



Counsilman · Hunsaker
AQUATICS FOR LIFE

Peru, IL
Swimming Pool Study
July 13, 2020

Counselman-Hunsaker

50 years of experience

38 team members

4 locations: St. Louis, L.A., Denver, Dallas



Counselman/Hunsaker & Associates

1970



COUNCILMAN/HUNSAKER
AND ASSOCIATES

1993



COUNCILMAN · HUNSAKER
The Ultimate Aquatic Advantage

2005



Counselman · Hunsaker
AQUATICS FOR LIFE

2013



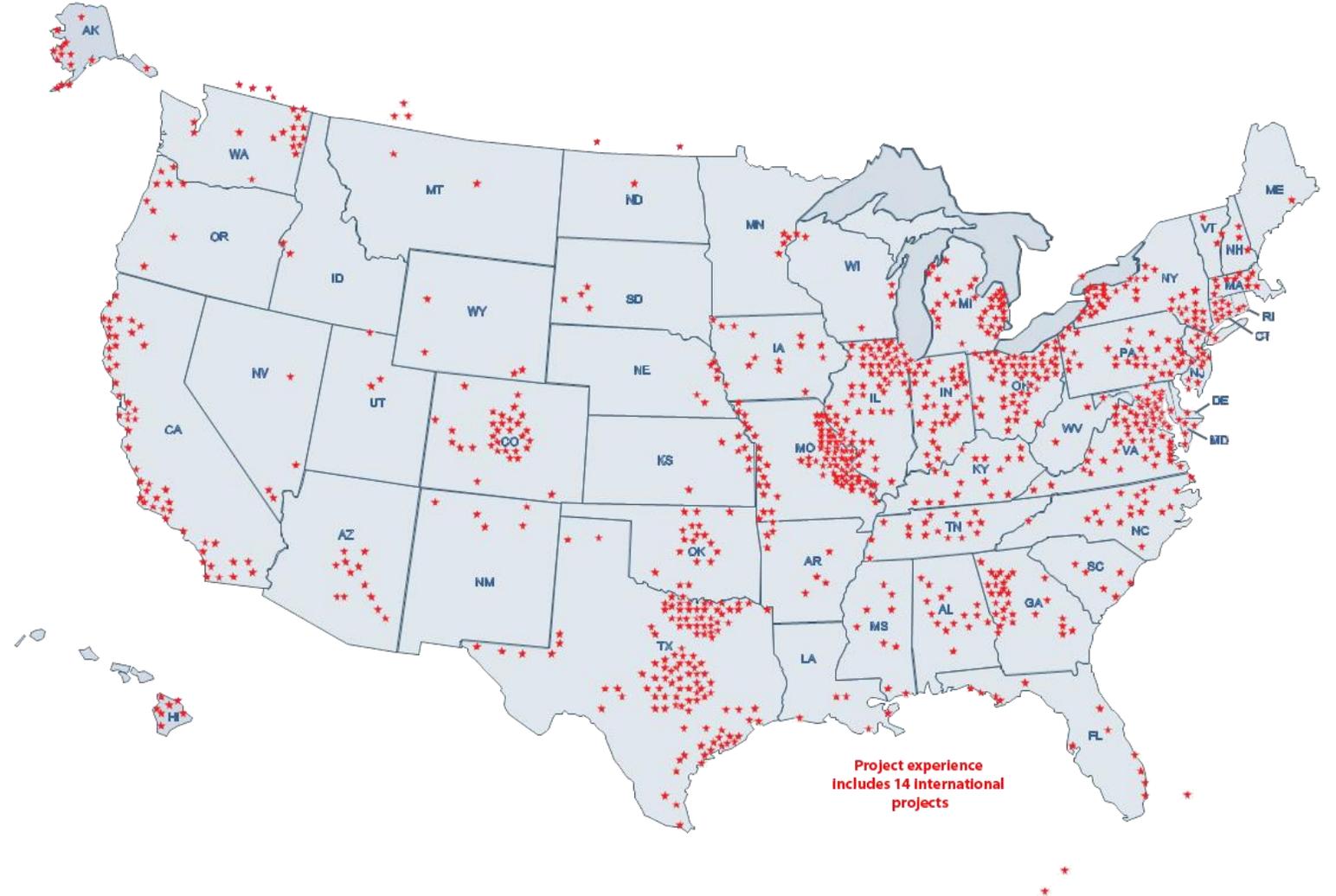
Project Experience

1000+ aquatic facility designs

200+ aquatic facility studies

30+ athletic business awards

11+ world-record facilities



PROCESS OVERVIEW

In October 2019, the City of Peru, IL commissioned Counsilman-Hunsaker (CH) to perform a feasibility study analysis for a new outdoor aquatic center. Through this process, CH was contracted to identify and assess the need for a new aquatic center, develop several options for consideration that meet the aquatic needs of City of Peru residents, and develop construction and projects costs to build the facility. Along with the initial capital costs, the annual operational expenses and revenues have been projected.

The goal of the study is to provide the leadership of the City of Peru with the information they need to make an informed decision about moving forward with the construction and operation of a new outdoor aquatic facility that will service the aquatic recreational, instructional, and fitness needs of its residents.



Feasibility Study Process



Needs Assessment

- Evaluate area providers
- Research area demographics
- Identify user groups
- Site analysis



Facility Program & Space Requirements

- Develop schematic design options for programming
- Develop project cost estimates



Operations & Business Plan

- Opinion of revenue
- Opinion of operating expenses
- Determine cash flow



FEASIBILITY STUDY TIMELINE

- October 2019 Approval to move forward
- December 2019 Project Kickoff / City Council Presentation
- January 2020 Preliminary Options
- February 2020 Revised Options + Financial Analysis
- June 2020 Draft Final Presentation Delivered to City of Peru



Scope of Work

- The following items have been the focus of the swimming pool study:
 - Site review and assessment
 - Review and coordination of required site utilities
 - Meeting with project team to discuss conceptual planning
 - Review of the City's project goals and visions
 - Develop project budgets
 - Develop operational and maintenance budgets
 - Develop conceptual plans for the project team's review
 - Modify conceptual plans and project parameters as results of meetings and reviews
 - Attend community and project meetings as requested
 - Develop unique ideas and project features to be considered by the City

