

Free Water - No such thing

Everyone wants a SWEETHEART DEAL – right? We are working with kids, teaching them values and a lifestyle skill so we should be congratulated not charged by the hour – right? We are passionate about swimming and all others around us should share that passion – right? My wife's father is lifelong friends with the Athletic Director, and we have a lifetime guarantee for just-about free pool use – right?

Don't be too sure!

One of the most prevalent comments we have heard has been regarding water rental. There have been clubs that have had free or drastically discounted water and have been notified that their rental for next year will be \$50 per lane per hour rather than \$50 a week for indoor pools. There have been clubs that have had their lane rental multiplied by 10, even one case by 20. When delving into the details surrounding each one of these situations, a common theme surfaced. There was a "sweetheart" deal for the club involved and it ended abruptly.

Pools are not free – water, heat, light, maintenance, cost money – a lot of money. Aquatic managers and pool owners are recognizing the fact that if their facility does not produce income to offset operational cost and upkeep, it will soon not be there anymore. There are some basic figures you should know:

- ➤ It cost about \$18 per square foot to operate an indoor pool in the Midwest. In the Northeast it can cost up to \$42 (or more) per hour to operate the same type and size of pool.
- ➤ It cost about \$12 a square foot to operate an outdoor pool in the more mildclimate regions of the country.
- ➤ Neither of these costs include staff salaries for the pool to operate

This money does not "grow on trees". Even if the pool is subsidized by referendum dollars, tax dollars, community school dollars, etc, the expenses have to be held to a line of accountability.

Let's look at the standard indoor <u>single lane</u> in a 25-yard pool. It's about 525 square foot. That would mean in any business situation that lane needs to produce \$7350 per year to operate and another \$16,000 per year to meet program expense requirements which includes staffing. That means that the lane rental fee per hour can be \$14.00 and there are business cost considerations that can cause a facility to need a higher fee. And that is for short course water. Keep in mind this does not include use of shower rooms and other parts of the facility we seem to take for granted. One of the last things a swim team wants is for a facility manager to look at the square footage their swimmers actually "use" during a practice.

There is a very broad spectrum charged for lane rental. A pool located in the high-population East Coast will have to charge more than the pool just a few hundred miles south of them in the Carolinas. The cost of living and cost of doing business in these areas are not comparable. We have found that indoor short course pools charge anywhere from \$12 to \$20 per hour per lane an indoor long course pool can charge anywhere from \$28 to \$35 per hour per lane for rental. There are some higher – but we want to draw your attention to those that are LOWER.

Do not take a "sweetheart" deal for granted. It can change overnight. Our advice is to budget "water use" expense into your yearly fee structure. Go in and talk to the person who is responsible for your unbelievable deal and let them know you want to pay your fair share. That way you get to help set the price. Set it reasonable and fair. We also know that many teams help out the pools by buying and maintaining timing systems for the pool and other VIK services. You are not the ones who are likely to get the notice about pool rental being raised. It will be the club that just figures their deal will last forever and does nothing to look down the road.

So – there is no such thing as FREE WATER. Someone somewhere is paying for it and if you want to keep using it that better be you.

Excerpt from reports as follows: Local Government Report to funding Recreation and Parks additions:

The Recreation Facility Div. statistics on facilities average rentals nationwide: (you will notice they didn't even bother with swimming)

Indoor facilities:

Football field Turf (360 ft. x 160) \$850/hour Field of play sf 57, 600 Average building cost \$11-14 PER SF Cost per sf 1.4 cents

European Football (Soccer) (120 yds x 60 yds) \$850.00 64,800 * \$11-14 1.3 cents

| Youth Soccer Field (60 yds x 40 yds) \$14-24 1. | | 21,600 * |
|--|--------------|----------|
| 1/2 Youth Soccer Field (30 yds x 20 yds \$24-36 2. | , | 7, 200 * |
| NCAA Reg. Basketball Ct. (94' x 50') \$11-23 | | 4,700 |
| ½ court (47' x 50') \$24-36 1. | \$45.00 9 | 2,350 |
| Baseball Tunnel (75' x 20') \$6-9 3. | \$45.00 0 | 1,500 |
| Baseball Mound (60' x 18') \$8-11 4. | \$45.00 1 | 1,080 |

Regulation Volleyball Court (59' x 29' 6") \$95.00 1,740 \$24-36 5.4

Regulation Tennis Court (60 x 90) (including rec. running room) \$40 \$29-35 .075

Notes: This field converts to the following by asterisk

| 10 lane 50 m pool | 14,432 |
|--------------------|--------|
| \$160-180 | |
| 8 lane x 50 m pool | 13,200 |
| 10 lane 25 yd pool | 6, 150 |
| 8 lane 25 yd pool | 4,800 |
| 6 lane 25 yd pool | 3,375 |
| 4 lane 25 yd pool | 2,250 |

SO, let's use the average for DRY SIDE sports as a PSF cost to rent at 2.3 cents/hour it would be roughly \$33 per hour per indoor lane to rent. JUST FOOD FOR THOUGHT

We still haven't considered the building cost factor and operational factors.

So, there is really no such thing as an AVERAGE cost to rent a pool. Everything is based off what it actually cost to operate that pool and necessary 15% to 20% profit margin it takes to sustain a reasonable business plan.