard six-lane pool to be $1.1 million (in 1998 dollars), with an estimated bond obligation of $0.78 per $1,000 assessed value within the JDCCPR boundaries. These plans were revisited in 2009 with the *Kam Wah Chung & Co. State Heritage Site Master Plan*[2]. This plan contemplated the Oregon Parks & Recreation Department (OPRD) could purchase the city park property, including the swimming pool facility, and lease it back to the city to continue pool operation until the city could find an appropriate new pool site, with the current pool location then restored as a historic area. Non-profit organizations have also evaluated replacement options with little success.

The City of John Day resumed negotiations with OPRD to sell the existing pool property and the adjacent city park to the department for purposes of expanding and enhancing the adjacent Kam Wah Chung State Heritage Site in 2018. The city council has agreed to sell the property and support construction of the expanded heritage site to increase tourism and enhance economic development in the downtown core area of John Day. The final terms of the sale are still being negotiated, with approval of the sale expected the fall of 2020. The city council has agreed to retain the proceeds from the sale of the property for five years and to use them to support the construction of a new public pool in John Day, if approved by voters.

ASSUMPTIONS

To determine the best approach for replacing Gleason Pool, the following assumptions were employed by the consultant team to assist with formulating recommendations. These assumptions were based on discussions with officials representing the City of John Day, Grant County, and the JDCCPR District.

- Gleason Pool will close after the 2020 season unless an alternative for operating the pool for another season or two is approved by the City.
- The current pool property and city park will be sold to OPRD. OPRD will expand and enhance the Kam Wah Chung Heritage Site and create a more prominent and visited local attraction, including a local visitor's center.
- The general obligation bonds associated with improvements to the Blue Mountain Hospital will be paid off by June 2021. The current tax rate for payment on the bonds $1.185 per $1000 assessed value. The tax is collected county-wide.
- Any proposal for funding construction and operation of the public swimming pool will be at or less than the current tax rate for payment of the hospital bonds.
- Operation funding for the new pool must be permanent and provide funding for a capital repair and equipment replacement reserve fund.

[1] Prepared by Michael Wetter & Associates – SMH Architecture, January 30, 1997.
[2] Oregon State Parks & Recreation Department, May 2009

PROPOSED POOL REPLACEMENT FACILITY

The City of John Day contracted with a cadre of professional architects, engineers, and aquatic facility specialists beginning in 2018 to determine the best location and design for a new public swimming pool in John Day. Over the two-year planning process, the consultants met on multiple occasions with a steering committee representing local government officials to receive input and guidance on both items. The John Day Swim Team also hosted a town hall listening session in April 2019 to gather public input on the pool project. Results of those meetings and the input received from the public, the consultants and city staff agreed on the following.

- **Location** – Two sites were considered in John Day: (1) Innovation Gateway Property accessed from Patterson Bridge Road, also known as the Oregon Pine Property; and (2) 7th Street Sports Park (see map in Appendix B). Both sites are publicly owned, located north of the John Day River and out of the floodplain on flat, buildable ground. Because the 7th Street property is already maintained as a public park, utilities are easily accessed, and the JDCCPR District has continual presence at the park, the consultants and steering committee agreed that this site was preferable to the Oregon Pine Property. Additionally, the City of John Day and JDCCPR District are in the process of constructing a parking lot adjacent to the pool location to support the new trail system along the John Day River as part of John Day's Integrated Park System. The parking lot will also be able to support secondary parking needs at the pool and at the park.

- **Aquatic Center/Pool Design** – The consultant team and steering committee evaluated several options for the new pool including the possibility of constructing and operating an indoor pool. Counsilman-Hunsaker, under a prior contract with the City of John Day issued in 2018, evaluated both indoor and outdoor pools under a range of scenarios. However, the cost of constructing the indoor pools ($9-16 million) and then operating such a facility ($450,000 - $1 million annual operating subsidy from taxes) was beyond the current financial capacity of county residents. Based on the input received and the financial realities of constructing and operating a public swimming pool, the consultants and steering committee recommended that the replacement pool be similar to but an improvement over Gleason Pool: an ADA-accessible, six-lane, 25-yard outdoor pool with spectator seating and space available to add a small warm water wading/therapy pool in the future.