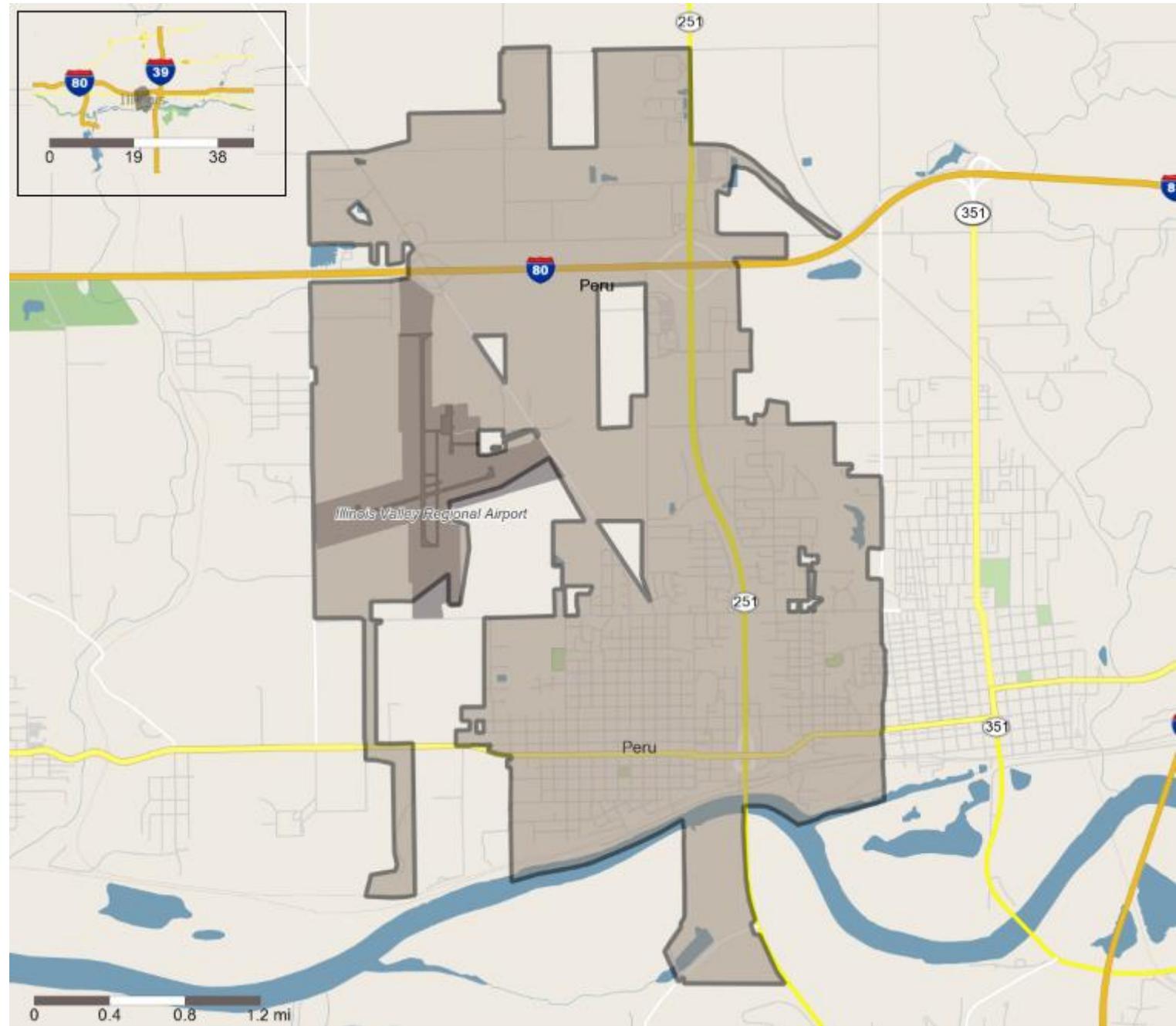


Kickoff Meeting Notes

- An outdoor swimming pool would provide for the aquatic recreational, instructional and fitness needs for the Peru community during the summer season.
- Seeing that the Illinois Valley YMCA in Peru has an indoor competition pool with 8 lanes, only fitness lap lanes would be needed at a potential outdoor pool.
- Splash Field at Washington Park is currently open 10:00 a.m. to 7:00 p.m.
- Two staff members are on-duty at a time, with a pay rate of \$10.00/hour).
- Splash Field has an average attendance of 300 to 500 people per day.
- Splash Field does not charge admission for users at this time.
- The previous swimming pool in Peru cost \$135,000 per season to operate in expenses and generated \$17,000 in revenue.
- Splash Field not only provides an outdoor aquatic amenity for the Peru / LaSalle community, but also brings people from as far away as Morris and Bloomington (60-mile area).
- A key consideration for a new swimming pool in Peru would be the site at Washington Park as well as the question of whether or not to combine its operation with that of Splash Field.
- There are 9 other outdoor swimming pools within a 45-minute drive of Peru, including pools in LaSalle, Oglesby and Spring Valley.

