



**CITY AUDITOR** 345 6<sup>th</sup> Street, Suite 100, Bremerton, WA 98337-1873 & Phone (360) 473-5369

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July 20, 2020

To Audit Committee Members:

Leslie Daus, Audit Committee Chair and Council Member  
Mike Simpson, Council Member  
Deborah McDaniel, Audit Committee Vice-Chair and Citizen Member  
Darryl Riley, Citizen Member  
Dennis Treger, CPA

**Re: YMCA CONCESSION AGREEMENT TO OPERATE CITY POOL**

Dear Audit Committee Members:

At your request and based on the information available to date, I am submitting my findings regarding my review of the history of the YMCA concession agreement to operate the City's Jarstad Aquatic Center. Documents relied upon for this review are summarized in Exhibit A.

**SUMMARY**

Prior to 2010, the City was losing about \$215,000 per year from its swimming pool operations. In 2010, the City entered into an agreement whereby the YMCA would manage the pool. Instead of losing over \$200,000 per year, the City now pays the YMCA approximately \$35,000 per year, reducing the City loss by approximately \$180,000 per year. However, under YMCA management, the cost to use the pool has increased significantly unless someone wishes (and can afford) to be a YMCA member.

While the current agreement provides that City residents can use the pool and YMCA facility one day per quarter free of charge by using a voucher, use of the vouchers is minimal at about 10 vouchers per quarter. City residents who wish to use the pool more than once per quarter must either join the YMCA or pay the YMCA's daily guest fee, which costs \$10 for a youth, \$20 for an adult, and \$35 for a family. The YMCA daily guest fee is available to anyone, irrespective of whether they are a Bremerton resident. The daily guest fee is considerably higher than the cost to swim at other public pools, albeit the YMCA cost includes use of the YMCA facility as well. Other than the minimal use of the free quarterly voucher, paying the daily guest fee to use the pool is likely cost-prohibitive for some Bremerton residents.

If the City wishes to continue having the YMCA operate the pool, the City should consider contract terms that address the affordability and access of the pool for City residents. While there could be a variety of options to consider, it may be worth noting that some cities with a third party pool operator negotiated to have a pool-only pass available to City residents. In some instances the pass is limited to specific days and/or hours. In Everett, the YMCA provides 74.5 hours of pool access per week to non-YMCA Everett residents with reasonable



pool access fees paid to the City of Everett. Some pools offer discounted punch cards and/or discounted rates for the summer months when kids are out of school. Other cities have closed their pools and repurposed the property for other community spaces, such as spray parks and splash pads.

Due to a provision in the Quitclaim Deed that conveyed the property to the City, if the City no longer wanted the pool property, it can only be leased, sold or otherwise conveyed to another eligible governmental agency. Pending legal advice, an eligible governmental agency would likely include a public facilities district, school district, county or other similar entity.

The following comments summarize the agreement history, pool financials under City management, how other cities have dealt with their unprofitable pools, and YMCA of Pierce and Kitsap Counties' profitability.

## **BACKGROUND AND AGREEMENT HISTORY**

### **Federal Land Ownership**

The federal government owns approximately 640 million acres, or about 28 percent of the 2.27 billion acres of land in the United States. The vast majority of federal lands are administered by four agencies, including the National Park Service (NPS) of the Department of the Interior (DOI). The NPS is charged with preserving the ecological and historical integrity of the places entrusted to its management while also making them available and accessible for public use and enjoyment.

### **Federal Land to Parks Program**

The NPS's Federal Lands to Parks Program gives surplus federal land, usually at no cost, to communities for public parks and recreational areas. Surplus properties are properties held by the federal government that it no longer needs. Since its inception in 1949, this program has transferred about 178,000 acres to state and local governments. The program advocates for communities that want to acquire land and ensure those properties stay open for public recreational use and are maintained.

