## Feasibility Study City of Mt. Vernon, IL



February 2012





# Aquatic Feasibility Study 2012



## City of Mt. Vernon, IL

## FGM ARCHITECTS

Contact: John C. Dzarnowski, AIA FGM Architects 1211 W. 22nd St. Oak Brook, IL 630-574-8300

COUNSILMAN • HUNSAKER The Ultimate Aquatic Advantage

> Contact: Scott Hester 10733 Sunset Office Drive Suite 400 St. Louis, MO 63127 314-894-1245

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Tab	le of	Con	tents
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Executive Summary	5
Section 1: Introduction	9
Methodology	9
Project Scope	9
Existing Aquatics	9
Section 2: Market Area Demographics	13
Population	14
Mosaic Lifestyles	15
Income	16
Age Distribution	17
Weather	18
Section 3: Aquatic Trends	21
Lessons and Fitness Enthusiasts	21
Water Wellness Seekers	24
Recreation Swimmers	25
Competitive User Groups	29
Economic Growth	31
Marketing	32
Section 4: Area Provider Analysis	37
1. Orthopedic Center of Southern Illinois	38
2. Mt. Vernon Recreation Club	38
3. Green Hills Country Club	38
4. Rend Lake College	39
5. Salem Aquatic Center	39
Section 5: Development Concepts	43
OPTION A: Outdoor Aquatic Facility \$5,999,435	43
OPTION B: Indoor Therapy Pool and Outdoor Pool \$5,997,966	46
OPTION C: Indoor Aquatic Center \$6,776,303	50
Section 6: Operations	55
Opinion of Revenue	55
Opinion of Expenses	58
Cash Flow	61
Section 7: Funding and Financing Options	65
Funding Options	65
Capital Markets Financing	68
Debt Service	71
Appendix A: Facility Audit	73
Appendix B: Glossary of Terms & Abbreviations	79
Appendix C: Reference	83
Appendix D: General Limiting Conditions	85



### **Executive Summary**

#### Purpose

The City of Mt. Vernon, located in south central Illinois, is focused on finding creative ways to deliver great value to taxpayers, improving the lives of their citizens, and attracting new residents. The Mt. Vernon Parks and Recreation Department offers a variety of things to do for residents and visitors to Mt. Vernon. The department's mission is:

To improve quality of life within the community by providing activities, facilities, and opportunities for enhanced physical, mental, and social health.

The existing 40-year-old Mt. Vernon City Pool has reached physical and functional obsolescence. Pools are functionally obsolete when they no longer meet the needs of their intended swimmers, and physically obsolete when the physical presence of the aquatic facility is aging, i.e., pumps that are reaching the end of their lifecycles, leaking pool shells, inadequate filtration, current swimming pool code violations, and outdated features, thus causing annual attendance to steadily decline.

The 2012 Aquatic Feasibility Study is to determine the potential of a new municipal aquatic center to be located in Optimist Park, located at 903 Pace Ave., Mt. Vernon, IL. Parks, by virtue of their landscaping, often feature both acoustical and visual buffers. Strategically placing an aquatic facility in a park encourages recreation seekers to a "one-stop shop." Aquatic facilities— when bundled with amenities such as ball fields, running tracks, walking/biking trails, and fitness centers—can provide a complete recreation experience.

#### **Demographics**

The U.S. Government Census 2010 projects Mt. Vernon's population base to decrease from 14,900 in 2011 to 14,300 by 2016. The 0-19 age group is 24.8% of the city's population compared to the national average of 26.9%. The median age for the city is older than the national average (39.9 compared to 36.9 respectively), which is due to higher than national averages for age groups 45+. While younger age groups are more likely to engage in competitive and recreation activities, middle-aged and older patrons enjoy wellness and fitness programming. Per capita income for the City of Mt. Vernon is 4% lower than the national average, and median household income is 35% lower. However, a lower cost of living gives residents some discretionary money to spend on recreation.

#### **Development Concepts**

The consultant team developed concepts for the City of Mt. Vernon to meet current and future community aquatic needs for health, safety, and fun. The task was to develop three concepts that would cost approximately \$6,000,000. The concepts were to evaluate pros and cons of an all outdoor option, and indoor therapy with outdoor bundled options, and an all indoor option.



#### Option A: Outdoor Aquatic Facility \$5,999,435

- Outdoor zero-depth entry leisure pool with water walk and waterslides
- Outdoor 6 lane 25-meter pool
- 1-meter diving board
- 3-meter diving board
- Lazy river
- Sprayground

#### Option B: Indoor Therapy Pool & Outdoor Pool \$5,997,966

- Indoor 1,500-square-foot therapy pool
- Indoor 125-square-foot whirlpool spa
- Outdoor leisure/lap pool
- 1-meter diving board
- 3-meter diving board
- Participatory play feature

#### Option C: Indoor Aquatic Center \$6,776,303

- Indoor six lane 25-meter pool
- Indoor leisure pool

#### **Cash Flow**

The following projections are in regard to project costs and pro forma for the options.

[	2012	2013	2014	2015	2016
Outdoor					
Project Cost	\$5,999,435				
Attendance	50,041				
Revenue	\$327,319	\$335,975	\$344,578	\$353,129	\$361,626
Expense	\$306,601	\$314,266	\$322,122	\$330,175	\$338,430
Operating Cashflow	\$20,719	\$21,710	\$22,456	\$22,953	\$23,196
Recapture Rate	107%	107%	107%	107%	107%
Capital Replacement Fund	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Debt Service	(\$461,213)	(\$461,213)	(\$461,213)	(\$461,213)	(\$461,213)
Cashflow	(\$470,495)	(\$469,504)	(\$468,757)	(\$468,260)	(\$468,017)
Outdoor w/ Therapy					
Project Cost	\$5,997,966				
Attendance	46,198				
Revenue	\$316,089	\$324,124	\$332,113	\$340,055	\$347,952
Expense	\$522,083	\$535,135	\$548,513	\$562,226	\$576,281
Operating Cashflow	(\$205,994)	(\$211,011)	(\$216,400)	(\$222,170)	(\$228,330)
Recapture Rate	61%	61%	61%	60%	60%
Capital Replacement Fund	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Debt Service	(\$461,100)	(\$461,100)	(\$461,100)	(\$461,100)	(\$461,100)
Cashflow	(\$697,094)	(\$702,111)	(\$707,501)	(\$713,271)	(\$719,430)
Indoor					
Project Cost	\$6,776,303				
Attendance	66,331				
Revenue	\$395,719	\$405,760	\$415,760	\$425,719	\$435,638
Expense	\$675,131	\$692,009	\$709,309	\$727,042	\$745,218
Operating Cashflow	(\$279,411)	(\$286,249)	(\$293,550)	(\$301,323)	(\$309,580)
Recapture Rate	59%	59%	59%	59%	58%
Capital Replacement Fund	\$33,900	\$33,900	\$33,900	\$33,900	\$33,900
Debt Service	(\$520,936)	(\$520,936)	(\$520,936)	(\$520,936)	(\$520,936)
Cashflow	(\$834,247)	(\$841,085)	(\$848,386)	(\$856,159)	(\$864,416)

## Section 1: Introduction

Methodology Project Scope Existing Aquatics

## Section 1: Introduction

#### Methodology

The 2012 Aquatic Feasibility Study is based on extensive research through the following processes:

- Met with representatives of the City of Mt. Vernon.
- Toured the site and region.
- Gathered data through public forums and events.
- Investigated area aquatic providers to understand the amenities, programs, and fees of those facilities.
- Identified potential user groups through demographics of the market area.
- Reviewed national trends in recreation, fitness, therapy, and competitive aquatics to determine amenities and programs for the City of Mt. Vernon.

#### Project Scope

The scope of this project is to:

- Recommend future community aquatic needs for health and safety.
- Make projections regarding project costs and pro forma.

#### **Existing Aquatics**

#### **Mt. Vernon City Pool**

27<sup>th</sup> and Logan Mt. Vernon, IL 618-242-6895

Mt. Vernon City Pool				
Amenities				
Outdoor L-Shaped P	ool			
Small Waterslide				
Tot Pool				
Fees				
Daily				
Individual	\$3			
Season Pass				
Student	\$30			
Adult	\$50			
Family of 4	\$125			
Add'l Fam. Mem.	\$20			

Programs at the Mt. Vernon City Pool include swim lessons and pool rental.





Section 2: Population Characteristics

> Population Mosaic Types Sports Participation Income Age Distribution Weather

### Section 2: Market Area Demographics

Factors that can influence attendance include projections for growth/decline of population, income levels, and age groups. Market studies are used to predict how relevant products, services, and fees are to residents. Originating from Optimist Park at 903 Pace Ave., Mt. Vernon, IL, the primary area is assumed as a 50-mile radius and the service area is assumed as a 5-mile radius. The difference between "primary" (50-mile market area) and "service area" (5-mile market area) is that training and competition users will customarily drive farther to use a facility than will recreation and fitness users (about 5 miles). Thus, a study of demographic patterns in the area is helpful in projecting usage rates. The resident market area has been divided into the following distance rings.

Distance From Site 0 to 3 Miles 3 to 5 Miles 5 to 10 Miles 10 to 15 Miles 15 to 25 Miles 25 to 50 Miles



Source: Demographics Now



### Population

The following chart presents a summary of market area population with distance rings surrounding Optimist Park. The 2010 U.S. Government Census was used to estimate the population for 2011 and to make projections for 2016. The population base for the City of Mt. Vernon is projected to decrease from 14,900 to 14,300 by 2016.

	POPULATION BY DISTANCE									
								Average An	nual Change	
	2000	00	201	1	201	2016		2011	2011-2016	
Distance from	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Proposed Site	(000's)	of Total	(000's)	of Total	(000's)	of Total	(000's)	Percent	(000's)	Percent
0 to 3 Miles	16.2	3.4%	15.0	3.1%	14.3	2.9%	-0.1	-0.8%	-0.1	-0.9%
3 to 5 Miles	5.1	1.1%	5.2	1.1%	4.9	1.0%	0.0	0.3%	-0.1	-1.0%
5 to 10 Miles	10.9	2.3%	10.6	2.2%	9.8	2.0%	0.0	-0.2%	-0.2	-1.6%
Subtotal	32.1	6.8%	30.8	6.5%	29.0	6.0%	-0.1	-0.4%	-0.3	-1.2%
10 to 15 Miles	12.7	2.7%	12.1	2.5%	11.9	2.4%	-0.1	-0.5%	0.0	-0.4%
15 to 25 Miles	78.5	16.6%	76.2	16.0%	76.8	15.8%	-0.2	-0.3%	0.1	0.2%
25 to 50 Miles	350.5	74.0%	357.4	75.0%	369.2	75.8%	0.7	0.2%	2.4	0.7%
Subtotal	441.7	93.2%	445.7	93.5%	457.9	94.0%	0.4	0.1%	2.5	0.5%
Total (0-50 Miles)	473.9	100.0%	476.4	100.0%	486.9	100.0%	0.3	0.1%	2.1	0.4%
Mt. Vernon, IL	16.0		14.9		14.3		-0.1	-0.7%	-0.1	-0.9%
	Source: Demographics Now									

#### **Census Tract Map of Population Density (2011)**



**Demographics Now** 



Source:

#### **Mosaic Lifestyles**

Mosaic Lifestyles is a consumer segmentation that describes American consumers. It is a householdbased segmentation system that classifies all U.S. households and neighborhoods into groupings that share similar demographic and socioeconomic characteristics. The following describe the top three Mt. Vernon mosaic lifestyles.

#### Struggling Societies (46%)

- Traditional media tastes
- Domestic travels
- Unpretentious
- Bargain shoppers
- Community active
- Convenience
- Modest lifestyles
- Conservative
- Exurban areas
- Single, empty nesters

#### Pastoral Pride (29%)

- Multigenerational households
- Fashionable
- Moderate digital use
- Limited budgets
- Discriminating consumers
- Socially conservative
- Philanthropic streak
- Aspirational
- Modest educations

#### Autumn Years (12%)

- Avid vacationers
- Traditional lifestyle
- Utilitarian shoppers
- Conservative politics
- Modest educations
- Sports fans
- Risk-averse
- Rural communities
- Retired
- Coupon clippers

MOSAIC TYPES						
	Mt. Vernon, IL	U.S.				
Pastoral Pride	29%	12.00%				
Family Union	0%	8.80%				
Middle-class Melting Pot	0%	8.70%				
Blue Sky Boomers	4%	8.30%				
Cultural Connections	0%	8.00%				
Booming w/Confidence	0%	7.10%				
Autumn Years	12%	6.70%				
Significant Singles	0%	5.70%				
Singles and Starters	4%	5.30%				
Struggling Societies	46%	5.20%				
Flourishing Families	0%	4.80%				
Suburban Style	0%	4.30%				
Thriving Boomers	6%	3.20%				
Power Elite	0%	3.00%				
Young, City Solos	0%	2.60%				
Golden Year Guardians	0%	2.00%				
Families in Motion	0%	1.60%				
Aspirational Fusion	0%	1.40%				
Promising Families	0%	1.2%				
	100%	100%				



#### Income

To a certain degree, the likelihood of residents to engage in city recreation depends on their ability to pay for admission and program fees. In the following chart, the U.S. national average is set at 1.00. Index refers to the percentage higher or lower than the national average. Per capita income for the City of Mt. Vernon is 4% lower than the national average, and median household income is 35% lower. While this is lower than the national average, a lower cost of living gives residents some discretionary money to spend on recreation.

MARKET AREA INCOME							
Per Capita Incomes Median Household Incomes							
	Dollars	Index	Dollars	Index			
3 Miles	\$27,998	0.98	\$34,462	0.64			
5 Miles	\$26,626	0.93	\$37,556	0.70			
10 Miles	\$24,772	0.86	\$41,705	0.78			
15 Miles	\$23,504	0.82	\$43,106	0.80			
25 Miles	\$21,727	0.76	\$40,096	0.75			
50 Miles	\$22,358	0.78	\$41,007	0.76			
Mt. Vernon, IL	\$27,678	0.96	\$34,665	0.65			
TOTAL U.S.	\$28,703	1.00	\$53,616	1.00			
	Source: I	Demographics	Now				

#### **Census Tract Map of Median Household Income (2011)**



Source: Demographics Now



### Age Distribution

Age distribution is another population characteristic used to determine the type and level of use of any type of program. The following table provides the number of residents and the percentage of total population for each age group compared to the U.S. column, which identifies the national average. The 0-19 age group is 24.8% of the City of Mt. Vernon population compared to the national average of 26.9%. The median age for the city is older than the national average (39.9 compared to 36.9 respectively) due to higher than national averages for age groups 45+.

