

# Western Springs Service Club



## Aquatics Conditions Assessment, Design & Financing Review

March 6, 2023



# WSSC Member Meeting Agenda

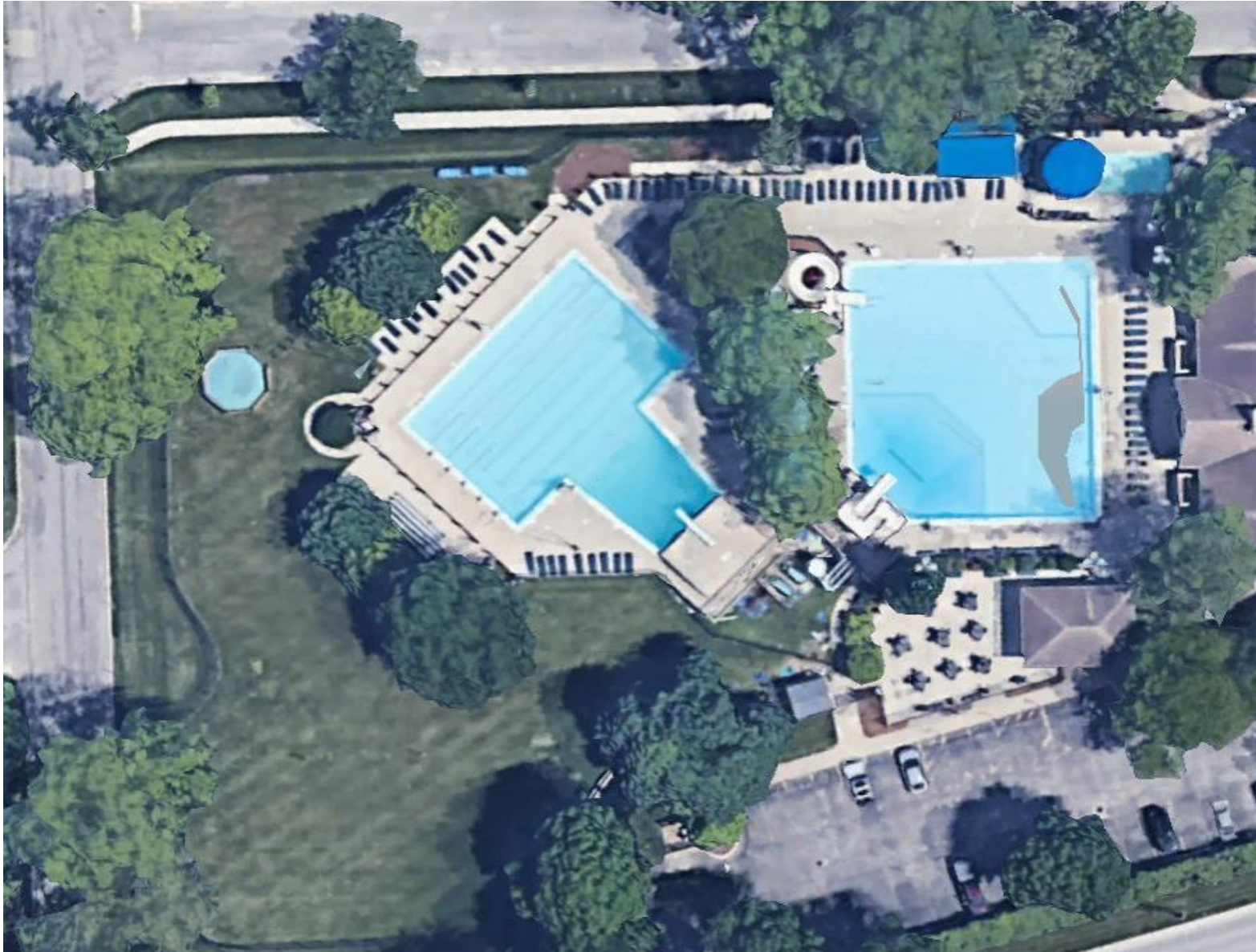
1. Welcome / Introduction (10 min) - *WSSC Board*
2. Current State of the Pool / Expert Condition Report Highlights (10 min) - *WTI*
3. Option to Build a New, State-of-the-Art WS Aquatic Center (15 min) - *WTI*
4. A potential way to Finance the New Facility (10 min) – *WSSC Board*
5. Frequently Asked Questions & Answers (10 min) – *WSSC Board, WTI*
6. Member feedback (10 min)