### **Bremerton's First Public Swimming Pool**

Bremerton's first public swimming pool was constructed in Evergreen Park in 1953. This outdoor pool was known as the Bremerton Memorial Swimming Pool and appears to have remained open approximately 26 years.

### **City of Bremerton Federal Surplus Land Acquisition**

In January 1971, the City applied for 17.6 acres of federal surplus property, the site of a former Navy Eastpark Defense housing project, for a public park or recreational purposes through the Federal Land to Parks Program. At the time, the City's population was approximately 36,000 and it had 201<sup>1</sup> acres of land designated for park and recreation use, which was noted in the application to be "considerably below the recognized national standards for cities of its size."

On April 5, 1971, the 17.6 acre Eastpark property was conveyed to the City through a Quitclaim Deed that stipulates the property must be used for public park and public recreation area

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<sup>1</sup> The City currently has approximately 328 acres of parks plus 360 acres at Gold Mountain Golf Course, serving a population of an estimated 41,000.



purposes. The initial planned use of the property was a park with picnic and hard court recreation areas, nature trails, playground apparatus, a stage for drama programs and band concerts, landscaping and parking.

### **Bremerton's Indoor Swimming Pool: Jarstad Aquatic Center**

Circa 1978, the City modified its planned use of the Eastpark property, deciding to build a new indoor pool on the site. Then Mayor Glenn Jarstad was keen on having a new pool and at one point he promised to jump in the pool with his clothes on if it were ever built. He kept his promise during the June 2, 1979 dedication. Initially named the Bremerton Municipal Pool, it was renamed the Jarstad Aquatic Center in 1996. For over 30 years, the City's Parks and Recreation department managed the Jarstad Aquatic Center.

### **QUITCLAIM DEED**

The April 5, 1971 Quitclaim Deed between the City and United States, which granted the East Park property to the City, provides that the City may provide related recreational facilities and services through concession agreements entered into with third parties with prior agreement in writing from the Department of the Interior.

Importantly, Item 3 of the quitclaim deed also states, in part, the following:

The property shall not be sold, leased, assigned, or otherwise disposed of except to another eligible governmental agency<sup>2</sup> that the Secretary of the Interior agrees in writing can assure the continued use and maintenance of the property for public parks or public recreational purposes subject to the same terms and conditions in the original instrument of conveyance.

### **OTHER RESTRICTIONS FOR CHANGING USAGE/OWNERSHIP**

In addition to the Quitclaim Deed requirements, if the City wished to sell, lease, or pursue a significant change to the current usage of Jarstad Aquatic Center, it would need to comply with Bremerton Municipal Code Chapter 13.12. The referenced BMC requires consulting with the Parks Board who issues an advisory report on the matter, then holding two public meetings. To sell the property, either a unanimous Council vote is required or the sale would need to be approved by the voters.

Furthermore, the City is restricted in changing the use of the property per the terms of a grant that provided financing for the pool's HVAC system. The grant agreement stipulates the City will not dispose of, modify the use of, or change the terms of the real property title without specific instructions from the awarding agency, which is the NPS, the same entity granting the Quitclaim Deed.

### **KITSAP FAMILY YMCA**

#### **1984 YMCA East Park Agreement**

As permitted by the quitclaim deed, the City entered into a concession agreement with the Kitsap Family YMCA (KF YMCA), an Armed Services YMCA. The concession agreement

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<sup>2</sup> Pending further review by the City Attorney, eligible government agencies may include a special district, such as a school district, water district, or park district, and possibly a public facilities district.



allowed the KF YMCA to use a specified portion of the Eastpark land to build and operate a 19,000 square foot recreational facility to serve the citizens of Bremerton, plus parking. The term of this agreement commenced December 6, 1984 and continued to January 1, 2015 (although the 1984 agreement would be replaced in its entirety by a new agreement in 2010). Following the initial term, the agreement provided an option to renew for two consecutive ten year terms upon conditions mutually agreed upon.

