



The Town of Hilton Head Island Regular Public Facilities Committee Meeting

January 4, 2011

2:00 p.m. – Benjamin M. Racusin Council Chambers

AGENDA

As a Courtesy to Others Please Turn Off All Cell Phones and Pagers during the Meeting

- **Call to Order**
- **Freedom of Information Act Compliance**
Public notification of this meeting has been published, posted, and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.
- **Committee Business**
 1. Approval of Minutes
 - October 4, 2010
- **Unfinished Business**
- **New Business**
 - Wildhorse Road Right-of-Way Conveyance/Acceptance
 - Island Recreation Center Enhancements/Feasibility Study
- **Adjournment**

Please note that a quorum of Town Council may result if four (4) or more of Town Council members attend this meeting.

TOWN OF HILTON HEAD ISLAND PUBLIC FACILITIES COMMITTEE

Date: October 4, 2010

Time: 2:00 P.M.

Members Present: John Safay, Drew Laughlin, Bill Harkins, *Alternate*

Members Absent: George Williams

Staff Present: Steve Riley, Scott Liggett, Jeff Buckalew, Jennifer Lyle, Anne Cyran, Jill Foster, Teri Lewis, Heather Colin, Charles Cousins, Julian Walls

Others Present: Ken Heitzke, *Councilman*, Pat Wirth, *Habitat for Humanity*, Sandy Stern, Patty Burke, Cancer Survivor's Park, Michael Marks, *Coastal Discovery Museum*, Mary Amonitti

Media Present: None

1. Call to Order.

The meeting was called to order at 2:00 P.M.

2. FOIA Compliance:

Public notification of this meeting has been published, posted and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.

3. Committee Business:

Councilman Laughlin moved to approve the Minutes of September 7, 2010. Chairman Safay seconded. The Minutes of September 7, 2010 were unanimously approved.

Councilman Laughlin moved to approve the Minutes of September 17, 2010. Chairman Safay seconded. The Minutes of September 17, 2010 were unanimously approved.

Councilman Laughlin moved to approve the proposed 2011 Public Facilities Committee Meeting Dates. Councilman Harkins seconded the Motion. The proposed 2011 Public Facilities Committee Meeting Dates were unanimously approved.

Chairman Safay presented Ms. Pat Wirth, Habitat for Humanity with the World Habitat Day Proclamation

4. **Unfinished Business:**

- Proposed Cancer Survivor's Park

Anne Cyran, Planner advised staff recommends the Public Facilities Committee endorse the concept of leasing the former Gullah Flea Market to allow the development of a Cancer Survivor's Park.

The Applicants, Sandy Stern and Patty Burke, have approached the Town about the possibility of leasing Town-owned property at the old Gullah Flea Market and an adjacent property to build a park dedicated to cancer survivors. If the lease is approved a grant will be sought from the R.A. Bloch Foundation to design and construct a Cancer Survivor's Park. The Foundation would also provide a \$100,000 grant for future infrastructure maintenance, but the Town would be expected to provide basic maintenance of the park.

Town Council granted a right of entry to the applicants to survey the property. The applicants are currently raising private funds for the survey. A conceptual design of the park will then be drawn by Landscape Architect Bill Dalton and presented to the Foundation for approval. Ms. Stern and Ms. Burke are working with Tom Peeples and the Community Foundation of the Lowcountry to establish a fund within the Community Foundation that would receive and distribute the grant funding. Mr. Peeples has committed to supervising the construction of the park.

Chairman Safay asked what the next step is. Anne Cyran advised that the Committee's recommendation would be forwarded to Town Council. The group itself is in the middle of trying to raise funds to get the property survey done. Once the property survey is done and the landscape architect completes a conceptual design of the park it will be submitted to the Foundation for approval.

After a brief discussion, Councilman Laughlin moved the Public Facilities Committee forward this to Town Council with their endorsement of the concept. Councilman Harkins seconded. The motion unanimously passed.

5. **New Business**

- Use of Town Land for Disaster Related Debris Operations

Scott Liggett, Director of Public Projects & Facilities stated over the years the Town has become successively more self sufficient and proactive in our attempts to address some of the concerns we believe might be waiting for us relative to a post disaster event. It is a foregone conclusion that the Island is at risk to be subjected to an event that very well might generate huge amounts of debris for us to deal with. The most obvious example is a post tropical storm, post hurricane event. Clearly there are ways that we can estimate the volume of debris that we might be dealing with. Regardless of how you cut it, it will be a mess and we will have piles of garbage we will need to get rid of.

As you are familiar, the Town has amassed quite a property inventory over the years. There are 137 parcels located at various points on the Island. All of them are not created equally as to how we may be able to best use those in a post disaster type event. Clearly there are some front runners and some properties that really serve no practical purpose in this mission. The net of this is we have about five different specific uses that we would like to offer on a variety of town owned

properties that potentially encumber 12 out of the 137 parcels that we own. We are prepared to run through parcel by parcel the proposal prepared by staff and try to detail for you what might go on in conceptual terms at these parcels and hopefully walk you through in concept how we see these properties being put to use.

I am sure there will be a high degree of attention regarding the proposed use of the Honey Horn property. This has been done in a manner that is consistent with the over arching agreement that we have with the Museum to operate on that site. I realize that we have some misgivings about the continued use of that area, but until we find an alternate site we might struggle a bit to shy away from Honey Horn. It is a strategically advantageous property.

Jennifer Lyle, Assistant Town Engineer stated the properties they have previously identified and are recommending for debris management sites are Honey Horn and Chaplin Park. The areas we are also looking at for citizen collection centers where citizens can bring debris to are Coligny Beach Parking Lot, Crossings Park, Barker Field and the Old Gullah Flea Market. We have identified Jenkins Island for a truck certification site and the Old Concrete Plant site on Leg O Mutton Drive, the site behind Coligny Beach parking lot, the Old School House site off of 278 and Chaplin Park satellite parking for equipment staging sites.

We used two of FEMA's methods for calculating the debris volume – FEMA's Hazus -MH Software which is a GIS based program and U.S. Army Corp of Engineers Debris Estimating Model which basically takes into account the coverage of the location, number of households and wind factors. The debris estimates for a Category I would be 271,345 cubic yards, Category 2, 731,402 cubic yards, Category 3, 2,057,979 cubic yards, Category 4, 3,957,652 cubic yards and Category 5, 6,321,635 cubic yards.

Ms. Lyle reviewed what each site would be used for, as follows:

Debris Management Sites (DMS)

This site would be where we would take all the debris and trash to one location, segregate it and process it to get it to a manageable level and take it off the Island to a landfill or final disposal site. Some of the assumptions we have made for the Debris Management Sites would be the debris would be piled at a 12 foot maximum, that Honey Horn DMS would operate 24 hours a day during peak operations to expedite the debris reduction operations and that Chaplin Park DMS is assumed to operate 16 hours a day due to avoid disturbing the neighboring communities at night. Pictures have been taken of the DMS locations and pictures will be taken immediately after the storm. The Contractor is responsible for restoring the sites after all activities are completed as best as possible to the pre-event conditions.

The other Debris Management Sites that we have designated are collection centers. There are two ways that we can collect debris – either from the road right away where the citizens would actually bring the trash and everything from their land onto the road right of way or they could take it to a collection site. One of the sites we have located in the South end is the Coligny Beach Parking Lot mid-Island we

looked at Crossings Park. Shelter Cove Park is another site, along with Barker Field and the Old Gullah Flea Market.

We just need one location for the Truck Certification Site and an ideal location for this would be near the entrance to the Island. Any truck coming onto the Island after a storm that would pick up debris would need to be certified by our monitors. This is to make sure we would be eligible for FEMA reimbursement. They would come in, determine the size of the truck and be certified to be able to do operations. When we looked around with our debris contractor we thought Jenkins Island would be the most suitable tract for this

The other sites we had designated are Equipment Staging Sites. These are sites for the debris haulers and monitors to locate equipment for debris operations. We have designated the Old Concrete Plant on Leg O Mutton, the site behind the Coligny Beach Parking Lot, the Old Schoolhouse site on U.S. 278 and the Satellite Parking Lot for Chaplin Park.

Jennifer Lyle advised that staff recommends the Public Facilities Committee concrete with the use of Town owned property (as endorsed by the Disaster Recovery Commission) for the collection, reduction, storage and management of disaster related debris. Recommendation of these sites are for planning purposes only. It is difficult to predict the exact needs for land use post a disaster; however, these sites are designated to expedite the debris removal process on the Island. Upon concurrence of the Public Facilities Committee of Town land use for debris operations, it will be presented to Town Council for approval.

Chairman Safay thanked Ms. Lyle for her presentation and asked the Committee if they had any questions.

Councilman Harkins asked if there was any potential conflict with the proposed Cancer Survivor's Park and the use of the Gullah Flea Market site. Ms. Lyle said once the plans were developed they would likely would change their plan and look at an alternate site for a collection site.

Councilman Harkins asked if there was any prioritization in terms of collection sites other than geographic proximity. He stated obviously we want to protect Honey Horn – would that be a first choice or a last choice? Ms. Lyle stated they looked at Honey Horn as the first location to be used and it is mainly because of the higher elevations and that it is a larger site of open area. That was the main reason for selecting Honey Horn for a Category I-III storm and using Chaplin Park as a secondary site if needed.

Chairman Safay stated there is a concern regarding Honey Horn and I would like to see some kind of philosophy adopted that it is the last resort. One of the things that we all have to be concerned with in a disaster is the post disaster period and the recovery period. Honey Horn could be harmed for perhaps years by utilizing it in this manner and I would urge that we take that into serious consideration. Chairman Safay asked why we were not looking at Jenkins Island to be used as a debris management site. Ms. Lyle advised that one major reason for them not looking at utilizing Jenkins Island is the power line easement we have there. We

are not sure exactly what damage would be caused to those power lines. The other reason we didn't look at Jenkins Island as a debris management site was mainly because it is not already cleared. We felt it wasn't necessary to really clear any land. At this time we just wanted to look at a location that was already pre-cleared. Chairman Safay wondered if we should actually take that into consideration and if it is necessary to clear an area there for that purpose in the future I would rather take that chance – clear an area and preserve Honey Horn.

Chairman Safay asked why there was nothing noted in Sea Pines in the event a storm hit that end of the Island. Scott Liggett advised that the only property the Town owns internal to Sea Pines is Fire Station #2 site.

Councilman Laughlin asked what we have done in terms of communicating with private communities, e.g., Sea Pines about what could be made available on private property in the event we found ourselves in this position. Scott Liggett stated that FEMA guidance as it relates to the public reliance on private property shies away from it. They suggest less reliance on the use of private property for debris reduction, particularly in our case where we have public properties available.

Chairman Safay asked Scott Liggett if it would be within the realm of feasibility to do a study and revisit clearing enough property on Jenkins Island to preclude the use of Honey Horn. Mr. Liggett said it certainly can be done and in fact the first thing that needs to be done is to provide Council with a copy of the previous staff work that shows the properties that we examined in that exercise. In all of the upfront work, we had undertaken an inventory of candidate parcels the Town owned with our Contractors for the potential location of these debris management sites. Acreage is an issue – we needed properties of pretty significant size, elevation was important, proximity to the roadway network. Jenkins Island was specifically looked at in deference to Honey Horn which clearly is a more preferable spot from the debris management standpoint.

Ms. Mary Amonitti stated she would like to see better communication between the gated communities and the Town with regard to where the debris will be staged, who is going to be paying for it, etc.

Mr. Michael Marks, Coastal Discovery Museum stated he was here today to ask for continued consideration of sites other than Honey Horn.

Councilman Safay stated that perhaps we should consider a Motion that would take into consideration what Mr. Marks what Mr. Marks has said and what we have also been discussing regarding Honey Horn and at least explore the feasibility of Honey Horn being a last resort and also exploring the possibility of developing another site, probably Jenkins Island that would be a debris management site. None of this would have to delay what we are trying to do, but it might at least put it in writing that the Town is going to do what it can to mitigate any potential loss of Honey Horn in the event this happened.

Councilman Harkins moved that the Public Facilities Committee recommend to Town Council that we proceed, but ask staff to engage in a prioritization that is

sensitive to the conversation here regarding Honey Horn. Councilman Laughlin seconded. The motion unanimously passed.

• Proposed Donation of Land to Habitat for Humanity

Mr. Steve Riley, Town Manager advised that staff recommends the Town donate 14.08 acres of land off Marshland Road known as the Patterson Estate parcels to the Hilton Head Habitat for Humanity in exchange for their pledge to build a road to public standards and to extend all water, sewer and telecommunication utilities to the sub-division in such a way as to benefit all land owners in the sub-division.

After a brief presentation, Chairman Safay asked Mr. Riley how many units could be built. Mr. Riley stated that 4 units per acre could be built. Chairman Safay stated this would be the first opportunity for Habitat to build on Hilton Head. Ms. Pat Wirth, President & CEO, Hilton Head Regional Habitat for Humanity advised that there are already two Habitat houses on Hilton Head Island and isn't it wonderful that we don't know that.

Councilman Laughlin questioned what would happen if Habitat decided not to move forward with the project. Mr. Riley advised they would need to build a reverter into the Contract that if they decided to abandon the land would come back to us.

Councilman Laughlin moved the Public Facilities Committee recommend that Town Council donate the land to Habitat for Humanity in exchange for their pledge to build a road to public standards and to extend all water, sewer and telecommunication utilities to the sub-division in such a way as to benefit all land owners in the sub-division. Councilman Harkins seconded. The motion unanimously passed.

6. Adjournment:

Councilman Laughlin moved to adjourn. Councilman Harkins seconded the motion. The meeting was adjourned at 3:02 p.m.

Respectfully Submitted,

Karen D. Knox
Senior Administrative Assistant



MEMORANDUM

TO: Public Facilities Committee

FROM: Stephen G. Riley, CM and Town Manager

VIA: Scott Liggett, Director of Public Projects & Facilities / Chief Engineer

DATE: December 20, 2010

RE: Wildhorse Road Right-of-Way Conveyance / Acceptance

Recommendation: Staff recommends the Public Facilities Committee endorse the right-of-way transfer transaction as described in the attached documents from Alford, Wilkins and Coltrane and recommend approval to Town Council.

Summary: The construction of improvements to Wild Horse Road by the Town as approved by the South Carolina Department of Transportation (SCDOT), the road's owner, necessitates the reciprocal transfer of ownership of portions of road right-of-way. The Town would be conveying land acquired for the purpose of establishing right-of-way for the realigned road and accepting land from SCDOT that contained the road in its former alignment. Please see the attachment. The area to be conveyed to SCDOT is 1.390 acres; the area to be accepted by the Town is .604 acres.

Background: In 2005, the Town commenced with the design of the so called, "Horseshoe Road Connector Project." It was originally contemplated by SCDOT as a project which would restore connectivity between Wild Horse Road and William Hilton Parkway at Spanish Wells Road. The SCDOT de-emphasized the project and the Town took on the responsibility of its design and construction. The roads involved in the project are all owned by SCDOT and the Town acquired land in the area, portions of which would contain the proposed road right-of-way. Throughout the permitting process with SCDOT it has been our mutual intent, that the State roadway system not be severed and the transaction contemplated herein, ensures that to be the case.

ALFORD, WILKINS & COLTRANE, P.C.

Attorneys at Law

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(NOT FOR CONFIDENTIAL COMMUNICATIONS)

GREGORY M. ALFORD*
JOHN W. WILKINS
CURTIS L. COLTRANE+
MITCHELL J. THORESON
*Also member Georgia Bar
+Also member of Virginia Bar

December 17, 2010

Stephen G. Riley
Town of Hilton Head Island
One Town Center Court
Hilton Head Island, SC 29928

Re: Town conveyance to SCDOT of 1.390 acres of Wildhorse Road
Realignment/Horseshoe Road R/O/W; Town acceptance from SCDOT of
0.604 acre R/O/W
Our File No.: THH 05-0007

Dear Steve:

As you may recall, the Town previously undertook the Horseshoe Road realignment project and acquired all the right of way necessary for that project. The construction of the realignment has been complete for some time now, and the Town needs to turn over the realigned portion of the Wildhorse Road and Horseshoe Road consisting of 1.390 acres of right of way to the South Carolina Department of Transportation ("SCDOT") so that road ownership will be consistent as contemplated by the Town and SCDOT at the outset of the project. SCDOT has already approved acceptance of the 1.390 acre conveyance into its road system. In addition, the realignment project resulted in a 0.604 acre portion of old right of way which SCDOT has already agreed to abandon to the Town. I have enclosed a plat depicting both the conveyance and acceptance areas along with the proposed deed from the Town which has been approved by SCDOT.

