

STAFF REPORT

TO: Councillors

FROM: Community Services Manager and Corporate Services Manager

REFERENCE: P951

DATE: 10 April 2006

SUBJECT: Proposed Motueka Swimming Pool

PURPOSE

To provide the information requested by Council in December 2006 so that a decision can be made as to what action to now take.

BACKGROUND

In December 2006 a report was presented to Council which included a copy of the "Feasibility Study" prepared by LHT Engineering Solutions.

This study showed a total cost of between \$4.0 million and \$5.0 million for an attachment to the Motueka Recreation Centre.

After discussing the Feasibility Study the following resolution was passed:

**"Moved Crs Norriss/Inglis
CN05/12/07**

**THAT Council does favour having a poll regarding the Motueka proposed aquatic centre subject to staff coming back to Council with more definite project costs and alternative funding, either or both a facility rate and development impact levies. The properties to be polled are to be defined and consideration be given to the feasibility of the school pool upgrade.
CARRIED"**

As a result of this resolution LHT were asked to review the project costs for a pool at the Motueka Recreation Centre, investigate the feasibility of an upgrade of the Motueka High School Pool and to also advise on other alternatives that may reduce the total cost.

DISCUSSION

A copy of the April 2006 Feasibility Study for the Motueka Aquatic Centre is enclosed with today's agenda. Enquiries were also made about the costings for an outdoor pool so that Councillors had all the facts on which to make a decision.

As can be seen from the Feasibility Study, different construction techniques can result in considerable savings but at the same time have a limited season and also have a higher maintenance cost.

The information we have obtained on a recently built outdoor pool complex is:

- 25 metre four lane pool (1.8 m at deepest end)
- Disabled access ramp to main pool
- Learners Pool 6 metres x 8.5 metres (1 metre deep)
- Staffroom, foyer, office reception, family change room, male and female change rooms
- Approximate cost \$1.3 million

When comparing costs it needs to be noted that the following extras were provided in the Motueka Pool costings:

- 25 metre six lane pool, not four lane
- Larger Learners Pool 6 metres x 16 metres
- Hydrotherapy pool 10 metres x 9 metres
- Toddlers Pool
- Spa Pool
- Fully covered facility

SUMMARY OF INFORMATION PROVIDED

Siting Options

- Motueka Recreation Centre; some additional costs as a result of adding to an existing building, relocation of stormwater canal and high water table. Off setting these is the savings in ongoing running costs by having two major recreation facilities run from one place.

- Motueka High School; Study document indicates that there would be no savings in capital cost of upgrading the existing school pool. However a new standalone facility on school land is still an option.
- Wakatu Incorporation land in Talbot Street; land costs could add significantly to the project costs.
- On the south end of Parklands School land.

Construction Options

- Outdoor Pools; reduced capital cost, very limited swimming season and can be expensive to fully enclose in the future.
- Translucent Cover Buildings; approximately \$1.0 million less than a fully insulated and heated covered pool, have a limited season although considerably longer than an outdoor pool and have a similar operating deficit to that of a fully insulated and heated indoor pool.
- Fully Insulated and Heated Covered Buildings; fully insulated and vapour barrier envelope, provides year around operation and fully controlled internal conditions.

Capital Cost Estimate

- Outdoor Pool; based on the information provided earlier in the report an outdoor pool complex could range in price from \$1.5 million to \$2.0 million depending on the number of lanes and size of learners pools etc.
- Translucent Cover Pool; based on the cost of a fully insulated building less \$1.0 million, it is estimated that a Translucent Cover Pool would cost between \$3.0 and \$3.4 million.
- Fully Insulated and Heated Covered Pool; estimate range \$4.0 million to \$4.4 million.

Alternative Funding

Based on a cost of \$4.4 million the local contribution would be \$880,000.00 being 20% of the total cost. This would leave a balance of \$3,120,000.00 to be funded.

Options for Funding \$3.12 Million

- Totally funded by the Facilities Rate which would add approximately \$14.50 to the District Facilities Rate.
- Partially funded by Motueka Reserve DILs and partially by the District Facilities Rate. In the case of the ASB Bank Aquatic Centre \$2.1 million came from Richmond and Waimea DILs and \$2.0 million from the Facilities Rate.

However it should be noted that at that time both the Richmond and Waimea DILs Accounts had very healthy credit balances and also the Facilities Rate was very new.

\$100,000 has already been allocated from the Motueka Reserves DILs Account and this has funded the concept plans, engineers reports and feasibility studies over the last three or four years. The balance still available from this is approximately \$50,000.00.

Unfortunately, the Motueka DILs Account does not have a large credit balance and the 10 year projections for the LTCCP show minimal surplus funds. We have, however, been reasonably conservative with the projected income but it would be risky to increase these projections at this stage.

Having said that staff consider that based on current projections, a loan of approximately \$200,000.00 could be funded from the Motueka Reserve DILs.

Another option is to refinance the Rugby/Memorial Parks Loan which has an outstanding balance of approximately \$120,000.00 and the current annual repayments are \$30,000.00. Annual repayments of say \$50,000.00 would finance a loan of \$470,000.00 and by repaying the original \$120,000.00 this would provide \$350,000.00 towards the Pool making a total of \$400,000.00 available from DILs. (\$350,000.00 new loan and the \$50,000.00 currently unspent.)

The Facilities Rate contribution would then reduce to \$2.72 million which would equate to approximately \$12.60 to the District Facilities Rate.

WHERE TO FROM HERE

Council has already indicated that it does favour having a poll regarding the Motueka proposed aquatic centre and therefore such a poll will need to identify the options and possibly Council's preference or at least the options in priority order.

Whatever the priority order, Council will need to decide on the level of funding from Reserve DILs so that the information included with the polling papers provides the actual impact the centre would have on the Facilities Rate.

RECOMMENDATION

That:

- i) A poll regarding the proposed Motueka Aquatic Centre be held;
- ii) consideration be given to the construction options as listed on Page 3 of this report and whether these should all be included in the poll;

- iii) whatever option is supported by Council that allowance be made for Motueka Reserve DILs to a maximum of say \$350,000.00.

L L Kennedy
Community Services Manager

D G Ward
Corporate Services Manager

<http://tdctoday:82/Shared Documents/Meetings/Council/Full Council/Reports/2006/RCN060420 Report Motueka Swimming Pool.doc>