**WTI website:**

[WTI | World Class Aquatic & Water Park Designers  
\(watertechnologyinc.com\)](http://WTI | World Class Aquatic & Water Park Designers (watertechnologyinc.com))

# Existing Conditions





- Pools do not provide an accessible means of entry
- Pools are not conformant with IDPH requirements for perimeter skimming
- Pool finishes require service every couple of years





- Pool depths limit elevated starts to three lanes
- Pool starting platforms in poor condition
- Six lane pool limits swim team & meet size
- Minimal activities available for patrons





- Pool filters are in poor condition and at end of useful life
- Pool chemicals are stored in common in the pool mechanical spaces, lack secondary containment and are without adequate ventilation



# Assessment Summary

## History

- First pool constructed in 1955
- Second Pool added in 1965
- Filtration added in 2000 to address water clarity issues

## Conditions

- Pool filtration system is outdated, parts are increasingly difficult to find
- Pools lack current recreational attractions
- Pools are unable to support competitive program

## Options

- **Restore** – Actions necessary to meet current codes, design standards and return functionality to the facility
- **Intermediate** – Actions recommended within the next several years to improve functionality and Patron Experience
- **Replace & Expand** – Replace existing obsolete pools with new WS Aquatics Center to address equipment, program, age, seasonal and recreation shortfalls and significantly expand programming





# Potential Courses of Action (COA)

## COA #1 - Restore

- Deepen pool to accommodate starts, replace pool filtration, piping and gutter systems, provide accessible means of entry, provide IDPH required wall depth markings.
- Detailed scope outlined in Assessment Report
- Anticipated lifespan of 10 to 15 years
- Investment level..... \$1,360,000 to \$1,900,000

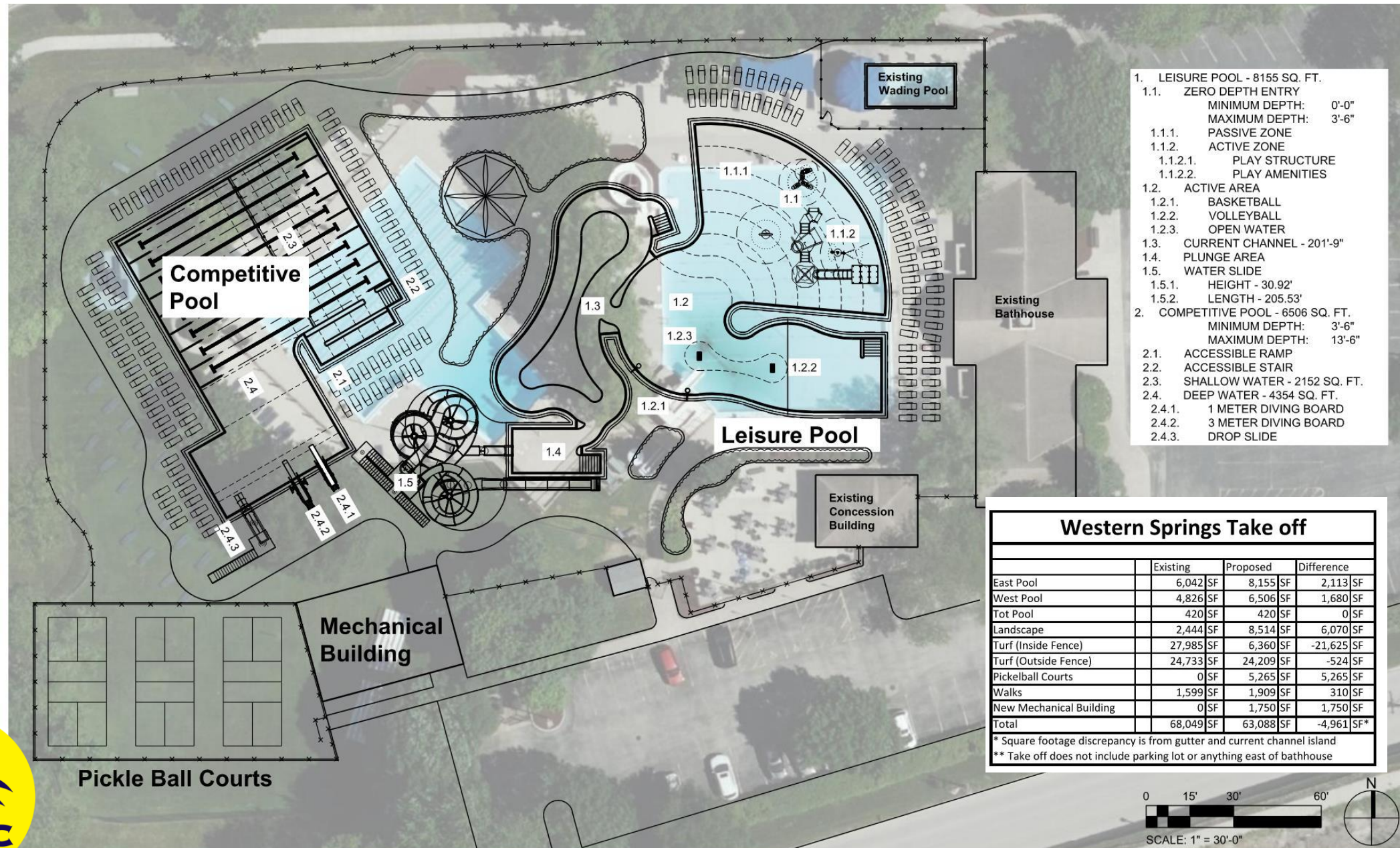
## COA #2 – Intermediate (Includes COA #1 Scope)

