THAMES & SUB-REGION AQUATIC PROVISION

BUSINESS CASE 28 February 2025

Prepared for: THAMES-COROMANDEL DISTRICT COUNCIL



INFORMATION

Document Reference Thames and Sub-Region Aquatic Provision | Business Case

Client Thames-Coromandel District Council

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Sign off Craig Jones, Visitor Solutions

Version Final

Date 28 February 2025

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EXECUTIVE SUMMARY

Thames-Coromandel District Council has been investigating the provision of a new aquatic facility to serve Thames because:

- 1. Thames Centennial Pool is located on an urupā (burial ground), and the Council has agreed to remove the facility by 2027.
- 2. Thames Centennial Pool is reaching the end of its useful life and is not fit-for-purpose to meet a range of community needs or as year-round aquatic provision.
- 3. The 2017 Waikato Regional Aquatic Plan and updated 2024 analysis identify an undersupply of year-round aquatic provision, particularly leisure provision, in the Thames-Coromandel District.

The Council has signalled its intention to remove Thames Centennial Pool in strategic documents since 2006. Provision for Thames Aquatic Facility (\$39.9 million) is included in the 2024-34 Long-term Plan.

In 2022, the Council commenced a comprehensive investigation to determine the best solution for a new aquatic facility to serve Thames. The investigation followed Sport New Zealand's best practice process to collect substantial evidence and analyse multiple options to support informed decision-making on the best option.

Key evidence is summarised below, with the case for investment, options analysis and preferred option outlined over the next pages.

NEEDS ASSESSMENT	FEASIBILITY STUDY	INITIAL BUSINESS CASE INPUTS	ALTERNATIVE OPTIONS
April – December 2022	January 2023 – February 2024	February 2024 – July 2024	August 2024 – December 2024
 Current provision is not fit-for-purpose for all aquatic needs. Undersupply of year-round water. Thames Centennial Pool used 60% local, 40% sub-regional. Survey of users/non-users indicates a dislike of the cold experience of the current pool. Community support for improved aquatic provision, including indoor water for fit-for-purpose year-round provision. Need to determine if the facility's purpose is local or sub-regional. Minimum scope: learn to swim, programme, fitness & play provision. Potential sub-regional: sport, leisure and hydro-therapy provision. Growing ageing population require access to warm water. Best, most accessible location. Identify the most affordable option. 	 Thames has limited sites appropriate for an aquatic facility. Richmond Street court site, on land leased from Thames High School, is the best site for a local facility. Two options for a local facility were developed for this site. Kōpū South on Southbridge Industrial Park has the strongest attributes for a sub-regional aquatic facility. One design option for a sub-regional facility was developed. Hauraki District Council confirmed it does not have the funding capacity to support a sub-regional facility at the level indicated to date. Therefore, a partnership approach is currently not viable. 	=	 Investigated alternative options with reduced scope and cost. 6 options developed for evaluation in this business case: D: No investment \$550K E: All Outdoor, 25m pool \$13M F: Locally focused, indoor/outdoor \$22M G: Locally focused, fabric building \$26M H: Locally focused, all indoor \$29M I: Sub-regional, staged \$40M + \$14M

STRATEGIC CASE

The strategic case outlines why investment is needed, including the problems to be solved, the benefits acquired by solving these problems, and, therefore, the objectives of investment.

There are **five problems** to be solved for Thames' aquatic provision:

Problem 1: Thames Centennial Pool is located on an urupā (burial ground). Under an agreement between Ngāti Maru and Thames Coromandel District Council, the facility will be removed by 2027, and the land returned to Ngāti Maru.

Problem 2: Thames Centennial Pool is at end of life. At 50 years old the facility is reaching the end of its useful life and investment would be needed in aquatic provision regardless of the decision to remove.

Problem 3: There is an undersupply of year-round aquatic provision in the Thames-Coromandel District. Outdoor pools operating all year are not fit for purpose for year-round provision. The Waikato Regional Aquatic Plan 2017 & 2024 analysis identifies a District undersupply of 210m² of year-round provision which increases to 585m² when Thames Centennial Pool is removed. Outdoor pools like Thames Centennial Pool are not fit-for-purpose for year-round provision as they are energy inefficient, more costly, and have low appeal in winter.

Problem 4: Thames Centennial Pool is not fit-for-purpose to meet current and future aquatic needs. The current structured design is not fit-for-purpose to cater for a range of needs, including learning, leisure, and therapy. It does not provide the warmer experiences for quality learn to swim or to support an ageing population. The 2024 Waikato regional aquatic analysis identifies an undersupply of aquatic leisure (including therapy) across the Thames-Coromandel District.

Problem 5: The financial environment is constrained, and limited funding is available for a new aquatic facility. This problem was highlighted when the full financial impact on Thames ratepayers and the limited potential external funding was identified in June 2024.

In the *2024 Thames Aquatic Community Survey with 1,472 total respondents, 81% rated public aquatic provision in Thames as high or vital importance. Key reasons for this high importance correlate with the strategic benefits of aquatic facilities.

Strategic benefits of aquatic facilities

Reasons for the high importance of aquatic facilities identified by 1,301 respondents (81%) from the Thames Aquatic Community Survey:

- Learning to swim is a vital life skill identified by 94%.
- Supporting aquatic physical activity, rehabilitation and wellness. Identified by 81% to enable fitness, 67% to support rehabilitation and 59% for relaxation.
- Providing opportunities for play and enjoyment identified by 70%.
- Facilitating aquatic sports identified by 65%.
- Bringing people together to connect and socialise identified by 58%.
- Providing employment and contributing to an appealing town. 64% identified aquatic provision contributes towards Thames being an appealing town to live.

Solving the problems unlocks the strategic benefits and underpins the four **investment objectives** for Thames aquatic provision. The Thames Community Board weighted the investment objectives in January 2025 to reflect the varied community expectations:

INVESTMENT OBJECTIVES:

- 1. Remove Thames Centennial Pool from its site and develop a new facility in a location accessible to the Thames community and resilient to the environmental challenges facing Thames (5%).
- 2. Provide sufficient and best-practice year-round water to meet the current and future needs of the local catchment and potential subregional catchment (26%).
- **3.** Ensure a balance of fit-for-purpose water to cater for a range of needs, including learning, leisure, therapy, and fitness (22%).
- **4.** Ensure a new facility is financially affordable and sustainable for the Council, ratepayers, and community over the long term (47%).

The best-value aquatic facility is well used, built to last, efficient to operate, and minimises costs (financially and environmentally). This means there needs to be a balance between the social outcomes/impact, development quality and financial costs. There is no value in a new facility that is poorly used or costly to operate.

ECONOMIC CASE

The economic case outlines the options for Thames Aquatic Provision and identifies the strongest option when evaluated against the investment objectives. There are two critical aspects to the option investigation:

- Determining the right site for aquatic facility development.
- Determining the right scope and scale for the potential facility.

A comprehensive site assessment considered 19 sites and determined the Richmond Street court site on land leased from Thames High School is the strongest local site. Kōpū South, on land leased from Southbridge Industrial Park, is the strongest sub-regional site.

Across all stages of the investigation, 16 facility options have been considered and sifted down to 6 options, listed below and outlined in Table A (next page). The six options are smaller versions of the original options A- C and are listed from least to highest capital cost.

- Option D: No investment in aquatic provision. Thames Centennial Pool is removed and not replaced.
- Option E: All Outdoor 25m Pool, at Richmond Street. 25m x 7 lane pool and associated building for changing/administration.
- Option F: Indoor / Outdoor local facility, at Richmond Street. Outdoor 25m x 6 lane pool and indoor learn to swim pool, programme pool and splashpad.
- Option G: All Indoor, structural fabric local facility, Richmond Street. 25m x 6 lane pool, learn to swim pool, programme pool and splashpad built in a structural fabric building.
- Option H: All Indoor, traditional building local facility at Richmond Street. 25m x 6 lane pool, learn to swim pool, programme pool and splashpad built in a traditional insulated panel building.
- Option I: All Indoor, staged sub-regional facility at Kōpū South. 25m x 7 lane pool, learn to swim pool, programme pool and spa in stage 1 and a leisure pool and fitness centre in stage 2.

A structural fabric building is based on traditional insulated walls up to 2-4metres high, with a curved steel roof that holds two layers of structural fabric with insulation sandwiched in between. A traditional building is installed on a steel or timber frame with an insulated core sandwiched between metal skins.

Options F to I provide sufficient water to address the District's 585m² undersupply, but Options G to I provide sufficient year-round indoor provision. Options F to I provide a balance of water for all functions.

Table A summarises the financial analysis, showing if 100% Thames locally funded, the average annual impact would be ~\$325 to ~\$1273.

Based on evaluation against the investment objectives summarised in Table A, Option G All Indoor, structural fabric local facility is the strongest option for the following reasons and illustrated in Figure A:

- Secures long-term aquatic provision for Thames.
- Located in an accessible and resilient location for Thames.
- Provides sufficient and best-practice year-round aquatic provision with ~660m² of indoor pools to address the District's undersupply.
- Provides a balance of provision across all four aquatic functions to meet the needs of a wide cross section of the community:
 - o **Learning**: 88m² (13%) of warm shallow water which is fit-for-purpose for learning to swim and over-flow for shallow play.
 - o **Therapy**: 88m² (13%) of warm mid-depth water for aqua-therapy and over-flow for deeper play.
 - o **Fitness:** 406m² (62%) in 25m x 6 lanes suitable for swim fitness, training and competitions plus over-flow for aquatic play.
 - o **Leisure:** 78m² (11%) splashpad providing zero-depth, warm water play experiences for young children and families.
- Delivers the community priorities for learn to swim, fitness/ wellness and play.
- Provides fit-for-purpose warm water for a growing, ageing population, forecast to be 47% of Thames community by 2054.
- Using a structural fabric building reduces the cost of the building. There are some manageable risks associated with the building structure which will require careful design and construction.
- Has an average annual cost of ~\$682 per Thames ratepayer.

The next strongest option is Option F with indoor/outdoor provision. It will meet the majority of needs, except the outdoor 25m pool will be less appealing in cold weather. At an average annual cost ~\$592 per Thames ratepayer, it offers a cheaper option, but still good value.

The third strongest option is Option H (all indoor traditional) as it provides all the benefits of Option G without the possible building risks, but higher average annual cost at ~\$729 per Thames ratepayer.

TABLE A: THAMES AQUATIC PROVISION OPTIONS

NI - incompany					Option I	Option I
	All Outdoor	Indoor/ Outdoor			Sub-regional	Sub-regional
	25m pool		Fabric Building		Stage 1	Stage 1 + 2
-					· ·	Kōpū South
						Indoor: Stage 1 +
lacility	ZSITIX / lattles					Leisure pool
						Fitness centre
		Prog. pool	Splashpad			
						Traditional
						823m ²
			l '	, ·	'	3,257m ²
·	<u>'</u>	·				~82,500
•	· ·	• •			· ·	54,494,000
Saving \$659K	(779,000)	(1,075,000)	, ,	(1,074,000)	(1,242,000)	(1,692,000)
66,000	2,335,000	3,618,000	4,054,000	4,276,000	5,521,000	6,889,000
•		•		·	-	\$1273
	\$62	\$114	\$131	\$140	\$190	\$245
No delivery	Strong delivery	Strong delivery			Average	e delivery
No delivery	Weak delivery	Average delivery	Good delivery	Good delivery	Strong	delivery
No delivery	Weak delivery	Good delivery	Strong delivery	Strong delivery	Strong	delivery
Strong delivery	Good delivery	Good delivery	Average delivery	Weak delivery		elivery Vard funded)
47.0	57.0	65.3	66.1	57.2	5	1.0
Not a viable	4 th option	2 nd strongest	Strongest &	3 rd option		hames to deliver
option		· •				le with District
1					Haurakı Distri 	ct (if available).
				urianordable		
	No aquatic facility None Om² Om² Loss of ~35,000 Saving \$659K 66,000 -\$148 No delivery No delivery Strong delivery 47.0 Not a viable	- Richmond St No aquatic facility	No aquatic facility Progressive Strong delivery No delivery No delivery No delivery No delivery No delivery Not a viable option Significant impact and loss of No aquatic 25m x 7 lanes Nout a viable option Significant impact and loss of None Traditional Traditional Prog. pool Splashpad Traditional Tradit	Richmond St No aquatic facility Dutdoor: 25m x 7 lanes None Traditional None None Traditional Traditional Traditional Traditional Structural Fabric None None None None Traditional Traditional None None None None None None None None	Richmond St Indoor: 25m x 6 lanes LTS pool LTS pool LTS pool Prog. Pool Splashpad Splashpa	Richmond St S5m × 6 lanes LTS pool Prog. Pool Splashpad Spla

FIGURE A: STRONGEST OPTION G WITH ARTIST'S IMPRESSION AND ASSOCIATED BENEFITS



SECURES PROVISION IN ACCESSIBLE LOCATION

81% of survey respondents* rate aquatic provision as high/vital importance. Central, resilient location on lease land from MOE.

SUFFICIENT & BEST PRACTICE PROVISION

660m² of indoor pools. Best-practice year-round indoor aquatic provision. Sufficient to fill District aquatic under-supply.

BALANCE OF PROVISION

For a wide cross-section of the community:

Learning: 88m² shallow, warm, fit-for-purpose for learn to swim. Highly valued as an important life skill.

Therapy: 88m² mid-depth, warm, all-year water for aqua-therapy & play.

Fitness: 406m² all-year water for fitness, training & events. **Leisure**: 78m² splashpad plus over-flow in other pools.

FINANCIALLY AFFORDABLE
Average annual net Thames
ratepayer cost of ~\$682.
Provides value for money,
whilst minimising the cost
through a cheaper building.

* 2024 Thames Aquatic Community Survey, 1,453 respondents

FINANCIAL CASE

The financial case outlines the financial costs for the preferred option G. Possible options for variable funding between Local and District are included, given the current Thames Centennial Pool attracts around 40% of its visits from beyond the Thames Community Board area.

The external funding landscape is challenging. Funders should be approached when a clear project site, scope, and cost have been confirmed. A high-level assessment indicates up to \$1 million of potential external funding, although this is dependent on both the timing of the application and the scope of the project.

COMMERCIAL CASE

The commercial case outlines potential procurement options. As the preferred option is based on a structural fabric building, it is recommended early contractor engagement is utilised to obtain specialist input into concept planning. The Council could then decide which procurement method best suits its needs and risk appetite.

MANAGEMENT CASE

The management case outlines the project delivery requirements, including risks, constraints and dependencies.

RECOMMENDATIONS

- The Thames-Coromandel District Council adopt the Thames and Sub-Region Aquatic Provision Business Case, which includes the following four investment objectives for Thames Aquatic Provision:
 - i. Remove Thames Centennial Pool from its site and develop a new facility in a location accessible to the Thames community and resilient to the environmental challenges facing Thames.
 - **ii.** Provide sufficient and best-practice year-round water to meet the current and future needs of the local catchment and potential sub-regional catchment.
 - **iii.** Ensure a balance of fit-for-purpose water to cater for a range of needs, including learning, leisure, therapy, and fitness.
 - iv. Ensure a new facility is financially affordable and sustainable for the Council, ratepayers, and community over the long term.

- 2. The Council select **Option G All Indoor, structural fabric local facility** on the Richmond Street court site with 660m² of indoor water, at an estimated capital cost of \$26.2 million, as the preferred option for the following reasons:
 - o Secures aquatic provision in Thames for the future.
 - Located in an accessible and resilient location for Thames.
 - o Provides sufficient, best-practice, year-round, indoor pools to address the District's undersupply of aquatic provision.
 - Provides a balance of water across all four aquatic functions to meet the needs of a wide cross section of the community, including warm-water for a growing, ageing population and fit-for-purpose water for learning to swim.
 - A structural fabric building reduces the cost of the building, but noting manageable risks associated with the structure will require careful design and construction.
 - o Has an average annual cost (over 30 years) of ~\$682 per Thames ratepayer if 100% Local funded.
- 3. The Council consider if proportional Local / District funding for the Thames Aquatic Facility is appropriate, given the current Thames Centennial Pool attracts around 40% of visits from beyond Thames Community Board area.
- 4. The Council consider whether to engage with the community on the three strongest options to gauge ratepayer views on affordability and the potential for Local versus District funding.
- 5. Once an option is confirmed, the Council complete the necessary project planning which includes:
 - o Establishing project governance with representation from Thames High School Board of Trustees and Ngāti Maru.
 - o Engaging with potential external funders highlighting the strategic benefits of the proposed project.
 - o Determining the procurement strategy including early Contractor Engagement (ECI) to manage design and risks.
 - o Engagement with Thames High School / Ministry of Education to secure tenure for the Richmond Street court site.
 - o Ongoing partnership with Ngāti Maru, particularly around the removal of Thames Centennial Pool from Taipari Park.
 - o Engagement with stakeholders as the project progresses.



BACKGROUND

The Thames-Coromandel District Council has committed to removing Thames Centennial Pool from its current location on Taipari Park and has been pursuing the development of a new aquatic facility to serve Thames since 2006. Funding has been included in multiple Longterm Plans to progress the project.

In April 2022, the Thames-Coromandel District Council engaged Visitor Solutions to follow the Sport New Zealand best-practice approach to investigate and determine the best solution for future aquatic provision for Thames. The investigation has been completed over five phases of work, summarised in Figure 2.1 (further details are provided in Section 2.4).

In February 2024, the Thames Community Board adopted the Thames Aquatic Provision Feasibility Study and resolved to proceed with a business case based on four options (A-D). The business case involved a community survey and detailed financial analysis, which brought the full cost of the options into the spotlight. In an interim report to the Thames Community Board in July 2024 staff raised concerns regarding the financial impact on Thames ratepayers (of Options A-C) and identified the scope of options could be reviewed to reduce the cost. Scoping and development of the alternative options has been progressed and are outlined in this business case.

2.2 PROJECT DRIVERS

The drivers for a new aquatic facility in Thames have been well established over the course of the investigation:

DRIVER 1: AGREEMENT TO REMOVE THAMES CENTENNIAL POOL

Thames Centennial Pool is located on an urupā (burial ground). Under the agreement between Ngāti Maru and Thames-Coromandel District Council, it has been agreed the facility will be removed by 2027, and the land returned to Ngāti Maru. The Council has allocated funding for a new Thames aquatic facility in its long-term plan.

DRIVER 2: THAMES CENTENNIAL POOL IS AT END OF LIFE AND IS **NOT FIT-FOR-PURPOSE**

At 50 years old, the Thames Centennial Pool is reaching the end of its useful life, and investment would be required, regardless of the decision to remove. As an outdoor structured pool, it is not fit-forpurpose for year-round aquatic provision or to meet a range of community needs, particularly arising from an ageing population.

DRIVER 3: UNDERSUPPLY OF YEAR-ROUND & LEISURE PROVISION

The Waikato Regional Aquatic Plan 2017 and updated 2024 analysis identify an undersupply of year-round aquatic provision, particularly aquatic leisure provision in the Thames-Coromandel District.

FIGURE 2.1 FIVE PHASES IN THE THAMES AQUATIC PROVISION INVESTIGATION

AOUATIC NEEDS ASSESSMENT Apr - Dec 2022 Understand aquatic provision & needs



Jan 23 - Jan 24 Site Options Sub-Regional Location Study **Facility Options**

FEASIBILITY STUDY



INITIAL BUSINESS CASE INPUTS Feb - Jul 24





ALTERNATIVE OPTIONS INVESTIGATION Aug - Dec 24

Reduced scope /



BUSINESS CASE Dec 24 - Feb 25

Case for investment in the Preferred Option

2.3 PURPOSE OF THE BUSINESS CASE

The purpose of the business case is to outline the options that have been considered and to make the case for investing in the preferred option, along with the financial impact and implementation approach.

The business case is loosely structured around the five cases defined by the Treasury Better Business Case, with some refinements to reflect the methodology and information the Thames-Coromandel District Council needs to make a decision. The five cases include:

- Strategic Case: the strategic alignment and case for change, including the problems to be solved and investment objectives.
- Economic Case: an overview of all options investigated and evaluation against the investment objectives to identify the preferred option.
- Financial Case: financial impact of the preferred option.
- Commercial Case: procurement options for the preferred option.
- Management Case: project implementation requirements.

The conclusion section summarises the investigation to provide the case for investment in the preferred option. Multiple appendices provide substantiative information to support the business case.

The business case draws on key data and findings from detailed reports from previous phases of the investigation, in particular:

- Thames and Wider Sub-Region Aquatic Provision Needs Assessment, September 2022.
- Thames-Coromandel and Hauraki Districts Sub-Regional Aquatic Location Assessment, November 2023
- Thames and Sub-Region Aquatic Provision Feasibility Study, February 2024.
- Thames & Sub-Region Aquatic Provision: Update on developing the Business Case, July 2024.

The full reports (identified in italics throughout this report) should be referenced for the supporting evidence and detailed information.

2.4 INVESTIGATION METHODOLOGY

Figure 2.1 (bottom of the previous page 9) shows the investigation has been completed over five phases of work. A summary of each phase is outlined in this section.

The investigation has involved input from a Steering Group comprised of representatives from Thames-Coromandel District Council, Thames Community Board, Hauraki District Council, Sport Waikato, Ngāti Maru and the Sport and Education Trust (Thames).

When the investigation started in 2022, the aquatic facility provision was considered alongside the Thames Sports Partnership Project (investigating partnership/hub options for sport groups based at Rhodes Park). Due to the potential synergies, the two projects were undertaken in parallel. Over the course of the feasibility study in 2023, it became clear the projects had different challenges, and it was decided to progress each investigation independently.

NEEDS ASSESSMENT

The purpose of the needs assessment is to understand the current state of aquatic provision, assess potential gaps and determine future aquatic needs.

This included:

- Strategic context and previous studies. A full list of references is summarised in <u>Appendix A.</u>
- Demographic context and future population projections.
- Assessment of current aquatic provision.
- Assessment of aquatic participation including the performance of Thames Centennial Pool.
- Engagement with Mana Whenua, Hauraki District Council, Sport Waikato and aquatic stakeholder groups.
- An open survey of 494 respondents to understand user and nonuser behaviour, views and aspirations for aquatic provision.

The *Thames and Wider Sub-region Aquatic Provision Needs Assessment* was adopted by the Thames Community Board on 28 September 2022.

FFASIBILITY STUDY

The purpose of the feasibility study is to consider potential options that respond to the identified community needs and key success factors. This included assessing potential site options and facility scale/scope options.

The study included:

- Development of site evaluation criteria to assess potential sites. This included critical requirements, long-list and short-list criterion.
- Long-list site assessment: 19 sites were assessed, and 9 were shortlisted for further consideration. Following engagement with Mana Whenua, site owners, and key stakeholders, 5 sites were discounted, leaving 4 short-listed sites.
- Companion Sub-regional aquatic location assessment: to consider "Where is it best to develop a sub-regional aquatic facility to serve Thames-Coromandel and Hauraki Districts?"
- Facility scope: Determining the required facility scope to meet the needs for a local or sub-regional facility with reference to recent aquatic developments.
- Technical investigation of four potential sites: development of concept designs, assessment of site planning, geotechnical, civil, infrastructure, and traffic issues, and estimation of capital and operational costs for each option.

The site assessment determined the Richmond Street court site, through a lease from Thames High School, was the best location for a local facility. The best location for a sub-regional facility was Kōpū South, through a lease from Southbridge Industrial Park.

The *Thames and Sub-Region Aquatic Provision Feasibility Study* and the *Thames-Coromandel and Hauraki Districts Sub-Regional Aquatic Location Assessment* were adopted by the Thames Community Board on 21st February 2024.

INITIAL BUSINESS CASE INPUTS

Directed by the adoption of the feasibility study, the initial business case work focused on the following four options:

- Option A: Local indoor facility on the Richmond Street Court site (lease from Thames High School).
- Option B: Local indoor/outdoor facility on the Richmond Street Court site (lease from Thames High School).
- Option C: Sub-regional indoor facility at Kōpū South (lease from Southbridge Industrial Park).
- Option D: no investment in aquatic provision (and the existing pool is removed).

The initial work included:

- **Discussion with site owners**: Thames High School Board of Trustees and the Kōpū South industrial site owners.
- Community engagement: a public survey (online and hard copy) was conducted between 15 April and 6 May 2024 to seek public views on the four options. Overall, 1,457 individuals, 15 organisations, and 2 written submissions were received. The full summary of the survey is outlined in Appendix B.
- Financial analysis: the whole-of-life financial cost and impact of each option. The initial report by Deloitte is included in <u>Appendix C.</u>
- Funding review: Discussions with Sport Waikato provided funding context, but as no development option had been confirmed (at that time), no formal discussions with funders were held.

An interim report on the development of the business case was presented to the Thames Community Board on 17 July 2024. The interim report provided a summary of the community survey and financial impacts. With the full cost of Options A-C highlighted, staff raised concerns regarding the financial impact on Thames ratepayers and identified the scope of options could be reviewed to reduce the cost. Consequently, the investigation was extended to examine options with reduced scope to lessen the financial impact of potential options.

ALTERNATIVE OPTIONS INVESTIGATION

This phase considered alternative options to reduce the financial impact of aquatic options.

The work included:

- Initial scoping of alternative options: five alternative options were identified with high-level design, cost, and assessment. A summary of the high-level alternative options is included in <u>Appendix D</u>.
- Workshop with Thames Community Board: the five alternative options were workshopped with Thames Community Board on 14 August 2024. It was agreed to focus on:

Alternative Option 4: value-managed local facility sited at the Richmond Street Courts with three building variations:

- a) traditional indoor building,
- b) indoor/outdoor building, and
- c) structural fabric building.

Alternative Option 5: staged sub-regional facility located at Kōpū South:

- a) Stage 1 provides 25m pool and learning/programme pool,
- b) Stage 2 provides a leisure pool and fitness centre.
- After the workshop, an additional concept (Alternative Option 6)
 was added for an outdoor 25m, 7 lane pool located at the
 Richmond Street Court site (although it is acknowledged this
 option would not meet the identified aquatic needs).
- Alternative Options development. Conceptual design, capital and operational costs were developed for 'Alternative Options' 4, 5 and 6.
- Financial analysis: whole-of-life financial costs and impacts.

BUSINESS CASE

The business case combines the findings from the previous phases to outline the options considered and to make a case for investing in the preferred option.

Section 3.0 outlines the Strategic Case for Thames Aquatic Provision. This includes definition of the problem statements, strategic benefits and investment objectives. Weightings for the investment objectives were determined by the Thames Community Board on 22 January 2025 using a Paired Comparison Matrix (which compares each investment objective against the others). The Thames community have varying expectations for aquatic provision and therefore place different importance on the investment objectives. The Thames Community Board, as the representatives of the community, are appropriately positioned to determine the weightings.

Section 4.0, the Economic Case, provides a full overview of all options considered through the investigation, detailing why particular sites or options were discounted. The Economic Case outlines 'Options D to I' which have been assessed against the weighted investment objectives to determine the preferred option.

SPECIALIST INPUT

A range of consultants have contributed specialist work to the investigation as follows:

- Architecture HDT: completed all design work for the options.
- MPM Projects: completed all quantity estimates.
- BECA: provided a range of technical input including planning, geotechnical, civil, infrastructure and energy modelling.
- **Team Traffic**: completed high level traffic assessment.
- **Deloitte**: provided all financial analysis based on the cost inputs from Visitor Solutions and MPM Projects.
- Visitor Solutions completed all operational modelling.

Advice has been sought from Sport New Zealand, Sport Waikato, Apollo Projects Ltd, Fabric Structures Ltd, and other New Zealand aquatic specialists. Recent and comparable aquatic projects and reports from New Zealand and Australia have also been referenced.





3.1 PURPOSE

The purpose of the strategic case is to summarise the case for change supporting investment in aquatic provision. This includes the strategic context, problem definition, strategic benefits and investment objectives for aquatic provision.

3.2 STRATEGIC CONTEXT

THAMES-COROMANDEL DISTRICT COUNCIL

The Council's decisions are driven by its vision and community outcomes expressed in its long-term plan and other strategies.

2024 - 2034 LONG TERM PLAN / TE MAHERE PAE TAWHITI

Council's vision:

The Coromandel – live, work and play.

Priorities (Community Outcomes under Local Government Act):

- A collaborative district.
- A vibrant and safe district.
- A connected and resilient district.
- A district with sustainable services and infrastructure.

Aquatic provision is part of "Vibrant and safe District" with a vision for Coromandel Peninsula is the place to live, work and play – a place people want to be and call home. Relevant service statements are:

- We'll provide a safe year-round swimming pool.
- Our Community Spaces activities meet the needs of our communities.

The Council included \$39.9 million capital expenditure in the 2024-2034 Long-term Plan for Thames Aquatic Facility:

2024/25	2025/26	2026/27	2027/28	2028/29	TOTAL
255,000	257,000	18,234,000	17,992,000	3,233,000	39,971,000

THAMES COROMANDEL DISTRICT COUNCIL LONG-TERM PLANS

Funding for Thames Centennial Pool was initially signalled in the TCDC 2009-2019 Plan. References to Thames aquatic provision in long-term plans since 2009 include:

- 2009-2019 LTP: The expected useful life of the Thames Pool is estimated beyond the 2009-2019 Plan. Funding was provided in 2014/2015 to investigate the pool replacement.
- 2012-2022 LTP: \$5m for pool replacement in 2020/2021.
- 2015–2025 LTP: no capex; \$175,000 in 2020/2021 for renewal work.
- 2018-2028 LTP: intention to replace the Thames Centennial Pool by 2027, acknowledging the agreement with Ngāti Maru.
- 2021-2031 LTP: \$14m across 2025-2027 for locally funded project (described as a like for like replacement, prior to the needs assessments determining the aquatic needs). The Council also confirmed it will remove the existing swimming pool facilities at Taipari Park and land ownership will be transferred to Ngāti Maru, in accordance with the Thames and Thames Coast Reserves Management Plan (2019).

THAMES AND THAMES COAST: RESERVES MANAGEMENT PLAN (2019)

Reserve management plans are an important tool under the Reserve Act 1977 to manage the use and development of reserves.

Taipari Park: 105 Mackay Street, Thames.

- The land was originally the site of a burial ground (urupā) for Te Kauaeranga Pa.
- The land was acquired by Council in 1951 as a public reserve.
- A Borough Centennial monument was erected in 1972 to mark the 150-year anniversary of the Thames Goldfields being opened.
- The swimming pool and roller-skating rink opened in the 1970s.
- Under an agreement between Ngāti Maru and the Council, the swimming pool will be removed from this site by 2027, and the land returned to Ngāti Maru.

TAIPARI PARK RESERVE MANAGEMENT PLAN 2006

The 2006 reserve management plan identified issues with protecting the urupā sites and Hape Stream, which is prone to flooding and affects pool operations.

In the long term (10+ years), the plan recommended moving public facilities to other appropriate locations and beautifying the area as an open space.

Relevant reserve management policies:

- 9.14.2.1 Continue formal management agreement with Ngāti Maru in managing this area.
- 9.14.2.2 Develop a long-term plan to remove facilities and create an open space reserve environment.

THAMES-COROMANDEL DISTRICT SPORT AND ACTIVE RECREATION PLAN 2020

Provides a strategic approach to achieve sport and recreation outcomes through the development of sports facilities in the District.

The plan identifies a range of challenges, including:

- Need to optimise, refurbish and rationalise some facilities.
- Growth of the older population and considering their needs.
- Collaboration to achieve the greatest benefits from investment.
- Ensuring the long-term affordability for users and organisations.
- Ensure sound planning for any new facilities, including needs assessment, feasibility studies and whole of life costing.

The plan identifies Thames Centennial Pool as needing replacement due to its age and location on urupā land. The plan also notes the current aquatic facilities' seasonal dependency limits swimming delivery.

Recommended local facility investigation / development projects:

Project	Thames Replacement Pool / Sub-regional Pool
	Continued investigation and development of business case to confirm the scale of facility to meet the needs
	case to commit the scale of facility to meet the needs
	of the community. Collaboration with Hauraki District
	to promote concept of sub-regional facility with the
	inclusion of users from other districts.

Ward	Thames
Timeframe	Year 1-3 (2019/20 – 2021/22)
Components	Thames Centennial Pool – used by community, Thames Swimming Club and Thames aquarobics
Proposed approach	Continue investigation and development of business case to confirm the scale of facility to meet the needs of the community. Collaboration with Hauraki District to promote concept of sub-regional facility with the inclusion of users from other districts. Current provision in LTP (2018-2028).

THAMES OPEN SPACE AND COMMUNITY FACILITIES STRATEGY 2020

The strategy focuses on open spaces and community facilities owned by the Council to ensure provision of appropriate quantity and quality in the right places to meet the changing needs of communities.

Vision: Thames-Coromandel's community facilities and open spaces are managed effectively and efficiently, celebrate and protect our natural environment, meet community needs, contribute to improving people's health and wellbeing, enhance resident and visitor experience of the District and respond to changing needs and trends.

Policy: Swimming pools

Council will continue to provide a pool facility in Thames and will continue to investigate the options for replacement of the Thames Centennial Pool, including its location, scale and funding.

Actions

- Confirm the location for the facility to replace the Thames Centennial Pool, and timing for its development.
- Finalise a needs assessment for the District's and neighbouring Hauraki District's communities for pool facilities.
- Continue to consult with Hauraki District Council, Waikato Regional Council, Sport Waikato and other agencies about the proposal to replace the Thames pool with a sub-regional pool.
- Consult through the 2021—2031 Long-Term Plan on options for the scale and range of activities that could be provided in the Thames pool replacement facility.

THAMES AND SURROUNDS SPATIAL PLAN (2022)

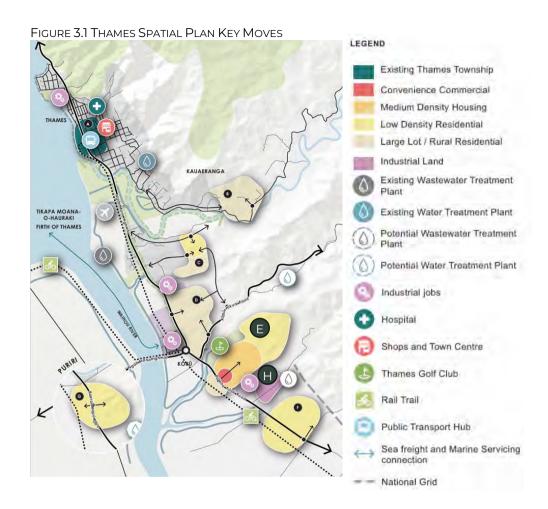
A high-level blueprint for the future showing what should go where and how each part should interact with the others. The Thames Spatial Plan will chart the future of Thames, ensuring growth can occur in a positive and sustainable way.

The Spatial Plan is intended to inform the District Plan changes and identifies three key drivers:

- 1. Impact on economy: Thames is the economic powerhouse of the Coromandel. The economy is growing but the population is stagnant, and the workforce is shrinking. Businesses can't recruit workers due to a lack of housing so well-paying jobs are going unfilled.
- 2. The need for new housing: the Thames community has experienced a chronic, long term under supply of infrastructure enabled, commercially viable land. The high cost to access infrastructure as well as a high cost to access developable land has inhibited development.
- 3. Climate change: Low lying coastal areas of the Thames coast and the greater Thames area are at risk of coastal inundation and erosion. When planning for the future it is important to think about how climate change and rising seas will affect our communities, assets and infrastructure. By addressing Climate and Flooding risk we can improve investor confidence to develop.

The Spatial Plan sets out the key spatial moves for Thames, illustrated in Figure 3.1. Of particular relevance for future aquatic provision is Growth Area E with the potential for mixed density residential and commercial development and H industrial node in Kōpū South.

As land around the immediate Thames township is severely constrained, the long-term growth of Thames is indicated towards the south beyond the Kōpū round-about. This is important when considering current and future accessibility for the residential population.



SHORELINE MANAGEMENT PATHWAYS REPORT 2022

A three-year project to understand the inundation and erosion risks facing the District's 300km of coastlines and development of community-led coastal adaptation pathways for sea-level rise.

A02 - Thames Township Adaptation Pathway

The project recommends Protecting Thames by improving the existing defences and planning to construct a new stop bank along the entire coastal frontage in the short-term. This should be designed to provide protection against 1.2m of relative sea level rise. Figure 3.2 outlines the indicative protection for the township.

FIGURE 3.2 INDICATIVE THAMES ADAPTION PATHWAY



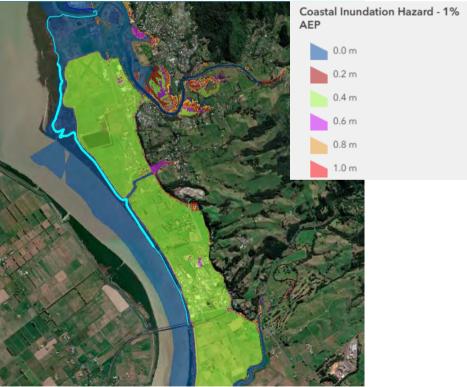
A01 – Kōpū – Rhodes Park

In the short to medium term ensure the District Plan restricts development that is not appropriate for a flood plain. The continued use as sports grounds in the short term is appropriate but with 0.1m of sea level rise, the fields are expected to become largely unplayable. It is proposed 10 years in advance of this (ie within the next 3 to 5 years) the planning process is initiated to relocate the sports fields.

A02 – Kōpū Industrial Area & Village

In the short to medium term maintain the existing flood protection. The height of the existing defences and floor levels should be raised. In the undefended area (old racecourse) developments that are not defended or adapted should be avoided.

FIGURE 3.3 INDICATIVE PATHWAYS FOR RHODES PARK & KŌPŪ INDUSTRIAL AREA



THAMES COMMUNITY PLAN 2020-2030

The plan helps Council to understand what is important to the community, allowing Council to make informed decisions on prioritising and funding services and activities through the review of the Long-term Plan.

Relevant concerns raised by the Thames community include:

- The community needs more affordable housing.
- Employment opportunities in the area are limited.
- Want to retain youth in the area.
- Local history and sense of place are important.
- Existing reserve spaces need to be improved.
- Communities need safe footpaths and cycleways.
- Community needs to be resilient in the face of natural disasters.
- Marine and river flooding controls need to be put in place to protect communities.
- Improved directional and bilingual signage.

POSITIVE AGING STRATEGY 2012

The Positive Aging Strategy recognises older people will make up a growing share of the population in the medium term (see section 4.0 for further details). The strategy identifies:

- Participation of older people in a range of recreation and leisure opportunities.
- Ability for people to feel socially connected.
- Access to transport is critical.
- Feeling safe and secure is important.
- The needs of older people are expected to become more diverse.

YOUTH STRATEGY 2013

The Youth Strategy outlines a vision which is based on:

- Young people are safe and valued.
- Their voices are heard.
- Their issues and needs are understood.
- Local work opportunities are available and interesting.
- A place they would be happy to return to.

NATIONAL STRATEGIES

Beyond Thames-Coromandel District, there are national and regional strategies which provide important context for the development of aquatic facilities.

SPORT NZ NATIONAL AQUATIC FACILITIES STRATEGY 2023

The Strategy sets the direction of change to inform investment into the Aotearoa New Zealand aquatic facility network. It provides guidance on what is required to transition and transform our current and future aquatic network to best meet community need.

Key findings based on nation-wide analysis:

- Nationally to meet demand, total water space available for community access needs to increase by 16% to meet forecast demand.
- Nationally, evidence indicates there is a critical shortfall in the supply at the community level for leisure, play, relaxation, hydrotherapy and school recreational access.
- More pool water space is required for aquatic competence (learn to swim and water safety).
- In general, aquatic sports and lane swimming are adequately supplied, although acknowledging pressure on lane space at peak times (including 2m deep indoor water spaces for some sports).
- No evident need for more major event pools, particularly 50metres.
- There are sufficient regional, national and international level facilities for the supply of aquatic events.

The key shifts required for the future include:

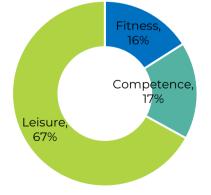
- Detailed regional and local analysis to ensure the right mix of aquatic facilities to redress the imbalance in pool water type.
- Provide a minimum of 27m² of aquatic space per 1,000 population when the balance of pool water space is achieved.
- Assessing current provision using the Full-time Equivalent (FTE) calculation to determine the level of community access to water.
- Focus aquatic facility planning on meeting local community needs.
- Improve access to existing before redeveloping or building new.
- Improve management approaches to maximise the use of pools.

The strategy provides terminology for aquatic activities, demand categories and pool characteristics outlined in Table 3.1.

TABLE 3.1 AQUATIC TERMINOLOGY MATRIX

ACTIVITY	CHARACTERISTICS	DEMAND CATEGORY
Water safety and swimming lessons	29-32° temperature 0.5-1.0m deep	Aquatic competence
Exercise classes	29-32° temperature 1.0-1.4+m deep	Fitness, Health,
Lane swimming	26-29° temperature 1.4+m deep 25-50m length	Sports
Training Competitions	25-28° temperature 1.4-2.0+m deep 25-50m length	
Diving	25-28° temperature 4.0+m deep	
Free play	29-32° temperature 0-2.0+m deep Varying features	Leisure, play, Relaxation, Hydrotherapy,
Relaxation	36-38° temperature Spa pools	School recreational access
Hydrotherapy	33-35° temperature Varying depths	

FIGURE 3.4 NATIONAL AQUATIC FACILITY DEMAND PROFILE 2023



Key Planning Points:

Meeting 27m² aquatic area for every 1,000 population is considered a minimum level of provision once a mix of facilities to meet the balance of demand has been achieved.

When completing detailed planning the primary purpose of each pool must be determined (temperature and depth) and then additional possible uses.

SPORT NZ SPACES AND PLACES FRAMEWORK

A set of 10 interrelated principles to guide strategic and robust decision-making and smart investment in spaces and places.

TABLE 3.2 GUIDING PRINCIPLES FOR SPACES AND PLACES

DDING PRIN	
PRINCIPLE	INTENT
Te Tiriti o Waitangi informed approach	Recognise the mana of Te Tiriti o Waitangi when planning facilities through the principles of partnership, protection and participation
Meeting an identified need	An evidenced based approach to identifying need ensures fit-for-purpose solutions.
Inclusive	Valuing diverse groups by developing safe welcoming and collaborative environments where everyone can participate and thrive
Accessible	Truly accessible facilities (design, location and cost to use) are created that enable the entire community to access and use them with dignity
Co-design	Communities and hapori (group, family or community) are involved in the planning and design of facilities and active environments so that their needs are met.
Partnering / collaboration	Partnerships and collaborations lead to well- used facilities that maximise the return on (social and financial) investment
Environmental sustainability	Facilities are developed and operate more environmentally sustainably over their life-time
Connected	Networks of connected and complementary facilities and active environments create physical activity opportunities and connected communities (rural and urban).
Future proofed	Facilities can easily adapt to accommodate changing circumstances and emerging trends over time
Financially sustainable	Financially sustainable and viable facilities and active environments over the lifetime of the asset

The lifecycle of spaces and places is broken down into seven stages illustrated in Figure 3.5.

FIGURE 3.5 SPACES AND PLACES LIFECYCLE

Identify the challenge

- \cdot Interrogate the challenge or opportunity
- \cdot Consider alignment to national and regional strategies

Proof o need

- · Use evidence to confirm the need for a facility
- · Develop a strategic case
- · Apply a network view

Proof of viability

- Critically investigate and analyse options to evaluate feasibility
- Take account of whole-of-life costs in the business case including cost, benefit and social return on investment

Design

- · Consider innovation about alternative solutions
- Develop functional and spatial requirements ensuring it is fit-for-purpose and future-proofed

Build

· Use the procurement method that delivers the most value

Operate

- · Balance access, affordability and quality with cost drivers
- · Maintain in accordance with asset management plan

Improve

• Evaluate performance against original goals and identify changing needs

REGIONAL STRATEGIES

WAIKATO REGIONAL ACTIVE SPACES PLAN 2024

Provides a high-level strategic framework for planning and optimising play, active recreation and sport facilities across the region.

Regionally and nationally there have been significant changes:

- the way we participate in play, active recreation, and sport;
- current and future funding (including availability of funding towards infrastructure); and
- increased fiscal strain at both individual and sector levels.

This has led to a focus on retrofit first, build lean, build efficient, build to last, and build for reuse, with an emphasis on:

- Active Environments: ability to participate anywhere.
- Adaptable Spaces: meeting lifelong participation needs and a range of users.
- Social Spaces: lead to greater community connection outcomes.
- Sustainable Planning: resilience and meeting environmental goals.

Planners and providers of physical activity spaces and places need to focus on the following core principles (alongside the principles for facility planning and provision):

- Rationalisation and/or asset adaption where cost exceeds use.
- Collaborative and partnership approaches.
- Optimisation initiatives: adaptable and innovative spaces with multi-purpose outcomes.
- Future proofing: sustainable, accessible and inclusive spaces with a focus on wellbeing.
- Well managed and governed operations.

TABLE 3.3 FACILITY AND ACTIVE SPACES DEVELOPMENT PRIORITIES

4. SUB REGIONAL INDOOR AQUATIC FACILITY THAMES COROMANDEL / HAURAKI			
STAGE Plan > Design > Build Complete a business case to determine appropriate Sub Regional Need			
KEY PARTNERS	Thames Coromandel District Council Neighbouring territorial local authorities		

WAIKATO REGIONAL AQUATIC FACILITIES PLAN 2017

Outlines the best-practice aquatic facilities network to meet the current and future needs of the Waikato Region's communities.

The Waikato aquatic network has the following challenges:

- Aquatic facilities are ageing.
- Aquatic accessibility is limited as most pools are outdoor, unheated and seasonal.
- There are few dedicated learn-to-swim pools.
- A growing ageing population requires access to warm water.
- There is a lack of flexible, warm water to cater for the range of aquatic needs including leisure, learning and fitness.

Based on the 2013 national benchmarks the analysis identified both the Thames Coromandel and Hauraki Districts are well below the recommendation for year-round indoor provision with only 375m² outdoor year-round water at Thames Centennial Pool (at that time).

The 2017 Plan recommended investigating a partnership between Thames-Coromandel and Hauraki Districts to develop year-round water with a focus on the needs of the ageing population.

WAIKATO AQUATIC STRATEGY DEMAND UPDATE 2024

Sport Waikato are working on updated aquatic demand assessment for the Waikato Region using the framework of the 2023 National Aquatic Facilities Strategy.

Analysis highlights a range of issues for Thames-Coromandel District:

- The average age of aquatic facilities is 56 years, meaning there is a strong need to plan for investment in aquatic provision.
- The District does not meet the national demand indicator of 27m² per 1,000 population with current Full-time Equivalent (FTE) at approximately 20m² per 1,000 population. When accounting for year-round provision, it is approximately 11m² per 1,000 population.
- There is an approximate shortfall of 210m² of provision, which will increase to 585m² when Thames Centennial Pool is removed.
- There is a significant undersupply of leisure water which includes provision for hydrotherapy and relaxation.

- Current provision is not fit-for-purpose for the range of aquatic activities due to the design, depth and water temperature of pools.
 While current pools are used, this is because there is no alternative.
 The poor experience means some people choose not to participate.
- There is an ageing population with 35% over the age of 65 years in 2023 growing to 42% in 2038. Older people require access to warm, year-round water to support exercise and hydrotherapy.
- The lack of fit-for-purpose year-round water and dedicated learn to swim pools undermines the delivery of aquatic competence.
- There is a clear need for year-round, indoor, warm water provision to support learning, leisure (including therapy) aquatic outcomes.

3.3 AQUATIC PROVISION INVESTIGATION

THAMES AND WIDER SUB-REGION AQUATIC PROVISION NEEDS ASSESSMENT, SEPTEMBER 2022

Key findings from the needs assessment are:

- Thames Centennial Pool is located on an urupā and the Council has agreed and allocated funding to remove the facility by 2027.
- Current aquatic provision is ageing, outdoor and inflexible, resulting in a lack of fit-for-purpose year-round provision.
- Thames Centennial Pool is used by 60% local users and 40% wider sub-regional / District users.
- Current users of Thames Centennial Pool highlight the cold and outdoor experience is a significant negative.
- Strong community support for improved aquatic provision, endorsed by 90% of 494 survey respondents.
- Community priorities for learn to swim (78% high importance by respondents), fitness swimming (77%) and casual play (65%).
- Community support for indoor aquatic provision with 74% of survey respondents rating it essential or high importance.
- Lower but some priority for sub-regional functions: hydrotherapy, specialised leisure features and aquatic sport.
- The population is ageing and there is a clear need for warm water to support the aquatic needs of this age-group.
- Thames' population has low income (2023 Thames median personal income \$29,400), meaning affordability is important.

The needs assessment confirmed the facility requirements to meet the identified aquatic needs are greater than a straight like-for-like replacement of an outdoor 25m pool. The core aquatic facility requirements to meet aquatic needs are:

- Minimum scope for a **local facility** serving a 20 minute catchment:
 - o Indoor, year-round provision.
 - o Shallow, warm, indoor learn to swim pool.
 - o Warm indoor programme pool for gentle exercise.
 - o Lap pool for fitness swimming and basic aquatic sport.
 - o Warm casual aquatic play.
- For a wider 30+ minute catchment, the additional requirements (over a local facility) for a **sub-regional facility** are:
 - Deeper water to accommodate a range of aquatic sports.
 - o Hydrotherapy including a spa and programme pool.
 - o Leisure features for a wide cross-section of the community.

The following key success factors for future aquatic provision were adopted by the Thames Community Board on 28 September 2022:

Sub-regional consideration: Test as the first priority and engage with Hauraki District Council, the potential location, scope and scale of sub-regional provision compared to local provision.

Best and most accessible location: find the best and most accessible location for aquatic provision, which is not at risk of flooding.

Indoor quality provision: Indoor all-year provision which provides for learn to swim, fitness swimming, aquatic training, and casual play. If sub-regional provision, then consideration for aquatic sport, hydrotherapy and leisure provision.

Diverse community needs: Reflecting the ageing population now and in the future, ensure there is sufficient warm water provision for gentle exercise and therapy to suit the needs of older people, along with families, children and youth.

Complementary: Ensure there is a range of complementary amenities to support high use of the aquatic facility.

Affordability: The goal is the most affordable development, in terms of capital cost, on-going operational affordability and the cost for users.

THAMES AND SUB-REGION AQUATIC PROVISION FEASIBILITY STUDY

The feasibility study explored:

- 19 sites were assessed across Thames and the wider sub-region for local or sub-regional aquatic provision.
- 9 sites were shortlisted and 4 were discounted due to size, site unavailability or incompatible development.
- Following detailed site and option assessment the Richmond Street court site on Thames High School was identified as the best location for a local aquatic facility as it is central, visible, has good ground conditions, available infrastructure and builds on the current partnership between the School and Council.
- The Upper Thames Racecourse site was also considered but has constraints around infrastructure and catchment accessibility.
- For the local facility option, two options were considered for the Richmond Street court site.
 - o Option 1: all indoor facility costed at \$37.4-\$42.5 million.
 - o Option 1A: indoor/outdoor facility costed at \$32.5-\$36.5 million.
- The companion study *Thames-Coromandel and Hauraki Districts Sub-Regional Aquatic Location Assessment* concluded Kōpū South on Southbridge Industrial Park has the strongest attributes for a sub-regional aquatic facility. This site aligns with future growth area signalled in the Thames Spatial Plan. The site has excellent visibility and is the most central to serve a sub-regional catchment. There are limitations around infrastructure and ground conditions.
 - o Option 3: all indoor sub-regional facility costed at \$68-77million.
- The Ngātea Pool site was also assessed but is not preferred due to constrained size and limited road-side visibility.

In light of the potential partnership opportunity, Hauraki District Council was involved throughout the feasibility study. At the conclusion, staff from HDC advised "given the financial limitations of their Council and the significantly higher capital cost of a sub-regional aquatic facility, the Council did not have the funding capacity to support the level of investment required for a sub-regional facility. The Council remains open to a partnership but not at the financial levels indicated by options developed to date." Therefore, a partnership approach between the two councils is currently not viable.

The feasibility study concluded Option 1/1A on the Richmond Street court site is the strongest local aquatic facility option and is lower cost, lower risk and appears more achievable and viable.

Option 3 Kōpū South on Southbridge Industrial Park is the strongest sub-regional aquatic facility option and has higher costs, higher risk, greater potential strategic outcomes, but is more complicated and therefore may have lower achievability.

The feasibility study was adopted by Thames Community Board on 21 February 2024 with the following resolution:

Proceed with a business case, which compares three facility options on two sites as follows:

- i) Thames High School local facility;
- ii) Kōpū South sub-regional facility; and
- iii) "Do nothing".

This would include capital costs, Whole of Life costs, a funding plan, financial analysis, and a risk assessment.

INITIAL BUSINESS CASE WORK

Directed by the adoption of the feasibility study, the initial business case work focused on the following four options:

- Option A: Local indoor facility on Richmond Street Court site.
- Option B: Local indoor/outdoor facility on Richmond St Court site.
- Option C: Sub-regional indoor facility at Kōpū South.
- Option D: no investment in aquatic provision.

A public survey (15 April and 6 May 2024) had 1,472 respondents. The full results are outlined in <u>Appendix B</u> and are summarised as follows.

1,472	70% reside in Thames Community Board (997).
Respondents	30% reside beyond Thames (460).
Pool users	66% used Thames Centennial Pool last 2 years
	34% haven't used Thames Pool in the last 2 years:
Non-users	- No particular reason (24%).
Non-users	- Pool is too cold / not appealing (20%).
	- Don't like the pool's location (16%).

High Importance	81% of respondents (1,157) rate aquatic provision as high or vital importance:
Reasons for high importance	94% learn to swim is an important life-skill.81% for aquatic fitness.70% pools are fun for playing around.67% support aquatic rehabilitation.
Low importance	 8% of respondents (109) rate aquatic provision as having no or very little importance. Because there are more important things. Because can make do with other pools.
Council investment	79% (1,141) rate investment by the Council in a new swimming pool as high or vital importance.
Option A: Local, Indoor	Positives: mix of pools & outdoor area. Negatives: location & all indoor pools.
Option B: Local, Indoor / Outdoor	Positives: indoor pools & outdoor area. Negatives: location & outdoor pool (although over half liked the outdoor pool).
Option C: Sub-regional	Positives: pool design features. Negatives: location. 42% comments: lots of opposing ideas.
Option D: No Investment	79% of respondents do not support Option D due to the value/importance of pools. 11% of respondents support Option D because a pool is too expensive and used by few people. 11% are unsure.
Ranking of options (1st Highest 4th Lowest)	Option B: highest ranked, scoring 1.8 out of 4. Option C: second ranked, scoring 1.9/4. But, 54% of respondents selected as their 1st preference. Option A: third ranked, scoring 2.3/4. Option D: least preferred, scoring 3.6/4, with 83% selecting as their 4th option. 69% of respondents are likely to increase use if
Impact	preferred option is delivered.

Financial analysis on the four options was completed and is outlined in full in <u>Appendix C.</u> A summary of the options is outlined in Table 3.4.

TABLE 3.4 SUMMARY OF FINANCIAL ANALYSIS FOR OPTIONS A-D

\$,000	LTP	OPTION A:	OPTION B	OPTION C:	OPTION D:	
Capital cost	\$39,971	\$42,685	\$36,685	\$77,465	\$550	
Year 1 EBITDA	\$555	\$1,097	\$1,156	\$1,445	\$0	
AVERAGE COST TO RATEPAYERS - OVER 30 YEARS						
EBITDA	\$582	\$1,534	\$1,639	\$1,944	0	
Depreciation	\$1,048	\$1,352	\$1,130	\$2,376	0	
Debt repay	\$544	\$1,520	\$1,297	\$2,907	\$36	
Interest	\$1,948	\$1,446	\$1,234	\$2,766	\$30	
Total	\$4,123	\$5,852	\$5,301	\$9,993	\$66	
GROSS AVERAGE RATEPAYER IMPACT—OVER 30 YEARS						
100% Thames (5,525)	\$858	\$1,218	\$1,103	\$2,080	\$14	
100% TCDC (28,752)	\$165	\$234	\$212	\$400	\$3	

Funding landscape: Advice from Sport Waikato on the external funding landscape indicates grant funding for a Thames Aquatic Facility is likely to be minimal.

Based on the full financial analysis, TCDC staff raised concerns about the financial impact of Options A-C on Thames ratepayers. Staff identified the scope of options could be reviewed to reduce the cost. Consequently, it was agreed to extend the investigation to look at alternative options to lessen the financial impact.

Section 4.0 outlines the alternative options considered.

3.4 PROBLEM DEFINITION

Informed by the Project Drivers, the needs assessment, and the feasibility study and aligned with the strategic context, this business case aims to solve five problems for Thames aquatic provision.

Problem 1: Thames Centennial Pool is located on an urupā (burial ground). Under an agreement between Ngāti Maru and Thames Coromandel District Council, the facility will be removed by 2027, and the land returned to Ngāti Maru.

