

AGENDA

**FORT SMITH BOARD OF DIRECTORS
STUDY SESSION & SPECIAL MEETING**

JANUARY 26, 2010 ~ 12:00 NOON

**FORT SMITH PUBLIC LIBRARY
COMMUNITY ROOM 3201
ROGERS AVENUE**

STUDY SESSION

1. Discuss partnership opportunities with the Arkansas Highway and Transportation Department for maintenance of state routes
2. Report on feasibility of aquatic center at Ben Geren Regional Park
3. Discuss policy for installation of sewer backup prevention on private sewer lines
4. Review preliminary agenda for February 2, 2010 regular meeting

SPECIAL MEETING

ROLL CALL

1. Resolution authorizing the Mayor to apply for an economic development grant on behalf of Five Rivers Distribution, LLC for improvements to the Fort Smith Port

ADJOURN



OFFICE OF THE CITY CLERK
Cindy Remler, CMC/AAE, City Clerk
Sherri Gard, CMC, Assistant City Clerk

MEDIA RELEASE
January 22, 2010

Directors Steve Tyler, Andre' Good, Bill Maddox and Don Hutchings have called a special meeting to immediately follow the study session scheduled for 12:00 Noon, Tuesday, January 26, 2010 at the Fort Smith Public Library Community Room to consider the following item:

- Resolution authorizing the Mayor to apply for an economic development grant on behalf of Five Rivers Distribution, LLC for improvements to the Fort Smith Port

A handwritten signature in cursive script that reads "Sherri Gard".

Sherri Gard, Acting City Clerk



1

MEMORANDUM

January 22, 2010

TO: Dennis Kelly, City Administrator

FROM: Ray Gosack, Deputy City Administrator

SUBJECT: Partnership Opportunities with AHTD

The 2010 budget includes funding for the city to provide a higher level of maintenance at the I-540/Rogers Ave. interchange. This interchange is maintained by the Arkansas Highway and Transportation Department (AHTD), and is one of the gateway entrances to Fort Smith. There's been community concern about its appearance for a number of years.

During the board's budget discussion, there was a request to have a meeting with AHTD officials about partnership opportunities. Joe Shipman, AHTD's district engineer headquartered in Fort Smith, will be present at the January 26th study session to participate in this discussion.

Attached is a list of current partnerships the city has with AHTD. If there's any questions or a need for more information, please let me know.

A handwritten signature in cursive script that reads "Ray".

Attachment

cc: Joe Shipman, District Engineer
Arkansas Highway & Transportation Department

CITY OF FORT SMITH PARTNERSHIPS WITH AHTD

Arkansas Highway 45 Widening. The city is partnering with AHTD for the widening of this state-route in order to accelerate its completion. The widening will occur between Phoenix Ave. and Zero St., and includes replacement of the bridge over I-540.

Traffic Signal Installations. AHTD has undertaken the signalization of numerous intersections in Fort Smith over the last few years. The city typically pays a small percentage of the project cost.

Traffic Signal O & M. The city operates and maintains the traffic signals on all state routes in Fort Smith.

Street Lighting. The city pays for the operation and maintenance of all street lights along I-540 and state routes in Fort Smith.

Streetscaping. AHTD has cooperated with the city to allow streetscaping along Garrison Ave. and other streets in and near the downtown area. AHTD has made available federal funds to assist with some of this work.

Median/Right-of-Way Maintenance. The parks department maintains the landscaped median at the intersection of U.S. Highway 71B and Arkansas Highway 255 (Zero St.); and the sanitation department removes litter along a stretch of Arkansas Highway 45 near the landfill.



2

MEMORANDUM

January 22, 2010

TO: Dennis Kelly, City Administrator

FROM: Ray Gosack, Deputy City Administrator

SUBJECT: Aquatics Center at Ben Geren Park

At the January 26th study session, representatives of Sebastian County will present conceptual plans and a feasibility study/business plan for an aquatics center at Ben Geren Park. During the September 29, 2009 joint meeting of the board of directors and quorum court, there was unanimous interest in pursuing a jointly funded and operated aquatics center. The next step will be for the city and county to agree on a conceptual plan for the center. Two concepts have been prepared; they may be found on pages 10-14 of the attached report.

Sebastian County has its share of project costs available. The board of directors will be discussing options for financing the city's share of costs at the special study session on January 26th at 6:00 p.m. If the city and county decide to jointly pursue this project, we'll work with county officials to prepare an agreement.

If there's any questions or a need for more information, please contact me.

Ray

Attachment

cc: David Hudson, Sebastian County Judge
Joe Gaa, Sebastian County Parks Administrator



David Hudson

Sebastian County Judge
County Court House
35 South 6th Street, Room 106
Fort Smith, Arkansas 72901
(479) 783-6139
FAX (479) 784-1550

January 18, 2010

MEMO

To: Quorum Court
Fort Smith City Directors
Fort Smith City Administrators
Sebastian County Park Board
Fort Smith Parks Commission
Sebastian County Park Strategic Planning Committee

From: County Judge *DH*

Subject: Meetings for Presentation of the Aquatics Feasibility Study
Tuesday January 26, 2010
12:00 Noon, Fort Smith City Directors Study Session, Fort Smith
Public Library
6:00 PM, Quorum Court Committee as a Whole Meeting, Fort
Smith Courthouse

Meetings have been scheduled to present the "Aquatics Feasibility Study" prepared by Ballard King and Larkin Aquatics. A copy of the report dated January 18, 2010 is enclosed for your review.

The Report will be presented to the Fort Smith City Directors Tuesday January 26, 2010 at the 12:00 Noon Study Session, at the Fort Smith Public Library Community Room.

The Report will be presented to the Quorum Court Tuesday January 26, 2010 at the 6:00 PM Committee as a Whole Meeting, prior to the 7:00 PM Regular Meeting, at the Fort Smith Courthouse Room 204.

Members of the Park Board, Parks Commission and Park Strategic Planning Committee are all invited to attend.

Report Overview

The report presents demographic information concerning the market for a facility and two concepts for Aquatics Facilities construction and operation.

The first concept is a project of \$4,750,000 with a projected operating budget of \$540,463, projected revenue of \$415,250 for a projected operating shortage of \$125,213.

The second concept is a project of \$7,500,000 with a projected operating budget of \$822,772, projected revenue of \$709,300 for a projected operating shortage of \$113,472.

The analysis of revenues and projected budget requirements appear to be completed in a conservative fashion.

The Next Step

The next step in the process is for the City of Fort Smith and Sebastian County to decide if an "Interlocal Agreement" should be entered into regarding construction and operation of an Aquatics Facility.

Ongoing operating cost is a key element in the Aquatics Facility Project.

Annexation to facilitate Interlocal Agreement funding will need to be outlined and incorporated into this decision making process.

Overall parks improvements as a part of the Interlocal Agreement will also need to be specified including the funding to support these improvements and operating support.

Enclosure: Aquatics Feasibility Report January 18, 2010

AQUATICS CENTER FEASIBILITY STUDY

For

*BEN GEREN PARK
SEBASTIAN COUNTY, ARKANSAS*



FINAL REPORT

January 18, 2010

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR

TABLE OF CONTENTS

EXECUTIVE SUMMARY	2
Section I—Introduction	6
Section II—Study Process	6
Section III—Aquatic Center Concepts	7
Section IV—Demographic Summary & Market Review	15
Section V—Aquatic Center Operations Pro-forma	45
APPENDIX.....	60
Part-Time Staff Hours	
Revenue Worksheets	

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR

EXECUTIVE SUMMARY

The Sebastian County Parks and Recreation Department recently completed a master plan of Ben Geren Park. An outdoor aquatics center was found to be one of the most highly desired amenities for the Park and was placed high on the list of priorities in the master plan. The Department retained the services of Larkin Aquatics and Ballard-King and Associates to complete this study to evaluate the feasibility of a new outdoor aquatic center in Ben Geren Park.

The Feasibility Study generally consisted of four elements. First, a site visit and series of meetings with County personnel and stakeholders was conducted on November 16 and 17, 2009. Next, Ballard-King and Associates performed a demographics analysis and market assessment while Larkin Aquatics developed alternative concepts based on feedback received during the site visit and stakeholder meetings. Lastly, Ballard-King prepared an operations pro-forma for each of the alternative concepts.

Two concepts were developed. Scenario A was based on the assumption that the County funds the construction and operation of the facility. Scenario B assumed that the County forms a partnership with the City of Fort Smith for funding construction and operation of the facility. Both concepts focused on family and leisure recreation. City staff and stakeholders interviewed agreed that the existing Creekmore Pool, which is owned and operated by the City of Fort Smith, adequately serves the current need for a competitive venue in Fort Smith and should continue to function in that capacity. For this reason, competitive swim facilities were not included in the concepts for Ben Geren Park.

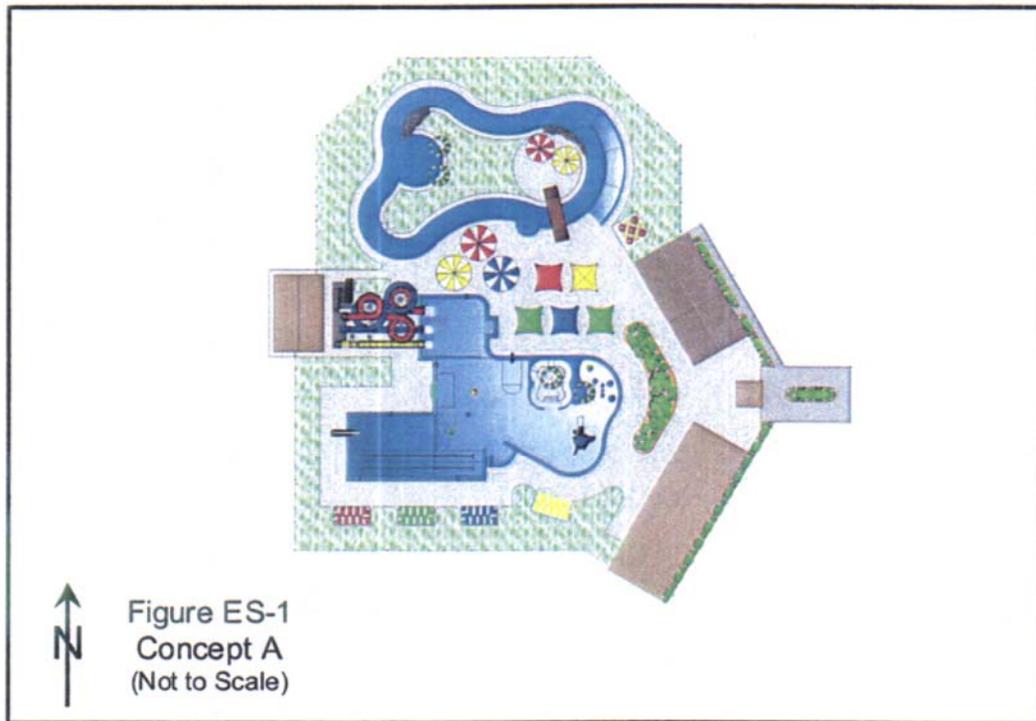
The concept for scenario A was sized for 815 patrons with an estimated construction cost of \$4,750,000. Concept B would accommodate 1,500 patrons and is estimated to cost \$7,400,000. Parking requirements for Concept A would be 270 spaces while Concept B would require 500 spaces. Concepts A and B are presented in Figure ES-1 and ES-2, respectively.

The focus of the proposed aquatic facility is to serve the residents of Sebastian County. That being said it is recognized that residents in southern Sebastian County may not be regular visitors to the proposed facility. With travel distance and cost in mind a 10-mile radius primary service area and a 30-mile secondary service area were identified. Both of these service areas cover portions of the far eastern portion of Oklahoma.

The 2009 estimated population within a 10-mile radius (primary service area) is approximately 136,000 people while an additional 135,000 people reside between 10 and 30 miles (secondary service area) of the proposed facility.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



The results of an annual nationwide survey conducted by the National Sporting Goods Association (NGSA) were used to predict the percentage of the population within the service area that participate in swimming. After accounting for the local variations in average age and income, and after factoring in regional tendencies, it was predicted that 22.5 percent of the primary service area participates in swimming on a routine basis, as compared to 23.7 percent of the population on a nationwide basis.

Conducting a similar analysis with NGSA data regarding the typical frequency of swimming, and accounting for local and regional variations, it was predicted that the swimming community (22.5% of the service area) would swim approximately 40 times per year for a total of approximately 1,100,000 "swimmer days" per year. If all of these swimmers used one facility, this number would approximate their annual attendance. But, this number is shared with all of the existing swimming facilities within the service area and, in reality, these existing facilities only capture a part of the predicted "swimmer days."

Considering the population base of 136,000 within the primary service area and an estimated additional 135,000 in the secondary service area, there are relatively few outdoor aquatic facilities to serve the citizens of the area.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR

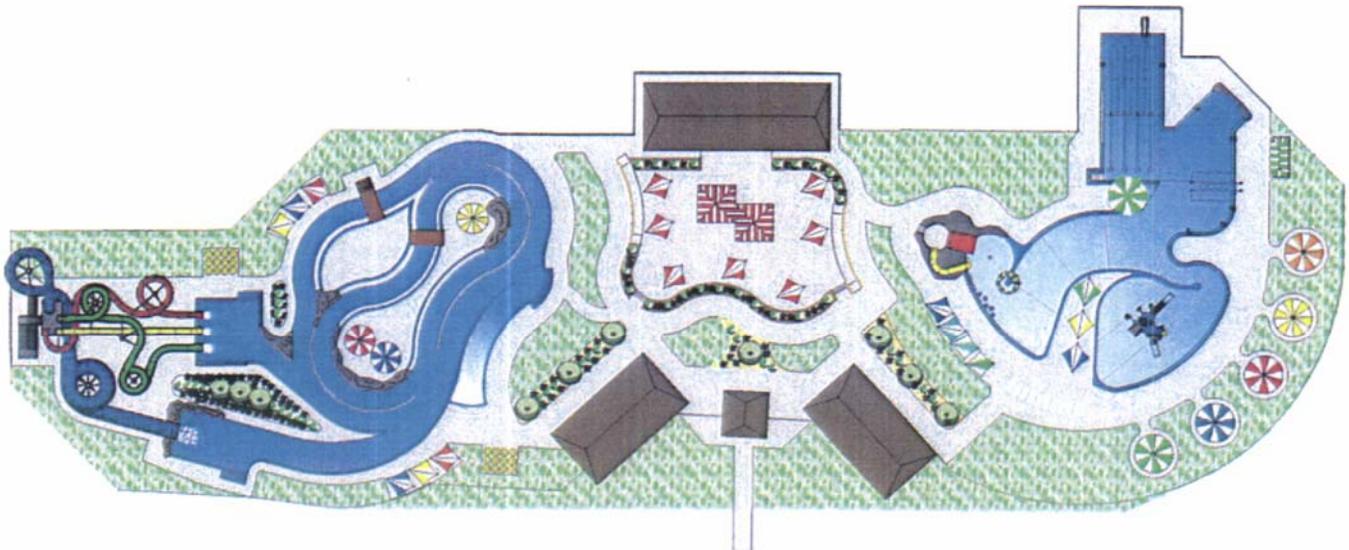


Figure ES-2
Concept B
(Not to Scale)

Sebastian County does not currently have an outdoor pool since the aquatic center was closed in Ben Geren Park several years ago. The city of Ft. Smith really has only one true outdoor pool (Creekmore Park Pool), but does have two wading pools (Tillis Park and Woodlawn Park), plus a splash pad at Martin Luther King Park. The Creekmore Park Swimming Pool features a 50 meter pool, a separate diving well (that is bubbled over in the winter for competitive swim team practices), and a separate small leisure pool. The 50 meter pool appears to adequately serve the outdoor competitive swimming needs of the greater Fort Smith area.

The major provider in the area that has a similar orientation to what is possibly being planned for the new aquatic center in Ben Geren Park, is the Alma Aquatic Park in nearby Alma. This facility is a compact aquatic center that features a series of pools, slides and interactive play features.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR

Beyond these outdoor aquatic facilities there are only small conventional pools in Poteau and Sallisaw, Oklahoma and a pool at Ft. Smith State Park. However, the City of Greenwood has talked about a smaller outdoor aquatic center that would have a strong leisure orientation and there is some thought that Van Buren might eventually build a similar facility.

Yet even with the presence of the existing pools at Creekmore, Alma, the pools in Oklahoma and possible new pools in the future; there is still an outstanding market for a significant, regionally oriented, leisure aquatic center in Ben Geren Park. With an estimated 1,100,000 swimmer days in the primary service area and if the new aquatic center were able to attract as few as 10% of these available swimmer days (a very conservative figure with the small number of other outdoor aquatic centers in the Fort Smith market), this would convert to 110,000 swimmer days. This is a strong number of swimmer days that would also be augmented by further participation from the secondary service area.

With the conservative attendance predictions developed from demographic data, an operations pro-forma was prepared for the two Scenarios. Gate revenues were evaluated based on current rates charged at the existing public pools in the area. Other revenue sources, such as facility rentals and concessions, were included in the analysis. Payroll costs for staff and lifeguards were based on current wage rates paid at the Creekmore Pool. The predicted operations costs and revenues for an assumed opening year 2012 are shown in the following table.

Category	Concept A	Concept B
Expenditures	\$540,463	\$822,772
Revenues	\$415,250	\$709,300
Difference	(\$125,213)	(\$113,472)
Recovery %	77%	86%

A five year analysis was also performed to assess the variations in cost recovery for the first years of operation. The analysis shows the rate of cost recovery for both scenarios to trend upward in the first five years as increase in attendance and revenue are predicted to outpace costs.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR

SECTION I—INTRODUCTION

The Sebastian County Parks and Recreation Department recently completed a master plan of Ben Geren Park. An outdoor aquatics center was found to be one of the most highly desired amenities for the Park and was placed high on the list of priorities in the master plan.

The Park used to have an outdoor swimming pool consisting of a 50 meter lap pool and dive well, but this pool was closed in 2004 and demolished shortly thereafter. The park has not had a swimming pool since then.

In October 2009, the Department retained the services of Larkin Aquatics and Ballard-King and Associates to perform a study to evaluate the feasibility of a new outdoor aquatic center in Ben Geren Park.

SECTION II—STUDY PROCESS

The Feasibility Study generally consisted of four elements. First, a site visit and series of meetings with County personnel and stakeholders was conducted on November 16 and 17, 2009. Next, Ballard-King and Associates performed a demographics analysis and market assessment while Larkin Aquatics developed alternative concepts based on feedback received during the site visit and stakeholder meetings. Lastly, Ballard-King prepared an operations pro-forma for each of the alternative concepts.

An initial meeting was held with County staff and representatives of the City of Fort Smith, who share an interest in the Feasibility Study as they own and operate the only other public swimming pool in Sebastian County at Creekmore Park. There is the potential the City of Fort Smith may partner with the County on an Aquatics Center in Ben Geren Park, because the park is situated to conveniently serve much of the City's population.

