

Kirkland Indoor Recreation Facility

FACILITY PLAN



Kirkland Indoor Recreation Facility

FACILITY PLAN

Prepared for the

City of Kirkland

by

The Sports Management Group

918 Parker Street, Suite A13

Berkeley, CA 94710

www.sportsmgmt.com

(510) 849-3090

in association with

Opsis Architecture

920 NW Seventeenth Avenue

Portland, OR 97209

(503) 525-9511

February 19, 2007





Acknowledgements

This project could not have been completed without the help of citizens, community groups, and local service agencies. Each has contributed valuable input into the planning of the Kirkland Indoor Recreation Facility Plan. A special thanks to staff without whom this project could not have been completed.

City Council

Mayor Jim Lauinger
Deputy Mayor Joan McBride
Dave Asher
Mary-Alyce Burleigh
Jessica Greenway
Tom Hodgson
Bob Sternoff

Senior Council

Youth Council

Parks and Community Service Department Staff

Michael Cogle
Jason Filan
Carrie Hite
Linda Murphy
Jennifer Schroder



Table of Contents

INTRODUCTION	1
NEEDS ASSESSMENT	4
MARKET ANALYSIS	8
SPACE COMPONENTS	16
FINANCIAL ANALYSIS	21
SITE CRITERIA	29
PROTOTYPE PLAN	32
CONSTRUCTION COSTS	34
PROJECT TIMELINE	36
REFERENCES	37
REFERENCES	37
FINANCIAL ANALYSIS	A.1
MEETING NOTES	A.46



List of Tables

I. Goals for the Kirkland Indoor Recreation Facility	7
II. Demographics: Age Groups 2005	11
III. Demographics: Household 2005	12
IV. Demographics: Income 2005	13
V. Demographics: Educational Attainment 2005.....	14
VI. Space Program	18
VII. Operating Costs	24
VIII. Fee Assumptions	25
IX. Revenue Potential.....	27
X. Cost Recovery	28
XI. Construction Costs	35





List of Figures

I. Primary and Secondary Service Areas	8
II. Vicinity Map	31
III. Level 1 Prototype Plan	33
IV. Level 2 Prototype Plan	33
V. Project Timeline	36



Introduction



Introduction

Located on the picturesque shores of Lake Washington, the City of Kirkland is a vibrant community offering residents an outstanding quality of life. Throughout its 100-year history, the City of Kirkland has taken great pride in the provision of excellent service to its residents and its commitment to creating a sustainable and environmentally sensitive community.



With its beautiful waterfront, many parks, and mild weather, the City of Kirkland offers

residents opportunities for an active and healthy lifestyle. The Kirkland Parks and Community Services Department is committed to attracting and supporting residents in their quest to be fit, participate in community activity and events, and to celebrate community. Most recently, the Department became an active participant in the National Recreation and Park Association's "Step Up To Health" program. This program provides support to parks and recreation departments as they strive to assist the residents of their communities to engage in active lifestyles. Anecdotal evidence collected as part of this program noted that better access to facilities encourages active living. Additional research conducted by The Centers for Disease Control and Prevention (CDC) determined that creating and improving places to be active can result in a 25 percent increase in the percentage of people who exercise at least three times a week.¹

The Parks and Community Services Department currently offers an array of indoor and outdoor recreation programs designed to meet the needs and interests of all



age groups. Programs include: sports and fitness, dance, continuing education, and specialty classes for preschoolers, youth, teens, adults, and seniors. Although the City currently offers a variety of activities and classes, the number and types of programs offered is limited by a lack of indoor active recreation space. The demand and interests of the residents cannot be adequately served. The Parks and Community Services Department supplements City facilities with the use of school and other non-city facilities; however, availability is limited and cannot serve community needs. In order to continue the City's commitment to encourage active

lifestyles, to maintain Kirkland's distinction as a community of excellence, and to respond to residents' needs and interests, the City has begun the process of planning the development of a new indoor recreation facility.



Introduction

In July 2006, the City of Kirkland retained Opsi Architecture and The Sports Management Group to research options for the development of a new indoor recreation facility. The team was tasked with completing a market analysis, a prototype plan, and a financial analysis based on the prototype plan. A project timeline outlines the next steps and the preliminary schedule from site selection to construction. The following tasks were completed in the the process of developing the facility plan:



- Synthesis and analysis of previous studies
- Analysis of market demand
- Inventory of area service providers
- Facilitation of stakeholder and community meetings
- Identification of space deficiencies to meet service and program demand
- Recommendations of space components and square footage requirements
- Development of an operational plan including costs, revenues, and cost recovery targets
- Development of a prototype plan demonstrating critical space adjacencies
- Development of site selection criteria and preliminary discussion of potential sites
- Identification of time projected project costs
- Creation of a schedule for the next steps and development of a new facility

This report summarizes the findings and recommendations.



Introduction

METHODOLOGY

The work of The Sports Management Group and Opsi Architecture was guided by a planning team that included staff and a representative of the Parks Board. The consultant team began their work by analyzing relevant documents and materials provided by the City of Kirkland, including the *Comprehensive Park, Open Space, and Recreation Plan* that detailed the City's park and recreation goals, needs, and standards.

The Needs Assessment and Market Analysis included several tasks. The first task included analysis and synthesis of previous studies, interviews with City Council members, stakeholder meetings, two public workshops, and meetings with City recreation staff. The second task was a demographic analysis of residents of the City and the population residing within three miles of the geographic center of Kirkland and an inventory of the programs, amenities, and fees of area providers of recreation, fitness, and aquatics activities and services. The third task included an inventory of existing facilities and an analysis of participation data provided by staff.



Information gathered from the Needs Assessment was used to identify the demand for recreational services and activities. The demand was measured against the capacity of the market to serve that demand. An

inventory of spaces that could serve the unmet demand was developed and various development options were tested regarding overall project cost, capacity to serve the recreational needs of residents, and the financial viability of funding the on-going operational costs.

The Sports Management Group worked with staff to develop probable operating costs and identify the revenue potential for the facility. Operating assumptions were developed including the hours of operation and schedules of the programs, classes, and activities that are likely to be offered. These assumptions served as the basis for developing full-time and part-time staffing requirements, operating expenses, revenue potential, and an estimate of the percentage of cost recovery for the operation of the proposed facility.

To estimate the revenue potential, The Sports Management Group developed fee assumptions for various types of uses of the facility. These fee assumptions are detailed in the Financial Analysis section of this report. Market analysis data was used to develop estimates of market penetration for the sale of annual and daily passes. The revenue potential of classes, activities, special events, and rentals was then estimated to determine the total revenue potential. The results of this study, and accompanying recommendations, are summarized in the report.

Needs Assessment



Needs Assessment

OVERVIEW

The City of Kirkland Parks and Community Services Department currently has a deficiency of indoor athletic recreation space. The *Comprehensive Park, Open Space, and Recreation Plan* completed by the City in 2001 identified a service standard for indoor athletic recreation space as 500 square feet per 1,000 residents.² By this standard, the City should provide a minimum of 22,500 square feet of indoor recreation



space. Currently, the City does not have dedicated active indoor athletic recreation spaces such as gymnasiums, fitness equipment, or locker rooms and showers. Recreation programs provided by the Parks and Community Services Department are offered at schools and other non-city facilities but are limited by the availability of those spaces.

The indoor recreation needs section of the *Comprehensive Park, Open Space, and Recreation Plan* includes a discussion of the current challenges facing the Parks and Community Services Department with regard to serving the indoor athletic recreation needs of the population. The challenges include the following:

- A year-to-year increase in the interest for recreation programs has led to an increased demand for indoor recreation space
- Facility usage is at capacity during peak morning and evening times
- School facilities are unavailable during the day, and are often unavailable during the evening and on weekends due to school-sponsored events

Additionally, the Plan includes a discussion of the advantages of a City-managed indoor recreation facility. The advantages include:

- Tailoring program spaces within the facility to community use
- Ability to schedule and use the facility during peak morning, day, and evening times
- Opportunity to provide more diverse programming

Several policies were recommended as a part of the Plan. One specifically addressed indoor recreation. This policy recommended that the need for additional indoor recreation spaces be examined. This report addresses this policy.



Needs Assessment

OVERVIEW CONTINUED

In late 2001, the City of Kirkland completed the *Survey of Indoor Recreation Needs*.³ This survey confirmed the need for a City-owned and -operated indoor recreation facility. Additionally, the survey provided valuable information about those who are interested in using indoor recreation facilities, as well as information about the types of spaces citizens would like in a new indoor recreation facility. The survey found that those who are interested in indoor recreation facilities tend to be younger (age 35-54), live in households of three or more, and have children. Citizens responding to the survey expressed a wide range of interests in the types of indoor spaces in a new facility. However, citizens indicated that a fitness room and a swimming pool were the most important spaces. Additional spaces that citizens believed to be important were classrooms and meeting rooms, an running track, and an indoor tennis facility.

The City of Kirkland currently operates the Peter Kirk Community Center and the North Kirkland Community Center. The Peter Kirk Community Center is designed to serve the population of Kirkland aged 50 and older, while the North Kirkland Community Center serves all ages. These centers provide activities ranging from yoga and dance to art classes and indoor play-time for tots. These facilities not only serve the resident population, but also serve a large number of residents from an unincorporated area that borders Kirkland to the north.

PUBLIC OUTREACH

Public outreach was an important component of the needs assessment process. The Parks and Community Services Department assembled stakeholder groups that represented a broad cross-section of the community. The stakeholder groups were comprised of representatives from neighborhood associations; the Senior Council, community organizations and agencies; the school district; potential public, private, and not-for-profit partners; community members representing families with young children; older adults; sports groups; and, citizens at-large. City Council members were interviewed about their perceived needs for the community and their vision for enhancing recreational and social opportunities. The planning team also met with the Kirkland Youth Council to identify the perceived recreational needs of middle school and high school students.





Needs Assessment

PUBLIC OUTREACH CONTINUED

The Parks Board appointed a representative to the planning committee to bring the Board perspective to the process. Additionally, the consultant team met twice with the full Park Board to discuss the unmet or under-served needs of the community and the vision of the Park Board for the delivery of indoor recreation to the community, and to present findings and receive input from the Board. The team also conducted two interactive public



workshops to gain information regarding the community's key objectives, unmet recreational needs, and preferred space components. The public was provided information regarding the probable costs to construct and operate the desired facilities.

The public input process included a “virtual tour” of state-of-the-art indoor recreation facilities. Participants established goals for the new Kirkland Recreation Facility that were used to evaluate and prioritize space components for the final recommended space program. Other exercises and activities provided the planning team with information regarding the types of spaces, programs, and activities that are of the highest priority to the community participants. Table I on the following page details these goals.

CONCLUSIONS

There is a demonstrated need for the development of indoor recreation facilities to more adequately serve the recreation demands of the community. The findings of the current needs assessment are consistent with previous studies conducted by the City over the years that indicated residents’ interest in greater access to indoor public recreation programs and facilities. This analysis reaffirms the City’s previous findings. The market analysis that follows examined the current population, demographic trends, and the current inventory of facilities available to the public. This information was used to further assess community needs. The space program resulting from the needs assessment is presented in the Space Components section.



Needs Assessment

Table I - Goals for the Kirkland Indoor Recreation Facility

Project Goals

- 🌿 Enhance the quality of life by providing programs and activities for participants of all ages and abilities
- 🌿 Offer a broad range of activities promoting fitness, social interaction, recreation, and wellness
- 🌿 Create an environment and design that is inviting, warm, and inclusive of all
- 🌿 Provide indoor and outdoor connections
- 🌿 Reflect the positive attributes and quality of life in Kirkland and help sustain and enhance those qualities for future generations
- 🌿 Reinforce community by creating indoor space for the citizens to come together year-round
- 🌿 Serve as the social “heart” of Kirkland
- 🌿 Bring the community together and draw a broad spectrum of residents
- 🌿 Contribute to community pride
- 🌿 Provide a facility that is financially feasible and can generate substantial revenue to offset operating costs
- 🌿 Develop financial and programming partnerships with public and private providers that share the values and goals of community recreation, health and wellness
- 🌿 Provide maximum flexibility and multiple use through design and programming that adapts to changing interests and needs

Market Analysis

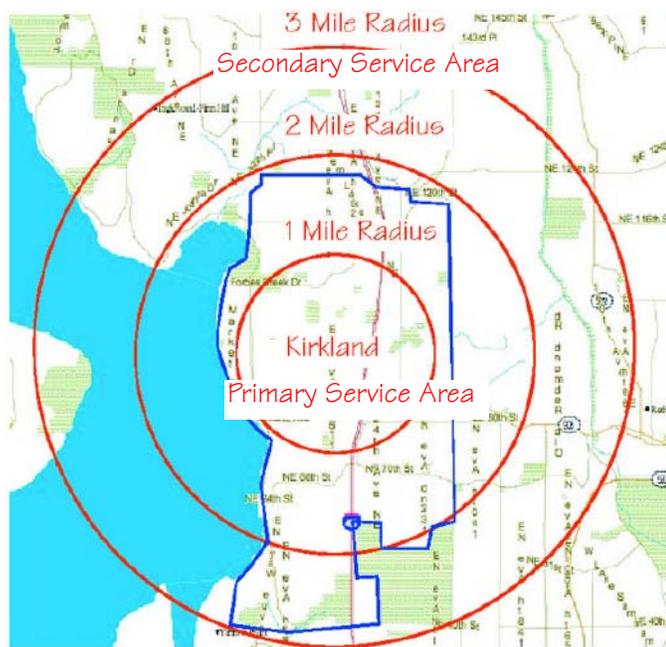


Market Analysis

OVERVIEW

To assess market conditions that may have an impact on the facility's potential attendance and total revenue, The Sports Management Group performed a market analysis. This analysis identified market forces that will affect drop-in and program participation at the proposed Kirkland Indoor Recreation Facility. Conclusions drawn from this analysis were used to determine hypothetical program and admission fees, market penetration rates, and the projected operating costs and revenues of the proposed facility. The market analysis included a review and analysis of previous studies, an analysis of the demographics of the service area, and an inventory of area service providers.

Figure 1 - Primary and Secondary Service Areas



THE SERVICE AREA

City limits and mileage radii define service areas and target markets. The City of Kirkland is the primary service area for the facility and the residents of the City are considered the target market. The secondary service area includes the area within a three-mile radius of the geographic center of Kirkland, but outside of the City's boundaries and includes the potential annexation area. Those who reside within this radius are considered the secondary target market. Figure 1 below illustrates the primary and secondary service areas.



Market Analysis

DEMOGRAPHICS

An examination of those who reside in the primary and secondary service areas aids in projecting attendance, pass sales, and the demand for programs and facilities. Demographics are an effective instrument for making conclusions about potential facility users and appropriate programs and facilities because recreation interests vary based on age, income level, and race/ethnicity.

Population and Age Groups

Several government organizations, including the City of Kirkland and the United States Census, have estimated the population growth of the City of Kirkland. According to the Census, the population of Kirkland in 2000 was 45,054. According to the City of Kirkland, the estimated population in 2005 was 45,740. By 2010, the population is expected to increase to 49,327.⁴

For purposes of this report, the population of the City of Kirkland and the population of those within a three-mile radius from the geographic center of Kirkland were used to determine market penetration and potential revenue. To further analyze the population and age groups within this area, The Sports Management Group obtained a detailed demographics report from DemographicsNow⁵, a service that provides categorical reports, estimates, and projections based on Census data. This level of detail was unavailable from the City of Kirkland.



DemographicsNow estimated the population of the City of Kirkland to be 47,991 in 2005. This number is expected to increase to 50,298 by 2010. In 2005, the population of non-residents within a three-mile radius was estimated to be

38,198. This number is expected to increase to 38,678 by 2010. Table II on page 11 shows the population within age groups for the primary and secondary service areas.

The population within age groups for the primary and secondary target markets is very similar. Approximately 40 percent of the population is comprised of family forming adults (age 20-44). The size of this population indicates that there will be a significant demand for adult programs and classes. Traditionally, this population is interested in using recreation centers for fitness activities. Spaces within a facility that can respond to these needs include fitness rooms, wood floor studios, walking/jogging track, gymnasium, lap pool, and the warm-water of a recreation pool.



Market Analysis

Population and Age Groups continued

Children (under age 19) comprise approximately one-fifth of the population in Kirkland. Children aged 5-14 comprise approximately half of this population. To meet the needs of children and teens, the facility should strive to accommodate their ever-changing needs and interests. Spaces proposed in the center that will serve the needs of this age group include gymnasium, multi-purpose activity rooms, special events rooms, and recreation pool.



