

PIRATES COVE WATER PARK

EXPANSION FEASIBILITY STUDY



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Executive Summary

Introduction

The City of Englewood, Colorado, contracted Counsilman-Hunsaker and Logan Simpson to develop an Aquatics Feasibility Study for a potential Pirates Cove Water Park expansion. This study is based on extensive research through the following processes:

Needs Assessment

- Community Outreach and Survey
- Common Vocabulary, Vision
- Evaluate Existing Area Providers
- Life Cycle Analysis of Existing Facility
- Research Area Demographics
- Site Analysis

Facility Program and Space Requirements

- Develop Schematic Design Options for Programming
- Develop Project Cost Estimates

Operations and Business Plan

- Opinion of Revenue
- Opinion of Operating Expenses
- Determine Cashflow
- Sources of Funding

Options for Consideration

Three expansion concepts were developed for the city's consideration. Each concept features:

- Signature attraction
- FlowRider addition
- Climbing wall (in the existing competition pool)
- New Children's Interactive Play Structure
- Replace the spraypad features
- Addition of a group pavilion
- Addition of cabanas
- Enclosure for slide pumps
- Heating for mechanical room

Option 1 Signature Attraction: Boomerango Family Raft Ride

Cost: \$5,494,000



Option 2 Signature Attraction: Four Lane Mat Racer Slide

Cost: \$5,356,000



Option 3 Signature Attraction: Flying Saucer Tube Ride

Cost: \$5,838,000



Section 1:

Waterpark Trends

Capacity Holders
Design Considerations
Schedules and Fees
Future Waterpark Expectations
Marketing



Section 1: Waterpark Trends

The design of swimming pools throughout Englewood and the nation has changed markedly over the several decades. For most of us who learned to swim in the environment of the rectangular municipal pool, much of what is being built today represents a radical departure from our historical standard. With the bar being set ever higher as rising expectations are fueled by fierce competitors vying for discretionary leisure spending, stimulating waterparks have become the norm not only for four and five-star hotels and resorts but increasingly for the municipal and educational markets as well.

Rising and often sophisticated design standards supported by a greater range of products that include exotic finishes—stone, artificial rockwork, trees, coral, decorative tiles—have made it achievable to build ever more interesting and engaging facilities. These liquid escapes offer imaginative pools with inspiring and sensitively designed environments that create a sense of interest and intrigue as guests decipher what all there is to dive into, splash around in, or relax by.

Expected in the hospitality industry and now being seen in public parks and aquatic centers, the rise in waterscape ambience indicates a growing trend toward first-class aquatic experiences, from high end resort to local community to university. Waterscape wonderlands, whether adventurous for the young or rejuvenating for the not-so-young, provide hours of entertainment, relaxation, and the experience of togetherness that create indelible memories in a world beyond everyday lives.

Water Chutes	Log Flume Ride	Wave Pool	Wet 'N Wild
Chicago	6 Flags over TX	Decatur, AL	Orlando, FL
1893	1963	1970	1977
			

Capacity Holders

Initially, waterslides were a free standing attraction. Then wave pools splashed onto the scene. When wave pools and waterslides merged into a single complex, the waterpark was born. Capacity became less of a problem since no single element was required to bear the load. In addition to wave pools and waterslides, another popular capacity holder wound its way into the waterpark, the lazy river. These capacity holders serve as the hub of the waterpark and are a crucial part of overall success.

Children's Area

Sensitively designed environments for children can be vital to attendance. Families with toddlers need to be accommodated in order for them to come to the park and spend the day together. Spraygrounds, tot pools, and children's pools with participatory play features with all



sorts of pulleys, rope ladders, buckets, geysers, and slides need to be located near the bathhouse for convenience purposes.

Rides/Signature Attractions

Teens like thrill rides while families like modest rides that most anyone can enjoy. These can be a mix of body slides or tube slides, and should be both open and closed flumes to offer diversity. Having a ride that allows multiple riders is another way of keeping the entire family happy. Big tube slides that have three to four people per ride add to the social aspect. Having a head first mat slide, where riders can race their friends, can provide a grand experience for young teens. In general, the more thrilling the ride, the less people will ride due to age preference and/or height restriction. The thrill ride can be the signature attraction that differentiates the park from the competition, incorporating physical action and adventure that can have an impact on guests returning to experience the thrill over and over again.

Examples:

Boomerango Family Raft Ride



Four Lane Mat Racer Slide



Flying Saucer Tube Ride



In addition to slides, large water play structures provide water play gyms for the entire family. They can be themed as water jungles, pirate coves, and rainforest temples to name a few. With slides, waterfalls, and water features, families are entertained for hours while experiencing physical fitness and family togetherness.

Artificial surfing is another “thrill” ride. high-output pumps to produce a flow of water thick over a fixed foam-padded surface. and spectators enjoy watching as much as challenge. A climbing wall over the water activity and challenge of climbing while the cushions the fall.



These environments use approximately two inches. Competitions are formed “inland surfers” enjoy the offers the physical water underneath

Design Considerations

For outdoor waterparks, designers and engineers view existing site conditions as naturally occurring pieces of art, so to speak, rather than approaching them as obstacles. Instead of muscling their way into a site, designers test to determine if the selected amenities will fit the space. Natural geographic elements can accentuate the organization of waterpark features. The site can be balanced, a process that involves moving existing soil around rather than bringing in more dirt or hauling it away. Before removing soils and natural formations, attempts must be made to envision using the land contours for landscaping in and around the pools and attractions. Such contours, for example, can accommodate serpentine sidewalks that create interesting and intimate areas.

In providing for the triangulation of different activity zones, slope and contour play a dramatic role. Triangulation creates synergy of spaces and also allows diverse age groups to have their own zones by taking advantage of the natural topography. Zoning the facility involves a logical progression throughout the site. Separate, intimate spaces are created according to different water depths and appropriate age-group activities. The sun’s path is another physical consideration in pool placement, as well as in the location of shade and social spaces for sunbathing. Since swimmers typically prefer sunlit water, shade structures and cabanas need to be strategically



placed. Existing trees can provide heat relief in picnic areas, while creating natural barriers to wind.

Proper site design also includes providing for the efficient flow of support spaces, which ideally are located out of sight, but within easy walking distance. Service vehicles require access to support spaces for ease in delivering chemicals and in maintaining mechanical pumps and motors. Site development also dictates compliance with ADA accessibility requirements throughout the facility.

Landscaping and bathhouses can be used to provide a pleasing ambiance and to buffer the site acoustically and visually. Increasingly, site design incorporates natural resources as valuable amenities. Xeriscape, a concept involving the conservation of water through creative landscaping, uses native plants (once established) that can thrive with little or no supplemental watering.

Schedules and Fees

The local school schedule is an important factor in determining the operating schedule for a waterpark to determine labor as well as attendance. The normal operating schedule for an outdoor waterpark in Colorado typically consists of approximately 100 days per season from June through August, with July, on average, capturing the most visits. Waterparks suffer from lost attendance and staff in early June and late August, depending on the school schedule.

Ultimately, waterparks depend on repeat business to survive. An affordable experience, both in terms of admission and spending, is a condition of entry, and it is important to charge what the market will bear. The top rate is the general admission rate, which is usually charged to adults over the age of 18. In addition to the general admission rate, there are a number of discounted rates, including youth and senior general admissions, group rates, promotional rates, and season passes for individuals and families. Per capita expenditure for all ticket sales is typically 70 percent of the general admission price. In order to analyze revenue, the following is an industry evaluation of daily admissions, season pass memberships, and concession percentages.

General Admission	70%
Season Passes	25%
Food & Beverage	5%
Total	100%

Future Waterpark Expectations

To ensure that existing customers keep coming back and to get more customers through the turnstiles, staying ahead of the trends impacts the recreation industry. Many waterparks feature enough space for phased expansion to accommodate future community growth. As a community grows, more individuals and groups will inevitably get involved in the planning of future outdoor spaces and attractions.

