

RECREATION CENTER OPERATIONS PLAN

Final Report
October 16, 2017



BALLARDKING***
& ASSOCIATES LTD
Recreation Facility Planning and Operation Consultants

Who We Are



- “ Established in 1992
- “ Former parks & recreation professionals
- “ Nationwide recreation practice
- “ Known for recreation facility operations expertise
- “ Extensive Pennsylvania experience
- “ Strong experience with 50 meter pools



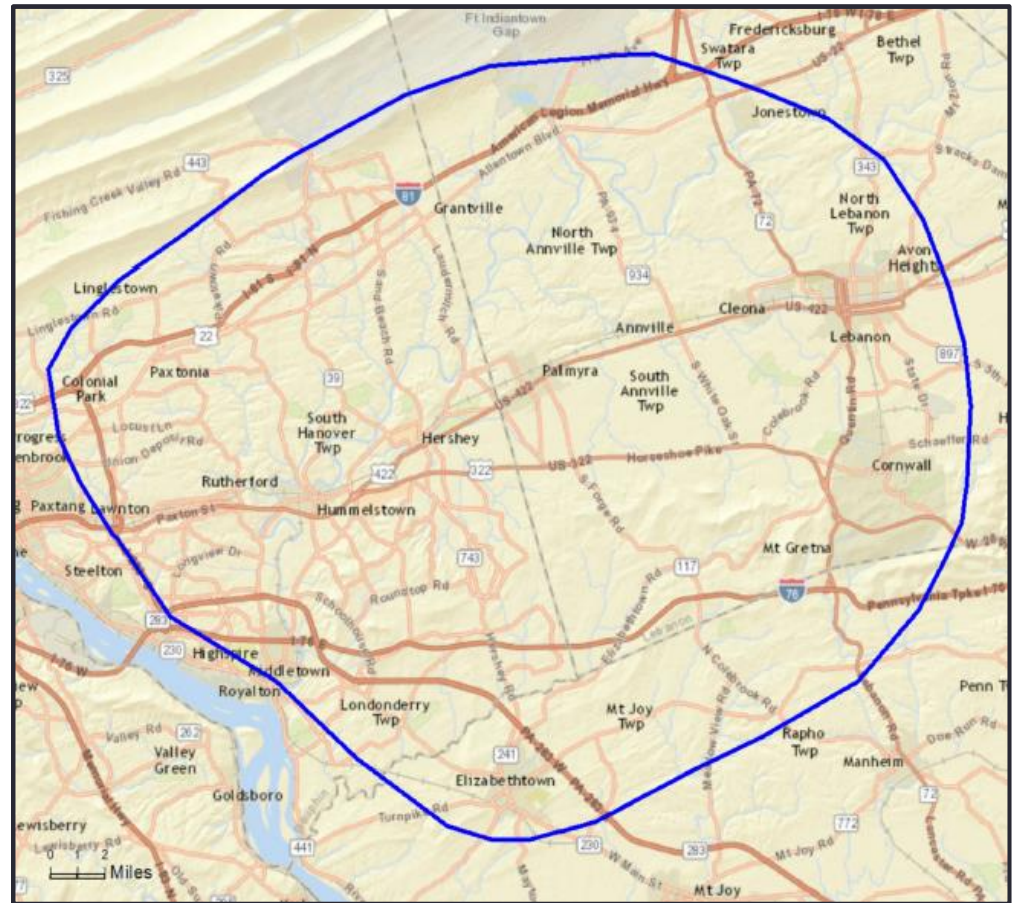
Market Analysis

“ Primary Service Area

- “ Derry Township, Palmyra, Hummelstown

“ Secondary Service Area

- “ Lebanon to the east, Elizabethtown to the south, nearly to the outskirts of Harrisburg to the west and I-81 to the north.



Market Analysis

Demographics

- “ Growing population
- “ Fewer HH with children
- “ Older population
- “ Higher median HH income
- “ Growth in senior numbers