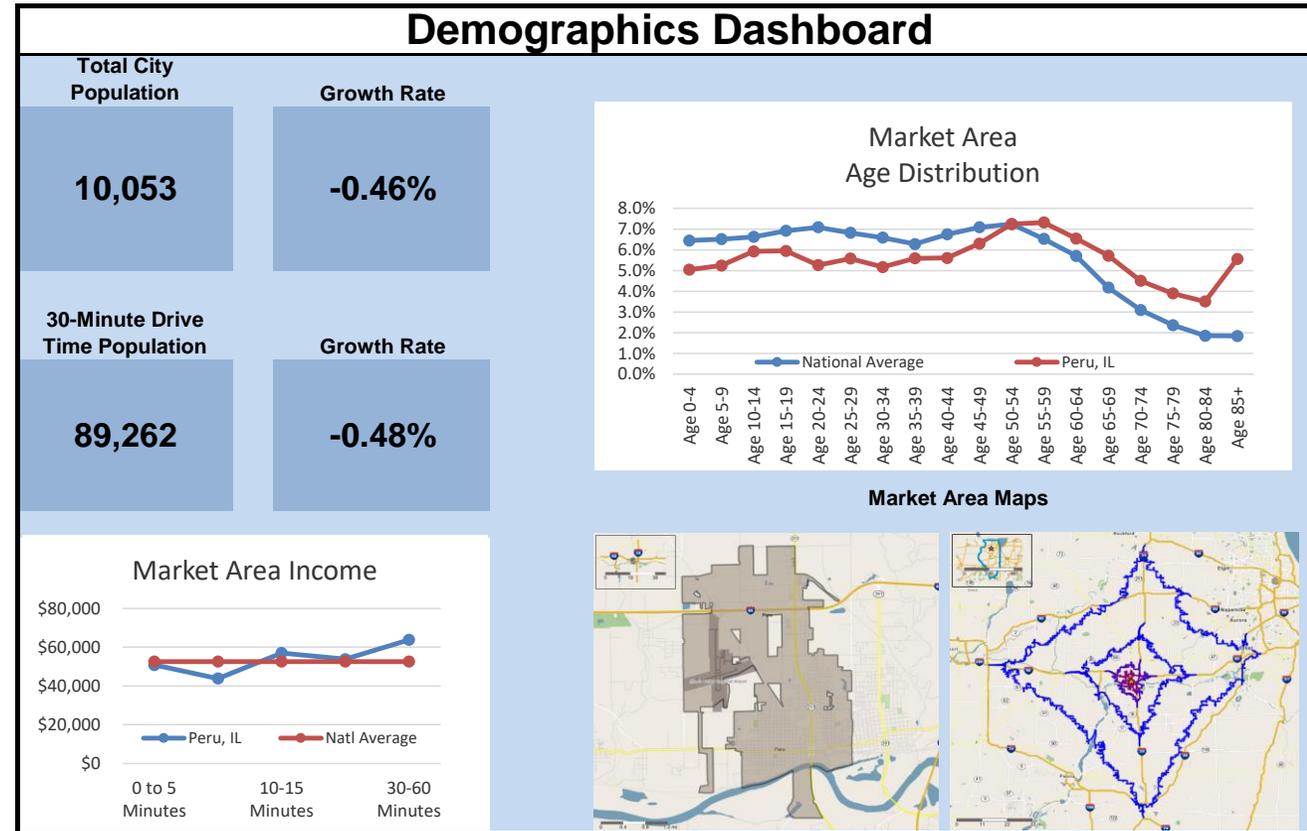


Market Overview

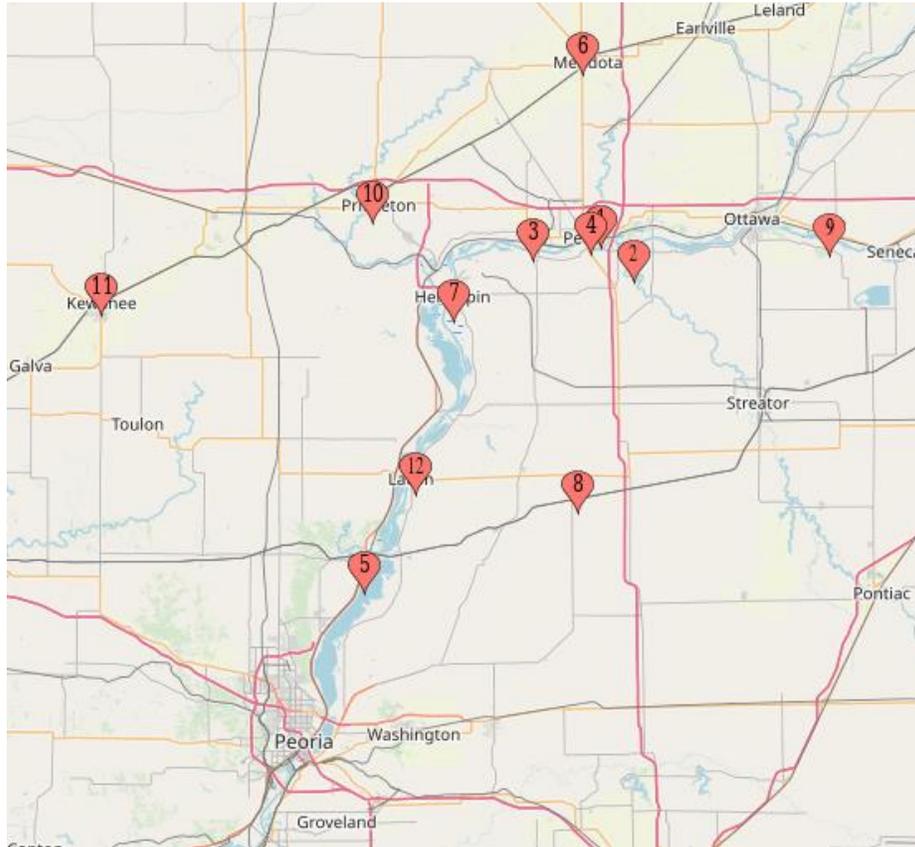


KEY DEMOGRAPHIC INDICATORS

- 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 Washington Park, the primary area is assumed as a 60-minute drive time, and the service area is assumed as a 30-minute drive time. The difference between “primary” and “service area” is that outdoor aquatic facility users will customarily drive farther to use a facility with more features that demands a longer length of stay. Thus, a study of demographic patterns in the area is helpful in projecting usage rates. The resident market area has been divided into a drive-time radius of 5, 10, 15, and 30 and 60 minutes.
- Age distribution is another population characteristic used to determine the type and level of use of any type of program. There are 21,000 children ages 19-under within 30-minutes and 26,000 adults ages 25-49 within 30-minutes, a key demographic for outdoor aquatic facilities.
- To a certain degree, the likelihood of residents to engage in aquatics depends on their ability to pay for admission and program fees. Income ranges from 83% to 108% of the national average within 30-minute drive time.



Area Swimming Pools



	Pool	City
1	Veteran's Memorial Pool LaSalle	LaSalle, IL
2	Oglesby Public Swimming Pool	Oglesby, IL
3	Spring Valley Coveny – Veteran's Memorial Swimming Pool	Spring Valley, IL
4	Illinois Valley YMCA	Peru, IL
5	Shore Acres Pool	Chillicothe, IL
6	Mendota Swimming Pool	Mendota, IL
7	Hennepin Park District Swimming Pool	Hennepin, IL
8	Toluca Swimming Pool	Toluca, IL
9	Marseilles Swimming Pool	Marseilles, IL
10	Alexander Park	Princeton, IL
11	Oasis Swimming Pool	Kewanee, IL
12	Lacon Park District Pool	Lacon, IL



AREA PROVIDERS



Veteran's Memorial Pool,
Lasalle, IL
8 minutes, 2.2 miles



Oglesby Municipal Pool
Oglesby, IL
17 minutes, 7 miles



Spring Valley Coveny –
Veteran's Memorial Pool
Spring Valley, IL
14 minutes, 5.2 miles



Illinois Valley YMCA
Peru, IL
6 minutes, 1.3 miles



Shore Acres Pool
Chillicothe, IL
1 hour, 45.2 miles



Mendota Swimming Pool
Mendota, IL
28 minutes, 15.9 miles



Hennepin Park District
Swimming Pool
Hennepin, IL
29 minutes, 18.2 miles



Toluca Swimming Pool
Toluca, IL
38 minutes, 28.6 miles



AREA PROVIDERS



Marseilles Swimming Pool
Marseilles, IL
38 minutes, 27.7 miles



Alexander Park
Princeton, IL
30 minutes, 20.2 miles



Oasis Swimming Pool
Kewanee, IL
1 hour, 46.7 minutes



Lacon Park District Pool
Lacon, IL
41 minutes, 34.2 miles



Site



Site / Facility Options

- If the swimming pool is placed next to Splash Field, there are two options for the City to consider in terms of the facility's operation.
 - **Combined facility** – In this option Splash Field and a new swimming pool would be combined into one facility. This would necessitate a paid admission to enter the facility and users could go back and forth between the two within the same enclosure. A new support building would need to be constructed for office space, restrooms, locker areas, mechanical and storage and the primary entrance could be located near the existing entrance to Splash Field. Combining the two facilities would decrease overall attendance for Splash Field since it would now be a paid facility, but it would generate more revenue since it's a part of the swimming pool's operation and has great appeal for families with young children.



Site / Facility Options

- **Separate facilities** – Splash Field and a new swimming pool would be separate facilities with Splash Field remaining free to users and the swimming pool requiring admission. The entrance to the pool could face to the south. This option could create competition between the two facilities since Splash Field would remain a free amenity and the swimming pool would require admission.

Other possible options could include the following:

- Splash Field and the swimming pool are separate amenities, but charge a nominal fee for Splash Field (\$1-\$2) and then provide a discount for those users for the swimming pool.
- Allow free access to Splash Field to those paying admission for the swimming pool.



Outdoor Aquatic Facility Amenities





Zero-Depth Entry



Aquatic Play Structures



Vertical Water Sprays



Water Floatables



Kiddie Waterslides



Waterslides



Lounge Areas



Diving



Vortex

Options Overview



OPTIONS OVERVIEW

Councilman-Hunsaker developed three options for consideration that incorporated various types of pools and features to meet the aquatic needs of the Peru community . All options consist of support buildings for admissions, offices, food and beverage, storage, locker rooms and pool mechanical, in addition to shade structures for guests.

Option 1 consists of a leisure pool that includes a zero-beach entry with a children’s play structure and ground sprays and features. A waterslide tower contains one body slide and could be expanded to two slides. The open water area is 25-yards in length and would have the ability for 3 fitness lap lanes.

Option 2 consists of a leisure pool that includes a zero-beach entry with a children’s play structure and ground sprays and features. A waterslide tower contains one body slide, and could be expanded to two slides, that ends into its own catch area next to a vortex pool / lounge area. The open water area is 25-yards in length and would have the ability for 3 fitness lap lanes and contains a 1-meter diving board.

Option 3 consists of a resort-style leisure pool that includes a zero-beach entry with a variety of water features, water basketball, a floatable crossing activity and a underwater lounge chair shelf. This option consists of all shallow water.



COST ESTIMATES / FACILITY CAPACITY

Counselman-Hunsaker has prepared an Opinion of Probable Construction Cost for each option. A budget for site construction costs and furniture fixtures and equipment (FF&E) has also been calculated and included in the estimates. Recent project bid figures of similar projects have been used as well as national estimating guides and local cost adjustment factors.

The hard construction cost figures have be supplemented by a development cost factor of 10%, which includes such "soft" costs as professional fees, survey, geotechnical report, document reproduction, advertisement for bids and all anticipated expenses related to the administration of the project. A 10% contingency allowance and 5% escalation allowance have also been included in the estimates.

The sum of these two cost figures calculate the total project cost. The cost estimates on the following slides are current as of June 2020. As this study was delayed due to the Covid-19 pandemic, it is possible that construction costs could increase more than the 5% escalation allowance that has been included. Counselman-Hunsaker saw a similar effect after Hurricane Katrina in 2005.

The following slide shows the capacity load for the proposed aquatic center based upon the surface area of recreational water and the expected depths of the pool. These number represent the facility’s holding capacity at one time.