A public meeting was held the evening of November 16, to present the scope and purpose of the feasibility study and provide details on the potential features and amenities that could be included in a new aquatics center. Although the meeting was sparsely attended, some key stakeholders attended including the Coach of the local competitive swim team (Tide Riders) and members of the County Park Board and (Fort Smith) City Commission.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR

A similar presentation was provided the next afternoon to Steering Committee of the Ben Geren Master Plan Study. This committee consists of representatives from several communities in Sebastian County, Parks Board members, and citizen appointees. The last presentation during the November site visit was made to the Quorum Court and all in attendance during the regularly scheduled meeting of November 17.

The attendees of the Public Meeting and Steering Committee Meeting were asked for feedback regarding their most desired elements for an aquatics center after watching the presentation of possible alternative features. This input was considered in the development of the aquatic center concepts.

The consultant team toured Ben Geren Park and visited other public swimming facilities within the targeted market area. These facilities included Creekmore Pool in Fort Smith and the Alma Aquatic Park.

Following the site visit, work commenced on the development of aquatic concept layouts. Information on this process and the resulting concepts is provided in Section III of this report. The demographics and market analysis was also performed after the site visit and this work is described in Section IV.

Alternative concepts were developed and submitted to the County for review and comment. Once comments were received and the concepts were accepted by the County representatives, then an operations pro-forma was prepared for the concepts. This pro-forma is documented in Section V.

SECTION III—AQUATIC CENTER CONCEPTS

To develop an aquatic center concept is first necessary to define the mission of the facility. County representatives and the stakeholders all agreed the facility at Ben Geren should focus on family and aquatic leisure activities. Competitive and youth swimming is an important element of the recreation community in Fort Smith, but it was agreed that the Creekmore Facility, owned and operated by the City of Fort Smith, adequately serves the current need for a competitive venue and should continue to function in that capacity. For this reason, competitive swim facilities were not included in the concepts for Ben Geren Park.

Concepts were prepared for two scenarios; Scenario A assumes the County funds the construction and operation of the facility and Scenario B assumes the County and City of Fort Smith form a partnership to fund and operate the facility.

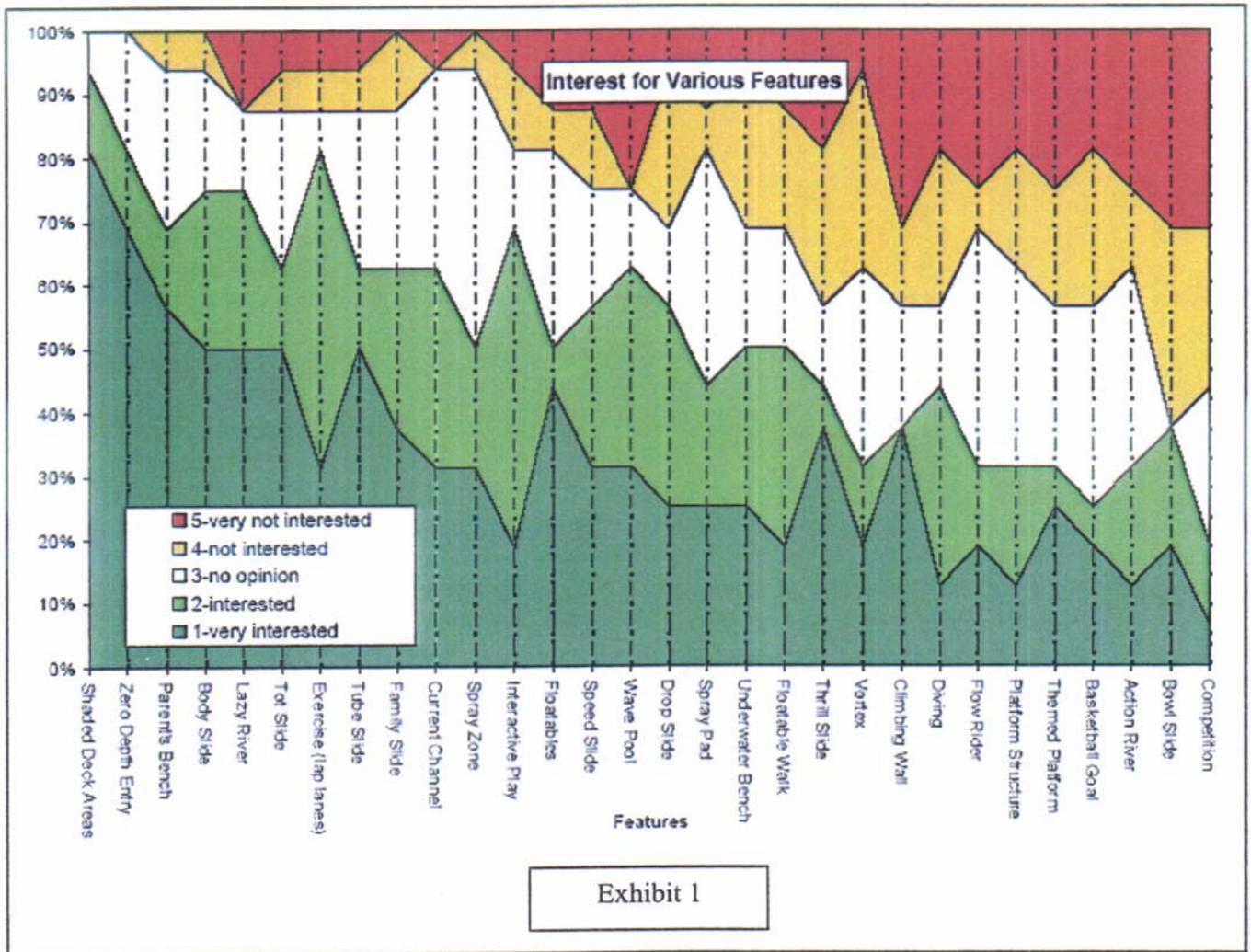
AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR

The input provided by the County representatives and the stakeholders involved in the series of meeting on November 16 and 17 was evaluated during the selection of elements to be included in the alternative concepts. Exhibits 1 and 2 illustrate the results of this input.

Exhibit 1 shows the entire list of elements presented to meeting attendees across the bottom of the graph. The attendees were asked to indicate their interest in each element by assigning a number from 1 to 5 to each element. A score of 1 indicated the highest level of interest for a feature while a score of 5 indicated the lowest level of interest, or highest level of disinterest. A score of 3 indicated a neutral response or no opinion.

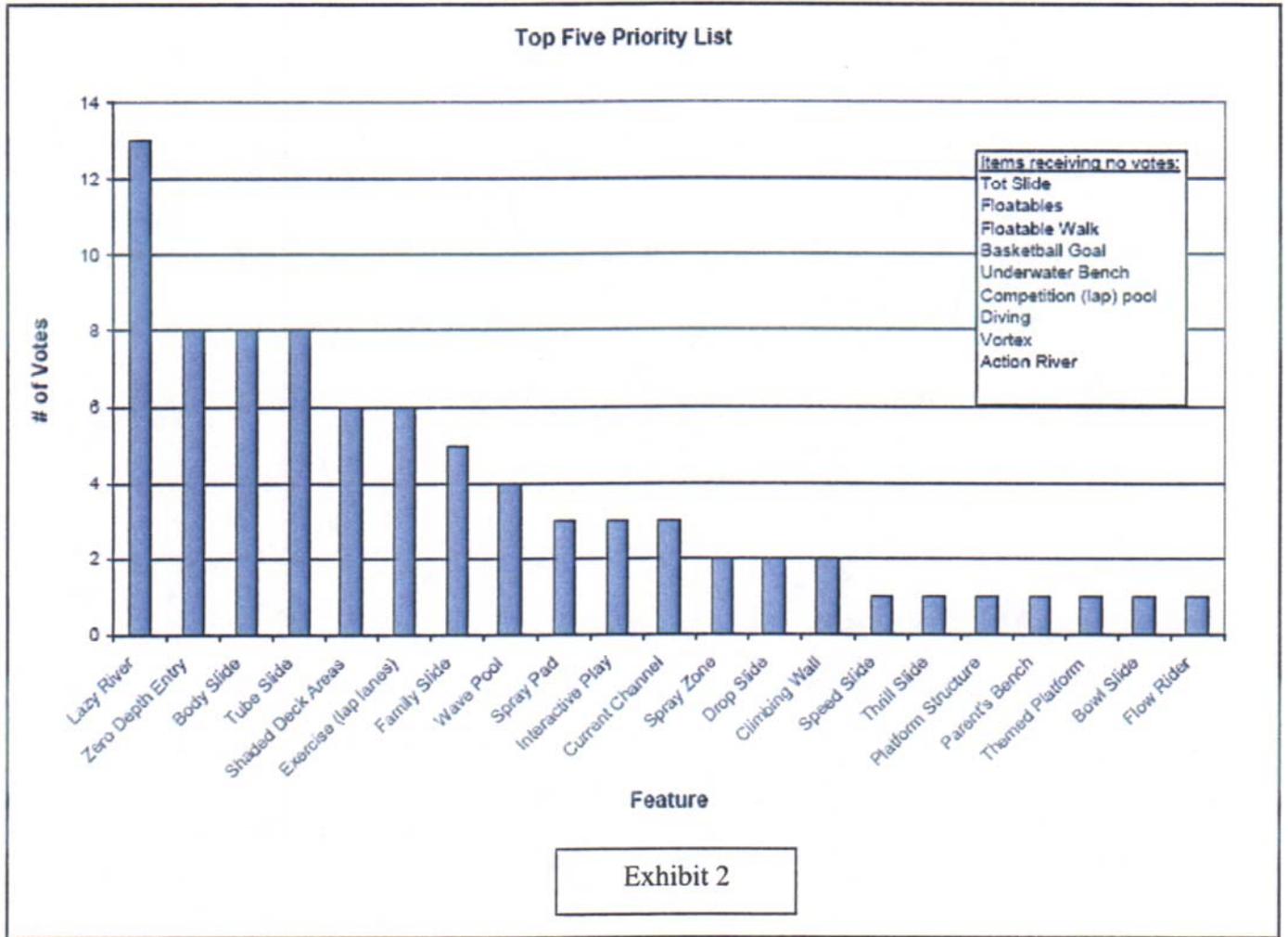
The scores were tallied and converted to a percentage of all the responses received. The Green colors in Exhibit 1 indicate the positive responses for each feature while the red and orange shades indicate the negative responses.



AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR

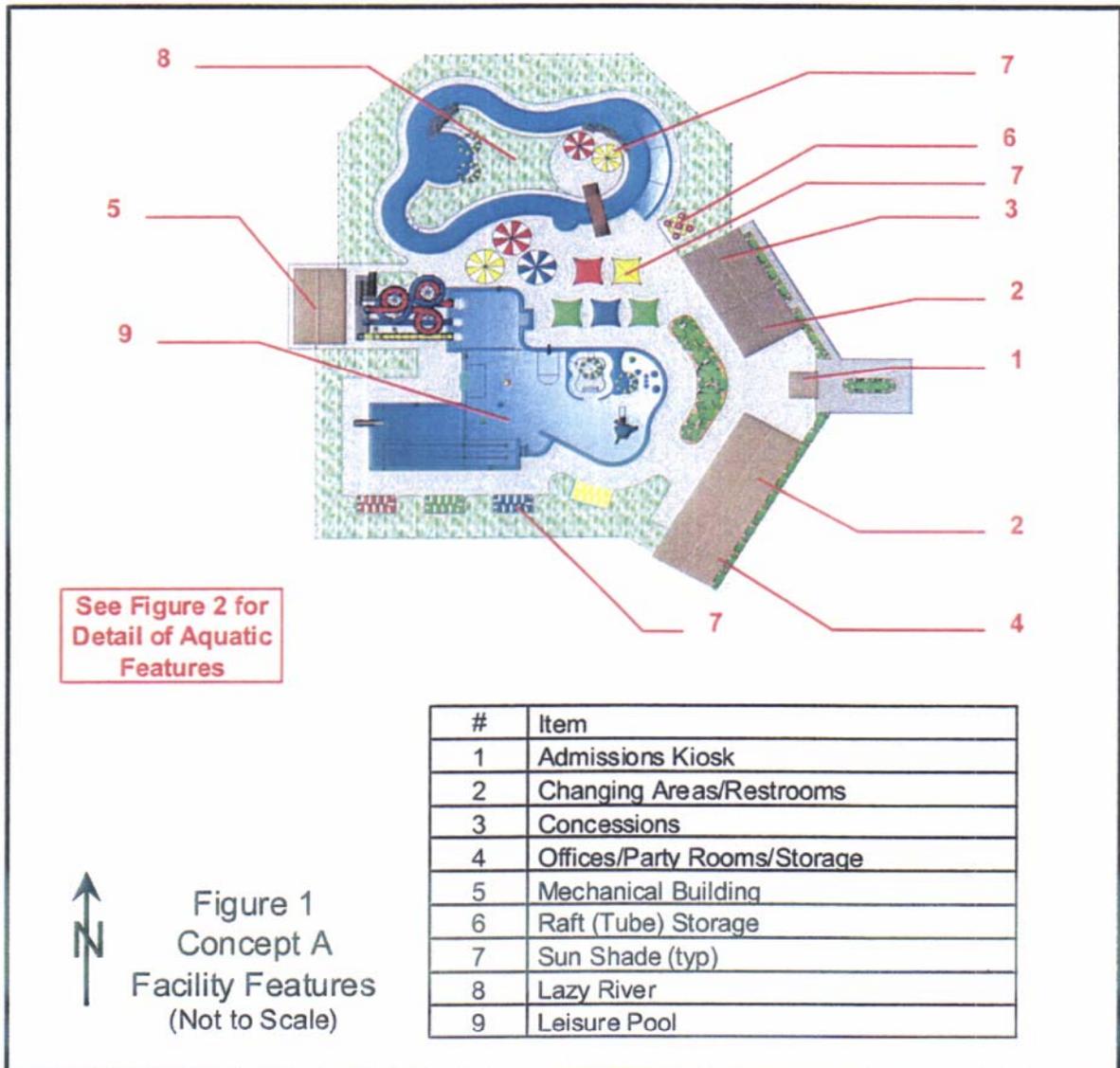
The meeting attendees were also asked to select their five highest priority features they would like to see in an aquatics center. The relative cost of each feature was also provided to the attendees, so that some consideration to budget and cost could be factored into their decisions. The votes were tallied and Exhibit 2 shows the total number of times each feature appeared on the "Top Five" lists.



Figures 1 and 2 present Scenario A. The facility consists of two bodies of water, a 7,800 square foot leisure pool and a 350 foot long lazy river. The leisure pool includes three water slides coming off of a 25 foot tower. This facility has a rated capacity of 815 patrons. Parking for 270 vehicles is recommended for this size of facility. The cost of this facility is estimated to be \$4,750,000.

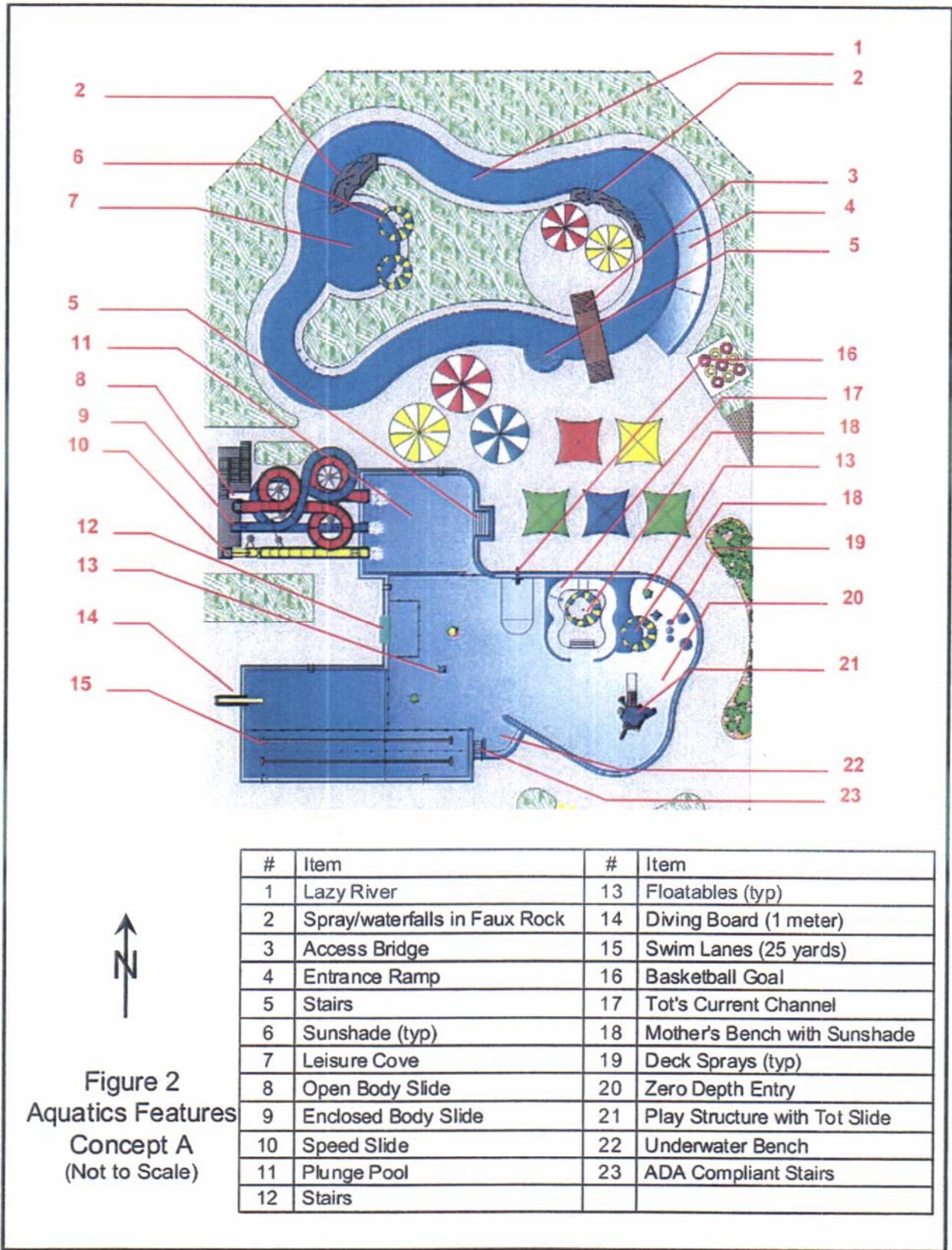
AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