“Local” is the environmental buzzword when it comes to entertainment during economic disruptions. A large part of aquatic expectations are the result of tourism whereby travelers have seen what distant communities have in the form of public sector, affiliated with a



hotel/resort, part of a corporate chain, privately owned, or international aquatics, including European communities.

Hotel/Resort Influence

- The hospitality industry has exploded in destination aquatic environments that create indelible memories.
- Experiences include a combination of tranquil and exhilarating pools and attractions, relaxing spas, exquisite poolside dining, and children’s programs.
- Attractions include infinity edge pools with cascading waterfalls, hydrotherapy bubbling spas, caves, fountains, waterslides, and adventure rides.
- Some designs blend with a spectacular geologic formation or a scenic region, while others, such as Las Vegas and Orlando, create themed immersive environments where guests can imagine they are in far-away locations.



European waterparks are beginning to offer more adult-oriented amenities. With lifetime expectancy up 30 years in the U.S. since 1900, adults are strong advocates of well-being pursuits, i.e., therapy pools, leisure pools, and lap swimming. Thus, European influence will most likely be embraced in the U.S. in the near future.

European Influence

Schwaben Quellen, a large spa/waterpark complex located in Stuttgart, Germany, offers multiple steam rooms, saunas, and themed shower experiences complete with special effects, sounds, and aromatherapy, even rooms where guests can roll in the snow following the use of a sauna or other type of steam room.

- Wave-die Worgler Wasserwelten, Austria, offers concentrated body-warm (98.6°) saline baths enriched with salt from the Dead Sea, creating a weightless floating experience with a play of colors and atmospheric underwater music, putting the guest in a state of mental balance.
- The addition of more adult amenities influences childcare activities so that mom and dad can partake in revitalization, purification, and other well-being experiences. Inspired by kids’ clubs on cruise ships and resorts, childcare activities engage in more supervised events and dynamic aquatic activities.

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 facility, 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 expansion 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 City 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. 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 2

Market Area Demographics

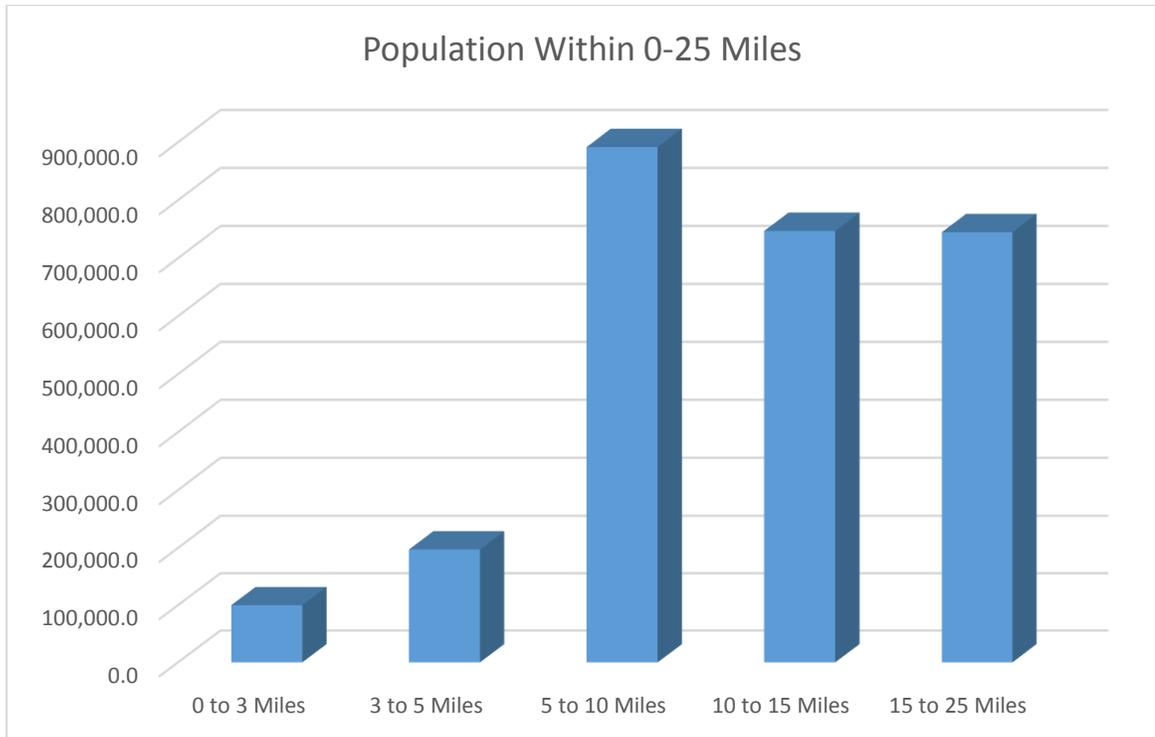
Population
Income
Age Distribution
Weather



Population

The following chart presents a summary of market area population with concentric rings surrounding 1225 W. Belleview, Englewood, Colorado. The 2010 U.S. Government Census was used to estimate the population for 2015 and to make projections for 2020.

- The population base for the City of Englewood is projected to increase from 32,200 residents to 32,400 by 2020. While new housing units continue to be constructed in Englewood, population growth remains fairly flat due to shrinking family size and the conversion of single-family to multi-family units. An expansion of Pirates Cove can help Englewood attract the young family demographic.
- Population is trending up in the 25-mile area.



MARKET AREA POPULATION BY DISTANCE

Radius	Population				Average Annual Change			
	2010		2015		2010-2015		2016-2020	
	Number (000's)	Percent of Total	Number (000's)	Percent of Total	Number (000's)	Percent Change	Number (000's)	Percent Change
0 to 3 Miles	93.1	3.7%	99.9	3.7%	1.4	1.4%	0.2	0.2%
3 to 5 Miles	183.7	7.3%	197.3	7.4%	2.7	1.4%	0.6	0.3%
5 to 10 Miles	820.7	32.5%	891.6	33.3%	14.2	1.7%	6.7	0.7%
Subtotal	1,097.5	43.4%	1,188.8	44.4%	18.3	1.6%	7.5	0.6%
10 to 15 Miles	684.0	27.1%	746.9	27.9%	12.6	1.8%	8.2	1.1%
15 to 25 Miles	744.7	29.5%	744.7	27.8%	0.0	0.0%	15.9	2.0%
Subtotal	1,428.7	56.6%	1,491.6	55.6%	12.6	0.9%	24.1	1.6%
Total (0-25 Miles)	2,526.2	100.0%	2,680.4	100.0%	30.8	1.2%	31.6	1.2%
Englewood, CO	30.3		32.2		0.4	1.3%	0.0	0.1%

Source: Alteryx



Income

To a certain degree, the likelihood of residents to engage in aquatics 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.

