



AGENDA

EL SEGUNDO RECREATION & PARKS COMMISSION –
AQUATICS SUBCOMMITTEE

REGULAR MEETING

MONDAY, SEPTMEBER 15, 2025

10:00 AM

CITY COUNCIL CHAMBER
350 MAIN STREET, EL SEGUNDO, CA 90245

Ryan Baldino
Marc Cavagnolo
Lee Davis
Joseph Lormans
Kelly Watson

The Aquatics Subcommittee, with certain statutory exceptions, can only take action upon properly posted and listed agenda items. Any writings or documents given to a majority of Aquatics Subcommittee members regarding any matter on this agenda that the City received after issuing the agenda packet are available for public inspection in the Checkout Building in Recreation Park during normal business hours. Such documents may also be posted on the City's website at www.elsegundo.org and additional copies will be available at the Aquatics Subcommittee meetings. Unless otherwise noted in the agenda, the public can only comment on city-related business that is within the jurisdiction of the Aquatics Subcommittee and/or items listed on the agenda during the Public Communications portions of the Meeting. The time limit for comments is five (5) minutes per person. Before speaking to the Aquatics Subcommittee, please state: your name, residence, and organization/group you represent, if desired. Please respect the time limits.

While comments are welcome, the Aquatics Subcommittee may not take action on any matter not on this Agenda. Aquatics Subcommittee members may respond to comments after the Public Communications is closed. Members of the Public may provide comments electronically by sending them to Viviann Gonzalez, Senior Administrative Specialist at vgonzalez@elsegundo.org.

REASONABLE ACCOMMODATIONS: In compliance with the Americans with Disabilities Act and Government Code Section 54953(g), the City Council has adopted a reasonable accommodation policy to swiftly resolve accommodation requests. The policy can also be found on the City's website at <https://www.elsegundo.org/government/departments/city-clerk>. Please contact the City Clerk's Office at (310) 524-2308 to make an accommodation request or to obtain a copy of the policy.

CALL TO ORDER / ROLL CALL

PUBLIC COMMUNICATIONS – (RELATED TO CITY BUSINESS ONLY – 5-MINUTE LIMIT PER PERSON, 30-MINUTE LIMIT TOTAL) *Individuals who have received value of \$50 or more to communicate to the Aquatics Subcommittee on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing Aquatics Subcommittee. Failure to do so shall be a misdemeanor and punishable by a fine of \$250. While all comments are welcome, the Brown Act does not allow the Aquatics Subcommittee members to take action on any item not on the agenda. Aquatics Subcommittee members and/or Recreation, Parks and Library Director may respond to comments after Public Communications is closed.*

A. CONSENT

1. **Aquatics Subcommittee Meeting Minutes**

Recommendation -

1. Approve Regular Subcommittee meeting minutes of August 18, 2025.
2. Alternatively, discuss and take other action related to this item.

B. UNFINISHED BUSINESS

2. **Aquatics Report Review**

Recommendation -

1. Receive and file information on the Aquatics Report.
2. Alternatively, discuss and take other action related to this item.

3. **Plunge Update**

Recommendation -

1. Receive and file the Plunge update.
2. Alternatively, discuss and take other action related to this item.

4. **Aquatics Center Maintenance Update**

Recommendation -

1. Receive and file the Aquatics Center Maintenance update.
2. Alternatively, discuss and take other action related to this item.

5. **Plunge Capital Campaign Update**

Recommendation -

1. Receive and file the Plunge Capital Campaign update.
2. Alternatively, discuss and take other action related to this item.

6. Plunge Historical Display Working Group

Recommendation -

1. Discuss the Plunge Historical Display Working Group.
2. Alternatively, discuss and take other action related to this item.

7. Aquatics Business Plan

Recommendation -

1. Discuss the Aquatics Business Plan.
2. Alternatively, discuss and take other action related to this item.

C. NEW BUSINESS

8. Upcoming Events

Recommendation -

1. Accept and file the Upcoming Events update.
2. Alternatively, discuss and take other action related to this item.

D. REPORTS

9. DIRECTOR COMMENTS
10. STAFF COMMENTS
11. MEMBER COMMENTS

ADJOURNMENT

POSTED

DATE: **9/11/2025**

TIME: **5:00 PM**

BY: **Viviann Gonzalez,**

Senior Administrative Specialist

REGULAR MEETING MINUTES OF THE EL SEGUNDO RECREATION & PARKS
COMMISSION – AQUATICS SUBCOMMITTEE
MONDAY, AUGUST 18, 2025

CALL TO ORDER – Member Lormans called the meeting to order at 10:01 am

ROLL CALL

Member Baldino	-	Absent
Member Cavagnolo	-	Present
Member Davis	-	Present
Member Lormans	-	Present
Member Watson	-	Present

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5-minute limit per person, 30-minute limit total)

None

A. CONSENT CALENDAR:

1. MOTION by Member Cavagnolo, SECONDED by Member Watson, approving the Subcommittee Regular Meeting minutes of July 21, 2025, MOTION PASSED.
4/0

B. UNFINISHED BUSINESS

2. Aquatics Report Review

Member Lormans presented the Aquatics Report Review.