The mature adult age group (aged 45-64) also comprises a significant portion of the population (approximately 29 percent). The impact that these “baby boomers” will have on the community is significant. Boomers are unlike any other generation. They are health-conscious and active overall and will exercise, work and live longer than any previous generation. Due to higher disposable income, increased free time, and medical evidence supporting the benefits of regular exercise, this age group has increased participation and interest in fitness activities, water exercise, and enrichment classes. As this generation continues to age and Americans continue to live longer, the demand for fitness and health programs in this area should be high and stay high for at least the next 20 years.

Typically, the boomer population is more comfortable participating in health and wellness activities at a community facility rather than commercial



facilities. Community facilities tend to promote a sense of belonging and a sense of community, which has been found to be important for adults as they age.

In recognition of this age wave, many communities are examining the traditional model of the stand-alone senior centers and recognizing that multi-generational facilities will better serve the needs and desires of the boomer generation. The City of Kirkland is

expected to experience a 45 percent increase in the aged 45 to 64 population by 2011. The City will be challenged to respond to the needs of this population without additional facilities in which to offer these programs and services.



Market Analysis

Population and Age Groups continued

Table II - Demographics: Age Groups 2005

AGE GROUPS	City of Kirkland		3-Mile Radius from Kirkland Geographic Center <i>(Excludes City of Kirkland and Includes Potential Annexation Area)</i>	
	47,991		38,198	
Children	9,652	20.1%	8,977	23.5%
<i>Pre-School (4 and under)</i>	2,602	5.4%	2,354	6.2%
<i>Youth (5-14)</i>	4,598	9.6%	4,295	11.2%
<i>Teens (15-19)</i>	2,452	5.1%	2,328	6.1%
Family Forming Adults	19,199	40.0%	14,899	39.0%
20-24	2,982	6.2%	2,257	5.9%
25-34	7,823	16.3%	6,180	16.2%
35-44	8,394	17.5%	6,462	16.9%
Mature Adults	13,984	29.1%	11,006	28.8%
45-54	8,076	16.8%	6,300	16.5%
55-64	5,908	12.3%	4,706	12.3%
Retirement Age	5,156	10.7%	3,315	8.7%
65 and over	5,156	10.7%	3,315	8.7%

Households with Children

Recreation centers provide health and wellness opportunities, as well as opportunities to participate in activities as a family. For this reason, recreation centers are attractive to families. An analysis of the number of households with children in the primary and secondary service areas aids in understanding the demand for programs, activities, and facilities that target youth and family forming adults.



Market Analysis

Households with Children continued

The large number of households with children in the service area indicates that there will be a high demand for family-oriented programs and programs that target youth. Family needs should be considered when designing facilities and programs. The large and growing mature active adult population and the large number of family households and households with children suggests that a multi-generational facility of the type proposed would serve the needs and interests of a broad segment of the community.

Additionally, an analysis of the number of households with children in the service areas assists in determining the number of family passes that might be sold. Within the City of Kirkland, 21.3 percent of households have at least one child under the age of 18. Within a three-mile radius (including the City of Kirkland), 27.4 percent of households have children. Table III below details household demographics.

Table III - Demographics: Households 2005

	City of Kirkland		3-Mile Radius from Kirkland Geographic Center <i>(Excludes City of Kirkland and Includes Potential Annexation Area)</i>	
HOUSEHOLDS				
Total Households	22,218		15,228	
Households with Children	21.3%	4,742	27.4%	4,165
Average Family Size	3.05		3.17	

Income

An analysis of income within the primary and secondary service areas provides the information used to establish daily admission and annual pass fee assumptions. This analysis also provides information regarding the number of residents in the primary and secondary service areas that have sufficient discretionary income to purchase the daily admission and annual pass fees. Additionally, according to a trend report co-published by American Sports Data, Inc. (ASD) and the International Health, Racquet, & Sportsclub Association (IHRSA), there is an increase in recreation participation for communities with a per capita income above \$25,000 per year and for households with an income above \$75,000 per year.⁶



Market Analysis

Income continued

With a per capita income of nearly \$44,000 for the City of Kirkland, and an average household income of \$94,276 for Kirkland and \$93,849 for the secondary service area, the income levels surpass the study's thresholds. This indicates the ability of the market to pay daily fees or purchase annual passes. Table IV below illustrates the per capita income, the median household income, and the average household income for the primary and secondary service areas.

Table IV - Demographics: Income 2005

	City of Kirkland	3-Mile Radius from Kirkland Geographic Center <i>(Includes City of Kirkland and Includes Potential Annexation Area)</i>
INCOME		
Per Capita Income	\$43,889	\$41,578
Median Household Income	\$70,296	\$73,389
Average Household Income	\$94,276	\$93,849

Educational Attainment

Educational background is also highly related to the level of recreational activity. The ASD/IHRSA Trend Study reported, "whereas only 12 percent of people with a high school education or less are frequent (recreation) participants, the percent among those with some college rose to 18 percent, and then jumped 23 percent for college graduates."⁷ According to DemographicsNow, over 50 percent of the primary and secondary service areas' population aged 25 years and older has a bachelors or a graduate degree. This indicates that there will be a large population that is interested in participating in recreation activities. Table V on the following page details educational attainment in the primary and secondary service areas.



Market Analysis

Educational Attainment continued

Table V - Demographics: Educational Attainment 2005

	City of Kirkland		3-Mile Radius from Kirkland Geographic Center <i>(Includes City of Kirkland and Includes Potential Annexation Area)</i>	
EDUCATIONAL ATTAINMENT				
Total Persons 25 Years and Over		35,357		26,964
Some High School or Less	3.9%	1,394	4.5%	1,203
High School Graduate	14.1%	4,969	13.1%	3,522
Some College or Assoc. Degree	27.7%	9,800	28.6%	7,714
Bachelor Degree	35.3%	12,478	33.7%	9,081
Graduate or Professional Degree	19.0%	6,717	20.2%	5,443

SERVICE PROVIDERS

To assess the capacity of not-for-profit, private, and commercial recreation providers to meet recreation and aquatics demand, the consultants inventoried facilities located within the City of Kirkland. This inventory included in-person visits, telephone interviews, internet research, and data provided by the International Health and Racquet Sports Association (IHRSA), which is the commercial health club trade association. The inventory identified available services, market niche, the target market for the facility, unfilled capacity, amenities, and pricing.

The primary providers of fitness in the City of Kirkland are commercial fitness clubs including Gold's Gym and 24 Hour Fitness. There are also small, specialized centers; however, they were not included because they lack the capacity to draw a large population to their facilities. The inventory of facilities in Kirkland indicates the current demand for fitness exceeds capacity.

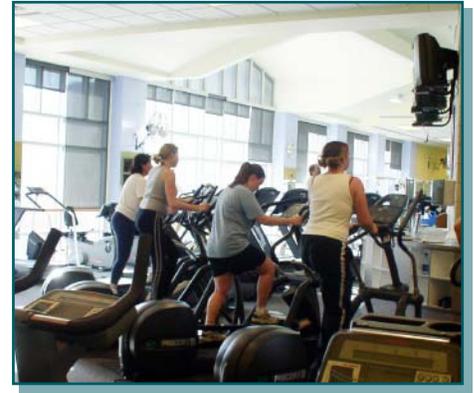




Market Analysis

SERVICE PROVIDERS CONTINUED

Commercial recreation and fitness facilities typically serve a market distinct from city-operated facilities. Commercial facilities are sustained by memberships. Generally, commercial facilities do not offer drop-in admission and they apply many limitations to use by youth. They also lack the family-friendly environment and family aquatic elements that are the centerpiece of the state-of-the-art community recreation facility. Public facilities have traditionally attracted the “fitness seekers”, the de-conditioned adult market, mature adults age 50 and older, teens, and families.



CONCLUSIONS

The City of Kirkland has a deficiency of indoor recreation spaces such as a gymnasium, walking track, group exercise studio, lap pool, recreation pool, fitness facilities, and other active recreation components to serve the needs and interests of Kirkland residents. The City's commitment that led to the development of outstanding outdoor recreation facilities is required if the City desires to provide high quality indoor health, fitness, and recreational opportunities for the community. The Parks and Community Services Department lacks sufficient facilities in which to offer the programs, classes, and activities the community desires. Shared use of school facilities cannot meet the current demand and that demand is expected to grow.

A large indoor community gathering space is also a deficiency in the community and, like the recreation spaces, cannot be met by the private or commercial sector. The community input reinforced the need for places to gather and celebrate family and community.

Space Components



Space Components

OVERVIEW

The needs assessment process served as the basis for identifying the space components necessary to: (1) serve community recreational demand and interests that are currently underserved or unmet with current public and private facilities, (2) achieve the key objectives identified by the community, (3) meet the objectives identified in the City's Open Space and Recreation Comprehensive Plan for the delivery of recreational services, and (4) advance the community-wide City initiative for building and maintaining a healthy community.



The initial step in the programming process identified the space components desired by the community. This space program was extensive and of a size and cost that exceeded the likely funding sources and potential land availability. Using the goals, each space was evaluated by the planning team to develop a preferred space program. The

primary criteria included: (1) serve unmet demand for activities and programs, (2) serve the needs and interests of the greatest number of community members, (3) serve the current and projected population, and (4) achieve cost recovery objectives to ensure financial sustainability.

PREFERRED SPACE COMPONENTS

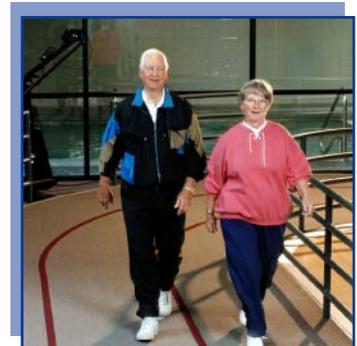
The recommended space program for the Kirkland Indoor Recreation Facility includes the following space components:

Activity Spaces

- Gymnasium
- Walking/Jogging Track
- Fitness Room
- Wood Floor Studio
- Multi-Purpose Activity Room

Community Spaces

- Community Hall
- Special Events Room
- Child Watch/Activity Room
- Juice Bar/Deli





Space Components

PREFERRED SPACE COMPONENTS CONTINUED

Aquatic Spaces

- Natatorium with 6-Lane Lap Pool
- 5,500 sf Recreation Pool
- 250 sf Spa

Building Support Space

- Entry Hall/Lobby
- Casual Activities Lounge
- Locker Rooms
- Family Changing Rooms
- Administration Offices



In addition to space components identified in the core program, the following spaces were identified as desirable and to be considered as budget and site size allows.

- 2nd Wood Floor Studio
- Indoor Playground
- Climbing Wall
- Therapy Pool
- Relocation of Parks and Community Services Offices

A complete listing of spaces and associated square footage is included on the pages that follow.





Space Components

Table VI - Space Program

A. Building Support Spaces		NASF
A.01	Vestibule	200
A.02	Entry Hall / Lobby	600
A.03	Casual Activity Lounge / Social Area / Viewing	2,500
A.04	Reception / Access Control	300
A.05	General Storage	300
A.06	Merchandise Storage	80
A.07	Vending Alcove	150
A.08	Juice Bar / Deli	400
A.09	First Aid Room	80
A.10	Locker Rooms - Men	1,600
A.11	Locker Rooms - Women	1,700
A.12	Family Changing Room (ADA)	120
A.13	Family Changing Room (3 @ 100 sq. ft. ea)	300
A.14	Family Changing Room Locker Vestibule	200
A.15	Public Restroom - Men	60
A.16	Public Restroom - Women	60
A.17	Maintenance / Receiving / Workshop / Storage	600
Subtotal Building Support Spaces		9,250
B. Center Administration		
B.01	Center Director's Office	160
B.02	Assistant Center Director's Office	120
B.03	Administrative Assistant / Bookkeeper's Office	140
B.04	Marketing and Events Director's Office	120
B.05	Program Coordinator's Office: Fitness	120
B.06	Program Coordinator's Office: General Instruction	120
B.07	Program Coordinator's Office: Sports	120
B.08	Program Coordinator's Office: Youth / Teen	120
B.09	Staff Group Office (6 persons @ 80 sq. ft. each)	480
B.10	Conference Room	400
B.11	Staff Breakroom	300
B.12	Staff Restroom - Men and Women	120
B.13	Workroom / Storage / Supply Room	300
Subtotal Center Administration		2,620





Space Components

Table VI - Space Program Continued

C. Activity Spaces		NASF
C.01	Gymnasium (2 - 50' x 74' courts)	12,800
C.02	Gymnasium Storage	700
C.03	Walking / Jogging Track with Stretching Area	5,500
C.04	Fitness Room	5,000
C.05	Fitness Room Storage / Workshop	200
C.06	Wood Floor Studio A	1,800
C.07	Wood Floor Studio A Storage	350
C.08	Multi-Purpose Activity Room (with one divider)	1,800
C.09	Multi-Purpose Activity Room Storage	200
Subtotal Activity Spaces		28,350
D. Community Spaces		
D.01	Community Hall (divisible into 3 classrooms)	5,400
D.02	Community Hall Storage	700
D.03	Caterer's Kitchen	1,100
D.04	Restrooms - Men's and Women's	900
D.05	Special Events Room (divisible into 2 rooms)	700
D.06	Special Events Room Storage	80
D.07	Child Watch Activity Room	900
D.08	Child Watch Activity Room Storage	80
D.09	Child Watch Activity Room Restroom (2 @ 20 sq. ft. each)	40
Subtotal Community Spaces		9,900



Space Components

Table VI - Space Program Continued

E. Aquatics Spaces		NASF
E.01	Lap Pool Natatorium (15' decks)	7,800
E.02	6-Lane Lap Pool (3,375 sq. ft. water surface)	
E.03	Heater and Mechanical Room	675
E.04	Chemical Rooms	170
E.05	Pool Storage	200
E.06	Recreation Pool Natatorium	12,000
E.07	Recreation Pool (5,500 sq. ft. water surface)	
E.08	Heater and Mechanical Room	1,100
E.09	Chemical Rooms	200
E.10	Recreation Activity Pool Storage	250
E.11	Spa (250 sq ft. water surface)	
E.12	Aquatic Coordinator's Office	120
E.13	Aquatics Office	150
E.14	Lifeguard Room	400
Subtotal Aquatics Spaces		23,065
Total Net Assignable Square Footage		73,185
Building Grossing Factor (75% efficiency)		16,540
Aquatics Grossing Factor (85% efficiency)		4,152
Total Grossing Area		20,691
Total Gross Square Footage (Rounded)		93,900

Financial Analysis



Financial Analysis

Working with City of Kirkland Parks and Community Services Department staff, The Sports Management Group developed a detailed estimate of the annual costs to operate and maintain the Kirkland Indoor Recreation Facility. This analysis included the identification of the revenue potential from anticipated programs and activities. City staff provided current operating information regarding wages and benefit costs for full-time and part-time staff. All figures are presented in 2006 dollars.

PROBABLE OPERATING COSTS

These costs are based on a series of operating assumptions and are presented in a range from low to high. An analysis of comparable facilities, information provided by City staff, and The Sports Management Group's experience working with similar facilities assisted in the development of the assumptions. Local or regional rates for utilities, services, personnel, and other expenses are the basis of the assumptions. The assumptions also include the projected hours of operation for the facility. These hours of operation were determined through discussions with Department staff and research of other comparable facilities. The assumptions are listed in the Appendix.



Personnel

As is typical with all facilities of this type, over half (approximately 63 percent) of the projected operating costs are attributable to personnel costs. This includes full-time and part-time staff, contract staff, training, uniforms, and travel to conferences, seminars, and training programs. The ability to generate revenue, ensure the safety of facility

users, and achieve a high level of customer satisfaction is dependent on a professional, well-trained, and dedicated staff.

The City of Kirkland will invest millions of dollars in a facility, and the staff is responsible for maintaining and protecting this asset, and safeguarding the health and safety of the users. Providing proper supervision to both the lap and recreation pools, maintaining water chemistry, and performing necessary facility repair are all essential. The full-time professional staff must manage a large operating budget while generating revenue by providing quality programs and implementing an aggressive marketing plan.

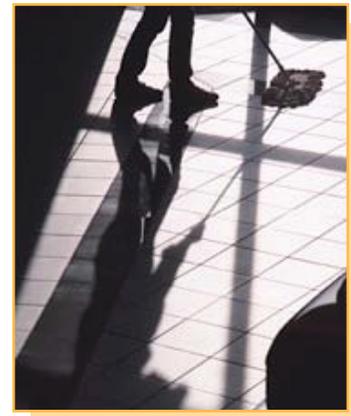


Financial Analysis

Facility Maintenance

To attract and sustain participation, it is important that the Kirkland Indoor Recreation Facility be maintained at a high level. Studies conducted by the International Health, Racquet and Sports Club Association (IHRSA) indicate that the leading cause of membership attrition in both public and private facilities is the lack of cleanliness and deterioration of the physical condition of both the facility and the equipment. Recreation centers operate with extended hours of operation that results in greater maintenance. Additionally, indoor aquatic spaces are high maintenance due to the corrosive environment in which they operate.