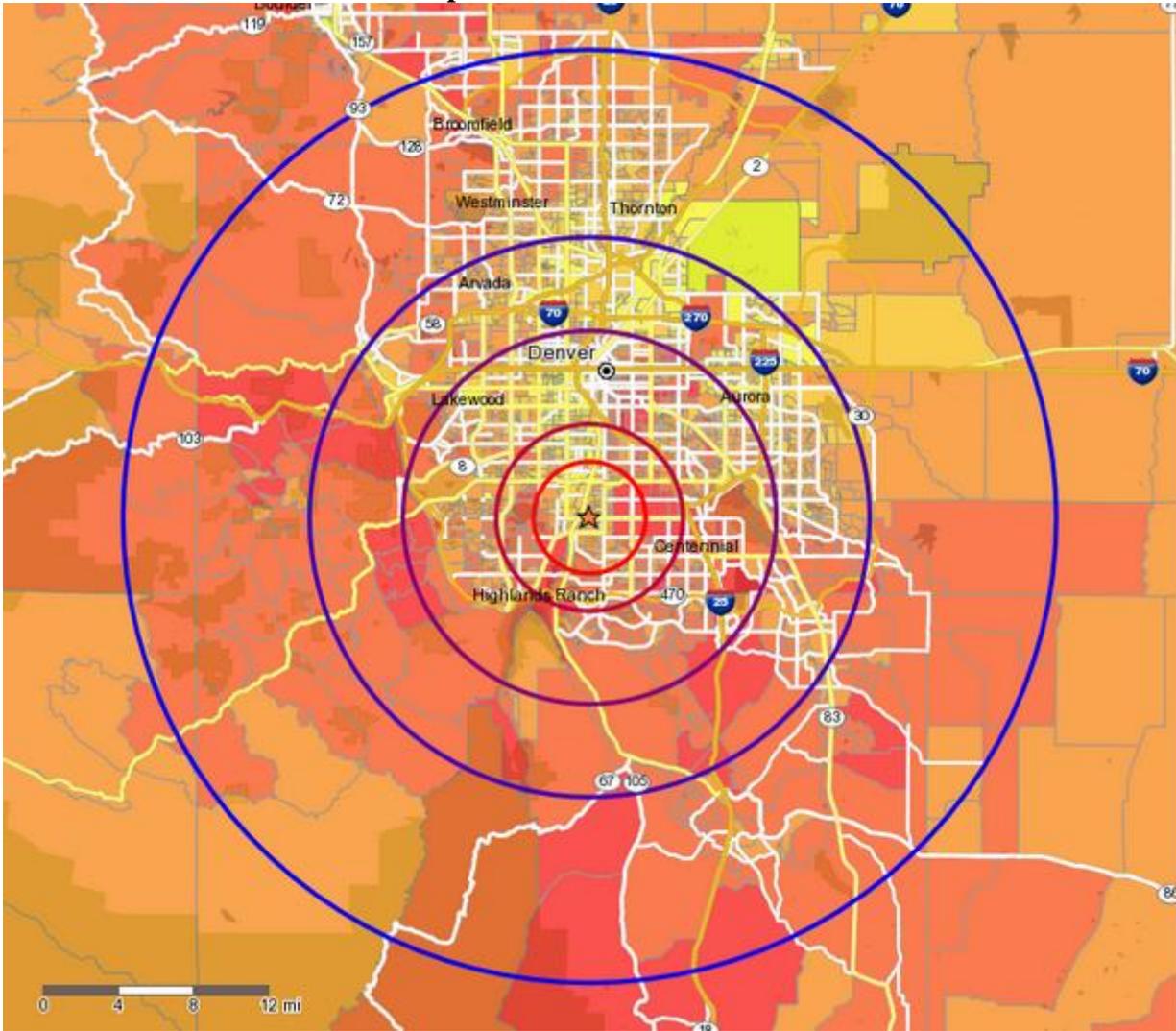
- Per capita income for the City of Englewood is 7% higher than the national average, shown as an index of 1.07.
- Median household income for the City of Englewood is 15% lower than the national average.

MARKET AREA INCOME				
Radius	Per Capita Incomes		Median Household Incomes	
	Dollars	Index	Dollars	Index
0 to 3 Miles	\$33,897	1.28	\$51,669	0.98
3 to 5 Miles	\$40,488	1.53	\$67,358	1.28
5 to 10 Miles	\$40,029	1.51	\$61,357	1.17
10 to 15 Miles	\$30,375	1.15	\$59,485	1.13
15 to 25 Miles	\$36,794	1.39	\$78,309	1.49
Englewood, CO	\$28,351	1.07	\$44,507	0.85
Total U.S.	\$26,464	1.00	\$52,599	1.00

Source: Alteryx



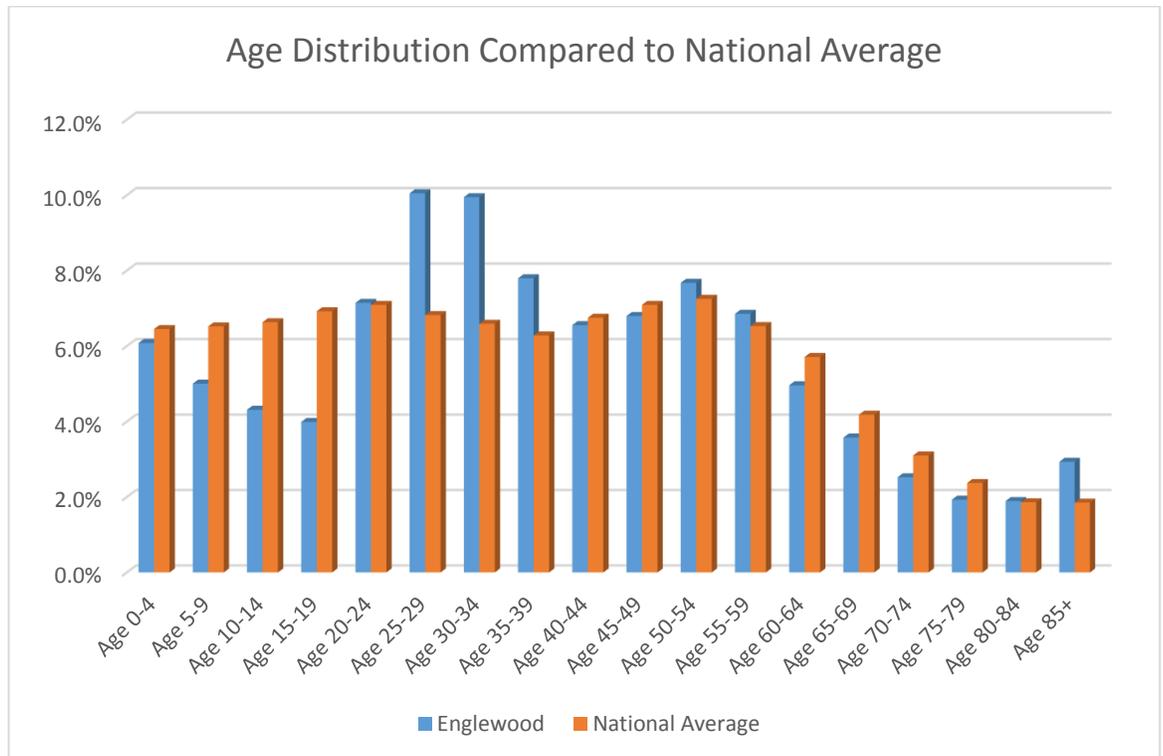
Map of Market Area Income



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.

- Children ages 0-19 constitute 19.4% of the City of Englewood's population compared to the national average of 26.5%.
- Median age for the city is right at the national average (37.1 compared to 37.0 respectively).