3. Plunge Update

Senior Civil Engineer Cheryl Ebert provided the Plunge Update. She reported a delay in the installation of the locker room windows but noted that work is expected to resume soon. She also noted that the HVAC system has been installed, the tiles in both pools have been removed, the small pool has been waterproofed, the roof has been replaced, and an upcoming inspection by Southern California Edison will be taking place soon. Member Cavagnolo inquired about the overall project timeline. Senior Civil Engineer Ebert provided additional information.

Member Lormans presented the Plunge Mosaic Art Installation update. Member Watson asked whether any aspects of the remaining construction might potentially interfere with the installation of the tile artwork. She also inquired if there might be any concerns from the City Council regarding the selected design

and whether Council members reviewed the design options in advance. Member Lee asked about the consensus of the ACC Committee's vote on the design selection. Member Lormans provided additional information.

4. Aquatics Center Maintenance Update

Member Lormans provided the Aquatics Center Maintenance Update. He noted that work is being done on the instructional pool liner as Myrtha Pools had a cancellation and were able to fit the project into their schedule on short notice. Member Cavagnolo inquired about the funding source for the repair of the instructional pool liner. Member Davis asked whether the damaged glass target and surrounding cracked edges had been restored and if the cause of the damage had been identified. Member Lormans provided additional information.

5. Plunge Capital Campaign Update

Member Lormans provided the Plunge Capital Campaign update. He shared that he had set up a booth at the Main Street Car Show which received strong community engagement and resulted in a significant number of donations. Member Davis asked whether a booth would also be set up at the upcoming Art Walk event. Member Cavagnolo inquired about the remaining funding gap. Member Lormans provided additional information.

6. Saari Family Medals Update

Member Davis provided the Saari Family Medals update. He reported that the Saari family has decided to withdraw the donation of medals due to internal family conflicts. He expressed hope that photos and other memorabilia might still be included in the display and noted that he will continue discussions with the Plunge Historical Display Working Group.

7. Plunge Historical Display Working Group

Member Lormans provided an update on the Plunge Historical Display Working Group. Member Davis suggested reaching out to historian Arthur Verge at El Camino College for ideas and insights to enhance the Historical Display as he has extensively researched the history of swimming and lifeguards in El Segundo. Member Watson emphasized the importance of ensuring the display thoughtfully includes and represents women's contributions. Member Cavagnolo, Member Davis, and Member Lormans provided additional information.

8. Aquatics Business Plan

Member Cavagnolo provided the Aquatics Business Plan update. Member Watson inquired about the projected and current revenue figures. Member Davis suggested that designated pool time should be allocated for school use. Member Cavagnolo provided additional information.

Member Lormans provided an update on ongoing collaboration with Councilman Hunsaker. Member Watson raised concerns about the subsidization of Hilltop Pool, noting it is not nearing cost recovery. She also asked whether they have evaluated how many people are obtaining REC IDs solely for pool access. She expressed interest in seeing data on unique REC ID users at Hilltop Pool and what percentage of overall REC ID holders are using the pools. Member Lormans and Member Cavagnolo provided additional information.

C. NEW BUSINESS

9. Upcoming Events

Member Lormans provided the Upcoming Events update announcing the reopening of the Aquatics Center is tentatively scheduled for September 1st, pending final confirmation from the contractors.

D. REPORTS

10. DIRECTOR COMMENTS

None

11. STAFF COMMENTS

Member Lormans thanked Member Cavagnolo for his contributions to the development of the Aquatics Business Plan.

12. MEMBER COMMENTS

Member Cavagnolo shared that it has been a pleasure working alongside Member Lormans.

Member Lee thanked Member Cavagnolo for his efforts and contributions to the Aquatics Business Plan.

Member Watson expressed appreciation towards Member Lormans and his continued dedication to the subcommittee's work.

Adjourned at 10:59 AM

Viviann Gonzalez

Viviann Gonzalez, Senior Administrative Specialist



Total AC
Lane
hours: 0

August 2025 Report

Aquatics Center Instructional Programming		Lane Hours	\$	Number of Participants	Unique particip
Contract Classes					
	Naomi's Hiit Water Aerobics	0	\$ 416.00	38	27
	Swim With Me	0	\$ 484.80	1	1
Swim Lessons					
	Group	0	\$ 3,070.00	47	47
	Semi-Private and Private	0	\$ 1,077.50	6	6
Totals			\$ 5,048.30	92	

Aquatics Center Public Drop In Programming			\$	Number of Customer Lane Uses	
Public Swim					
	Reservations		\$ -	0	0
	Lap Swim Drop in		\$ -	0	0
	Recreation Swim		\$ -	0	0
Totals			\$ -	0	

Hilltop Pool Programming			\$	Number of Customer Uses	
Public Swim					
	Resident rec swim		\$ -	869	198
	Non Resident Rec swim		\$ 3,971.00	707	105
Swim Lessons					
	Group		\$ -	0	0
	Semi-Private and Private		\$ -	0	0
Totals			\$ 3,971.00	1576	