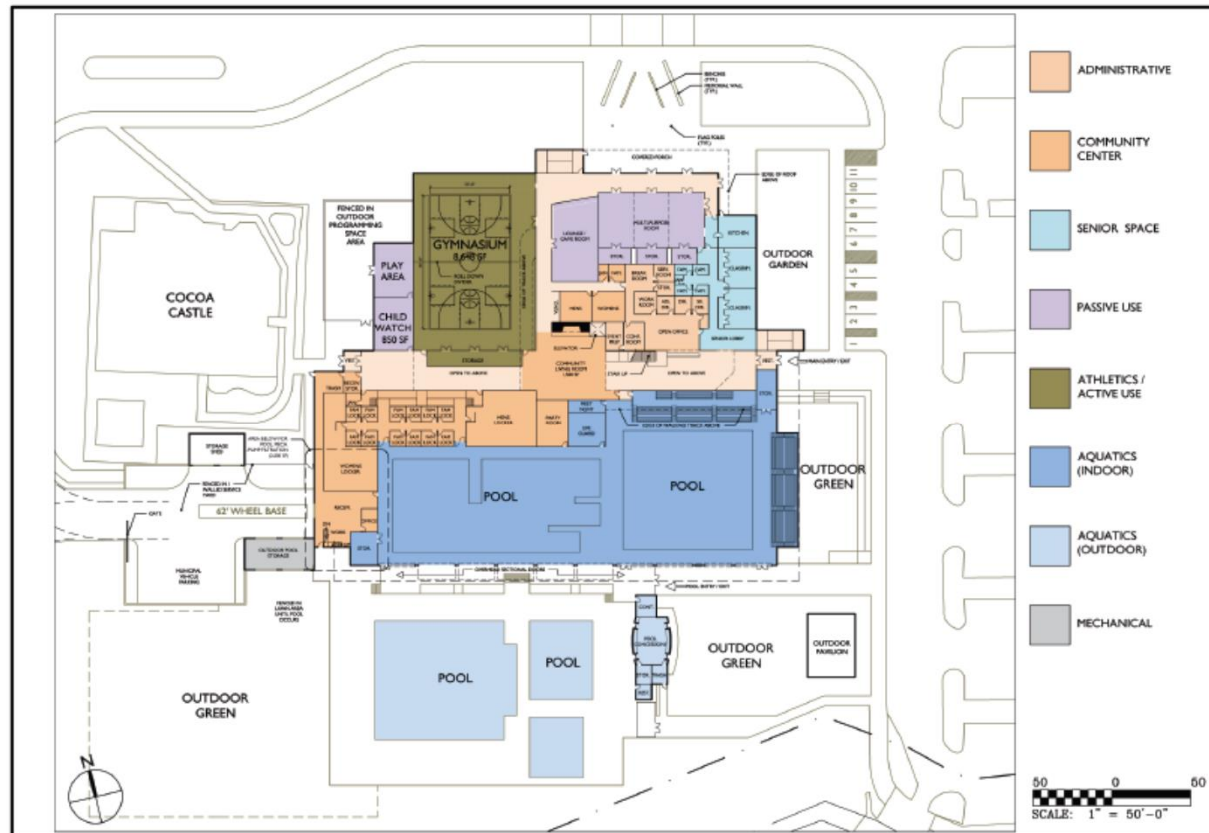
Other Providers

- “ A number of other facilities
 - “ Non-profit
 - “ Private

	Primary Service Area	Secondary Service Area
Population:		
2010 Census	61,835	260,242
2015 Estimate	64,049	266,803
2020 Estimate	65,966	273,119
Households:		
2010 Census	24,730	104,780
2015 Estimate	25,717	107,781
2020 Estimate	26,511	110,432
Families:		
2010 Census	16,385	69,348
2015 Estimate	16,905	70,648
2020 Estimate	17,343	71,975
Average Household Size:		
2010 Census	2.39	2.40
2015 Estimate	2.38	2.40
2020 Estimate	2.38	2.40
Ethnicity (2015 Estimate):		
Hispanic	3.5%	8.9%
White	89.3%	85.0%
Black	3.0%	5.7%
American Indian	0.2%	0.2%
Asian	4.6%	3.1%
Pacific Islander	0.05%	0.04%
Other	1.0%	3.5%
Multiple	1.9%	2.5%
Median Age:		
2010 Census	40.8	40.5
2015 Estimate	42.1	41.6
2020 Estimate	43.0	42.3
Median Income:		
2015 Estimate	\$67,294	\$58,959
2020 Estimate	\$78,959	\$69,365

