Attachment 10

To: Honorable Mayor & Town Councilmembers

From: Leslie Herman, Director Parks & Recreation

CC: Mercury Payton, Town Manager
Steven Barlow, Finance Director

Date: January 16, 2025

Subject: Town Councilmember Responses on Proposed Aquatic/Exercise Facility Operating Revenue and Expense Estimates in preparation for January 21, 2025 Council Work Session – revised version 3

At the Town Council work session on December 16, 2024, Kimmel Bogrette and Ballard*King presented an overview of the key factors that have shaped their projections for a potential aquatics and fitness center in Vienna. To help the Council decide whether to temporarily raise the meals tax for ten years to finance the construction of this facility or to maintain the current meals tax and forgo the project at this time, the Council provided a list of questions to Town Staff, which were then relayed to Kimmel Bogrette. The answers to these questions will be discussed in the January 21, 2025, Town Council Work Session.

Darin Barr from Ballard*King & Associates (B*K) and Town staff have compiled responses to the Council's inquiries in this document. I kindly ask that you review these responses at your earliest convenience. If you have any further questions or need clarification, Darin and Town staff will be available for virtual Teams meetings next week on Wednesday (1/15) and Thursday (1/16). He will also be available on Tuesday afternoon (1/21). Please let me know as soon as possible if you would like to arrange a meeting, and I will schedule a time.

Introduction: B*K developed the operational plan with the following data points; market assessment, input from Town staff, history of similar studies, and history of operating similar facilities. The purpose of the study is to provide information to the Town regarding the feasibility of a new indoor space. The information that B*K has developed points to the fact that such an indoor space is feasible. The operational plan, which is a point of concern, illustrates a higher cost recovery than was anticipated, but is consistent with what B*K has experienced in other communities with similar characteristics (Town of Scarsdale, NY, Town of Pittsford, NY, Oak Park, IL, Richmond Heights, MO).

When developing an indoor facility, like what is being proposed in the Town, it is very difficult to say what percentage of membership is associated with fitness v. aquatics. If the Town were to only build a fitness only facility, there would be a lower price point for membership, the same can be said for aquatics. By combining the amenities together, along with meeting room spaces, the facility demands a higher price point, thereby achieving a higher cost recovery level. It can also be said that the overall appeal of the facility is much broader as opposed to a standalone.

As a baseline, B*K completed a market report for the study, which looked at the Town of Vienna and the Primary Service Area[1]. The Primary Service Area is defined as the distance that individuals are willing to drive on a daily or weekly basis. As such a 10-minute drive time was used. This is an extremely conservative drive time and considers that there are other service providers in the area. Pools (like recommended in the study) and fitness facilities are those that people are not willing to travel significant distances to use. In comparison, people are willing to travel long distances to use facilities like ice rinks, or competition specific aquatic facilities.

When B*K is asked for key indicators that point to financially successful community recreation centers, they look at 3 indicators:

- Total Population. The data point B*K uses is a population of more than 50,000 people. In the primary service area, the total population is 105,952 (2024 estimate) with 15.5% (16,414) residents of the Town.
- Median Household Income. The income level in the Primary Service Area is almost double that of the state and national figures, with the Town's income being even higher. To that end, 70.0% of the Primary Service Area, and 76.5% of the Town has an income of over $75,000, another key indicator of success.
- Median Age. A positive attribute is a lower median age, which points to the presence of families with children, which are significant users of indoor recreation facilities. The median age in the Primary Service Area is equal to the State and National figures, with the Town (42.6) being slightly higher. While the Town's median age is slightly higher 44.4% of household have children under the age of 18.

These key indicators point to the potential for a financially successful indoor community recreation facility.

Other considerations when looking at numbers.

- The adult market potential for activities that could take place in this facility is greater than the national figure. Active adults = active families.
- Swimming and exercising w/ equipment are activities that attract the full age spectrum. This facility addresses the full market of potential users. The user group is not truncated and dependent on children or families, it touches all age groups, thereby broadening the market for users.