Annual Membership Sales at the Aquatics Center			\$	Memberships sold	
Wiseburn Rec IDs	Adult ID		\$ 75.00	5	5
Wiseburn Rec IDs	Senior ID		\$ -	0	
Wiseburn Rec IDs	Youth ID		\$ 110.00	11	11
Wiseburn Rec IDs	Infant ID		\$ -	0	
Totals			\$ 185.00	16	

El Segundo Rec IDs	Adult ID		\$ 345.00	23	23
El Segundo Rec IDs	Senior ID		\$ -	0	
El Segundo Rec IDs	Youth ID		\$ 230.00	23	23
El Segundo Rec IDs	Infant ID		\$ 5.00	1	1
Totals			\$ 580.00	47	

Membership Sales			\$	Passes Purchased to use towards Lane Rentals	
El Segundo Resident Punch Passes					
	10 Punch Pass		\$ -	0	0
	20 Punch Pass		\$ 50.00	1	1
	30 Punch Pass		\$ -	0	0
El Segundo Resident Membership Passes					
	Annual		\$ 600.00	2	2
Wiseburn Resident Punch Passes					
	10 Punch Pass		\$ -	0	0
	20 Punch Pass		\$ 82.00	1	1
	30 Punch Pass		\$ -	0	0
Wiseburn Resident Membership Passes					
	Annual		\$ 2,400.00	4	4
Non-Resident Punch Passes					
	10 Punch Pass		\$ 105.00	2	2
	20 Punch Pass		\$ -	2	2
	30 Punch Pass		\$ 271.00	2	2
Non-Resident Membership Passes					
	Annual		\$ 2,400.00	2	2
Totals			\$ 5,908.00	16	

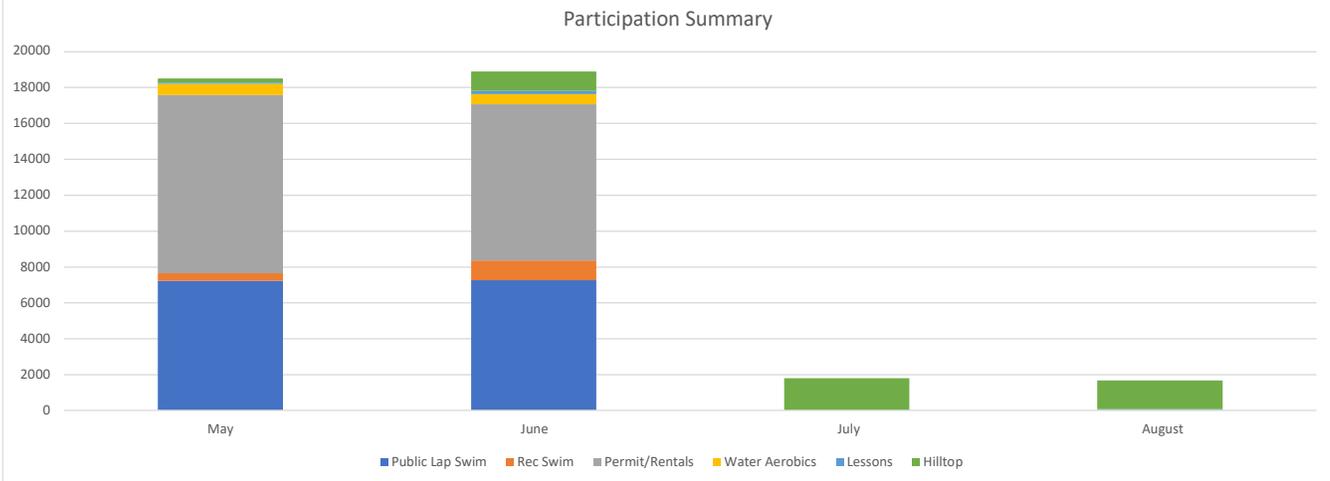
Aquatics Center Permit Groups		Lane Hours	\$	Estimated Participants (4 to 5 per lane)	
Alpha		0.00	\$ -	0	0
Beach Cities		0.00	\$ -	0	0
SCAQ		0.00	\$ -	0	0
South Bay United		0.00	\$ -	0	0
Tower 26		0.00	\$ -	0	0
Trojan		0.00	\$ -	0	0
Coastal		0.00	\$ -	0	0
Totals		0.00	\$ -	0.00	

Events + Special Programming			\$	Number of Participants	
Totals			\$ -	0	

Total Revenue		Estimated Amount of Visitors in August	
TOTAL \$ 15,692.30		1747.00	