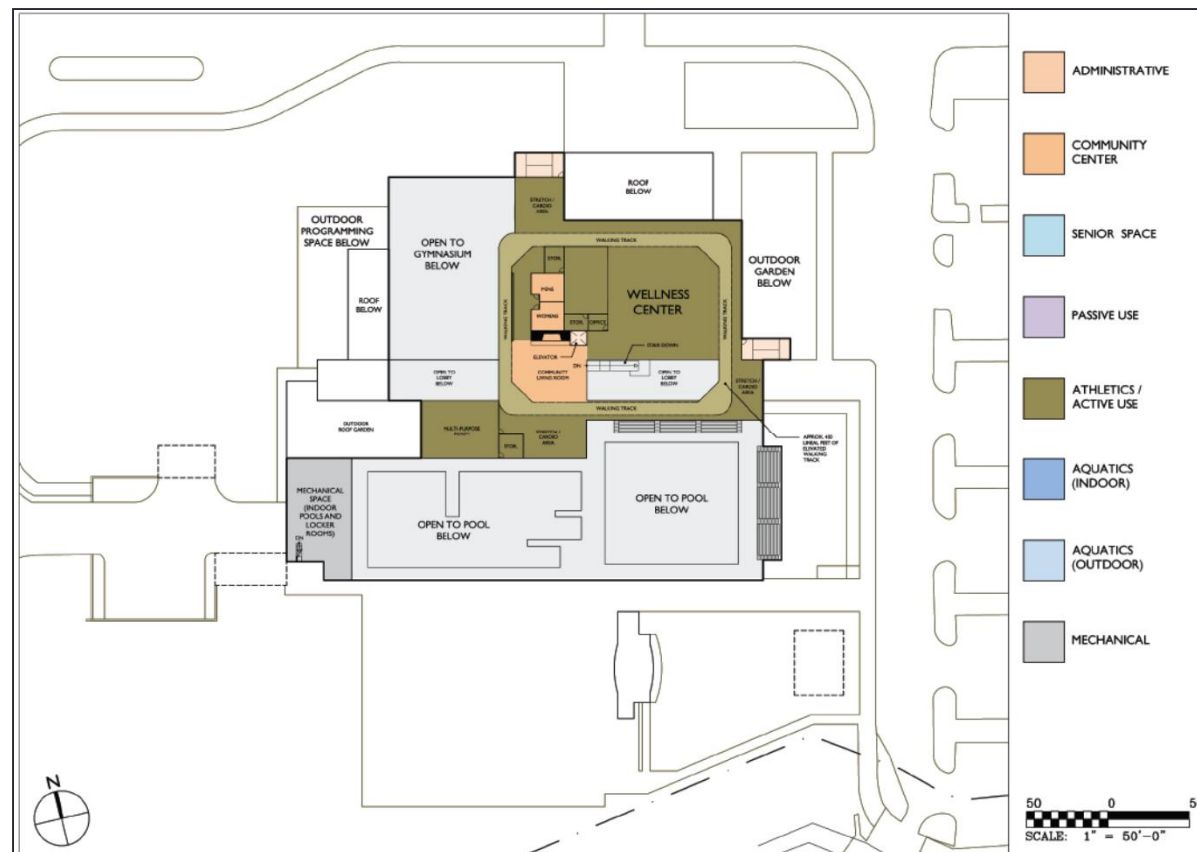
Concept Plan

“ Concept plan as developed by Kimmel Bogrette Architecture + Site.



Concept Plan

“ Second Floor



Operations Assumptions

- “ This operations analysis strictly looks at costs and revenues associated with the new center.
- “ The budget is for three different facility options:
 - Base Facility* . Approximately 89,000 SF plus outdoor pool.
 - With 50 Meter* - Approximately 104,000 SF plus outdoor pool.
 - With Fitness* . Approximately 89,000 SF plus outdoor pool.
- “ Plus an estimate of 50 meter with Fitness.

Operations Assumptions

- “ Senior programs and services will be provided by the existing senior center staff. Their expenses are not shown in this budget.
- “ The first year of operation will be 2020 or later. This budget represents the 2nd full-year of operation.
- “ The presence of other providers in the market will remain the same.
- “ The center will continue to be operated by Derry Township.
- “ The center will be contract cleaned.

Operations Assumptions

- “ Full-time staff rates are based on current rates for the same basic positions in the Township, inflated to 2020. Part-time rates are based on a wage projection for 2020.
- “ The admission fees for the center are comparable to other facilities in the market for the amenities that are available.
- “ A reasonable approach to estimating use and revenues from pass sales and programs taking place at the facility has been used for this pro-forma. The center will need to draw well from the entire market area as well as from visitors.
- “ This operations estimate should be updated once the final concept plan is developed for the facility.