	Option 1	Option 2	Option 3
Construction Cost	\$4,139,048	\$4,775,989	\$3,734,876
Project Cost	\$5,258,660	\$6,067,894	\$4,745,160
Facility Capacity	221	293	245



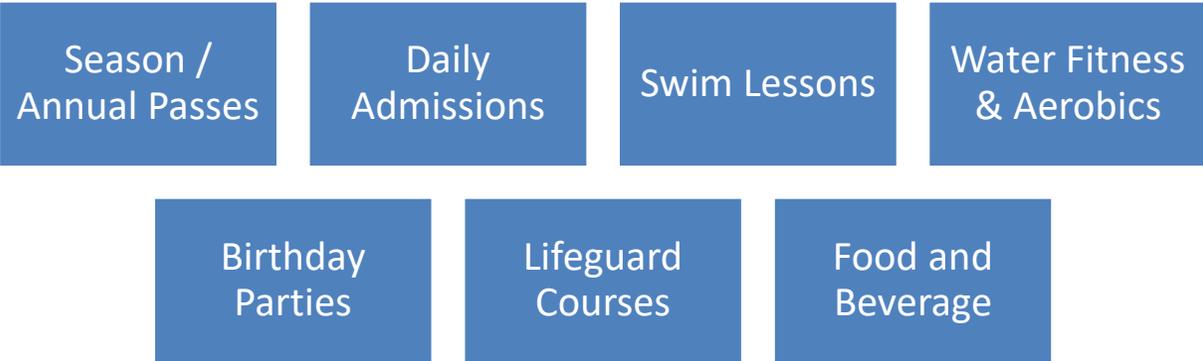
OPERATIONAL ANALYSIS OVERVIEW

The revenue analysis for the Peru Swimming Pool includes special user group usage and facility per capita spending trends, developing an opinion of revenue for the first five years of operation. Programming revenue is based on user groups and local programming fees (expenses for these programs are calculated based on a percentage of the total revenue). The fee structure is based on fees from summer pass holders and other users to project a per capita income. Revenue is estimated, taking recommended fee schedules into account and current market rates and utilization figures.

The swimming pool is assumed to operate 85 days per year in between Memorial Day and Labor Day. A daily rate that ranges from \$6-\$8 for adults and \$4-\$6 for children (20% more for non-residents), \$5 for adults age 65-over and family pass rates of \$125-\$152 have been used to calculate overall revenue. The price points vary based on the three different aquatic facility options, with option 2 demanding the high price point due to its size and amenities. The study assumes Splash Field will still be a free amenity and the projected attendance has been adjusted to account for existing attendance at Splash Field. An allocation of \$50,000 has been included for

The expense analysis 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.

Any facility and program schedule will require flexibility to adapt to specific needs of the community, including both daily and season pass users, as well as those signing up for programs. It is the responsibility of the facility supervisor to monitor user group demands and adjust schedules accordingly. Revenue projections are based on marketing programming that would include the following programs:



EXPENSE BUDGET

This chart reflects a summary of all operating expenses, assumptions, and estimates detailed by the expense category.

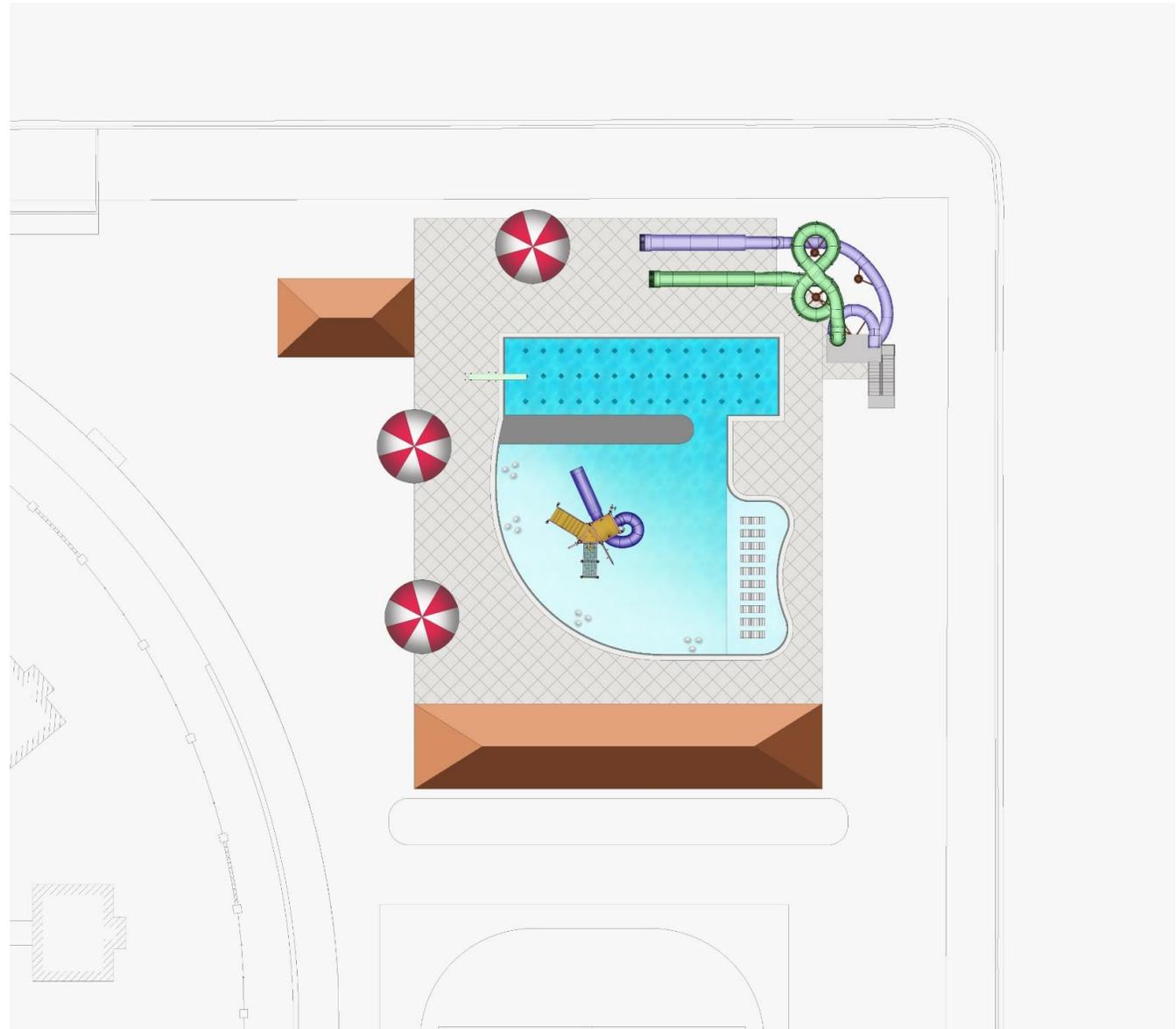
- Personnel – Management, lifeguards, admissions
- Insurance – Property & liability (not included at this time)
- Repair and Maintenance – Pumps, motors, lights, equipment repairs
- Operating Supplies – Office supplies, team/facility equipment
- Chemicals – Chlorine/pH buffer
- HVAC – heat and cool support buildings
- Electricity – Pumps/motors for pool + lighting
- Water/Sewer – Pool water replacement + toilets/showers

Direct Facility Expense Budget			
	Option 1	Option 2	Option
Personnel			
Part-Time Management	\$17,856	\$17,856	\$17,856
Lifeguard Personnel	\$58,320	\$77,760	\$48,600
Front Desk Personnel	\$16,524	\$16,524	\$16,524
Personnel Equipment Cost	\$1,565	\$1,793	\$1,320
Training	\$3,000	\$4,000	\$3,000
Total Labor	\$97,265	\$117,933	\$87,300
Direct Facility Expenses			
Insurance	Not Included	Not Included	Not Included
Repair and Maintenance	\$13,200	\$15,200	\$11,900
Credit Card Fees	\$3,501	\$4,253	\$2,022
Operating Supplies	\$7,920	\$9,120	\$7,140
Chemicals	\$13,834	\$22,972	\$13,450
Advertising	\$10,000	\$10,000	\$10,000
Total Direct Expenses	\$48,455	\$61,545	\$44,510
Utilities			
HVAC	\$4,805	\$4,805	\$4,805
Electricity	\$20,059	\$27,041	\$17,380
Pool Heating	\$17,323	\$27,668	\$19,770
Data/Communications	\$5,184	\$5,184	\$5,184
Trash Service	\$4,160	\$4,160	\$4,160
Water & Sewer	\$10,257	\$12,475	\$8,670
Total Utilities	\$61,788	\$81,333	\$59,980
Splash Field (Existing)	\$50,000	\$50,000	\$50,000
Total	\$50,000	\$50,000	\$50,000
Programs			
Program Supplies	\$3,856	\$4,882	\$5,070
LG Class Materials	\$782	\$897	\$660
Food and Beverage	\$12,126	\$12,126	\$6,060
Part-Time Program Staff	\$15,649	\$15,839	\$15,450
Total Programs	\$32,413	\$33,743	\$27,240
Total Operating Expenses	\$289,921	\$344,554	\$269,040
Capital Replacement Fund (Deferred Maintenance Account)	\$26,300	\$30,400	\$23,800
Total Expense	\$316,221	\$374,954	\$292,840



