

Counsilman-Hunsaker 

City of El Segundo

Aquatics Business Plan

June 2025



Scope of Services



Councilman-Hunsaker will develop a comprehensive operational business plan for The Plunge and the City of El Segundo Aquatics Division as a whole, including:

- Detailed analysis and recommendations to support the facility's sustainable operation, focusing on both revenue generation and cost management.
- Specific information regarding projected revenue streams, expense forecasts, management structures, and staffing requirements.



Agenda



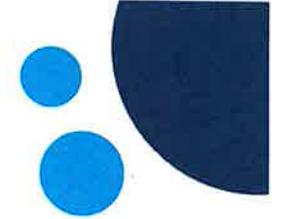
- Initial feedback from stakeholders
- Market analysis
 - Demographics
 - Swim schools
 - Market providers
- 50% Business plan review
 - Full system
 - Hilltop and ESAC
 - The Plunge



Next Steps



- Expense review and analysis
- Market analysis
 - Additional comparable programs
 - Fee structures
- Lane allocation program
- Program changes:
 - Moved programs to The Plunge
 - Additional availability at ESAC



Initial Feedback from Stakeholders





Initial Feedback from Stakeholders

- City of El Segundo
- El Segundo Recreation and Parks Commission
- El Segundo Recreation and Parks Commission Aquatics Subcommittee
- Trojan Water Polo
- Coastal Masters Water Polo
- Alpha Aquatics
- Tower 26
- Beach Cities Swimming
- Southern California Aquatics
- South Bay United



Focus Questions for Stakeholders

- What do you see as the definitions of success for the City of El Segundo Aquatics program?
- What would make the City of El Segundo Aquatics program successful?
- What would make your user group successful, or to continue your success?

Feedback and Identified Priorities

Establish cost recovery goals:

- Target 90–100% for El Segundo Aquatic Center (ESAC)
- Target ~50% for The Plunge
- Hilltop Pool's model to be determined



Create a financial and operational business plan for all three facilities: ESAC, Plunge, Hilltop.



Develop Key Performance Indicators (KPIs) for user group accountability, community impact, and programming success.



Optimize Lane Allocation: create a lane allocation system to assess and optimize lane usage.

- Implement fair success criteria for user group performance (e.g., community benefit, documentation, scholarship offerings).
- Improve feedback loops: Establish clear communication between the city and user groups regarding expectations and performance.
- Standardize contracts and time slot negotiations to ensure fairness and clarity.



Feedback and Identified Priorities

- ✓ Optimize lane allocation: Improve scheduling to better balance user needs across competition, recreation, instruction, and therapy.
 - ✓ Prioritize seasonal usage: Consider seasonal allocation to support multi-sport youth participation and increase equitable access.
 - ✓ Move swim lessons to The Plunge to free up prime-time space at ESAC.
 - ✓ Prevent underutilization: Stop entire lane rentals by individual lap swimmers.
- Adjust practice times:
- Earlier time slots (5–7 PM) needed for youth-focused programs (e.g., Trojan Water Polo).
 - Additional practice times (e.g., Tuesday night for Masters clubs).
- ✓ Ensure accessibility improvements at The Plunge for seniors and adaptive programs.
 - ✓ Balance power and interest: Ensure recreational groups have equitable influence compared to competitive teams.
 - ✓ Evaluate pricing strategy: Compare rental rates with the regional market and assess elasticity.



Feedback and Identified Priorities

Staffing challenges for swim lessons:

- Difficulty recruiting instructors.
- Lifeguards are currently filling in as instructors, which is suboptimal.



Explore wellness and rehab programs: Inspired by La Mirada's success with physical therapy integration.

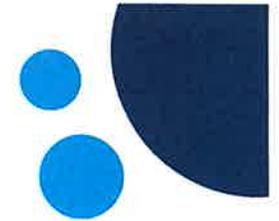


Market for film and event rentals: Generate supplemental revenue via studio filming and concessions.



Create complete aquatic programming: From swim lessons to elite competition, ensuring access for all ages and skill levels.





Market Analysis



Market Analysis



El Segundo, CA Market

El Segundo presents a strong market for a recreational swimming pool. Its stable, affluent, and family-focused population, supported by a robust economy, indicates high demand potential. There are several opportunities to decrease subsidies by increasing fees.



Key Strengths

- **Stable & Affluent Population:** Strong financial capacity.
- **Family-Oriented:** Significant youth presence drives demand.
- **Robust Economy:** Ensures market stability and consumer confidence.
- **Low cost provider** – by a significant margin

