

KEYS TO SUCCESS AND FACTORS IN FAILURE

The common perception of pools is that they always lose money and cannot operate in a reasonable financially sustainable model within public budgets without excessive costs or subsidies from public entities, taxpayers, or outside entities. Throughout this Report there have been many references to best practices, enhanced revenue opportunities, and operational cost savings opportunities. To further understand how a new Bellevue Health and Aquatic Center and a renovated BAC/Odle can succeed, it is important to understand the best practices of facilities that succeed and the reasons behind failed or underperforming pools. This Section of the Report builds on the elements of previous Sections to present a summary of Keys to Success and Factors in Failure. The Risks of Failure are general obstacles facing all facilities and are not specific concerns for the City of Bellevue. These factors are broken down into several key areas:

- Management
- Programming
- Design
- Financial Management

DEFINITION OF SUCCESS and SUSTAINABILITY

The definition of success and financial sustainability is different for each facility and community, depending on the public and partner goals of the facility. An important element for the planning process of a new BHAC is defining and understanding what success means to the City of Bellevue and any partners. Throughout this report SF/ISG have identified needs and opportunities for all the elements of the community and discussed best practices to optimize programming and the financial model. The financial operating analysis in this report and the City/ARC 2020 Study both project operating deficits and cost recovery ranging from 82% to 92% for Option #2 and the SF Preferred Option. To help define success and related goals and objectives for the Aquatic Center it will be important for Bellevue Parks Staff and Financial Staff to identify an acceptable cost recovery target to maintain the Aquatic Center and successfully meet budget goals. This City process will need to include balancing cost recovery with City mission to provide affordable facilities, access, and programs for all residents of Bellevue. These Keys to Success and Factors in Failure include both general and specific elements relevant to a proposed Bellevue Aquatic Center.

MANAGEMENT

The management of the facility is the single most important key element in the success of an aquatic Center. The management must be proactive in its programming and marketing approach and adopt an entrepreneurial approach to the business of aquatics. Both the City/ARC Study 2020 and the SF/ISG Study assume that the City of Bellevue would be managing the BHAC but the Keys to Success and Factors in Failure apply to all potential BHAC management and operational models.

Aquatic Director and Facility Manager Positions

Keys to Success

- In the case of Bellevue SF/ISG recommend the Aquatic Director position oversee all aquatic programs in City and both the new Aquatic Center and the BAC/Odle.

- Critical to have combined experience in these two top positions in running aquatic facilities that have a full range of programming and events with specific financial and operating goals and metrics
 - Expertise in developing, marketing and executing a wide range of programs
 - Experience in developing and managing aquatic center budgets
 - Experience in bidding, securing, and managing events, including working with local event hosts
 - Experience with and ideally an existing network of contacts with aquatic sport governing bodies (local, state, regional, national)
 - Network and membership in key aquatic safety, fitness, and management professional organizations and regular attendance at conventions and camps to maintain up to date knowledge of new trends in aquatic facility and program management
 - Experience in marketing, sponsorship, advertising as it relates to generating support for the aquatic Center and its programs
 - Ability to work closely with the community, civic entities, interest groups, and the philanthropic community to generate maximum support for the operations and programming of the BHAC
 - Experience in operating and maintaining a major aquatic facility
- Both the Aquatic Director and Facility Manager positions should ideally begin ten to twelve months in advance of the opening of the aquatic center. *NOTE: Since aquatic programming and facilities already exists at the BAC/Odle, the SF/ISG Study budgeted for these positions to start nine months in advance of opening.*
 - Build new programs
 - Expand and enhance existing programs
 - Begin to plan in advance for securing events
 - Obtain commitments and contracts from users and partners
 - Identify thresholds for initial year and beyond for programs and user/partner agreements
 - Launch marketing of the aquatic Center programs
 - Build staff structure and develop training program for staff prior to opening
 - Funding for this is part of the Year Zero or Project Capital expenses
 - Develop job descriptions, identify quality candidates, and begin to staff the Aquatic Center

Risks for Failure

- Traditional experience in subsidized community parks and recreation facilities where marketing and entrepreneurial initiatives are not encouraged or rewarded
- Lack of strong aquatic program, facility, and event experience
- Limited business or aquatic management background
- Lack of clear and measureable facility program, use, and revenue goal, objectives, and metrics
- Lack of clear management accountability linked to the goal metrics
- Lack of strong community engagement, partnerships and establishment of ongoing community opportunities