- **Optional Future Expansion** – As the community grows there may be a need or desire in the future to enclose the pool at the aquatic center and operate the facility on year-round basis. As a result, the facility has been designed to accommodate future expansion. Ample deck space and support facilities have been provided to allow for the future enclosure of the pool either on a permanent or seasonal basis. In addition, the facility has been designed to accommodate the addition of a 22,600 square foot recreation center with two gymnasiums with perimeter walking space, and two multi-purpose rooms. However, this report and study do not include any recommendations

for funding and/or a timeframe for these improvements as they would exceed the current bonding and tax capacity of the community. The proposed site plan, facility plan, and illustrative drawings are included in Appendix C.

- **Pool Construction Estimate** – As of May 4, 2020, the estimated cost of constructing the new pool is just under $6 million. This estimate includes all costs including all support facilities (offices, parking lot, restroom/showers, storage, and mechanical rooms), design, engineering, and permitting costs, and two-years of inflationary costs. The estimate assumes construction of the new facility during the summer of 2021. The engineer's estimate is included in Appendix D.

- **Operating Cost Estimate** – All public pools in Oregon are subsidized by their respective local governments. The amount of subsidy varies greatly based on several factors such as seasonality (summer only or year-round), fees from usage, size of facility, partner support, and available funding. Consultants evaluated operating costs from similar outdoor public pools and a recently completed report by the Shelk Foundation titled *"Rural Oregon Public Pools – A Comparison Communities, Amenities, and Costs."* Additionally, JDCCPR District provided revenue and expense costs of operating Gleason Pool over the last seven years. JDCCPR District estimates that they subsidize operations of Gleason Pool by $35,000 and $40,000 per year. The operating costs would be significantly more if the City of John Day fully charged the district for water and other utility and operation support. Based on the information received and evaluated, and to assure that funds are set aside for future capital repairs and equipment, the consultants and steering committee are recommending that $90,000 per year be budgeted to subsidize OM&R for the new pool. A comparison of outdoor pool operation budgets from throughout the state are included in Appendix E.

- **Proposed Pool Programming** – JDCCPR will have an opportunity to expand its swim program offerings based on the size of the new facility and the increased subsidy. It is anticipated that the use of the pool could be extended from 10 weeks per summer to 12-14 weeks per summer under this scenario. Furthermore, there is a real opportunity to work with the school districts to provide free swim lessons for grade school age children as was done historically. Working with the Grant County Transportation District, The People Mover, additional opportunities for free transportation to and from adjacent cities could be supported. Opportunities to work with the senior community to provide low-impact water exercise programs would be enhanced. If the shallow warm water pool is constructed, staff could also provide additional programming associated with physical therapy, mom and tot swim lessons and playtime, and low-impact water exercise. The warm water pool is not included in the initial cost estimate but is expected to cost less than $750,000 depending on its size and features. This pool could be funded through costs savings on the Aquatic Center construction contract, local contributions, non-profit endowments or OPRD's Large Government Grant Program, or any combination thereof.

OPTIONS FOR FUNDING POOL REPLACEMENT AND OPERATIONS

As outlined below, City of John Day staff and consultants evaluated several different options for funding the replacement and operations of Gleason Pool based on the estimates previously described. The following options were considered:

1. **City of John Day Construct and Operate Facility**
    a. Pros – The city owns the current pool and 25% of the Grant County's population lives within the city limits of the City.
    b. Cons – The debt service payment on a $6 million 20-year bond would exceed $4/$1000 assessed value. The City does not have a permanent source of revenue to support the ongoing maintenance and operation of the facility.

