

Meeting Notes – December 1, 2016
Fairbank Community Center Study Task Force
Conference Room – Sudbury Police Station

Members Present: Pat Brown (chair), Jim Marotta, Jack Ryan, John Beeler, Sam Merra, Chris Morely, Lisa Kouchakdjian, Bryan Semple, Jose Garcia-Meitin

Nonvoting Members Present: Debra Galloway (left at 9:20 PM), Kayla McNamara (left at 8:45PM), Jim Kelly

Members Not Present: Mike Ensley

Also Present: Joel Bargmann (BH+A), Ken Ballard on Conference Call

1. The meeting was called to order at 7:31 pm.
2. Pat Brown took the third agenda item second and led a discussion regarding the Collins Center for Public Management which is an educational group. She offered that they could do a survey as it relates to the Fairbank Center, that this would cost roughly \$5,000. This survey could be employed to determine what the community wants. This would not be a full-fledged survey. Bryan Semple asked how this would be related to the current process. Pat said that the Town of Sudbury has never asked its citizens what they want as it relates to the Fairbank Center. Bryan stated that we voted to begin the process for the RFP. He further stated that the survey is an interesting idea, but that we should continue with the plan of conducting the RFP. Jim Marotta asked what the intention would be once we obtain the information from this survey. Pat Brown said that she would like to know whether or not the Town was looking for an expansion of the Fairbank Center. Bryan stated that he thought this is what prior surveys have already told us. Jim Kelly offered that the Permanent Building Committee would be the one to oversee this process of design and selection. Bryan said this \$5,000 survey is orthogonal to the RFP process. John Beeler supported the idea. Sam Merra questioned whether the RFP was adequate. Jack Ryan revisited the original RFP and said that all of this was already done and is documented in the first section of the original report. Pat shortened the conversation in order to prepare for the conference call with Ballard King.
3. Jim Kelly, taking the second agenda item third, introduced Joel Bargmann of BH+A. Joel worked with the original Fairbank Community Center Study Task Force. Joel wrote the first report presented to the Fairbank Community Center Task Force from BH+A. Joel explained that Ken Ballard was led by the idea that Revenues should match Expenses. He said that this was not typically how plans like these are pulled together. He spoke of how the Senior Center, which uses 20,000 sq ft of the building, is a social service center which does not produce any revenue. Chris Morely said that the Senior Center is 10 to 15% of the project, that the senior center side of the project is fairly certain, and that Park & Rec needs to make sure that this project will work.

Jim Kelly then called Ken Ballard and conferenced him into the meeting. Ken Ballard first stated that the goal of the study was to make the Fairbank Center cost neutral, for revenue to cover expense. Jim Kelly said that some concern was expressed over the fitness center and whether we could run such a program given that a new fitness center has opened in Natick.

Ken Ballard stated that Ballard King has been in business for 25 years. They have done over 700 projects in 48 states. They have a great deal of experience developing operating plans. He said that all of his associates were at one time public park & recreation professionals. He further offered that all Ballard King associates have opened at least one facility each. They conduct feasibility studies and

master plans. They also conduct interim management services for these facilities. Ken said that he spent much of February and March learning about Sudbury and similar facilities in the area. It was from this analysis that they developed the operational plans for the new Fairbank Center. He said that Ballard King looked at the existing facility to see how the three different departments run and generate revenues and expenses. They looked at current staffing, market demands, demographics and projections. Ken Ballard said that Ballard King has been successful, if not conservative, with their planning and projections.