Problem 2: Thames Centennial Pool is at end of life. At 50 years old the facility is reaching the end of its useful life and investment would be needed in aquatic provision regardless of the decision to remove.

Problem 3: There is an undersupply of year-round aquatic provision in the Thames-Coromandel District. Outdoor pools operating all year are not fit for purpose for year-round provision. The Waikato Regional Aquatic Plan 2017 & 2024 analysis identifies a District undersupply of 210m² of year-round provision which increases to 585m² when Thames Centennial Pool is removed. Outdoor pools like Thames Centennial Pool are not fit-for-purpose for year-round provision as they are energy inefficient, more costly, and have low appeal in winter.

Problem 4: Thames Centennial Pool is not fit-for-purpose to meet current and future aquatic needs. The current structured design is not fit-for-purpose to cater for a range of needs, including learning, leisure, and therapy. It does not provide the warmer experiences for quality learn to swim or to support an ageing population. The 2024 Waikato regional aquatic analysis identifies an undersupply of aquatic leisure (including therapy) across the Thames-Coromandel District.

Problem 5: The financial environment is constrained, and limited funding is available for a new aquatic facility. This problem was highlighted when the full financial impact on Thames ratepayers and the limited potential external funding was identified in June 2024.

Evidence for each of these problems is summarised below.

PROBLEM 1: THAMES CENTENNIAL POOL IS LOCATED ON AN URUPĀ

Thames Centennial Pool is located on Taipari Park, on Mackay Street. A summary of the history of Taipari Park is outlined in Table 3.5. The documents were provided by Thames-Coromandel District Council, with much of the historical information from an investigation by Schwarz Consultancy in 2015. The documents confirm:

- The presence of an urupā (Tamatoro Burial Ground) on Taipari Park.
- Council are the owners of the land.
- Council ownership was obtained with an element of compulsion from Māori owners although legal under the law at the time.
- In 2006, Thames-Coromandel District Council signalled the intention to remove the facilities from Taipari Park.
- The 2019 Thames & Thames Coast Reserve Management Plan confirms an agreement to remove Thames Centennial Pool by 2027 and return the land to Ngāti Maru.

TABLE 3.5 SUMMARY OF HISTORY FOR TAIPARI PARK / THAMES CENTENNIAL POOL

DATE	REFERENCE
1867	Gold discovered and Shortland Township is established at the mouth of Kauaeranga River. <i>Source: www.NZHistory.govt.nz</i>
1869	Ownership of Kauaeranga S28 Block was investigated by the Māori Land Court. Two burial grounds are referenced and identified on several early maps including ML Plan 1395 dated March 1869 - refer to Figure 3.6. The Tamatoro Burial Ground relates to the western burial ground associated with Taipari Park. Source: Schwarz Consultancy 2015
1869	6 December 1969: The Māori Land Court confirmed Māori ownership of the land, including the Tamatoro Burial Ground. By this time Shortland Township had already established with 18,000 inhabitants. The Crown Grant was issued subject to the dedication of all roads vesting in the Crown as shown on maps including Figure 3.6. <i>Source: Schwarz Consultancy 2015</i>
1923	A portion of the former Tamatoro Burial Ground was taken for road vesting by the Thames Borough Council under the Public Works Act 1908. At the date of proclamation, the properties were still in Māori ownership. <i>Source: Schwarz Consultancy 2015</i>

1936	Most of the Tamatoro Burial Ground remains in Māori ownership. Thames Borough Council lodged an application with the Thames Māori Land Court for outstanding rates under the Rating Act 1925. An agreement was reached between the Council and beneficial Māori owners that certain properties would be vested in Council in full discharge of rates due. The properties acquired were valued at £4,250 in settlement of rates owing amounting to approximately £1,200. Source: Schwarz Consultancy 2015
1951	Taipari Reserve, being Lot 1 DP 27117 was declared a Public Reserve. <i>Source: Schwarz Consultancy 2015</i>
1970s	Thames Centennial Pool opens on Taipari Park.
2006	Taipari Park Reserve Management Plan: Reserve issues identified include the protection of urupā sites. Long-term view (10+ years) removal of public facilities to other appropriate sites.
2015	Schwarz Consultancy investigation report confirms history and ownership of land (outlined above). Subsequent meeting between Council officers and Ngāti Maru confirms the Tamatoro Burial Ground remains tapu as a recognised urupā.
2018	Thames Coromandel District Council Long-term Plan 2018-2028. Intention to replace Thames Centennial Pool by 2027 which aligns with the long-held desire by Ngāti Maru to vacate the site given it covers an urupā / burial ground.
2019	Thames & Thames Coast Reserve Management Plan: Under an agreement between Ngāti Maru and the Council, the swimming pool will be removed from this site by 2027 and the land returned to Ngāti Maru.
2019- 2022	Development of a Memorandum of Understanding to document agreement between Ngāti Maru and TCDC. This work paused due to further discussion regarding ownership and demolition of structures across lot boundaries.

FIGURE 3.6 INCLUSION OF BURIAL GROUNDS ON 1869 MAP (ML PLAN 1395) WITH THE APPROXIMATE LOCATION OF THAMES CENTENNIAL POOL HIGHLIGHTED



Inappropriate use of land confirmed as an urupā

Taipari Park has been confirmed as an urupā and accordingly has family, spiritual, cultural and historical importance to Ngāti Maru. The Council and Ngāti Maru have agreed it is inappropriate to continue using the land in its current form. The skatepark which was located on the Park has already been removed.

Location on an urupā is a barrier to participation

The inappropriate use of the land also presents a barrier to participation for some members of the community who will not use the facility due to the location being culturally inappropriate. This means these people are missing out on aquatic opportunities and benefits.

PROBLEM 2: THAMES CENTENNIAL POOL IS AT END OF LIFE

Thames Centennial Pool was constructed by a group of residents in the 1970s in several stages. The current facility comprises a 25 metre, 7 lane outdoor heated pool, small splash-pad, storage shed and a main building with changing, office, plantroom, grandstand and clubroom.

At 50 years old, Thames Centennial Pool is nearing the end of its asset life. Concrete used in a chlorinated environment has an expected life span of around 50 years. The concrete and construction joints, as well as in-ground pipework, are starting to show signs of deterioration. At this age, pool tanks are prone to leaking, and it is difficult to maintain pool water temperature and chemical composition. An extended pool closure in 2024 to fix a major pool leak is evidence of this type of asset failure.

Due to the high-water table in the area, when river water levels rise during and after a storm, the ground around and under the pool becomes sodden. This places additional pressure on the ageing concrete pool tank and underground pipes, contributing to the maintenance challenges.

The Manager of Thames Centennial Pool reports keeping the pool operational is an ongoing challenge, which is reflective of its age and condition.

As it has been signalled the facility was going to be removed from the site (since 2006), the Council has not upgraded or renewed the facilities (such as changing rooms) therefore these are also outdated.

Regardless of the decision to remove Thames Centennial Pool, the Thames-Coromandel District Council would need to invest significantly to retain current aquatic provision. This would likely include pipework replacement, tank renewal, new filtration, and renewal of the main building and changing rooms.

PROBLEM 3: UNDERSUPPLY OF YEAR-ROUND AQUATIC PROVISION

Sport Waikato has updated its analysis of aquatic provision across the Waikato Region, applying the 2023 National Aquatic Facilities Strategy benchmarks. The analysis shows Thames-Coromandel District has an undersupply of year-round aquatic provision, calculated at 11m² per 1,000 population compared to the national demand indicator of 27m² per 1,000 population. On this basis, there is an approximate shortfall of 210m² of year-round provision, which would increase to 585m² if Thames Centennial Pool is not replaced.

For several reasons, outdoor pools (in isolation) are not fit-for-purpose for year-round aquatic provision.

Outdoor pools are less efficient to operate in colder periods

The Thames Centennial Pool is a heated outdoor pool with an approximate temperature of 28° Celsius. Previously, the pool had an inflatable dome, which provided some protection in the colder months. When the dome came to the end of its life, it was removed, and the Council agreed to operate the outdoor pool year-round.

Outdoor pools in New Zealand are not typically operated year-round. Most outdoor pools close over winter due to the higher cost of heating and the low appeal of swimming outdoors in the colder months.

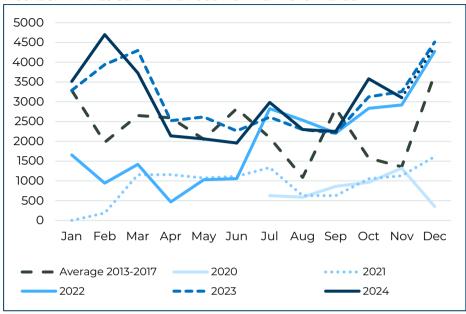
While it is locational dependent, there is up to 40% difference in the annual energy costs to heat an outdoor pool compared to an indoor pool. This cost can be reduced with the effective use of pool covers when the pool is not in use, but covers can be problematic in high wind conditions.

In addition, outdoor pools consume more chemicals as the UV rays burn off the chlorine, and more chemicals are required to maintain water quality standards.

Outdoor pools are less appealing to use in colder periods

Outdoor pools are less appealing for use over the colder months and, therefore, generate less revenue (increasing the net cost). Figure 3.7 illustrates the monthly visits to Thames Centennial Pool over the last decade. On average, there are 40% fewer visits between April and September compared to October to March.

FIGURE 3.7 THAMES CENTENNIAL POOL MONTHLY VISITS TRENDS



The 2022 community survey with 347 users of Thames Centennial Pool, asked what they liked and disliked about the facility. The coded responses are summarised in Table 3.6. Refer to the *Thames and Wider Sub-region Aquatic Provision Needs Assessment* for the full results.

TABLE 3.6 MOST LIKED AND DISLIKED ASPECTS OF THAMES CENTENNIAL POOL

MOST LIKED ASPECTS		MOST DISLIKED ASPECTS		
Convenient location	38%	General cold experience	39%	
Friendly staff	23%	Cold in winter	28%	
Heated pool	19%	Lack of cover / not indoor	19%	
Clean / tidy	13%	Run-down / dated	16%	
25m pool size	11%	Limited for kids	16%	
Classes available	10%	Quality of amenities	14%	
		Limited capacity	13%	
		Specific needs	11%	
		Crowding – balancing needs	10%	

The top three most disliked aspects of Thames Centennial Pool relate to the cold experience, particularly in winter. This illustrates the outdoor pool does not provide a quality experience or meet the needs of all users. It is likely the experience of using Thames Centennial Pool contributes to an overall lower use ratio, 80 visits per water square metre, compared to facilities with high use, which is typically over 150 visits per water square metre.

In the 2024 community survey, 34% of the 1,472 respondents had not visited Thames Centennial Pool in the last two years. Of the non-user respondents, 20% stated it was because the pool is too cold or not appealing. <u>Appendix B</u> has the full survey results. This reinforces the finding an outdoor pool is unappealing for a proportion of users.

Outdoor pools are not fit-for-purpose for a range of activities

During the colder periods, the difference between the water and air temperature means certain activities are less viable in an outdoor pool. These activities include:

- Learn to swim ideally requires a warm learning environment to ensure young children don't get cold and to support progress in development. Less than 25% of learn to swim enrolments at Thames Centennial Pool are undertaken in terms 2 and 3.
 Swimming Waikato report delivery of their SwimSafe Water Safety Education Programme is significantly impacted by outdoor pools / pool weather conditions in Thames-Coromandel District.
- Therapy requires warm water to facilitate rehabilitation, relaxation and gentle exercise particularly for people with reduced mobility and heightened health conditions. Due to the coldness, therapy activities are not viable in an outdoor pool over the colder periods.
- The nature of aquatic leisure means users are in/out of the water and more exposed to the air. At low air temperatures, it is not safe or enjoyable to participate in outdoor aquatic leisure activities for long periods.

Activities like fitness swimming and swim training are more viable in outdoor pools during colder periods, as users typically limit their exposure to the air, retain constant movement, and do not "feel" the temperature difference as much. However, due to the cold, it is still less appealing to swim in an outdoor pool over winter.

PROBLEM 4: THAMES CENTENNIAL POOL IS NOT FIT-FOR-PURPOSE TO MEET CURRENT & FUTURE AOUATIC NEEDS

Thames Centennial Pool includes a 7-lane 25m lap pool and a small splash pad that serves young children.

The main 25m pool is currently used for a range of activities:

- Personal swimming: lap swimming and water-walking.
- Competitive swimming: squad training, school sports and club swimming events.
- Aquafit: in-water fitness exercises.
- Learn to swim: pre-school, school-age and adult learning classes.
- Leisure: children, teens, families and small groups playing casually.

There are several reasons why one structured pool is not fit-forpurpose for the range of aquatic activities it accommodates:

- 1. Compromise in water temperature: the current pool is operated at around 28° Celsius. The fitness and squad swimmers find this temperature too warm, while the learn to swim and leisure swimmers find it too cold.
- 2. Inappropriate depth for some activities: the current pool has a depth ranging from 1.0 to 1.4metres. For young children learning to swim and playing casually, this is too deep and can be a serious safety issue. Learn to swim programmes use in-water platforms to enable young children who can't reach the bottom to swim to/from, but this approach is not ideal.
 - Conversely, 1.0-1.4metres is too shallow for activities like aquajogging, competitive swimming (starts) and jumping/diving into the pool requires a minimum depth of 1.4 metres. In addition, it is considered useful for older children to develop water competence in water where they cannot reach the bottom. Other activities like water-polo, scuba diving require depths more than 1.8m deep.
- 3. Structured design: a 25m lap pool works well for lap-swimming, swimming sports, other aquatic sports and aqua-fit but does not provide a range of experiences desired by aquatic leisure. The current pool does not have any ramp access and requires the use of a hoist for people with physical disabilities. This also means

- people with limited mobility may have more difficulty accessing the pool.
- 4. Allocation challenges: The peak time for aquatic facilities is typically afternoons during the summer. At this time, Thames Centennial Pool has to accommodate squad swimming, personal fitness swimming, learn-to-swim, and casual leisure swimming. With only 7 lanes, it is difficult to meet the demand for all activities, and consequently, priority is typically allocated to scheduled activities rather than casual activities. This can cause significant dissatisfaction across the different user groups.

The National Aquatic Facility Strategy 2023 highlights a significant imbalance between the current provision of swimming pools in New Zealand and aquatic demand, outlined in Figure 3.8. The Strategy identifies an oversupply of fitness water and a significant undersupply of warmer water and variable depths for play, therapy, relaxation, and learning activities.

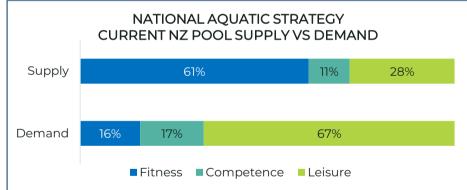


FIGURE 3.8 NATIONAL AQUATIC STRATEGY: CURRENT SUPPLY VERSUS DEMAND

The 2022 Thames Aquatic Community Survey (open sample 427) asked respondents to rate the importance of providing for different activities and the importance of different pools in future Thames aquatic provision. The results are outlined in Figures 3.9 and 3.10 and reinforce a range of activities are desired to be accommodated in a new Thames aquatic facility with multiple pools, depths and temperatures to meet the range of aquatic needs.

FIGURE 3.9 IMPORTANCE OF ACTIVITIES FOR FUTURE THAMES AQUATIC PROVISION

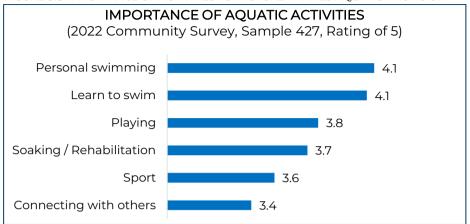
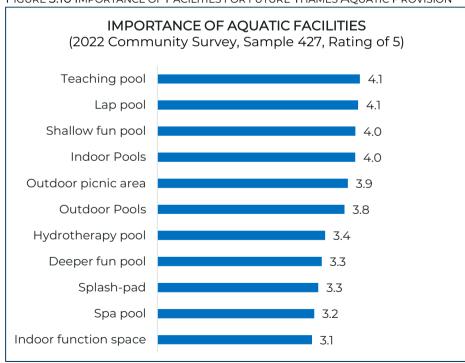


FIGURE 3.10 IMPORTANCE OF FACILITIES FOR FUTURE THAMES AQUATIC PROVISION



PROBLEM 5: CONSTRAINED FINANCIAL ENVIRONMENT

Thames-Coromandel District Council Funding Constraints

In the 2024-2034 Long-Term Plan, Thames-Coromandel District Council outlined the significant pressure from rising costs resulting from a legacy of underinvestment in infrastructure. In addition, the District is facing more challenges mitigating the effects of climate change on the coastline and managing a vulnerable roading network.

The Council resolved to focus on the essentials, budgeting for core projects and services that meet community needs, continuing the asset renewals programme, meeting increasing legislative and compliance requirements, and ensuring delivery of current service levels.

Feedback on the Long-term Plan highlighted the need not to increase rates. With a large proportion of the District's population over 65 years, many ratepayers are on fixed superannuation income and therefore have limited ability to accommodate high rates increases.

The 2024-2034 Long-term Plan includes \$39.9 million over years 1-5 as a locally funded project. This means ~5,525 Thames ratepayers will be rated for the project. The financial analysis outlined in Table 3.4 on page 24 identified the average impact of Options A-C is ~\$1,100-\$2,000 per annum per Thames ratepayer. Council staff identified significant concern regarding this level of ratepayer impact.

Local versus District Funding

Throughout the investigation, there has been discussion about whether the Thames Aquatic project should be partly or completely funded by the District. The rationale for District funding lies in Thames Centennial Pool being the only Council-delivered pool and evidence that around 40% of current users come from beyond Thames.

A reason against District funding is the four other areas have access to aquatic facilities (through schools) which each Community Board financially contributes to (but not operated by the Council). Some respondents (in the 2024 aquatic survey) identified it is unfair for them to contribute to a Thames Pool as well as their local facility. There is a stronger rationale for District funding if a sub-regional aquatic facility is pursued given the wider appeal and catchment.

Constrained external funding landscape

Sport Waikato has provided advice on the current funding environment arising from its regular engagement with funders in the sports and recreation sector.

Key insights regarding the funding landscape are:

- Funders are receiving an increasing number and quantum of funding applications, but with constant or reduced funding levels, there is less funding to allocate to projects. Funding from substantial funders like Lotteries Community Facilities Grant has been significantly reduced in recent years.
- In the last few years, funders have been put a compromised position of delayed projects due to increased costs and other factors. This requires funders to carry grant funding forward two or three times, and they wish to avoid this scenario.
- Consequently, many funders do not wish to consider an application until there is a clear project that is well-advanced. Some funders, such as Lotteries Community Facilities Grant, require approved resource consent before it will consider a grant application.
- The level of funding is highly dependent on how much grant funding the funders have in place when the project applies rather than the strategic value of the project.

Once a Thames aquatic project is confirmed, there is potential to apply to external funders. While external funders were not engaged, Table 3.7 provides an indication of potential funding based on what other projects have received. The overall quantum is considered low, up to \$1 million, however the amount is dependent on the available funding at the time of the application. More in-depth conversations between the Council and funders will be required.

TABLE 3.7 POTENTIAL FUNDING FOR AN AQUATIC FACILITY ONCE A PROJECT IS DEFINED

FUNDER	ESTIMATED POTENTIAL FUNDING
Trust Waikato	\$100,000 up to \$1 million
Lotteries Community Facilities	Unlikely but up to \$500,000
Lion Foundation	Up to \$300,000 for sub-regional
Grassroots Trust	Up to \$100,000 for local
NZCT	Up to \$200,000 for sub-regional
Pub Charity	Up to \$50,000
Aotearoa Gaming Trust	Up to \$50,000
Naming rights and sponsorship	Up to \$500,000

Public Private Partnerships (PPP)

Previous discussions have raised the potential for a public-private partnership to develop the Thames aquatic facility at Kōpū South. Key to a public-private partnership is access to funding, which the Council would not be able to source themselves, particularly if debt ceilings are an issue. However, outside of a philanthropic partnership, almost all commercial partners require a return on their investment.

Depending on the investor the expected return on investment can range from 7% to 10%. In other public-private partnership projects this return is achieved (in part or full) through user pays such as a toll road, operating profits or government (local or central) subsidies.

As aquatic facilities typically do not generate sufficient revenue to cover operating costs, there are no facility profits to fund the return on investment. This means the return on investment cost would almost definitely fall on the Council to fund. As the rate of return will typically be higher than the Council's interest cost to borrow themselves, the overall cost will usually be higher.

3.5 STRATEGIC BENEFITS

Addressing the identified problems contributes to unlocking strategic benefits from aquatic facilities including:

- Learning to swim is a vital life-skill.
- Supports aquatic physical activity, rehabilitation and wellness.
- Provides opportunities for play and enjoyment.
- Facilitates aquatic sports.
- Brings people together to connect and socialise.
- Provides employment and contributes an appealing town.

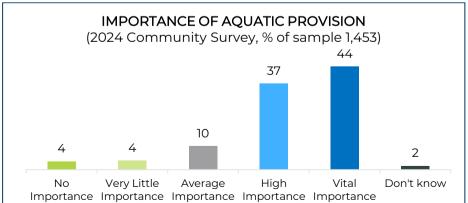
This section outlines the evidence around these strategic benefits.

OVERALL IMPORTANCE OF PUBLIC AQUATIC PROVISION

The 2024 community survey asked 1,453 respondents to rate the importance of providing a public swimming pool to serve the Thames community, as outlined in Figure 3.11 (refer to Appendix B).

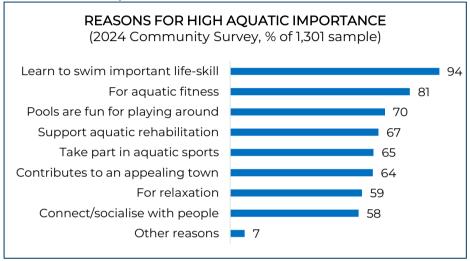
81% of respondents rated public aquatic provision in Thames as high or vital importance. while 10% of respondents rated it no or very little importance or don't know., with most living outside Thames (75 of 110 respondents). Key reasons for low importance relate to other priorities (for expenditure) and making do with other pools. 79% of respondents rate Council investment is of high/vital importance.

FIGURE 3.11 2024 THAMES COMMUNITY SURVEY: IMPORTANCE OF A PUBLIC SWIMMING POOL TO SERVE THAMES COMMUNITY



Of the 1,300 respondents who rated aquatic provision as average, high or vital importance, Figure 3.12 outlines the reasons why respondents value aquatic provision, reinforcing the strategic benefits of facilities.

FIGURE 3.12 2024 THAMES COMMUNITY SURVEY: REASONS FOR RATING AQUATIC PROVISION AVERAGE, HIGH OR VITAL IMPORTANCE



Social Return on Investment

The social return on investment demonstrates the average additional benefit for society from \$1 spent on an aquatic facility. There is limited New Zealand research, but analysis by the Royal Lifesaving Australia and PWC in 2021 on the Social, Health and Economic Benefits of the Australian National Aquatic Industry provides the following findings:

- In 2021 Australia's 2,113 aquatic facilities generated an estimated \$9.1 billion annually in economic, health and social benefits:
 - o Economic: \$2.8 billion contribution to gross domestic product.
 - o Health: \$2.5 billion contribution in reducing the burden of disease.
 - o Social: \$3.8 billion in benefits from increased individual and community surplus.
- On average, this equates to \$4.3 million of social returns per Australian aquatic facility (in 2021 financial terms).
- An indoor facility provides relatively higher social return because it receives, on average, 5 times more visits than an outdoor pool.

LEARNING TO SWIM IS A VITAL LIFE-SKILL

The ability to swim is an important life skill and is one of the preventable measures to reduce incidents of drowning, along with making good decisions about water interaction.

The 2023 Water Safety NZ Drowning Prevention Report outlined 90 lives lost to drowning across New Zealand, which is an 11% increase from the 10-year average of 81 deaths. In the Waikato, there was a 61% increase in preventable drownings, with 15 deaths reported compared to a 10-year average of 9.3 and 11 in 2022.

The report identifies a large proportion of the 2023 drownings were males and from older demographics. There has been a rise in flood-related incidents, which underscores the growing threat posed by severe weather events. The report also highlights the intersection of drowning incidents and poverty, which suggests socio-economic factors play a crucial role in drowning risks.

It is widely acknowledged a swimming pool is a critical venue for starting to learn to swim as it provides a safe, consistent, and accessible environment. For children, shallow, warm water is recognised as the ideal environment for learning to swim, as it helps with engagement and progress. For teens and adults (who have not gained swimming skills at a young age or have developed a fear of water), the swimming pool is a safe and non-threatening environment to start developing swimming competence.

Many water-safety learning strategies acknowledge the value of interacting with different water bodies like beaches, rivers and lakes to build a water safety culture. This interaction creates an understanding of the risks associated with these water bodies and promotes making good decisions. However, these interactions cannot start without a basic level of aquatic competence and do not replace the swimming pool as a safe and accessible place to start learning.

In the 2024 Thames Aquatic Community Survey, **94% of respondents** highly valued aquatic provision because a public swimming pool support learning to swim as an important life skill.

SUPPORT PHYSICAL ACTIVITY AND WELLNESS

Swimming is a popular physical activity, with around a quarter to a third of the population engaging in it in some form. Participation in swimming as a physical activity has known health benefits.

Sport New Zealand's Active NZ Survey provides insight into the level of interest in sport and recreation. Table 3.8 shows the general interest in swimming among young people and adults in the Waikato Region. The results show growing interest before 2019 but a decline in 2021/2022 was impacted by the COVID-19 pandemic when access was restricted.

TABLE 3.8 PARTICIPATION IN SWIMMING (LAST 7 DAYS) ACROSS THE WAIKATO REGION:

	2017	2018	2019	2021	2022
Young People	31%	34%	34%	28%	24%
Adults	8%	7%	9%	8%	6%

The Royal Lifesaving Australia 2021 Social, Health and Economic Benefits of the Australian National Aquatic Industry outlined the estimated health savings of AUD\$26.00 per pool visit (average Australia pool 2021). This includes the physical benefits of participation and the resulting impact on a reduced number of Disability Adjusted Life Years (DALY) and the reduced reliance on the health care system.

The Royal Lifesaving Australia 2021 report outlines 40% of the disease burden is attributed to adults over 65 years old. For this age group, swimming, hydrotherapy, and gentle water exercise are popular forms of physical activity. The report calculates physical activity at aquatic facilities helps reduce the number of DALYs for over 65s by 5,037 years, equivalent to 67% of the total health savings of aquatic facilities in Australia.

Aquatic participation also contribute to improved mental health through stress reduction. Participation in water provides a feeling of weightlessness, helping to support a calm state of mind and escape from a screen-focused society (source: Royal Lifesaving Australia 2021 Social, Health and Economic Benefits of the Australian National Aquatic Industry).

In the 2024 Thames Aquatic Survey, 81% of respondents highly value aquatic provision because a public swimming pool supports fitness, 67% for rehabilitation, 65% for sport and 59% for relaxation.

VALUE OF AQUATIC PLAY

Sport New Zealand outlines it is important to provide for play as part of sport and recreation provision. Play is a self-directed activity that a young person freely chooses, usually for its own sake. Play is not just about providing fixed assets but a commitment to create space, time, and permission to play. Research shows that play has many benefits for children, families, and the wider community:

- Play contributes the largest number of physically active hours for 5-18-year-olds on a weekly basis.
- Play is important for a young person's resilience and well-being.
- Playful childhoods lead to healthy, happy, active lives.

Aquatic play supports developing aquatic competence in an unstructured but safe environment. Fun experiences at the swimming pool help children and adults to develop positive associations with water and, in doing so, build their confidence and ability to interact with water. At the same time, aquatic play provides the opportunity to experience and assess risks in the aquatic environment safely. This type of play helps people to understand and test their limitations before entering more risky environments like beaches, rivers or lakes.

For aquatic facilities, it is important to consider the ability to play, both in terms of dedicated and varied leisure pool design and the space/time to enable play. Allowing children and adults to be creative in water (within the limits of safety) supports engagement and building competence.

The 2023 National Aquatic Facility Strategy highlights the significant imbalance in the current provision of aquatic facilities towards structured activities compared with the level of demand for leisure. Sport Waikato has confirmed there is an undersupply of leisure provision in the Thames-Coromandel District.

In the 2024 Thames Aquatic Community Survey, **70% of respondents** highly value aquatic provision because a **public swimming pool is fun for playing around**.

FACILITATE AQUATIC SPORT

Swimming pools are traditionally associated with supporting aquatic athletes in training and competing. Given the overall population, New Zealand has a good record across multiple aquatic sports.

The 2024 National Aquatic Strategy highlights aquatic sport membership is not yet back to the pre-COVID-19 pandemic levels, with a similar trend across the Waikato. Feedback from clubs advises interest remains strong, but the availability of fit-for-purpose year-round swimming pool provision is one of the constraints for growing aquatic sport membership.

Elite and high-performance sport contributes to community pride, particularly when associated with top-level competitions. This, in turn, can increase the motivation for community members to participate.

In the 2024 Thames Aquatic Community Survey, **65% of respondents** highly value aquatic provision because a **public swimming pool enables participation in aquatic sport.**

BRINGS PEOPLE TOGETHER AND BUILDS SOCIAL COHESION

Swimming pools are important venues for people to connect with each other, whether through play, sport, recreation, fitness, or learning. They are one of the amenities people value as part of an appealing town for residents and visitors.

Research by Royal Lifesaving Australia on 2021 Social Impact of the Australian National Aquatic Industry identifies aquatic facilities provide important venues for:

- Social connection: aquatic facilities provide opportunities for people to connect, foster relationships and social support, and reduce feelings of loneliness and isolation, particularly for at-risk or vulnerable members of the community. For some users, participation in aquatic activities may be their only regular and genuine social interaction.
- Social cohesion: opportunities for diverse community members to meet promotes social cohesion and citizenship toward others. Interactions in the aquatic environment create new and stronger connections between people who may not otherwise meet or engage with each other. Each interaction increases understanding of differences between ages, abilities, languages, and cultures. As a place for social connection, aquatic facilities provide a venue to support stronger communities.

Aquatic programmes like learn to swim, aqua-fitness, and squad/fitness training all provide opportunities for different people to interact. Aquatic facilities are also popular for families, whanau, and friends to use for social interaction, gatherings, and celebrations.

In the 2024 Thames Aquatic Community Survey, **58% of respondents** highly value aquatic provision because a **public swimming pool provides opportunities to connect and socialise with others**.

EMPLOYMENT AND CONTRIBUTES TO AN APPEALING TOWN

Swimming pools provide employment opportunities, including facility management, casual lifeguards, swim teachers, squad coaches, and aqua-fit instructors.

The Royal Lifesaving Australia on 2021 Social Impact of the Australian National Aquatic Industry identifies the majority of the aquatic workforce are casual, often part-time or one of multiple jobs, are members of the community, live locally, and place value working in a local high-performing team. Additionally, aquatic facilities play a valuable role in providing employment opportunities for youth and young adults and valuable opportunities to build knowledge and experience.

Aquatic facilities contribute to the local economy through employment and the supply of goods and services. The Royal Lifesaving Australia estimated in 2021 the aquatic industry contributes \$2.8 billion to the gross domestic product, an average of \$1.3 million per aquatic facility.

Aquatic facilities also contribute to an appealing town, with high-quality aquatic provision as one of the components making a town more desirable to live in. Although there is no current New Zealand research that substantiates this view, the Royal Lifesaving Australia 2021 Social, Health and Economic Benefits of the Australian National Aquatic Industry identified on average property owners are willing to pay an additional 2.1%- 3.5% of the property price to be located close to a swimming pool (2021 analysis by PwC Australia).

In the 2024 Thames Aquatic Community Survey, 64% of respondents highly value aquatic provision because a public swimming pool contributes towards making Thames an appealing town to live. Open comments in the survey also highlight the significant concerns many respondents had about the potential impact of not having an aquatic facility particularly around sending Thames backwards and resulting in families leaving Thames for more appealing towns.

3.6 INVESTMENT OBJECTIVES

Addressing the identified problems contributes to unlocking the strategic benefits of aquatic facilities. These benefits, informed by the key success factors (see section 3.2, page 22), underpin four investment objectives for Thames aquatic provision.

THAMES AQUATIC PROVISION INVESTMENT OBJECTIVES

 Remove Thames Centennial Pool from its site and develop a new facility in a location accessible to the Thames community and resilient to the environmental challenges facing Thames.

Desired outcomes from delivering this objective:

- Thames continues to have access to a public swimming pool.
- The cultural significance of the land / Taipari Park is restored.
- All sectors of Thames community feel they can use the Thames aquatic facility and the cultural inappropriateness of the current site is not a barrier to participation.
- Thames' resident satisfaction improves due to better service delivery and from fulfilling a long-term strategic commitment.
- The new facility is located outside of the areas in Thames at risk of coastal inundation, flooding or rising water-table (identified in the 2022 Thames and Surrounds Spatial Plan and 2022 Shoreline Management Pathways Report).
- The new facility is accessible through a range of travel modes including walking, cycling, public transport and private vehicles.
- 2. Provide sufficient and best-practice year-round water to meet the current and future needs of the local catchment and potential sub-regional catchment.

Desired outcomes from delivering this objective:

- The provision of year-round water increases to around 600m².
- At least some of the future aquatic provision is indoors, as the most efficient and more appealing water for year-round provision.
- For a sub-regional aquatic facility, provision of year-round water to 750-800m² to accommodate a wider range of aquatic activities and functions appropriate for sub-regional provision.
- Visits to the aquatic facility grow beyond current 35,000 pa.

3. Ensure a balance of fit-for-purpose water to cater for a range of needs, including learning, leisure, therapy, and fitness.

Desired outcomes from delivering this objective:

- The Thames aquatic facility has a balance of provision to accommodate learning, fitness and leisure functions in waterspace that is fit-for-purpose for each function.
- The Thames aquatic facility provides year-round, shallow warm water suitable for learning to swim as a vital life-skill.
- The needs of an ageing population are accommodated through provision of year-round warm water with suitable ramp and changing facilities for people with reduced mobilities.
- The Thames aquatic facility provides year-round water to accommodate fitness swimming.
- The Thames aquatic facility provides year-round, warm water to support leisure including play and therapy activities.
- For a sub-regional aquatic facility, dedicated hydrotherapy (with special water features), more extensive leisure and deep-water aquatic sport is accommodated.
- 4. Ensure a new facility is financially affordable and sustainable for the Council, ratepayers, and community over the long term.

Desired outcomes from delivering this objective:

- The whole of life cost to the Thames ratepayer from future aquatic provision is minimised as much as practical.
- The investment in a new Thames aquatic facility provides value for money for the ratepayers, users and Council.
- The cost of entry to the swimming pool recognises the socioeconomic profile of the Thames community which has a low median personal and household income.
- The cost of aquatic provision is reflective of the benefit between Thames and the District, acknowledging a sub-regional facility would support aquatic outcomes well beyond Thames.

WEIGHTING THE INVESTMENT OBJECTIVES FOR VALUE FOR MONEY

The best value aquatic facility is well used, built to last, efficient to operate, and minimises the cost (both financial and environmental). This means there needs to be a balance between the financial investment, the quality of development, and the social impact. There is no value derived from a facility that has low use or requires extensive ongoing investment. This means there needs to be a balance across solving the identified problems and delivering the best solution across all four investment objectives to deliver value for money.



The community have varying expectations for future aquatic provision - what is important for one person may be insignificant for another. Consequently, the Thames community will place different importance on each investment objective. The Thames Community Board are elected to represent the interests of the Thames community and therefore are appropriately positioned to determine the relative importance / weighting of the investment objectives.

A Paired Comparison Matrix was used with the Thames Community Board to calculate the weightings. Each Board Member scored the importance of each investment objective with the average across the Board members used in the matrix. Table 3.9 outlines the weightings for the investment objectives derived from this process.

TABLE 3.9 INVESTMENT OBJECTIVES WEIGHTINGS

INVESTMENT OBJECTIVES	WEIGHT
1. Remove Thames Centennial Pool from its site and develop a new facility in a location accessible for the Thames community and resilient to the environmental challenges facing Thames.	5%
 Provide sufficient and best-practice year-round water to meet the current and future needs of the local catchment and potential sub-regional catchment. 	26%
3. Ensure a balance of fit-for-purpose water to cater for a range of needs, including learning, leisure, therapy and fitness	22%
4. Ensure the new facility is financially affordable and sustainable for the Council, ratepayers, and community over the long-term.	47%

DESIRED OUTCOMES

The desired outcomes from delivering the investment objectives are:

- Increase the number of visits to the Thames aquatic facility to over 35,000 currently achieved.
- Expand the range of residents visiting the aquatic facility and minimise physical barriers to participation.
- Improve resident and ratepayer satisfaction with aquatic provision and the contribution of an aquatic facility to an appealing town.
- Support improved wellbeing by providing a range of aquatic activities that appeal across the Thames community.

3.7 CASE FOR CHANGE

The case for change to support investment in Thames aquatic provision is set out below and summarised in Figure 3.13 (next page):

PROJECT DRIVERS

- 1. Thames Centennial Pool is located on an urupā and Council has agreed with Ngāti Maru to remove the facility by 2027.
- 2. Thames Centennial Pool is at the end of its life and is not fit-forpurpose to meet a range of community needs or as year-round aquatic provision.
- 3. The Waikato Regional Aquatic Plan 2017 identified an undersupply of year-round aquatic provision and in particular leisure provision in Thames-Coromandel District.

STRATEGIC CONTEXT

- Thames-Coromandel District Council has signalled the intention to remove the Thames Centennial Pool since 2006.
- The Thames and Thames Coast Reserves Management Plan 2019 confirms an agreement between Ngāti Maru and Council to remove the facility from the site by 2027 and return the land to Ngāti Maru.
- Funding for a new Thames aquatic facility has been included in various TCDC's budgets since 2009.
- Multiple Council plans confirm need for a Thames aquatic facility.
- The Thames and Surrounds Spatial Plan 2022 and the Shoreline Management Pathways Report 2022 outline a large proportion of Thames is at risk of sea-level rise, flooding, and rising groundwater. This limits the availability of suitable land for a new aquatic facility.
- The Thames and Surrounds Spatial Plan signals the potential to grow Thames towards the south beyond the Kōpū roundabout.
- The National Aquatic Facility Strategy confirms a nationwide need to increase aquatic provision and address the imbalance between insufficient learning/leisure water and oversupply of fitness water.
- Sport Waikato's 2024 regional aquatic analysis confirms an undersupply of year-round aquatic provision in Thames-Coromandel with a minimum of 585m² required. There is also an undersupply of leisure water, including hydrotherapy.

THAMES AQUATIC PROVISION INVESTIGATION

- Thames aquatic provision is ageing, outdoor, cold and inflexible.
- There is insufficient supply of fit-for-purpose year-round water.
- Thames Centennial Pool has 60% local and 40% wider use.
- Many users dislike the current outdoor, cold experiences on offer.
- Indoor water is required for fit-for-purpose year-round access.
- Need to determine if the new facility's purpose is to serve a local or sub-regional catchment.
- Minimum scope: indoor, year-round, fit-for-purpose learn to swim, warm-water programme pool, lap pool and warm casual play.
- Potential if sub-regional: hydrotherapy, leisure and aquatic sport.
- Thames has low average income, meaning affordability is critical.
- An extensive site analysis identified the Richmond Street court site (on Thames High School) is the best location for a local facility.
- The Kōpū South site (on Southbridge Industrial Park) has the strongest attributes for a sub-regional facility.
- Hauraki District Council has confirmed it does not have the funding capacity to support investment in a sub-regional facility.
- 2024 Thames Aquatic community survey (1,472 respondents): 81% rate public aquatic provision as high or vital importance.
- In the Thames Aquatic community survey, the highest-ranked score was the indoor/outdoor option (cheapest), but the subregional option (most extensive) had highest first preference.
- Financial analysis highlighted the full cost of original options and resulted in further work on reduced scope options.

PROBLEM DEFINITION

- 1. Thames Centennial Pool is located on an urupā (burial ground), and TCDC agreed with Ngāti Maru to remove the facility by 2027.
- 2. Thames Centennial Pool is at the end of its life, and investment in aquatic provision is needed regardless of the decision to remove.
- 3. Undersupply of year-round aquatic provision in Thames-Coromandel District. Outdoor pools operating all year are not fitfor-purpose for year-round provision.
- 4. Thames Centennial Pool is not fit-for-purpose to meet current and future aquatic needs.
- 5. There is a constrained financial environment and limited funding available for a new aquatic facility.

STRATEGIC BENEFITS OF AQUATIC PROVISION

81% of 1,453 Thames Aquatic community survey respondents rate public aquatic provision in Thames as high or vital importance. There are multiple benefits arising from public aquatic provision, including:

- Learning to swim is a vital life skill.
- Supports aquatic physical activity, rehabilitation and wellness.
- Provides opportunities for play and enjoyment.
- Facilitates aquatic sports.
- Bring people together to connect and socialise.
- Provides employment and contributes to an appealing town.

INVESTMENT OBJECTIVES

Addressing the identified problems unlocks the strategic benefits and underpins the definition of four investment objectives for Thames Aquatic provision. The objectives were weighted by the Thames Community Board to reflect the varying community expectations.

- 1. Remove Thames Centennial Pool from its site and develop a new facility in a location accessible to the Thames community and resilient to the environmental challenges facing Thames (5%).
- 2. Provide sufficient and best-practice year-round water to meet the current and future needs of the local catchment and potential sub-regional catchment (26%).
- 3. Ensure a balance of fit-for-purpose water to cater for a range of needs, including learning, leisure, therapy, and fitness (22%).
- 4. Ensure a new facility is financially affordable and sustainable for the Council, ratepayers, and community over the long term (47%).

DESIRED OUTCOMES

- Increase the number of visits to the Thames aquatic facility over 35,000 currently achieved.
- Expand the range of residents visiting the aquatic facility and minimise physical barriers to participation.
- Improve resident and ratepayer satisfaction with aquatic provision and the contribution of an aquatic facility to an appealing town.
- Support improved wellbeing through provision of a range of aquatic activities that appeal to the Thames population.

VALUE FOR MONEY

The best value aquatic facility is well used, built to last, efficient to operate and minimises the cost (financially and environmentally). This means there needs to be a balance between the social outcomes/impact, the scope/quality of the development and the financial costs. There is no value in developing a new facility that is not well used or is costly to operate.

Thames Aquatic Provision aims to provide the best solution across all four investment objectives to deliver value for money.

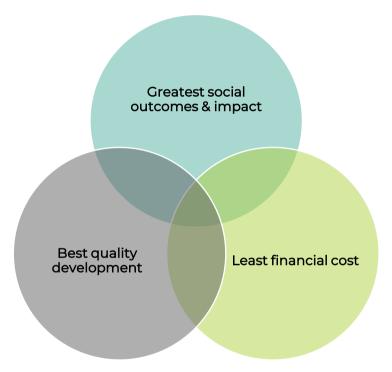
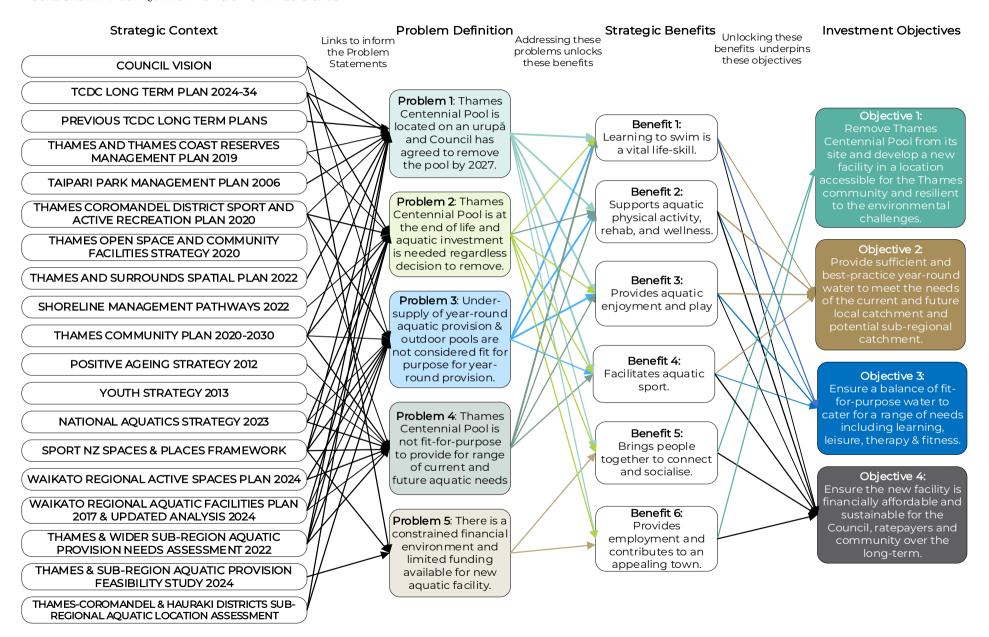


FIGURE 3.13 THAMES AQUATIC PROVISION STRATEGIC CASE







4.1 PURPOSE

The purpose of the economic case is to outline the options considered for Thames aquatic provision and identify a preferred option assessed against the investment objectives. The section includes:

- Overview of the options investigation process.
- Long-list of 19 sites and initial shortlist to 9 sites.
- Technical review of 4 potential sites.
- Four initial business case options A-D.
- Scoping of alternative options 1-5.
- Assessment of the alternative options against the investment objectives to identify the preferred option.

4.2 OPTIONS INVESTIGATION PROCESS

There are two critical aspects to the options investigation:

- Determining the right site for aquatic facility development.
- Determining the right scope and scale for the potential facility.

The *Thames and Sub-Region Aquatic Provision Feasibility Study* completed all the site analyses and identified four potential options (A-D). Financial analysis in the initial business case highlighted the full cost of these options and council staff raised concerns regarding the financial impact on Thames ratepayers. A follow-up investigation phase was conducted to consider alternative options with reduced scope to lower the overall cost. The process is illustrated in Figure 4.1.

FIGURE 4.1 THAMES AQUATIC PROVISION SITE AND OPTIONS INVESTIGATION PROCESS

FEASIBILITY STUDY (Jan 23 - Jan 24)

BUSINESS CASE (Feb 24 -Jun 24)

ALTERNATIVE OPTIONS INVESTIGATION (Aug 24 – Dec 24)

LONG-LIST SITE ASSESSMENT	SHORT-LIST SITE ASSESSMENT	TECHNICAL INVESTIGATION	INITIAL BUSINESS CASE WORK	SCOPING ALTERNATIVE OPTIONS	BUSINESS CASE: ALTERNATIVE OPTIONS
19 sites	9 sites	4 sites / 5 options	2 sites / 4 options	5 high-level options	6 Business Case Options
First assessment against long-list criteria	Assessment against short-list criteria & owner engagement	Technical investigation & option development	Community feedback & financial analysis	High-level scoping of alternative options and assessed for shortlisting	Design and financial analysis of shortlisted alternative options
 12 aquatic only sites 6 sites with sport hub Sub-regional location assessment (added 1 site) 	 Upper Thames Racecourse 3 sites on Thames High School Hauraki Terrace Maramarahi / Airfield Sth Wenzlick Block Kōpū South Ngātea Pool 	Richmond Street Court site (Thames High School) Upper Thames Racecourse Kōpū South Ngātea	 A. Local Indoor, Richmond Street B. Local Indoor/ Outdoor, Richmond Street C. Sub-regional, Kōpū South D. No investment 	 1: Disbursed provision 2: Redevelop Thames High School outdoor pool 3: Minimum scope 4: Value managed 5: Staged sub-regional 	Options listed from least capital cost to highest capital cost. D. No investment E. All Outdoor, 25m pool (6) F. Local, indoor/ outdoor (4B) G. Local, fabric building (4C) H. Local, all indoor (4A) I. Staged sub-regional (5)

4.3 LONG-LIST SITE ASSESSMENT

SITE ASSESSMENT CRITERIA

Site assessment criteria was developed as part of the feasibility study and used to assess the suitability of sites for the development of an aquatic facility. The criteria are outlined in Table 4.1.

TABLE 4.1 AQUATIC SITE EVALUATION CRITERIA

FATAL FLAWS	L EVALUATION CRITERIA
Flood risk	Is the site susceptible to flooding now or in the future?
Site availability	Is the site available for development or is there any current or potential impediment (such transfer/sale of the land or impending development for another purpose)?
LONG-LIST CONSII	DERATIONS
Size	Will the site accommodate a local or regional sized facility?
Topography	Is the topography of the site suitable for aquatic facility development or will it require significant earthworks?
Land ownership	Who owns the site and how easy will it be to develop an aquatic facility on the site?
Zoning	What is the site currently zoned for and what impact will this have on the consent process?
Local Catchment accessibility	How accessible is the site for the local catchment to access?
Sub-regional accessibility	How accessible is the site for a sub-regional catchment to access?
Visibility	How visible is the site to the community in terms of ease of finding and visual presence?
Vehicle accessibility	How accessible is the site for vehicle access?
Walkable accessibility	How accessible is the site for walking / cycling access?

SHORT-LIST SITE C	CONSIDERATIONS
Geotech	What is known about the underlying ground conditions and how suitable is the site for an aquatic facility? What is the potential for liquefaction or impact from high water table?
Practicality	Does the site enable practical aquatic facility design or does it present significant constraints?
Cost implications	Does the site present any additional cost implications such as earthworks, access etc
Sustainability	Does the site offer any sustainability opportunities which will provide operational benefits.
Community perceptions	Are there particular known community perceptions around the site which will need to be managed?
Mana Whenua views	What are Mana Whenua views on the site and will these have any constraints?

LONG-LIST OF THAMES SITES

A long-list of sites across the Thames Community Board area was generated through a desk-top review and informed by input from Council staff and the Thames Pool and Sports Hub Steering Group. A map of the long-list of sites is outlined in Figure 4.2 (next page) along with the scores from the long-list site evaluation.

Any sites that did not pass the fatal flaw threshold were not considered in the long-list assessment and therefore did not receive a score.

The feasibility study report provides extensive detail on each sites including maps and description of the suitability for development of an aquatic facility. This report should be referenced for specific detail on the long-list of sites.

Note, the Ngātea Pool site was added for site consideration after the sub-regional location assessment. This is why Figure 4.2 and Table 4.2 includes 18 sites and does not include the Ngātea Pool site.

FIGURE 4.2 MAP OF LONG-LIST OF SITES KAUAERANGA

Matatoki

TABLE 4.2 LONG-LIST SITE ASSESSMENT SCORES

SITES	FATAL FLAWS		OVERALL SCORE
	Flood Risk	Availability	
1. Lowe Avenue Reserve	Poor	Extreme	
2. Upper Thames Racecourse	Excellent	Average	32
3. Hauraki Terrace Reserve	Excellent	Excellent	37
4.Thames High School – pool site	Good	Average	38
5. Thames High School – court site	Average	Average	44
6.Thames High School – field site	Good	Average	43
7. Thames Bowls Club	Excellent	Poor	38
8. Danby Field	Extreme	Poor	
9. Victoria Park	Poor	Poor	28
10. Burke Street Reserve	Good	Poor	34
11.Pony Club Site	Poor	Poor	34
12. Kōpū Light Industrial Site	Good	Poor	28
1. Rhodes Park	Extreme	Poor	
2. Maramarahi / Airfield South	Poor	Poor	36
3. Lower Racecourse	Poor	Average	28
4.Wenzlick Block	Good	Poor	32
5. Kōpū South: Southbridge Industrial	Excellent	Poor	32
6. Matatoki	Excellent	Poor	26

SUB-REGIONAL LOCATION ASSESSMENT

As part of the long-list site assessment, Sport Waikato asked whether the feasibility study would answer the question "Where is it best to develop a sub-regional aquatic facility to serve both Thames-Coromandel and Hauraki districts?".

While related, this was a different question to determining whether a replacement Thames pool should be a local or sub-regional facility. Consequently, a companion assessment was undertaken to specifically address this question. The findings are detailed in a companion report *Thames-Coromandel and Hauraki Districts: Sub-Regional Aquatic Location Assessment*.

The methodology for the sub-regional location assessment involved:

- **Geographic area** assessing the ability of the location to serve the greatest geographic area based on a 30 minute drive-time with a minimum threshold to reach Thames and Paeroa.
- **Population capture** understanding the number of people living within 20 and 30 minutes of the location.
- Site suitability assessing the suitability of the actual site for aquatic facility development.

A summary of the key findings from this assessment was:

- It is not possible for one facility / location to serve the entirety of Thames-Coromandel and Hauraki Districts due to the geography and the spatial distribution of the population.
- As a commitment had already been made to replace the Thames Pool, the analysis focused on the western/southern side of the districts.
- Drive-time catchment analysis identified four sites (Kōpū South, Ngātea Pool, Hikutaia and Paeroa Racecourse) have the potential to serve a sub-regional 30 minute catchment reaching Thames and Paeroa as a minimum threshold.
- Hikutaia was discounted due to a very small local catchment, making this location operationally non-viable.
- Paeroa Racecourse was discounted as the intended use of the site changed, and was no longer available for development.
- Kōpū South had the largest local 20 minute catchment at around 22,000 residents and a 30 minute catchment of 26,000 residents.
- Ngātea Pool has a smaller 20 minute catchment population of 15,000 residents and a 30 minute catchment of 25,500 residents.
- Both sites have similar ground challenges but the Kōpū South site offers better characteristics in terms of visibility, size and accessibility.

Based on the assessment Kōpū South was identified with the strongest attributes for a sub-regional aquatic facility. The current Ngātea Pool site was included in the next stage of analysis to provide a comparative sub-regional option.

4.4 SHORT-LIST SITE ASSESSMENT

Nine sites were included in the short-list site assessment, which involved engagement with site owners and assessment against short-list criteria. Conclusions from this phase are summarised in Table 4.3.

TABLE 4.3 INITIAL SHORTLIST SITE ASSESSMENT AND CONCLUSIONS

Upper Thames Racecourse

- Owned by Thames Jockey Club.
- Club feedback indicated they were amenable to potential development on the upper platform.
- Size assessment identified the upper platform was large enough for a local aquatic facility.
- Key disadvantage is the site's placement within Thames township, being on the outskirts of the residential area.
- The site is close to a marked urupā.
- The platform has potential geotechnical issues.
- Site recommended for technical investigation.

Hauraki Terrace Reserve

- Owned by Thames Coromandel District Council.
- Size assessment identified a local aquatic facility would dominate the entire site.
- As the Reserve is in a residential area, it was determined an aquatic facility would create a significant localised impact.
- Site was deemed inappropriate for development.

Thames High School - 3 potential sites

- Owned by Thames High School / Ministry of Education.
- Three possible sites: Richmond Street court site, current pool site and field site adjacent to the Jack McLean facility.
- Size assessment identified the current pool site and field site are too small. Richmond Street Court site was large enough.
- Thames High School indicated they were amenable to potential development, provided any site consequences were included in the project budget. The School favoured the Richmond Street.
- Court site is central in Thames and has good site characteristics.
- Richmond Street Court site recommended for technical investigation.

Maramarahi / Airfield South site

- Owned by Thames-Coromandel District Council.
- Site is large enough for aquatic and sport hub development.
- Engagement with Mana Whenua and local Hapu indicated significant concerns with potential development of the site.
- Presence of a wāhi tapu, recognised as very significant and likely archaeological remains are through-out the site.
- Preference to see the site left alone and not considered appropriate for aquatic facility development.
- Given one of the key drivers for aquatic development is remove Thames Centennial Pool from an urupā, it seems illogical to consider another site with the same site challenges.
- The site was deemed inappropriate for development.

Wenzlick Block (private property)

- Privately owned but identified in the Thames and Surrounds Spatial Plan for potential future development.
- Site is large enough for aquatic and sport hub development.
- Key constraint is the timeline and cost of securing the site for development. Given the 2027 timeframe for relocating Thames Centennial Pool this was considered a fatal flaw
- The site was excluded from further analysis.

Kōpū South: Southbridge Industrial Park (private property)

- Privately owned by Southbridge Industrial Park Ltd.
- Only large enough for aquatic facility, on the site frontage and has good site characteristics.
- Site owners are keen to explore a complementary development as part of wider redevelopment of the industrial park.
- Has the strongest attributes for a sub-regional facility in the sub-regional location assessment.
- Site recommended for technical investigation.

Ngātea Pool (Sub-regional option)

- Owned by Hauraki District Council.
- Site is set back from road and has restricted road-side visibility.
- Large enough but requires design relocation of cricket nets.
- Retained as a comparison sub-regional option.
- Site recommended for technical investigation.