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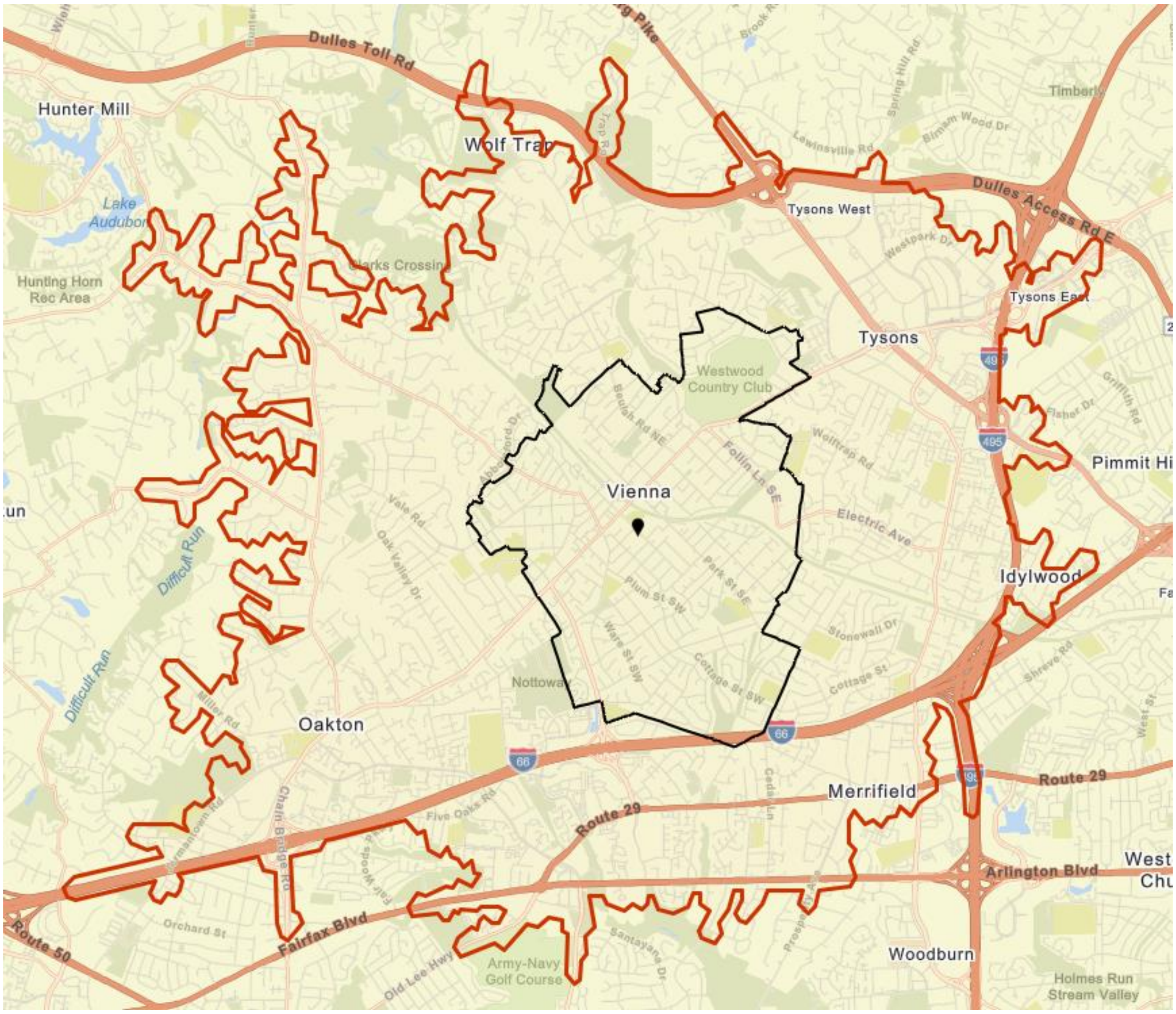
[1] Map of the service areas on page 3.

Service Area Maps:



- Black Boundary – Immediate Service Area (Town of Vienna)
- Red Boundary – Primary Service Area (10-Minute Drive Time)

Membership Information:

- Resident Membership:
  - 750 Memberships
  - 10.7% of Population (1,750)
  - 13.7% of Households

- Non-Resident Memberships:
  - 550 Memberships
  - 1.2% of Population (89,540)
  - 1.5% of Households

- Total Memberships:
  - 1,300 Memberships
  - 2.6% of Population (105,952) in the Primary Service Area
  - 3.1% of Households (41,901) in the Primary Service Area

When private providers look to develop a facility, they look at a 5-mile radius, which the 10-mintue drive time considers. Further, when looking at market penetration most private providers hope to capture 5-10% of the market for services. The report that B*K has developed suggests that within Primary Service Area (10-Minute Drive Time) only 3.1% of households will use the proposed facility, significantly less than the private sector data point. As such, this would indicate to B*K that the estimates are conservative and could experience growth.