- Replace springboard stands, upgrade filtration replacement to Regenerative Media Filtration
- Detailed scope outlined in Assessment Report
- Anticipated Lifespan of 10 to 15 years
- Investment level .....\$1,770,000 to \$2,590,000

## COA #3 – Replace & Expand

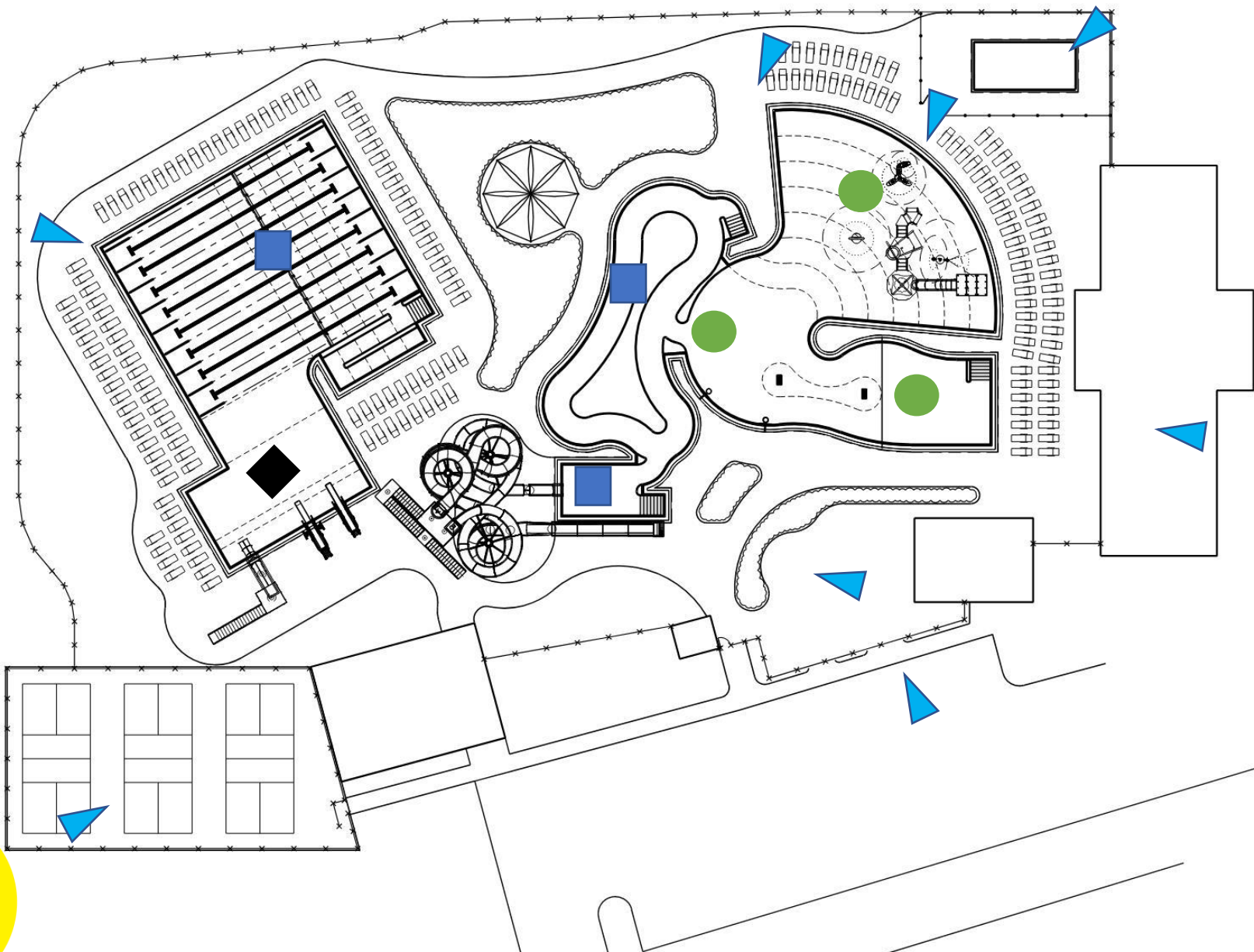
- Outline and develop Conceptual design and Investment level
- Multiple Conceptual Designs developed
- Concept “C” selected by WSSC Board for further development
- Anticipated lifespan of 50 to 60 years