A preventative maintenance program is required to keep the facility in good, safe, and working order. While maintenance is costly, a good maintenance program over the life of the building will provide substantial savings and improved customer satisfaction. Facility maintenance costs include items such as facility and major equipment repair and maintenance, supplies, contracted custodial services, and service agreements for the maintenance of the HVAC system, security system and alarm, and elevator.



Reserve Fund

In addition to the funding of annual maintenance, it is recommended that a building reserve fund be included as a line item in the operating budget. The reserve fund is used to pay for major facility repairs and for the replacement of the building and its systems. Facilities will deteriorate if adequate funding is not allocated for major repairs and maintenance. If this fund is not included, a plan should be developed for funding major repairs and replacements. Consideration should be given to allocating approximately one percent of the facility construction costs each year to the reserve fund. Over time, this allocation should be adjusted for inflation. Based on the construction cost estimate, a \$230,000 to \$240,000 annual allocation to a reserve fund has been included as an option in the probable operating costs.



Financial Analysis

Utilities

The operation of a facility that includes a lap pool and a recreation pool with features such as waterslides, a vortex, and a lazy river requires significant utility usage. This utility usage represents a major expense. The utility costs for the Kirkland Indoor Recreation Facility including water, sewer, gas, electric, trash disposal, and surface water management are estimated to range from \$283,000 to \$332,000 annually. Utility rates have been volatile and are difficult to estimate long-term.

Marketing

The continuing financial success of the Kirkland Indoor Recreation Facility will depend on a commitment to creating, funding, and executing an ongoing



marketing plan. The facility will offer a wide variety of opportunities to Kirkland residents, as well as the large population in the surrounding areas; however, marketing efforts must capture their attention and inform them about these opportunities. Marketing efforts should target the resident and non-resident populations in a consistent and professional manner. While marketing will increase the overall operating costs of the facility, the expenditures are necessary to achieve revenue objectives. It is estimated that marketing expenses will range from \$40,000 to \$45,000 annually.

Probable Annual Operating Costs

Table VII on the following page summarizes the probable annual operating costs for the Kirkland Indoor Recreation Facility. The costs are presented in a range from low to high. Typically, costs incurred in the first few years of operation are at the low end of the range because new facilities have yet to reach user capacity and are less expensive to maintain. Total probable operating costs are estimated to range from \$2,811,000 to \$3,228,000 annually. The total probable operating costs, including a building reserve fund, are estimated to range from \$3,041,000 to \$3,468,000 annually. Detailed information related to probable operating costs can be found in the Appendix.



Financial Analysis

Table VII - Operating Costs

Probable Operating Costs

All figures are in 2006 dollars and are rounded to the nearest thousand.

SALARIES AND BENEFITS

	Low	High
Full-Time Salaries and Benefits	\$737,000	\$902,000
Part-Time Salaries and Benefits	\$799,000	\$864,000
Total Salaries and Benefits	\$1,536,000	\$1,766,000

OPERATING EXPENSES

Training	\$9,000	\$13,000
Contract Personnel Services	\$197,000	\$228,000
Travel & Uniforms	\$17,000	\$22,000
Communication Services	\$11,000	\$14,000
Supplies & Materials	\$104,000	\$126,000
Repair and Maintenance	\$94,000	\$112,000
Marketing and Promotions	\$40,000	\$45,000
Service Agreements / Contract Services	\$137,000	\$156,000
Computer Services	\$13,000	\$16,000
Utilities	\$283,000	\$332,000
Administrative Recharges	\$110,000	\$110,000
Miscellaneous	\$234,000	\$254,000
Capital Outlay	\$26,000	\$34,000
Subtotal Operating Expenses	\$1,275,000	\$1,462,000
Total Probable Operating Costs	\$2,811,000	\$3,228,000
Building Reserve Fund (Optional)	\$230,000	\$240,000
Total Probable Operating Costs with Reserves	\$3,041,000	\$3,468,000



Financial Analysis

DAILY ADMISSION AND ANNUAL PASS REVENUE

Fee Assumptions

Proper pricing is essential to building a satisfied customer base while generating sufficient revenue to offset operating costs. It is important that fees reflect the amenities offered and provide acceptable rates to the intended market. Additionally, daily admission fees and annual passes must encourage participation by the broadest possible market.

Table VIII - Fee Assumptions

Fee Assumptions			
<i>Residents</i>	Daily Cost	Annual Pass	Cost of Annual Pass per Month
Child (0-2)	No Charge		
Child (3 to 4)	\$2.50		
Youth (5-19)	\$4.00	\$300	\$25.00
Adult	\$6.00	\$450	\$37.50
Family		\$700	\$58.33
<i>Non-Residents</i>			
Child (0-2)	No Charge		
Child (3 to 4)	\$3.50		
Youth (5-19)	\$5.00	\$375	\$31.25
Adult	\$7.00	\$525	\$43.75
Family		\$850	\$70.83

Fee assumptions assisted in the development of the total revenue potential for the Kirkland Indoor Recreation Facility. Information gathered from both the comparative analysis of similar facilities and from the demographic analysis of the Kirkland area was used to develop fee assumptions. It was assumed that drop-in users will be charged a fee for the use of the facility and that annual passes will be marketed successfully to frequent facility users.

Fee assumptions were developed for both residents and non-residents. A review of the inventory of area service providers, the income of the population, and the revenue and cost recovery objectives

aided in the development of these fee assumptions. Based on this review, it was assumed that the fees for the Kirkland Indoor Recreation Facility will range from \$2.50 to \$6.00 for resident daily admission and from \$3.50 to \$7.00 for non-resident daily admission. Individual annual pass fees range from \$300 to \$450 for residents and \$375 to \$525 for non-residents. The fee assumptions also include an annual family pass at \$700 for residents and \$850 for non-residents. Proposed daily admission and annual pass rates for the facility are summarized in Table VIII.

Market Penetration

A comprehensive market penetration analysis included a review of the following: the age and geographic location of potential users, users' recreation needs and preferences, the inventory of area service providers, and the space components of the recommended program. The developed market penetration rates were used to estimate the number of annual passes likely to be sold and the revenue generated from those sales. Detailed information regarding pass sales and daily admissions can be found in the Appendix.

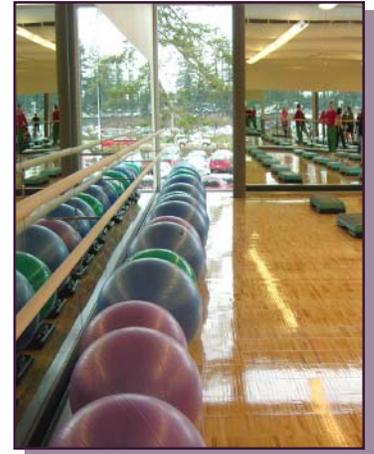




Financial Analysis

REVENUE POTENTIAL

The total revenue potential was estimated to range from \$2,624,000 to \$3,022,000 annually based on the analysis of the target market, the demographics of the service area, and the potential market penetration. This revenue is derived from the projected daily admissions and annual pass sales for the facility, facility rentals, lessons, classes, and other programs. Table IX the following page illustrates total revenue potential. The Appendix contains detailed information on total revenue potential.



It is likely that the most sustainable source of revenue over time for the Kirkland Indoor Recreation Facility will be derived from the sale of annual passes to those who reside within the primary and secondary service areas. This revenue will comprise approximately 45 percent of total revenue for the facility.

Although a significant portion of this revenue (approximately 30 percent) will be derived from City of Kirkland residents, it is essential that the staff market



to the population that resides in the surrounding areas. Currently, there is a large non-resident population that participates in City of Kirkland recreation programs and activities. This population is important to the financial success of the Kirkland Indoor Recreation Facility as it provides significant additional revenue potential to offset operating costs. Annual pass sales to the non-resident population within a three-mile radius of the facility are projected to generate approximately 15 percent of the facility's total

revenue potential. This is a significant percentage and does not include the potential revenue from the non-residents participating in the various programs, classes, and activities.



Financial Analysis

REVENUE POTENTIAL CONTINUED

In addition to pass sales, a large part of the total potential revenue will be generated from a wide variety of programs, classes, activities, special events, and rentals that offered at the facility. For the Kirkland Indoor Recreation Facility to generate significant revenue and meet the needs of the community, the program mix must be responsive and adaptable to varying user interests and demand. There must be a variety of offerings that target both residents and non-residents and every segment of these markets: adults, families, seniors, and children.

Table IX - Revenue Potential

Revenue Potential		
All figures are in 2006 dollars and are rounded to the nearest thousand.		
	Low	High
Daily Admissions and Annual Pass Sales	\$1,534,000	\$1,679,000
Child Watch Activity Room	\$82,000	\$93,000
Fitness Room	\$21,000	\$26,000
Wood Floor Studio	\$118,000	\$135,000
Gymnasium	\$219,000	\$248,000
Multi-Purpose Activity Room	\$97,000	\$118,000
Special Events Room	\$62,000	\$73,000
Community Hall	\$180,000	\$245,000
Kitchen	\$13,000	\$16,000
6-Lane Indoor Lap Pool	\$193,000	\$240,000
Recreation Pool	\$98,000	\$138,000
Miscellaneous	\$7,000	\$11,000
Total Revenue Potential	\$2,624,000	\$3,022,000





Financial Analysis

COST RECOVERY POTENTIAL

Table X below details three scenarios of cost recovery potential. High cost recovery is determined by dividing the highest total revenue potential by the lowest probable operating costs. Low cost recovery is determined by dividing the lowest total potential revenue by the highest probable operating costs. Average cost recovery is determined by dividing the average total potential revenue by the average probable operating costs. Typically, the average cost recovery is most indicative of what is likely to occur after two to three years of operation.

Based on the preceding expense and revenue analysis, which reflects the consultant's conservative approach to the overall analysis, it is The Sports Management Group's opinion that the Kirkland Indoor Recreation Facility has the potential to realize annual cost recovery of 93.5 percent, requiring an annual subsidy of approximately \$196,500, without the optional reserve fund. The addition of the reserve fund will initially decrease cost recovery, but will ensure that the facility is maintained in good condition, effectively increasing long-term cost recovery. The expected average cost recovery for the facility with the reserve fund is 86.7 percent.

Table X - Cost Recovery

Cost Recovery Potential			
	Low	Average	High
Cost Recovery Potential	81.3%	93.5%	107.5%
Annual Subsidy or Profit	(\$604,000)	(\$196,500)	\$211,000

Cost Recovery Potential with Building Reserve Fund			
	Low	Average	High
Cost Recovery Potential	75.7%	86.7%	99.4%
Annual Subsidy or Profit	(\$844,000)	(\$431,500)	(\$19,000)

Site Criteria



Site Criteria

SITE SELECTION CRITERIA

It is recommended that the initial screening and site evaluation phase be broad and inclusive. Possible sites for consideration will be located within the City of Kirkland with consideration for accessibility to the primary and secondary service areas. Four major site selection categories were identified by the planning team: economic viability, accessibility, site capacity, and site availability. Emphasis will be placed on the private-public partnership potential when evaluating a site. The outlined site criteria are considered a framework to assist the planning committee in critiquing options, determining a shortlist of sites, and selecting a preferred site.

Economic Viability

- Partnership Opportunity
- Partner Criteria
- Cost Recovery Potential
- Maximize Service Area
- Prominent Location
- Proximity to Other Amenities
- Site Development Cost Feasibility

Accessibility

- Traffic Impact
- Neighborhood Impact
- Proximity to 405-Corridor
- Proximity to Major Arterials/Collectors
- Access to Public Transportation
- Access to Non-Motorized Connections

Site Capacity

- Available Acreage (6-9 acres)
- Accommodate Base Program Requirements
- Accommodate Expansion Requirements
- Accommodate Outdoor Amenities
- Accommodate Surface Parking
- Require Structured Parking
- Shared Parking Potential



Site Criteria

SITE SELECTION CRITERIA CONTINUED

Site Availability

- Timeline for Potential Development
- Zoning Compatibility
- Regulatory Review Timeline

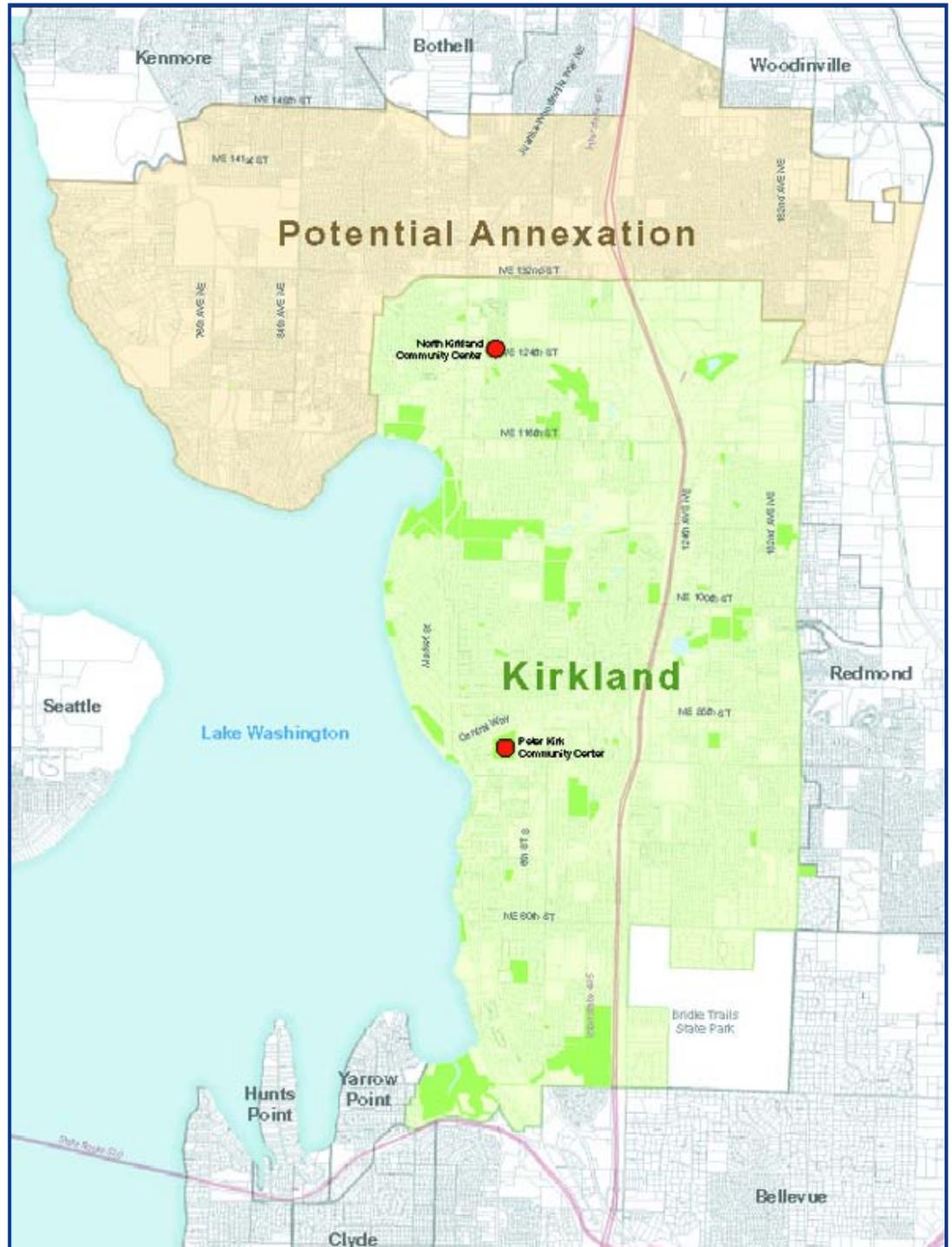
VICINITY MAP

A map of Kirkland and the potential annexation area is provided on the following page. The North Kirkland Community Center and the Peter Kirk Community Center are identified on the map to serve as reference points.



Site Criteria

Figure II - Vicinity Map



Prototype Plan



Prototype Plan

The prototype plan on the following page illustrates a possible scenario of an eight-acre site that could accommodate the proposed 93,000 gross square foot facility and the associated site development. The site plan assumes a two-story facility with provisions for 290 parking stalls, service and road access, desired outdoor activity spaces, landscape buffer, provisions for on-site storm water management, and future expansion opportunities. The illustrated space layout (Figures III and IV on the following page) suggests the desired space adjacencies, zoning of community and recreation activity spaces, and proximity of outdoor courtyards to the community room and natatorium. Stacking the program consolidates the building footprint and provides a critical mass of activity spaces on the upper level.