2. **John Day Canyon City Park and Recreation District Construct and Operate Facility**
    a. Pros – The district owns the property where the proposed pool is to be located and they have a year-round presence on site. They have been operating the pool for the last 30-years. Staff at the district have the most familiarity and expertise with operating the pool.
    b. Cons – The debt service on a $6 million 20-year bond would exceed $1.50/$1000 assessed value. Additionally, the district has indicated that its current operating budget cannot continue to subsidize pool operations due to maintenance and program requirements at the 7th Street Sports Complex. To meet the proposed operating budget of the pool, the district would need to increase its current permanent tax rate from $.7484/$1000 to $1.034/$1000.

3. **Dissolve and Reform the JDCCPR District to Construct and Operate Facility** (This option would allow the district to increase its geographical size and increase its permanent tax rate.)
    a. Pros – The district owns the property where the proposed pool is to be located and they have a year-round presence on site. They have been operating the pool for the last 30-years. Staff at the district have the most familiarity and expertise with operating the pool. This option would retain one governmental agency in charge of the pool reducing administrative overhead. The district would have the opportunity to increase its permanent tax rate to support operation and maintenance of 7th Street Sports Park and the new pool.
    b. Cons – This option would require passage of four ballot measures to assure that the pool was constructed and operated: (1) Dissolve the existing district; (2) Reform the district to a larger area and with a new permanent tax rate; (3) Elect a new five-member board of directors; and (4) A bond measure for construction of the new pool. Furthermore, there is concern about the ability of and community support for providing park and recreation services to a larger district. For those areas outside of the current district, the combined tax rate for district operations and construction of the new pool would most likely not meet the target of keeping the rate below $1.185/$1000. This option is a complicated and involved process with significant uncertainty. It would require significant efforts

and time to educate the public about the process which may limit the ability of placing the measures on the ballot in a timely fashion.

4. **Establish an Aquatic District as a County Service District under ORS 451 to Construct and Operate Facility**
    a. Pros – County service districts are permitted under ORS 451 whereby the county commission is the governing body. With approval of voters within the proposed district, the county may form a single purpose district with a dedicated permanent tax rate. In this case, residents within the proposed aquatic district would pay only for the operation and construction of the new pool. Other county programs and/or additional park and recreation services would not be funded through this arrangement. This option reduces administrative overhead costs as compared with forming another district outside of the county government structure. Furthermore, the district can be formed of an adequate size to meet the target of keeping the combined tax rate for pool operations and construction below the $1.185/$1000.
    b. Cons – The proposed aquatic district will be governed by the county court instead of a separate board. This could increase management burden on the county and could reduce public advocacy and accountability of district operations. However, an advisory council or volunteer board could be established to address these concerns. This option will also require passage of two ballot measures to assure the construction and operation of new pool in Grant County: (1) Formation of the aquatic district with a permanent tax rate; and (2) A bond measure for construction of the pool. Both measures must pass for the district to be formed and the pool to be constructed. The cities within the proposed district will need to pass a resolution that supports Grant County with initiating formation of the district through a ballot measure and if passed, inclusion of the district within city boundaries.

SERVICE AREA ALTERNATIVES

As outlined below, City of John Day staff, consultants, and steering committee members evaluated several different options for identifying logical and financially feasible service area alternatives for a new aquatic district. It was determined such a district, if formed, would need to serve the central core area of Grant County where most of the population resides. The following alternatives were considered and evaluated based on tax rate(s), equity, and reasonable accessibility to the proposed pool – with the goal of achieving the widest tax base possible with the lowest rate possible, while still ensuring those who pay for the facility are within a reasonable driving distance of the site. Appendix F includes a spreadsheet which identifies the property tax implications of each alternative. Additionally, boundary maps of each alternative are included in Appendix G.