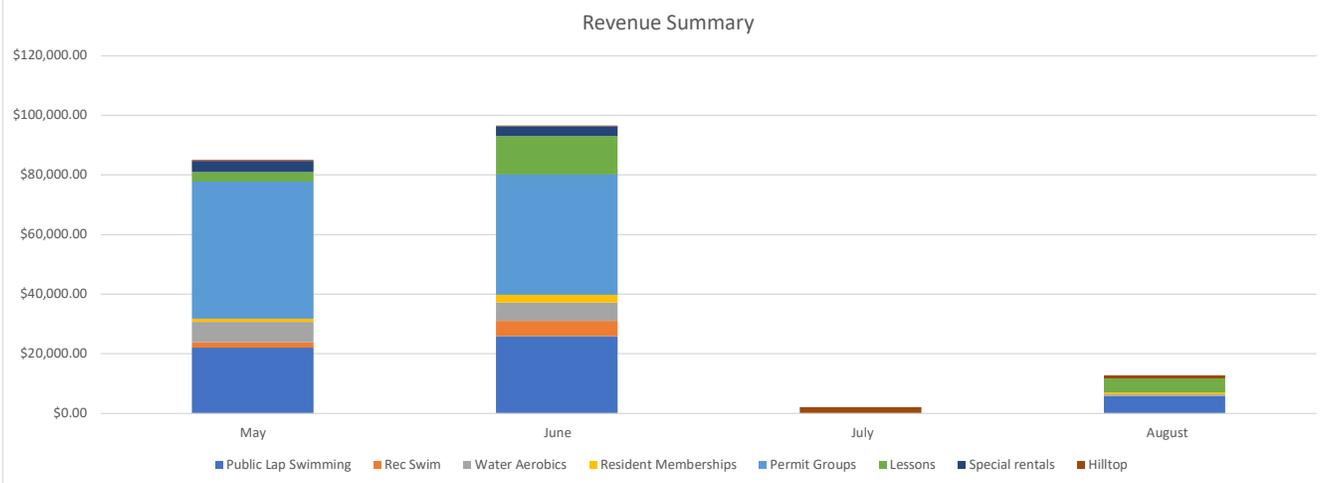
Monthly Statistics	May		June		July		August	
	Revenue	Participation	Revenue	Participation	Revenue	Participation	Revenue	Participation
Water Aerobics	\$ 6,846.00	614	\$ 6,198.00	561	\$ -	0	\$ 416.00	38
Lesson Programming	\$ 3,269.50	79	\$ 12,980.00	180	\$ -	0	\$ 4,632.30	54
Lap Swimming	\$ 22,047.00	7229	\$ 25,947.00	7255	\$ -	0	\$ 5,908.00	0
Family/Rec Swim	\$ 1,869.00	424	\$ 5,065.00	1095	\$ -	0	\$ -	0
Annual Membership Sales	\$ 1,020.00	88	\$ 2,580.00	217	\$ 40.00	4	\$ 765.00	63
Rentals/Permit Groups	\$ 46,026.30	9930.75	\$ 40,370.90	8728.25	\$ -	0	\$ -	0
Special Events/Rentals	\$ 3,605.00	300	\$ 3,210.00	16	\$ -	0	\$ -	0
Hilltop	\$ 371.00	239.00	\$ 2,089.00	1,076.00	\$ 8,267.50	1,794.00	\$ 3,971.00	1,576.00
	\$85,053.80	18,904	\$98,439.90	19,128	\$8,307.50	1,798	\$15,692.30	1,731

Participation Summary



Total Participation May-August 41,561

Revenue Summary



Total Revenue May-August \$207,493.50



El Segundo Aquatics Strategic & Financial Plan Update September 2025



Agenda

- Plan Overview
 - Goals
 - Current State
 - Proposal Summary
 - Implications
- Process
- Business Plan Proposal
 - Allocation / Blocking
 - Pricing
 - Alternative Revenue Sources
 - Operations
 - Financial Forecast
- Next Steps / Continued work

Goals. What are we trying to accomplish?

Improve our cost recovery while supporting community programming and youth sports.
Specifically...

- ESAC: Focus on max utilization with highest-revenue per lane hour blocks; goal = 90% cost recovery
- Plunge: Focus on max utilization and delivery of community services; goal = 40% cost recovery
- Hilltop: No change (focus on the other two)
- Develop an aquatics profit & loss model to define and measure success
- Increased equity across user group types - both in cost and allocation
- Price our facilities/services in-line with market (except lessons - keep them low)
- Identify and drive alternatives sources of revenue [focus on current utilization]

Status. Where do we sit today?

Snapshot:

- Financials aren't bad. Aquatics has been performing better than expected with ~74% cost recovery (ESAC at 88.5%).
- Net outflow was \$400k in 24/25. Adding the plunge, with a lower cost recovery, will increase net spend significantly.
- Non-water polo groups pay \$18.00. Water polo groups pay only \$9.80.
- Youth water polo has an extremely low portion of prime-time allocation; less than 1/10th of the time allocated to youth swimming
- ES provided 1,064 lane hours of swim lessons in 24/25; down from 1,800 in CY19 when the plunge was active.
- Rec swim hours are extremely limited. Plunge should help.

The goal of our plan is to address these gaps while optimizing the financial performance of our aquatics infrastructure.

