

WAIPA DISTRICT COUNCIL STATEMENT OF PROPOSAL

FUTURE PROOFING CAMBRIDGE POOL

MAY 2017

0800 WAIPADC (924 723) www.waipadc.govt.nz


DISTRICT COUNCIL

This Statement of Proposal is made for the purposes of Section 83 of the Local Government Act 2002. This document contains:

- Background to the proposal
- A description of the proposal
- Reasons for the proposal
- Options considered by Council.

FUTURE PROOFING CAMBRIDGE POOL

WAIPA DISTRICT COUNCIL STATEMENT OF PROPOSAL – MAY 2017

Design of the long-awaited new Cambridge pool complex is underway and it is expected to open in 2019.

With huge growth on the cards for Cambridge, the time is right to do the project now, and to do it properly.

The new complex provides an opportunity for our thriving, vibrant Cambridge community and Council wants to make sure it is a place that can be enjoyed by the whole community for years to come.

We are looking at adding some new features to the Cambridge pool project but before a decision is made, we want to know what you think.

THERE ARE TWO OPTIONS FOR YOU TO CONSIDER

Option 1: Proposed new plans

Council wants to make sure the pool complex is a space the whole community can enjoy, now, and in the future. This options involves adding a range of new features to what we planned for in our current 10-Year Plan.

Under Option 1, the project includes:

- Keeping and upgrading the outdoor 50m pool
- 10-lane 25m pool
- Junior pool
- Toddler pool
- Hydrotherapy and learn to swim pool
- Splash pad
- Community room
- Bleacher seating
- Spa / sauna
- External works – landscaping, parking etc

The cost of this project is \$16.5m, which is more than what's included in our existing budgets.

Option 2: Current plans

This option reflects what's included in our 10-Year Plan.

Under Option 2, the project includes:

- Keeping the outdoor 50m pool
- 10-lane 25m pool
- Learner pool.

The cost of this option is \$9.9m and is already included in our existing budgets.

HAVE YOUR SAY

Feedback is open until 5pm, 31 May, 2017

Information is available at waipadc.govt.nz/haveyoursay

A BIT OF BACKGROUND

Cambridge currently has an outdoor 50m pool which is only open during the summer months. The story of the current Cambridge pool runs over five decades and after much fundraising by the local community and swimming club, the pool was opened in 1971.

The outdoor pool is currently managed by Go Waipa (the Waipa Community Facilities Trust) who also manages the Livingstone Aquatics Centre in Te Awamutu.

In June 2015, Waipa District Council approved a project that would see a covered pool built next to the existing outdoor pool. This meant that year-round swimming would be available.

The project was consulted on as part of the 2015-25 10-Year Plan and included:

- keeping the outdoor 50m pool (and upgrading the current filtration plant and changing room facilities) as well as
- building a new indoor 25m pool and
- an indoor learner pool.

The 25m indoor pool was either going to be 8 or 10 lane, depending on the amount of fundraising secured. The scope didn't include any update to the existing reception area / entrance or roadworks, carparking and landscaping surrounding the complex.

The complex was going to be funded by a mixture of loan funding (\$4.6m), proceeds from land sales (\$3m), development contributions (\$150,000) and fundraising (\$2.1m). The total budget for this was \$9.9m but it's important to note that this was based on estimates as Council was in very early stages of the project planning.

SINCE THEN...

A business case was completed in 2016 which took a closer look at the costs involved with building this new pool complex and whether any other features were required to make sure we met the objectives of the project.

The business case told us that a 10-lane pool was a more viable option (if funding was available) as it offered more usable water space for different users. At this time, Council also gave direction to include a spa/sauna as these are well-used assets for leisure and rehabilitation use.

Sport Waikato and Sport New Zealand were key contributors to the development of the business case. The completed business case can be found on our website waipadc.govt.nz



WHAT'S HAPPENING NOW

Council's objective for the pool complex is

“To provide a fun and leisure destination that is affordable, accessible and durable in terms of meeting growth expectations and not compromising quality of experience.”

Since the project was approved in the 10-Year Plan, Council has received lots of feedback from pool user groups about additional features the pool complex should include. In particular the feedback was for Council to consider the addition of a hydrotherapy pool, increasing the depth of the pool, additional seating and more community space.

This feedback was taken to our Mayor and councillors to consider and has been incorporated into the concept design phase of the project so you can have your say!