MARKET AREA AGE DISTRIBUTION															
Age Groups	0-3	Miles	3-5	Miles	5-10	Miles	10-15	Miles	15-25	Miles	25-50	Miles	Mt. Ver	non, IL	U.S. Age
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	Population
Under 5	960	6.4%	326	6.3%	607	5.7%	637	5.3%	4,879	6.3%	22,342	6.3%	962	6.5%	6.8%
5 to 9	896	6.0%	320	6.1%	611	5.8%	650	5.4%	4,527	5.9%	20,924	5.9%	929	6.2%	6.6%
10 to 14	792	5.3%	350	6.7%	740	7.0%	703	5.8%	4,798	6.2%	20,841	5.8%	792	5.3%	6.6%
15 to 19	1,031	6.9%	275	5.3%	713	6.7%	789	6.5%	4,905	6.4%	24,493	6.9%	1,016	6.8%	6.9%
Subtotal	3,679	24.6%	1,271	24.4%	2,671	25.2%	2,779	23.0%	19,109	24.8%	88,600	24.8%	3,699	24.8%	26.9%
20 to 24	968	6.5%	301	5.8%	727	6.9%	756	6.2%	4,628	6.0%	29,354	8.2%	956	6.4%	7.0%
25 to 34	1,960	13.1%	619	11.9%	1,362	12.9%	1,602	13.2%	8,966	11.6%	47,878	13.4%	1,920	12.9%	13.4%
35 to 44	1,877	12.6%	619	11.9%	1,362	12.9%	1,713	14.2%	9,145	11.8%	43,328	12.1%	1,819	12.2%	13.7%
45 to 54	2,309	15.4%	780	15.0%	1,414	13.3%	1,629	13.5%	11,300	14.6%	49,163	13.8%	2,353	15.8%	14.3%
55 to 64	1,823	12.2%	737	14.1%	1,256	11.9%	1,543	12.7%	9,716	12.6%	41,413	11.6%	1,877	12.6%	11.4%
65 to 74	1,155	7.7%	440	8.4%	976	9.2%	1,088	9.0%	6,683	8.7%	29,021	8.1%	1,147	7.7%	6.9%
75 to 84	750	5.0%	294	5.6%	552	5.2%	678	5.6%	5,216	6.8%	19,387	5.4%	714	4.8%	4.3%
85 and over	427	2.9%	150	2.9%	277	2.6%	315	2.6%	2,414	3.1%	9,165	2.6%	423	2.8%	1.9%
TOTAL:	14,948	100.0%	5,211	100.0%	10,597	100.0%	12,103	100.0%	77,177	100.0%	357,309	100.0%	14,908	100.0%	100%
Median Age	39	9.7	4	0.3	39	9.9	4	0.2	4	0.8			39	9.9	36.9
	Source: Demographics Now														





Source: Demographics Now



#### Weather

Given the sensitivity of aquatics to weather conditions, it is appropriate to include an assessment of local weather patterns in the market analysis. The factors in the following chart were used to determine user days in the financial models. The weather is seasonal with highs in the 80s/90s in the summer, which should enhance participation in outdoor aquatic events and activities.

CLIMATOLOGICAL DATA						
		Mt. V	ernon, IL			
	Т	emperatur	es	Precipitation	Precipitation	
Month	Average	High	Low	Inches	Days	
January	32	42	23	3.2	6.5	
February	35	45	25	2.5	5.5	
March	45	56	34	3.9	6.8	
April	55	67	44	4.0	6.8	
May	66	78	54	4.2	6.9	
June	74	87	62	4.2	7	
July	78	91	66	3.1	5.8	
August	77	89	65	3.8	6.5	
September	70	83	58	3.6	5.7	
October	58	71	46	3.1	5.1	
November	45	56	34	3.1	5.1	
December	35	44	26	2.9	6.1	
		Source:	Weatherba	ase		



## Section 3: Aquatic Trends

Lessons & Fitness Enthusiasts Water Wellness Seekers Recreation Swimmers Competitive User Groups Economic Growth Bundling Amenities Marketing

### Section 3: Aquatic Trends

Contemporary aquatic centers are fully ADA<sup>1</sup> accessible where everyone can benefit from aquatic activities. As more athletes cross train with water fitness components and more doctors recommend water rehabilitation for injured, obese, diabetic, and aging patients, multigenerational aquatic centers are inclusive of the entire community.

The following describes national trends for four aquatic user groups: lessons and fitness, water wellness, recreation, and competitive swimmers. The descriptions make evident the very different requirements for each of these aquatic user groups when planning and designing an aquatic facility.

#### Lessons and Fitness Enthusiasts

#### Swim Lessons

According to the Centers for Disease Control, more than one in five people who die from drowning are children age 14 and younger. For every child who dies from drowning, another four receive emergency department care for nonfatal submersion injuries, which can cause brain damage that may result in long-term disabilities, including memory problems, learning disabilities, and permanent loss of basic functioning.<sup>2</sup>



Knowing how to avoid drowning is essential for children and adults, whether living in areas with natural bodies of water or simply being invited to pool parties. With more than one available pool in an aquatic center, lessons can be maximized so that a large number of residents can be taught to swim. Ideally, water depth for instruction should accommodate young participants to stand comfortably in the water. Recreation pools easily provide this preference. Deeper competition pools offer moveable floors or other means of altering water depth for instructional purposes.

A well-run water lesson program is essential in introducing young swimmers to safe aquatic skills that can be used throughout their lives. By offering the community a comfortable, controlled aquatic environment, swimming and diving lessons can become an enjoyable learning experience. There are many different types of water safety lessons that can teach children not only how to swim and dive but how to survive in adverse water conditions. From small water craft instruction to drown-proofing, water safety is an integral part of any community. Many will go on to formal competitive aquatic programs in school or age-group swimming programs. Some will excel to become state champions. Benefits such as scholarship offers may occur when a swimmer or diver selects a college, which could lead to national level competition.



Drown-Proofing Aware of 74 cases

Aware of 74 cases of body entrapments, including 13 confirmed deaths between January 1990 and August 2004, the U.S. Consumer Product Safety Commission reported the deaths were the result of drowning after the body or limb was held against the drain by the suction of the circulation pump. The incidents occurred in both residential and public settings.<sup>3</sup> Subsequently, a federal pool and spa safety law was signed by former President George W. Bush on

December 19, 2007. The Virginia Graeme Baker Pool and Spa Safety Act requires all public pools and spas to have safety drain covers, and in certain circumstances, an anti-entrapment system.<sup>4</sup> The goal of the law is to improve the safety of all pools and spas by increasing the use of layers of protection and promoting uninterrupted supervision to prevent child entrapments and drownings.

When teaching proper drown-proofing, some classes mimic the natural environment through instructor creativity (i.e., creating wave action with hands and arms to mimic river tides), while others simply require small children to memorize what they would do in a situation where drowning is likely, and then enact memorized skills with an instructor present. Knowing how to avoid drowning is essential for children and adults, and even more so when living in areas where natural bodies of water are prevalent.

#### Lifeguarding and CPR

Water rescue skills and CPR are typically taught to all lifeguards. However, teaching water rescue and CPR skills are integral to the community since families are the true lifeguards of one another whether at the beach or a backyard pool. Often, such courses are sponsored by the Red Cross, Ellis and Associates, and other providers of safety training.

#### School District Lesson Users

School districts are often valuable contributors to help efficiently program aquatic facilities. Potential programming might embrace swim lessons for elementary students, lifeguarding classes, physical education classes, therapy for high school athletes, and other joint partnership agreements to aid in directing area children to learn to swim. Aquatic sports (diving, water polo, synchronized swimming, underwater hockey, etc.) can contribute to the overall use of the facility as well as fitness use by faculty, special education therapy, and recreation. In addition, an aquatic

facility may provide aquatic opportunities to pre-school children cared for by private daycare providers.

#### Aquatic Fitness

The more often the pool can be utilized for group activities for participants and spectators, the more likely the aquatic facility will be "alive" day in and day out. The types of activities that tend to draw a crowd are participatory, measurable, exciting, and often challenging—but not always so challenging that only elite swimmers can participate. Activities can be tailored to different ages, sizes, and/or skill levels.









The industry has responded to the continued popularity of aquatic fitness by creating a wide range of activities with related devices and equipment for a greater diversity of water-based aqua exercise options. Aerobic dancing, walking, and running in shallow and deep-water environments, including current channels for walking against the current, are just a few of the choices available to people wishing to add less stressful elements of a cross-training regimen or even to use aqua aerobics for their entire fitness program. Additionally, businesses might sponsor or subsidize aquatic fitness as part of their employee wellness training discipline.

Aquatic fitness also remains one of the most popular forms of exercise among senior adults. Data taken from the National Center for Health Statistics shows lifetime expectancy is up 30 years since 1900.<sup>5</sup> The older adult market spans four generations from the Progressive Era 1900-1928, Depression

LIFETIME EXPECTANCY					
Year	Both Sexes				
1900	47.3				
1950	68.2				
2000	77.0				
Source: National Ctr. For Health Statistics					

Era 1929-1939, WWII Era 1940-1945, and Baby Boomers 1946-1964. Gray power can be a large, affluent market willing to participate in water fitness, wellness programming, and other recreation opportunities. This diverse age group from 55 to 90+ includes sub-groups of which some are still working; some have children in college; and some are focusing on retirement, grandkids, and wellness. Consequently, seniors can be willing, enthusiastic participants if certain requirements are met. They typically feel uncomfortable in an environment with teens and generally respond better to strictly defined programming of well-structured activities such as water aerobics, arthritis water exercise, water walking, physical therapy, adult swim lessons, 'Save a Life' workshops, lap swimming, and Masters swimming.

#### Water Fitness Trends

Aquatic programming accommodates beginner lessons that graduate to higher levels of intensity and skill. The following provides a snapshot of popular aquatic fitness programs.

*Walking and Jogging in Shallow and Deep Water:* The current channel, attached to a leisure pool, provides water traveling at approximately three miles per hour, thus creating an opportunity for walking against the current as a non-programmed or programmed fitness activity. According to waterart.org, "30 minutes of walking and jogging in shallow and deep water is equal to 80 minutes of jogging on land."

*Water Aerobics*: Remaining one of the fastest growing segments of the adult fitness industry, water aerobic workouts usually combine a variety of land aerobic techniques, including walking or running backwards and forwards, jumping jacks, mimicking cross-country skiing, and various arm movements. The workout may also incorporate equipment such as flotation devices and foam water weights.

**Deep Water Aerobics:** This type of water aerobics offers a muscular endurance workout in deep water that consists of simulated running in the deep end of the pool aided by a flotation device (vest or belt) where the participant is held in one location by a tether cord, essentially running in place.

*Finning*: This active swimming program requires training fins or flippers and utilizes fitness lap lanes of a pool. The kicking and pulling enhances conditioning and toning.

*Liquid Gym*: This aqua training workout can be as intense as desired with a personal trainer for the purpose of improved athletic performance.

*Navy Seals*: This aquatic class consists of Finning, water jogging, deep water aerobics, and scuba instruction.

*Water Yoga*: Warm water, as in a therapy pool, enhances asanas (stretching poses) to relax muscles and increase range of motion and balance. Pan flute music and dim lights deepen the



experience. (yogaafloat.com)

**Boot Camp:** This amphibious program incorporates land and water fitness in a fast paced military-style interval training course with running in the pool, calisthenics, jumping jacks, pushups, and football-style drills.

*Scuba and Snorkeling*: These lessons are growing in popularity (possibly due to the increase of environmental professions) and typically start in swimming pools.

*Scuba Rangers:* Scuba and snorkeling skills are taught to kids 8 to 12 while using underwater flashlights, navigation compasses, and underwater photography.

**Underwater Hockey:** According to USOA Underwater Hockey, "The pool should be 25meters by 15-meters and two-meters deep all the way across, but anything will do, even slopes (just change ends at half-time). Lead weights and three meters of rope can be used as goals, though the sound of the puck thunking into the back of a metal goal is very satisfying and should be experienced."

*Water Polo:* Dimensions of a water polo pool are not fixed and can vary between 20 by 10 and 30 by 20 meters. Minimum water depth must be at least six feet. The goals are three meters wide and 90 centimeters high.

*Kayak Polo:* This sport involves water polo being played from kayaks. According to Carolina Kayak Polo, "It is difficult to describe the passion and excitement that is created when a kayak water polo game is in progress. The participants—speeding the length of the pool weaving through the opponent's lines of defense and spinning in their kayaks to receive a pass—create a fast and thrilling event."

*Water Basketball:* Ideated in 1986 by Italian teacher, Francesco Rizzuto, this sport is a mixture of basketball and water polo. When designing a pool, full court water basketball is more challenging when tile lines are encrypted into the floor of the pool.

*Water Volleyball:* Portable and floatable aqua water volleyball sets come complete with two net positions, two anchor bags, and a staked floating perimeter boundary.

*Triathlons*: These athletic competitions, which the contestants compete in three different events to find the best all-around athlete, typically consist of swimming, cycling, and running.

*Kayak and Canoe Clubs*: Due to the popularity of Extreme Sports, kayak and canoe clubs are growing in popularity and use large pools for training.

Swim lessons, lap swimming, water jogging, deep-water aerobics, life saving instruction, diving lessons, survival swimming, synchronized swimming, water polo, underwater hockey, and scuba instruction can take place in a competitive/lesson/training pool, which frees up the recreation pool for swimmers who want to use the play features. Fitness classes are usually offered in the morning, at lunchtime, and in the early evening. Instructor information and/or training can be acquired through organizations such as the Arthritis Foundation; Red Cross; Aquatic Exercise Association; American Alliance for Health, Physical Education, Recreation and Dance (AAHPERD); and United States Water Fitness.