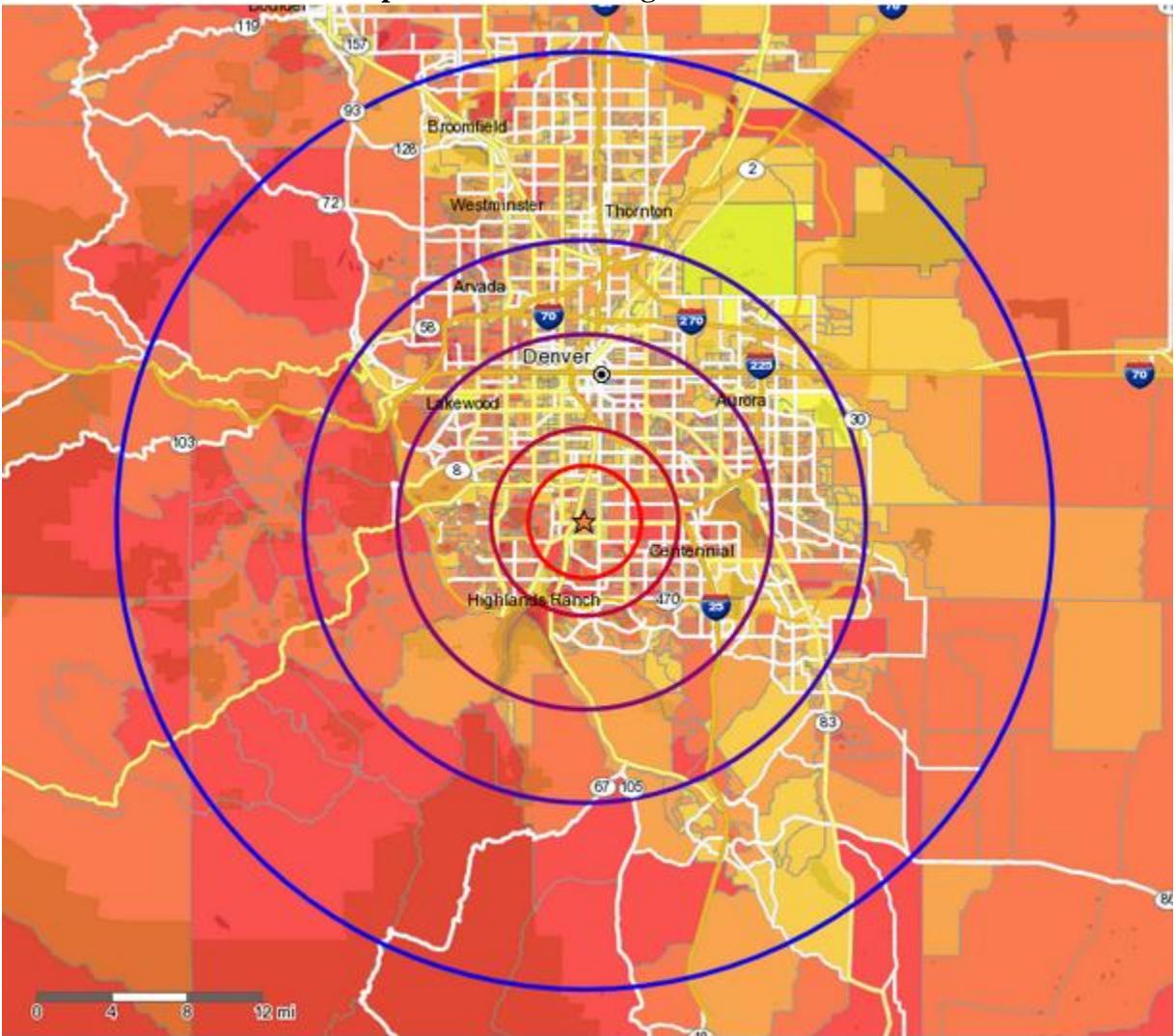
MARKET AREA AGE DISTRIBUTION

Age Groups	0 to 3 Miles		3 to 5 Miles		5 to 10 Miles		10 to 15 Miles		15 to 25 Miles		Englewood, CO		U.S. Age Population
	#	%	#	%	#	%	#	%	#	%	#	%	
Age 0-4	5,774	5.8%	11,389	5.8%	54,119	6.1%	54,636	7.3%	51,471	6.9%	1,958	6.1%	6.5%
Age 5-9	5,701	5.7%	11,462	5.8%	53,933	6.0%	57,113	7.6%	58,758	7.9%	1,611	5.0%	6.5%
Age 10-14	5,722	5.7%	11,443	5.8%	50,970	5.7%	53,138	7.1%	59,139	7.9%	1,388	4.3%	6.6%
Age 15-19	5,308	5.3%	12,587	6.4%	45,730	5.1%	47,942	6.4%	49,649	6.7%	1,284	4.0%	6.9%
Subtotal	22,505	22.5%	46,861	23.7%	204,752	23.0%	212,829	28.5%	219,017	29.4%	6,241	19.4%	26.5%
Age 20-24	6,583	6.6%	13,100	6.6%	56,469	6.3%	48,579	6.5%	42,846	5.8%	2,300	7.1%	7.1%
Age 25-29	8,155	8.2%	15,777	8.0%	85,181	9.6%	55,813	7.5%	48,747	6.5%	3,235	10.0%	6.8%
Age 30-34	7,578	7.6%	14,039	7.1%	81,238	9.1%	59,716	8.0%	53,764	7.2%	3,202	9.9%	6.6%
Age 35-39	6,254	6.3%	12,085	6.1%	66,946	7.5%	55,513	7.4%	54,338	7.3%	2,510	7.8%	6.3%
Age 40-44	6,137	6.1%	12,655	6.4%	65,614	7.4%	55,736	7.5%	57,752	7.8%	2,110	6.6%	6.8%
Age 45-49	6,503	6.5%	12,314	6.2%	58,365	6.5%	50,497	6.8%	53,121	7.1%	2,188	6.8%	7.1%
Age 50-54	7,751	7.8%	14,321	7.3%	60,747	6.8%	51,429	6.9%	53,625	7.2%	2,471	7.7%	7.3%
Age 55-59	7,159	7.2%	14,076	7.1%	56,790	6.4%	45,913	6.1%	48,120	6.5%	2,207	6.9%	6.5%
Age 60-64	5,732	5.7%	12,389	6.3%	49,769	5.6%	36,571	4.9%	39,807	5.3%	1,597	5.0%	5.7%
Age 65-69	4,382	4.4%	9,621	4.9%	37,198	4.2%	26,524	3.6%	29,351	3.9%	1,151	3.6%	4.2%
Age 70-74	3,319	3.3%	6,535	3.3%	24,146	2.7%	17,618	2.4%	18,199	2.4%	812	2.5%	3.1%
Age 75-79	2,748	2.8%	4,826	2.4%	16,787	1.9%	12,149	1.6%	11,513	1.5%	621	1.9%	2.4%
Age 80-84	2,352	2.4%	4,148	2.1%	13,075	1.5%	9,064	1.2%	7,551	1.0%	609	1.9%	1.9%
Age 85+	2,753	2.8%	4,592	2.3%	14,485	1.6%	8,942	1.2%	6,947	0.9%	944	2.9%	1.9%
TOTAL:	99,911	100.0%	197,339	100.0%	891,562	100.0%	746,893	100.0%	744,698	100.0%	32,198	100.0%	100%
Median Age	39.1		38.7		36.3		34.7		35.7		37.1		37.0

Source: Alteryx



Map of Market Area Age Distribution



- Block Groups - High (Above 51)
- Block Groups - Above Average (41.5 to 51)
- Block Groups - Average (34 to 41.5)
- Block Groups - Below Average (27.5 to 34)
- Block Groups - Low (Below 27.5)



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 from Englewood, CO, weather data were used to determine user days in the financial models.

CLIMATOLOGICAL DATA					
	Temperatures			Precipitation	Precipitation
Month	Average	High	Low	Inches	Days
January	30.5	45.8	15.3	0.5	4
February	33.3	48.7	18.1	0.5	4
March	38.6	53.9	23.3	1.2	6
April	46.6	62.0	31.3	1.8	7
May	56.3	72.0	40.6	2.6	9
June	66.2	83.1	49.3	2.0	8
July	72.3	89.5	55.1	2.4	9
August	70.2	87.0	53.5	1.9	8
September	61.8	78.9	44.8	1.3	6
October	50.9	67.7	34.0	1.1	4
November	38.5	54.0	23.2	1.0	5
December	32.4	47.5	17.3	0.5	4

Source: Weatherbase



Existing Facility

Pirates Cove Water Park

1225 W. Belleview
Englewood, Colorado



Features

Leisure Pool, Dump Bucket, Lazy River, Three Waterslides, Competition Pool, Spray Pad, Sand Play Area