FY2024-2025	Annual Hours Used		FY2024-2025	Prime Time Allocation	
	Lane Hours	%		Lane Hours	%
Lessons	1,064	0.9%	Lessons	1,664	6.2%
Open/Rec Swim	2,776	2.4%	Open/Rec Swim	0	0.0%
Lap Swim	66,990	58.9%	Lap Swim	3,456	12.9%
High Schools	8,866	7.8%	High Schools	8,630	32.1%
Youth Water Polo	8,539	7.5%	Youth Water Polo	882	3.3%
Youth Swimming	15,178	13.3%	Youth Swimming	12,242	45.6%
Other	10,312	9.1%	Other	0	0.0%
Total	113,725	100.0%	Total	26,873	100.0%

Operating Performance: Fiscal 2024-2025					
Revenue*	ESAC	Plunge	Hilltop	Overhead	Total
Permit Groups**	\$651,478	\$0	\$0	\$0	\$651,478
Instructional Programming	\$168,972	\$0	\$0	\$0	\$168,972
Drop-In Programming	\$321,746	\$0	\$9,214	\$0	\$330,960
Other Revenue	<u>\$32,464</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$32,464</u>
Total Revenue	\$1,174,661	\$0	\$9,214	\$0	\$1,183,875
Expense	ESAC	Plunge	Hilltop	Overhead	Total
Employee-Related	(\$857,139)	(\$17,181)	(\$41,169)	(\$200,454)	(\$1,115,942)
Supplies & Service Charges	(\$114,916)	(\$2,316)	(\$2,754)	\$0	(\$119,986)
Public Works	<u>(\$355,099)</u>	<u>\$0</u>	<u>(\$11,248)</u>	<u>\$0</u>	<u>(\$366,346)</u>
Total Costs	(\$1,327,154)	(\$19,496)	(\$55,170)	(\$200,454)	(\$1,602,274)
Net Income	(\$152,493)	(\$19,496)	(\$45,956)	(\$200,454)	(\$418,400)
Cost Recovery	88.5%	0.0%	16.7%	0.0%	73.9%

Note: *Timing for hourly revenue is based on timing of services provided; not invoice date; **High School use included in permit group revenue @ \$18.00 rate (~\$150k/yr)

Plan Overview – Proposal Summary

Take advantage of the Plunge coming online to initiate a limited set of pricing and blocking changes to push allocations and revenue generation toward our goals.

- Allocations and Blocking
 - Move prime time (3-7pm) lane swimming and lessons to Plunge; frees up instructional pool at ESAC
 - Split allocation of ESAC North and South – dedicate one each to youth swimming and youth water polo
 - Youth swimming gains access to the instructional pool
 - Bring Plunge online with similar blocking structure as pre-close
- Pricing
 - Create two pricing blocks; \$20.00 before 7pm and \$12.00 after
 - Push pricing on drop-in where possible (proposing \$1.00 increase for non-residents)
- Operations / Costs: Variable costs are lifeguards and swim instructors.
 - Work with city attorney to minimize lifeguards on duty during club activities
 - Explore additional pool closures during low revenue periods (i.e. lap swim, esp when lap swim is going at both pools)

Plan Overview - Implications

Financial:

- Plunge online at >50% cost recovery; ESAC at 85%
- Options remain to increase prices / return

Allocations and Programming

- Significant increase in lesson allocation (note: staffing limitations could prevent full utilization)
- Additional lap swim and rec swim availability at the plunge
- Increased youth sports prime time parity

	FY 2024-2025 - Actual					FY 2026-2027 - Forecast**				
	ESAC	Plunge	Hilltop	Admin	Total	ESAC	Plunge	Hilltop	Admin	Total
Revenue	\$1,174,661	\$0	\$9,214	\$0	\$1,183,875	\$1,298,535	\$670,478	\$14,837	\$0	\$1,983,849
Expense	(\$1,327,154)	(\$19,496)	(\$55,170)	(\$200,454)	(\$1,602,274)	(\$1,642,403)	(\$1,081,344)	(\$76,305)	(\$353,212)	(\$3,153,264)
Net Income	(\$152,493)	(\$19,496)	(\$45,956)	(\$200,454)	(\$418,400)	(\$343,868)	(\$410,866)	(\$61,468)	(\$353,212)	(\$1,169,415)
Cost Recovery	88.5%	0.0%	16.7%	0.0%	73.9%	79.1%	62.0%	19.4%	0.0%	62.9%
Lane Hours	115,348	0	NA	NA	115,348	113,685	27,244	NA	NA	140,930
Revenue / Lane Hour	\$10.18	NA	NA	NA	\$10.26	\$11.42	\$24.61	NA	NA	\$14.08
Cost / Lane Hour	(\$11.51)	NA	NA	NA	(\$13.89)	(\$14.45)	(\$39.69)	NA	NA	(\$22.37)
Net Income / Lane Hour	(\$1.32)	NA	NA	NA	(\$3.63)	(\$3.02)	(\$15.08)	NA	NA	(\$8.30)