Councilmember Anderson:

- Question 1A - Are there any industry formulae for calculating practical membership limits for pools, based on area?

  Response 1A - No. There are no industry formulas that exist on calculating those limits. Referring to the key indicators of population, income, and age, the indicators would suggest that a facility of this nature would receive higher use for a population like the Primary Service Area and the Town.

- Question 1B - If no such formulas are available, has there been any attempt to calculate practical membership limits, and what might those be?

  Response 1B - When developing the pro-forma B*K calculates the first full year of operation and provides total memberships sold. Again, 3.1% of households are in the primary service area. From there a percentage increase is assumed from year 1-2 and beyond. Those increases are based on a potential increase in membership sales and increased programming.

  For most facilities they achieve what will be referred to as “normal” operational figures by year 3. At that point, the membership figures and participation levels hit a homeostasis. Much of that is predicated on the facility and use patterns.

  Speaking directly about limits on the number of memberships. B*K has had some clients (Town of Scarsdale, NY, The Salvation Army Southern Territory, Lenexa, KS, and a recent study in York, ME) that have limited the total number of non-resident memberships that can be sold. B*K did not take this approach when developing the Town’s pro-forma, as the total population of the Town indicated that it would require non-resident participation to increase financial performance.

- Question 2A - How does the membership estimates in the Final Report adjust for likely memberships in the TOV primary service area for these market service areas that are closer to a county facility, keeping in mind that 1) proximity is an important driver of membership levels; and 2) Oakmont in particular has some important differences (total capacity, lap lanes) that would make it more attractive to some users over the proposed Vienna facility?

  Response 2A - The market penetration rate considers the fact that there are other facilities in the area, which is why it is low at 3.1%. Proximity to home, proximity to work, and cost are primary factors when determining which facilities individuals and/or households will use. The other factors that need to be considered are the uniqueness of the facility and patronage to the community that one lives in. It is not uncommon in areas with similar socioeconomic characteristics, for households to have multiple membership. Some of those may serve an individual need, while others a family or household need.

- Question 3A - What is the basis for the 9-12% Vienna resident household participation rate as shown on the final report. How does that estimate compare with household participation rates in geographically comparable areas surrounding aquatic/rec centers in the rest of the County?

  Response 3A - As was indicated in the question, Fairfax County is 4%, the report generated by B*K suggests 3.1% of households, or 2.6% of the population, in the Primary Service Area. The rates of participation from the Town are significant, but they are not out of line with a Town, with similar demographic characteristics of Vienna, that introduces a new indoor community recreation facility to their inventory.

- Question 3B - The total membership revenue estimates equate to a household participation of 16%, whereas the claimed membership rates are in the 9-12% range. Please reconcile this discrepancy, and adjust the total expected revenues as needed.

  Response 3B –

Category	Residents		Non-Residents	
	Memberships	Individuals	Membership	Individuals
Youth	50	50	50	50
Adult	100	100	125	125
Household	500	1,500	250	750
Senior	75	75	75	75
Senior +1	25	50	50	100
Total	750	1,775	550	1,100

Town of Vienna	10.7% of Population, 13.7% of Households
Primary Service Area	2.6% of Population, 3.1% of Households

- Question 4A - Can you go back to FFX Co and ask them to check their revenue figures, and confirm that they have given us all sources of revenue generated by their rec centers?

  Response 4A – Please see Attachment 1:
  FCPA Rec Center Revenue Summary – total revenue broken down by FCPA categories

- Question 4B - The FFX Co Revenue data, if it all possible, should be broken into the categories set forth in the same categories as shown on p. 9 of the Kimmel Bogrette study, plus lap rentals for swim teams:
  i. Membership fees (by type)
  ii. Daily admission
  iii. Aquatic program (classes?)
  iv. Dry programs
  v. Birthday parties
  vi. Room rentals
  vii. Pool lap rentals

  Response 4B – Please see Attachment 1:
  FCPA Rec Center Revenue Summary – total revenue broken down by FCPA categories

- Question 4C - How does FFX Co apportion membership revenues to individual facilities (Presumably, there is a county-wide membership which grants usage rights to all facilities.)

  Response 4C - FCPA allocates all membership revenues to the site at which the membership is purchased. For purchases made online, FCPA allocates the revenue based off the customer identifying their primary location.
  FCPA provided the total member count at the end of FY24 across the system – 23,220

- Question 4D - If at all possible, it would be great if we could get total operating revenues and expenses, as well as original capital costs, for the Herndon community center. –.