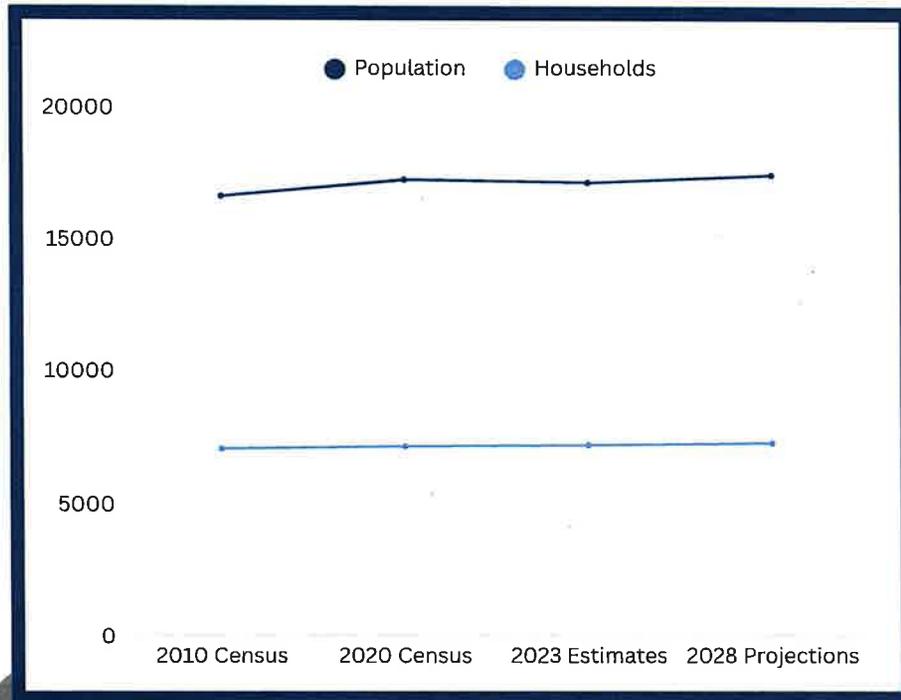


Population & Households



El Segundo's population offers a consistent user base with slight projected growth, enhancing facility viability.

Population & Household Growth (2010 - 2028)



Key Figures (Est. 2023):

- Total Population: 17,165 (1.6% growth by 2028)
- Total Households: 7,223 (1.2% growth by 2028)
- Population Density: 3,143.64 residents/sq mi

Impact on Pool Use:

- Stable population provides a steady user foundation.
- Concentrated density improves local accessibility.

Age Distribution

El Segundo's age profile, particularly its youth segment, is highly favorable for recreational swimming.

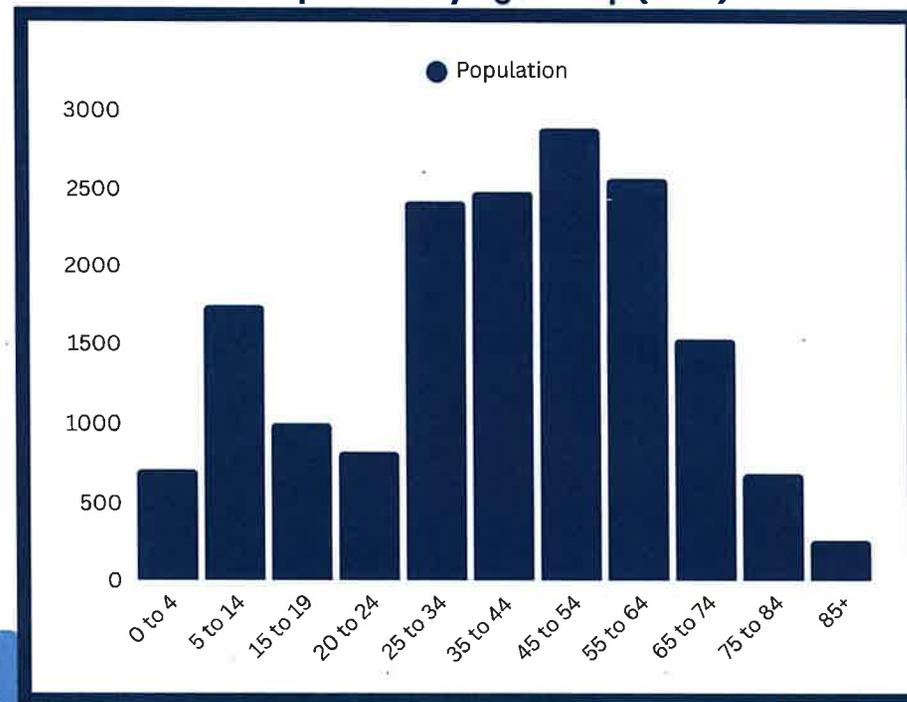
Key Age Groups (Est. 2023):

- Median Age: 42.5 years
- Total Under 20 Years: 3,463 (approx. 20% of population)

Impact on Pool Use:

- Youth (0-19): Primary drivers for swim lessons, recreational use, and family activities.
- Adults: Potential for fitness, lap swimming, and water programs.