The prototype plan is considered a starting point to assist in evaluating potential sites in the next phase of study. It is recommended that site-specific layouts be developed to test-fit the building and site program on sites under consideration. Sites to be considered will likely have different shapes and sizes, that will result in more or less acreage to accommodate the building and parking requirements. Certain sites may offer opportunities for shared parking or proximity to mass transit and alternative transportation. Other sites may present challenges with steep topography, wetlands, irregular shape, or limited acreage that would require stacking more program on an upper level than proposed in the prototype plan. A parcel smaller than eight-acres may require consideration of a parking structure to accommodate the building and parking requirements. It is recommended that sites between six and eight acres be considered and evaluated based on the outlined site selection criteria.





Prototype Plan

Figure III - Level 1 Plan

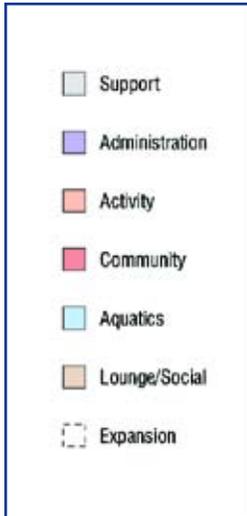
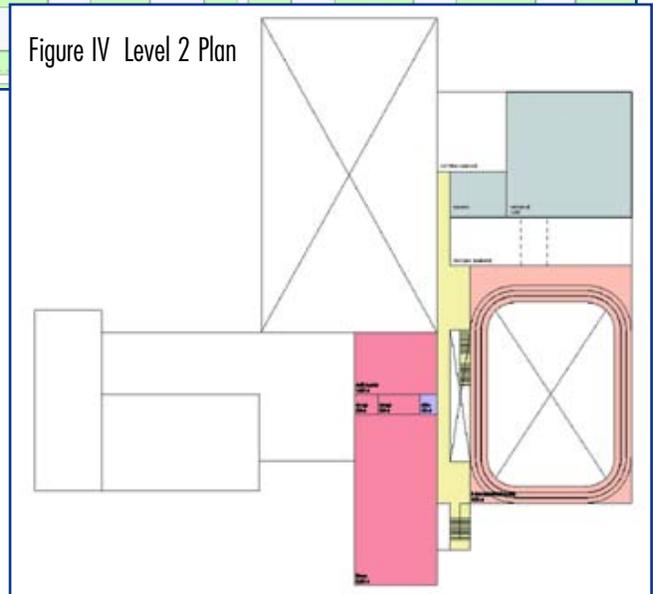


Figure IV Level 2 Plan



Construction Costs



Construction Costs

OPINION OF PROJECT COST

Table XI on the following page provides a project cost estimate of \$36,566,000 for the Kirkland Indoor Recreation Facility. The estimate of project cost includes the direct construction cost, a site development allowance, and projected soft costs that all contribute to the total project cost. This estimate was developed using a cost-per-square-foot allowance related to specific program components by utilizing cost information from similar recreation center projects. The unit cost assigned to each specific program element is based on a good quality level that includes durable materials and specialized finishes appropriate to the high-use a community recreation facility receives.

The site development cost includes allowances for parking, utilities, paving, and landscape. Because a site has not been identified for the facility, the site development allowance is the greatest unknown in the cost estimate. Site development costs will vary depending on the parcel size, shape, and topography, as well as available access to utilities and the potential of shared parking or the possibility of structured parking. It is recommended the cost model is revisited and updated during the site selection process when concept designs are developed for the preferred sites and the cost estimates can better reflect site-specific facility layouts and their associated site development scope.

The project soft costs are in addition to the direct construction costs and include: fixtures, furnishings, and equipment (FFE), design and engineering fees, project contingencies, construction management, and testing, permitting fees, and sales tax. The order-of-magnitude estimate is in 2006 dollars and must be escalated to the mid-point of construction.



Construction Costs

Table XI - Construction Costs

<u>Program Summary</u>				
A. Building Support Space		9,250	\$225	2,077,800
B. Center Administration		2,620	\$205	538,400
C. Activity Spaces		28,350	\$223	6,315,600
D. Community Spaces		9,900	\$238	2,355,100
E. Aquatics Spaces		23,065	\$335	7,722,390
Building Grossing Factor	75%	16,707	\$180	3,007,200
Aquatics Grossing Factor	85%	4,070	\$180	732,653
Total Gross Building Area		93,962	\$242	22,749,143
Construction Contracts				
Site Development Allowance	7.5%			\$1,706,186
Facility Construction				\$22,749,143
Design Contingency	5%			\$1,137,457
Parking Allowance - 300 Cars (Surface Parking)				\$400,000
Subtotal				\$25,992,786
Owner Project Contingency	10.0%			\$2,599,279
Washington State Sales Tax	8.8%			\$2,516,102
Subtotal-Construction Contracts (Rounded)				\$31,108,000
Soft Costs				
Fixtures, Furnishings & Equipment	6.5%			\$1,689,531
Professional Fees	13.0%			\$3,379,062
Construction Manager	0.5%			\$129,964
Owner Costs-Pemits, etc.	1.0%			\$259,928
Subtotal-Soft Costs				\$5,458,485
Total Project Cost - 2006 Dollars (Rounded)				\$36,566,000

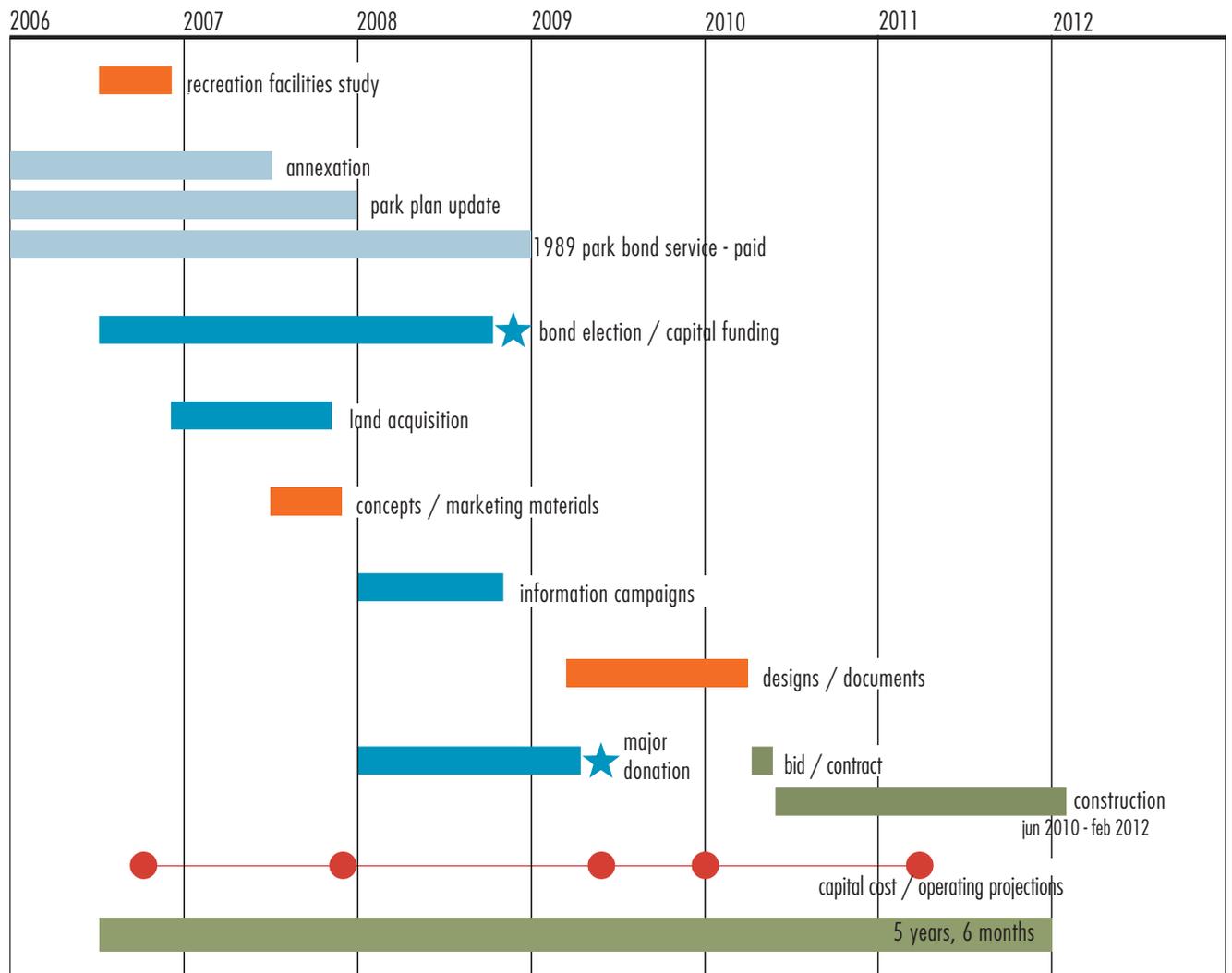
Project Timeline



Project Timeline

The project timeline below identifies the next steps and provides a preliminary schedule to complete site selection, secure funding, complete design, and construct the proposed Indoor Recreation Facility. The Phase 2 feasibility study, focusing on site selection and conceptual design, is shown as completed by the fall of 2007 followed by an informational campaign that will identify a major partner, secure funding, and include a possible bond initiative. Facility design and documentation could be initiated by early spring 2009 with bidding a year later in early spring 2010 and a facility grand opening in early 2012.

Figure V – Project Timeline



References



References

1. Centers for Disease Control and Prevention. (2002) *Guide to Community Preventive Services*. Retrieved October 23, 2006 from <http://www.thecommunityguide.org/pa/default.htm>
2. City of Kirkland. (2001). *Comprehensive Park, Open Space, and Recreation Plan*. Kirkland, WA: Author.
3. Carolyn Browne Associates. (November, 2001). *Survey of Indoor Recreation Needs*. Kirkland, WA: Author.
4. City of Kirkland. (2006). *Economic Environment and Revenue Trends*. Kirkland, WA: Author
5. DemographicsNow. (2006). *Custom Demographic Trend Summary Report*. Retrieved July 10, 2006, from www.demographicsnow.com.
6. American Sports Data, Inc. and the International Health, Racquet and Sportsclub Association. (2000). *IHRSA/ASD Health Club Trend Report*. Hartsdale, NY: American Sports Data, Inc.
7. American Sports Data, Inc. and the International Health, Racquet and Sportsclub Association. (2000). *IHRSA/ASD Health Club Trend Report*. Hartsdale, NY: American Sports Data, Inc.

Appendix

KIRKLAND INDOOR RECREATION CENTER

The following assumptions were used to develop the operating costs and revenue models for the operation of the Recreation Center. This financial analysis is based on a 94,000 sf building that includes a community hall with caterer's kitchen, child watch activity room, fitness room, wood floor studio, gymnasium, multi-purpose activity room, special events room, 6-lane indoor lap pool, and a 5,500 sf recreation pool.

OPERATING ASSUMPTIONS

Hours of Operation

General hours of operation:

Facility

Monday - Friday	5:30 AM - 10:00 PM
Saturday	8:00 AM - 8:00 PM
Sunday	10:00 AM - 7:00 PM

Building may be scheduled during non-public hours for events, rentals etc.

Hours of Operation

Summer

F / W / S

Waterslide

Monday - Friday	12:00 PM - 8:00 PM	3:00 PM - 7:00 PM
Saturday	12:00 PM - 7:00 PM	12:00 PM - 7:00 PM
Sunday	12:00 PM - 6:00 PM	12:00 PM - 6:00 PM

Hours of Operation

Year Round

Lap Pool

Monday - Friday	5:30 AM - 9:00 PM
Saturday	8:00 AM - 7:00 PM
Sunday	10:00 AM - 6:00 PM

Pool may be scheduled during non-public hours for events, rentals etc.

Hours of Operation

Morning

Evening

Child Watch

Monday - Friday	8:00 AM - 11:00 AM	4:00 PM - 8:00 PM
Saturday	8:00 AM - 12:00 PM	

Facility Admittance

Center users will pay a daily admission fee or purchase a multi-use pass to gain admittance to the facility. For budgeting purposes, the financial analysis will assume multi-use passes are offered on an annual basis only.

Family Pass

The family pass for both residents and non-residents includes up to four family members. This includes entrance and use of the facility. Class fees are additional.

Child Watch

A non-licensed drop-in childcare service will be offered to guests utilizing the facility with a maximum stay of two hours. The parents(s) must be in the building in order to use the childcare service so they can be easily contacted in case of an emergency. The fee assumption is a \$4.00 charge per hour.

Registration

Class registration for programs and activities held within the facility will be offered at the Reception Counter during limited hours. Registrations will be processed by facility staff.

Part-Time Attendants

Part-time Attendants are scheduled to assist maintenance staff in daily opening and closing of the facility. Additionally, Building Attendants will provide maintenance support during weekday peak times and on weekends.

KIRKLAND INDOOR RECREATION CENTER

Employee Salaries	Salaries are based on current salary costs provided by the City.
Indirect Costs & Overhead Charges	Wages and benefits costs are projected for all full-time and part-time staff. At the direction of the City, a City Central Services recharge is included in the budget and is estimated at \$110,000 annually.
Employee Benefits	Employee benefits are calculated as 42% of gross annual salaries for full-time employees and 16% of gross annual salaries for part-time employees.
Employee Overtime	At the direction of the City, employee overtime is not included in the budget.
Instructors	It is assumed that non-aquatic classes offered at the facility will be taught by contracted instructors and that the instructor will receive 65% of gross revenue from the classes and the center will receive 35%. These percentages were provided by the City.
Staff Uniforms	Center employees will be required to wear a staff shirt with Center identification. An allocation of \$45 per part-time employee and \$140 per full-time employee has been included in the budget.
Lifeguard Uniforms	Lifeguards will be required to wear a staff shirt and shorts with Center identification. An allocation of \$100 per lifeguard has been included in the budget.
Travel	Travel includes the costs associated with the attendance of conferences, seminars, training programs, etc. These costs have been calculated at 2% of gross annual salaries for full-time employees.
Training	Training includes the costs associated with the training and development of employees. Training may include general orientation and classes leading to certification or maintaining certification (i.e. Certified Pool Operator, CPR, First Aid), and seminars and workshops designed to enhance skills and performance. A per employee allowance is calculated at \$12 per hour for 20 hours for each new employee per year.
Telecommunications	Full-time employees will be provided with cell phones. The cost of telecommunications is calculated at \$50 per data/voice line and \$50 per cell phone per month.
Marketing and Promotions	Marketing and Promotions allocation provides for an aggressive marketing program designed to promote facility use and program attendance. Costs include printing and mailing costs related to class program flyers, facility brochures, comment cards, fee rate cards, and special promotional advertising.
Program Supplies	Program supply expenses include the cost to purchase supplies for classes, programs, equipment, and special events. Costs are calculated at 4% to 6% of associated gross revenue.

Pool Chemicals	Pool chemical costs are estimated to range from \$3.50 to \$4.00 per square foot of water surface.								
Office Supplies	Office supply costs are based on general office supplies including costs associated with copier/printer paper and toner, as well as general office needs. These costs are estimated to range from \$400 to \$500 per month.								
Postage	General postage costs for administrative purposes.								
Facility Maintenance	General building repairs and facility maintenance will be performed by full and part-time maintenance staff. These positions could either be allocated as union positions.								
Building Repair and Maintenance	Costs for outside maintenance and repair services, i.e. broken glass, damaged lockers, and carpet and window cleaning. Additionally, costs of annual repairs to the natatorium such as tile and light replacement and deck repair have been included. Costs are estimated to be between \$2,500 and \$3,000 per month.								
Major Equipment Repair and Maintenance	Costs are based on annual repairs to major equipment and are estimated to range from \$1,500 to \$2,000 per month.								
Janitorial Services	Costs for contracted janitorial service. The cost of janitorial services has been provided by the City and is estimated to range from \$2.30 to \$2.50 per square foot of non-pool area.								
Janitorial Supplies	Janitorial supply costs are based on consumable supplies including toilet paper, locker room soap, and cleaning supplies. Costs are estimated to range from \$3,500 to \$4,000 per month.								
Parts and Misc. Supplies	Costs are based on replacement parts and small tools used for equipment and building repair and maintenance. An annual allocation of \$4,000 to \$5,000 is included.								
Contractual Services	Costs are based on service agreements for copy machines, mechanical systems (HVAC, elevator), security systems, fire extinguishers, etc. The budget allocates the following amounts for contractual services and/or leases. <table border="0" style="margin-left: 40px;"> <tr> <td>Copy Machine:</td> <td>\$250 to \$300 per month</td> </tr> <tr> <td>Mechanical Systems:</td> <td>\$15,000 to \$22,000 annually</td> </tr> <tr> <td>Safety Equipment:</td> <td>\$1,000 to \$2,000 annually</td> </tr> <tr> <td>Security Systems:</td> <td>\$300 to \$350 per month</td> </tr> </table>	Copy Machine:	\$250 to \$300 per month	Mechanical Systems:	\$15,000 to \$22,000 annually	Safety Equipment:	\$1,000 to \$2,000 annually	Security Systems:	\$300 to \$350 per month
Copy Machine:	\$250 to \$300 per month								
Mechanical Systems:	\$15,000 to \$22,000 annually								
Safety Equipment:	\$1,000 to \$2,000 annually								
Security Systems:	\$300 to \$350 per month								
Computer Maintenance and Supplies	Costs are based on annual maintenance agreements and supplies for computers. Costs are estimated to be \$200 per computer per year.								