  Response 4D – Herndon Community Center Natatorium (Attachment 2)
  FY24 Expenditure - $747,358
  FY24 Revenue - $591,740
  Capital Costs – TOV is working on a response to this request.

- Question 4E - It would be great if we could see some operating revenue/expense data for aquatics/work-out centers of similar size and features.

  Response 4E-
  - K*B is working on a response to this request.
  - Reston Community Center Aquatics Center has a 6-lane, 25-yard lap pool, with zero-depth entry and play area and a warm water exercise pool. However, there is no fitness center. See attachment #8 for operating revenue/expense data.

Councilmember Baldwin:

- Question 1 **-** According to your Operation Planning Report (Attachment 5 - Appendix C) from the September 30, 2024, council meeting:

  The amount of revenue projected on Page 9 (the 31st page of the attachment) from the memberships that you anticipate from the aquatics & fitness Option 1 are $793,688 per year, and for the aquatics & fitness Option 2 your estimated revenue is $1,033,313.

  On Page 4, your recommended fee structure for the aquatic and fitness Option 1 is $840/yr for households and $660/yr for adult, and your recommended fee structure for the aquatic and fitness Option 2 is $960/yr for households and $660/yr for adult.

  If we divide the figures on Page 9 (actually 31) by the recommended fee structure on Page 4, we get between 944 and 1,076 memberships, whether from adults or households. So, my question is whether it is reasonable to assume that there will be that many households in Vienna that will purchase memberships? My question has its genesis in Page 3 (your demographic summary), which shows that by 2028 the estimated number of households in Vienna will be 5,465. Since these memberships would be restricted to Town residents, to achieve the amount of revenue set forth on Page 9 of your report, we would have to persuade 1 in 5 of those Vienna households

  If your answer is "yes", please tell us the names of some of the localities that you identified that have enjoyed such a level of success.

  Response 1 - Again, when one looks at the total population of the Primary Service Area, B*K is suggesting that 3.1% of Households (1,300 of 41,901) and 2.6% of Population (2,800 of 105,952) would have a membership.

  Based on participation information from the National Sporting Goods Association that was included in participation statistic portion of the report, the following population, age 7 and up, participate in the following activities.

  - Exercising w/ Equipment 18,774
  - Swimming 16,120
  - Workout @ Club 9,535

  If we ONLY look at swimming, exercising w/ equipment, and working out at a fitness club figures it would suggest a total of 44,429 individuals. The 2,800 total population, through membership, equates to 6.3% of that population.

Councilmember Springsteen:

- Question 1 – Can we get the breakout of income and operating expenses for the Reston Community Center? Also, the usage and membership numbers and costs of different membership and daily usage cost and size of facility?

- Response 1 – see attachment #8 & #8a - Reston Community Center Aquatics Center
    - Total Expenditures FY24 - $1,062,089
    - Total Revenue FY24 – $425,000 – (pool revenue $82,000)
    - FY24 Usage – 23,117 visits to the RCC swimming pool
    - Size of facility – 6 lanes, 25-yard lap pool, 6 meeting rooms, 260-seat theatre, dance studio and community room
    - Membership Numbers (Pass/Daily Visits) – 18,645
    - Membership Fees – are for use of the pool only

Reston		
Annual	*Resident*	*Non-Res*
Youth	$250.00	$500.00
Adult	$480.00	$960.00
Household	N/A	N/A
Senior	$250.00	$500.00
Senior + 1	N/A	N/A
Daily	*Res*	*Non-Res*
Under 2	n/a	n/a
Youth 0-17	$ 3.00	$ 6.00
Adult	$ 5.00	$ 10.00
Senior (65+	$ 3.00	$ 6.00
Household		
Monthly	*Res*	*Non-Res*
Youth	$ 25.00	$ 90.00
Adult	$ 45.00	$ 90.00
Household	n/a	n/a
Senior	$ 25.00	$ 50.00
Senior + 1	n/a	n/a

- Question 2 - Can we get the breakout of income and operating expenses of the Herndon community pool? Also, the usage and membership numbers and cost of different membership and daily usage cost and size of facility?

