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Profitable Pools

Strategies for Designing Pools to Stay Out of the Red

By Deborah L. Vence

Planning for a new pool or renovation takes time and money. But, one of the biggest challenges is ensuring that you don't lose money after it's built.

If you ask aquatic directors who have experienced a new aquatic facility, designed for today's aquatic users, if their pool can be profitable, you will get a resounding "yes," suggested Robbie Hazelbaker, regional director of project development, Water Technology Inc. (WTI), a Beaver Dam, Wis.-based company that specializes in aquatic planning, design and engineering.

He said that since the beginning of time, this wasn't the norm, as pools were either a necessary evil or perhaps a way to round out membership.

WTI professionals see different philosophies as far as what a city chooses to charge in fees, and how much tax payer dollars they expect to use to offset pool expenses. "The majority have multiple pools and of multiple ages," he said. "But the fact is that a well-designed pool built for today's sophisticated pool user can cover its overhead, and generate a positive revenue-to-cost ratio."

How Can Pools be Profitable?

To help ensure that pools are profitable, they should be treated like any other business.

"Pools can be profitable if they are the right pool, in the right location, with the right plan. The key to success is to consider the profitability goals before designing your pool," said Kevin Post, principal, Counsilman-Hunsaker, an aquatic engineering and design firm in St. Louis.

"Once a pool is built, it becomes increasingly more difficult to guarantee a profit. This is due to over-building the new pool, designing a pool that can't offer the programs and services desired by the market area, or not considering the pricing needed to support the entire operation," Post said.

But, "A right-sized pool, in the right location, that meets the needs and expectations of the market area, and has an operational plan based on sound business models can be profitable," he added.

Other experts say several factors influence whether an existing or renovated aquatic facility can be profitable.



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community is important, as is tracking use and adjusting hours once the facility is open," he said. "With this in place, the facility can program to the needs of the community. It is important to note that referencing programming means the full range of options, to include rentals."

In developing programs, it is important to take a more focused approach, offering quality programs and instruction.

"Once you establish that reputation you can begin to address trends and expand your program offerings. Attempting to do every program possible when you open an aquatics facility, can result in poorly run programs with insufficient instruction," Barr said.

A pitfall that his company tries to steer clients away from is programming every minute of the day.

"This is very important if you are operating a membership based facility. Members will want the availability of drop-in activities like lap and recreational swimming," he said. "A complaint that we sometimes hear from members of aquatic facilities is, 'I love the pool, but there isn't time to swim laps or play in the pool.' Recognizing that drop-in use is a program is an important realization for operators."

Frances Caron, MPA, assistant director of recreation, aquatics program, University of California, Riverside, said that while it is extremely difficult to operate a profitable facility, it is not impossible.

"Many facilities will close during the off-season to help with this. However, that is not always the only way to break even or be a profitable facility," she said. "Programming and rentals are the largest money makers for an organization. When looking to break even or make a profit, I encourage facilities to oftentimes look outside the box.

"Swim lessons, lap swimming and rentals are amazing programs, but the out-of-the-box programs will bring in new customers and, if done right, feed into those programs. For example, floating pumpkin patches, floating egg hunts, a snowman plunge, rubber duck races, hamster balls, etc.," she said.

What's more, Caron said the largest influence in a pool's profitability is the facility design.

"If you plan on running a children's swim lesson program, but your facility was designed all deep you may struggle with the program. The second largest, in my opinion, is staffing," she said. "Oftentimes, staffing ties directly into a facility design. If you need to staff additional lifeguards because your design has blind spots that weigh heavily on your budget."

Strategies for Designing New, Renovated Facilities

Anyone who is going through a new build or renovation should sit down and think big for a master plan.

"I always suggest an organization reaches out to others in the industry to get their opinions and see what has and has not worked for them," Caron said.

"If the budget allows, hiring a planning consultant is also a great idea. They can help with the master plan and provide statistics to back up their suggestions. I always say think big because once the facility is built you will be left with what you have," she said.