The terms of the 1984 agreement required the KF YMCA pay the City an annual concession fee in the amount of 20 percent of gross membership fees received by the KF YMCA for that year. The concession fee was to be paid quarterly. Membership in the KF YMCA entitled individuals to non-instructional use of the City pool facility at no additional charge. KF YMCA members had to pay normal public fee charges for swim classes offered by the City at the City pool facility. Additionally, the KF YMCA agreed to purchase a guaranteed minimum number of hours per year from the City for swim programs.

#### **1990 First Amendment**

In 1990, the 20 percent fee stipulated in the 1984 agreement was amended to a fee of \$25,000 per year adjusted by the annual change in the Consumer Price Index ("CPI"). The amended annual concession fee was to be increased by \$25 per year for each YMCA membership in excess of 1,000 memberships. The annual concession fee could also be decreased if memberships declined.

#### **2002 Second Amendment**

In 2002, the City was negotiating a concession agreement for the construction of an ice arena adjacent to the Eastpark real property used by the KF YMCA. A portion of the Eastpark real property used by the KF YMCA was needed to construct the ice arena.

The 2002 Second Amendment to the KF YMCA concession agreement provided that a portion of the property in the KF YMCA concession agreement would be removed so the ice arena could be constructed. The ice arena and additional parking were considered to be a benefit to the KF YMCA. No other consideration was included in the Second Amendment.

#### **2009 Third Amendment**

In 2009, budget constraints from the recession resulted in reductions to the City's 2009 part-time labor budget, which led to the elimination of Saturday and Sunday operation of the Jarstad Aquatic Center. This was to have a negative impact on the KF YMCA and the general public.

To benefit both the KF YMCA members and general public, a reimbursement agreement was reached whereby the City agreed to operate the pool on weekends and the KF YMCA would reimburse the City \$6,000 to pay the net cost of the associated staffing in 2009. In exchange, the City agreed to provide a future credit through partial reduction in the annual CPI adjustment.

#### **KF YMCA Merges with YMCA USA**

On July 1, 2010, the KF YMCA merged with the YMCA of Pierce and Kitsap Counties ("YMCA PKC"), a member of the YMCA USA. The YMCA PKC assumed all rights and responsibilities of the concession agreement.



**2010 YMCA PKC CONCESSION AND MANAGEMENT AGREEMENT**

**Turning Pool Management Over to YMCA PKC**

Since its opening in 1979, the pool is reported to have received an annual tax subsidy from the City. The table below summarizes the pools revenue and expenses from 2006 through 2010. As shown, during this five-year period the pool lost over \$1 million, with an annual average loss of \$215,374:

Description	2006	2007	2008	2009	2010	Five-Year Total
(A)						
Revenue:						
Charges for pool	\$ 55,040	\$ 46,287	\$ 45,920	\$ 54,337	\$ 46,534	\$ 248,118
Instruction class tuitions	53,866	50,061	59,259	53,336	30,761	247,283
Concessions and miscellaneous	9,712	872	1,375	246	607	12,812
Pool rental park facilities	15,842	29,495	24,342	26,051	25,874	121,604
Pool rental L.T. facilities	52,320	55,021	57,661	69,172	57,022	291,196
<b>Total revenue</b>	<b>186,780</b>	<b>181,736</b>	<b>188,557</b>	<b>203,142</b>	<b>160,798</b>	<b>921,013</b>
Expenses:						
Personnel costs	234,458	280,893	303,193	277,019	263,544	1,359,107
Supplies, services, utilities, etc	157,109	153,730	114,850	115,193	97,893	638,775
<b>Total expenses</b>	<b>391,567</b>	<b>434,623</b>	<b>418,043</b>	<b>392,212</b>	<b>361,437</b>	<b>1,997,882</b>
<b>Revenue less expenses</b>	<b>\$ (204,787)</b>	<b>\$ (252,887)</b>	<b>\$ (229,486)</b>	<b>\$ (189,070)</b>	<b>\$ (200,639)</b>	<b>\$ (1,076,869)</b>

Note (A):

Pool operations and management was contracted to the YMCA beginning September 1, 2010.