Alternative A – John Day Rural Fire District and Adjacent Cities

This alternative encompasses the boundaries of the fire district and cities of John Day, Canyon City, Seneca, Mount Vernon and Prairie City. The 2019-2020 assessed value of the area is $313 million. The permanent tax rate for pool operations would be 29¢/$1000 while the pool bond tax rate would be $1.07/$1000. The combined tax rate of $1.35 would not meet the target rate of less than $1.185/$1000. Based on the average 2019-20 assessed values within this proposed district, the average yearly homeowner cost by city and unincorporated Grant County would be as follows:

- Canyon City – Avg AV (2019-20) $70,993*$1.35/1000 = $95.84
- John Day – Avg AV (2019-20) $117,860*$1.35/1000 = $159.11
- Mount Vernon – Avg AV (2019-20) $62,351*$1.35/1000 = $84.17
- Prairie City – Avg AV (2019-20) $70,735*$1.35/1000 = $95.49
- Seneca – Avg AV (2019-20) $27,765*$1.35/1000 = $37.48
- Unincorporated Grant County – Based on $100,000 AV = $135.00

Alternative B – JDCCPR District and Nearby Cities

This alternative encompasses the boundaries of the park district and cities of Seneca, Mount Vernon and Prairie City. The 2019-2020 assessed value of the area is $361 million. The permanent tax rate for pool operations would be 25¢/$1000 while the pool bond tax rate would be 94¢/$1000. The combined tax rate of $1.19/$1000 would not meet the target rate of less than $1.185/$1000. Furthermore, unincorporated areas between the cities and park district would not be in the district – creating an inequity between adjacent rural residents and city residents where some in-district residents are farther from the pool than out of district residents. Based on the average 2019-20 assessed values within this proposed district, the average yearly homeowner cost by city and unincorporated Grant County would be as follows:

- Canyon City – Avg AV (2019-20) $70,993*$1.19/1000 = $84.48
- John Day – Avg AV (2019-20) $117,860*$1.19/1000 = $140.25
- Mount Vernon – Avg AV (2019-20) $62,351*$1.19/1000 = $74.20
- Prairie City – Avg AV (2019-20) $70,735*$1.19/1000 = $84.17
- Seneca – Avg AV (2019-20) $27,765*$1.19/1000 = $33.04
- Unincorporated Grant County – Based on $100,000 AV = $119.00

Alternative C – School District Boundaries

This alternative encompasses the boundaries of both school districts. The 2019-2020 assessed value of the area is $478 million. The permanent tax rate for pool operations would be 19¢/$1000 while the pool bond tax rate would 70¢/$1000. The combined tax rate of 89¢/$1000 would meet the target rate of less than $1.185/$1000. However, much of the proposed service area is not within 30-minute drive of the pool. Based on the average 2019-20 assessed values within this proposed district, the average yearly homeowner cost by city and unincorporated Grant County would be as follows:

- Canyon City – Avg AV (2019-20) $70,993*$.89/1000 = $63.18
- John Day – Avg AV (2019-20) $117,860*$.89/1000 = $104.90
- Mount Vernon – Avg AV (2019-20) $62,351*$.89/1000 = $55.49
- Prairie City – Avg AV (2019-20) $70,735*$.89/1000 = $62.95
- Seneca – Avg AV (2019-20) $27,765*$.89/1000 = $24.71
- Unincorporated Grant County – Based on $100,000 AV = $89.00

Alternative D – School District #3 and Prairie City

This alternative encompasses the boundaries of School District #3 and the City of Prairie City. The 2019-2020 assessed value of the area is $428 million. The permanent tax rate for pool operations would be 21¢/$1000 while the pool bond tax rate would 78¢/$1000. The combined tax rate of 99¢/$1000 would meet the target rate of less than $1.185/$1000. However, the unincorporated areas between the school district and Prairie City would not be in the district creating an inequity between adjacent rural residents and residents living in Prairie City. Based on the average 2019-20 assessed values within this proposed district, the average yearly homeowner cost by city and unincorporated Grant County would be as follows:

- Canyon City – Avg AV (2019-20) $70,993*$.99/1000 = $70.28
- John Day – Avg AV (2019-20) $117,860*$.99/1000 = $116.68
- Mount Vernon – Avg AV (2019-20) $62,351*$.99/1000 = $61.73
- Prairie City – Avg AV (2019-20) $70,735*$.99/1000 = $70.03
- Seneca – Avg AV (2019-20) $27,765*$.99/1000 = $27.49
- Unincorporated Grant County – Based on $100,000 AV = $99.00