4.5 TECHNICAL INVESTIGATION

Technical site investigation involved:

- Development of preliminary design layout.
- Planning assessment of each site.
- Desk-top geotechnical assessment to identify key site risks.
- Infrastructure assessment to consider availability of stormwater, wastewater, water, power and communications to the site.
- Building services to provide high-level operational cost.
- Preliminary traffic assessment of each site.
- Quantity estimates based on design and technical assessment.
- Governance options and preliminary operational models.

The original scope for a local facility included:

- Serving a catchment population of approximately 15,000 to 20,000.
- Total water of approximately 800m² which included:
 - o 25m x 7 lane lap pool with seating capacity for 150 people
 - o Programme pool, 1.3m deep and Learn to swim pool, 0.9m deep
 - o Toddlers pool and splashpad
 - o Spa pool
 - o Outdoor area
- Change rooms, programme room, marshalling space, admin, plantroom and storage.
- Small amount of carparking.

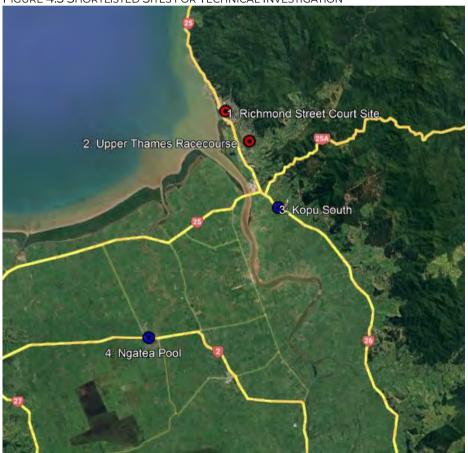
The original scope for a sub-regional facility included:

- Serving catchment population of approximately 20,000 to 35,000.
- Total water of 1,100m² which includes:
 - o 25m x 8 lane lap pool with seating capacity for 165 people
 - o Programme pool and learn to swim pool as per local
 - o Leisure pool with toddlers pool and built-in water features
 - o Outdoor area and hydroslide option
 - o Spa, sauna and steam.
- 350m² fitness space.
- Café and programme room.
- Change rooms, marshalling space, admin, plantroom and storage.
- Sufficient carparking for the site.

Four sites were shortlisted for technical investigation, shown in Figure 4.3 and listed below. Table 4.4 (next page) provides a summary of each site/option. Refer to the *feasibility study* for full details.

- 1. Richmond Street Courts on lease land from Thames High School.
- 2. Upper Thames Racecourse on lease land from Thames Jockey Club.
- 3. Kōpū South on lease land from Southbridge Industrial Park.
- 4. Ngātea Pool on land owned by Hauraki District Council.

FIGURE 4.3 SHORTLISTED SITES FOR TECHNICAL INVESTIGATION



FEASIBILITY STUDY CONCLUSIONS

The technical investigation and feasibility study concluded the Richmond Street Court site was the strongest local site and Kōpū South was the strongest sub-regional site.

At the conclusion of the feasibility study, Hauraki District Council confirmed they were not able to invest in a sub-regional facility at the levels indicated by the options developed to date. This meant a partnership approach was not viable and if a sub-regional facility was pursued the financial cost would fall largely to Thames-Coromandel District Council regardless of the benefit to the wider catchment.

In assessing whether to progress with a local or sub-regional facility, the feasibility study concluded the local aquatic facility appeared to be the least risky, most achievable and most viable option. For these reasons, the feasibility study reached the conclusion future Thames aquatic provision should focus on delivering a local aquatic facility with community feedback sought on whether to pursue Option 1, all indoor or Option 1A indoor/outdoor.

Whilst reaching this conclusion, it was acknowledged the sub-regional option (Option 3 Kōpū South) offered significant strategic / future-proofing benefits that Thames-Coromandel District Council may want to consider within the business case.

In adopting the feasibility study, the Thames Community Board resolved to seek community engagement and undertake financial analysis on the following four options:

- Option A: Local indoor facility on the Richmond Street Court site
- Option B: Local indoor/outdoor facility on the Richmond Street.
- Option C: Sub-regional indoor facility at Kopū South.
- Option D: no investment in aquatic provision.

Table 4.4 Summary of Technical Investigation of Thames Aquatic Provision Sites				
SITE	TECHNICAL INVESTIGATION	OPTION & COST	PRELIMINARY DESIGN CONCEPT	
There was Mark and the state of	 Richmond Street Court Site Central, accessible site to catchment Limited ground issues Good transport connections Straight-forward planning Site is tight but doable Requires MOE approval Strongest local catchment site 	Option 1: Local, all indoor Capital: \$37.5-42.5 million Operational: (\$967K)-(\$1.14m) deficit Visits: 52,000 – 65,500 Option 1A: Local, indoor/outdoor Capital: \$32.5-36.5 million Operational: (\$1.0m)-(\$1.21m) deficit Visits: 45,600– 54,750 Water: 800m²		
	 Upper Thames Racecourse Larger site, free of flood risks Less central to local catchment Requires water/waste infrastructure Geotechnical ground challenges Close to urupā and middens Less straight-forward planning High capital and operational costs 	Option 2: All Indoor Capital: \$41.8-47 million Operational: (\$980K)-(\$1.2m) deficit Visits: 50,000 – 60,500 Water: 827m ²	TOTAL STATE OF THE PARTY OF THE	
	 Kōpū South Accessible, visible site for sub-region Close to potential growth & sport hub Sufficient site size Willing site-owner, but lease costs Some ground challenges Requires water/waste infrastructure Small flood risk Strongest sub-regional attributes 	Option 3: Kōpū South Sub-regional Capital: \$68.8-77 million Operational: (\$1.35m)-(\$1.5m) deficit Visits: 80,500 – 101,500 Water: 1,109m ²	Jones Science of the Control of the	
ingh inguard	 Ngātea Pool HDC site Easy planning / traffic requirements Site is tight, relocation of cricket nets Set-back from road-side, less visible Less central to sub-region High water-table and flood-risk Cheaper site build 	Option 4: Ngātea Sub-regional Capital: \$60.4-67 million Operational: (\$1.5m)-(\$2m) deficit Visits: 70,000 – 87,000 Water: 1,121m ²	Property of the Control of the Contr	

4.6 INITIAL BUSINESS CASE: OPTIONS A TO D

The initial business case work focused on:

- Discussion with site owners: to discuss specific site requirements.
- Community engagement: survey seeking views on the options. Refer to Appendix B for a full summary of the results.
- Financial analysis: the whole-of-life financial cost and ratepayer impacts of options. Refer to Appendix C for full report.
- Funding review: overview of funding landscape.

COMMUNITY ENGAGEMENT

The public survey had 1,472 respondents. In comparison to recent Council engagements, this was an extremely high response rate and illustrates the high level of interest by the community.

Overall, 81% of respondents rate aquatic provision as high or vital importance because:

- 94% believe learning to swim is an important life-skill.
- 81% identify pools support aquatic fitness.
- 70% identify pools are fun for playing around.
- 67% identify pools support aquatic rehabilitation.

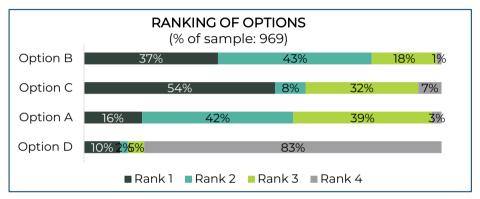
8% of respondents rate aquatic provision as no or little importance because there are more important things or Thames can make do with other pools or swimming options. 79% of respondents rate investment by Council in a new swimming pool as high or vital importance.

Respondents were asked to rank the options from 1st to 4th with the results shown in Figure 4.4. A ranked score is calculated by the proportion of respondents selecting each rank to provide a ranked score out of 4. The respondents ranked options as follows:

• Overall, Option B (Local indoor/outdoor facility) has the highest ranked score at 1.8/4. 37% of respondents ranked it as number 1 and 43% ranked it as number 2. This option was a higher first choice for respondents from Thames and those over 51 years.

- Option C (Sub-regional) is the second highest score at 1.9/4. However, 54% of respondents ranked it number 1. First choice for respondents from Beyond Thames and age 14-50 years.
- Option A (Local indoor facility) is the third scored at 2.4/4. 16% of respondents ranked it number 1 and 42% ranked it second.
- Option D (No investment) is the least preferred option with a ranked score of 3.6/4. 83% of respondents ranked it fourth.

FIGURE 4.4: RANKING OF OPTIONS IN 2024 THAMES AQUATIC COMMUNITY SURVEY



FINANCIAL ANALYSIS

Deloitte completed a financial analysis to assess the whole-of-life costs over 50 years. The full report is included in <u>Appendix C</u>. While \$39.9 million had been included in Council's Long-term Plan, the financial analysis highlighted additional costs due to:

- Changes to the depreciation funding meant a greater proportion of the project had to be funded by debt,
- Operational funding was based on Thames Centennial Pool but a larger facility would require an additional operating subsidy.

This meant the financial impact was higher than the LTP average \$858 per Thames ratepayer ranging from \$1,103 to \$2,080. Council staff raised concerns about the financial impact on Thames ratepayers and identified the scope of options could be reviewed to reduce the cost.

Table 4.5 on the next page provides a summary of the community engagement and financial results for the four original options.

TABLE 4.5 SUMMARY OF COMMUNITY ENGAGEMENT AND FINANCIAL ANALYSIS FOR OPTIONS A-D

PRELIMINARY DESIGN CONCEPT	COMMUNITY FEEDBACK	FINANCIAL ANALYSIS	
	Option A: All Indoor Richmond Street Court Site	Capital cost	\$42,685,000
	 Like the mix of pools and activities and outdoor area. 	AVERAGE COST OVER	
	Like the central location, accessible to the town.	Opex EBITDA	\$1,534,000
	Concern Thames High School location, because parking	Depreciation	\$1,352,000
	overflow to street, public access during school hours and	Debt repayment	\$1,520,000
	impact on high school.	Interest	\$1,446,000
	Concern about mixing students with public.	Total	\$5,852,000
	Mixed views on being all indoor.	AVERAGE RATEPAYER	
	Mixed views on being too small vs too grand.	100% Thames	\$1,218
	Want other design features like hydroslide, deeper pool.	100% TCDC District	\$234
M. H.	Option B: Indoor /Outdoor Richmond Street Court Site	Capital cost	\$36,685,000
	Like because it is the cheapest option.	AVERAGE COST OVER	
	Like the indoor pools for learning, therapy and play.	Opex EBITDA	\$1,639,000
, ,	Like the mix of pools and activities and outdoor area.	Depreciation	\$1,130,000
	Like the central location, accessible to the town.	Debt repayment	\$1,297,000
	Concerns about school location, because parking overflow	Interest	\$1,234,000
"I	to street, public access, impact on high school, mixing of	Total	\$5,301,000
	students and public	AVERAGE RATEPAYER	
	 Mixed views on being indoor vs outdoor pool for 25m. 	100% Thames	\$1,103
	,	100% TCDC District	\$212
	Option C: Sub-regional indoor facility, Kōpū South	Capital cost	\$77,465,000
September Feed September S	• Like the greater range of pools and features, including	AVERAGE COST OVER	
	larger 25m pool, hydrotherapy, leisure pool, hydroslide.	Opex EBITDA	\$1,944,000
Total State of the	• Opposing views on the location being too far from Thames	Depreciation	\$2,376,000
	versus being accessible to wider sub-region.	Debt repayment	\$2,907,000
	 Opposing views on being too grand versus visionary. 	Interest	\$2,766,000
	 Opposing views on benefits for the sub-region. 	Total	\$9,993,000
	Some dislike because it is too expensive.	AVERAGE RATEPAYER	
Land Control of the C	Will need public transport options.	100% Thames 100% TCDC District	\$2,080
DOUGLAST .		100% TCDC DISTRICT	\$400
	Option D: No Aquatic Investment79% of respondents do not support Option D because a	Capital cost	\$550,000
	pool is vital community asset and would be backward step	AVERAGE RATEPAYER	IMPACT
	• 11% unsure because of the cost of development options.	100% Thames	\$14
	 11% support Option D because a pool is too expensive and there are other options, delay timing, other priorities. 	100% TCDC District	\$3

4.7 SCOPING OF ALTERNATIVE OPTIONS

Thames-Coromandel District Council staff requested development of the following alternative options with reduced scope:

- Alternative 1. Dispersed provision using existing pools in Thames.
- Alternative 2. Redevelop the existing Thames High School Pool.
- Alternative 3. Minimum scope local facility.
- Alternative 4. Value-managed local facility reduced scope but meet the majority of needs.
- Alternative 5. Staged and reduced scope sub-regional option.

Details on the alternative options are included in <u>Appendix D</u> and summarised in Table 4.7 (next page). Architecture HDT prepared high-level layout drawings and MPM Projects prepared indicative quantity estimates (refer to <u>Appendix D</u>). A simplified financial assessment used a standardised formula to calculate the indicative operational, debt costs and depreciation. This work did not include future renewal costs and, therefore, is indicative only. An indicative average annual ratepayer impact was calculated (in Table 4.8).

Engagement was also undertaken with Fabric Structures Whangarei. This building company had recently constructed an aquatic facility in Kaitāia and presents an opportunity for a lower building cost for an indoor aquatic facility. The insulated structural fabric enables a cheaper construction without significant loss of thermal performance. The main downside is the more frequent renewal of the fabric every 20 years compared to 30-50 years for a traditional building and regular cleaning maintenance.

The costs and high-level assessment of the alternative options against the Investment Objectives is outlined in Table 4.8 (this page). Feedback from staff identified Alternative Options 2 and 3 would have insufficient water to meet current needs and were discounted (as the District requires 585m² of water). Based on the assessment, it was recommended to focus on:

• Alternative Option 4: Value managed local facility at the Richmond Street Court site with three building variations:

- a) traditional indoor building,
- b) indoor/outdoor building, and
- c) structural fabric building.
- Alternative Option 5: Staged sub-regional facility at Kōpū South:
 - a) Stage 1 providing 25m pool and learning/programme pool,
 - b) Stage 2 providing a leisure pool and fitness centre.

After the workshop, an additional concept (Alternative Option 6) was added for an outdoor 25m, 7 lane pool located at the Richmond Street Court site as a like for like comparison to the current facility.

TABLE 4.8 INDICATIVE COSTS AND ASSESSMENT OF ALTERNATIVE OPTIONS

	Alternative 2	Alternative 3	Alternative 4	Alternative 5
Site	THS pool	Richmond St	Richmond St	Kōpū South
Building	Indoor/Outdoor	Indoor/Outdoor	All indoor	All indoor
Water	390m ²	455m ²	595m ²	755m ²
Estimated Capex	\$14.5M	\$18.5M	\$28.0M	S1: \$38.1M S2: \$14.5M
Est. Rates Cost	\$2.560M	\$2.935M	\$3.726M	S1: \$5.073M
	ERAGE ANNUAL I			σ φσ γσ γ
100% Thames, 5,525	~\$533	~\$611	~\$776	~\$1,056
100% TCDC, 28,792	~\$102	~\$117	~\$149	~\$203
INITIAL ASSESS	MENT AGAINST II	NVESTMENT OBJ	ECTIVES	
Objective 1:	AVERAGE:	STRONG: good	STRONG: good	AVERAGE:
Accessible/	accessible site,	accessible site	accessible site	good for sub-
resilient	but resilient			region
location	issues			
Objective 2:	WEAK:	WEAK:	STRONG:	STRONG:
Sufficient	Insufficient	Insufficient	sufficient and	sufficient and
best-practice	water for local	water for local	indoor water	indoor water
year-round water	needs	needs	for local needs	for needs
Objective 3:	WEAK: No	AVERAGE: no	STRONG:	STRONG:
Balance of	leisure and	leisure but	balance across	balance
provision for	insufficient	more fitness	all functions	across all
· ·	fitness	water	an rangerons	functions
Objective 4:	STRONG:	AVERAGE: but	AVERAGE:	WEAK: high
Financially	cheapest but	not value for	higher cost	cost, requires
affordable &	least value for	money	but value for	District
sustainable	money	-	money	funding

TABLE 4.7 DESCRIPTION OF ALTERNATIVE OPTIONS

ALTERNATIVE OPTIONS	SCOPE	COMMENTARY	INDICATIVE CAPITAL COST
	Al: Dispersed Provision Partner with multiple schools to modify existing pools to deliver aquatic services through dispersed delivery.	 Current pools aged between 51-101 years. More challenging to deliver and manage. Some pools not positioned well. Does not provide functional provision. 	Discounted as not a viable delivery option
new boilding area (excluding sheets) = 800 m sheets) = 800 m sheets 800 m sheet	A2: Redevelop High School Pool Partner with Thames High School to redevelop existing pool site to include: Outdoor 4 lanes x 25m pool Indoor LTS/programme pool New change rooms Lift due to height difference of site	 Tight site, potential consent issues. Greater construction risks. Complicated ownership model. Requires separate plant accessway and hand delivery of chemicals. Limited water space will be challenging Results in undersupply of District provision. No leisure provision (largest undersupply) Vicinity of mine-shaft. 	\$14.5 million
store eines pient	 A3: Minimum Scope, Richmond Street Reduced size of local facility includes: Outdoor 5 lanes x 25m pool Indoor LTS/programme pool New change rooms Total water: 455m² 	 Limited water: 5 lanes would be challenging and no leisure provision (biggest gap). Results in undersupply of District provision. Accessible central site with minimal risks. Building new provides more cost certainty (compared to refurbishment). Simple ownership structure. 	\$18.5 million
ESSE PRINCE! PRINT	 A4: Value Managed, Richmond Street Reduced size of local facility but sufficient to meet local needs includes: Indoor 6 lanes x 25m pool Indoor LTS/programme pool Indoor splashpad New change rooms Total water: 595m² 	 Provides sufficient water for District provision. Provides all aquatic functions to meet needs. Accessible central site with minimal risks. Building new provides more cost certainty (compared to refurbishment). Simple ownership structure. 	\$28.0 million
Picci plant Picci 95 m²	 A5: Staged and Reduced Sub-regional Stage 1: Indoor 7 lanes x 25m, seating, LTS/programme pool, changing/admin Stage 2: Indoor leisure pool, spa, sauna, steam and fitness centre Total water 755m² 	 Meets sub-regional needs with all functions. Accessibility of site good for sub-regional catchment, less for Thames local catchment. Site risks and infrastructure requirements adds cost to the development. Estimated 6% land-rent adds to cost. Potential energy sharing may reduce cost. Staging risk -stage 2 never completed. 	Stage 1: \$38.1 million Stage 2: \$14.5 million

4.8 OPTIONS D TO I

The last phase of the investigation process focused on the following options, noting the renumbering is a continuation from the original options (A-D) and in order of cheapest capital cost to highest:

- Option D: No investment in aquatic provision.
- Option E: All outdoor 25m Pool (Alternative Option 6).
- Option F: Indoor / outdoor local facility (Alternative Option 4B).
- Option G: All indoor, structural fabric local facility (Alt. Option 4C).
- Option H: All indoor, traditional building local facility (Alt. Opt. 4A).
- Option I: All indoor, staged sub-regional facility (Alt. Option 5).

This section provides a description and overview of the options, refer to the following appendices for the following information:

- Appendix E for full-size layout plans.
- Appendix F for quantity estimates.
- Appendix G for energy assessment.
- Appendix H for financial analysis, including operational costs. Note all costs include provision for future indicative inflation.

OPTION D: NO INVESTMENT IN AQUATIC PROVISION

KEY COMPONENTS	COMMENTARY
 No aquatic investment Removal of Thames Centennial Pool 	 Increases the undersupply of aquatic provision to 585m² Loss of Council's service level Loss of learn to swim and fitness provision Likely staff redundancies Likely community reaction
Estimated visits	Loss of 35,000 annual visits
Estimated capex cost	\$550,000 pre-escalation
Estimated opex cost	Saving of \$659,000 pa
Estimated ratepayer impact	Saving of \$148 per Thames Ratepayer

OPTION E: ALL OUTDOOR 25M POOL

OF HON E. ALL OUTDOOK 25M FOOL		
KEY COMPONENTS	COMMENTARY	
SITE	Richmond Street Court Site Lease from Thames High School	
 All outdoor 25m pool, 7 lanes Change rooms Admin space Plant and storage Water: 450m² Building: 455m²	 Retains a level of provision in Thames Continued undersupply of ~135m² Outdoor pool is not best practice for year-round facility Doesn't address function imbalance Not fit-for-purpose for learning or leisure No added value for expenditure 	
Estimated visits Year 1→10	34,076 → 37,269	
Estimated capex cost	\$13.5 million <i>pre-escalation</i>	
Estimated opex cost (YI)	Deficit (\$779,000) inflated	
Average ratepayer impact (net excludes status quo)	100% Thames Ratepayer: \$325 100% TCDC Ratepayer: \$62	
Indicative Layout Design		



OPTION F: INDOOR / OUTDOOR LOCAL FACILITY

KEY COMPONENTS	COMMENTARY
SITE	Richmond Street Court Site Lease from Thames High School
 Outdoor 25m, 6 lanes 406m² Outdoor area Indoor Learn to swim 88m² Indoor Programme pool 88m² Splashpad 78m² Change rooms Admin space Plant and storage Water: 660m² Building: 998m² 	 Increased level of aquatic provision Addresses undersupply of provision Has some indoor pools as best practice for year-round facility Outdoor 25m pool will be less appealing in winter and will cost more to heat Addresses functional imbalance with some dedicated provision for learning, therapy and leisure Will meet most local needs.
Estimated visits Year 1→10	47,001 → 58,631
Estimated capex cost	\$22.5 million <i>pre-escalation</i>
Estimated opex cost (Y1)	Deficit (\$1,075,000) inflated
Average ratepayer impact (net excludes status quo)	100% Thames Ratepayer: \$592 100% TCDC Ratepayer: \$114
Indicative Layout Design	
11 12	

OPTION G: ALL INDOOR, STRUCTURAL FABRIC LOCAL FACILITY							
KEY COMPONENTS	COMMENTARY						
SITE	Richmond Street Court Site Lease from Thames High School						
 All indoor, structural fabric 25m pool, 6 lanes 406m² Learn to swim, 0.8m Programme pool, 1.3m Splashpad Outdoor area Change rooms Admin space Plant and storage Water: 660m² Building: 1,650m² 	 Continued aquatic provision Addresses undersupply of provision Provides indoor pool as best practice for year-round facility Addresses functional imbalance with dedicated provision for learning, therapy and leisure Will meet local needs. Greater unknowns with structural fabric, renewal every 20 years. More facility for less capital cost. 						
Estimated visits Year 1→10	49,597 → 61,792						
Estimated capex cost	\$26.2 million <i>pre-escalation</i>						
Estimated opex cost (YI)	Deficit (\$1,098,000) inflated						
Average ratepayer impact (net excludes status quo)	100% Thames Ratepayer: \$682 100% TCDC Ratepayer: \$131						
Indicative Layout Design	V, V V I						



OPTION H: ALL INDOOR, TRADITIONAL BUILDING LOCAL FACILITY

KEY COMPONENTS	COMMENTARY					
SITE	Richmond Street Court Site Lease from Thames High School					
 All indoor 25m pool, 6 lanes Learn to swim, 0.8m Programme pool, 1.3m Splashpad Outdoor area Change rooms Admin space Plant and storage Water: 660m² Building: 1,650m² 	 Continued aquatic provision Addresses undersupply of provision Indoor pool is best practice for yearround facility Addresses functional imbalance with dedicated provision for learning, therapy and leisure Will meet foreseeable local needs. Less unforeseeable risks with a traditional building. 					
Estimated visits Year 1→10	50,643 → 62,998					
Estimated capex cost	\$29 million <i>pre-escalation</i>					
Estimated opex cost (Y1)	Deficit (\$1,074,000) <i>inflated</i>					
Average ratepayer impact (net excludes status quo)	100% Thames Ratepayer: \$729 100% TCDC Ratepayer: \$140					
Indicative Layout Design						
14 13	12 11 15					

OPTION I: ALL INDOOR, STAGED SUB-REGIONAL FACILITY

KEY COMPONENTS	COMMENTARY					
SITE	Kōpū South Lease from Southbridge Industrial					
Stage 1 (indoor) • 25m pool, 7 lanes • Learn to swim, 0.8m • Programme pool, 1.3m • Spa pool, sauna & steam • Change rooms & admin Water: 673m² Building: 2,265m² Stage 2 (indoor): • Leisure pool • 200m² fitness Water: 150m² = 823m² Estimated visits Year 1→10→20 Estimated capex cost	 Continued aquatic provision Addresses undersupply of provision Indoor pool as best practice for year-round facility Addresses all functional imbalances Meets local and subregional needs. More facility, greater capital cost. Aligns with future Thames growth and potential sports hub Potential tourism appeal. Lease cost for land (not included in financial projections) 54,962→65,743→78,358→91,612 Stage 1: \$40million, Stage 2: \$14.5m pre-escalation 					
Estimated opex cost (YI → YII)	Deficit (\$1,242,000) → (\$1,692,000) inflated					
Average ratepayer impact (net excludes status quo)						
Indicative Layout Design Approximately a service of the service o						

4.9 STRUCTURAL FABRIC VERSUS TRADITIONAL BUILDING

Option G is based on a structural fabric building similar to the Te Hiku Sports Hub in Kaitāia (see case study on the following page). The technical advantages and disadvantages of a traditional insulated panel construction compared to structural fabric are outlined below.

INSULATED PANEL CONSTRUCTION (IPC)

The traditional building is based on insulated panel construction (such as Kingspan), installed on a timber or steel frame. Panels consist of a highly insulated core sandwiched between metal skins. Traditional insulated panel construction has an R-value (thermal resistance or insulating properties) of approximately 5 to 6.

ADVANTAGES	DISADVANTAGES
 Highly insulated and forms a complete, airtight and vapour resistant shell around the building. 	 Higher capital cost, approximately \$2.8 million more.
High humidity system with warranties and proven history in aquatic facilities. Warranties are typically for 10-15 years but apply to the whole system. Panels can be repainted, and if maintained can be expected to last 30-40 years.	 Rigid panels dictate building form and appearance. The building will have a basic form and appearance.
 Lower energy cost resulting from airtight and highly insulated cladding. Approximately \$20,000 less. 	
Solid roof facilitates installation of solar panels on the roof structure.	

FABRIC CONSTRUCTION (FC)

This concept typically uses traditional insulated walls up to 2-4 metres high. The roof is comprised of a curved steel roof frame that holds two layers of structural fabric with insulation sandwiched in between. The structure has an R-value of approximately 3.4 to 4. (This design is different to the previous dome over Thames Centennial Pool which did not have the steel structure or insulation properties).

ADVANTAGES	DISADVANTAGES
Lower capital cost, approximately \$2.8 million less.	 Higher energy cost as less airtight and insulated. Approx. \$20,000 per annum. Compliance with new H1/AS1 of Building Code to be tested.
 Faster to install than IPC, and relatively easy to replace damaged or worn panels (individual panels). 	 Double skin construction with insulation needs care in construction to provide a continuous insulation layer.
 Fabric structures allow light through the fabric, reducing reliance on artificial light. Needs to be kept clean so moss and mildew does not show through the fabric and affect long term durability. More freedom with building form. 	 Higher potential for cold bridging at fabric structure connections. This could lead to potential condensation and reduced durability of structural coatings. This is a manageable risk pending detailed design of fabric connection and air supply location and direction.
Warranties for the fabric product. Estimated to last approximately 20-25 yrs in NZ conditions. While more frequent renewal, the cost of the fabric renewal is about 50% of the cost of a traditional roof renewal.	 Appears as a less permanent structure with a tent-like appearance. Solar panels cannot be located on the roof. Easy to damage the fabric by vandalism, so access has to be carefully managed.
Lightweight, thereby reducing foundation loads.	Requires annual cleaning to remove moss and mildew.

CASE STUDY: TE HIKU SPORTS HUB, KAITĀIA



Opened in June 2024, the structural fabric building is a double-skinned PVC, fully insulated, over a steel structure. The building fabric has a service life of 15-30 years and a warranty of 15 years. The financial modelling has scheduled replacement every 20 years with additional cleaning every 12 months to keep the fabric free of mould and mildew.

The facility includes 25m x 8 lanes, a learner's pool, a small programme pool, and a splash pad. It also includes a fitness centre and sports hub, although some fit-out has not been completed due to insufficient funding. The total cost was \$14.2 million, but importantly, there is a high level of local community contribution, meaning the dollar value does not reflect the market value of the project.

The project manager reports careful design of the building and heating systems has prevented condensation or heating loss.

The Trust that owns the facility reports the building is performing well, with strong community engagement and no significant issues around the energy efficiency or user comfort.





4.10 PROVISION COMPARISON: OPTIONS D TO I

Two of the investment objectives outlined in the strategic case relate to the amount of aquatic provision and the balance of provision across the four aquatic functions. Table 4.8 provides a condensed summary of the options relating to aquatic provision.

Outlined in Section 3.2, the National Aquatic Facilities Strategy 2023 recommends a minimum provision of 27m² per 1,000 population. The updated 2024 Waikato Aquatic Strategy identifies Thames Coromandel District has a current shortfall of 210m² of water which increases to 585m² when Thames Centennial Pool is removed.

The National Aquatic Strategy also recommends a balance of provision based on ~17% for competence/learning, ~16% for fitness and ~67% for leisure including therapy to meet the needs and demand from a wide cross section of the community.

TABLE 4.8 SUMMARY OF AQUATIC PROVISION WITHIN EACH OPTION

	Option D	Option E	Option F	Option G	Option H	Option I	Option I
Option Name	No investment	pool	Indoor/ Outdoor	All Indoor, Fabric Building	All Indoor, Traditional	Sub-regional Stage 1	Sub-regional Stage 1 + 2
Location	-	Richmond St	Richmond St	Richmond St	Richmond St	Kōpū South	Kōpū South
Overall Scope	No aquatic facility	<u>Outdoor:</u> 25m x 7 lanes	Outdoor: 25m x 6 lanes Indoor: LTS pool Prog. pool Splashpad	All indoor: 25m x 6 lanes LTS pool Prog. pool Splashpad	All indoor: 25m x 6 lanes LTS pool Prog. Pool Splashpad	All indoor: 25m x 7 lanes LTS pool Prog. Pool Spa, sauna, steam	All indoor: Stage 1 + Leisure pool Fitness centre
Building	0m²	455m ²	998m²	1,650m ²	1,650m ²	2,265m ²	3,257m ²
TOTAL AQUATIC PROVISION Indoor water		450m ²	660m ²	660m ²	660m ²	673m ²	823m ²
Outdoor water		450m ²	406m ²	0m ²	0m ²	0m ²	0m ²
BALANCE OF PROVISION							
Learning water		0m ²	88m² 13%	88m² 13%	88m ² 13%	100m ² 15%	100m ² 12%
Leisure & Therapy water	0m ²	0m ²	166m ² 25%	166m ² 25%	166m ² 25%	108m ² 16%	258m ² 31%
Fitness water	0m²	450m ² 100%	406m ² 62%	406m ² 62%	406m ² 62%	465m ² 69%	465m ² 57%
CONCLUSIONS	Loss of aquatic provision in Thames	undersupply and imbalance of provision with no fit-for-purpose	J	Addresses undersupply. Some fit- for-purpose water for learning, therapy & leisure and fitness.	Addresses under- supply. Some fit- for-purpose water for learning, therapy & leisure and fitness.	Address under- supply. Some fit- for-purpose water for learning, therapy and fitness. No dedicated leisure provision.	Address under- supply including in Hauraki District. Fit-for-purpose water for learning, leisure & therapy and fitness. Greatest balance.

4.11 VISITOR COMPARISON: OPTIONS D TO I

Thames Centennial Pool currently attracts approximately 35,000 to 37,000 visits per annum, illustrated in Figure 4.5. [Note the visitation from 2020 onwards is an estimate due to the data collection methodology, and 2024 has an estimate for December 2024, as the data was not available at the time of writing this business case.]

Figure 4.6 shows the estimated visits for each option over 20 years compared to BAU. The modelling is based on current trends and informed by comparative facilities. This shows:

- BAU includes a small percentage of annual growth.
- Option E: visits are essentially the same as BAU.
- Option F: average over 20 years 58,000, 54% increase over current.
- Option G: average over 20 years 61,000, 62% increase over current.
- Option H: average over 20 years 62,500, 65% increase over current.
- Option I: average over first 10 years 60,000, 60% increase over the current and 82,500 over the second 10 years, 113% increase.

FIGURE 4.5 THAMES CENTENNIAL POOL ANNUAL ESTIMATED VISITS

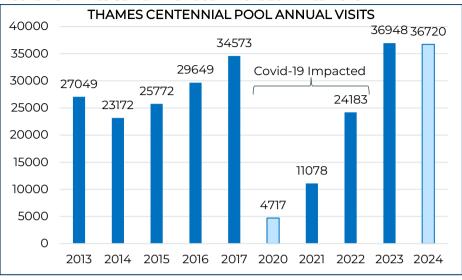
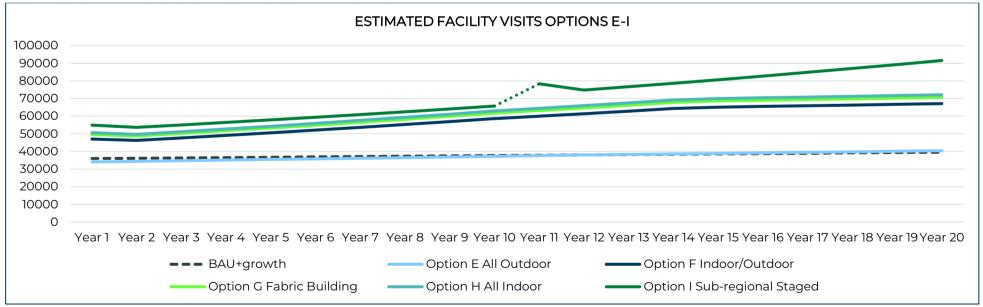


FIGURE 4.6 ESTIMATED VISITS FOR OPTIONS E TO I COMPARED TO BAU.



4.12 FINANCIAL ANALYSIS: OPTIONS D TO I

As with previous phases of work, Deloitte completed detailed financial analysis of the options to understand the full financial cost of the options. Refer to <u>Appendix H</u> for the full report.

The financial analysis includes:

- The operational subsidy required to operate the facility over a 50 year life of the asset (EBITDA) based on visitor estimates and operational modelling. All facilities have been modelled on the same assumptions although there is potential for variable pricing for a local or sub-regional facility. The current Thames Centennial Pool and similar facilities/size have been used as a base reference. All operating income and expenditure have been inflated in accordance with TCDC inflation factors (Ex BERL) and Treasury forecasts.
- The capital cost, based on quantity survey estimates, escalated to the anticipated year of expenditure.
- Depreciation to fund renewals over the life of the asset. It is assumed depreciation is rated for and held in reserve to fund capital replacement and renewals over the asset's life.
- Debt repayment over a 30-year period. Based on TCDC direction, \$1.9 million is funded from depreciation (i.e. Council reserves).
- Cost of debt at an assumed interest rate of 5%.

Table 4.9 (next page) outlines the $\underline{average}$ financial costs over the first 30 years and includes:

- Total gross cost: the total cost of each option.
- Net difference from current status quo: the difference between the total gross cost and the current expenditure to deliver Thames Centennial Pool, therefore the incremental difference from the current status quo.
- The current project funding outlined in the Thames-Coromandel District Council 2024-2034 Long-term Plan is also included as a comparison.
- Figure 4.7 provides a comparison of the net ratepayer costs over the 50 year life of the asset.

Note Option D, to demolish Thames Centennial Pool and not invest in aquatic provision, has been modelled in the same approach as the other options (for consistency reasons). However, in practice it is likely the demolition will be funded as a one-off rate funded project.

Table 4.10 (below) provides the <u>annual</u> net impact to Thames Ratepayers (and TCDC District Ratepayers for Option I only), compared to status quo and the current LTP project. This shows annual Thames ratepayer impact of the alternative options range from \$306 per Thames ratepayer to \$1,019 in 2027/28 year. Apart from the sub-regional option, all options are less than the current provision in the LTP, indicating Options E to H are more affordable options.

TABLE 4.10 **ANNUAL NET IMPACT** TO THAMES RATEPAYERS
(100% THAMES RATED) OVED NEXT 10 YEARS (NET EDOM STATUS QUO)

(100% THAMES RA				27/28	`			- /	32/33	33/34
BAU: Status Quo	137	147	150	153	156	159	162	166	169	172
Current LTP	179	187	353	674	862	923	944	951	961	971
Option D No investment				-153	-156	-159	-162	-166	-169	-172
Option E All Outdoor				306	306	305	305	305	305	304
Option F Indoor/Outdoor				560	562	562	561	561	561	560
Option G Fabric Building				643	645	645	645	645	644	643
Option H All Indoor, trad.				693	695	695	694	694	693	692
Option I Sub-regional Staged				1019	1002	1001	1001	1001	1000	999
Option 1 Sub-regional (100% TCDC District rate)				196	192	192	192	192	192	192

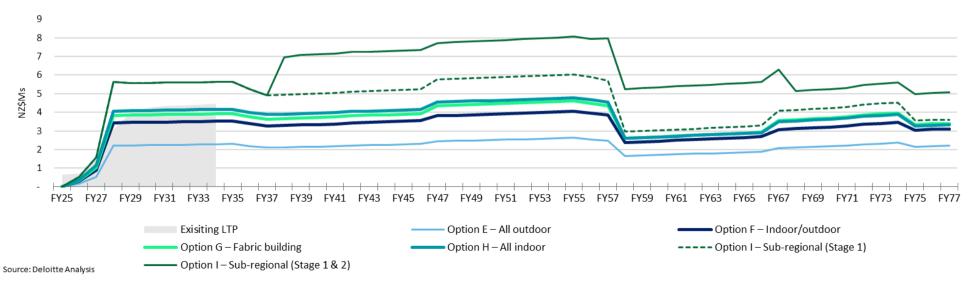
Note the annual cost in the first 10 years in Table 4.10 is different from the average ratepayer cost in Table 4.9 because the average is over 30 years and includes the impact of future asset renewals as part of the whole-of-life costs.

TABLE 4.9 SUMMARY OF AVERAGE FINANCIAL COST OVER 30 YEARS FOR OPTIONS D-I COMPARED TO STATUS QUO AND THE 2024-34 LTP PROVISIONS

NZ\$000	Status Quo (24/25)	LTP 24-34 Provision	Option D	Option E (AO6)	Option F (AO4B)	Option G (AO4C)	Option H (AO4A)	Option I (AO5)	Option I (AO5)
	(24/23)	PIOVISION	No	Outdoor	Indoor/	All Indoor	All Indoor	Sub-regional	Sub-regional
			investment	25m	Outdoor	Fabric	Traditional	_	Stage 1 + 2
Capital Expenditure (Pre Escalation)		39,900	550	13,509	22,472	26,208	29,021	40,074	54,494
Capital Expenditure (Post Escalation)			565	14,317	23,817	27,776	30,758	42,472	61,326
Cost to Ratepayers - Gross AVERAGE (30 Years)									
Operational Subsidy (EBITDA)	775	582	0	1030	1373	1402	1369	1462	1680
Depreciation (to fund renewals)		1048	0	451	742	878	931	1282	1615
Debt Repayments (30 years)		544	36	438	770	909	1013	1423	1736
Interest (5%)		1948	30	416	733	865	964	1354	1859
Estimated Funding Required (Gross Average)	775	4123	66	2335	3618	4054	4276	5521	6889
Net Difference from Status Quo	0	3348	-709	1560	2843	3279	3501	4746	6114
GROSS IMPACT TO RATEPAYERS – GST INC.									
100% Thames (5,525)	\$161	\$858	\$14	\$486	\$753	\$844	\$890	\$1149	\$1434
100% TCDC District (28,752) not budgeted		\$165		\$93	\$145	\$162	\$171	\$221	\$276
NET IMPACT (DIFFERENCE TO STATUS QUO)									
100% Thames (5,525)	0	\$697	-\$148	\$325	\$592	\$682	\$729	\$988	\$1273
100% TCDC District (28,752) not budgeted		\$134		\$62	\$114	\$131	\$140	\$190	\$245

FIGURE 4.7 **NET IMPACT** TO RATEPAYERS OVER THE LIFE OF THE ASSET (COMPARED TO THE LTP)

Impact to Ratepayer



4.13 ASSESSMENT: OPTIONS D TO I

The assessment of options recognises the pros and cons and evaluation against the investment objectives.

TABLE 4.11 PROS AND CONS OF OPTIONS D TO I

PROS AND CONS OF OPTIONS D TO I

Table 4.11 outlines the pros and cons of Options D to I, including the provision impacts, usage impacts, technical comparisons and the financial impacts of each option.

	PROS	CONS
Option D : No Investment	 Removal of aquatic facility from the urupā. Reduced cost to Council and ratepayers. 	 No aquatic provision and loss of Council's service level. Increases District's undersupply of provision to 585m². Loss of learn to swim and fitness opportunities. Likely staff redundancies. Likely negative community reaction and impact on the appeal of Thames to live.
Option E: All Outdoor	 Removal of aquatic facility from urupā. Cheapest provision option. Retains current level of service in Thames. Retains ability to serve fitness swimming, but not best-practice. 	 Same level/quality of aquatic provision for greater cost. Continued undersupply of ~135m² for District. Outdoor pool not best practice for year-round provision. Not fit-for-purpose for learning or leisure or therapy. One pool will be challenging to meet all needs and will likely result in limited access for leisure use. Does not address needs of ageing population for warm water or deliver required balance of aquatic provision. Indoor pool could be developed later but will cost more.
Option F: Indoor/Outdoor	 Removal of aquatic facility from urupā. Cheapest option with some indoor provision. Community feedback indicates most preferred option. Increased level of service in Thames to mostly meet local needs. Sufficient water to address District's undersupply. Best practice water water provision for learning and leisure. Provides for an ageing population with indoor warm water. 	 Outdoor 25m pool will be less appealing in winter and will cost more to heat. Lower level of estimated facility visits compared to all indoor options. Potential for outdoor pool to be covered at later point but will cost more in the long run compared to building as an indoor now.
Option G: All Indoor, Fabric Building	 Removal of aquatic facility from urupā. Cheapest option to deliver all-indoor provision. Increased level of service in Thames to meet local needs. Sufficient water to address District's undersupply. Balance of provision across all functions. Indoor pool more appealing for year-round fitness. Provides for an ageing population with indoor warm water. 	 Higher energy costs – cost included in whole of life cost. Careful design/construction for continuous insulation. Greater unknowns /risk for long-term performance. More frequent renewal and cleaning of the fabric – cost included in whole of life cost. Not able to install solar panels on the roof membrane. Appears less permanent / susceptible to vandalism.

	PROS	CONS
Option H: All Indoor, Traditional Building	 Removal of aquatic facility from urupā. Increased level of service in Thames to meet local needs. Sufficient water to address District's undersupply. Balance of provision across all functions. Indoor pool more appealing for year-round fitness. Provides for an ageing population with indoor warm water. Less technical risks with traditional building. Greatest user appeal for a local facility. 	 Highest cost for local facility, potentially reaching the affordability threshold. To keep the cost down, the building is likely to have a basic form and appearance.
Option I: All Indoor Staged Sub-regional	 Removal of aquatic facility from urupā. Increased level of service for Thames and for the sub-region. Community feedback indicates support for the greater appeal / vision of this type of facility. Sufficient and best-practice water to address undersupply across TCDC and Hauraki districts. Best practice year-round provision for all functions. Aligns with future Thames growth and potential sports hub. Potential tourism appeal. 	 High cost, unaffordable for Thames ratepayer. Would require District ratepayer contribution and potential Hauraki District Council contribution to be affordable. In the short-term, the location is less accessible for Thames compared to Richmond Street site. Will require public transport provision.

EVALUATION AGAINST INVESTMENT OBJECTIVES

Each option has been assessed on how well it delivers against the investment objectives using a 0-5 scoring to represent no delivery to strong delivery against the objective. The investment objective were weighted by the Thames Community Board using a Paired Comparison Matrix (compares the importance of each objective against the others). The sub-components are equally divided. Table 4.12 outlines the investment objectives and the associated weighting.

The evaluation of Options D-I against the investment objectives is outlined in Table 4.13 (next page). Option G (Fabric Building) is the highest scoring, closely followed by Option F (Indoor/Outdoor). Both options provide the strong value across the investment objectives.

Option H (All indoor) has strong delivery against objectives 1-3 but is the most expensive local option. While Option E (All Outdoor) is cheaper, it has weak delivery against objectives 2 and 3, and therefore offers limited value for expenditure. Option I (Stage Sub-regional) is assessed as unaffordable for Thames Ratepayers unless there is some District (and/or Hauraki District) funding contribution.

TABLE 4.12 THAMES AQUATIC PROVISION INVESTMENT OBJECTIVES

١N	IVESTMENT OBJECTIVES	WEIGHT	COMPONENT
1.	Remove Thames Centennial Pool from its site and develop a new facility in a location accessible for the Thames community and resilient to the environmental challenges facing Thames.	5%	Accessible 2.5% Resilient 2.5%
2.	Provide sufficient and best-practice year- round water to meet the current and future needs of the local catchment and potential sub-regional catchment.	26%	Local 13% Sub-regional 13%
3.	Ensure a balance of fit-for-purpose water to cater for a range of needs, including learning, leisure, therapy and fitness	22%	Learning 5.5% Leisure 5.5% Therapy 5.5% Fitness 5.5%
4.	Ensure the new facility is financially affordable and sustainable for the Council, ratepayers, and community over the long-term.	47%	Financial 47%

TABLE 4.13 ASSESSMENT OF OPTIONS D-I AGAINST THE INVESTMENT OBJECTIVES

		0	ption D: nvestment	Option E: All Outdoor 25m Pool		Option F: Indoor/outdoor		Option G: All Indoor, Fabric Building		Option H: All Indoor, Traditional Build		Option I: All Indoor, Staged Sub-regional		
	Water		$0m^2$	4.	50m²		560m²	660m²		660m²		673m² → 823m²		
	Scoring	Raw /45	Weighted /100	Raw /45	Weighted /100	Raw /45	Weighted /100	Raw /45	Weighted /100	Raw /45	Weighted /100	Raw /45	Weighted /100	
Objective 1	Accessible	0	0.0	5	2.5	5	2.5	5	2.5	5	2.5	3	1.5	
Accessible /	Resilient	0	0.0	5	2.5	5	2.5	4	2.0	5	2.5	3	1.5	
resilient location 5%	Conclusion No delivery against objective		Strong delivery: accessible and resilient site		acce	Strong delivery: accessible and resilient site		Strong delivery: accessible and resilient site		g delivery: ssible and lient site	Less a Than	ge delivery: ccessible for nes & some ence issues		
Objective 2	Local	0	0.0	2	5.2	4	10.4	5	13.0	5	13.0	5	13.0	
Sufficient	Sub-region	0	0.0	1	2.6	2	5.2	3	7.8	3	7.8	5	13.0	
best- practice year-round water 26%	Conclusion	nclusion No delivery against objective		Weak delivery: Insufficient water for local/sub-region		Mostly loca	Average delivery: Mostly sufficient for local, not sub- region as outdoor		Good delivery: Sufficient for local, less for sub-region		Good delivery: Sufficient for local, less for sub-region		Strong delivery: Sufficient for local and sub-region	
Objective 3:	Learning	0	0.0	1	1.1	5	5.5	5	5.5	5	5.5	5	5.5	
Balance of	Leisure	0	0.0	1	1.1	2	2.2	5	5.5	5	5.5	5	5.5	
provision for range of	Therapy	0	0.0	0	0.0	5	5.5	5	5.5	5	5.5	5	5.5	
needs	Fitness	0	0.0	4	4.4	3	3.3	5	5.5	5	5.5	5	5.5	
22%	Conclusion	No delivery against objective		Weak delivery: No therapy, poor for leisure & learning		Indoc learni	Good delivery: Indoor therapy & learning + leisure, outdoor fitness		Strong delivery: All functions, best- practice year- round provision		Strong delivery: All functions, best- practice year- round provision		Strong delivery: All functions, best- practice year-round provision	
Objective 4:	Financial	5	47.0	4	37.6	3	28.2	2	18.8	1	9.4	0	0.0	
Financially affordable, sustainable 47%	Conclusion			Good delivery: Cheapest option, but limited value for expenditure		Good delivery: Cheapest option with indoor year- round provision		Average delivery: Similar cost to LTP financial provision		Most expensive		No delivery: Not affordable for Thames ratepayer without District		
	TOTALS	5	47.0	23	57.0	34	65.3	39	66.1	39	57.2	36	51.0	

4.14 PREFERRED OPTION

Based on the evaluation against the investment objectives and considering all pros and cons, Option G All Indoor, structural fabric local facility on Richmond Street site, with 660m² of all indoor pools, is the strongest option for the following reasons:

- Secures long-term aquatic provision, 81% of the 2024 Thames Aquatic Survey rated aquatic provision as high or vital importance.
- Located in an accessible and resilient location for Thames.
- Provides sufficient and best-practice year-round aquatic provision with ~660m² of indoor pools. This level of provision is sufficient to address the undersupply across the Thames Coromandel District.
- Provides a balance of provision across all four aquatic functions to meet the needs of a wide cross section of the community:
 - Learning: 88m² (13%) of indoor warm shallow water which is fit-for-purpose for learning to swim and over-flow for shallow play.
 - o Therapy: 88m² (13%) of indoor warm mid-depth water for aquatherapy and over-flow for deeper play.
 - o **Fitness:** 406m² in 25m x 6 lanes (62%) of indoor warm water suitable for swim fitness, swim training and competitions, and over-flow for deeper aquatic play.
 - o **Leisure:** 78m² (11%) splashpad providing zero-depth, warm play experiences for young children and families.
- Delivers the community priorities highlighted in the 2022 Thames Aquatic Survey which identified 78% high importance for learn to swim, 77% for fitness swimming and 65% for casual water play.
- Provides fit-for-purpose warm water for a growing, ageing population, forecast to be 47% of Thames community in 2054.
- Using a structural fabric building reduces the cost of the building.
- This option does have some risks regarding the long-term performance and sustainability of the structural fabric building. There is only one aquatic facility of this type in New Zealand which opened in 2024. Therefore, the long-term performance has not been fully tested. The main risks lie in the design of the building to prevent condensation and the insulated properties to minimise heat loss. Discussions with suppliers have determined this risk can be minimised through careful design detailing and construction. There are also warranties available over a 15 year period.
- Has an average cost of ~\$682 per Thames ratepayer.

The next strongest option is **Option F** with Indoor/Outdoor Provision of 660m² of water on the Richmond Street site because:

- Secures long-term aquatic provision for Thames.
- Located in an accessible and resilient location in Thames.
- Provides sufficient water to fill the District's undersupply.
- Includes 254m² (38%) of indoor provision which is fit-for-purpose for learning to swim, therapy and leisure functions.
- The outdoor 25m x 6 lane pool (62%) will meet the majority of aquatic fitness needs, although an outdoor pool will be less appealing for some users in winter.
- At an average cost of ~\$592 per Thames ratepayer, it offers a cheaper option but still good value for expenditure.

If the Council is concerned about the risks of the structural fabric building, then **Option H**, traditional building with 660m² of all indoor pools is the third scored option. This option has the same benefits as Option G for the location and aquatic provision but without the possible risks of the structural fabric building but at a higher average cost of ~\$729 per Thames Ratepayer.

Option E, all outdoor 25m pool is the fourth scored option. While cheaper (at an average cost of ~\$325 per Thames Ratepayer), it has weak delivery against the investment objectives 2 and 3 and therefore offers limited value for expenditure. This option is more than double the cost of the status quo (~\$161) but provides the same aquatic provision, except for addressing the critical issue of being located on the urupā. Option E does not address the deficiencies of the current provision and entrenches the current undersupply, imbalance of provision, and not being fit-for-purpose to meet aquatic needs. While it is possible to build adjacent indoor pool(s) or cover the outdoor pool at a later stage, this will cost more in the long run.

Option I, Staged Sub-regional is not considered a viable option, unless District funded or in partnership with Hauraki District. This option provides strong delivery against objectives 2 and 3 and offers a more visionary option, particularly in relation to the Thames and Surrounds Spatial Plan. However, at an average cost of ~\$988-\$1273, it is deemed unaffordable for the Thames ratepayer to fund. This option could only proceed if District funding and/or Hauraki District funding was

available to support the development of a sub-regional facility given the wider District / Sub-regional benefits. Pursuing Option I would require the Thames-Coromandel District Council to consider what percentage proportion could be assigned to the Local versus the District funding. It could also reopen discussions with Hauraki District Council (HDC) around potential partnership, noting HDC has previously advised they were not able to invest in a sub-regional facility.

Option D, no investment in aquatic provision is not considered a viable option as it means Thames would be without aquatic provision. In the 2024 community survey 79% of respondents (of 1472 respondents) do not support Option D due to the high value / importance of an aquatic facility to the community.

In making a decision on the preferred option, Thames-Coromandel District Council may wish to seek community feedback on Option G (All Indoor, structural fabric local facility), Option F (Indoor / Outdoor local facility and potentially Option H (All Indoor, traditional building local facility). This engagement would provide greater insight on ratepayer willingness to pay for the associated outcomes/benefits of each option.

Figure 4.8 on page 68 provides a summary of all the sites and options considered in the Thames aquatic provision investigation.

Figure 4.9 provides an overview of the strongest Option G with the associated benefits.

FIGURE 4.8 SUMMARY OF SITES AND OPTIONS INVESTIGATED FOR THAMES AQUATIC PROVISION

	LONG LIST ASSESSMENT	SHORT LIST ASSESSMENT	TECHNICAL ASSESSMENT	INITIAL BUSINESS CASE OPTIONS	SCOPING ALTERNATIVE OPTIONS	ALTERNATIVE FINAL OPTIONS
Lowe Ave Reserve	Fatal flaw flooding					
Upper Thames Racecourse	Shortlisted	Owner amenable	Needs infrastructure Urupa presence			
Hauraki Terrace	Shortlisted	Too small				
Thames High School Pool	Shortlisted	Too small			2: Redevelop Pool Site: too small	
Richmond Road Court site - THS	Shortlised	Owners amendable	Limited risks Best local site, but not sub-regional cathment	A: Local, All Indoor B: Indoor/Outdoor	3: Minimum Scope 4: Value Managed	E. Outdoor 25m (AO6) F: Indoor/Outdoor (AO4B)
Thames HS Field	Shortlised	Impact on other uses				G: Fabric Building (AO4C)
Thames Bowls	Not available	pa et en etnet dese				H: All Indoor (AO4A)
Danby Field	Fatal flaw flooding					
Victoria Park	Too small					
Burke St Reserve	Landfill issues					
Pony Club Site	Established use					
Kōpū Industrial	Not available					
Rhodes Park	Fatal flaw flooding					
Maramarahi / Airfield South	Shortlisted	Extensive wahi tapu				
Lower Racecourse	Fatal flaw flooding					
Wenzlick Block	Shortlisted	Available timeframe				
Kōpū South	Shortlisted as potential sub- regional site	Owners amendable	Strongest sub-regional Visible & accessible Needs infrastructure	C: Sub-regional	5: Staged Sub- regional	I: Staged Sub-regional (AO5)
Matatoki	Distance too far					
Ngātea Pool site	Shortlisted as potential sub- regional site	HDC amenable to investigating	Poor road-side visibility Size limitations High water table			



SECURES PROVISION IN ACCESSIBLE LOCATION

81% of survey respondents* rate aquatic provision as high/vital importance. Central, resilient location on lease land from MOE.

SUFFICIENT & BEST PRACTICE PROVISION 660m² of indoor pools. Best-practice year-round indoor aquatic provision. Sufficient to fill District

BALANCE OF PROVISION

aquatic under-supply.

For a wide cross-section of the community:

Learning: 88m² shallow, warm, fit-for-purpose for learn to swim. Highly valued as an important life skill.

Therapy: 88m² mid-depth, warm, all-year water for aqua-therapy & play.

Fitness: 406m² all-year water for fitness, training & events.

Leisure: 78m² splashpad plus over-flow in other pools.

FINANCIALLY AFFORDABLE

Average annual net Thames ratepayer cost of ~\$682. Provides value for money, whilst minimising the cost through a cheaper building.

* 2024 Thames Aquatic Community Survey, 1,453 respondents





5.1 PURPOSE

The Financial Case sets out the overall cost and affordability of the preferred option, for Thames Aquatic Provision identified in the Economic Case.

The purpose of the Financial Case is to:

- Quantify the expected annual costs of the aquatic development.
- Outline the potential funding sources.
- Assess the affordability of the aquatic facility.

5.2 RECOMMENDED OPTION

The recommended preferred option for Thames Aquatic Provision is:

NAME	Option G: All Indoor, Structural Fabric Local Facility
SITE	Richmond Street Court Site Lease from Thames High School
WATER PROVISION	660m ²
BUILDING SIZE	1,650m ²
BUILDING DESIGN	Structural fabric
COMPONENTS	All indoor: 25m pool, 6 lanes, variable depth Learn to swim, 0.8m depth Programme pool, 1.3m depth Splashpad Outdoor area Change rooms Admin space Plant and storage

5.3 FINANCIAL MODEL

OVERVIEW OF APPROACH

The expected annual costs for Thames aquatic provision were determined through the development of a financial model ('the model'). The costs of the aquatic facility comprise:

- Capital costs of development, design and construction.
- Operating revenues and costs for the operation of the facility.
- Lifecycle costs covering the renewal of facility components.

