



BANDON POOL

Aquatic Feasibility Study: Bandon Pool

Bandon Community Swimming Pool Development Corporation

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Bandon, Oregon

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Section 1: Introduction

Bandon Community Swimming Pool Development Corporation doing business as Bandon Pool (“Bandon Pool”) retained TSE Consulting (“TSE” or “TSE Consulting”) in 2016 to assist in the preliminary development of a feasibility study for an aquatic facility (the “Pool Project”) in the City of Bandon that meets or exceeds the safety, health, fitness, educational and recreational needs for the City of Bandon and surrounding communities.

Due to the Covid-19 Pandemic, work on the Pool Project came to a halt in early 2020. Since then, costs labor and materials, population data and demographics, among other things have significantly changed. These data changes are reflected in this update to the original feasibility study produced by TSE (the “Study”).

The Study is presented by the Board of Directors of Bandon Pool (the “Pool Board”). The Pool Board is made up of volunteers who are avid swimmers and advocates of a broad-based community aquatic center. The Pool Board and non-board member volunteers have conducted substantial research of rural pools throughout the State of Oregon to obtain real-time revenue and expenses from each community pool studied to provide an average for the five-year revenue and expense pro forma listed in Section 6, herein. The Pool Board has also conducted efforts to inform the public and to build community support through public outreach via social media, print media, radio, TV, and local events.

Additionally, the Study includes information gleaned from discussions with the managers and directors from successful aquatic facilities throughout the State of Oregon; an examination of demographic and statistical information specific to the Bandon area; analysis of regional and national trends and developments in aquatics; and probable construction costs.

In general terms, the scope of the Study includes the following:

- Identification of various potential user groups;

- Analysis of instructional/educational, recreational, competitive, and rehabilitative/therapeutic aquatic needs;
- Estimate of construction costs;
- Analysis of potential funding sources used in other similar communities to defray construction and ongoing operational costs;
- Projection of potential programs and the personnel necessary to support these activities;
- Analysis of facilities in close geographic proximity that have impact on usage and sustainability;
- Opinion on likely scenarios for income and expenses.

For purposes of the Study, various aquatic facilities in similar rural locations along the coast, as well as throughout the State of Oregon have been examined, including but not limited to the following: North Bend Municipal Swimming Pool, Mingus Park Pool, Madras Pool, Boardman Pool, and Hood River Aquatic Facility. The local marketplace proximate to Bandon has some limited-use facilities and outdoor seasonal facilities, but none that support comprehensive aquatic programming activities on a year-round basis.

Section 2: Design Concept

Bandon Pool recommends a design concept for an aquatic facility that will become a highly valued and used asset in the community and surrounding area. When the project moves forward the Bandon Pool will work with a local architect who is experienced in pool design and has an ongoing relationship with Bandon Pool.

Planning imperatives and options for consideration include:

- Indoor pool setting, enabling year-round use and aquatic offerings
- Optional considerations: Retractable roof, roll-up window/doors for ventilation

- Multi-purpose, providing a broad range of aquatic programming including instructional, recreational, competitive, therapeutic and rehabilitative uses
- Educationally sound with ability to conduct classes of varying skills and accommodations for special or advanced needs
- Practical and fiscally prudent, enabling expansion of potential user groups and opportunities for partnerships
- Community-oriented, recognizing the unmet aquatic needs of area residents
- Standards met for competitive opportunities for aquatic teams, club, school, and recreational, all ages
- Fitness-based and rehabilitation oriented, emphasizing the health-related benefits of exercise for all age groups and physical needs

Section 2.1: Location

The benefit of choosing a convenient community-based location cannot be over-estimated because of the proximity to other amenities, park facilities, restaurants, shopping, outdoor recreational opportunities, retail establishments.

Section 2.2: Multi-purpose facility, including recreational play amenities

The Pool Project will be designed to appeal to the broadest possible community interests and needs on a year-round basis. To meet this objective, more than one pool in the facility is proposed:

A 25-yard, 6-lane pool for recreation and competitive use heated at 81.5F, 8-12 feet deep with competitive diving blocks and 4 feet deep in the shallow end. This pool will connect with a 3-1/2 foot deep area appropriate for entering from a water slide, and a ramp for disabled access.

A second pool approximately 20 x 30 feet and heated to 84F for therapeutic and rehabilitation, water aerobics, and other classes/activities amenable to warmer water.

This pool will have steps or a ramp to accommodate disabled access.

Section 2.3: Educational Opportunities

The pool will accommodate water safety instruction, swimming lessons, lifeguard certification, SCUBA training, Coast Guard training drills, exercise classes, school-sponsored classes. Pool deck space will be designed for on deck training.

Section 2.4: Practical and Fiscally Prudent

A strong emphasis on environmentally sound design and fiscal responsibility will be incorporated into the Pool design and construction: Solar panels, ionized water system, LEEDS construction guidelines, ventilation via HVAC and retractable doors (option: retractable roof). Design and construction will be done by local contractors who understand both in our coastal environment.

Section 2.5: Community-Oriented

The Pool will provide aquatic opportunities for the Bandon community and the surrounding areas/communities. The nearest facilities on the Southern Oregon Coast are in Coos Bay and North Bend, deterring many Bandon residents from pursuing aquatic instruction and recreation. The pool will be available for community gatherings and a “party room” or deck area will be available for activities of this nature. The community will have a shared resource which affords socialization and interaction that may not otherwise be available. Bandon Pool will seek input from the community at the onset of further pool design to ensure that community needs and desires are heard.

Section 2.6: Aquatic Competition Suited

Competitive swimming is an opportunity for hosting regional events for swimmers of all ages, including school teams, Masters, and club teams. The facility will include spectator seating (bleachers) and locker rooms suitable for accommodating local and visiting teams. The pool will have competitive diving blocks and regulation flagging and lane marking.