#### Water Wellness Seekers

Aquatic therapy is rehabilitation performed in warm water and involves physical activity of exercise and motion in the presence of an aquatic therapist, also called an aquatic therapy provider. Warm water may increase the dynamics of blood pressure and blood and lymph circulation, as well as decreasing swelling in skin and other tissues. Participation in an aquatic therapy program offers improvement in:

• Overall health and fitness



- Stretching capacity
- Range of motion
- Movement capabilities
- Coordination
- Physical stamina and endurance
- Swimming skills, safety, and abilities

Though many people who use aquatic therapy are enthusiasts of meditation or massage, some are looking for rehabilitating or improving a certain level of health. The Arthritis Foundation certifies instructors to teach arthritis aquatics. Many participants in these programs report reduced arthritis symptoms, including increased mobility and decreased pain and stiffness.<sup>6</sup> New studies by the Aquatic Exercise Association suggest that the management of bone density can be facilitated by water exercise.<sup>7</sup> When moderate exercise is recommended for obese patients, the low-gravity qualities of aquatic therapy can be very appealing to this user group. Over the past several years, water exercise programs have multiplied in health clubs, pain clinics, and hospitals. Users include:

*Injured Athletes*: Athletic trainers and sports medicine physicians are prescribing aquatic therapy as a rehabilitative/preventive fitness program.

*Post-Operative Patients and the Disabled*: Includes patients with physical ramifications such as spinal dysfunctions, post-operative muscle toning, injuries, and arthritis.

Arthritis Sufferers: The Arthritis Foundation certifies instructors to teach arthritis exercises such as Rusty Hinges and Joint Effort.

Aging Baby Boomers: Some 70 million strong, "boomers" invented the fitness movement and show no sign of abandoning it as they age, especially in warm water pools.

Obese Patients: More doctors are prescribing water wellness for overweight issues.

*Pregnant Women*: Effects of the low resistance of water exercise is soothing to this user group.

*Meditation Enthusiasts*: Fans of mind and body movements enjoy immersing in warm water pools to complete the tranquil state of meditation.

#### Key Components of Aquatic Therapy Centers

Aquatic therapy centers are growing in necessity for rejuvenation and social wellness for rehabilitation needs and developmental disorders. Colorful environments and interactive water is a stimulating, effective, and cathartic treatment, while specific design elements are ultimately inspired by the rehabilitative needs of patients. Key components include:

- Warm pool water capability with fast pool turnovers.
- High-quality water chemical treatment systems, including dual sanitization methods and an appropriately designed HVAC/DH system.
- Easy access from the parking lot to the locker rooms, pool deck, and into the pool.
- Ample space in locker rooms and wider pool deck for wheelchairs, walkers, dry and wet equipment, and dry-side therapy.
- In-water amenities such as perimeter railings, aerobic steppers, treadmills, underwater benches, and ramps.
- Flexible pool depths for multiple programmatic needs.
- Aesthetically pleasing and light-filled private spaces.

#### **Recreation Swimmers**



Successful aquatic centers combine creative water play areas for various age groups in a safe, friendly atmosphere. While aquatic recreation has become much more age-defined, attractions have age limitations and appropriateness due to elements of thrill and capabilities. Tots enjoy shallow pools with gentle water features and play areas tucked securely out of the way of the more active areas. Once children grow out of the tot stage, they enjoy romping in zerodepth recreation pools, making their adventurous way across lily pad



walks, and climbing on participatory play features with "just-their-size" waterslides. Older children speed down flume and drop slides and enjoy larger water play structures. Teens enjoy gathering spots like action islands with access to deep water pools and adventurous waterslides. Lazy rivers and current channels cater to most demographics while spas and lap lanes are geared towards adults.

Age Group	Recreational Aquatic Age-Group National Trends
Age 0-3	Tot Pool, Tot Slides, Gentle Spray Features
Age 4-7	Water Sprayground, Zero-Depth Pool, Participatory Play Features, Sand Play
Age 8-11	Water Walks, Large Play Structures, Full-Size Waterslides, Open Water
Age 12-16	Water Walks, Large Waterslides, Open Water, Lazy River, Gathering Places, Sand
	Volleyball, Mat Racer, Diving Boards
Age 17-22	Action Island, Intense Waterslides, Flow Rider, Mat Racer, Climbing Wall, Open
	Water, Sand Volleyball, Drop Slides, Diving Boards
Age 23-45	Zero-Depth Pool (to be w/children), Open Water, Spa, Sun Deck, Lap Lanes, Lazy
	River, Waterslides, Diving Boards
Age 46+	Spa, Sun Deck, Lap Lanes, Lazy River, Family-Friendly Waterslides
	Source: Counsilman-Hunsaker



#### **Leisure Pool**

The free-form leisure pool provides an inviting atmosphere with plenty of shallow water from zero-depth to four feet, allowing adults and children to interact for hours of splash and play entertainment. With opportunity for many different sizes and designs, the leisure pool is a desirable amenity for all age and skill levels where various attractions may be incorporated to increase the experience factor, which increases attendance, the amount of time spent at the facility, and return visits.



#### Zero-Depth Entry

Swimmers enjoy easy access into leisure pools that simulate an ocean beach, where the pool bottom slopes gradually toward the deeper water. Instead of jumping or climbing into the pool, patrons simply walk in. Lounging in the zero-depth is a pleasant way to enjoy the water and sun while watching children at play.





#### **Participatory Play Feature**

Located within the leisure pool, play features are multi-level, interactive structures where children can scamper through spraying water, climb across bridges, scurry over and under tunnels, and slide down just-their-size waterslides. As children manipulate valves and chains, they control where and when the water sprays will occur—all within sight of parents and lifeguards.



#### **Current Channel**

A current channel is part of the leisure pool, usually 6-8 feet wide, with water traveling at approximately two and a half miles per hour. The channel is popular as a water walking setting for fitness classes or adults seeking non-programmed exercise, walking with or against the current.



#### Lazy River

A lazy river whisks guests away on inner tubes on an adventurous, tranquil journey. Usually 8-12 feet wide with water traveling at approximately three miles per hour, the lazy river can offer access to other attractions or, within its configuration, picnic areas can be positioned accessible by bridges. Eating areas are frequently designed to overlook the lazy river, thus offering a relaxing view.



#### Waterslides

The thrill of mounting the stairs to the exhilaration of sliding down into the water makes waterslides a desired attraction. While some slides are straight with a steep or gentle gradient, others wind down with sharp enclosed curves or high walls on the outside of the curves. Slides can be a long tube or alternate between an open chute and closed tube. Experiences can range from family-friendly to surprisingly intense.





#### **Drop Slide**

A drop slide offers the thrill of walking up the steps of the waterslide, hearing the excitement and splash of water sliders ahead, then sliding down to the water with the added bonus of dropping into the pool upon exit in a short freefall.

#### Lap Lanes

Fitness lap swimming and water walking are important to many adults and seniors. Opportunities for limited practice and training exist in a two, three or four lane 25-yard lap pool adjacent to the leisure pool. Additionally, programming can be incorporated for lessons and activities.



#### **Deep Water Diving**

A flexible springboard in 1 meter or 3 meters secured at one end and projecting over deep water provides experienced swimmers the challenge of diving. Deep water can also be programmed for advanced swim lessons, lifeguard training, diving lessons, water safety, water polo, scuba, synchronized swimming lessons, and deep water fitness classes.



#### Water Walks

Tethered to the bottom of the pool, a foam floating water walk spans across the pool with a spun braided rope or cargo net suspended overhead for hours of adventure and physical fitness.



#### Shade Umbrellas

Fabric umbrellas come in many styles and colors to provide necessary shade while lending a festive atmosphere. They cover, connect, and join areas while providing relaxation out of the sun.



#### **Competitive User Groups**

A competition pool must be 25 yards or 25 meters for short-course events and 50 meters for long-course events. USA Swimming and FINA sanction short-course 25-meter as well as long-

course 50-meter competitions. Depending on the level of competition, a minimum of six lanes is required, but eight lanes are expected to better allow for larger heats. While almost all 50-meter pools have ten lanes, 1 and 10 serve as buffer lanes. National caliber water polo matches take place in 30-meter fields of play minimum with at least a 2-meter zone behind each goal line. High schools,

USA Swimming, the <u>YMCA</u>, and NCAA conduct short-course 25yard competitions. For high school and NCAA events, a pool must have a minimum of six lanes, each at least seven feet wide. Several current standards require six feet or more of water depth beneath starting blocks. While some shallow water is acceptable, water depths of two meters or more "is required" as per applicable rules.

High school and college water polo often use 25-yard and 25-meter pools, but all high-level meets for USA Water Polo and international events are held in 50-meter pools. Water depth of two meters or

more "is required" as per applicable rules. Synchronized swimming requires a deep, 12-by-25-meter pool area. A minimum water depth of 2.5 meters "is required" as per applicable rules. National and international events are generally conducted in 50-meter pools.

Today, seven governing bodies sanction meets and matches in their respective sports, including:

- 1. USA Swimming
- 2. National Federation of State High School Associations (NFSHSA)
- 3. National Collegiate Athletic Association (NCAA)
- 4. Federation International de Natation Amateur (FINA)
- 5. <u>USA Water Polo</u>
- 6. <u>USA Diving</u>
- 7. USA Synchronized Swimming

#### **High School Users**

High school varsity swimming is typically well supported in most communities across the U.S.; however, many schools lack the ideal facility for training and competition. Because quality pool time is usually scarce in most areas, renting pool time from other area facilities can be daunting due to various needs and agendas, thus pool availability can diminish as facilities experience capacity.









High school competitive swimming requirements include:

- Course length of 25 yards with a minimum width of 45 feet for six 7-foot-wide lanes or 60 feet for eight 7-foot-wide lanes
- 125 spectator seats
- Pace clocks, stretch cords, mats (for sit-ups, etc.), free weights, medicine balls, weight training equipment, kickboards, fins, paddles, pull buoys, course caps, and goggles.

### **USA Swimming**

USA Swimming formulates rules, implements policies and procedures, sanctions national championships, disseminates safety and sports medicine information, and selects athletes to represent the United States in international competitions. USA Swimming has 286,900 year-round members nationwide and sanctions more than 7,000 events each year. USA Swimming has organized regional and national competitions for age group competitive swimming in the United States. The base for popularity is primarily a young age group that begins around age eight and peaks at age 11 as shown in the adjacent chart.<sup>8</sup>

Average Age of Membership 2010					
8 and under	28,880				
9	24,897				
10	31,302				
11	33,285				
12	32,955				
13	29,595				
14	27,275				
15	22,066				
16	18,558				
17	15,817				
18	11,680				
19 and over	10,590				
Total	286,900				
Source: USA Swimming					

#### **United States Masters Swimming**

United States Masters Swimming (USMS) programs are open to all adult swimmers (fitness, triathlete, competitive, non-competitive) dedicated to improving their fitness through swimming. Founded in 1970, the non-profit corporation is organized with 450 clubs throughout the United States. Membership consists of more than 50,000 swimmers ranging in age from 18 to over 100. Within the clubs, structured workouts offer training assistance for specific goals for a healthy lifestyle through camaraderie. Pool and open water races provide opportunities to compete and measure individual progress at the local, state, national, and international levels. USMS programs also offer stroke and technique clinics, workshops, instruction, and social functions. Competitions are organized by age groups of five-year increments (18-24, 25-29, 30-34, 35-39, etc. to 95 and over). Events include 50, 100, 200, 500, 1000 and 1650 freestyle (400, 800 and 1500 in meters); 50, 100 and 200 backstroke, breaststroke and butterfly; and 100, 200, and 400 individual medleys. There are also freestyle and medley relays for men, women, and/or mixed teams. Open water swims are held in most locales during the summer and can range in distance from one to ten miles. Special events such as seeing how far you can swim in one hour are contested through the mail. USMS hosts two national championship meets a year. A short course (25-yard pool) championship is held in May and a long course (50-meter pool) championship is held in August. These four-day events rotate to different locations around the country. International championships are conducted periodically by Masters Swim organizations in countries throughout the world.<sup>9</sup>

#### **Community Swim and Dive Teams**

Numerous communities sponsor competitive swimming and diving teams for children and teens. The purpose is to offer opportunity to enjoy the healthy fun of swimming; to support individual achievement of personal bests; and to promote goal setting, life skills, and sportsmanship. Teams typically adhere to recognized swimming rules and swim the standard strokes of swim meets but in shorter lengths. Swimmers with limited or no competitive experience are provided stroke



conditioning clinics as a recommended alternative. Teams are usually more active in the warmer months, and not directly associated with a national swim organization. Many swimmers who begin their competitive swimming experience on a local swim team proceed to join nationally governed teams.

#### **Pool Rental**

Competitive swimmers, particularly members of independent swimming associations, are accustomed to renting lane space for training as well as leasing entire facilities, either for long-term use or on a one- to three-day basis for special events and competitions. Although there is more than one accepted way to receive fees from swim teams, pool lane rental is usually based on cost per lane/per hour. Entire facilities leased on a per-day basis generally have a fixed schedule of costs for such use. Long-term facility leases are generally the product of negotiation and, accordingly, are too varied and specialized for consideration in the context of this study.

#### **Economic Growth**

Encouraging residents to use public recreation facilities requires helpfulness of the promotional materials, perceived value against other providers, and public awareness that the facility addresses the prevailing needs and concerns of the community. The aquatic center must be seen as integral to economic development through:

- Real estate values and property tax
- Business attraction and retention
- Stimulating the creative economy
- Promoting tourism

According to the Importance of Quality of Life in the Location Decisions of New Economy Firms, "modern businesses typically choose communities with cultural and recreational amenities that will attract and retain a well-educated workforce."<sup>10</sup> This enlarges the tax base and stimulates the economy, which then provides more tax revenue that parks and recreation agencies can use to enhance or expand infrastructure, facilities, and programs. Park and recreation amenities stimulate happier and healthier families, positive business growth and economic development opportunities, contributing to quality of life. Creative, active people choose to live in communities with high quality amenities and experiences. Furthermore, championship venues bring tourism revenue to local hotels, restaurants, and retail businesses.

#### **Bundling Amenities**

Locating aquatic centers adjacent to parks, schools, businesses and transportation hubs promotes accessibility. Bundling civic destination points can encourage customers to extend the duration of their visit, nurture community identity, and increase operational efficiency for those agencies responsible for park maintenance and facility security by minimizing demand on parking lots, access roads, and traffic signals.

If the site has an existing recreation facility, utilities more than likely are already in place. Electricity, natural gas, water and sewer services can be very expensive to introduce to a site from main trunk lines, especially if those lines are several miles away. Because bringing utilities to the project site has no programmatic or recreation value, the adjacency and availability of existing utilities can dramatically and positively impact site development costs with little or no



negative impact to the end user. This allows the bulk of construction monies to be allocated for recreational improvements.

Many communities choose to co-locate outdoor and indoor facilities to share spaces without either facility interrupting the operations of the other. For example, a separate outdoor entrance to an aquatic center can accommodate patrons to that facility, minimizing congestion in the main building. Plans can be made for locker rooms to support both outdoor and indoor spaces, eliminating redundancy. Physically connecting the indoor aquatic spaces with those that are outside makes for the easy transition of patrons from outdoor to indoor swimming—particularly crucial in cases of inclement weather. This also helps keep facility guests on site, thus maximizing opportunities for revenue generation.