In 2010 amidst budget constraints during the recession, the City considered closing the pool. Such a move would have eliminated the KF YMCA members' access to the pool, as well as the general public's.

Discussions between the City and the YMCA occurred in the summer of 2010 and in September 2010, in lieu of closing the pool, City Council voted 7 to 2 to turn management of the pool over to the YMCA PKC through a concession and management agreement. The dissenters, Cecil McConnell and Adam Brockus, expressed concerns that fees for swimmers would eventually increase under YMCA PKC management, which would limit public access.

The September 2010 concession and management agreement, which is the current agreement, replaced in its entirety the 1984 agreement and amendments. The 2010 agreement provides the City will grant the use of the East Park property for operation and maintenance of the YMCA PKC's recreational facility that they constructed; and the YMCA PKC will operate, manage, and maintain the City owned pool, building and related improvements.

**Purpose of Use (§2.4), Reasonable Fees, and Usage**

The agreement states the Premises, which include the pool and recreational center, are intended for use by YMCA members as well as the general public, subject to reasonable fees (i.e., consistent with fees charged for similar facilities in the area); and that the Premises will



be used in a manner that will meet the mission of the YMCA and enable the public to enjoy the programs the YMCA offers.

Notably, the Bremerton YMCA pre-merger membership fees were \$38 per month in 2010 when the agreement was signed and grew to \$61 monthly in 2019, yielding an average annual growth rate of 7.6 percent. The Consumer Price Index and Kitsap County annual wage growth each averaged approximately 2.9 percent during this same period.<sup>3</sup>

The cost for an adult swim at the City pool in 2010 under City management was \$3.50. The YMCA PKC Day Pass currently costs \$10 for a youth, \$20 for an individual, or \$35 for a family, and includes use of the entire YMCA facility – one cannot purchase a pool-only pass.<sup>4</sup> The table below summarizes the current cost to use a local pool.

**Kitsap Area Pools Open to the Public**

Name & Location	Managed by	Individual Cost (Youth-Senior/Adult)	Family Cost	Amenities & Options
<b>Olympic Swim Center</b> Bremerton (Kitsap County)	CK School District	\$4/5	\$12  Free 4 and under	<ul style="list-style-type: none"> <li>Lessons</li> <li>Lifeguarding Class</li> <li>Team</li> <li>Punchcard 12 mo.</li> </ul>
<b>Kitsap Tennis &amp; Athletic Center</b> Bremerton (Kitsap County)	KTAC 501 (c)(3)	\$5	\$15  For 3 or more	<ul style="list-style-type: none"> <li>Lessons</li> <li>Special Events (Kids Night Out, Wellness Seminars, Rummage Sale)</li> </ul>
<b>South Kitsap Community Pool</b> Port Orchard	SK School District	Lap Swim & Deep Water Aerobics: \$3.00/3.25  General Swim: \$3.00/3.50	\$10  For up to 5	<ul style="list-style-type: none"> <li>Lessons</li> <li>Safety/Certs</li> <li>Punchcard 12 mo.</li> </ul>
<b>North Kitsap Community Pool</b> Poulsbo	NK School District	\$4.25/5.25 drop-in \$5.50 class	\$15	<ul style="list-style-type: none"> <li>Lessons</li> <li>Team/Masters</li> <li>Punchcard and Pass mo/3/6/12</li> </ul>
<b>Bainbridge Island Aquatic Center</b> Bainbridge Island	Metro Park & Recreation District	\$6/7 resident *non-residents: addl. \$0.50 drop-in or \$6 for pass*	Parent & child/tot \$5 during swim lessons  Free under 2	<ul style="list-style-type: none"> <li>Lessons</li> <li>Safety/Certs</li> <li>Team/Diving Club/Masters</li> <li>Range of options with monthly exercise pass</li> <li>Pass mo and Exercise Punchcard</li> </ul>

Jeff Elevado, the Parks and Recreation Director, stated the pool had approximately 150,000 to 200,000 users per year under City management. Although the free swim voucher usage has been minimal at about ten vouchers per quarter, the pool is also used by YMCA members, and all third graders from each of the six Bremerton elementary schools who have been provided free swim lessons by the YMCA since circa 2013.