Bellevue Health and Aquatic Center Plan

- The Feasibility Study includes funding and support for both the Aquatic Director and Facility Manager, with the Aquatic Director responsible for all Bellevue Aquatic programs and facilities.
 - Salary levels are robust enough to attract top national level qualified candidates
- Travel budget is included to allow key management to attend conferences and for continuing professional development as well as attending sport governing body meetings for bidding for events for aquatic Center
- Hiring nine months in advance

Program Management (Coordinators and Supervisors)

Keys to Success

- Very important to have a strong and experienced program management team on board.
- Also important to include experience and responsibilities for marketing the programs-it is not just build it and they will come!!
- Adaptability to new programming opportunities and regular evaluation of existing programs
- Network and membership in key aquatic safety, fitness, and management professional organizations and regular attendance at conventions and camps to maintain up to date knowledge of new trends in aquatic facility and program development, trends, and management
- If funding allows this position should be filled three to four months prior to opening, but this role is often filled by the overall Facility/Aquatic Director initially. Bringing new program management on board can be coordinated with the growth and expansion of existing Bellevue aquatic programming at the BAC/Odle
 - Allows the coordinators and supervisors to have role in hiring and developing program staff
- Important to have experience in training and certifying part-time instructor, lifeguarding, and other program staff
- It may be more effective to have specific program coordinators part time linked to key programs like learn to swim, aquatic fitness, camps, etc.
 - May be head instructor with a an additional stipend for management responsibilities
 - Can coordinate with existing programs in current facilities

Risks for Failure

- Inexperience in starting up programs or growing programs
- Lack of involvement in the aquatic professional world and not remaining current in trends and developments in aquatic programming
- Lack of personal hands on experience in actually running and teaching in programs
- Lack of quantifiable and subjective goals and accountability in building and marketing the programs
- Lack of funding and support for ongoing professional development and training
- Insufficient resources to support programming

Bellevue Health and Aquatic Center Plan

- The Feasibility Study includes funding for two x Aquatic Coordinators and one Fitness Supervisor for the Aquatic Center.
- Travel budget is included to allow programmers to attend conferences and for continuing professional development
- Staff development and Training Budget is included in Budget

Marketing and Membership

Keys to Success

- Experience in marketing and promoting all aspects of facility
 - Programs
 - Membership
 - Sponsorship and Advertising
 - Supporting and promoting competitive and special events
 - Community relations
 - Donor relations (usually led by Aquatic Director)
- Experience in Customer Service-understanding the importance of Customer Service
- Ability to train part-time front desk and customer service staff
- Resources to support marketing efforts
- Ability to coordinate with overall City, School District, and other partners' marketing and informational platforms and community outreach programs
- Entrepreneurial approach to marketing and membership
- Establishment and accountability for quantifiable goals

Risks for Failure

- Assuming that "If you build it they will come!"
- Lack of staff and resources focused on marketing, membership, and customer service
- Absence of clearly defined goals for program participation and membership and ongoing tracking of metrics
- Staff inexperience in facility, program, and membership marketing and sponsorship/advertising solicitation

Bellevue Health and Aquatic Center Plan

- Bellevue Health and Aquatic Center budget includes the following full-time positions:
 - Marketing and Membership Coordinator-Hired 5 months in advance of opening
 - Customer Service Coordinator-Hired 1-2 months in advance
- Marketing and advertising budget for facility and programs included in the City/ARC 2020 and the SF/ISG budget
 - \$15,000 to \$25,000/annually

Facility Maintenance Staff

Keys to Success

- Specific maintenance team for BHAC
 - Full-time positions increase accountability for the successful operation and maintenance of a facility
 - Limiting need for outside services with no vested interest in facility

- Maintenance team with some aquatic facility experience
- Certified pool operators to cover all pools throughout the week, including covering events
- Regular preventative and pre-emptive maintenance
- Dedicated custodial team for BHAC
- Learning from other comparable Aquatic Center facilities' best practices; participation in and investment in education and latest maintenance trends

Risks for Failure

- Over reliance on outsourced services
- Lack of aquatic specific facility maintenance experience
- Cost cutting on maintenance staff and routine preventative maintenance
- Failure to develop long term Capital maintenance and replacement reserve fund