The conveyance and acceptance requires approval by the Public Facilities Committee prior to submission to Town Council, and I understand Scott Liggett is working on getting this matter on the January PFC agenda. Once that hurdle has been accomplished, an Ordinance approving the conveyance and a Resolution approving the acceptance would be brought before Town Council.

Should you have any questions or concerns, please do not hesitate to contact me. With kindest regards, I am,

Very truly yours,

ALFORD, WILKINS & COLTRANE, P.C.



John W. Wilkins

JWW/hjs

Enc.

cc: Scott Liggett

This Deed was prepared in the law office of Alford & Wilkins, P.C., Post Office Drawer 8008, Hilton Head Island, South Carolina, 29938-8008, by John W. Wilkins, Esq.

TOGETHER with all and singular, the Rights, Members, Hereditaments and Appurtenances to the said Premises belonging, or in anywise incident or appertaining.

TO HAVE AND TO HOLD, all and singular, the said Premises before mentioned unto the said Grantee, in fee simple, its Successors and Assigns, forever.

WITNESS Grantor's hand this _____ day of _____, 2010.

SIGNED SEALED AND DELIVERED
IN THE PRESENCE OF

THE TOWN OF HILTON HEAD
ISLAND, SOUTH CAROLINA

2) _____
Signature of 1st Witness (must be different than 2nd witness)

By: _____
Drew A. Laughlin, Mayor

3) _____
Signature of 2nd Witness (the Notary Public)

Attest: _____
Stephen G. Riley, Manager

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

UNIFORM ACKNOWLEDGMENT

I, the undersigned Notary Public do hereby certify that DREW A. LAUGHLIN and STEPHEN G. RILEY appeared before me this day and, in the presence of the two witnesses above named, acknowledged the due execution of the foregoing instrument on behalf of The Town of Hilton Head Island, South Carolina.

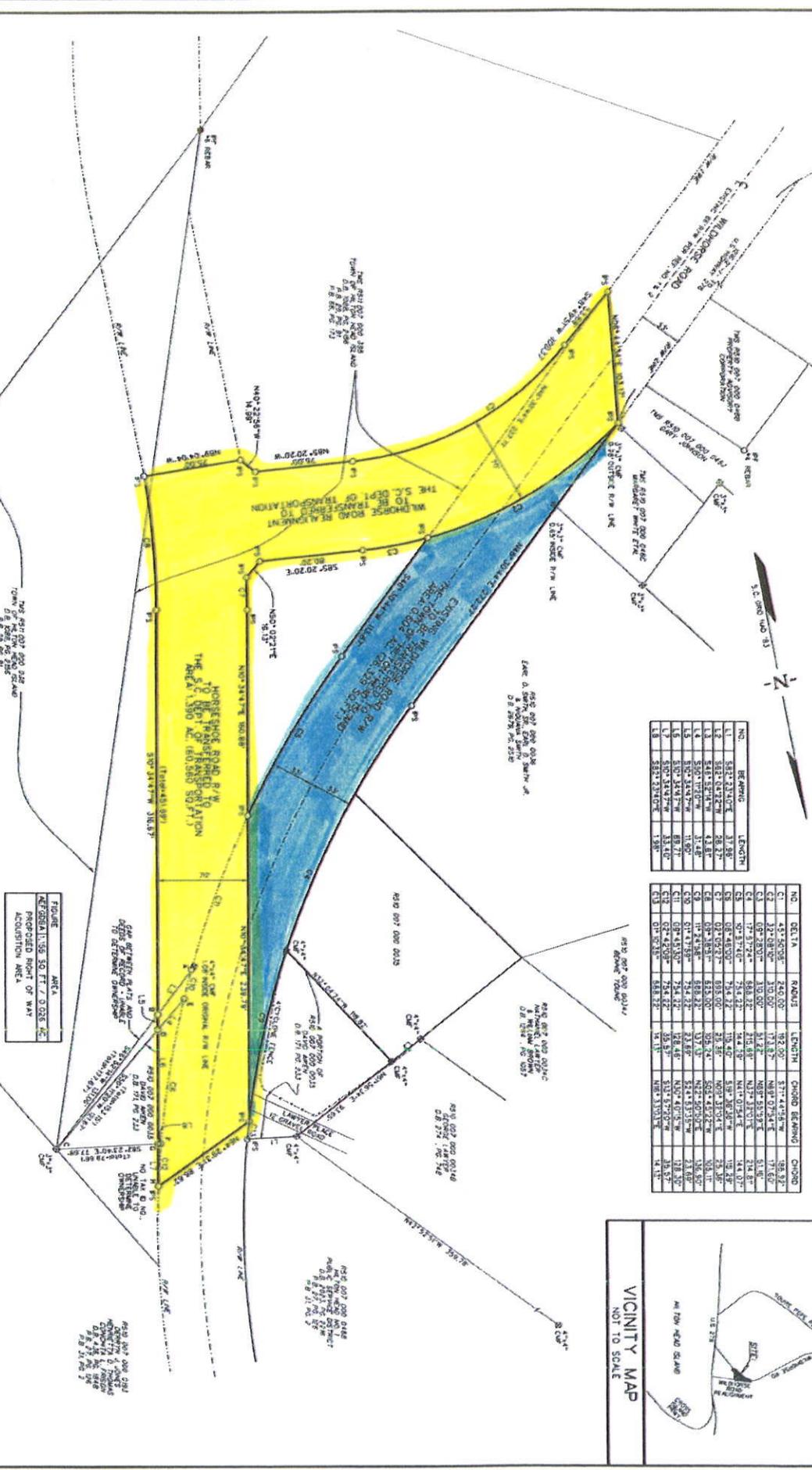
Witness my hand and seal this _____ day of _____, 2010.

4) _____ (SEAL)
Signature of Notary Public for South Carolina
My Commission expires: _____

**** Instructions for Execution:** *All signatures should be in blue ink.*
 ALL blanks must be filled in.
 Grantor signs at line(s) 1)
 Witness #1 signs at line 2)
 Notary Public signs at line 3)
 Notary Public signs at line 4) and affixes notary seal

- SURVEYOR'S NOTES:**
1. THE SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF A TITLE EXAMINATION THERE MAY BE ENCUMBRANCES OR RIGHTS-OF-WAY OF RECORD NOT OBSERVED ON THIS SURVEY. ONLY THE PUBLIC RECORDS OF THE COUNTY RECORDS DEPARTMENT AND THE RECORDS OF THE COUNTY RECORDS DEPARTMENT ARE REFERRED TO AS EVIDENCE OF THE RIGHTS AND INTERESTS AS SHOWN HEREON. THEY ARE NOT TO BE CONSIDERED AS CONCLUSIVE AS TO THE RIGHTS OF ANY PARTY.
 2. NO FLOOD ZONE DETERMINATION WAS MADE FOR THE PROPERTY SHOWN HEREON.
- REFERENCES:**
1. PLAN OF THE TOWN OF HILTON HEAD, SOUTH CAROLINA, AS RECORDED IN PLAN BOOK 58, PAGE 173.
 2. PLAN OF THE TOWN OF HILTON HEAD, SOUTH CAROLINA, AS RECORDED IN PLAN BOOK 58, PAGE 173.
 3. PLAN OF THE TOWN OF HILTON HEAD, SOUTH CAROLINA, AS RECORDED IN PLAN BOOK 58, PAGE 173.
 4. PLAN OF THE TOWN OF HILTON HEAD, SOUTH CAROLINA, AS RECORDED IN PLAN BOOK 58, PAGE 173.
 5. RECORDS OF THE COUNTY RECORDS DEPARTMENT, HILTON HEAD, SOUTH CAROLINA.

Town To Scott
Scott To Town



NO.	BEARING	LENGTH
1.1	S82°21'10\"/>	

NO.	DELTA	RADIUS	LENGTH	CHORD BEARING	CHORD
C1	45°	240.00'	792.00'	S71°44'55\"/>	

LEGEND:

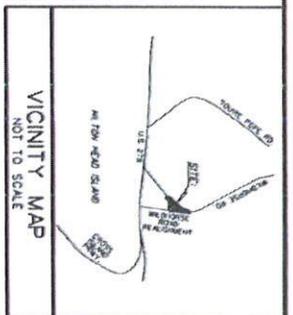
- RIBB PIN FOUND
- RIBB PIN SET TO BEHIND (UNLESS STATED OTHERWISE)
- CONCRETE MONUMENT FOUND

CERTIFICATION:

I HEREBY STATE THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE SURVEYING ACT OF 1962, AS AMENDED, AND THAT I AM A LICENSED SURVEYOR IN THE STATE OF SOUTH CAROLINA AND THAT I AM NOT PROVIDING ANY SERVICE FOR A CLASS A SURVEY AS PRECISED THEREIN.

JOHN L. HUDSON

S.C.P.L.S. NO. 8937



NO.	NAME	DATE	REMARKS	BY
1	J. HUDSON	02/29/20	CALCULATED AREA = 487,000 SQ FT	JLH

PROJECT NO. 232280

7.00' OF

WILBUR SMITH ASSOCIATES
 1000 N. W. 12th St.
 Ft. Lauderdale, FL 33304
 TEL: 954-561-1111
 FAX: 954-561-1112
 WWW.WILBURSMITH.COM

THE TOWN OF HILTON HEAD
 1000 N. W. 12th St.
 Ft. Lauderdale, FL 33304
 TEL: 954-561-1111
 FAX: 954-561-1112
 WWW.HILTONHEADSC.gov



TOWN OF HILTON HEAD ISLAND

Community Development Department

TO: Public Facilities Committee
VIA: Teri Lewis, AICP, *LMO Official*
FROM: Nicole Dixon, *Senior Planner*
CC: Charles Cousins, AICP, *Director of Community Development*
DATE: December 21, 2010
SUBJECT: Proposed Island Recreation Center/SHARE Senior Center/Aquatics Facility Enhancement

Recommendation: Staff recommends that Town Council endorse the findings and recommendations provided in the Feasibility Study prepared by Lee & Parker Architects, in a joint-venture with The FWA Group and Mission Resources Group, regarding the financial implications of the proposed aquatics center and enhancements to the recreation center.

Should Town Council adopt the recommendations provided in the feasibility study, staff is also asking for approval to proceed with Phase II of the project which would be to hire a consultant to prepare a Master Plan.

Summary: At the September 1, 2009 meeting of the Public Facilities Committee, the Island Recreation Association and the People for Parks group appeared before the committee to present the survey results and concept plan and to receive direction on the needs to be addressed associated with the proposed recreation center and aquatics facility enhancements. After the presentation and discussions, the Island Recreation Association was asked to look more in terms of expanding the existing facility and come back to the committee with a report in November.

At the November 3, 2009 meeting of the Public Facilities Committee, the committee voted to recommend that Town Council endorse in concept the elements of the proposed enhancements and approve the expenditure of the funds for the study. The motion passed with a vote of 3-0-0.

The program elements that were identified are:

- A second gym the same size as the current space
- Senior meeting/social and general multi-purpose space; would include Computer Club space (total 4,500 sq. ft.)
- 10 lanes 25 yards swimming lap pool with warm water tank for senior water aerobics and year-round swim lesson programs
- Splash pad for Children (bring families to the pool area)

The following support elements were also identified:

- Locker rooms designed for swimmers and pool users
- Storage

At the November 17, 2009 Town Council meeting, the council voted to endorse in concept the elements of the proposed Island Recreation Center/Aquatics Facility Enhancements and approve the expenditure of the funds for the feasibility study. Town Council also directed staff to have an analysis done as part of this study to determine whether the SHARE Senior Center should occupy vacant commercial space elsewhere on the Island or be combined with the expansion at the Recreation Center. The motion passed with a vote of 7-0.

After Town Council's endorsement of the concept, town staff hired a consultant team, Lee & Parker Architects, The FWA Group and The Mission Resources Group, to conduct the feasibility study and business plan detailing the financial implications involved with the proposed project.

Background: Town Council's Policy Agenda for 2010 had Recreational Center & Aquatics Facilities Direction listed as a high priority. Town Council's Policy Agenda for 2009 had Recreational Center & Aquatics Facilities Direction listed as a moderate priority. In June, 2009, Town Council approved a budget which included \$95,000 in the CIP to fund a process to determine what direction the Town should take in addressing requests for an aquatics center and enhancements to the current recreation center.

The Recreation Element of the Comprehensive Plan, which was adopted in November 2005, states "Hilton Head Island has become well-known throughout the country as a world class resort destination recognized for its high quality recreational amenities and natural resources...The Town strives to work with public and private recreation organizations to promote leisure time programs and activities that will accommodate all ages, skill levels and interests of residents and visitors." The only swimming pool on the Island for community-wide use is located at the Island Recreation Center. The Island Recreation Center and pool were built about 22 years ago. Since then, the population of the Town has more than doubled and an increasing interest in aquatic activities has created a demand for an additional or enhanced pool facility. The Recreation Element of the Comprehensive Plan identifies the need for an additional swimming pool, specifically stating it should be built on the south end of the Island.

The need for additional swimming pools and enhancing the existing recreation center has been a topic of discussion for many years with residents and recreation organizations on the island, as well as at many Town Council, Public Facilities Committee and Parks and Recreation Commission public meetings. Discussions in the past regarding a new facility have included such items as: where should the facility be located, should the existing recreation center remain and an additional center be built in a different location on the Island, should the existing center be expanded, what groups or organizations are going to be responsible for the funding of such a project, who would manage and maintain such a facility, should the County be responsible to fund and build a new pool on the Island, should the Town provide land for a new facility and if a new facility is proposed to be built, what components should be included to address Town needs.

The idea of a new aquatics/recreation facility has been proposed by groups in the past. The direction to those involved in these earlier efforts was for them to undertake some funding studies and identify how private funding could play a major role. The idea then lay dormant for several years until it became reinvigorated by H2A and the Recreation Association. As part of this latest effort, a recreational needs survey was undertaken and a potential site plan was developed to address needs identified in the survey.

In the spring of 2007, People for Parks presented an overview of the concept to enhance public recreation through the development of a new Recreation Center, which include an aquatic facility, along with an improved Senior Center to the Parks and Recreation Commission. The Commission recommended People for Parks return to the Commission with measurable information on the community's needs for improved recreational, senior, and pool facilities. Leisure Visions was hired by People for Parks to conduct a community wide survey addressing these issues. Throughout the summer of 2007, People for Parks along with Leisure Visions hosted community meetings to hear from the public their needs for improved recreational facilities. The survey was conducted during January and February of 2008.

At the July 10th and August 14th, 2008 meetings of the Parks and Recreation Commission, representatives from the Island Recreation Association, People for Parks and Wood + Partners presented the survey results and a concept plan for the proposed Aquatics/Recreation Center for the Commission's review. At the August meeting, the Commission made a motion to recommend to Town Council the concept of a new Aquatics/Recreation Center. In addition, the Commission accepted the findings and methods of the survey results in that they do reflect the wants and needs of the Hilton Head Island population.

H2A, along with the Island Recreation Association and the SHARE Senior Center, now fall under the People for Parks group. The People for Parks group is currently trying to engage in the next step in the planning process, which is to work with Town Council to review the results of the survey and identify the needs of the Town and how these needs should be addressed.



Town of Hilton Head Island



Island Recreation Center & SHARE Senior Center Enhancement/Expansion Feasibility Study

Lee & Parker Architects
in association with
The FWA Group Architects
Mission Resources Group

September 14, 2010
RFQ 2009-017



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EXECUTIVE SUMMARY

Lee & Parker Architects, in association with the FWA Group and the Mission Resources Group worked with the Hilton Head Island Town Staff and with the Island Recreation Center/SHARE Center management and their staffs to develop the following feasibility study and business plan. This plan recommends the expansion of the current Recreation Center facilities and the construction of new facilities, and details the corresponding physical, financial and operational implications.

KEY FINDINGS

RECREATION CENTER

- o The current Recreation Center opened in August 1988 and served an island population of 17,500. With an Island population of +/-34,000 today, and expanded program offerings the facility is outdated and does not adequately support the varied recreation needs of the Island's current/future population.
- o The Recreation Center pool was built in the same timeframe and is also outdated and does not support the needs of the Island's population.
- o In its current condition and configuration the Recreation Center facilities do not represent a "world class" resort community.
- o Per this review the town provided list of improvements is comprehensive and will meet the community's future needs.

SHARE CENTER

- o The Town is missing a visible active senior center component that reflects a "world class" resort community.
- o The SHARE Center needs a stronger, positive image/identity.
- o The quality of the user's experience (parking, lighting, access, interior environment) is paramount to participation.
- o The existing space is inefficient and lacks the appropriate infrastructure which is limiting programs that are desired and that can be offered.
- o The senior user groups indicated by a significant majority that co-location with the Recreation Center was undesirable.