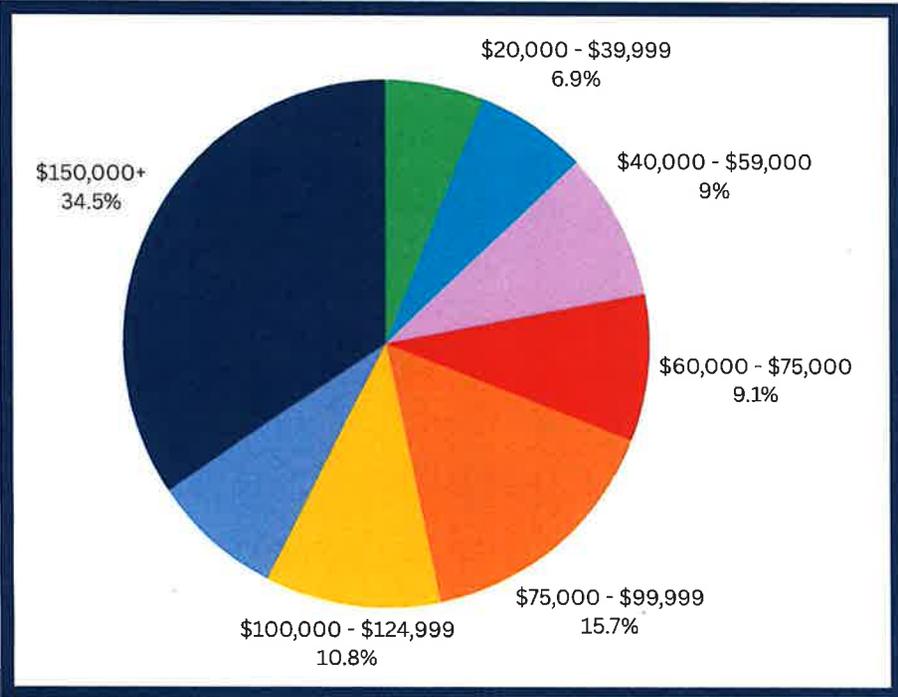
Population by Age Group (2023)



Income Levels

High income levels in El Segundo signify strong financial capacity for residents to utilize and invest in recreational amenities.

Household Income Distribution (2023)



Key Income Metrics (Est. 2023):

- Median Household Income: \$106,713
- Average Household Income: \$156,170
- Per Capita Income: \$65,765

Impact on Pool Use:

- High Disposable Income: Supports spending on memberships and related services.
- Affordability: Allows for diverse pricing models.

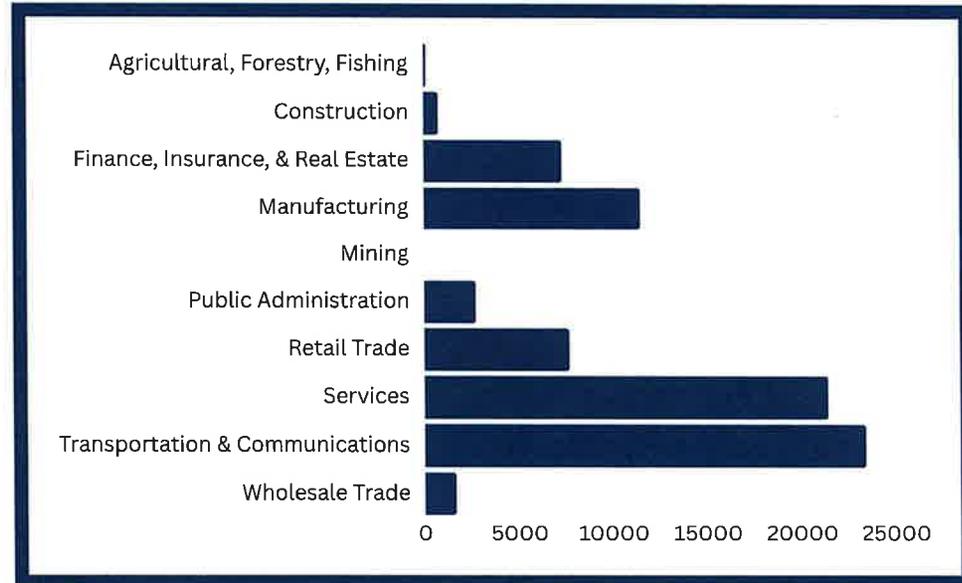


Economic Considerations



El Segundo's diverse and robust economy provides stability and high consumer confidence, supporting recreational spending.

Major Industries by Employment Share (Q3 2023)



Economic Snapshot (Q3 2023)

- Total Employees: 76,649
- Total Establishments: 3,046
- Top Industries by Employment: Transportation & Communications, Services, Manufacturing.

Impact on Pool Use:

- Job Stability: Encourages discretionary spending.
- Daytime Population: Potential for employee-based programs.
- Corporate Partnerships: Opportunities for wellness initiatives.

Weather Analysis

El Segundo's mild, Mediterranean climate is highly conducive to extended outdoor swimming seasons.



General Climate

- Warm, dry summers.
- Mild, wet winters.
- Abundant year-round sunshine.



Impact on Pool Use:

- Extended Season: Maximizes operational periods for outdoor facilities.
- High Demand: Favorable weather naturally boosts water-based recreation.



Area Swim Schools

Local area swim schools and membership/class rates.

The City of El Segundo is:

- Considerably less than local private schools - 86% less or more
- Within range of other municipal lessons

Chart of providers	Group Lessons - Per Lesson Fee 30 minutes	Private Lesson Fee 30 minutes	Notes
City of El Segundo	\$6.25	\$25	Current pricing
City of Hawthorne	\$3.30	Not Offered	Hour long group lessons, prorated in the chart for comparison
Los Angeles County	Free - \$2.50	Not Offered	
City of Torrance	\$13.50	\$33	45 minute group lessons
City of Santa Monica	\$6.63	Not Offered	
City of Culver City	No Swim Lessons in 2025 - Instructor shortage		
British Swim School	\$44.75	\$112.25	
SwimPhi - Manhattan Beach	Not Offered	\$55	Private/Semi Private lessons only
Sunsational Swim School	\$51	\$73	Private/Semi Private only - at home pool Hour long group lessons - prorated
InstaSwim	Not Offered	\$59	Private lessons only - at home





Area Market Providers

In a review of two close market competitors the City of El Segundo the City of El Segundo adult pass fees appear in line with other area providers.