<sup>3</sup> Kitsap average wage growth is from 2010 through 2018 since 2019 data is not yet published.

<sup>4</sup> The YMCA PKC day pass in 2011 was \$6 for a youth, \$11 for an individual, and \$17 for a family.



**Consideration (§3)**

For use of the land and pool, in 2010 the YMCA was to pay the City an annual concession fee of \$30,690, adjusted by CPI annually. For operating, managing and maintaining the pool, the City credited the YMCA its annual concession fee plus the City paid the YMCA an annual subsidy. The payment to the YMCA was \$24,000 the first full year. The City has since continued to credit the full concession fee otherwise payable by the YMCA to the City, and the City has paid an increasing subsidy to the YMCA, which totaled \$36,140 in 2019.

If the YMCA no longer operates, manages and maintains the pool, the concession fee would no longer be credited to the YMCA and would need to be paid in full to the City by the YMCA, and the City would no longer pay an annual operating subsidy to the YMCA. (§3.1.1 (d))

**Responsibilities and Obligations**

Some of the specific responsibilities and obligations the YMCA PKC has per the agreement are to keep the name Glenn Jarstad Aquatic Center, provide financial assistance to ensure access to those unable to afford YMCA membership according to an established policy that mirrors school lunch subsidy guidelines, and honor passes allowing Bremerton residents to use the pool and YMCA facilities four times per year for free. They are to maintain the pool infrastructure at or above industry standards, and they are to continue to offer core programs including swim lessons and water fitness programs.

They are to work with all user groups to provide access to the pool at prices comparable rates of similar facilities within the South Puget Sound area. And all fees charged by the YMCA must be reasonable so as to encourage participation by the general public.

As a comparison, monthly membership fees for an associate membership at Kitsap Tennis and Athletic Club, which includes swimming, racquetball, and fitness classes but not tennis, are as follows:

Membership Type	2020 Monthly Membership Fees	
	YMCA PKC	KTAC
Single	\$ 63	\$ 72
Couple	97	99
Family	145	118

Notably, as stipulated in the concession agreement, the YMCA does provide financial assistance for membership fees to low income members that apply for assistance.

**Contract Termination Considerations**

If the City considers terminating the YMCA PKC agreement, the following contract provisions (shown in part) are noted:

2.2.1 Exercising Option. The City agreed to offer the YMCA two successive ten year options to renew, contingent upon the YMCA remaining in full compliance with the



terms and conditions of the agreement. To execute an option for renewal, the YMCA must give notice 60 to 180 days prior to the expiration of the term, December 31, 2020.

2.2.2 Pool Contingency – Option to Terminate. The City has the option to terminate the YMCA's operation, management and maintenance of the Pool upon receipt of the YMCA's notice to exercise its option in Section 2.2.1 above or upon 90 days prior written notice to the YMCA. Such termination would be subject to a mutual agreement on a partial reimbursement of major capital improvements made to the Pool by the YMCA on an agreed upon pro rata basis taking into consideration the amount of improvements and the timing during the term of the Agreement. If the City takes over responsibility of pool management, operation and maintenance, and decides to keep the pool open, the parties are to enter into an agreement for the YMCA's access and use of the pool.

## **ECONOMY**

According to a US Economic Forecast by Dr. Daniel Bachman of Deloitte, before the outbreak of COVID-19, the US economy was doing moderately well. However, COVID-19 has "upended the trajectory of the economy." Assessing the impact of COVID-19 to our local economy, which also was doing well prior to the novel coronavirus, is beyond the scope of this report.