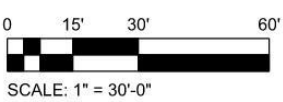




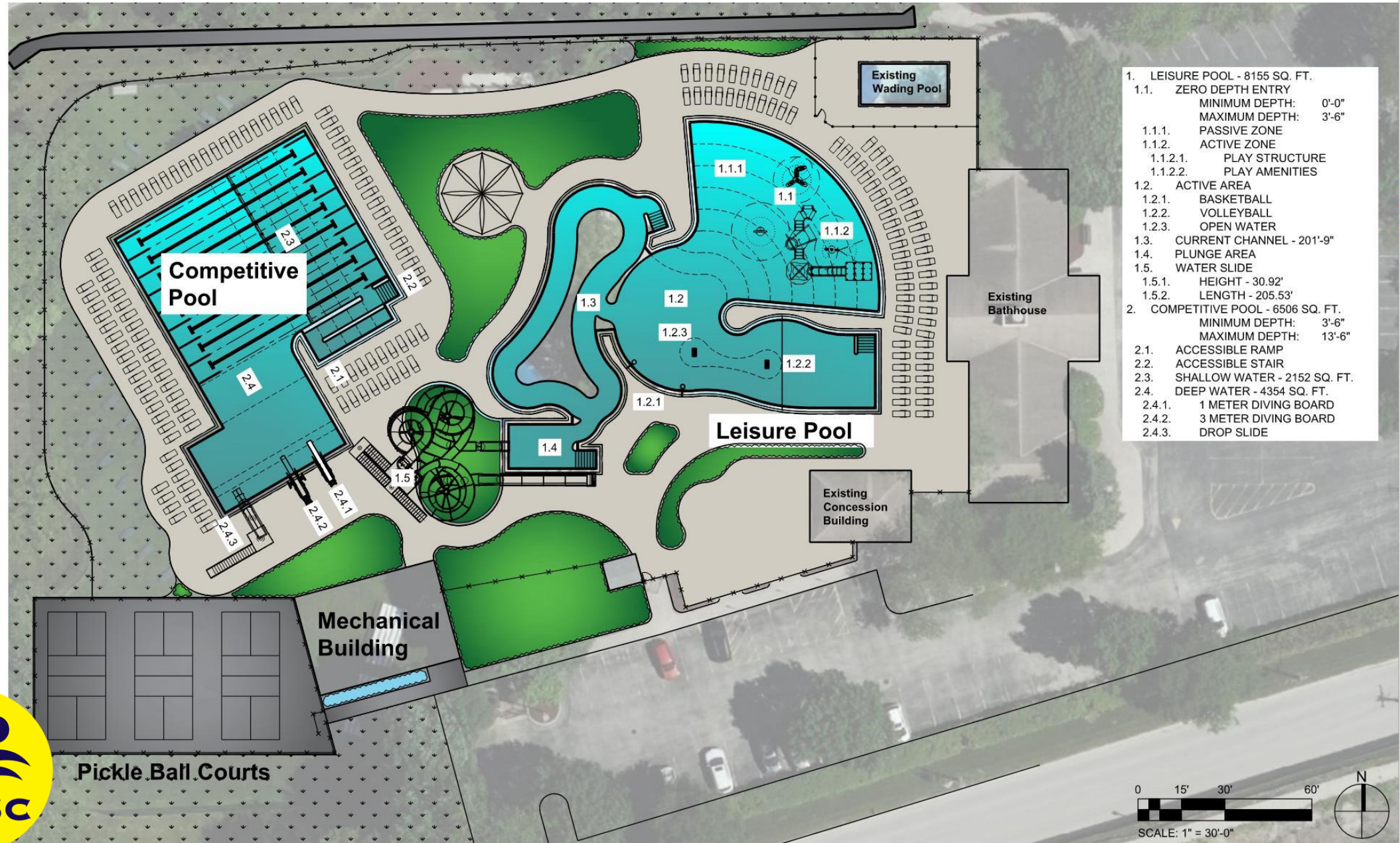
Option C



- Beginner
- Intermediate
- ◆ Advanced











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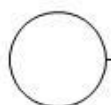