AQUATICS CENTER FEASIBILITY STUDY

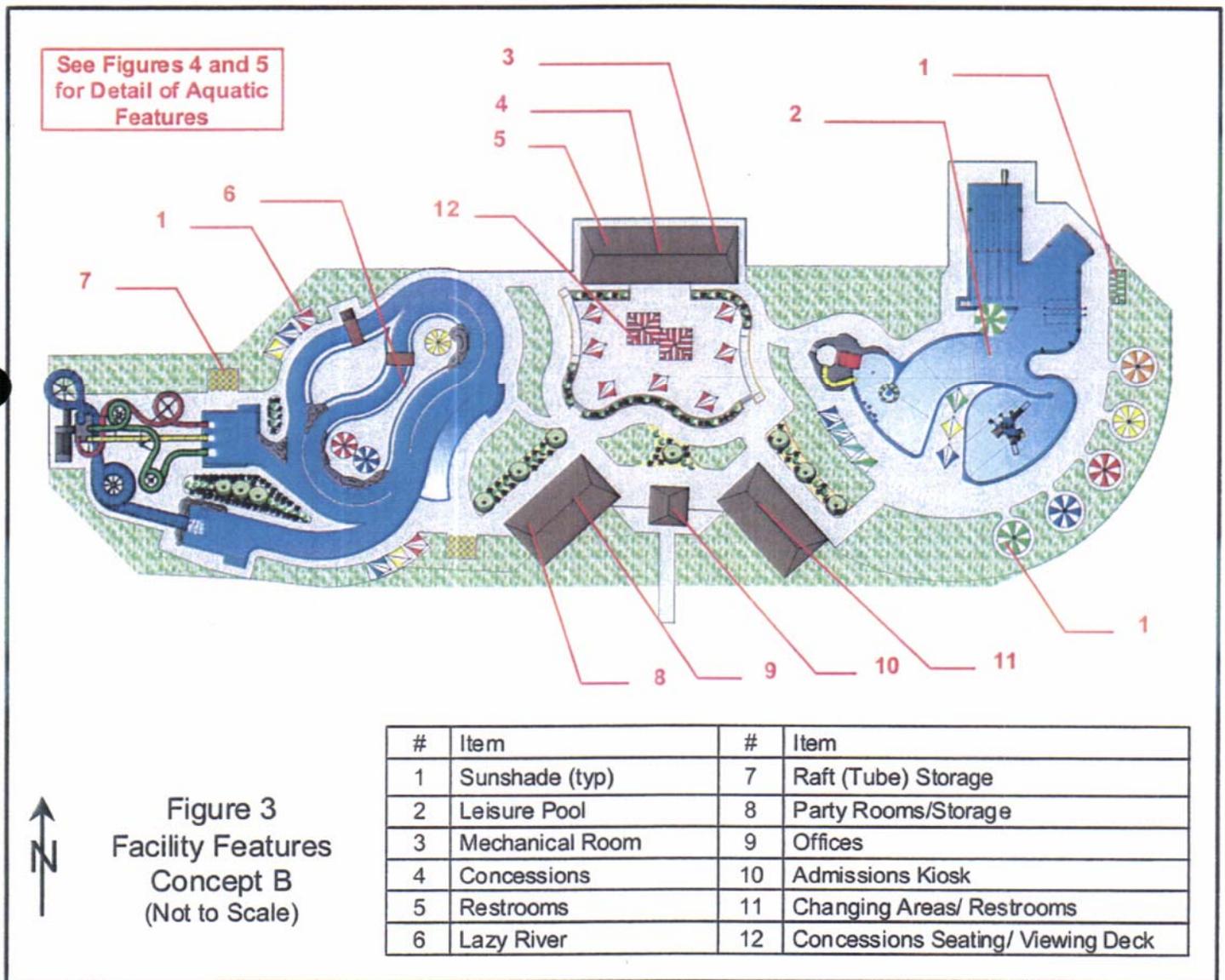
SEBASTIAN COUNTY, AR



AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR

Figures 3, 4, and 5 present scenario B. The facility consists of two bodies of water, a 11,900 square foot leisure pool and a lazy river consisting of a 350 foot inner loop and a 420 foot outer loop (total length of 770 feet). The lazy river complex includes four water slides coming off of a 30 foot tower. The facility has a rated capacity of 1,500 patrons. Parking spaces for 500 vehicles is recommended for this size of facility. The cost of this facility is estimated to be \$7,400,000



AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR

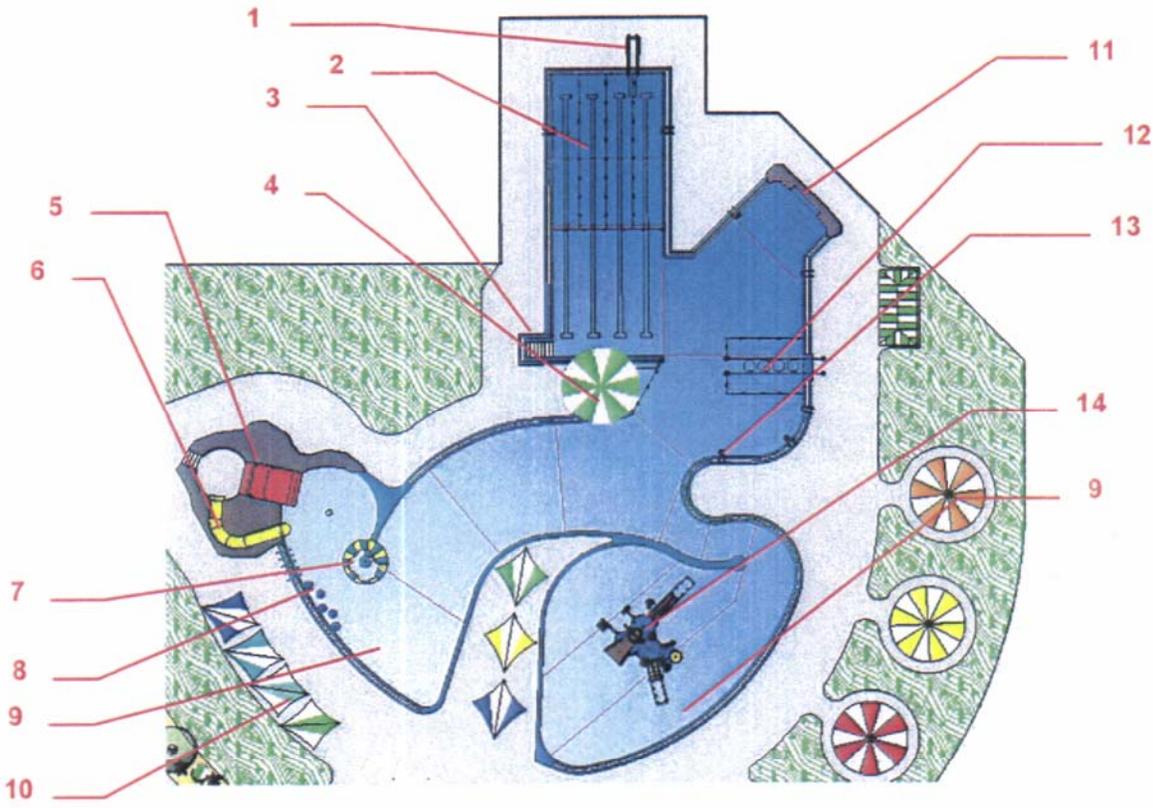


Figure 4
Leisure Pool
Complex
Concept B
(Not to Scale)

#	Item	#	Item
1	Diving Board (1 meter)	8	Deck Sprays (typ)
2	Swim Lanes (25 yards)	9	Zero Depth Entry
3	ADA Compliant Stairs	10	Sunshades (typ)
4	Shaded Underwater Bench	11	Climbing Wall
5	Family Slide	12	Water Walk
6	Tot Slide	13	Basketball Goal (typ)
7	Shaded Mother's Bench	14	Play Structure with Tot Slides

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR

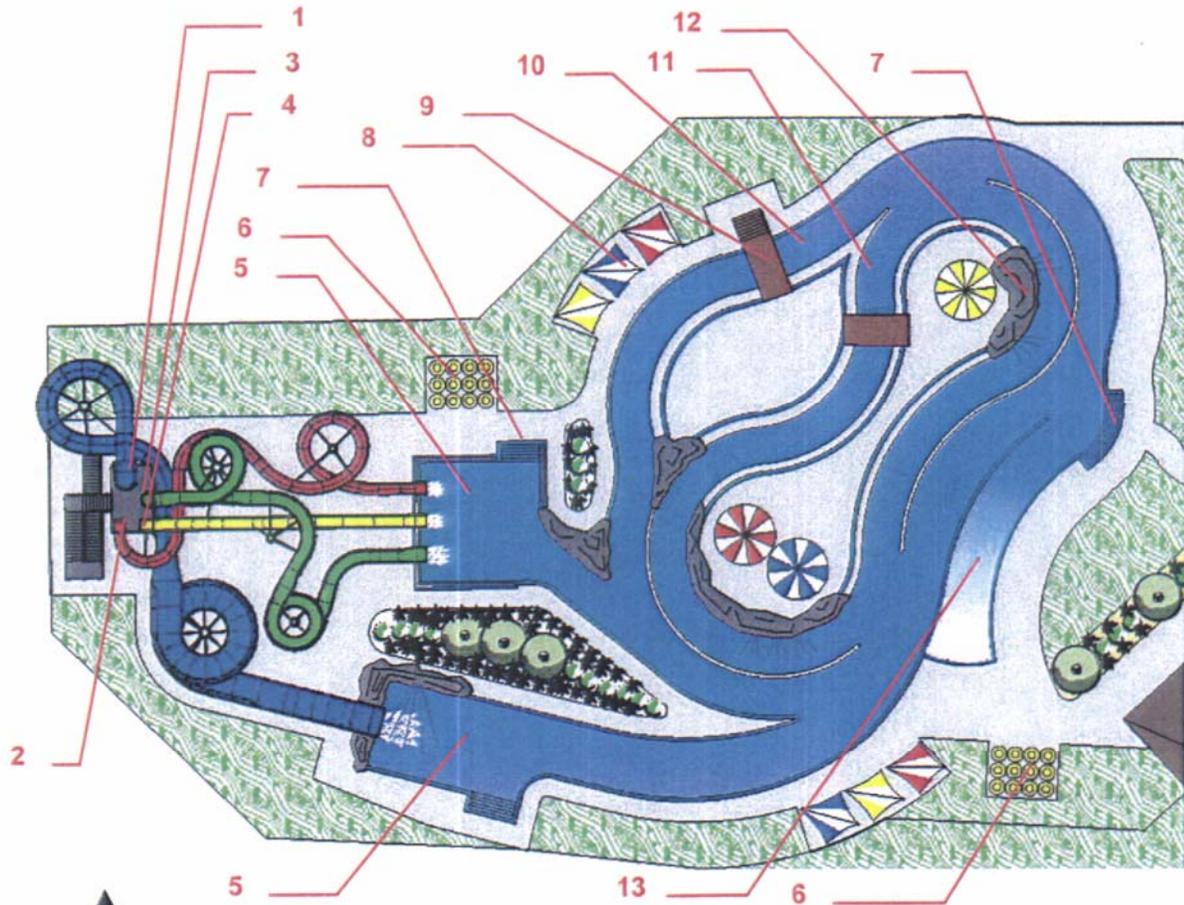



Figure 5
Lazy River
Complex
Concept B
 (Not to Scale)

#	Item	#	Item
1	Raft Slide	8	Sunshade (Typ)
2	Enclosed Body Slide	9	Access Bridge
3	Open Body Slide	10	Lazy River (Outer Loop)
4	Speed Slide	11	Lazy River (Inner Loop)
5	Plunge Pool	12	Spray/waterfalls in Faux Rock (typ)
6	Raft (Tube) Storage	13	Entrance Ramp
7	Stairs		

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Section IV – Demographic Summary & Market Review

Sebastian County, Arkansas is exploring the idea of a regional aquatic facility located in Ben Geren Park. The following market analysis looks at the demographic realities within the service areas and compares them to state and national numbers.

The following is a summary of the basic demographic characteristics of the identified service areas and a comparison with basic sports participation standards as produced by the National Sporting Goods Association.

Service Areas: The focus of this proposed facility would be to serve the residents of Sebastian County. That being said it is recognized that residents in southern Sebastian County may not be regular visitors to the proposed facility. With travel distance and cost in mind a 10-mile radius primary service area and a 30-mile secondary service area has been identified. Both of these service areas cover portions of the far eastern portion of Oklahoma.

Primary service areas are usually defined by the distance people will travel on a regular basis (a minimum of once a week) to utilize a facility or its programs. Secondary service areas are usually defined by the distance people will travel on a less consistent basis (a minimum of once a month) to utilize a facility or its programs. Use by individuals outside of the secondary area will be limited to special events (swim meets, etc.) or visitors to the area.

Service areas can also vary in size with the types of components that are included in an aquatic facility. An aquatic center with an a number of leisure amenities will have a larger primary service area than a more conventional (competitive pool) facility.

Service areas can also be based upon a facility's proximity to major thoroughfares. Other factors impacting the use as it relates to driving distance are the presence of alternative service providers in the primary service area. Alternative service providers can have an impact upon membership, daily admissions and the associated penetration rates for programs.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Service Area Statistics & Comparison

Population Comparison:

	2000 Census	2009 Estimate	2014 Projection
Primary Service Area	127,121	135,816	140,778
Secondary Service Area	251,113	271,376	282,116

Number of Households Comparison:

	2000 Census	2009 Estimate	2014 Projection
Primary Service Area	49,811	53,217	55,236
Secondary Service Area	96,342	104,854	109,296

Number of Families Comparison:

	2000 Census	2009 Estimate	2014 Projection
Primary Service Area	33,840	34,715	35,528
Secondary Service Area	69,154	72,942	75,214

Average Household Size Comparison

	2000 Census	2009 Estimate	2014 Projection
Primary Service Area	2.50	2.50	2.50
Secondary Service Area	2.56	2.55	2.54
United States	2.59	2.59	2.59

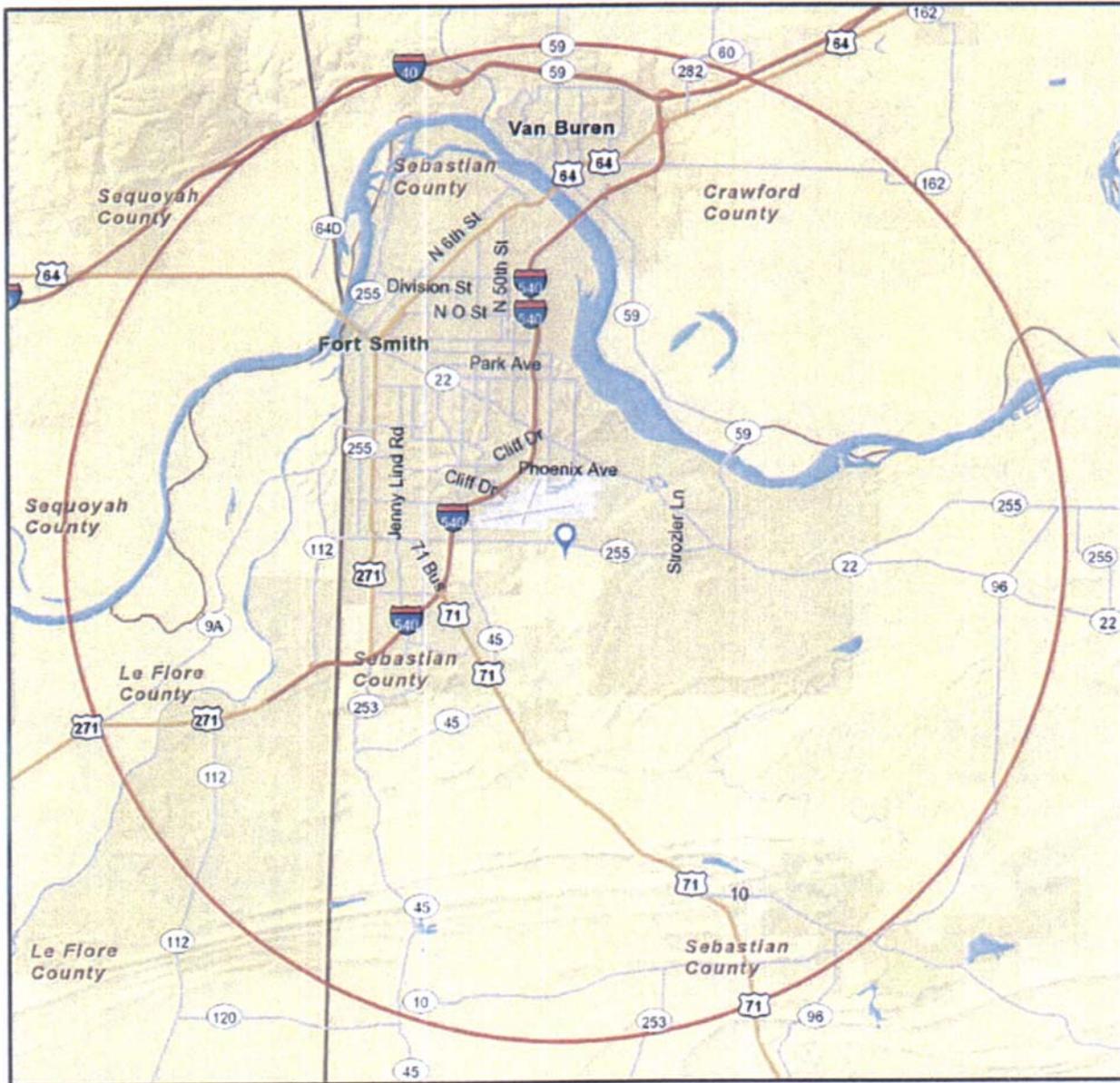
Source – U.S. Census Bureau and ESRI

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Primary Service Area Map:



AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



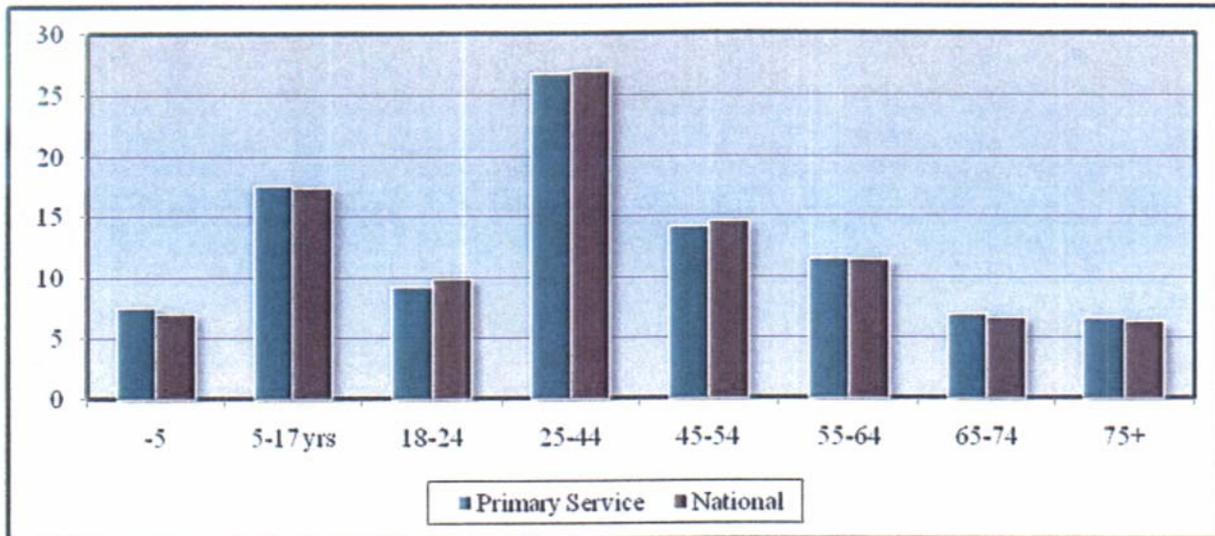
Population Distribution by Age: Utilizing census information for the primary service area, the following comparisons are possible.