A QUICK UPDATE ON THE FUNDING...

Since the project was adopted in the 10-Year Plan, the estimated value of the land Council was looking to sell to fund part of the pool has increased from \$3m to \$6.25m. The increase in value mainly reflects movements in the property market.

Fundraising for the pool is going great and we believe we are well on track to secure the \$2.1m required.

WHAT WE'RE PROPOSING (OPTION 1)

The new pool complex will be an important facility for the Cambridge community and Council wants to make sure it is a space the whole community can enjoy, now, and in the future.

In order to future proof the facility, Council has taken on board the feedback and data produced in the business case and come up with a revised scope for the Cambridge pool project.

The new plans include:



Upgrade of the 50m outdoor pool



10-lane 25m pool



Junior pool



Toddler pool



Hydrotherapy and learn to swim pool

This pool has a warmer temperature than a usual swimming pool which makes it ideal for members of the community who are rehabilitating from illness or injury, or who face challenges with their mobility and wellbeing. The warmer temperature of 33 – 35 degrees relieves pain, relaxes stiff muscles, helps damaged joints, improves blood flow, balance and coordination. The hydrotherapy pool will be extremely useful for both our aging population and those with disabilities.



Splash pad



Spa / Sauna

This will provide a fun and significant leisure function to the facility and will meet the needs of families and children.



Community room

This is a facility where clubs, community and the operators / staff can meet and use.



Bleacher seating

The initial project included minimal seating. The additional terraced bench seating will seat around 100 people and provide spots for guardians to keep an eye on their children and space for bigger groups to use if there is an event like a school swimming competition happening.



External works – landscaping, parking etc

External works are things like parking, redoing the carpark and making sure the landscaping is up to a good standard. The initial project only included a small amount of money to go towards the external works required as the final costs were unknown.



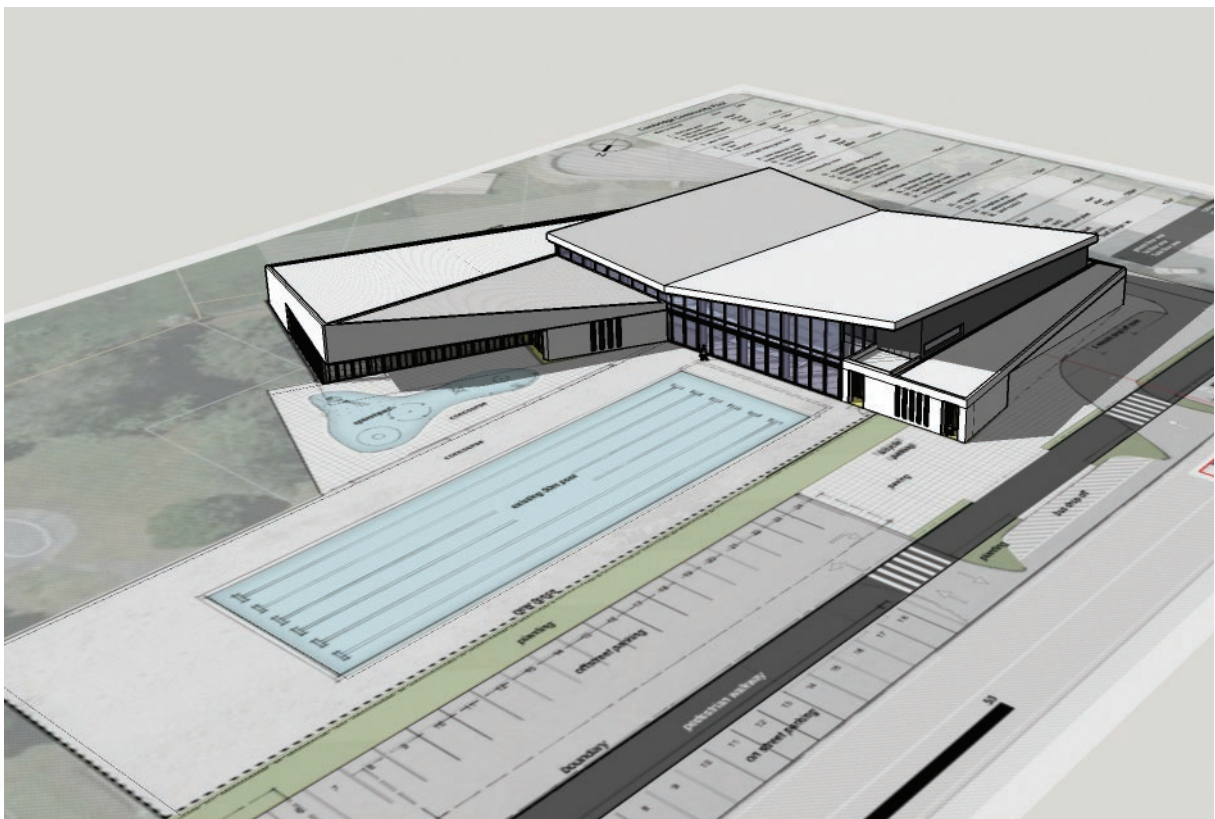
THIS MEANS THE NEW PLANS (OPTION 1) FOR CAMBRIDGE POOL INCLUDE:











- ✓ Upgrade of the 50m outdoor pool
- ✓ 10-lane 25m pool
- ✓ Junior pool
- ✓ Toddler pool
- ✓ Hydrotherapy and learn to swim pool
- ✓ Spa / Sauna
- ✓ Splash pad
- ✓ Community room
- ✓ Bleacher seating
- ✓ External works

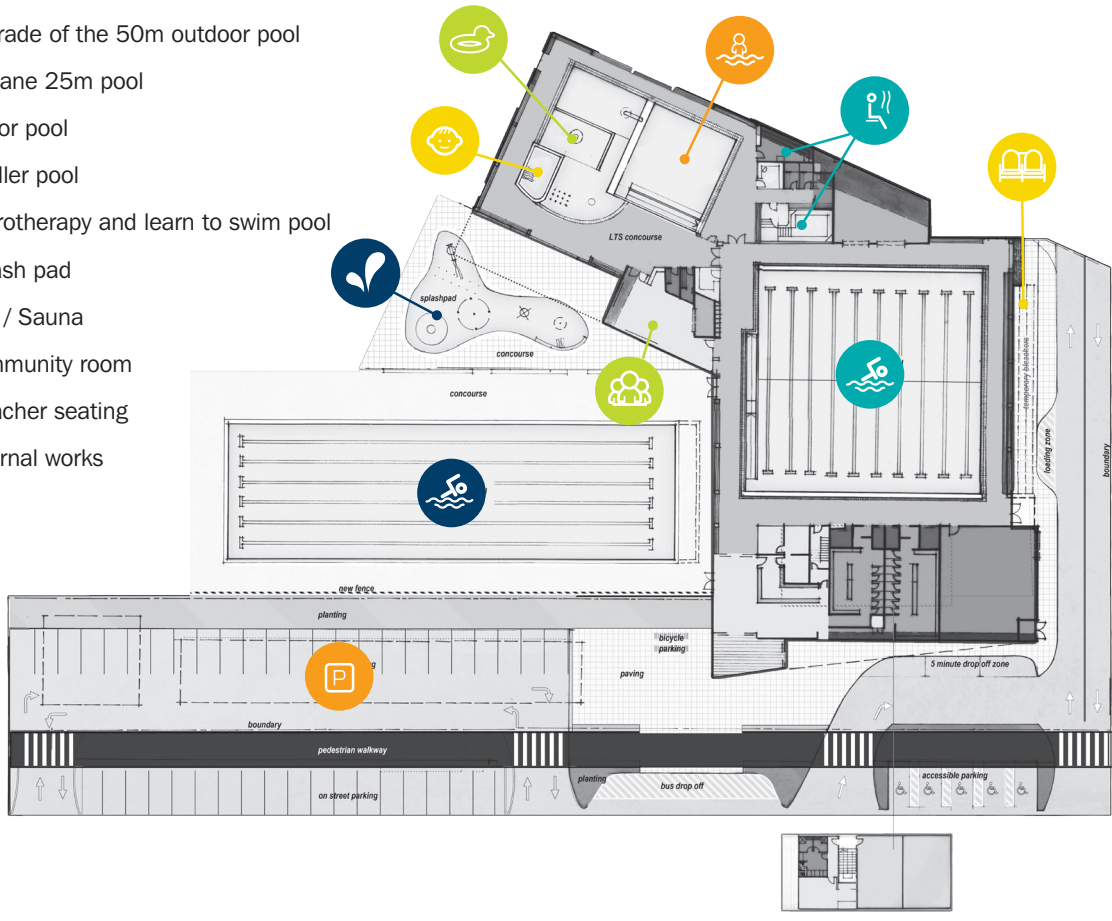
THIS COMPARES TO THE CURRENT PLANS (OPTION 2) WHICH INCLUDE:

- ✓ Keeping the outdoor pool
- ✓ 10-lane 25m pool
- ✓ Learner pool




DESIGN CONCEPT AND PLANS: OPTION 1

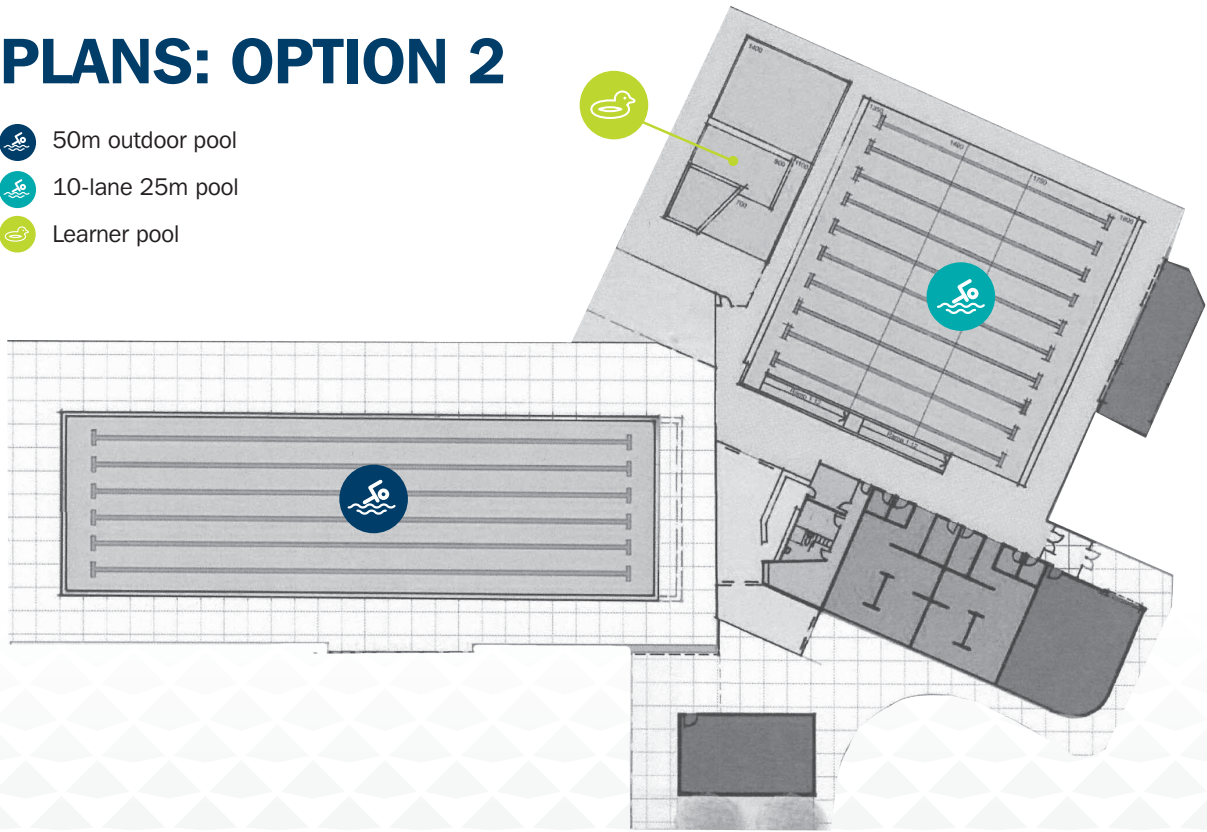


-  Upgrade of the 50m outdoor pool
-  10-lane 25m pool
-  Junior pool
-  Toddler pool
-  Hydrotherapy and learn to swim pool
-  Splash pad
-  Spa / Sauna
-  Community room
-  Bleacher seating
-  External works



PLANS: OPTION 2

-  50m outdoor pool
-  10-lane 25m pool
-  Learner pool



WHY WE ARE PROPOSING THIS NEW SCOPE

THE NEW PLANS MEAN THAT THE CAMBRIDGE POOL COMPLEX WILL BE A SPACE THAT...