- Response 2 – Herndon Community Center Natatorium (Attachment 2)
    - FY24 Expenditure - $747,358
    - FY24 Revenue - $591,740
    - FY24 Usage – To be provided
    - Size of facility – 8 lanes, 25-yard lanes, kiddie pool, sauna, diving well
    - Membership Fees – See Attachment 7

- Question 3 - What is the total Fairfax County Park Authority county-wide membership for their pools?

  Response 3 - The total FCPA member count at the end of FY24 across the system is 23,220. Members have access to the pool and fitness facility.

- Question 4 - How did you arrive at the projected 2,500 memberships needed for the proposed Annex project?

  Response 4 - For the preferred option, B*K arrived at a total of 1,300 membership units, or 3.1% of households within the Primary Service Area, which is approximately 2,875 individuals.

  Town:

750 Memberships	1,775 Individuals	16,412 Town Population

  Non-Town:

550 Memberships	1,100 Individuals	89,540 Non-Town Population

  Total in Primary Service Area:

1,300 Memberships	2,875 Individuals	105,952 Population

- Question 5 - What is the difference between the consultant's projected income and operating budget and the TOV staff?

  Response 5 - After the consultant provided operating cost and revenue projections which detailed a 76% to 86% cost recovery in years 1 through 5 of operations, Town Staff felt that these figures were "strong" and wanted to guide the cost recovery back to an industry average benchmark of 35% to 50%. Staff felt it was appropriate to provide council and the public a "worst-case" scenario, with much lower cost recovery percentages, and to provide the public comfort that even in this scenario, the Town of Vienna operating budget could handle the operating deficit.

Response 5 continued

Operations & Revenue – Estimated Projections

	Kimmel Bogrette Study	Partial Year	Year 1	Year 2	Year 3	Year 4	Year 5
Study No Inflation	Expenses	*Partial Year*	$2,248,166	$2,270,647	$2,338,767	$2,408,930	$2,481,197
	Revenue	*Data Not*	$1,712,055	$1,883,261	$2,015,089	$2,075,541	$2,137,808
	Operating Deficit	*Included In*	$536,111	$387,386	$323,678	$333,389	$343,389
	Cost Recovery	*Study*	76%	83%	86%	86%	86%
	Town Projections	**FY2029 (Partial)**	**FY2030**	**FY2031**	**FY2032**	**FY2033**	**FY2034**
3% Year Over Year Inflation	Expenses	$1,303,200	$2,684,500	$2,765,000	$2,848,000	$2,983,400	$3,112,900
	Revenue	$256,500	$1,058,000	$1,322,500	$1,401,850	$1,486,000	$1,575,160
	Operating Deficit	$1,046,700	$1,626,500	$1,442,500	$1,446,150	$1,497,400	$1,537,740
	Cost Recovery	20%	39%	48%	49%	50%	51%
		Assumes 6mo of Staffing and 3mo Revenue	*Assumes full staffing FY2030-2034 with revenue ramping up through year two (FY2031) and stabilizng in year three (FY2032).*				

Capital Improvements/Maintenance Fund (not shown) remains at $100,000 annually.

Town's estimate is a conservative model based on conservative cost recovery that does not include partner contributions, sponsorships, partnerships, or other rental considerations.

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Increasing the consultants operating expenses and lowering their revenue projections, provided a cost recovery figure of 39% to 51% in years 1 through 5 of operations, equaling around $1,500,000 a year in operating deficit. With adequate planning during the design and construction phase of the project, the Town can build an aquatics operating reserve into the annual operating budget over a period that would cover the operating deficit without increasing real estate taxes.

- Question 6 - What does one 1 cent of the property tax yield ($100,000, $200,000 a year etc.)?

  Response 6 - An increase of one cent for 2024's assessed values yields $732,665 in additional revenue. See attached spreadsheet for revenue stream, costs, and cost recovery by department.

- Question 7 - What is a realistic Town of Vienna yearly subsidy from the operating budget for the proposed Annex project?

  Response 7 - The preferred option illustrated the following subsidies which include a $100,000 annual contribution to an improvement fund.

Year-1 subsidy	$454,510
Year-2 subsidy	$286,167
Year-3 subsidy	$210,299
Year-4 subsidy	$216,536
Year-5 subsidy	$223,032

  Most standalone indoor aquatic facilities recover 50-75% of their operating expenses, but that can be market dependent. Many of these are in the Pacific Northwest Region of the Country. That area of the country is one that still pursues the facility type. B*K typically encourages communities to produce multi-service facilities because they demand a higher price point for membership and a broader appeal.

- Question 8 – What is the cost option of the pool if it is not done but only the proposed work out center and several classrooms/meeting rooms and administrative space are?