Computer Replacement	An annual allocation for the replacement of the Center's computer equipment is estimated to range from \$3,000 to \$4,000.
Software Service Agreement	Costs are based on service agreements for reception counter software programs including membership tracking, class scheduling, and accounting. The service agreements are expected to range from \$10,000 to \$12,000 annually.
Utilities	Utility costs include water, gas, and electric. Estimated costs should be refined as the building design and mechanical systems are finalized. <p style="margin-left: 40px;"><i>Building Building utility costs, excluding the natatorium, are estimated to range from \$2.25 to \$2.75 per square foot.</i></p> <p style="margin-left: 40px;"><i>Natatorium Natatorium utility costs are estimated to be between \$3.50 and \$4.00 per square foot of the natatorium.</i></p> <p style="margin-left: 40px;"><i>Pools Pool utility costs are estimated to range from \$4.75 to \$5.25 per square foot of water surface.</i></p>
Bank Charges	Bank charges are for credit card charges and are based on the generated revenue. The rate the City currently pays is 2.25%.
Dues and Subscriptions	Costs are based on subscriptions and membership dues to professional associations. An annual allocation of \$1,000 to \$2,000 has been provided.
Refunds & Reimbursement	Fees returned to patrons for class cancellation, membership cancellation, or dissatisfaction are estimated at 1% of gross revenues.
Insurance	For the purposes of this analysis, an allocation of \$45,000 to \$50,000 is included. The actual amount will be dependent upon the City's rate and structure.
Building Reserves	An annual allocation of 1% of construction cost for future building replacement and renewal needs, such as replacing mechanical systems or replacing the roof is included. This is an optional expense and will be shown as a "below the line" expense.
Capital Outlay	An allocation of \$15,000 to \$20,000 has been included for major equipment renewal and replacement needs. An additional allocation of \$8,000 to \$10,000 has been included for aquatic equipment.

Probable Operating Costs

All figures are in 2006 dollars and are rounded to the nearest thousand.

SALARIES AND BENEFITS

Full-Time Salaries	Low	High
Recreation Manager	\$63,000	\$81,000
Aquatics Coordinator	\$48,000	\$56,000
Recreation Coordinators (3)	\$144,000	\$169,000
Program Assistants (4)	\$155,000	\$182,000
Building Maintenance Technicians (2)	\$87,000	\$119,000
Landscape Maintenance (.5 FTE)	\$22,000	\$28,000
Subtotal Full-Time Salaries	\$519,000	\$635,000
Full-Time Employee Benefits		
Full-Time Staff Benefits (42%)	\$218,000	\$267,000
Subtotal Benefits	\$218,000	\$267,000
Subtotal Full-Time Salaries and Benefits	\$737,000	\$902,000
Part-Time Employee Salaries		
Gym Attendants	\$13,000	\$15,000
Reception Counter Staff	\$20,000	\$24,000
Building Attendants / Maintenance Staff	\$26,000	\$30,000
Building Supervisors	\$38,000	\$42,000
Child Watch Staff (Babysitters)	\$41,000	\$45,000
General and Fitness Class Instructors	\$118,000	\$126,000
Fitness Room Attendants	\$77,000	\$81,000
Special Events Assistants	\$10,000	\$12,000
Aquatic Fitness Instructors (WSI)	\$28,000	\$32,000
Swim Instructors (Lessons) (WSI)	\$87,000	\$91,000
Recreation Pool Lifeguards	\$128,000	\$135,000
Lap Pool Lifeguards	\$103,000	\$112,000
Subtotal Part-Time Salaries	\$689,000	\$745,000
Benefits: Part-Time Employees		
Part-Time Staff Benefits (16%)	\$110,000	\$119,000
Subtotal Benefits	\$110,000	\$119,000
Subtotal Part-Time Salaries and Benefits	\$799,000	\$864,000
Total Salaries and Benefits	\$1,536,000	\$1,766,000

Probable Operating Costs

All figures are in 2006 dollars and are rounded to the nearest thousand.

OPERATING EXPENSES

	Low	High
Training: All Employees		
Training	\$7,000	\$10,000
Training Certification	\$2,000	\$3,000
Subtotal Training	\$9,000	\$13,000
Contract Personnel Services		
General Instructors	\$116,000	\$136,000
Fitness / Exercise Instructors	\$45,000	\$51,000
Professional Services (League Staff)	\$36,000	\$41,000
Subtotal Contract Personnel Services	\$197,000	\$228,000
Travel and Staff Uniforms		
Travel	\$10,000	\$13,000
Staff Uniforms	\$7,000	\$9,000
Subtotal Travel and Uniforms	\$17,000	\$22,000
Communication Services		
Telecommunications	\$7,000	\$9,000
Nextels	\$4,000	\$5,000
Subtotal Communication Services	\$11,000	\$14,000
Supplies and Materials		
Office Supplies	\$5,000	\$6,000
Postage	\$2,000	\$3,000
Program and Recreational Supplies	\$61,000	\$75,000
Pool Chemicals	\$32,000	\$37,000
Parts and Misc. Supplies (Under \$2,500)	\$4,000	\$5,000
Subtotal Supplies and Materials	\$104,000	\$126,000
Repair and Maintenance		
Facility Repair and Maintenance	\$30,000	\$36,000
Major Equipment Repair and Maintenance	\$18,000	\$24,000
Generator Maintenance	\$4,000	\$4,000
Janitorial and Paper Supplies	\$42,000	\$48,000
Subtotal Repair and Maintenance	\$94,000	\$112,000
Marketing and Promotions		
Marketing and Promotions	\$40,000	\$45,000
Subtotal Marketing and Promotions	\$40,000	\$45,000

Probable Operating Costs

All figures are in 2006 dollars and are rounded to the nearest thousand.

OPERATING EXPENSES

	Low	High
Service Agreements / Contract Services		
HVAC	\$12,000	\$18,000
Safety Equipment and Alarm Maintenance	\$5,000	\$6,000
Copy Machine	\$3,000	\$4,000
Elevator	\$3,000	\$4,000
Custodial Services	\$114,000	\$124,000
Subtotal Service Agreements / Contract Services	\$137,000	\$156,000
Computer Services		
Software Service Agreements	\$10,000	\$12,000
Maintenance and Supplies	\$3,000	\$4,000
Subtotal Computer Services	\$13,000	\$16,000
Utilities		
Natatorium Utilities	\$82,000	\$93,000
Pool Utilities	\$43,000	\$48,000
Building Utilities	\$149,000	\$182,000
Surface Water Management	\$9,000	\$9,000
Subtotal Utilities	\$283,000	\$332,000
Administrative Recharges		
City Central Services	\$110,000	\$110,000
Subtotal Administrative Recharges	\$110,000	\$110,000
Miscellaneous		
Dues and Subscriptions	\$1,000	\$2,000
Bank Charges	\$36,000	\$36,000
Refunds and Reimbursements	\$26,000	\$30,000
Insurance	\$35,000	\$40,000
Contingency	\$25,000	\$25,000
Annual Pass Sales Tax Expense	\$111,000	\$121,000
Subtotal Miscellaneous	\$234,000	\$254,000
Capital Outlay		
Capital Outlay	\$15,000	\$20,000
Computer Renewal and Replacement	\$3,000	\$4,000
Pool Equipment Outlay	\$8,000	\$10,000
Subtotal Capital Outlay	\$26,000	\$34,000
Subtotal Operating Expenses	\$1,275,000	\$1,462,000
Total Probable Operating Costs	\$2,811,000	\$3,228,000
Reserve Fund		
Building Reserve Fund (Optional)	\$230,000	\$240,000
Subtotal Reserve Fund	\$230,000	\$240,000
Total Probable Operating Costs with Reserves	\$3,041,000	\$3,468,000

Part-Time Staff Detail

Gym Attendants	Summer	F / W / S	Total Wages
No. of hours per week	26	26	
No. of weeks per year	15	35	
Hourly Rate	\$10.52	\$10.52	
Subtotal	\$4,103	\$9,573	\$13,676

Reception Counter Cashiers			
No. of hours per week	39.5	39.5	
No. of weeks per year	15	35	
Hourly Rate	\$11.00	\$11.00	
Subtotal	\$6,518	\$15,208	\$21,725

Building Supervisors			
No. of hours per week	68	68	
No. of weeks per year	15	35	
Hourly Rate	\$11.75	\$11.75	
Subtotal	\$11,985	\$27,965	\$39,950

Building Attendants / Maintenance Staff			
No. of hours per week	48	48	
No. of weeks per year	15	35	
Hourly Rate	\$11.50	\$11.50	
Subtotal	\$8,280	\$19,320	\$27,600

Child Watch Staff			
No. of hours per week	78	78	
No. of weeks per year	15	35	
Hourly Rate	\$11.00	\$11.00	
Subtotal	\$12,870	\$30,030	\$42,900

General & Fitness Class Instructors	Low	High	
No. of hours per week	200	215	
No. of weeks per year	50	50	
Hourly Rate	\$11.75	\$11.75	
Subtotal	\$117,500	\$126,313	

Part-Time Staff Detail

Fitness Room Attendants	Summer	F / W / S	Total Wages
No. of hours per week	151	151	
No. of weeks per year	15	35	
Hourly Rate	\$10.52	\$10.52	
Subtotal	\$23,828	\$55,598	\$79,426

Special Event Assistants			
No. of hours per week	20	20	
No. of weeks per year	15	35	
Hourly Rate	\$10.52	\$10.52	
Subtotal	\$3,156	\$7,364	\$10,520

Aquatic Fitness Instructors		Recreation Pool	Lap Pool	
No. of hours per year	1,376	1,152		
Hourly Rate	\$11.75	\$11.75		
Subtotal	\$16,168	\$13,536		\$29,704

Swim Instructors (Lessons)		Recreation Pool	Lap Pool	
No. of hours per year	2,016	5,574		
Hourly Rate	\$11.75	\$11.75		
Subtotal	\$23,688	\$65,495		\$89,183

Recreation Pool Lifeguards			
No. of hours per week	310	240	
No. of weeks per year	15	35	
Hourly Rate	\$10.00	\$10.00	
Subtotal	\$46,500	\$84,000	\$130,500

Lap Pool Lifeguards			
No. of hours per week	212	212	
No. of weeks per year	15	35	
Hourly Rate	\$10.00	\$10.00	
Subtotal	\$31,800	\$74,200	\$106,000

Contract Staff Detail

General Instructors	<u>Low</u>	<u>High</u>
Gross Annual Revenue	\$179,000	\$209,000
Percent to Instructor	65%	65%
Subtotal	\$116,000	\$136,000

Fitness / Aerobics Instructors		
Gross Annual Revenue	\$69,225	\$78,015
Percent to Instructor	65%	65%
Subtotal	\$45,000	\$51,000

Professional Services (League Staff)		
Gross Annual Revenue	\$182,000	\$203,200
Percent to Instructor	20%	20%
Subtotal	\$36,000	\$41,000

KIRKLAND INDOOR RECREATION FACILITY

Probable Operating Costs Detail

EMPLOYEE BENEFITS

Full-Time Employee Benefits			Part-Time Employee Benefits		
Full-Time Salaries	\$519,000	\$635,000	Part-Time Salaries	\$689,000	\$745,000
Annual Benefits Percentage	42%	42%	Annual Benefits Percentage	16%	16%
Subtotal	\$217,980	\$266,700	Subtotal	\$110,240	\$119,200

TRAVEL AND TRAINING

Training			Full-Time Staff Travel and Conferences		
Avg. No. of Hours per Employee	20	20	Annual Full-Time Salaries	\$519,000	\$635,000
Avg. No. of New Emp. per Year	30	40	Avg. Allocation per Employee	2%	2%
Avg. Cost per Training Hour	\$12.00	\$12.00	Subtotal	\$10,380	\$12,700
Subtotal	\$7,200	\$9,600			

PLUS - Annual Certification Costs
 \$2,000 \$3,000

STAFF UNIFORMS (SHIRTS)

Part-Time Staff			Full-Time Staff		
Avg. No. of Employees	22	32	Avg. No. of Employees	10	12
No. of Shirts per Employee	3	3	No. of Shirts per Employee	4	4
Attrition	1.5	1.5	Avg. Cost per Shirt	\$35	\$35
Avg. Cost per Shirt	\$15	\$15	Subtotal	\$1,400	\$1,680
Subtotal	\$1,485	\$2,160			

Lifeguards		
Avg. No. of Employees	26	36
No. of Uniforms per Employee	2	2
Attrition	1.5	1.5
Avg. Cost per Uniform	\$50	\$50
Subtotal	\$3,900	\$5,400

COMMUNICATION SERVICES

Telecommunications			Nextels		
Number of Voice / Data Lines	12	15	Number of Nextels	6	8
Avg. Cost per Line per Month	\$50	\$50	Avg. Cost per Nextel per Month	\$50	\$50
Number of Months per Year	12	12	Number of Months per Year	12	12
Subtotal	\$7,200	\$9,000	Subtotal	\$3,600	\$4,800

SUPPLIES: OFFICE

General Office Supplies			Postage		
Number of Months per Year	12	12	Avg. Cost per Year	\$2,000	\$3,000
Avg. Cost per Month	\$400	\$500	Subtotal	\$2,000	\$3,000
Subtotal	\$4,800	\$6,000			

KIRKLAND INDOOR RECREATION FACILITY

Probable Operating Costs Detail

SUPPLIES: PROGRAM AND POOL CHEMICALS

General Building Supplies			Program Supplies: Birthday Parties		
Annual Allocation	\$3,000	\$4,000	No. of Parties per Year	325	375
Subtotal	\$3,000	\$4,000	Cost per Party	\$30	\$30
			Subtotal	\$9,750	\$11,250
Child Watch Room			Program Supplies: Aquatic Programs		
Annual Allocation	\$6,000	\$8,000	Gross Annual Revenues	\$259,560	\$335,420
Subtotal	\$6,000	\$8,000	Percent	4.0%	4.0%
			Subtotal	\$10,382	\$13,417
Program Supplies: Fitness Room / Wood Floor Studio			Pool Chemicals Lap Pool		
Gross Annual Revenues	\$138,450	\$161,430	Water Surface Sq. Ft.	3,375	3,375
Percent	5.0%	5.0%	Average Cost per Square Foot	\$3.50	\$4.00
Subtotal	\$6,923	\$8,072	Subtotal	\$11,813	\$13,500
Program Supplies: Gymnasium			Pool Chemicals Recreation Pool		
Gross Annual Revenues	\$218,960	\$247,720	Water Surface Sq. Ft.	5,500	5,500
Percent	6.0%	6.0%	Average Cost per Square Foot	\$3.50	\$4.00
Subtotal	\$13,138	\$14,863	Subtotal	\$19,250	\$22,000
Program Supplies: Multi-Purpose Activity Room			Pool Chemicals Spa		
Gross Annual Revenues	\$84,320	\$101,220	Water Surface Sq. Ft.	250	250
Percent	5.0%	5.0%	Average Cost per Square Foot	\$3.50	\$4.00
Subtotal	\$4,216	\$5,061	Subtotal	\$875	\$1,000
Program Supplies: Community Hall and Kitchen			Parts and Misc. Supplies (Under \$2,500)		
Gross Annual Revenues	\$192,700	\$260,485	Annual Allocation	\$4,000	\$5,000
Percent	4.0%	4.0%	Subtotal	\$4,000	\$5,000
Subtotal	\$7,708	\$10,419			

REPAIR & MAINTENANCE

Building Repair and Maintenance			Generator Maintenance		
Avg. Cost per Month	\$2,500	\$3,000	Avg. Cost per Month	\$300	\$325
No. of Months per Year	12	12	No. of Months per Year	12	12
Subtotal	\$30,000	\$36,000	Subtotal	\$3,600	\$3,900
Major Equipment Repair and Maintenance			Janitorial and Paper Supplies		
Avg. Cost per Month	\$1,500	\$2,000	Avg. Cost per Month	\$3,500	\$4,000
No. of Months per Year	12	12	No. of Months per Year	12	12
Subtotal	\$18,000	\$24,000	Subtotal	\$42,000	\$48,000