Section 2.7: Fitness-based

It is proven both scientifically and anecdotally that aquatic fitness is a lifelong endeavor that leads to better physical and mental well-being. The pool will have lap swimming, and a variety of classes for aerobics and flexibility to meet all skill levels and physical needs. The pool will partner with hospitals, healthcare and insurance providers to ensure rehabilitation and recovery services are offered. The health benefits and outcome of improved recovery after injuries, procedures, or the effects of aging are sustainable through the ongoing use of aquatic activities. Handicapped citizens will have the pool available for strength training and flexibility, with easy access to enter the pool.

Section 3: Aquatic Facilities and Recreational Opportunities in the Area

Aquatic programming provides a significant number of user options. Availability of swimming pools for leisure activities is largely driven by trends in population, levels of income, and other demographic characteristics. Therefore, it is prudent to examine other aquatic providers in geographic proximity to the proposed Bandon site to determine the level or potential competition that a new aquatic facility would encounter, recognizing that many factors – from drive time to local availability of learn to swim programming, for example – ultimately determine demand and usage. It is also prudent to examine existing pools in rural Oregon communities with similar populations.

It is understood that successful competition for the leisure services market is not the ultimate goal for the construction of the proposed aquatic facility. Instead, the most positive end result is that aquatic services and activities would be delivered to a broad range of individuals and families residing in or near Bandon, resulting in the greatest overall benefit to the community.

For the purposes of this study, Bandon Pool examined various facilities within a 45-minute drive time radius of the proposed site and similar aquatic centers listed in the Oregon Rural Pools Report. Board members contacted administrators of these facilities to obtain updated budgets, programming, and discuss the challenges of operating a

pool in smaller communities.

There are also other factors for the Bandon Pool Board to consider as outlined in the Study:

- The new facility is likely to accelerate substantially the growth of aquatic programs, with a new user base well beyond current estimates
- The opportunities for collaboration with nonprofit organizations and publicly supported entities need to be explored fully
- Community usage by area residents would increase significantly and the breadth of this usage could be a strong determining factor in support for various funding mechanisms for future facility expansion, as well as ongoing operational support
- New facilities often provide so much optimism within a community that it is not uncommon to achieve capacity or over-capacity levels in the first three years of operation. When a community is asked to dream about the possibilities for enhanced programming, it often “dreams big”

In summary, the Bandon Pool Board believes that there is compelling rationale for expansion of the current level of aquatic programming in the area that can justify construction and operation of a new aquatic facility. Given the overall lack of competitor facilities offering high quality programming on a year-round basis there is a higher level of demand for aquatic programming than is currently being offered in this area.

Section 4: Market Demographics

The Demographic and Participation Trends Analysis helps to provide an understanding of the target market in question. Splicing the target market by age, race, income and spending characteristics more accurately predicts the market’s affinity and likelihood to be able to support a particular facility/amenity or recreation program. Proactively understanding these vital market characteristics is paramount when planning future development.

Section 4.1: Methodology

The demographic data used for the analysis was obtained from the US Census Bureau, Oregon Certified Population and the Portland State University Population Reports. The cities of Bandon, Broadbent, Coquille, Myrtle Point, Port Orford, Powers, Langlois, and Sixes (the “Bandon Area”) are all within a 45-minute drive to Bandon. It should be noted that there are additional populations in the unincorporated areas, which will include users of the pool.

Section 4.2: Summary

In terms of Overall Population, while the overall area is seeing mild growth, the city of Bandon has exceeded the pace of the surrounding areas. From 2022-2023, Bandon grew at a rate of 6.4%. Furthermore, according to forecast studies by Portland State, while Coos County population will remain relatively even between 2022 and 2047, the percentage of the Coos County population residing in Bandon is predicted to increase from 6.0% to 7.4%.

The Racial Composition is minimally increasing in diversity. White only population currently comprises 87.2% of the population and will be 84% by 2031. Those of Hispanic Origin (Any Race) are projected to increase from 5.2% currently to 10% by 2031.

The Age Segment Distribution demonstrates an older than average population that is projected to continue a rapidly aging trend.

The service area’s income levels (\$31,307-\$58,971) are much lower than the state (median household income \$76,632 in 2022) and national (median household income \$75,149 in 2022) averages.

Participation trends show that swimming is unquestionably a lifetime sport, and activities in aquatics have remained very popular among Americans. Fitness swimming continues on an upward trend with 31.5 million reporting in 2023 compared with 28 million in 2014.

In summary, a limited population base within 45 minutes (and its minimal growth) as

well as below average income characteristics point to challenges for the proposed aquatic facility. On the other hand, a fast-aging population implies that the facility amenities and programming tailored for warm water, therapeutic, health care and rehab as well as ‘aquarobics’ types of offerings catered to an older population might have more traction.

Total population as figure 1 demonstrates, the primary target market is witnessing a mild growth pattern from 2010 to currently.

However, this growth trend is expected to increase over the next 25 years.

