

Memo

To: Honorable Mayor and City Council
From: Joe Kohlmann, City Administrator
Date: May 14th, 2013
Re: Lifeguarding Services

Staff has received several options for lifeguarding service pricing, all from the Minnetonka School District. The proposed price increases are for two reasons. First, it was discovered that the previous contracts were split with Shorewood paying 68% and Tonka Bay paying 32%. This was due to the previous contract proposers calculations. There is not formal agreement between Shorewood and Tonka Bay on the cost of lifeguarding services and a 50/50 split seems fair. Another reason for the proposed increase is due to lifeguards receiving additional training (*see attached email thread*).

The pricing structure is proposed with a 50/50 split with Shorewood. Six hours per day allocated to Wekota and three to Crescent. The City of Tonka Bay has budgeted \$9,060 for lifeguarding services in 2013. The proposed options are as follows:

- 1) Same service as last year (9 hours, 65 days) - \$10,822
- 2) Two year contract (same services)
 - a. Year One - \$9,060
 - b. Year Two - \$10,822
- 3) Reduce one hour at Wekota each day –
 - a. One year contract - \$9,750
 - b. Two year contract - \$9,620
- 4) Reduce one hour each day at Wekota and Crescent –
 - a. One year contract - \$9,140
 - b. Two Year contract - \$8,775

Action to be considered:

Direct Staff which pricing and service structure the City Council would like inserted into the contract and Staff will bring a final contract proposal back.

City of Tonka Bay Beach Options 2013

One Year Contract	Two Year Contract
Option A: same service as 2012 9 hrs/day x 65 days = 585 hours Total Hours: 585 x \$18.50 = \$10,822.50	Option A: same service as 2012 9 hrs/day x 65 days = 585 hours Total Hours: 585 x \$17.75 = \$10,383.75 per year
Option B: Two year contract, 1 st year at same price 2 nd year under new pricing Year one: \$9060 Year two: \$10,822.50 Total: \$19,882.50	
Option C: One less hour/day at Wekota 8 hrs/day x 65 days = 520 hours Total Hours: 520 x \$18.75 = \$9,750	Option B: One less hour/day at Wekota 8 hrs/day x 65 days = 520 hours Total Hours: 520 x \$18.50 = \$9,620 per year
Option D: One less hour/day at Wekota and Crescent 7.5 hrs/day x 65 days = 487.5 hours Total Hours: 487.5 x \$18.75 = \$9,140.60	Option D: One less hour/day at Wekota and Crescent 7.5 hrs/day x 65 days = 487.5 hours Total Hours: 487.5 x \$18.00 = \$8,775 per year

Important Notes:

- All options assume a 50/50 split in costs with Shorewood for Crescent Beach
- Hourly rate is based on total number of hours. Two year contract increases total hours, resulting in a lower hourly rate
- For Tonka Bay and Shorewood, hourly rate represent the total hours between both beaches. For example, with same service as 2012 the total number of beach hours is 780. 585 of those hours are billed to Tonka Bay, but the hourly rate is applied to 780.
- As we have done in the past, Tonka Bay will not be billed for lifeguard hours when the beaches are closed due to weather.



LIFEGUARD SERVICES FEES 2013

BASED ON TOTAL HOURS

<u>TOTAL HOURS</u>	<u>RATE</u>
1-250	\$20.00
251-500	\$19.00
501-750	\$18.75
751-1000	\$18.50
1001-1250	\$18.25
1251-1500	\$18.00
1501-1750	\$17.75
1751-2000	\$17.50
2001+	\$17.25

Joe Kohlmann

From: Bartell, Ben [Ben.Bartell@minnetonka.k12.mn.us]
Sent: Thursday, April 04, 2013 4:06 PM
To: Joe Kohlmann (jkohlmann@cityoftonkabay.net)
Subject: FW: 2013 Lifeguard Services

Hi Joe,

Just wondering if you've had a chance to discuss the fee split of Crescent beach with the city of Shorewood.

Additionally, I wanted to make you aware of another way that we can bring the price down a little bit. With a few other cities who have also been looking to keep costs down.

A few cities have been willing to sign 2 year agreements for lifeguard services; in those cases, what we have done is count all of the hours for both years as one combined contract. This means that we can apply a lower hourly number to the total number of hours. It would bring the price down another \$500 - \$600 or so.