Useful promotional tools include partnerships with local business centers, which can generate valuable word-of-mouth appeal for the facility. As noted, an aquatic center's economic wellbeing often depends on its proximity to well-traveled roads, highways and transportation hubs. Sites located in valleys or on hillsides adjacent to major highways can be developed into exciting destination points. A site in a valley near a main transportation artery can be oriented so that guests enter the recreation facility and instantly gain an overview of the park. This allows guests to immediately spot their favorite destinations and level of anticipation, yet because of enhanced transparency also provides for the safety and comfort of different age groups.

#### Marketing

Many marketing efforts will focus on the sales budget, developing an easy and concise means of explaining activities and fees to users, and creating a simple protocol for scheduling rentals and other events. Branding refers to the summation of all the amenities—state-of-the-art facilities, attractions, and programming—in an eye-appealing package with a competitive advantage. Strong aesthetic visuals include a cohesive logo, website, brochures, video spots, and staff uniforms. Competitive advantages may include cross-generational multiplicity, daily admission fees versus membership fees, cultural diversity, or perhaps the facility is the only championship venue in the region. For a loyal customer base, a great deal of marketing effort will be focused on customer outreach.

#### **Customer Outreach**

Marketers understand their target market—a vital investment to success—by identifying potential user groups while developing a clear message that explains how the aquatic center can fulfill their needs. Marketers define the identity and mission (sell the experience) by branding around the core competencies of the facility. They continue to benchmark successful recreation providers who are meeting the needs of a market segment and generating demand, while finding what makes it work and determining what would make it better. Their single most important ingredient is customer relationships (getting them and gaining their loyalty). Valuing customers and their opinions gives users a sense of ownership and pride in the facility, a perfect combination for continued word-of-mouth promotion. Customers are a source of innovative ideas, thus marketers must:

- Identify user groups and verify that the message of each marketing campaign is being successfully communicated.
- Ask for feedback through focus groups and surveys of programs while being open to customers' observations and suggestions to help build a network within the community.



- Evaluate customer feedback to measure how users and nonusers view the image of the facility. Use the information to determine current levels of satisfaction, program fulfillment, and future needs.
- Make quantitative and qualitative improvements based on data (from what makes programs and services successful) so that services are consistently high quality to increase revenue.
- Set objectives for improvement to increase market share.
- Identify resources and means of implementation by listing key action plans and cycle times.
- Brand services with consistency; position each service to fit the market segment and promote the benefit of the experience; people buy benefits.

#### Marketing Development Plan

Take time to address market conditions and challenges; define steps to solve the challenges and improve all aspects of the event or program by using a marketing development plan. When developing a special event or program, answer the following questions.

- 1. What is the current situation you are addressing?
- 2. What are the market conditions?
- 3. What are the objectives of this marketing plan?
- 4. What are the key elements you wish to implement?
- 5. What are the timelines for each element?
- 6. What resources will be used for this implementation? (funds, staff, external support)
- 7. How will you measure the success of the plan?

#### Media and Community Relations

Traditional advertising such as program brochures, school flyers, visual displays, newspaper, radio, and television can target specific campaigns. As a not-for-profit entity, various local media outlets represent a valuable opportunity for free or low-cost publicity. Develop public relation contacts with local broadcast and print media by submitting articles or suggesting topics on the aquatic center's activities and services, including issues involving education and accident prevention. The use of local celebrities, such as sports and radio personalities, can also help promote events or sponsor organizations and outreach programs to local groups, including girl/boy scouts, hospitals, retirement communities, and corporations. Such programs can be tailored to the needs and interests of individual groups by focusing on wellness, safety, training, competition, or recreation. Utilize small segmented promotions to create an individualized plan for items of user interest, special events, and fun activities.

#### **Corporate Sponsorship and Venue Signage**

Shrinking funds and tightening budgets result in seeking opportunities to subsidize expenses of construction and operation. Marketing opportunities look to local, regional, and even national businesses for sponsorship and advertising signage. These opportunities can range from naming the entire facility for an individual or commercial benefactor, to naming individual rooms, benches, tiles, and so forth. Opportunities for revenue include selling permanent and temporary venue signage.



#### **Digital Marketing**

Marketers widen the scope of multimedia plans through the increased use of on-demand media such as online broadcasting and video spots, and utilizing email marketing. Marketing must thrive in an exciting digital culture in order to grab and retain potential customers to positively affect revenue, influence attendance, and promote sponsorships.

Embracing information sharing can prove to be a benefit to your business practices. These inexpensive information sharing platforms are becoming more and more effective in direct connection and building community. For example, You-Tube can be used as a free web host of professional video tours of the facility as well as on-going training videos for staff. A Facebook business page can be a free web host of amenities, hours of operation, and employee and program scheduling with email access to "fans" regarding specials, coupons, and special events. Twitter can quickly tweet cancelations or reminders for lessons, classes or programs to followers.

Customer email addresses may be submitted when registering for memberships, classes, and special events. With customer permission, marketers may use these email addresses for email marketing campaigns of monthly newsletters and promotional messages regarding upcoming events and classes.

Websurfers looking for exciting visual examples of recreation opportunities will stop and shop cutting-edge websites that showcase the recreation portfolio in an outstanding way. Online photo galleries and streaming video can demonstrate exciting swim meets, families playing in shallow water, teens sliding down waterslides, and seniors swimming laps, thus allowing potential customers to browse the facility without having to be on site. An immediate price quote offers a means to sell rental opportunities for birthday parties, reunions, and corporate picnics. Voice-overs can communicate classes, programs, drop-in activities, meets, and special events.

The face of fundraising is also enhanced by interactive media. When sent a video spot, potential sponsors can witness a cohesive branding package accompanied by exciting video of an event, showing crowds of people in attendance, and other sponsors' booths.

A study conducted by Media Life Research reveals that 63% of moviegoers are not opposed to onscreen commercials; 79% of U.S. theaters offer commercial spots before a movie.<sup>11</sup> Onscreen ads can promote local recreation attractions to a receptive young demographic. Video spots of a thrilling aquatic center on a hot summer day can potentially reach thousands of people in one month.

Other ways of utilizing video spots to help launch the new facility campaign include looping video spot DVDs on in-house TVs at the park and recreation headquarters, the county welcome center, the visitors' bureau, and realtor offices to communicate to the community, visitors, and potential residents the creative recreation amenities that the community has to offer.


# Section 4: Area Provider Analysis

Orthopedic Center Mt. Vernon Rec Club Green Hills Country Club Rend Lake College Salem, IL

## Section 4: Area Provider Analysis

The recreation industry is a competitive market vying for disposable income driven by population trends, income levels, demographic profiles, and favorable locations. Large aquatic centers and destination facilities offer a grand scale of cutting-edge amenities, deliver a unique customer experience, and draw from a large radius. Small to medium aquatic centers compete by offering family amenities in a cozy atmosphere, thus delivering a friendly customer experience to the local market. The City of Mt. Vernon's goal is not to compete for services, but to deliver high quality programs at a reasonable cost to taxpayers. The following information, regarding aquatic facilities within the vicinity, is used to locate gaps in programs and services in the immediate area. The following map includes pools in the Mt. Vernon vicinity.



#### Map of Mt. Vernon Area Providers



### 1. Neuromuscular Orthopedic Institute

302 Broadway Street Mount Vernon, IL 62864

Neuromuscular Orthopedic Institute offers a small indoor physical therapy pool.

### 2. Mt. Vernon Recreation Club Inc.

311 N 34th St Mount Vernon, IL 62864 618-244-2369

The privately owned Mt. Vernon Recreation Club, established in 1960, offers an outdoor L-shaped pool with diving boards. Website is currently down for maintenance; no answer to the listed telephone number.

### 3. Green Hills Country Club

3800 E. Fairfield Rd Mt. Vernon, IL 62864 618-244-9706

The private Green Hills Country Club offers an 18-hole golf course, outdoor tennis courts, banquet facility, and outdoor rectangular pool. No initiation fee.







Green Hills Country Club						
Amenities						
18-Hole Golf Cour	se					
Tennis Courts						
Banquet Facility						
Outdoor Pool						
Fees						
Annual M	embership					
Individual	\$948					
Family	\$1,176					
Swim/Tennis	\$324					



#### 4. Rend Lake College

468 N. Ken Gray Parkway Ina, IL 62846 618-437-5321

Rend Lake College Aquatic Ctr.							
Amenities							
Indoor 6 Lane 25-Yard Pool							
Indoor Therapy Po	Indoor Therapy Pool						
Whirlpool	Whirlpool						
Fees							
Da	aily						
Student	\$3						
Nonstudent	\$5						
Sem	ester						
Individual	\$100						
Family	\$150						
Sun	ımer						
Individual	\$70						
Family	\$40						

Rend Lake College aquatic center includes an indoor six-lane 25-yard lap pool, a 10-foot diameter whirlpool, and a 10 x 20-foot hydro therapy pool. The lap pool has a ramp for the physically challenged and both pools are equipped with stairs and a hydraulic chair lift to assist patrons into the water. Programming includes swim lessons, water aerobics, arthritis aquatics, aquatic aerobic fitness, lifeguard training, water safety instructor, private party rentals, infant aquatics, preschool aquatics, and community water safety.



#### 5. Salem Aquatic Center

1287 Gar Drive Bryan Memorial Park Salem, IL 62881 618-548-7792

Operated by the City of Salem, programming includes swim lessons, swim team, water aerobics, aqua zumba, and pool rentals.



Salem Aquatic Center							
Amenities							
Outdoor Leisure Poo	ol						
Outdoor 25-Yard Po	ool						
Waterslide							
Play Feature							
Water Walk							
Fees							
Dai	ly						
Age 2 & Under	FREE						
Age 3 thru 16	\$4						
Age 17 thru 54	\$5						
Age 55+	\$4						
Season Pass	s Resident						
Individual	\$65						
Family of 4	\$180						
Add'l Fam. Mem.	\$36						
Season Pass I	Nonresident						
Individual	\$80						
Family of 4	\$220						
Add'l Fam. Mem.	\$45						



# Section 5: Development Concepts

Option A Option B Option C



## Section 5: Development Concepts

The following concepts were developed for the City of Mt. Vernon's consideration.

#### **OPTION A: Outdoor Aquatic Facility \$5,999,435**

Option A is an outdoor aquatic center featuring a six lane 25-meter pool with a 1-meter diving board and a 3-meter diving board. The leisure pool with zero-depth entry, whereby parents can help little ones become acquainted with aquatics, includes a water walk and waterslides for the more adventurous swimmers. Guests can hop onto brightly colored inflatable tubes and let the lazy river take them for a ride. The sprayground will delight Mt. Vernon's youngest tots with its colorful, interactive water features. Scattered shade umbrellas make every day a celebration.



NOT TO SCALE





City of Mt. Vernon Aquatic Facility Concept Planning / Outdoor Aquatic Facility PRELIMINARY PROGRAM / ESTIMATE OF PROBABLE CONSTRUCTION COSTS /

## FGM ARCHITECTS

OPTION A

January 9, 2011 FGM#: 11-1350

<u> </u>				1 1					
Item	Descriptic	in	Remarks	Batherload	Quantity	Unit	\$ / Unit	Cost	Totals
			-						
SITE DE	VELOPME	NI					10.000	40.000	
1.0	Site De	molition	clearing / grubbing		1	allowance	12,000	12,000	
1.0.1	Existing	rotor	Testore to grass		1	allowance	25,000	25,000	
1.1	Site Gr	ading			1	allowance	20,000	20,000	
1.3	Parking	1	+/- 160 cars			anowanee	70,000	70,000	
1.3.1	- Cantanig	Curb and Gutter	partial/not at expansion areas		1.420	LF	20	28,400	
1.3.2		Asphalt Paving			64,200	SF	6	353,100	
1.4	Site Uti	ities			1	allowance	80,000	80,000	
1.4.1		Lift Station			1	allowance	30,000	30,000	
1.5	Lightin	9	parking / entry / building		1	allowance	40,000	40,000	
1.6	Concre	ete Walkways / Decks	outside pool enclosure						
1.6.1		Bathhouse Entry			2,590	SF	6	14,245	
1.6.2		Bicycle Parking			200	SF	6	1,100	
1.6.3		Pool Equipment Yard / Drive			2,120	SF	6	11,660	
1.6.4	C'1 D	Outside Concessions Deck			200	SF	6	1,100	
1.7	Site Re	storation	outside pool enclosure		1	allowance	12,000	12,000	
1.8	Enclose	aping	outside pool enclosure		1	allowance	15,000	15,000	
1.9	ETICIOS	Eoncing	<sup>9</sup> high pyc coatod chain link		070	15	25	24.250	
1.7.1	_	Gates	8 high pvc coated chain link		970	Er FA	1 500	12 000	
1.7.2		Masonry Wall			100		400	40,000	
194		Ornamental Gates			3	FA	3 000	9,000	
1 10	Signag	e			1	allowance	8,000	8,000	
	Subtotal	0				allowalloc	0,000	0,000	\$806.855
AQUA	TICS								
2.1	WATER SP	RAYGROUND							
2.1.1	Spray I	Dish			2,500	SF	75	187,500	
2.1.2	Water	Activities	includes play structure		1	allowance	175,000	175,000	
2.1.3	Require	ed Deck Area			720	SF	8	5,760	
2.1.4	Excess	Deck Area		25	1,260	SF	8	10,080	
2.1.5	POOL /	Deck Lighting	poles / lights			allowance	12,000	12,000	
2.1.6	Enclosi	Jre Fencing	code required		220	1.5	50	16.000	
2.1.0.1		Catas	Tope, netting and boliaid		320		1 200	18,000	
2.1.0.2	Shade	Umbrellas	20' diameter		2	EA EA	6,000	2,400	
2.1.7	Landso	aning	zo diameter		1	allowance	10,000	10,000	
2.1.0	Pool Si	nage	themed		1	allowance	2 500	2 500	
2	Subtotal	gnage	literited			allowalloc	2,000	2,000	\$439,240
2.2	LAP POOL		6 lane x 25 m						
2.2.1	Shallov	v Water (25 m Lap Pool)	3.5'-5' deep water	139	2,082	SF	150	312,300	
2.2.2	Deep \	Vater (25 m Lap Pool)	5'-12' deep water	60	1,512	SF	160	241,920	
2.2.3	Require	ed Deck Area			2,000	SF	8	16,000	
2.2.4	Excess	Deck Area		56	2,800	SF	8	22,400	
2.2.5	Pool Su	Irface / Deck Lighting	poles / lights		1	allowance	20,000	20,000	
2.2.6	Diving	Board - 3M			1	EA	20,000	20,000	
2.2.7	Diving	Board - 1M			1	EA EA	15,000	15,000	
2.2.8	Shade	umprellas	20 diameter		4	EA	6,000	24,000	
2.2.9	Enclos	ure Fencing	code required		252	1.5		10 500	
2.2.9.1	Londer	rencing	rope, netting and boilard	<b>├</b> ───┤	250		12 000	12,500	
2.2.10	Concr	aping ata Saating Edge at Berm	2' wide		1	allowance	12,000	5.440	
2.2.11	Pool Si		themed	<b>├</b> ────┤	1	allowance	2 500	2,440	
2.2.12	Subtotal I	Anage	memeu		1	anowance	2,500	2,500	\$704.060
									\$104,000