Bellevue Health and Aquatic Center Plan

- Robust in-house maintenance staff
 - Maintenance Foreman: Hired 2 months in advance of opening
 - Aquatic Technical Specialist: 2 positions hired 1 month in advance of opening
 - May also cover the BAC/Odle for cost efficiencies
 - Full-time custodial and maintenance staff
- Annual budget set aside for long term Capital Maintenance and Replacement Fund

Instructors and Support Staff

Keys to Success

- Instructors, teachers, front desk/reception staff, building supervisors and other key staff that interface with the public should be well trained and compensated.
- Important to have training and retention programs to attract and keep well trained learn to swim, aquatic fitness, and other instructors
 - Don't expect to pay learn to swim instructors minimum wage!!!
 - Collaborate with School District to create programs that attract students or swim program graduates to become swim instructors
- Understanding of their importance to the overall success of the facility
 - Understanding and adopting the basics of customer service and communication
 - In most cases, these individuals are the most important "face" of the facility that will interface and engage with the BHAC users and customers

Risks for Failure

- Lack of potential staff pool to draw from
- High turn-over rate/lack of retention
- Inadequate training in their specific jobs and in overall facility procedures and customer service
 - It is very important that all staff understand overall facility goals and operations, not just their specific area
- Lack of understanding of their impact on the success of the overall facility

Bellevue Health and Aquatic Center Plan

- Budget includes very competitive hourly wages for all part-time positions, especially the key public facing positions such as instructors, lifeguards, and front desk staff.
 - Provides flexibility in wages to attract staff for difficult day hours, aid recruitment, and reward retention
- Staff development and training funding included in budget
- Potential to provide training and certification classes and programs in conjunction with local school curricula

Overall Management Elements

Keys to Success

- Professional outfitting and branding of all staff (in and out of the water)
- Clearly defined goals and objectives
 - Program participation
 - Use
 - Revenue
 - Expenses
 - Accountability
- Clearly developed safety, emergency, operational, and maintenance procedures and manuals
 - Includes education and rehearsal of all staff in these elements
 - Development and incorporation of health crises/pandemic response and procedures into new emergency and operating procedures and manuals
- Regular management and staff meetings
 - Program and schedule
- Key user group interaction and input
- Cleanliness and well maintained common areas
- Continuing education and training
- Management and Staff accountability

Risks for Failure

- Failure to execute all of the above

Bellevue Health and Aquatic Center Plan

- Budgeting for staff outfitting and recognition
 - Includes promotion of staff certifications, memberships, and training in a visible manner.
- Travel and Staff Development budgeting
- Incremental marketing budget beyond just existing Parks and Recreation website and brochures. Utilize social media and new communication platforms to reach all demographics.
- Focus on low income and community segments that do not have access for staffing, programming opportunities and awareness.

PROGRAMMING

Keys to Success

- Full range of programs for the entire community
- Introduction of new programs and trends as regular updates of existing program curriculum
- Focus on low income or demographics with no aquatic experience or access
- Development of program partners including school district, community groups, healthcare providers, and outside program providers as appropriate
- Temperature and depth options specific for each program and level of intensity
- Scheduling to allow for all potential program participants and target demographics
 - Early morning before work
 - During the school day
 - Lunch hour specific programs
 - After school programs
 - After work programs
 - Evening after family dinner or “kids are settled”
- Progressive programs
 - Clear and smooth transitions from one program to the next level
 - Learn to Swim
 - Pre-Team
 - Swim Teams
 - Masters teams
 - Aquatic fitness
 - Full range of intensities, abilities, and transition programs
 - Cross training
 - Therapy/Rehab transitioning to mainstream regular fitness classes
 - Etc.
- Integration of programs at the Aquatic Center and the BAC/Odle
- Development of program partners
- Concurrent programming
 - Access to different programs and lane space at same time
 - Lap swim lanes throughout the day, even during team practices
 - Multiple programs in same body of water
 - Program access during prime time use by teams and outside groups
 - Programs that serve both youth and adult for optimized family usage
- Limited interruption of daily and community access during swim meets and special events
- Marketing of programs

Risks for Failure

- Weak or poorly training instructors
- Lack of program integration and progression
- Inappropriate times for different user groups
- Lack of concurrent program scheduling
- Lack of responding to the demands or needs of user groups or developing programs that attract new user groups