Programs

Swim Lessons
Birthday Parties

Daily Admission Resident

Age 2 -17: \$6.75

Age 18-54: \$7.75

Senior: \$6.75

Daily Admission Nonresident

Age 2 -17: \$9.75

Age 18-54: \$11

Senior: \$9.75

Season Pass Resident

Child/Senior: \$104

Adult: \$125

Family: \$263

Season Pass Nonresident

Child/Senior: \$131

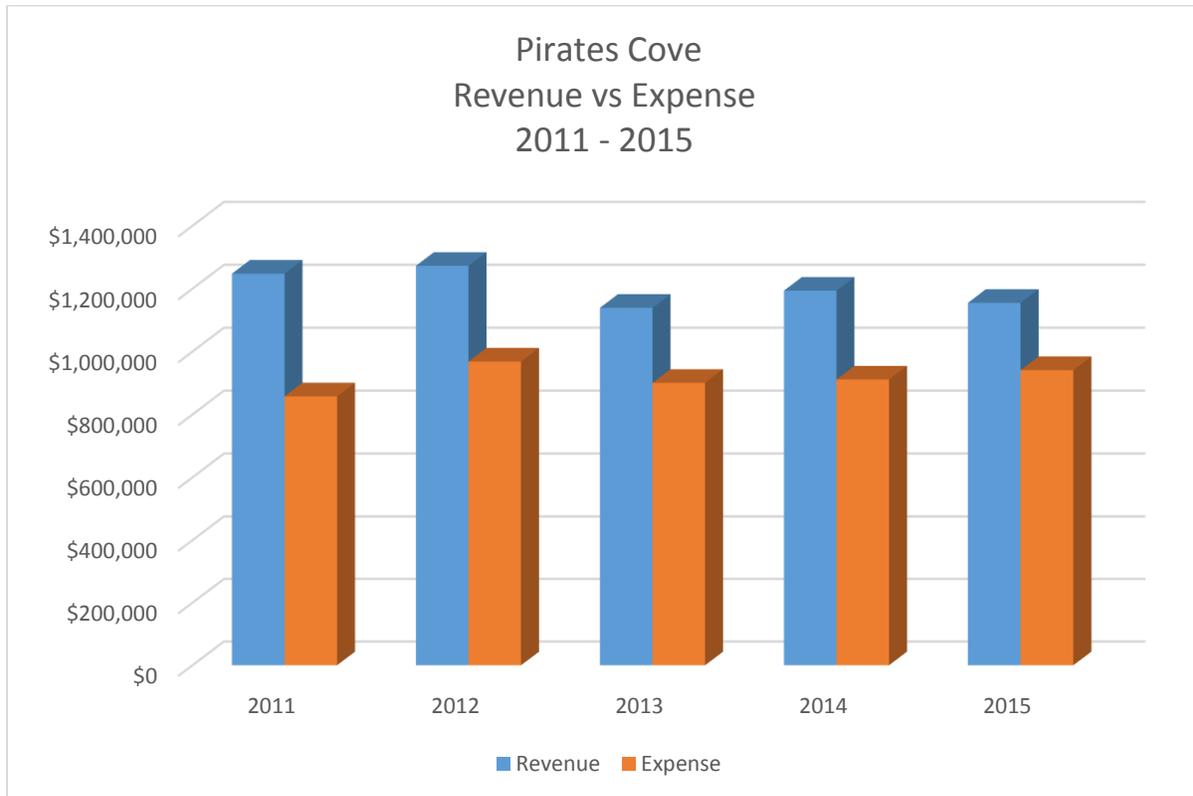
Adult: \$157

Family: \$329



Analysis of Pirates Cove Revenue/Expense

Pirates Cove has a long history of recovering over 100% of its operating expenses. Below is chart that shows the past 5 years of revenue vs. expenses for Pirates Cove with a cost recovery from 120% to 145%. This cost recovery percentage includes the expenses as detailed in the SD Scorecard process that is running concurrently with the Pirates Cove Feasibility and Expansion Study.



Focus Groups

City staff, Councilman-Hunsaker and Logan Simpson met with various community stakeholders to gather information about what support spaces and features could be utilized if the waterpark were to be expanded. Key themes included the following:

Support Spaces:

- More storage
- Better storage aesthetics
- Pump pit for slides needs enclosure
- Pavilion for 150
- More cabanas
- Renovate pirate
- New lockers
- Add room for expanded pro shop
- Heated pump room
- Explore enterprise fund for ongoing maintenance and repairs
- New entry signage
- Explore season pass pricing structure
- Explore addition of turf areas
- More rental/party areas
- Extra concession areas
- Expand lifeguard break area/first aid room

Features:

- Explore family raft rides
- Flowrider
- Replace SCS structure
- New spray features
- Evaluate sand play area
- Mat racer
- Drop slide addition to competition pool
- Kids' slides
- Lazy river entry
- Climbing wall in competition pool

Concepts were shared with staff in a May 6 Concept Review Meeting. Comments received included:

- Place signature attraction on north side of fence line on backside of the park
- Explore possibility of Proslide's flying saucer attraction
- Southwest corner is preferred placement for Flowrider
- Pavilion placement in northwest corner
- Maintain current turf areas and explore addition of more turf areas

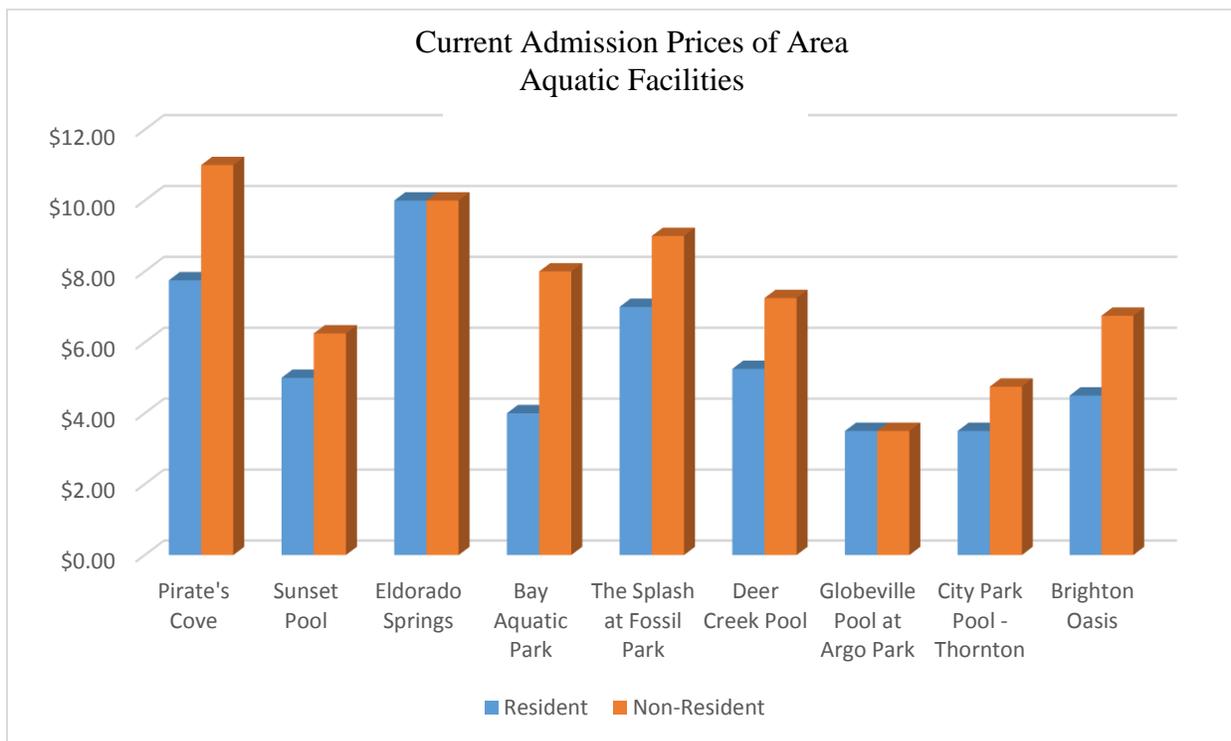


Section 3
Area Provider Analysis



Section 3: 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 Englewood's goal is not to compete for services, but to deliver high quality programs at a reasonable cost. The following chart depicts the resident and non-resident cost for the area aquatic facility providers listed below. While Pirates Cove is currently the highest price family aquatic center for non-residents, it also offers the most play value through its variety of aquatic amenities. Based on this data, in-park survey data that rated admissions prices as inexpensive or reasonable, and the expansion of Pirates Cove to include a signature multi-passenger slide attraction, a FlowRider, and renovated children's area, the price could be raised by \$2-\$4 as the new attractions are phased in over the course of the next several years.