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Caron also suggested that once the master plan is complete, work with your design team (an aquatic specific design consultant and architect) to design the facility that helps you achieve your master plan.



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"Once a design is complete, look at it again and again, look to ensure your master plan programs and events are possible to achieve," she said.

In addition, bring in your day-to-day aquatics person (if you do not have one, find one or ask an industry professional to help) and have them look at the programming/master plan potential and for potential issues (blind spots, etc.).

"This person is the day-to-day operations expert. Their opinion should be valued heavily," Caron said. And, "in terms of the actual design, I recommend thinking outside your normal box pool to allow for a variety of programs, events and rentals. Also, consider your deck space and the programming/event possibilities.

"For example, we have a lap area that links to an all shallow rec area with large stairs as well as a vortex and current channel area," she said. "The lap area allows us to program standard lap swimming, masters swimming, water polo, diving, etc., while the rec area allows us to program

children's lessons and adult beginner lessons. The current channel and vortex area allow us to add in some unique aqua fitness classes and swim."

And, again, make sure that a day-to-day aquatics professional reviews this design, because there is a higher potential for blind spots and operational concerns when you have designs "outside-of-the-box pool."

When designing new or renovated pools, there are some strategies to consider.

"Designing pools that can have sustainable financial operations typically starts with the development of a program that provides opportunities to as many user groups as possible," said Scott Hester, president, Counsilman-Hunsaker.

"These user groups, which typically comprise of aquatic sports, instructional, wellness, therapy and recreation, all have different wants and needs. Specific to the pool design, the most notable differences in terms of pool needs for the varying user groups are specific to water depths and water temperatures," he said.

"Therefore, some level of compromise is typically required, to meet the needs of multiple user groups," Hester said. "However, prioritizing the programmatic needs will help identify specific design elements that can meet the needs of user groups who may be of the greatest need, and subsequently be the most significant users."

One of the best pieces of information is in understanding the construction budget, and what a client can afford with those dollars.

"A trap that clients are often lured towards is that they want to include a little of everything in their facility, as opposed to focusing their resources on a limited number of things and doing them exceptionally well," Barr said.

So, if clients are adding pools to their existing inventory, their focus should be on generating new participants, and not just shifting them from one location to the other.

"If clients are renovating and their goal is to increase cost recovery, they need to determine how they can diversify who comes to their facilities. In both cases the amenities included will impact the outcome," Barr said.

It's also important to understand when determining which amenities should be included that close to 50 percent of individuals that use aquatic facilities also are interested in the social and entertainment aspects of aquatics.

"Equally important is [in] engaging the public and educating them [on] how different amenities can be used. A current channel or lazy river is a great example of the education process," he said. "The community may view such an amenity as extravagant, but when they realize it can be used for water



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walking and programming at non-peak times, it becomes more desirable.

Pools are very much like recreational facilities, in that you want to include components that are multi-use and multi-purpose."

Barr provided an example of a facility that had its pool redesigned. Mission Family Aquatic Center in Mission, Kan. (seasonal operation) renovated its existing competition pool, and added additional bodies of water that included a zero-depth entry, play features and water slides.

"The result is that they saw an increase in use and increase in cost recovery," he said.



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"In the work we've done across the country, some clients have increased profitability by approaching their operation differently. Some have achieved this by adjusting their program delivery model," he said. "While others have incorporated inflatable play structures at specific times during the week to make their traditional flat-water pool more appealing. Something as simple as making a slight adjustment in the water temperature (typically increasing), can change the appeal of a facility."

When it comes to strategies, Post said the first goal is to determine what the profitability goal is.

"Most communities don't need a pool to be profitable, but rather sustainable," he said. "They see it as a community benefit that deserves community funding support, but that cost needs to be within reason. Private and non-profit groups have different goals for revenue and profitability in order to meet their mission and objectives."