  Response 8 – see diagram below referenced from the K*B presentation at the Town Council Conference Session – June 10, 2024

3. Community & Wellness Program (Fitness)

Fitness	Year 1	Year 2	Year 3	Year 4	Year 5
Expenses	$989,668	$999,564	$1,029,551	$1,060,438	$1,092,251
Revenue	$646,000	$691,220	$725,781	$747,554	$769,981
Town of Vienna Subsidy	($343,668)	($308,344)	($303,770)	($312,883)	($322,270)
Percentage w/ Capital	65.3%	69.2%	70.5%	70.5%	70.5%
Capital (cumulative)	$50,000	$100,000	$150,000	$200,000	$250,000

- Fitness
  - Increase Size
  - Variety of Programming
- Hours of Operation
  - 5:30A-9:00P M-F
  - 7:00A-7:00P Sat
  - 10:00A-7:00P Sun
- Membership Fees (annual)
  - $300 Youth
  - $360 Adult
  - $540 Household
  - $300 Senior
  - $360 Senior+1
- Daily Options

- Question 9 – How much cost does adding two more swim lanes to the overall cost?

  Response 9 - Speaking strictly from an operational perspective, the increase from 4 to 6 lanes will impact on the following areas:
  - Expenses:
    - Utilities – minor increase
    - Chemical Consumption – minor increase
    - Staffing – no increase
  - Revenues:
    - Lap Lane Rental – minor increase
    - Membership – potential for minor increase

- Question 10 - How many Vienna residents versus how many non-Town residents are projected to use the proposed Annex project?

  Response 10 - Using the preferred option, and accounting for membership only (no daily drop-in fees or program participation), 1,750 residents and 1,050 non-residents. Both of those figures could increase when one accounts for daily admission and program participation.

Councilmember Brill

- Question 1 - What does the Town of Vienna lack based on KB's experience working with other jurisdictions?

  Response 1 - If the focus is on indoor recreation amenities and one looks at similar communities, the gaps are typically in the areas of indoor aquatics and gymnasiums space. Another need is for indoor meeting/gathering spaces. It is difficult for those amenities (pool, gymnasium, meeting room space) to offset a significant portion of their operational expense, which is why fitness was included. A gymnasium was not added because the physical footprint would not accommodate an additional 10,000 SQ FT.

  A facility with a pool, fitness area, and meeting rooms demands a higher price point in comparison to each of those components as standalone.

  Primary Service Area Participation Figures:

Exercise Walking	39.0% of Population	36,664 Individuals
Exercise w/ Equipment	20.9% of Population	18,774 Individuals
Swimming	17.7% of Population	16,120 Individuals
Workout @ Club	10.7% of Population	9,535 individuals

  This further emphasizes the demand for services within the Primary Service Area

- Question 2 - How many of these other jurisdictions have a pool?

  Response 2 - B*K has completed over 1,200 projects in our 32 years of business. Of those 1,200 projects close to 800 have been feasibility studies of some variety. Of those 800 studies at least 500 have included aquatics in one fashion or another.

  For comparative purposes the following information was produced by the National Recreation & Park Association. The *2024 NRPA Agency Performance Review* presents data from nearly 1,000 park and recreation agencies across the country from 2021 to 2023:

  49.0% of Member Institutions Operate an Outdoor Pool
  62.0% of Member Institutions Operate a Recreation Center (including gyms)
  59.0% of Member Institutions Operate a Community Center
  30.0% of Member Institutions Operate an Indoor Aquatic Center

- Question 3 - Out of the many jurisdictions that the team has worked with that have a pool, do any of them regret their decision to install a pool?

  Response 3 - Most groups that B*K has worked for have not had immediate regrets about constructing a pool. The primary reason for that is that the pool, as a facility component, is typically a high-demand item from the public.

  The regret, if there is any, may be 10-15 years of ownership, primarily due to the cost of upkeep and ongoing maintenance. The other regret that exists in some communities is if they try and consolidate outdoor pools and decrease the total inventory.

Councilmember Ramakis:

<u>Question 1</u> – How will the Town fund a deficit?

<u>Response 1</u> -

How Will the Town Fund a Deficit, Part 2?