The financial model was constructed based on assumptions and estimates about costs, revenue, and funding obtained from the Thames-Coromandel District Council (TCDC), MPM (Quantity Surveyors), Visitor Solutions, and other appropriate public sources of information.

The analysis has been prepared on a fully costed basis to understand the cash impact on the Council. It is common for Councils to take different accounting approaches for the treatment of insurance, repairs and maintenance and central overheads (IT and corporate services), which can distort how profitability is reported.

Table 5.1 details the summary of key inputs and assumptions in the Model and their respective sources.

TABLE 5.1: SUMMARY OF KEY INPUTS AND ASSUMPTIONS

	ASSUMPTIONS	SOURCE
Land	Minimal land lease cost	Visitor Solutions
Construction Timing	Approximately 24 months to complete construction and fit-out of the premises, between FY26 to FY27. Operations are modelled to commence in July 2027.	Visitor Solutions and TCDC

	ASSUMPTIONS	SOURCE
Escalation Construction + Life Cycle Costs	Construction Costs identified by MPM (QS) Report. Escalation applied in accordance with TCDC inflation factors (Ex BERL). Longer –term rates based of Treasury forecasts. Discount Rates and CPI Assumptions for Accounting Valuation Purposes The Treasury New Zealand	MPM (QS) TCDC (ex BERL) The Treasury New Zealand
Funding	\$1.9m from depreciation reserves, residual debt funded (5% interest rate, 30 year term). Debt and interest repayments based on table loan approach. Interest capitalised during construction and debt funded.	TCDC Deloitte
Depreciation	Depreciation on property, plant and equipment is calculated using the straight-line method: Buildings –50 year life; Pool –30 year life; Plant & equipment -10 year life;	Inland Revenue Department
Model Period	~50 Years	Deloitte
Operations Period	~50 Years	Deloitte
Inflation	Applied in accordance with TCDC inflation factors (Ex BERL) ie 2025 2,7% 2026 2.0% and approximately 2% thereafter. Longer –term rates based on Treasury forecasts.	TCDC (ex BERL) The Treasury New Zealand
Net Present Value Date	December 2024	Deloitte
GST & Tax	Excluded – all numbers are presented GST Exclusive The facilities will be operated by a non-tax paying entity.	

COST TO FUNDER ANALYSIS

The Accounting Cost to Council (what will appear in the Annual Accounts) is:

- Net of revenue and operating costs.
- Interest on the money borrowed by the funder to fund the construction cost at 5% interest, repaid over 30 years on a table loan basis (equal payments each year).
- Depreciation on the fit-out and plant funded by Council.

The Rates Cost to Council (what would be rated for) is assumed to be:

- The net operating cost (before depreciation).
- Interest on debt borrowed to fund the development of the facility.
- Debt repayment over 30 years (on the initial development capital expenditure).
- Depreciation, which is rated for and held in reserve to fund capital replacements and renewals (based on 50 years straight-line for building structure, 20 years straight-line for plant & equipment).

The cost-to-council analysis is based on the gross costs of each option and the net impact excluding the operation of the current Thames Centennial Pool. The provisions in TCDC LTP's have not been included. The impact on rates relates to the FY2024/25 rates forecast.

The TCDC LTP 2024-2034 includes:

- Capital expenditure \$39.9 million
- Forecast operational losses of \$584,000
- Debt repayment and interest \$2,492,000
- Depreciation \$1,048,000

It is noted TCDC have alternative options as to the ratepayer base that may be allocated the rating impact of the Thames Aquatic Provision. The analysis calculates an estimated cost impact to individual ratepayers (GST inclusive) based on the:

- -Number of ratepayers in Thames –5,525;
- -Number of ratepayers in TCDC District -28,782.

CAPITAL EXPENDITURE

MPM Projects prepared the construction cost estimates for the Thames Aquatic Provision (dated 30 October 2024). The quantity estimate is outlined in <u>Appendix F</u>, noting the numbering convention refers to the Alternative Options (Section 4.7). In preparing the quantity estimate, square-metre rates from Fabric Structures Whangarei informed the building cost.

The construction of the facility will be phased over 24 months. All presented costs are reported in financial years (July-June). Escalation has been incorporated in accordance with TCDC inflation factors (Ex BERL). A design development contingency of 5% provides for modifications to the design and 15% project contingency allows for unforeseen ground and construction issues.

MPM notes the quantity estimate does not include any development contributions or infrastructure growth charges, land, finance or legal costs, or site-specific allowances beyond those noted in the BECA site report. The estimates also assume a traditional procurement method.

TABLE 5.2 ESTIMATED CAPITAL COSTS

	\$,000s
Demolition and site preparation	1,180
Building	9,220
Pools	5,850
Services, fit-out & external works	2,380
Sub-total	18,630
Design development contingency 5%	932
Professional fees 15%	2,935
Consent fees 1.5%	294
Project contingency 15%	3,419
Sub-total Sub-total	7,580
TOTAL	26,210
Escalation	1,568
TOTAL WITH ESCALATION	27,776

Source: MPM Projects, 30 October 2024

LIFECYCLE COSTS

The lifecycle cost assessment has been calculated by applying benchmark lifecycle percentages for the replacement of the initial capital costs over time. Lifecycle costs include asset maintenance and asset replacement expenses over the lifecycle of the facility.

The recommended option includes replacement of the PVC roofing every 20 years as indicated by the warranties provided by the manufacturer. In practice, the PVC may last longer but a cautionary approach has been applied.

To illustrate the difference between the structural fabric building and a traditional building Table 5.3 provides the lifecycle costs for Option G, fabric building and Option H, traditional indoor building. The total lifecycle costs of Option G is \$20,355,000 compared to Option H is \$19.920.000.

TABLE 5.3 LIFECYCLE COSTS (2024 REAL TERMS), \$,000s

	\ /=	. = -	`	\				1446	
	Y5	Y10	Y15	Y20	Y25	Y30	Y35	Y40	Y45
Option G Fabric building	35	960	905	7,650	85	1,830	35	7,950	905
Option H Traditional building	35	960	905	7,215	185	1,830	35	7,805	905

Lifecycle costs have been escalated based on non-residential construction cost indices sourced from Rider Levett Bucknall (Forecast Report 104 "New Zealand Trends in Property and Construction") reverting to Treasury assumptions from FY28 at 2% per annum).

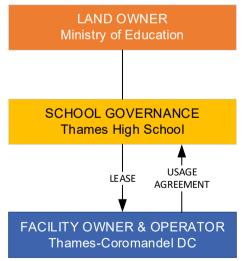
OWNERSHIP AND GOVERNANCE MODEL

Through discussions with the Thames High School, it was agreed the Thames-Coromandel District Council would be the owner of the facility (as opposed to a partnership approach). The land would be made available for the Council to build and operate the facility through a lease. An approval process with the Ministry of Education is required for all new leases, which is outlined in Appendix I.

It is anticipated there will be a low or nil lease cost for the occupancy of the school land. In return Thames High School would receive some type of preferential access rights to use the facility (exact arrangements to be determined once the facility concept is approved).

The School has expressed the project needs to factor in any consequential costs of development including relocating the horticultural shed, demolishing the old school pool and electrical infrastructure to serve the aquatic facility. These costs are included in the capital cost estimate.

FIGURE 5.1 OWNERSHIP STRUCTURE FOR THAMES AQUATIC FACILITY



OPERATING EXPENDITURE AND REVENUE

The operating model estimates the costs and revenues associated with the operation over 50 years. The model was informed by TCDC and Visitor Solutions, along with comparisons to equivalent facilities.

The following general assumptions have been applied in the operational model.

- All facilities are operated by Thames-Coromandel District Council in an operating model similar to Thames Centennial Pool.
- Inflation applied in accordance with TCDC factors (Ex BERL).
- The operational model assumes a full year of operation following opening (i.e. no part years). The model anticipates the facility opens in July 2027.
- The facility will be operational for 52 weeks per year, with allowances for public holidays.
- Day-to-day maintenance is included.
- The facility will open for 12.5 public holidays, with an allowance for time and a half.
- The financial picture provides an EBITDA view (Earnings before Interest, Taxes, Depreciation and Amortization).
- No allowance has been included for TCDC internal costs or overheads.

It is important to highlight the operational modelling is inherently conservative and seeks to present a realistic outcome rather than an optimistic or aggressive result. The next stage of more granular financial analysis at the business or operational planning stage will provide further accuracy and can consider scenarios such as different opening hours, pricing models and operating models.

Operating Hours

The model is based on the following opening and operating hours when staff are on-site (Table 5.4). Peak periods are when additional lifeguarding staff to cover higher bather loads.

TABLE 5.4: OPERATING HOURS

	PUBLIC OPENING HOURS	PEAK PERIODS
Weekdays	6.00am to 7.00pm	7.00am-9.00am /
		3.30pm-6.00pm
Weekends	8.00am to 6.00pm	11.00am-3.00pm
Public Holidays	9.00am to 5.00pm	10.00am-3.00pm

Estimating Use

Estimating aquatic facility visits first involved benchmarking based on the population size in each catchment and calculating potential visits per person (a top-down approach). Currently visits to Thames Centennial Pool are relatively low at 1.9 visits per person, however this is impacted by the current outdoor aquatic provision.

A starting point for future annual use, is estimated at 2.5 visits per person in the catchment population growing to 4.5 visits over time. It is noted comparable facilities in similar size communities can get up to 5.0 visits per catchment population. Table 5.3 provides a breakdown of potential visits per person.

TABLE 5.3 POTENTIAL VISITS PER POPULATION

	LOCAL FACILITY
Catchment population	19,120
1.0 visit per catchment population	19,200
1.5 visits per catchment population	28,800
2.0 visits per catchment population	38,400
2.5 visits per catchment population	48,000
3.0 visits per catchment population	57,600
3.5 visits per catchment population	67,200
4.0 visits per catchment population	76,800

The operational model then uses a refined approach to build up the visits based on the potential loading in each pool across different periods of the day (a bottom-up approach). This approach calculates the peak loading (what we could expect when the facility is fully loaded) and then assumptions are applied to inform potential visits across different times of the day, week, and year. These assumptions are based on typical patterns of use. A drop-off over winter is assumed which is natural for all aquatic facilities. It is typically for year 1 of a new facility to have strong visits, dipping back in year 2 and then slowly increasing as programming and activities are established and grown.

Based on the loading model, full loading is anticipated at 68,812 visits per annum, which equates to 3.6 visits per catchment population and 108 visits per square metre of water. For Thames, a sizeable increase has been allowed in year 1 compared to the current Thames Centennial Pool to allow for the increased water space and greater appeal of the indoor facilities. In year 2, the model anticipates a slight reduction and then building over time. Full loading is estimated in year 15.

It is important to note, the model does not account for other variables such as changing weather patterns or extreme events, which can impact potential use (both positively and negatively).

Table 5.5 outlines the estimated visits across different categories for facility visits excluding spectators (which are assumed as non-paying).

TABLE 5.5: POOL LOADING ESTIMATED VISITS PER ANNUM

	ΥI	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	YIO
Casual	24096	22490	23165	23860	24575	25313	26072	26854	27660	28490
Squad	7848	8083	8326	8576	8833	9098	9371	9652	9942	10240
Schools	4500	4635	4774	4917	5065	5217	5373	5534	5700	5871
LTS	9009	9279	9558	9844	10140	10444	10757	11080	11412	11755
Aqua	4009	4129	4253	4381	4512	4648	4787	4931	5079	5231
Parties	134	138	143	147	151	156	160	165	170	175
	49597	48755	50218	51725	53276	54875	56521	58217	59963	61762

The 25m pool is modelled to be used for a range of activities including:

- Fitness swimming: lap swimming, aqua-jogging, aqua-walking.
- Learn to swim for older age groups and adults.
- School swimming.
- Aquatic sports training swimming.
- Over-flow aquatic play space.

The teaching pool is modelled for use by the following activities:

- Learn to swim from babies to primary-aged children.
- Over-flow aquatic play space.
- Birthday party bookings.

The programme pool is modelling for use by the following activities:

- Aqua-fitness, aqua-walking, aqua-jogging and movement.
- Learn to swim for older age groups and adults.
- Fitness programmes such as aqua-movement and aquacise.
- Dedicated hydro-therapy programmes and classes.
- Over-flow aquatic play space.

The splashpad is the primary play-space with the other pools providing supplementary play-space for peak leisure periods.

Table 5.6 outlines the estimated full pool loading each pool tank can accommodate:

TABLE 5.6 ESTIMATED FULL LOADING FOR EACH POOL TANK

POOL TANK	FULL LOADING	POOL SIZE	LOADING/M2
25M pool	36,782	406	91
Learning pool	13,860	88	158
Programme pool + splashpad	18,170	88+78 = 166	109
Total	68,812	660	104

Pricing Strategy

A consistent pricing strategy has been used (Table 5.7). Although, there is opportunity to consider a higher entry price or variable pricing for non-Thames users. This is best assessed at the next stage of detailing business or operational planning.

TABLE 5.7: PRICING STRATEGY

COMPONENT	PRICING STRATEGY
Casual entry	Average fee (for adults & child) \$3.50 per entry
Swim squad	Average fee of \$2.50 per entry
Schools	Average fee of \$2.00 per entry
Learn to swim	\$12.50 per class for 10 week programme
Aqua programmes	Average fee of \$6.50 per class
Birthday Parties	Based on \$14.00 per child including room hire.

Other revenue

Vending machine and retail merchandise profit is based on proportion of casual entry visits.

Operating costs

The main cost components for aquatic facilities include:

- Staff this makes up about 50% of the operating costs. Staffing levels have been modelled comparative to the amount of water for lifeguarding. Learn to swim and fitness staffing is calculated based on proportional amounts for the number of classes / visits.
- Energy, water, and chemicals the cost of heating the water and air, running the facility, water, and chemical consumption are calculated by Beca using industry standards for the facility size. Refer to Appendix G.
- Repairs and maintenance to cover day to day maintenance costs.
- Consumables including cleaning, consumables, rubbish, security.
- Administration including finance, management, and legal costs.
- Insurance is based on an estimated cost relative to the cost and size of the facility.
- Other costs include marketing, programming, training, and uniforms.

FINANCIAL SUMMARY

The facility is not forecast to operate profitably (Table 5.8 and 5.9). It will require ongoing operational subsidy from TCDC at approximately ~\$1million in year 1 increasing over time with inflation.

The facility does not contribute sufficient profit to cover debt and interest payments nor a satisfactory contribution towards depreciation to fund replacements over time. This is fairly typical of most aquatic facilities. For example, the Marlborough Trust Stadium in Blenheim currently receives funding from the local Council of ~\$840k per annum alongside other grants of ~\$140k per annum to cover operational costs and depreciation and Trust House Recreation Centre in Masterton has rates requirement of ~\$1.4million per annum.

The facility is not cashflow positive over the 50-year modelled time horizon. The estimated WOL cumulative cash flow impact is ~\$154.6m.

The impact to rates is estimated at \$4.1m per annum averaged over the first 30 years of operation. This is primarily made up of the following components, illustrated in Figure 5.1 over the 50 year life of the asset.

- Funding required to offset operational losses (average ~\$1.402m).
- Funding required to cover debt repayments (\$909k).
- Funding required to pay interest (\$865k).
- Funding required for depreciation to fund renewals over time (\$878k).

The net cost accounting for the current operation of Thames Centennial Pool is calculated at an average of \$3.3m over 30 years.

TABLE 5.8 SUMMARY OF THAMES AQUATIC PROVISION RECOMMENDED OPTION

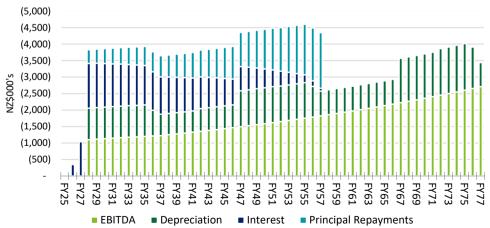
Thames Aquatic Provision Options Analysis

NZ\$000	Option 4C
	Fabric Building
Capital Expenditure Requirement (Pre Escalation)	26,208
Capital Expenditure Requirement (Post Escalation)	27,776
Statement of Financial Performance	
Revenue (Year 1)	232
Expenditure (Year 1)	(1,236)
EBITDA (Year 1) (2024 Real Terms)	(1,005)
Cumulative Free Cash Flow / Whole of Life	(154,620)
Net Present Value	(57,352)
Cost to Ratepayers - Gross Average (30 Years)	
Operational Subsidy (EBITDA)	1,402
Depreciation (to fund renewals)	878
Debt Repayments (30 years)	909
Interest (5%)	865
Estimated Funding Required (Gross Average)	4,054
Rates (TCDC LTP 2027/28) *	131,373
% of Current Rates	3.09%
Net Impact to Ratepayers (\$/ratepayer basis)	
Adjusted LTP Rates Average assuming Status Quo	(775)
Average rates based on modelling:	4,054
Net Difference	3,279
Course Course Information Dale Man Analysis	

Source: Source Information, Deloitte Analysis

FIGURE 5.1 THAMES AQUATIC PROVISION COST TO RATEPAYER

Cost to Ratepayer - 50 years



^{*} Adjusted to normalise for the rates impact already factored within TCDC LTP

TABLE 5.9 THAMES AQUATIC PROVISION FINANCIAL MODELLING

Thames Aquatic Provision	Some years	have been hi	idden for presi	entation purp	0585								
\$NZ000's	FY26	FY27	FY28	FY29	FY30	FY31	FY32 Y3Y3	Y3Y3Y3Y3Y3 FY40 Y4Y4Y	4Y4Y4Y4Y4Y4Y4 FY50 YEYEYE	YEYEYEYEYEYE FY60 YEYEYEYEYEYEYE	YE FY70 Y7Y7Y7Y7'5	FY76	FY77
Casual Entry			80	76	80	84	88	120	145	178	217	244	249
Swim Squad	_		19	20	21	22	23	31	37	46	56	63	64
Schools			9	9	9	10	10	14	17	21	26	29	29
Learn to Swim	-	-	107	112	118	124	130	176	215	262	319	360	367
	-	-					30				74		
Aqua Programmes	-	-	25	26	27	29		41	50	61		83	85
Birthday Parties	-	-	2	2	2	2	2	3	4	4	5	6	6
Fitness Memberships	-	-	-	-	-	-	-	-	-	•	-	-	-
Hyrdoslide	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	12	12	13	14	14	19	23	29	35	39	40
Total Revenue	-	-	253	258	271	284	298	404	492	600	731	823	840
Expenses													
Staff	-	-	(855)	(872)	(889)	(907)	(924)	(1,079)	(1,315)	(1,603)	(1,955)	(2,201)	(2,245
Direct	-	_	(364)	(371)	(379)	(386)	(393)	(459)	(560)	(683)	(832)	(937)	(956
Indirect	_	_	(132)	(135)	(138)	(140)	(143)	(167)	(203)	(248)	(302)	(341)	(347
Other			()	()	()	(= -=)	(= -=)	(==-)	(===)	(= :=)	()	()	,
Operating Costs			(1,351)	(1,378)	(1,406)	(1,433)	(1,461)	(1,705)	(2,079)	(2,534)	(3,089)	(3,479)	(3,548
Lease			(1,551)	(1,570)	(1,400)	(1,455)	(1,401)	(1,703)	(2,075)	(2,334)	(3,003)	(3,473)	(3,340
			(4.054)	(4.070)	[4 400]	[4,400]	(1.461)	(4.705)	(2.079)	(2.524)	(3.089)	(3,479)	12 540
Operating Costs	<u> </u>		(1,351)	(1,378)	(1,406)	(1,433)		(1,705)	177	(2,534)			(3,548
Net Operating Cost	-	-	(1,098)	(1,121)	(1,135)	(1,149)	(1,162)	(1,302)	(1,587)	(1,934)	(2,358)	(2,656)	(2,709)
Depreciation	-	-	(956)	(956)	(956)	(956)	(957)	(645)	(1,089)	(753)	(1,346)	(732)	(701
Total Accounting Cost		_	(2,053)	(2,076)	(2,091)	(2,105)	(2,120)	(1,947)	(2,676)	(2,687)	(3,704)	(3,388)	(3,410
-	(343)	(1,038)	(1,363)	(1,342)	(1,321)	(1,298)	(1,274)	(1,036)	(573)	(2,007)	(3,704)	(3,300)	(3,410
Interest Cont				(3,419)						(2.507)	(0.704)	(0.000)	(3,410
Total Accounting Cost	(343)	(1,038)	(3,416)	(5,415)	(3,412)	(3,403)	(3,394)	(2,984)	(3,249)	(2,687)	(3,704)	(3,388)	(5,410
Rates Cost to Council													
EBITDA	-	-	(1,098)	(1,121)	(1,135)	(1,149)	(1,162)	(1,302)	(1,587)	(1,934)	(2,358)	(2,656)	(2,709
Interest Cost	(343)	(1,038)	(1,363)	(1,342)	(1,321)	(1,298)	(1,274)	(1,036)	(573)	-	-	-	-
Capex - Establishment	(13,737)	(14,039)	-	-	-	-	-	-	-	-	-	-	-
External Funding Received (Equity)	950	950	-	-	_	-	-	-	-	-	-		
Debt Draw/Repayment	12,787	13,089	(410)	(431)	(452)	(475)	(499)	(737)	(1,200)	-	-	-	_
Depreciation to fund Replacements			(956)	(956)	(956)	(956)	(957)	(645)	(1,089)	(753)	(1,346)	(732)	(701
Total Cost to Council - Rates	—— Upfront i	nterest	(3,827)	(3,850)	(3.864)	(3,878)	(3,893)	(3,720)	(4,449)	(2,687)	(3,704)	(3,388)	(3,410
	capital	lised		\-	(-11	(-11		(-//	(:)::=)	(-)/	(-1:1	(-,,	
Cash Flow Cost to Council													
Cost to rates	(343)	(1,038)	(3,827)	(3,850)	(3,864)	(3,878)	(3,893)	(3,720)	(4,449)	(2,687)	(3,704)	(3,388)	(3,410
Addback Depreciation			956	956	956	956	957	645	1,089	753	1,346	732	701
Replacement Capex	_						(42)		-,		_,		
Total Cost to Council - Cash Flow	(343)	(1,038)	(2,871)	(2,894)	(2,908)	(2,922)	(2,977)	(3,075)	(3,360)	(1,934)	(2,358)	(2,656)	(2,709)
Cumulative Cash Flow	(343)	(1,381)	(4,252)			(12,977)		(41,225)	(86,876)	(120,649)	(161,248)	(178,711)	
Cumulative Cash Flow													
EBITDA		_	(1,098)	(1,121)	(1,135)	(1,149)	(1,162)	(1,302)	(1,587)	(1,934)	(2,358)	(2,656)	(2,709
Capex - Establishment	(13,737)	(14,039)	(_,	(-,)	(-,)	(-,)	(2,202)	(2,202)	(-//	(2,22.)	,,	(-,0)	(_,, =,
Replacement Capex	(23,737)	(2.,023)	_	_	_		(42)	_	_	_		_	
Cash Flow	(13,737)	(14,039)	(1,098)	(1,121)	(1,135)	(1,149)	(1,204)	(1,302)	(1,587)	(1,934)	(2,358)	(2,656)	(2,709
	(13,737)	(27,776)	(28,874)		(31,130)	(32,279)	(33.483)	(44,569)	(72,489)	(93.850)	(134,449)		
Cumulative Cash Flow	(13,/3/)	(21,116)	(48,8/4)	(43,335)	(31,130)	(34,4/9)	(23,483)	(44,503)	(/2,485)	(33,850)	(134,443)	(151,512)	(154,620)

DISCLAIMER - These projections have been compiled from information and instructions furnished to us and estimates made by Deloitte. As these projections are based on assumptions about circumstances and events that have not yet taken place they are subject to variations that may arise as future events actually occur. Accordingly, we cannot give assurance that the predicted results will actually be achieved.

5.4 FUNDING OPTIONS

LOCAL VERSUS DISTRICT FUNDING

The financial model was developed based on the assumption it is a locally funded project paid for by the Thames Ratepayers.

As there is evidence the current Thames Centennial Pool attracts use from beyond Thames (approximately 40%), there is potential for a portion of the Thames Aquatic Provision to be funded by the District ratepayers. This would require the Thames-Coromandel District Council to consider what percentage proportion could be assigned to Local versus District (Table 5.10.)

TABLE 5.10 VARIABLE RATE IMPACT OPTIONS FOR THAMES AQUATIC PROVISION

	YR4	YR5	YR6	YR7	YR8	YR9	YR10
Thames 100%	643	645	645	645	645	644	643
Thames 90%	579	581	581	580	580	580	579
District 10%	15	15	15	15	15	15	15
Thames 80%	515	516	516	516	516	515	514
District 20%	31	31	31	31	31	31	31
Thames 70%	450	452	452	451	451	451	450
District 30%	46	46	46	46	46	46	46
Thames 60%	386	387	387	387	387	386	386
District 40%	61	61	61	61	61	61	61

EXTERNAL GRANTS

Part of the business case involved considering potential funding options for Thames aquatic provision. As the project is not clearly defined yet, funders were not directly approached. Advice was sought from Sport Waikato (which is in regular contact with funders).

The Thames aquatic project is one of five projects in the Waikato Region for which Sport Waikato will advocate funding over the next three years. It is recommended funders are formally approached once a clear project is defined and an option has been selected to pursue. While the Council is still considering options, it is unlikely funders will be able to respond with any certainty.

Key insights regarding the funding landscape are:

- In the last few years, funders have been put in an awkward position of delayed projects due to increased costs and other factors. This requires funders to carry grant funding forward two or three times, and they wish to avoid this scenario in the future.
- Consequently, many funders do not wish to consider grant funding until there is a clear project definition and the project is well advanced. Some funders have specific requirements, such as the Lotteries Community Facilities Grant, which requires approved resource consent before it will consider a grant application.
- The level of funding is highly dependent on how much grant funding the funders have in place when the project is ready to commence.

Examining previous funding decisions for other projects and the alignment to the funders' strategic outcomes, Table 5.11 provides an indication of potential external funding that might be achievable. It is important to reiterate the funders were not directly approached and potential funding is timing dependent. The overall quantum from external sources is considered low, up to \$1 million. Some funders may be more inclined to provide operational funding rather than or in combination with capital funds to target specific outcomes, such as programmes for older people. Some funders could be an avenue for debt funding; however, the payback on this debt funding would be at a higher interest rate compared to LGFA funding and, therefore, is likely to cost more across the life of the asset.

TABLE 5.11 POTENTIAL FUNDING FOR THAMES AQUATIC FACILITY ONCE CONFIRMED

FUNDER	ESTIMATED POTENTIAL FUNDING
Trust Waikato	\$100,000 up to \$1 million
Lotteries Community Facilities	Unlikely but up to \$500,000
Lion Foundation	Up to \$300,000 for sub-regional
Grassroots Trust	Up to \$100,000 for local
NZCT	Up to \$200,000 for sub-regional
Pub Charity	Up to \$50,000
Aotearoa Gaming Trust	Up to \$50,000
Naming rights and sponsorship	Up to \$500,000





6.1 PURPOSE

The commercial case considered how to procure the preferred option. Key determinants for selecting a particular procurement model are:

- Cost, in terms of attaining value for money and early cost certainty,
- Time available to complete the project, this includes the design period,
- Complexity and scale of the Project,
- Risk allocation,
- Information available at the time of selecting a form of contract,
- Requirement for public accountability in procurement,
- Quality, particularly if a client wishes full control over design development,
- Market conditions (e.g., availability of suitable contractors).

A balance of these constraints often determines the form of contract best suited to a particular project.

The most commonly used procurement models are:

- Two Stage Early Contractor Involvement (ECI).
- Consulting Early Contractor Involvement (ECI).
- Traditional Delivery (Construct Only).
- Design and Build.
- Construction Management.
- Cost Reimbursement.
- Traditional Alliance.
- PPP/BOOT.
- Competitive Negotiation.
- Direct Negotiation.

6.2 ECI OPTIONS

Early Contractor Involvement (ECI) is an increasingly popular construction procurement approach, where a client can leverage the contractors' building knowledge and resources to optimise design outcomes and reduce cost uncertainty.

While numerous ECI options are available, two of the more popular options (contractor and consulting ECI) are outlined below.

It is important to note that ECI is not a procurement model; rather, it is an approach that can complement several different procurement models. Its most frequent applications are with the Traditional and design-and-build delivery models.

TWO STAGE ECI

This collaborative approach of an ECI model is attractive to contractors; where contractors may provide early advice and provide feedback on the buildability and optimisation of design. This method is suited to large-scale, complex or medium to high-risk projects because it allows an integrated team time to gain an early understanding of requirements, enabling robust risk management, while facilitating innovation, and value for money.

ECI usually takes the form of a two-stage approach to tendering, whereby:

First Stage Tender:

- Tender documents should contain sufficient project information to enable tenderers to submit a tender response.
- The documentation typically includes concept or preliminary design information, an indication of the client's budget limit, construction methodology, programme, approach to the project, initial risks, proposed project team details, schedule of rates, fixed preliminaries, and fixed margins.

- The inclusion of a Pre-construction Services Agreement (PSA) detailing the services required to be provided by the contractor during the second stage tender (e.g., buildability, value engineering and supply chain advice, and design and tender inputs).
- Contract award (as usually outlined in the PSA) would be contingent upon the contractor's satisfactory performance during the second stage tender, the contractor providing full cost transparency to the client through an open book approach, agreement of a contract sum that is acceptable to the client (in public value terms) which is below the specified cost ceiling and without qualification.
- When the specified conditions are not met, the PSA will typically provide the client with the right to go back out to the market for tender. This ensures that competitive tension is maintained throughout the tender process.

Second Stage Tender:

- Involves the contractor working with the design team to provide input to the design and develop its tender price on an open-book basis in line with the PSA.
- The second stage tender will conclude upon award of the contract, or when the client notifies the contractor that it will not be awarding a contract due to certain conditions of the PSA not being met.
- For a traditional delivery model, the client and contractor will jointly agree on how the project is to be split into work packages. Once the design is complete for each package, the client and contractor will jointly tender each package to the market on an open-book basis. Once the client is satisfied the packages represent public value and are within budget, the contractor is awarded the contract to proceed to build, typically based on a lump sum fixed price.
- For novated design and build delivery models, the contract sum is essentially arrived at through a process of negotiation since the design will not be complete at the time of contract award.

Potential benefits:

- Reduced risk to the main contractor as the First Stage ECI will allow the contractor more time and deeper design visibility before moving to a fixed price arrangement.
- Contractor involvement in the design process will allow issues to be identified early, thus reducing variations and disputes in the construction phase.
- Improved integration of design and construction processes (e.g., optimising design, minimising waste, addressing risks early on).
- Earlier commitment of construction resources to the project.
- Earlier identification of long lead materials and specialist subcontractors (allowing mitigation of associated market constraints and risks).

Points to consider:

- Risk the contractor's pricing at the end of the ECI process will be significantly higher than the client's initial stipulated budget and will not be acceptable to the client.
- Where the client decides not to accept the open book negotiation offer, disruption to the project timelines can occur from retendering. This may result in a risk of being trapped with the main contractor which completed the ECI process due to time constraints.
- Another risk of being locked in with the main contractor would occur if the First Stage Tender is used to procure long lead items or specialist trades with the main contractor.
- Reduction in the number of claims does not always transpire as planned during the actual project.
- High turnover of staff or major relationship breakdowns during the tender process can significantly impact performance.
- Competitive tension is maintained by setting clear conditions by which a contractor will be awarded a contract (e.g., achievement of a pre-determined cost ceiling).

CONSULTING ECI

A Consulting ECI model occurs when construction professionals are engaged to challenge the design team on behalf of the client regarding the project's buildability, program requirements, associated risks, etc.

Potential benefits:

- Likely to be more cost-effective than two-stage ECI.
- Maintains market/competitive tension.
- Allows adjustment/refinement of the procurement model during the design stage (i.e., switch to Design and Build).
- Allows for direct engagement with the sub-contractor market.
- Allows for contracting of Long-Lead items (direct to client) before locking in the main contractor.

Points to consider:

- As with Two Stage ECI, requires effective management.
- Longer tender period.
- Less appealing to the contracting market so will require greater market engagement.

In this instance, a Consulting ECI approach would be more suitable and recommended over the Traditional ECI model.

6.3 PROCUREMENT MODELS

TRADITIONAL DELIVERY (CONSTRUCT ONLY)

The Client engages a project design team comprising specialist design consultants (i.e., the architect, structural engineer, quantity surveyor, mechanical and electrical engineers and other specialist consultants as required) to prepare a design brief and budget. This would include complete detailed design documentation, developed within budget based on the quantity surveyor's guidance.

Tenders are then invited from building contractors to ascertain the price of the works, before the final decision to proceed. This lump sum can be either a "fixed price" or may make provision for fluctuations in material, plant, and labour prices. The fixed price lump sum contract will have no adjustment for price fluctuations.

Tenders may be called for the construction on either:

- A "selected" basis where a short list of suitable contractors is selected using a process of selection according to their qualifications and experience in the type of project in question. This selection process can include public advertisement to meet probity requirements.
- An "open" or public basis where the submission of tenders is open for any contractor to submit a tender. This provides public accountability and total market exposure but is sometimes at the expense of suitability and selective expertise.

On awarding the contract to the successful tenderer, the site is handed over to the building contractor and the contract is administered by a Project Manager on behalf of the Client under the contract documents.

The construction work is carried out by the building contractor generally using sub-contract trades.

The design performance obligations rest with the design team and any risks sit with the client, although these are invariably underwritten by the individual team members' professional indemnity insurances. The construction (contractual) risks rest with the building contractor.

Potential benefits:

- The Client has full control of the design development at all stages of the project.
- Price is the "true competitive market" price.
- Price is known before the client is committed to construction, allowing remedial action to be taken if the price exceeds budget expectations.
- The client is insulated, for the most part, from "risks", or at least has contractual recourse.
- Design and tender documentation are completed before proceeding to tender, avoiding the incidence of major cost variations.
- Cost certainty is relatively high when the contract is awarded if the design is largely complete and accurately reflects the project brief.
- The client can reduce design-related risk by ensuring all design issues are resolved, considering design innovation where appropriate, and fulfilling design requirements before procuring the construction works.
- Early Contractor Involvement (ECI) can be introduced on a consultancy basis (and used to inform the development of the design).
- The straightforward nature of the bidding process (especially if a schedule of quantities is used), lowers the cost of tendering and the level of risk retention by the client and usually encourages a competitive tender field.
- Bids are generally less complex and cheaper to assess than other delivery models.
- The model is well-known and understood by industry and clients.
- The design can be varied with relative ease after the construction contract has been awarded.

Points to consider:

• Time taken to complete the full documentation, consenting and procurement negates the opportunity for an early start to construction.

- Price certainty relies on the completeness and accuracy of the client's design documentation. Errors or omissions in the design will lead to variations and extra costs to the client.
- A long lead time is required to get to the tender stage, as the design needs to be at a level sufficient to complete tender documentation.
- The design risk sits with the client, while the construction risk is with the contractor. This could lead to blurred lines when deciding the responsible party for defects remediation (i.e., whether it would be a result of a design error or poor workmanship).
- The client is responsible for providing accurate information (e.g. drawings and specifications) to the contractor promptly. Delays may result in extra costs to the client and/or extensions of time for the contractor.
- The separation of the design and construction process reduces the opportunity for the design and construction teams to work together to optimise the design from a construction perspective (e.g. methods of construction, minimising waste, and reducing health and safety risks).

DESIGN AND BUILD

The main contractor is responsible for both the design and construction of the project.

The client develops the functional and technical performance requirements for a facility before approaching a Design and Build contractor with the brief for a specific project (which can be via a selected tender process). The contractor can then engage an architect to assist in developing a design (normally tagged to a set level in the architectural design process). The design and build contractor would submit a preliminary proposal incorporating outline aspects for the intended design and construction. This proposal would include estimates of time and cost to complete the project.

If the preliminary proposal is accepted by the client, the design and build contractor will work up and submit a final development proposal. This would incorporate in many instances, a guarantee of a maximum price for the project and offer the client a share in any savings achieved in such maximum price.

The final development proposal would comprise schematic design drawings to a reasonably advanced stage, and an outline specification incorporating a schedule of construction and finishes.

The system may be either with or without a savings participation clause.

Potential benefits:

- Is an efficient delivery method for clients wanting a "one-stop shop".
- Price can be locked in at an early stage, with the contractor carrying the additional price risk, but this carries a cost premium.
- Design development sits with the contractor and client design modifications tend to be more expensive after the price is locked in.
- Quality of deliverables can be targeted for contractor's cost savings if the original defined specification is maintained,
- Tends to limit the level of client/stakeholder involvement in the design process. Generally, less optimal process for complex builds as it can lead to reduced design functionality.
- The contractor has greater influence in the process from the outset.
- Construction can commence shortly after the contract award, in advance of all detailed design packages being finalised. This makes an earlier start on site possible and can result in an earlier completion compared to traditional methods.
- The design has high innovation potential, resulting from the input of the contractor and its supply chain into constructability and flexibility in identifying optimum materials and construction methodologies.
- There are potentially fewer disputes and more effective management of any design-related issues, due to having a single point of responsibility for both the design and construction work and minimising design/construction interface risk.
- There can be a high degree of cost certainty where functional and technical performance requirements are clearly defined at tender.

- The contractor generally warrants the design's fitness for purpose, although this should be clearly defined in the contract. For example:
 - o The client may accept the risk the layouts and relationships of spaces within a facility as defined and agreed in the contract are appropriate for meeting their operational output needs.
 - The contractor may accept all technical risks around ensuring the facility achieves the performance requirements as defined in the contract

Points to consider:

- Projects with complex design requirements or which require exceptional quality are less suited to design and build as the contractor has a choice in determining the final selection of systems and materials to meet the performance requirements.
- Sufficient time must be allocated during the tender period for contractors to prepare the design proposals and for the assessment of the design, programme, methodology and price.
- The cost of tendering is generally higher than under a traditional delivery model, attracting a smaller pool of tenderers (novated approaches can help reduce this cost).
- Clients should consider reimbursing some or all of the contractor bid costs to encourage good competition and innovation.
- The designer's primary duty is to the contractor; hence the client will need to consider appointing its own design consultants to act as advisors in monitoring the design outputs of the contractor, to ensure they meet the requirements of the contract.
- Ensure clarity on design elements that are to be confirmed postcontract (e.g. colour and texture of finishes). The contractor can be requested at the tender stage to provide flexibility on a range of options that can be decided upon later.
- Quality outcomes of the project reflect the client's specified performance requirements and hence must be carefully specified in the tender documentation.
- It may be difficult for the client to exert control over the design process, and significant design changes post-contract are likely to prove costly.

CONSTRUCTION MANAGEMENT

The client engages the designer and trade contractors directly, whilst also engaging a project/construction manager to act as its agent and manage the delivery of the construction works on its behalf. Once the initial design is formulated a construction manager is appointed to the team to assist in design considerations and to provide practical building expertise and procedures to the project team.

Construction activities are sub-let to firms or companies specialising in the various trade work required. These trades are selected on a fully competitive, delayed-letting basis, and enter into direct contract agreements with the client.

A general foreman supervises all on-site activities; a cost clerk and a limited number of carpenters and labourers are also engaged to attend to other trades and execute minor sundry works.

Costs are controlled by the quantity surveyor, with a continuous audit of actual costs incurred. Payments are made to trade contractors, suppliers and "on-site" employees by the client.

Potential benefits:

- Able to retain a high degree of control over the project, which would be supported by the project/construction manager.
- Able to retain the continuity of designers.
- Able to provide an accelerated system of procuring a contract, starting on-site before formal design documentation is complete, resulting in an earlier completion.
- Able to provide Early Contractor Involvement.
- Management and coordination risk to client is reduced.
- Contract administration is undertaken by the project/construction manager, reducing client resources required.

Points to consider:

- Price is not known at the start of construction.
- The client carries a high portion of the risk.
- There is no single point of accountability as the project owner must enter into numerous different contracts to deliver the works.

- The bulk of the risk remains with the client as the project/construction manager only performs a management and coordination role.
- There is a lack of specific relationship management provisions in the contract.
- The arrangements can be administratively complex and problematic in terms of liabilities, insurance etc.
- There may be some uncertainty to project owners regarding final construction costs, and the construction manager's fees add an additional element of cost to the project.

COST REIMBURSEMENT

The Client selects a building contractor who contracts to perform the building works under the contract documents at "cost" plus a fee which is related in various ways to the contract. The documents can be based on any one of the contract conditions outlined earlier. In this arrangement, it is extremely important to define "cost". The "fee" is then added, to arrive at a total contract price.

The "cost" usually includes all on-site activities, whilst the fee covers off-site overheads and profits. The fee can be in the form of:

- A percentage of the cost (e.g., Cost plus 10%).
- A fixed fee (e.g. Cost plus \$200,000).
- A fluctuating fee (known also as target estimate).

Another derivative of cost-reimbursement contracts is a schedule of rates or unit price contract. This is based on approximate quantities being priced by the contractor, and these price rates are then applied to actual quantities of work done, to arrive at a total cost of construction.

Key points:

- Price is not known at the start of construction,
- This approach can provide an accelerated system of procuring a contract, starting on-site before formal design documentation is complete, resulting in an earlier completion.
- Can provide Early Contractor Involvement.

TRADITIONAL ALLIANCE

This is a relationship-style arrangement that brings together the client and one or more parties to deliver the project collaboratively while sharing all associated project risks and rewards. This method is used in highly complex or large infrastructure projects that would be difficult to effectively, scope, price and delivery under a traditional delivery model.

This method includes a sophisticated cost-plus remuneration regime where the owner reimburses the direct costs of the contractor and designer and pays them a fee on account of profit margin and contribution to overheads that is adjusted upwards or downwards depending on the collective performance of the alliance members against agreed key performance indicators.

Potential benefits:

- Enables a project to go to market early, before the scope and details of the project are finalised.
- Improved efficiency and innovation can be achieved.
- Maximum flexibility across all aspects of delivery, enabling fast-tracking where necessary to meet time constraints.
- Participants can develop a detailed understanding of pricing and cost due to the transparent, collective contract-pricing process.
- A fully integrated project team deals with planning, design and construction, encouraging participants to look for best-for-project solutions.
- Supports a high level of knowledge transfer between all participants.
- Alignment of commercial interests, plus the relationship approach and no-blame culture, can result in fewer disputes. Where these do occur, quicker resolution is possible.
- Parties are incentivised to work together to achieve time and cost targets.

Points to consider:

 Quality outcomes can be compromised to meet cost targets and time demands. Good planning is required to avoid any re-work,

- which must be paid for, which compounds the 'pain' for all participants.
- This method requires significant resourcing from the client in terms of governance and management arrangements.
- Clients need to carefully consider the personal attributes needed for personnel to work successfully in an alliance structure, as embedding the right culture from day one is critical to success.
- Strong leadership is needed from the client's senior leaders to ensure the required no-blame culture is established and implemented throughout the project.
- Relationships are critical to the success of this model. Issues that could impact include high turnover of staff (client or contractor), or major relationship breakdowns.
- Public value is achieved through an open-book accounting-based approach, which allows the contractor's rates and margins to be independently verified.
- The accounting-based approach, and the requirement for detailed cost scrutiny, requires a higher degree of cost management input compared to other delivery models.

PPP/BOOT

Public Private Partnerships (PPPs) are long-term contracts between a government body and one or more private sector companies for the delivery of a service involving building a new asset or enhancing an existing asset.

In this partnership, the private party provides a public service asset and assumes the financial, technical and/or operational risk of the project. Typically, a private sector consortium forms a special purpose vehicle (SPV) to design, build, maintain, and operate the asset for a specified time frame after which it will be handed back to the end user in good condition. The private sector assumes a major share of the responsibility in terms of risk and financing for the delivery and the performance of the infrastructure, from design and construction to long-term maintenance.

PPPs are typically used where the government is seeking whole-of-life innovation and efficiencies the private sector can deliver in the

design, construction, and operating phases of the project. PPPs also have the potential to provide a greater degree of time and cost certainty than 'traditional' delivery approaches through the discipline of private finance but can be less flexible. There are various PPP models, ranging from design-build-finance (DBF) to fully integrated design-build-finance-operate-maintain (DBFOM). These models reflect a range of increasing private-sector involvement.

Build-own-operate-transfer (BOOTs) are a subset of public-private partnership (PPP) project models in which a private organisation conducts a large development project under contract to a public-sector partner, such as a government agency. BOOT projects are often used to develop large public infrastructure projects with private funding. The private company receives the right to achieve income from the facility under a period (usually 15-25 years) and later transfers it back into public ownership (normally government).

Key points:

- Increased focus on the specification and the performance of service outcomes.
- Integrated service and asset design solution.
- A 'whole of life' perspective that provides greater cost certainty and optimisation.
- Payment for good performance and abatement for poor performance.
- Active management and optimal allocation of risk.
- Wider benefits to New Zealand's infrastructure sector as a result of private sector expertise and experience.
- Enhanced procurement discipline.
- Greater whole of life costs as the private company has the right to a return on investment, which is typically higher than the cost of local government debt.

COMPETITIVE NEGOTIATION

The client appoints a consultant team to prepare schematic design drawings up to the preliminary working drawings stage, outline specifications including a schedule of construction and finishes and a form of a building contract.

Tenders are called from a selected list of building contractors, for the following elements:

- Preliminaries and General Costs, that is the builder's price for site mobilisation, day-to-day running and final demobilisation, construction plant including cranes, scaffold, builders' insurances, temporary and on-site services, water, phones, electricity, periodic and final clean-up, and builder's site administration, including supervision.
- A tendered percentage or lump sum for margins to be based on the value of work when known.
- A tendered percentage or lump sum for off-site overheads.
- A tendered percentage or lump sum for attendance on sub-trades.
- Statement of the time required to complete the project accompanied by the builder's programme.

Tenders, submitted following the above requirements, are evaluated by the consultant team and a recommendation is made to the Client. On a recommendation in favour of one of the building contractors being accepted, the entity then joins the project team as a building consultant. Their practical building expertise is then used in final design documentation before they proceed to perform the building works.

The appointed building contractor prices documentation as it becomes available for final acceptance by the client. This is usually done by the building contractor calling competitive bids from, three or more sub-contractors for each trade package.

Key points:

 This is essentially an accelerated system of procuring a contract, the main object being to install a selected builder on site and working, before formal design documentation is complete, resulting in an earlier completion,

- The selected building contractor becomes a member of the team and is available to add his expertise to the advantage of the project.
- Sub-contract prices are tendered just before when needed, thereby obtaining current market prices.
- Price is not fully locked in before the client is committed to construction.
- Design documentation and consenting need to keep pace with onsite construction, which is an inherent risk.

DIRECT NEGOTIATION

Directly negotiated contracts are like "competitive negotiation" except instead of calling tenders from a selected list of contracts, one contractor will be chosen, and negotiations will take place with this one contractor only.

Care is needed in selecting a particular contractor, but it will probably be someone with whom the client has worked successfully in the past.

Key points:

- This is essentially an accelerated system of procuring a contract, the main object being to install a selected builder on site and commence working, before formal design documentation is complete, resulting in an earlier completion. The process is faster than competitive negotiation as little time is needed to evaluate tenders, further speeding up the start of construction.
- The selected building contractor becomes a member of the team and is available to add his expertise to the advantage of the project.
- Sub-contract prices are tendered just before when needed, thereby obtaining current market prices.
- Price is not fully locked in before the client is committed to construction.
- Design documentation and consenting need to keep pace with onsite construction, which is an inherent risk.
- Very difficult to show public accountability in procurement.

6.4 RECOMMENDED APPROACH

The recommended development option for Thames Aquatic Provision is a structural fabric building. As there are limited companies within the New Zealand market offering this product, it is recommended consulting ECI is utilised to obtain specialist input into the concept and preliminary design development.

The Council could then decide on the procurement method that best suits its needs, considering factors such as the level of design input it desires, the level of risk it wishes to accept, timeframes, and price sensitivity it feels comfortable with.





7.1 PURPOSE

The management case sets out the requirements for delivery of the Thames Aquatic Provision project. This includes:

- Project risks, constraints and dependencies.
- Project governance.
- Stakeholders and engagement.
- Project plan requirements.
- Project closure.

7.2 RISKS, CONSTRAINTS & DEPENDENCIES

Like any significant capital project there are inherent risks, constraints and dependencies to be considered as part of decision-making.

RISKS

The risks associated with Thames Aquatic Provision project have been assessed against the matrix of likelihood and impact as outlined in Table 7.1. A summary of the risk and suggested mitigation are outlined in Table 7.2 (next page).

TABLE 7.1: RISK CATEGORISATION MATRIX

LIKELIHOOD					
IMPACT	Very Unlikely 0-10%	Unlikely 10-40%	Possible 41-70%	Likely 71-90%	Almost Certain 91-100%
Extreme	High	High	Very High	Very High	Very High
Major	Medium	High	High	Very High	Very High
Moderate	Medium	Medium	High	High	High
Minor	Low	Low	Medium	Medium	High
Insignificant	Low	Low	Low	Medium	Medium

KEY DEPENDENCIES

Key dependencies for Thames Aquatic Provision are outlined in Table 7.3.

TABLE 7.3 DEPENDENCIES FOR THAMES AQUATIC PROVISION

Agreement to remove Thames Centennial Pool	Council has agreed (and signalled) through numerous strategies, plans and policies the intention to remove the pool by 2027.
Local / sub- regional decision	A key decision required is determining the facility will be scaled as a local aquatic facility.
Funding	Funding for the project needs to be confirmed in the TCDC Long-term Plan and supplemented by any external funding sources.
Site confirmation	Availability of Richmond Street site is dependent on the agreement of the Thames High School and Ministry of Education. The site has been indicated as available subject to agreement.

KEY CONSTRAINTS

Key constraints for Thames Aquatic Provision are outlined in Table 7.4.

TABLE 7.4 CONSTRAINTS FOR THAMES AQUATIC PROVISION

Limited alternative sites	A wide range of sites have been considered for aquatic provision. Should the site confirmation not be forthcoming, then there are very limited alternative sites and all with compromises.
Balance of provision	Aligned with National and Regional strategies and the investigation findings, it is important to ensure there is a balance of aquatic provision to meet the range of community needs.
Physical Constraints	The site has a limited available footprint which cannot be exceeded.
Funding and affordability	The estimated cost of development options are perceived as high and there are concerns it is unaffordable for the Council.

TABLE 7.2: THAMES AQUATIC PROVISION RISKS ASSESSMENT

RISK	LIKELIHOOD	IMPACT	RATING	POSSIBLE MITIGATION	AFTER MITIGATION
Lack of political support for project No financial commitment for funding Inability to fulfil Council's Agreement to remove Thames Centennial Pool or no aquatic provision. Negative community reaction and loss of Council reputation.	Possible	Extreme	Very High	 Clear presentation of investigation leading to this decision-making point. Outline of the options and need for a decision to move forward. 	Likelihood: PossibleImpact: Extreme
 No or minimal external funding available Council must pay for the full project cost resulting in the full rates impact. 	Probable	Major	Very High	 Potential to consider staged approach and alternative funding strategies, although not recommended. 	
 The scale and specification of the aquatic facility is flawed The facility does not attract the level of anticipated visits. The facility does not generate target revenue levels. The net cost of operation is higher than projected. User and resident satisfaction does not improve. 	Unlikely	Major	High	 As part of the next stage of the design process, provide for further community and operator input into the design. Be careful not to over-size but retain a balance across aquatic activities. 	Likelihood: UnlikelyImpact: ModerateRating: Medium
Capital costs increase above the project's allocated budget Factors such as inflation, and supply chain constraints, force costs higher than budget allocations.	Possible	Moderate	High	 Consider early contractor engagement or design- build procurement options. Early order of key materials. 	Likelihood: UnlikelyImpact: ModerateRating: Medium
Value management leads to reduction in size or scope of facility Smaller facility may struggle to accommodate demand. Reduced scope is likely to not provide a balance of provision and therefore not meet all community needs. Utilisation and revenue fall short of projections. User and resident satisfaction does not improve.	Possible	Moderate	High	 Ensure the problem definition, strategic benefits and investment objectives inform any value management process. Update operational projections for any substantial changes and consider as part of decision-making 	 Likelihood: Unlikely Impact: Moderate Rating: Medium
Selected site has technical issues beyond anticipated allowances Technical investigations did not identify the key ground issues sufficiently to inform budget estimates. Change to design and potentially higher capital costs.	Unlikely	Moderate	Medium	 Complete further investigation identified in technical reports in design process. Maintain design contingencies until risk is lower. 	Likelihood: UnlikelyImpact: LowRating: Low
Negotiations with selected site owners has issues The preferred site is not owned by Council. Negotiations around land occupancy identified issues that are not fore-shadowed. Result in extended timeframes as issues are resolved.	Unlikely	Moderate	Medium	 Maintain open communications with both site owners through the decision-making process. Once a preferred option is selected, engage early with site owner. 	 Impact: Moderate
Workforce availability Required workforce is not available.	Unlikely	Moderate	Medium	Consider early contractor engagement or design- build procurement options.	Likelihood: UnlikelyImpact: ModerateRating: Low
Construction disruption Construction is disrupted by unforeseen circumstances.	Unlikely	Moderate	Medium	Maintain appropriate risk-assessment through out the project.	Impact: ModerateRating: Low
Unforeseen issues with the structural fabric building • Future issues arise with performance or maintenance of the structural fabric building	Unlikely	Moderate	Medium	 Engage specialist Aquatic Architect and Structural Fabric Supplier early in the design process. Obtain appropriate supplier warranties 	Likelihood: UnlikelyImpact: ModerateRating: Low

7.3 PROJECT GOVERNANCE

It is recommended Thames-Coromandel District Council establish a formal governance structure for the Thames Aquatic Provision. Representation on the governance structure could include:

- Senior Management of Thames-Coromandel District Council.
- Council staff responsible for overseeing the project.
- Thames High School Board of Trustees/management to ensure there is good communication and transparency.
- Ngāti Maru as mana whenua and to ensure any cultural requirements associated with Taipari Park are managed appropriately.
- Pool Operator to ensure detailed specifications for the new facility are appropriately managed.

Key project roles for the implementation are set out below.

Project Director

The Project Director reports to the governance board and is responsible for the delivery of the Thames Aquatic Provision project. The Director is responsible for oversight and control over the project team and consultants. They control project expenditure, project scope changes, and procurement decisions.

Project Manager

The Project Manager (PM) would report directly to the Project Director and is responsible for the day-to-day coordination of the project. The PM can issue instructions to the Design Team and contractor.

The Project Manager is usually responsible for stakeholder engagement and management in consultation with the Communications Advisor.

Quantity Surveyor

The Quantity Surveyor (QS) reports directly to the Project Manager and would be responsible for the day-to-day cost control.

ECI Consultant/s

The Early Contractor Involvement consultants would report to the PM and be responsible for providing advice to the PM and Design Team on optimising the facilities buildability.

They could recommend and endorse design approaches but have no delegated approval authority and could not issue instructions to the design team.

Design Team

They would be responsible for the design meeting the agreed brief and the budget. They would report to the Project Manager. The design team would include, but would not be limited to architects, engineers, landscape architects and planning consultants.

Project Control

The project control group members bring together the personnel working on the project. This group is tasked with working on the project at a closer level and interfacing primarily with the Project Director to get the best solution on budget.

Expert Design Advisory

Expert advisory input is used to review and endorse design stages. The Council may wish to have invite involvement from the Sport and Education Community Trust (Thames) and Sport Waikato to provide ongoing specialise advice through the course of the project.

Communications Advisor

Responsible for managing public communications, providing updates on the project progress.

Legal Advisor

As there will be a need to complete land tenure for the Richmond Street court site, there will be a need for a legal advisor to manage this process. This process can take up to 12 months to complete with the Ministry of Education.

7.4 STAKEHOLDERS & ENGAGEMENT

There are a significant range of stakeholders for the Thames Aquatic Provision project. Table 7.5 (next page) outlines the stakeholders, the interests and recommended methods of engagement with associated timeframes.

THAMES HIGH SCHOOL

As the preferred site is on land occupied by Thames High School and predominantly owned by the Ministry of Education and approval from the Ministry will be required for the Council to occupy, build, own and manage a swimming pool on the school site.

The Ministry's requirements for leasing is outlined in <u>Appendix I</u>. It is most likely a Licence to Occupy will be required, which is prepared by the Ministry. Early engagement with the MOE is critical. Engagement with the Ministry along with the School Board of Trustees will be required directly after the Council confirms it wishes to proceed with a facility development on the school site. It is anticipated the lease/licence process can take up to 12 months to complete. This can be completed in parallel with design and resource consent processes.