Table A – 2009 Primary Service Area Age Distribution
(ESRI estimates)

Ages	Population	% of Total	Nat. Population	Difference
-5	10,079	7.5%	7.0%	0.5%
5-17	23,916	17.6%	17.4%	0.2%
18-24	12,524	9.2%	9.9%	-0.7%
25-44	36,206	26.7%	26.9%	-0.2%
45-54	19,202	14.2%	14.6%	-0.4%
55-64	15,577	11.5%	11.4%	0.1%
65-74	9,390	6.9%	6.6%	0.3%
75+	8,922	6.6%	6.2%	0.4%

- Population:** 2009 census estimates in the different age groups in the service area.
- % of Total:** Percentage of the service area population in the age group.
- National Population:** Percentage of the national population in the age group.
- Difference:** Percentage difference between the service area population and the national population.

Chart A – 2009 Primary Service Area Age Group Distribution



AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



The demographic makeup of the primary service area, when compared to the characteristics of the national population, indicates that there are some slight differences with a larger population in the -5, 5-17, 55-64, 65-74 and 75+ age groups and a smaller population in the 18-24, 25-44, 45-54 age groups. The largest positive variance is in the -5 age group with +0.5%, while the greatest negative variance is in the 18-24 age group with -0.7%. These demographic characteristics would point to a slightly younger population.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Population Distribution Comparison by Age: Utilizing census information from the primary service area, the following comparisons are possible.

Table B – 2009 Primary Service Area Population Estimates
(U.S. Census Information and ESRI)

Ages	2000 Population	2009 Population	2014 Population	Percent Change	Percent Change Nat'l
-5	9,438	10,079	10,214	8.2%	14.4%
5-17	23,941	23,916	24,765	3.4%	4.7%
18-24	11,819	12,524	12,705	7.5%	16.2%
25-44	37,189	36,206	36,547	-1.7%	0.6%
45-54	16,742	19,202	18,222	8.8%	16.2%
55-64	11,460	15,577	17,385	51.7%	64.3%
65-74	8,357	9,390	11,711	40.1%	41.3%
75+	8,175	8,922	9,229	12.9%	19.1%

Chart B – Primary Service Area Population Growth

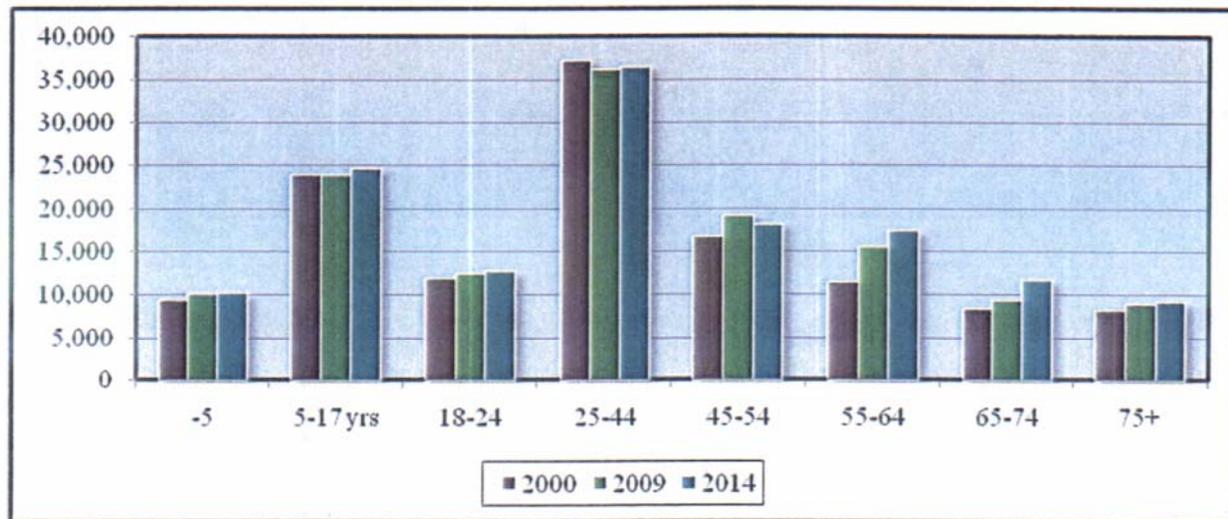


Table-B, looks at the growth or decline in age group numbers from the 2000 census until the year 2014. It is projected that all age categories, except the 25-44 age group, will see an increase in population. It must be remembered that the population of the United States as a whole is aging and it is not unusual to find negative growth numbers in the younger age groups and net gains nearing 45% in the 45 plus age groupings in communities which are relatively stable in their population numbers.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Below is listed the distribution of the population by race and ethnicity for the primary service area based on 2009 population estimates.

Table C – Primary Service Area Hispanic Population and Median Age

(Source – U.S. Census Bureau and ESRI)

Ethnicity	Total Population	% of Population	Median Age
Hispanic	13,890	10.2%	23.0

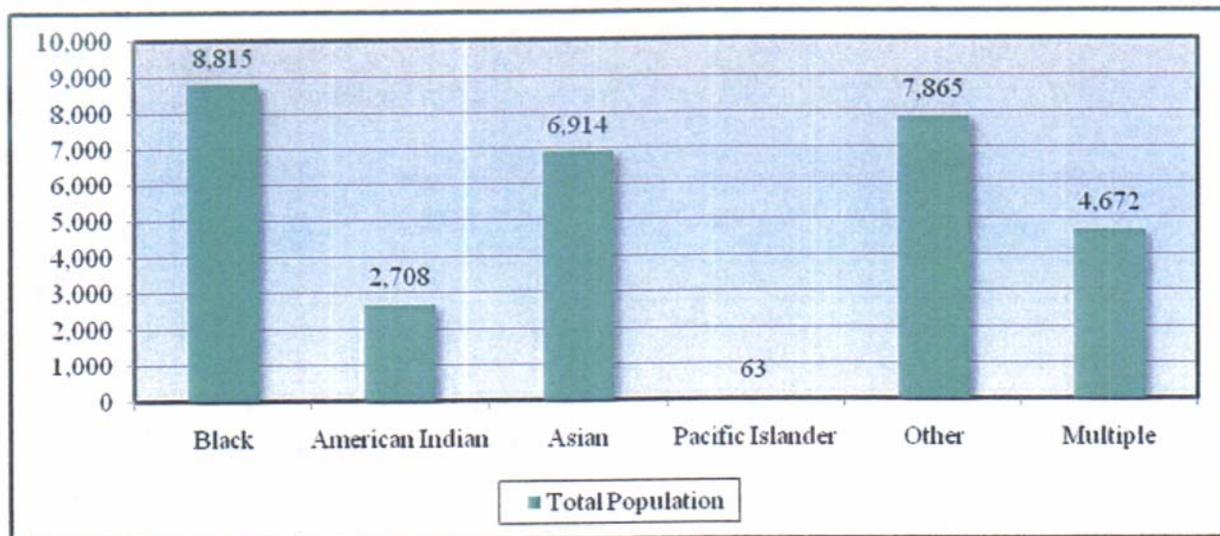
Table D – Primary Service Area Ethnic Population and Median Age

(Source – U.S. Census Bureau and ESRI)

Ethnicity	Total Population	% of Population	Median Age
White	104,779	77.1%	40.4
Black	8,815	6.5%	29.2
American Indian	2,708	2.0%	29.7
Asian	6,914	5.1%	31.2
Pacific Islander	63	0.05%	37.8
Other	7,865	5.8%	23.4
Multiple	4,672	3.4%	22.9

2009 Primary Service Area Total Population: 135,816 Residents

Chart C – Primary Service Area Ethnic Population

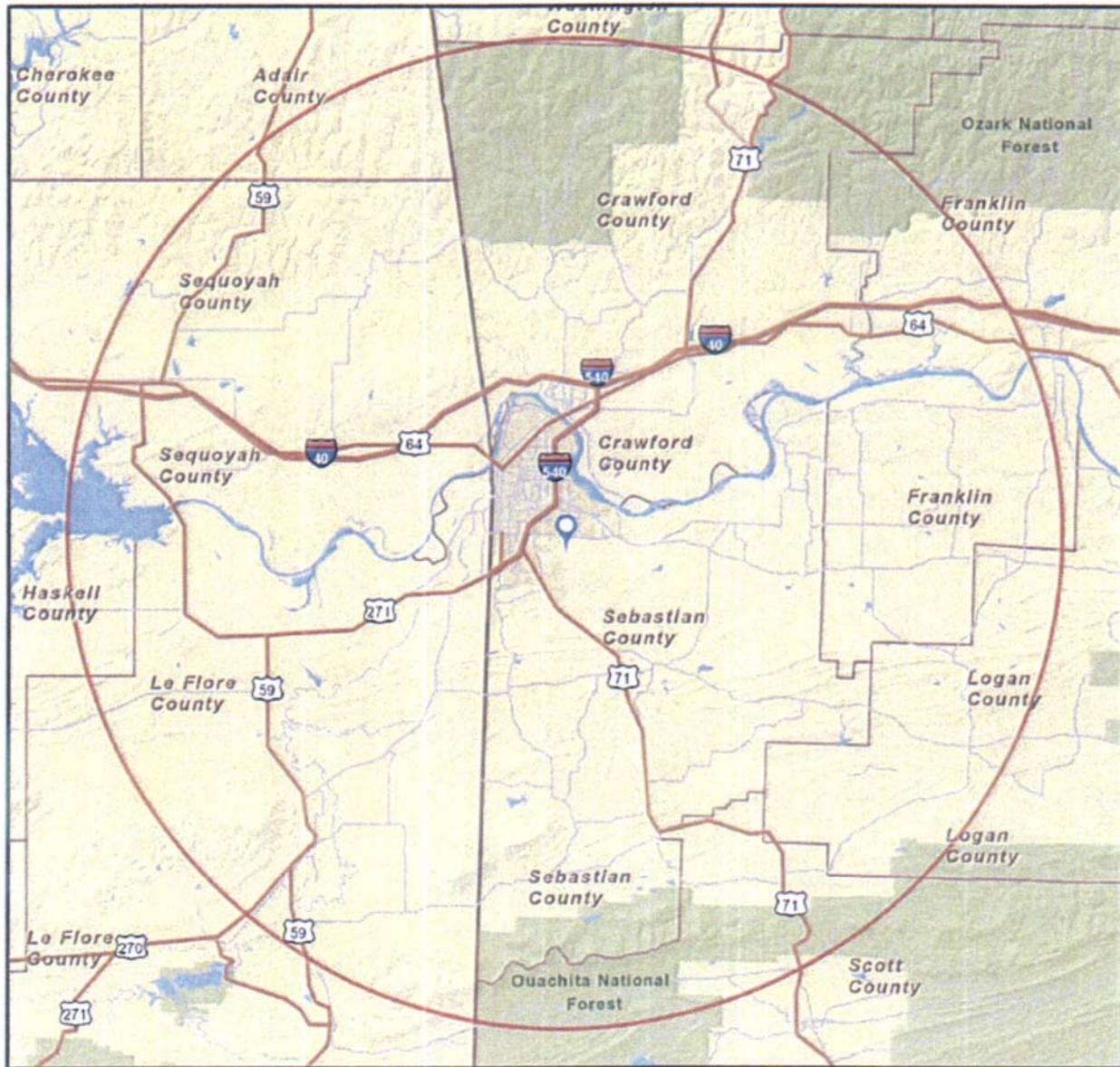


AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Secondary Service Area Map:



AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



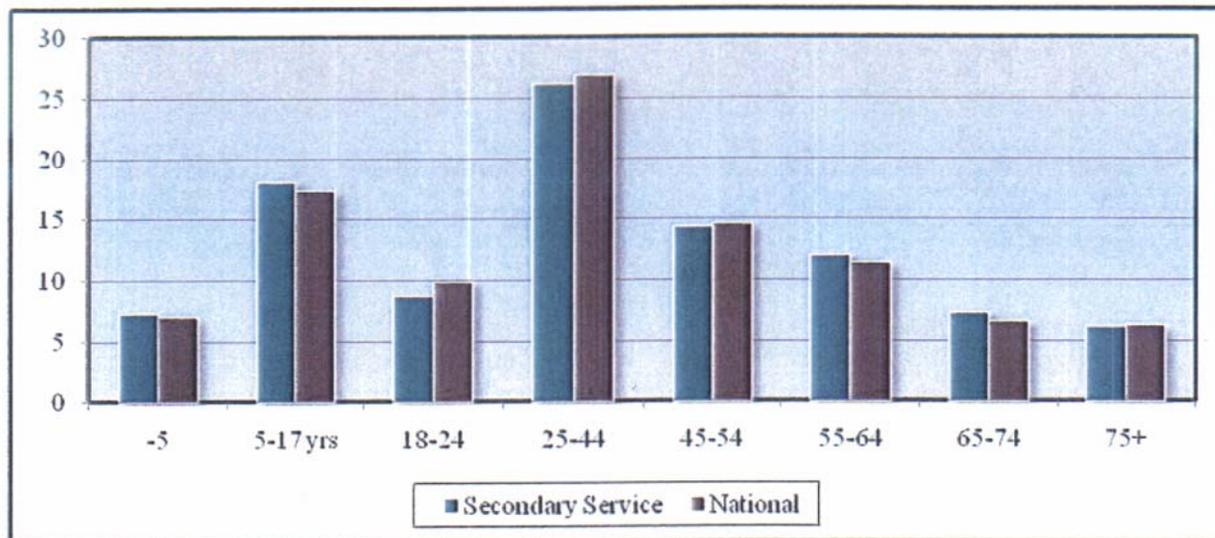
Population Distribution by Age: Utilizing census information for the secondary service area, the following comparisons are possible.

Table E – 2009 Secondary Service Area Age Distribution
(ESRI estimates)

Ages	Population	% of Total	Nat. Population	Difference
-5	19,680	7.3%	7.0%	0.3%
5-17	48,760	18.1%	17.4%	0.7%
18-24	23,821	8.7%	9.9%	-1.2%
25-44	71,045	26.2%	26.9%	-0.7%
45-54	39,072	14.4%	14.6%	-0.2%
55-64	32,472	12.0%	11.4%	0.6%
65-74	19,891	7.3%	6.6%	0.7%
75+	16,635	6.1%	6.2%	-0.1%

- Population:** 2009 census estimates in the different age groups in the service area.
- % of Total:** Percentage of the service area population in the age group.
- National Population:** Percentage of the national population in the age group.
- Difference:** Percentage difference between the service area population and the national population.

Chart D – 2009 Secondary Service Area Age Group Distribution



AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



The demographic makeup of the secondary service area, when compared to the characteristics of the national population, indicates that there are some slight differences with a larger population in the 5-17, 55-64 and 65-74 age groups and a smaller population in the 18-24, 25-44, 45-54 and 75+ age groups. The largest positive variance is in the 5-17 and 65-74 age group with +0.7%, while the greatest negative variance is in the 25-44 age group with -0.7%. These demographic characteristics would point to a slightly older population. These numbers are slightly older than what was found in the primary service area.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Population Distribution Comparison by Age: Utilizing census information from the secondary service area, the following comparisons are possible.

Table F – 2009 Secondary Service Area Population Estimates
(U.S. Census Information and ESRI)

Ages	2000 Population	2009 Population	2014 Population	Percent Change	Percent Change Nat'l
-5	18,199	19,680	19,890	9.3%	14.4%
5-17	49,033	48,760	50,437	2.9%	4.7%
18-24	22,273	23,821	24,426	9.7%	16.2%
25-44	72,062	71,045	71,280	-1.1%	0.6%
45-54	33,276	39,072	37,634	13.1%	16.2%
55-64	24,159	32,472	36,324	50.4%	64.3%
65-74	17,105	19,891	24,570	43.6%	41.3%
75+	15,006	16,635	17,555	17.0%	19.1%

Chart E – Secondary Service Area Population Growth

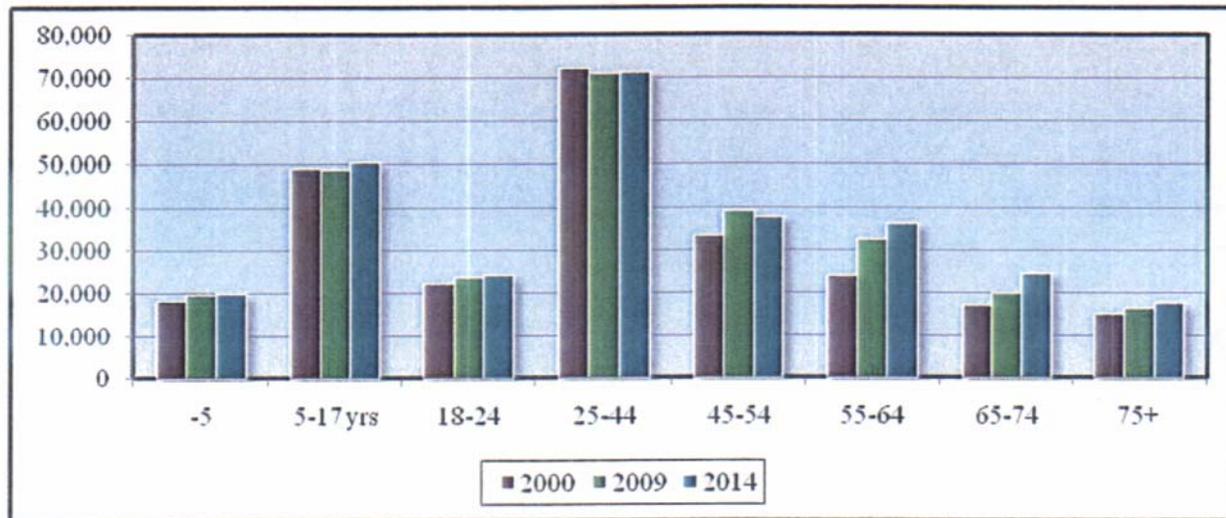


Table-F, looks at the growth or decline in age group numbers from the 2000 census until the year 2013. It is projected that all age categories, except the 25-44 age group, will see an increase in population. It must be remembered that the population of the United States as a whole is aging and it is not unusual to find negative growth numbers in the younger age groups and net gains nearing 45% in the 45 plus age groupings in communities which are relatively stable in their population numbers.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Below is listed the distribution of the population by race and ethnicity for the secondary service area based on 2009 population estimates.