1. Sunset Pool, Longmont

1900 Longs Peak Ave.
Longmont, CO
303-776-5823

Located next to Sunset Golf Course on a quiet street in Longmont, this public community pool has a view of the snowcapped Indian Peaks.

- Zero-depth entry pool
- Two snaking waterslides
- Three diving boards
- Lap lanes
- Sandy "beach"
- Shelter rentals
- Concession stand

Programs

Masters swimming
Water aerobics
Party rentals

Admission

Resident: \$3.75-\$5
Nonresident: \$4.75-\$6.25



2. Eldorado Springs Pool

294 Artesian Drive
Eldorado Springs, CO
303-499-9640

The water to this pool is fed directly from Eldorado's artesian spring. This historic pool has been a popular spot since it opened in 1905.

- Spring-fed pool
- Waterslide
- Diving board
- Concessions

Programs

Swim lessons

Admission

Adults: \$10
Children/Seniors: \$7



3. Bay Aquatic Park, Broomfield

250 Lamar St.
Broomfield, CO
303-464-5520

- Leisure pool with zero-depth entry
- Two serpentine waterslides
- Interactive water-play structure
- Inner-tube slide
- Otter slides
- Sprayground
- Tot pool with waterfall



Programs

Swim lessons
Water aerobics
Birthday parties

Admission

Resident: \$4
Nonresident: \$8

4. The Splash at Fossil Trace, Golden

3151 Illinois St.
Golden, CO
303-277-8700

Built in 2002, this aquatic park features:

- Leisure pool
- Two body- and tube-riding slides
- Fountain features
- Large wading area
- 500-gallon dump bucket
- "Beach-like" sand area for toddlers
- Geyser sprayer
- 25-meter eight lane lap pool
- Racing blocks
- Diving board
- Concessions
- Funbrellas



Programs

Birthday parties
Private rentals

Admission

Residents: \$3.50-\$7
Nonresidents: \$4.50-\$9



5. Deer Creek Pool, Littleton

8637 S. Garrison St.

Littleton, CO

720-981-8393

Perfect for the 0-14 age group, this pool is 4 foot 6 at its deepest.

- Zero-depth entry pool
- Fountain features
- Waterslide
- Lap lanes
- Concessions
- Shade pavilions

Programs

Swim lessons

Birthday parties

Admission

\$5-\$7



6. Globeville Pool at Argo Park

4700 Logan St.

Denver, CO

303-292-2358

- Zero-depth entry pool
- Waterslide
- Two lap lanes
- Geysir fountain

Programs

Swim lessons

Water aerobics

Admission

Adults: \$3

Children: \$1



7. City Park Pool, Thornton

2141 E. 95th Ave.

Thornton, CO

303-538-7318

Renovated in 2004, City Park Pool in Thornton is a public water park that features:

- Zero-depth entry pool
- Lap lanes
- Lazy river
- 300-gallon water-dump bucket
- Two twisting waterslides — one for speed and one for tubing
- Tot area with colorful water features
- Shade tents
- Vending machines



Programs

Swim lessons

Birthday parties

Admission

Resident: \$3.50

Nonresident: \$4.75

8. Brighton Oasis Family Aquatic Park

1852 E Bromley Ln.

Brighton, CO 80601

303-655-2095

- Leisure pool
- Waterslides
- Lazy river
- Climbing wall
- Party pavilions

Programs

Swim lessons

Swim team

Lifeguard lessons

Admission

Resident: \$2.50-\$4.50

Nonresident: \$3.50-\$6.75



9. Hyland Hills Water Park



8801 Pecos St.
Federal Heights, CO 80260
303-427-7873

Opened in 1979, Hyland Hills Water Park features:

- Wave pools
- Lazy rivers
- Waterslides
- Water coasters
- White water raft rides
- Tot area

Admission

General daily admission: \$42



Section 4

Concepts

Option 1
Option 2
Option 3



Section 4: Concepts

Three concepts were developed for the City of Englewood's consideration. Each concept features

- Signature attraction
- FlowRider addition
- Climbing wall (in the existing competition pool)
- Aquaplay 750 to replace the SCS
- Replace the spraypad features
- Addition of a group pavilion
- Addition of cabanas
- Enclosure for slide pumps
- Heating for mechanical room

Option 1: Boomerango Family Raft Ride

Cost: \$5,494,000



OPINION OF PROJECT COST: Option 1 - Boomerango						
Description	Unit	Amount	Cost per Unit	Opinion of Cost	Opinion of Cost	
Addition		7	440,714	\$3,085,000	\$3,085,000	
Boomerango	Quantity	1	925,000	\$925,000		
Mechanical Area	Allowance	1	100,000	\$100,000		
FlowRider	Quantity	1	1,300,000	\$1,300,000		
AquaPlay 750	Quantity	1	475,000	\$475,000		
AquaPlay Mechanical	Allowance	1	50,000	\$50,000		
Climbing Wall	Quantity	1	35,000	\$35,000		
Spraypad Features	Allowance	1	200,000	\$200,000		
Support		5,524		\$788,900	\$788,900	
Pool Deck	Sq. Ft.	15,000	7	\$105,000		
Overhead Lighting	Sq. Ft.	15,000	3	\$45,000		
Mechanical Room Heater	Allowance	1	20,000	\$20,000		
Slide Pump Enclosure	Allowance	1	30,000	\$30,000		
Lifeguard Office	Sq. Ft.	560	165	\$92,400		
Entry Signage	Allowance	1	50,000	\$50,000		
Pavilion	Sq. Ft.	4,950	70	\$346,500		
Cabanas	Quantity	10	5,000	\$50,000		
Pavilion	Quantity	1	50,000	\$50,000		
Subtotal				3,873,900	3,873,900	
Site Construction Costs (landscaping, utilities, walks)				\$450,000	\$450,000	
Subtotal				\$4,323,900	\$4,323,900	
Inflation (1 year)	5.0%			\$216,195	\$216,195	
Contingency	10.0%			\$454,010	\$454,010	
Indirect Costs	10.0%			\$499,410	\$499,410	
Opinion of Probable Cost				\$5,493,515	\$5,493,515	
Total Estimated Project Costs:				\$5,493,515	\$5,493,515	
Say				\$5,494,000	\$5,494,000	
Source: Counsilman-Hunsaker						

Option 2: Four Lane Mat Racer Slide

Cost: \$5,356,000



OPINION OF PROJECT COST: Option 2 - Mat Racer					
Description	Unit	Amount	Cost per Unit	Opinion of Cost	Opinion of Cost
Addition		8	382,500	\$3,060,000	\$3,060,000
Mat Racer	Quantity	1	700,000	\$700,000	
Mechanical Area	Allowance	1	100,000	\$100,000	
FlowRider	Quantity	1	1,300,000	\$1,300,000	
AquaPlay 750	Quantity	1	475,000	\$475,000	
AquaPlay Mechanical	Allowance	1	50,000	\$50,000	
Drop Slide	Quantity	1	200,000	\$200,000	
Climbing Wall	Quantity	1	35,000	\$35,000	
Spraypad Features	Allowance	1	200,000	\$200,000	
Support		4,324		\$704,900	\$704,900
Pool Deck	Sq.Ft	15,000	7	\$105,000	
Overhead Lighting	Sq.Ft	15,000	3	\$45,000	
Mechanical Room Heater	Allowance	1	20,000	\$20,000	
Slide Pump Enclosure	Allowance	1	30,000	\$30,000	
Lifeguard Office	Sq.Ft	560	165	\$92,400	
Entry Signage	Allowance	1	50,000	\$50,000	
Pavillion Deck	Sq.Ft	3,750	70	\$262,500	
Cabanas	Quantity	10	5,000	\$50,000	
Pavilion	Quantity	1	50,000	\$50,000	
Subtotal				3,764,900	3,764,900
Site Construction Costs (landscaping, utilities, walks)				\$450,000	\$450,000
Subtotal				\$4,214,900	\$4,214,900
Inflation (1 year)	5.0%			\$210,745	\$210,745
Contingency	10.0%			\$442,565	\$442,565
Indirect Costs	10.0%			\$486,821	\$486,821
Opinion of Probable Cost				\$5,355,030	\$5,355,030
Total Estimated Project Costs:				\$5,355,030	\$5,355,030
Say				\$5,356,000	\$5,356,000
Source: Counsilman-Hunsaker					