Let me know what you think. Again, I very much would like to work something out that we both feel comfortable with.

Ben Bartell

Director, Minnetonka Aquatics
Head Coach, Minnetonka Swim Club
952-401-5225
www.minnetonkaaquatics.org



From: Bartell, Ben
Sent: Thursday, January 24, 2013 5:40 PM
To: 'Joe Kohlmann'
Subject: RE: 2013 Lifeguard Services

Joe,

Before we look at alternatives, I do have a question that needs confirmation.

Upon my program review this fall, I discovered that in years past the split in Crescent beach is roughly 38.74% paid by Tonka Bay, while city of Shorewood pays about 61.25%.

Now at the time I discovered this, I had no idea what the agreed upon split was between Tonka Bay/Shorewood. I contacted Shorewood and asked about the agreement, and I was told that the cities agreed to a 50/50 split.

Your proposed rate of \$10,822.50 represents a 50/50 split in costs of Crescent beach with the city of Shorewood. Is a 50/50 split accurate? Obviously this would change the total for your lifeguard services if that is

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the case.

If you could please help me clarify the agreement with city of Shorewood I would greatly appreciate it. I'm not exactly sure what the agreement is between the two cities and how it works exactly. I would then be happy to address your questions and discuss further options.

Please respond when you get a chance. Perhaps I could swing by your offices sometime in the next week or two so we can have a better discussion of what we can do to make this work for everyone.

Thanks!

Ben Bartell

Director, Minnetonka Aquatics
Head Coach, Minnetonka Swim Club
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From: Joe Kohlmann [mailto:jkohlmann@cityoftonkabay.net]
Sent: Thursday, January 24, 2013 12:18 PM
To: Bartell, Ben
Subject: RE: 2013 Lifeguard Services

Hi Ben,

The City of Tonka Bay is interested in keeping the same level of lifeguarding service as we have had in the previous years. I appreciate your mission to make the beaches a safer place. We have paid or planned on paying (rainouts excluded) \$9,060 for our lifeguarding services the last few years. You are proposing a rate of \$10,822.50. This is an increase of \$1,762.50 or 19.45% over last year.

As you probably know, a 20% increase over the amount we have paid the previous year for the exact same service is difficult to accept. I would understand if national standards were passing on additional training requirements and it was necessary to pass the cost on to your customers. However, you seem to indicate that Red Cross standards are not sufficient. Also, if training has been eliminated the past several years, does that mean that we were receiving substandard lifeguarding services these several years?

I'm very sensitive to the protection of our beach visitors but many beaches have opted to eliminate lifeguarding services altogether and post signage that states there is no lifeguard on duty. I think we also need to be sensitive to the allocation of taxpayers' dollars.

I hope that there are some alternative options to a 20% increase over last year.

Regards,

Joe Kohlmann

From: Bartell, Ben [mailto:Ben.Bartell@minnetonka.k12.mn.us]
Sent: Thursday, January 17, 2013 3:48 PM
To: 'Joe Kohlmann'

5/10/2013

Subject: RE: 2013 Lifeguard Services

Hi Joe,

Sorry about that...I just looked back and apparently I did not add the descriptions on the fee structure change to your email. Let me provide some information to you...please see below. I'm sure you'll have a lot of questions, so please feel free to let me know what your concerns are. Alternatively, if you would prefer to sit down and discuss these topics I would be more than happy to head down to your offices and meet with you.

I know that price changes can be troublesome, however please understand that I will do whatever I can to make this work for the city of Tonka Bay. For example, we can slightly alter the number of hours or days of service in order to make the budget work. I'm confident that we can come up with solutions to whatever issues might arise.

I look forward to hearing back from you.

Thanks,

Ben

Introduction

This fall, we took a very close examination of our lifeguard services with careful attention to two specific areas: how we train and prepare our guards, and how much we charge for lifeguard services.

Over the past few years, economic challenges have put everyone in position to cut budgets and keep costs low. In an effort to work with cities to keep costs as low as possible, we have done everything in our power to trim our budget as well. After going through my records, it looks as though we have gone the last 4 years charging the same fee to Tonka Bay even though our operational costs have increased.