MARKETING AND PROMOTIONS

Marketing and Promotions		
Annual Allocation	\$40,000	\$45,000
Subtotal	\$40,000	\$45,000

KIRKLAND INDOOR RECREATION FACILITY

Probable Operating Costs Detail

SERVICE AGREEMENTS / CONTRACT SERVICES

HVAC			Copy Machine		
HVAC Maintenance			No. of Copy Machines	1	1
Subtotal	\$12,000	\$18,000	No. of Months per Year	12	12
			Avg. Cost per Month	\$250	\$300
Safety Equipment Allocation			Subtotal	\$3,000	\$3,600
Security System Maintenance			Elevator		
(Alarms, Cameras)			Number of Months per Year	12	12
Fire Sprinkler Maintenance			Avg. Cost per Month	\$250	\$325
Subtotal	\$1,000	\$2,000	Subtotal	\$3,000	\$3,900
Alarm / Security System Maintenance			Custodial Services		
Number of Months per Year	12	12	Building Net Square Feet	49,720	49,720
Avg. Cost per Month	\$300	\$350	Avg. Cost per Square Foot	\$2.30	\$2.50
Subtotal	\$3,600	\$4,200	Subtotal	\$114,356	\$124,300

COMPUTER SERVICES

Software Service Agreements			Computer Maintenance and Supplies		
Annual Allocation	\$10,000	\$12,000	Total Number of Computers	15	18
Subtotal	\$10,000	\$12,000	Cost per Computer	\$200	\$200
			Subtotal	\$3,000	\$3,600

UTILITIES

Building Utilities			Pool Utilities: Recreation Pool		
Building Gross Square Feet	66,300	66,300	Water Surface	5,500	5,500
Avg. Cost per Square Foot	\$2.25	\$2.75	Avg. Cost per Square Foot	\$4.75	\$5.25
Subtotal	\$149,175	\$182,325	Subtotal	\$26,125	\$28,875
Lap Pool Natatorium Utilities			Pool Utilities: Spa		
Natatorium Square Feet	9,175	9,175	Water Surface	250	250
Avg. Cost per Square Foot	\$3.50	\$4.00	Avg. Cost per Square Foot	\$4.75	\$5.25
Subtotal	\$32,113	\$36,700	Subtotal	\$1,188	\$1,313
Recreation Pool Natatorium Utilities			Surface Water Management Fee		
Natatorium Square Feet	14,115	14,115	Fee for 3 Acres (130,680 sf)	\$9,175	\$9,175
Avg. Cost per Square Foot	\$3.50	\$4.00	Subtotal	\$9,175	\$9,175
Subtotal	\$49,403	\$56,460			

KIRKLAND INDOOR RECREATION FACILITY

Probable Operating Costs Detail

Pool Utilities: Lap Pool

Water Surface	3,375	3,375
Avg. Cost per Square Foot	\$4.75	\$5.25
Subtotal	\$16,031	\$17,719

ADMINISTRATIVE RECHARGES

City Central Services

Annual Allocation	\$110,000	\$110,000
Subtotal	\$110,000	\$110,000

MISCELLANEOUS

Dues and Subscriptions

Annual Allocation	\$1,000	\$2,000
Subtotal	\$1,000	\$2,000

Insurance

Annual Allocation	\$35,000	\$40,000
Subtotal	\$35,000	\$40,000

Bank Charges

75% of Pass + Class Sales	\$1,609,500	\$1,582,388
Bank Fee Percentage	2.25%	2.25%
Subtotal	\$36,214	\$35,604

Contingency

Annual Allocation	\$25,000	\$25,000
Subtotal	\$25,000	\$25,000

Refunds and Reimbursements

Gross Annual Revenues	\$2,624,000	\$3,022,000
Percent	1.00%	1.00%
Subtotal	\$26,240	\$30,220

Annual Pass Sales Tax Expense

Annual Pass Sales	\$1,256,000	\$1,380,000
WA State Sales Tax	8.8%	8.8%
Subtotal	\$110,528	\$121,440

RESERVE FUNDS AND CAPITAL OUTLAY

Building Reserve Fund (Optional)

Total Construction Cost	\$23,000,000	\$24,000,000
Percentage	1.00%	1.00%
Subtotal	\$230,000	\$240,000

Capital Outlay

Annual Allocation	\$15,000	\$20,000
Subtotal	\$15,000	\$20,000

Computer Renewal and Replacement

Annual Allocation	\$3,000	\$4,000
Subtotal	\$3,000	\$4,000

Aquatic Equipment Outlay

Annual Allocation	\$8,000	\$10,000
Subtotal	\$8,000	\$10,000

KIRKLAND INDOOR RECREATION FACILITY

5,500sf Recreation Pool Lifeguards

Summer

Time	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	No. of Staff per hour						
4:30 AM							
5:00 AM							
6:00 AM							
7:00 AM							
8:00 AM		1	1	1	1	1	
9:00 AM		2	2	2	2	2	
10:00 AM		2	2	2	2	2	1
11:00 AM	1	2	2	2	2	2	1
12:00 PM	5	5	5	5	5	5	5
1:00 PM	5	5	5	5	5	5	5
2:00 PM	5	5	5	5	5	5	5
3:00 PM	5	5	5	5	5	5	5
4:00 PM	5	5	5	5	5	5	5
5:00 PM	5	5	5	5	5	5	5
6:00 PM	1	5	5	5	5	5	5
7:00 PM		5	5	5	5	5	1
8:00 PM		1	1	1	1	1	
9:00 PM							
10:00 PM							
11:00 PM							
Hours	32	48	48	48	48	48	38

Total Hrs	310
------------------	------------

KIRKLAND INDOOR RECREATION FACILITY

5,500sf Recreation Pool Lifeguards

Fall / Winter / Spring

Time	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	No. of Staff per hour						
4:30 AM							
5:00 AM							
6:00 AM							
7:00 AM							
8:00 AM		1	1	1	1	1	
9:00 AM		2	2	2	2	2	
10:00 AM		2	2	2	2	2	1
11:00 AM	1	2	2	2	2	2	1
12:00 PM	5	2	2	2	2	2	5
1:00 PM	5	2	2	2	2	2	5
2:00 PM	5	2	2	2	2	2	5
3:00 PM	5	5	5	5	5	5	5
4:00 PM	5	5	5	5	5	5	5
5:00 PM	5	5	5	5	5	5	5
6:00 PM	1	5	5	5	5	5	5
7:00 PM		1	1	1	1	1	1
8:00 PM							
9:00 PM							
10:00 PM							
11:00 PM							
Hours	32	34	34	34	34	34	38

Total Hrs	240
-----------	-----

KIRKLAND INDOOR RECREATION FACILITY

Lap Pool Lifeguards

Summer

Time	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	No. of Staff per hour						
4:30 AM							
5:00 AM		1	1	1	1	1	
5:30 AM		2	2	2	2	2	
6:00 AM		2	2	2	2	2	
7:00 AM		2	2	2	2	2	1
8:00 AM		2	2	2	2	2	2
9:00 AM	1	2	2	2	2	2	2
10:00 AM	2	2	2	2	2	2	2
11:00 AM	2	2	2	2	2	2	2
12:00 PM	2	2	2	2	2	2	2
1:00 PM	2	2	2	2	2	2	2
2:00 PM	2	2	2	2	2	2	2
3:00 PM	2	2	2	2	2	2	2
4:00 PM	2	2	2	2	2	2	2
5:00 PM	2	2	2	2	2	2	2
6:00 PM	1	2	2	2	2	2	2
7:00 PM		2	2	2	2	2	1
8:00 PM		2	2	2	2	2	
9:00 PM		1	1	1	1	1	
10:00 PM							
11:00 PM							
Hours	18	34	34	34	34	34	24

Total Hrs	212
------------------	-----

KIRKLAND INDOOR RECREATION FACILITY

Lap Pool Lifeguards

Fall / Winter / Spring

Time	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	No. of Staff per hour						
4:30 AM							
5:00 AM		1	1	1	1	1	
5:30 AM		2	2	2	2	2	
6:00 AM		2	2	2	2	2	
7:00 AM		2	2	2	2	2	1
8:00 AM		2	2	2	2	2	2
9:00 AM	1	2	2	2	2	2	2
10:00 AM	2	2	2	2	2	2	2
11:00 AM	2	2	2	2	2	2	2
12:00 PM	2	2	2	2	2	2	2
1:00 PM	2	2	2	2	2	2	2
2:00 PM	2	2	2	2	2	2	2
3:00 PM	2	2	2	2	2	2	2
4:00 PM	2	2	2	2	2	2	2
5:00 PM	2	2	2	2	2	2	2
6:00 PM	1	2	2	2	2	2	2
7:00 PM		2	2	2	2	2	1
8:00 PM		2	2	2	2	2	
9:00 PM		1	1	1	1	1	
10:00 PM							
11:00 PM							
Hours	18	34	34	34	34	34	24

Total Hrs	212
------------------	-----

KIRKLAND INDOOR RECREATION FACILITY

Reception Counter Cashiers

Year Round

Time	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	No. of Staff per hour						
4:30 AM							
5:00 AM							
5:30 AM							
6:00 AM							
7:00 AM							
8:00 AM							1
9:00 AM							1
10:00 AM	1						1
11:00 AM	1						1
12:00 PM	1						1
1:00 PM	1						1
2:00 PM	1						1
3:00 PM	1						1
4:00 PM	1						1
5:00 PM	1						1
6:00 PM	1						1
7:00 PM	0.5	1	1	1	1	1	1
8:00 PM		1	1	1	1	1	0.5
9:00 PM		1	1	1	1	1	
10:00 PM		0.5	0.5	0.5	0.5	0.5	
11:00 PM							
Hours	9.5	3.5	3.5	3.5	3.5	3.5	12.5

 Full-Time Staff on Duty

 Total Hrs 39.5

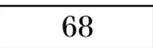
KIRKLAND INDOOR RECREATION FACILITY

Building Supervisors

Year Round

Time	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	No. of Staff per hour						
4:30 AM							
5:00 AM		0.5	0.5	0.5	0.5	0.5	
5:30 AM		1	1	1	1	1	
6:00 AM		1	1	1	1	1	
7:00 AM		1	1	1	1	1	0.5
8:00 AM		1	1	1	1	1	1
9:00 AM	0.5						1
10:00 AM	1						1
11:00 AM	1						1
12:00 PM	1						1
1:00 PM	1						1
2:00 PM	1						1
3:00 PM	1						1
4:00 PM	1						1
5:00 PM	1						1
6:00 PM	1	1	1	1	1	1	1
7:00 PM	0.5	1	1	1	1	1	1
8:00 PM		1	1	1	1	1	0.5
9:00 PM		1	1	1	1	1	
10:00 PM		0.5	0.5	0.5	0.5	0.5	
11:00 PM							
Hours	10	9	9	9	9	9	13

 Full-Time Staff on Duty

 **Total Hrs**  **68**

KIRKLAND INDOOR RECREATION FACILITY

Building Attendants / Maintenance Staff

Year Round

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Time	No. of Staff per hour						
4:30 AM							
5:00 AM							
5:30 AM		1	1	1	1	1	
6:00 AM		1	1	1	1	1	
7:00 AM		1	1	1	1	1	
8:00 AM							1
9:00 AM							1
10:00 AM	1						1
11:00 AM	1						1
12:00 PM	1						1
1:00 PM	1						1
2:00 PM	1						1
3:00 PM	1						1
4:00 PM	1						1
5:00 PM	1						1
6:00 PM	1					1	1
7:00 PM						1	1
8:00 PM		1	1	1	1	1	
9:00 PM		1	1	1	1	1	
10:00 PM							
11:00 PM							
Hours	9	5	5	5	5	7	12

 Full-Time Staff on Duty

Total Hrs 48

KIRKLAND INDOOR RECREATION FACILITY

Fitness Room Attendants

Year Round

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Time	No. of Staff per hour						
4:30 AM							
5:00 AM							
5:30 AM		1	1	1	1	1	
6:00 AM		1	1	1	1	1	
7:00 AM		2	2	2	2	2	
8:00 AM		2	2	2	2	2	1
9:00 AM		2	2	2	2	2	1
10:00 AM	1	1	1	1	1	1	1
11:00 AM	1	1	1	1	1	1	2
12:00 PM	2	1	1	1	1	1	2
1:00 PM	2	1	1	1	1	1	2
2:00 PM	2	1	1	1	1	1	2
3:00 PM	2	1	1	1	1	1	2
4:00 PM	1	2	2	2	2	2	2
5:00 PM	1	2	2	2	2	2	1
6:00 PM	1	2	2	2	2	2	1
7:00 PM		2	2	2	2	2	1
8:00 PM		1	1	1	1	1	
9:00 PM		1	1	1	1	1	
10:00 PM							
11:00 PM							
Hours	13	24	24	24	24	24	18

Total Hrs	151
------------------	------------

KIRKLAND INDOOR RECREATION FACILITY

Child Watch Staff

Year Round

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Time	No. of Staff per hour						
4:30 AM							
5:00 AM							
5:30 AM							
6:00 AM							
7:00 AM							
8:00 AM		2	2	2	2	2	2
9:00 AM		2	2	2	2	2	2
10:00 AM		2	2	2	2	2	2
11:00 AM							2
12:00 PM							
1:00 PM							
2:00 PM							
3:00 PM							
4:00 PM		2	2	2	2	2	
5:00 PM		2	2	2	2	2	
6:00 PM		2	2	2	2	2	
7:00 PM		2	2	2	2	2	
8:00 PM							
9:00 PM							
10:00 PM							
11:00 PM							
Hours	0	14	14	14	14	14	8

Total Hrs	78
------------------	-----------

KIRKLAND INDOOR RECREATION FACILITY

Gym Attendants

Year Round

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Time	No. of Staff per hour						
4:30 AM							
5:00 AM							
5:30 AM							
6:00 AM							
7:00 AM							
8:00 AM							
9:00 AM							
10:00 AM							
11:00 AM							
12:00 PM							
1:00 PM							1
2:00 PM							1
3:00 PM	1						1
4:00 PM	1						1
5:00 PM	1						1
6:00 PM	1						1
7:00 PM		1	1	1	1	1	1
8:00 PM		1	1	1	1	1	
9:00 PM		1	1	1	1	1	
10:00 PM							
11:00 PM							
Hours	4	3	3	3	3	3	7

Total Hrs	26
------------------	-----------

Revenue Potential

All figures are in 2006 dollars and are rounded to the nearest thousand.

Daily Admissions and Annual Pass Sales	Low	High
Daily Admissions	\$167,000	\$178,000
Annual Pass Sales	\$1,256,000	\$1,380,000
Annual Pass Sales Tax Revenue	\$111,000	\$121,000
Subtotal Daily Admissions and Annual Pass Sales	\$1,534,000	\$1,679,000
Child Watch Activity Room		
Child Watch	\$58,000	\$61,000
Activity Classes	\$16,000	\$21,000
Birthdays Parties / Rentals	\$8,000	\$11,000
Subtotal Child Watch Activity Room	\$82,000	\$93,000
Fitness Room		
Pre-Natal Fitness Classes	\$5,000	\$7,000
Weight Training / Fitness Classes: Adults	\$12,000	\$14,000
Weight Training / Fitness Classes: Youth	\$4,000	\$5,000
Subtotal Fitness Room	\$21,000	\$26,000
Wood Floor Studio		
Fitness Classes	\$24,000	\$26,000
Yoga and Pilates Classes	\$36,000	\$41,000
Dance and Other Classes	\$58,000	\$68,000
Subtotal Wood Floor Studio	\$118,000	\$135,000
Gymnasium		
Youth Leagues and Programs	\$57,000	\$65,000
Adult and Senior Leagues and Programs	\$136,000	\$152,000
Camps and Clinics	\$20,000	\$23,000
Special Events	\$6,000	\$8,000
Subtotal Gymnasium	\$219,000	\$248,000
Multi-Purpose Activity Room		
Rentals	\$13,000	\$17,000
Classes and Camps	\$84,000	\$101,000
Subtotal Multi-Purpose Activity Room	\$97,000	\$118,000
Special Events Room		
Special Events	\$5,000	\$7,000
Birthdays Parties	\$57,000	\$66,000
Subtotal Special Events Room	\$62,000	\$73,000

Revenue Potential

All figures are in 2006 dollars and are rounded to the nearest thousand.