3

BUSINESS PLAN

- o With this study's noted phased improvements program sessions will triple.
- o With this study's noted phased improvements physical facility space will double.
- o Full time employment will increase by 2
- o The operating budget (not including CIP) will increase...
 - \$608,500 (36%) compared to proposed FY 2010-11
 - \$332,400 (17%) compared to actual FY 2008-09
- o Town contribution will increase \$180,769 (29%)



KEY CONCLUSIONS

RECREATION CENTER

- o The proposed Recreation Center expansion and updating can largely be achieved on the existing Recreation Center site with minimal alterations of the existing lease agreement (between the town and Beaufort County School District) and existing site.
- o The additions and renovations targeted to the listed improvements can be logically achieved in 3 phases.



4

1. Phase I - renovate the existing toilet facilities, renovate the existing staff offices, upgrade the existing pool, construct a permanent structure to enclose and condition the upgraded pool area, provide new wet locker/toilet areas, provide a new outdoor splash pool/play area, construct two replacement tennis courts, and 58 new parking spaces.
2. Phase II - reconfigure/construct new main entry/reception area, construct new gymnasium, construct new meeting/exercise rooms, relocate/construct 3 outdoor basketball courts, relocate/construct outdoor playground, construct new parking areas.
3. Phase III - construct new lap pool and pool deck area and enclose with a permanent structure to condition the pool area.

Anticipated "limited" facilities will not compete with "full service" type gyms with personal trainers as the user groups have different demands, expectations, and wants.

SHARE CENTER

- o The proposed SHARE Center will have a strong identity both as a place and an organization forming an important part of our town's portfolio of assets.
- o The SHARE Center programs without "dedicated" active senior space would need 4,200 - 4,500 sq. ft., if included; it would need 5,000 to 6,000 sq ft.
- o The user groups across the board saw co-location of senior and school-aged children programs as a negative causing reduced senior participation & revenue.
- o There is a 5% annual savings (\$13,000) by co-locating the SHARE Center which could be partially offset by anticipated increases in patrons due to the high quality user specific experience.
- o The facility should reside on a site large enough to provide for phased expansion accommodating program and patron growth.
- o Anticipated "limited" facilities will not compete with "full service" gyms as the user groups have different demands and wants. Business Plan
- o Fees will need to reflect the improved user experience (increase 10%).
- o The implementation and marketing of the proposed facilities and programs will result in increases in facility utilization, patron volume, & revenue increases that should exceed the conservative projections included in this study.

KEY RECOMMENDATIONS:

RECREATION CENTER

- o The Recreation Center enhancement and expansion should happen on the existing recreation site.
- o The improvements should be broken into 3 phases with components as noted per the Key Conclusions.
- o As quality of facilities increase, outreach to parent/booster club type organizations should increase helping to offset costs.

SHARE CENTER

- o The enhanced SHARE Center should include dedicated spaces and age specific equipment to support active senior programs.
- o Yearly Fees (\$75-\$100) should be charged to encourage "ownership" of the facility, while retaining the current program fees and free events.
- o The SHARE Center patrons would conduct fundraisers to grow a scholarship fund to guarantee inclusion of all seniors.
- o The new space should be 5,000 to 6,000 sq ft and built as a stand-alone facility, on a site large enough to provide room for outdoor open space and expansion.
- o The warm water pool (noted to be renovated as part of Phase I at the Recreation Center) needs to be covered to allow year round use by Seniors.



TASK 2 DELIVERABLES:

SPACE ANALYSIS

- o The land leased by the Island Recreation Center consists of 5.75 acres that currently has an outdoor pool, grassed sports field, playground, 3 outdoor basket ball courts, and an 13,686 sq. ft. indoor gym including break out rooms and offices. The parking located on the leased land provides for 57 spaces. See attached – Existing Site Plan
- o The current site can accommodate the recommended facility improvements and additions, including 4,500 sq ft for the SHARE Center. See – Phase III A Site Plan

ENGINEERING & ENVIRONMENTAL ISSUES of the existing location

With the addition of the large amount of impervious area storm drainage will need to be modeled. The new parking layout for this area will require some consideration as it pertains to space count. See – Phase IIA Site Plan

EXISTING FACILITY ALTERATIONS required to add new facilities at existing location

The existing playground and outdoor basketball courts will be relocated along with 2 tennis courts and the parking lot will be reconfigured. See – Phase II Site Plan

ADJOINING PROPERTIES AND ACRES to accommodate improvements/additions

All the suggested recreation improvements and additions can be accommodated on the existing site with the replacement of the lost playing field by adopting one of the following scenarios:

1. Increase playing capacity on existing ball fields by either adding lights to one field or turf Crossings Park to eliminate any down time on the field. (Pricing attached)
2. Develop a new field on 2.5 acres of land.

PROGRAM AREA - OPTIONAL ELEMENTS

(Replace the existing play field behind the Island Recreation Center lost by new building elements.)

	Square Foot	Estimate of Probable Cost*
New Sports Turf Field	82,800 SF	\$518,360
New Natural Field	82,800 SF	\$390,000
New Field Lighting		\$142,000

(For component details, see Section 2.5 Recommended Expanded Island Recreation Center Program Spaces.)

TASK 3 DELIVERABLES:

Commercial Space Analysis

(See appendix L)

**TASK 4 DELIVERABLES:
CONCEPTUAL SITE PLANS**

See attached plans

The proposal assumes the improvements to the recreation facilities will be done in phases.

This would make sense if the Town were to undertake these projects with existing capital. It may make more sense to bond the project and do all phases at one time. This will entail additional debt service costs and possibly an increase to its debt service millage rate.

The Towns annual grant to the Recreation Association will increase by approximately \$180,000 per year assuming the Recreation Association implements a 10% increase in program fees. This imposes an additional financial strain on the General Fund.



TASK 5 DELIVERABLES:

CURRENT COSTS AND REVENUES

o Recreation Center

Appendix I. a.: Financial Model- Rec Center FY 2008-09

Appendix I. b.: Financial Model- Rec Center FY 2009-10 thru 4/10

SHARE CENTER

Appendix I. d.: Financial Model- SHARE Center FY 2008-09

Appendix I. e.: Financial Model- SHARE Center FY 2009-10 thru 4/10

PROJECTED COSTS AND REVENUES

Appendix I. c. & d.: Financial Model-Recreation Center Pro Forma Income Statement

Appendix I. f. & g.: Senior Center Pro Forma Income Statement

CAPITAL COSTS

(The study breaks the recreation center project into three phases:)

PHASE I

Renovation of existing areas	\$135,200
Warm water pool	\$2,771,200
Splash pool and new parking area for 58 vehicles	\$566,580
TOTAL PHASE I	\$3,472,980

PHASE II

New gymnasium	\$3,740,100
Outdoor basketball courts	\$151,200
Outdoor playground area	\$35,000
New parking area	\$109,800
TOTAL PHASE II	\$4,036,100

PHASE III

New lap pool	\$3,877,550
THE TOTAL PROJECT COST PHASES I – III	\$11,866,630

One of the following additional expenditures would be necessary to replace the existing play field lost by building the new elements behind the existing recreation center:

New sports turf field with synthetic grass	\$518,360
New natural field	\$390,000
New field lighting	\$142,000

SHARE CENTER

The study provides four recommendations for improving the facilities and expanding the senior programs in the community:

Option 1 (6,000 sf) Locate the senior programs in a space at the Festival Center	\$430,067
Option 2 (6,644 sf) Locate the senior programs in a space at the Island Crossing	\$462,342
Option 3 (6,000 sf) New building on a 1 acre site	\$985,000
Option 4 (4,500 sf) New building on Recreation Center site	\$630,000



1 . 0 I N T R O D U C T I O N

Lee & Parker Architects, in association with the FWA Group and the Mission Resources Group worked with the Hilton Head Island Town Staff, the Island Recreation Center/SHARE Center management and their staffs to develop the following feasibility study and business plan. The study recommends the expansion of current Recreation Center facilities and the construction of new facilities, and details the corresponding physical, financial and operational implications.

2 . 0 R E C R E A T I O N C E N T E R

2.1 SCOPE AND APPROACH

During the initial two weeks of the analysis of the existing Recreation Center our team met with users informally to collect their opinions on what enhancements and facility improvements they thought were important to the continued growth and viability of the Island Recreation Center. The vast majority of those commenting expressed an appreciation of the program offerings while commenting on the need for more space, better facilities and accessible parking.

The priorities for indoor spaces included:



1. Fitness and wellness programs
2. Water fitness programs
3. Youth "learn to swim" programs/splash pool/lap pool
4. Walking and jogging track
5. Indoor leisure pool
6. Weight training equipment/cardiovascular equipment area

As part of the initial analysis, we reviewed the existing facility with staff members to gain a better understanding of the space usage and program compatibility to the spaces. This review highlighted the limits of the types of programs that can be offered and the staffs' spirit of "we will make it work in spaces that do not quite work" which usually interferes with other programs.

Also, as part of the analysis process we researched four similar communities for comparison to facilities and operations of those on Hilton Head Island. The communities were Aiken, SC, Rock Hill, SC, Mt. Pleasant, SC and Myrtle Beach, SC. Of those four, Town staff selected Mt. Pleasant and Myrtle Beach for actual site visits with recreation officials in both communities. Our design/business team accompanied members from the Island Recreation Association and Town staff on the visits to see various recreation facilities in the two communities. We visited three separate facilities in each community, discussed operations, public participation, facility layouts and program planning.

Finally, from the visits we learned that both Mt. Pleasant and Myrtle Beach provided recreation through departments that were full components of the city government. In addition to city funds, residents pay for the programs and services through a combination of use fees and memberships. Visitors (non-residents) were also welcomed to participate and use the facilities at higher fee structures and membership rates. Each community had a variety of programs (soccer, football, swimming, etc.) that were funded through parent/community booster club efforts to off-set public funding and staff needs.

For comparisons of the three communities we offer the following:

- The town of Mt. Pleasant has a population of approximately 65,000 residents (47.9% male to 52.1% female with a medium resident age of 35.9 years). The estimated median household income in 2008 was \$78,636 and the estimated per capita income was \$39,839.
- The city of Myrtle Beach has a population of approximately 26,000 residents (50.7% male to 49.3% female with a medium resident age of 36.9 years). The estimated median household income in 2008 was \$41,199 and the estimated per capita income was \$27,765.
- The town of Hilton Head Island has a population of approximately 34,000 residents (49.9% male to 50.1% female with a medium resident age of 46.0 years). The estimated median household income in 2008 was \$69,591 and the estimated per capita income was \$47,050.

2.2 KEY FINDINGS: WHAT DID WE LEARN?

2.2.1 FROM THE REVIEW OF THE EXISTING FACILITIES:

- The current Recreation Center opened in August 1988 and served an island population of 17,500. With an island population of +/-34,000 today and expanded program offerings the existing facility is outdated and does not adequately support the varied recreation needs of the Island's current/future population.
- The existing swimming facilities were built in the same timeframe as the Recreation Center and need to be updated to current standards and covered/enclosed with a permanent air conditioned structure.
- The current Recreation Center does not represent a "world class" resort community.
- Based on funding information and by operating multiple facilities both of the communities visited spend more on public recreation than does the Town of Hilton Head Island and as such have higher per capita participation.

2.2.2 FROM THE SITE VISITS:

- To ensure success, a recreation facility needs a funding commitment and support from the city/town government.
- The recreation facility must promote a safe, clean and inviting atmosphere to the community.
- Residents will pay use fees and for memberships if the programs, training equipment and recreation facilities' amenities are convenient and serve their needs.
- Understanding that Hilton Head Island is a well known destination, the swimming/aquatic component should not be designed just to accommodate





recreational uses (traditional aquatic programs such as swim lessons, swim camps, water aerobics, lap swim and private rentals). It should also support and promote regional competitive swim meets as a way to generate additional revenue.

- For the same reason as noted for the swimming/aquatic component, the additional gymnasium can use Hilton Head Island's name recognition as a means for the Recreation Center to generate event patronage from visitors as well. Just as the Town is not trying to generate patronage from off-Island visitors, the experiences of both Mt. Pleasant and Myrtle Beach indicate that some off-Island visitors will likely utilize the improved Recreation Center facilities and help generate additional revenue.
- Like Myrtle Beach's Pepper Geddings Recreation Center, the Island Recreation Center shares a campus location with public school facilities. This has provided a positive element in meeting the recreational needs of children and adults and can be reinforced with commitments between the Town and the Beaufort County School District.
- The planning and design of the new recreation components must offer flexibility for future program modifications and accommodations.
- Depending on funding commitment the recreation building improvements can be designed and built in phases.
- The planning for the Recreation Center should consider the profile of the community and demographics, including anticipated population growth.



2.3 CONCLUSIONS

The Recreation Center, including the pool facilities, should be expanded and updated on the existing center site. However, due to the limited site capacity to expand on the leased site, the Town will need to alter the existing lease agreement with the Beaufort County School District. Refer to the existing leased boundary site plan for the existing site configuration.

As public funding may be limited the study recommends that the facilities can be improved in three phases as documented in program components areas with associated estimates of probable cost in Section 2.5. The study also recommends that if phasing is done that Phase I be first, then Phase II and then Phase III. Each phase includes the following elements:

- Phase I - renovate the existing Recreation Center toilet facilities and existing staff offices, upgrade/reconstruct the existing pool to a warm water pool, construct a permanent structure to



enclose and condition the upgraded pool area, provide new wet locker/toilet areas, provide a new outdoor splash pool/play area, construct two replacement tennis courts, and 58 new parking spaces.

- Phase II - reconfigure/construct a new main entry/reception area, construct new gymnasium, construct new meeting/exercise rooms, relocate/construct 3 outdoor basketball courts, relocate/construct outdoor playground, construct new parking areas.
- Phase III - construct new lap pool and pool deck area and enclose with a permanent structure to condition the pool area.

Phase IIA and Phase IIIA illustrates the proposed inclusion of the SHARE Center on the current Recreation Center site as directed by our task for the study. Please refer to Section 3 of this report for the discussion of the SHARE Center element.



As noted in Phase I the existing Recreation Center pool will be upgraded within its existing dimensions of 20 yards x 25 yards. This work will include cutting the old outdated gutter off the pool wall and installing a new re-circulating perimeter gutter, installing a vacuum sand/UV filtration system and pool heating system. This pool will remain as a lap pool with eight lanes for competitions until the lap pool is constructed in Phase III. The reference to “warm water” for this existing pool simply refers to the temperature of the water. When Phase III (the new lap pool) is completed the existing pool will be operated at a warmer temperature than the new lap pool. The warmer water temperature better serves the needs of seniors and less strenuous pool activities like water aerobics, swim lessons, pool parties, etc. While, setting a cooler temperature for the lap pool better serves the physical exertions of training and competing.

Also, for clarification as part of Phase I an outdoor splash pool area will be constructed. A splash pool is simply a pool with features such as water slides, splash fountains, tumble buckets, and water spray cannons and other such features. The water depth can range from a few inches to 4 to 5 feet at the slides.

As noted previously in the study, to complete the Town directed upgrades on the current site, adjustments in the land lease agreement between the Town and Beaufort County School District need to be addressed. We have had preliminary discussions with the planning and facilities staff of the District and they have been receptive of the proposed additions and renovations as they impact the school campus. The District Staff will make an initial presentation of the proposed phasing plan ideas to the District’s Board on September 21, 2010. From that point, depending on comments from the District, the Town will need to determine how they will proceed.

As noted in Phase II the main entry to the Recreation Center will be shifted to better address public access and additional parking will be provided. A new second gymnasium will be constructed with meeting/exercise rooms and an optional elevated fitness track provided. These additions will more than double the Center’s capacity to meet the needs of the community.

With Phase III the new enclosed lap pool will be constructed. This will double the Center’s capacity to address the aquatic needs of the community. After some detailed discussion it was determined based on the site visits that a lap pool with dimensions of 25 meters x 25 yards was the most economical configuration. This would allow for ten lanes for swim meets and better serve lap swimmers, swim team practices and open community use. An option for a spectator seat area was also included so that local and regional swim meets could be hosted as a way to generate additional revenue.

With the construction of the new elements there will be a loss to some of the recreational fields. Some optional elements for consideration to replace this loss would be to add a new sports turf field made of synthetic grass turf which would allow for more play to help the overcrowding and overuse of the other Town fields. Other options are to renovate the existing soccer fields at Crossings Park, Chaplin Park and the existing soccer field on the School Campus. The Town could also designate 2 acres in an existing Town owned park to construct a new natural grass field. Lighting any of these fields will also provide additional playing time at these facilities.