Table G – Secondary Service Area Hispanic Population and Median Age

(Source – U.S. Census Bureau and ESRI)

Ethnicity	Total Population	% of Population	Median Age
Hispanic	18,186	6.7%	23.0

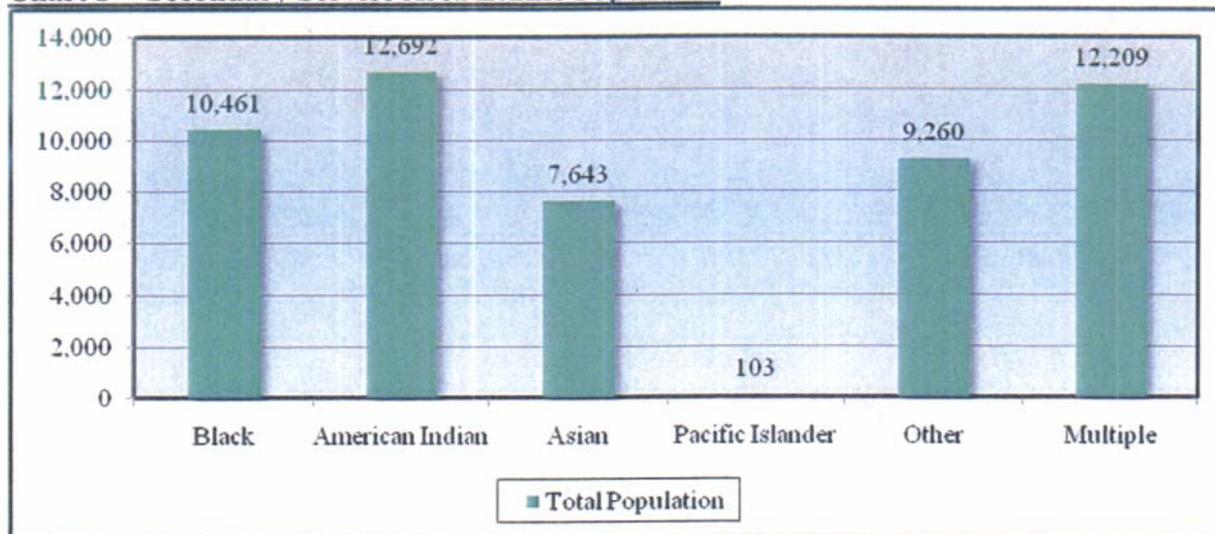
Table H – Secondary Service Area Ethnic Population and Median Age

(Source – U.S. Census Bureau and ESRI)

Ethnicity	Total Population	% of Population	Median Age
White	219,008	80.7%	40.0
Black	10,461	3.9%	29.9
American Indian	12,692	4.7%	29.2
Asian	7,643	2.8%	31.4
Pacific Islander	103	0.04%	34.8
Other	9,260	3.4%	23.6
Multiple	12,209	4.5%	26.5

2009 Secondary Service Area Total Population: 271,376 Residents

Chart F – Secondary Service Area Ethnic Population



AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR

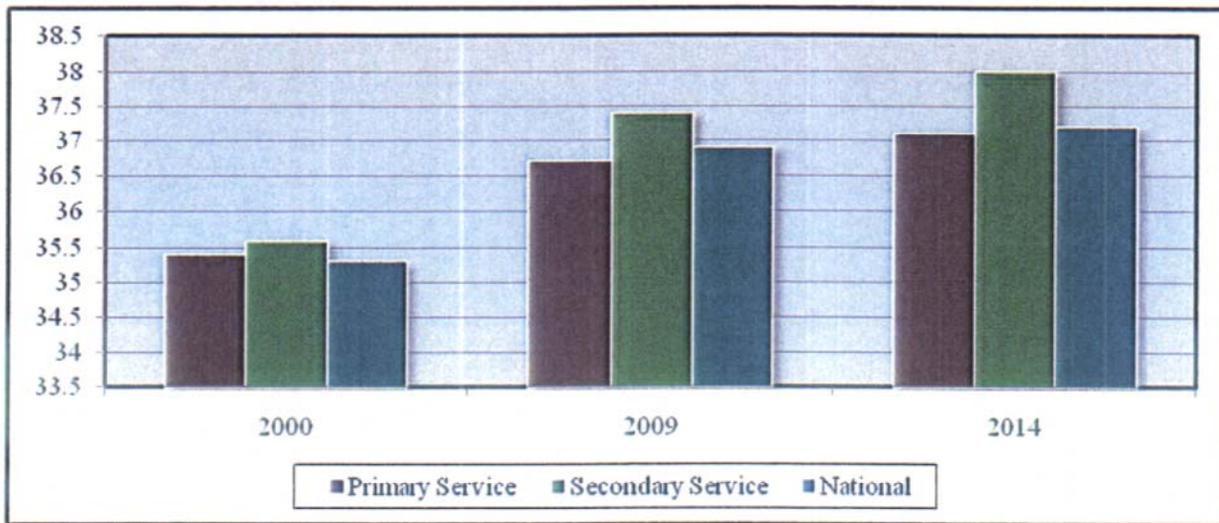


Next, the median age and household income levels are compared with the national number. Both of these factors are primary determiners of participation in recreation activities. The lower the median age, the higher the participation rates are for most activities. The level of participation also increases as the income level goes up.

Median Age:

	2000 Census	2009 Estimate	2014 Projection
Primary Service Area	35.4	36.7	37.1
Secondary Service Area	35.6	37.4	38.0
Nationally	35.3	36.9	37.2

Chart G – Median Age



With the median age in the primary service area being slightly below the national number and the secondary service area being slightly above, it would indicate that there would be strong participation in a Sebastian County Aquatic facility. It must be remembered that swimming is an activity that has strong appeal to all age categories.

AQUATICS CENTER FEASIBILITY STUDY

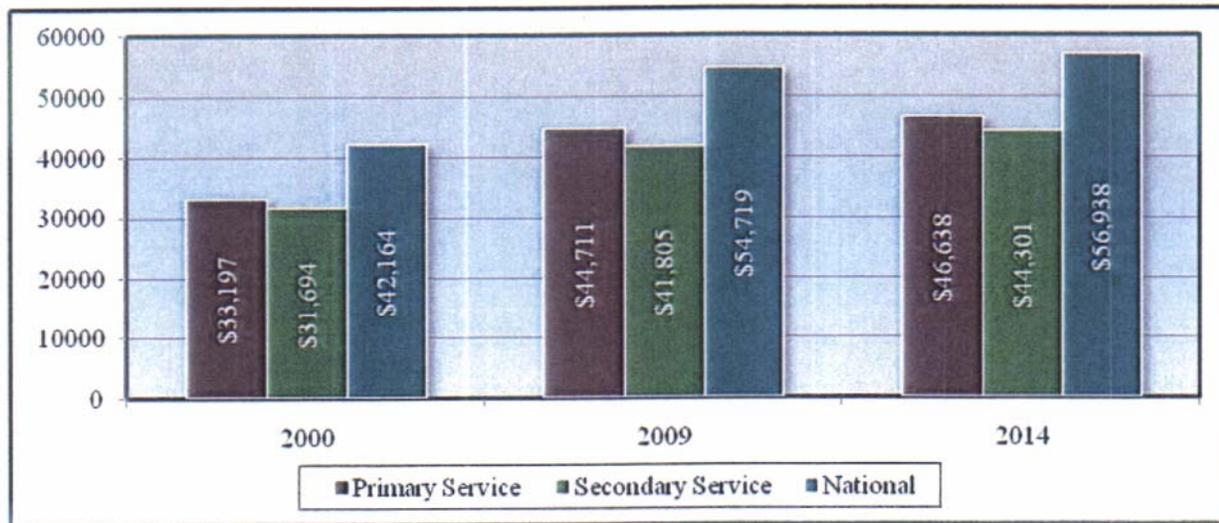
SEBASTIAN COUNTY, AR



Median Household Income:

	2000 Census	2009 Estimate	2014 Projection
Primary Service Area	\$33,197	\$44,711	\$46,638
Secondary Service Area	\$31,694	\$41,805	\$44,301
Nationally	\$42,164	\$54,719	\$56,938

Chart H – Median Household Income



In the primary service area the percentage of households with median income over \$50,000 per year is 43.8% compared to 54.6% on a national level. Furthermore, the percentage of the households in the primary service area with median income less than \$25,000 per year is 26.6% compared to a level of 21.0% nationally.

In the secondary service area the percentage of households with median income over \$50,000 per year is 40.7% compared to 54.6% on a national level. Furthermore, the percentage of the households in the primary service area with median income less than \$25,000 per year is 28.4% compared to a level of 21.0% nationally.

These statistics indicate that there may be a lower level of discretionary income for recreational purposes, but this must be tempered with the cost of living in the area.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



In addition to taking a look at Median Age and Median Income, it is important to examine Household Budget Expenditures. In particular looking at housing information; shelter, utilities, fuel and public services along with entertainment & recreation can provide a snap shot into the cost of living and spending patterns in the services areas. The table below looks at that information and compares the primary service area to the State of Arkansas.

Household Budget Expenditures¹:

Primary Service Area	SPI	Average Amount Spent	Percent
Housing	80	\$16,155.19	29.4%
<i>Shelter</i>	78	\$12,229.86	22.2%
<i>Utilities, Fuel, Public Service</i>	87	\$3,925.33	7.1%
Entertainment & Recreation	83	\$2,681.34	4.9%

Arkansas	SPI	Average Amount Spent	Percent
Housing	74	\$15,000.93	28.6%
<i>Shelter</i>	71	\$11,162.17	21.3%
<i>Utilities, Fuel, Public Service</i>	85	\$3,838.76	7.3%
Entertainment & Recreation	81	\$2,612.96	5.0%

- SPI:** Spending Potential Index as compared to the National number of 100.
- Average Amount Spent:** The average amount spent per household.
- Percent:** Percent of the total 100% of household expenditures. **Note:** Shelter along with Utilities, Fuel, Public Service are a portion of the Housing percentage.

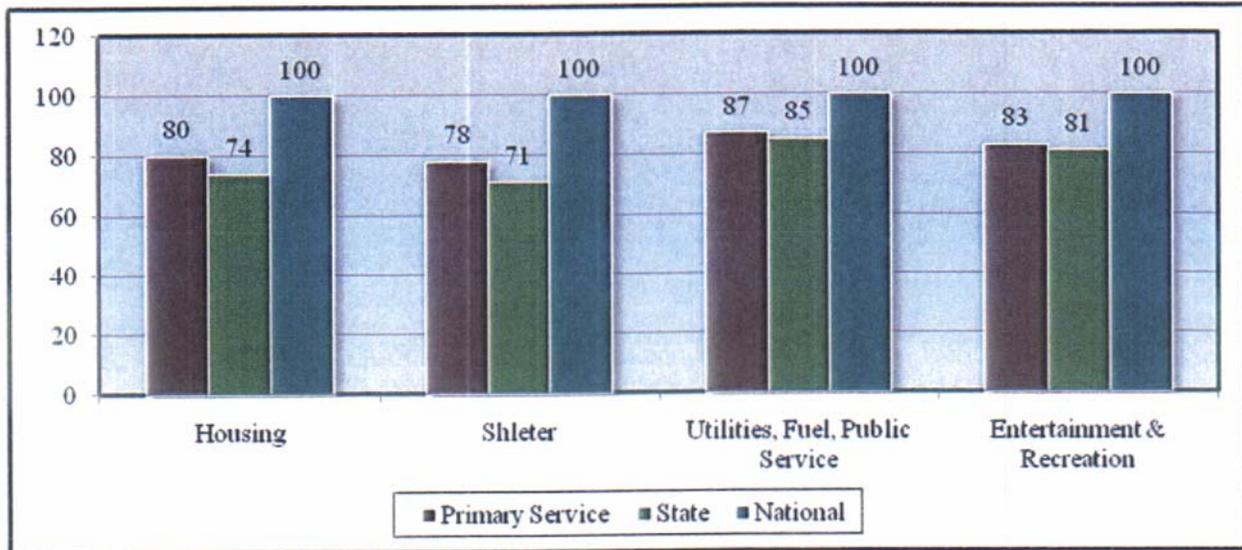
¹ Consumer Spending data are derived from the 2004 and 2005 Consumer Expenditure Surveys, Bureau of Labor Statistics. ESRI forecasts for 2008 and 2013.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Chart I – Household Budget Expenditures Spending Potential Index



When you look at the Median Household Income it is well below the National level, and when you examine the Household Budget Expenditures it would indicate that the cost of living in the primary service area is slightly greater than the State of Arkansas and the cost of living in the primary service area and state are less than the National Spending Potential Index (SPI) Number of 100. Additionally, it would appear that the Spending Potential Index (SPI) for Entertainment & Recreation in the primary service area is slightly less than the State of Arkansas and the primary and the state are both less than the National Spending Potential Index of 100.

This information would indicate that the cost of living in the primary service area is less than what is seen on a national level. That being said it would still appear as though the primary service area has income levels which allow participation in entertainment and recreation activities at a reasonable level.

It will be important to keep this information in mind when developing fee structure and looking at appropriate cost recovery philosophy.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Service Area Comparison Chart:

	Primary Service Area	Secondary Service Area
Population:		
2000	127,121	251,113
2009	135,816	271,376
2014	140,778	282,116
Households:		
2000	49,811	96,342
2009	53,217	104,854
2014	55,236	109,296
Families:		
2000	33,840	69,154
2009	34,715	72,942
2014	35,528	75,214
Average Household Size:		
2000	2.50	2.56
2009	2.50	2.55
2014	2.50	2.54
Ethnicity:		
Hispanic	10.2%	6.7%
White	77.1%	80.7%
Black	6.5%	3.9%
American Indian	2.0%	4.7%
Asian	5.1%	2.8%
Pacific Islander	0.05%	0.04%
Other	5.8%	3.4%
Multiple	3.4%	4.5%
Median Age:		
2000	35.4	35.6
2009	36.7	37.4
2014	37.1	38.0
Median Income:		
2000	\$33,197	\$31,964
2009	\$44,711	\$41,805
2014	\$46,638	\$44,301
Household Budget Expenditures (SPI):		
Housing	80	72
Entertainment & Recreation	83	78

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Recreation Activities Participation

On an annual basis the National Sporting Goods Association (NSGA) conducts an in-depth study and survey of how Americans spend their leisure time. This information provides the data necessary to overlay rate of participation onto the primary service area to determine market potential. Since the aquatic center is planned for Ben Geren Park, a variety of sports activities including swimming, have been listed.

Comparison With National Statistics: Utilizing information from the National Sporting Goods Association and comparing them with the demographics from the primary service area, the following participation projections can be made (statistics were compared based on age, household income, regional population and national population).

Table I – Participation Rates

Activity	Age	Income	Region	Nation	Average
Baseball	5.7%	6.0%	3.8%	5.7%	5.3%
Exercise w/ Equipment	36.1%	34.8%	33.8%	36.1%	35.2%
Exercise Walking	13.3%	13.6%	12.7%	13.4%	13.2%
Soccer	5.8%	5.7%	2.8%	5.8%	5.0%
Softball	4.8%	4.6%	3.8%	4.8%	4.5%
Swimming	23.6%	22.5%	20.0%	23.7%	22.5%
Tennis	4.7%	3.6%	3.3%	4.7%	4.1%

- Age (median):** Participation based on individuals ages 7 & Up of the primary service area.
- Income:** Participation based on the 2009 estimated median household income in the primary service area.
- Region:** Participation based on regional statistics (West South Central).
- National:** Participation based on national statistics.
- Average:** Average of the four columns.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Anticipated Participation Numbers by Activity: Utilizing the average percentage from Table-I above plus the 2000 census information and census estimates for 2009 and 2014 (over age 7) the following comparisons can be made.

Table J – Participation Rates

Activity	Average	2000 Part.	2009 Part.	2014 Part.	Difference
Baseball	5.3%	6,035	6,451	6,700	665
Exercise w/ Equipment	35.2%	40,160	42,927	44,585	4,425
Exercise Walking	13.2%	15,108	16,149	16,773	1,665
Soccer	5.0%	5,729	6,123	6,360	631
Softball	4.5%	5,130	5,484	5,696	565
Swimming	22.5%	25,622	27,387	28,445	2,823
Tennis	4.1%	4,640	4,960	5,152	511
TOTAL		102,425	109,482	113,710	11,285

Note: The estimated participation numbers indicated above are for each of the sports listed and do not necessarily translate into expected attendance figures at a Sebastian County Aquatic Center or other activities in Ben Geren Park since many participants utilize other facilities for these activities and may participate in more than one activity at a time. However, these figures do indicate the total number of people participating in various activities within the primary service area.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Anticipated Number of Times Participating Per Year: By taking the number of annual participants from Table-J, times the average number of times swum per year (from 2008 NSGA standards) will equal the total number of estimated uses per year.

Table K – Chart of Swimming Days Average Development

Group	Days
Male	39.28
Female	40.30
Region	41.07
Income	43.15
Nation	39.82
Average	40.72

Table L – Anticipated Number of Swimming Days

Activity	Average	2000 Part	2009 Part	2013 Part	% Change
Swimming	40.72	1,043,328	1,115,199	1,158,280	+11.02%

Average - the average number of times (by region, income, sex and nation) a person will swim in a year.

This table indicates that there is a reasonable number of annual “swimmer days” from which to capture a sizable market share. It also must be remembered that many of these “swimmer days” are being satisfied by existing aquatic facilities. If a Sebastian County facility were to capture 10% of the 2009 participants it would translate into 111,520 swimmer days. If you take that total and spread it evenly across a 100 day season it would translate into an anticipated 1,115 users per day. Drawing users from the larger secondary service area could add additional swimmer days to the facility.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Participation by Ethnicity and Race: Participation in sports activities is also tracked by ethnicity and race. The table below compares the overall rate of participation nationally with the rate for Hispanics and African Americans. Utilizing information provided by the National Sporting Goods Association's 2008 survey, the following comparisons are possible.

Table M – Comparison of National, African American and Hispanic Participation Rates

	Primary Service Participation	National Participation	African American Participation	Hispanic Participation
Baseball	5.3%	5.7%	7.7%	6.3%
Exercise Walking	35.2%	36.1%	36.0%	29.5%
Running/Jogging	13.2%	13.4%	19.8%	12.7%
Soccer	5.0%	5.8%	3.8%	6.7%
Softball	4.5%	4.8%	4.8%	3.3%
Swimming	22.5%	23.7%	12.9%	22.2%
Tennis	4.1%	4.7%	4.1%	3.3%

- Primary Service Part:** The unique participation percentage developed for the primary service area.
- National Rate:** The national percentage of individuals who participate in the given activity.
- African American Rate:** The percentage of African Americans who participate in the given activity.
- Hispanic Rate:** The percentage of Hispanics who participate in the given activity.

Based on the fact that there is a reasonable Hispanic population in the primary service area the overall rate of participation may be affected.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Summary of Sports Participation: The following chart summarizes participation in various sports and leisure activities utilizing information from the 2008 National Sporting Goods Association survey.

Table N – Sports Participation Summary

Sport	Nat'l Rank ²	Nat'l Participation (in millions)	Primary Service Rank ³	Primary Service Area % Participation
Exercise Walking	1	96.6	1	35.2%
Swimming	2	63.5	2	22.5%
Running/Jogging	12	35.9	3	13.2%
Soccer	20	15.5	4	5.3%
Baseball	21	15.2	5	5.0%
Softball	23	12.8	6	4.5%
Tennis	24	12.6	7	4.1%

Nat'l Rank: Popularity of sport based on national survey.

Nat'l Participation: Percent of population that participate in this sport on national survey.

Primary Service %: Ranking of activities based upon average from Table-E.

Primary Service Rank: The rank of the activity within the primary service area.

² This rank is based upon the 41 activities reported on by NSGA in their 2008 survey instrument.

³ This rank is based upon the 7 activities we are looking at in this particular market analysis.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Comparison of State Statistics with National Statistics: Utilizing information from the National Sporting Goods Association, the following charts illustrate the participation numbers in selected sports in the State of Arkansas.