Since the large majority of our budget goes toward payroll for guard hours at the beaches, we have had to find other ways to cut costs. This has meant, among other things, a large reduction in the amount of hours devoted to training and preparation for our guards. While our guard's certifications are all up to date, consistent training and preparation are the keys to our ability to react in an emergency situation, as well as to identify and prevent situations from occurring. While the lack of training has not caught up to us yet, we are at the point where we have to make a change.

Adjustments to Lifeguard Services beginning in 2013

Our aim is to make adjustments and changes to how we prepare and guard our beaches, before we have an incident rather than reacting to an incident. While our guards are all certified and trained under the minimum standards of the Red Cross, we have recently established training and performance standards which far exceed the minimum. Our goal is to dramatically raise the standards of lifeguarding in our community in the areas of accountability, preparation, and teamwork.

What will change in our lifeguard services, and at your beaches? How does this additional expense affect you?

- **Additional training for our lifeguards.** The primary change will be the increased hours of training for our lifeguards, both prior to the opening of the season as well as ongoing throughout the season. Our lifeguards will train with a focus on three distinct areas:
 - Physical fitness and conditioning

- Skill Execution (water safety skills and emergency rescue/response procedures)
- Preventative lifeguarding
- **More comprehensive selection procedures for new hires.** Additional hours allotted to our beach supervisors and managers to conduct a more thorough selection process, in order to ensure that we are putting out the best and most highly trained guards.
- **Retention of more experienced guards.** In our current system, we often lose our more experienced guards due to a lack of hours or more competitive compensation levels in other organizations. We will improve our ability to retain our experienced guards, who not only bring a stronger and safer presence to the beaches, but will assist in the training of new guards.

Fee Structure

The fee structure that we are set to implement in the summer of 2013 has two primary goals:

1. To improve our ability to train and prepare our lifeguards to both prevent emergency situations as well as react in emergency situations
2. To standardize our fee structure across all cities, beaches, and pools

With these goals in mind, we created a fee structure based on our operating costs and the number of hours that are contracted.

Total Number of Hours Contracted	Hourly Rate per guard
1 – 250	\$20.00
251 – 500	\$19.00
501 – 750	\$18.75
751 – 1000	\$18.50
1001 – 1250	\$18.25
1251 – 1500	\$18.00
1501 – 1750	\$17.75
1751 – 2000	\$17.50
2000 +	\$17.25

Since the cities of Tonka Bay and Shorewood both share costs for Crescent beach, I think that it is reasonable to put the entire package together at 780 hours for the lower rate. >From what I have been told by Shorewood, the split for crescent beach is 50/50.

So under this fee system, approximately 585 hours would be the responsibility of Tonka Bay which would put the fee for 2013 at \$10,822.50.

Number of Hours	Rate	Total Cost
585	\$18.50	\$10,822.50

Additional recommendations and options to decrease risk

While we will focus on these changes internally, there is a lot more that can be done to improve our beaches.

Below are a few other ideas and thoughts for how we can make the beaches a safer place.

- **Patron Education.** Anything to help patrons understand what they can do to create a safer beach environment will be extremely helpful. This could include additional signage or a note in a community newsletter. Topics include:
 - While a lifeguard is on duty, our beaches are best protected when adults are watching their children. When our guards have to act as lifeguards and babysitters, it takes precious energy and attention away from the water.
 - Alcohol consumption will greatly increase the odds of drowning.
 - Safety breaks taken by lifeguards are a necessary part of keeping the beaches safe. Safety breaks allow our guards time to refocus and refresh, ensuring they are fully attentive while scanning their area; allow guards to check the cleared water in case of an incident; and allow families and groups to regroup and make sure everyone is accounted for. On hot days, these issues carry even more importance!
- **AED at Beaches.** This piece of equipment will drastically affect the survival rate of patrons with cardiac arrest.

Conclusions

We have a lot of people visiting the beaches, which is a good thing. Unfortunately, drowning and other life threatening incidents strike like lightning, and it only takes 1 incident and someone has lost a family member or loved one. We need to do absolutely everything we can to prevent that. You have partnered with us and given us the responsibility of protecting the beaches; we are therefore accountable for the safety of your community. We need to do all that we can to make sure that the members of your community are safe, and we will continue to deliver on that.