The Thames High School Board of Trustees and School Management have been consulted throughout the feasibility study process and have indicate their support (in principle) for the project and use of the identified site. The Ministry of Education were engaged early in the process and did not identify any significant issues.

The term of occupancy will be important to ensure it provides sufficient length of time relevant to the potential life of the asset.

It is recommended the Thames High School has representation on the Project Governance structure to provide open communications and transparency in the process.

NGĀTI MARU

It is important to maintain ongoing relationship with Ngāti Maru throughout the Thames Aquatic Provision project.

Of particular importance is agreement around the process and method for removing the Thames Centennial Pool from the urūpā on Taipari Park.

TABLE 7.5 THAMES AQUATIC PROVISION STAKEHOLDER ENGAGEMENT

STAKEHOLDER	INTERESTS	METHODS	TIMING
Mana Whenua Ngāti Maru	 Removal of current aquatic facility from urupā. Development of facilities to meet needs. Environmental outcomes. Cultural values / tikanga. 	 Involvement in Project Governance Potential development of Cultural Values Assessment to inform the project 	Through out project
Thames High School	 Occupancy of school site Impacts on other school property. Design and specification details. Use of the facility by the School. 	Involvement in the Project Governance structure	Through out project
Ministry of Education	Occupancy of school siteCompletion of lease agreement	Application for Third Party OccupancyCompletion of lease agreement	Directly following decision
Community	 Development of aquatic facility. Timelines and project expenditure. Input into design. 	 News updates on the project progress Update on concept design Website updates Potential community engagement through Annual Plan 	Quarterly & key decision points
Ratepayers	Timelines and projects expenditure.Impact on rates	 Potential community engagement through Annual Plan 	2025/26 Annual Plan?
 Aquatic Clubs / Users Thames Swim Aquafit users Swimming Waikato Other User Groups 	 Development of aquatic facility. Input into design 	News updates on projectUpdate on concept designWebsite updates	Key design points
Aquatic Staff	Development of aquatic facilityOperational implications	 Updates via Facility Manager on Project Governance 	As required
Primary Schools	 Development of aquatic facility to meet school needs Potential school use of future pool 	News updates on projectUpdate on concept designWebsite updates	October 22 Dec 22 Mar-Apr 23
Sport Waikato	 Development of aquatic facility in accordance with Regional Plan Robust, sustainable facility. Inter-relationship with other sport facilities. 	Project Advisory Group	Through-out project
Sport and Education Community Trust (Thames)	 Development of aquatic facility Inter-relationship with Jack McLean Community Recreation Centre and sport facilities Contribution to aquatic design and operation 	Potential Project Advisory Group	Through-out project

7.5 PROJECT PLAN REQUIREMENTS

Once a decision is made to progress with the Thames Aquatic Provision project, a detailed project plan will need to be developed. Key requirements / considerations for the project plan are outlined in this section.

Potential Engagement through 2025/26 Annual Plan

In making a decision on the Thames Aquatic Provision, the Council may wish to consider undertaking further community engagement on the two strongest options identified in the Economic Case:

- Option G: Local Facility, Fabric Building (Recommended).
- Option F: Local Facility, Indoor / Outdoor.

This engagement could assist the Council in understanding the ratepayers' view of affordability of the options and potentially to consider Local versus District funding (outlined in Section 5.4).

Project Governance

Establishing the project governance and ensuring there is clear roles and responsibilities for the project.

Project schedule / timelines

Developing a detailed project schedule and associated timelines particularly identifying the inter-dependencies. It is likely the 2027 timeframe for removal of the Thames Centennial Pool may need to be reconsidered,

Land tenure process

The Council will need to commence the process for securing a lease / licence for the Richmond Street court site as one of the first steps in the process. It is expected this process could take up to 12 months. Involvement by Thames High School is critical to this process.

Procurement Plan

Undertaking a detailed assessment of the available procurement options and determine the preferred approach.

Resource Consent

In consideration of the respective zoning rules and the planning investigation undertaken for the site, resource consent would likely be required for a discretionary activity under the Proposed District Plan.

Refer to <u>Appendix J</u> for the technical assessment of the Richmond Street Court site which provides more detail on the site.

Design and technical inputs

Further work is required with the specialist structural fabric company and specialist aquatic architects / engineers to refine the concept design. It is critical to ensure the building is designed to eliminate condensation and maximise energy efficiency. This will require careful design detailing at the interface between the structure / fabric along with careful design of the heating/ventilation systems (HVAC).

As part of the design process further site investigations may be required as outlined in the technical report in <u>Appendix J</u>.

7.6 PROJECT CLOSURE

Project close-out will need to be considered by the Project Governance via an approved Closure Plan. The Closure Plan will need to be developed progressively over the design period and finalised as part of the Detailed Design approval.

The plan should consider:

- Issues and Risk Management.
- User acceptance criteria (mapped to project objectives).
- Asset Data Management.
- Operational Knowledge Transfer.
- Post Project Reviews.
- Lessons Learned Capture.
- Benefits assessment against investment objectives and intended outcomes.
- Closure criteria.





8.1 SUMMARY

- The Thames-Coromandel District Council has been investigating the provision of a new aquatic facility to serve Thames because:
 - o A commitment was made with Ngāti Maru to remove Thames Centennial Pool by 2027 due to its location on an urupā.
 - o Thames Centennial Pool is reaching the end of its useful life and is not fit-for-purpose to meet needs or as year-round provision.
 - The Waikato Regional Aquatic Plan 2017 and updated 2024 analysis identify an undersupply in year-round aquatic provision across Thames-Coromandel District.
- In 2022, a **needs assessment** was undertaken to understand future aquatic requirements. This identified:
 - o Current aquatic provision is ageing, structured, inflexible and does not offer good learn to swim, leisure or therapy provision.
 - o Provision analysis confirms there is an undersupply of fit-for-purpose year-round water (585m² required for the District).
 - o Thames Centennial Pool partly functions in a sub-regional capacity, attracting about 40% of visits from outside Thames.
 - o Community feedback indicates the biggest issue with current aquatic provision is the cold experience / limited winter use.
 - o Strong community support for improved aquatic provision.
 - o There is a clear call for future provision to include indoor pool(s).
 - o The community prioritised aquatic functions that are core to a local facility being learn to swim, structured, and casual play.
 - o There was some but lessor priority placed on sub-regional functions: hydrotherapy, specialised leisure and sport.
 - o A growing ageing population highlights the need for warmwater to cater for the older age cohort.
 - o Low personal and household income levels highlight the need to consider the development's affordability.
 - A key decision is determining whether to develop a facility to serve a local catchment or a larger facility for the sub-region.

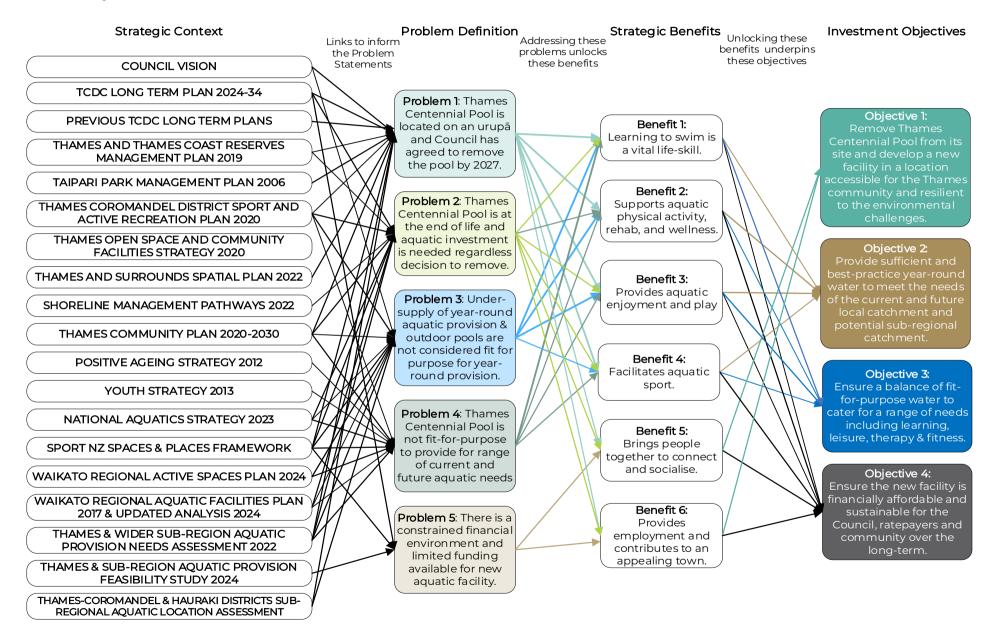
- Undertaken over 2023 and reported in February 2024, a feasibility study considered potential options to respond to the identified community needs. This assessed potential 19 site options and 5 facility scale/scope options. This identified:
 - o Thames has various environmental challenges that limit the number of sites suitable for aquatic facility development.
 - o The best site for a local facility is the Richmond Street court site, on leased land from Thames High School. Two local facility design options were developed for this site.
 - o Kōpū South on Southbridge Industrial Park has the strongest attributes for a sub-regional aquatic facility. One design option was developed for this site.
 - Hauraki District Council confirmed it does not have the funding capacity to support a sub-regional facility at the level indicated to date. Therefore, a partnership approach is currently not viable.
- In the first half of 2024, work commenced on the **business case inputs**, which involved community engagement and financial analysis on four options:
 - o A: Local facility, all indoor (Richmond Street court site).
 - o B: Local facility, indoor/outdoor (Richmond Street court site).
 - o C: Sub-regional facility (Kōpū South site).
 - o D: No investment in aquatic provision.
- The Thames Aquatic Community Survey had 1,472 respondents which shows a high level of interest in future aquatic provision to serve Thames. 81% of respondents rated public aquatic provision as high or vital importance. 79% of respondents rated Council investment in aquatic provision as high/vital importance.
- In the Thames Aquatic Community Survey, the highest-ranked score was for Option B, the local indoor/outdoor facility (cheapest option), but Option C, the sub-regional facility (most extensive), had the highest first preference but was the second-ranked score overall.

- Financial analysis highlighted the full cost of Options A-C. Council staff raised concerns about the financial impact on Thames ratepayers and identified the scope of options could be reviewed to reduce the cost.
- The second half of 2024 focused on **scoping alternative options** with reduced scope to lessen the financial impact. Six options were developed for evaluation in the business case:
 - o D: No investment in aquatic provision
 - o E: All Outdoor, 25m pool (Richmond Street site)
 - o F: Indoor/Outdoor local facility (Richmond Street site)
 - o G: All Indoor, structural fabric local facility (Richmond St site)
 - o H: All indoor, traditional building local facility (Richmond St site)
 - o I: All indoor, Staged Sub-regional facility (Kōpū South site).
- The purpose of the **business case** is to outline the case for investment in Thames aquatic provision and the preferred option.
- The logic framework for the strategic case is outlined on the following page. The strategic case identifies **five problems** to solve:
 - Thames Centennial Pool is located on an urupā (burial ground), and TCDC agreed with Ngāti Maru to remove the facility by 2027.
 - 2. Thames Centennial Pool is at the end of its life, and investment in aquatic provision is needed regardless of the decision to remove.
 - **3.** There is an undersupply of year-round aquatic provision in the Thames-Coromandel District. Outdoor pools operating all year are not fit for purpose for year-round provision.
 - **4.** Thames Centennial Pool is not fit-for-purpose to meet current and future aquatic needs.
 - **5.** There is a constrained financial environment and limited funding available for a new aquatic facility.
- Addressing the identified problems helps to unlock the **strategic** benefits of aquatic facilities, which includes:
 - o Learning to swim is a vital life-skill.
 - o Supports aquatic physical activity, rehabilitation and wellness.

- o Provides opportunities for play and enjoyment.
- o Facilitates aquatic sports.
- o Brings people together to connect and socialise.
- o Provides employment and contributes to an appealing town.
- Addressing the identified problems and unlocking the strategic benefits underpins four investment objectives for Thames Aquatic Provision. The Thames Community Board weighted the objectives to reflect varying community expectations:
 - i. Remove Thames Centennial Pool from its site and develop a new facility in a location accessible to the Thames community and resilient to the environmental challenges facing Thames. (5%).
 - ii. Provide sufficient and best-practice year-round water to meet the current and future needs of the local catchment and potential sub-regional catchment (26%).
 - iii. Ensure a balance of fit-for-purpose water to cater for a range of needs, including learning, leisure, therapy, and fitness (22%).
 - v. Ensure a new facility is financially affordable and sustainable for the Council, ratepayers, and community over the long term (47%).
- The best-value aquatic facility is well used, built to last, efficient to operate, and minimises costs (financially and environmentally). This means there needs to be a balance between the social outcomes/impact, the scope/quality of the development and the financial costs. There is no value in developing a new facility that is poorly used or costly to operate.



THAMES AQUATIC PROVISION STRATEGIC CASE



- The **Economic Case** outlines the comprehensive process that reviewed 19 sites and 16 facility options.
- Six options D to I have been evaluated in the business case with 50-year financial cost and delivery against the investment objectives. A summary of the evaluation is outlined on the following page.
- Option G All Indoor, structural fabric local facility on Richmond Street site, with 660m² of all indoor pools, at an estimated capital cost of \$26.2 million, is the strongest option for the following reasons:
 - o Secures aquatic provision for the future.
 - o Located in an accessible and resilient location for Thames.
 - o Provides sufficient, best-practice, year-round, indoor pools to address the District's undersupply of aquatic provision.
 - Provides a balance of water across all four aquatic functions to meet the needs of a wide cross section of the community, including warm-water for a growing, ageing population and fitfor-purpose water for learning to swim.
 - A structural fabric building reduces the cost of the building, but noting manageable risks associated with the structure will require careful design and construction.
 - o Has an average annual cost (over 30 years) of ~\$682 per Thames ratepayer if 100% locally funded.
- The next strongest option is Option F with indoor/outdoor provision. It will meet the majority of needs, except the outdoor 25m pool will be less appealing in cold weather. At an average annual cost ~\$592 per Thames ratepayer, it offers a cheaper option, but still good value.
- The third strongest option is Option H (all indoor traditional building) as it provides all the benefits of Option G without the possible building risks, but it is higher average annual cost at ~\$729 per Thames ratepayer.
- Option E, an all-outdoor 25m pool, is the fourth scored option. While more affordable (~\$325 per Thames Ratepayer), it has weak delivery against objectives 2 and 3 and offers limited value for expenditure. This option is double the cost of the status quo but provides a similar outcome apart from addressing the location on an urupā. This option entrenches the undersupply, imbalance of provision, and not being fit-for-purpose to meet needs.

- Option I Staged Sub-regional is not considered viable unless there is an alternative funding strategy with District and/or Hauraki District partnership funding contribution.
- Option D, with no investment, is not considered viable because Thames would not have aquatic provision. In the 2024 Thames Aquatic community survey, 79% of respondents do not support Option D due to the high value/importance of an aquatic facility.
- The **financial case** outlines the full cost for the preferred option G.
- Possible options for variable funding between Local and District are included, given the current Thames Centennial Pool attracts around 40% of its visits from beyond Thames.
- The external funding landscape is challenging, and it is not recommended funders are approached until a project has been defined. A high level assessment indicates there are some limited external funding avenues, possibly up to \$1 million, although dependent on the timing of application and scope of the project.
- The **commercial case** outlines potential procurement options.
- As the preferred option is based on a structural fabric building, it is recommended early contractor engagement is utilised to obtain specialist input into concept planning.
- The Council could then decide on the procurement method that best suits its needs, considering factors such as the level of design input, acceptable risk level, timeframes, and price sensitivity.
- The management case outlines the delivery requirements:
 - o Project risks, constraints and dependencies.
 - Project governance, including representation from Thames High School and Ngāti Maru.
 - o Stakeholder engagement and management.
 - o Land tenure with Thames High School / Ministry of Education.
 - o Project planning requirements and project closure.
- In deciding on the Thames Aquatic Provision, the Council may wish to consider undertaking further community engagement on the three strongest options to understand the ratepayers' views on affordability and Local versus District funding.

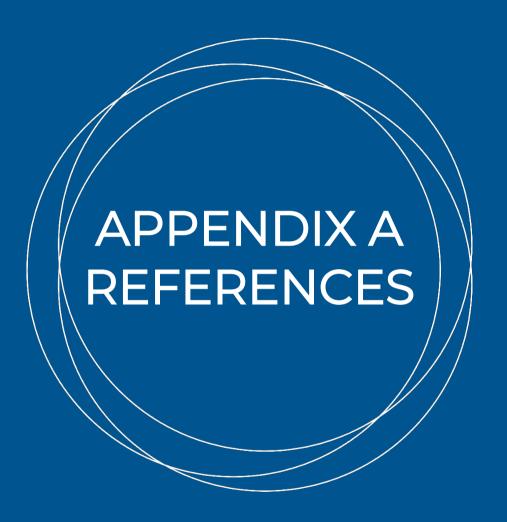
SUMMARY OF THAMES AQUATIC PROVISION OPTIONS

	Option D	Option E	Option F	Option G	Option H	Option I	Option I
Name	No investment		Indoor/ Outdoor			Sub-regional	Sub-regional
		25m pool		Fabric Building		Stage 1	Stage 1 + 2
Location	-	Richmond St	Richmond St	Richmond St		Kōpū South	Kōpū South
Facility Scope	No aquatic facility	<u>Outdoor</u> : 25m x 7 lanes	Outdoor: 25m x 6 lanes Indoor: LTS pool Prog. pool Splashpad	Indoor: 25m x 6 lanes LTS pool Prog. pool Splashpad	LTS pool Prog. Pool Splashpad	Indoor: 25m x 7 lanes LTS pool Prog. Pool Spa, sauna, steam	Indoor: Stage 1 + Leisure pool Fitness centre
Building Style	None	Traditional	Traditional	Structural Fabric		Traditional	Traditional
Water (585m² water required for District)	0m ²	450m ²	660m ²	660m²		673m ²	823m ²
Building	0m²	455m ²	998m²	1,650m ²	1,650m²	2,265m ²	3,257m ²
Estimated visits	Loss of ~35,000	~35,000	~58,000	~61,000	~62,500	~60,000	~82,500
Capital expenditure (Pre-Escalation)	550,000	13,509,000	22,472,000	26,208,000	29,021,000	40,074,000	54,494,000
Operational expenditure (Year 1 inflated)	Saving \$659K	(779,000)	(1,075,000)	(1,098,000)	(1,074,000)	(1,242,000)	(1,692,000)
Cost to Ratepayers - Gross AVERAGE (30Y)	66,000	2,335,000	3,618,000	4,054,000	4,276,000	5,521,000	6,889,000
AVERAGE NET RATEPAYER IMPACT (30Y)							
100% Thames (5,525) <i>(Average)</i>	-148	325	592	682	729	988	1273
100% TCDC District (28,752) (Average)		62	114	131	140	190	245
INVESTMENT OBJECTIVE DELIVERY							
Objective 1: Remove and locate in accessible and resilient location (5%)	No delivery	Strong delivery	Strong delivery	Strong delivery	Strong delivery	Average	delivery
Objective 2: Sufficient & best practice year-round for local and potential sub-region (26%)	No delivery	Weak delivery	Average delivery	Good delivery	Good delivery	Strong	delivery
Objective 3: Balance of fit-for-purpose water for learning, leisure, therapy and fitness (22%)	No delivery	Weak delivery	Good delivery	Strong delivery	Strong delivery	Strong delivery	
Objective 4: Facility is financially affordable and sustainable over the long-term (47%)	Strong delivery	Good delivery	Good delivery	Average delivery	Weak delivery	No delivery (if Thames Ward funded)	
Weighted score (/100)	47.0	57.0	65.3	66.1	57.2	5	1.0
COMMENTS & CONCLUSION							
Commentary – refer to Section 4.12	Not a viable option Significant impact and loss of provision	4 th option Cheapest option, but limited value for expenditure.	2 nd strongest option Will meet majority of community needs	Strongest & most balanced option Unlikely risk with building design	3rd option All benefits but higher cost so may be unaffordable	Not viable for Thames Ward to deliver Could be viable with District funding or partnership with Hauraki District (if available).	

8.2 RECOMMENDATIONS

- 1. The Thames-Coromandel District Council adopt the Thames and Sub-Region Aquatic Provision Business Case, which includes the following four investment objectives for Thames Aquatic Provision:
 - i. Remove Thames Centennial Pool from its site and develop a new facility in a location accessible to the Thames community and resilient to the environmental challenges facing Thames.
 - **ii.** Provide sufficient and best-practice year-round water to meet the current and future needs of the local catchment and potential sub-regional catchment.
 - **iii.** Ensure a balance of fit-for-purpose water to cater for a range of needs, including learning, leisure, therapy, and fitness.
 - iv. Ensure a new facility is financially affordable and sustainable for the Council, ratepayers, and community over the long term.
- 2. The Council select **Option G All Indoor, structural fabric local facility** on the Richmond Street court site with 660m² of indoor water, at an estimated capital cost of \$26.2 million, as the preferred option for the following reasons:
 - o Secures aquatic provision in Thames for the future.
 - o Located in an accessible and resilient location for Thames.
 - o Provides sufficient, best-practice, year-round, indoor pools to address the District's undersupply of aquatic provision.
 - Provides a balance of water across all four aquatic functions to meet the needs of a wide cross section of the community, including warm-water for a growing, ageing population and fit-for-purpose water for learning to swim.
 - A structural fabric building reduces the cost of the building, but noting manageable risks associated with the structure will require careful design and construction.
 - Has an average annual cost (over 30 years) of ~\$682 per Thames ratepayer if 100% locally funded.

- 3. The Council consider if proportional Local / District funding for the Thames Aquatic Facility is appropriate, given the current Thames Centennial Pool attracts around 40% of visits from beyond Thames Community Board area.
- 4. The Council consider whether to engage with the community on the three strongest options to gauge ratepayer views on affordability and the potential for Local versus District funding.
- 5. Once an option is confirmed, the Council complete the necessary project planning which includes:
 - o Establishing project governance with representation from Thames High School Board of Trustees and Ngāti Maru.
 - o Engaging with potential external funders highlighting the strategic benefits of the proposed project.
 - o Determining the procurement strategy including early Contractor Engagement (ECI) to manage design and risks.
 - o Engagement with Thames High School / Ministry of Education to secure tenure for the Richmond Street court site.
 - o Ongoing partnership with Ngāti Maru, particularly around the removal of Thames Centennial Pool from Taipari Park.
 - o Engagement with stakeholders as the project progresses.



This section outlines documents that have been referenced throughout the aquatic provision investigation and in this business case.

DOCUMENT & OWNER	RELEVANT DETAIL
Thames Coromandel District Council Long-term Plans / Te Mahere Pae Tawhiti Thames-Coromandel District Council	 Replacing Thames Centennial Pool was signalled in the 2009-2019 Ten Year Plan. The plan states further evaluation was required to assess when the pool should be replaced. A review of long-term plans since 2009 includes the following: 2009-2019 LTP - the expected useful life of the Thames Pool was estimated to be beyond the 2009 – 2019 Ten Year Plan. Funds were budgeted for 2014/2015 to investigate the pool replacement. 2012–2022 LTP - Council budgeted \$5m for pool replacement in 2020/2021. 2015–2025 LTP - no significant capex was budgeted; \$175,000 was budgeted for renewal work in 2020/2021. 2018-2028 LTP - refers to the intention to replace the pool by 2027 acknowledging the agreement with Ngāti Maru. The budget does not include funds for planning for a swimming pool. 2021–2031 LTP - \$14m budgeted for a renewal (like-for-like) in 2025/2026 (\$6,922) and 2026/2027 (\$7,078).
Thames and Wider Sub-Regional Aquatic Provision Needs Assessment 2022 Thames-Coromandel District Council Prepared by Visitor Solutions	 Outlines the needs assessment for aquatic provision in Thames and the sub-region and includes: Strategic context. Demographic context. Review of the aquatic network in Thames and Eastern Waikato. Review of aquatic participation. Summary of the community engagement including an open community survey of 347 respondents. Needs analysis which collates the findings and provides further considerations. Summary and recommendations.
Thames Coromandel and Hauraki Districts Sub-Regional Location Assessment 2023	Developed as a companion report to the Thames and Sub-Region Aquatic Provision Feasibility Study specifically to consider "Where would it be best to develop a sub-regional aquatic facility to serve Thames-Coromandel and Hauraki districts". The analysis included drive-time catchment analysis, population capture and site suitability assessment and consideration of the level of provision required. The analysis confirmed it is not possible for one site to serve the entirety of the two districts within a 30 minute sub-regional catchment due to the topography and spatial distribution of the population. The report concluded Kōpū South site had the strongest attributes for sub-regional aquatic provision.
Thames and Sub-Region Aquatic Provision Feasibility Study 2024	This report explored and examined potential options in order to answer: "To meet aquatic needs should Thames-Coromandel District Council focus on a local aquatic facility or a sub-regional facility , potentially in partnership with Hauraki District Council?". The analysis included long-list assessment of 19 sites, shortlisted to four sites for detailed investigation. Two sites were identified Thames High School (local aquatic facility) and Kōpū South (sub-regional aquatic facility) as the strongest options.

DOCUMENT & OWNER	RELEVANT DETAIL
Thames Community Leisure Centre Report 2009 Thames-Coromandel District Council Prepared by SGL Group	Review the needs and options for the development of a community indoor court facility (on Thames High School). The options analysis considered the development of a future aquatic facility, contemplated over a longer 10 year timeframe. The report considered an outdoor 25m lane pool with support amenities as the minimum like for like replacement and recommended consideration of other possible options which include an indoor hot water programme pool, fitness centre and indoor lane pool. The preliminary (high-level) options envisioned development on Thames High School, but acknowledged this needed further examination.
Thames Sport and Recreation Facilities Review and Future Directions 2013 Thames-Coromandel District Council Prepared by SGL Group	A comprehensive review of Thames sport and recreation facilities provision including skate, indoor court, aquatic and sport facilities. The report provides an outline of general aquatic demands, markets and trends which informs consideration for the type of aquatic facilities and concludes further analysis is required to consider district wide provision, if not wider sub-regional provision. The report examines potential sites for aquatic provision in Thames but made no conclusions regarding a preferred site. It provides an indicative schedule of facilities and staging and identifies the potential cost at around \$14 to \$15m at 2013 dollars. The report indicated aquatic provision in the future, anticipated 2020 onwards.
Eastern Waikato Sub-Regional Aquatic Facility Feasibility Discussion Report 2017 Thames-Coromandel District Council Prepared by Visitor Solutions	A preliminary feasibility study and business modelling for the development of a sub-regional pool to serve the Eastern Waikato area. The report was intended to help progress discussions around sub-regional partnership approach and should be considered a conceptual starting point for provision. The report examined the network provision and population demand across Thames-Coromandel and Hauraki Districts. A range of sites in Thames / Hauraki were examined with three sites in Thames shortlisted. Preliminary concept design was developed and costed between \$18 to \$22 million (2017 dollars) and an initial business model identified the conceptual facility would required an operational subsidy between \$1.3 to \$1.4 million per annum.
2018 Site Planning Thames-Coromandel District Council Prepared by Architecture HDT	Development of concept plans for a sub-regional pool to serve the Eastern Waikato area. The work contemplated a site south of the airfield. The high-level concept design contemplated a large sport and recreation hub which included an indoor aquatic facility, multi-sport clubroom and sport fields/courts (as a potential replacement to the sport facilities on Rhodes Park).
Eastern Waikato Sub-regional Aquatic Facility Business Case 2019 Thames-Coromandel District Council Prepared by Visitor Solutions	Preparation of a business case for the development of a sub-regional aquatic facility in Thames. The report was intended to inform considerations in the 2021-2031 long-term planning process. The business case outlines the strategic case for aquatic provision based on the strategic direction in the Waikato Regional Aquatic Facilities Plan and the need for all-year round provision to serve the Thames-Coromandel and Hauraki Districts. The business case outlined two design options on land south of the airfield which included a core aquatic facility (25m lap pool, programme pool and leisure pool) and an enhanced option (which included a hydroslide, external splash-pad and function space). The likely capital costs, operational costs and the net financial impact including depreciation and the cost of capital based on these options.

DOCUMENT & OWNER	RELEVANT DETAIL
Thames and Thames Coast Reserves Management Plan 2019 Thames-Coromandel District Council	Confirms the land comprising Taipari Park where the Thames Centennial Pool is located was originally the site of a major burial ground (urupa) for Te Kauaeranga Pa. Under an agreement between Ngāti Maru and Council, the swimming pool will be removed from this site by 2027 and the land returned to Ngāti Maru.
Thames-Coromandel District Sport and Active Recreation Plan 2020 Thames-Coromandel District Council	Developed in collaboration between TCDC and Sport Waikato to provide a coordinated, collaborative, and clear plan to lead, enable, and guide future provision of sport, recreation and physical activity opportunities for the people of Thames-Coromandel District. This plan recommends for Thames Replacement Pool / Sub-Regional Pool "continued investigation and development of business case to confirm the scale of facility to meet the needs of the community. Collaboration with Hauraki District to promote the concept of sub-regional facility with the inclusion of users from other districts".
Thames Open-Space and Community Facilities Strategy 2020 Thames-Coromandel District Council	Focuses on the open spaces and community facilities owned by the Council to ensure provision of appropriate quantity and quality in the right places to meet the changing needs of communities. The Strategy outlines the following policy for swimming pools: "Council will continue to provide a pool facility in Thames and will continue to investigate the options for replacement of the Thames Centennial Pool, including its location, scale and funding."
	Key actions include confirm the location and timing for replacement of Thames Centennial Pool. Finalise a needs assessment, continue to consult with Hauraki District Council, Waikato Regional Council and Sport Waikato and consult through the 2021-2031 Long-term Plan on options.
Thames Community Plan 2020 Thames-Coromandel District Council	The plan helps the Council to understand what is important to the community, allowing the Council to make informed decisions on prioritising and funding services and activities through the review of the Long-term Plan.
Thames and Surrounds Spatial Plan 2022 Thames-Coromandel District Council	 An evidence-based, future-focused (30-year plus) strategy that outlines an agreed vision and direction for Thames and surrounds. The plan helps to plan for future prosperity, identify areas for growth and change, and promote the aspirations of the district's iwi. It is an important umbrella project and identifies: The need for more housing to meet demand. There is a high cost to access infrastructure and access to developable land due to terrain. Thames is the economic powerhouse of the Coromandel, but businesses struggle to recruit workers due to lack of housing. Thames will be impacted by coastal inundation due to rising sea levels in the future.
Shoreline Management Pathways Report 2022 Thames-Coromandel District Council	Sea-level is a significant challenge facing Thames-Coromandel given the 400km of coastline in the District. The Shoreline Management Plan analyses the risks associated with sea-level rise and considers potential options to respond to these options. The report highlights a significant portion of Thames is at risk of coastal inundation and outlines 138 pathways to respond to specific risks along the coastlines.

DOCUMENT & OWNER	RELEVANT DETAIL
Historical Investigation into Burial Grounds shown on ML1268 Thames, February 2015 Prepared by Schwarz Consultancy Ltd for Thames-Coromandel District Council	A report on the historical investment into two burial grounds shown on ML Plan 1268. The investigation was able to identify the exact position and extent of the two burial grounds. The investigation reveal that ownership of a major portion of the former burial grounds lies with the Thames-Coromandel District Council with a small balance in private ownership. The research sought to establish how the Council obtained ownership. The research reveals the Council obtained ownership with an element of compulsion from the Māori owners, although legally acquired under the law that existed at the time.
Hauraki District Sport and Active Recreation Facility Plan 2018 - 2028. Hauraki District Council	Adopted in August 2019, the purpose is to guide facility development and investment, ensuring a strategic approach to future provision. The plan refers to the proposed cross-boundary partnership project listed in the Waikato Regional Sports Facilities Plan 2017 for an indoor 25m community pool (potential Thames-Coromandel, Hauraki and/or Matamata Piako District Councils). The report highlights this may have cross-boundary implications for Hauraki.
Waikato Regional Aquatic Facilities Plan 2017 Sport Waikato Prepared by GLG	Considers the need for aquatic provision across the Waikato region. Highlights a range of issues including a gap in the provision all-year provision in Thames-Coromandel and Hauraki District. The plan recommends development of additional 987m² of pool area to serve both Thames-Coromandel and Hauraki District undertaken through a partnership approach with a focus on meeting the needs of an aging population. Facility Design: All new or refurbished facilities should: Prioritise flexible spaces to future proof facilities to meet the needs of an aging population. Include learn to swim, warmer programme water and other income generating activities e.g. fitness and activity rooms Careful consideration of the balance between competition / training and other aquatic users.
Waikato Aquatic Strategy Demand Update 2024 / 2025 Sport Waikato	Sport has commissioned updated analysis of aquatic provision for the Waikato Aquatic Strategy. Preliminary findings have been provided for Thames-Coromandel which identifies Thames-Coromandel District has an under-supply of year round aquatic provision, at approximately 210m2. There is also a significant undersupply of leisure water which includes provision for hydrotherapy and relaxation.
Moving Waikato, 2020 Sport Waikato	 Vision: Everyone out there and active. Priorities: Our People – focus on provision of quality opportunities that meet the needs of the people of our region. Building Communities – focus on quality local delivery of play, active recreation, and sport experiences. Regional Leadership – focus on regional and national partners working together to lead change and enhance outcomes. Focus area: Rangatahi (12-17 years), Tamariki (5-11 years) and Tamariki MoKōpū na (0-4 years).

DOCUMENT & OWNER	RELEVANT DETAIL
Waikato Regional Active Spaces Plan 2024 (4 th edition) Sport Waikato	Provides a high-level strategic framework for planning and optimising play, active recreation and sport facilities across the region. The plan is focused on retrofit first, build lean, build efficient, build to last, and build for reuse, with an emphasis on:
	 Active Environments: ability to participate anywhere. Adaptable Spaces: meeting lifelong participation needs and a range of users. Social Spaces: lead to greater community connection outcomes. Sustainable Planning: resilience and meeting environmental goals. The Plan includes an action to complete the business case for an appropriate sub-regional indoor aquatic
	facility for Thames Coromandel / Hauraki.
National Aquatic Facilities Strategy 2023 Sport New Zealand	Commissioned by Sport New Zealand and written by Global Leisure Group Ltd. This strategy sets the direction of change to inform investment into the Aotearoa New Zealand aquatic facility network. It provides guidance on what is required to transition and transform the current and future aquatic network to best meet community need. The Strategy identifies at a national level, total water space available for community access needs to increase by 16% by 2038 to meet forecasted demand. The Strategy also found there is not enough fit for purpose aquatic facilities to meet the demands of the leisure and play participant now and in the foreseeable future. More pool water space is required for aquatic competence development as a transgenerational investment in reducing deaths from drowning.
New Zealand Spaces and Places Framework 2024 Pou Tarāwaho mō ngā Takiwā me ngā Wāhi o Aotearoa for play, active recreation and sport Sport New Zealand	The framework has been developed by Sport NZ for use by anybody planning or making decisions about spaces and places for physical activity. To achieve the vision of Every Body Active, we must ensure that the spaces and places where New Zealanders are physically active are accessible, meet their needs and enable quality experiences. This requires better planning and decision-making about the play, active recreation, and sporting environments and facilities we develop, much of which will happen at a regional or local level. The revised 10 Principles in the Spaces and Places Framework provide guidance for planning, developing, funding, and managing active environments and facilities, by building on the gains of improved planning and decision making over the last 10 years and facing up to some of the new challenges.
Active New Zealand survey 2020-21 – Waikato Region Sport New Zealand / Sport Waikato	 The Active New Zealand Survey provides insights on participation in sport and recreation activities. The following data was taken from the 2020-21 survey for Thames-Coromandel District Council: 81% of adults over 18 years see physical activity as an essential part of their life, with 87% recognising being physically active is important for their mental health and wellbeing. 34% of adults undertook swimming in the last 7 days, one of the top five activities in the District. This is distinctly different from other districts, where jogging or playing games featured highly. For young people under 18 years, 94% of young people were physically active in the last 7 days but swimming did not feature in the top five activities. Swimming events like ocean swims were one of the top 5 activities for events for young people. Key implications for providers include catering for differences in gender, ethnicity, and age, cater for a diverse range of motivations, provide exclusive offers, consider barriers and make it fun.

DOCUMENT & OWNER	RELEVANT DETAIL
Social, Health and Economic Benefits of the Australian National Aquatic Industry, July 2021 Royal Life Saving Australia PWC	 This report commissioned by Royal Life Saving Australia and prepared by PwC, provides an assessment of the economic, health and social benefits that accrue to individuals, communities and society as a result of activities undertaken across the Australian aquatic industry. It reinforces the myriad of ways that the aquatic industry benefits the Australian community. For example: As a driver of economic activity throughout Australia, employing the equivalent of 33,600 full time employees and adding \$2.8 billion to gross domestic product (GDP). As a generator of health benefits of \$2.5 billion, ranging across a reduction in the burden of disease, improved mental health outcomes, reduced absenteeism, and fewer childhood drownings. As a provider of \$3.8 billion's worth of social benefits such as: enhancing an individual's leisure time or creating increased life satisfaction; by bringing people together; supporting more vulnerable groups; and supporting early learning.
The Social Impact of the National Aquatic Industry, November 2021 Royal Life Saving Australia Swimburne Sport Innovation Research Group	This report was commissioned by Royal Life Saving Australia to inform a deep understanding of the social impacts that eventuate from engagement with aquatic facilities and swim schools, as well as presenting key foundations and optimal conditions for their delivery. Specifically, the report focuses on social impact, and provides a framework of social impact infrastructure inclusive of people, places, policies and programs – all of which are critical to the continued and sustainable delivery of social impacts.



As an open survey, the sample is self-selecting and, therefore, cannot be viewed as representing the views of the overall population.

10.1 SNAPSHOT OF KEY FINDINGS

1 472	Good spread of age-groups
1,472 RESPONDENTS	70% reside in Thames (997).
KESI SINBENIS	30% reside beyond Thames (460).
	66% used Thames Centennial Pool last 2 years:
POOL USERS	- More likely under 50 years.
	- More likely reside in Thames.
	34% haven't used Thames Pool in the last 2 years:
	- No particular reason (24%).
NON-USERS	- Pool is too cold / not appealing (20%).
	- Don't like the pool's location (16%).
	- Use other pools (15%).
HIGH	81% of respondents (1,157) rate aquatic provision as high or vital importance:
IMPORTANCE	·
OF AQUATIC PROVISION	More likely under 65 Years.More likely reside in Thames.
	94% learn to swim is an important life-skill.
REASONS FOR	'
HIGH	81% for aquatic fitness.
IMPORTANCE	70% pools are fun for playing around.
	67% support aquatic rehabilitation.
CMALL CROUP	8% of respondents (109) rate aquatic provision as
SMALL GROUP OF LOW	having no or very little importance.
IMPORTANCE	- More likely over 65 years.
- More likely reside Beyond Thames.	
LOW	62 respondents: there are more important things.
IMPORTANCE	51 respondents: can make do with other pools or
REASONS	places to swim.

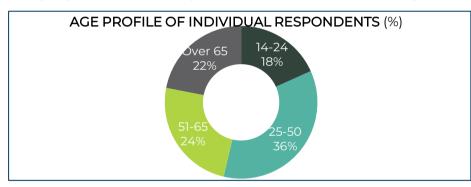
IMPORTANCE OF COUNCIL INVESTMENT	79% (1,141) rate investment by the Council in a new swimming pool as high or vital importance. 9% rate investment by the Council as having no or very little importance.	
OPTION A THS All indoor	Most liked features: mix of pools & outdoor area.	
pool	Most disliked features: location & all indoor pools.	
OPTION B	Most liked features: indoor pools & outdoor area.	
THS indoor/ outdoor pool	Most disliked features: location & outdoor pool (although over half liked the outdoor pool).	
OPTION C	Most liked features: pool design features.	
Kopu South Sub-regional	Most disliked features: location.	
pool	42% provide comments: lots of opposing ideas.	
	79% of respondents do not support Option D:	
OPTION D	 703 respondents commented about the value of pools and/or the importance of investment. 	
No investment	11% of respondents support Option D:	
in aquatic provision	- 89 respondents commented a pool is too expensive and used by a minority of people.	
	11% are unsure.	
	Option B is the highest ranked option at 1.8/4.	
RANKING OF	Option C is the second ranked option at 1.9/4. But, 54% of respondents select as their 1st preference.	
OPTIONS	Option A is the third ranked option at 2.3/4.	
	Option D is the least preferred option at 3.6/4, with 83% selecting this as their 4 th option.	
IMPACT	69% of respondents are likely to increase use if preferred option is delivered.	

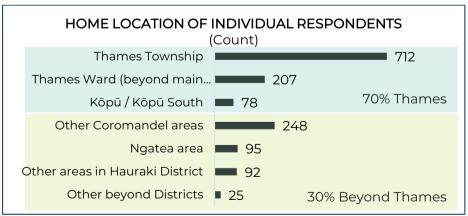
10.2 RESPONDENTS

Community engagement involved both an online and paper survey. Two open-day sessions were held to provide an opportunity to ask questions. As an open survey, the sample is self-selecting and, therefore, cannot be viewed as representing the views of the overall population. Analysis was undertaken to ensure the sample was not manipulated (such as duplicate responses).

The survey was completed by 1,457 individuals and 15 organisations. Two written submissions were also received. None of the questions were compulsory, so the total sample for each question varies.

The individual respondents represent a good cross-section of ages and geographic areas. Analysis is provided across these sub-groups.

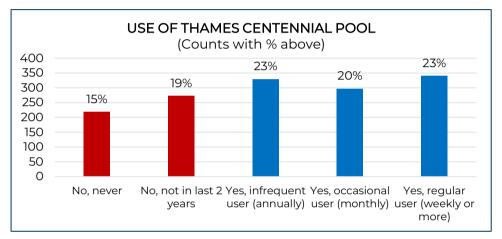


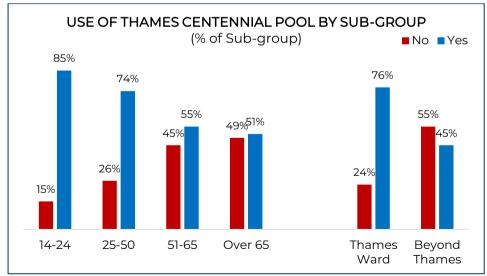


10.3 POOL USERS

Question: Have you visited Thames Centennial Pool in the last 2 years?

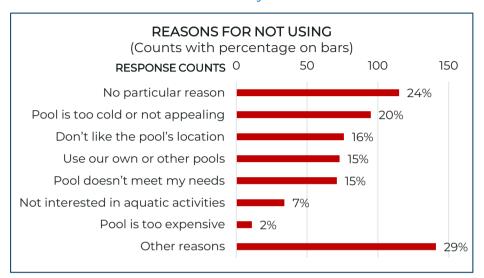
66% of respondents visited in the last 2 years, 34% have not. Users are more likely to be younger and reside in Thames, although a good proportion of the respondents beyond Thames have visited, particularly those in the Ngātea and Other Hauraki areas.





10.4 REASONS FOR NOT VISITING

Question: Are there any particular reasons why you have not visited Thames Centennial Pool in the last 2 years?



Other reasons include:

- New to Thames, not aware or still settling in.
- Too far away.
- Impact of Covid or health issues.
- Location on an urupā (15 respondents).
- Not indoor, cold experience.

Differences by age groups:

- 14-24 years: more likely to be no reason or not interested.
- 25-50 years: more likely pool is too cold, doesn't meet needs or doesn't like the location.
- 51+ years: more likely to be other reasons (health and too far away).

Differences by geographic areas:

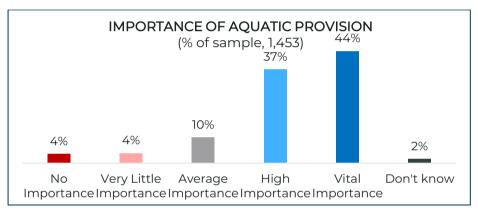
- Thames: more likely no reason or the pool is too cold.
- Beyond Thames: more likely pool location or use own/other pools.

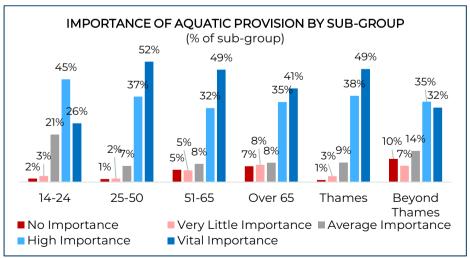
10.5 IMPORTANCE OF AQUATIC PROVISION

Question: How important is the provision of a public swimming pool to serve the Thames community?

81% of respondents (1,157) rate provision as high or vital importance. 8% of respondents (109) rate provision as no or very little importance.

Rating higher importance is more likely from respondents under 65 years and living in Thames. Rating no importance is more likely from respondents over 65 years and living beyond the Thames.





10.6 REASONS FOR HIGH IMPORTANCE

Question: Why is aquatic provision important? [Answered by 1,301 respondents who selected aquatic provision as average, high or vital importance.]

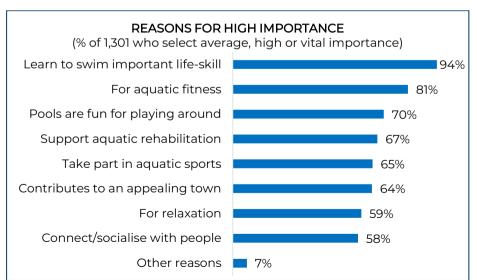
Supporting learning to swim is overwhelmingly the most important reason for valuing aquatic provision, selected by 94% of respondents who rated aquatic provision as average, high or vital importance. There are similar ratings by all age groups and geographic areas.

81% of these respondents identified enabling aquatic fitness. Respondents aged 14-24 years are less likely to select this reason.

'Swimming pools are fun for playing around' was selected by 70% of these respondents. Those aged over 50 years and living beyond Thames are less likely to select this reason.

Supporting aquatic rehabilitation was selected by 67% of these respondents. It was less likely to be selected by respondents aged 14-24 years and more likely by respondents over 50.

Contributing to an appealing town and for relaxation is more likely to be selected by respondents living in the Thames.



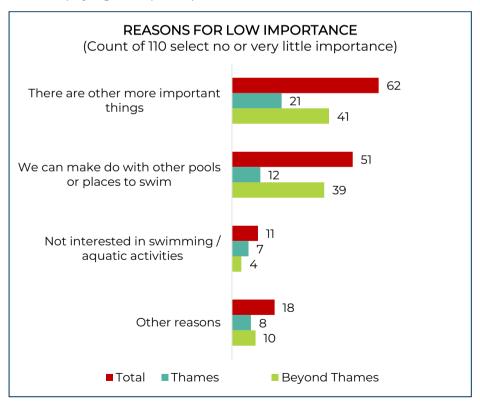
10.7 REASONS FOR LOW IMPORTANCE

Question: Why is aquatic provision not important? [Answered by 110 respondents who selected aquatic provision as having no or very little importance.]

75 of the 110 respondents who rate aquatic provision with low importance reside Beyond Thames (68%), and 35 reside in Thames (31%).

Key reasons include 'there are other, more important things', cited by 62 respondents (56%) and 'making do with other pools or places to swim', cited by 51 respondents (46%).

Other reasons include concern about the cost and residents beyond Thames paying for aquatic provision in Thames.



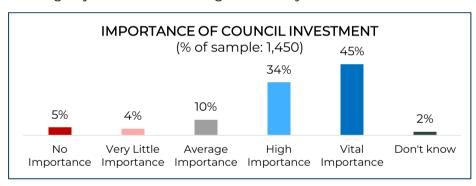
10.8 IMPORTANCE OF COUNCIL INVESTMENT

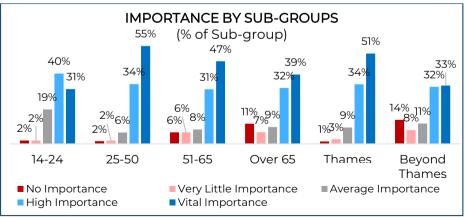
Question: How important is investment by Council in a new swimming pool?

Similar to aquatic provision, 79% of respondents (1,141) rate council investment in a new swimming pool as high or of vital importance. Nine percent of respondents (133) rate investment as having no or very little importance.

Respondents aged 25-50 years and residing in Thames were more likely to see investment as 'vital importance'. Those aged 14-24 years were more likely to see investment as 'high importance'.

A 'no importance' response was more likely from respondents residing beyond Thames and aged over 65 years.





10.9 REASONS

Question: Why did you rate Council's investment in a pool this way?

Respondents had an open opportunity to explain their reasons for rating Council's investment as they did. This was answered by 1,121 respondents (77%), with responses more likely by those citing no or very little importance (87%) or vital importance (82%). A sample of common reasons are outlined below.

COMMON REASONS BY RESPONDENTS RATING HIGH IMPORTANCE

- "Every town should have a pool."
- "A pool is a big part of the community and can be used by all ages"
- "A community needs a public pool for exercise and water safety."
- "Learning to swim is a vital skill as the Coromandel Peninsula is surrounded by water."
- "Much needed facility for health and well-being."
- "An indoor pool is needed for both sun safety and all year use."
- "For social and educational needs and rehabilitation purposes."
- "A very important part of any thriving town or district. We can't afford any further depletion of assets or attractions in the area."
- "Investment in the future wellbeing and prosperity of Thames. Council exists to ensure our communities have a good quality of life, both now and in the future. Having a pool is essential for Thames to be a desirable place to live, work and play."
- "Activities for the whole family are very limited in Thames. This is one place everyone can enjoy."
- "Creating great childhood memories."

COMMON REASONS BY RESPONDENTS RATING LOW IMPORTANCE

- "A lot of money for a facility used by a small population segment."
- "Nice to have, but too expensive."
- "Council has bigger things to spend our money on."
- "Any new pool should be funded by Thames residents and ratepayers. The TCDC has more essential services to be funded and a new pool would only benefit Thames residents."
- "Rates are high enough, the country is in a recession."
- "I live on the other side of the Peninsula, and we don't have a pool, so Thames can do without one."

10.10 VIEWS ABOUT OPTION A

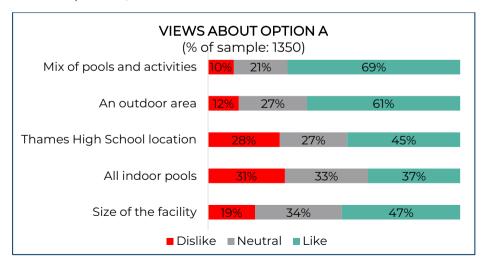
Question: What do you think about Option A? Option A is located on Thames High School and an indoor facility with 800m² water: 25m pool, teaching pool, programme pool and splashpad.

The most liked features of Option A are the mix of pools and activities and the provision of an outdoor area.

The most disliked features of Option A are the location on Thames High School and facilities are all indoor pools. However, an equal proportion respondents rated "all indoor pools" as liked and disliked. This indicates a mix of views on the provision of indoor pools.

345 respondents (23%) provided comments on Option A, which are summarised as follows:

- Like the central location, accessible to the Town.
- Concerned about the location of Thames High School due to parking flowing onto the street, the public's ability to access the facility during the school day, and the impact on the high school.
- Opposing comments about being too small or too grand.
- Concern about the mixing of school students and the public.
- Wanting other design features such as hydroslide and deeper pool.
- Too expensive, TCDC can't afford it.



10.11 VIEWS ABOUT OPTION B

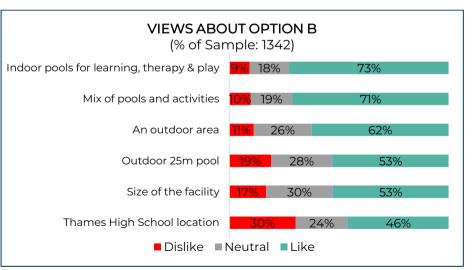
Question: What do you think about Option B? Option B is on Thames High School and comprises 800m² water with outdoor 25m pool and indoor teaching pool, programme pool and small splashpad.

The most liked features of Option B are the indoor pools for learning, therapy, and play and the mix of pools and outdoor areas.

The most disliked features of Option B are the location on Thames High School and the outdoor 25-meter pool. Interestingly, a much greater proportion liked the outdoor 25-meter pool compared to liking all indoor facilities in Option A. This suggests more respondents favour the outdoor pool over an indoor 25-meter pool.

342 respondents (23%) provided comments on Option B, which are summarised as follows:

- Similar comments as Option A on the central location, school location, parking, public access and impact on the school.
- Cheapest option.
- Opposing comments about preferring an outdoor pool against the need for an all-year indoor heated pool.
- Make sure the outdoor pool is heated.



10.12 VIEWS ABOUT OPTION C

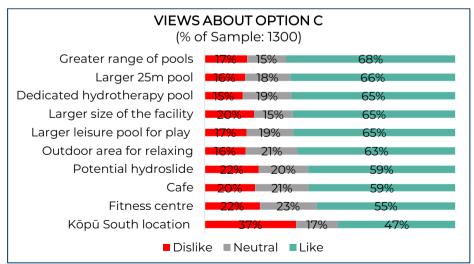
Question: What do you think about Option C? Option C is located at Kopu South and comprises 1,100m² water with indoor 25m pool, teaching pool, hydrotherapy pool, leisure pool, café and fitness centre.

Option C has a range of features (the larger facility, pools, and aquatic features) liked by 55% to 68% of respondents.

The most disliked feature of Option C is the Kopu South location by 37% of respondents.

617 respondents (42%) provided comments on Option C, which are summarised as follows:

- Opposing views on location being too far from Thames or being accessible to the wider sub-regional community.
- Opposing views on the scale being visionary or too grand.
- Opposing views about providing regional benefits or unsure of the benefit for the region.
- Too expensive and most expensive option.
- Concern about funding and impact on rates.
- Value of the design providing a wide range of benefits.
- Will need public transport options.

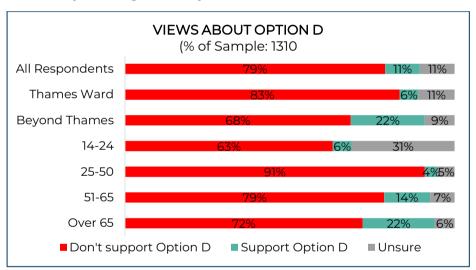


10.13 VIEWS ABOUT OPTION D

Question: What do you think about Option D? Option D involves not investing in aquatic provision and demolishing Thames Centennial Pool.

79% of respondents do not support Option D, while 11% support it and 11% are unsure. Opposition against Option D is more likely among those residing in Thames and those aged 25-50.

Support for Option D is more likely by those residing Beyond Thames, aged 51-65 years and over 65 years. Those unsure about Option D are more likely to be aged 14-24 years.



838 respondents (57%) provided comments on Option D, illustrating this option provoked far more responses than other options.

Those that do not support Option D (703), sample comments:

- "A swimming pool is a vital community asset."
- "Not having a swimming pool is a backward step, causing a loss of amenities and contributing to the death of Thames."
- "Value of swimming pool and the wide range of benefits to the community, i.e. learn to swim, fitness, health, fun, wellbeing, rehab."

Those that support Option D (89) sample comments:

- "A swimming pool is too expensive, and there are other priorities."
- "Only a minority use a swimming pool."
- "Keep the existing swimming pool."
- "Timing is not right."
- "Use beaches or other water bodies for swimming."

Those that were unsure about Option D (46) sample commentS:

• "Unsure about the cost of swimming pool development."

10.14 RANKING OF OPTIONS

Question: How would you rank the options in order with 1 being your most preferred option and 4 being your least preferred option.

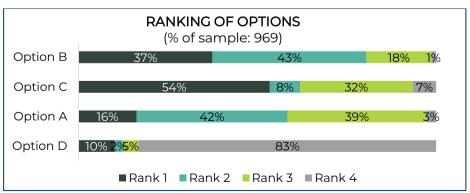
A ranked score is calculated according to the proportion of respondents selecting each rank, to provide a score out of 4.

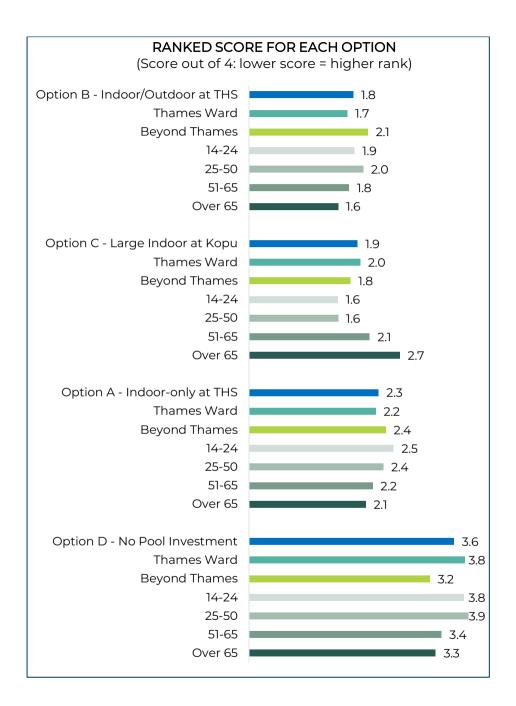
Overall, Option B has the highest ranked score at 1.8/4. 37% of respondents ranked it as number 1 and 43% ranked it as number 2.