Arkansas participation numbers in selected indoor and outdoor sports - As reported by the National Sporting Goods Association in 2008.

Table O – Arkansas Participation Rates

Sport	Arkansas Participation (in thousands) ⁴	Age Group	Largest Number
Exercise Walking	923	45-54	45-54
Swimming	612	7-11	35-44
Running/Jogging	520	25-34	25-34
Soccer	130	7-11	7-11
Baseball	188	7-11	7-11
Softball	93	7-11	25-34
Tennis	0	12-17	12-17

Arkansas Participation: The number of people (in thousands) in Arkansas who participated more than once in the activity in 2008 and are at least 7 years of age.

Age Group: The age group in which the sport is most popular or in other words, where the highest percentage of the age group participates in the activity. (Example: The highest percent of an age group that participates in exercise walking is 55-64.) **This is a national statistic.**

Largest Number: The age group with the highest number of participants. Example: The greatest number of exercise walkers is in the 45-54 age group. (Note: This statistic is driven more by the sheer number of people in the age group than by the popularity of the sport in the age span.) **This is a national statistic.**

⁴ With regards to Tennis and a participation number of zero, there was no information collected by the NSGA on this particular activity. That is not to say people in Arkansas don't play Tennis.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Arkansas sport percentage of participation compared with the population percentage of the United States:

Arkansas's population represents 0.9% of the population of the United States (based on 2009 estimates from ESRI and the Census Bureau).

Table P – Arkansas Participation Correlation

Sport	Participation Percentage
Running/Jogging	1.4%
Baseball	1.2%
Exercise Walking	1.0%
Swimming	1.0%
Soccer	1.0%
Softball	0.7%
Tennis	0.0%

Note: Sports participation percentages refer to the total percent of the national population that participates in a sport that comes from the State of Arkansas. It is significant that in 5 activities, including swimming, the percentage of participation equals or exceeds the percentage of the National population. This indicates a relatively high rate of participation in the selected activities.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Recreation Expenditures Spending Potential Index: In addition to participation in recreation activities ESRI also measures recreation expenditures in a number of different areas and then indexes this against national numbers. The following comparisons are possible.

Table Q – Recreation Expenditures Spending Potential Index

	Primary Service Area		State of Arkansas	
	Average Spent	SPI	Average Spent	SPI
Fees for Participant Sports	\$86.54	78	\$78.11	71
Fees for Recreational Lessons	\$94.27	72	\$80.57	62
Social, Recreation, Club Membership	\$133.38	78	\$120.45	71
Exercise Equipment/Game Tables	\$60.40	61	\$58.22	58
Other Sports Equipment	\$9.00	82	\$8.66	79

Average Amount Spent: The average amount spent for the service or item in a year.

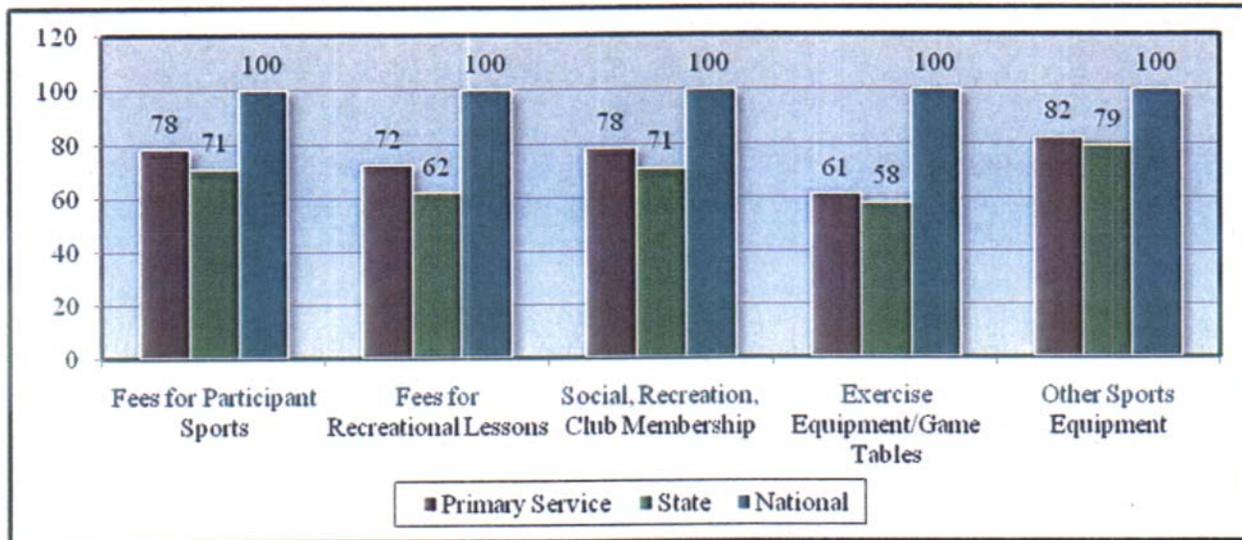
SPI: Spending potential index as compared to the national number of 100.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Chart J – Household Budget Expenditures Spending Potential Index



The SPI index indicates that in all areas the rate of spending is slightly greater than the state average and significantly less than the National Spending Potential Index (SPI) of 100. This information is very important when determining price point for activities and cost recovery philosophy.

It is also important to note that these dollars are currently being spent, so the identification of alternative service providers and the ability of a Sebastian County Aquatic Center and Ben Geren Park to capture a portion of these dollars will be important.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Aquatic Participation Trends: Without doubt the hottest trend in aquatics is the leisure pool concept. This idea of incorporating slides, lazy rivers (or current channels), fountains, zero depth entry and other water features into a pool's design has proved to be extremely popular for the recreational user. The age of the conventional pool in most recreational settings is greatly diminished. Leisure pools appeal to the younger kids (who are the largest segment of the population that swims) and to families. These types of facilities are able to attract and draw larger crowds and people tend to come from a further distance and stay longer to utilize such pools. This all translates into the potential to sell more admissions and increase revenues. It is estimated conservatively that a leisure pool can generate up to 30% more revenue than a comparable conventional pool and the cost of operation while being higher, has been offset through increased revenues. Of note is the fact that patrons seem willing to pay a higher user fee with this type of pool that is in a park like setting than a conventional aquatics facility.

Despite the recent emphasis on recreational swimming the more traditional aspects of aquatics (including swim teams, instruction and aqua fitness) remain as a part of most outdoor aquatic centers. The life safety issues associated with teaching children how to swim is a critical concern in most communities and competitive swim team programs continue to be important.

The family oriented outdoor water park concept of delivering aquatics services continues to grow in acceptance with the idea of providing for a variety of interactive aquatics activities and programs in a park like setting that features a lot of grass, shade structures, sand play areas and natural landscapes. This idea has proven to be financially successful by centralizing pool operations for communities and through increased generation of revenues from patrons willing to pay for an aquatics experience that is new and exciting. These outdoor water parks have become identifiable centers for communities and have promoted "family" recreation values. The keys to success for this type of center revolve around the concept of intergenerational use in a quality facility that has an exciting and vibrant feel in a park like setting.

A new concept is the spray ground, where a number of water spray features are placed in a playground setting where there is no standing water but the water is treated and recirculated much like a pool. This provides a fun, yet safe, environment where drowning is not a concern and lifeguards are not necessary.

Swimming is second only to walking in popularity of sports and leisure activities, meaning that there is a significant market for aquatic pursuits. Approximately 20% of the population in the West South Central region of the country participates in aquatic activities. This indicates that there is a large segment of the population that participates in aquatics activities. Within the state of Arkansas, swimming is the number two most participated in sports activity behind exercise walking.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Below are listed a number of sports activities and the percentage of growth or decline that each has experienced nationally over the last 10 years (1998-2008).

Table R – National Activity Trend (in millions)

Activity	1998 Participation (Millions)	2008 Participation (Millions)	Percent Change
Skateboarding	5.8	9.8	69.0%
Weight Lifting	22.8	37.5	64.5%
Running/Jogging	22.5	35.9	59.6%
Work-Out at Club	26.5	39.3	48.3%
Aerobic Exercising	25.8	36.2	40.3%
Exercising w/ Equipment	46.1	63.0	36.7%
Exercise Walking	77.6	96.6	24.5%
Soccer	13.2	15.5	17.4%
Tennis	11.2	12.6	12.5%
Swimming	58.2	63.3	8.8%
Basketball	29.4	29.7	1.0%
Billiards/Pool	32.3	31.7	-1.9%
Baseball	15.9	15.2	-4.4%
Hockey (ice)	2.1	1.9	-9.5%
Volleyball	14.8	12.2	-17.6%
Softball	15.6	12.8	-17.9%

1998 Participation: The number of participants per year in the activity (in millions) in the United States.

2008 Participation: The number of participants per year in the activity (in millions) in the United States.

Percent Change: The percent change in the level of participation from 1998 to 2008.

Even with the growth in swimming participation, the focus of swimming has changed from an activity that was oriented around competitive aquatics with deeper and colder water to a more recreational approach that emphasizes shallow, warm water, socialization and interactive play. Consistent use of an aquatic's facility by families and young children is dependent in large part on the leisure amenities.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Below are listed a number of sports activities and the percentage of growth or decline that each has experienced nationally over the last 10 years (1998-2008).

Table R – National Activity Trend (in millions)

Sport/Activity	1998 Participation	2008 Participation	Percent Change
Skateboarding	5.8	9.8	69.0%
Weight Lifting	22.8	37.5	64.5%
Running/Jogging	22.5	35.9	59.6%
Work-Out at Club	26.5	39.3	48.3%
Aerobic Exercising	25.8	36.2	40.3%
Exercising w/ Equipment	46.1	63.0	36.7%
Exercise Walking	77.6	96.6	24.5%
Soccer	13.2	15.5	17.4%
Tennis	11.2	12.6	12.5%
Swimming	58.2	63.3	8.8%
Basketball	29.4	29.7	1.0%
Billiards/Pool	32.3	31.7	-1.9%
Baseball	15.9	15.2	-4.4%
Hockey (ice)	2.1	1.9	-9.5%
Volleyball	14.8	12.2	-17.6%
Softball	15.6	12.8	-17.9%

1998 Participation: The number of participants per year in the activity (in millions) in the United States.

2008 Participation: The number of participants per year in the activity (in millions) in the United States.

Percent Change: The percent change in the level of participation from 1998 to 2008.

Even with the growth in swimming participation, the focus of swimming has changed from an activity that was oriented around competitive aquatics with deeper and colder water to a more recreational approach that emphasizes shallow, warm water, socialization and interactive play. Consistent use of an aquatic's facility by families and young children is dependent in large part on the leisure amenities.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Service Area Aquatic Facilities Inventory: Considering there is a population base of over 135,000 within the primary service area and an estimated additional 135,500 in the secondary service area, there are relatively few outdoor aquatic facilities to serve the citizens of the area.

Sebastian County does not currently have an outdoor pool since the aquatic center was closed in Ben Geren Park several years ago. The city of Ft. Smith really has only one true outdoor pool (Creekmore Park Pool), but does have two wading pools (Tillis Park and Woodlawn Park), plus a splash pad at Martin Luther King Park. The Creekmore Park Swimming Pool features a 50 meter pool, a separate diving well (that is bubbled over in the winter for competitive swim team practices), and a separate small leisure pool. The 50 meter pool appears to adequately serve the outdoor competitive swimming needs of the greater Ft. Smith area.

The major provider in the area that has a similar orientation to what is possibly being planned for the new aquatic center in Ben Geren Park, is the Alma Aquatic Park in nearby Alma. This facility is a compact aquatic center that features a series of pools, slides and interactive play features.

Creekmore Park Swimming Pool



Alma Aquatic Park



Beyond these outdoor aquatic facilities there are only small conventional pools in Poteau and Sallisaw, Oklahoma and a pool at Ft. Smith State Park. However, the City of Greenwood has talked about a smaller outdoor aquatic center that would have a strong leisure orientation and there is some thought that Van Buren might eventually build a similar facility.

Yet even with the presence of the existing pools at Creekmore, Alma, the pools in Oklahoma and possible new pools in the future; there is still an outstanding market for a significant, regionally oriented, leisure aquatic center in Ben Geren Park. As has been noted earlier, there are estimated to be 1,115,199 swimmer days in the primary service area and if the new aquatic center were able to attract as few as 10% of these available swimmer days (a very conservative figure with the small number of other outdoor aquatic centers in the Ft. Smith market), this would convert to

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



111,520 swimmer days. This is a strong number of swimmer days that would also be augmented by further participation from the secondary service area.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Section V - Aquatic Center Operations Pro-forma

The following operations pro-forma has been put together for the planned aquatic center. The following are the parameters for the project.

- 2012 will be the first year of operation and the center will be operated by Sebastian County.
- This will be a facility that is utilized by both Sebastian County and the City of Ft. Smith.
- The aquatic center will operate on a traditional Memorial Day to Labor Day schedule.
- Swim lessons, aqua exercise programs and other water based activities will be offered at the facility.
- No revenues have been shown from organized use by other outside organizations (school district, etc.).
- These pro-forma estimates are based on the preliminary design concepts developed by Larkin Aquatics.
- The facility will be located at Ben Geren Park.
- A conservative approach to estimating use and revenues for the facility has been used for this pro-forma.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Operating Expenditures

Expenditures have been formulated based on the costs that are normally included in the operating budget for such a facility. The figures are based on the size of the center, the specific components of the facility and the projected hours of operation. Actual costs were utilized wherever possible and estimates for other expenses were based on similar facilities in other areas of the country. All expenses were calculated as accurately as possible but the actual costs may be more or less based on the final design, operational philosophy, and programming considerations adopted by staff.

Concept A – An outdoor family aquatic center with a leisure pool, slides, lazy river, diving, concessions area, bath house, office area and other support spaces. **Bather Load - 815**

Concept B – An outdoor family aquatic center with a larger leisure pool, more slides, much longer lazy river, diving, concessions area, bath house, office area and other support spaces. **Bather Load – 1,500**

Operation Cost Models:

Personnel	Concept A	Concept B
Part-Time	\$238,463	\$374,272
TOTAL	\$238,463	\$374,272

Commodities	Concept A	Concept B
Office Supplies (forms, ID film)	\$2,000	\$2,500
Chemicals (pool/mech)	\$50,000	\$80,000
Maint./Repair/Mat.	\$8,000	\$10,000
Janitor Supplies	\$7,000	\$9,000
Rec. Supplies (fitness, pool, etc.)	\$2,000	\$2,000
Uniforms	\$3,000	\$3,000
Printing/Postage	\$10,000	\$12,000
Food (concessions)	\$35,000	\$50,000
Resale Items	\$3,500	\$5,000
Other	\$3,000	\$4,000
TOTAL	\$123,500	\$177,500

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Contractual	Concept A	Concept B
Utilities ⁵ (gas & electric)	\$75,000	\$130,000
Water/Sewer	\$30,000	\$45,000
Insurance (Prop. & Liab.)	\$30,000	\$40,000
Communications (phone)	\$2,000	\$2,000
Contract Services ⁶	\$10,000	\$15,000
Rental Equipment	\$3,000	\$3,500
Advertising	\$5,000	\$5,000
Training	\$4,000	\$5,500
Conference	\$500	\$500
Membership/Dues/Subscriptions	\$500	\$500
Trash Pickup	\$1,000	\$1,000
Bank Charges	\$500	\$500
Other	\$2,000	\$2,500
TOTAL	\$163,500	\$251,000

Capital	Concept A	Concept B
Replacement Fund ⁷	\$15,000	\$20,000
TOTAL	\$15,000	\$20,000

All Categories	Concept A	Concept B
Personnel	\$224,880	\$353,898
Commodities	\$123,500	\$177,500
Contractual	\$163,500	\$251,000
Capital	\$15,000	\$20,000
GRAND TOTAL	\$540,463	\$822,772

Note: Line items not included in this budget are exterior site maintenance and vehicle costs. These items are being paid from other central sources.

⁵ It should be noted that at the time of this report utility rates were very volatile and could result in a higher energy rate for the center once it opens.

⁶ Contract services cover maintenance contracts, control systems work and contract labor.

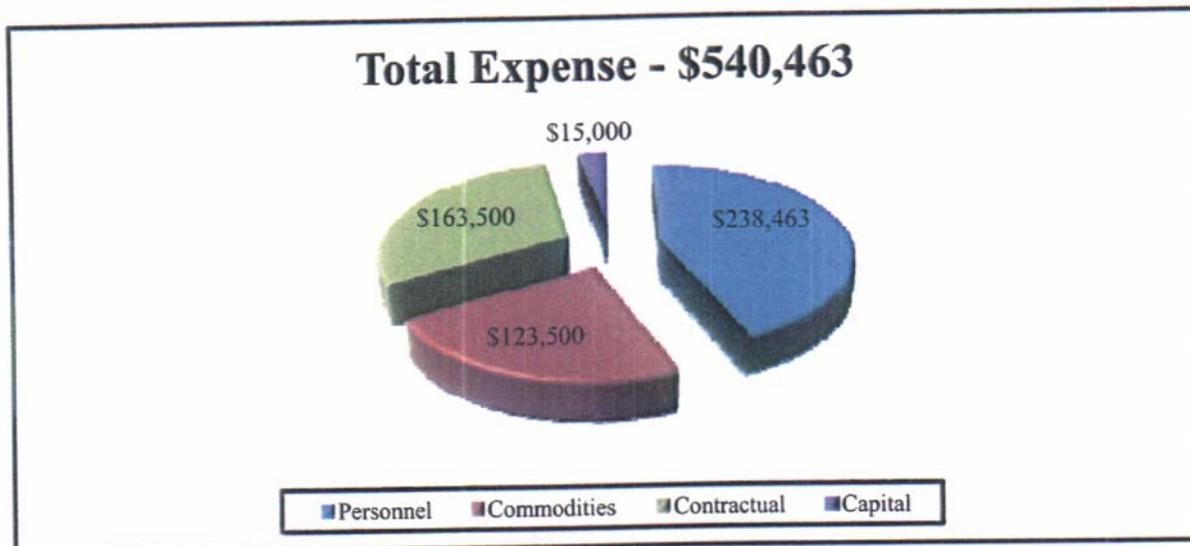
⁷ This is yearly capital funding for equipment replacement and other similar items. This funding will not cover major capital improvements. However, it should be expected that every 3-5 years additional amenities will need to be added to the facility. These costs could range from \$500,000 to \$1,000,000.