Chart of providers	Membership/Pass Fees Adult Resident	Per Pass/Lowest Cost	Lap Swim	Program offerings: swim lessons	Program offerings: aqua aerobics	Program offerings: swim team
City of El Segundo	Single Pass: \$5 Punch Pass (30 punches): \$113 Annual Membership: \$500	\$3.76	Yes	Yes	Yes	Outsourced
City of Hawthorn	Single Pass: \$5 Punch Pass (35 punches): \$85	\$2.42	Yes	Yes	No	Yes
LA County Pools	Single Pass: \$4 Punch Pass (30 punches): \$88	\$2.93	Yes	Yes	Yes	Yes
City of Torrance	Single Pass: \$5 Punch Pass (22 punches): \$100	\$4.54	Yes	Yes	No	Yes
City of Santa Monica	Single Pass: \$4.50 Punch Pass (20 punches): \$68.25	\$3.41	Yes	Yes	No	Yes
City of Culver City	Single Pass: \$4	\$4	Yes	No - Inst.	Yes	Outsourced



Market Fee Analysis



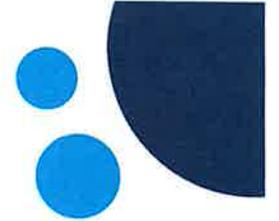
Observations

- El Segundo's fee structure is considerably less than area private swim schools. This is typical of municipal operations across the country.
- El Segundo's fee structure is higher than area municipal learn to swim programs. However, it appears that LA County is receiving significant donations to subsidize free swim lessons.
- City of El Segundo's daily swim fee structure is equivalent to other area facilities.
- City of El Segundo's punch pass fee structure is slightly more than other area facilities.



Area Market Providers

- While the City of El Segundo's swim lessons are higher than area municipal facilities, they are also significantly lower than private swim schools. This is a trend across the country. There is opportunity to increase to the \$10 - \$11 per lesson range. This would still be considerably lower than area private lessons.
- The City of El Segundo's swimming fee structure is equivalent to slightly higher than area municipal facilities. They are however less than recommended fees across the country. Adjustments will continue to be studied.



Business Plan



Business Plan Concepts

The potential business plans have been divided into three business plan concepts.



Current

- Current operations
- Existing staffing and pricing
- Minimal investment
- Stable service levels
- Limited growth



Enhance

- Targeted improvements
- Moderate investment
- Refined scheduling/pricing
- Community-focused growth
- Increased efficiency



Elevate

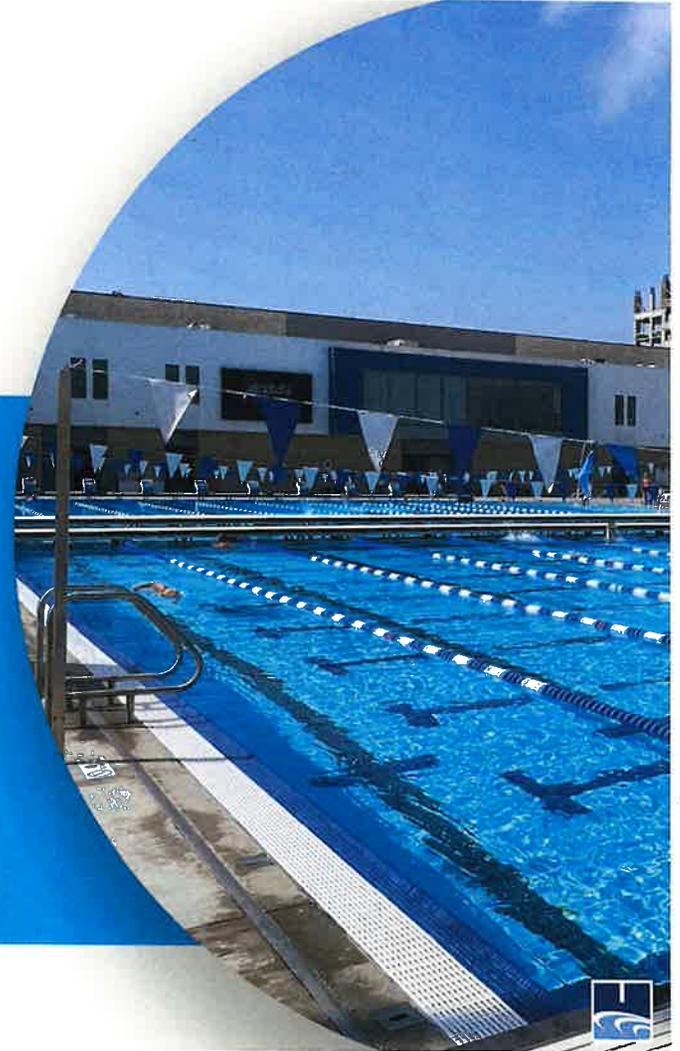
- Strategic optimization
- High cost recovery
- Major program expansion
- Regional positioning
- Long-term sustainability