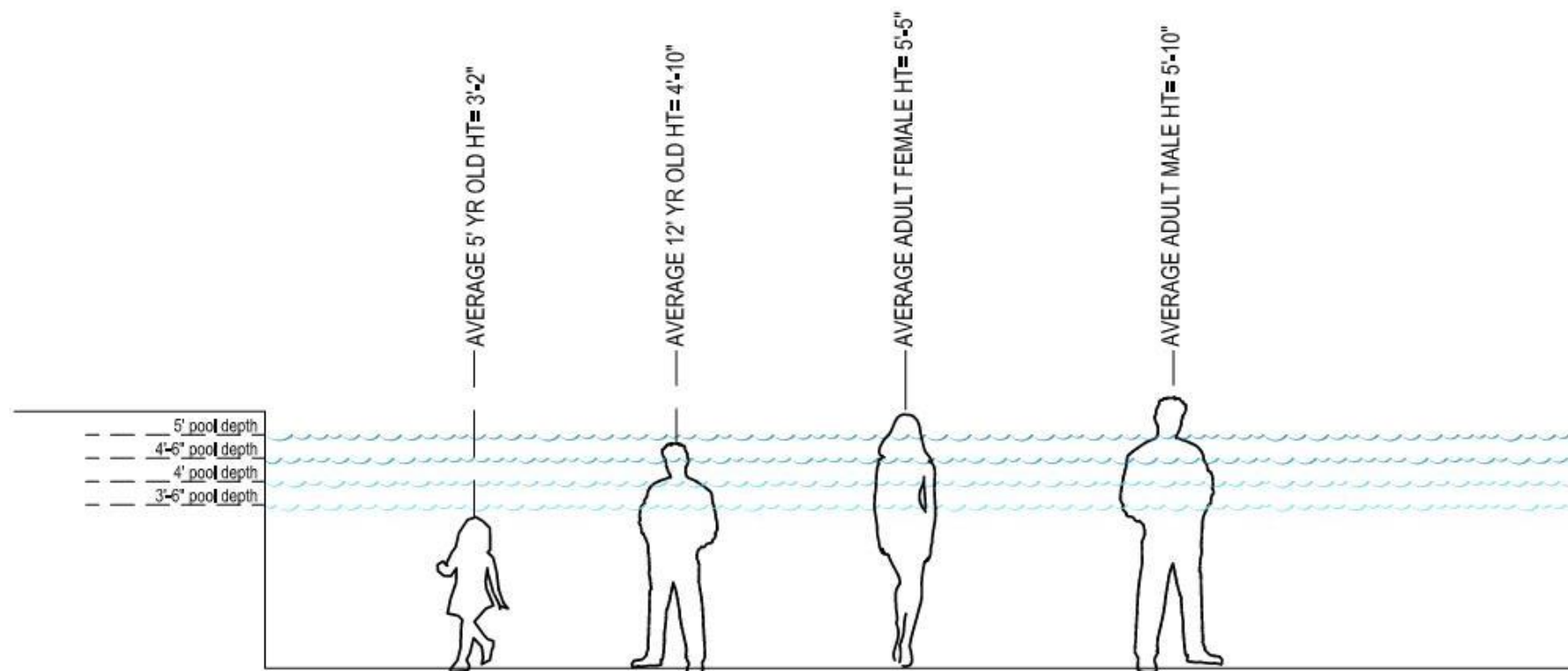




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# Visualizing Various Water Depths in a Pool



## WATER DEPTH STUDY

SCALE: 1" = 1'-0"