The existing Recreation Center site plan and potential phase plans are graphically represented and provided as part of Section 2.6.

Finally, most people are not aware of the relationship between the Town, the Island Recreation Association, Beaufort County and the Beaufort County School District. Some confusion also exists regarding the operations and responsibilities of SHARE and the Island Recreation Center. The efforts to enhance and improve facilities for both SHARE and the Recreation Center provides a good teaching moment to clearly define how funds are earned and expended, which group has what responsibilities, and why the responsibilities have been distributed.

With regard to the need for enhancements and improvements to the Recreation Center, it is relevant to point out that the Island's population has more than doubled since the current facility opened 1988. A single gymnasium limits multiple programming opportunities. Three small meeting spaces (two having access only by stairs) severely limits use by individuals with physical challenges. Because the gymnasium serves as the main interior building circulation path, normal movement often interferes with gym programs. The pool use is limited because of the needed improvements and because it is not covered and air conditioned. A single pool attempting to serve all needs causes program compromises that limit patron satisfaction and revenue opportunities.

2.4 RECREATION CENTER RECOMMENDATIONS

- The Recreation Center should be enhanced and improved on the existing site. While we examined other Town-owned park sites, we recommend the current site because the existing pool can be modified and the existing recreation center is generally in good condition. Thus, it would cost much more to recreate those components on other sites. Note that this recommendation depends on completing a revised agreement with the Beaufort County School District concerning the leased land boundaries and the need for the Town to fund the relocation of two existing tennis courts. (Refer to the existing site plan and phase plans in Section 2.6.)
- The project could be designed and built in phases if need be due to funding constraints.
- Based on the report analysis, an initial program of building areas has been created with estimates of probable costs, as shown in Section 2.5.

2.5 RECOMMENDED EXPANDED ISLAND RECREATION CENTER PROGRAM SPACES

This section was developed through the analysis of space needs and represents areas proposed for renovation as well as new areas identified via the feasibility study for the Island Recreation Center Enhancement / Expansion Project.

PHASE I ELEMENTS

Program Area - Renovation of Existing Areas	Square Foot	Estimate of Probable Cost*
TOILET AREAS		\$76,960
Male	740 SF	
Female	740 SF	
OFFICE AREAS		\$58,240
First Floor Offices	1,040 SF	
Second Floor Offices	1,200 SF	
Renovation of Existing Areas - Total Square Foot Area	3,720 SF	\$135,200

*based on the listed square footage

Program Area - Warm Water Pool	Square Foot	Estimate of Probable Cost*
WARM WATER POOL AREAS		
Warm Water Pool <i>(Existing Pool Modified – 20 yard x 25 yard)</i> New Vacuum Sand/UV Filtration System and Pool Heating System New Recirculating Pool Perimeter System	4,500 SF	\$296,000
Pool Deck (12 ft. perimeter)	3,240 SF	
Male Wet Locker/Toilets (160 half height lockers, showers & toilet facilities)	720 SF	
Female Wet Locker/Toilets (160 half height lockers, showers & toilet facilities)	840 SF	
WARM WATER POOL SUPPORT AREAS		
Public Toilets (Carried in other areas of the building)	0 SF	
Pool Storage	720 SF	
Laundry	200 SF	
Filtration/Chemicals	660 SF	
WARM WATER POOL - TOTAL NET AREA	10,880 SF	

Warm Water Pool - Total Gross Area (1.3 x NSF) 14,144 SF \$2,771,200**

Amount shown includes pool construction cost noted plus gross area building cost for a new permanent enclosure (\$296,000 + \$2,475,200).

*based on the listed square footage ** The multiplier to convert net to gross area

Program Area - Outdoor Elements	Square Foot	Estimate of Probable Cost*
SPLASH POOL		
Shallow Pool Area (Seasonal Use - Splash Pool with Various Pool Features)	4,000 SF	\$272,000
Outdoor Deck Area & Security Fencing	6,600 SF	\$67,980
Outdoor Shade Structures (6 Structures x 72 SF)	432 SF	\$38,000
Relocate and Construct 2 New Courts <i>(Town to review and verify final acceptance with the Beaufort County School District)</i>	14,640 SF	\$84,000
Bleachers		\$15,000
NEW PARKING AREA		
Construct New Parking Area (Parking for 58 Vehicles)		\$89,600
Total Outdoor Elements		\$566,580
PHASE I - ELEMENTS TOTAL		\$3,472,980

*based on the listed square footage

PHASE II ELEMENTS

Program Area - New Gymnasium	Square Foot	Estimate of Probable Cost*
ENTRY RECEPTION	200 SF	
MEETING ROOMS		
Meeting Room #1 (24 ft. x 30 ft.)	720 SF	
Meeting Room #2 (24 ft. x 30 ft.) <i>(Meeting Rooms #1 & #2 can be combined by opening a folding wall)</i>	720 SF	
Meeting Room #3 (24 ft. x 30 ft.)	720 SF	
Aerobic / Dance Area (32 ft. x 30 ft.)	960 SF	
NEW GYMNASIUM		
Multi-purpose Area (120 ft. x 80 ft.) <i>(Contains main basketball court (94' x 50'), 2 junior basketball courts and 2 volleyball courts with center dividing curtain and retractable bleacher seating for 400)</i>	9,600 SF	
Elevated Fitness Track (11 ft. x 320 ft.) <i>(Will have 6 small cardio stations at points around the track)</i>	3,520 SF	
NEW GYMNASIUM - TOTAL NET AREA	16,440 SF	
New Gymnasium - Total Gross Area (1.3** x SF)	21,372 SF	\$3,740,100

*based on the listed square footage ** The multiplier to convert net to gross area

Program Area - Outdoor Elements	Square Foot	Estimate of Probable Cost*
OUTDOOR BASKETBALL COURTS		
Relocate and Construct 3 New Courts <i>(Existing goals and backboards will be reused)</i>	16,800 SF	\$151,200
OUTDOOR PLAYGROUND AREA		
Relocate and Refurbish Existing Equipment <i>(Construct new shade structures - 540 SF)</i>	3,600 SF	\$35,000
NEW PARKING AREAS		
Construct New Parking Lot #1 <i>(Parking for 72 Vehicles)</i>		\$109,800
Total Outdoor Elements		\$296,000
PHASE II - ELEMENTS TOTAL		\$4,036,100

*based on the listed square footage

PHASE III ELEMENTS

Program Area - New Lap Pool	Square Foot	Estimate of Probable Cost*
LAP POOL AREAS		
Lap pool <i>(25 meter x 25 yard)</i>	6,150 SF	\$880,000
Pool Deck <i>(15 ft. perimeter)</i>	4,710 SF	
Spectator Seating <i>(300 seats x 7 SF per seat)</i>	2,100 SF	
Male Wet Locker/Toilets <i>(Carried in Warm Water Pool Area)</i>	0 SF	
Female Wet Locker/Toilets <i>(Carried in Warm Water Pool Area)</i>	0 SF	
LAP POOL SUPPORT AREAS		
Aquatics Director Office	140 SF	
Lifeguards Office	120 SF	
Public Toilets <i>(Carried in other areas of the building)</i>	0 SF	
LAP POOL - TOTAL NET AREA	13,220 SF	
Lap pool - Total Gross Area (1.3** x NSF)	17,186 SF	

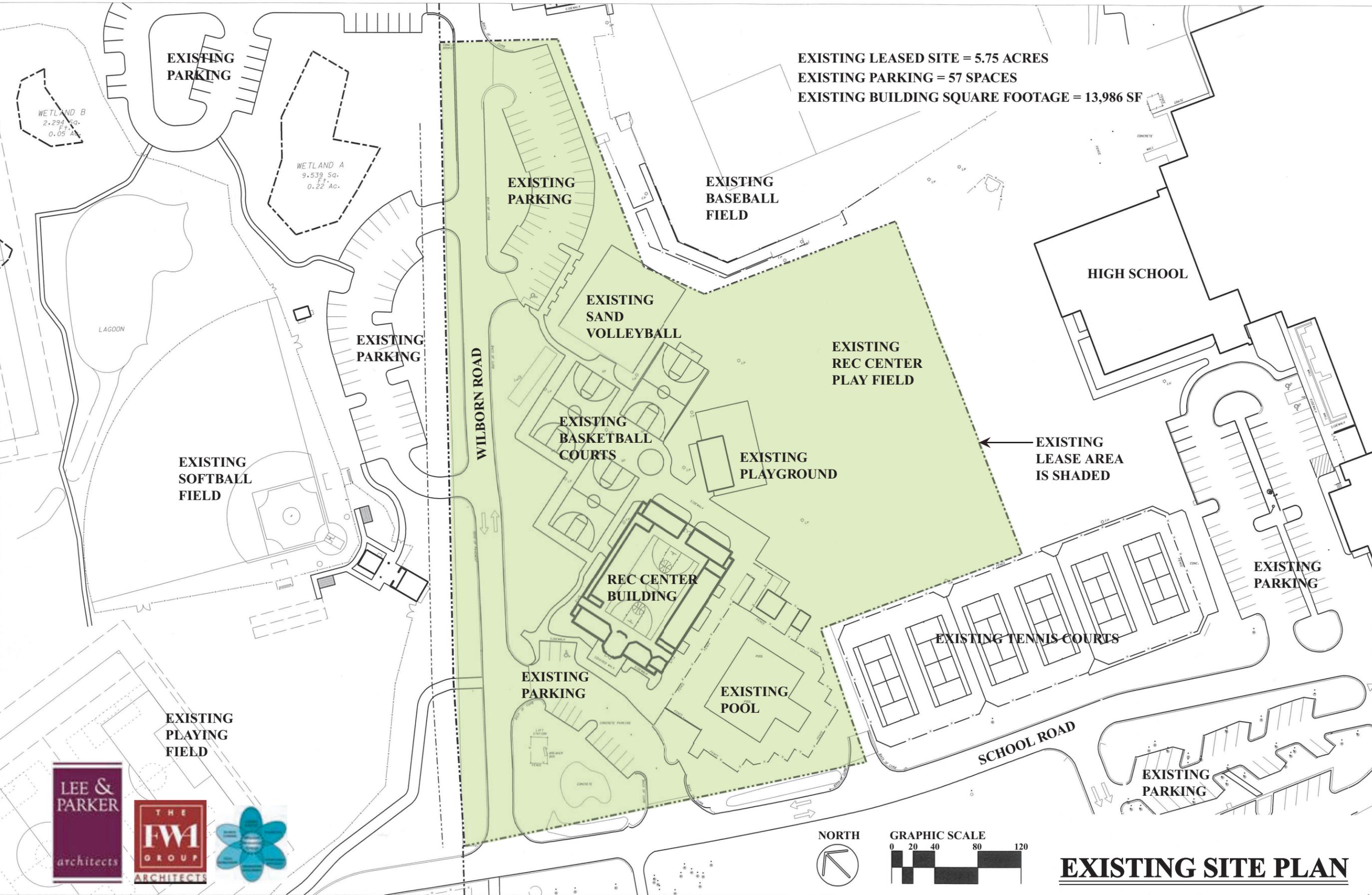
*based on the listed square footage ** The multiplier to convert net to gross area

PHASE III - ELEMENTS TOTAL **\$3,887,550***

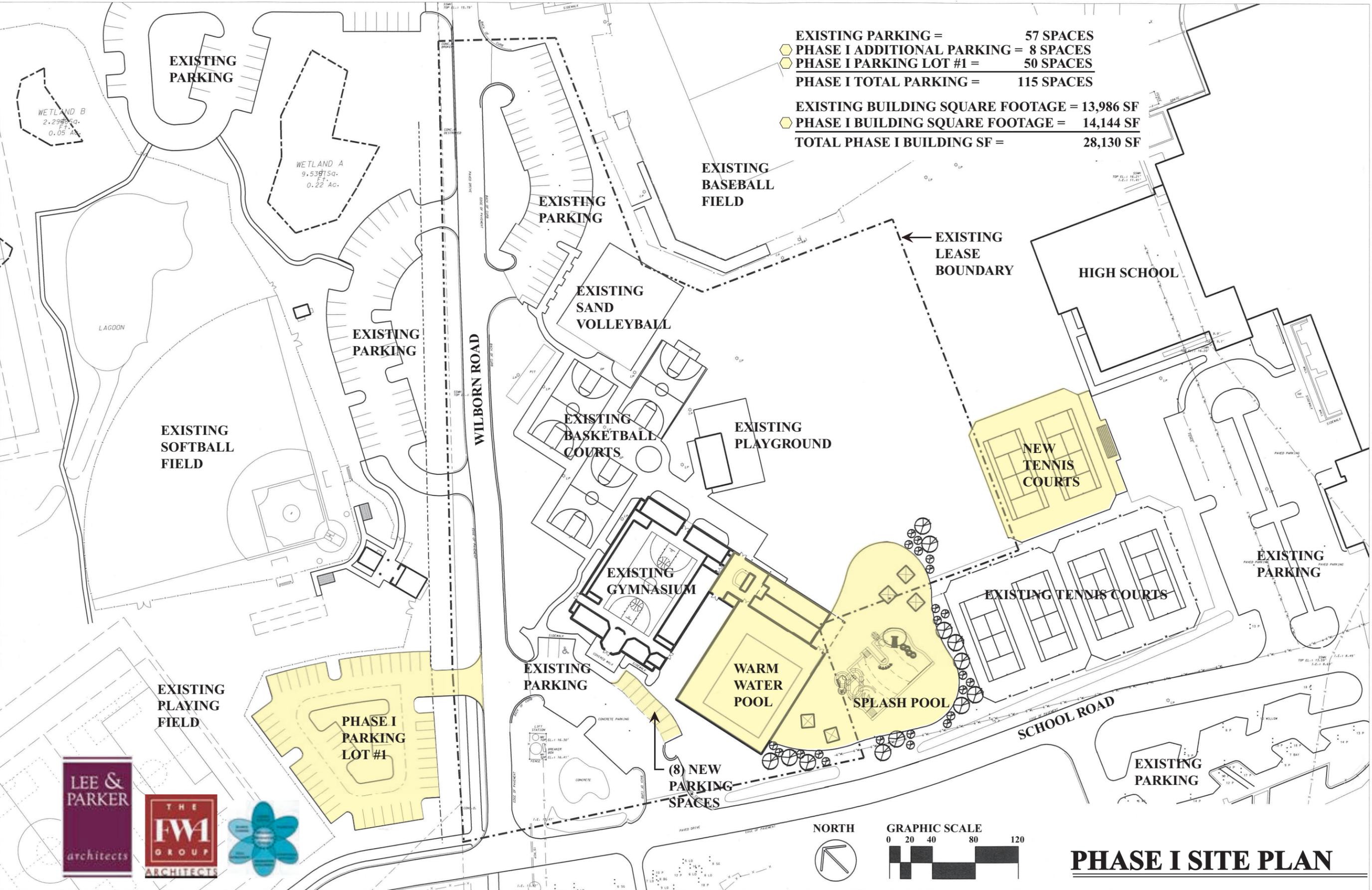
* Amount shown includes pool construction cost noted plus gross area building cost (\$880,000 + \$3,007,550).