2.3 LEISURE/	/PLUNGE POOL							
2.3.1 Leisur	re/Plunge Water	zero depth entry / walk-in stairs	207	3,600	SF	150	540,000	
2.3.2 Wate	er Walk			1	allowance	25,000	25,000	
2.3.3 Wate	er Activities	interactive / no site obstruction		1	allowance	40,000	40,000	
2.3.4 Wate	er Slide & Tower	1 slide / medium length		1	allowance	200.000	200.000	
2.3.5 Tube	Slide	1 slide / medium length		1	allowance	125,000	125,000	
2.3.6 Requi	ired Deck Area	g		1 600	SE	8	12,800	
2.3.7 Exces	ss Deck Area		67	3 330	SE	8	26 640	
2.3.8 Walk	ways / Tube Corralls		0,	4 716	SF.	6	25,010	
2.3.0 Walk		around tube corroll		4,710	51	0	23,730	
2.3.7 EIICIO	Enging	9' h ropo, potting and bollard		140	10	00	14.400	
2.3.7.1 2.2.10 Deel 9	Fericing Surfage / Deck Lighting	8 mope, netting and bollard		100	Lr	70 25.000	14,400	
2.3.10 POOL3	Sunace / Deck Lighting	poles / lights		1	allowance	25,000	25,000	
2.3.11 Shad		20 diameter		4	EA	6,000	24,000	
2.3.12 Lands	iscaping			1	allowance	16,000	16,000	
2.3.13 POOL	signage	tnemed			allowance	4,000	4,000	
Subtotal	1							\$1,078,778
	1							
2.4 LAZY RIV	VER							
2.4.1 Shallo	ow Water	10' wide	267	400	LF	1,500	600,000	
2.4.2 Requ	uired Deck Area	4' wide perimeter walk		1,540	SF	8	12,320	
2.4.3 Exces	ss Deck Area		0	0	SF	8	0	
2.4.4 Pool S	Surface / Deck Lighting	poles / lights		1	allowance	20,000	20,000	
2.4.5 Lands	lscaping			1	allowance	10,000	10,000	
2.4.6 Pool 9	Signage	themed		1	allowance	2,500	2,500	
Subtotal								\$644,820
3.0 BATHHO	DUSE							
3.1 Bathh	house	family changing?		2,800	SF	185	518,000	
3.2 Conc	cessions			800	SF	200	160,000	
3.3 Pool I	Equipment Building			1,500	SF	140	210,000	
3.4 Conc	cession Deck			900	SF	6	4,950	
3.5 Lands	scaping			1	allowance	10.000	10.000	
3.6 Sound	d System			1	allowance	15,000	15,000	
3.7 Signa	ace	themed		1	allowance	4 000	4 000	
Subtotal		linemed		· · ·	allowance	4,000	4,000	\$921.950
								\$721,700
4.0 CONTINU	GENCIES				I I		1	
4.1 Desig	n/Bidding Contingency				10%		459 570	
Subtotal					1070		437,370	\$150 570
Subiolai								\$437,370
5.0 CONSTR			820	13 604				\$5,055,273
3.0 001011			020	13,074				\$5,055,275
	S OTHER EXPENSES (SOFT COSTS)				, I	I	г	
6.1 Archi	itectural/Engineering Compensation				estimated		151 075	
4.2 Europio	shings Rool (chairs tables trash record	ataclas ata )			allowance		434,773	
4.2 Site S	sinnys - Foor (chairs, tables, trash fece)	JIACIES, ELC.J			allowance		100,000	
0.3 SILE S	and Material Testing				allowance		0,500	
6.4 SOIIS a	and Material lesting				allowance		30,000	
0.5 Printin					allowance		25,000	
6.6 Permi	its (rees waived)				allowance		0	
6./ Lega	II / BONG				allowance		15,000	
6.8 Utility	Company Fees				allowance		25,000	
6.9 Conti	ingency for additional Owner's Expension	ses			allowance		32,924	
6.10 Owne	er's Construction Change Order Conti	ngency			5%	252,764	252,764	
Subtotal	1							\$944,162
7.0 IOTAL PE	ROJECT COST / OPHON A							\$5,999,435



### OPTION B: Indoor Therapy Pool and Outdoor Pool \$5,997,966

Option B includes an indoor 1,500-square-foot therapy pool with a 125-square-foot whirlpool spa. Retirees, seniors, and those with hydro therapy health needs will enjoy these two bodies of water designed to assist strained muscles, arthritis, and other aquatic therapy needs. This pool is typically maintained between 84 - 88 degrees F, allowing for gentle exercise in the water. In order to maximize revenue potential and health benefits to the community, programming should concentrate on therapy associated with a medical provider.



#### OPTION B CONCEPTUAL REPRESENTATION

NOT TO SCALE





City of Mt. Vernon Aquatic Facility Concept Planning / Indoor Therapy Pool PRELIMINARY PROGRAM / ESTIMATE OF PROBABLE CONSTRUCTION COSTS /

## FGM ARCHITECTS

OPTION B

January 9, 2011 FGM#: 11-1350

	Г								
Item	De	escription	Remarks	Batherload	Quantity	Unit	\$ / Unit	Cost	Totals
						· · ·			
SILE D	DE VI	ELOPMENT Site Demolition	clearing / grubbing		1	allowance	2 500	2 500	
1.1		Stormwater	cleaning / glubbing		1	allowance	2,500	2,500	
1.2		Site Grading			1	allowance	8,000	8,000	-
1.3		Parking	+/-20 cars						
1.3.1		Curb and Gutter			0	LF	20	0	
1.3.2		Asphalt Paving Site Utilities	estimated		8,000	sr allowance	15 000	48,000	
1.4.1		Lift Station	utilize outdoor pool lift station		1	allowance	0	0	
1.5		Lighting	entry / building		1	allowance	7,000	7,000	
1.6		Concrete Walkways / Decks	outside pool enclosure						
1.6.1		Entry			700	SF	6	4,200	
1.6.2		Site Pestoration	outside pool enclosure		2,000	SF	6 8.000	12,000	
1.8		Landscaping	outside pool enclosure		1	allowance	6,000	6,000	
1.9		Trash Enclosure Fencing					-,	-,	
1.9.1		Fencing	utilize outdoor pool trash enclosu	ire	0	LF	25	0	
1.9.2		Gates			0	EA	1,500	0	
1.10	<u> </u>	Signage			1	allowance	4,000	4,000	¢117 200
	Su	biotai							\$117,200
AQUA	ATIC	S							
2.1	TH	ERAPY POOL							
2.1.1		Shallow Water		100	1,500	SF	160	240,000	
2.1.2		Required Deck Area	cost in 3.2 below	24	519	SF	0	0	
2.1.3		Excess Deck Area	COSLIN 3.2 DEIOW	20	1,296	SF allowance	2 500	2 500	
2.1.4	Su	btotal				allowarice	2,500	2,300	\$242,500
2.2	SP	A POOL							
2.2.1		Shallow Water		8	125	SF	600	75,000	
2.2.2		Required Deck Area	cost in 3.2 below	0	60	SF	0	0	
2.2.3		Pool Signage	COST III 3.2 DEIOW	0	1	allowance	2,500	2.500	
	Su	btotal					_/	_/	\$77,500
		•							
3.0	NA	ATATORIUM			4 000	05	045	115.000	
3.1		Admin / Lobby / Lockers			1,932	5F	215	415,380	
3.3		Pool Equipment Areas			3,500	SF	140	107.520	
3.4		Signage	building		1	allowance	2,500	2,500	
	Su	btotal			6,200				\$1,277,900
1.0	0.0								
4.0	CC	Dorign/Ridding Contingonov				1.0%		171 510	
4.1	Su	btotal				10%		171,510	\$171.510
						1			\$171,010
5.0	СС	DNSTRUCTION TOTAL / OPTION B - THERAPY	POOL	134					\$1,886,610
6.0									
6.1		Architectural/Engineering Compensation				estimated		169,795	
6.2		Furnishings - Pool (chairs, tables, trash rece	ptacles, etc.)			allowance		15,000	
6.3		Site Surveys	use outdoor pool survey			allowance		0	
6.4		Soils and Material Testing				allowance		15,000	
6.5	$\square$	Printing & Misc. Expenses				allowance		10,000	
0.0 6 7	$\vdash$	Legal / Bond	<u> </u>			allowance		5 000	
6.8	$\vdash$	Utility Company Fees				allowance		10.000	
6.9		Contingency for additional Owner's Expen	ses			allowance		11,240	
6.10		Owner's Construction Change Order Conti	ngency			5%	94,331	94,331	
	Su	btotal	1						\$330,365
7.0	TO	TAL PROJECT COST / OPTION B - THERAPY P							\$2,216,975
	.0								4212101/1J



Option B also includes an outdoor leisure/lap pool with a 1-meter diving board and a 3-meter diving board, where older kids can jump one by one under the watchful eye of a lifeguard. While lounging in the zero-depth entry, parents can accompany younger children playing on the participatory play feature in the shallow water. This interactive structure provides climbing and crawling experiences and sliding down just-their-size waterslides. Adults and seniors will enjoy the lap lanes for fitness swimming, which is important for mind and body health.



#### OPTION B CONCEPTUAL REPRESENTATION

NOT TO SCALE





City of Mt. Vernon Aquatic Facility Concept Planning / Outdoor Aquatic Facility PRELIMINARY PROGRAM / ESTIMATE OF PROBABLE CONSTRUCTION COSTS /

FGM ARCHITECTS

OPTION B

January	9,2011
FGM#:	11-1350

Item	De	scriptic	on	Remarks	Batherload	Quantity	Unit	\$ / Unit	Cost	Totals
SITE D	EVE	LOPME	INT							
1.0		Site De	emolition	clearing / grubbing		1	allowance	12,000	12,000	
1.1		Stormv	vater			1	allowance	20,000	20,000	
1.2		Site Gr	ading			1	allowance	60,000	60,000	
1.3		Parking	) Curb and Gutter	+/- 90 Cars		1 / 20	I F	20	28 400	
1.3.1			Asphalt Paving	partial/fiot at expansion aleas		41,880	SF	6	230,340	
1.4		Site Uti	lities			1	allowance	60,000	60,000	
1.4.1		1.1	Lift Station	e advis a ( a star ( la vilatio a		1	allowance	30,000	30,000	
1.5	_	Concr	g ete Walkways / Decks	outside pool enclosure		1	allowance	30,000	30,000	
1.6.1		001101	Bathhouse Entry			2,590	SF	6	14,245	
1.6.2			Bicycle Parking			200	SF	6	1,100	
1.6.3			Pool Equipment Yard / Drive			2,120	SF SF	6	11,660	
1.7		Site Re	storation	outside pool enclosure		1	allowance	12,000	12,000	
1.8		Landso	caping	outside pool enclosure		1	allowance	10,000	10,000	
1.9		Enclos	ure Fencing	Ol high good an attack shall ligh		070	15	25	24.250	
1.9.1	_		Gates	8 high pvc coaled chain link		970	LF FA	1.500	24,250	
1.9.3			Masonry Wall			100	LF	400	40,000	
1.9.4			Ornamemtal Gates			3	EA	3,000	9,000	
1.10	51	Signac	e			1	allowance	8,000	8,000	\$420.005
	Sui	JIUIAI								\$037,075
AQUA	TIC	S								
2.0	LEI	SURE /	LAP POOL	6 lane x 25 m	40.1	0.007	с <b>г</b>	450	201.050	
2.1	_	Shallov Deen V	V Water (25 m Lap Pool) Water (25 m Lap Pool)	3.5'-5' deep water	134	2,007	SF SF	150	241 920	
2.3		Shallov	v Water (Leisure Pool)	leisure water	240	3,600	SF	150	540,000	
2.4		Requir	ed Deck Area			8,000	SF	8	64,000	
2.5		Excess	Deck Area	un el en a d'instata	200	10,000	SF	8	80,000	
2.0	_	Divina	Board - 3M	poles 7 lights		1	FA	25,000	25,000	
2.8		Diving	Board - 1M			1	EA	15,000	15,000	
2.9		Water	Activities	includes play structure		1	allowance	40,000	40,000	
2.10		Water	Walk	1 slide ( medium length		0	allowance	25,000	0	
2.11		Future	Body Slide	1 slide / medium length		0	allowance	200,000	0	
2.13		Shade	Umbrellas	20' diameter		4	EA	6,000	24,000	
2.14		Landso	caping			1	allowance	15,000	15,000	
2.15	Sui	Pool Si	gnage	themed		1	allowance	2,500	2,500	\$1 368 470
		ototai								\$1,500,470
3.0	BA	THHOU	SE							
3.1		Bathho		family changing?		2,400	SF	185	444,000	
3.3		Pool Ed	guipment Building			1,500	SF	140	210,000	
3.4		Conce	ession Deck			700	SF	6	3,850	
3.5		Landso	caping			1	allowance	10,000	10,000	
3.0		Signac		themed		1	allowance	4.000	4.000	
	Sul	ototal						1,000	.,000	\$846,850
4.0	~~~	NITINIC	ENCIES							
4.0 4.1		Design	/Bidding Contingency				10%		285 442	
	Sul	ototal					10/0		200,772	\$285,442
	_									
5.0	СС	NSTRU	CTION TOTAL / OPTION B - OUTDOOP	R POOL FACILITY	634	7,119				\$3,139,857
6.0	٥V	/NER'S	OTHER EXPENSES (SOFT COSTS)							
6.1		Archite	ectural/Engineering Compensation				estimated		282,587	
6.2 6.3	_	rurnish Site Su	ings - Pool (chairs, tables, trash rece	placies, etc.)			allowance		100,000	
6.4		Soils ar	nd Material Testing				allowance		30,000	
6.5		Printing	g & Misc. Expenses				allowance		15,000	
6.6		Permits	s (fees waived)				allowance		0	
0.7 6.8	_	Legar/ Utility (	Company Fees				allowance		15.000	
6.9		Contin	gency for additional Owner's Expen	ses			allowance		23,054	
6.10	Ţ	Owner	's Construction Change Order Conti	ngency			5%	156,993	156,993	
	sul	JIOIAI								\$641,134
7.0	TO	TAL PRO	DJECT COST / OPTION B - OUTDOOR	POOL FACILITY						\$3,780,991
	TC									¢5 007 0/ /
8.0	10	IAL PRO	DIECT COST / OPTION B							\$5,997,966



### OPTION C: Indoor Aquatic Center \$6,776,303

Very popular for communities desiring year-round aquatics, Option C includes an indoor six lane 25-meter pool and an indoor leisure pool. This concept will accommodate the competitive and recreation aquatic needs of the residents and is designed to be very attractive to many organized swimming events as well as recreational opportunities for all ages.