Operations

" Hours of Operation

Days	Hours
Monday - Friday	5:00am ó 9:00pm
Saturday	7:00am ó 7:00pm
Sunday	9:00am ó 7:00pm
Total Hours Per Week	102

Outdoor Pool

Days	Hours
Monday ó Sunday	10:00am ó 8:00pm
Total Hours Per Week	70

Fee Schedule

“ Without Fitness

	Daily		10 Admission		1 Month		3 Month		Annual		Monthly EFT	
	Res.	NRes	Res.	NRes	Res.	NRes	Res.	NRes	Res.	NRes	Res	NRes
Adult (12 up)	\$8.00	\$10.00	\$72	\$90	\$50	\$63	\$138	\$173	\$440	\$550	\$40	\$49
Youth (2-11)	\$6.50	\$8.00	\$59	\$72	\$36	\$45	\$100	\$125	\$320	\$400	\$30	\$36
Senior (65+)	\$6.50	\$8.00	\$59	\$72	\$36	\$45	\$100	\$125	\$320	\$400	\$30	\$36
Family	N/A	N/A	N/A	N/A	\$81	\$101	\$225	\$281	\$720	\$900	\$63	\$78

Fee Schedule

“ With Fitness

	Daily		10 Admission		1 Month		3 Month		Annual		Monthly EFT	
	Res.	NRes	Res.	NRes	Res.	NRes	Res.	NRes	Res.	NRes	Res	NR es
Adult (12 up)	\$10.00	\$12.50	\$90	\$113	\$62	\$78	\$172	\$215	\$550	\$688	\$49	\$60
Youth (2-11)	\$8.00	\$10.00	\$72	\$90	\$45	\$56	\$125	\$156	\$400	\$500	\$37	\$45
Senior (65+)	\$8.00	\$10.00	\$72	\$90	\$45	\$56	\$125	\$156	\$400	\$500	\$37	\$45
Family	N/A	N/A	N/A	N/A	\$101	\$126	\$281	\$351	\$900	\$1,125	\$78	\$97

Operations Analysis

Operational Budget Summary			
Square Foot (Indoor Only)	89,000 SF	104,000 SF	89,000 SF
Category	Base Facility	w/50 Meter	w/Fitness
Expenses	\$ 2,771,681	\$ 3,025,911	\$ 3,234,027
Revenues	\$ 1,990,326	\$ 2,117,932	\$ 2,830,993
Difference	\$ (781,355)	\$ (907,979)	\$ (403,035)
Recovery %	72%	70%	88%

Existing Annual Recreation Subsidy - \$800,000

Operations Analysis

“ 50 meter/with Fitness

Category	50 Meter/Fitness
Expenses	\$ 3,488,257
Revenues	\$ 2,958,599
Difference	\$ (529,658)
Recovery %	85%

Cost and Funding Analysis

Derry Township Community Center				
Operational Budget Summary	This budget represents the second full-year of operation.			
Square Foot (Indoor Only)	89,000 SF	104,000 SF	89,000 SF	104,000 SF
Category	Base Facility	w/50 Meter	w/Fitness	w/50 M & Fitness
Expenses	\$ 2,771,681	\$ 3,025,911	\$ 3,234,027	\$ 3,488,257
Revenues	\$ 1,990,326	\$ 2,117,932	\$ 2,830,993	\$ 2,958,599
Difference	\$ (781,355)	\$ (907,979)	\$ (403,035)	\$ (529,658)
Recovery %	72%	70%	88%	85%
Project Cost Summary				
Construction Cost	\$23,390,646	\$27,294,520	\$23,390,646	\$27,294,520
Soft Costs - Design Fees	\$2,200,170	\$2,300,170	\$2,200,170	\$2,300,170
Soft Costs - Other	\$1,233,237	\$1,333,237	\$1,489,237	\$1,589,237
Total Project Cost	\$26,824,053	\$30,927,927	\$27,080,053	\$31,183,927
Potential Funding Sources				
Redevelopment Assistance Capital Program (RACP)	Eligible	More competitive*	Eligible	More competitive*
PA DCNR C2P2	Eligible	Eligible	Eligible	Eligible
CFA Greenways, Trails, and Recreation Program	Eligible	More competitive*	Eligible	More competitive*
Dauphin County Local Share Municipal Grant Program	Eligible	More competitive*	Eligible	More competitive*
Corporate and Private Foundation Resources	Eligible	Eligible	Eligible	Eligible
Capital Campaign				
Bond Financing				
*Increased competitiveness is a result of greater economic development impact				



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