OPTIONAL ELEMENTS FOR CONSIDERATION

	Square Foot	Estimate of Probable Cost*
<i>(Replace the existing play field lost by new building elements behind the Island Recreation Center.)</i>		
NEW SPORTS TURF FIELD		\$518,360
<i>(Install a synthetic grass turf field to allow for up to 3 times more field use to help overcrowding and overuse of other Town fields.)</i>		
Option #1 - Renovate Existing Crossings Park Soccer Field	82,800 SF	
Option #2 - Renovate Existing Chaplin Park Field	82,800 SF	
Option #3 - Renovate Existing Field on the School Campus	82,800 SF	
NEW NATURAL FIELD		\$390,000
Develop New Multi-Purpose Field <i>(Secure 2 acres of existing Town owned park land and construct a new natural grass field.)</i>	82,800 SF	
NEW FIELD LIGHTING		\$142,000
Install Field Lighting for a New Multi-Purpose Field <i>(Install new Musco or similar pole mounted field lighting system.)</i>		



EXISTING SITE PLAN

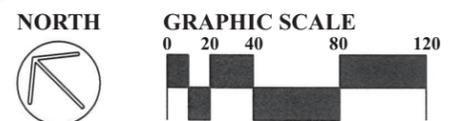
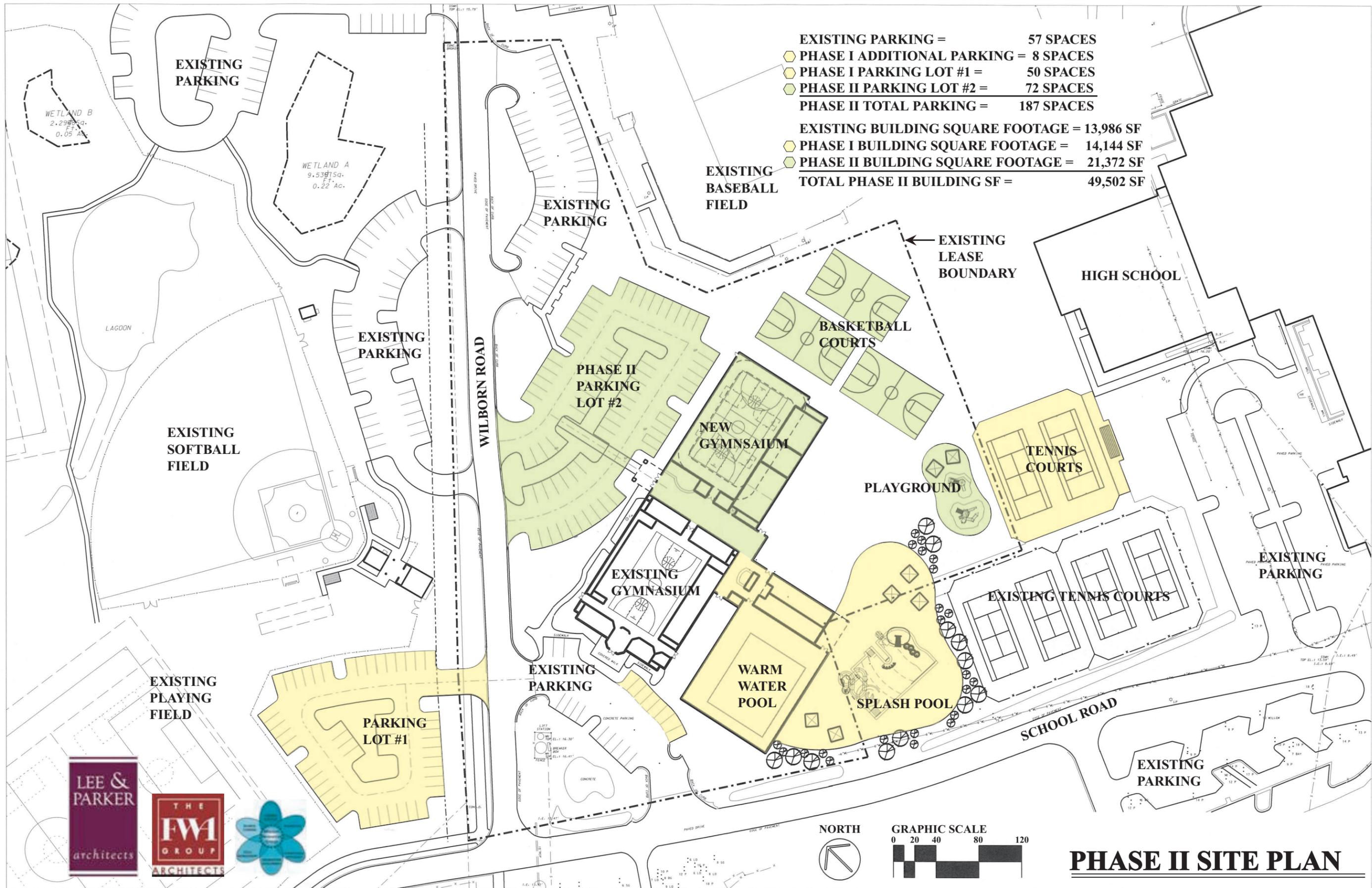


EXISTING PARKING =	57 SPACES
PHASE I ADDITIONAL PARKING =	8 SPACES
PHASE I PARKING LOT #1 =	50 SPACES
PHASE I TOTAL PARKING =	115 SPACES
EXISTING BUILDING SQUARE FOOTAGE =	13,986 SF
PHASE I BUILDING SQUARE FOOTAGE =	14,144 SF
TOTAL PHASE I BUILDING SF =	28,130 SF

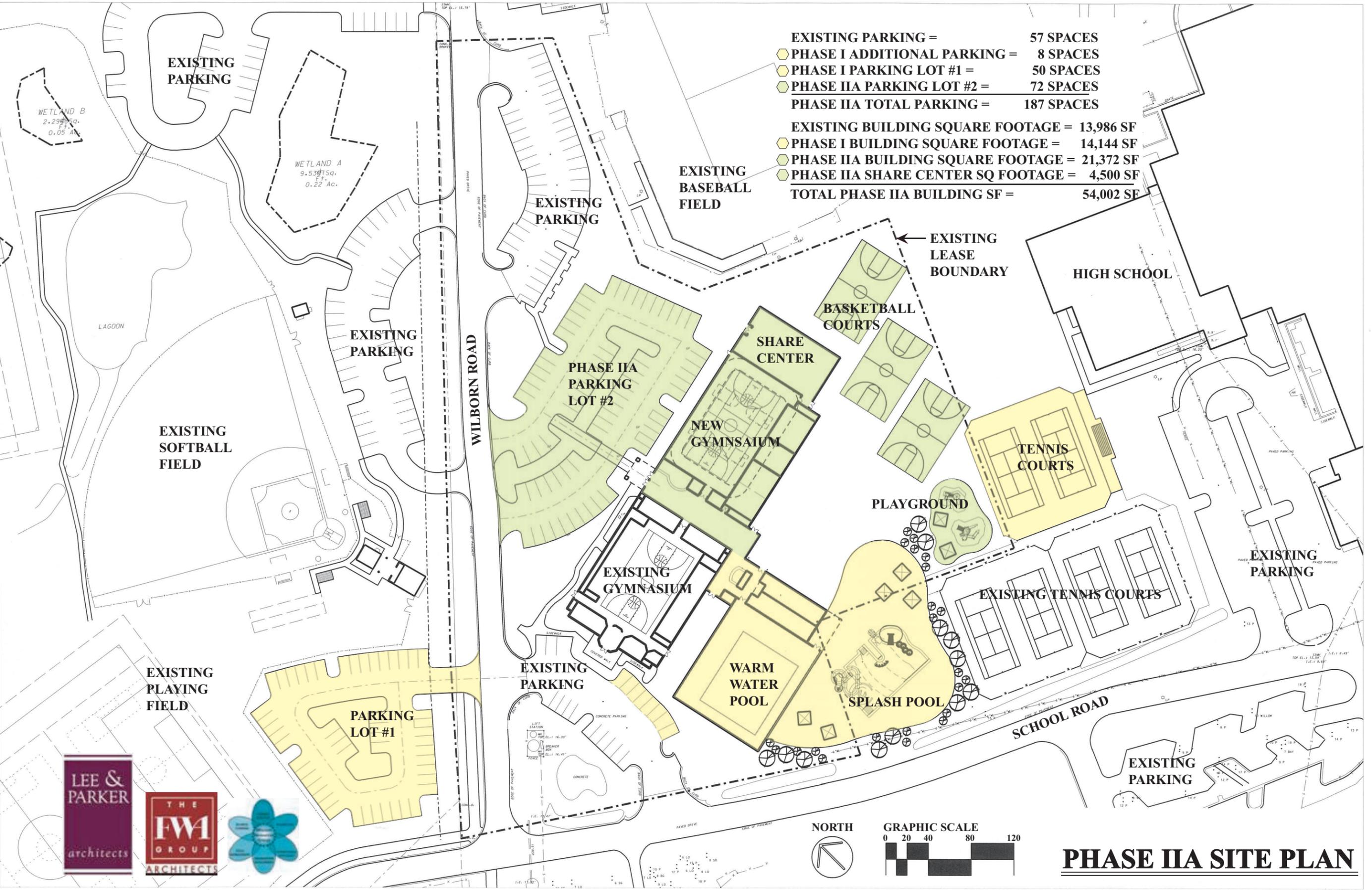


PHASE I SITE PLAN

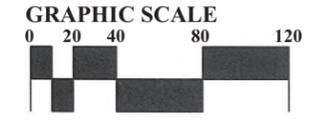
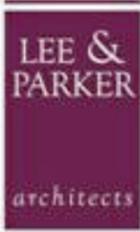
EXISTING PARKING =	57 SPACES
PHASE I ADDITIONAL PARKING =	8 SPACES
PHASE I PARKING LOT #1 =	50 SPACES
PHASE II PARKING LOT #2 =	72 SPACES
PHASE II TOTAL PARKING =	187 SPACES
EXISTING BUILDING SQUARE FOOTAGE =	13,986 SF
PHASE I BUILDING SQUARE FOOTAGE =	14,144 SF
PHASE II BUILDING SQUARE FOOTAGE =	21,372 SF
TOTAL PHASE II BUILDING SF =	49,502 SF



PHASE II SITE PLAN

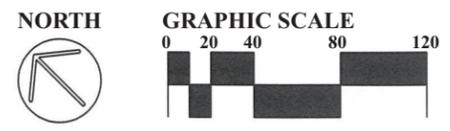
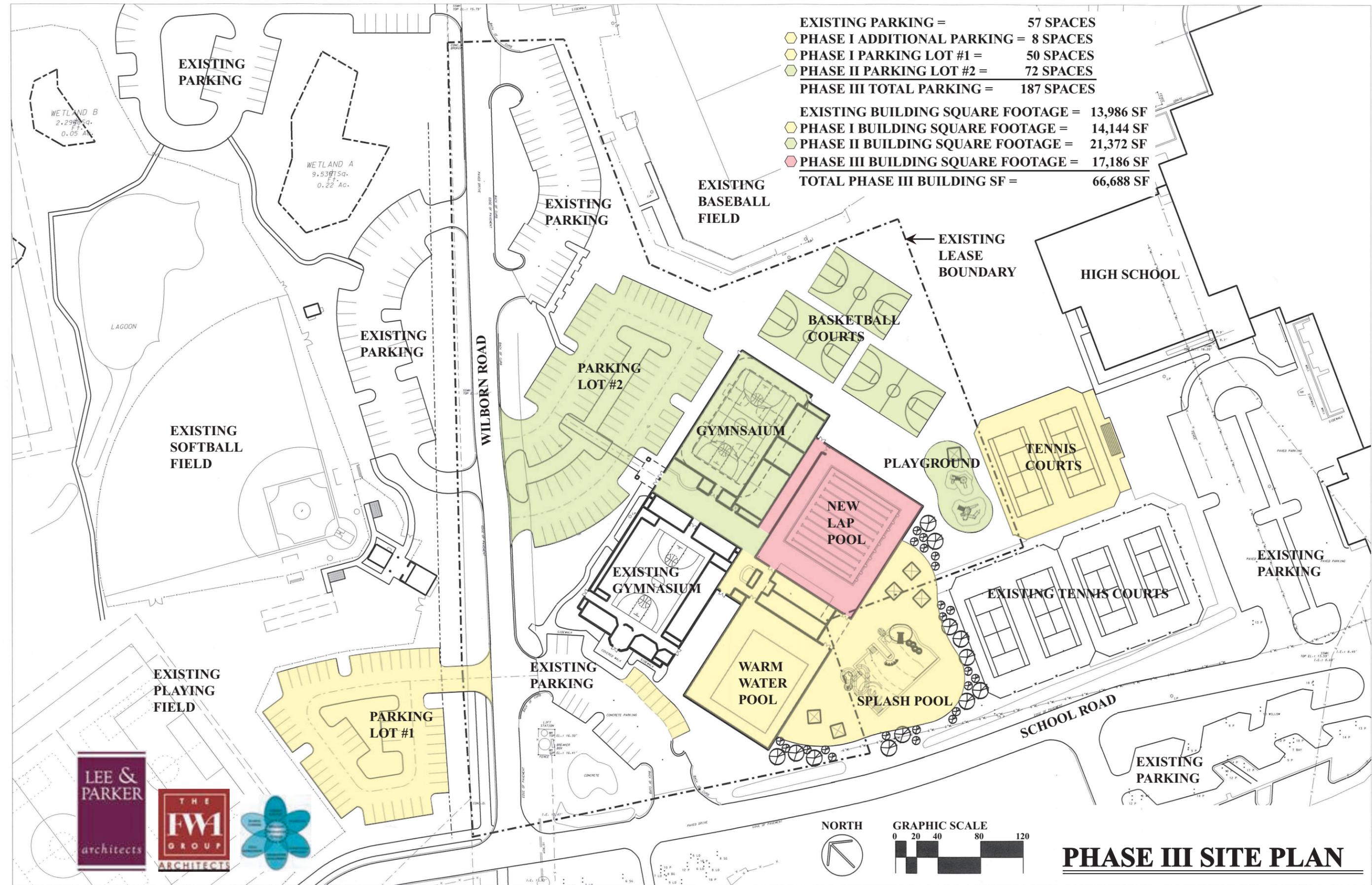


EXISTING PARKING =	57 SPACES
PHASE I ADDITIONAL PARKING =	8 SPACES
PHASE I PARKING LOT #1 =	50 SPACES
PHASE IIA PARKING LOT #2 =	72 SPACES
PHASE IIA TOTAL PARKING =	187 SPACES
EXISTING BUILDING SQUARE FOOTAGE =	13,986 SF
PHASE I BUILDING SQUARE FOOTAGE =	14,144 SF
PHASE IIA BUILDING SQUARE FOOTAGE =	21,372 SF
PHASE IIA SHARE CENTER SQ FOOTAGE =	4,500 SF
TOTAL PHASE IIA BUILDING SF =	54,002 SF



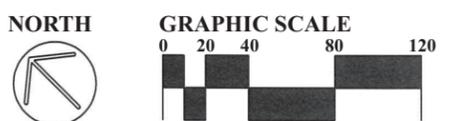
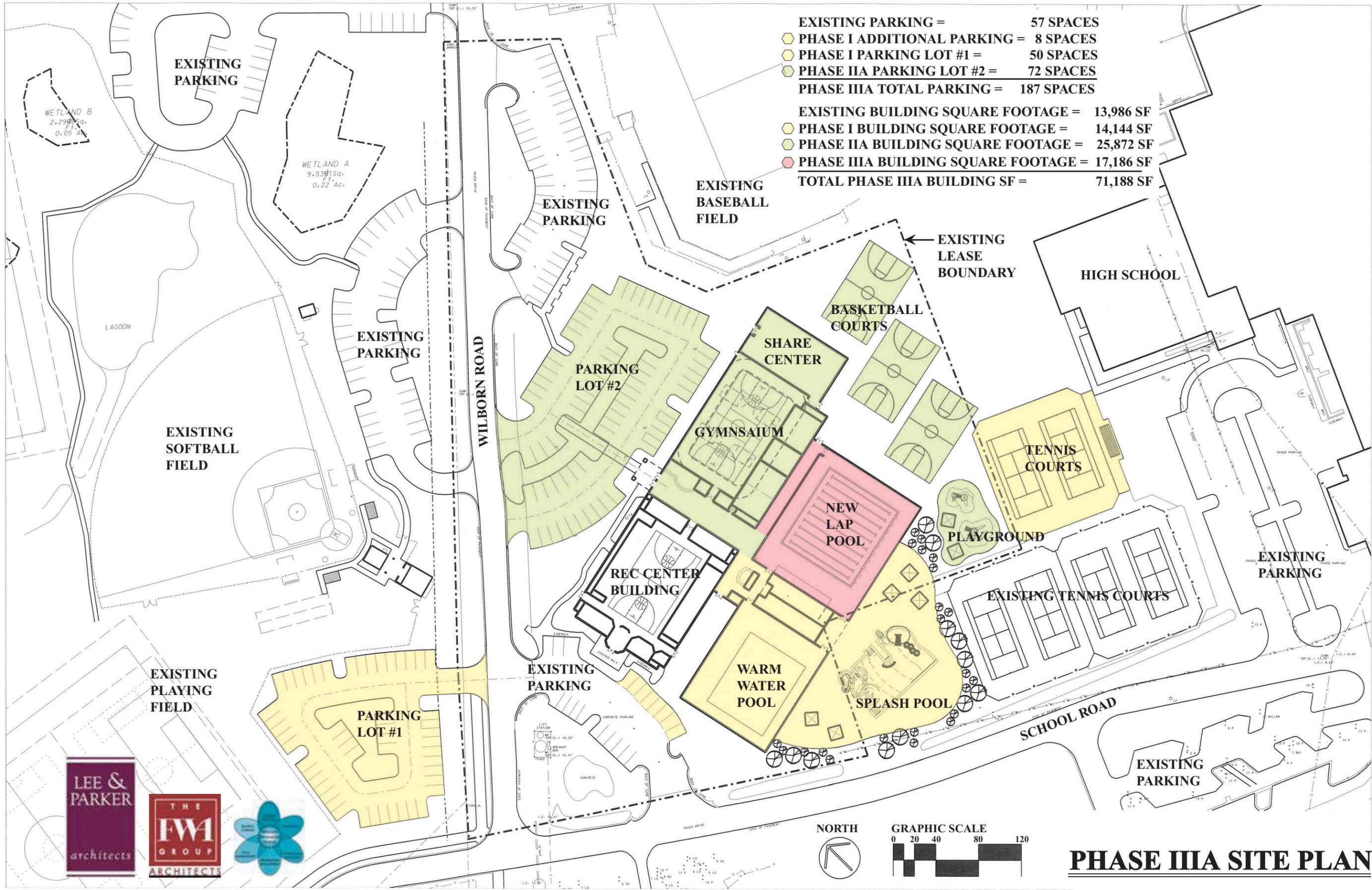
PHASE IIA SITE PLAN