Option 3: Flying Saucer Tube Ride

Cost: \$5,838,000



OPINION OF PROJECT COST: Option 3 - Flying Saucer					
Description	Unit	Amount	Cost per Unit	Opinion of Cost	Opinion of Cost
Addition		7	479,429	\$3,356,000	\$3,356,000
Flying Saucer	Allowance	1	1,196,000	\$1,196,000	
Mechanical Area	Allowance	1	100,000	\$100,000	
FlowRider	Qty	1	1,300,000	\$1,300,000	
AquaPlay 750	Qty	1	475,000	\$475,000	
AquaPlay Mechanical	Allowance	1	50,000	\$50,000	
Climbing Wall	Qty	1	35,000	\$35,000	
Spraypad Features	Allowance	1	200,000	\$200,000	
Support		5,524		\$788,900	\$788,900
Pool Deck	Sq.Ft	15,000	7	\$105,000	
Overhead Lighting	Sq.Ft	15,000	3	\$45,000	
Mechanical Room Heater	Allowance	1	20,000	\$20,000	
Slide Pump Enclosure	Allowance	1	30,000	\$30,000	
Lifeguard Office	Sq.Ft	560	165	\$92,400	
Entry Signage	Allowance	1	50,000	\$50,000	
Pavillion Deck	Sq.Ft	4,950	70	\$346,500	
Cabanas	Qty	10	5,000	\$50,000	
Pavilion	Qty	1	50,000	\$50,000	
Subtotal				4,144,900	4,144,900
Site Construction Costs (landscaping, utilities, walks)				\$450,000	\$450,000
Subtotal				\$4,594,900	\$4,594,900
Inflation (1 year)	5.0%			\$229,745	\$229,745
Contingency	10.0%			\$482,465	\$482,465
Indirect Costs	10.0%			\$530,711	\$530,711
Opinion of Probable Cost				\$5,837,820	\$5,837,820
Total Estimated Project Costs:				\$5,837,820	\$5,837,820
Say				\$5,838,000	\$5,838,000
Source: Counsilman-Hunsaker					

Capacity

The following is a chart that details the hourly capacity of the Boomerango, Mat Racer, Flying Saucer and FlowRider.

	BOOMERANGO	MAT RACER	FLYING SAUCER	FLOWRIDER
CAPACITY	200-300 GUESTS/HR	240-480 GUESTS/HR	360 GUESTS/HR	60-120 GUESTS/HR

Phasing the Attractions

No matter how many amenities there are, over time people enjoy experiencing something new. To generate additional excitement, a new ride or amenity every two to three years is about the norm, especially when meeting the needs of an underserved group. Expansion keeps momentum high and if attractions are added for age groups who have been previously neglected, new segments of the population are attracted. Attendance typically increases as amenities become more diverse and exciting. When master planning a facility, phasing in new features every few years keeps community interest at an elevated level.

At most waterparks, Saturdays are typically at capacity, but during the week there might be a fraction of that attendance. Finding ways to improve attendance Monday through Friday can be a challenge, but possible. For example, a FlowRider might bring in a lot of surfers and spectators as competitions are formed. The facility might even host the FlowRider Competitive Circuit, which was established for existing FlowRider locations worldwide.

Phasing Option #1 - Signature Attraction (Mat Racer)

OPINION OF PROJECT COST: Option 1 - Mat Racer					
Description	Unit	Amount	Cost per Unit	Opinion of Cost	Opinion of Cost
Addition		7	114,286	\$800,000	\$800,000
Mat Racer	Quantity	1	700,000	\$700,000	
Mechanical Area	Allowance	1	100,000	\$100,000	
Support		574		\$157,961	\$157,961
Pool Deck	Sq. Ft.	15,000	7	\$105,000	
Fencing	Sq. Ft.	122	65	\$7,961	
Overhead Lighting	Sq. Ft.	15,000	3	\$45,000	
Subtotal				957,961	957,961
Site Construction Costs (landscaping, utilities, walks)				\$300,000	\$300,000
Subtotal				\$1,257,961	\$1,257,961
Inflation (1 year)	5.0%			\$62,898	\$62,898
Contingency	10.0%			\$132,086	\$132,086
Indirect Costs	10.0%			\$145,294	\$145,294
Opinion of Probable Cost				\$1,598,239	\$1,598,239
Total Estimated Project Costs:				\$1,598,239	\$1,598,239
Say				\$1,599,000	\$1,599,000

Source: Counsilman-Hunsaker



Phasing Option #2 – FlowRider

OPINION OF PROJECT COST: Option 2 - FlowRider					
Description	Unit	Amount	Cost per Unit	Opinion of Cost	Opinion of Cost
Addition		8	162,500	\$1,300,000	\$1,300,000
FlowRider	Quantity	1	1,300,000	\$1,300,000	
Support		574		\$22,907	\$22,907
Pool Deck	Sq.Ft	2,000	7	\$14,000	
Fencing	Sq.Ft	45	65	\$2,907	
Overhead Lighting	Sq.Ft	2,000	3	\$6,000	
Subtotal				1,322,907	1,322,907
Site Construction Costs (landscaping, utilities, walks)				\$50,000	\$50,000
Subtotal				\$1,372,907	\$1,372,907
Inflation (1 year)	5.0%			\$68,645	\$68,645
Contingency	10.0%			\$144,155	\$144,155
Indirect Costs	10.0%			\$158,571	\$158,571
Opinion of Probable Cost				\$1,744,278	\$1,744,278
Total Estimated Project Costs:				\$1,744,278	\$1,744,278
Say				\$1,745,000	\$1,745,000
Source: Counsilman-Hunsaker					

Phasing Option #3 – Children’s Area, Climbing Wall, Pavilion Deck

OPINION OF PROJECT COST: Option 3 - AquaPlay					
Description	Unit	Amount	Cost per Unit	Opinion of Cost	Opinion of Cost
Addition		7	108,571	\$760,000	\$760,000
AquaPlay 750	Qty	1	475,000	\$475,000	
AquaPlay Mechanical	Allowance	1	50,000	\$50,000	
Climbing Wall	Qty	1	35,000	\$35,000	
Spraypad Features	Allowance	1	200,000	\$200,000	
Support		0		\$521,500	\$521,500
Mechanical Room Heater	Allowance	1	20,000	\$20,000	
Slide Pump Enclosure	Allowance	1	30,000	\$30,000	
Entry Signage	Allowance	1	25,000	\$25,000	
Pavillion Deck	Sq.Ft	4,950	70	\$346,500	
Cabanas	Qty	10	5,000	\$50,000	
Pavilion	Qty	1	50,000	\$50,000	
Subtotal				1,281,500	1,281,500
Site Construction Costs (Demolition, Renovation)				\$100,000	\$100,000
Subtotal				\$1,381,500	\$1,381,500
Inflation (1 year)	5.0%			\$69,075	\$69,075
Contingency	10.0%			\$145,058	\$145,058
Indirect Costs	10.0%			\$159,563	\$159,563
Opinion of Probable Cost				\$1,755,196	\$1,755,196
Total Estimated Project Costs:				\$1,755,196	\$1,755,196
Say				\$1,756,000	\$1,756,000

Source: Counsilman-Hunsaker

Attendance Impact of Phasing Options

The following chart details the impact of attendance on the three different phasing options. The biggest impact on attendance and revenue to implement in Phase 1 is the Mat Racer Slide.