NOT TO SCALE





City of Mt. Vernon Aquatic Facility Concept Planning / Indoor Aquatic Facility PRELIMINARY PROGRAM / ESTIMATE OF PROBABLE CONSTRUCTION COSTS /

# FGM ARCHITECTS January 9, 2011 FGM#: 11-1350

OPTION C

-								
Itom D	escription	Pemarks	Batherload	Quantity	Unit	\$ / Unit	Cost	Totals
	escription	Remarks	Batrierioau	Quantity	onit	\$7 Onit	COST	Totals
SITE DEV	ELOPMENT							
1.0	Site Demolition	clearing / grubbing		1	allowance	8,000	8,000	
1.0.1	Existing Pool Demolition	restore to grass		1	allowance	25,000	25,000	
1.1	Stormwater			1	allowance	10,000	10,000	
1.2	Site Grading			1	allowance	25,000	25,000	
1.3	Parking	+/-65 cars						
1.3.1	Curb and Gutter	estimated		1,500	LF	20	30,000	
1.3.2	Asphalt Paving	estimated		25,000	SF	6	150,000	
1.4	Site Utilities			1	allowance	40,000	40,000	
1.4.1	Lift Station	parking (aptro (building		1	allowance	30,000	30,000	
1.5	Congrete Walkwaye / Deaks	parking / entry / building		1	allowance	25,000	25,000	
1.0	Concrete Walkways / Decks	outside pool enclosure		700	SE .	6	4 200	
1.0.1	Maintonanco Vard / Drivo			2 000	SF SE	6	4,200	
1.0.2	Site Pestoration	outside pool enclosure		2,000	allowance	10.000	10,000	
1.7	Landscaping	outside pool enclosure		1	allowance	12,000	12,000	
1.0	Trash Enclosure Fencing	ouside pool enclosure			allowance	12,000	12,000	
1.9.1	Fencing	8' high pyc coated chain link		60	I F	25	1.500	
1.9.2	Gates			2	EA	1.500	3.000	
1.10	Signage			1	allowance	4.000	4.000	
SL	ibtotal				allowalloo	1,000	1,000	\$389,700
AQUATI	CS							
2.1 LA	AP POOL	6 lane x 25 m						
2.1.1	Shallow Water		230	3,444	SF	160	551,040	
2.1.2	Required Deck Area	cost in 3.2 below		2,000	SF	0	0	
2.1.3	Excess Deck Area	cost in 3.2 below	35	1,756	SF	0	0	
2.2 LE	ISURE POOL							
2.2.1	Shallow Water			2,500	SF	160	400,000	
2.2.2	Water Activities			1	allowance	25,000	25,000	
2.2.3	Required Deck Area	cost in 3.2 below		2,000	SF	0	0	
2.2.4	Excess Deck Area	cost in 3.2 below	54	2,700	SF	0	0	
2.3	Pool Signage			1	allowance	2,500	2,500	A070 F 10
51	IDIOIAI							\$978,540
20 N								
3.0 10	Admin / Lobby / Lockers			3 /56	SE.	215	743.040	
3.1	Natatorium			14 400	SI SE	100	2 736 000	
3.2	Pool Equipment Areas			2 304	SF SF	170	403 200	
3.4	Signage	building		2,304	allowance	4 000	4 000	
SL	ibtotal	Salariy		20.160	anotranoo	1,000	1,000	\$3,886,240
4.0 C	ONTINGENCIES							
4.1	Design/Bidding Contingency				10%		525,448	
Su	ibtotal							\$525,448
5.0 C	ONSTRUCTION TOTAL / OPTION C		319					\$5,779,928
(					,			
6.0 O	WINER'S OTHER EXPENSES (SOFT COSTS)	Į					500.40.1	
6.1	Architectural/Engineering Compensation				estimated		520,194	
0.2	runishings - Pool (cnairs, tables, trash rece	placies, etc.)			allowance		40,000	
0.3	Solis and Material Testing				allowance		8,500	
4.5	Drinting & Mise Exponses				allowance		30,000	
6.6	Permits (fees waived)				allowance		30,000	
6.7	Legal / Bond	1	1 1		allowance		20.000	
6.8	Utility Company Fees				allowance		25,000	
6.9	Contingency for additional Owner's Expen	ses			allowance		33.685	
6.10	Owner's Construction Change Order Conti	ngency			5%	288.996	288.996	
SL	Ibtotal		1		270	,		\$996,375
	•	•						
7.0 TC	DTAL PROJECT COST / OPTION C							\$6,776,303



# SECTION 6: Operations

Opinion of Revenue Opinion of Expenses Cash Flow

## Section 6: Operations

Revenue analysis reviews facility per capita spending trends and special user group usage, thus developing an opinion of revenue for the first five years of operation. Recreation programming revenue is based on user groups and local programming fees. Fee structure is based on fees from members and other users to project per capita income. Revenue is estimated, taking recommended fee schedules into account. All revenue assumptions reflect multiplying attendance by per capita and adding special user group income.

An analysis of operating expenses includes a detailed budget model for estimating probable expenses for major areas of labor, contractual services, commodities, and utilities. User projections are made based on programming. Expenses are estimated taking into account hours of operation, attendance projections, local weather patterns, local utility rates, and other key items. Operating data from other facilities in the area were reviewed and taken into account to form projections.

#### **Opinion of Revenue**

#### **Aquatic Programming**

It is the city's goal to operate recreation programming as both a public service and a revenue generator. An important goal is to provide health and fitness recreation programming to reverse public obesity trends. A newer swimming facility could accommodate a much needed and growing recreational swim market. Any program schedule will require flexibility to adapt to specific needs of the community. It is the responsibility of the aquatic supervisor to monitor user group demands and adjust schedules accordingly. Revenue projections are based on marketing programming that would include the following programs: summer swim lessons, lifeguard training, wellness programming, birthday parties, and private rentals. It is assumed that these user groups, because of their high volume of use, will pay a lower fee per person admission. Programming will need to be scheduled so as not to significantly impact community recreation programming.

The following table summarizes recreation program demand, per capita spending, and revenue. The table assumes that the cost of the program has been deducted from generated fees and shows the "net" program revenue. For example, the revenue projected for swimming lessons is after the instructor cost.

<u>Visits per Program Day</u>: number of participants in a particular activity per day.

<u>Programming Days</u>: number of days each activity will be programmed during the year.

<u>Per Capita Spending</u>: revenue generated per participant per day of activity after related costs are paid, for instance, the \$2.00 assumed for each summer swim lesson participant per day is after the instructors are paid.

<u>Opinion of Revenue (Net</u>): the resulting revenue generated by each activity. (Visits per Program Day) multiplied by (Programming Days) multiplied by (Per Capita Spending) = Opinion of Revenue (Net).



Visits per Program Day	Outdoor	Outdoor w/ Therapy	Indoor
Swim Meet Rental	1	1	1
USA Swim Team	-	-	30
City Swim Team	55	55	55
Summer Swim Lessons	40	40	40
Winter Swim Lessons	-	20	20
Lifeguard Training	10	10	10
Wellness Programming	5	25	15
Birthday Party	2	2	2
Private Rental	1	1	1
Programming Days	Outdoor	Outdoor w/ Therapy	Indoor
Swim Meet Rental	2	2	6
USA Swim Team	-	-	300
City Swim Team	40	40	40
Summer Swim Lessons	24	24	24
Winter Swim Lessons	-	48	48
Lifeguard Training	5	10	10
Wellness Programming	15	260	260
Birthday Party	30	50	50
Private Rental	20	30	30
Der Conito Sponding (Not)	Outdoor	Outdoor w/Thorapy	Indoor
Per Capita Spending (Net)		Outdoor w/ Therapy	111000r
Swim Meet Rental	\$200.00	\$2.00	\$200.00 \$200
USA Swim Team	\$2.00	\$2.00	\$2.00
City Swim Leam	\$1.00	\$1.00	\$1.00
Summer Swim Lessons	\$2.00 \$1.50	\$2.00 \$1.50	\$2.00 \$1.50
Winter Swim Lessons	\$1.50 \$2.50	\$1.50 \$2.50	\$1.50 \$2.50
Lifeguard Training	\$2.30 \$1.50	φ2.JU \$1.50	¢2.30 \$1.50
Wellness Programming	\$1.30 \$45.00	\$1.3U	\$1.3U \$45.00
Birthday Party	\$45.00 \$25.00	\$43.00 \$25.00	\$43.00 \$25.00
Private Rental	\$25.00	\$25.00	\$23.00
Opinion of Revenue (Net)	Outdoor	Outdoor w/ Therapy	Indoor
Swim Meet Rental	\$1.000	\$1.000	\$3.000
USA Swim Team	\$0	\$0	\$18.000
Citv Swim Team	\$2,200	\$2,200	\$2,200
Summer Swim Lessons	\$1,920	\$1,920	\$1,920
Winter Swim Lessons	\$0	\$1,440	\$1,440
Lifeguard Training	\$125	\$250	\$250
Wellness Programming	\$113	\$9,750	\$5,850
Birthday Party	\$2,700	\$4,500	\$4,500
Private Rental	\$500	\$750	\$750
	· · ·		
User-Group Revenue	\$8,558	\$21.810	\$37,910



#### **Fee Structure**

In order to project revenue, fee schedules are established. Three general approaches to evaluating the fee structure of an aquatic center include the following.

- 1. Maximize revenue by charging what the market will support. Programs and facilities operate with positive cash flow. If excess funds are available at season's end, they can be used to support under-funded programs.
- 2. Break-even in the operation of the facility. This approach is increasing in popularity as funding is becoming limited to organizations that use the facility. Capital funds are used to create the facility; operational funds are generated from the user on a break-even basis.
- 3. Subsidy pricing historically has been the policy of many community facilities and is currently the strategy of the city's pool.

A critical component of an enterprise fund management protocol is the revenue and pricing policy. The following chart shows recommended fee structures for the concept. The recommended fee is based on this area's demographics. The formula reflects the category for admission, the rate of each category, and the percentage of attendance that might be expected from that category.

		Outdoor				Indoor		
			Percent of	Per Visit			Percent of	Per Visit
Category		Rate	Visits	Unit	Category	Rate	Visits	Unit
Residents					Residents			
	Adult (18 & Older)	8.00	23%	1.84	Adult (18 & Older)	6.00	12%	0.72
	Student (Under 18)	6.00	21%	1.26	Children (3-17)	5.00	10%	0.50
	Free	0	2%	-	Free	0	2%	-
Nonresident					Nonresident			
	Adult	9.00	14%	1.26	Adult	8.00	17%	1.36
	Child	7.00	10%	0.70	Child	6.00	10%	0.60
Season Pass					Annual Pass			
Resident					Resident			
	Adult	80.00	9%	0.36	Adult	200.00	16%	0.80
	Student	60.00	7%	0.21	Student	150.00	8%	0.09
	Family (4)	190.00	8%	0.19	Family (4)	350.00	12%	0.35
Nonresident					Nonresident			
	Individual	100.00	6%	0.40	Individual	250.00	13%	0.93
Subtotal / A	verage		100%	6.22	Subtotal / Average		100%	5.34
Food / Merc	handise			\$ 0.15	Food / Merchandise			\$ 0.05
Total				\$6.37	Total			\$5.39



	Outdoor	Outdoor w/ Therapy	Indoor
Attendance			
2012	50,041	46,198	66,331
2013	49,903	46,077	66,206
2014	49,765	45,956	66,081
2015	49,626	45,835	65,957
2016	49,488	45,714	65,832
Per Capita Spending (3% Annual Increase)	\$6.37	\$6.37	\$5.39
Special User Group Spending	\$8,558	\$21,810	\$37,910
2012	\$327,319	\$316,089	\$395,719
2013	\$335,975	\$324,124	\$405,760
2014	\$344,578	\$332,113	\$415,760
2015	\$353,129	\$340,055	\$425,719
2016	\$361,626	\$347,952	\$435,638

The following table takes into consideration the revenue streams from special user group and general attendance, resulting in an opinion of revenue for the options.

#### **Opinion of Expenses**

#### **Facility Staff**

Projected annual payroll expenses are listed by aquatic supervisor and summer employment classifications reflecting benefits and taxes. Scheduling employees is determined by programming demand and management procedure. Wherever possible, pay rates were determined using existing city job classifications and wage scales. Cost for swim instructors and other employees associated with program income were factored in as cost against net programming revenue.

	Hours Per Day		Cost Per Hour		Days per Season		Total Employer Expense			
Job Description	Outdoor	Outdoor w/ Therapy	Indoor	Hourly Rate	Rate with overhead	Indoor	Outdoor	Outdoor	Outdoor w/ Therapy	Indoor
Summer										
Cashier	18	23	16	7.50	\$8.63	90	90	13,973	17,854	12,420
Head Lifeguard	9	14	16	10.00	\$11.50	90	90	9,315	14,490	16,560
Lifeguard	153	118	95	8.50	\$9.78	90	90	134,602	103,811	83,576
Maintenance	4	4	4	15.00	\$17.25	90	90	6,210	6,210	6,210
Summer Total	184	159	131					\$164,099	\$142,364	\$118,766
Winter										
Cashier	0	14	16	7.50	\$8.63	275	10	0	33,206	37,950
Head Lifeguard	0	14	16	10.00	\$11.50	275	10	0	44,275	50,600
Lifeguard	0	28	65	8.50	\$9.78	275	10	0	75,268	174,728
Maintenance	8	4	4	15.00	\$17.25	275	10	1,380	18,975	18,975
Winter Total	8	60	101					\$1,380	\$171,724	\$282,253
Annual Labor Expense								\$165.479	\$314.088	\$401.019
								+	+==-;===	+ • • • • • • • •



#### Commodities

Commodities are day-to-day products used to operate aquatic centers. Office supplies, program supplies, custodial supplies, repair supplies and chemicals are included. In determining annual chemical expense, chemical treatment assumes the use of calcium hypochlorite and muriatic acid (pH buffer). Chemical use can depend upon bather load and chemical balance of the water. In estimating annual costs, medium bather load figures are assumed.