EXISTING PARKING =	57 SPACES
PHASE I ADDITIONAL PARKING =	8 SPACES
PHASE I PARKING LOT #1 =	50 SPACES
PHASE II PARKING LOT #2 =	72 SPACES
PHASE III TOTAL PARKING =	187 SPACES
EXISTING BUILDING SQUARE FOOTAGE =	13,986 SF
PHASE I BUILDING SQUARE FOOTAGE =	14,144 SF
PHASE II BUILDING SQUARE FOOTAGE =	21,372 SF
PHASE III BUILDING SQUARE FOOTAGE =	17,186 SF
TOTAL PHASE III BUILDING SF =	66,688 SF



PHASE III SITE PLAN

EXISTING PARKING =	57 SPACES
PHASE I ADDITIONAL PARKING =	8 SPACES
PHASE I PARKING LOT #1 =	50 SPACES
PHASE IIA PARKING LOT #2 =	72 SPACES
PHASE IIIA TOTAL PARKING =	187 SPACES
EXISTING BUILDING SQUARE FOOTAGE =	13,986 SF
PHASE I BUILDING SQUARE FOOTAGE =	14,144 SF
PHASE IIA BUILDING SQUARE FOOTAGE =	25,872 SF
PHASE IIIA BUILDING SQUARE FOOTAGE =	17,186 SF
TOTAL PHASE IIIA BUILDING SF =	71,188 SF



PHASE IIIA SITE PLAN

3.0 SHARE CENTER

3.1 SCOPE AND APPROACH

On May 21, 2010 we met with SHARE Center stakeholders in an informal lunch/ birthday meeting to allow personal discussions with the users. We interviewed everyone present in small groups of 4 or 5 to allow for a free flowing discussion without the anxiety of speaking in front of a group who might not approve of a speaker's concern. We offered to remain to conduct a one-on-one discussion with anyone interested. We also informed everyone that they would receive a Survey Monkey e-mail (see appendix E) pertaining to their participation in existing programs and asking for comments regarding "what new or expanded" programs they would like the SHARE Center to provide. We provided hard copies in case anyone was uncomfortable with e-mail.

We reviewed and analyzed the current spaces and the programs that they house. We looked at the scheduling of the spaces and how it affected decisions on programs offered. This information was used to determine and propose sufficient square footage to accommodate the programs desired.

We accompanied Recreation Center and Town staff on the June 7-8 site visits to the active senior center facilities in Mt. Pleasant and Myrtle Beach. This was very helpful as the Myrtle Beach facility accommodated both youth and active seniors in one facility and the Mt. Pleasant senior facility was a stand alone facility with its own identify and sense of place. (See appendix B)

We studied the available Hilton Head Island building stock and created a matrix of spaces that met the requirements for convenient location (easy to find), good parking, good lighting, and the ability to have one larger open space for social functions. With guidance from the town we focused on two facilities and developed a cost breakdown detailing the cost to refit each to house a senior center. (See attached space #1 Festival Center & Space #2 Island Crossing)

We also provided two scenarios for a "new" SHARE building:

1. Build a new 4,000-4,500 sq ft building on the recreation center site or in the vicinity of the new work.
2. Build a new 5,000-6,000 sq ft satellite building on a town owned property of 1-1.5 acres that would provided for expandability.



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3.2 FINDINGS... WHAT DID WE LEARN?

3.2.1 FROM THE CENTER USERS:

1. There is agreement that the SHARE Center should have a stronger image and identity as a place and organization.
2. There is a need for greater diversity in the program offerings.
3. There is a strong desire to have age-appropriate physical type programs.
4. Water aerobics is one of the most popular programs even though it is held in water that is too cold.
5. There are no issues with a yearly fee and in fact many users requested that a fee be reestablished.
6. The idea of sharing recreational facilities with youth was not desired.

3.2.2 FROM THE SITE VISITS:

1. A facility with a strong image, good parking, good interaction spaces, age appropriate facilities, and a strong sense of place like the one in Mount Pleasant is critical to a high quality program. (7,000 sq ft with planned 7,000 sq ft expansion)
2. New Senior Center facility impact on the Mt. Pleasant senior program
 - a. Prior to opening of new facility: 200 participants, ability to offer 10% of programs offered now, no membership fee.
 - b. After opening new facility in October 2008: 800 members by 12/31/2008, over 2,000 members by October 2009, membership now level at 2,000+.
 - c. Fees: \$72 per year or \$3-\$7 per day charge for Charleston County residents.
 - d. They received a grant for \$300,000 from the Governor's Office on the Aging to help make the project feasible.
3. Myrtle Beach
 - a. Sharing with the schools via on-school-campus facilities generates economies in that during the school year space is available for senior usage during school hours, but creates obvious bottlenecks in the summer.
 - b. Yearly fees are charged along with program fees.
4. Our community is missing the public active senior center component in its portfolio of excellence.



3.2.3 FROM EXISTING SPACE ANALYSIS:

1. The existing space is inefficient
 - a. Programming is limited because it is single open room, making it hard to schedule multiple functions at the same time.
 - b. A program must wait until the previous program completes before set up can begin, generating inevitable unutilized lag time between programs.
2. Lack of appropriate infrastructure for the existing programs, i.e. the facility has limited power, so hot plates cannot be used at social functions.

3.2.4 FROM THE NEW SPACE ANALYSIS:

1. Suitable existing spaces are commercial spaces in retail plazas.
2. The cost of refitting these spaces to make them usable to house a senior center ranges from \$62.00 per sq. ft. to \$71.67 per sq. ft.
3. Equipping the retail spaces with movable partitions improves their flexibility but significantly increases the construction refit costs. (See attached plans)
4. Any new facility built on existing land should be designed and located to provide for future expansion of both structure and parking. We estimate that 1.00-1.55 acres would be sufficient. (See Attached plans)
5. Leasing commercial space exposes the organization to lease rate increases outside the organizations control.



3.3 CONCLUSIONS

The Island SHARE Center should be an important part of our town's portfolio of assets and it currently is not. The facility should be expanded and updated to furnish convenient parking, good lighting, and open airy interior spaces that give privacy for different programs while providing for spontaneous interaction in the common spaces.

The SHARE Center should not be accommodated "in" the expanded Recreation Center facility. Whether on the Recreation Center site or as a satellite structure, it should have its own independent presence (entrances, bathroom facilities) so that the users have a quality sense of place when they utilize their senior facilities and so that the Town can tout it as a world class facility in a world class community.

While retaining and expanding existing programs is important, the expansion of age-appropriate physically active offerings is critical to adding energy and vitality to the overall senior program. While not proposed for location at the senior center, a warm water tank and indoor walking track located at the Recreation Center will provide an important component in the overall senior program.

The SHARE Center if modeled after Mt. Pleasant's facility could not only pay for itself, it may potentially be a profit center.



3.4 RECOMMENDATIONS

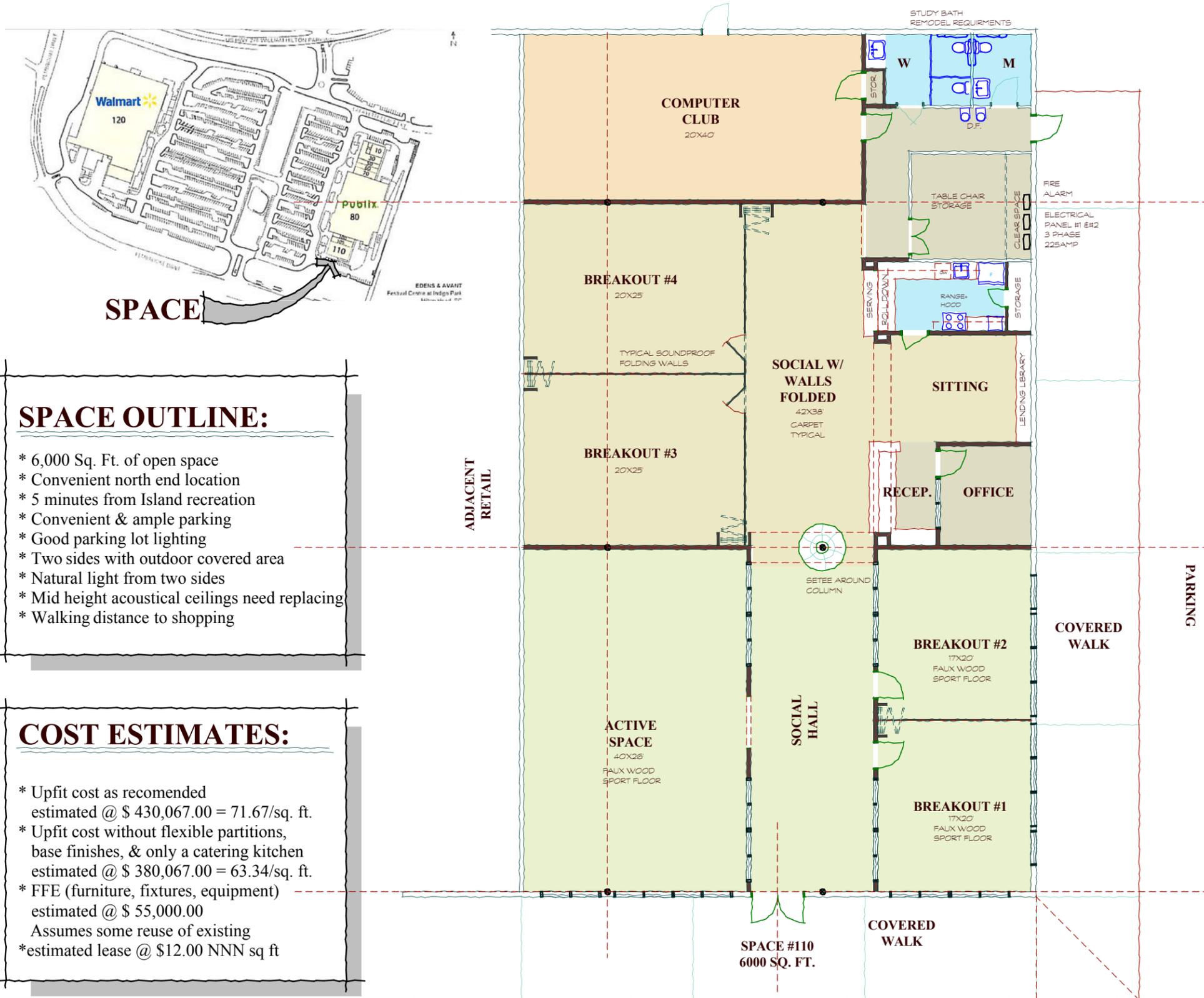
1. The SHARE Center should remain a satellite facility distinct from the Recreation Center site.
2. It should have 5,000 to 6,000 sq ft (4,500 sq ft minimum) and should reside on a site large enough to provide room for expansion to accommodate program and patron growth. (1-1.5 acres of land)
3. Yearly fees should be charged.
4. The SHARE Center should conduct fundraisers to establish and grow a scholarship fund to guarantee inclusion of those seniors who do not have sufficient means to pay membership and class fees.
5. The SHARE Center should include spaces and furnishings to support active senior programs.
6. The warm water pool (noted to be renovated as part of Phase I at the Recreation Center) needs to be covered to allow year round use by seniors.

3.5 COST SUMMARY OF EXPANDED ISLAND SHARE CENTER PROGRAM SPACES

This section was developed through the analysis of space needs and represents areas proposed for renovation as well as new areas identified via the feasibility study for the Island Recreation Center Enhancement / Expansion Project

Program Areas & Estimate of Probable Cost

	Square Foot	Estimate of Probable Cost*
Renovation of existing space #1	6,000 SF	\$430,067
Renovation of existing space #2	6,644 SF	\$462,342
New building on 1 acre	6,000 SF	\$840,000
Site work		\$145,000
New building @ existing Recreation Center site	4,500 SF	\$630,000
Site work		\$0



SPACE

SPACE OUTLINE:

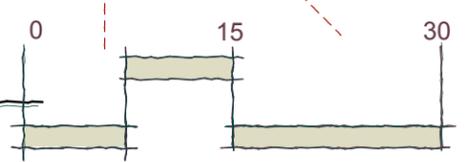
- * 6,000 Sq. Ft. of open space
- * Convenient north end location
- * 5 minutes from Island recreation
- * Convenient & ample parking
- * Good parking lot lighting
- * Two sides with outdoor covered area
- * Natural light from two sides
- * Mid height acoustical ceilings need replacing
- * Walking distance to shopping

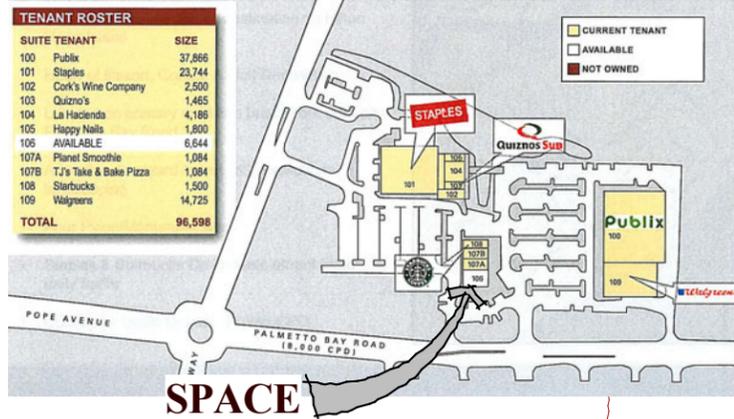
COST ESTIMATES:

- * Upfit cost as recommended estimated @ \$ 430,067.00 = 71.67/sq. ft.
- * Upfit cost without flexible partitions, base finishes, & only a catering kitchen estimated @ \$ 380,067.00 = 63.34/sq. ft.
- * FFE (furniture, fixtures, equipment) estimated @ \$ 55,000.00
- Assumes some reuse of existing
- * estimated lease @ \$12.00 NNN sq ft