	<u>Low</u>	<u>High</u>
Community Hall		
Rentals	\$123,000	\$173,000
General Instruction Classes	\$20,000	\$24,000
Adult Dance Classes	\$6,000	\$8,000
Seminars / Workshops	\$7,000	\$10,000
Special Events	\$24,000	\$30,000
Subtotal Community Hall	\$180,000	\$245,000
Kitchen		
Adult Culinary Classes	\$7,000	\$9,000
Youth Culinary Classes	\$6,000	\$7,000
Subtotal Kitchen	\$13,000	\$16,000
6-Lane Indoor Lap Pool		
Fitness Classes	\$24,000	\$32,000
Swim Lessons	\$153,000	\$186,000
Rentals / Events	\$5,000	\$7,000
Lifeguard and Swim Instructor Classes	\$5,000	\$6,000
Camps and Special Groups	\$6,000	\$9,000
Subtotal 6-Lane Indoor Lap Pool	\$193,000	\$240,000
Recreation Pool		
Fitness and Water Walking Classes	\$24,000	\$34,000
Swimming Lessons	\$50,000	\$72,000
Special Events	\$2,000	\$3,000
Rentals and Camps	\$22,000	\$29,000
Subtotal Recreation Pool	\$98,000	\$138,000
Miscellaneous		
Vending / Merchandise (net)	\$7,000	\$11,000
Subtotal Miscellaneous	\$7,000	\$11,000
Total Revenue Potential	\$2,624,000	\$3,022,000

Annual Passes and Daily Ticket Sales

Residents City of Kirkland		Number Sold		Subtotal Revenue	
<i>Daily Ticket Sales</i>	<i>Daily Fee</i>	Low	High	Low	High
Child	\$2.50	1,400	1,600	\$3,500	\$4,000
Youth / Teen	\$4.00	6,000	6,400	\$24,000	\$25,600
Adult	\$6.00	12,200	12,800	\$73,200	\$76,800
Subtotal		19,600	20,800	\$100,700	\$106,400
<i>Annual Passes</i>		<i>Annual Fee</i>			
Youth / Teen	\$300	200	250	\$60,000	\$75,000
Adult	\$450	840	890	\$378,000	\$400,500
Family	\$700	525	550	\$367,500	\$385,000
Subtotal		1,565	1,690	\$805,500	\$860,500
Total Annual Pass and Daily Ticket Sales Residents				\$906,200	\$966,900

Non-Residents 3-Mile Radius

<i>Daily Ticket Sales</i>	<i>Daily Fee</i>				
Child	\$3.50	900	1,100	\$3,150	\$3,850
Youth / Teen	\$5.00	2,800	3,200	\$14,000	\$16,000
Adult	\$7.00	7,000	7,400	\$49,000	\$51,800
Subtotal		10,700	11,700	\$66,150	\$71,650
<i>Annual Passes</i>		<i>Annual Fee</i>			
Youth / Teen	\$375	130	160	\$48,750	\$60,000
Adult	\$525	400	430	\$210,000	\$225,750
Family	\$850	225	275	\$191,250	\$233,750
Subtotal		755	865	\$450,000	\$519,500
Total Annual Pass and Daily Ticket Sales Non-Residents				\$516,150	\$591,150

Fee Assumptions

<i>Residents</i>	Daily Cost	Annual Pass	Cost of Annual Pass per Month
Child (0-2)	Free		
Child (3 to 4)	\$2.50		
Youth (5-19)	\$4.00	\$300	\$25.00
Adult	\$6.00	\$450	\$37.50
Family		\$700	\$58.33
 <i>Non-Residents</i>			
Child (0-2)	Free		
Child (3 to 4)	\$3.50		
Youth (5-19)	\$5.00	\$375	\$31.25
Adult	\$7.00	\$525	\$43.75
Family		\$850	\$70.83

Child Watch Activity Room

Tot Activity Classes	Low	High
Avg. No. of Classes per Session	8	8
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Session	6	8
Avg. Fee per Participant	\$55	\$55
Subtotal Revenue	\$15,840	\$21,120

Tot Birthday Parties		
Avg. No. of Parties per Week	2	3
Avg. No. of Weeks per Year	50	50
Avg. Fee per Party (Up to 10 Kids)	\$75	\$75
Subtotal Revenue	\$7,500	\$11,250

Drop-In Child Watch		
No. of Days per Week	6	6
Avg. No. of Participants per Day	32	34
Avg. No. of Weeks per Year	50	50
Fee Per Hour	\$4.00	\$4.00
Average Stay (Hours)	1.5	1.5
Subtotal Revenue	\$57,600	\$61,200

Total Potential Revenue	\$80,940	\$93,570
--------------------------------	-----------------	-----------------

Fitness Room

Pre-Natal Fitness Classes	Low	High
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Session	8	10
Avg. Fee per Participant	\$55	\$55
Subtotal Revenue	\$5,280	\$6,600

Weight Training / Fitness Classes: Adults		
Avg. No. of Classes per Session	4	4
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Session	8	10
Avg. Fee per Participant	\$60	\$60
Subtotal Revenue	\$11,520	\$14,400

Weight Training / Fitness Classes: Youth		
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Session	6	8
Avg. Fee per Participant	\$50	\$50
Subtotal Revenue	\$3,600	\$4,800

Total Potential Revenue	\$20,400	\$25,800
--------------------------------	-----------------	-----------------

Wood Floor Studio

Youth Dance Classes	Low	High
Avg. No. of Classes per Session	4	4
Avg. No. of Sessions	6	6
Avg. No. of Participants per Session	8	9
Avg. Fee per Participant	\$100	\$100
Subtotal Revenue	\$19,200	\$21,600

Kinder Gym / Parent and Tot Classes		
Avg. No. of Classes per Session	3	3
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	8	10
Avg. Fee per Participant	\$60	\$60
Subtotal Revenue	\$8,640	\$10,800

Adult Dance Classes		
Avg. No. of Classes per Session	5	5
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	8	9
Avg. Fee per Participant	\$65	\$65
Subtotal Revenue	\$15,600	\$17,550

Senior Dance		
Avg. No. of Classes per Session	3	3
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	8	10
Avg. Fee per Participant	\$45	\$45
Subtotal Revenue	\$6,480	\$8,100

Yoga		
Avg. No. of Classes per Session	6	6
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	9	10
Avg. Fee per Participant	\$90	\$90
Subtotal Revenue	\$29,160	\$32,400

Wood Floor Studio

	Low	High
Yoga for 65+		
Avg. No. of Classes per Session	1	1
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	6	8
Avg. Fee per Participant	\$60	\$60
Subtotal Revenue	\$2,160	\$2,880

Adult Exercise		
Avg. No. of Classes per Session	8	8
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	9	10
Avg. Fee per Participant	\$55	\$55
Subtotal Revenue	\$23,760	\$26,400

Early Childhood Programs		
Avg. No. of Classes per Session	3	3
Avg. No. of Sessions per Year	5	5
Avg. No. of Participants per Class	10	12
Avg. Fee per Participant	\$55	\$55
Subtotal Revenue	\$8,250	\$9,900

Youth Exercise / Yoga / Pilates		
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	4	4
Avg. No. of Participants per Class	8	10
Avg. Fee per Participant	\$75	\$75
Subtotal Revenue	\$4,800	\$6,000

Total Potential Revenue	\$118,050	\$135,630
--------------------------------	------------------	------------------

Gymnasium

Youth Indoor Soccer League	Low	High
Avg. No. of Teams	8	10
No. of Seasons per Year	2	2
Avg. No. Players per Team	10	10
Avg. Fee per Player per Season	\$60	\$60
Subtotal Revenue	\$9,600	\$12,000

Youth Basketball League		
Avg. No. of Leagues	4	4
Avg. No. of Teams per League	9	10
No. of Seasons per Year	2	2
Avg. No. Players per Team	10	10
Avg. Fee per Player per Season	\$60	\$60
Subtotal Revenue	\$43,200	\$48,000

Adult Evening Basketball Leagues		
Avg. No. of Leagues	3	3
Avg. No. of Teams per Session	11	12
No. of Sessions per Year	4	4
Avg. Fee per Team Session	\$600	\$600
Subtotal Revenue	\$79,200	\$86,400

Adult Evening Volleyball Leagues		
Avg. No. of Leagues	4	4
Avg. No. of Teams per Session	10	11
No. of Sessions per Year	4	4
Avg. Fee per Team Session	\$200	\$200
Subtotal Revenue	\$32,000	\$35,200

Additional Adult Evening Sports Leagues		
Avg. No. of Leagues	3	3
Avg. No. of Teams per Session	10	12
No. of Sessions per Year	4	4
Avg. Fee per Team Session	\$150	\$150
Subtotal Revenue	\$18,000	\$21,600

Late Night Basketball		
Avg. No. Participant per Week	20	25
Avg. No. of Weeks	40	40
Avg. Fee per Participant	\$3.00	\$3.00
Subtotal Revenue	\$2,400	\$3,000

Gymnasium

Youth Sports Camps	<u>Low</u>	<u>High</u>
Avg. No. of Camps per Year	10	10
Avg No. Participants per Camp	16	18
Avg. Fee per Participant	\$125	\$125
Subtotal Revenue	\$20,000	\$22,500

Youth Night		
Avg. No. Activities per Month	1	1
Avg. No. of Months per Year	12	12
Avg. No. of Participants per Activity	40	45
Avg. Fee per Participant	\$3.00	\$3.00
Subtotal Revenue	\$1,440	\$1,620

Sports for Preschoolers		
Avg. No. of Sport Programs per Session	1	1
Avg. No. of Sessions	6	6
Avg No. Participants per Session	12	15
Avg. Fee per Participant	\$60	\$60
Subtotal Revenue	\$4,320	\$5,400

Special Events / Family (Group) Nights		
Avg. No. Activities per Month	1	1
Avg. No. of Months per Year	12	12
Avg. No. of Families/Groups per Activity	20	25
Avg. Fee per Family/Group	\$10	\$10
Subtotal Revenue	\$2,400	\$3,000

Lunch Hour Adult Sports Leagues		
Avg. No. of Days per Year	200	200
Avg. No. of Participants per Day	10	15
Avg. Fee per Participant	\$2	\$2
Subtotal Revenue	\$4,000	\$6,000

Lock-Ins (Overnight)		
Avg. No. of Activities per Year	4	4
Avg. No. of Participants per Activity	60	75
Avg. Fee per Participant	\$10	\$10
Subtotal Revenue	\$2,400	\$3,000

Total Potential Revenue	\$218,960	\$247,720
--------------------------------	------------------	------------------

Multi-Purpose Activity Room

Workshop / Meeting Rentals	Low	High
No. of Rentals per Month	10	12
No. of Months per Year	12	12
Avg. Fee per Rental	\$70	\$70
Subtotal Revenue	\$8,400	\$10,080

Prime-Time Rentals		
No. of Rentals per Month	4	6
No. of Months per Year	12	12
Avg. Fee per Rental	\$100	\$100
Subtotal Revenue	\$4,800	\$7,200

After-School Enrichment Classes		
Avg. No. of Programs per Session	10	10
Avg. No. of Participants per Session	6	8
Avg. No. of Sessions per Year	5	5
Avg. Fee per Participant	\$60	\$60
Subtotal Revenue	\$18,000	\$24,000

Adult Exercise Classes		
Avg. No. of Programs per Session	3	3
Avg. No. of Participants per Session	12	14
Avg. No. of Sessions per Year	4	4
Avg. Fee per Participant	\$75	\$75
Subtotal Revenue	\$10,800	\$12,600

Multi-Purpose Activity Room

Early Childhood Specialty Classes	Low	High
Avg. No. of Programs per Session	4	4
Avg. No. of Participants per Session	10	12
Avg. No. of Sessions per Year	4	4
Avg. Fee per Participant	\$60	\$60
Subtotal Revenue	\$9,600	\$11,520

Adult Classes		
Avg. No. of Programs per Session	5	5
Avg. No. of Participants per Session	12	14
Avg. No. of Sessions per Year	6	6
Avg. Fee per Participant	\$60	\$60
Subtotal Revenue	\$21,600	\$25,200

Summer Youth Camps		
Avg. No. of Camps per Session	5	5
Avg. No. of Participants per Camp	16	18
Avg. No. of Sessions per Summer	2	2
Avg. Fee per Participant	\$125	\$125
Subtotal Revenue	\$20,000	\$22,500

Youth Summer Classes		
Avg. No. of Programs per Session	3	3
Avg. No. of Participants per Session	12	15
Avg. No. of Sessions per Year	2	2
Avg. Fee per Participant	\$60	\$60
Subtotal Revenue	\$4,320	\$5,400

Total Potential Revenue	\$97,520	\$118,500
--------------------------------	-----------------	------------------

Special Events Room

Special Events	Low	High
Avg. No. Activities per Month	2	2
No. of Months per Year	12	12
Avg. No. of Participants per Activity	20	30
Avg. Fee per Participant	\$10.00	\$10.00
Subtotal Revenue	\$4,800	\$7,200

Birthday Parties		
Avg. No. of Parties per Week	3.25	3.75
No. of Rooms in Facility	2	2
No. of Weeks per Year	50	50
Avg. Fee per Party	\$175	\$175
Subtotal Revenue	\$56,875	\$65,625

Total Potential Revenue	\$61,675	\$72,825
--------------------------------	-----------------	-----------------

Community Hall (divisible into 3 classrooms)

Prime Time Rentals (Undivided)	Low	High
Avg. No. of Rentals per Week	1.00	1.50
No. of Weeks per Year	50	50
Avg. Fee per Rental (8 hours @ \$200 per hour)	\$1,600	\$1,600
Subtotal Revenue	\$80,000	\$120,000

Non-Prime Time Rentals (Undivided)		
Avg. No. of Rentals per Week	1	1.25
No. of Weeks per Year	50	50
Avg. Fee per Rental (3 hours @ \$150 per hour)	\$450	\$450
Subtotal Revenue	\$22,500	\$28,125

Non-Prime Time Rentals (Divided)		
Avg. No. of Rentals per Week	4	5
No. of Weeks per Year	50	50
Avg. Fee per Rental (2 hours @ \$50 per hour)	\$100	\$100
Subtotal Revenue	\$20,000	\$25,000

General Instruction Classes: Adults		
Avg. No. of Classes per Session	3	3
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	10	12
Avg. Fee per Participant	\$60	\$60
Subtotal Revenue	\$10,800	\$12,960

General Instruction Classes: Children / Youth		
Avg. No. of Classes per Session	3	3
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	10	12
Avg. Fee per Participant	\$50	\$50
Subtotal Revenue	\$9,000	\$10,800

Adult Dance Classes		
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	8	10
Avg. Fee per Participant	\$65	\$65
Subtotal Revenue	\$6,240	\$7,800

Community Hall (divisible into 3 classrooms)

	<u>Low</u>	<u>High</u>
Seminars / Workshops		
Avg. No. of Seminars / Workshops per Month	1	1
No. of Months per Year	12	12
Avg. No. of Participants per Seminar / Workshop	15	20
<u>Avg. Fee per Participant</u>	<u>\$40</u>	<u>\$40</u>
Subtotal Revenue	\$7,200	\$9,600

Special Events		
Avg. No. of Events per Month	1	1
No. of Months per Year	12	12
Avg. No. of Participants per Event	100	125
<u>Avg. Fee per Participant</u>	<u>\$20</u>	<u>\$20</u>
Subtotal Revenue	\$24,000	\$30,000

Total Potential Revenue	\$179,740	\$244,285
--------------------------------	------------------	------------------

Kitchen

Adult Culinary Classes	Low	High
Avg. No. Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	8	10
Avg. Fee per Participant	\$75	\$75
Subtotal Revenue	\$7,200	\$9,000

Youth Culinary Classes		
Avg. No. Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	8	10
Avg. Fee per Participant	\$60	\$60
Subtotal Revenue	\$5,760	\$7,200

Total Potential Revenue	\$12,960	\$16,200
--------------------------------	-----------------	-----------------

6-Lane Indoor Lap Pool

Water Fitness Classes (2 days per week)	Low	High
Average No. of Classes per Session	10	10
Average No. of Sessions per Year	6	6
Average No. of Participants per Class	6	8
Average Fee per Participant	\$60	\$60
Subtotal Revenue	\$21,600	\$28,800

Senior Water Fitness Classes (2 days per week)		
Average No. of Classes per Session	2	2
Average No. of Sessions per Year	6	6
Average No. of Participants per Class	4	6
Average Fee per Participant	\$50	\$50
Subtotal Revenue	\$2,400	\$3,600

Fall / Winter / Spring Swimming Lessons (2 Days a Week)		
Avg. No. of Classes Offered per Session	25	25
Avg. No. of Sessions (4 Weeks each) per Year	8	8
Avg. No. of Participants per Lesson	4	5
Avg. Fee per Session per Participant	\$50	\$50
Subtotal Revenue	\$40,000	\$50,000

Summer Swimming Lessons (5 Days a Week)		
Avg. No. of Classes Offered per Session	50	50
Avg. No. of Sessions (2 Weeks each) per Year	6	6
Avg. No. of Participants per Lesson	5	6
Avg. Fee per Session per Participant	\$60	\$60
Subtotal Revenue	\$90,000	\$108,000