COVID-19 has impacted many businesses, including the YMCA. On March 16, 2020, the YMCA PKC closed all of its facilities for recreation, including Jarstad Aquatic Center. On April 1, 2020, the YMCA PKC put all member accounts on hold and discontinued collecting dues.

Under Washington State's current plan for reopening business, which continues to be updated as the COVID-19 situation evolves, indoor gyms and public pools were permitted to reopen in Phase 2 of the plan limited to 5 trainees; in Phase 3 of the plan, indoor gyms and public pools will be limited to 50 percent of capacity; and in Phase 4, the pools and gyms will be permitted to resume 100 percent capacity.

Kitsap County applied for Phase 3 mid-June 2020; however, advancement to ensuing phases has been paused throughout Washington due to an increasing rate of COVID-19 cases. The YMCA PKC has communicated to its members that it plans to reopen in Phase 3. They were recently working on protocols to address COVID-19 including for the pool, group classes, and child care.

## **OTHER MUNICIPAL POOLS MANAGED BY A YMCA**

### **City of Everett**

The Snohomish YMCA was constructing a new recreation facility and in 2018 entered into an agreement with the City of Everett to partner on an expanded pool and adjacent park. The Snohomish YMCA donated an acre of property to the City of Everett to use as a community park built by the City of Everett, and the City of Everett provided \$2.5 million in funding (over a four year period) for the YMCA project.

Although the pool is owned and operated by the Snohomish YMCA, because the City of Everett provided \$2.5 million in funding, the Snohomish YMCA provides 74.5 hours of pool access per week for non-YMCA Everett residents for 25 years. Community pool access fees, determined by the City of Everett, are paid back to the City. Other than cash payments which are paid to



the Y then remitted to the City of Everett, residents pay the City directly at a kiosk installed by the City at the pool.

Pool access fees for Everett residents are \$4.50 for youths and seniors, \$5.50 for adults, and \$16 for families, which is on average approximately 53 percent of a Snohomish YMCA Day Pass.

### **City of Boise**

In 1995, the City of Boise and the Boise YMCA entered into an agreement whereby the City of Boise is responsible for providing a pool and the YMCA is responsible for operating and maintaining it. The YMCA retains the revenues and pays the operating expenses. Additionally, the YMCA is required to fund a repair and replacement fund. Like Bremerton's pool, the Boise pool is attached to the YMCA recreation center. The pool usage fees are negotiated between the parties and include day and monthly rates. Day rates range from \$3.90 to \$9.85.

### **Other Cities**

Some Washington municipalities have passed sales tax measures to help fund their pools. In 2000, Bremerton attempted to gain voter approval for a \$16.5 million General Obligation Bond that would have supported improvements to parks facilities including the construction of an aquatic center downtown; however, 54 percent of the voters opposed the measure.

According to the Municipal Research Services Center, there are at least 21 Metropolitan Park Districts in Washington State, including the following that have formed special districts to support pool construction, expansion, operations and maintenance: Port Angeles, Colfax, Des Moines, Normandy Park, Si View, and White Salmon Valley. A number of cities have partnered with school districts to support a local pool.

### **YMCA PKC PROFITABILITY**

The YMCA's presence in Bremerton dates back to at least 1924 (possibly 1911), when the Navy YMCA had opened in a six-story brick building located just outside the Navy Yard gate at Washington Avenue and Second Street. The YMCA opened its current location in Bremerton's Eastpark neighborhood in 1986. In 2010, the Kitsap Family YMCA cut ties with the Armed Services YMCA organization to join the YMCA of Pierce and Kitsap Counties ("YMCA PKC") network.

YMCA PKC has nine workout facilities, it provides before and after school child care in seven school districts, has a day camp, and an overnight camp. Its mission is to, "Put Christian principles into practice through programs that build healthy spirit, mind, and body for all." In 2018, YMCA PKC had 3,934 employees and 1,439 volunteers.