Current Operations

Current operations are represented utilizing the following:

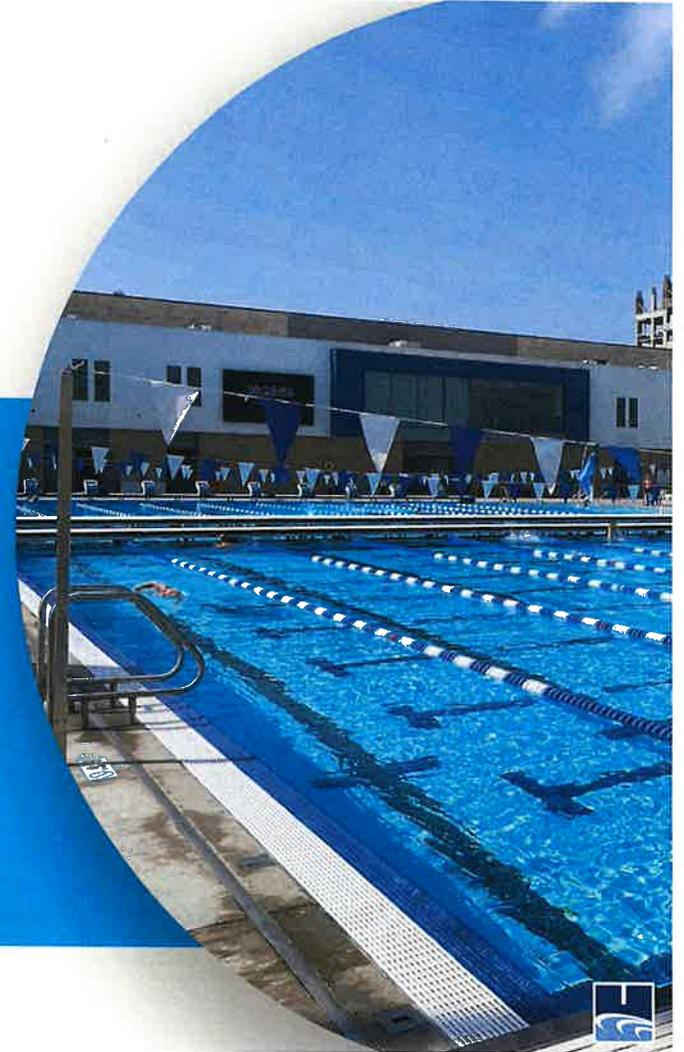
- Current fee schedules as of 2025
- Current expected attendance and revenue
- Current expected expenditures and staff costs



Enhance Operations

Current operations are represented utilizing the following:

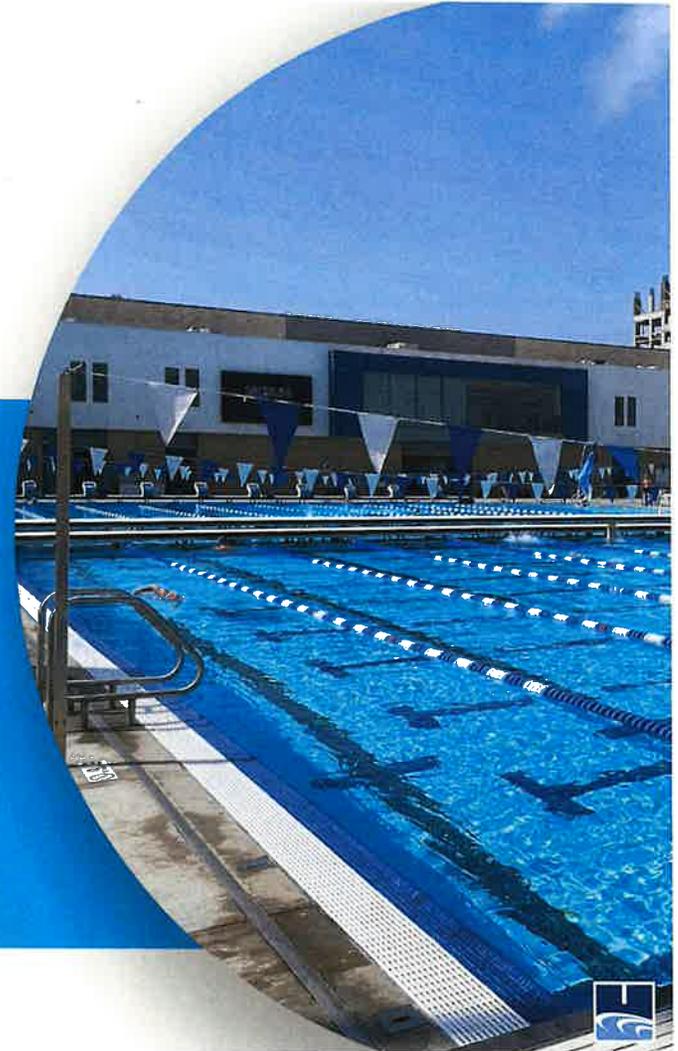
- Enhanced fee schedules to meet area rates
- Current expected attendance
- Enhanced revenue
- Current expected expenditures and staff costs