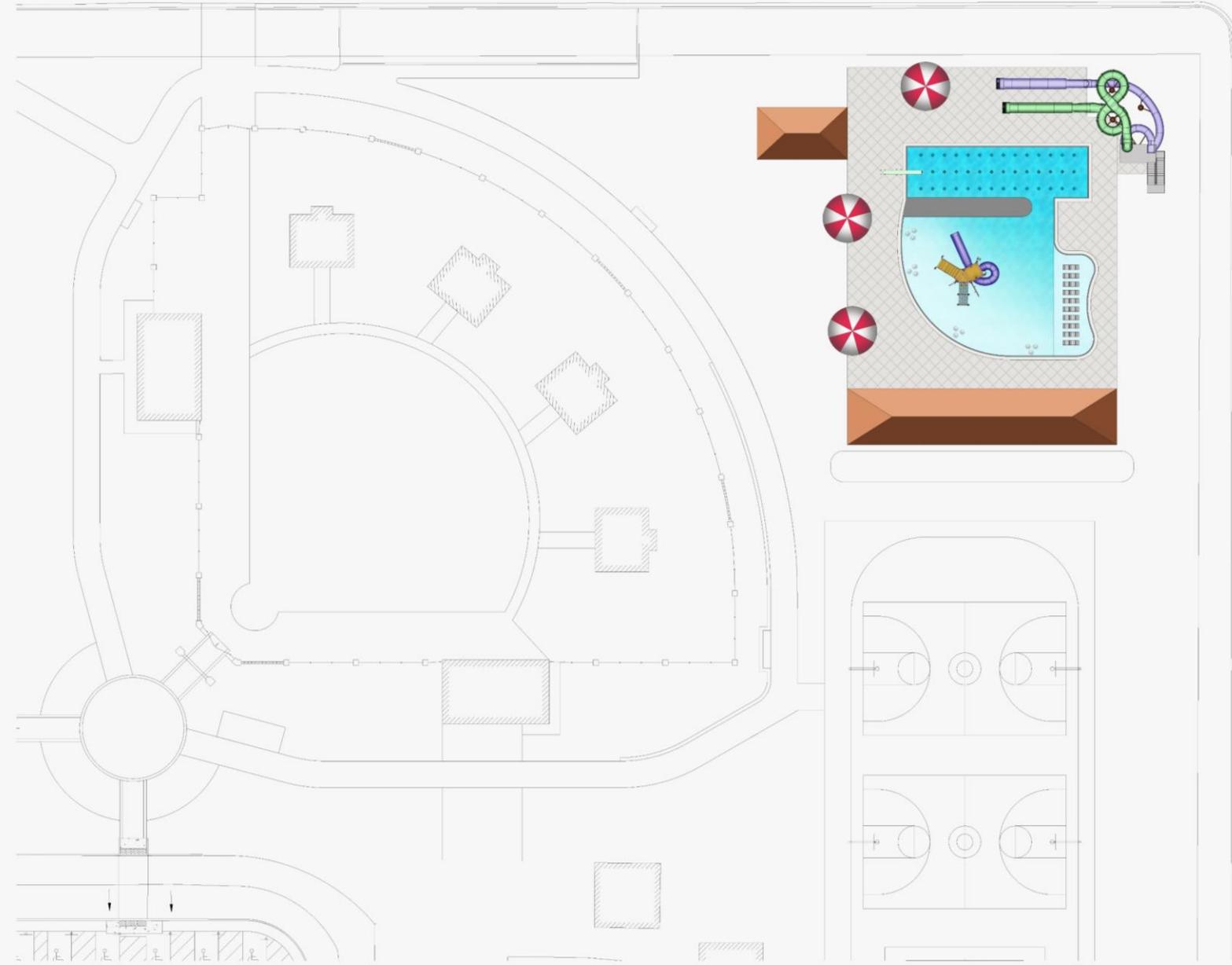
Option 1

- 5,518 SF Leisure Pool
 - Zero-beach entry
 - Children's play structure
 - Crossing activity
 - Waterslides
 - 1-meter diving
- Shade structures
- Support building



Option 1

Site Layout



Aquatic Facility Financial Dashboard (Option 1)

Total Capital Cost

\$5,300,000

Total Attendance

46,575

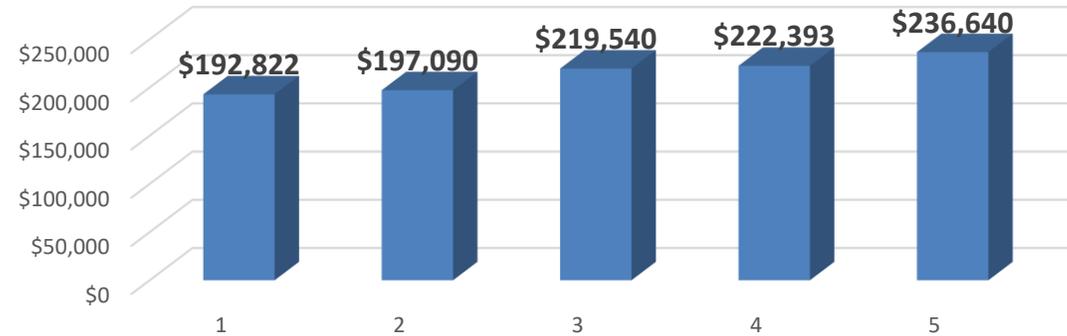
Operating Cashflow

(\$97,099)

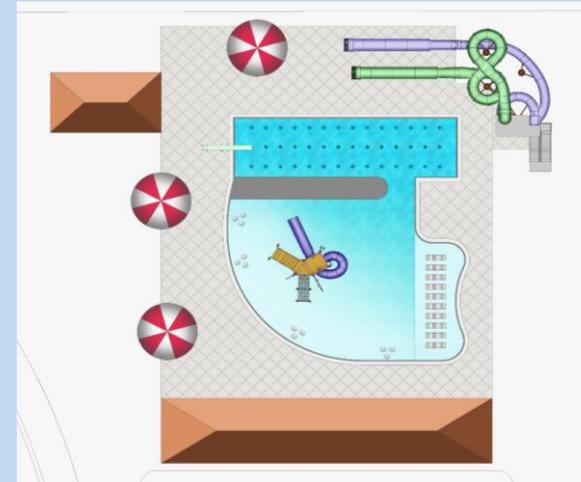
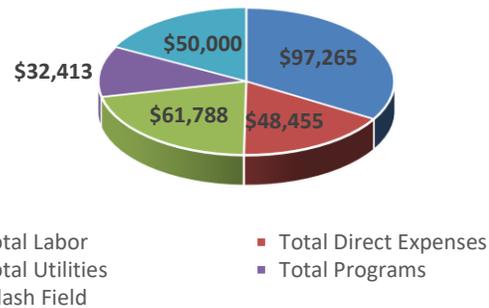
Cost Recovery