AQUATICS CENTER FEASIBILITY STUDY

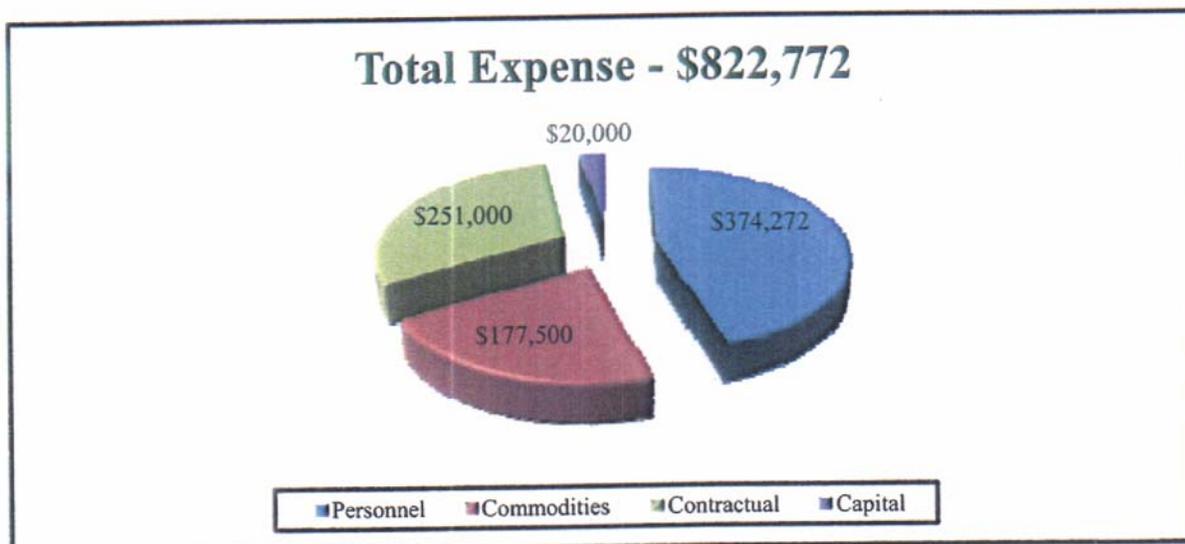
SEBASTIAN COUNTY, AR



Graphic Representation of Total Expenses, Concept A:



Graphic Representation of Total Expenses, Concept B:



AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Staffing Levels:

Seasonal Part-Time	Hourly Rate	Concept A (hrs/yr)	Concept B (hrs/yr)
Aquatic Center Manager	\$18.75	38.5	38.5
Assistant Aquatic Ctr Manager	\$13.50	36	36
Head Lifeguard	\$9.50	140	280
Lifeguard	\$8.50	876.5	1,503
Cashier	\$8.50	126	189
Custodian/Grounds	\$9.00	146	223
Concession Supervisor	\$12.00	35	35
Assistant Concession Sup.	\$10.50	35	35
Concession Attendant	\$8.50	165	275
Program Instructors ⁸			
Aquatics	\$10.00	\$9,645	\$9,645
Wages		\$216,785	\$340,247
Benefits (10% of wages)		\$21,678	\$34,025
TOTAL PART-TIME WAGES		\$238,463	\$374,272

Note: Pay rates were determined based on Sebastian County the City of Ft. Smith's wage scales. The positions listed are necessary to ensure proper staffing for the center's operation as well as provide for basic programming for the facility. **The wage scales for the part-time staff positions reflect an anticipated wage for 2012.**

⁸ Program instructors are paid at several different pay rates and some are also paid per class or in other ways. This makes an hourly breakdown difficult. Aquatics includes learn to swim, aquatic exercise and special activities.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Revenues

The following revenue projections were formulated from information on the specifics of the project and the demographics of the service area as well as comparing them to national statistics, other similar facilities and the competition for aquatic services in the area. Actual figures will vary based on the size and make up of the components selected during final design, market stratification, philosophy of operation, fees and charges policy, and priorities of use.

Revenue Projection Models:

Fees	Concept A	Concept B
Admissions ⁹	\$228,000	\$531,000
Corporate/Group	\$10,000	\$15,000
Rentals ¹⁰	\$11,500	\$17,800
TOTAL	\$309,500	\$563,800

Programs ¹¹	Concept A	Concept B
Aquatics	\$14,500	\$14,500
TOTAL	\$14,500	\$14,500

⁹ Figures are based on an active program to promote the sale of daily passes.

¹⁰ Concept A - Leisure Pool, \$300 x 10hrs = \$3,000
 Lazy River, \$350 x 10 hrs = \$3,500
 Entire Center, \$500 x 4hrs = \$2,000
 Umbrella/Pavilion, \$25 x 120hrs = \$3,000

Concept B - Leisure Pool, \$450 x 10hrs = \$4,500
 Lazy River, \$550 x 10hrs = \$5,500
 Entire Center, \$950 x 4hrs = \$3,800
 Umbrella/Pavilion, \$25 x 160hrs = \$4,000

¹¹ Figures are based on assessing fees that are at least 50% higher than the TOTAL cost of operating the program.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Other	Concept A	Concept B
Resale Items (150% of cost)	\$5,250	\$7,500
Locker (based on \$.25 locker)	\$1,000	\$1,500
Special Events	\$2,000	\$3,000
Concessions	\$80,000	\$115,000
Vending	\$3,000	\$4,000
TOTAL	\$91,250	\$131,000

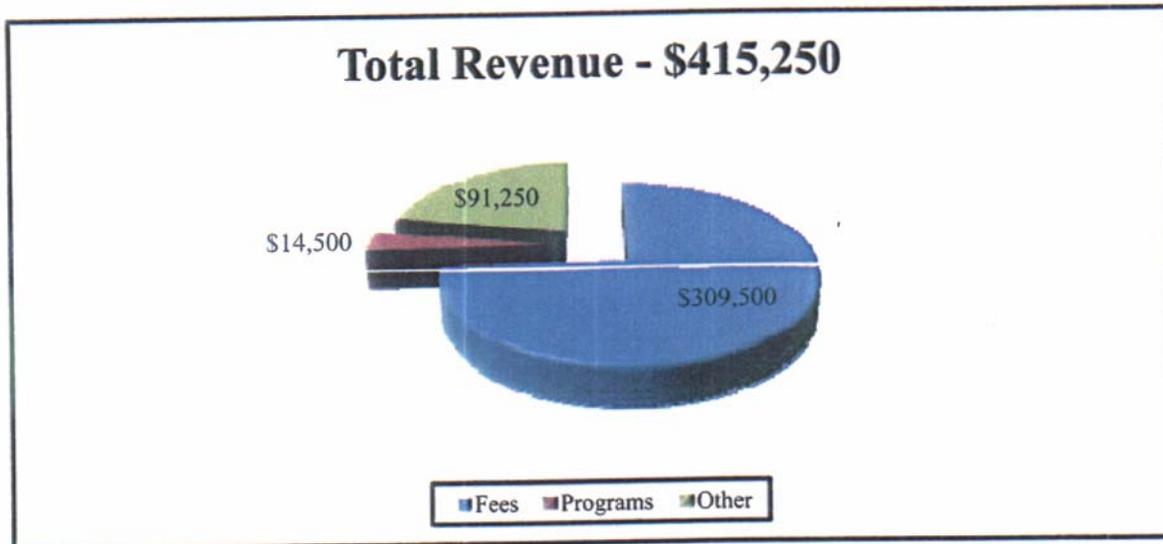
All Categories	Concept A	Concept B
Fees	\$309,500	\$563,800
Programs	\$14,500	\$14,500
Other	\$91,250	\$131,000
GRAND TOTAL	\$415,250	\$709,300

AQUATICS CENTER FEASIBILITY STUDY

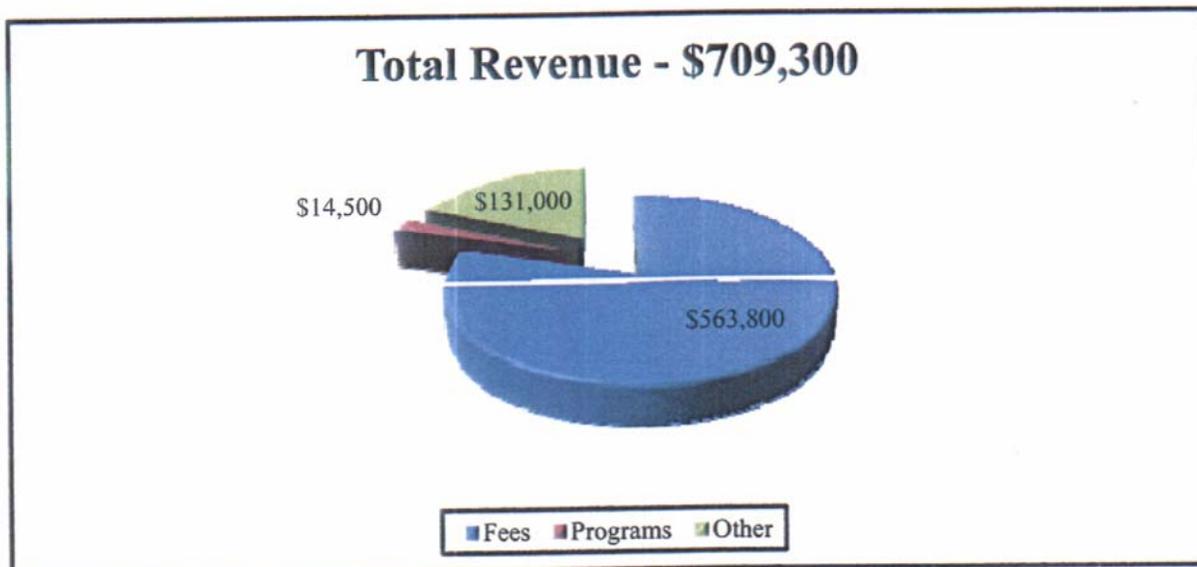
SEBASTIAN COUNTY, AR



Graphic Representation of Total Revenue, Concept A:



Graphic Representation of Total Revenue, Concept B:



AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Expenditure - Revenue Comparison

Category	Concept A	Concept B
Expenditures	\$540,463	\$822,772
Revenues	\$415,250	\$709,300
Difference	(\$125,213)	(\$113,472)
Recovery %	77%	86%

It should be noted that the financial performance of an outdoor aquatic center is directly related to the weather.

This operations pro-forma was completed based on the best information available and a basic understanding of the project. As a result there is no guarantee that the expense and revenue projections outlined above will be met as there are many variables that affect such estimates that either cannot be accurately measured or are not consistent in their influence on the budgetary process.

Future Years: Expenditure - Revenue Comparison: Expenses for the first year of operation of the centers should be slightly lower than projected with the facilities being under warranty and new. Revenue growth in the first three years is attributed to increased market penetration and in the remaining years to continued population growth. In most recreation facilities the first three years show tremendous growth from increasing the market share of patrons who use such facilities, but at the end of this time period revenue growth begins to flatten out. Additional revenue growth is then spurred through increases in the population within the market area, a specific marketing plan to develop alternative markets, the addition of new amenities or by increasing user fees.

Exponential Percent Increase from Year to Year Concept A & B:

Category	Year 1	Year 2	Year 3	Year 4	Year 5
Expenditures	0%	1%	3%	3%	3%
Revenues	0%	7%	7%	5%	3%

AQUATICS CENTER FEASIBILITY STUDY

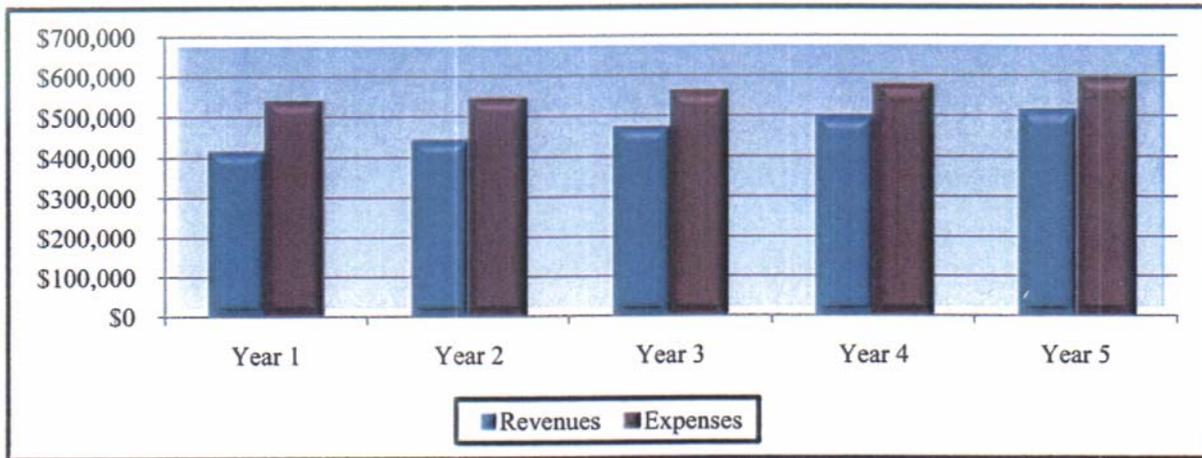
SEBASTIAN COUNTY, AR



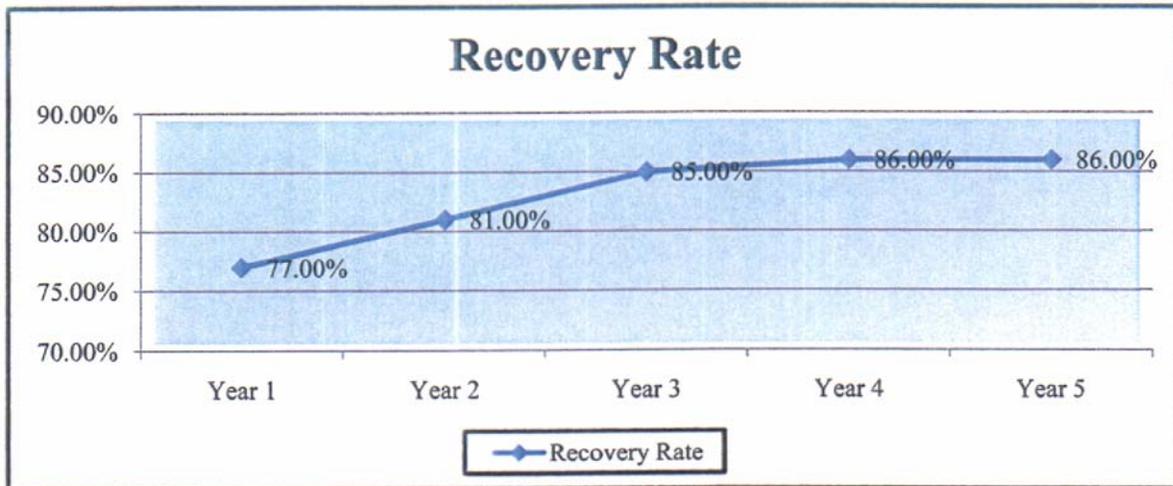
5 Year Comparison, Concept A

Category	Year 1	Year 2	Year 3	Year 4	Year 5
Expenditures	\$540,463	\$545,868	\$562,244	\$579,111	\$596,484
Revenues	\$415,250	\$444,318	\$475,420	\$499,191	\$514,166
Difference	(\$125,213)	(\$101,550)	(\$86,824)	(\$79,920)	(\$82,318)
Recovery %	77%	81%	85%	86%	86%

Revenue/Expense Comparison Chart, Concept A



Percent Recovery Rate, Concept A



AQUATICS CENTER FEASIBILITY STUDY

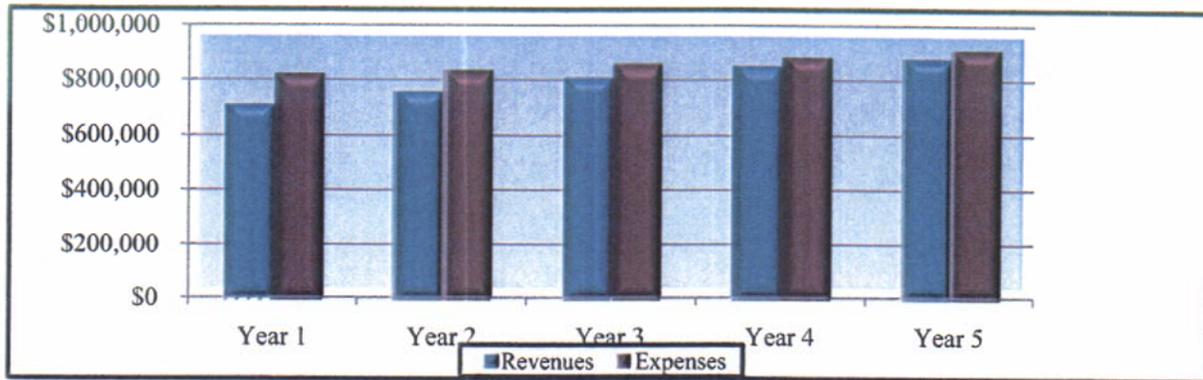
SEBASTIAN COUNTY, AR



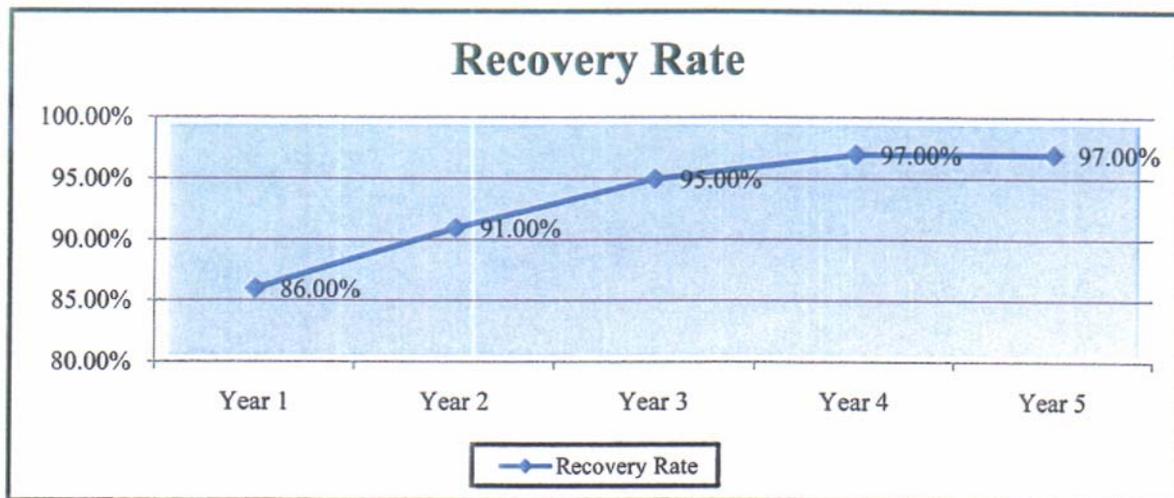
5 Year Comparison, Concept B

Category	Year 1	Year 2	Year 3	Year 4	Year 5
Expenditures	\$822,772	\$830,999	\$855,929	\$881,607	\$908,055
Revenues	\$709,300	\$758,951	\$812,078	\$852,681	\$878,262
Difference	(\$113,472)	(\$72,048)	(\$43,852)	(\$28,926)	(\$29,794)
Recovery %	86%	91%	95%	97%	97%

Revenue/Expense Comparison Chart, Concept B



Percent Recovery Rate, Concept B



AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Fees and Attendance

Projected Fee Schedules: The following fee schedules have been figured not utilizing a fee differential for residents of the county. Revenue projections and attendance numbers were calculated from these fee models.

Admissions	Daily
Age 5+	\$5.00
Age 4 & Under	\$2.00

Rentals	Concept A	Concept B
Entire Center	\$600/hr	\$950/hr
Leisure Pool	\$300/hr	\$450/hr
Lazy River	\$350/hr	\$550/hr
Umbrella/Pavilion	\$25/hr	\$25/hr

Note: Strong consideration should be given to developing a punch pass (10-20 admissions) that are offered at a discount (no more than 25% of the day pass rate).