SPACE #1-FESTIVAL CENTER



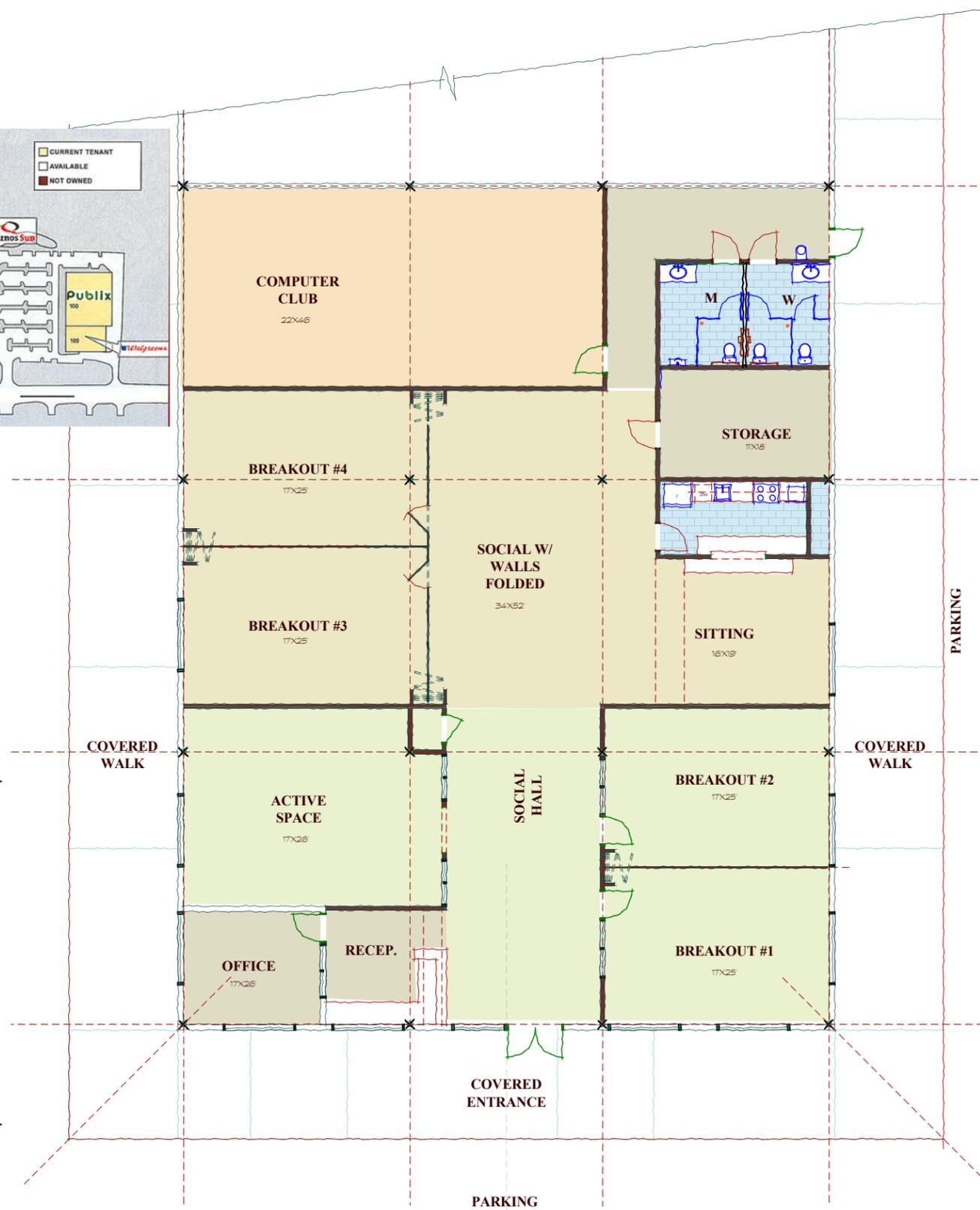


SPACE OUTLINE:

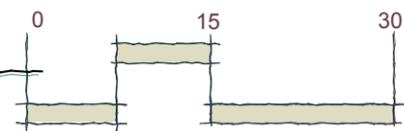
- * 6,644 Sq. Ft. of open space
- * Convenient south end location
- * Easy Cross Island Expressway access
- * Convenient & ample parking
- * Good parking lot lighting
- * Three sides with outdoor covered area
- * Natural light from three sides
- * High ceilings painted & in good shape
- * Walking distance to shopping

COST ESTIMATES:

- * Upfit cost as recommended estimated @ \$ 462,342.00 = 69.50/sq. ft.
- * Upfit cost without flexible partitions, base finishes, & only a catering kitchen estimated @ \$ 402,342.00 = 62.06/sq. ft.
- * FFE (furniture, fixtures, equipment) estimated @ \$ 55,000.00
- Assumes some reuse of existing
- *estimated lease @ \$12.00 NNN sq ft



SPACE #2-ISLAND CROSSINGS



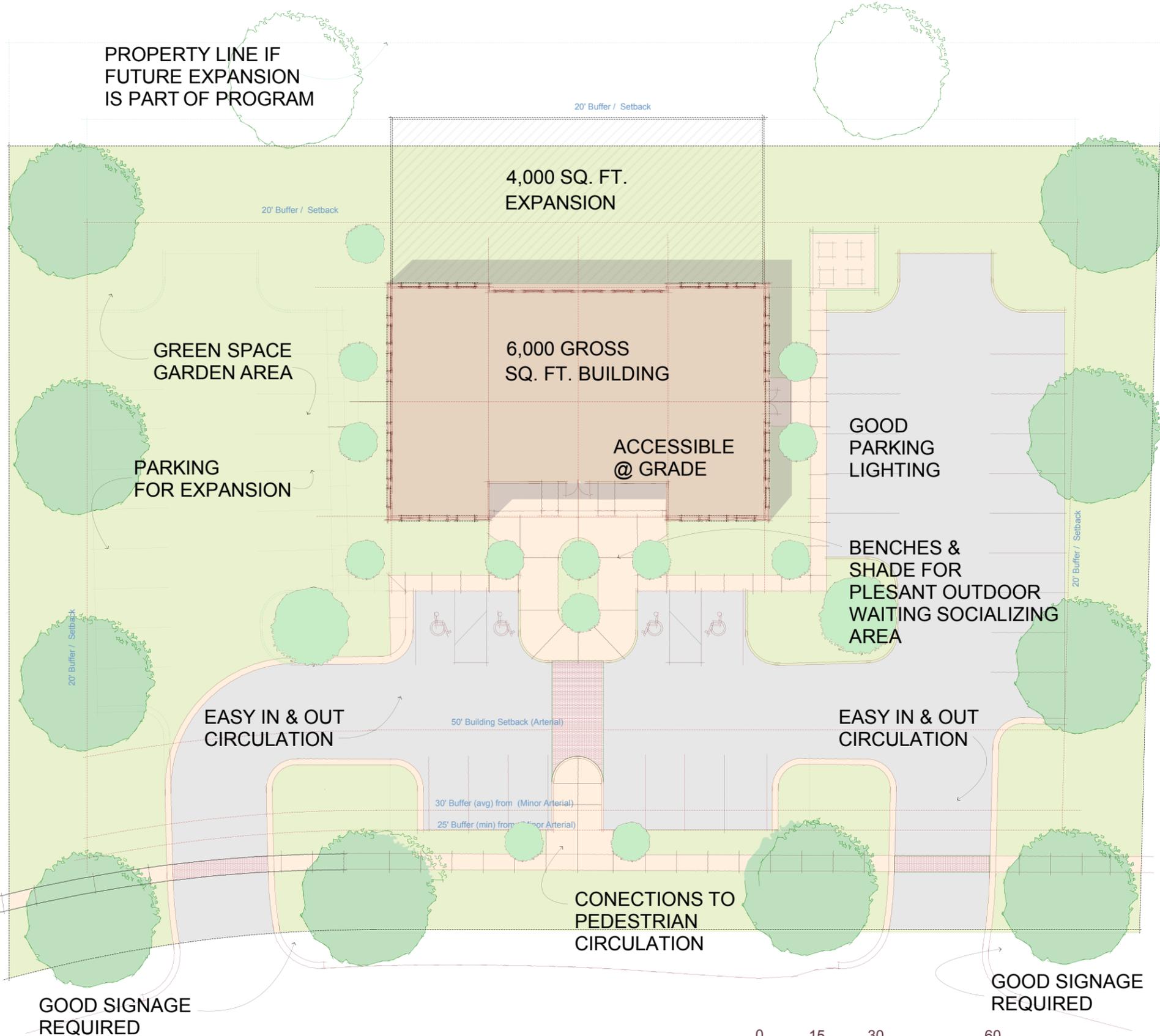


SPACE OUTLINE

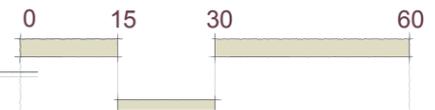
- Required land = 1.00-1.25 AC
If expandable = 1.55 + AC
- 6000`sq ft Gross Building
- 27 Spaces as per LMO
Required 1 Space per 225` Gross Building Area
- 18 Additional Spaces for expanded space

COST ESTIMATE

- Assume land is available
- First phase 6000`sq ft
base fit and finish
@ \$140.00 / sq. ft. =\$840,000
- modest fit and finish
@ \$160.00 / sq. ft. =\$960,000
- Site work
estimated @ \$145,000
- FFE (furniture, fixtures, equipment)
estimated @ \$95,000
- **TOTAL \$1,080,000**



NEW & EXPANDABLE FACILITY

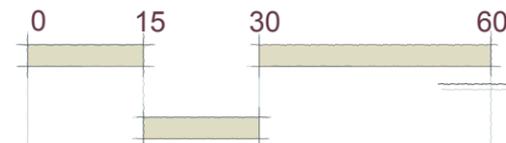
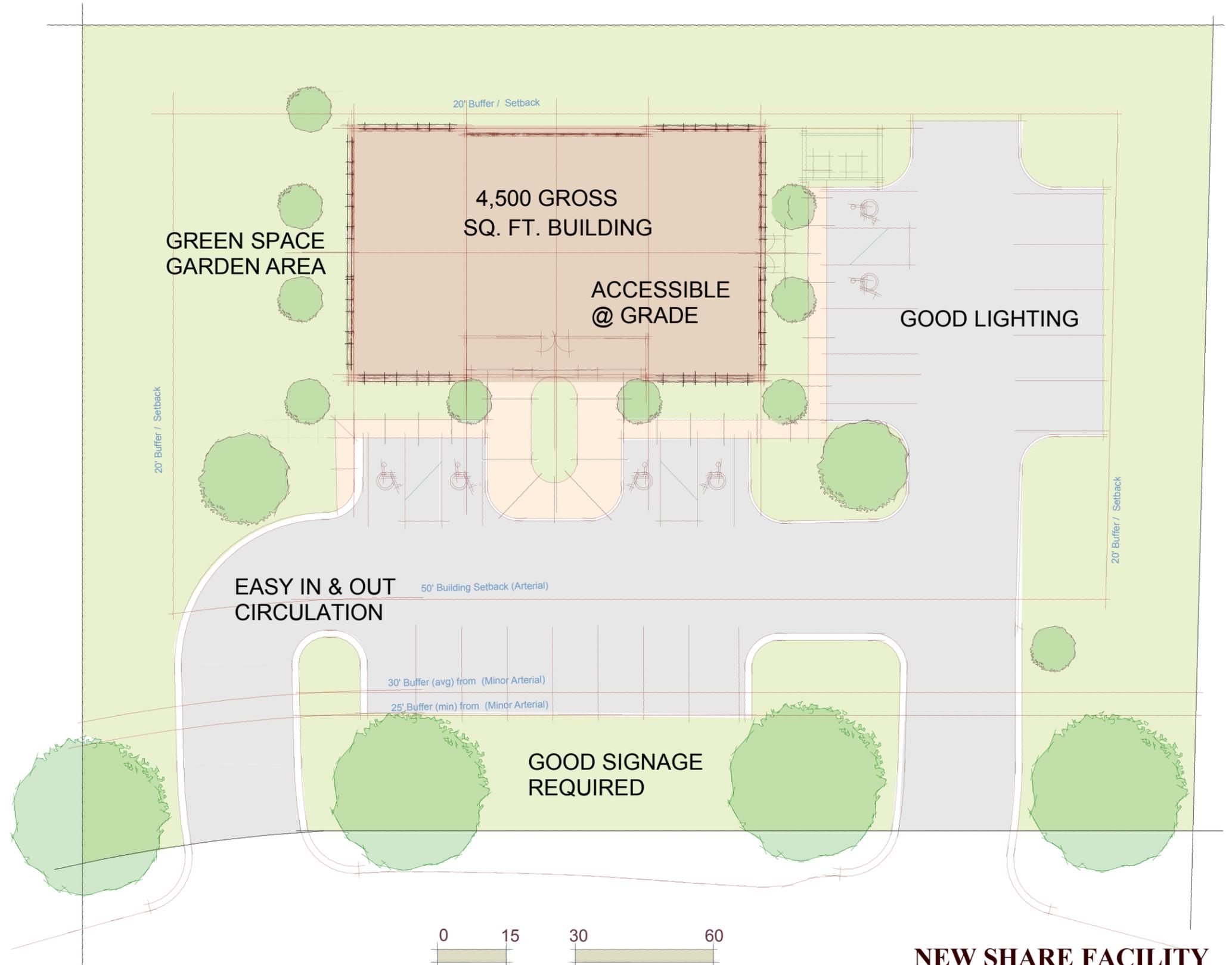


SPACE OUTLINE

- Required land = .85 AC
- 4,500`sq ft Gross Building
- 21 Spaces as per LMO
Required 1 Space per
225` Gross Building
Area

COST ESTIMATE

- Assume land is available
 - First phase 4500`sq ft
base fit and finish
@ \$140.00 / sq. ft. =\$630,000
 - modest fit and finish
@ \$160.00 / sq. ft. =\$720,000
 - Site work
estimated @ \$109,000
 -
-
- **TOTAL** \$798,000



NEW SHARE FACILITY
(IF CLOSE TO RECREATION CAMPUS)

4 . 0 B U S I N E S S P L A N

4.1 SCOPE AND APPROACH

In developing the business plan for the expanded/enhanced Recreation Center and SHARE Center we followed the work plan proposed for this engagement, which we reviewed with Town staff and Recreation Center management at the engagement kick-off meeting on May 12.

On May 26, we attended and documented the public meeting held at Town Hall to gather public input regarding the Recreation Center program and facilities expansion.

Since the engagement's inception, we have continually devoted a great deal of time to gathering information about current and past operations and finances to meet the objective of understanding current operations, staffing, income & expenses. We met with the Recreation Center management to identify the available information and delivery formats. As the Recreation Center began to provide the requested information, we met and interacted by telephone and email with them many times to clarify information.

Based on the information we received, we built and validated a detailed financial model of the Recreation Center that isolates the revenues and variable costs of programs hosted in the Recreation Center facilities. We used the model to derive for each program the ratio of expenditures to revenue over several years. These ratios provide a means to measure and compare the financial efficiency of the programs from year-to-year. We examined and analyzed variations in the ratios, and obtained from the Recreation Center staff reasons to explain year-to-year ratio variations.

We accompanied Recreation Center and Town staff on the June 7-8 site visits to the recreation facilities in Mt. Pleasant and Myrtle Beach, which tremendously assisted our understanding of the Recreation Center and its future potential.

As a result of the initial discussions and what we learned on the site visits, we quickly discovered the need to construct an operational model of the Recreation Center facilities and programs as part of the objective of understanding operations. We based the model on the Recreation Center catalog, cross-referenced to the financial model by program, and extended the model to include a master schedule that maps the programs to the facilities by season, day of the week and time of day to provide an overview of facility utilization. Beyond its use in helping to provide understanding of Recreation Center operations, we believe that this model and the many reports that it supports could provide a very useful tool to assist the Recreation Center management in planning and scheduling the new/enhanced facilities and programs.

After receiving the proposed facility configurations, program additions, and extensions, we requested the Recreation Center to prepare pro forma revenue and expense budgets. We interacted with the Recreation Center management several times at meetings, via email and on the telephone to develop program demand projections, which were used as the basis for the revenue estimates, and to perfect the expense projections.

We analyzed the projected expenditures and revenues to derive program expenditure-to-revenue ratios for the proposed facilities and programs. We compared the historical ratios with those resulting from the projections and worked with the Recreation Center management to understand and explain any significant differences. Working with the Recreation Center management, we jointly made appropriate adjustments to the data.

We found the Recreation Center/SHARE Center management and staff to be cooperative, knowledgeable and responsive. While they have few management systems to ease and automate their planning and management tasks, they clearly "know their stuff" and function competently. We thank them for their cooperation and assistance.

4.2 PROJECTED NEW/ENHANCED FACILITIES AND PROGRAMS

4.2.1 RECREATION CENTER

Our models, projections and conclusions for the Recreation Center assume and are based upon the facility configuration recommended by the architects and the programs planned by the Recreation Center, per the following June 21, 2010 document:

NEW EXPANDED RECREATION CENTER PROGRAM SPACES

JUNE 21, 2010

(Spaces noted below are new and in addition to existing Rec Center spaces)

MEETING ROOMS

Meeting Room #1 (24 ft. x 30 ft.)

Meeting Room #2 (24 ft. x 30ft.)

(Meeting Rooms #1 & #2 can be combined by opening a folding wall)

Meeting Room #3 (24 ft. x 20 ft.)

Aerobic / Dance Area (30 ft. x 30 ft.)



NEW GYMNASIUM

Multi-purpose Area (120 ft. x 80 ft.)

(Contains main basketball court (94' x 50'), 2 junior basketball courts and 2 volleyball courts with center dividing curtain and retractable bleacher seating for 400)

Elevated Fitness Track (10 ft. x 320 ft.)