67%

Annual Revenue

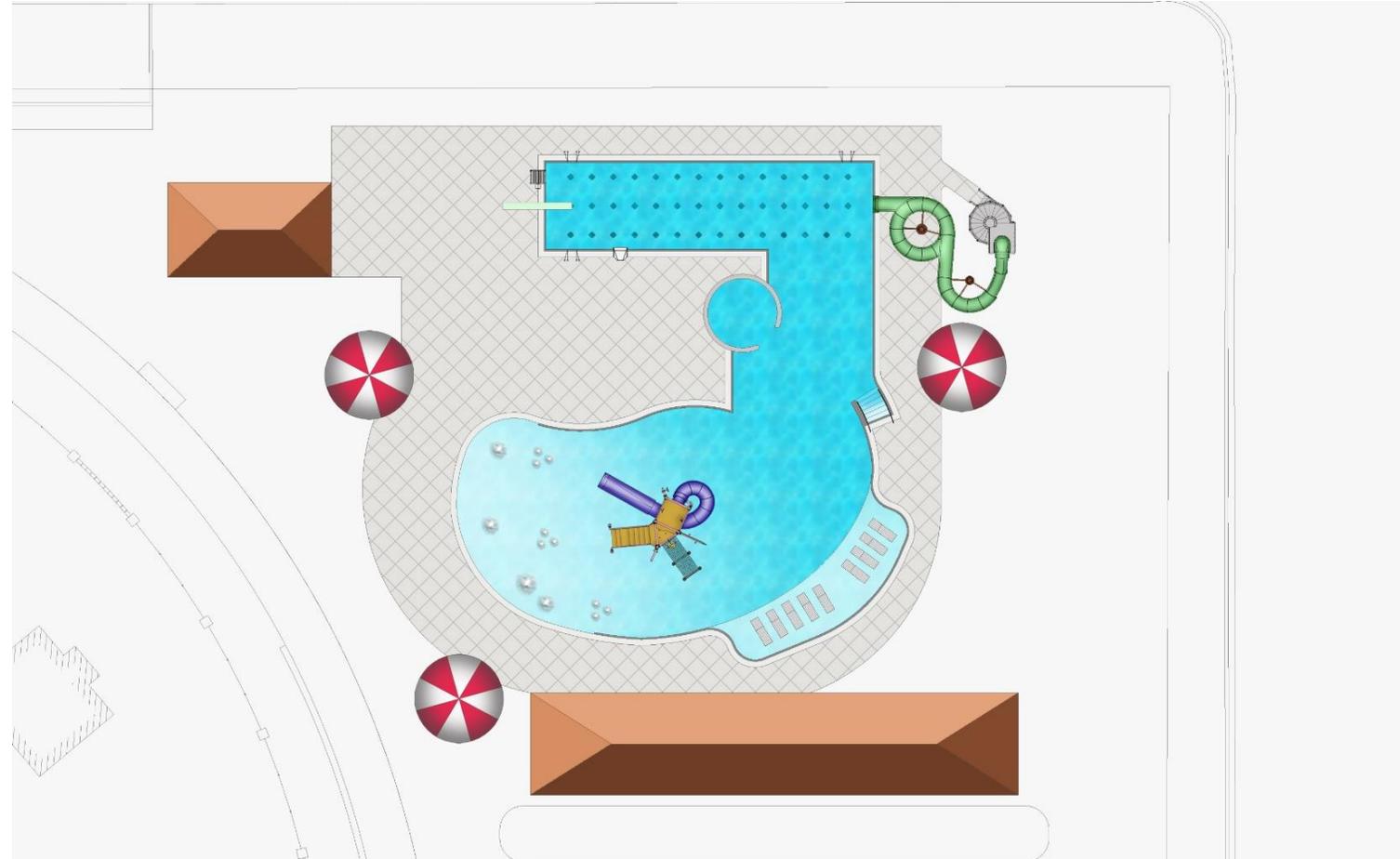


Expense Budget Breakdown



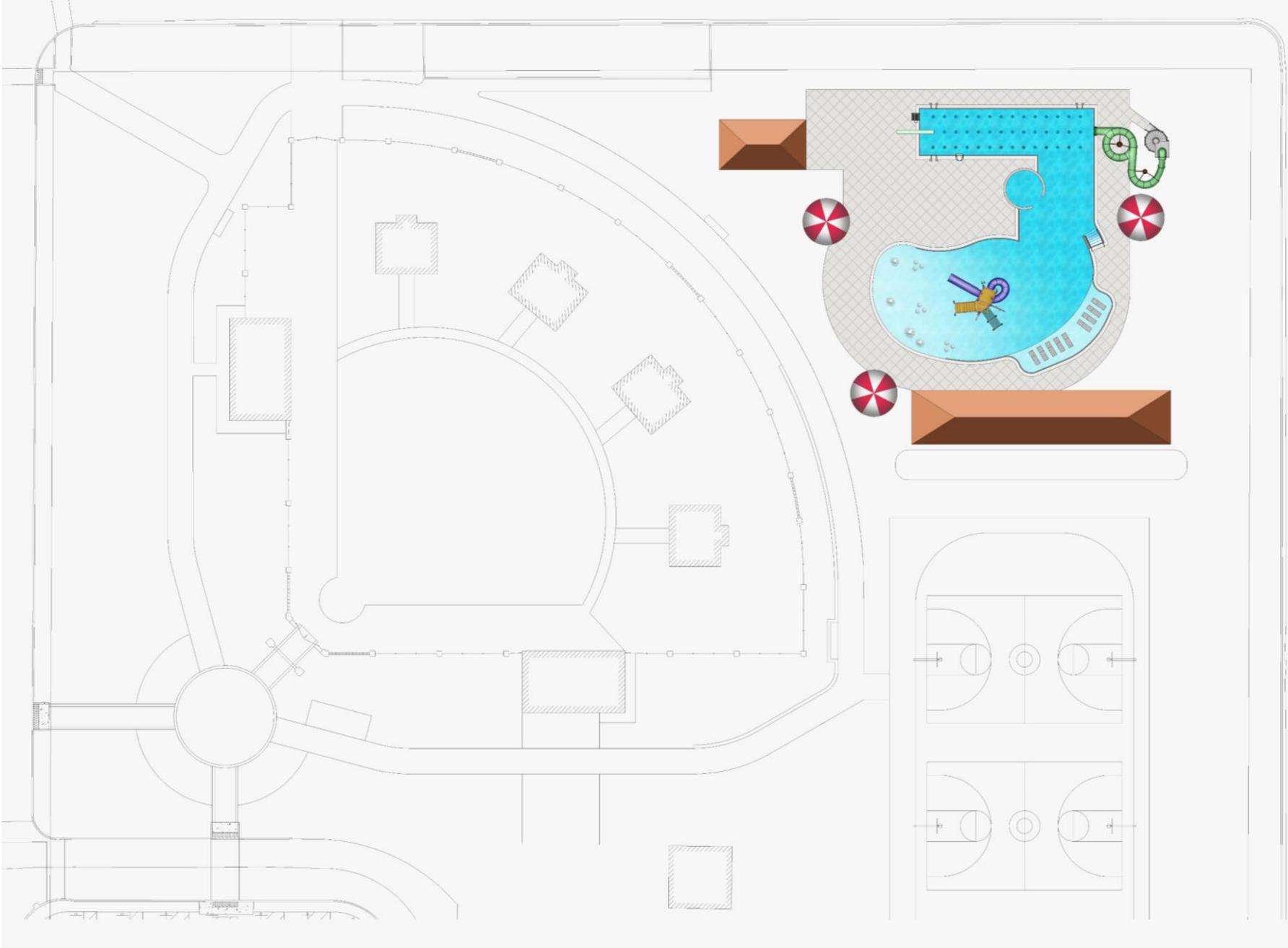
Option 2

- 7,330 SF Leisure Pool
 - Zero-beach entry
 - Children's play structure
 - Waterslide
 - 3, 25-yard lap lanes
 - 1-meter diving board
- Shade structures
- Support building



Option 2

Site Layout



Aquatic Facility Financial Dashboard (Option 2)

Total Capital Cost

\$6,100,000

Total Attendance

52,750

Operating Cashflow

(\$100,475)