Alternative E – JDCCPR District, Adjacent Cities, and Rural Fire Districts

This alternative encompasses the boundaries of the park district, cities of Seneca, Mount Vernon, and Prairie City, and the Mount Vernon and Prairie City Rural Fire Protection Districts. The 2019-2020 assessed value of the area is $448 million. The permanent tax rate for pool operations would be 20¢/$1000 while the pool bond tax rate would 71¢/$1000. The combined tax rate of 91¢/$1000 would meet the target rate of less than $1.185/$1000. The boundary encompasses all property between the cities within the central core of Grant County with a very small exception between Seneca and Canyon City. Nearly all residents are within a 30-minute drive of the new pool. Based on the average 2019-20 assessed values within this proposed district, the average yearly homeowner cost by city and unincorporated Grant County would be as follows:

- Canyon City – Avg AV (2019-20) $70,993*$.91/1000 = $64.60
- John Day – Avg AV (2019-20) $117,860*$.91/1000 = $107.25
- Mount Vernon – Avg AV (2019-20) $62,351*$.91/1000 = $56.74
- Prairie City – Avg AV (2019-20) $70,735*$.91/1000 = $64.37
- Seneca – Avg AV (2019-20) $27,765*$.91/1000 = $25.27
- Unincorporated Grant County – Based on $100,000 AV = $91.00

RECOMMENDATION

Based on the information provided within this report and input from community leaders and stakeholders, the following recommendation is presented to construct and operate a new public swimming pool in Grant County.

- Request that Grant County submit to voters within central Grant County a ballot measure to form the **Central Grant County Aquatic District** as a county service district under the provisions of ORS 451. The proposed district would encompass the boundaries described in **Alternative E**, which consists of the current JDCCPR District, Mount Vernon and Prairie City Rural Fire Protection Districts, and the cities of Prairie City, Mount Vernon, and Seneca (see boundary map and Alternative E in the appendix). The county court would serve as the governing board of the aquatic district. The **permanent tax rate would be set at $.20 per $1,000 assessed value** creating approximately $90,000 in property tax revenue specifically used to subsidize pool operations and set aside funds for capital repair, equipment, and improvements. This amount of funding could also support extending the season of pool operations, provide free swim lessons for grade school age children as part of the school districts' physical education program and/or provide free transportation to and from adjacent cities within the aquatic district.

- Grant County is also requested to submit to voters of the proposed district a **20-year, $6 million bond measure** for construction of a new six-lane outdoor pool and aquatic support spaces. As of February 24, 2020, the estimated tax rate for payment of the bond is .7117 per $1,000 assessed value based on information received from David Ulbricht, Director of Advisory Services with SDAO Advisory Services LLC. The warm water pool would be added to the facility with funds derived from state, federal, and non-profit grants and support.

  (Note: As an alternative method of financing the construction of the pool, it may be wise to discuss with Grant County officials the potential of loaning the necessary construction funds to the Aquatic District. Savings may result in lower bond issuance costs and interest rates. The County may be able to receive a higher rate of return than investing in the government investment pool. Details of this potential funding source, repayment, and tax rate would need to be worked out with county finance, legal counsel, and court.)

- Both measures (permanent tax rate for operations and bond financing for construction) would be placed on the same ballot. For the project to move ahead and for either measure to be approved, both measures must pass.

- If both measures are approved by voters at the November 3, 2020 general election, the effective date for both measures would be July 2021 to correspond with the retirement of the Blue Mountain Hospital District's capital improvement bond, which was a $7 million bond approved by voters at a special election held September 19, 2000. The hospital bond is a variable rate and was $1.185 per $1,000 assessed value in the 2019-2020 tax year. As a result, passage of the proposed pool bond and

operating levy would still result in a significant reduction in property taxes for all county residents within the proposed service district (approximately $.27/$1000) beginning in the 2021-2022 tax year and greater tax savings for residents who are out of district that will still be able to use the aquatic center.