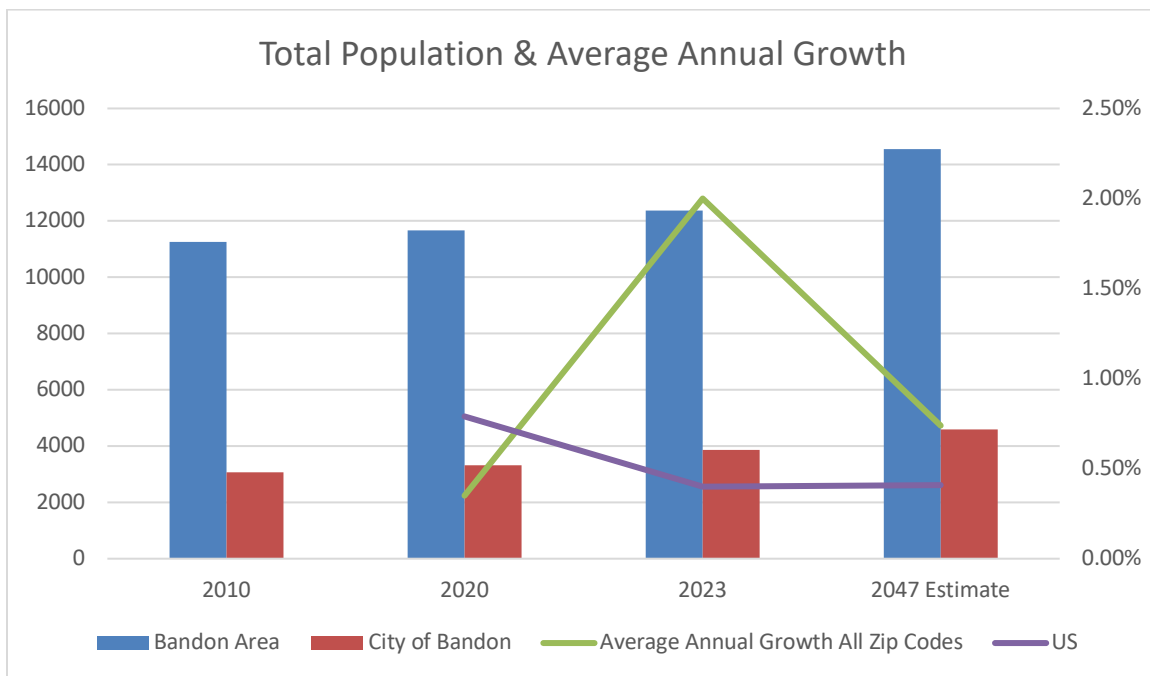


Figure 1. Total Population

Section 4.3: Bandon Area Population Summary Per the US Census:

Race

The Bandon area is largely homogeneous with 87.2% of the total population in 2020 classified as White Only and the next highest segment classified as Two or More Races at 8.2% of the total population. Projections point to a continuation of current trends, though, with a decrease in the White Only (84% by 2031) population balanced by an

increase in Two or More Races (6% by 2031) – not including Black Alone, American Indian or Asian. Those of Hispanic Origin (Any Race) are projected to increase from 7% currently to 10% by 2031.

Age Profile

The Bandon area is significantly older than the national average currently. The 65+ population comprises 19.3-58.1% of the current population. This could be attributed to the service area being a desirable place for retirees to enjoy a good quality of life as well as overall aging trends observed nationwide as the baby boomer population ages and life expectancy rates increase. With an active adult population, there will be more opportunities to offer therapeutic activities and wellness and fitness programming. Participation trends have shown that these activities are increasing in popularity within the senior age segment nationwide.

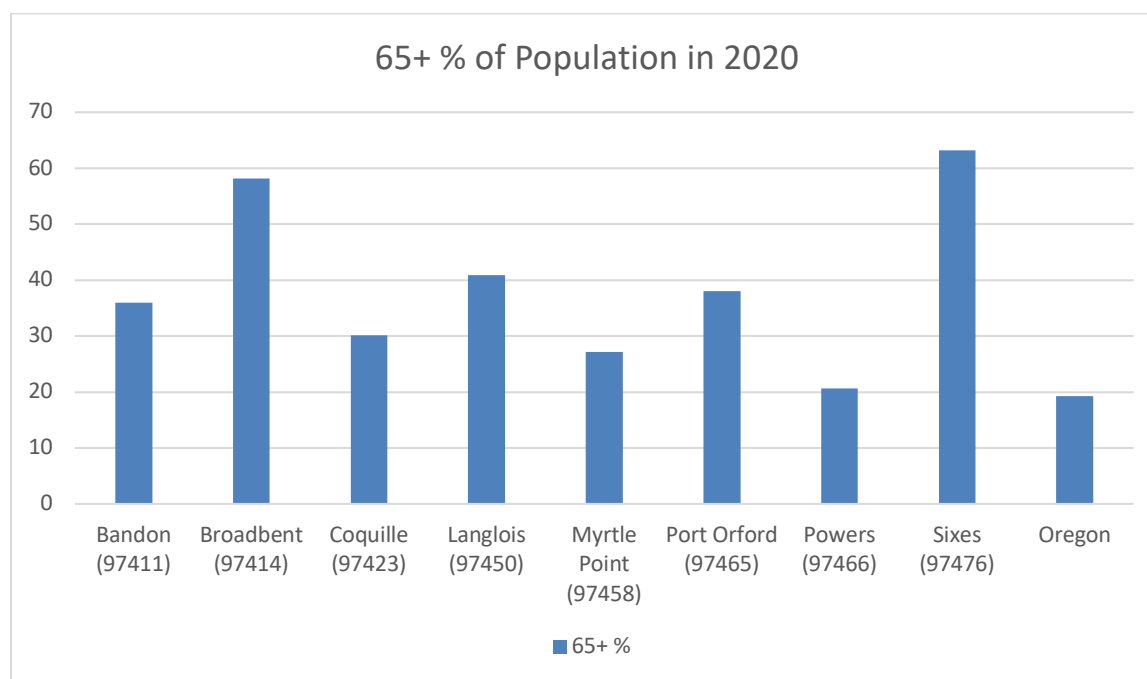


Figure 2. 2020 Population of % of 65+

Income Trends

The service area's income levels are below average. As the Comparative Income Characteristics chart depicts, the service area's income levels (\$31,307-\$58,971) are

much lower than the state (median household income \$76,632 in 2022) and national (median household income \$75,149 in 2022) averages. The per capita income (income earned by those over the age of 16) is also much lower at \$13,332-\$38,166) in the service area compared to \$41,805 in Oregon and \$41,261 nationally.

These income trends indicate that the Bandon area has a resident base that would be fairly cost conscious and, based on the older age segment, possibly on a fixed income as well. This would result in value for money being a key factor in their ability and inclination to participate in any aquatics/recreation-based activity on a frequent basis.