Overall Allocation	Hours		%	
	FY24-25	FY26-27	FY24-25	FY26-27
Lessons	1,064	4,823	0.9%	3.2%
Open/Rec Swim	2,776	5,148	2.4%	3.4%
Lap Swim	66,990	81,419	58.9%	53.9%
High Schools	8,866	8,866	7.8%	5.9%
Youth Water Polo	8,539	19,370	7.5%	12.8%
Youth Swimming	15,178	23,582	13.3%	15.6%
Other	10,312	7,813	9.1%	5.2%
Total	113,725	151,021	100.0%	100.0%

Prime Time Alloc	Hours		%	
	FY24-25	FY26-27	FY24-25	FY26-27
Lessons	1,664	3,744	6.2%	10.3%
Open/Rec Swim	0	1,053	0.0%	2.9%
Lap Swim	3,456	1,170	12.9%	3.2%
High Schools	8,630	8,866	32.1%	24.5%
Youth Water Polo	882	8,320	3.3%	23.0%
Youth Swimming	12,242	13,026	45.6%	36.0%
Other	0	0	0.0%	0.0%
Total	26,873	36,179	100.0%	100.0%

*Timing for hourly revenue in model is based on timing of services provided - not invoice date; **FY 2026-2027 forecast is based upon 2025-2026 budget with full year of plunge operations; ***High School use included in permit group revenue @ \$18.00 rate (~\$150k/yr)



Analyses conducted to support this proposal

- Researched pricing for comparable facilities – across both user types and region
- Constructed a ground up historical P&L with detailed (and trackable) revenue and costs
- Developed forward-looking model for facility management going forward
- Reviewed of current and historical user group blocking and utilization

Result: We structured a proposal to meet our stated goals while also minimizing disruption for user groups (not trying to recreate the wheel)

Proposal Details

Capacity Allocation - Proposal

We open up the instructional pool for youth swimming and split the 50m pool between water polo and swimming – North & South

- Splitting the pool creates a clear mechanism to appropriate scarce availability
- Consolidating lessons at the Plunge helps address capacity constraints at ESAC
- We create additional availability for youth sports at ESAC with the opening of the instructional pool.
- With the plunge we have a wide and consistent window for after school lessons at the Plunge – tripling lesson capacity (subject to staff availability)
- Explore “use it or lose it” policy with permit groups

Overall Allocation	Hours		%	
	FY24-25	FY26-27	FY24-25	FY26-27
Lessons	1,064	4,823	0.9%	3.3%
Open/Rec Swim	2,776	5,148	2.4%	3.5%
Lap Swim	66,990	77,441	58.9%	52.7%
High Schools	8,866	8,866	7.8%	6.0%
Youth Water Polo	8,539	19,370	7.5%	13.2%
Youth Swimming	15,178	23,582	13.3%	16.0%
Other	<u>10,312</u>	<u>7,813</u>	<u>9.1%</u>	<u>5.3%</u>
Total	113,725	147,043	100.0%	100.0%

Prime Time Alloc	Hours		%	
	FY24-25	FY26-27	FY24-25	FY26-27
Lessons	1,664	3,744	6.2%	10.3%
Open/Rec Swim	0	1,053	0.0%	2.9%
Lap Swim	3,456	1,170	12.9%	3.2%
High Schools	8,630	8,866	32.1%	24.5%
Youth Water Polo	882	8,320	3.3%	23.0%
Youth Swimming	12,242	13,026	45.6%	36.0%
Other	<u>0</u>	<u>0</u>	<u>0.0%</u>	<u>0.0%</u>
Total	26,873	36,179	100.0%	100.0%

Pricing – Market Rates

El Segundo rental rates and drop-in costs are near parity with the local market.

The lone exception is our special rate for water polo which is well outside market norms.

Facility Rental Costs (Source: Faciltron)

Pool / Location	Lanes	Cost / Hour	Cost / Lane	Notes:
Torrance Aquatic Center	8.0	\$180.00	\$22.50	Half of 50 meter all-deep pool
Redondo Union	15.0	\$240.00	\$16.00	40m x 25y pool
Mira Costa High School	12.0	\$187.50	\$15.63	Full 25y x 40m pool
Manhattan Beach Begg Pool	5.0	\$200.00		Full pool; 5 lanes x 25y \$220 for non-residents
City of Hawthorne	9.0	\$103.00	\$11.44	9 lanes x 25y pool; waiting on data
Huntington Beach HS	16.0	\$243.00	\$15.19	50m pool
LA Southwest College	8.0	\$110.00	\$13.75	Indoor 25y pool
Marina High School Huntington Bea	14.0	\$243.00	\$17.36	35m x 25y pool
Los Alamitos High School	20.0	\$308.84	\$15.44	50m x 25y pool
Westminster High School	16.0	\$243.00	\$15.19	40m x 25y pool
Whittier High School	13.0	\$132.00	\$10.15	13 lanes x 25 yards
Ocean View High School	20.0	\$243.00	\$12.15	50m x 25y pool
Median Cost / Lane			\$15.19	
Mean Cost / Lane			\$14.98	
ESAC (Special)	10.0	\$98.00	\$9.80	Half pool: 10 lanes x 25 yards
ESAC (Full Price)	10.0	\$180.00	\$18.00	Half pool: 10 lanes x 25 yards
Plunge	7.0	\$126.00	\$18.00	Full pool; 8 lanes x 25 yards