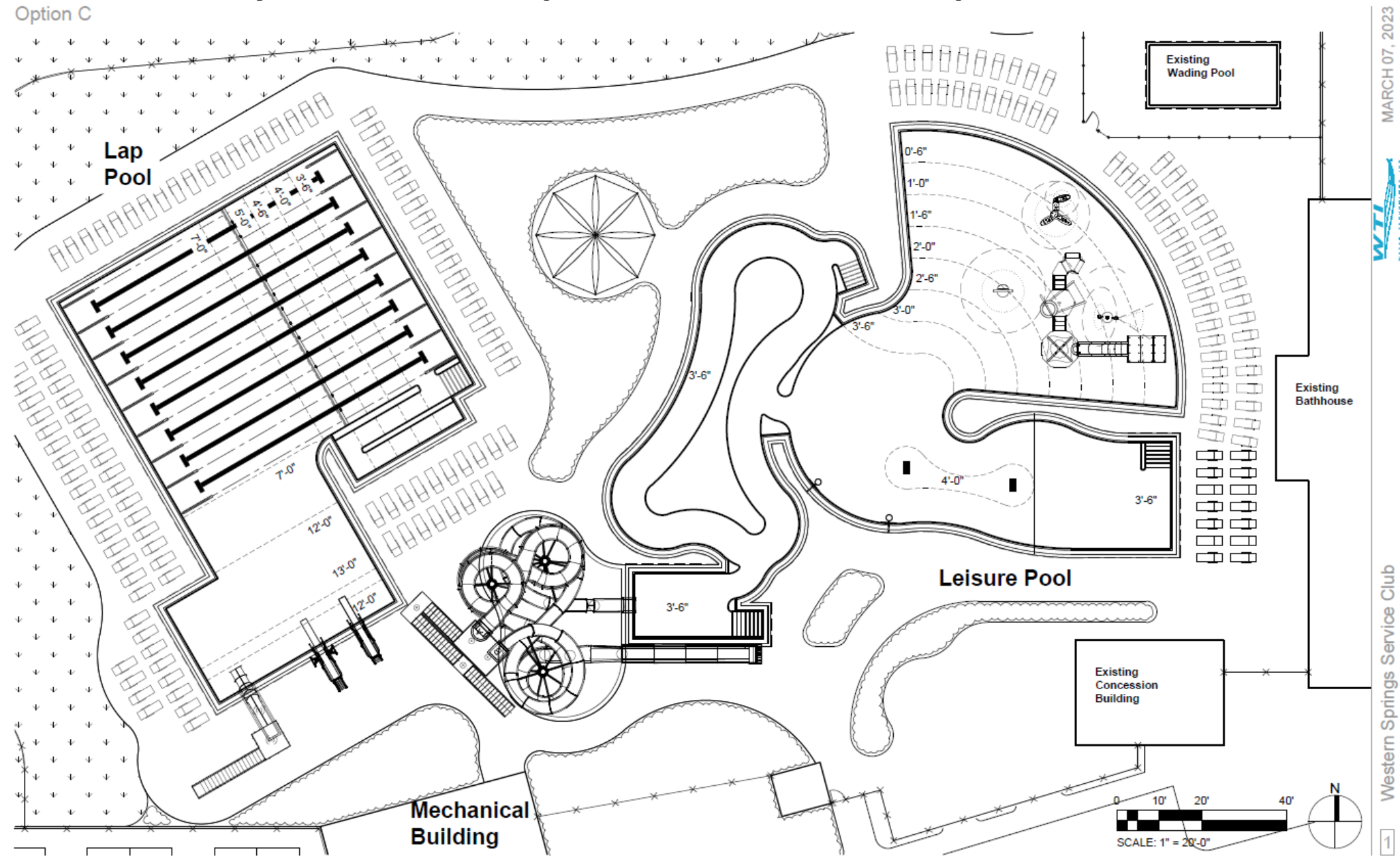
# Typical Pool Usage by Water Depth

0	Play and Leisure
2'-0"	Beginning Learn to Swim and Play
3'-6"	Learn to Swim and Play Water Fitness and Aerobics
5'-0"	Swimming Practice
6'-8"	Learn to Swim Minimum Depth Start Platforms
10'-0"	Lifeguard Training
11'-6"	1 meter Springboard Diving and Climbing Wall
13'-6"	3 meter Springboard Diving
16'-6"	10 meter Platform Diving Scuba Certification

- Children – 1.5'
- Functional – 4'
  - Vertical to Horizontal
  - Face Down to Face Up
  - Sitting to Standing
  - Water Walking
  - Stair Climbing
- Aerobics/Calisthenics – 3.5' to 5'
- Bad Ragaz/Watsu/Ai-Chi – 4'
- Sloped entry
  - Walking
  - Access
- Underwater bench – 2.5' to 3.5'
- Tread Water – 5'+