	Phasing Option #1 Mat Racer	Phasing Option #2 FlowRider	Phasing Option #3 Children’s Area
Impact on Attendance	HIGH 10,000+	MEDIUM 2,500 – 5,000	LOW Under 2,500



Section 5

Operations

Opinion of Revenue
Opinion of Expenses
Operations Summary
Funding Options

Section 5: Operations

Revenue analysis includes special user group usage and facility per capita spending trends, thus developing an opinion of revenue for the next 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.

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. Operating data from other facilities in the area were reviewed and taken into account to form projections.



Opinion of Revenue

Programming

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:

Aquatics Instruction Revenue

FlowRider Lessons

Rentals

Birthday Party/Cabana Rentals

The following chart-details the revenue, expenses and “net” income for the above programming options.

Aquatics Programs Revenue & Expenses					
Revenue	Mgmt. Assump.	Price Per Session (8)	Total Per Session	No. Sellable Sessions	Year 1
		Year 1	Year 1		
Aquatics Instruction Revenue					
FlowRider Lessons	8 classes/session	\$60	50	1	\$3,000
Rentals					
Cabanas	\$/Full Day Rental	\$85	255	0.75	\$16,256
Area Revenue					\$19,256
Expense					Year 1
Mgmt Assump.					
Program Supplies	4% of year 1 gross revenue; 3% annual increase	\$770			
Marketing	5% of year 1 gross revenue	\$963			
Part-Time Program Staff	50% of gross	\$1,500			
Area Expense					\$3,233
Net Revenue					\$16,023



Admission Fees

In order to project revenue, fee schedules have been 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.

A critical component of an enterprise fund management protocol is the revenue and pricing policy. The revenue projections are based on Pirates Cove current, average per capita expenditure of \$10.91 per guest.



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

	2016	2017	2018	2019	2020
Attendance					
Option 1: Boomerango	23,394	23,532	23,654	23,792	23,930
Option 2: Mat Racer	23,167	23,304	23,425	23,561	23,698
Option 3: Flying Saucer	23,372	23,510	23,631	23,769	23,907
Per Capita Spending (3% Annual Increase)					
Option 1: Boomerango	\$10.91	\$11.23	\$11.57	\$11.92	\$12.27
Option 2: Mat Racer	\$10.91	\$11.23	\$11.57	\$11.92	\$12.27
Option 3: Flying Saucer	\$10.91	\$11.23	\$11.57	\$11.92	\$12.27
Aquatic Programming Revenue					
Option 1: Boomerango	\$16,023	\$16,146	\$17,025	\$17,099	\$18,036
Option 2: Mat Racer	\$16,023	\$16,146	\$17,835	\$17,913	\$18,895
Option 3: Flying Saucer	\$16,023	\$16,146	\$17,835	\$17,913	\$18,895
Total Revenue (Gross)					
Option 1: Boomerango	\$271,139	\$280,466	\$290,683	\$300,612	\$311,748
Option 2: Mat Racer	\$268,662	\$277,900	\$288,836	\$298,673	\$309,755
Option 3: Flying Saucer	\$270,892	\$280,209	\$291,228	\$301,151	\$312,322

Opinion of Expenses

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 on 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 2016 utility rate information. A figure of \$0.051 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.



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 facility, miscellaneous items will need to be repaired by outside firms. The capital replacement fund sets money aside for repairs/replacement.

Facility Staff

Projected annual payroll expenses are listed by summer and winter classifications reflecting benefits and taxes. Scheduling employees is determined by programming demand and management procedure. Wherever possible, pay rates were determined by local 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.

The following table shows an opinion of expenses for each option.

	2016	2017	2018	2019	2020
Direct Facility Expenses					
Option 1: Boomerango	142,048	145,599	149,239	152,970	156,795
Option 2: Mat Racer	134,700	138,068	141,520	145,058	148,684
Option 3: Flying Saucer	146,127	149,780	153,525	157,363	161,297
Aquatic Programming Expenses					
Option 1: Boomerango	\$3,233	\$3,410	\$3,683	\$3,790	\$4,098
Option 2: Mat Racer	\$3,233	\$3,410	\$3,858	\$3,971	\$4,293
Option 3: Flying Saucer	\$3,233	\$3,410	\$3,858	\$3,971	\$4,293
Total Operating Expenses					
Option 1: Boomerango	\$145,281	\$149,009	\$152,922	\$156,760	\$160,892
Option 2: Mat Racer	\$137,933	\$141,478	\$145,378	\$149,028	\$152,977
Option 3: Flying Saucer	\$149,360	\$153,190	\$157,383	\$161,333	\$165,590



Operations Summary

The following chart provides a “recapture rate” to define the percentage of operating expenses recuperated or recaptured by operating revenue. The debt service assumption is based on a repayment timeline of the total project cost at a rate of 5% over 20 years. While the annual operational budget for the expansion creates a positive cash flow, it does not create enough revenue to pay 100% of the debt service for the expansion.

	2016	2017	2018	2019	2020
Option 1: Boomerango					
Project Cost	\$5,493,515				
Attendance	23,394				
Revenue	\$271,139	\$280,466	\$290,683	\$300,612	\$311,748
Expense	\$145,281	\$149,009	\$152,922	\$156,760	\$160,892
Operating Cashflow	\$125,858	\$131,457	\$137,761	\$143,851	\$150,856
Recapture Rate	187%	188%	190%	192%	194%
Capital Replacement Fund	\$27,500	\$27,500	\$27,500	\$27,500	\$27,500
Debt Service	(\$422,320)	(\$422,320)	(\$422,320)	(\$422,320)	(\$422,320)
Cash Flow	(\$323,962)	(\$318,364)	(\$312,060)	(\$305,969)	(\$298,965)

Option 2: Mat Racer					
Project Cost	\$5,355,030				
Attendance	23,167				
Revenue	\$268,662	\$277,900	\$288,836	\$298,673	\$309,755
Expense	\$137,933	\$141,478	\$145,378	\$149,028	\$152,977
Operating Cashflow	\$130,729	\$136,422	\$143,459	\$149,645	\$156,778
Recapture Rate	195%	196%	199%	200%	202%
Capital Replacement Fund	\$26,800	\$26,800	\$26,800	\$26,800	\$26,800
Debt Service	(\$411,674)	(\$411,674)	(\$411,674)	(\$411,674)	(\$411,674)
Cash Flow	(\$307,745)	(\$302,052)	(\$295,015)	(\$288,829)	(\$281,696)

Option 3: Flying Saucer					
Project Cost	\$5,837,820				
Attendance	23,372				
Revenue	\$270,892	\$280,209	\$291,228	\$301,151	\$312,322
Expense	\$149,360	\$153,190	\$157,383	\$161,333	\$165,590
Operating Cashflow	\$121,532	\$127,019	\$133,845	\$139,817	\$146,732
Recapture Rate	181%	183%	185%	187%	189%
Capital Replacement Fund	\$29,200	\$29,200	\$29,200	\$29,200	\$29,200
Debt Service	(\$448,789)	(\$448,789)	(\$448,789)	(\$448,789)	(\$448,789)
Cash Flow	(\$356,458)	(\$350,970)	(\$344,144)	(\$338,172)	(\$331,257)



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.

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 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.

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.

C

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

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.¹⁶

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

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.



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.

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

M

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.

N

National Recreation and Parks

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

P

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.

T

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 Masters Swimming:

National organization that provides organized aquatic workouts, competitions, clinics, and workshops for adults 18+.

W

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



Appendix B: General Limiting Conditions

This study is based on information that was current as of July 2016. 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.