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Admission Rate Comparisons: The above rates were determined based on the rates paid at similar facilities in the area (2009).

Creekmore Park Swimming Pool

Category	Daily	Season
Adults	\$2.00	\$40.00
Child (Under 7)	\$1.00	\$30.00
Family	N/A	\$60.00

Alma Aquatic Park

Category	Daily
3 Years – Adult	\$5.00
Under 2	\$1.00

Springdale Aquatic Center

Category	Daily
Age 5 & Up	\$4.00
Age 4 & Under	\$2.00
50, \$1.00 Tickets	\$40

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Attendance Projections: The following attendance projections are the basis for the revenue figures that were identified earlier in this report. The admission numbers are affected by the rates being charged, the facilities available for use, and the competition within the service area. These are averages only and are based on 90 days of operation.

	Concept A Paid Admissions	Concept B Paid Admissions
Daily (# daily admissions)	700	1,300
Total Season	63,000	117,000

Outdoor pools are heavily utilized during afternoon and early evening hours (seven days a week) from early June to early August.

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Hours of Operation: The projected hours of operation of the aquatic center are as follows:

Days	Hours
Monday-Saturday	Noon-7:00P
Sunday	1:00-7:00P
Hours per Week	48

It is anticipated that the outdoor leisure pool would be open for lessons, swim team practice and aqua exercise classes from 8:00am until noon on weekdays and after hours time would also be available for rentals.

The basic season will be from Memorial Day to Labor Day

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Appendix

Part-Time Staff Hours

Revenue Worksheets

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Part-Time Staff Hours:

Concept A

Title	Days	Time	Hours	Employees	Days	Total/Wk
Manager (16 wks)	Mon-Sun	2:00-7:30P	5.5	1	7	38.5
TOTAL						38.5

Title	Days	Time	Hours	Employees	Days	Total/Wk
Assistant Manager (16 wks)	Mon-Fri	8:00A-2:00P	6	1	5	30
	Sat-Sun	11:00A-2:00P	3	1	2	6
TOTAL						36

Title	Days	Time	Hours	Employees	Days	Total/Wk
Head Lifeguard (14 weeks)	Mon-Sun	10:00A-8:00P	10	2	7	140
TOTAL						140

Title	Days	Time	Hours	Employees	Days	Total/Wk
Cashier (14 weeks)	Mon-Sun	10:00A-7:00P	9	2	7	126
TOTAL						126

Title	Days	Time	Hours	Employees	Days	Total/Wk
Custodian/Grounds (14 weeks)	Mon-Sun	6:00-10:00A	4	1	5	20
	Mon-Sun	Noon-7:00P	7	2	7	98
	Mon-Sun	6:00-10:00P	4	1	7	28
TOTAL						146

Title	Days	Time	Hours	Employees	Days	Total/Wk
Concession Sup. (16 weeks)	Mon-Sun	3:00-8:00P	5	1	7	35
TOTAL						35

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Title	Days	Time	Hours	Employees	Days	Total/Wk
Asst. Concession Sup. (14 weeks)	Mon-Sun	10:00A-3:00P	5	1	7	35
TOTAL						35

Title	Days	Time	Hours	Employees	Days	Total/Wk
Concession Attendant (14 weeks)	Mon-Sat	11:00A-7:00P	8	3	6	144
	Sun	Noon-7:00P	7	3	1	21
TOTAL						165

Title	Days	Time	Hours	Employees	Days	Total/Wk
Lifeguard (14 weeks)	Mon-Fri	8:00-11:30A	3.5	3	5	52.5
	Mon-Fri	11:30A-7:00P	7.5	16	5	600
	Sat	11:30A-7:00P	7.5	16	1	120
	Sun	12:30-7:00P	6.5	16	1	104
	Rentals			4/wk	10	
TOTAL						876.5

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Concept B

Title	Days	Time	Hours	Employees	Days	Total/Wk
Manager (16 wks)	Mon-Sun	2:00-7:30P	5.5	1	7	38.5
TOTAL						38.5

Title	Days	Time	Hours	Employees	Days	Total/Wk
Assistant Manager (16 wks)	Mon-Fri	8:00A-2:00P	6	1	5	30
	Sat-Sun	11:00A-2:00P	3	1	2	6
TOTAL						36

Title	Days	Time	Hours	Employees	Days	Total/Wk
Head Lifeguard (14 weeks)	Mon-Sun	10:00A-8:00P	10	4	7	280
TOTAL						280

Title	Days	Time	Hours	Employees	Days	Total/Wk
Cashier (14 weeks)	Mon-Sun	10:00A-7:00P	9	3	7	189
TOTAL						189

Title	Days	Time	Hours	Employees	Days	Total/Wk
Custodian/Grounds (14 weeks)	Mon-Sun	6:00-10:00A	4	1	5	20
	Mon-Sun	Noon-7:00P	7	3	7	147
	Mon-Sun	6:00-10:00P	4	2	7	56
TOTAL						223

Title	Days	Time	Hours	Employees	Days	Total/Wk
Concession Sup. (16 weeks)	Mon-Sun	3:00-8:00P	5	1	7	35
TOTAL						35

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Title	Days	Time	Hours	Employees	Days	Total/Wk
Asst. Concession Sup. (14 weeks)	Mon-Sun	10:00A-3:00P	5	1	7	35
TOTAL						35

Title	Days	Time	Hours	Employees	Days	Total/Wk
Concession Attendant (14 weeks)	Mon-Sat	11:00A-7:00P	8	5	6	240
	Sun	Noon-7:00P	7	5	1	35
TOTAL						275

Title	Days	Time	Hours	Employees	Days	Total/Wk
Lifeguard (14 weeks)	Mon-Fri	8:00-11:30A	3.5	3	5	52.5
	Mon-Fri	11:30A-7:00P	7.5	27	5	1,012.5
	Sat	11:30A-7:00P	7.5	27	1	202.5
	Sun	12:30-7:00P	6.5	27	1	175.5
	Rentals			4/wk	10	
TOTAL						1,503

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Program Staffing

Aquatics

Swim Lessons (weekday classes meet four days a week for two weeks)

Infant & Preschool

Mon.-Thurs.

10 classes	8 days	staff (\$5.00/cl.)	4 sessions	\$1,600
------------	--------	--------------------	------------	---------

Learn to Swim

16 classes	8 days	staff (\$5.00/cl.)	4 sessions	\$2,560
------------	--------	--------------------	------------	---------

Private Lessons (conducted by facility staff)

10 lessons	1 day	staff (\$10.00/cl.)	8 weeks	<u>\$800</u>
------------	-------	---------------------	---------	--------------

Sub-total	\$4,960
-----------	---------

Other

Misc.

2 classes	4 hours	staff (\$20.00/cl.)	2 sessions	\$320
-----------	---------	---------------------	------------	-------

Water Exercise

6 classes	2 days	staff (\$15.00/cl.)	8 wks	\$1,440
-----------	--------	---------------------	-------	---------

4 classes	3 days	staff (\$15.00/cl.)	8 wks	<u>\$1,440</u>
-----------	--------	---------------------	-------	----------------

Sub-total	\$3,200
-----------	---------

Lifeguard Training

1 class	33 hours	staff (\$15.00/cl.)	3 sessions	\$1,485
---------	----------	---------------------	------------	---------

Total Aquatics Programs	\$9,645
-------------------------	----------------

AQUATICS CENTER FEASIBILITY STUDY

SEBASTIAN COUNTY, AR



Revenues

Concept A

Category	Daily Fee	# per Day	Revenue
Age 5+	\$5.00	600	\$3,000
Age < 5	\$2.00	100	\$200
TOTAL		700	\$3,200
DAYS per SEASON			90
GRAND TOTAL			\$288,000

Concept B

Category	Daily Fee	# per Day	Revenue
Age 5+	\$5.00	1,100	\$5,500
Age < 5	\$2.00	200	\$400
TOTAL		1,300	\$5,900
DAYS per SEASON			90
GRAND TOTAL			\$531,000

Note: These work sheets were used to project possible revenue sources and amounts. These figures are estimates only, based on very basic market information and should not be considered as guaranteed absolutes. This information should be utilized as a representative revenue scenario only and to provide possible revenue target ranges.

INTER-OFFICE MEMO

3

TO: Dennis Kelly, City Administrator

DATE: January 19, 2010

FROM: Steve Parke, Director of Utilities

SUBJECT: Customer Assistance Program for Installation
of Sewer Service Line Backwater Valves

As part of the October 27, 2009 study session review of the sewer back-up claims policy the Board requested staff to consider a program to extend financial assistance to customers for the installation of a sewer service line backwater valve. Sewer main stoppages which cause sewer back-ups are inevitable and unpredictable. Any connection to a sanitary sewer is susceptible to this back-up condition and may serve as a flow relief point to allow the reversing sewer flow to enter homes and structures. The intent of this proposed assistance program would be to offer a financial incentive to encourage property owners to take a preemptive step to retrofit their sewer service lines with a backwater valve to reduce the potential of property damage and minimize sewer back-up claims.

It is current practice for customers to install or retrofit a pop-off relief valve as part of their sewer cleanout connection. This is a low cost and easily installed device which attempts to prevent damage from a sewer back-up by allowing the sewer to spill outside the structure and relieve sufficient pressure within the service line so that the reversing flow does not enter the structure. Although no backwater valve can guarantee absolute protection from a sewer back-up, there are devices which address the environmental and health/safety issues better than the pop-off valve. As the proposed assistance program would be advancing city funds, the selection of a backwater valve and installation procedures should be standardized to provide assurance that an effective accounting of the expenditure could be maintained. Staff reviewed several types of backwater valves and recommended standardizing around the Clean Check backwater valve. The design of this backwater valve offers flexibility for installation in both new and retrofit site conditions along with its ability to be inspected for maintenance or repair. The flapper assembly may also be lifted out of the way to prevent it from being damaged during drain cleaning operations. A page from the manufacturer's literature which shows the general features of the Clean Check backwater valve is attached.

The cost of the Clean Check device is around \$150 to \$200 and it is expected that an average completed installation would cost around \$500 to \$600, depending on individual site conditions. These estimated installation costs if financed interest free over a 48-month period would result in a monthly payment between \$11 and \$14.

It is also known that one of the main contributing sources of wet weather flow to a sewer collection system comes through defects in sewer service lines on private property, especially within older areas of the system. These same defects also allow roots to enter the service lines which in turn reach into the sewer mains. Wet weather flows and root intrusion are significant factors in many of the sewer back-ups which occur. Therefore, it should be advantageous to the city to also extend to owners of older properties a financial incentive to replace their sewer

service lines along with a backwater valve. Using an average length for a sewer service line on private property of 70 feet, it is estimated that the cost to replace the service along with the installation of a Clean Check backwater valve would cost around \$1,040 to \$1,250. These installation costs if financed interest free over a 60-month period would result in a monthly payment between \$17 and \$21.

As a starting place to continue the discussion for the installation of sewer service line backwater valves and financial assistance program, the following points are presented as basic components of a proposed program:

- The program would apply only to owner occupied single family residences.
- For residences constructed before 1980 the financial assistance program would also apply to the replacement of the privately owned portion of the sewer service line.
- All work must be performed by a licensed plumber and work subject to approval by the city's plumbing inspection division.
- The amount to be financed would be based upon the lower of three estimates (including city permit and inspection fees) obtained by the homeowner.
- The city would pay the amount to be financed directly to the homeowner's selected plumbing contractor.
- A property lien would be filed of record to secure the repayment.
- The amount to be financed would also include an administrative cost of \$100 above the amount to be paid to the homeowner's plumbing contractor for establishing the account, filing of the property lien and filing the release of lien at the end of the financing period.
- The amount to be financed would be placed on the water billing in monthly installments, without interest charges, over a period of 48 months for the installation of only a backwater valve and a period of 60 months for installation of a backwater valve together with the complete replacement of the sewer service line. For homeowners who meet the criteria for water service under the city's utility assistance plan the financing periods would be extended to 60 and 72 months. The amount financed would also be included in the calculation of late payment fees as normally applied to the water and sewer billing.

The funding for this type of program would need to be provided by the sewer rate structure. As the homeowner utilization of this type of program is currently unknown and would likely take a few years to determine, it is suggested that the program establish a set amount for the annual funding level. Anticipating that there might be as many as 100 applicants for each type of installation in any one year that budget amount should be set at \$125,000. If this level of participation was achieved, it would take about 4 or 5 years before the program could become self sustaining.

If it is the Board's desire, staff will continue the development of the financial assistance plan based upon the discussions and input provided as part of the study session. Should you have any questions, please let me know.

pc: Ray Gosack

Clean Check, Inc.

Contact Us
HOME



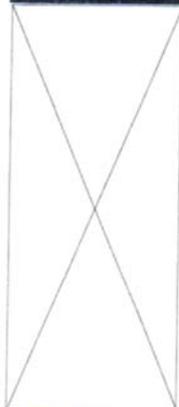
**3" & 4" ABS/PVC and 6" PVC
EXTENDABLE BACKWATER VALVES**
Patented Backwater Valve



Patent Number 5,235,018

MADE IN USA

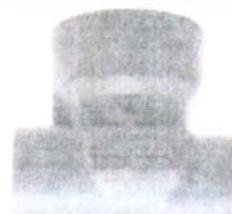
About Products Installation Information Form FAQ Trade Shows Links Instructional Movies Warranty & Maintenance



COLLAR



FLAPPER
ASSEMBLY



VALVE BODY



ICC ESR-1148
IPC- IRC

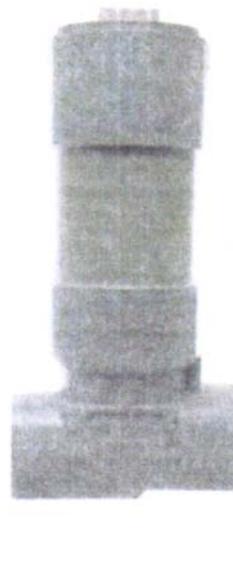


IAPMO
File # 4068
UPC

4" PVC
INSERT PIPE*

FLAPPER
ASSEMBLY

FLAPPER



6" PVC
THREADED
PLUG**

6" PVC FEMALE
ADAPTER**

6" PVC RISER
PIPE*

VALVE BODY

©2007 CleanCheck
RECTORSEAL
2601 Spenwick Drive
Houston, Texas 77055
Phone Toll Free 800-231-3345
Toll Free Fax: 800-441-0051

SMI.

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE MAYOR TO APPLY FOR AN ECONOMIC
DEVELOPMENT GRANT ON BEHALF OF
FIVE RIVERS DISTRIBUTION, LLC FOR IMPROVEMENTS
TO THE FORT SMITH PORT**

Whereas, the City of Fort Smith has determined that Five Rivers Distribution, LLC meets eligibility requirements necessary to apply for a grant under the 2009 GIF Regional Development Grant Program for improvements to the Fort Smith Port; and

Whereas, the City of Fort Smith recognizes the need for the project, concurs its importance, and supports Five Rivers Distribution, LLC in its efforts to proceed with same; and

Whereas, the City of Fort Smith is not liable for any local match money required for the grant;

Now therefore, be it resolved that the Mayor of the city of Fort Smith, Arkansas is hereby authorized to submit an application of formal request to the Arkansas Economic Development Commission for purposes of securing state grant funds in the amount of \$461,363.00 to aid and assist Five Rivers Distribution, LLC in implementing improvements to the Fort Smith Port.

This resolution adopted this 26th day of January, 2010.

APPROVED:

Mayor

ATTEST:

City Clerk

*Approved as to form
W. J. [Signature]
Asst. City Attorney
NPR*

AGENDA ~ *Summary*

FORT SMITH BOARD OF DIRECTORS STUDY SESSION & SPECIAL MEETING

JANUARY 26, 2010 ~ 12:00 NOON

**FORT SMITH PUBLIC LIBRARY COMMUNITY ROOM
3201 ROGERS AVENUE**

STUDY SESSION

1. Discuss partnership opportunities with the Arkansas Highway and Transportation Department for maintenance of state routes
Joe Shipment, AHTD District Engineer, conveyed no objection to assistance from the City of Fort Smith for additional mowing of the interchange at I-540 and Rogers Avenue; however, he requested such mowing be coordinated with the AHTD existing mowing schedule (three times annually).
2. Report on feasibility of aquatic center at Ben Geren Regional Park
Presentation by County Judge David Hudson with two conceptual design options provided by representatives from Ballard, King & Larkin Aquatics.
3. Discuss policy for installation of sewer backup prevention on private sewer lines
~ Postponed for future meeting / date to be determined ~
4. Review preliminary agenda for February 2, 2010 regular meeting

SPECIAL MEETING

ROLL CALL

All present, except Director Cole Goodman

1. Resolution authorizing the Mayor to apply for an economic development grant on behalf of Five Rivers Distribution, LLC for improvements to the Fort Smith Port
Approved 6 in favor, 0 opposed / Resolution No. R-22-10

ADJOURN

MINUTES OF BOARD OF DIRECTORS SPECIAL MEETING

TUESDAY ~ JANUARY 26, 2010 ~ 12:00 NOON

FORT SMITH PUBLIC LIBRARY COMMUNITY ROOM

The special meeting was called by Directors Steve Tyler, Andre' Good, Don Hutchings and Bill Maddox (to immediately follow the noon study session) for the purpose of considering the following:

- ◆ Resolution authorizing the Mayor to apply for an economic development grant on behalf of Five Rivers Distribution, LLC for improvements to the Fort Smith Port

The special meeting was called to order by Mayor Ray Baker presiding. On roll call the following members were present: Directors Steve Tyler, Andre' Good, Don Hutchings, Bill Maddox, Gary Campbell and Kevin Settle; absent - Director Cole Goodman. A quorum was declared.

Administrator Kelly briefed the Board on the item advising Five Rivers Distribution, LLC, who currently leases the port facility from the City, is requesting grant funds to construct a new building at the port. The proposed resolution is a requirement for the grant application.

The following individual was present to address the Board:

- Marty Shell, President
Five Rivers Distribution, LLC

Re: Advised they intend to build a 20,000 square foot bulk storage facility, which will be owned by the City of Fort Smith. An overseas company has indicated their intent to utilize the Fort Smith Port and such will be an asset to existing operations. The structure will be constructed with fire retardant materials and is similar to an existing structure at the Van Buren Port.

January 26, 2010 Special Meeting

Campbell, seconded by Hutchings, moved approval of the resolution. Prior to the vote, Director Maddox requested confirmation that the City will not be required to provide matching funds.

Administrator Kelly confirmed such and noted that the resolution contains specific language that the City of Fort Smith is not liable for any local match money for the grant.

The motion remaining on the floor and the members present all voting affirmatively, the Mayor declared the motion carried and the resolution was adopted and given No. R-22-10.

There being no further business to come before the Board, Settle moved that the meeting adjourn. The motion was seconded by Maddox, and the members present all voting aye, the Mayor declared the motion carried, and the special meeting stood adjourned.

APPROVED:



MAYOR

ATTEST:



CITY CLERK *Acting*