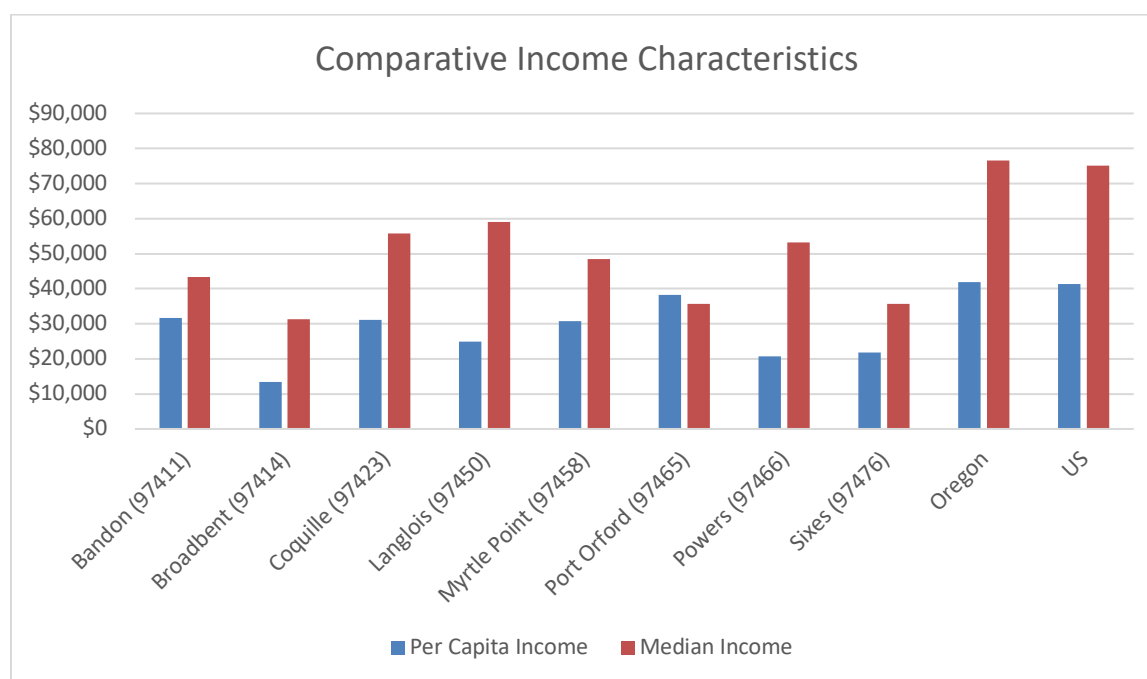


Figure 3. Income Characteristics

Trends Analysis Information released by the Sports & Fitness Industry Association's (SFIA) 2022 Study of Sports, Fitness, and Leisure Participation reveals for the fifth consecutive year, activity in the U.S. continued to increase. In 2022, 77.6% of all Americans, or 236.9 million people, participated in at least one activity during the 2022 calendar year. Based on trend analysis into and out of the pandemic disruption, the United States saw a 9.2% increase in total participation rates from 2017 and a 1.9% increase from 2021.

More than 31 million people in the United States went swimming at least once in 2023. The majority of them did so for fitness purposes, with approximately 28.17 million individuals indicating that they swam with this motivation in mind. Meanwhile, around 3.33 million U.S. Americans swam on a team that year.

Furthermore, the age groups that spend the highest number of hours per day engaging in sports and leisure activities are those 65 and older at over 6 hours per day in 2022. A 2021 study published in the *International Journal of Environmental Research and Public Health* found that older adults who participated in an aquatic exercise program for 28 weeks showed more improvements in muscle mass, functional fitness and cognitive function than those who did not use a pool for exercise. Given the age demographics of the Bandon area population, aquatic exercise is an attractive fitness option.

Section 5: Programming Scenarios and Potential User Group

Bandon is situated in a picturesque natural area abundant with wildlife and natural beauty and is surrounded by water. Pristine lakes, rivers and the majestic Pacific Ocean are at our front door. The Pool Project will not only provide recreation and wellness opportunities but will provide generations of families access to one of the most important elements of building a pool in Bandon: *aquatic safety and training, thus, ensuring that all children have a safe place to learn to swim.*

Aquatic programming is both traditional and evolving. Communities across the United States have understood, since the early 1900s, the importance of swimming instruction. Without question, the aquatic safety programs developed by American Red Cross personnel and administered by trained volunteers – including swimming instruction, lifesaving training, and small craft safety – are highly respected and admired. However, aquatic programming has changed significantly over the last number of years, with zero-entry pools and other assorted pool configurations leading to new ways in which aquatic activity can be delivered in community settings.

The demographic characteristics of the American population have also changed, there have been many evolving patterns of recreational usage that have been precipitated by

increased levels of activity by senior citizens and persons with handicapping conditions. Pools are no longer the exclusive “playground” of community youth; instead, they are multi-generational, ADA-accessible facilities that foster participation across broad segments of the population. These trends have also been augmented by the need to better understand the ways in which aquatic facilities can be used for aquatic fitness and physical therapy and to assist recovery from various injuries or illnesses.

Furthermore, pool shapes and dimensions have also undergone significant change. Free-form leisure pools with irregular shapes and configurations have replaced the more “traditional” pool shapes – rectangular, “T” shape, or “L” shape.

These developments are taking place against the backdrop of competitive swimming, where the number of participants continues to rise. Athletes in other sports are now using swimming as an ideal form of cross training, and thus, traditional lap swimming has a strong position in modern pool usage patterns for triathlon and other multi-sport activities. And, aquatic fitness can be both “vertical” and “horizontal,” with benefits for people of various levels of conditioning and physical capability.

In order to provide for comprehensive community aquatic programming needs, modern aquatic facilities are often composed of multiple pools, with varied temperature, depth, and access. The traditional rectangular pool, with shallow and deep water in a one-temperature environment, has been replaced by a multi-pool configuration that allows access to multiple community demographics and interests. In this way, an aquatic center is truly multi-dimensional, with simultaneous programming featuring varied uses across the broad spectrum of aquatics. The necessity to provide meaningful programming for groups that require specialized conditions is recognized, while at the same time, the provision of a comprehensive community aquatic program is well understood and fundamental to the principles used for this report.