Option C is the second highest score at 1.9/4. However, 54% of respondents ranked it number 1 and 7% ranked it as number 4.

Option A is the third scored at 2.4/4. 16% of respondents ranked it number 1. 42% ranked it second and 39% ranked it third.

Option D is the least preferred option with a ranked score of 3.6/4. 83% of respondents ranked it fourth.





Looking at the different respondent sub-groups, there are some variations in option rankings, summarised in the following table.

SUB-GROUP	#	FIRST	SECOND	THIRD	FOURTH
Thames	678	Option B	Option C	Option A	Option D
Beyond Thames	286	Option C	Option B	Option A	Option D
Age 14-27Y	147	Option C	Option B	Option A	Option D
Age 25-50Y	415	Option C	Option B	Option A	Option D
Age 51-65Y	232	Option B	Option C	Option A	Option D
Age 65+Y	201	Option B	Option A	Option C	Option D

Thames (678 respondents):

- 1. Option B: 1.7/4. 42% ranked as their 1st and 44% as 2nd preference.
- 2. Option C: 2.0/4., 50% ranked as their 1st preference.
- 3. Option A: 2.2/4. 19% ranked as their 1st preference.
- 4. Option D: 3.8/4. 90% ranked as their least preferred option.

Beyond Thames (286 respondents):

- 1. Option C: 1.8/4. 63% ranked as their 1st preference.
- 2. Option B: 2.1/4. 26% ranked as their 1st preference.
- 3. Option A: 2.4/4. 10% ranked as their 1st preference.
- 4. Option D: 3.2/4. 68% ranked as least preferred, 23% ranked as 1st preference.

Aged 14-24 years (147 respondents):

- 1. Option C: 1.6/4. 68% ranked as their 1st preference.
- 2. Option B: 1.9/4. 32% ranked as their 1st preference.
- 3. Option A: 2.5/4. 10% ranked as their 1st preference.
- 4. Option D: 3.8/4. 87% ranked as their least preferred option.

Aged 25-50 years (415 respondents):

- 1. Option C: 1.6/4. 69% ranked as their 1st preference.
- 2. Option B: 2.0/4. 25% ranked as their 1st preference.
- 3. Option A: 2.4/4. 13% ranked as their 1st preference.
- 4. Option D: 3.9/4. 94% ranked as their least preferred option.

Aged 51-65 years (232 respondents):

- 1. Option B: 1.8/4. 45% ranked as their 1st preference.
- 2. Option C: 2.1/4. 43% ranked as their 1st preference.
- 3. Option A: 2.2/4. 20% ranked as their 1st preference.
- 4. Option D: 3.4/4. 75% ranked as their least preferred, 17% ranked as their 1^{st} preference.

Aged over 65 years (201 respondents):

- 1. Option B: 1.6/4. 56% ranked as their 1st preference.
- 2. Option A: 2.1/4. 54% ranked as their 2nd preference.
- 3. Option C: 2.7/4. 56% ranked as their 3rd preference.
- 4. Option D: 3.3/4. 70% ranked as their least preferred, 20% ranked as their 1st preference.

10.15 IMPACT OF PREFERRED OPTION

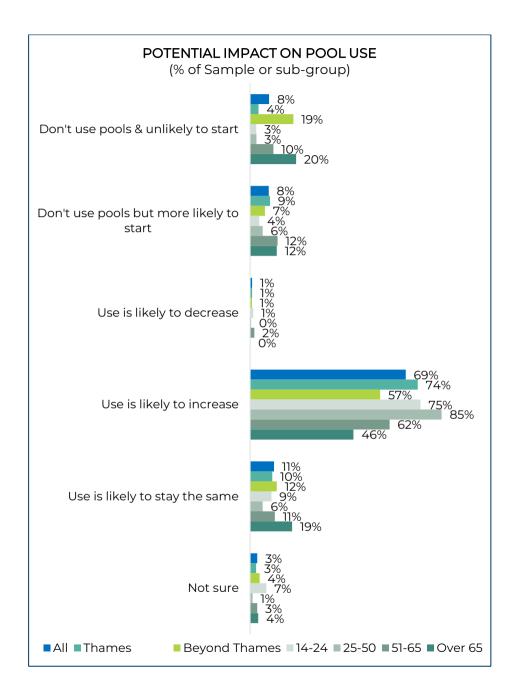
Question: If your preferred option was delivered, what is the likely impact on future use?

69% of respondents stated their use is likely to increase if their preferred option is delivered. Respondents more likely to state this, are those residing in Thames, aged 14-24, 25-50, and 51-65 years.

11% of respondents state their use is likely to stay the same, with those aged over 65 years more likely to state this.

8% of respondents state they don't currently use pools but are more likely to start, with those aged 51-65 and over 65 years more likely to state this.

8% of respondents state they don't use pools and are unlikely to start, with those aged over 65 years and residing beyond Thames more likely to state this.



10.16 FINAL RESPONDENT COMMENTS

Question: Do you any final comments you would like to make about future aquatic provision in Thames.

261 respondents provided final comments, 18% of respondents. The comments are summarised as follows:

- 54 respondents expressed the need for action to deliver a swimming pool and an asset the community needs. Example: "Don't muck around. Get on with it as the longer it's left, the more expensive it becomes."
- 53 respondents noted the vision of Option C to raise the appeal of Thames and attract new people to live and visit the area. Examples: "If option C is made and the hydro slide was too then so many people would come to Thames for the pool". "We need a complex with all options available. Do it once and do it right and we will reap the benefits in the future".
- 50 respondents raised concerns about the cost of the options and the need to find an affordable option. Examples: "Provide a cost effective local pool that matches need with ability to fund". "Don't do it. Far too costly on a low income/ high retirement population. And asking (well telling) out of town rate payers they will need to contribute is stupidity. Think about the people!!"
- 16 respondents expressed that other areas have aquatic needs that need to be considered. Examples: "Establish a community pool/s in Whitianga for those who do not have access to this service. Why should the larger main centres in NZ have this service but the council threatens to take this away from communities in the peninsula. There should be community pool/s based in BOTH Thames and Whitianga."
- 8 respondents suggested alternative sites or design options.
- 8 respondents raised concerns about the Thames High School in terms of public accessibility to the facility during the school day.
- 6 respondents raised concerns about the distance of Kopu South.

There was a range of other comments.

10.17 WRITTEN SUBMISSIONS

SPORT WAIKATO

Sport Waikato provided a comprehensive written submission with a summary outlined below.

On behalf of the people of Thames-Coromandel, Sport Waikato thank TCDC for planning and investment into play, active recreation and sport outcomes, including the outlined investment for Thames Community Pool Facility in Council's Draft Long Term Plan.

Sport Waikato support the investment outlined in the long-term plan for the new Thames Community Pool Facility and support the findings outlined in the needs and feasibility studies for this project completed by Visitor Solutions. We support options that:

- Caters for the needs of the Thames community and wider catchment.
- Provide year-round aquatic solutions that cater for aquatic demand with the rising participation across aquatics spaces that provide leisure, play, relaxation and warm water provision such as hydrotherapy, along with the need to provide spaces for water competence (i.e Learn to Swim).

The Waikato is home to many natural waterways, including rivers, streams, beaches and lakes. This highlights the importance of water confidence and safety among people in the region, including sufficient spaces and places to build these capabilities. We also know:

- Levels of dissatisfaction among Thames-Coromandel residents with aquatic provision are higher than the regional average with 56% of the community indicating they are dissatisfied with what is currently offered to them in the District (Regional Community Survey 2022).
- There is an over-supply of cooler temperature and lane (rectangular) water space and an undersupply of leisure, play, relaxation, and hydrotherapy water space, with limited flexibility to meet changing demand and changing demographics (aging population and growth in young families) 67% of total demand is summarised as leisure, play, relaxation.

- There is a current deficit in aquatic provision of 987m² of year-round pool space across the Thames-Coromandel and Hauraki communities, which will increase to a deficit of 1,096m² by 2038 if no additional pool space is added (Waikato Regional Aquatic Facilities Plan, 2017). Further findings in 2024, have outlined that there is a significant shortfall of aquatic spaces that provide 'aquatic competence' (i.e learn to swim) and 'leisure, play and relaxation' with a combined total of 50% of Thames-Coromandel aquatic provision (water space) catering for these two categories versus and national demand benchmark of 84%. Year-round facilities (indoor, non-seasonal pools) are the typical aquatic spaces that service participation across these two categories.
- Swimming remains a popular activity across all age groups in the Thames-Coromandel District it is the 4th most popular activity across youth age groups (5-11years, 12-17 years) and the 6th most popular activity for adults (18+ years).
- Findings from the Thames and Sub-Region Aquatic Provision report highlights only 59% of current visitors to the Thames Centennial Pool are from Thames, which highlights the role the current pool plays in district wide and sub-regional aquatic provision. This therefore needs to be considered as part of the planning, including facility location and aquatic offerings and components.
- Between 2023 and 2024, Swimming Waikato provided water safety education to 28 schools, supporting 153 primary school teachers and 3,069 pupils (41 additional needs) across the sub-Coromandel and Hauraki, highlighting the role these aquatic spaces play in developing water safety skills.

PRIVATE SUBMISSION

A private submission is written in full below.

"There are at least two additional options. That the residents and ratepayers throughout the Coromandel clearly advise that TCDC proposed expenditure for a new Aquatic Centre in Thames, the existing pool and all future ongoing operating costs are also funded entirely by Thames residents and ratepayers.

The Council removes its Thames centered thinking and develops a strategy for all community swimming pool throughout the peninsula in Whangamata, Whitianga and Coromandel all located on school sites. These pools are community-based pools managed by local communities.

In the case of the Whangamata Community Swimming Pool built in 1991 by locals, it is now undergoing major development, heat pumps have been installed, the main pool is being refurbished, there are plans for a purpose built heated covered Learn to Swim/Therapeutic pool all of which is at a fraction of the cost of what is proposed in Thames.

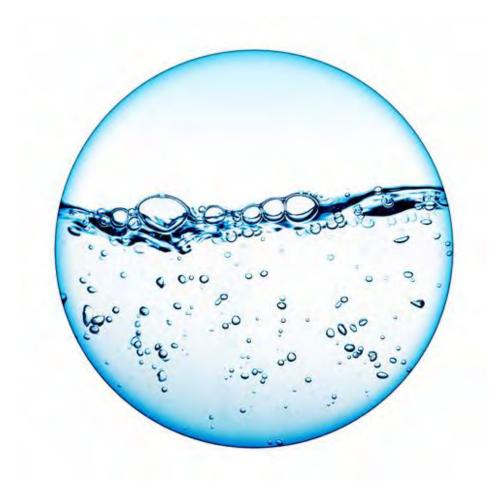
With some creative thinking, instead of spending millions on one pool, TCDC could provide each of the community pools \$1,000,000. In the case of Whangamata Community Swimming Pool this would complete the pool refurbishment, build the Learn to Swim/Therapeutic pool, install solar panels that will reduce the cost of power significantly. In addition, TCDC could implement an annual grant (with KPIs) of \$200K. This would remove the worry about staffing, running costs and unexpected maintenance, that volunteer committees deal with on an annual basis.

Community pools provide a cost-effective aquatic experience in smaller centers, Thames is a small center, if Thames residents and ratepayers decide they require a \$40 million aquatic facility, then we believe they can pay for it."



Deloitte.





Thames Coromandel District Council – Aquatic Provision

Financial Analysis - Options Assessment

Deloitte.



Visitor Solutions Limited Attention: Anita Coy-Macken Level 2 8 Teed Street Newmarket Auckland 1149

30 May 2024

Dear Anita

Visitor Solutions: Thames and Sub-Region Aquatic Provision Feasibility Study

We enclose our Financial Analysis (Report) prepared for Visitor Solutions Limited (you, the Client, or Visitor Solutions), in relation to the feasibility study undertaken by Visitor Solutions for the Thames Coromandel District Council (TCDC).

Our financial analysis has been prepared on the preliminary options identified within the feasibility study.

This analysis and report has been prepared for Visitor Solutions Limited in accordance with our engagement letter dated 3 April 2024. We consent to this analysis being incorporated into a Visitor Solutions wider report in connection with the feasibility study for the Thames Aquatic Provision subject to us having the opportunity to review and approve how it is incorporated into the wider report.

Yours faithfully

Scott McClay

Partner

Kyle CallowDirector

for Deloitte Limited (as trustee for the Deloitte Trading Trust)

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Options Analysis | Introduction

The Thames Aquatic Provision options have been modelled over a 50-year period based on \$1.9m funding from depreciation reserves, and the remaining debt funded for the upfront capital costs.

Background and Overview of Approach

- Thames Coromandel District Council (TCDC) has appointed Visitor Solutions to complete a feasibility study for Thames Aquatic Provision ('TAP')
- Our involvement in the feasibility study is restricted to the development of a
 financial model ('the model') for the potential provision options (Indoor Facility
 at Thames High School, Indoor/Outdoor Facility at Thames High School, Subregional Facility at Kopu South and 'No Investment" option) based on estimated
 costings, market analysis, visitor numbers and operating model inputs.
- The expected annual costs of the Thames Aquatic Provision options were determined through the development of the model. The costs comprise:
 - Capital costs for the TAP development, design and construction of the facility (including a provision for the demolition of the current site).
 - Operating costs and revenues relating to the operation of the facility.
 - Lifecycle costs covering the refurbishment of the facility components.
- The financial model was constructed based on costs, revenue and funding assumptions and estimates obtained from TCDC, MPM Projects (Quantity Surveyors), and recreational facility experts including Visitor Solutions and other public sources of information.
- The operating model estimates the costs and revenues associated with the operation over a 50-year period post construction. We have modelled the operations on a standalone basis and therefore excluded existing operations.
- A summary of the key inputs and assumptions utilised within the modelling, and their respective sources are detailed opposite.

Construction Timing (option dependent)	Item	Assumption	Source
Construction and Life Cycle Costs Longer –term rates based of Treasury forecasts. Discount Rates and CPI Assumptions for Accounting Valuation Purposes The Treasury New Zealand Funding \$1.9m from depreciation reserves, residual debt funded (5% interest rate, 30 year term). Debt and interest repayments based on table loan approach. Interest capitalised during construction and debt funded. Depreciation Depreciation on property, plant and equipment is calculated using the straight-line method: Buildings – 50 year life; Pool – 30 year life; Aquatic plant & other equipment - 10 year life; Aquatic plant & other equipment - 10 year life; Model Period TCDC Deloitte TCDC Deloitte TCDC Deloitte TCDC TCDC Deloitte	Timing (option	facility depending on option. Operations commence 2028	Solutions and
interest rate, 30 year term). Debt and interest repayments based on table loan approach. Interest capitalised during construction and debt funded. Depreciation Depreciation on property, plant and equipment is calculated using the straight-line method: Buildings – 50 year life; Pool – 30 year life; Aquatic plant & other equipment - 10 year life; Aquatic plant & other equipment on option). Deloitte Inflation "2% (applied to income and operating expenditure) Discount Rates and CPI Assumptions for Accounting Valuation Purposes The Treasury New Zealand Net Present Value Date Sexcluded – all numbers are presented GST exclusive.	Construction and Life Cycle	TCDC LTP modelling up to 2034. Longer –term rates based of Treasury forecasts. Discount Rates and CPI Assumptions for Accounting Valuation	The Treasury
using the straight-line method: • Buildings – 50 year life; • Pool – 30 year life; • Aquatic plant & other equipment - 10 year life; Model Period **52 Years (2-3 year construction depending on option). Deloitte Inflation **2% (applied to income and operating expenditure) The Treasury New Zealand Discount Rates and CPI Assumptions for Accounting Valuation Purposes The Treasury New Zealand Net Present Value Date Buildings – 50 year life; **Operation of the Treasury New Zealand Purposes The Treasury New Zealand Pur	Funding	interest rate, 30 year term). Debt and interest repayments based on table loan approach.	
Inflation ~2% (applied to income and operating expenditure) The Treasury Discount Rates and CPI Assumptions for Accounting Valuation Purposes The Treasury New Zealand Net Present Value Date Deloitte GST and Tax Excluded – all numbers are presented GST exclusive.	Depreciation	 using the straight-line method: Buildings – 50 year life; Pool – 30 year life; 	TCDC
Discount Rates and CPI Assumptions for Accounting Valuation Purposes The Treasury New Zealand Net Present Value Date Deloitte Excluded – all numbers are presented GST exclusive.	Model Period	~52 Years (2-3 year construction depending on option).	Deloitte
Value Date GST and Tax	Inflation	Discount Rates and CPI Assumptions for Accounting Valuation	,
CST und Tax		June 2024	Deloitte
	GST and Tax	·	3

Options Analysis | Ratepayer impact

We have assessed the impact to Council and ratepayers within our analysis based on TCDC's rating policy and alternative rateable areas within the TCDC region.

Sensitivity Analysis

Cost to Funder Analysis

- The consideration of how any funding requirement will be sourced is outside the scope of this study.
- In the absence of definitive sources of debt we have modelled it consistently with how aquatic complexes are generally financed, and therefore modelled, for the purposes of feasibility studies. Accordingly, for illustrative purposes the financial analysis has been prepared based on an allowance of \$1.9m from existing depreciation reserves with the residual funding by way of LGFA debt sourced from TCDC.
- The indicative operating cost to Council presented within our analysis considers:
 - The Accounting Cost to Council (what will appear in the Annual Accounts) is assumed to be:
 - Net of revenue, and operating costs;
 - Interest on the money borrowed by the Funder to fund the construction cost at 5% interest, repaid over 30 years on a table loan basis (equal payments each year);
 - Depreciation on the fit-out and plant funded by Council.
 - The Rates Cost to Council (what would be rated for) is assumed to be:
 - The net operating cost (before depreciation): EBITDA;
 - Interest on debt borrowed to fund development of the facility (5%);
 - Debt repayment over 30 years (on the initial development capital expenditure);
 - Depreciation, which is rated for and held in reserve to fund capital replacements and renewals.

- The cost to council analysis is presented on a net basis and therefore does consider the current forecasts for the Thames Aquatic Provision that have already been incorporated into TCDC LTP rate forecasts. The draft LTP includes a rates impact of ~\$4.1m per annum (between 2027/28 and 2033/34) based on:
 - Forecast operational losses (EBITDA) of ~\$582k;
 - Debt and interest repayments of \$2,492k;
 - Depreciation of \$1,048k.

This was based off ~\$40m of capex of which \$1.9m was assumed to be funded via depreciation reserves and the remainder (approximately ~95%) via LGFA debt.

For reference the 2024/25 rates impact for the current facility is \$659k.

- We also understand that TCDC have alternative options as to the ratepayer base that may be allocated the rating impact of the Thames Aquatic Provision. Our analysis calculates an estimated cost impact to individual ratepayers (GST inclusive) based on the:
 - Number of ratepayers in the Thames Ward 5,525;
 - Number of ratepayers in the TCDC District -28,782.

The analysis of the impact to ratepayers presented following represents the average per annum impact over the 30 year period post construction (i.e from 2027/28 or 2028/29). Therefore the impact to ratepayers does not occur until 2028/29 or FY2028/29 depending on the respective option.



Options Analysis | Options

We have modelled 4 options for the Thames Aquatic Provision.

	Option 1 Local Facility at Thames High School, All indoor	Option 2 Local Facility at Thames High School, Indoor & Outdoor	Option 3 Sub-regional Facility at Kōpū South, All Indoor	Option 4 No investment in aquatic provision
Scope	 Indoor: 25m lap pool - 462m² Programme pool - 160m² LTS pool - 80m² Splashpad - 60m² Toddlers pool - 15m² Spa - 23m² Total water - 800m² Total GFA - 2,429m² Demolish Thames Centennial Pool 	Indoor: Programme pool - 160m ² LTS pool - 80m ² Splashpad - 60m ² Toddlers pool - 15m ² Spa - 23m ² Outdoor: 25m lap pool - 462m ² Total water - 800m ² Total GFA - 1,787m ² Demolish Thames Centennial Pool	 Indoor: 25m lap pool - 528m² Programme & LTS - 300m² Leisure pool - 231m² Toddlers pool - 35m² Spa - 15m² Total water - 1,109m² Total aquatic - 3,969 m² Dry fitness - 376m² Total GFA - 4,345m² Demolish Thames Centennial Pool 	 No new swimming pool Demolish Thames Centennial Pool Note: Under this Option TCDC would avoid ~\$600k per annum o operating costs associated with the current facility.
Design	1010A Thames High School revision C	1010 B Thames High School revision D — Outdoor Pool	Kopu south SK2109 B rev C detailed plan	N/A
Capital cost (2024 Real Terms)	\$42.1m (2024 real terms) +\$550k for demolition	\$36.1m (2024 real terms) +\$550k for demolition	\$76.9m (2024 real terms) +\$550k for demolition	\$550k for demolition
Operating cost	(\$1.1m)	(\$1.2m)	(\$1.4m)	N/A
Whole of life	(\$197.8m)	(\$174.5m)	(\$296.1m)	(\$565k)
Ownership	 THS/MOE own land Lease to TCDC TCDC own & operate pool Lease cost TBC, but likely low 	 THS/MOE own land Lease to TCDC TCDC own & operate pool Lease cost TBC, but likely low 	• TBC	N/A

Options Analysis | Financial Summary

We have presented a comparison of the present value of whole of life cash flows and the impact to rates/ratepayers of the alternative options.

Financial Summary

- The table to the right illustrates Thames Aquatic Provision analysis for the alternative options.
- As noted previously our analysis assesses the net impact noting that the TCDC LTP rate projections already factors capital costs for a new facility.
- The impact to rates is a factor of the upfront capital cost which influences the level of debt, debt repayments, interest and depreciation. Based on the modelling the estimated rates impact is ~70%-80% driven by the initial construction cost and impact of capitalised interest.
- Based on the analysis:
 - Of the development options, Option 2 has the lowest impact to rates (\$5.3m per annum gross (4.04%)). On a net basis forecast rates would need to increase by \$1.2m per annum. This would result in an extra cost to ratepayers of between \$47-\$245 per year depending on the ratepayer base charged.
 - Option 3 has the highest impact to ratepayers (\$10.0m per annum gross (7.61%)). On a net basis forecast rates would need to increase by \$5.9m per annum. This would result in an extra cost to ratepayers of between \$235-\$1,222 per year depending on the ratepayer base charged.
 - The lowest cost option to TCDC and ratepayers is Option 4 – whereby the current facility is discontinued, providing a reduction in operating costs, and the only impact is the cost of demolition (\$550k). This would be a saving relative to the current forecast rates within the TCDC LTP.

Thames Aquatic Provision Options Analysis

NZ\$000	Per LTP	Option 1	Option 2	Option 3	Option 4
Capital Expenditure Requirement (Pre Escalation)		42,685	36,685	77,465	550
Capital Expenditure Requirement (Post Escalation)		45,240	38,881	82,949	565
Statement of Financial Performance					
Revenue (Year 1)	169	230	212	540	-
Expenditure (Year 1)	(725)	(1,327)	(1,368)	(1,985)	-
EBITDA (Year 1)	(555)	(1,097)	(1,156)	(1,445)	-
Cumulative Free Cash Flow / Whole of Life		(197,788)	(174,557)	(296,084)	(565)
Net Present Value		(79,054)	(70,147)	(123,455)	(551)
IRR		N/A	N/A	N/A	N/A
Pa yba ck		N/A	N/A	N/A	N/A
Cost to Ratepayers - Gross Average (30 Years)					
Operational Subsidy (EBITDA)	582	1,534	1,639	1,944	-
Depreciation (to fund renewals)	1,048	1,352	1,130	2,376	-
Debt Repayments (30 years)	544	1,520	1,297	2,907	36
Interest (5%)	1,948	1,446	1,234	2,766	30
Estimated Funding Required (Gross Average)	4,123	5,852	5,301	9,993	66
Rates (TCDC LTP 2027/28) *		131,373	131,373	131,373	131,373
% of Current Rates		4.45%	4.04%	7.61%	0.05%
Net Impact to Ratepayers (\$/ratepayer basis)					
Average rates provided for in 2024/25 LTP (from 2027/28)		(4,123)	(4,123)	(4,123)	(4,123)
Average rates based on modelling:		5,852	5,301	9,993	66
Net Difference	-	1,730	1,178	5,870	(4,057)
Ratepayer Impact - Thames Ward (5,525) - GST Incl	-	360	245	1,222	(844)
Ratepayer Impact - TCDC District (28,752) - GST Incl	-	69	47	235	(162)
Source: Source Information, Deloitte Analysis					

- Ratepayer Impact to Thames Ward: Comprising 5,525 ratepayers. Thames Ward ratepayers would be required to pay an additional \$245-\$1,222 per annum.
- Ratepayer Impact to TCDC District: Comprising 28,752 ratepayers. TCDC District ratepayers would be required to pay an additional \$47-\$235 per annum.

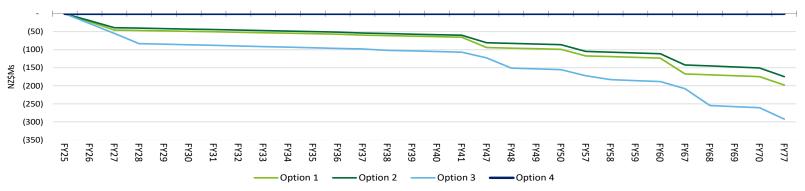
^{*} Adjusted to normalise for the rates impact already factored within TCDC LTP

Options Analysis | Financial Summary

We have presented a comparison of the present value of whole of life cash flows and the impact to rates of the alternative options.

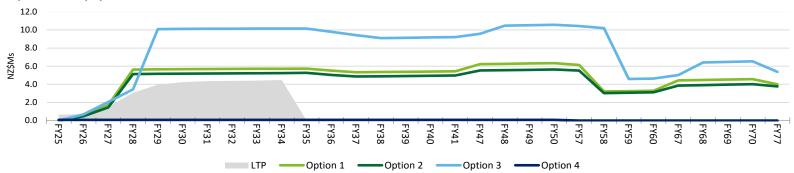
• The WOL cumulative cash flows of the alternative options ranges between and \$565k (Option 4) and \$296.1m (Option 3).

Cumulative Free Cash Flow



• We have estimated the gross impact to rate payers at between \$5.3m per annum (4.04%) and \$10.0m per annum (7.61%), excluding the no investment option. This represents the impact of operational subsidies (funding EBITDA losses), debt repayments, interest and depreciation (as a proxy for lifecycle capital requirements). The chart below illustrates the current rates provisioning within the TCDC LTP for the facility (~\$4.1m per annum). There is a material difference between the gross impact of the modelled options and what has been presented within the LTP.

Impact to Ratepayer



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Options Analysis | Sensitivity Analysis

We have prepared sensitivity analysis to illustrate the benefit of capital grant funding on the impact to ratepayers. For every \$5m of capital funding the impact to rates would reduce by $^{\sim}$ \$325k per annum.

Thames Aquatic Provision Ontions Analysis - Impact of SSM Grant Funding

Sensitivity Analysis - Capital Funding

- A funding plan is outside the scope of the options analysis.
- However, conceptually funding for the Thames Aquatic Provision may need to be met through a combination of:
 - Capital funding from the Crown or charitable funders;
 - Debt provided by regional or local councils (likely sourced via the Local Government Funding Agency (LGFA));
 - Operating revenues and, if required and feasible, other commercial opportunities; and
 - Funding through an "operating subsidy" provided by the regional or local council.
- While our analysis has been based on \$1.9m of funding via depreciation reserves, with the residual funding of the construction cost debt funded, we have prepared a sensitivity to illustrate the impact on rates to ratepayers if alternative funding was available for the initial capital costs of the facility.
- The impact to individual ratepayers includes the effect of GST.
- The analysis has been prepared on the basis of a uniform annual charge (i.e. on a per ratepayer basis) rather than a value based general rate and therefore does not consider the relative property value of the different ratepayers.

Thames Aquatic Provision Options Analysis - Impact of \$5ivi Grant i	runaing			
NZ\$000	Option 1	Option 2	Option 3	Option 4
Cost to Ratepayers - Gross Average (30 Years)				
Operational Subsidy (EBITDA)	1,534	1,639	1,944	-
Depreciation (to fund renewals)	1,352	1,130	2,376	-
Debt Repayments (30 years)	1,353	1,130	2,740	36
Interest (5%)	1,287	1,076	2,608	30
Estimated Funding Required (Gross Average)	5,527	4,976	9,667	66
Rates (TCDC LTP 2027/28) *	131,373	131,373	131,373	131,373
% of Current Rates	4.21%	3.79%	7.36%	0.05%
Net Impact to Ratepayers (\$/ratepayer basis)				
Average rates provided for in 2024/25 LTP (from 2027/28)	(4,123)	(4,123)	(4,123)	(4,123)
Average rates based on modelling:	5,527	4,976	9,667	66
Net Difference	1,404	853	5,545	(4,057)
Ratepayer Impact - Thames Ward (5,525) - GST Incl	292	178	1,154	(844)

Source: Source Information, Deloitte Analysis

Ratepayer Impact - TCDC District (28,752) - GST Incl

- The table above presents the incremental impact on the cost to ratepayers of \$5m of grant funding.
- For every \$5m of capital funding by way of grants the impact to ratepayers reduces by \$325k per annum. Therefore, for every \$1m the impact to rates would reduce by ~\$65k per annum.
- Accordingly:
 - If capital funding was available up to ~\$10m the impact to rates would reduce by ~\$650k per annum;
 - If capital funding was available up to ~\$15m the impact to rates would reduce by ~\$975k per annum;
 - If capital funding was available up to ~\$20m the impact to rates would reduce by ~\$1.3m per annum.

^{*}Adjusted to normalise for the rates impact already factored within TCDC LTP

Options Analysis | Sensitivity Analysis

We have prepared sensitivity analysis to illustrate the ratepayer impact if the net incremental cost was spilt between Thames Ward ratepayers and the residual TCDC District ratepayers.

Sensitivity Analysis - Ratepayer Impact

- We have prepared a sensitivity to illustrate the impact on rates to ratepayers if the net incremental cost was spilt between Thames Ward ratepayers and the residual TCDC District ratepayers.
- We have adjusted the TCDC District ratepayer number used previously to remove the potential double count of the impact to Thames Ward ratepayers. Therefore, for the purpose of our sensitivity analysis, we have removed Thames Ward ratepayers (5,225) from the TCDC District (28,752 – 5,225 = 23,227).
- The sensitivity analysis illustrates the impact of:
 - Ratepayer impact 50:50 allocation 50% of the net cost impact is borne by Thames Ward, and 50% by TCDC District (excluding Thames Ward ratepayers). Under this scenario, Thames Ward ratepayers would pay between \$123-\$611 and the residual TCDC District ratepayers would pay an additional \$29-\$145 depending on the option, per annum.
 - Ratepayer impact 70:30 allocation 70% of the net cost impact is borne by Thames Ward, and 30% by TCDC District (excluding Thames Ward ratepayers). Under this scenario, Thames Ward ratepayers would pay between \$172-\$855 and the residual TCDC District ratepayers would pay an additional \$18-\$87 depending on the option, per annum.
- The analysis has been prepared on the basis of a uniform annual charge (i.e. on a per ratepayer basis) rather than a value based general rate and therefore does not consider the relative property value of the different ratepayers.

Thames Aquatic Provision Options Analysis - Ratepayer Spilt (Options			
NZ\$000	Option 1	Option 2	Option 3	Option 4
Cost to Ratepayers - Gross Average (30 Years)				
Operational Subsidy (EBITDA)	1,534	1,639	1,944	-
Depreciation (to fund renewals)	1,352	1,130	2,376	-
Debt Repayments (30 years)	1,520	1,297	2,907	36
Interest (5%)	1,446	1,234	2,766	30
Estimated Funding Required (Gross Average)	5,852	5,301	9,993	66
Rates (TCDC LTP 2027/28) *	131,373	131,373	131,373	131,373
% of Current Rates	4.45%	4.04%	7.61%	0.05%
Net Impact to Ratepayers (\$/ratepayer basis)				
Average rates provided for in 2024/25 LTP (from 2027/28)	(4,123)	(4,123)	(4,123)	(4,123)
Average rates based on modelling:	5,852	5,301	9,993	66
Net Difference	1,730	1,178	5,870	(4,057)
Ratepayer Impact - Thames Ward (5,525) - GST Incl	360	245	1,222	(844)
Ratepayer Impact - TCDC District (28,752) - GST Incl	69	47	235	(162)
Ratepayer Impact - 50:50 Net Increase to Thames Ward				
50%: Thames Ward	180	123	611	N/A
50%: TCDC District (excl. Thames Ward ratepayers)	43	29	145	N/A
Ratepayer Impact - 70:30 Net Increase to Thames Ward				
70%: Thames Ward	252	172	855	N/A
30%: TCDC District (excl. Thames Ward ratepayers)	26	18	87	N/A

Source: Source Information, Deloitte Analysis

We note that in practice the ability to apportion the incremental TCDC costs to different ratepayer bases
may be difficult. TCDC would need to confirm whether this can be achieved relative to the restrictions of
the Local Government Ratings Act or other legislation that may apply.

^{*} A djusted to normalise for the rates impact already factored within TCDC LTF

Option 1 – Thames High School Indoor Option 2 – Thames High School Part Option 3: Kopu South Sub-Regional Option 4 – No investment

Basis of work



Appendices

Appendices 11

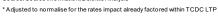


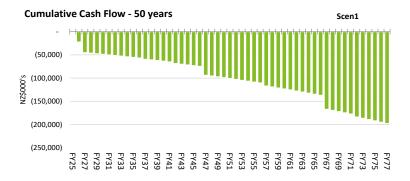
Appendices | Option 1 – Thames High School Indoor

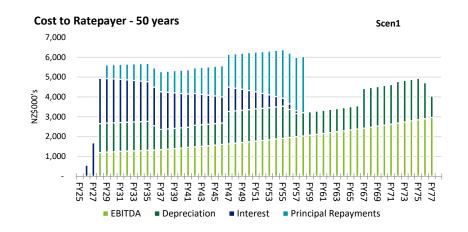
Option 1: WOL Cost $^{5197.8}$ m. Impact to rates of $^{599.9}$ m per annum (4.5%).

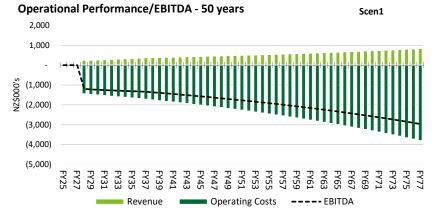
Net difference: \$1.7m average cost per annum.

Thames Aquatic Provision Options Analysis	
NZ\$000	Option 1
Capital Expenditure Requirement (Pre Escalation)	42,685
Capital Expenditure Requirement (Post Escalation)	45,240
Statement of Financial Performance	
Revenue (Year 1)	230
Expenditure (Year 1)	(1,327)
EBITDA (Year 1)	(1,097)
Cumulative Free Cash Flow / Whole of Life	(197,788)
Net Present Value	(79,054)
Cost to Ratepayers - Gross Average (30 Years)	
Operational Subsidy (EBITDA)	1,534
Depreciation (to fund renewals)	1,352
Debt Repayments (30 years)	1,520
Interest (5%)	1,446
Estimated Funding Required (Gross Average)	5,852
Rates (TCDC LTP 2027/28) *	131,373
% of Current Rates	4.45%
Net Impact to Ratepayers (\$/ratepayer basis)	
Average rates provided for in 2024/25 LTP (from 2027/28)	(4,123)
Average rates based on modelling:	5,852
Net Difference	1,730
Ratepayer Impact - Thames Ward (5,525) - GST Incl	360
Ratepayer Impact - TCDC District (28,752) - GST Incl	69
Source: Source Information, Deloitte Analysis	









Note: This analysis has been prepared on a gross basis and therefore represents the financial impact of the option as opposed to the net impact relative to existing LTP forecasts.

High School Indoor

Appendices | Option 1 – Thames High School Indoor

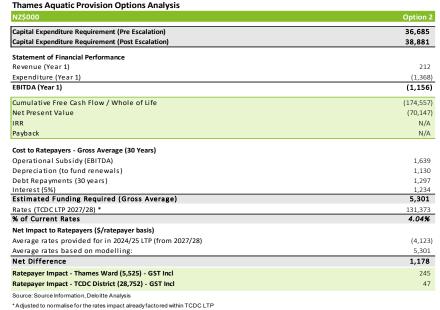
Option 1: WOL Cost $^{197.8}$ m. Impact to rates of $^{59.9}$ m per annum (4.5%). Net difference: 1.7m average cost per annum.

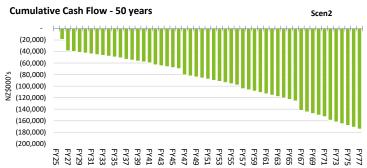
Thames Aquatic Provision			Son	ne years have b	een hidden for	presentation	ourposes											
NZ000's	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35	FY36	FY37 Y3Y3Y4	4Y4 FY47 Y4Y4Y	5 FY57 Y5Y5Y6	FY67 Y6Y6Y	7
ear					1	2	3	4	5	6	7	8	9	10	20	30	40	
levenue																		
asual Entry					96	92	97	102	107	112	118	124	130	136	166	203	247	
vim Squad	-		-	-	19	20	21	22	23	24	25	26	28	29	35	43	52	
chools	-	-	-	-	4	20	5	5	6	24	6	7	7	7	33	10	12	
earn to Swim	-	-	-	-	107	112	118	124	130	137	143	150	158	166	202	247	301	
	-	-	-	-	107					14				19			301	
qua Programmes	-	-	-	-	_	9	10	11	13		16	18	18		23	28		
irthday Parties	-	-	-	-	4	4	4	4	5	5	5	5	6	6	/	9	11	
itness Memberships	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
lyrdoslide	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	
ther Revenue		-	-	-	13	13	14	15	15	16	17	18	19	20	24	29	36	
otal Revenue	-	-	-	-	251	255	269	283	298	314	330	348	365	382	466	568	693	
xpenses																		
taff	-	-	-	-	(849)	(866)	(884)	(901)	(918)	(935)	(952)	(971)	(990)	(1,010)	(1,231)	(1,501)	(1,830)	
irect	-	-	-	-	(464)	(474)	(483)	(493)	(502)	(512)	(521)	(531)	(542)	(553)	(674)	(821)	(1,001)	
ndirect	-	-	-	-	(137)	(139)	(142)	(145)	(148)	(150)	(153)	(156)	(159)	(163)	(198)	(241)	(294)	
Other																		
Operating Costs	-	-	-	-	(1,450)	(1,480)	(1,509)	(1,539)	(1,568)	(1,598)	(1,626)	(1,658)	(1,691)	(1,725)	(2,103)	(2,564)	(3,125)	(
.ease																		
Operating Costs	-	-	-	-	(1,450)	(1,480)	(1,509)	(1,539)	(1,568)	(1,598)	(1,626)	(1,658)	(1,691)	(1,725)	(2,103)	(2,564)	(3,125)	(
let Operating Cost	-	-	-	-	(1,199)	(1,224)	(1,240)	(1,255)	(1,270)	(1,284)	(1,296)	(1,310)	(1,327)	(1,343)	(1,637)	(1,996)	(2,433)	(2
epreciation					(1,457)	(1,457)	(1,457)	(1,457)	(1,459)	(1,459)	(1,459)	(1,459)	(1,219)	(1,017)	(1,628)	(1,169)	(1,994)	
epieciation					(1,437)	(1,437)	(1,457)	(1,457)	(1,455)	(1,455)	(1,433)	(1,455)	(1,213)	(1,017)	(1,020)	(1,103)	(1,554)	
otal Accounting Cost		-	-	-	(2,656)	(2,682)	(2,698)	(2,713)	(2,729)	(2,743)	(2,755)	(2,770)	(2,546)	(2,360)	(3,265)	(3,164)	(4,426)	(
nterest	-	-	(559)	(1,690)	(2,279)	(2,245)	(2,209)	(2,171)	(2,132)	(2,090)	(2,046)	(2,000)	(1,952)	(1,901)	(1,232)	(141)	-	
otal Accounting Cost	-	-	(559)	(1,690)	(4,936)	(4,927)	(4,907)	(4,884)	(4,861)	(4,833)	(4,801)	(4,770)	(4,498)	(4,261)	(4,496)	(3,306)	(4,426)	(3
Rates Cost to Council																		
BITDA					(1,199)	(1,224)	(1,240)	(1,255)	(1,270)	(1,284)	(1,296)	(1,310)	(1,327)	(1,343)	(1,637)	(1,996)	(2,433)	(
nterest Cost			(559)	(1,690)	(2,279)	(2,245)	(2,209)	(2,171)	(2,132)	(2,090)	(2,046)	(2,000)	(1,952)	(1,901)	(1,232)	(141)	(2,455)	,
apex - Establishment	-		(22,373)	(22,866)	(2,275)	(2,243)	(2,203)	(2,1/1)	(2,132)	(2,030)	(2,040)	(2,000)	(1,332)	(1,501)	(1,232)	(141)	-	
external Funding Received (Equity)	=	-	950	950	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt Draw/Repayment	=	-		21,916	(686)	(720)	(757)	(794)	(834)	(876)	(920)	(966)	(1,014)	(1,065)	(1,734)	(2,824)	-	
	-	-	21,423	21,910	(1,457)				(1,459)	(1,459)	(1,459)			(1,017)	(1,628)		(1,994)	
Depreciation to fund Replacements			(550)	(4.600)		(1,457)	(1,457)	(1,457)				(1,459)	(1,219)			(1,169)		
otal Cost to Council - Rates	-		(559)	(1,690)	(5,622)	(5,647)	(5,663)	(5,678)	(5,695)	(5,709)	(5,720)	(5,735)	(5,511)	(5,326)	(6,230)	(6,130)	(4,426)	(3
ash Flow Cost to Council																		
ost to rates	-	-	(559)	(1,690)	(5,622)	(5,647)	(5,663)	(5,678)	(5,695)	(5,709)	(5,720)	(5,735)	(5,511)	(5,326)	(6,230)	(6,130)	(4,426)	(
Addback Depreciation	-	-	-	-	1,457	1,457	1,457	1,457	1,459	1,459	1,459	1,459	1,219	1,017	1,628	1,169	1,994	
Replacement Capex	-	-	-	-	-	-	-	-	(59)	-	-	-	-	(1,353)	(17,370)	(4,606)	(27,547)	
otal Cost to Council - Cash Flow		-	(559)	(1,690)	(4,165)	(4,190)	(4,206)	(4,221)	(4,295)	(4,249)	(4,261)	(4,276)	(4,292)	(5,662)	(21,972)	(9,567)	(29,979)	(2
umulative Cash Flow	-	-	(559)	(2,250)	(6,414)	(10,604)	(14,810)	(19,031)	(23,326)	(27,576)	(31,837)	(36,113)	(40,405)	(46,067)	(110,147)	(163,040)	(212,979)	(243
umulative Cash Flow																		
BITDA		-	-	-	(1,199)	(1,224)	(1,240)	(1,255)	(1,270)	(1,284)	(1,296)	(1,310)	(1,327)	(1,343)	(1,637)	(1,996)	(2,433)	
Capex - Establishment		-	(22,373)	(22,866)	-	-	-	-	-	-	-	-	-	-	-	-	-	
Replacement Capex	-	-	-	-	-	-	-	-	(59)	-	-	-	-	(1,353)	(17,370)	(4,606)	(27,547)	
Cash Flow	-		(22,373)	(22,866)	(1,199)	(1,224)	(1,240)	(1,255)	(1,329)	(1,284)	(1,296)	(1,310)	(1,327)	(2,696)	(19,007)	(6,601)	(29,979)	(2
Cumulative Cash Flow		-	(22,373)	(45,240)	(46,439)	(47.663)	(48,904)	(50,159)	(51,488)	(52,772)	(54.067)	(55,378)	(56,704)	(59,401)	(93.824)	(117.060)	(167,000)	(197

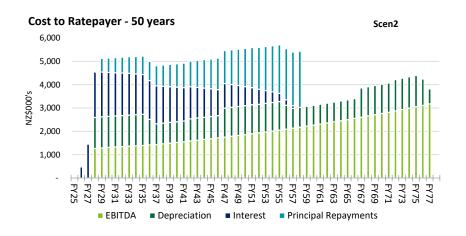
DSCLAMER - These projections have been compiled from information and instructions furnished to us and estimates made by Debitte. As these projections are based on assumptions about circumstances and events that have not yet taken place they are subject to variations that may arise as future events actually occur. Accordingly, we cannot give assurance that the predicted results will actually be achieved.

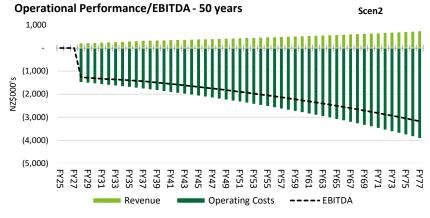
Appendices | Option 2 – Thames High School Part Outdoor

Option 2: WOL Cost ~\$174.6m. Impact to rates of ~\$5.3m per annum (4.0%). Net difference: \$1.2m average cost per annum.









Note: This analysis has been prepared on a gross basis and therefore represents the financial impact of the option as opposed to the net impact relative to existing LTP forecasts.

Appendices | Option 2 – Thames High School Part Outdoor

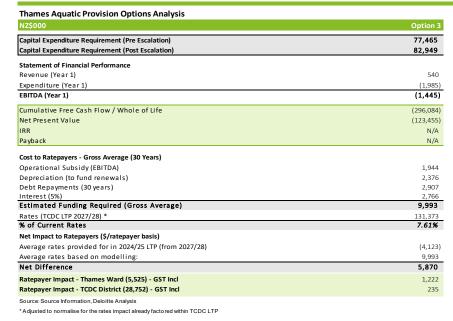
Option 2: WOL Cost ~\$174.6m. Impact to rates of ~\$5.3m per annum (4.0%). Net difference: \$1.2m average cost per annum.

Thames Aquatic Provision			Some	e years have be	en hidden for p	oresentation p	urposes											
NZ000's	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35	FY36	FY37 Y3Y3Y4Y4	FY47 Y4Y4Y5	FY57 Y5Y5Y6	FY67 Y6Y6Y7	7 F
ear					1	2	3	4	5	6	7	8	9	10	20	30	40	
Revenue																		
Casual Entry	-	-	-	-	82	77	80	83	86	90	93	97	101	105	128	156	190	
Swim Squad	-	-	-	-	16	17	18	19	20	21	22	23	24	25	31	38	46	
Schools	-	-	-	-	4	4	4	4	5	5	5	5	6	6	7	8	10	
Learn to Swim	-	-	-	-	107	112	118	124	130	137	143	150	158	166	202	247	301	
Aqua Programmes	-	-	-	-	6	7	8	9	10	12	13	15	15	15	19	23	28	
Birthday Parties	-	-	-	-	3	4	4	4	4	4	5	5	5	5	7	8	10	
itness Memberships	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Hyrdoslide	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Revenue	-	-	-	-	12	12	13	13	14	15	15	16	17	18	21	26	32	
Total Revenue	-	-	-	-	231	233	245	257	270	283	297	312	326	340	415	506	617	
Expenses																		
Staff	-	-	-	-	(883)	(901)	(919)	(937)	(955)	(973)	(990)	(1,010)	(1,030)	(1,051)	(1,281)	(1,561)	(1,903)	(2
Direct	-	-	-	-	(475)	(485)	(495)	(504)	(514)	(524)	(533)	(544)	(554)	(566)	(689)	(840)	(1,024)	(1,
Indirect	-	-	-	-	(137)	(139)	(142)	(145)	(148)	(150)	(153)	(156)	(159)	(163)	(198)	(241)	(294)	(
Other																		
Operating Costs	-	-	-	-	(1,495)	(1,525)	(1,556)	(1,586)	(1,617)	(1,647)	(1,676)	(1,710)	(1,744)	(1,779)	(2,168)	(2,643)	(3,222)	(3,9
Lease																		
Operating Costs	-	-	-	-	(1,495)	(1,525)	(1,556)	(1,586)	(1,617)	(1,647)	(1,676)	(1,710)	(1,744)	(1,779)	(2,168)	(2,643)	(3,222)	(3,9
Net Operating Cost	-	-	-	-	(1,264)	(1,292)	(1,311)	(1,329)	(1,347)	(1,364)	(1,379)	(1,398)	(1,418)	(1,438)	(1,753)	(2,137)	(2,605)	(3,1
Depreciation					(1,330)	(1,330)	(1,330)	(1,330)	(1,332)	(1,332)	(1,332)	(1,332)	(1,092)	(888)	(1,242)	(844)	(1,254)	(!
Depreciation					(1,330)	(1,550)	(1,550)	(1,550)	(1,332)	(1,332)	(1,332)	(1,332)	(1,092)	(000)	(1,242)	(044)	(1,234)	
Total Accounting Cost	-	-	-	-	(2,594)	(2,622)	(2,641)	(2,659)	(2,679)	(2,696)	(2,711)	(2,730)	(2,510)	(2,326)	(2,995)	(2,981)	(3,859)	(3,
Interest	-	-	(481)	(1,453)	(1,946)	(1,916)	(1,886)	(1,853)	(1,819)	(1,784)	(1,747)	(1,707)	(1,666)	(1,623)	(1,051)	(121)	-	
Total Accounting Cost	-	-	(481)	(1,453)	(4,540)	(4,538)	(4,527)	(4,512)	(4,498)	(4,480)	(4,458)	(4,437)	(4,176)	(3,949)	(4,046)	(3,101)	(3,859)	(3,7
Rates Cost to Council																		
EBITDA	_	_	_	_	(1,264)	(1,292)	(1,311)	(1,329)	(1,347)	(1,364)	(1,379)	(1,398)	(1,418)	(1,438)	(1,753)	(2,137)	(2,605)	(3,:
Interest Cost	_	_	(481)	(1,453)	(1,946)	(1,916)	(1,886)	(1,853)	(1,819)	(1,784)	(1,747)	(1,707)	(1,666)	(1,623)	(1,051)	(121)	(-))	(-)
Capex - Establishment		_	(19,229)	(19,652)	(2,540)	(1,510)	(2,000)	(1,033)	(1,015)	(2,704)	(2,7-77)	(2,707)	(1,000)	(1,023)	(1,031)	(12.1)		
External Funding Received (Equity)		_	950	950	_		_		_									
Debt Draw/Repayment		_	18,279	18,702	(586)	(615)	(646)	(678)	(712)	(748)	(785)	(824)	(865)	(909)	(1,480)	(2,411)		
Depreciation to fund Replacements			10,275	10,702	(1,330)	(1,330)	(1,330)	(1,330)	(1,332)	(1,332)	(1,332)	(1,332)	(1,092)	(888)	(1,242)	(844)	(1,254)	(
Total Cost to Council - Rates		-	(481)	(1.453)	(5,125)	(5,153)	(5,172)	(5,191)	(5,210)	(5,227)	(5,243)	(5,262)	(5,041)	(4.858)	(5,526)	(5,512)	(3,859)	(3,7
Total Cost to Council - Rates			(401)	(1,433)	(3,123)	(3,133)	(3,172)	(3,131)	(3,210)	(3,227)	(3,243)	(3,202)	(3,041)	(4,030)	(5,520)	(3,312)	(3,033)	(3,7
Cash Flow Cost to Council																		
Cost to rates	-	-	(481)	(1,453)	(5,125)	(5,153)	(5,172)	(5,191)	(5,210)	(5,227)	(5,243)	(5,262)	(5,041)	(4,858)	(5,526)	(5,512)	(3,859)	(3,
Addback Depreciation	-	-	-	-	1,330	1,330	1,330	1,330	1,332	1,332	1,332	1,332	1,092	888	1,242	844	1,254	
Replacement Capex	-	-	-	-	-	-	-	-	(59)	-	-	-	-	(1,222)	(8,977)	(4,110)	(13,842)	
Total Cost to Council - Cash Flow	-		(481)	(1,453)	(3,795)	(3,823)	(3,842)	(3,860)	(3,938)	(3,895)	(3,911)	(3,929)	(3,950)	(5,192)	(13,262)	(8,778)	(16,448)	(3,1
Cumulative Cash Flow	-	-	(481)	(1,933)	(5,729)	(9,552)	(13,394)	(17,255)	(21,192)	(25,088)	(28,998)	(32,928)	(36,877)	(42,069)	(94,248)	(143,426)	(181,242)	(213,5
Cumulative Cash Flow																		
Cumulative Cash How EBITDA					(2.25)	(4.202)	(4.355)	(1. 2)	(4.24**)	(2.25.)	(2.27-)	(1.20=)	(2.42-)	(1.420)	(4.753)	(2.127)	(2.505)	
	-	-	(10.775)	(10.553)	(1,264)	(1,292)	(1,311)	(1,329)	(1,347)	(1,364)	(1,379)	(1,398)	(1,418)	(1,438)	(1,753)	(2,137)	(2,605)	(3,
Capex - Establishment	-	-	(19,229)	(19,652)	-	-	-	-	-	-	-	-	-	-	-	-	-	
Replacement Capex	-	-							(59)					(1,222)	(8,977)	(4,110)	(13,842)	
Cash Flow	•		(19,229)	(19,652)	(1,264)	(1,292)	(1,311)	(1,329)	(1,406)	(1,364)	(1,379)	(1,398)	(1,418)	(2,661)	(10,730)	(6,247)	(16,448)	(3,1
Cumulative Cash Flow	_	-	(19.229)	(38,881)	(40.145)	(41.437)	(42,747)	(44.076)	(45.482)	(46.846)	(48,226)	(49,624)	(51.042)	(53.702)	(80.567)	(104,431)	(142.247)	(174.5

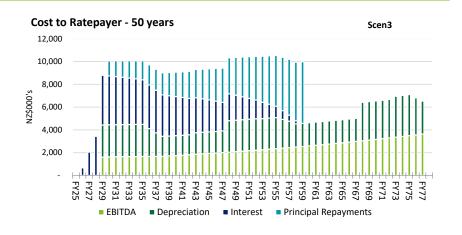
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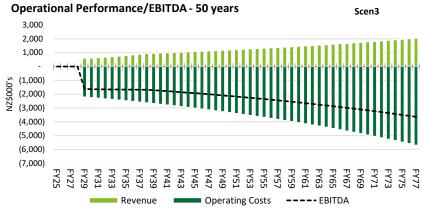
Appendices | Option 3: Kopu South Sub-Regional Facility

Option 3: WOL Cost ~\$296.1m. Impact to rates of ~\$10.0m per annum (7.61%). Net difference: \$5.9m average cost per annum.









Note: This analysis has been prepared on a gross basis and therefore represents the financial impact of the option as opposed to the net impact relative to existing LTP forecasts.

Appendices | Option 3: Kopu South Sub-Regional Facility

Option 3: WOL Cost ~\$296.1m. Impact to rates of ~\$10.0m per annum (7.61%). Net difference: \$5.9m average cost per annum.