the whole community can enjoy

The range of pools and features will mean that the pool complex is one that caters for a wide range of community ages and needs.

caters for the future

Cambridge is growing. Fast. With a current population of 17,000, this is set to almost double by the year 2050 to 30,000. Council wants to make sure the pool is of a size that caters for this population. It's better practice and more cost effective to 'build it right' at the start, rather than adding to it over time.

caters for our aging population

As well as growing in population, Cambridge is also getting older and by 2050, more than a third of Cambridge will be aged over 65 years. The hydrotherapy pool and spa / sauna will provide seniors with a much needed facility that will contribute to their wellbeing.

the community can be proud of

The pool is a long awaited project and a widespread view is to 'do it now, and do it properly'. Council wants to ensure the pool complex includes the right features and to a high standard.



THE COSTS

The cost of the proposed Cambridge Pool project (Option 1) is \$16.5m.

The revised plans will add an extra \$24 per year for ratepayers in the Cambridge and Maungatautari wards on top of the costs indicated in the 10-Year Plan. So for a ratepayer in Cambridge with a property worth \$390,000 – the new plans will mean they will pay around \$158 in additional rates for the first year of the pool's operation, instead of around \$134 for our current plans (Option 2).

Ratepayers in the Te Awamutu, Pirongia and Kakepuku wards are not affected by the increase in loan costs.

The costs have increased because the project now includes a lot more features. The new budget also includes all of the external works, like parking and landscaping, which was not included in the original scope.

How the pool will be paid for

For both options, the construction of the pool complex (known as capital costs) will be covered by a mixture of loan funding, asset sales, development contributions, and fundraising.

Capital costs

Servicing of the loan will be covered by Cambridge and Maungatautari ward ratepayers. Council is in a strong financial position – our debt levels are much lower than predicted and our rates increase for 2017/18 is looking to be significantly lower than what our 10-Year Plan signalled. This means we have room to borrow more if we choose to.

Operational costs

The operational costs for the pool will be covered by the whole district. This funding model is the same as what we use for the Livingstone Aquatic Centre in Te Awamutu where the capital costs were funded only by the western side of the district and the operational costs were funded by ratepayers across the whole district.

What Council's proposing (Option 1) is a much bigger facility which means it's going to cost more to run than the current pool. It will cost more because the complex will be open year-round, and also because it's a much bigger facility that requires more power, heating costs etc. (Council will be investigating the use of sustainable elements to minimise operating costs such as installing LED lighting). Bearing in mind though, the number of users will increase, which will increase the amount of income the pool receives.

PLEASE NOTE: While increased operational costs have been included in the figures on the following pages, these will need to be confirmed. This can happen once the plans for the pool are confirmed and once consultation with the Trust and the community takes place prior to the pool opening.



THE OPTIONS

THERE ARE TWO OPTIONS

OPTION 1: Proceed with the revised plans (currently Council's preferred option) - \$16.5m

OPTION 2: Keep with the current plans - \$9.9m

For each option, we have provided a table that shows the impact on rates compared to costs of operating our current outdoor pool facility which is only open in the summer months.

THE FINANCES

Our financial situation

Council is in a strong financial position – our debt levels are much lower than predicted and our rates increase for 2017/18 is looking to be significantly lower than what our 10-Year Plan predicted.

How the pool will be paid for

The construction of the pool complex (known as capital costs) will be covered by a mixture of loan funding, asset sales, development contributions, and fundraising. The servicing of the loan will be covered by Cambridge and Maungatautari ward ratepayers. This funding model is the same as what we use for the Livingstone Aquatic Centre in Te Awamutu where the capital costs were funded by the western side of the district.

Option 1 (New plans: \$16.5m)

This option would mean Council needs to borrow \$7.9m to fund the additional capital costs which is \$3.3m more than what's currently included in our 10-Year Plan. In order to reduce the immediate impact on rates, under existing policies, Council can extend the borrowing period to 30 years (currently the loan period in the 10-Year Plan is 20 years).

Funded over 30 years, this option would mean an extra rates cost of up to \$24 (gst inclusive) per year* for ratepayers in the Cambridge and Maungatautari wards compared to the costs indicated in the 10-Year Plan. Ratepayers in the Te Awamutu, Pirongia and Kakepuku wards are not affected by this increase as they do not fund any capital costs of the project. They will be however be affected by any increases in operational costs.