Swimming Lessons: Parents / Tots (2 Days a Week)		
Avg. No. of Classes Offered per Session	3	3
Avg. No. of Sessions (4 Weeks each) per Year	10	10
Avg. No. of Participants per Lesson	4	6
Avg. Fee per Session per Participant	\$55	\$55
Subtotal Revenue	\$6,600	\$9,900

Private Swimming Lessons		
Avg. No. of Participants	90	100
Avg. No. of Lessons per Participant	6	6
Average Fee per Lesson	\$30	\$30
Subtotal Revenue	\$16,200	\$18,000

6-Lane Indoor Lap Pool

Private Rentals	Low	High
Avg. No. of Hourly Rentals per Year	4	6
Avg. Fee per Rental (4 hrs @ \$200/hr)	\$800	\$800
Subtotal Revenue	\$3,200	\$4,800

Special Events		
Avg. No. Activities per Month	1	1
Avg. No. of Months per Year	12	12
Avg. No. of Families / Groups per Activity	15	20
Avg. Fee per Family / Group	\$10	\$10
Subtotal Revenue	\$1,800	\$2,400

Swim Camps		
Avg. No. Camps per Month	2	2
Avg. No. of Months per Year	3	3
Avg. No. of Participants per Camp	10	15
Avg. Fee per Camp	\$80	\$80
Subtotal Revenue	\$4,800	\$7,200

Youth Groups		
Avg. No. Groups per Month	3	4
Avg. No. of Months per Year	2	2
Avg. Fee per Group	\$200	\$200
Subtotal Revenue	\$1,200	\$1,600

Junior Swim Instructor Classes		
Avg. No. of Classes Offered per Session	2	2
Avg. No. of Sessions (2 Weeks each) per Year	4	4
Avg. No. of Participants per Class	6	8
Avg. Fee per Session per Participant	\$50	\$50
Subtotal Revenue	\$2,400	\$3,200

Junior Lifeguard Classes		
Avg. No. of Classes Offered per Session	2	2
Avg. No. of Sessions (2 Weeks each) per Summer	4	4
Avg. No. of Participants per Class	6	8
Avg. Fee per Session per Participant	\$50	\$50
Subtotal Revenue	\$2,400	\$3,200

Total Potential Revenue	\$192,600	\$240,700
--------------------------------	------------------	------------------

Recreation Pool

Water Fitness Classes (2 days per week)	Low	High
Average No. of Classes per Session	8	8
Average No. of Sessions per Year	6	6
Average No. of Participants per Class	6	8
Average Fee per Participant	\$60	\$60
Subtotal Revenue	\$17,280	\$23,040

Senior Water Fitness Classes (2 days per week)		
Average No. of Classes per Session	3	3
Average No. of Sessions per Year	6	6
Average No. of Participants per Class	4	6
Average Fee per Participant	\$50	\$50
Subtotal Revenue	\$3,600	\$5,400

Swimming Lessons (2 Days a Week)		
Avg. No. of Classes Offered per Session	14	14
Avg. No. of Sessions (4 weeks each) per Year	8	8
Avg. No. of Participants per Lesson	4	6
Avg. Fee per Session per Participant	\$50	\$50
Subtotal Revenue	\$22,400	\$33,600

Summer Swimming Lessons (5 Days a Week)		
Avg. No. of Classes Offered per Session	12	12
Avg. No. of Sessions (2 weeks each) per Year	6	6
Avg. No. of Participants per Lesson	4	6
Avg. Fee per Session per Participant	\$60	\$60
Subtotal Revenue	\$17,280	\$25,920

Recreation Pool

	<u>Low</u>	<u>High</u>
Private Swimming Lessons		
Avg. No. of Participants	90	100
Avg. No. of Lessons per Participant	4	4
Average Fee per Lesson	\$30	\$30
Subtotal Revenue	\$10,800	\$12,000

Private Rentals		
Avg. No. of Rentals per Year	20	25
Avg. Fee per Rental (4 hrs @ \$200/hr)	\$800	\$800
Subtotal Revenue	\$16,000	\$20,000

Toddler Time		
Avg. No. of Classes per Week	3	3
No. of Weeks per Year	40	40
Avg. No. of Participants per Class	5	8
Avg. Fee per Participant	\$6	\$6
Subtotal Revenue	\$3,600	\$5,760

Youth Camps		
Avg. No. Camps per Month	2	2
Avg. No. of Months per Year	3	3
Avg. No. of Participants per Camp	10	15
Avg. Fee per Camp	\$100	\$100
Subtotal Revenue	\$6,000	\$9,000

Special Events		
Avg. No. Activities per Month	2	2
Avg. No. of Months per Year	3	3
Avg. No. of Families / Groups per Activity	20	25
Avg. Fee per Family / Group	\$20	\$20
Subtotal Revenue	\$2,400	\$3,000

Total Potential Revenue	\$99,360	\$137,720
--------------------------------	-----------------	------------------

KIRKLAND INDOOR RECREATION FACILITY

The economic analysis is developed in a "low" to "high" range of probable operating costs and revenue potential. The "high" cost recovery is determined by dividing the highest potential revenue by the lowest probable expenses. "Low" is determined by dividing the lowest potential revenue by the highest probable expenses. "Average" cost recovery is determined by dividing the average potential revenue by average probable expenses.

Cost Recovery Potential

	Low	Average	High
Cost Recovery Potential	81.3%	93.5%	107.5%
Annual Subsidy or Profit	(\$604,000)	(\$196,500)	\$211,000

Cost Recovery Potential with Building Reserve Fund

	Low	Average	High
Cost Recovery Potential	75.7%	86.7%	99.4%
Annual Subsidy or Profit	(\$844,000)	(\$431,500)	(\$19,000)

MEETING MINUTES

Parks and Community Services Board Meeting Kirkland Indoor Recreation Facility 4327-01

Submitted By: Jim Kalvelage

Meeting Date: July 18, 2006

Attendees: Chuck Bartlett
Robert Kamuda
Jeff Trager
Michelle Goerdel
Liesl Olson
Cindy Zech
Colleen Cullen
Kevin Hanefeld?
Jason Filan?

Distribution: Carrie Hite
Lauren Livingston

This represents my understanding of the discussions and conversations during the Meeting. Revisions by participants should be communicated to **opsis architecture ^{LLP}**.

PROJECT VISION

Environmental Green

- Near transit, bike racks
- Build a green facility
- Self generating fitness equipment
- Greywater and on-site management of storm water
- Recycled materials
- Garden shed, master gardener
- Rain garden

Site Criteria

- Multi-use outdoor amenities
- Near trails
- Indoor / outdoor
- Four seasons activities
- Locate near major bus line

- Adequate parking
- Bike route
- Totem Lake Site
- Concentration away from city center
- Not too far to border or edge
- Lake Washington Technical College Site
- Good neighbor (traffic and lighting impact)

Partnerships

- Boys and Girls Club
- Seahawk Property
- High School

Financial Objectives

- Make it available to everyone
- Where possible, be able to charge.
- Scholarships, free-day
- Broaden availability / affordable
- Self-sustaining (do not subsidize pool 100%)
- Return revenue with specialty program
- As self-sustaining as possible
- Fee structure for residents, but includes outlying communities

Program Needs

- Gymnasium
- Recreation Activity Pool
- Spa
- Fitness / Weights
- Multi-purpose Rooms
- Community Room (200-seats)
- Walk - Jog Track
- Sport Courts
- Racquetball / Squash Courts
- Classroom Space
- Existing community room approximately 4000 sq. ft.
- Integrate technology, wireless / information screens
- Family night events
- Video-conferencing
- Outdoor education

Community Benefits

- Third place in community
- Year-round
- Complement to parks
- Quality of life
- Economic driver for community
- Socialization

Unique to Kirkland

- For everyone 0 -100+

- Entire spectrum of community
- Known for arts and outdoor amenities
- Campus atmosphere, indoor / outdoor connections
- Blends into topography
- Tree City

MEETING MINUTES

Stakeholder Group 1 Kirkland Indoor Recreation Facility 4327-01

Submitted By: Jim Kalvelage

Meeting Date: July 18, 2006

Attendees: Andy Held
John Rudolph
Glenn Peterson
Art Messman
Doug Wozeniak
Lauren Bolen
Laurene Burton

Distribution: Carrie Hite
Lauren Livingston

This represents my understanding of the discussions and conversations during the Meeting. Revisions by participants should be communicated to **opsis architecture ^{LLP}**.

PROJECT VISION

- Multi-generational
- Multi-faceted
- Diversified Users
- Sense of Community
- Pull it all together
- What is demographic (5-10 years from now)
- Kirkland is different "Better Beaches and Parks"
- Social Interaction Areas
- Shared experience builds community
- Focus on active recreation
- Proximity to parks
- 1 vs. 2 Community Centers (overlap and specialization)
- Kirkland long and skinny will continue to grow in north-south direction (driving time is challenging)
- "Fun and enjoyable activities"
- Focus on physical activities
- Cafe and social space
- Year-round community facility (not just fair weather)

MEETING MINUTES

Stakeholder Group 2 Kirkland Indoor Recreation Facility 4327-01

Submitted By: Jim Kalvelage

Meeting Date: July 19, 2006

Attendees: Briana West
Jackie Pendergrass
Danielle Sanine
Lynda Haneman
Doris Ford
Lisa McConnell
Dan Neary
Jeanette Simecek
Sue Keller
Barbee Pigott

Distribution: Carrie Hite
Lauren Livingston

This represents my understanding of the discussions and conversations during the Meeting. Revisions by participants should be communicated to **opsis architecture^{LLP}**.

Site Criteria

- Ease of access
- Centrally located
- Access to transit and major arterial
- Neighborhood proximity could be traffic / safety issue
- Mitigate neighborhood impact or intrusion
- Locate near commercial development or existing density area
- Structured Parking
- Multi-age facility
- Drop in capability
- Melting pot of all ages and diversity
- Serve 3-9 year olds (climb, swing, sensory activities)
- Address obesity issue
- Covered verses indoor activity (walking, tennis, MAC court)
- Indoor / outdoor with garage doors (open up)
- Utilize natural ventilation
- Green Design is important
- Raze the North Kirkland Community Center
- Study utilizing existing land holdings

- Do not use anymore green space in downtown
- Traffic issue – do not create congestion
- Connect facility to bike and walking trails
- City consistency in policies (transit proximity, etc.)
- Rotating / changing Art program / exhibits

Active Adults

- Senior mentoring / teaching, after-school homework
- Swimming
- Walk-jog track
- Gives option for way out
- Socializing
- Programming geared towards needs
- Integrate 8 -10 year olds with senior adults (lunch program)

MEETING MINUTES

**Recreation Staff Meeting
Kirkland Indoor Recreation Facility
4327-01**

Submitted By: Jim Kalvelage

Meeting Date: July 19, 2006

Attendees: Judy Manchester
Sharon Anderson
Regi Schubiger
Jason Filan
Joyce Marrero
Lorayne Hendrickson
Linda Murphy
Jeff Price
Mike Metteer
Betsy Maxwell
Tracy Harrison
Tony Trofimczuk
Loni Rotter
Teresa Sollitto

Distribution: Carrie Hite
Lauren Livingston

This represents my understanding of the discussions and conversations during the Meeting. Revisions by participants should be communicated to **opsis architecture^{LLP}**.

Programming

- 6-lane lap swimming pool
- Multi-purpose rooms (yoga, aerobics and dance)
- Classrooms
- Sprayground
- Outdoor places to gather
- Covered outdoor play areas
- Address special needs requirements
- Accessibility
- Fitness (cardio, circuit training and some free weights)
- Childcare
- Indoor playground

- Birthday party room
- Cafe
- Maintenance, storage
- Green approach (mechanical, on-site stormwater management, greywater system)
- Lap pool (defer to Phase 2)
- Large meeting space / town hall
- Gymnasium (built-in spectator space)
- (2-3) courts with divider curtains. 3 courts preferred
- Climbing wall could be outdoors (potential liability issue)
- Recreation Activity Pool (good example in Surrey BC at Water Marina)
- Recreation Activity Pool to include: 3-4 slides, wave, etc.
- Spa, wet-dry sauna, therapy pool / moveable floor for adaptability and enhanced programming

MEETING MINUTES

Public Open House - 2 Kirkland Indoor Recreation Center 4327-01

Submitted By: Jim Kalvelage

Meeting Date: October 20, 2006

Attendees: Jeff Leach
Danielle Sanine
Cindy Zech
Lisa James
Kathy Weiss
Martha Smith
Paul Smith
Rusty Crim
Bob Kamuda
Mari Bercaw
Donna Hill
Richard Schuh
Bonnie Berry
Iris Lemmer
Joie Goodwin
Don Randall
Peter Lyon
Julie Bebee
Kevin Keller
Vic Newhard
Allen Oskoui
Mark Peterson
Margaret Carnegie
Steve Horman
Mary Hanratty
John Sourbeer
Michael Jeffers
Michael Cogle
Carrie Hite
Jim Kalvelage
Lauren Livingston

Distribution: Carrie Hite
Lauren Livingston

This represents my understanding of the discussions and conversations during the Meeting. Revisions by participants should be communicated to **opsis architecture** ^{LLP}.

Carrie Hite presented an overview of the project history, results of previous public surveys on program needs, and an update on the feasibility study. Carrie introduced the consultant team of Jim Kalvelage and Lauren Livingston who presented an overview of the project goals and objectives identified by the key stakeholder groups. Lauren Livingston shared the preliminary space program and a virtual tour of the priority program elements. Recommended program spaces include: 300-seat community "family room" with caterer's kitchen, 2-court gymnasium, walking / jogging track, leisure pool, lap pool, spa, fitness room, fitness room, wood floor studio, special events room and child watch / tot activity room.

Program needs for recreation was discussed and included:

- The need for more gym space which is difficult to find
- Not enough basketball court space
- Need for indoor soccer field, batting cages, and possibly golf

Discussion on the natatorium included:

- Interest in family oriented pool with water toys and zero beach entry
- A wave pool was suggested with follow-up discussion that it would require a large body of water at approximately 25, 000sf.
- Interest was expressed in competitive aquatics. The local swim team uses the Redmond pool and also practices at the Northshore Juanita Pool. The swim team has a need for more pool time and a larger space.
- The proposed 6-lane 25-yard pool is a minimum requirement for competitive swimming

Jim Kalvelage presented an order-of-magnitude cost estimate for a 90,000sf facility with construction cost for building, site development allowance and design contingency estimated at \$26.5M. Construction contingency and sales tax increase the total to \$31.6M. Soft costs for fees, FFE, equipment and permits total \$5.5M resulting in a project cost estimate in 2006 dollars at \$37.1M.

Lauren Livingston shared the preliminary market analysis, operating costs, and revenue models for the operation of the recreation center. The conservative cost recovery projections are estimated at 100% cost recovery with the potential to exceed this projection depending on the final program mix, service area, and pass projections.

Jim Kalvelage presented the preliminary site selection criteria and prototype plan illustrating desired program relationships within a compact building footprint that includes a second level with fitness activity spaces and a walking / jogging track. The prototype plan depicts an 8-acre site accommodating a 94,000sf facility, 300-parking stalls, and desired outdoor spaces adjacent to the community room and natatorium. The site acreage could be less if a potential site offers shared parking opportunities, structured parking is built beneath the facility, and / or additional program elements are located on the upper level.

Discussion of the prototype plan included suggestions on how one could achieve a more compact footprint, if required by possible site constraints:

- Gym could be on upper level as well party rooms

Discussion on potential sites for the indoor recreation center included the following suggestions:

- The Kirkland Indoor Recreation Center could be a regional attractor and shared with adjoining communities.
- Utilize City owned land
- Downtown site is centrally located, addresses site selection criteria, and could possibly incorporate tennis courts and ballpark. Parking in downtown could generate revenue.
- The existing 2.5 acres is too small to accommodate the requirements for the indoor recreation center.

- Future of the existing pool with maintenance issues? Improvements are planned to address deficiencies and retain the outdoor pool which citizen's love. The pool is self sustaining with 100% cost recovery.
- Existing parks should not be considered for potential recreation center site. Preserve Kirkland's limited open space and park resources.
- Lake Washington High School (offers views of the lake)
- Seahawks / Northwest University
- Totem Lake / Evergreen Hospital (central to annexation area)
- North Kirkland CC (park with community center is only 3-acres)
- Old Dump Site
- North of Juanita Beach (9-10 acres of developable land, traffic issues could be challenging)
- Peter Kirk (11-acres includes: PAC (15,000sf), Teen Center (5,000sf) and Library (15,000sf) totaling 45,000sf as compared to the proposed 90,000-94,000sf indoor recreation center.
- Span I-405 or roadway
- North Park & Ride Site (build on top of parking)
- Lake Washington (floating facility)