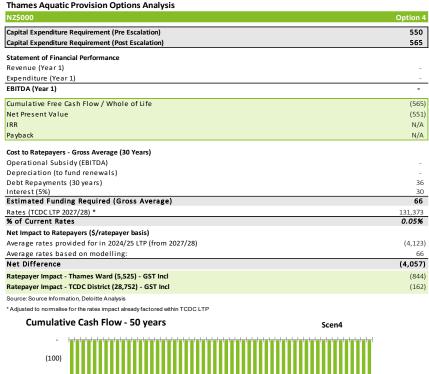
Thames Aquatic Provision				Some years ha	ve been hiddel	n for presenta	tion purposes												
\$NZ000's	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35	FY36	FY37 Y3Y3Y4Y	4 FY47 Y4Y4Y5	FY57 Y5Y5Y6	FY67 Y6Y6Y7	FY77	FY
Year					1	2	3	4	5	6	7	8	9	10	20	30	40	50	
Revenue																			
Casual Entry						185	179	188	198	207	217	228	240	252	317	386	471	574	5
Swim Squad						16	17	18	19	207	21	220	23	24	31	37	45	55	5
Schools						5	5	6		7	7	8	8	0	10	13	15	19	
Learn to Swim	•	-	-	-	-	125	131	138	144	151	159	167	175	184	231	282	344	419	42
	•	-		-	-	7	151	130	10			14	16	17	20		30	37	42
Aqua Programmes	•	-	-	-	-		_	-		11	13					25			
Birthday Parties		-	-	-	-	8	9	9	10	10	11	11	12	13	16	19	23	28	2
Fitness Memberships		-	-	-	-	165	177	190	203	217	232	248	266	285	365	445	542	661	67
Hyrdoslide	-	-	-	-	-	37	36	37	39	41	43	45	48	50	63	77	93	114	11
Other Revenue	-	-	-	-	-	54	54	56	58	60	61	63	65	67	83	101	124	151	15
Total Revenue	-	-	-	-	-	603	617	651	687	725	764	808	854	901	1,136	1,384	1,687	2,057	2,09
Expenses																			
Staff		-	-	-	-	(1,205)	(1,229)	(1,253)	(1,277)	(1,301)	(1,324)	(1,350)	(1,377)	(1,405)	(1,712)	(2,087)	(2,544)	(3,101)	(3,16
Direct	-	-	-	-	-	(847)	(864)	(881)	(898)	(915)	(931)	(950)	(969)	(988)	(1,204)	(1,468)	(1,790)	(2,182)	(2,22
Indirect		-	-	_	_	(162)	(165)	(168)	(171)	(175)	(178)	(181)	(185)	(189)	(230)	(280)	(341)	(416)	(425
Other						, ,	. ,	. ,	, ,	. ,		. ,	, ,	, ,	` '	. ,			,
Operating Costs						(2,214)	(2,258)	(2,302)	(2,346)	(2,390)	(2,432)	(2,481)	(2,531)	(2,581)	(3,146)	(3,836)	(4,675)	(5,699)	(5,813
Lease						(2,22-7)	(2,230)	(2,302)	(2,540)	(2,330)	(2,452)	(2,402)	(2,332)	(2,502)	(3,240)	(3,030)	(4,0,5)	(3,033)	(0,010
Operating Costs						(2.214)	(2.258)	(2.302)	(2.346)	(2.390)	(2.432)	(2.481)	(2.531)	(2.581)	(3.146)	(3.836)	(4.675)	(5.699)	(5.813
Net Operating Cost				-		(1,611)	(1,641)	(1,651)	(1,659)	(1,665)	(1,668)	(1,673)	(1,677)	(1,680)	(2,011)	(2,451)	(2,988)	(3,643)	(3,715
Net Operating Cost	•	-	-	-	-	(1,611)	(1,041)	(1,651)	(1,039)	(1,003)	(1,008)	(1,6/3)	(1,6//)	(1,080)	(2,011)	(2,451)	(2,988)	(3,043)	(3,715
Depreciation	-	-	-	-	-	(2,811)	(2,811)	(2,811)	(2,811)	(2,813)	(2,813)	(2,813)	(2,445)	(2,068)	(1,894)	(2,315)	(2,024)	(1,739)	(1,632
Total Accounting Cost				_		(4,422)	(4,452)	(4.462)	(4,470)	(4.478)	(4,481)	(4.486)	(4,121)	(3,748)	(3.905)	(4.766)	(5,012)	(5,382)	(5,348
Interest			(677)	(2.045)	(3.442)	(4,361)	(4.295)	(4,226)	(4,154)	(4,078)	(3,998)	(3,914)	(3.826)	(3,734)	(2.514)	(527)	(5,012)	(3,302)	(5,540
Total Accounting Cost			(677)	(2,045)	(3,442)	(8,783)	(8,747)	(8,688)	(8,624)	(8,556)	(8,479)	(8,401)	(7,948)	(7,482)	(6,419)	(5,294)	(5,012)	(5,382)	(5,348
Total Accounting Cost	_	-	(077)	(2,043)	(3,442)	(0,703)	(0,747)	(0,000)	(0,014)	(0,550)	(0,475)	(0,401)	(7,540)	(7,402)	(0,415)	(3,234)	(3,011)	(3,302)	(0,040
Rates Cost to Council																			
EBITDA		-	-	-	-	(1,611)	(1,641)	(1,651)	(1,659)	(1,665)	(1,668)	(1,673)	(1,677)	(1,680)	(2,011)	(2,451)	(2,988)	(3,643)	(3,715
Interest Cost	-	-	(677)	(2,045)	(3,442)	(4,361)	(4,295)	(4,226)	(4,154)	(4,078)	(3,998)	(3,914)	(3,826)	(3,734)	(2,514)	(527)	-	-	
Capex - Establishment		-	(27.069)	(27,665)	(28,215)												-	_	-
External Funding Received (Equity)		_	950	950	950	_	_	_	_	_	_	_	_	_	_	_	_		
Debt Draw/Repayment		_	26,119	26,715	27,265	(1,313)	(1,378)	(1,447)	(1,520)	(1,596)	(1,675)	(1,759)	(1,847)	(1,939)	(3,159)	(5,146)		_	_
Depreciation to fund Replacements			20,123	20,715	27,205	(2.811)	(2.811)	(2.811)	(2.811)	(2.813)	(2.813)	(2.813)	(2,445)	(2.068)	(1.894)	(2.315)	(2.024)	(1.739)	(1,632
Total Cost to Council - Rates			(677)	(2,045)	(3,442)	(10,096)	(10,125)	(10,135)	(10,143)	(10,152)	(10,155)	(10,160)	(9,795)	(9,422)	(9,578)	(10,440)	(5,012)	(5,382)	(5,348
Total cost to council - Nates			(077)	(2,043)	(3,442)	(10,030)	(10,113)	(10,155)	(10,140)	(10,151)	(10,155)	(10,100)	(5,155)	(3,422)	(5,570)	(10,440)	(5,011)	(5,502)	(0,040
Cash Flow Cost to Council																			
Cost to rates		_	(677)	(2,045)	(3,442)	(10,096)	(10,125)	(10,135)	(10,143)	(10,152)	(10,155)	(10,160)	(9,795)	(9,422)	(9,578)	(10,440)	(5,012)	(5,382)	(5,348
Addback Depreciation			(011)	(2,043)	(3,442)	2,811	2,811	2,811	2,811	2,813	2,813	2,813	2,445	2,068	1.894	2,315	2,024	1,739	1,632
Replacement Capex						2,011	2,011	2,011	2,011	(61)	2,013	2,013	2,443	2,000	1,03**	2,313	2,024	1,733	1,002
				(0.0.0)	(0.440)	(=	/= 11	(=1	(=		/=1	(=)	(=)	/= a= 41	(= 444)	(0.400)	· · · · · · · · · · · · · · · · · · ·	(0.010)	
Total Cost to Council - Cash Flow	•	-	(677)	(2,045)	(3,442)	(7,285)	(7,314)	(7,324)	(7,332)	(7,399)	(7,341)	(7,346)	(7,350)	(7,354)	(7,684)	(8,125)	(2,988)	(3,643)	(3,715
Cumulative Cash Flow	-	-	(677)	(2,722)	(6,164)	(13,448)	(20,762)	(28,086)	(35,418)	(42,817)	(50,159)	(57,505)	(64,855)	(72,209)	(153,591)	(259,809)	(301,392)	(385,783)	(389,499
Cumulative Cash Flow																			
EBITDA		_	-	-	-	(1,611)	(1,641)	(1,651)	(1,659)	(1,665)	(1,668)	(1,673)	(1,677)	(1,680)	(2,011)	(2,451)	(2,988)	(3,643)	(3,715
Capex - Establishment			(27,069)	(27,665)	(28,215)	(-,)	(-/- /-/	(-,2)	(-,)	(-,)	(-,0)	(2/2.2)	(-)/	(-,,	(-,,	(-,,	(-,,	(-,)	(-,/ -
Replacement Capex	-		(27,003)	(27,003)	(20,213)		-		-	(61)	-	-	-						
Cash Flow		<u>:</u>	(27,069)	(27,665)	(28,215)	(1,611)	(1,641)	(1,651)	(1,659)	(1,726)	(1,668)	(1,673)	(1,677)	(1,680)	(2,011)	(2,451)	(2,988)	(3,643)	(3,715
Cumulative Cash Flow	-	•	(27,069)	(54,734)	(82,949)	(84,560)	(86,201)	(87,852)	(89,510)	(91,236)	(92,904)	(94,577)	(96,254)	(97,934)	(122,583)	(172,068)	(207,978)	(292,369)	(296,08

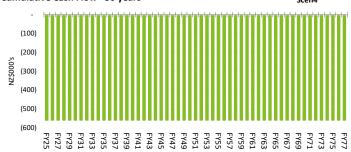
DSCLAMER- These projections have been compiled from information and instructions furnished to us and estimates made by Debotte. As these projections are based on assumptions about circumstances and events that have not yet taken place they are subject to variations that may arise as future events actually occur. Accordingly, we cannot give assurance that the predicted results will actually be achieved.

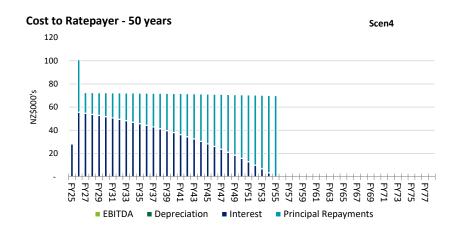
Appendices | Option 4 – No investment

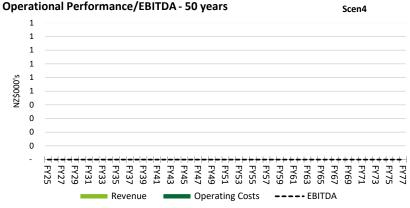
Option 4: WOL Cost ~\$565k. Impact to rates of ~\$66k (0.05%) per annum.

Net difference: \$4.1m average saving per annum.









Note: This analysis has been prepared on a gross basis and therefore represents the financial impact of the option as opposed to the net impact relative to existing LTP forecasts.

Appendices | Option 4 – No investment

Option 4: WOL Cost ~\$565k. Impact to rates of ~\$66k (0.05%) per annum.

Net difference: \$4.1m average saving per annum.

Thames Aquatic Provision			Sc	me years hav	e been hidden	for presentation	on purposes												
\$NZ000's	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35	FY36	FY37 Y3Y3Y4Y4	FY47 Y4Y4Y5	FY57 Y5Y5Y6	FY67 Y6Y6Y7	FY77	
Year					1	2	3	4	5	6	7	8	9	10	20	30	40	50	
Revenue																			
Casual Entry	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Swim Squad	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Schools	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-	
Learn to Swim	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Aqua Programmes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Birthday Parties		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fitness Memberships	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-	
Hyrdoslide		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	=	-	-	-	
Expenses																			
Staff	-	-	-	-	-	-	-	-	-	-	-	-	-	-	=	-	-	-	
Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Indirect		-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-	
Other																			
Operating Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Lease																			
Operating Costs																			
Net Operating Cost	-	-	-	•	•	-	•	-	•	-	•	•	•	-	-	-	-	•	
Depreciation	-	_	-	_	_	-	_	_	_	_	_	_	_	-	=	-	=	_	
T-1-1 1																			
Total Accounting Cost		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest	-	(28)	(56) (56)	(55)	(54)	(53)	(52)	(51)	(50) (50)	(48)	(47) (47)	(46)	(44)	(43)	(24)	-	-	-	
Total Accounting Cost	-	(28)	(56)	(55)	(54)	(53)	(52)	(51)	(50)	(48)	(47)	(46)	(44)	(43)	(24)	-	-	-	
Rates Cost to Council																			
EBITDA		-		-	_	_	_	_	-	-	-	-					-	-	
Interest Cost		(28)	(56)	(55)	(54)	(53)	(52)	(51)	(50)	(48)	(47)	(46)	(44)	(43)	(24)	_		-	
Capex - Establishment		(565)	` - '					`-'	` - '			` - '					-	-	
External Funding Received (Equity)	_		_	_	_	_	_	_	_	_	_	_	_		_	_	_		
Debt Draw/Repayment	_	520	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(28)	(29)	(31)	(50)	_	-	_	
Depreciation to fund Replacements	_		-	-	()	()	()	(,	(= -)	()	-	-	()	-		_	_	_	
Total Cost to Council - Rates		(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	•		-	
Cash Flow Cost to Council																			
Cost to rates	_	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	_	-	_	
Addback Depreciation		(, 5)	(, -)	(75)	(, 5)	(/5)	(/3/	(,)	(, -)	(,)	(, 5)	(, 5)	(/5)	- (/-)	(, 5)		_		
Replacement Capex																			
Total Cost to Council - Cash Flow	•	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	•	· ·		
Cumulative Cash Flow		(73)	(73)	(147)	(220)	(294)	(367)	(441)	(514)	(588)	(661)	(735)	(808)	(882)	(1,617)	(2,131)	(2,131)	(2,131)	(2,1
Camarative Cash 1 100	-	(73)	(73)	(147)	(220)	(234)	(307)	(441)	(314)	(300)	(301)	(755)	(808)	(502)	(2,027)	(2,201)	(2,201)	(2,231)	(2,3
Cumulative Cash Flow																			
EBITDA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capex - Establishment		(565)	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-	
Replacement Capex			-	-	-	-	-	-	-	-	-	-	-		-	-	-	-	
Cash Flow	-	(565)	-	-	-	-	-	-	-	-	-	-	-	•	•	•		-	
Cumulative Cash Flow		(565)	(565)	(565)	(565)	(565)	(565)	(565)	(565)	(565)	(565)	(565)	(565)	(565)	(565)	(565)	(565)	(565)	(5

DISCLAMER - These projections have been compiled from information and instructions furnished to us and estimates made by Deloitte. As these projections are based on assumptions about circumstances and events that have not yet taken place they are subject to variations that may arise as future events actually occur. Accordingly, we cannot give assurance that the predicted results will actually be achieved.

Appendices | Basis of work

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This appendix should be read in conjunction with the transmittal letter at the front of this report.

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- This analysis and report have been prepared for Visitor Solutions Limited in
 accordance with our engagement letter dated 3 April 2024. We consent with
 this analysis being incorporated into a Visitor Solutions wider report in
 connection with the project subject to us having the opportunity to review and
 approve how it is incorporated into the wider report.

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Alternative Options

We asked Visitor Solutions to undertake the following:

- Engage key stakeholders: Thames High School and Southbridge.
- Scope potential affordable options including:
 - 1 Dispersed provision using existing pools,
 - 2 Redevelop existing high school pool,
 - 3 Bare-bones minimum scope,
 - 4 Value-managed reduced scope but meet majority of needs,
 - 5 Staged sub-regional and reduced scope,
- Investigate alternative building design eg recent pool development in Kaitaia.
- Visitor Solutions have scoped options at a high-level (rough drawings / costings) and assessed options against investment objectives.
- TCDC need to decide how many options to progress forward noting the contract allows for one option to be developed in detail, but can do more with additional fees.



Option 1: Dispersed Option

Scope

Partner with Schools to modify existing pools to deliver aquatic services through a dispersed delivery.

Water

441m² (compared to 375m² Thames Centennial Pool, 516m² required for local catchment).

- Current pools aged between 51-101 years indicates potential high costs to upgrade.
- Dispersed delivery would be operationally challenging and more expensive.
- Multiple partnerships will be challenging to negotiate and manage.
- Some pools are not well positioned on the school site for community use.
- Does not deliver level or functionality of provision to meet community needs.
- For all these reasons, not recommended to be considered further.









Option 2: Redevelop High School Pool

Scope

- Reduce outdoor pool: 25m x 4 lanes, new liner, pipes, plant.
- Indoor LTS/programme pool.
- Basic change-rooms / admin.
- Lift due to site level difference.

Water

 $390m^{2}$

(375m² current, 516m² required)

- Site is very tight, potential consent/neighbour issues, limits scope of development.
- Greater construction risks with 62-year-old pool.
- Complicated ownership.
- Driveway easement means plantroom requires separate accessway. Chemicals would have to be hand transported.
- Limited water: 4 lanes would be operationally challenging.
- No leisure provision (greatest gap in aquatic network).
- Vicinity of mine-shaft.
- Requires raised fence to prevent unauthorised use.





Option 3: Bare Bones, Richmond Road (THS)

Scope

- Outdoor 25m pool x 5 lanes.
- Indoor LTS/programme pool, basic change-rooms / admin.

Water

455m² (375m² current, 516m² required).

- Limited water: 5 lanes would be challenging and no leisure provision (biggest gap).
- · Accessible central site with minimal site and construction risks.
- Building new provides more cost certainty (compared to refurbishment).
- Simple ownership structure (lease to Council to own/operate).



Option 4: Value Managed, Richmond Road (THS)

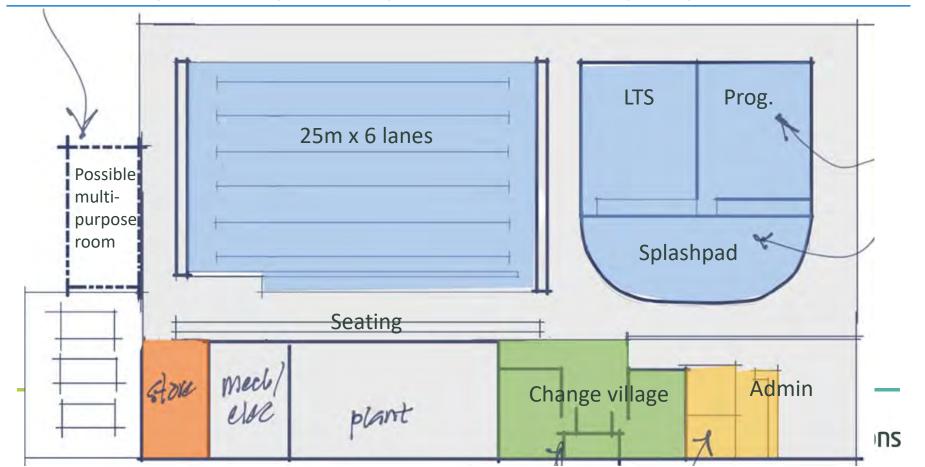
Scope

- Indoor 25m pool x 6 lanes, event seating, LTS/programme pool, splashpad.
- Basic change-rooms / admin.

Water

595m² (375m² current, 516m² required).

- Provides sufficient water and across all four aquatic needs.
- · Accessible central site with minimal site and construction risks.
- Building new provides more cost certainty (compared to refurbishment).
- Simple ownership structure (lease to Council to own/operate).



Option 5: Staged Sub-regional, Kōpū South

Scope

- Stage 1: 25m pool x 7 lanes, event seating, LTS/programme pool, admin, changing facilities.
- Stage 2: leisure pool, spa, sauna and steam-room, fitness space.

Water

755m²

(730m² required for sub-regional).

- Sub-regional offering with all aquatic functions.
- Accessibility of site good for sub-regional catchment, less for Thames local catchment.
- Site risks and infrastructure requirements adds cost to the development.
- 6% land-rent adds to the operational cost.
- Potential energy sharing may reduce energy cost.
- Staging risk never get the second stage completed.

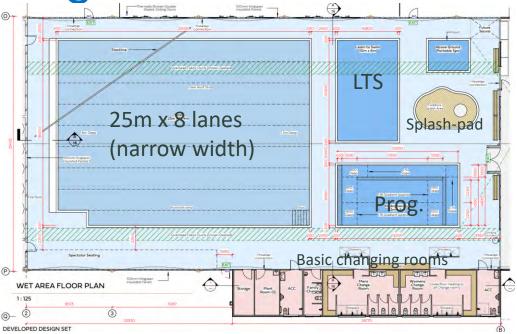




Alternative building design

Te Hiku Sport Hub, Kaitaia

- \$12.2 million for aquatic and sport wing. \$14.2M total cost. (Some fit-out elements have not been completed due to funding).
- Structure by Fabric Structures (Whangarei). Double skinned PVC (with insulated air pockets) similar to The Cloud on Auckland's Wharf.
- Service life (by supplier) of 15-30 years with warranties up to 15 years.
- Trust owns building and operations contracted to Belgravia.
- Trust aim to break-even operationally (year 1 deficit several hundred thousands).
- Would need to understand whole of life costs associated with shorter building life and energy costs due to building design.







High-level Estimated Costs

	Option 2	Option 3	Option 4	Option 5
Scope	Redevelop THS Pool	Richmond Rd, Bare Bones	Richmond Rd, Value Managed	Kōpū South, Staged
Building	Indoor/Outdoor	Indoor/Outdoor	All indoor	All indoor
Water	390m2	455m2	595m2	755m2
Estimated Capex (All 2024 dollars)	\$14,500,000	\$18,500,000	\$28,000,000	S1: \$38,100,000 S2: \$14,500,000
Estimated Opex	-\$1,200,000	-\$1,200,000	-\$1,100,000	S1:-\$1,500,000
Estimated Dep ⁿ	\$362,000	\$462,500	\$700,000	S1: 952,000
Est. Debt & Interest	\$997,678	\$1,272,900	\$1,926,551	S1: \$2,621,485
Est. Annual Cost	\$2,560,178	\$2,935,400	\$3,726,551	S1: \$5,073,985
Indicative Average A	nnual Ratepayer II	mpact		
100% Thames, 5,525	\$533	\$611	\$776	\$1,056
100% TCDC, 28,792	\$102	\$117	\$149	\$203

- These are high-level cost estimates and simplified financial analysis to provide a rough understanding of cost.
- All the options have been costed on the same basis, therefore comparative.
- Whole of life costing has not been undertaken but depreciation is a simplified calculation.
- We expect all estimates will change if more detailed work is undertaken in the next step.







OPTION F: INDOOR/ OUTDOOR LOCAL FACILITY,

THAMES HIGH SCHOOL GROUNDS

Legend

- 1. Entrance
- 2. Reception
- 3. Staff
- 4. Office
- 5. Group Changerooms
- 6. Family Change
- 7. Store
- 8. Mechanical/Electrical
- 9. PWS Plantroom
- 10 Splashpad
- 11. Learn To Swim
- 12. Programmes Pool
- 13. 25m x 6 lane pool
- 14. Multipurpose Room (future works)
- 15. Outdoor area
- 16. Outdoor AHU and heat pump yard
- 17. Parking

Gross Floor Area Indoor Pool and associated changerooms and plant (excluding Multipurpose Room) =998m2 Multipurpose Room=91m2

Water Areas

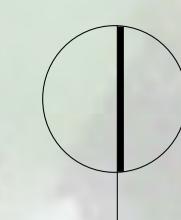
Splash Pad 78m2
Learn to Pool (incl ramp) 88m2
Programmes Pool (incl ramp) 88m2
25m Lane Pool 406m2
Total Water Area 660m2

17



Sk 1710 B
THAMES HIGH SCHOOL
Option 4B-OUTDOOR POOL OPTION
Scale 1:200/A1 1:400/A3





OPTION G: ALL INDOOR, STRUCTURAL FABRIC LOCAL FACILITY, Legend 1. Entrance 2. Reception 3. Staff 4. Office 5. Group Changerooms 6. Family Change7. Store THAMES HIGH SCHOOL GROUNDS 8. Mechanical/Electrical 9. PWS Plantroom 10 Splashpad 11. Learn To Swim 12. Programmes Pool 13. 25m x 6 lane pool 14. Multipurpose Room (future works) 15. Outdoor area 16. Outdoor AHU and heat pump yard 17. Parking Gross Floor Area Indoor Pool and associated changerooms and plant (excluding Multipurpose Room) =1650m2 Multipurpose Room=91m2 Water Areas Splash Pad 78m2 Learn to Pool (incl ramp) 88m2 Programmes Pool (incl ramp) 88m2 25m Lane Pool 406m2 406m2 Total Water Area 660m2 RICHMOND STREET Sk 1710 C THAMES HIGH SCHOOL Option 4C-INDOOR POOL OPTION (Fabric Roof) Scale 1:200/A1 1:400/A3

OPTION H: ALL INDOOR, TRADITIONAL BUILDING LOCAL FACILITY Legend 1. Entrance 2. Reception 3. Staff Office 5. Group Changerooms 6. Family Change 7. Store THAMES HIGH SCHOOL GROUNDS 8. Mechanical/Electrical 9. PWS Plantroom 10 Splashpad 11. Learn To Swim 12. Programmes Pool 13. 25m x 6 lane pool

14. Multipurpose Room (future works)15. Outdoor area

changerooms and plant (excluding Multipurpose Room) =1650m2 Multipurpose Room=91m2

Programmes Pool (incl ramp) 88m2 25m Lane Pool 406m2

78m2

88m2

406m2

660m2

17. Parking

Water Areas

Splash Pad

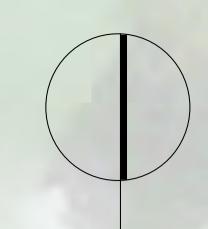
Total Water Area

Gross Floor Area

Indoor Pool and associated

Learn to Pool (incl ramp)

16. Outdoor AHU and heat pump yard





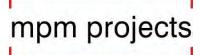
Sk 1710 A THAMES HIGH SCHOOL Option 4A-INDOOR POOL OPTION Scale 1:200/A1 1:400/A3



OPTION I: ALL INDOOR, STAGED SUB-REGIONAL FACILITY Stage 2 works shown in yellow-Future road extension to Sportshub | Stage 1-Refer SK 1710 D for detail Stage 2 parking extension / Sk1710E OPTION 5 KOPU SOUTH AQUATIC CENTRE HDT SITE PLAN 1:200 A1 1:400/A3







Rough Order of Cost Estimate

Thames Aquatic Facilities Value Managed Options

30th October 2024

P2635 - Thames Aquatic Facilities

MPM Projects Limited, 6 Kirk Street, Grey Lynn, Auckland P O Box 3257, Auckland >> Phone: (09) 303 9420 <>



Thames Aquatic Facilities Value Managed Options

Rough Order of Cost Estimate - October 2024 Clarifications & Exclusions

Clarifications

Estimates are based on the following:

HDT Value Managed Options

Option 4A - Indoor Pool Option Sk1710A

Option 4B - Outdoor Pool Option Sk1710B

Option 4C - Indoor Pool Option (Fabric Roof) Sk1710C

Option 5 Kopu South Aquatic Centre Sk1710D

Assumes piled foundations

Services infrastructure connections have been assumed based on Beca Infrastructure repor Estimates assume a traditional procurement process

A separate item of escalation from Oct 24 to Dec 27 has been allowed

Exclusions

The following are excluded from these estimates:

Site specific allowances for geotech issues other than the assumed substructure & piling Site specific allowances for removal of hazardous materials & site contamination Development Contributions & Infrastructure growth charges Land, Finance & Legal costs GST

Estimate Summary

Option 4A - Indoor Pool Option	29,000,000
Option 4B - Outdoor Pool Option	22,500,000
Option 4C - Indoor Pool Option (Fabric Roof)	26,200,000
Option 5 Kopu South Aquatic Centre Stage 1	40,000,000
Option 5 Kopu South Aquatic Centre Stage 2	14,500,000

Rough Order of Cost Estimate - October 2024

Option 4A - Indoor Pool Option

BUILDING LOCAL FACILITY

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BUSINESS CASE OPTION H: ALL INDOOR, TRADITIONAL

Assumes Thames High School Courts Site

Site Preparation				
Relocate horticultural shed & site demolitions	1	Sum	30,000	30,000
Demo & re-landscape existing school pool	1	Sum	200,000	200,000
Prov Allowance for Piling (assumed 650dia conc				
piles at 8m centres, 10m deep)	1	Sum	950,000	950,000
New Building	1,650	m2	6,800	11,220,000
Multipurpose room excluded.				
Splashpad 78m2	1	Sum	650,000	650,000
Learn to Swim 88m2	1	Sum	850,000	850,000
Programmes 88m2	1	Sum	850,000	850,000
25m x 6 Lane Pool	1	Sum	3,500,000	3,500,000
Prov Allowance for equipment & fitout	1	Sum	250,000	250,000
Prov Allowance for Audio Visual /Active IT Equipment	1	Sum	150,000	150,000
Outdoor AHU Yard	264	m2	720	190,080
Outdoor Yard	1	Sum	150,000	150,000
Prov Allowance for hard paving around building	1	Sum	230,000	230,000
Prov Allowance for seating, bins, planters etc	1	Sum	50,000	50,000
Prov Allowance for landscaping	1	Sum	150,000	150,000
Prov Allowance for services infrastructure	1	Sum	1,000,000	1,000,000
Prov Allowance for carparking	1	Sum	210,000	210,000
Sub Total				20,630,080
Design Development Contingency	5%			1,032,000
Professional Fees	15%			3,250,000
Consent fees	1.5%			325,000
Project Contingency	15%			3,786,000
Total - Option 4A - Indoor Pool Option				\$29,023,080
			Say	\$29,000,000
Note additional cost of escalation from Oct 2024 to				
Dec 2027	10.0%			\$2,900,000

Rough Order of Cost Estimate - October 2024

Option 4B - Outdoor Pool Option

Assumes Thames High School Courts Site

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BUSINESS CASE OPTION F: INDOOR/OUTDOOR LOCAL FACILITY

Site Preparation				
Relocate horticultural shed & site demolitions	1 9	Sum	30,000	30,000
Demo & re-landscape existing school pool	1 9	Sum	200,000	200,000
Prov Allowance for Piling (assumed 650dia conc				
piles at 8m centres, 10m deep)	1 5	Sum	950,000	950,000
New Building	998 r	m2	6,800	6,786,400
Multipurpose room excluded.				
Splashpad 78m2	1 5	Sum	650,000	650,000
Learn to Swim 88m2	1 9	Sum	850,000	850,000
Programmes 88m2	1 9	Sum	850,000	850,000
25m x 6 Lane Pool	1 9	Sum	3,500,000	3,500,000
Prov Allowance for equipment & fitout	1 9	Sum	250,000	250,000
Prov Allowance for Audio Visual /Active IT Equipment	1 9	Sum	150,000	150,000
Outdoor AHU Yard	150 r	m2	720	108,000
Pool concourse	1 9	Sum	180,000	180,000
Prov Allowance for hard paving around building		Sum	150,000	150,000
Prov Allowance for seating, bins, planters etc	1 9	Sum	50,000	50,000
Prov Allowance for landscaping		Sum	150,000	150,000
Prov Allowance for services infrastructure		Sum	1,000,000	1,000,000
Prov Allowance for carparking	1 \$	Sum	120,000	120,000
Sub Total				15,974,400
Design Development Contingency	5%			799,000
Professional Fees	15%			2,517,000
Consent fees	1.5%			252,000
Project Contingency	15%			2,932,000
Total - Option 4B - Outdoor Pool Option				\$22,474,400
			Say	\$22,500,000
Note additional cost of escalation from Oct 2024 to				
Dec 2027	10.0%			\$2,250,000
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Rough Order of Cost Estimate - October 2024

Option 4C - Indoor Pool Option (Fabric Roof)

Assumes Thames High School Courts Site

BUSINESS CASE OPTION G: ALL INDOOR STRUCTURAL FABRIC BUILDING

LOCAL FACILITY

mpm projects

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Site Preparation				
Relocate horticultural shed & site demolitions	1	Sum	30,000	30,000
Demo & re-landscape existing school pool	1	Sum	200,000	200,000
Prov Allowance for Piling (assumed 650dia conc				
piles at 8m centres, 10m deep)	1	Sum	950,000	950,000
New Building	500	m2	7,400	3,700,000
Fabric Roof Pool Hall	1,150	m2	4,800	5,520,000
Multipurpose room excluded.				
Splashpad 78m2	1	Sum	650,000	650,000
Learn to Swim 88m2	1	Sum	850,000	850,000
Programmes 88m2	1	Sum	850,000	850,000
25m x 6 Lane Pool	1	Sum	3,500,000	3,500,000
Prov Allowance for equipment & fitout	1	Sum	250,000	250,000
Prov Allowance for Audio Visual /Active IT Equipment	1	Sum	150,000	150,000
Outdoor AHU Yard	264		720	190,080
Outdoor Yard	1	Sum	150,000	150,000
Prov Allowance for hard paving around building	1	Sum	230,000	230,000
Prov Allowance for seating, bins, planters etc	1	Sum	50,000	50,000
Prov Allowance for landscaping	1	Sum	150,000	150,000
Prov Allowance for services infrastructure	1	Sum	1,000,000	1,000,000
Prov Allowance for carparking	1	Sum	210,000	210,000
Sub Total				18,630,080
Design Development Contingency	5%			932,000
Professional Fees	15%			2,935,000
Consent fees	1.5%			294,000
Project Contingency	15%			3,419,000
r reject commigency	1070		-	0,110,000
Total - Option 4C - Indoor Pool Option (Fabric Roo	f)			\$26,210,080
			Say	\$26,200,000
Note additional cost of escalation from Oct 2024 to				
Dec 2027	10.0%			\$2,620,000

Rough Order of Cost Estimate - October 2024

Option 5 Kopu South Aquatic Centre

Stage 1

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BUSINESS CASE OPTION I: ALL INDOOR STAGED SUB-REGIONAL FACILITY

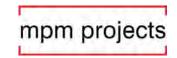
Site Preparation				
Provisional allowance to preload the site	1	Sum	385,000	385,000
Prov Allowance for Piling (assumed 650dia conc piles	'	Ouiii	303,000	303,000
at 8m centres, 10m deep)	1	Sum	1,150,000	1,150,000
New Building	2,265		6,800	15,402,000
25 x 7 Lane Pool 465m2		Sum	4,000,000	4,000,000
Learn to Swim 100m2		Sum	980,000	980,000
Programmes 100m2		Sum	980,000	980,000
Spa 15m2		Sum	220,000	220,000
Prov Allowance for equipment & fitout		Sum	250,000	250,000
Prov Allowance for Audio Visual /Active IT Equipment		Sum	150,000	150,000
Outdoor AHU Yard	160		720	115,200
Prov Allowance for hard paving around building		Sum	180,000	180,000
Prov Allowance for seating, bins, planters etc		Sum	50,000	50,000
Prov Allowance for landscaping		Sum	225,000	225,000
Prov Allowance for carparking		Sum	1,400,000	1,400,000
Prov Allowance for services infrastructure		Sum	2,500,000	2,500,000
Prov Allowance for State Highway 26 Access	·		_,000,000	_,000,000
Modification	1	Sum	500,000	500,000
	·		000,000	000,000
Sub Total				28,487,200
Design Development Contingency	5%			1,425,000
Professional Fees	15%			4,487,000
Consent fees	1.5%			449,000
Project Contingency	15%			5,228,000
1 Tojost Gorianigonoy	1070			0,220,000
Total - Kopu South Aquatic Centre Stage 1				\$40,076,200
			Say	\$40,000,000
Note additional cost of escalation from Oct 2024 to	40.00/			* 4
Dec 2027	10.0%			\$4,000,000
Option 5 Kopu South Aquatic Centre				
Stage 2				
Site Preparation				
Provisional allowance to preload the site	1	Sum	170,000	170,000
D All (D''' / LOSO!' ''	1			
Prov Allowance for Piling (assumed 650dia conc piles	ı		,	
at 8m centres, 10m deep)		Sum	900,000	900,000

New Building	992	m2	6,800	6,745,600
Leisure Pool 150m2	1	Sum	1,500,000	1,500,000
Prov Allowance for equipment & fitout	1	Sum	150,000	150,000
Prov Allowance for Audio Visual /Active IT Equipment	1	Sum	100,000	100,000
Prov Allowance for hard paving around building	1	Sum	70,000	70,000
Prov Allowance for seating, bins, planters etc	1	Sum	15,000	15,000
Prov Allowance for landscaping	1	Sum	50,000	50,000
Prov Allowance for carparking	1	Sum	300,000	300,000
Prov Allowance for services infrastructure	1	Sum	250,000	250,000
Sub Total				10,250,600
Design Development Contingency	5%			513,000
Professional Fees	15%			1,615,000
Consent fees	1.5%			162,000
Project Contingency	15%			1,882,000
Total - Kopu South Aquatic Centre Stage 2				\$14,422,600
			Say	\$14,500,000
Note additional cost of escalation from Oct 2024 to				
Dec 2027	10.0%			\$1,450,000

Option 4A - Indoor Pool Option

Asset Renewal Cost Estimate - October 2024

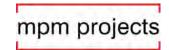
BUSINESS CASE OPTION H: ALL INDOOR, TRADITIONAL BUILDING LOCAL FACILITY



	Replacement										
Asset Replacement	cycle	\$ Today	year 5	year 10	year 15	year 20	year 25	year 30	year 35	year 40	year 45
Roofing & cladding	40	855,000								855,000	
Roofing & cladding repaint	10	265,000		265,000		265,000		265,000			
Skylights	25	150,000					150,000				
Alumin Joinery	20	685,000				685,000				685,000	
Repaint internal linings	10	400,000		400,000		400,000		400,000		400,000	
Joinery	15	170,000			170,000			170,000			170,000
WC partitions	15	30,000			30,000			30,000			30,000
Floor Finishes	10	160,000		160,000		160,000		160,000		160,000	
Elect/Fire /data/security	20	750,000				750,000				750,000	
HVAC	20	2,900,000				2,900,000				2,900,000	
Sanitary Fittings	15	240,000			240,000			240,000			240,000
Pool vinyl replacement	20	180,000				180,000				180,000	
Pools vinyl maintenance	5	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Concourses resin replacement	20	190,000				190,000				190,000	
Pool plant	20	1,550,000				1,550,000				1,550,000	
Splash pad	10	50,000		50,000		50,000		50,000		50,000	
Landscaping	10	50,000		50,000		50,000		50,000		50,000	
Reseal carparks	15	30,000			30,000			30,000			30,000
Furniture Fittings & Equipment	15	250,000			250,000			250,000			250,000
Pool Equipment	15	150,000			150,000			150,000			150,000
Annual Total			35,000	960,000	905,000	7,215,000	185,000	1,830,000	35,000	7,805,000	905,000

Option 4B - Outdoor Pool Option

BUSINESS CASE OPTION F: INDOOR / OUTDOOR, LOCAL FACILITY



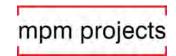
Asset Renewal Cost Estimate - October 2024

	Replacement										
Asset Replacement	cycle	\$ Today	year 5	year 10	year 15	year 20	year 25	year 30	year 35	year 40	year 45
Roofing & cladding	40	520,000								520,000	
Roofing & cladding repaint	10	160,000		160,000		160,000		160,000			
Skylights	25	90,000					90,000				
Alumin Joinery	20	415,000				415,000				415,000	
Repaint internal linings	10	240,000		240,000		240,000		240,000		240,000	
Joinery	15	100,000			100,000			100,000			100,000
WC partitions	15	30,000			30,000			30,000			30,000
Floor Finishes	10	160,000		160,000		160,000		160,000		160,000	
Elect/Fire /data/security	20	455,000				455,000				455,000	
HVAC	20	1,175,000				1,175,000				1,175,000	
Sanitary Fittings	15	200,000			200,000			200,000			200,000
Pool vinly replacement	10	180,000		180,000		180,000		180,000		180,000	
Pools vinly maintenance	5	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Concourses concrete - (outdoor)	0										
Pool plant	20	1,550,000				1,550,000				1,550,000	
Splash pad	10	50,000		50,000		50,000		50,000		50,000	
Landscaping	10	50,000		50,000		50,000		50,000		50,000	
Reseal carparks	15	20,000			20,000			20,000			20,000
Furniture Fittings & Equipment	15	250,000			250,000			250,000			250,000
Pool Equipment	15	150,000			150,000			150,000			150,000
Annual Total			35,000	875,000	785,000	4,470,000	125,000	1,625,000	35,000	4,830,000	785,000

Option 4C - Indoor Pool Option (Fabric Roof)

Asset Renewal Cost Estimate - October 2024

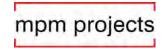
BUSINESS CASE OPTION G: ALL INDOOR, STRUCTURAL FABRIC BUILDING LOCAL FACILITY



	Replacement										
Asset Replacement	cycle	\$ Today	year 5	year 10	year 15	year 20	year 25	year 30	year 35	year 40	year 45
_						_					
PVC roofing	20	435,000				435,000				435,000	
Roofing & cladding	40	565,000								565,000	
Roofing & cladding repaint	10	265,000		265,000		265,000		265,000			
Skylights	25	50,000					50,000				
Alumin Joinery	20	685,000				685,000				685,000	
Repaint internal linings	10	400,000		400,000		400,000		400,000		400,000	
Joinery	15	170,000			170,000			170,000			170,000
WC partitions	15	30,000			30,000			30,000			30,000
Floor Finishes	10	160,000		160,000		160,000		160,000		160,000	
Elect/Fire /data/security	20	750,000				750,000				750,000	
HVAC	20	2,900,000				2,900,000				2,900,000	
Sanitary Fittings	15	240,000			240,000			240,000			240,000
Pool vinyl replacement	20	180,000				180,000				180,000	
Pools vinyl maintenance	5	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Concourses resin replacement	20	190,000				190,000				190,000	
Pool plant	20	1,550,000				1,550,000				1,550,000	
Splash pad	10	50,000		50,000		50,000		50,000		50,000	
Landscaping	10	50,000		50,000		50,000		50,000		50,000	
Reseal carparks	15	30,000			30,000			30,000			30,000
Furniture Fittings & Equipment	15	250,000			250,000			250,000			250,000
Pool Equipment	15	150,000			150,000			150,000			150,000
Annual Total			35,000	960,000	905,000	7,650,000	85,000	1,830,000	35,000	7,950,000	905,000

Option 5 Kopu South Aquatic Centre Asset Renewal Cost Estimate - October 2024

BUSINESS CASE OPTION I: ALL INDOOR, STAGED SUB-REGIONAL FACILITY



Stage 1

	Replacement										
Asset Replacement	cycle	\$ Today	year 5	year 10	year 15	year 20	year 25	year 30	year 35	year 40	year 45
Roofing & cladding	40	1,080,000								1,080,000	
Roofing & cladding repaint	10	330,000		330,000		330,000		330,000			
Skylights	25	250,000					250,000				
Alumin Joinery	20	865,000				865,000				865,000	
Repaint internal linings	10	490,000		490,000		490,000		490,000		490,000	
Joinery	15	220,000			220,000			220,000			220,000
WC partitions	15	40,000			40,000			40,000			40,000
Floor Finishes	10	290,000		290,000		290,000		290,000		290,000	
Elect/Fire /data/security	20	975,000				975,000				975,000	
HVAC	20	3,600,000				3,600,000				3,600,000	
Sanitary Fittings	15	330,000			330,000			330,000			330,000
Pool vinly replacement	20	200,000				200,000				200,000	
Pools vinly maintenance	5	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Concourses resin replacement	20	150,000				150,000				150,000	
Pool plant	20	1,950,000				1,950,000				1,950,000	
Landscaping	10	50,000		50,000		50,000		50,000		50,000	
Reseal carparks	15	200,000			200,000			200,000			200,000
Furniture Fittings & Equipment	15	250,000			250,000			250,000			250,000
Pool Equipment	15	150,000			150,000			150,000			150,000
Annual Total			40,000	1,200,000	1,230,000	8,940,000	290,000	2,390,000	40,000	9,690,000	1,230,000

Stage 2

	Replacement										
Asset Replacement	cycle	\$ Today	year 5	year 10	year 15	year 20	year 25	year 30	year 35	year 40	year 45
Roofing & cladding	40	420,000								420,000	
Roofing & cladding repaint	10	190,000		190,000		190,000		190,000			
Skylights	25	90,000					90,000				
Alumin Joinery	20	330,000				330,000				330,000	
Repaint internal linings	10	280,000		280,000		280,000		280,000		280,000	
Joinery	15	90,000			90,000			90,000			90,000
WC partitions	15	20,000			20,000			20,000			20,000
Floor Finishes	10	95,000		95,000		95,000		95,000		95,000	
Elect/Fire /data/security	20	375,000				375,000				375,000	
HVAC	20	1,400,000				1,400,000				1,400,000	
Sanitary Fittings	15	65,000			65,000			65,000			65,000
Pool vinly replacement	20	50,000				50,000				50,000	
Pools vinly maintenance	5	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Concourses resin replacement	20	70,000				70,000				70,000	
Pool plant	20	750,000				750,000				750,000	
Landscaping	10	25,000		25,000		25,000		25,000		25,000	
Reseal carparks	15	45,000			45,000			45,000			45,000
Furniture Fittings & Equipment	15	150,000			150,000			150,000			150,000
Pool Equipment	15	100,000			100,000			100,000		·	100,000
Annual Total			10,000	600,000	480,000	3,575,000	100,000	1,070,000	10,000	3,805,000	480,000

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Rough Order of Cost Estimate

Thames Aquatic Facilities
Value Managed Options
Option 4D - All Outdoor Pool Option

22nd November 2024

P2635 - Thames Aquatic Facilities

MPM Projects Limited, 6 Kirk Street, Grey Lynn, Auckland P O Box 3257, Auckland >> Phone: (09) 303 9420 <>



Thames Aquatic Facilities Value Managed Options

Rough Order of Cost Estimate - November 2024 Clarifications & Exclusions

Clarifications

Estimates are based on the following:

HDT Value Managed Options
Option 4D - All Outdoor Pool Option Sk1411
Assumes piled foundations
Services infrastructure connections have been assumed based on Beca Infrastructure repor
Estimates assume a traditional procurement process
A separate item of escalation from Nov 24 to Dec 27 has been allowed

Exclusions

The following are excluded from these estimates:

Site specific allowances for geotech issues other than the assumed substructure & piling Site specific allowances for removal of hazardous materials & site contamination Development Contributions & Infrastructure growth charges Land, Finance & Legal costs GST

Rough Order of Cost Estimate - November 2024

Option 4D - All Outdoor Pool Option

Assumes Thames High School Courts Site

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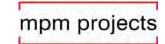
BUSINESS CASE OPTION E: ALL OUTDOOR, 25M POOL

Site Preparation				
Relocate horticultural shed & site demolitions	1	Sum	30,000	30,000
Demo & re-landscape existing school pool	1	Sum	200,000	200,000
Prov Allowance for Piling (assumed 650dia conc				
piles at 8m centres, 10m deep)	1	Sum	600,000	600,000
New Building	455	m2	6,800	3,094,000
25m x 7 Lane Pool		Sum	3,800,000	3,800,000
Prov Allowance for equipment & fitout	1	Sum	150,000	150,000
Prov Allowance for Audio Visual /Active IT				
Equipment	1	Sum	50,000	50,000
Outdoor AHU Yard	75	m2	720	54,000
Prov Allowance for Pool Concourse	1	Sum	300,000	300,000
Prov Allowance for hard paving around building	1	Sum	80,000	80,000
Prov Allowance for seating, bins, planters etc	1	Sum	50,000	50,000
Prov Allowance for landscaping	1	Sum	75,000	75,000
Prov Allowance for services infrastructure	1	Sum	1,000,000	1,000,000
Prov Allowance for carparking	1	Sum	120,000	120,000
Sub Total				9,603,000
Design Development Contingency	5%			481,000
Professional Fees	15%			1,513,000
Consent fees	1.5%			152,000
Project Contingency	15%		-	1,763,000
Total - Option 4D - All Outdoor Pool Option				\$13,512,000
			Say	\$13,500,000
Note additional cost of escalation from Nov 2024 to				
Dec 2027	10.0%			\$1,350,000

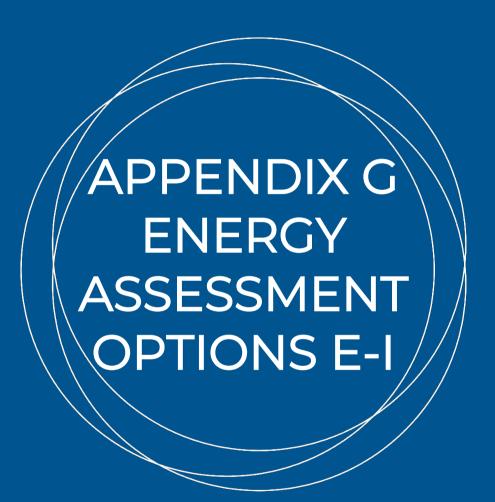
Option 4D - All Outdoor Pool Option

Asset Renewal Cost Estimate - November 2024

BUSINESS CASE OPTION E: ALL OUTDOOR, 25M POOL



	Replacement										
Asset Replacement	cycle	\$ Today	year 5	year 10	year 15	year 20	year 25	year 30	year 35	year 40	year 45
Roofing & cladding	40	160,000								160,000	
Roofing & cladding repaint	10	115,000		115,000		115,000		115,000			
Skylights	25	50,000					50,000				
Alumin Joinery	20	125,000				125,000				125,000	
Repaint internal linings	10	115,000		115,000		115,000		115,000		115,000	
Joinery	15	30,000			30,000			30,000			30,000
WC partitions	15	20,000			20,000			20,000			20,000
Floor Finishes	10	80,000		80,000		80,000		80,000		80,000	
Elect/Fire /data/security	20	200,000				200,000				200,000	
HVAC	20	370,000				370,000				370,000	
Sanitary Fittings	15	50,000			50,000			50,000			50,000
Pool vinly replacement	10	120,000		120,000		120,000		120,000		120,000	
Pools vinly maintenance	5	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Concourses concrete - (outdoor)	0										
Pool plant	20	950,000				950,000				950,000	
Landscaping	10	50,000		50,000		50,000		50,000		50,000	
Reseal carparks	15	20,000			20,000			20,000			20,000
Furniture Fittings & Equipment	15	150,000		·	150,000			150,000			150,000
Pool Equipment	15	50,000		·	50,000	·		50,000		·	50,000
Annual Total		·	25,000	505,000	345,000	2,150,000	75,000	825,000	25,000	2,195,000	345,000



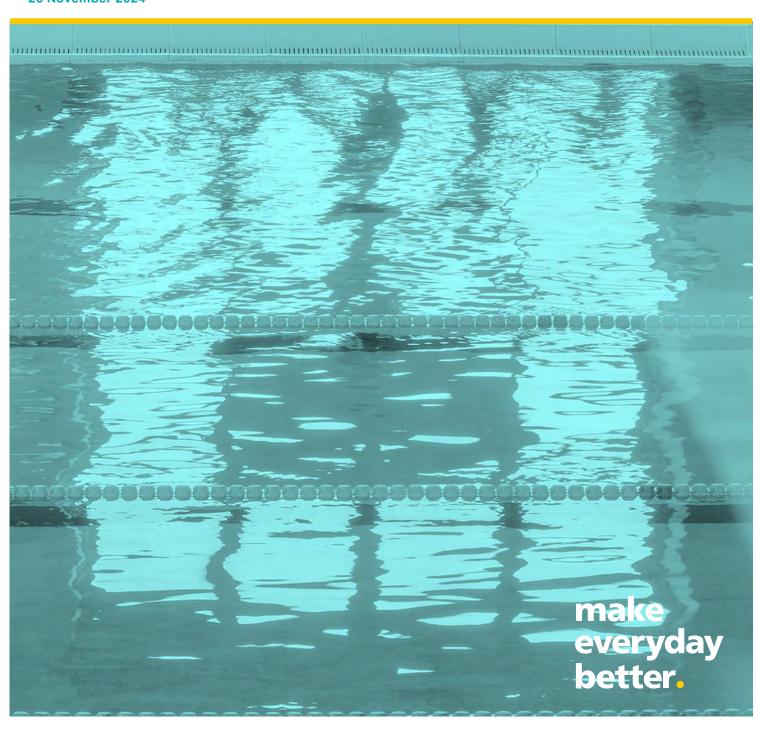


Thames Aquatic and Sports Hub Feasibility - Revised Options

Operating Expenditure of Options

Prepared for Visitor Solutions Prepared by Beca Limited

20 November 2024



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Appendices

Appendix A – Calculation Assumptions



Revision History

Revision N°	Prepared By	Description	Date
Α	Finn Durrant	Draft Report	25.10.24
В	Finn Durrant	Final Report	20.11.24

Document Acceptance

Action	Name	Signed	Date
Prepared by	Finn Durrant		20.11.24
Reviewed by	Xander Wijninckx	Vin	20.11.24
Approved by	Nick Yannakis	Nor	20.11.24
on behalf of	Beca Limited		

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Executive Summary

Five options (4A – 4D, 5) for an aquatic facility in the Thames-Coromandel region were considered, and their operational expenditures (OPEX) were assessed. A summary of each facility and their OPEX are given below.

Option 4A

A 1620m² aquatic facility consisting of a 1200m² pool hall and 420m² of ancillary areas located on the Thames High School grounds. There are four indoor pools, including a 25m pool, a learn-to-swim pool, a programmes pool, and a splash pad. The annual OPEX for this option was **\$249,000**.

Option 4B

A variation of Option 4A with the 25m pool moved outdoors. This reduces the pool hall to 550m², with the ancillary areas remaining at 420m², totalling 980m². Moving the 25m pool outdoors will reduce construction costs but increase running costs as the pool is in a cold, uncontrolled environment. The annual OPEX for this option was **\$234,000**. Note that without a pool cover, this cost is estimated to increase by an additional \$100,000 for year-round operation.

Option 4C

A variation of Option 4A with a fabric roof for the pool hall. All other parts of the facility remain the same. A fabric roof decreases construction costs but increases running costs as there are higher risks of thermal bridging. The annual OPEX for this option was \$263,000.

Details of the alternative fabric structure for the pool hall has been investigated and the system offers a potential reduction in initial capital expenditure due to its lightweight design. However, this design is expected to increase operational costs (OPEX) because the thermal envelope is less efficient, with increased cold bridging compared to a traditional building, leading to higher energy loads on the mechanical ventilation system. Additionally, the detailing of the building fabric and structure, particularly the junctions, must be designed to a high level of detail to ensure a robust and well-sealed building, mitigating potential risks associated with thermal bridges and long-term maintenance.

Option 4D

A variation of Option 4A where the only pool is a 7-lane 25m outdoor pool. The ancillary areas remain a similar size to Option 4A (390m²) with a reduced plant area due to the exclusion of the pool hall. Similarly to Option 4B, moving the pool outdoors will reduce construction costs but increase running costs (of the pool itself). The exclusion of the pool hall means that the running costs associated with this are eliminated, resulting in a net decrease in overall OPEX. The annual OPEX for this option was \$167,000. Note that without a pool cover, this cost is estimated to increase by an additional \$100,000 for year-round operation.

Option 5

A larger aquatic facility located in Kopu South. This option is staged, with the work being completed in two stages. In Stage 1 the majority of the aquatic facility is built, with a 1290m² pool hall and 1000m² of ancillary areas, totalling 1290m². There are four indoor pools, including a 25m pool, learn to swim pool, programmes pool, and spa pool. The annual OPEX for Option 5 after Stage 1 of construction was **\$290,000**.

Stage 2 of the construction extends the pool hall from 1290m² to 1730m² and adds a fitness centre and associated change rooms. This increases the ancillary areas from 1000m² to 1540m² and the total floor space from 1290m² to 3270m². The annual OPEX for Option 5 after Stage 2 of construction was **\$392,000**.



1 Overview

Visitor Solutions have engaged Beca to further the feasibility work done on identifying affordable solutions for the Thames Aquatic Provision, on behalf of Thames-Coromandel District Council (TCDC).

The initial feasibility study looked at five sites to be considered for the facility which included:

- Thames High School
- Ex-Carter Holt Harvey site
- Wenzlick Block
- Ngatea
- Upper Thames Racecourse

After consideration, the following options have been put forward for further investigation:

- Option 4A Thames High School Indoor Pool
- Option 4B Thames High School Outdoor 25m Pool
- Option 4C Thames High School Indoor Pool with Fabric Roof
- Option 4D Thames High School Outdoor 25m Pool Only
- Option 5 Kopu South Aquatic Centre (built over two stages)

This report looks at and compares the operational running costs, or operational expenditure (OPEX) of each option to help TCDC select an option(s) to progress further with.



BUSINESS CASE OPTION H: ALL INDOOR, LOCAL FACILITY

2 Option 4A – Thames High School Indoor Pool

2.1 Introduction

Option 4A will be sited on the Thames High School grounds near Richmond Street. The facility covers 1620m² of floorspace and includes a 25m pool, learn to swim pool, programmes pool, and splash pad. All the pools are located indoors in a single pool hall. Figure 1 shows a concept sketch of the site.



Figure 1: A concept sketch for Option 4A.

2.2 Facility Area Schedule

A summary of the areas and volumes used to calculate the OPEX are listed in Table 1.

Table 1: The pool parameters and assumptions used to calculate the OPEX for Option 4A.

	Area [m²]	Volume [m³]	Pool Depths [m]
Pool Hall	1200	-	-
Ancillary Areas ¹	420	-	-
25m Pool	410	710	1.5 – 2
Learn to Swim Pool	90	80	0.8 – 1
Programmes Pool	90	110	1.2 – 1.4
Splash Pad	80	20	0 – 0.5

¹Ancillary areas include all parts of the building that are not the pool hall (reception, change rooms, staff rooms, and indoor plant spaces).

2.3 Estimated Operational Cost

The OPEX was calculated and broken down in Table 2. The full list of critical assumptions that were used for all options are listed in Appendix A – Calculation Assumptions.

Table 2: The OPEX for Option 4A.

	Conditioning Electricity	General Electricity	Water	Chemicals
Pool Hall	\$96,000 pa	\$96,000 pa		\$22,000 pa
Ancillary Areas	\$8,000 pa	\$8,000 pa	\$19,000 pa	-
Total	\$104,000 pa	\$104,000 pa	\$19,000 pa	\$22,000 pa

The total annual OPEX for Option 4A was estimated to be \$249,000.