- Utilizing the MOST conservative estimate, a look at how the deficit could be funded (JUST an Estimate):

	Opening	*Year 1*	*Year 2*	*Year 3*	*Steady State (Yr 4 +)*	
	2029	**2030**	**2031**	**2032**	**2033**	**2034**
Estimated deficit (MOST conservative)	$ (1,046,700)	$(1,626,500)	$(1,422,500)	$(1,446,150)	$(1,497,400)	$(1,537,740)
Aquatics/Fitness NEW reserves from 2025-2029	$ 800,000	$ 1,000,000	$ 1,200,000	$ 1,400,000	$ 1,497,400	$ 1,537,740
Existing Reserves 2024	$ 246,700	$ 626,500	$ 222,500	$ 46,150		
THIS FUNDS THE DEFICIT	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Mayor Colbert:

- Question 1 - Explain the membership numbers. How did the consultant arrive at them? Why are the numbers so different?

  Response 1 - When comparing the different options, they each had a different focus, hence different membership figures. A significant driver of the difference in membership figures is the type of pool. The membership numbers for the preferred option are consistent with industry standard for a population like that of the Primary Service Area. There is a higher rate of participation from within the Town, because the Town currently does not operate a facility like this. Fitness facilities and indoor pools like what has been prescribed are those that individuals will not travel as great of a distance to use.

  Swimmers as defined by the National Sporting Goods Association (NSGA) are either frequent, occasional, or infrequent. The frequent swimmers are looking for traditional lap swimming pools, but they are also the smallest percentage of pool users (less than 5%). So based on the amenities that were included, there was a fluctuation in participation.

- Question 2 - Look at swim clubs
  - When do they want to swim – times/days
  - How many lanes do they need
  - What amount can be charged to rent the lanes

  Response 2 –

  Pozez JCC of Northern Virginia
    - The JCC offers a 25-meter, 6 lane pool for private swim clubs, pool management companies hosting lifeguard classes and organizations seeking one-day rentals or event space.
    - Lane rental rate is $55 per lane, with discounted rates available for full pool rentals.
    - The JCC pool is in high demand, particularly on weekday evenings from 4:30 pm to close and weekends in the early morning and late afternoon/evening times.

Herndon Community Center

- Herndon Community Center offers a 25-yard, 8 lane pool for public and private use.
- Lane rental rate is $25 per hour during regular hours and $75 an hour for the diving well.
- Fairfax County Public Schools rent the pool and the diving well 4 hours a week (Mon – Thurs., 3:30 – 4:30pm) for Herndon High School practices. The diving well is rented 3 days a week for 1 hour for South Lakes High School. The diving team averages 21 hours per season.
- FCPS have approximately 6 high school meets at the Herndon Community Center; each meet is approximately 3 hours and the rate per hour for the meet is $265 plus the cost of 3 lifeguards and building supervisor.

Oakmont Rec Center – Fairfax County Park Authority

- Oakmont Rec Center offers a 50-meter, 20 lane pool for public and private use.
- Private rentals held 4:30–7am and 4–9pm weekdays, Saturday mornings
- Lane use varies with largest team rental using 15 lanes.
- Lane rental rate approximately $30 per hour

Reston Community Center – Terry L. Smith Aquatics Center

- Reston Comm. Center offers a 25-yard, 6 lane pool for public and private use.
- Private rentals held 4:45 – 6:30am and 6:30 – 9:30pm weekdays, Saturday mornings 6:30 – 8:30am and 4 – 6pm, Sundays 4 – 8pm
- Lane use is 6 lanes, however 8 lanes is ideal for rental reservations
- Lane rental rate is $17 per hour/per lane for Reston Association residents, non-residents pay triple the price for rentals. $75,000 rental revenue annually
- Lane renters include Reston Master, York Swim Club, Reston Swim Team Association, South Lakes High School, James Madison High School, Paul IV

Machine Aquatics –

- Machine Aquatics (MA) represents nearly 1500 swimmers across 10 locations in Maryland and Virginia.
  - FCPA facilities – Oakmont Rec Center, Audrey Moore Rec Center
  - Loudon facilities –Claude Moore Rec Center, Dulles South Rec Center
  - Leesburg facility - Ida Lee Park Rec Center
  - Private – The Madeira School, Fairland Aquatic Center, Tuckahoe Recreation Club, Tysons One Life Fitness, University of MD
- MA operates their own swim school on Mill Street with a 2.5 lane, 25 yard pool and 2 teaching tanks. They rent lanes from 10 locations.
- Lane Rental – Ideally MA wants to rent lanes when the kids are out of school 3 – 9pm.
  - Tuckahoe Rec Center– rent 4 lanes from 4:30 – 6:30am and 6:30 - 8pm
  - Tysons One Life Fitness – rent 4 lanes from 3 – 6:30pm, 5 days a week;
  - Oakmont Recenter –
    - rent 21 lanes, 4 days a week, 4:30 – 6:30pm
    - rent 15 lanes, 3 days a week, 4:30 – 6:30pm
- Lane Rental Rate –
  - Average hourly rate per lane is $23 - $28 per hour.
  - University of MD - $28 - $29 per hour/per lane
  - Tuckahoe Rec Center - $24-$25 per hour/per lane
  - Maderia School- $23 per hour/per lane
  - MA rents 4000 lane hours from FCPA and pays over $500,000 a year