Elevate Operations

Current operations are represented utilizing the following:

- Optimized fee schedules to meet goals
- Current expected attendance
- Optimized revenue to meet goals
- Current expected expenditures and staff costs



Aquatics Program Summary

System Summary Includes:

- El Segundo Aquatic Center (ESAC)
- Hilltop Pool
- Plunge Pool (Urho Saari Swim Stadium)

Cost Recovery

- Net Revenue - cash after expenses subtracted
 - Increases for enhance
 - Addition of The Plunge
 - Decreases for elevate
 - Increased fees

*Plunge not included in Current

El Segundo Aquatics	Current*	Enhance	Elevate
Total Attendance	84,015	123,276	123,276
Expense Budget	\$2,687,573	\$4,099,611	\$4,182,867
Revenue Projections	\$1,425,317	\$2,470,331	\$3,015,125
Net Revenue	\$ (1,262,255.90)	\$ (1,629,280.27)	\$ (1,167,741.62)
Cost Recovery	53%	60%	72%



Revenue Projections

Daily Admissions / Memberships	Current	% ↑	Enhance	% ↑	Elevate
Admissions / Memberships	\$384,735	70%	\$655,785	4%	\$684,571
Swim Team Revenue					
Swim Meet Rental	\$46,000	0%	\$46,000	0%	\$46,000
Alpha	\$159,912	70%	\$271,850	35%	\$367,798
Beach Cities	\$190,296	70%	\$323,503	35%	\$437,681
Coastal	\$15,288	70%	\$25,990	35%	\$35,162
El Segundo	\$0	0%	\$0	0%	\$0
SBU	\$82,751	70%	\$140,677	35%	\$190,328
SCAQ	\$128,520	70%	\$218,484	35%	\$295,596
Tower 26	\$74,502	70%	\$126,653	35%	\$171,355
Trojan WP	\$17,640	70%	\$29,988	35%	\$40,572
Wiseburn	\$0	0%	\$0	0%	\$0
Classes and Camps	\$150,940	89%	\$285,988	0%	\$285,988
Swim Lessons	\$173,308	98%	\$343,988	33%	\$458,650
Rentals	\$1,425	0%	\$1,425	0%	\$1,425
Total Revenue	\$1,425,317	73%	\$2,470,331	22%	\$3,015,125

Admissions

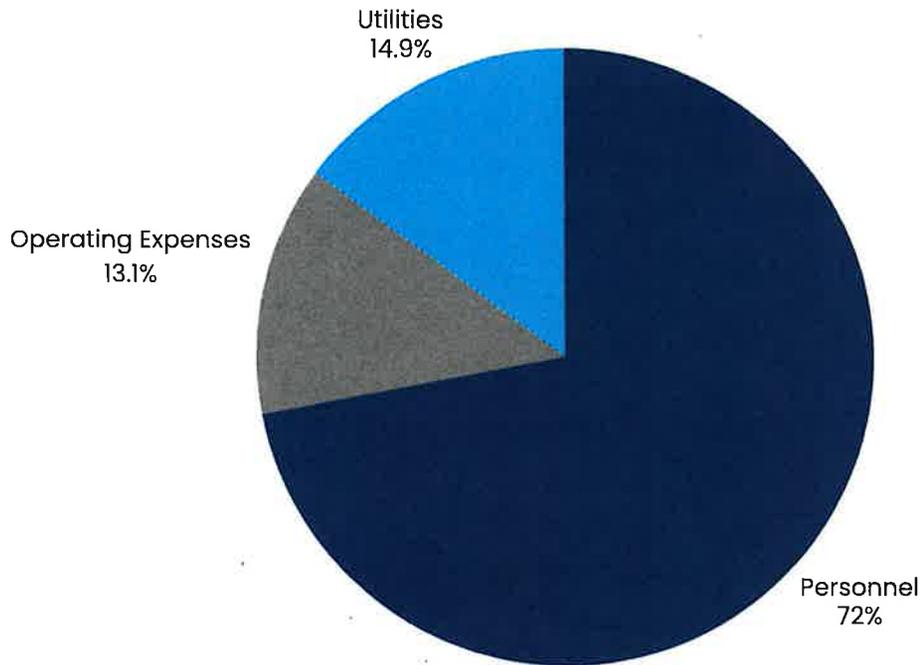
- Attendance does not increase in this model
- Fee structures gradually increase

Additional Information

- Classes and Camps: Specialty contract instructor classes, lifeguard classes, swim camps.
- Swim Lessons: All swim lesson program categories
- Wiseburn and El Segundo do not pay rental fees



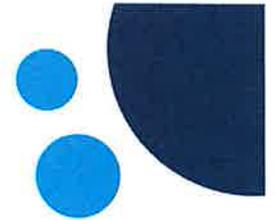
Operating Costs



Category	Current	Enhance	Elevate
Personnel	\$1,934,812	\$2,946,516	\$2,946,516
Operating Expenses	\$352,910	\$577,721	\$660,977
Utilities	\$399,850	\$576,458	\$576,458
Total	\$2,687,573	\$4,100,694	\$4,183,950

- The Plunge is not included in Current estimates
- This model does not assume expense increases between Enhance and Elevate at this time.
- Enhance and Elevate show price increases and minimal program increases.