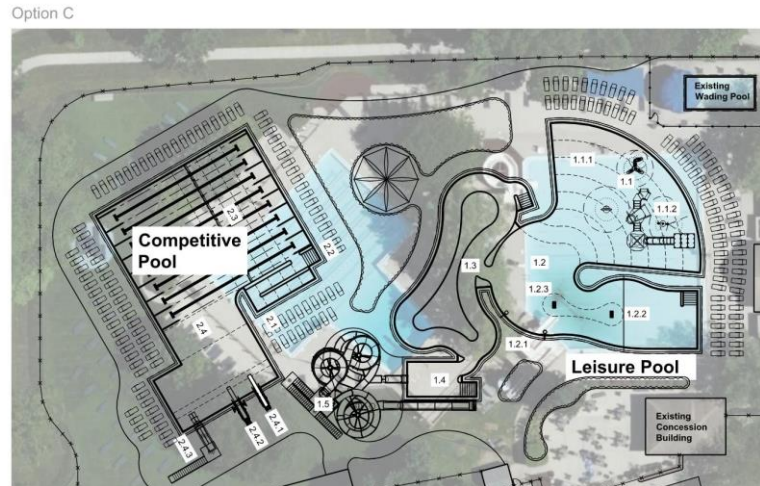
# Wide Variety of Water Depth Available in Proposed Pools



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# Water Depth Distribution in Existing vs Proposed New Pools



	Existing			New			Difference
Depth	East	West	Total	Leisure	Lap	Total	New vs. Existing
0' - 3'	4,216 SF	0 SF	4,216 SF	2,983 SF	221 SF	3,204 SF	-1,012 SF
3' - 5'	2,253 SF	3,723 SF	5,976 SF	5,172 SF	1,931 SF	7,103 SF	1,127 SF
5' +	1,372 SF	1,103 SF	2,475 SF	0 SF	4,354 SF	4,354 SF	1,879 SF



# Executive Summary – Assessment & Potential Courses of Action

- Existing Facility built in mid 1950's mid 1960's
- Facility faces multiple program & technical challenges
  - Lack of current recreational activities
  - Water depth for swimming starts
  - Lack of general & extended season activities
  - Pools do not meet current IDPH code
  - Filtration and disinfection systems are aging and require continual maintenance



## 3 Courses of Action (COA's) developed

- COA # 1 **Restore** – Recommended Investment .....\$1.3 to 1.9 million
  - Anticipated lifespan 10 to 15 years
- COA # 2 **Intermediate** – Recommended Investment .....\$1.8 to 2.6 million
  - Anticipated lifespan 10 to 15 years
- COA # 3 **Replace & Expand** – Anticipated Investment .....\$7.2 to 8.3 million
  - Anticipated lifespan 50 to 60 years





# Financial Summary

WSSC Board of Directors





# Current WSSC Financial Summary

- Pool is in good condition... financially
- Summary Balance Sheet at Tax Year-Ends:

	10/31/22	10/31/21	10/31/20
<b><u>Assets:</u></b>			
Cash	1,535,074	1,138,700	925,299
Land (2.98 acres appraised on 2/4/20)	2,600,000	2,600,000	2,600,000
<b>Total Assets</b>	<b>\$ 4,135,074</b>	<b>\$ 3,738,700</b>	<b>\$ 3,525,299</b>
<b><u>Liabilities &amp; Equity:</u></b>			
1st & 2nd Mortgages	648,587	674,631	695,253
Equity	3,486,487	3,064,069	2,830,046
<b>Total Liabilities &amp; Equity</b>	<b>\$ 4,135,074</b>	<b>\$ 3,738,700</b>	<b>\$ 3,525,299</b>

- Existing Mortgages w/ Heartland Bank (4.23% avg. rate)





# Membership Base

- Pool membership remains very strong
- Over 1,000 annual memberships & a waitlist for non-residents
- 2022 Membership Summary:

	Resident	Non-Res	Total
Family	738	209	947
Individual	38	11	49
Senior (>60)	38	13	51
Empty Nesters	13	8	21
<b>Total</b>	827	241	1,068





# Annual Membership Rates

- Most affordable member club in the area
- Local Survey of Rates:

	Initial		<u>Current Rates</u>			
	Fee	Refundable	Family	Ind.	Couple	Senior
<b><i>2023 WSSC Membership Rates</i></b>						
Residents	\$ 515	No	\$ 795	\$ 455	\$ 625	\$ 320
Non-Residents	575	No	1,030	650	830	495
<b><i>Local Options</i></b>						
LaGrange Field Club	\$ 5,000	Partially	\$ 1,520	\$ 1,290		
Riverside Swim Club	2,000	No	1,750	1,220	1,220	1,060
Village Field Club	1,000	No	1,100		850	
Salt Creek	4,055	Partially	3,450			
	<i>plus</i> 1,150	No				
Oak Brook Bath & Tennis			900	575	750	450
Non-Resident			1,600	1,100	1,200	650