Bellevue Health and Aquatic Center Plan

- Feasibility Study identifies a wide range of new program and recreational opportunities
- Potential schedule matrix allocates programs across all pool facilities to best use the strengths of each facility
- Schedule matrix opens up significant time for use across multiple programs at peak times during the day
 - Lap lanes at all times during the day and evening
 - Classes before, during and after the work and school day for all
 - Significantly increase open recreation and family time for pool use
- Schedule matrix maximizes opportunity for concurrent programming
- New Aquatic Center opens up significant space and temperature flexibility at the BAC/Odle to better accommodate broader range of programs and users at the existing facility
 - Creates opportunity to repurpose BAC/Odle 25 yard pool to more accessible and warmer program water to meet growing demand

DESIGN

Keys to Success

- Wide range of water temperatures available for full range of programming
- Varying depths in each water temperatures
- Best possible air and water quality
- State of the art technology for energy, chemical, and water conservation and green operation
- Layout and building configuration to promote integrated programs while also providing separation of programs as needed
- Circulation patterns to allow separation of competitors and spectators during events from the daily users and members
- Proper access beyond just disabled code requirements
 - Senior friendly
 - Young child friendly
 - Staging areas in water
 - Sufficient deck space
 - COVID and contagious disease awareness
- Appropriate Locker Room and changing areas
 - Meeting latest concerns and new regulations concerning gender neutral requirements
 - Meeting latest best practices in child protection and safety
 - Family and handicap accessible changing spaces
 - Learn to swim friendly changing areas
 - Any other purpose built locker rooms
 - Teams, Adults, Members, etc.
- Support spaces
 - Wet and Dry classroom/function spaces
 - Adequate storage accessible to different pools and function spaces
 - Office spaces
- Front deck, security and access control
 - Flexibility to modify circulation and have two separate access points during events
 - Importance of front desk staff to customer service

- Events
 - Balance spectator and competitor seating needs based on key event goals and pool competition capacity
 - Key support amenities
 - Eliminate or minimize impact of events on regular daily programming and community access.

Risks for Failure

- Risks of Failure are really just lack of execution of the keys to success

Bellevue Health and Aquatic Center Plan

- All design keys are incorporated into the design for the BHAC
- Energy and water saving state of the art technology incorporated in the design and project cost projections
- State of the art technology in air and water handling systems
- Pool configurations and design allows for separation and independence of event and community programming during most competitive events
- Sufficient overall locker and changing room space to develop specific spaces to meet future trends, needs, and best practices for the locker rooms of tomorrow; accounting for privacy, youth/child safety, pandemic “New Normal” and gender equity and neutrality
 - Important now to just have the sufficient space to accommodate new locker room and changing room requirements that will likely be part of new facilities in the near future
- Aggressive function space and storage space to support all program, event, maintenance, and management needs of new BHAC

FINANCIAL MANAGEMENT

Keys to Success

- Business oriented management practices and financial management
- Budget development based on facility management and best practices
 - Budget tracking to enable analysis of all costs of aquatics and of specific programs
 - Increased visibility of aquatic related costs and revenue for better program development and accountability
 - Requires tracking revenue, participation, trends, and expenses for each specific program
- Develop program fees, usage fees, and rental rates to best combine goals of City:
 - Accessible and affordable to all residents and users
 - Help support local youth, adult, and disabled sport programs
 - Provide revenue to help offset aquatic facility and program operating costs and improve Cost Recovery
 - Investment in programming and staffing that targets underserved constituencies and addresses past inequities in aquatics

- Identifying, developing, and optimizing program and facility funding options and potential
 - Grants
 - Corporate support
 - Partnership funding opportunities
 - Advertising and Sponsorship
 - Cash and financial support
 - Product and services Value-in-Kind (VIK) donations
 - Community support
 - Private philanthropy as needed
- Develop a budgeting plan or reserve fund for long term capital replacement and maintenance for future repairs, component replacement, and other unexpected financial costs.

Risks for Failure

- Failure to build sufficient cash reserve or long term replacement fund or plan for future equipment replacement or capital facility repair
- Failure to develop fee structure appropriate for market and meeting overall facility financial and program objectives
 - Market rates
 - Appropriate discounts for residents, members, etc.
 - Analysis of revenue needs
- Failure to invest sufficiently in key success factors
 - Marketing
 - Key management positions
 - Staff training and development
 - Air handling and Water handling technology and systems

Bellevue Health and Aquatic Center Plan

- The initial framework for these Financial Keys to Success have been incorporated in both the SF/ISG Study and the City/ARC 2020 Study.
- Many of these best financial management practices will be developed in the next steps in further developing the BHAC business model based on final design, site, partner, and funding options.