Then, once the goal has been determined, a plan for what pool programs and services are needed to support that goal should be outlined.

"Some areas that improve financial success include lesson programming, recreational amenities, birthday parties and children's attractions. Areas that typically require a subsidy include community rental space and senior programming," he said.

And, once you have determined the mix of programs you need to meet operational goals, a pool can be designed that offers the appropriate space for capacity/demand, depths, temperatures, and access to offer those programs, in the most efficient manner.

He noted an example of a community in Hatfield, Pa., that needed a new pool.

"[The] old neighborhood pool did not meet the needs of the community. They did around 22,000 visits seasonally and charged around \$6 for admission," he said. "A community study was done to determine what a new pool would look like. The outcome was a stretch 25-yard pool that offered all deep water for events, but also offered shallow water for programs."

In addition, a new leisure pool with waterslides, zero-depth entry, and warmer/shallower water was added.

"The new pool saw more than 50,000 visits during its first summer of operation, with an admission cost of around \$8," he said.

In another example, in Baytown, Texas, the old Baytown pool was a basic neighborhood pool that was falling into disrepair. The pool only charged 50 cents for entry, but still only saw a few visitors per day.

"A new pool that offered water park style attractions, but at an affordable rate, was a strong desire of the community," Post said. "The new family aquatic center generates a significant profit for the community and helps fund the use of a smaller community pool and city spraygrounds."

Collegiate Facilities

Designing and planning collegiate facilities can take a different approach than municipal pools.

"The biggest difference is the student activity fees that are assessed and how those dollars go towards off-setting operational expenses," Barr said. "This impacts the level of need for non-student members, programming revenue, and rental revenue. That level of need for revenue generation then impacts the size of the facility and the amenities that are included."

Caron noted that the first thing is to understand if you are looking at an athletic facility, a recreation facility or combination of the two.

"Those things play out very differently in the facility design. An athletic facility will most likely need to meet NCAA, FINA, etc. regulations and be your typical box pool. A recreational facility will have more flexibility in the design. A combination may include both in the same body of water or may include multiple pools in the facility," she said.

"In my experience, collegiate facilities almost always include a recreational facility and have some great designs. They oftentimes get their student populations involved in the designs which is why you see unique features," Caron said.

"If you are considering getting student populations involved, I recommend doing a brainstorming session with them during your master planning and then letting them help select a final design--provide two to three designs from them to select from," she added. "If you include them in the in-between you are going to add time to your project and you will have experts to take you from master plan to design.



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"Depending on where the facility falls in the organizational structure of the university, you are also looking at very different budgetary conditions than many municipal facilities," Caron said.



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Hester said designing a collegiate aquatic center must take into consideration that the primary users of the facility will be between the ages of 18 to 25.

"While in most collegiate facilities the university and college staff, community members, local clubs and other groups may be users of the facility, in most cases the capital funding source as well as ongoing operational support comes directly from student fees," Hester said.

"In these instances, providing an experience that is targeted to their specific age group will be critical to the long-term success of the aquatic facility. Therefore," he added, "considerations for a wide array of recreational aquatic programming, combined with the potential use from club sports is generally seen as the primary users of collegiate and university pools."

He also noted that active water spaces in a collegiate aquatic center include moving water for recreation, open water for water basketball, volleyball, kayaking, battleship and underwater hockey, lap lanes used for aquatic club sports as well as fitness training and springboard diving. In addition, passive water spaces are a much needed component.

"It's important to remember these water spaces provide the opportunity for users to utilize the aquatic center than for nothing more than to see and be seen, and to socialize with friends," he said.

"We've also seen a much greater attention to detail when it comes to finishes of the pool area. Creating a space that includes finishes similar to what may be found in a resort or private club has become much higher in priority than what was considered even 10 years ago," he added.

"Students desire their fees for building and operating an aquatic center result in an experience they would find outside of the collegiate and university environment," Hester said. "Additionally, these spaces are used as prime recruiting tools for prospective students."