#### Heating/Dehumidification

In determining utility costs, current energy costs at other facilities in the area were reviewed. Total costs include energy, energy demand and delivery charges. Caution must be used when comparing this cost with operating expenses of other facilities across the country.

#### Electricity

The calculations are based on 2011 utility rate information. A figure of \$0.080 cents per kWh was estimated, including both demand and energy costs.

#### Water and Sewer

Water and sewer services will be needed for domestic use and compensation for evaporation and backwashing purposes. Backwash water and domestic water will be released to the sanitary system. This does not include landscape irrigation.

#### Insurance

Insurance denotes liability for more people and more structure based on visits and labor.

#### Expenses

The following table reflects a summary of all operating expenses, assumptions, and estimates detailed by the expense category.

#### **Capital Replacement Fund**

The manufacturers of some types of mechanical equipment recommend annual maintenance programs to ensure proper performance of their equipment. Much of this work will be performed by outside contractors. In addition, for daily operation of the facilities, miscellaneous items will need to be repaired by outside firms. The capital replacement fund sets money aside for repairs/replacement.



	Outdoor	Outdoor w/ Therapy	Indoor
Facility Staff			
Pool Supervisor	\$10,500	\$33,800	\$33,800
Part-Time Employment	\$164,099	\$142,364	\$118,766
Winter Employment	\$1,380	\$171,724	\$282,253
Training	\$2,000	\$4,000	\$5,000
Total Labor	\$177,979	\$351,888	\$439,819
Contractual Services			
Insurance	\$35,458	\$40,355	\$47,115
Repair and Maintenance	\$15,000	\$15,000	\$17,000
Total Contractual Services	\$50,458	\$55,355	\$64,115
Commodities			
Operating Supplies	\$9,000	\$9,000	\$10,200
Chemicals	\$14,548	\$13,387	\$8,955
Advertising	\$15,000	\$15,000	\$20,000
Total Commodities	\$38,548	\$37,387	\$39,155
Utilities			
HVAC	\$7,956	\$32,113	\$90,582
Electricity	\$26,302	\$39,979	\$34,857
Telephone	\$448	\$1,344	\$1,344
Water & Sewer	\$4,910	\$4,018	\$5,259
Total Utilities	\$39,616	\$77,453	\$132,041
Total Operating Expenses	\$306,601	\$522,083	\$675,131
Capital Replacement Fund	\$30,000	\$30,000	\$33,900
Total Expense	\$336,601	\$552,083	\$709,031



#### **Cash Flow**

The following table presents projections of gross operating performance for the options based on revenue projections and expense estimates, using the recommended fee structure. Projected attendance is based on local population tends.

	2012	2013	2014	2015	2016
Outdoor					
Project Cost	\$5,999,435				
Attendance	50,041				
Revenue	\$327,319	\$335,975	\$344,578	\$353,129	\$361,626
Expense	\$306,601	\$314,266	\$322,122	\$330,175	\$338,430
Operating Cashflow	\$20,719	\$21,710	\$22,456	\$22,953	\$23,196
Recapture Rate	107%	107%	107%	107%	107%
Capital Replacement Fund	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Debt Service	(\$461,213)	(\$461,213)	(\$461,213)	(\$461,213)	(\$461,213)
Cashflow	(\$470,495)	(\$469,504)	(\$468,757)	(\$468,260)	(\$468,017)
Outdoor w/ Therapy					
Project Cost	\$5,997,966				
Attendance	46,198				
Revenue	\$316,089	\$324,124	\$332,113	\$340,055	\$347,952
Expense	\$522,083	\$535,135	\$548,513	\$562,226	\$576,281
Operating Cashflow	(\$205,994)	(\$211,011)	(\$216,400)	(\$222,170)	(\$228,330)
Recapture Rate	61%	61%	61%	60%	60%
Capital Replacement Fund	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Debt Service	(\$461,100)	(\$461,100)	(\$461,100)	(\$461,100)	(\$461,100)
Cashflow	(\$697,094)	(\$702,111)	(\$707,501)	(\$713,271)	(\$719,430)
Indoor					
Project Cost	\$6,776,303				
Attendance	66,331				
Revenue	\$395,719	\$405,760	\$415,760	\$425,719	\$435,638
Expense	\$675,131	\$692,009	\$709,309	\$727,042	\$745,218
Operating Cashflow	(\$279,411)	(\$286,249)	(\$293,550)	(\$301,323)	(\$309,580)
Recapture Rate	59%	59%	59%	59%	58%
Capital Replacement Fund	\$33,900	\$33,900	\$33,900	\$33,900	\$33,900
Debt Service	(\$520,936)	(\$520,936)	(\$520,936)	(\$520,936)	(\$520,936)
Cashflow	(\$834,247)	(\$841,085)	(\$848,386)	(\$856,159)	(\$864,416)

Note: Reducing daily rates by 1 will result in a 96% recap (10,649 subsidy) for the Outdoor option



# SECTION 7: Financing and Funding

Funding Options Capital Market Financing Debt Service

# Section 7: Funding and Financing Options

### Funding Options

There are many different funding methods for the project. In addition to capital market financing (i.e., the sale of bonds or issuance of contracts to private entities such as banks or lending institutions), there are other forms of funding that have been used in other projects. Financing, in most cases, requires the sale of bonds. For any bond to be sold, an independent bond rating institution must evaluate the entity to be represented by the bond. This rating will determine the bond price and interest rate, and as a result, the overall worth of the bond. The following are four bonding institutions in the United States.

#### **Examples of Bond Rating Institutions**

- Moody's Investor Service
- Standard & Poor's Corporation
- Fitch Investors Service, L.P.
- Duff & Phelps Credit Rating Co.

Financing generally occurs in one of the forms or methods as outlined below.

#### **Direct Funding**

- 1. Direct Appropriation
- 2. Private Contributions
- 3. Joint Ventures

#### **Capital Markets Financing**

- 4. Local Discretionary Sales Surtax
- 5. The sale of General Obligation Bonds
- 6. The sale of Certificates of Obligation
- 7. The sale of Revenue Bonds
- 8. The sale of Certificates of Participation
- 9. The sale of Lease Revenue Bonds

These options are not mutually exclusive in every case. In fact, the final financing for the new facility is likely to be a package of various financing sources that collectively reach the needed total.

#### **Direct Appropriations**

The city is permitted by law to directly appropriate money to the development, construction and operation of an aquatic center. This would include money either spent directly on the project or contributed to another entity established for this purpose.

As a practical matter, the likelihood of getting a new aquatic center off the ground without extensive and direct financial support is fairly remote. The other sources of funding cannot be expected to



enthusiastically embrace the aquatic center unless the city is already financially committed to the project.

#### **Private Contributions**

For different reasons, various private individuals and corporations may have an interest in supporting an aquatic project. The center could be positioned as a major factor in building civic pride, promoting economic development, enhancing community facilities and other positive attributes. Properly structured, any of the financing and ownership options selected will permit tax-deductible giving from most private contributors. Historically, contributions from outside sources have not exceeded matching funds.

Some sample commemorative gift opportunities that have been suggested by other facilities include:

•	Pool Structure	\$1,000,000
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•	Entrance/Offices	\$ 500,000

- Balcony \$ 500,000
- Campaign Name Itself \$ 250,000
- Locker Rooms \$ 250,000
- Large Brick & 1yr. Memb.\$ 10,000
- Bricks/Tiles (contributors) \$ 500

#### Joint Use and Joint Partnership Agreements

Joint Use Agreements and other collaborations with area municipalities, educational institutions, businesses, health care providers, and other organizations and institutions can be significant sources of revenue and programming opportunities. A Joint Use Agreement has the potential of increasing programming opportunity and financial support. While this process is difficult to manage in terms of organizing the different priorities and agendas of the different organizations, it has proven worthwhile in other communities.

The establishment of a partnership can be a positive experience for the desired aquatic facility. Recent years have provided many examples of existing partnership relationships to establish major facilities. Partnerships have allowed organizations to create useful recreational facilities that otherwise would not have been possible. The following are some reasons an organization may wish to engage into a partnership relationship:

- Cost to provide government service is high
- Creates budget and creative programming opportunities
- Spreads the risk among the partners
- Merging resources creates a higher level of service delivery
- Offers entrepreneurial opportunities not always affordable to public agencies
- Planning changes the mindset of the players and forces them to think creatively
- Encourages a market driven approach rather than a product driven approach



The desire to partner with others is popular when there is mutual interest in building a major capital asset. What potentially exists in partnership relationships frequently occurs between one or more sectors such as two or more public sector organizations, and the public sector and the not-for-profit organizations, and the private sector and the public sector.

Partnership relationships usually exist in one of two forms as outlined in the following examples:

- Investment Partnerships: public sector organizations such as schools or park organizations, and/or the private sector, and/or the not-for-profit engage in equity construction of a capital asset. In recent years these facilities have included gymnasiums and fitness facilities.
- Program Partnerships: public sector organizations such as schools or park organizations, and/or the private sector, and/or the not-for-profit engage in the provision of programs to benefit the community or facility. These programs are typically outsourced by the public or not-for-profit sector organization to the private sector. In these instances, it is determined that the public sector is better off managing the activity rather than producing it. In recent years these programs have included facility management, specialized training programs, and specific skill activities.

Establishing an Investment Partnership relationship can be tricky, especially when considering a partnership involving several entities. The structure of such a relationship must allow for consistent operations, policy making, and operational management of the facility after it is open. There is a potential for the relationship to be very complex and challenging given the financial structure, the differences in the makeup of the policy making boards, and the administrative structures of each entity.

Program Partnerships would come after the Investment Partnership relationship is created and executed. Program Partnerships could be as complex as determining financial access to the facility to use and the allocation of time or identifying how the facility will incorporate programs. Each of these issues will need to be discussed so a clear idea of financial and operational issues are understood and agreed upon among the partners before the facility is ready to open.

Typically, before any successful partnership is undertaken, these three critical considerations must be addressed.

- 1. There is a Common Vision: a compelling picture of the possibilities must be shared by all. This does not mean that everyone necessarily needs to have the same goals, but all partners must be able to achieve their goals within the "big picture" of the project.
- 2. Impact of the New Relationship: adding real value to the agencies involved. If the involved agencies see the partnership creating the ability to improve productivity, efficiency, and profitability while achieving the desired goals, then the desired impact is mutual and the partnership is one step closer to achieving the desired goals.
- 3. Knowing through Intimacy: Intimacy (closeness, sharing, and trust) is never achieved easily or quickly. To achieve intimacy, there must be no hidden agendas; the ideas of all potential partners regarding the goals of the project must be out in the open. There must be similar interest but separate expertise regarding the project, which is to say that each partner should "bring something to the table."



#### **Capital Markets Financing**

The final five methods of financing all involve the capital markets. General Obligation Bonds and Revenue Bonds are issued directly by the city. A third-party owner, set up expressly for this purpose, and using the tax-exempt issuing authority of the city, issues Certificates of Participation and Lease Revenue Bonds. The city would simply be leasing the aquatic center from this entity.

The suitability, structure, requirements, costs, advantages, and disadvantages of each are quite different. The remainder of this section summarizes some of these features.

#### **Local Discretionary Sales Surtax**

#### **Issuance Requirements**

If General Obligation Bonds become a part of the financing package, the issuer must accomplish all of the following:

1. Internal approvals: The city has an internal approval process before implementing the discretionary sales tax. The proposed sales tax must be endorsed by the city council.

#### **General Obligation Bonds**

In selling General Obligation Bonds (also known as Council Manic Bonds), a municipality obligates itself to levy and collect sufficient property taxes without limit as to the rate or the amount in order to pay principal and interest as it comes due. Using General Obligation Bonds (GOBs) is a way to finance capital improvement projects (such as parks, facilities and streetscapes) by taking out bonds with very low interest rates.

#### Tax Status to Investors

Income from General Obligation Bonds generally is exempt (to the investor) from federal income taxes.

#### Issuance Requirements

Should General Obligation Bonds become a part of the financing package, the issuer must accomplish all of the following:

- 1. Internal approvals: The city has an internal approval process before any bond issue can proceed. The proposed bond must be endorsed by the council. General Obligation Bonds could be used if approved by the voters.
- 2. Voter approval: A General Obligation issue must go before the voters, and must secure the approval of a majority of the voters.
- 3. Compliance with indebtedness limits: The city faces indebtedness limits based on the aggregate property value in the tax bases.



#### **Certificate of Obligation**

In selling Certificate of Obligation Bonds, the debt instrument is secured by the revenue from the proposed facilities, and the municipality obligates itself to levy and collect sufficient property taxes, without limit as to the rate or the amount, to pay principal and interest as it comes due.

#### Tax Status to Investors

Income from Certificate of Obligation Bonds is generally exempt (to the investor) from federal income taxes.

#### Issuance Requirements

Should Certificate of Obligation Bonds become a part of the financing package, the issuer must accomplish all of the following:

- 1. Internal approvals: The city has an internal approval process before any bond issue can proceed. The proposed bond must be endorsed by the city council.
- 2. Compliance with indebtedness limits: The city faces indebtedness limits based on the aggregate property value in the tax bases.

#### **Revenue Bonds**

Revenue Bonds are to be repaid out of the revenues generated by the operation of the aquatic center. The risk that the center's revenues will prove insufficient to cover interest and principal payments on the bonds is borne by the investor. The facility's revenue (in excess of debt service requirements) is retained by the city. It is possible that the facility will not generate sufficient revenue to cover all of its debt service obligations. A revenue bond may be appropriate for use if an entity were to underwrite the operating cost of operating the community aquatic center and thereby release the revenue stream to secure revenue bonds.

#### Tax Status to Investors

Like General Obligation Bond interest, income from Revenue Bonds generally is exempt (to the investor) from federal income taxes.