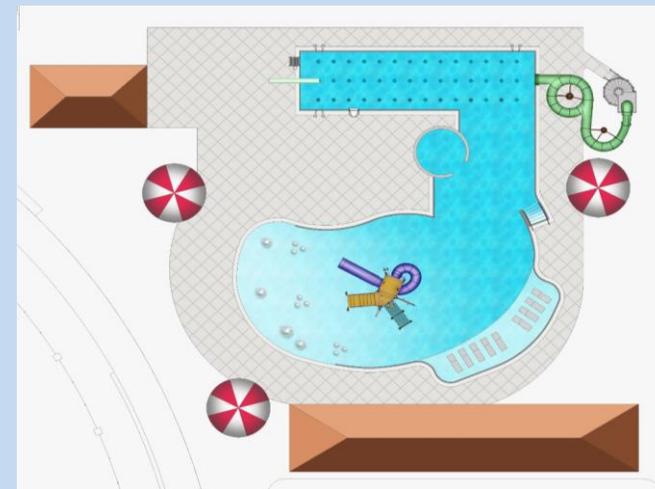
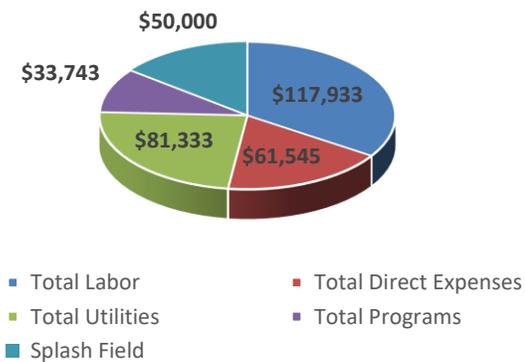
Cost Recovery