As noted in every major survey of recreational activity in the United States, swimming ranks second only behind walking as the preferred method of Americans who seek recreation, leisure, or physical fitness.

Core programming activities are fundamental to a successful aquatic facility. In this section, the analysis shows several core programming elements that have particular significance to the Pool Project, which are critical to productive and financially viable operations. Each one also forms distinctive user groups whose input and involvement can be beneficial at all stages of pool development, from concept to operations.

These six primary programming elements include the following:

- Multi-generational aquatic instruction
- Competitive training programs in the three aquatic disciplines (swimming, synchronized swimming, and water polo)
- Competitive events and competitions
- Recreational utilization and non-competitive events
- Health-related programming, including aquatic therapy and rehabilitation
- Masters programs and adult fitness opportunities

By developing a robust pool programming strategy, we can ensure that operational costs are reliable and sustainable. Strategies like variable pricing, memberships, sponsorships, and health and wellness opportunities can all help keep the pool solvent financially and make the pool available for generations to come.

Section 5.1: Aquatics Instruction – Multi-generational

The primary reason that aquatic instruction is so important is prevention of drowning and building a life skill that can substantially contribute to quality of life and development of a healthy lifestyle characterized by physical activity.

The Centers for Disease Control (CDC) provides the following statistical rationale for swimming instruction:

- Drowning is the leading cause of accidental death for children ages 1-4 in the U.S.
- Drowning is the second leading cause of accidental death for children between the ages of 1 and 14.
- Formal swimming lessons can reduce the risk of drowning by 88% in children aged 1-4.
- Over 40% of children and nearly 20% of adults in the U.S. participate in swimming each year, making it one of the most popular activities.

A community-wide lesson program is an important resource in creating a safe environment for residents, and significantly, it is an investment in protecting people in and around water. Irrespective of age or the specific intent of the class – from basic swimming instruction to small craft safety skills – instruction plays an essential role in a well-rounded community program.

The range of programming options related to aquatic instruction provides the proposed facility with the ability to provide services that are specifically tailored to the expressed needs of community residents. These instructional opportunities demonstrate the broad population base that can be served by an aquatic facility, including specific programs by age, skill level, interest, and mobility.

Additionally, instructional programming provided for area youth can provide important benefits. Basic skills classes are excellent forerunners to physical education classes or specialty classes and can include lifetime activities like scuba diving, kayaking, surfing, and canoeing. A well-designed program for community youth would also enable expansive vocational opportunities, including courses in lifesaving and lifeguarding, which provide after-school and summer vacation employment opportunities.

While the list provided below is not meant to be comprehensive, the number and type of instructional classes provide ample evidence of the ways in which the Pool

Project can meet community needs. In fact, it is common that owners/operators of new facilities need to manage the overly large expectations of some potential user groups. This emphasizes the need to make difficult decisions in the facility planning stage about prioritization of usage, particularly for prime hours outside of the work or school day.

Section 5.1.1: Opportunities

School Programs (Ages & Stages)

- Babies & Toddlers
- Preschoolers
- Elementary School
- Middle & High School
- High school swim teams for boys and girls
- High school water polo teams for boys and girls
- Special education classes for all ages

Community Programs

Safety-focused Programs

- Red Cross Certified water safety instruction classes (WSI)
- Red Cross Certified lifesaving classes
- Red Cross Certified lifeguarding classes
- U.S. Coast Guard safe boating classes
- Survival training classes

- Parent & infant water acclimatization classes
- Police & Fire Department Rescue team training

Wellness/Fitness-focused Programs

- Lap swimming
- Water aerobics classes
- Deep water fitness classes
- Hydrotherapy classes
- Aqua Yoga classes
- Float Fit classes
- Scuba classes
- Kayaking classes
- Canoeing classes
- Stand-up Paddle boarding classes
- Surfing classes
- Jr. Guard Training
- River Rat Program
- Snorkeling classes
- Synchronized swimming classes

Specific health-related programs

- Stroke Recovery classes
- Mobility classes
- Arthritis Foundation classes (AquaJoints, Aqua Pilates, Fit Joints Plus)
- Pregnancy swimming classes
- Diabetes & obesity-related wellness classes
- Aquatic therapy
- General physical therapy and injury rehabilitation
- Post-operative therapy to restore mobility or range of motion
- Hospital and clinic patient prescriptive activity
- Senior living facility activities, e.g., Pacific View residents

Social Programs & Events

- Age group swim club and senior swimming events
- U.S. Masters swim team
- U.S. Synchronized swim team
- U.S. Water polo team
- Special Olympics (and other differently-abled sports) competitions
- Guest speaker presentations with Olympic swimmers such as Katie Ledekey or Michael Phelps
- Birthday or other parties for all ages (themed pool parties)
- DJ/Music

- Food vendors
- Decorations
- Inner-tube water games
- Poolside Concerts
- Classic “Dive-In” Movie night at the pool
- Lap Swim Triathlon (Swimming, Biking, Running Competition)
- Pick-up Basketball, Water Polo or Volleyball games
- Book Club Pool party
- Karaoke party

Event ideas

- Children themed parties like Little Mermaid or Finding Nemo themed parties
- String up lights around the pool for festive mood
- Beach balls in the pool
- Snow cone station
- Photo booth
- Pool noodles
- Fruit or vegetable kabobs
- Veggie cups
- Chip station

- Speakers for music
- Pool floaties (Flamingos, Sharks, etc.)
- Rentals to public and private/parochial high school, community college, and swim club teams in the area

Section 5.2: Competitive Usage and Other Related Training Opportunities

An important reason to design a pool with competitive equipment, markings, and capabilities is the substantial number of opportunities for a swimming pool to be used for competitive training purposes across the aquatic disciplines: swimming, synchronized swimming, and water polo.

The proposed aquatic facility could accommodate the needs of swimming programs conducted under various auspices, school, club, and community organizations. Usage by these teams would provide opportunities for boys and girls to train in a variety of environments, as well as mixed practices for boys and girls, segmented by stroke specialties or workout groups.