Kayla McNamara expressed her concern that the fitness center component of the operating plan is not something that the Fairbank Center currently offers and has experience with. She said that this is a large portion of the revenue plan. Ken Ballard felt that fitness centers across the country are all experiencing growth. He says there is a great deal of unmet demand. His plan does not assume a large market penetration rate, he recalled perhaps 7%. Ken Ballard said that typical penetrations are in the range of 10 to 15%. Bryan Semple asked if Ballard King had done these penetration studies on other communities. Ken said that communities are inherently different and it is difficult to find one which matched Sudbury's demographics. Pat Brown spoke to how fitness center equipment needs to be constantly maintained by a trained professional, a skilled employee. She said that there also needs to be constant supervision, that there are incremental operational costs. Ken spoke to how these costs are built into the analysis. Jim Marotta spoke to the report and how it states that non-Sudbury residents would need to utilize the center in order to meet revenue projections. He said that 15% of the fees are estimated to come from non-Sudbury residents. Jim asked what the 15% was based on. Ken Ballard offered that he thought the 15% was conservative given the area demographics. Lisa Kouchakdjian thought that current non-resident use of the facility/pool might provide a good indicator of future prospective membership from outside Sudbury. Kayla McNamara thought the percentage of non-Sudbury members for the pool is estimated to be around 30%. Jim Marotta believes that the 30% non-resident use of the pool is driven by the fact that the Fairbank Center's (Atkinson Pool's) current rates are lower than the market rates. Ken Ballard said that the analysis assumed a 30% increase in the future pool rates and that all programming was assumed to be charged at the resident and not the non-resident rate. Ken also said that the programming in the model is representative of the programs that will be offered but that it does not model exactly what the programs are or what they will be. Lisa Kouchakdjian spoke of how the Summer Camps run wait lists and was wondering if BK looked at these programs, perhaps increasing the Summer Camps which were to be offered. Ken Ballard said that they added 50 campers per session for 4 sessions, 200 additional campers in all. Ken was not sure whether he increased the Summer Camp fees, that he remembered them to be perhaps \$470. Lisa wondered whether the fee could be increased. Ken said that Ballard King did not benchmark this \$470 with what other camps in the area offered and their respective fees.

Chris Morely asked if, when compared to Ballard Kings municipal clients, whether being revenue neutral was realistic. Ken said he has never stepped into a facility where the directors say that they have too much space that they don't know what to do with. Jack Ryan spoke to how Ballard King was tasked to build a facility to meet the revenue neutral goal. Jim Marotta asked what drove the square footage of the proposed facility, was it capital or the operational needs. Joel Bradman offered that a capital goal was not offered to him and this is why there were three options presented, so that one could see what you could get from the additional square footage and what the incremental costs would be. Joel spoke to how Sudbury is unique in that its community center will always have a pool, that this is part of the history. Other community centers which are much larger in square footage don't have a pool, that the square footage is used on other amenities. Jim Marotta thought that the feasibility study should be able to derive a capital target. Joel Bargmann offered that it will be difficult to determine what type of capital override the community would be willing to absorb. Ken Ballard said

that it is always an issue in determining the capital outlay that the Town would agree to. Joel Bargmann said that determining the capital outlay was not part of the initial survey. Chris Morely thought that it is difficult to conduct a statistically significant survey as it relates to capital. Ken Ballard thought that getting a 300 response survey could cost 10 to 15 thousand dollars. Chris Morely asked about the risks if this municipal business does not generate the projected revenue. Ken Ballard responded that there are ways to manage and manipulate the operating expense by reducing staff and operating hours and increasing fees.

The conference call ended at 9:07 PM followed by a wrap up. More discussion was heard on the concept of the new center operating on a revenue neutral budget. That evolved into a conversation on the programming needs and the type of facility which would be needed to support them. Jim Kelly and Bryan Semple spoke to paring back the proposed facility so that it can support the programs and services which exist today.

The committee agreed that they need to get feedback from the Board of Selectmen on how much expense the Town would be willing to accept. Figures of \$200 to \$500 of incremental annual property tax for the median home value was discussed. The \$200 was estimated to cover a \$12 Million capital expense over a 20 year term. This would be incremental to the \$10 Million estimated to be needed to renovate the Fairbank Center if not option is pursued.

The committee then discussed the topics which would be presented at the joint meeting with the Board of Selectmen. The topics discussed were whether the BOS expected the new building to include facilities for SPS. Another topic which the committee wished to discussed was the incremental annual tax levy the BOS thought the Town could absorb to fund this project for both capital and operational needs.

4. At 10:00 PM a motion to adjourn was made, seconded and passed unanimously.