(Will have 6 small cardio stations at points around the track)



POOL AREA

Lap pool (75 ft. x 82 ft. plus associated deck space)

(New lockers/toilet areas/spectator seating/pool equipment/pool storage areas will be provided)

Warm Water Pool

(Existing pool reconfigured and covered)

Outdoor Splash Pool (Seasonal Use)

We added to the models the new and expanded programs specified by the Recreation Center management on July 12, 2010, specifically including:

AQUATICS

- Significant increases in participation in existing aquatics programs
- Hosting competition swim meets
- Operation of the splash pad/pool on a seasonal basis

RECREATION CENTER ATHLETIC PROGRAMS

- Significant increases in participation in existing programs
- Pickleball and volleyball
- New volleyball tournament(s)
- New Walking & Fitness Club
- New youth sports tournaments
- New adult sports tournaments

YOUTH/TEEN PROGRAMS

- Increase frequency and participation of current programs
- Home school program
- Middle school dances
- Middle school open gym

RENTALS AND CONCESSIONS

- Increase in Recreation Center rentals and concessions
- Senior Center rentals and concessions

4.2.2 NEW SENIOR CENTER FACILITIES

Our models, projections and conclusions for the SHARE Center assume relocation of the SHARE Center to an approximately 6,000 sq ft facility essentially similar to the Mt. Pleasant senior facility, per the diagrams provided by the architects on July 16, 2010. (See 4.4.3 for co-locating of SHARE operations savings)

We assume that the relocated SHARE Center will include:

PROGRAM ADDITIONS AND ENHANCEMENTS

- Significant increases in participation in existing programs
- New Health/Fitness classes
- New Health/Fitness individual machine usage
- Aerobics/Cardio room with age-specific equipment
- Multi-use rooms, i.e. for Yoga, Pilates, Core workouts, Dance classes, Rehab, Seated Exercise and Tai Chi
- Weight Training Room

Other key facility and program assumptions include:

- Separate Recreation Center and Senior Center facilities
- No changes in fees
- Senior Center fitness room with age-appropriate equipment and programs
- Locker rooms attached to all aquatic areas (no outside transits)
- Availability of exercise and strength equipment at Recreation Center



4.3 SUMMARY OF PROPOSED PROJECT EFFECTS

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Our analysis indicates that the implementation of all proposed expansions and enhancements will result in the following:

- Program sessions triple
- Physical facility space doubles
- Full time employment increases by 2
- Operating budget increases (not including CIP)
 - \$608,500 (36%) compared to proposed FY 2010-11
 - \$332,400 (17%) compared to actual FY 2008-09
- Town contribution increases \$180,796 (29%)

4.4 FINANCIAL FEASIBILITY

4.4.1 FINANCIAL MODELS

The Financial Models that we built are provided in Appendix I as a series of Excel files. These models form the basis of the Summary Financial Reports described in Section 4.4.2. We built the models using the latest historical and actual data available in mid-May, 2010, including FY 2009-2010 financial information through April, 2010. The models depict operational revenues and the variable costs associated with operations, restructured by program. We did not extrapolate or project the FY 2009-2010 data through June 2010 because in past years the revenues and expenses reported for the final month typically significantly exceeded the average amounts reported in the preceding months, so extrapolations would tend to cause under-estimation. We did not utilize the proposed FY 2010-2011 budget because it was not yet finalized and approved. Please refer to the Appendix H, Notes to Accompany Worksheets and Financial Models, for additional important information regarding the use and interpretation of the financial models, reports and findings discussions.

The Recreation Center management, with the concurrence of the consultants, provided conservative revenue projections for the proposed facilities and programs. Revenues for existing programs are projected to increase 30%. The projections deliberately de-emphasize the potential revenue impacts of attracting significant visitor, and part-time resident.

The Recreation Center management of both Mt. Pleasant and Myrtle Beach reported that actual revenue increases exceeded their initial projections due to higher than expected utilization of their new and improved facilities. In particular, Mt. Pleasant projected 400 members paying annual fees when they planned their Senior Center. Their actual paid membership after 6 months operation exceeded 2,000 and they are considering increasing the minimum age for membership. Therefore, we believe that the actual revenues for the proposed Recreation Center and the Senior Center may significantly exceed the revenue projections shown, assuming that the new facilities and programs are built as proposed and effectively marketed.

4.4.2 SUMMARY FINANCIAL REPORTS

The reports in Appendix J summarize the relevant financial data, drawn from the detailed Recreation Center and Senior Center financial models. They provide the basis for the analyses of the financial effects of the projected facilities and programs. The reports include:

- Financial Recapitulation Summary. This report depicts the actual results for FY 2008-09 and FY 2009-10 YTD through April, 2010, and the pro forma for the future year with the new/expanded facilities and programs. This report includes Capital Improvement Program (CIP) items and the actual results balance to the official Recreation Center financial reports.
- Restructured Variable Cost/Revenue Model Summary for FY 2008-09. This report isolates program and non-program revenues and expenses, and depicts the derived program expenditure-to-revenue ratios for both the Recreation Center and Senior Center.
- Restructured Variable Cost/Revenue Model Summary for FY 2009-10, YTD through April, 2010. This report isolates program and non-program revenues and expenses, and depicts the derived program expenditure-to-revenue ratios for both the Recreation Center and Senior Center.
- Restructured Variable Cost/Revenue Model Summary for a future year, including the proposed new/enhanced facilities and programs. This report isolates program and non-program revenues and expenses, and depicts the derived program expenditure-to-revenue ratios for both the Recreation Center and Senior Center.
- Master Comparison. This report compares the historical and proposed program expenditure-to-revenue ratios for the new/enhanced facilities and programs. It also shows the historical and proposed Town contributions.

4.4.3 FINANCIAL FINDINGS SUMMARY

This section summarizes the analyses found in Appendix J. With the implementation of all new/enhanced proposed facilities, new programs and program expansions, the Recreation Center and Senior Center facilities will effectively double in size and the number of program sessions will approximately triple, compared to FY 2008-09. Based in part on an assumed 30% increase in patronage for current programs, a \$10 per year fee for the projected 400 Senior Center members and a 10% increase in Recreation Center program fees, program revenues will increase by 68%. Total expenses, including all fixed and variable costs, will increase only 16%. This projected difference between program revenues and total expenses means that the Town contribution will increase by only 29% rather than approximately doubling.

Under the proposal, the total expense budget for the Recreation Center, including the Senior Center, will increase \$320,900 (16%) to \$2,286,200, compared to the 2008-09 actual cost of \$1,965,300. The Town contribution will increase \$180,769 (29%) to \$797,709 compared to the \$616,940 contribution that the Town has made for the past three years.

Note that the projected 29% increase in the Town contribution can be further reduced through marketing programs to increase patronage beyond the relatively conservative utilization projections assumed by the models.

The relatively low total expense percentage increase is due primarily to staffing efficiencies:

- Even though the facilities will double and the program sessions will approximately triple, full time staff will grow only by two, from 13 to 15, with the addition of an Assistant Aquatics Director and a Maintenance person.
- Recreation Center management plans no staff salary increases, even though the scope of work will increase.
- Recreation Center management plans to staff for the program expansions by hiring additional program-specific part-time employees as required

Excluding fixed costs, the ratio of Recreation Center program expenses to income slightly deteriorates with the implementation of the proposed facilities and programs, primarily due to the increase in Youth/Teen programs and a change in how the United Way contribution is booked. The financial efficiency ratio improves significantly for Aquatics, due to the Splash Pad revenue and expected pool rentals, and improves significantly for the "Walking and Fitness" program in Athletics, due to expected demand for daily and monthly patron passes to use the elevated track with fitness alcoves in the new gym.

Assuming no increase in program fees and excluding fixed costs, the ratio of Recreation Center program expenses to income slightly deteriorates with the implementation of the proposed facilities and programs, primarily due to the increase in Youth/Teen programs and a change in how the United Way contribution is booked.

Assuming a 10% increase in program fees and excluding fixed costs, the ratio of the overall Recreation Center program expenses to income decreases (improves) as compared to the full year 2008/09.

In both cases, with or without the 10% fee increase, the financial efficiency ratio improves significantly for Aquatics, due to the Splash Pad revenue and expected pool rentals, and improves significantly for the "Walking and Fitness" program in Athletics, due to expected demand for daily and monthly patron passes to use the elevated track with fitness alcoves in the new gym.

Assuming the proposed stand-alone satellite SHARE Center, the ratio of Senior Center program expenses to income improves with the implementation of the proposed facilities and programs, primarily due to the revenue increases from fees for the new Health & Fitness programs (passes and individual class fees). However, the proposed facility and programs will significantly increase expenses:

- Janitorial. Currently, the relatively small SHARE Center, which does not have its own bathroom facilities, is cleaned by the Center staff. The much larger proposed stand-alone space, which will have bathroom facilities, will require professional janitorial services.
- The proposed increase in center hours and increased programs will require hiring 3 additional part-time staff members.

We also analyzed the impact of collocating the Senior Center programs with the Recreation Center. The economies of scale realized from this option would save \$13,050 or 5% of the Senior Center variable program expenses.

4.5 OPERATIONS FEASIBILITY

4.5.1 OPERATIONS MODEL

We have provided the Operations Model (Appendix K) that we built as a read-only Excel file. We have locked it to prevent modification of the data that it contains. We built the model utilizing standard Microsoft Excel and VBA functions, which should make feasible its ongoing maintenance and extension by qualified Town or Recreation Center staff. Beyond improving their understanding of the internals of Recreation Center and Senior Center operations, we believe that the Recreation Center management will find the model useful in experimenting with various schedule options as they add facilities and programs, and as they prepare to load their new automated scheduling system.

The model simulates the operation of the current and proposed Recreation Center and Senior Center facilities and programs, allowing manipulation of all the commonly used values for the numerous variables associated with planning and operating program and facility schedules. It is based on the current and proposed schedules supplied by the Recreation Center management.

We designed and initially built the model to better understand the historical, current and proposed operation of the Recreation Center and Senior Center. We also desired to utilize the model to measure operational efficiency, i.e. facility utilization, comparing current utilization with utilization according to the proposed new and enhanced facilities and programs.

The model supports the easy generation of a large number of analytical reports. We will provide a reasonable amount of assistance on a pro bono basis to Town and Recreation Center staff to help them learn how to operate the model and obtain the reports. While the reports can depict many combinations or subsets of variables, based on our experience using the model we expect that the following reports will provide immediate value:

Program Resource/Facility utilization, by:

- Session(s) [quarter(s) of the year]
- Sites, i.e. Recreation Center and/or SHARE Center
- Current program(s)
- Future program(s)
- Patron age group(s)
- Date(s) – specific or ranges
- Day(s) of the week

Staff utilization, by:

- Session(s) [quarter(s) of the year]
- Sites, i.e. Recreation Center vs. SHARE Center
- Current program(s)
- Future program(s)
- Patron age group(s)
- Date(s) – specific or ranges
- Day(s) of the week

Resource Utilization across Date(s) – specific or ranges or Day(s) of the Week, by:

- Session(s) [quarter(s) of the year]
- Program(s) current
- Program(s) future
- Sites – Recreation Center and/or SHARE Center
- Patron age group(s)

4.5.2 OPERATIONS FINDINGS

As we gathered information locally and on the site visits, we quickly developed several major findings:

- While we expected to find many opportunities for economies of scale and physical resource sharing, we found that the major factors that impact utilization are the correct mix and high quality of the available facilities, i.e. a cold water lap pool vs. warm water pool for a given aquatics program or age-appropriate equipment for a senior fitness program. We observed this core finding during discussions with the Recreation Center management and staff, at the May 26 public forum, and at both the Mount Pleasant and Myrtle Beach site visits.
- We have measured and reported facility utilization as it relates to assignment of specific programs to specific facilities, but we cannot measure and report the intensity of the facility utilization since few statistics are maintained that track the volume of people participating in a program at a facility at a particular time.
- Because the timing of recreation activities depends largely on the age of the participants, the facility utilization patterns vary widely by time period. At times, major facilities like gyms have low usage, for example during the school day. At other times, for example after school, the same facilities are often over-used, sometimes with several potentially incompatible groups and activities occurring simultaneously in the same facility. We found similar “boom or bust” utilization patterns for many of the Recreation Center facilities.

Other current Recreation Center operational and utilization findings:

- The gym is sometimes used for day care activity space at the same time that it is used for athletics.
- Day time summer programming/scheduling/utilization differs radically from school year programming/scheduling/utilization, when most youth activities take place after school.
- Configuration of locker rooms & bathrooms is inefficient/ineffective, especially in winter due to having to transit outdoors from the pool.
- Utilization appears low, except for the pool, particularly during school hours.

- Seniors are interested in fitness, not strength, and utilize different machines.
- Seniors respond positively to quality environment (Noise pollution matters).
- The current Recreation Center is too small to segregate children from older children, teens and adults.
- Bathrooms are shared by young children, older children, teens & adults.
- There is no room for pre-activity staging.
- Storage space is insufficient.
- Security is insufficient, especially in bathrooms/locker-rooms.
- The Recreation Center has excellent proximity to the school campus.
- A warm water pool is required for seniors (aerobics, arthritis therapy, etc.) and young children (lessons).
- The Recreation Center tends to staff programs by flexible team, not specific person, which makes it difficult to measure and report individual staff utilization.
- Current multi-purpose rooms aren't truly multi-purpose because they've been dedicated to specific usage, i.e. by equipment and furniture.

4.5.3 PROGRAM IMPACT ANALYSIS

The following basic descriptive statistics show that program sessions will approximately triple with the implementation of the new/enhanced facilities and programs. The statistics are culled from the operational model. They summarize the expected increase in program utilization, comparing current and proposed program sessions, where a session is a scheduled block of time, generally an hour or more:

CURRENT PROGRAMS & FACILITIES		FUTURE PROGRAMS & FACILITIES	
Total Program Sessions			
Sessions Of Current Programs	5,168	Sessions Of Future Programs	12,220
Sessions By Site			
Recreation Center	3,965	Recreation Center	11,439
Senior Center	1,004	Senior Center	781*
Other Sites	199	Other Sites	0
		<i>Sessions not tracked for other sites.</i>	
Program Session Demographics			
Senior Programs <i>(not exclusive to)</i>	2,011	Senior Programs <i>(not exclusive to)</i>	7,670
Adults <i>(only)</i> Programs	560	Adults <i>(only)</i> Programs	1,365
Adult Programs <i>(not exclusive to)</i>	2,648	Adult Programs <i>(not exclusive to)</i>	9,087
Teen <i>(only)</i> Programs	260	Teen <i>(only)</i> Programs	91
Teen Programs <i>(not exclusive to)</i>	2,129	Teen Programs <i>(not exclusive to)</i>	5,175
PreTeen Programs <i>(not exclusive to)</i>	2,574	PreTeen Programs <i>(not exclusive to)</i>	5,590
Kids <i>(only)</i> Programs	537	Kids <i>(only)</i> Programs	247
Kids Programs <i>(not exclusive to)</i>	2,796	Kids Programs <i>(not exclusive to)</i>	2,197
Program Sessions Held On			
Monday	938	Monday	2120
Tuesday	1013	Tuesday	2171
Wednesday	937	Wednesday	2171
Thursday	1029	Thursday	2119
Friday	815	Friday	2119
Saturday	330	Saturday	1027
Sunday	136	Sunday	494

*The number of sessions decreased for Senior Center and Teen Only. Recreation Center staff projected schedule moved a number of existing Senior Center programs and session to the proposed 2nd gym, decreasing the Senior Center sessions and increasing the Recreation Center sessions, and removed the age restriction on a number of previously Teen Only programs, decreasing the Teen Only sessions.

The decrease to zero in the Other Sites sessions represents a lack of submitted data. Currently, a number of programs take place outside of the Recreation Center, i.e. at Shelter Cove Park or the Surfing Camp. These programs will continue to occur but the Recreation Center staff did not include them on the schedule for the proposed facilities so they do not appear in the Operations Model Future Programs. Because these programs do not take place at either the current or proposed Recreation Center facilities, their omission does not materially impact either the Financial or Operational analyses.

4.6 BUSINESS PLAN CONCLUSIONS

- Recreation Center patron volume will likely increase and generate revenues that may significantly exceed the conservative projections included in this study. The patron increase will result from providing more programs in more flexible and higher quality facilities as awareness spreads via word of mouth and marketing programs.
- Share Center paid membership will likely exceed the projected 400 members, based on the survey results and the experience reported by the Mt. Pleasant Senior Center.
- Programs for senior and school-aged children should not be collocated. While an approximately 5% variable cost reduction will likely result from economies of scale in facility utilization if programs for senior and school-aged children take place in the same facility, this collocation would lead to undesirable decreases in quality, demand and revenue. Many senior patrons may resist collocation due to exposure to childhood illnesses, noise, congestion, hectic environment and discomfort due to self-consciousness. In addition, the two groups have widely differing equipment requirements.
- We cannot judge the importance of locating the senior fitness facilities in close proximity to the aquatic facilities and/or locker rooms. While close proximity would appear desirable, the Mt. Pleasant senior facility enjoys high patron popularity and usage without either aquatic facilities or locker rooms.
- The financial accounting and reporting systems used by the Recreation Center do not easily foster cost accounting and reporting by program (i.e. project reporting).