The potential for growth of competitive swimming, water polo, and synchronized swimming is particularly strong in this geographic area, given the presence of other programs at varying levels of competitive excellence, some of which have existed for decades.

There is evidence that synchronized swimming could become a highly popular club program under good volunteer leadership and with competent coaching personnel. Additionally, water polo can grow substantially if nurtured and developed properly, and USA Water Polo has made a strong effort to develop the sport.

There are competitive teams that may rent pool space in a new aquatic facility. While the need is particularly great for schools that may not have competitive facilities on school grounds, other swimming programs that are experiencing growth in numbers beyond their physical space capabilities may also utilize the new pool, even if on a

seasonal basis (summer months) or casual basis (Saturdays twice per month, for example).

Section 5.3: Competitive Events

Competitive events are extensions of the usage opportunities described above, but it is important to note that there are many competitions scheduled throughout the year, and rental income from such usage can play an important role in creating revenue to offset some of the operating expenses.

Economic impact. Events that bring competitors to the area will bring money and economic development opportunities. Such competitive events can also create new partnerships and alliances, particularly among nonprofit entities, some of which are charged with finding ways to bring new visitors to the area and create tax revenues through hotel, rental car, and restaurant usage.

Competitive events can be organized and administered internally, or the facilities can be rented to outside organizations that pay hourly or day-based rental fees. Such rentals can supplement other internal events and various types of utilization, but care needs to be given that such special events do not disrupt too much the daily use patterns of the facility.

Section 5.4: Recreational Opportunities/Non-competitive Special Events

While both instructional and competitive usages are important components of a comprehensive aquatic program, recreational activities and non-competitive events are also important priorities.

All pools have some scheduled time for lap swimming, and this is the most basic form of recreational usage. Additionally, there are opportunities for a variety of special events, from birthday parties to after-prom parties. While the majority of such usage is community-based, these occasions can be especially important to promote utilization by individuals who might not otherwise have contact or connection with Bandon, thus expanding the user base.

Water exercise may be conducted as an instructional experience, but it also has an important recreational element.

Section 5.5: Health Related Special Opportunities

Swimming pools have become centers for physical and occupational therapy of various types to relieve discomfort or symptoms of afflictions or disabilities.

Aquatic therapy involves rehabilitation activities, usually performed in warm water and involving physical activity that includes exercise across a range of motion. Warm water helps to increase the dynamics of blood pressure, blood and lymph circulation, and to decrease swelling in skin and other tissues.

Participation in an aquatic therapy program offers some or all of the following:

- Overall health and fitness
- Range of motion
- Stretching and movement capabilities
- Muscular coordination
- Physical endurance

Aquatic therapy programs involve some tradeoffs in pool design and associated costs. For such therapy programs to be successful, pools must have warm water (usually warmer than that used for all other potential activities of the pool); faster recirculation of filtered water; state of the art water chemistry treatment systems and sanitization systems; and excellent air circulation systems.

Pools may also make some accommodations for ramps, railing and other in-pool equipment, and will be included in the final pool design.

Aquatic therapy has been shown to be an effective way of producing incremental revenue for aquatic facilities. Such utilization requires partnerships with local hospitals,

physician groups, and physical and occupational therapists. These arrangements can not only bring additional operational revenue but also expand the base of community alliances for Bandon Pool.

See, *Community Programs, Specific Health-Related Programs*, listed in Section 5.5.1., above, for some of the possible aquatic therapy utilization opportunities are listed below.

Section 5.6: Masters and Adult Fitness Opportunities

Adult fitness, particularly Masters programs in swimming and triathlon training, has gained significant momentum in the last five to ten years and can be viewed as an important lifestyle commitment that necessitates specialized facilities, equipment, and coaches/trainers/instructors.

U.S. Masters swimming has an annual membership base of more than 60,000 athletes, and USA Triathlon reports an annual membership of 150,000, with an additional 300,000 individuals who purchase one-day licenses to compete in USA Triathlon sanctioned events. Adult athletes who are interested in performance improvement are inclined to require high-end, high-tech services that are not available in health clubs and general service clubs with social and dining amenities.

Adult recreational athletes now seek sport performance services, where previously it was confined to elite or intercollegiate athletes only. There is an important niche for facilities that can provide outstanding coaching, combined with high levels of applied scientific expertise, especially in providing feedback that can be utilized to make technical improvements or changes in training regimens.

Section 6: Financial Considerations

Funding Opportunities and Partnerships Funding for land acquisition, construction costs, and operational costs has traditionally been a major hurdle for municipalities, parks and recreation districts, and nonprofit organizations seeking to build new aquatic facilities or add amenities to existing facilities.

The economic downturn in 2008/2009 reinforced two basic principles of successful projects, namely that aquatic facilities must do the following:

- Encourage 100-hour per week utilization to increase revenue opportunities, instead of cost-cutting measures that invariably bring negative consequences. The board has identified several programs designed to increase utilization and community involvement.
- Create partnerships and collaborations among various user groups and stakeholders, to help defray construction and operational costs. Again, the board has identified several potential partnerships with local businesses and government agencies.

It is clear there is little relevance for single-use facilities that appeal narrowly to specialized constituencies. The relatively limited scope of competitive swimming usage (and the revenue stream it creates) reinforces the necessity of “thinking big,” including a wide range of aquatic options discussed in the previous section of this report.

Flexibility and robust community usage are fundamental concepts of successful pool projects. Likewise, the necessity of establishing a broad vision for the impact of a new aquatic facility magnifies the importance of the establishment of collaborations, partnerships, and alliances so that relevant decision-makers can recognize the variety of ways that an aquatic facility can meet community needs. These cooperative efforts are essential to demonstrating that an aquatic facility would be used and valued by diverse user groups, and, in turn, these partnerships enable funding possibilities from multiple sources.