Below is a summary of the YMCA PKC annual revenue and expenses during 2017 and 2018 as reported in the YMCA PKC Form 990s. Revenue during this two year period averaged \$69 million and profits averaged \$8.4 million, or 12.2 percent of revenue. As shown, most revenue (approximately 84 percent of total revenue) is from program services and includes membership and joining fees, child care, and program and camp fees. Wages, benefits, and payroll taxes account for the majority of expenses.



Description	2017		2018	
	Amount	% Revenue	Amount	% Revenue
Revenue:				
Contributions and grants	\$ 4,447,495	6.9%	\$ 11,705,166	16.0%
Program service revenue	57,295,684	88.6%	58,144,173	79.3%
Other revenue	2,889,883	4.5%	3,477,623	4.7%
<b>Total revenue</b>	<b>64,633,062</b>	<b>100.0%</b>	<b>73,326,962</b>	<b>100.0%</b>
Functional expenses:				
Wages, benefits and payroll taxes	35,697,494	55.2%	37,749,169	51.5%
Occupancy	4,021,777	6.2%	3,758,983	5.1%
Depreciation	5,306,155	8.2%	5,358,275	7.3%
Equipment maintenance	2,811,741	4.4%	3,059,459	4.2%
Supplies	2,620,105	4.1%	2,720,579	3.7%
Other	9,080,813	14.0%	8,883,457	12.1%
<b>Total functional expenses</b>	<b>59,538,085</b>	<b>92.1%</b>	<b>61,529,922</b>	<b>83.9%</b>
<b>Revenue less expenses</b>	<b>\$ 5,094,977</b>	<b>7.9%</b>	<b>\$ 11,797,040</b>	<b>16.1%</b>

**CONCLUSION**

In my experience, most people believe the YMCA is a good organization and it is my understanding they are doing a good job managing the City pool. However, if the City wishes to continue having the YMCA operate the pool, terms should be revised to allow greater opportunity for public access. Due to the terms of the Quitclaim Deed, if the City wanted to convey the pool property to another entity, its options are limited to other eligible governmental agencies approved by the Department of the Interior. Alternatively, the City can consider other public park or recreation uses of the property if it no longer wishes to have the pool provided it is granted approval by the NPS.

Please contact me if you have questions or need additional information.

Sincerely,

Jennifer L. Sims CPA/CFF, CFE  
City Auditor

- cc: Mayor Wheeler
- City Council
- Jeff Elevado, Parks and Recreation Director
- Mike Riley, Finance Director
- Roger Lubovich, City Attorney



## EXHIBIT A

### Documents Considered and/or Analyzed

1. [1971 Quitclaim Deed](#)
2. [1984 Concession Agreement](#)
3. [1990 Concession Agreement Amendment No. 1](#)
4. [2002 Concession Agreement Amendment No. 2](#)
5. [2009 Concession Agreement Amendment No. 3](#)
6. [Quarterly Resident Voucher for Access to Glenn Jarstad Aquatic Center](#)
7. [Pool Facilities within Kitsap County](#)
8. Other Cities or Agencies with Operating Agreements
9. [March 3, 1971 Council Meeting Minutes](#)
10. [September 7, 1977 Council Meeting Minutes](#)
11. [September 14, 1977 Council Meeting Minutes](#)
12. [May 1, 1979 Council Meeting Minutes](#)
13. [March 20, 1996 Council Meeting Minutes](#)
14. [September 1, 2010 Council Meeting Minutes](#)
15. [Kitsap Sun News Article dated July 9, 2010](#)
16. [Kitsap Sun News Article dated September 2, 2010](#)
17. [Kitsap Sun News Article dated November 10, 2010](#)
18. [Municipal Research Services Center \(MRSC\) List of Metropolitan Park Districts dated November 13, 2019](#)
19. [Consumer Price Index from 1998 to 2017](#)
20. Financial Statements