#### Issuance Requirements

The requirements to issue Revenue Bonds are slightly less restrictive than General Obligations. In this case, the city must accomplish all of the following:

- 1. Internal approvals: The city has an internal approval process before a bond issue can proceed. The proposed bond must be endorsed by the city council.
- 2. Compliance with indebtedness limits: The city faces indebtedness limits based upon the aggregate property value in their tax bases.



#### **Certificates of Participation (Municipal Lease)**

A Certificate of Participation (COP) is not a debt issue per se. Instead, the investor purchases a proportional share of lease income that the issuer expects to receive over the life of the COP. It also differs from the bond financing options previously discussed in that the issuer is not the city, but rather an independent entity created specifically for this purpose. This entity sells the COPs, uses the proceeds to develop the community aquatic center and then leases the completed center to the city. It secures the means to pay the COP's holders from the rental income it receives from the city.

In general, a COP must have sufficient revenue generated by the facility to pay for debt service. It is unlikely that the aquatic recommendations developed will generate enough positive cash flow after operations to meet this requirement. By pledging gross revenues to support the COP, this structure may be worth considering. Under this scenario, operating expenses would be paid by another source, possibly a corporate sponsor.

#### Third-Party Lessor

The aquatic center would be constructed and owned (initially, at least) by a third-party entity, who would function as the lessor in this deal. In general, there are three possible kinds of entities for this purpose:

- Private sector entity; for example, a leasing company or a private investment group;
- Constituted authority; for example, a Joint Powers Authority established by the city for this purpose; or,
- A not-for-profit corporation.

#### City as Lessee

The city would be the lessee of the aquatic center, making periodic lease payments to the owner of the facilities. The respective share of the lease payments to be made by each would be a negotiated amount, based on upcoming contributions, ongoing usage, and other factors.

#### Kinds of Municipal Leases

There are two kinds of leases that may be structured:

- 1) Operating Lease: The payments from the city are made for just the use of the center.
- 2) Financing Lease: The payments made by the city provide for both the use of the center and an accruing ownership in the facilities. Thus, a financing lease functions as a purchase-over-time arrangement for the city.

#### Impact on Indebtedness

Ordinarily, the lease obligations incurred by the municipality are not treated as debt. Consequently, entering into a municipal lease ordinarily is not subject to voter approval or debt limitation


### provisions.

### Financing Cost

Ordinarily, the cost of municipal lease financing may range from twenty to fifty basis points above comparable financing through General Obligation Bonds. The reason for the higher rate is that the lessor is at risk throughout the life of the lease that the city will decline, for any reason, to appropriate the funds to make their periodic lease payments. There is no comparable risk in a General Obligation Bond.

#### Lease Revenue Bonds (Municipal Lease)

In most respects, Lease Revenue Bonds function like Certificates of Participation (the option previously discussed). The essential difference between these two is the legal nature of the financing instruments being sold by the independent entity (the lessor). A Lease Revenue Bond is an obligation of the issuing authority, whereas the Certificate of Participation provides merely for the flow-through of that authority's rental income from the city to the COP's holders.

#### Impact on Indebtedness

Ordinarily, the lease obligations incurred by the municipality are not treated as debt. Consequently, entering into a municipal lease ordinarily is not subject to voter approval or debt limitation provisions.

#### Financing Cost

The cost of Lease Revenue Bonds may be slightly less than the cost of Certificates of Participation, because the only security behind the Certificates of Participation is the pass-through of the rental income from the city.

### **Debt Service**

The options for financing the facility are numerous. To assist in the understanding of providing this level of service to the community, the following is an example of one way the financing might be structured.

	Outdoor	Outdoor w/ Therapy	Indoor
Project Cost	5,999,435	5,997,966	6,776,303
Interest Rate	4.5%	4.5%	4.5%
Term (Years)	20	20	20
Annual Payment	(461,213)	(461,100)	(520,936)



# Appendix A: Facility Audit

The City of Mt. Vernon's existing Outdoor Swimming Pool is located in Veteran's Park and was originally opened in 1972 77 year and has served the community well throughout its long history. However, with the onset of each new summer swim season a tremendous amount of effort both physically and financially has been required by the city to open the facility, and to continue its daily operations. The following items are a summary of the physical as well as operational issues the pool continues to experience.

### 1. Pool Shell(s)

- The facility contains two (2) separate bodies of water.
  - The Main Pool is L-shaped and contains six (6) lap lanes with a separate deep water area. The pool is 4,900 SF in area and holds approximately 217,000 gallons of water.
  - The Tot Pool is rectilinear in shape and is 400 SF in area, 1 foot deep and holds approximately 3,000 gallons of water.
- The original concrete structures for both pools have been covered with a vinyl liner (approximate timeline of 2005) as an effort to minimize water loss. The liner has delaminated from the shell in numerous locations and is in need of repair.
- It is suspected that beneath the liner, the concrete shell has locations throughout where the structural integrity of the concrete structure is in question. Prior to placement of the liner, the city reported that locations in the pool floor and walls would require patch work within areas where the existing concrete was spalling and delaminating.
- The Main Pool contains a single main drain and the Tot Pool contains dual drains.
- Filtered water is returned to the pools thru wall inlets.
- The Main Pool contains a perimeter gutter with periodic drop out locations. The Tot Pool contains a single skimmer
- The pool is reported to continuously lose water on a daily basis. A potable water line that conveying water into the solid chlorine feed system is operating on an ongoing basis.
- Estimated cost of repairs to the pool shell and perimeter gutter system is \$300,000 for the Main Pool and \$100,000 for the Tot Pool.













#### 2. Pool Piping and Mechanical Systems

- A majority of the below grade pool piping is the original pipe. It is believed that this pipe contains numerous leaks.
- The pipe connecting the gutter dropout is reported to be leaking. Additionally, the supply piping is reported to be leaking as well. It is very likely that 100% of the filtered water does not make is back to the pool. As a result, increasing the existing recirculation rates would be advisable in order to enhance the performance of the systems.
- The Main Pool if filtered via a vacuum diatomaceous earth filter system, which is believed to be part of the original facility. Staff reported that draining of filters and replacement of new media was an operational challenge.
- The Tot Pool contains a high-rate sand filter which is located adjacent to the Tot Pool. The filters are not housed in the main filter building.
- A majority of the piping that is exposed within the pool filter building has been replaced with PVC piping and valves.
- The chemical controller is outdated and in need of replacement.
- The chemical feed systems are aged and in need or replacement. It would be recommended to relocate chemical feed equipment into separate spaces from the filters and pumps.
- The Main Pool recirculation pump is 15 hp, 60 herz, 3450 RPMs. The Tot Pool pump is located in the same area as the Tot Pool filter. The size of the Tot Pool pump is unknown at this time. Increasing the existing recirculation rates by replacing the existing pumps, would ensure that despite any leaks in the pool piping that may be occurring, the necessary turnover rates are being met.
- Estimated cost to replace the below grade pool piping, recirculation pump, chemical feed equipment and controls is \$250,000 for the Main Pool and \$50,000 for the Tot Pool.





#### 3. Bathhouse, Concessions and Pool Mechanical Buildings

- The pool bathhouse brick finish is delaminated, and in need of new mortar and tuck pointing.
- The bather preparation areas are lacking accommodations for locker space and proper changing areas
- The bathhouse fixtures are in need of replacement.
- The exposed plumbing has undergone numerous repairs and the hot water heater is not functioning. Replacement of the plumbing and hot water heater is recommended.
- The bathhouse roof shingles are in need of replacement.
- The bathhouse orientation and space adjacencies do not meet current Illinois Board of Health Swimming Pool Codes or ADA regulations.
- Estimated cost of repairs to the Bathhouse in order to accommodate physical repairs and code compliant issues is \$200,000.











- 4. Pool Deck, Fencing and Site Amenities
  - The pool deck contains numerous cracks with areas where the pool deck has heaved or shifted.
  - The pool deck contains areas that do not properly drain.
  - The perimeter chain link fence is corroding in many areas.
  - Parking is minimal. If attendance to the pool were more significant than experienced additional parking may be required.
  - Estimated cost to replace all pool deck areas and perimeter fence and repave parking areas is approximately \$350,000.





# Appendix B: Glossary of Terms & Abbreviations

#### A

**ADA:** Americans with Disabilities Act. Under Title III, no individual may be discriminated against on the basis of disability with regards to the full and equal enjoyment of the goods, services, facilities, or accommodations of any place of public accommodation by any person who owns, leases (or leases to), or operates a place of public accommodation.

**Age Distribution:** Using the 2000 Census, numbers and percentages are available by census tract showing different age groups, thus providing a median age.

American Alliance for Health, Physical Education, Recreation and Dance: AAHPERD is an alliance of five national associations, six district associations, and a research consortium which support healthy lifestyles through high quality programs.

Aquatic: Of or pertaining to water.

Aquatic Design: Detailed drawings of pool shells, pool structures, pool filtration systems, and other equipment for new or soon-to-be renovated swimming facilities.

**Aquatic Center/Facility:** A place designed for fitness swimming, recreation swimming, swim lessons, and water therapy programs.

Aquatic Exercise Association: A not-for-profit educational organization committed to the advancement of aquatic fitness worldwide.

**Aquatic Governing Bodies:** Organizations with rules and regulations that preside over various aquatics.

Aquatic Providers: Facilities offering aquatics.

**Aquatic Therapy:** Health-oriented water programs for arthritis, obesity, surgery recovery, athletic injuries, meditation, etc.

Aquatics: Water sports, including swimming, diving, water polo, synchronized swimming, etc.

Arthritis Foundation: A not-for-profit

contributor to arthritis research.

B

**Baby Boomers:** An increased number of people born between 1946 and 1964.

**Bathhouse:** A building with restrooms, showers, family changing rooms, locker rooms, concessions, supplies, and equipment.

С

**Census Tract:** A small, permanent subdivision of a county with homogeneous population characteristics, status, and living conditions.

**Centers for Disease Control and Prevention:** One of the major operating components of the Department of Health and Human Services, CDC's mission is to promote health and quality of life by preventing and controlling disease, injury, and disability.

**Center for Urban and Regional Studies:** Conducts and supports research on urban and regional affairs to build healthy, sustainable communities across the country and around the world.

**Competition Community:** Athletes, coaches, trainers, etc. who work to compete in aquatics.

**Competition Venue:** Facility capable of hosting aquatics with regulation sized pools, spectator seating, etc.

**CPR**: Cardiopulmonary Resuscitation is an emergency medical procedure for a victim of cardiac or respiratory arrest.

### D

**Demographics:** Selected population characteristics taken from publicly available data to determine shifting trends used in marketing.<sup>16</sup>

**Disposable Income:** Income available for saving or spending after taxes.

Е

**Ellis and Associates:** Lifeguard training program. **F** 



**Facility Audit:** Report that identifies areas for extending life expectancy and/or improving operational efficiency of existing pools and natatoriums.

**Feasibility Study:** Business plan with concept designs and project and operating costs for a proposed aquatic or sports recreation facility.

**FINA:** Federation Internationale De Natation Amateur governs Masters Swimming, Open Water, Diving, Water Polo and Synchronized Swimming.

**Fitness Community:** People engaged in water exercise with related devices and equipment for water-based exercise options.

### H

**HVAC/DH System:** Heating, ventilating, air conditioning / dehumidification structure for a natatorium.

### L

Leisure Industry: Entertainment, recreation, and tourism related products and services.

**Leisure Pools:** Free-form pools that include fun attractions such as waterslides and play features.

**LEED:** Leadership in Energy & Environmental Design in green building practices.

**Lessons Community:** People engaged in swim lessons, drown proofing, lifesaving, lifeguarding, and CPR instruction.

### Μ

**Median Age:** This measure divides the age distribution into two equal parts: one half of the cases falling below the median value and one-half above the value.

**Median Household Income**: Income of the householder and all other persons 15 years old and over in the household. Median represents the middle of the income in a demographic location, dividing the income distribution into two equal parts, one having income above the median and the other having income below the median.

**Mosaic Types:** Population classifications in terms of socio-demographics, lifestyles, culture, and behavior.

#### Ν

**Natatorium:** The room where an indoor swimming pool is located.

**National Center for Health Statistics:** Part of the CDC, including diseases, pregnancies, births, aging, and mortality data.

**National Recreation and Parks Association:** The voice advocating the significance of making parks, open space, and recreational opportunities available to all Americans.

**National Sporting Goods Association:** NSGA supports retailers, dealers, wholesalers, manufacturers, and sales agents with survey data in the sporting goods industry.

**NCAA Swimming:** The National Collegiate Athletic Association governs collegiate swimming competition in the USA.

**NFHS:** The National Federation High School governs high school varsity swimming.

### Р

**Per Capita Income**: Average obtained by dividing Total Income by Total Population.

**Pro Forma:** Projected cash flow in a business plan.

# R

**Recreation Community:** People engaged in the fun and leisure of swimming.

**Red Cross:** Preparedness programs in first aid, cardiopulmonary resuscitation, and automated external defibrillator.

# S

**State Construction Codes:** Public safety building requirements by state.

# Т

**Therapy Community:** People engaged in rehabilitation performed in water involving exercise and motion in the presence of an



aquatic therapist.

**Therapy Pool:** Pool with warm water usually between 87 - 92 degrees Fahrenheit used for aquatic therapy.

**Trends:** The general course or prevailing tendency of a market.

#### U

**United States Water Fitness:** A non-profit, educational organization committed to excellence in educating and promoting aquatics, including national certifications in water exercise.

**USA Swimming:** National Governing Body for competitive swimming in the U.S. divided into local swimming committees.

**United States Masters Swimming:** National organization that provides organized aquatic workouts, competitions, clinics, and workshops for adults 18+.

**U.S. Consumer Product Safety Commission:** Works to ensure the safety of consumer products from unreasonable risks of serious injury or death.<sup>7</sup>

#### W

Waterpark: Destination-oriented facility that draws patrons from greater than 25 miles.



# Appendix C: Reference

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# Appendix D: General Limiting Conditions

This study is based on information that was current as of January 2012. Every reasonable effort has been made in order that the data reflects the most timely and current information possible and is believed to be reliable. This study is based on estimates, assumptions, and other information developed by the consulting team from independent research.

No warranty or representation is made by the consultants that any of the projected values or results contained in this study will actually be achieved. No responsibility is assumed for inaccuracies in reporting by the client, its agents and representatives or any other data source used in preparing or presenting this study.

This entire report is qualified and should be considered in light of the above conditions and limitations.