Hilltop Pool and ESAC Business Plan



Hilltop Operating Revenues

Revenue Category	Current	Enhance	Elevate
Admissions / Memberships	\$7,235	\$18,926	\$18,926
Rentals	\$1,425	\$1,425	\$1,425
Total Revenue	\$8,660	\$20,351	\$20,351
Cost Recovery	7%	16%	16%

- Currently no fee for residents
- Enhance and Elevate show a \$3 fee for each



Hilltop Operating Expenses

Annual Operating Budget				
		Current	Enhance	Elevate
Personnel				
	Senior Lifeguard	\$25,555	\$25,555	\$25,555
	Lifeguard	\$21,120	\$21,120	\$21,120
	Maintenance	\$3,000	\$3,000	\$3,000
	Personnel Equipment Cost	\$294	\$294	\$294
	Training	\$2,000	\$2,000	\$2,000
	Total Labor	\$51,969	\$51,969	\$51,969
Operating Expenses				
	Insurance	\$22,262	\$22,262	\$22,262
	Repair and Maintenance	\$10,400	\$10,400	\$10,400
	Credit Card Fees	\$181	\$187	\$192
	Operating Supplies	\$6,240	\$6,240	\$6,240
	Chemicals	\$3,486	\$3,486	\$3,486
	Advertising	\$5,000	\$5,000	\$5,000
	Direct Expenses	\$47,569	\$47,575	\$47,581
Utilities				
	HVAC	\$4,118	\$4,118	\$4,118
	Electricity	\$5,476	\$5,476	\$5,476
	Pool Heating	\$17,429	\$17,429	\$17,429
	Water & Sewer	\$1,027	\$1,027	\$1,027
	Total Utilities	\$28,051	\$28,051	\$28,051
Total Operating Expenses		\$127,589	\$127,595	\$127,601
Capital Replacement Fund		\$20,700	\$20,700	\$20,700
Total Expense		\$148,289	\$148,295	\$148,301
Estimate Current as of:		6/25/2025		
Source: Counsilman-Hunsaker				



ESAC Operating Revenues

Revenue Category	Current	Enhance	Elevate
Admissions / Memberships	\$377,500	\$377,500	\$377,500
Swim Meet Rental	\$46,000	\$46,000	\$46,000
Alpha	\$159,912	\$271,850	\$367,798
Beach Cities	\$190,296	\$323,503	\$437,681
Coastal	\$15,288	\$25,990	\$35,162
El Segundo	\$0	\$0	\$0
SBU	\$82,751	\$140,677	\$190,328
SCAQ	\$128,520	\$218,484	\$295,596
Tower 26	\$74,502	\$126,653	\$171,355
Trojan WP	\$17,640	\$29,988	\$40,572
Wiseburn	\$0	\$0	\$0
Classes and Camps	\$150,940	\$189,960	\$189,960
Swim Lessons	\$173,308	\$226,410	\$301,880
Rentals	\$0	\$0	\$0
Total Revenue	\$1,416,657	\$1,977,016	\$2,453,831
Cost Recovery	55%	75%	91%

- Increase to user group rentals
 - Current - 21% of current cost/lane hour
 - Enhance - 36% of current cost/lane hour
 - Elevate - 50% of current cost/lane hour
- Increase to swim lessons
 - Enhance - 50% increase to swim lesson fees
 - Elevate - 100% increase to swim lesson fees

Swim Lesson	Current	Enhance	Elevate
Swim Lessons Level 0	\$20.00	\$30.00	\$40.00
Swim Lessons Level 1 - 6	\$50.00	\$75.00	\$100.00
Swim Lessons JR Guards	\$50.00	\$75.00	\$100.00
Swim Lessons Fliers	\$100.00	\$150.00	\$200.00
Private Lessons	\$100.00	\$150.00	\$200.00
Semi Private Lessons	\$80.00	\$120.00	\$160.00