# How to Pay for a New Aquatic Center

- Combination of Member Contributions & Bank Debt
- Pool Cost less Member Contributions = Bank Debt
  - Bank Debt not to exceed \$5 million/closer to \$3 million ideal
- Hypothetical Funding:

			Base Case
Total Construction Cost			\$ 8,000,000
<u>Member Contributions:</u>	#	Amount	
Family Members	750	\$ 5,000	3,750,000
Empty Nesters	20	\$ 2,500	50,000
Individuals	20	\$ 1,500	30,000
> 60	10	\$ 500	5,000
Total Member Contributions			3,835,000
Total Loan			\$ 4,165,000

- Family Membership buy-ins are necessary to proceed





# Membership Contributions

- Riverside Pool: New facility paid for with dramatically higher annual fees (prepaid)
  - Added a \$2k non-refundable fee for new members since successful completion
- WSSC Proposal: Option similar to LaGrange Field Club whereby members post a refundable deposit (club attempts to refund approx. 80% as old members are replaced by new members)
- \$5,000 refundable deposit = a new Aquatic Center in Western Springs with reasonable annual rates
- Need a minimum of 600 family memberships committed to proceed, but hopefully we are worried about capping membership at around 900





# Loan Scenarios

- Impact of Bank Debt:

	More Debt	Base Case	Less Debt
Debt Amount	\$ 5,000,000	\$ 4,165,000	\$ 3,500,000
Amortization	<i>same</i>	30	<i>same</i>
Rate	<i>same</i>	6.50%	<i>same</i>
Monthly Payment	31,603	26,326	22,122
Annual Debt Service	379,241	315,908	265,469
Debt Service Coverage	<i>same</i>	1.25	<i>same</i>
Profits Required	\$ 474,051	\$ 394,884	\$ 331,836
Impact on Annual Fees	<i>Fee Increase</i>	<i>Fees Close</i>	<i>Fees Fine</i>

- Need to maintain a reasonable debt service coverage ratio for banks (*1.25 x's hypothetically*)
- More debt, means more profit to maintain ratio and increased cost to members





# Financing Conclusions & Next Steps

- Pools are expensive to build and operate
- Local community bank committed to making a loan up to \$5 million secured by real estate

## Next Steps:

- Member survey and feedback
- Significant member investment required this summer for pool construction to begin by Labor Day 2024 at the earliest
  - Deposit due in 2023 \$1,000 to \$2,500
  - Remainder due prior to loan funding & start of construction





# Q&A Session Highlights in the Appendix

## Member Survey Coming Out Soon

### Member Feedback

[wsscnewpoolinfo@gmail.com](mailto:wsscnewpoolinfo@gmail.com)

## Thank you!





# APPENDIX





# Q&A Session Highlights

Who owns the pool?

Resident members of the pool.

Is a new pool really necessary?

We hope we have addressed that through the presentation. Two options. New pool is better long term. Current pools are 60-70 years old.

What is the cost associated with building the new pool?

\$8-9M

I just paid a CIA, will that be applied toward my bond?

No. Everyone has paid a CIA throughout their membership.

Will my annual member dues increase?

Hoping not to raise it significantly but will be able to tell once we see interest.

How will myself/family pay for this if we can't do an upfront payment?

We will investigate a needs-based financing option.

How will you accommodate senior members?

Aged-based financing options.

How long will the new pool take to build?

Planning to start Labor Day 2024, open Memorial Day 2025, depends on permitting



# Q&A Session Highlights (continued)

Will we increase/decrease memberships (and/or allow anyone in regardless of residency)?  
Depends on the interest of current members.

Will the Pickle Ball Courts be available year round? Is there an additional fee associated for their use during the swim off-season?  
Still working on pool plans but trying to figure out a way to make it year-round for members.

Will the parking lot need to be replaced as a result of the construction? Is this included in the cost estimate?  
No new parking lot is needed.

Will the area of the pool deck and pickle ball courts be expanded beyond the location of the fencing that exists today?  
Currently that is not in the plan for expansion.

Will this new pool have alcohol served?  
We are evaluating options with the insurance company.

What other improvements are possible?  
Landscaping, furniture, activities outside of pool, locker rooms, food options

When will I have to commit/act on this?  
Some sort of a financial commitment this summer.