Section 6, Figure 4: Bandon Pool Conceptual Design Cost Estimate

Bandon Community Swimming Pool Conceptual Design Cost Estimate	
SITE CONSTRUCTION	\$315,175
Building Construction	
Shower, locker rooms, entry, office areas	\$1,078,763
Natorium Structure	\$858,780
Total Building Area SF 18,491	
Total Pool area SF 7,000	
Pool	
Pool structure, gutter system, finishes, deck equipment, safety ropes, pool mechanical systems, pipiing, fliter	\$1,103,374
Slide/tower	\$250,250
BUILDING SUBTOTAL	\$3,291,167
SUBTOTAL	\$3,606,342
10% Construction Contingency	\$360,634
SUBTOTAL CONSTRUCTION COST	\$3,651,801
Development Costs	
Architectural/Engineering fees, Bidding, Printing	
Permits, System Development Fees Allowance	
Testing & Special Inspections	
SUBTOTAL DEVELOPMENT COSTS	\$696,101
SUBTOTAL CONCEPTUAL DESIGN ESTIMATE	\$4,347,902
Design changes, building & pool	\$1,000,000
TOTAL CONCEPTUAL DESIGN ESTIMATE	\$5,347,902

Section 6, Figure 5: Five-Year Pro Forma

REVENUE	BANDON COMMUNITY POOL					
	Year 1	Year 2	Year 3	Year 4	Year 5	^
Swim lessons, aquatic programs	\$ 54,000.00	\$ 56,700.00	\$ 59,535.00	\$ 62,511.00	\$ 65,637.00	5.0%
Annual pass, punch card, monthly	\$ 97,500.00	\$ 102,375.00	\$ 107,494.00	\$ 112,869.00	\$ 118,512.00	5.0%
Competition Swim Clubs	\$ 1,500.00	\$ 3,000.00	\$ 3,300.00	\$ 3,630.00	\$ 3,993.00	10.0%
Hospital, medical group, insurance	\$ 25,000.00	\$ 26,250.00	\$ 27,562.00	\$ 28,940.00	\$ 30,387.00	5.0%
Special events, party rentals	\$ 14,400.00	\$ 15,120.00	\$ 15,876.00	\$ 16,670.00	\$ 17,503.00	5.0%
Banner ads	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	
Donations, pledges, grants	\$ 107,360.00	\$ 100,392.00	\$ 95,774.00	\$ 90,729.00	\$ 85,224.00	
Vending, concessions, counter goods	\$ 12,000.00	\$ 12,600.00	\$ 13,230.00	\$ 13,891.00	\$ 14,586.00	5.0%
	\$ 321,760.00	\$ 326,437.00	\$ 332,771.00	\$ 339,240.00	\$ 345,842.00	
EXPENSES						
Director, Lifeguards, instructors (Director \$48,000)	\$ 197,760.00	\$ 201,715.00	\$ 205,749.00	\$ 209,864.00	\$ 214,061.00	2.0%
Utilities: Water, power	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	0.0%
Heating fuel	\$ 45,000.00	\$ 45,990.00	\$ 47,001.00	\$ 48,035.00	\$ 49,091.00	2.2%
Chemicals	\$ 15,000.00	\$ 15,330.00	\$ 15,667.00	\$ 16,011.00	\$ 16,364.00	2.2%
Maintenance, repairs, grounds	\$ 24,000.00	\$ 24,528.00	\$ 25,067.00	\$ 25,619.00	\$ 26,182.00	2.2%
Training	\$ 2,000.00	\$ 2,044.00	\$ 2,088.00	\$ 2,134.00	\$ 2,181.00	2.2%
Insurance: property, liability	\$ 10,000.00	\$ 10,220.00	\$ 10,444.00	\$ 10,674.00	\$ 10,909.00	2.2%
Supplies, staff uniforms, safety equip	\$ 3,000.00	\$ 1,500.00	\$ 1,533.00	\$ 1,566.00	\$ 1,600.00	2.2%
Misc	\$ 5,000.00	\$ 5,110.00	\$ 5,222.00	\$ 5,337.00	\$ 5,454.00	2.2%
	\$ 321,760.00	\$ 326,437.00	\$ 332,771.00	\$ 339,240.00	\$ 345,842.00	
Net	\$ -	\$ -	\$ -	\$ -	\$ -	

Section 6.1: Capital Markets Financing

While mechanisms vary from state to state and within various types of governmental entities, the capital markets are important resources in financing public facilities and should be viewed as important to the mix of revenue streams that are likely to be woven together to form a successfully funded project. The Pool Board is currently meeting with an experienced capital campaign coordinator to explore options.

Section 6.1.1: Public funding

Given the history of the Pool Project and an unsuccessful bond measure in the early 2000s, at this time the Pool Board is not considering municipal bonds as a viable option for construction funds. While the City of Bandon currently does not have the capacity to support a formal partnership or municipal lease agreement, city officials have privately supported the Pool Project, and it would be prudent for the Pool Board to work in concert with local economic development agencies and chambers of commerce to determine if there are possible sources of specific funding allocated to job creation, tourism development, or other similar revenue production initiatives.

Section 6.2: Partnership Plans

The Pool Board has developed a partnership plan to identify and make arrangements with partners in the public, private and non-profit sectors. Naming rights for facilities and programs have been proposed. In exchange for funding, partners or their employees may receive perks including guest passes, private parties and other options that are mutually beneficial. While the Pool Board has recommended benefits for various levels of funding, these would be formalized at a future date.