Lane Swim / Reservation Costs (Source: CH and websites)

Pool / Location	Pass - Res	Pass - NonRes
Manhattan Beach Begg	\$5.00	\$7.00
Redondo Union	\$4.00	\$5.00
City of Hawthorne	\$5.00	\$5.00
Torrance City (Plunge)	\$5.00	\$5.00
Santa Monica City	\$4.50	\$9.00
Culver City	\$4.00	\$4.00
Median Cost / Pass	\$4.50	\$5.00
Mean Cost / Pass	\$4.50	\$6.00
City of El Segundo	\$5.00	\$7.00

Pricing – Proposed Changes

We are generally at market rates excluding water polo. To maximize revenue, we recommend the following:

1. Bring all permit groups to the same rental rate of \$20.00
2. Create low demand rate of \$12.00 for less desirable times
3. Increase non-resident drop-in rates by \$1.00

Category	Current	Market	Proposal	Change (%)	Impact	Jan '27*
Permit Groups – Non-WP (/lane hour)	\$18.00	\$16-20	\$20.00	+\$2.00 (11%)	+\$109K	+5.0%
Permit Groups – WP (/lane hour)	\$9.80	\$16-20	\$20.00	+\$10.20 (+104%)	+\$177K	+5.0%
Permit Groups – After 7pm (/lane hour)	\$18.00	\$16-20	\$12.00	-\$6.00 (-33%)	-\$99K	+5.0%
Swim Lessons – Group (/30 min)	\$6.25	\$6-10	\$6.25	\$0 (0%)	NA	+5.0%
Swim Lessons – Private (/30 min)	\$25.00	\$25-35	\$25.00	\$0 (0%)	NA	+5.0%
Drop-In – Resident	\$5.00	\$4-5	\$5.00	\$0 (0%)	NA	+5.0%
Drop-In – Non-Resident	\$7.00	\$5-7	\$8.00	+\$1.00 (+14%)	+\$34K	+5.0%

*Analysis assumes annual 5% increase in rates beginning every calendar year

Alternative Revenue Sources

- Approach for identifying event bookings
- Financial performance of private rentals (against current pricing)

Event	Date	Day	Lane Hours	Revenue	Rev / Lane Hr	Staffing Cost	Margin
SBU	5/18/2025	Sun	312.0	\$3,605.00	\$11.55	\$ 1,922.93	\$1,682.07
JG Tryouts	3/15/2025	Sat	264.0	\$3,549.00	\$13.44	\$ 1,586.96	\$1,962.04
BCS Meet	11/16/2025	Sat	312.0	\$4,997.00	\$16.02	\$ 2,332.14	\$2,664.86
BCS Meet	11/17/2025	Sun	312.0	\$4,997.00	\$16.02	\$ 2,249.59	\$2,747.41
Summer Ave (Current)		Sat	234.0	\$1,938.66	\$8.28	\$1,921.21	\$17.45
Summer Ave (Current)		Sun	234.0	\$1,605.32	\$6.86	\$1,921.21	(\$315.89)

Operations – Managing Staffing & Costs

Aquatics costs are expected to double as the plunge comes on-line – but our knobs are limited.

- Employees drive 70% of costs – and guards/instructors are 85% of that.
- We just increased part-time employee comp by 30%

To reduce costs as we grow, we are exploring a couple of options:

- 1) Closing Plunge on Sundays (lap swimming only)
- 2) Reduced staffing during permit group hours
- 3) Reduced staffing (or closing) during off-peak times (1-3pm weekdays as example)

#2 and #3 require clear direction from city attorney's office

EXPENSE SUMMARY	FY24/25 (A)	%	FY26/27 (E)	%
Employees	(\$1,115,942)	69.6%	(\$2,280,914)	72.3%
Supplies & Services	(\$119,986)	7.5%	(\$242,160)	7.7%
Public Works	<u>(\$366,346)</u>	<u>22.9%</u>	<u>(\$630,189)</u>	<u>20.0%</u>
Total Expenses	(\$1,602,274)	100.0%	(\$3,153,264)	100.0%

Staffing Headcount Summary	FY2024-2025	FY2025-2026	FY2026-2027
Total FT Staff	2.0	3.0	3.0
Total Part-Time Staff (FTE)	<u>21.4</u>	<u>27.5</u>	<u>35.2</u>
Total Staff (FTE)	23.4	30.5	38.2

Staffing Cost Summary (unburdened)	FY2024-2025	FY2025-2026	FY2026-2027
Total FT Staff	(\$161,547)	(\$289,782)	(\$289,782)
Total Part-Time Staff (FTE)	<u>(\$796,390)</u>	<u>(\$1,315,387)</u>	<u>(\$1,661,170)</u>
Total Staff (FTE)	(\$957,936)	(\$1,605,169)	(\$1,950,951)