*This additional cost per year could be reduced by around \$8 if Council amended its policies to allow the money to be borrowed over a 40 year term with equal repayments of principal per year. Consultation around the possibility of longer-term borrowing for all areas of Council activity is likely to occur as part of the 2018-28 10-Year Plan.

The following table shows the estimated rates for the Cambridge pool's first year of operation (including allowance for increased operational costs) under Option 1.

Location of property	TE AWAMUTU	CAMBRIDGE	PIRONGIA TOWNSHIP	MAUNGATAUTARI	PIRONGIA WARD	KAKEPUKU
Capital value of property	\$350,000	\$390,000	\$460,000	\$2,080,000	\$5,200,000	\$6,290,000
Rates impact for Option 1	\$19.44*	\$158.14	\$21.97*	\$197.00	\$130.99*	\$156.06*
Difference in costs between Option 1 and Option 2	No change	\$24.08	No change	\$24.08	No change	No change

*As the cost for funding the additional loan for Option 1 is only covered by Cambridge and Maungatautari wards, there is no change in the rate impact between Option 1 and Option 2 for these wards.

Option 2 (Current plans: \$9.9m)

This option means Council only needs to borrow \$4.6m. As included in our current 10-Year Plan, this loan would be paid off over a period of 20 years.

The following table shows the estimated rates for the Cambridge pool's first year of operation (including allowance for increased operational costs) under Option 2 - as they were in the approved 10-Year Plan.

Location of property	TE AWAMUTU	CAMBRIDGE	PIRONGIA TOWNSHIP	MAUNGATAUTARI	PIRONGIA WARD	KAKEPUKU
Capital value of property	\$350,000	\$390,000	\$460,000	\$2,080,000	\$5,200,000	\$6,290,000
Rates impact for Option 2	\$19.44*	\$134.06	\$21.97*	\$172.92	\$130.99*	\$156.06*

*As the cost for funding the additional loan for Option 2 is only covered by Cambridge and Maungatautari wards, there is no change in the rate impact between Option 1 and Option 2 for these wards.

OPERATIONAL COSTS

Because this is a much bigger (and better) facility, it's going to cost more to run than the current pool. It will cost more because the complex will be open year-round, and also because it's a much bigger facility that requires more power, heating costs etc. (Council will be investigating the use of sustainable elements to minimise operating costs such as installing LED lighting).

Bearing in mind though, the number of users each year will increase, which will increase the amount of income the pool receives.

The rates calculations included in both options provide for a significant amount of additional operating costs however, these will need to be further refined in consultation with the Trust and community prior to the pool opening. We will keep in touch around this.

HAVE YOUR SAY

Copies of the Statement of Proposal and submission forms are available:

- Online at the Council's website: www.waipadc.govt.nz/haveyoursay
- At the Council Offices and Libraries
- By phoning 0800 WAIPA DC (924 723) and requesting a copy.

We will also be holding information sessions where you can come along to find out more and have your say.

Information / have your say sessions

You can find out more information and give us your feedback at one of our information sessions.

Thursday 4 May: 4-7pm, Cambridge Council Office, 23 Wilson St, Cambridge

Monday 8 May: 1-3pm, Cambridge Council Office, 23 Wilson St, Cambridge

Tuesday 9 May: 4-7pm, Te Awamutu Library, 106 Mahoe St, Te Awamutu

Wednesday 10 May: 4-7pm, Cambridge Council Office, 23 Wilson St, Cambridge

Feedback will be discussed by the Mayor and councillors at a Council meeting on 13 June. The public are more than welcome to attend this meeting. We will confirm the exact details closer to the time.



THE EARLY CHAPTERS

Before the pool was opened, the people of Cambridge spent their summers in the Cambridge swimming baths which were opened in 1921.

A swimming club started in Cambridge at the end of the 1890s. First in a roped off area in the Waikato River, then at Te Ko Utu Lake, then in the baths once they opened.

In 1920 the club began issuing tickets for mixed bathing to any lady or gentleman who made an application. Mixed bathing was held on Wednesday evenings.

In Hamilton, sunbathing at the Hamilton Lake was prohibited under a new bylaw. Bathers were allowed to stay in their costumes while in the water and while going to and from the water. Anything in the nature of loitering about the shore in swimming costume was forbidden and the police had instructions to take action.



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