Partnerships may take any of the following forms:

- Cash gifts or donor programs, including trust funds or endowments, generated under strict guidelines

- Improved access to alternative funding sources not otherwise available
- Investment in property or facilities
- Volunteer manpower
- Material, equipment, and physical resources that assist facility or event operations
- Sponsorships for cash or in-kind services and products
- Technical or management skills not otherwise available
- Other forms of value in kind (VIK) which are budget-relieving

Bandon Pool will consider partnerships in three categories:

- Active Partnerships, to include management agreements, program partnerships, facility leases, joint-use agreements, intergovernmental agreements, and marketing partnerships
- Limited Decision-Making Partnerships (Private Sector), to include sponsorships
- Limited Decision-Making Partnerships (Charitable Sector), to include provision of grants, participation in donor programs, and the benefits of certain types of volunteer programs

Section 6.3: Sponsorships

It is likely that Bandon Pool may actively seek sponsorships to generate incremental revenue to offset operational and capital costs, and it is also possible that Bandon Pool will receive some unsolicited offers to sponsor events, facilities, and programs. Therefore, it is essential to formulate a sponsorship policy to guide those efforts consistently and to optimal benefit.

The specific objectives of the sponsorship policy should include the following:

- To establish and guide relationships with existing and potential partners that share similar goals
- To generate revenue to fund existing and proposed facilities, programs, and events
- To reduce or eliminate competition with various special interest groups in seeking corporate and business community support
- To minimize excessive commercialization, while optimizing revenue

Clearly, all gifts, sponsorships, and contractual partnerships must meet legal requirements, as well as reinforce the mission, values, and priorities that guide Bandon Pool and its prospective partners. And, corporate sponsorship, in any form, must not be proposed in a way that would result in the loss of appropriate jurisdiction, oversight, or authority.

Section 6.3.1: General Guidelines

Restrictions and Opportunities

For a prospective sponsorship program established by Bandon Pool, it is essential to have a firm understanding of the types of sponsorship or operating support that are not acceptable in order to provide guidance and direction to those who are charged with such duties. Restrictions on sponsorship may include the following:

- Police-regulated businesses
- Companies that derive a substantial share of operating revenue from the sale of tobacco products
- Alcoholic beverages generally, or when they might be proposed as a sponsor for an event that has a preponderance of youth participants under the legal age of drinking alcoholic beverages

- Companies that are currently engaged in litigation against Bandon Pool or any of the prospective entities where the aquatic facility may be located
- Situations in which Bandon Pool feels that the credibility of a sponsor's affiliation with an event or program would harm the image of the operational entity

Bandon Pool may choose to establish priorities that enable certain companies to have preferred status within sponsorship negotiations, particularly when more than one company may wish to sponsor an event or program. Likewise, it may establish some criteria that create preferred status categories

Examples include the following:

- A company's track record of involvement and support for other community projects and programs
- The desirability of association through the positive image of the sponsoring company in the community
- The timeliness and readiness of the company in entering into an agreement
- Operating and maintenance costs associated with the sponsorship
- The sponsoring company's record of responsible environmental stewardship
- The level of users/visitors, media exposure, and related opportunities for positive community relations efforts

Section 6.3.2: Responsibility

Once partnerships have been formed, a partnership review group may be established by the Pool Board. This group will review all proposed sponsorship agreements and provide recommendations to appropriate Bandon Pool decision-makers and Bandon Pool primary partners. The necessity of having a multi-stakeholder team is emphasized because in its absence, it is difficult to minimize the impact of over-commercialization,

and equally importantly, it is essential to eliminate unhealthy competition for resources, or competition among different interest groups, clubs, or programs.

Section 6.3.3: Procedural Considerations

Bandon Pool should formulate a set of procedures consistent with relevant guidelines for contract review and approval. However, while it is likely that there will be a variety of opportunities for sponsorship, it is essential that there is broad participation in the decision-making process so that the policies and procedures are beneficial for the whole community. Within these procedures, careful consideration should be given to interpretation, enforcement, and tracking of contractual relations, including risk management considerations, timelines, size and location of recognition, and other details of the relationship.

Section 6.3.4: Non-active Partnerships

While focus is placed on the identification, acquisition, and management of ‘active’ partnerships like marketing partnerships and facility rentals/leases, a sometimes neglected area of partnership are ‘non-active’ partnerships, or ‘limited decision-making’ partnerships, including grant programs, donor programs, and volunteer programs.

Grant programs: Grants emanate from a variety of sources, including governmental agencies, private foundations, community foundations, and corporate foundations. In general terms, each foundation establishes specific guidelines, priorities, and procedures to determine grant recipients. In some cases, corporations that have interest in sponsoring an event may derive their funds internally from a foundation because the purpose of their involvement may be more closely aligned to community relations than to marketing.

Donor Programs: Charitable giving needs active management to create and support a suitable program of individual and corporate philanthropy, and there is usually less direct involvement in the way in which money is spent, particularly as compared to corporate sponsorship. The key difference is the expected return for the donor. With corporate sponsorship and other coordinated relationships, there

is an expected 'payback' in return for the gift. In pure donor programs, the satisfaction to the donor comes from supporting worthwhile causes, and, thus, the expectations are substantially different.

Volunteer Programs: While volunteer programs require active management, it is most often supplied by nonprofit organizations or as part of a corporate employee group and, thus, managed outside of the operating entity.

Section 6.3.5: Conclusion

Because it is unlikely that a single revenue source will supply the needed funding to construct a new aquatic facility, the active stakeholders need to employ strategies that emphasize partnerships, alliances, and collaborations. Bandon Pool must actively support and assist the process to seek partners that will operate within carefully constructed parameters. Bandon Pool should consider further utilization of its nonprofit status to continue to engage community partners, especially where such affiliation with a non-profit organization can result in tax and gifting benefits. Clearly, the Bandon Pool effort has demonstrated widespread community support among dedicated individuals who view a new pool as an important community asset.

Executive Summary

Based upon analysis of the information presented herein, and with full recognition of various economic factors associated with the local community, the State of Oregon, and the nation, Bandon Pool is prepared to engage in discussions with decision-makers and community residents, in preparation for building an aquatic facility that will meet or exceed community needs.

With over 1,000 community members writing letters of support of the Pool Project, and by identifying an acceptable mix of funding, charitable giving, corporate sponsorships, collaborations with community organizations, and other available privately generated sources, a new aquatic facility will have a positive impact for the community, with a sufficient level of cost effectiveness that justifies moving forward with the Pool Project.