71%

Annual Revenue

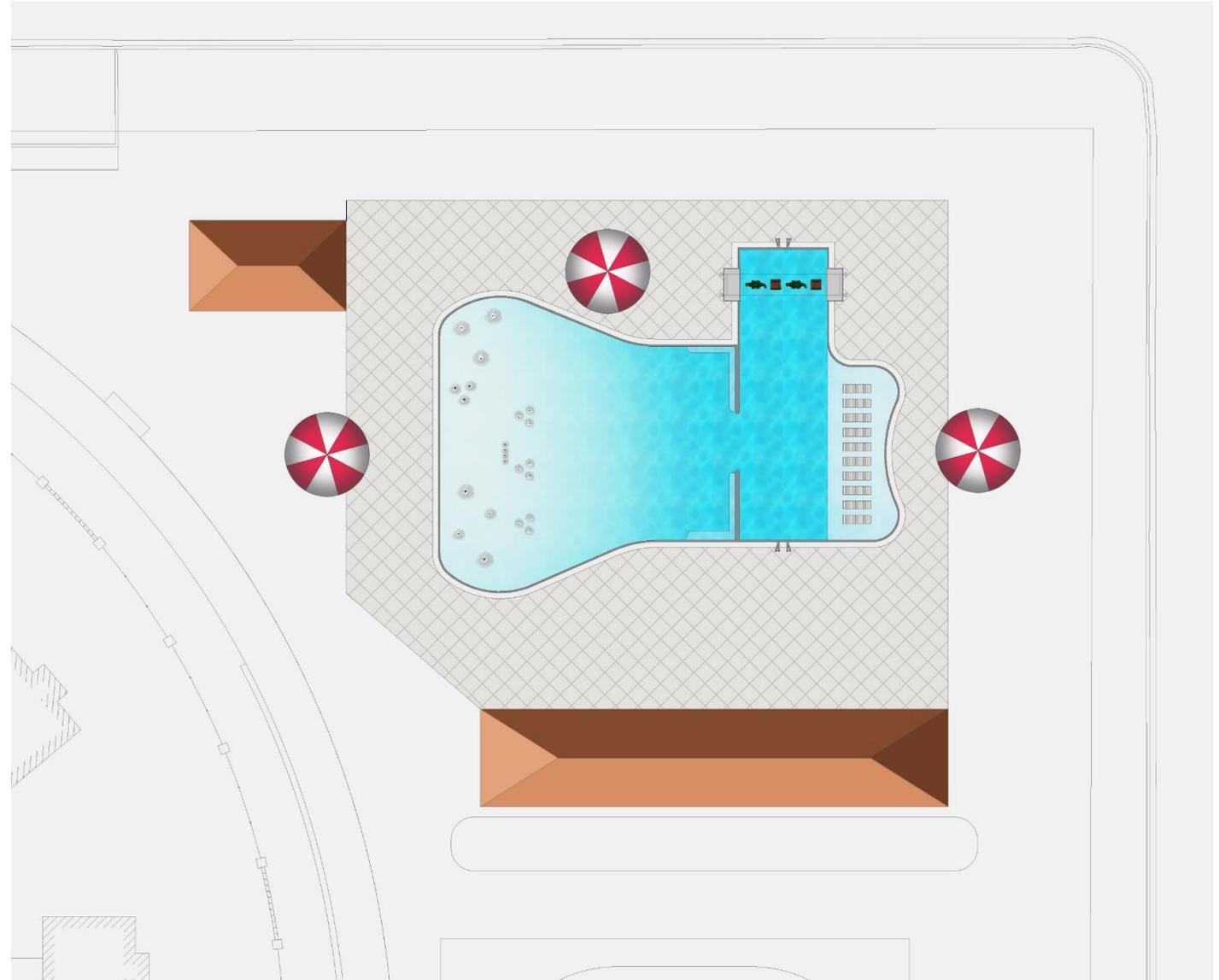


Expense Budget Breakdown



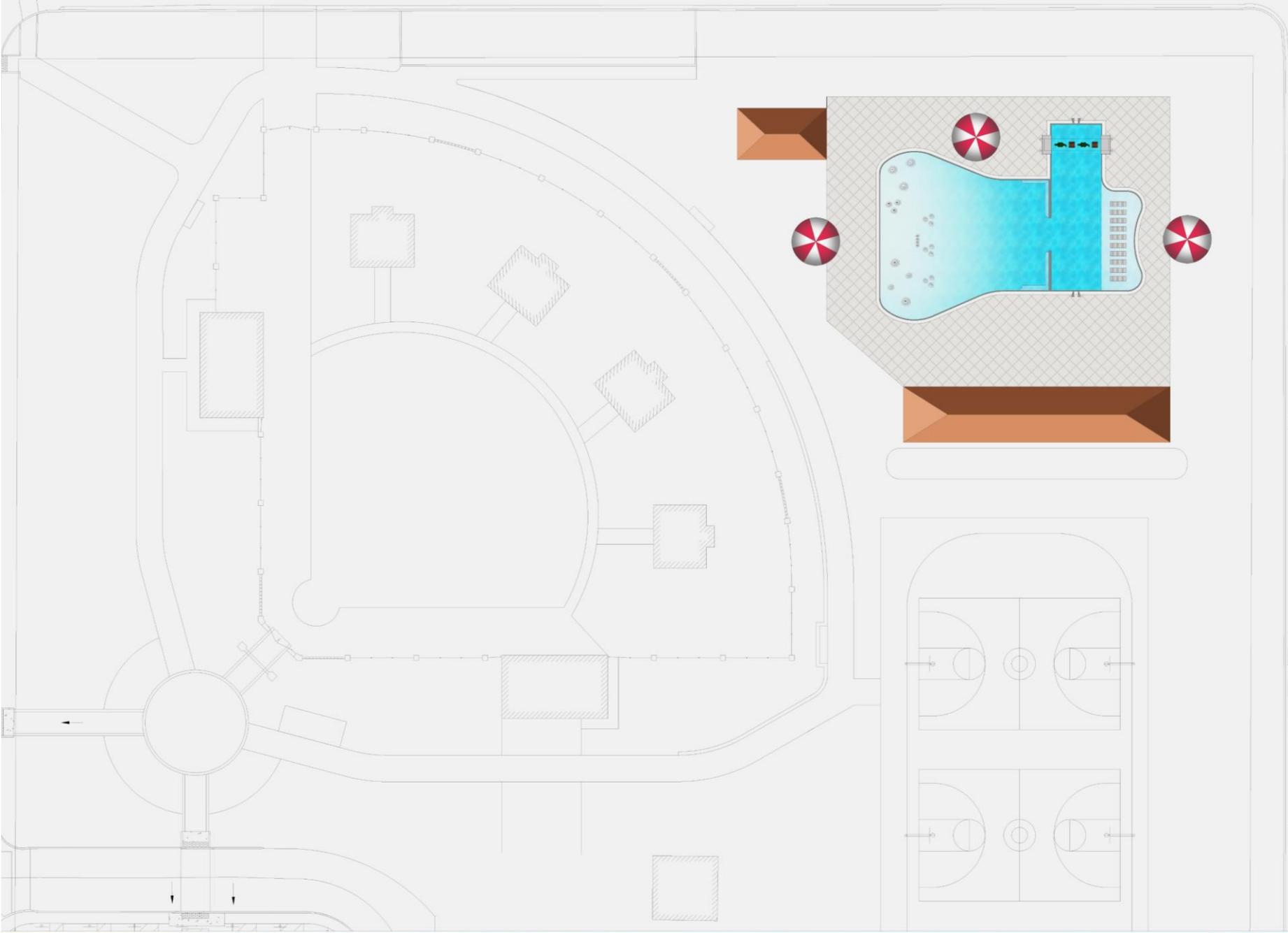
Option 3

- 6,132 SF Leisure Pool
 - Zero-beach entry
 - Ground sprays / features
 - Crossing activity
 - Shallow water lounge area
- Shade structures
- Support building



Option 3

Site Layout



Aquatic Facility Financial Dashboard (Option 3)

Total Capital Cost

\$4,800,000

Total Attendance

37,555

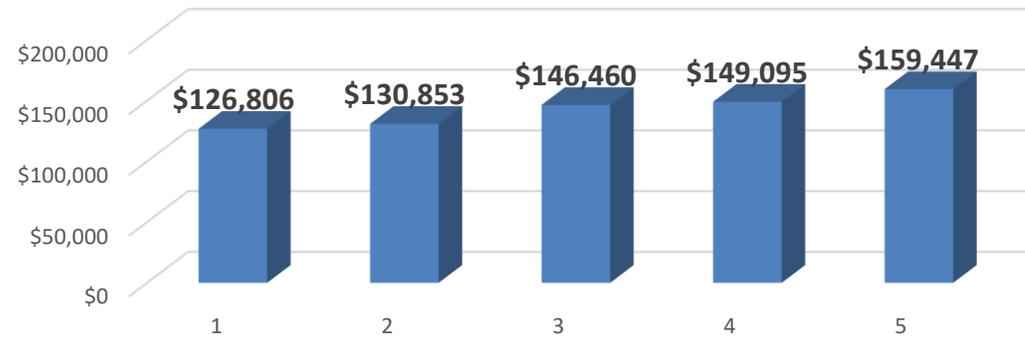
Operating Cashflow

(\$142,242)

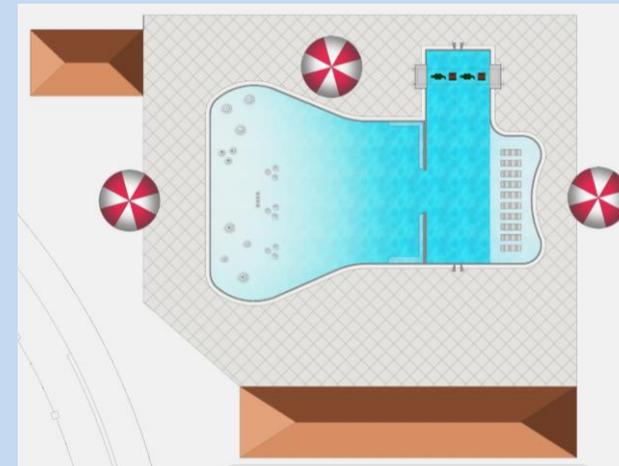
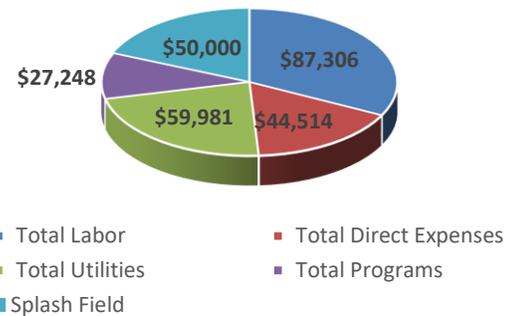
Cost Recovery

47%

Annual Revenue

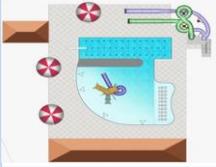
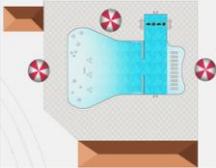


Expense Budget Breakdown



Options Summary

Summary Dashboard

		Total Capital Cost	Total Revenue	Total Expense*	Operating Cashflow	Cost Recovery
Option 1		\$5,300,000	\$192,822	\$289,921	(\$97,099)	67%
Option 2		\$6,100,000	\$244,079	\$344,554	(\$100,475)	71%
Option 3		\$4,800,000	\$126,806	\$269,049	(\$142,242)	47%

*Includes \$50,000 for Splash Field



FEASIBILITY STUDY FINDINGS

- An outdoor swimming pool would provide for the seasonal recreational, instructional and fitness aquatic needs of the Peru, IL community and complement Splash Field at Washington Park by providing opportunities to swim as well as “splash.”
- Washington Park is the preferred location for a new swimming pool for the following reasons:
 - It was the site of the previous outdoor swimming pool in Peru.
 - It is the existing site of Splash Field which would allow all aquatic facilities to be located at one location, creating efficiencies for maintenance and operation for City staff.
 - Existing infrastructure exists to support the swimming pool, including utilities, parking and lighting.
- Development costs for the new outdoor swimming facility options studied range from \$4.8M to \$6.1M and include 5,000 to 7,000 square feet of water surface area. These options allow for a variety of multi-generational aquatic amenities including shallow, water, deep water, children’s areas, waterslides, floatable crossing activities, lounge areas, shade and support buildings.



FEASIBILITY STUDY FINDINGS

- Development costs also include support buildings such as office space, a pool mechanical building and additional locker rooms to the ones already on site for Splash Field.
- Annual operational expenses range from \$250,000 to \$350,000 with a separate line item for a capital replacement fund. This fund is contributed to on an annual basis to account for long-term maintenance items that the swimming pool's budget could not absorb, such as filter replacement, pool resurfacing, etc.
- Personnel costs account for part-time management, admissions and lifeguard staff and is the highest expense category. The number of lifeguards ranges from 6 for option 1, 8 for option 2 and 5 for option 3. The expenses for all options include 2 admission staff members on-duty at all times. Full-time employment has not been included in the expense projections, but the full-time equivalents needed for the swimming pool range from 3.5 to 5.0.
- The second highest expense category is utilities for the electric demand of the pumps and motors, water usage for evaporation, splashout and replacement water, and pool heating to ensure the water temperature is comfortable for pool users.



FEASIBILITY STUDY FINDINGS

- The primary revenue streams for the Peru Swimming Pool would include:
 - Daily admissions / Season passes
 - Swimming lessons
 - Food and beverage
 - Pavilion and facility rentals
- A daily rate that ranges from \$6-\$8 for adults and \$4-\$6 for children (20% more for non-residents), \$5 for adults age 65-over and family pass rates of \$125-\$152 have been used to calculate overall revenue. The price points vary based on the three different aquatic facility options, with option 2 demanding the high price point due to its size and amenities.
- The Peru Swimming Pool is projected to generate revenue ranging from \$125,000 to \$250,000 for an overall cost recovery rate range of 47% to 71%. This assumes that Splash Field remains a free amenity adjacent to the new pool.
- As detailed on slides 15 and 16, the financial projections can change based upon the final operating model and how to account for revenue and expenses associated with Splash Field.



GENERAL LIMITING CONDITIONS

This study is based on information that was current as of June 2020. 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.





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Peru, IL
Swimming Pool Study
July 13, 2020