- Question 3 - What is the balance between programs?

  Response 3 - B*K took a balanced approach when developing the model to balance the use of members, program participants, and rentals. It is difficult to assign specific percentages to how those balance out, but they are consistent with similar facilities.

- Question 4 - What are all the different ways to raise revenue at the aquatic/fitness facility?

  Response 4 - Again, B*K offered a balanced approach to revenue generation. Included in the operational plan are:

  - Membership
  - Daily Use Fees
  - Aquatic Exercise
  - Swim Lessons (group and private)
  - Birthday Parties
  - Dive-In Movies
  - Parent-Tot Swim Time
  - Group Exercise
  - Personal Training
  - Summer Camp
  - Enrichment Classes

  It is important to note that the programs were not factored at capacity. It is equally important to note that B*K would identify the above programs as core services of the operation. As such, maximizing these opportunities before pursuing others would be financially prudent. The number and types of other programs that could be offered are left to the creativity of the Town of Vienna staff and the demand to increase revenue.

- Question 5 - How will increasing the swim lanes from 4 to 6 lanes impact revenue generation and expenses?

  Response 5 - Speaking strictly from an operational perspective, the increase from 4 to 6 lanes will impact on the following areas:

  Expenses:
  - Utilities – minor increase.
  - Chemical Consumption – minor increase.
  - Staffing – no increase.

  Revenues:
  - Lap Lane Rental – minor increase.
  - Membership – potential for minor increase.

- Question 6 – Show TOV department's revenue streams and their costs. Also cost recovery percentages.

  Response 6 - See attachment 3 - Vienna General Fund Cost Recovery

- Question 7 - Difference in cost and revenues and how that would work?

  Response 7 - The difference in expense and revenues moving from a 4-6 lane pool is negligible. As referenced in the previous bullet point there will be the potential for no increase to minor increase in both areas. The exception would be if the Town began to rent significant lap lane space. However, B*K would caution against that as the revenue generated from lap lane rental will not offset the revenue lost from the loss of members.

- Question 8 - Gym Memberships – how does that model work, time of day they use.

  Response 8 - The model that B*K prescribed is one that a membership gains an individual or household full access to the facility. The daily use would be very cyclical with heavy use of fitness and the pool in the early morning to mid-morning hours. Usage will drop off mid-morning and pick back up during the lunch hour. In the early afternoon the use of the facility would be minimal, except for meeting rooms and some fitness usage. After school the usage of the facility would ramp up to the 5:00-6:00P time frame where the facility would likely operate at capacity until the 8:00P time frame at which time usage would begin dropping until close of the facility.

- Question 9 – What is the waitlist for private pools?

  Response 9 –
  - Vienna Aquatics has 450 family memberships that has been steady for 10 years. There are 90 families on the waitlist with a 3.5-year wait.
  - Vienna Woods Swim & Tennis Club current charter for memberships is 750. There are 959 families on the waitlist.

Additional Information

Attachment 1 – FCPA Rec Center Revenue Summary
Attachment 2 – Herndon Comm. Center Natatorium FY24 Expenditure and Revenue
Attachment 3 – Vienna General Fund Cost Recovery
Attachment 4.- FCPA Rec Center Expense Summary
Attachment 5 – FCPA Rec Center Square Footage
Attachment 6 – FCPA Membership by Zip Code – includes zip codes that fall in the Primary Service Area (10-minute drive from Town)
Attachment 7 – Herndon Community Center Admission Fees
Attachment 8 – Reston Community Center Terry L. Smith Aquatics Center presentation with expense and revenue
Attachment 8a – Reston Community Center Terry L. Smith Aquatics Center Participation Data
Attachment 9 – Kimmel Bogrette presentation – 1.21.25 council work session