- If both measures pass, bridge funding could be secured to allow the aquatic district to go out for bid for design and engineering services after the November election. Construction for the new pool could begin in late summer of 2021 and with completion in June or July 2022. Operating funds would be set aside for start-up costs (furnishings, training, recruitment, pool supplies, etc.) of the new pool. If for some reason, the new pool cannot be completed for the 2022 season, the operating funds would be used to subsidize the operation of Gleason Pool for the 2022 season. The city is committed to subsidizing the operation of Gleason Pool for the 2021 season if both measures pass and if an agreement for operations can be secured between the park district, OPRD and the city of John Day.

- The recommended location of the new pool is 7th Street Park in John Day on property owned by the JDCCPR District. The park district has agreed to grant a no-fee land lease to the aquatic district for construction of the pool on park district property.

- In exchange for providing the property for the new pool, JDCCPR and the Central Grant County Aquatic District would enter into a long-term contract for management and operation of the new pool by JDCCPR. 95% of the tax revenue received by the aquatic district would be transferred to the park district to subsidize operations of the pool and to set aside funds for capital equipment replacement, repairs, and improvements. The remaining balance of tax receipts would be used by the county to offset a portion of administrative costs. At the point when the debt service on the bonds are paid off, the aquatic district would transfer title of the pool to JDCCPR. However, the county and aquatic district would continue to assess the permanent tax rate for operations of the pool and 100% of the tax revenue would be transferred to the park district.

- The City of John Day, JDCCPR, and Grant County will work together on final facility design and specifications. The city has agreed to manage the construction project (bid solicitation to final construction) once there is agreement on final design and specifications and funding is in place for the project.

NEXT STEPS

The following is a list of next steps required for establishing the Central Grant County Aquatic through County Commission initiative.

1. The proposed district boundary will need to be described.

2. An economic feasibility study will need to be completed that meets the standards set forth ORS 198. The proposed 1st and 3rd year budgets within this report and in Appendix H will be the basis for the feasibility study.
3. Community listening sessions will be held in each affected community in May and June 2020.
4. Prior to July 1, 2020 a resolution from each city within the proposed district must be approved that supports Grant County with initiating formation of the district through a ballot measure and if passed, inclusion of the district within city boundaries.
5. Ballot measure language will need to be prepared for formation of the district with a permanent tax rate. Additionally, ballot measure language associated with proposing a $6 million general obligation bond must be prepared. County counsel should be asked to assist and/or lead this effort.
6. A citizens committee should be formed to support the project. Prior to county court considering placement of the measures on the ballot, the committee could gather signatures from local voters who support the project.
7. On July 8, 2020 a formal request is presented to county court requesting that the court initiate the process to place formation of the district and general obligation bonds for pool construction on the November 3, 2020 General Election. Proposal includes feasibility study, city resolutions, boundary map, boundary description, and citizens petition (if available).
8. County conducts public hearing on July 22, 2020 to receive input on the proposal.
9. County conducts public hearing on August 12, 2020 to receive input on the proposal and consider decision to place both measures on the ballot.
10. If approved by county court, both measures are forwarded to the Secretary of State by September 3, 2020 for inclusion in the November 3, 2020 General Election.

APPENDICES

- **Appendix A.** Gleason Pool Condition Assessment
- **Appendix B.** Map of potential pool sites
- **Appendix C.** Site Plan and Facility Plan for the Aquatic Center (Phase 1) and future Recreation Center (Phase 2) with Facility Renderings
- **Appendix D.** Engineers Cost Estimate
- **Appendix E.** Pool Operating Cost Comparisons
- **Appendix F.** Taxing Boundary Alternatives Worksheet & Tax Impacts of Selected Alternative by City
- **Appendix G.** Operating budgets for the new pool (Year One and Three)
- **Appendix H.** Boundary Maps of Alternatives A-E