Financial Forecast Summary

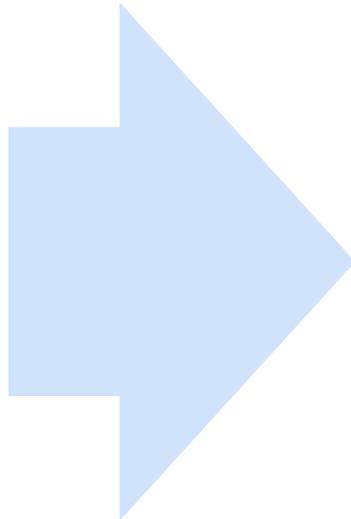
Plan puts us at 79% and 62% cost recovery for ESAC and Plunge; 63% cost recovery overall

Plunge cost recovery is tied directly to our ability to drive swim lesson revenue

Expense increase follows (1) 30% pay raise for part-time staff, (2) additional part-time hires for plunge and (3) aquatics coordinator (OH)

OPERATING MODEL SUMMARY - EL SEGUNDO AQUATICS

Revenue*	FY 2024-2025 - Actual						FY 2026-2027 - Forecast**				
	ESAC	Plunge	Hilltop	Admin	Total		ESAC	Plunge	Hilltop	Admin	Total
Permit Groups***	\$651,478	\$0	\$0	\$0	\$651,478		\$914,737	\$72,025	\$0	\$0	\$986,762
Instructional Programming	\$168,972	\$0	\$0	\$0	\$168,972		\$84,373	\$504,988	\$0	\$0	\$589,361
Drop-In Programming	\$321,746	\$0	\$9,214	\$0	\$330,960		\$299,425	\$81,465	\$14,837	\$0	\$395,726
Other Revenue	\$32,464	\$0	\$0	\$0	\$32,464		\$0	\$12,000	\$0	\$0	\$12,000
Total Revenue	\$1,174,661	\$0	\$9,214	\$0	\$1,183,875		\$1,298,535	\$670,478	\$14,837	\$0	\$1,983,849
Expense	ESAC	Plunge	Hilltop	Admin	Total		ESAC	Plunge	Hilltop	Admin	Total
Employee-Related	(\$759,748)	(\$5,647)	(\$36,819)	(\$161,547)	(\$963,761)		(\$1,032,267)	(\$601,751)	(\$47,153)	(\$289,782)	(\$1,970,951)
Employee Benefits	(\$97,391)	(\$11,533)	(\$4,349)	(\$38,907)	(\$152,181)		(\$105,297)	(\$130,690)	(\$10,545)	(\$63,431)	(\$309,963)
Supplies	(\$24,606)	\$0	(\$2,440)	\$0	(\$27,046)		(\$27,360)	(\$48,400)	(\$5,200)	\$0	(\$80,960)
Service Charges	(\$90,310)	(\$2,316)	(\$314)	\$0	(\$92,940)		(\$122,380)	(\$36,660)	(\$2,160)	\$0	(\$161,200)
Public Works	(\$355,099)	\$0	(\$11,248)	\$0	(\$366,346)		(\$355,099)	(\$263,843)	(\$11,248)	\$0	(\$630,189)
Total Expense	(\$1,327,154)	(\$19,496)	(\$55,170)	(\$200,454)	(\$1,602,724)		(\$1,642,403)	(\$1,081,344)	(\$76,305)	(\$353,212)	(\$3,153,264)
Net Income	(\$152,493)	(\$19,496)	(\$45,956)	(\$200,454)	(\$418,400)		(\$343,868)	(\$410,866)	(\$61,468)	(\$353,212)	(\$1,169,415)
Cost Recovery	88.5%	0.0%	16.7%	0.0%	73.9%		79.1%	62.0%	19.4%	0.0%	62.9%
Lane Hours	115,348	0	NA	NA	115,348		113,685	27,244	NA	NA	140,930
Revenue / Lane Hour	\$10.18	NA	NA	NA	\$10.26		\$11.42	\$24.61	NA	NA	\$14.08
Cost / Lane Hour	(\$11.51)	NA	NA	NA	(\$13.89)		(\$14.45)	(\$39.69)	NA	NA	(\$22.37)
Net Income / Lane Hour	(\$1.32)	NA	NA	NA	(\$3.63)		(\$3.02)	(\$15.08)	NA	NA	(\$8.30)



*Timing for hourly revenue in model is based on timing of services provided - not invoice date; **FY 2026-2027 forecast is based upon 2025-2026 budget with full year of plunge operations; ***High School use included in permit group revenue @ \$18.00 rate (~\$150k/yr)



Next Steps

- Financial reporting: update systems to support effective measurement and reporting going forward
 - Update chart of accounts – add granularity to missing line items (primarily public works)
 - Separation of aquatics administrative costs from individual pool budgets
- Cost optimization: Work with city attorney to identify paths for reduced staffing at low-risk times
- Instructor comp: Adjust compensation for swim instructors to support increased swim lesson scheduling – lessons are valuable to the community and our bottom line, so staffing is imperative
- Expand strategic pricing: Rate adjustments for user groups in underutilized slots