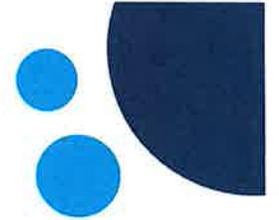


ESAC Operating Expenses

CART		Annual Operating Budget		
		Current	Enhance	Elevate
Personnel				
Aquatics Manager		\$134,338	\$134,338	\$134,338
Aquatics Supervisor	Plunge			Plunge
Aquatics Coordinator		\$69,680	\$69,680	\$69,680
Full Time Benefits		\$81,607	\$81,607	\$81,607
Rec Leader		\$142,456	\$142,456	\$142,456
Senior Lifeguard		\$206,997	\$206,997	\$206,997
Lifeguard		\$855,360	\$855,360	\$855,360
Senior Rec Leader		\$157,036	\$157,036	\$157,036
Maintenance		\$21,600	\$21,600	\$21,600
Part-Time Program Staff		\$152,471	\$164,127	\$164,127
Personnel Equipment Cost		\$9,097	\$9,097	\$9,097
Meetings and Travel		\$2,200	\$2,200	\$2,200
Training		\$50,000	\$50,000	\$50,000
Total Labor		\$1,882,843	\$1,894,499	\$1,894,499
Operating Expenses				
Insurance		Not Included	Not Included	Not Included
Repair and Maintenance		\$68,900	\$68,900	\$68,900
Credit Card Fees		Not Included	Not Included	Not Included
Operating Supplies		\$41,340	\$41,340	\$41,340
Program Supplies		\$28,362	\$21,600	\$28,800
Food and Beverage		\$0	\$41,850	\$55,800
Chemicals		\$160,499	\$160,499	\$160,499
Advertising		\$6,240	\$39,000	\$78,000
Direct Expenses		\$305,341	\$373,189	\$433,339
Utilities				
HVAC		\$18,986	\$18,986	\$18,986
Electricity		\$70,614	\$70,614	\$70,614
Pool Heating		\$231,001	\$231,001	\$231,001
Data/Communications		\$500	\$500	\$500
Water & Sewer		\$50,699	\$50,909	\$50,909
Total Utilities		\$371,800	\$372,010	\$372,010
Total Operating Expenses		\$2,559,983	\$2,639,698	\$2,699,848
Capital Replacement Fund		\$137,800	\$137,800	\$137,800
Total Expense		\$2,697,783	\$2,777,498	\$2,837,648
Estimate Current as of:		6/25/2025		
Source: Councilman-Hunsaker				

- Increases to water aerobics participation
 - Water aerobics
 - S'Wet
- Proportional increases to program supplies
- Increase advertising per drop in/membership attendance
 - Current - approx. \$0.08 per attendee
 - Enhance - \$0.50 per attendee
 - Elevate - \$1.00 per attendee





The Plunge Business Plan



The Plunge Operating Revenues

Daily Admissions / Memberships	Current	Enhance	Elevate
Admissions / Memberships	\$0	\$259,359	\$288,145
Classes and Camps	\$0	\$96,028	\$96,028
Swim Lessons	\$0	\$117,578	\$156,770
Total Revenue	\$0	\$472,964	\$540,943
Cost Recovery	0%	35%	40%

- Increase attendance/membership fees
 - Enhance - \$6.61 per cap
 - Elevate - \$7.34 per cap
- Increase to swim lessons
 - Enhance - 50% increase to swim lesson fees
 - Elevate - 100% increase to swim lesson fees



The Plunge Operating Expenses

CART		Annual Operating Budget		
		Current	Enhance	Elevate
Personnel				
	Aquatics Supervisor	\$0	\$96,840	\$96,840
	Aquatics Coordinator	\$0	\$69,680	\$69,680
	Full Time Benefits	\$0	\$66,608	\$66,608
	Rec Leader	\$0	\$88,266	\$88,266
	Senior Lifeguard	\$0	\$128,255	\$128,255
	Lifeguard	\$0	\$317,988	\$317,988
	Senior Rec Leader	\$0	\$97,300	\$97,300
	Maintenance	\$0	\$21,900	\$21,900
	Part-Time Program Staff	\$0	\$80,715	\$80,715
	Personnel Equipment Cost	\$0	\$4,296	\$4,296
	Meetings and Travel	\$0	\$2,200	\$2,200
	Training	\$0	\$26,000	\$26,000
	Total Labor	\$0	\$1,000,048	\$1,000,048
Operating Expenses				
	Insurance	Not Included	Not Included	Not Included
	Repair and Maintenance	\$0	\$45,800	\$45,800
	Credit Card Fees	Not Included	Not Included	Not Included
	Operating Supplies	\$0	\$27,480	\$27,480
	Program Supplies	\$0	\$10,800	\$14,400
	Chemicals	\$0	\$53,376	\$53,376
	Advertising	\$0	\$19,500	\$39,000
	Direct Expenses	\$0	\$156,956	\$180,056
Utilities				
	HVAC	\$0	\$73,676	\$73,676
	Electricity	\$0	\$42,149	\$42,149
	Pool Heating	\$0	\$49,200	\$49,200
	Data/Communications	\$0	\$500	\$500
	Water & Sewer	\$0	\$10,873	\$10,873
	Total Utilities	\$0	\$176,397	\$176,397
Total Operating Expenses		\$0	\$1,333,401	\$1,356,501
Capital Replacement Fund		\$0	\$91,600	\$91,600
Total Expense		\$0	\$1,425,001	\$1,448,101
Estimate Current as of:		6/25/2025		
Source: Councilman-Hunsaker				

- Aquatics Supervisor moves to the Plunge
- Aquatics Coordinator added
- Part Time Staff
 - One Senior Lifeguard
 - Three Lifeguards
 - One Senior Rec Leader
 - One Rec Leader
- Advertising
 - Enhance - 50% of attendance
 - Elevate - 100% of attendance





Summary

Next Steps:

- Continue analysis to achieve three approved operating models.
- Review expenses and propose efficiency recommendations
- Review program changes with the addition of The Plunge
- Continue market analysis:
 - Research additional comparable programs
 - Research additional fee structures, including rentals, program fees, and daily fees
- Present the updated lane allocation program

Questions:

- Are any changes needed to the current workplan?
- Are any changes needed to definitions of success?
- Is additional information needed that is not shown?