BUSINESS CASE OPTION F: INDOOR/OUTDOOR, LOCAL FACILITY

3 Option 4B – Thames High School Outdoor 25m Pool

3.1 Introduction

Option 4B is a variation of Option 4A. It is located on the same site, on the Thames High School grounds near Richmond Street. Option 4B has all the same pools and ancillary areas as 4A, but the 25m pool is located outdoors. This reduces the pool hall area from $1200m^2$ to $550m^2$. The floorspace of the ancillary areas remains unchanged from Option 4A. This reduces the total facility floorspace from $1620m^2$ to $980m^2$. Figure 2 shows a concept sketch of the site.



Figure 2: A concept sketch for Option 4B.

3.2 Building Considerations

Moving the 25m pool outdoors generally reduces the capital expenditure (CAPEX) of the facility but will increase the OPEX. An outdoor pool requires more heating and more chemicals than the equivalent indoor pool because of the colder air temperature, increased evaporation, and direct sunlight on the pool using up more chlorine. Because of this, it is recommended to use a pool cover during closed hours. This can significantly reduce the running costs. It is worth noting that the estimated OPEX assumes that a pool cover is used for 12 hours a day, and that the outdoor pool is used year-round.

3.3 Facility Area Schedule

A summary of the areas and volumes used to calculate the OPEX are listed in Table 3.

Table 3: The pool parameters and assumptions used to calculate the OPEX for Option 4B.

	Area [m²]	Volume [m³]	Pool Depths [m]
Pool Hall	550	-	-
Ancillary Areas	430	-	-
25m Pool	410	710	1.5 – 2
Learn to Swim Pool	90	80	0.8 – 1
Programmes Pool	90	110	1.2 – 1.4
Splash Pad	80	20	0 – 0.5



3.4 Estimated Operational Cost

The OPEX was calculated and broken down in Table 4. The full list of critical assumptions that were used for all options are listed in Appendix A – Calculation Assumptions. A key assumption for this option is the use of a pool cover for the outdoor pool.

Table 4: The OPEX for Option 4B.

	Conditioning Electricity	General Electricity	Water	Chemicals
Pool Hall	\$44,000 pa	\$44,000 pa		
Outdoor Pool	\$67,000 pa	\$16,000 pa	\$19,000 pa	\$27,000 pa
Ancillary Areas	\$9,000 pa	\$8,000 pa		-
Total	\$120,000 pa	\$68,000 pa	\$19,000 pa	\$27,000 pa

The total annual OPEX for Option 4B was estimated to be **\$234,000**. This reflects the extra running costs of an outdoor pool. Note that without the pool cover, this cost is estimated to increase by \$100,000 for year-round operation.



BUSINESS CASE OPTION G: ALL INDOOR FABRIC BUILDING

4 Option 4C – Thames High School Indoor Pool with Fabric Roof

4.1 Introduction

Option 4C is also a variation of Option 4A. The location, floorplan, and pools remain the same as 4A. The difference is that 4C has a fabric roof for the pool hall. The floorspace of the facility is the same as 4A at 1620m². Figure 3 shows a concept sketch of the site.



Figure 3: A concept sketch for Option 4C.

4.2 Building Considerations

The alternative fabric structure has been investigated in detail including meetings with manufacturers/installers and investigating the detailing of the system. The fabric structure has an opportunity to reduce the initial capital expenditure of the total construction cost, specifically the pool hall being built with a lightweight structure and roof, which also results in reduced foundation requirements. The walls in the pool hall and the front of house are still a conventional wall/construction, however the detailing between the wall and pool hall roof interface will be a 'weak' point/junction in trying to obtain a well-sealed building. In particular, the challenge will be how to create a robust junction that allows for the differential movement in the buildings as well as having a tensioned fabric at all fabric-wall interfaces. The design and detailing of this 'robust junction' will be critical to the design. Additionally, the pool hall thermal envelope is worse than a traditional building (Option 4A) as there are significantly more thermal bridges associated with the fabric structure design. This is due to the insulation only being placed between the steel structure. These cold bridges in a high corrosion environment will likely result in higher long term maintenance cost and also may reduce the life of the structure if not maintained. This is only a consideration for the whole of life analysis.

A lower level of insulation results in a greater energy load on the mechanical ventilation and is expected to result in a higher operational cost (OPEX). There is no real-world data or independent studies available to provide any engineering justification for a feasibility study. Based on experience of other aquatic buildings with high thermal bridges there has been a 15% increase in the conditioning of the pool hall.

The structure and mechanical ventilation system will have to be designed and installed with a high level of detail to mitigate the potential risk.

4.3 Facility Area Schedule

A summary of the areas and volumes used to calculate the OPEX are listed in Table 5.



Table 5: The pool parameters and assumptions used to calculate the OPEX for Option 4C.

	Area [m²]	Volume [m³]	Pool Depths [m]
Pool Hall	1200	-	-
Ancillary Areas	420	-	-
25m Pool	410	710	1.5 – 2
Learn to Swim Pool	90	80	0.8 – 1
Programmes Pool	90	110	1.2 – 1.4
Splash Pad	80	20	0 – 0.5

4.4 Estimated Operational Cost

The OPEX was calculated and broken down in Table 6. The pool hall conditioning cost was increased by 15% to reflect the lower insulative properties. The full list of critical assumptions that were used for all options are listed in Appendix A – Calculation Assumptions.

Table 6: The OPEX for Option 4C.

	Conditioning Electricity	General Electricity	Water	Chemicals
Pool Hall	\$110,000 pa	\$96,000 pa		\$22,000 pa
Ancillary Areas	\$8,000 pa	\$8,000 pa	\$19,000 pa	-
Total	\$118,000 pa	\$104,000 pa	\$19,000 pa	\$22,000 pa

The total annual OPEX for Option 4C was estimated to be \$263,000.



BUSINESS CASE OPTION E: ALL OUTDOOR, 25M POOL

5 Option 4D - Thames High School Outdoor Pool Only

5.1 Introduction

Option 4D is also a variation of Option 4A. The facility location and size of the ancillary areas remain the same as 4A. The difference is that the only pool for Option 4D is a 7-lane outdoor 25m pool. This eliminates the pool hall and the associated electricity that is required to maintain the space at a comfortable temperature and humidity. The floorspace of the facility is the same as 4A at $1620m^2$. Figure 4 shows a concept sketch of the site.

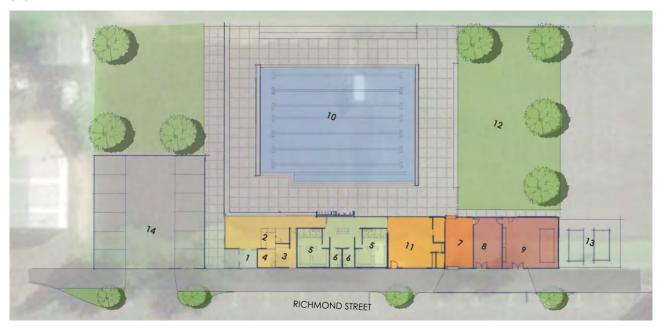


Figure 4: A concept sketch for Option 4D.

5.2 Building Considerations

This option is intended to replicate current operations of the outdoor pool only. It is worth noting that similarly to Option 4B, the OPEX (heating and chemical use) for an outdoor pool is greater than its indoor equivalent due to the colder temperatures, exposure to wind and higher chlorine consumption. It is also key for pool covers to be used during closed hours to conserve heat and reduce the OPEX. The OPEX was estimated on the assumption that the pool is covered for 12 hours a day and open year-round.

5.3 Facility Area Schedule

A summary of the areas and volumes used to calculate the OPEX are listed in Table 7.

Table 7: The pool parameters and assumptions used to calculate the OPEX for Option 4D.

	Area [m²]	Volume [m³]	Pool Depths [m]
Pool Hall	0	-	-
Ancillary Areas	390	-	-
25m Pool	450	790	1.5 – 2



5.4 Estimated Operational Cost

The OPEX was calculated and broken down in Table 8. The full list of critical assumptions that were used for all options are listed in Appendix A – Calculation Assumptions.

Table 8: The OPEX for Option 4D.

	Conditioning Electricity	General Electricity	Water	Chemicals
Outdoor Pool	\$67,000 pa	\$54,000 pa	#C 000	\$25,000 pa
Ancillary Areas	\$8,000 pa	\$7,000 pa	\$6,000 pa	-
Total	\$75,000 pa	\$61,000 pa	\$6,000 pa	\$25,000 pa

The total annual OPEX for Option 4D was estimated to be **\$167,000**. Note that without the pool cover, this cost is estimated to increase by \$100,000 for year-round operation.



Option 5 – Kopu South Aquatic Centre

6.1 Introduction

Option 5 is a 2-staged design located outside of Thames on Paeroa Kopu Road. The first stage of the project constructs a 2290m² facility which will include a 25m pool, learn to swim pool, programmes pool and a spa pool. All these pools are in a single pool hall. Additionally, the pool hall will be supported by the associated changing room and administration spaces in the front of house.

The Stage 2 works of the Kopu South Aquatic Centre adds a leisure pool, fitness centre, and fitness change rooms to the facility. This increases the pool hall area from 1290m² to 1730m², and the total facility floorspace from 2290m² to 3270m².

Figure 5 shows a concept sketch of the site where the hatched area shows the Stage 2 works.



Figure 5: A concept sketch for Option 5.



6.2 Facility Area Schedule – Stage 1 Only

A summary of the areas for the Stage 1 works, and associated volumes used to calculate the OPEX are listed in Table 9.

Table 9: The pool parameters and assumptions used to calculate the OPEX for Option 5 – Stage 1 Only.

	Area [m²]	Volume [m³]	Pool Depths [m]
Pool Hall	1290	-	-
Ancillary Areas	1000	-	-
25m Pool	470	810	1.5 – 2
Learn to Swim Pool	100	90	0.8 – 1
Programmes Pool	100	130	1.2 – 1.4
Spa Pool	6	6	0 – 0.5

6.3 Estimated Operational Cost – Stage 1 Only

Table 10 shows the corresponding estimated OPEX costs for Stage 1 works. The full list of assumptions that were used for all options OPEX calculations are listed in Appendix A – Calculation Assumptions.

Table 10: The OPEX for Option 5 – Stage 1 Only.

	Conditioning Electricity	General Electricity	Water	Chemicals
Pool Hall	\$103,000 pa	\$103,000 pa		\$23,000 pa
Ancillary Areas	\$20,000 pa	\$19,000 pa	\$22,000 pa	-
Total	\$123,000 pa	\$122,000 pa	\$22,000 pa	\$23,000 pa

The total annual OPEX for Option 5, Stage 1 was estimated to be \$290,000.

6.4 Facility Area Schedule – Stage 1 and 2

A summary of the areas and volumes used to calculate the OPEX are listed in Table 11.

Table 11: The pool parameters and assumptions used to calculate the OPEX for Option 5 – Stage 1 and 2.

	Area [m²]	Volume [m³]	Pool Depths [m]
Pool Hall	1730	-	-
Ancillary Areas	1540	-	-
25m Pool	470	810	1.5 – 2
Learn to Swim Pool	100	90	0.8 – 1
Programmes Pool	100	130	1.2 – 1.4
Spa Pool	6	6	0 – 0.5
Leisure Pool	150	130	0.5-1.2



6.5 Estimated Operational Cost – Stage 1 and 2

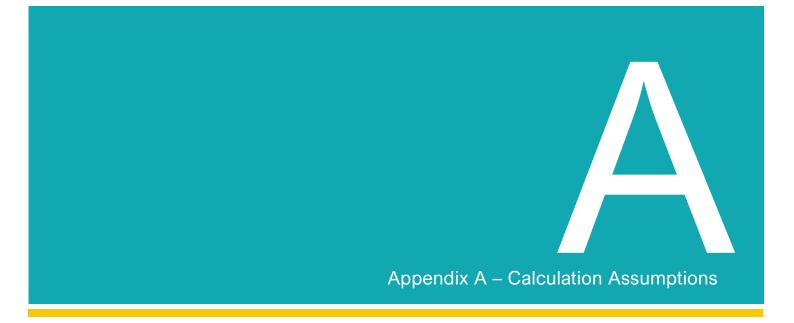
Table 12 shows the estimated OPEX for Stage 1 and 2 works. The full list of assumptions that were used for all options OPEX calculations are listed in Appendix A – Calculation Assumptions.

Table 12: The OPEX for Option 5 – Stage 1 and 2.

	Conditioning Electricity	General Electricity	Water	Chemicals
Pool Hall	\$138,000 pa	\$138,000 pa		\$25,000 pa
Ancillary Areas	\$31,000 pa	\$29,000 pa	\$31,000 pa	-
Total	\$169,000 pa	\$167,000 pa	\$31,000 pa	\$25,000 pa

The total annual OPEX for Option 5, Stage 1 and 2 was estimated to be \$392,000.





Critical Listed Assumptions

- Electricity cost of 20c/kWh.
- Energy consumption based on benchmarked data for similar facilities.
- Facility assumed to be built out of water table.
- Site to be fully electrified with heating for both the pool water heating and pool hall conditioning based on heat pump technology with an average COP of 3.0.
- Pool hall conditioned all hours of the day to 27°C and 60% RH with a fresh air dehumidification system with medium to high levels of heat recovery.
- Ancillary areas generally conditioned 15 hours of the day between 21-24°C during occupied.
- Chemical and water consumption is based on estimated water volumes of pool water.
- Water cost is estimated at \$2/m3.
- Chlorine is estimated at \$0.1/L for 1% chlorine.
- Outdoor pools assumed to be covered outside of occupied hours (12 hours a day).
- Outdoor pools assumed to operate year-round.
- Fabric structure thermal envelope has a 15% increase in energy consumption of the pool hall thermal load.





Deloitte.





Thames Coromandel District Council – Aquatic Provision

Financial Analysis – Draft Options Assessment

Addendum



Executive summary | Financial Summary

We have presented a comparison of the present value of whole of life cash flows and the impact to rates/ratepayers of the six alternative options.

Approach

- The expected annual costs of the Thames Aguatic Provision (TAP) were determined through the development of a financial model ('the model'). The costs of the facility comprise:
 - Capital costs for the development, design and construction of the facility.
 - Operating costs and revenues relating to the operation of the facility.
 - Lifecycle costs covering the refurbishment of the facility components.
- The financial model was constructed based on costs, revenue and funding assumptions and estimates obtained from Thames Coromandel District Council (TCDC) and recreational facility experts including Visitor Solutions and other appropriate public sources of information.
- We highlight that with exception of Option 6 (Outdoor), the EBITDA range between options is minor, being (\$982k) to (\$1.1m), a difference of \$155k. This illustrates that the rates impact between alternative options is predominately driven by the scale of capital expenditure. The upfront capital cost impacts the level of depreciation, alongside the debt and interest repayments which would be charged to TCDC ratepayers under the rating policy.

Thames Aquatic Provision Options Analysis	OPTION H	OPTION F	OPTION G	OPTION I	OPTION I	OPTION E
NZ\$000	Option 4A All Indoor	Option 4B Indoor/Outdoor	Option 4C Fabric Building	Option 5 Stage 1	Option 5A Stage 1 + 2	Option 6 Outdoor
Capital Expenditure Requirement (Pre Escalation)	29,021	22,472	26,208	40,074	54,494	13,509
Capital Expenditure Requirement (Post Escalation)	30,758	23,817	27,776	42,472	61,326	14,317
Statement of Financial Performance						
Revenue (Year 1)	235	224	232	244	244	163
Expenditure (Year 1)	(1,217)	(1,207)	(1,236)	(1,381)	(1,381)	(876)
EBITDA (Year 1) (2024 Real Terms)	(982)	(983)	(1,005)	(1,137)	(1,137)	(713)
Cumulative Free Cash Flow / Whole of Life	(154,060)	(135,143)	(154,620)	(181,334)	(237,663)	(90,908)
Net Present Value	(59,200)	(50,395)	(57,352)	(73,586)	(90,324)	(33,021)
Cost to Ratepayers - Gross Average (30 Years)						
Operational Subsidy (EBITDA)	1,369	1,373	1,402	1,462	1,680	1,030
Depreciation (to fund renewals)	931	742	878	1,282	1,615	451
Debt Repayments (30 years)	1,013	770	909	1,423	1,736	438
Interest (5%)	964	733	865	1,354	1,859	416
Estimated Funding Required (Gross Average)	4,276	3,618	4,054	5,521	6,889	2,335
Rates (TCDC LTP 2027/28) *	131,373	131,373	131,373	131,373	131,373	131,373
% of Current Rates	3.26%	2.75%	3.09%	4.20%	5.24%	1.78%
Net Impact to Ratepayers (\$/ratepayer basis)						
Adjusted LTP Rates Average assuming Status Quo	(775)	(775)	(775)	(775)	(775)	(775)
Average rates based on modelling:	4,276	3,618	4,054	5,521	6,889	2,335
Net Difference	3,501	2,843	3,279	4,746	6,114	1,560
Net Impact						
Ratepayer Impact - Thames Ward (5,525) - GST Incl	729	592	682	988	1,273	325
Ratepayer Impact - TCDC District (28,752) - GST Incl	140	114	131	190	245	62
Gross Impact						
Ratepayer Impact - Thames Ward (5,525) - GST Incl	890	753	844	1,149	1,434	486
Ratepayer Impact - TCDC District (28,752) - GST Incl	171	145	162	221	276	93
Source: Source Information, Deloitte Analysis						

These projections have been compiled from information and instructions furnished to us and estimates made by Visitor Solutions. As these projections are based on assumptions about circumstances and events that have not yet taken place they are subject to variations that may arise as future events actually occur. Accordingly, we cannot give assurance that the predicted results will actually be achieved.

All scenarios have been modelled assuming \$1.9m of funding from existing reserves consistent with our previous analysis.

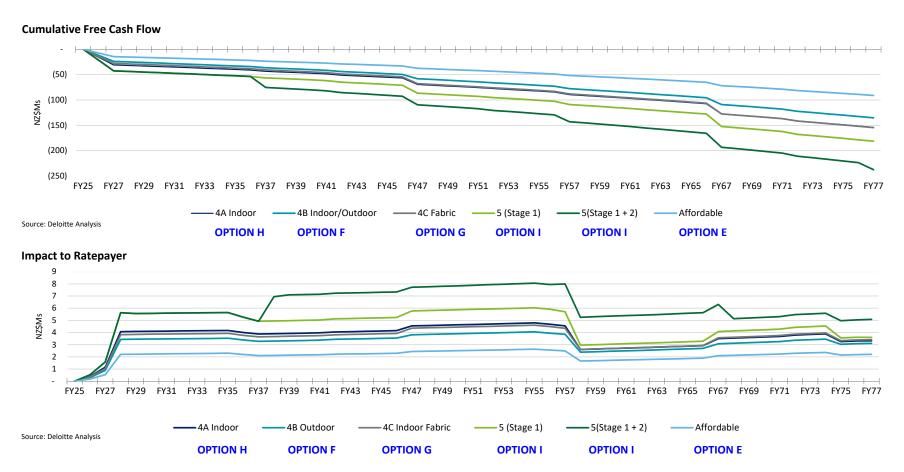
^{*} Adjusted to normalise for the rates impact already factored within TCDC LTP



Executive summary | Financial Summary

We have presented a comparison of the present value of whole of life cash flows and the impact to rates of the alternative options.

• The WOL cumulative cash flows of the alternative options ranges between \$90.9m (Option 6 - Outdoor Pool) and \$237.7m (Option 5A Kopu South Stage 1 + 2).





Appendices



BUSINESS CASE OPTION H: ALL INDOOR, TRADITIONAL BUILDING LOCAL FACILITY Appendices | Option 4A: All Indoor

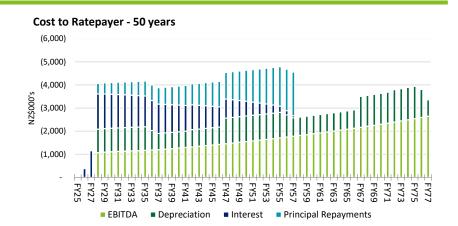
Option 4A: WOL Cost ~\$154.1m. Impact to rates of ~\$4.3m

Thames Aquatic Provision Options Analysis NZ\$000 Option 4A All Indoor 29,021 Capital Expenditure Requirement (Pre Escalation) Capital Expenditure Requirement (Post Escalation) 30.758 Statement of Financial Performance Revenue (Year 1) 235 Expenditure (Year 1) (1,217)EBITDA (Year 1) (2024 Real Terms) (982)Cumulative Free Cash Flow / Whole of Life (154,060) Net Present Value (59,200)Cost to Ratepayers - Gross Average (30 Years) Operational Subsidy (EBITDA) 1,369 Depreciation (to fund renewals) 931 Debt Repayments (30 years) 1,013 Interest (5%) 964 4,276 Estimated Funding Required (Gross Average) Rates (TCDC LTP 2027/28) * 131.373 % of Current Rates 3.26% Net Impact to Ratepayers (\$/ratepayer basis) Adjusted LTP Rates Average assuming Status Quo (775)Average rates based on modelling: 4.276 Net Difference 3,501

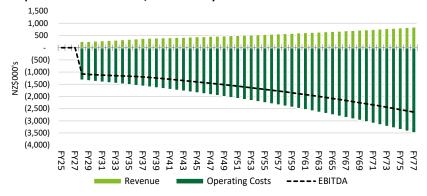
Source: Source Information, Deloitte Analysis

Cumulative Cash Flow - 50 years





Operational Performance/EBITDA - 50 years



^{*} Adjusted to normalise for the rates impact already factored within TCDC LTP



BUSINESS CASE OPTION H: ALL INDOOR, TRADITIONAL BUILDING LOCAL FACILITY Appendices | Option 4A: All Indoor

Option 4A: WOL Cost ~\$154.1m. Impact to rates of ~\$4.3m

Thames Aquatic Provision		,	Some years have	been hidden for p	resentation nur	nneae									
SNZ000's	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32 Y3Y3Y3	Y3Y3Y3Y3 FY40 Y4Y4Y4Y4Y4	Y4Y4Y4Y4 FY50 Y5Y5Y5Y5	Y5Y5Y5Y5Y5 FY60 Y6Y6Y6Y6Y6Y	'6Y6Y6Y6 FY70 Y7Y7Y7Y7'5	FY76	FY
asual Entry	-	-	-	-	84	80	84	88	92	125	152	185	226	255	26
vim Squad		-	-	-	19	20	21	22	23	31	37	46	56	63	6
thools		-	-	-	9	9	9	10	10	14	17	21	26	29	
arn to Swim		-	-	-	107	112	118	124	130	176	215	262	319	360	31
qua Programmes		-	-	-	25	26	27	29	30	41	50 4	61 4	74	83	
rthday Parties	-	-	-	-	2	2	2	2	2	3	4	4	5	6	
tness Memberships vrdoslide	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
ther Revenue		-	-	-	12	12	13	14	14	20	24	- 29	35	40	
otal Revenue		-	-	-	257	261	274	288	302	409	499	608	741	835	85
xpenses	-	_	-	-	237	201	274	200	302	403	433	000	741	633	0
taff			_	_	(855)	(872)	(889)	(907)	(924)	(1,079)	(1,315)	(1,603)	(1,955)	(2,201)	(2,24
irect					(338)	(345)	(351)	(358)	(365)	(426)	(520)	(633)	(772)	(870)	(88)
ndirect					(138)	(141)	(144)	(146)	(149)	(174)	(212)	(259)	(316)	(355)	(36
Other															
Operating Costs			-	-	(1,330)	(1,357)	(1,384)	(1,411)	(1,439)	(1,680)	(2,047)	(2,496)	(3,042)	(3,426)	(3,49
ease															
perating Costs			-	-	(1,330)	(1,357)	(1,384)	(1,411)	(1,439)	(1,680)	(2,047)	(2,496)	(3,042)	(3,426)	(3,49
et Operating Cost	-	-	-	-	(1,074)	(1,096)	(1,110)	(1,124)	(1,136)	(1,270)	(1,549)	(1,888)	(2,301)	(2,592)	(2,643
epreciation	-	-	-	-	(1,015)	(1,015)	(1,015)	(1,015)	(1,017)	(703)	(1,107)	(796)	(1,336)	(713)	(68
otal Accounting Cost	-	-		-	(2,089)	(2,112)	(2,126)	(2,139)	(2,153)	(1,974)	(2,656)	(2,684)	(3,637)	(3,305)	(3,327
nterest	-	-	(380)	(1,149)	(1,519)	(1,497)	(1,472)	(1,447)	(1,421)	(1,155)	(639)	-	-	-	
otal Accounting Cost	-	-	(380)	(1,149)	(3,608)	(3,608)	(3,598)	(3,586)	(3,574)	(3,129)	(3,295)	(2,684)	(3,637)	(3,305)	(3,327
tates Cost to Council															
BITDA		-	-	-	(1,074)	(1,096)	(1,110)	(1,124)	(1,136)	(1,270)	(1,549)	(1,888)	(2,301)	(2,592)	(2,64
nterest Cost		-	(380)	(1,149)	(1,519)	(1,497)	(1,472)	(1,447)	(1,421)	(1,155)	(639)	-	-	-	
apex - Establishment		-	(15,211)	(15,547)	-	-	-	-	-	-	-	-	-	-	
xternal Funding Received (Equity)	-	-	950	950								-	=		
lebt Draw/Repayment	-		14,261	14,597	(457)	(480)	(504)	(529)	(556)	(821)	(1,338)				
Pepreciation to fund Replacements			Upfront	interest	(1,015)	(1,015)	(1,015)	(1,015)	(1,017) (4,130)	(703)	(1,107)	(796)	(1,336)	(713)	(68
otal Cost to Council - Rates	•	-	capit	alised	(4,066)	(4,088)	(4,102)	(4,116)	(4,130)	(3,951)	(4,633)	(2,684)	(3,637)	(3,305)	(3,327
ash Flow Cost to Council															
ost to rates		-	(380)	(1,149)	(4,066)	(4,088)	(4,102)	(4,116)	(4,130)	(3,951)	(4,633)	(2,684)	(3,637)	(3,305)	(3,32
ddback Depreciation		-	-	-	1,015	1,015	1,015	1,015	1,017	703	1,107	796	1,336	713	68
eplacement Capex		-	-	-	-	-	-	-	(42)	-	-	-	-	-	
otal Cost to Council - Cash Flow	•		(380)	(1,149)	(3,050)	(3,073)	(3,087)	(3,100)	(3,155)	(3,247)	(3,525)	(1,888)	(2,301)	(2,592)	(2,643
ımulative Cash Flow	-	-	(380)	(1,530)	(4,580)	(7,653)	(10,740)	(13,840)	(16,995)	(43,662)	(90,313)	(125,258)	(164,393)	(181,490)	(184,13
umulative Cash Flow															
BITDA					(1,074)	(1,096)	(1,110)	(1,124)	(1,136)	(1,270)	(1,549)	(1,888)	(2,301)	(2,592)	(2,64
apex - Establishment			(15,211)	(15,547)			., -,				***				,-
eplacement Capex	-	-			-	-	-	-	(42)	-	-	-	-	-	
ash Flow			(15,211)	(15,547)	(1,074)	(1,096)	(1,110)	(1,124)	(1,178)	(1,270)	(1,549)	(1,888)	(2,301)	(2,592)	(2,643
Cumulative Cash Flow	-	_	(15,211)	(30,758)	(31,832)	(32,928)	(34,038)	(35,162)	(36,340)	(47.193)	(74,076)	(95.184)	(134,318)	(151,416)	(154,060

DISCLAMER - These projections have been compiled from information and instructions furnished to us and estimates made by Deloitte. As these projections are based on assumptions about circumstances and events that have not yet taken place they are subject to variations that may arise as future events actually occur. Accordingly, we cannot give assurance that the predicted results will actually be achieved.



BUSINESS CASE OPTION F: INDOOR/OUTDOOR LOCAL FACILITY

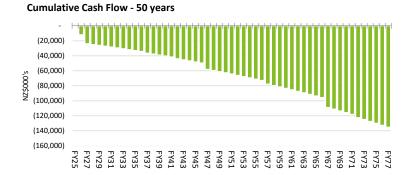
Appendices | Option 4B: Indoor/Outdoor

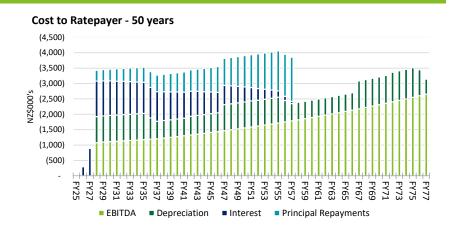
Option 4B: WOL Cost ~\$135.2m. Impact to rates of ~\$3.6m.

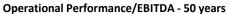
Thames Aquatic Provision Options Analysis	
NZ\$000	Option 4B Indoor/Outdoor
Capital Expenditure Requirement (Pre Escalation) Capital Expenditure Requirement (Post Escalation)	22,472 23,817
Statement of Financial Performance	20,02.
Revenue (Year 1)	224
Expenditure (Year 1)	(1,207)
EBITDA (Year 1) (2024 Real Terms)	(983)
Cumulative Free Cash Flow / Whole of Life	(135,143)
Net Present Value	(50,395)
Cost to Ratepayers - Gross Average (30 Years)	
Operational Subsidy (EBITDA)	1,373
Depreciation (to fund renewals)	742
Debt Repayments (30 years)	770
Interest (5%)	733
Estimated Funding Required (Gross Average)	3,618
Rates (TCDC LTP 2027/28) *	131,373
% of Current Rates	2.75%
Net Impact to Ratepayers (\$/ratepayer basis)	
Adjusted LTP Rates Average assuming Status Quo	(775)
Average rates based on modelling:	3,618
Net Difference	2,843

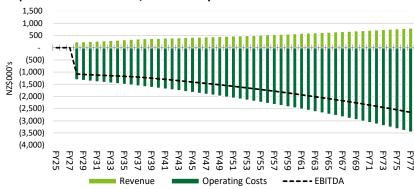
Source: Source Information, Deloitte Analysis

^{*} Adjusted to normalise for the rates impact already factored within TCDC LTP











BUSINESS CASE OPTION F: INDOOR/OUTDOOR LOCAL FACILITY

Appendices | Option 4B: Indoor/Outdoor

Option 4B: WOL Cost ~\$135.2m. Impact to rates of ~\$3.6m.

Option 4B: Indoor/Outdoor

Thames Aquatic Provision			Some years have	been hidden for p	resentation pur	poses									
\$NZ000's	FY24 F	Y25	FY26	FY27	FY28	FY29	FY30	FY31	FY32 Y3Y	3Y3Y3Y3Y3Y3 FY40 Y4Y4Y4Y4Y4Y4	4Y4Y4 FY50 Y5Y5Y5Y5Y	5Y5Y5Y5Y5 FY60 Y6Y6Y6Y6Y6Y6Y6Y6Y6Y	6 FY70 Y7Y7Y7Y7'5	FY76	FY77
Casual Entry	-	-	-	-	73	70	73	77	81	109	133	162	198	223	227
Swim Squad	-				17	18	19	20	21	29	35	43	52	59	60
Schools	-	-	-	-	9	9	9	10	10	14	17	21	26	29	29
Learn to Swim	-	-	-		107	112	118	124	130	176	215	262	319	360	367
Aqua Programmes	-				25	26	27	29	30	41	50	61	74	83	85
Birthday Parties	-	-	-		2	2	2	2	2	3	3	4	5	5	5
Fitness Memberships	-						-			-	-	-	-	-	
Hyrdoslide	-	-	-		-	-	-	-	-	-	-	-	-		-
Other Revenue	-				12	12	12	13	14	19	23	28	34	38	39
Total Revenue	-	-	-	-	244	249	262	275	288	390	476	580	707	796	812
Expenses															
Staff	_		_	_	(855)	(872)	(889)	(907)	(924)	(1,079)	(1,315)	(1,603)	(1,955)	(2,201)	(2,245)
Direct	-		_	_	(327)	(333)	(340)	(347)	(353)	(413)	(503)	(613)	(747)	(841)	(858)
Indirect	_		_	_	(138)	(140)	(143)	(146)	(149)	(174)	(212)	(258)	(315)	(355)	(362)
Other					()	()	()	()	()	(=)	(/	()	()	(/	()
Operating Costs	_	-	-		(1,319)	(1,346)	(1,373)	(1,400)	(1,426)	(1,665)	(2,030)	(2,475)	(3,017)	(3,397)	(3,465)
Lease					(-))	(-,,	(-))	(-,,	(-,,	(-,)	(=,==-)	(=,,	(-,,	(-//	(-,,
Operating Costs			-	-	(1,319)	(1,346)	(1,373)	(1,400)	(1,426)	(1,665)	(2,030)	(2,475)	(3,017)	(3,397)	(3,465)
Net Operating Cost	-			-	(1,075)	(1,097)	(1,111)	(1,125)	(1,138)	(1,275)	(1,554)	(1,895)	(2,310)	(2,601)	(2,653)
net operating cost					(1,0,5)	(1,037)	(1,111,	(1,110)	(1,150)	(2,275)	(2,554)	(2,033)	(2,510)	(2,002)	(2,000)
Depreciation	=		-	-	(850)	(850)	(850)	(850)	(852)	(571)	(847)	(564)	(904)	(486)	(456)
Total Accounting Cost	_	_	_	_	(1,925)	(1,947)	(1,961)	(1,975)	(1,990)	(1,846)	(2,401)	(2,459)	(3,214)	(3,087)	(3,110)
Interest	-		(294)	(890)	(1,155)	(1,138)	(1,119)	(1,100)	(1,080)	(878)	(486)				
Total Accounting Cost	-	-	(294)	(890)	(3,080)	(3,085)	(3,081)	(3,075)	(3,070)	(2,724)	(2,887)	(2,459)	(3,214)	(3,087)	(3,110)
Rates Cost to Council															
EBITDA	-				(1,075)	(1,097)	(1,111)	(1,125)	(1,138)	(1,275)	(1,554)	(1,895)	(2,310)	(2,601)	(2,653)
Interest Cost	-		(294)	(890)	(1,155)	(1,138)	(1,119)	(1,100)	(1,080)	(878)	(486)				
Capex - Establishment	-	-	(11,779)	(12,038)						-	` -'	-	-		-
External Funding Received (Equity)	-		950	950	-		-			-	-	-	-		
Debt Draw/Repayment	_		10,829	11,088	(348)	(365)	(383)	(403)	(423)	(624)	(1,017)	_	_	_	_
Depreciation to fund Replacements	-				(850)	(850)	(850)	(850)	(852)	(571)	(847)	(564)	(904)	(486)	(456)
Total Cost to Council - Rates				tinterest	(3,428)	(3,450)	(3,464)	(3,478)	(3,492)	(3,348)	(3,904)	(2.459)	(3,214)	(3,087)	(3,110)
			i capi	talised						(-)		(-,)			
Cash Flow Cost to Council					•										
Cost to rates	-		(294)	(890)	(3,428)	(3,450)	(3,464)	(3,478)	(3,492)	(3,348)	(3,904)	(2,459)	(3,214)	(3,087)	(3,110)
Addback Depreciation	-			` - '	850	850	850	850	852	571	847	564	904	486	456
Replacement Capex	_		_	_	_	_	_	_	(42)	=	_	_	_	_	_
Total Cost to Council - Cash Flow		-	(294)	(890)	(2,578)	(2.600)	(2,614)	(2,628)	(2,682)	(2.778)	(3,057)	(1.895)	(2.310)	(2,601)	(2,653)
Cumulative Cash Flow	-	-	(294)	(1,184)	(3,762)	(6,362)	(8,976)	(11,603)	(14,286)	(37,080)	(74,536)	(105,732)	(138,092)	(154,940)	(157,593)
Cumulative Cash Flow										(4	4	4		
EBITDA	-	-			(1,075)	(1,097)	(1,111)	(1,125)	(1,138)	(1,275)	(1,554)	(1,895)	(2,310)	(2,601)	(2,653)
Capex - Establishment	-	-	(11,779)	(12,038)	-	-	-	-		-	-	-	-	-	-
Replacement Capex	-	-							(42)		-				
Cash Flow	-		(11,779)	(12,038)	(1,075)	(1,097)	(1,111)	(1,125)	(1,180)	(1,275)	(1,554)	(1,895)	(2,310)	(2,601)	(2,653)
Cumulative Cash Flow	•	-	(11,779)	(23,817)	(24,892)	(25,989)	(27,100)	(28,225)	(29,404)	(40,177)	(62,605)	(83,281)	(115,642)	(132,490)	(135,143)

DISCLAMER-. These projections have been compiled from information and instructions furnished to us and estimates made by Debotte. As these projections are based on assumptions about circumstances and events that have not yet taken place they are subject to variations that may arise as future events actually occur. Accordingly, we cannot give assurance that the predicted results will actually be achieved.



BUSINESS CASE OPTION G: ALL INDOOR, STRUCTURAL FABRIC LOCAL FACILITY

Appendices | Option 4C: Fabric Building

Option 4C: WOL Cost ~\$154.6m. Impact to rates of ~\$4.1m.

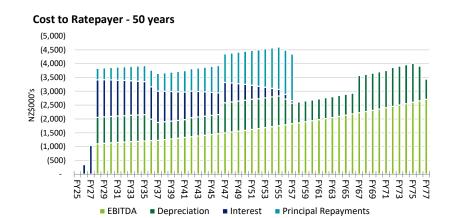
Thames Aquatic Provision Options Analysis	
NZ\$000	Option 4C
	Fabric Building
Capital Expenditure Requirement (Pre Escalation)	26,208
Capital Expenditure Requirement (Post Escalation)	27,776
Statement of Financial Performance	
Revenue (Year 1)	232
Expenditure (Year 1)	(1,236)
EBITDA (Year 1) (2024 Real Terms)	(1,005)
Cumulative Free Cash Flow / Whole of Life	(154,620)
Net Present Value	(57,352)
Cost to Ratepayers - Gross Average (30 Years)	
Operational Subsidy (EBITDA)	1,402
Depreciation (to fund renewals)	878
Debt Repayments (30 years)	909
Interest (5%)	865
Estimated Funding Required (Gross Average)	4,054
Rates (TCDC LTP 2027/28) *	131,373
% of Current Rates	3.09%
Net Impact to Ratepayers (\$/ratepayer basis)	
Adjusted LTP Rates Average assuming Status Quo	(775)
Average rates based on modelling:	4,054
Net Difference	3,279

Source: Source Information, Deloitte Analysis

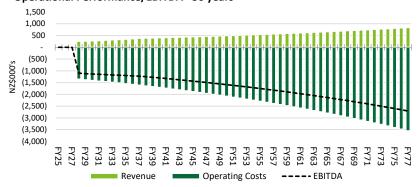
^{*} Adjusted to normalise for the rates impact already factored within TCDC LTP







Operational Performance/EBITDA - 50 years





BUSINESS CASE OPTION G: ALL INDOOR, STRUCTURAL FABRIC LOCAL FACILITY

Appendices | Option 4C: Fabric Building

Option 4C: WOL Cost ~\$154.6m. Impact to rates of ~\$4.1m.

Thames Aquatic Provision \$NZ000's	FY24	FY25	Some years have FY26	been hidden for p	presentation pur FY28	poses FY29	FY30	FY31	FY32 Y3Y3Y3Y3	Y3Y3Y3 FY40 Y4Y4Y4Y4Y4	Y4Y4Y4Y4 FY50 Y5Y5Y5Y5Y	5Y5Y5Y5Y5 FY60 Y6Y6Y6Y6Y6	Y6Y6Y6Y6 FY70 Y7Y7Y7Y	77'5 FY76	FY
Casual Entry	F124	FIZU	F120	F121	80	76	80	84	88	120	146	178	217	244	249
Swim Squad			-		19	20	21	22	23	31	37	46	56	63	64
Schools				_	9	9	9	10	10	14	17	21	26	29	29
Learn to Swim			-		107	112	118	124	130	176	215	262	319	360	367
Aqua Programmes			-		25	26	27	29	30	41	50	61	74	83	8
Birthday Parties			-		2	2	2	2	2	3	4	4	5	6	
Fitness Memberships	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hyrdoslide	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	12	12	13	14	14	19	23	29	35	39	40
Total Revenue	-	-	-	-	253	258	271	284	298	404	492	600	731	823	840
Expenses															
Staff	-	-	-	-	(855)	(872)	(889)	(907)	(924)	(1,079)	(1,315)	(1,603)	(1,955)	(2,201)	(2,245
Direct		-	-	-	(364)	(371)	(379)	(386)	(393)	(459)	(560)	(683)	(832)	(937)	(956
Indirect	-	-	-	-	(132)	(135)	(138)	(140)	(143)	(167)	(203)	(248)	(302)	(341)	(347
Other															
Operating Costs	-	-	-	-	(1,351)	(1,378)	(1,406)	(1,433)	(1,461)	(1,705)	(2,079)	(2,534)	(3,089)	(3,479)	(3,548
Lease															
Operating Costs	-	-	-	-	(1,351)	(1,378)	(1,406)	(1,433)	(1,461)	(1,705)	(2,079)	(2,534)	(3,089)	(3,479)	(3,548
Net Operating Cost	-	-	-	-	(1,098)	(1,121)	(1,135)	(1,149)	(1,162)	(1,302)	(1,587)	(1,934)	(2,358)	(2,656)	(2,709
Depreciation	-	-	-	-	(956)	(956)	(956)	(956)	(957)	(645)	(1,089)	(753)	(1,346)	(732)	(701
Total Accounting Cost	_				(2,053)	(2,076)	(2,091)	(2,105)	(2,120)	(1,947)	(2,676)	(2,687)	(3,704)	(3,388)	(3,410
Interest		-	(343)	(1,038)	(1,363)	(1,342)	(1,321)	(1,298)	(1,274)	(1,036)	(573)				-
Total Accounting Cost	•	•	(343)	(1,038)	(3,416)	(3,419)	(3,412)	(3,403)	(3,394)	(2,984)	(3,249)	(2,687)	(3,704)	(3,388)	(3,410
Rates Cost to Council															
EBITDA	-	-	-	-	(1,098)	(1,121)	(1,135)	(1,149)	(1,162)	(1,302)	(1,587)	(1,934)	(2,358)	(2,656)	(2,709
Interest Cost		-	(343)	(1,038)	(1,363)	(1,342)	(1,321)	(1,298)	(1,274)	(1,036)	(573)	=	-	-	-
Capex - Establishment		-	(13,737)	(14,039)	-	-	-	-	-	=	=	=	-	-	-
External Funding Received (Equity)		-	950	950	-	-	-	-	-	=	=	=	-		
Debt Draw/Repayment		-	12,787	13,089	(410)	(431)	(452)	(475)	(499)	(737)	(1,200)	-	-	-	-
Depreciation to fund Replacements		-	i Hafaaa		(956)	(956)	(956)	(956)	(957)	(645)	(1,089)	(753)	(1,346)	(732)	(701
Total Cost to Council - Rates	•	-		interest alised	(3,827)	(3,850)	(3,864)	(3,878)	(3,893)	(3,720)	(4,449)	(2,687)	(3,704)	(3,388)	(3,410
Cash Flow Cost to Council															
Cost to rates		-	(343)	(1,038)	(3,827)	(3,850)	(3,864)	(3,878)	(3,893)	(3,720)	(4,449)	(2,687)	(3,704)	(3,388)	(3,410
Addback Depreciation		-	-	-	956	956	956	956	957	645	1,089	753	1,346	732	701
Replacement Capex	-	-	-	-	-	-	-	-	(42)	-	-	-	-	-	
Total Cost to Council - Cash Flow	-	-	(343)	(1,038)	(2,871)	(2,894)	(2,908)	(2,922)	(2,977)	(3,075)	(3,360)	(1,934)	(2,358)	(2,656)	(2,709
Cumulative Cash Flow	-	-	(343)	(1,381)	(4,252)	(7,146)	(10,054)	(12,977)	(15,954)	(41,225)	(86,876)	(120,649)	(161,248)	(178,711)	(181,419
Cumulative Cash Flow															
EBITDA		-	-	-	(1,098)	(1,121)	(1,135)	(1,149)	(1,162)	(1,302)	(1,587)	(1,934)	(2,358)	(2,656)	(2,709
Capex - Establishment	-		(13,737)	(14,039)	-				-	-	-	-	-	-	-
Replacement Capex			-		-				(42)		<u> </u>	<u> </u>	<u> </u>		
Cash Flow			(13,737)	(14,039)	(1,098)	(1,121)	(1,135)	(1,149)	(1,204)	(1,302)	(1,587)	(1,934)	(2,358)	(2,656)	(2,709
Cumulative Cash Flow		-	(13,737)	(27,776)	(28,874)	(29,995)	(31,130)	(32,279)	(33,483)	(44,569)	(72,489)	(93.850)	(134,449)	(151,912)	(154,620

DISCLAMER - These projections have been compiled from information and instructions furnished to us and estimates made by Deloitte. As these projections are based on assumptions about circumstances and events that have not yet taken place they are subject to variations that may arise as future events actually occur. Accordingly, we cannot give assurance that the predicted results will actually be achieved.



Appendices | Option 5: Kopu South Sub-regional facility Stage 1

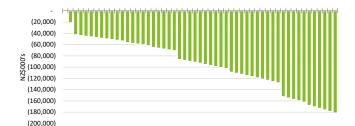
Option 5: WOL Cost ~\$181.3m. Impact to rates of ~\$5.5m.

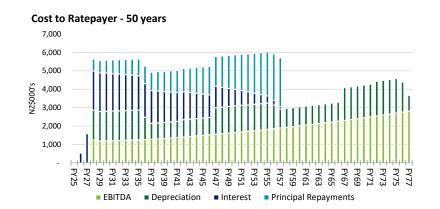
Thames Aquatic Provision Options Analysis	
NZ\$000	Option 5
	Stage 1
Capital Expenditure Requirement (Pre Escalation)	40,074
Capital Expenditure Requirement (Post Escalation)	42,472
Statement of Financial Performance	
Revenue (Year 1)	244
Expenditure (Year 1)	(1,381)
EBITDA (Year 1) (2024 Real Terms)	(1,137)
Cumulative Free Cash Flow / Whole of Life	(181,334)
Net Present Value	(73,586)
Cost to Ratepayers - Gross Average (30 Years)	
Operational Subsidy (EBITDA)	1,462
Depreciation (to fund renewals)	1,282
Debt Repayments (30 years)	1,423
Interest (5%)	1,354
Estimated Funding Required (Gross Average)	5,521
Rates (TCDC LTP 2027/28) *	131,373
% of Current Rates	4.20%
Net Impact to Ratepayers (\$/ratepayer basis)	
Adjusted LTP Rates Average assuming Status Quo	(775)
Average rates based on modelling:	5,521
Net Difference	4,746

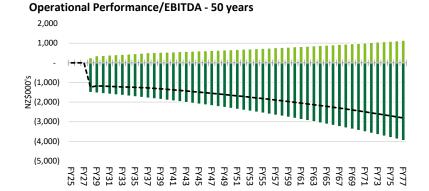
Source: Source Information, Deloitte Analysis

^{*}Adjusted to normalise for the rates impact already factored within TCDC LTP

Cumulative Cash Flow - 50 years







Operating Costs ---- EBITDA



Appendices | Option 5: Kopu South Sub-regional facility Stage 1

Option 5: WOL Cost ~\$181.3m. Impact to rates of ~\$5.5m.

Option 5:	Kopu	South	Stage	1
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Thames Aquatic Provision			Some years have	Dodn'inductrion	or coornation par	podou									
\$NZ000's	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32 Y3Y3Y3Y	3Y3Y3Y3 FY40 Y4Y4Y4Y4Y4Y4	Y4Y4Y4 FY50 Y5Y5Y5Y5Y5	Y5Y5Y5Y5 FY60 Y6Y6Y6Y6Y6Y6Y6Y6Y6	FY70 Y7Y7Y7Y75	FY76	FY77
Casual Entry	-	-	-	-	86	121	127	133	140	189	231	281	343	386	393
Swim Squad	-	-	-	-	14	19	20	21	22	28	34	41	50	57	58
Schools	-	-	-	-	4	5	6	6	6	7	9	11	13	15	15
Learn to Swim	-	-	-	-	112	153	159	165	172	221	270	329	401	451	460
Aqua Programmes	-	-	-	-	38	52	54	57	60	81	99	120	146	165	168
Birthday Parties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fitness Memberships	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hyrdoslide	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenue					13	18	19	19	20	27	33	40	48	54	55
Total Revenue		-	-	-	267	367	384	401	419	553	674	822	1,001	1,128	1,150
Expenses															
Staff		-	-	-	(944)	(963)	(983)	(1,002)	(1,021)	(1,192)	(1,453)	(1,771)	(2,159)	(2,432)	(2,480
Direct		-		-	(396)	(404)	(412)	(420)	(428)	(499)	(609)	(742)	(905)	(1,019)	(1,039
Indirect		_	_		(169)	(173)	(176)	(180)	(183)	(214)	(261)	(318)	(387)	(436)	(445
Other					. ,	. ,	,	. ,	. ,	, ,	, ,	, ,	,	(,	•
Operating Costs	-	-	-	-	(1,509)	(1,540)	(1,571)	(1,601)	(1,632)	(1,905)	(2,323)	(2,831)	(3,451)	(3,887)	(3,965
Lease								.,,,	.,,,	.,,,	.,,,	* * *	., ,	(-,,	
Operating Costs	-	-	-	-	(1,509)	(1.540)	(1,571)	(1,601)	(1,632)	(1.905)	(2.323)	(2.831)	(3.451)	(3.887)	(3,965)
Net Operating Cost		-		-	(1,242)	(1,173)	(1,187)	(1,200)	(1,213)	(1,353)	(1,649)	(2,010)	(2,450)	(2,759)	(2,814)
					(-,,	(-,,	(-,,	,_,,	(-//	(-,,	(=,= .= ,	_, ,	(=, ,	(=,)	(=,,
Depreciation		_	_	_	(1.613)	(1,613)	(1,613)	(1,613)	(1,615)	(874)	(1.446)	(1.032)	(1.775)	(851)	(789
					(-)/	(-))	(-)/	(-))	(-))	(2)	(2)	(-)/	(2))	(***./	
Total Accounting Cost		_	_	_	(2,855)	(2,786)	(2,800)	(2,813)	(2,828)	(2,226)	(3,095)	(3,042)	(4,225)	(3,610)	(3,603)
Interest			(525)	(1,587)	(2,134)	(2,102)	(2,068)	(2,033)	(1,996)	(1,623)	(897)	(2,042)	(4,223)	(0,0.0)	(5,005)
Total Accounting Cost		-	(525)	(1,587)	(4,989)	(4,888)	(4,868)	(4,846)	(4,824)	(3,849)	(3,992)	(3,042)	(4,225)	(3,610)	(3,603)
Total Accounting cost			(323)	(1,50,)	(4,505)	(4,000,	(4,000)	(4,040)	(4,024)	(3,043)	(5,552)	(5,542)	(4,225)	(0,0.0)	(3,003)
Rates Cost to Council															
EBITDA				_	(1,242)	(1,173)	(1,187)	(1,200)	(1,213)	(1,353)	(1,649)	(2,010)	(2,450)	(2,759)	(2,814)
Interest Cost			(525)	(1,587)	(2,134)	(2,102)	(2,068)	(2,033)	(1,996)	(1,623)	(897)	(2,010)	(2,430)	(2,700)	(2,024)
Capex - Establishment			(21,005)	(21,468)	(2,234)	(2,102)	(2,000)	(2,033)	(1,550)	(1,023)	(037)				
External Funding Received (Equity)	-	-	950	950	-	-	-	_	-	-			-	-	_
Debt Draw/Repayment	-	-	20.055	20.518	(642)	(675)	(708)	(744)	(781)	(1,154)	(1,879)		-	-	-
Depreciation to fund Replacements	-	-			(1,613)	(1,613)	(1,613)	(1,613)	(1,615)	(874)	(1,446)	(1,032)	(1,775)	(851)	(789
			- Upfron	rt interest		(5,562)	(5,576)	(5,590)	(5,604)	(5,003)	(5,872)	(3,042)	(4,225)	(3,610)	
Total Cost to Council - Rates	-		- capi	talised	(5,632)	(3,302)	(3,376)	(5,590)	(3,004)	(5,005)	(3,872)	(3,042)	(4,225)	(3,010)	(3,603
Cash Flow Cost to Council					•										
			(505)	(4.507)	(5.522)	(5.553)	(5.576)	(5.500)	(5.504)	(5.002)	(5.072)	(2.042)	(4.225)	(0.040)	(2.502
Cost to rates	-	-	(525)	(1,587)	(5,632)	(5,562)	(5,576)	(5,590)	(5,604)	(5,003)	(5,872)	(3,042)	(4,225)	(3,610)	(3,603
Addback Depreciation	-	-	-	-	1,613	1,613	1,613	1,613	1,615	874	1,446	1,032	1,775	851	789
Replacement Capex	-	-							(48)			-			
Total Cost to Council - Cash Flow	•	-	(525)	(1,587)	(4,019)	(3,949)	(3,963)	(3,977)	(4,037)	(4,129)	(4,425)	(2,010)	(2,450)	(2,759)	(2,814)
Cumulative Cash Flow	-	-	(525)	(2,112)	(6,131)	(10,080)	(14,044)	(18,021)	(22,058)	(56,066)	(114,823)	(157,735)	(202,583)	(221,460)	(224,274)
Cumulative Cash Flow															
EBITDA	-	-	-	-	(1,242)	(1,173)	(1,187)	(1,200)	(1,213)	(1,353)	(1,649)	(2,010)	(2,450)	(2,759)	(2,814
Capex - Establishment	-	-	(21,005)	(21,468)	, -,,	. ,,	, -,,	,,	-	-	. ,,	** -	. , ,	,,	(=)==-
Replacement Capex		_	. ,,	, ,	_	_	_	_	(48)	_	_	_	_	_	_
Cash Flow	-	-	(21,005)	(21,468)	(1,242)	(1,173)	(1,187)	(1,200)	(1,261)	(1,353)	(1,649)	(2,010)	(2,450)	(2,759)	(2,814)
Cumulative Cash Flow			(21,005)	(42,472)	(43,715)	(44,887)	(46,074)	(47,274)	(48,535)	(60.329)	(91,320)	(114,795)	(159.643)	(178,520)	(181,334)

Deloitte, Chartered Accountants, Christchurch April 202

DISCLAMER - These projections have been compiled from information and instructions furnished to us and estimates made by Deloitte. As these projections are based on assumptions about circumstances and events that have not yet taken place they are subject to variations that may arise as future events actually occur. Accordingly, we cannot give assurance that the predicted results will actually be achieved.



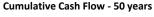
Appendices | Option 5A: Kopu South Sub-regional facility Stage 1 + 2

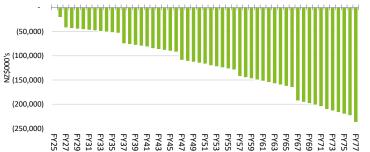
Option 5A: WOL Cost ~\$237.7m. Impact to rates of ~\$6.9m.

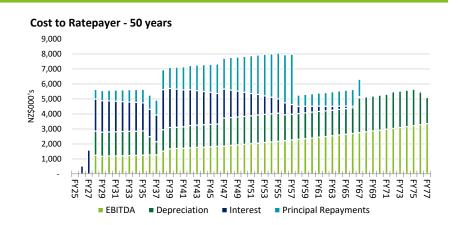
Thames Aquatic Provision Options Analysis	
NZ\$000	Option 5A
	Stage 1 + 2
Capital Expenditure Requirement (Pre Escalation)	54,494
Capital Expenditure Requirement (Post Escalation)	61,326
Statement of Financial Performance	
Revenue (Year 1)	244
Expenditure (Year 1)	(1,381)
EBITDA (Year 1) (2024 Real Terms)	(1,137)
Cumulative Free Cash Flow / Whole of Life	(237,663)
Net Present Value	(90,324)
Cost to Ratepayers - Gross Average (30 Years)	
Operational Subsidy (EBITDA)	1,680
Depreciation (to fund renewals)	1,615
Debt Repayments (30 years)	1,736
Interest (5%)	1,859
Estimated Funding Required (Gross Average)	6,889
Rates (TCDC LTP 2027/28) *	131,373
% of Current Rates	5.24%
Net Impact to Ratepayers (\$/ratepayer basis)	
Adjusted LTP Rates Average assuming Status Quo	(775)
Average rates based on modelling:	6,889
Net Difference	6,114
Source Source Information Delaitte Applicate	

Source: Source Information, Deloitte Analysis

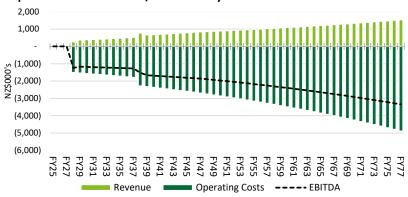
^{*} Adjusted to normalise for the rates impact already factored within TCDC LTP







Operational Performance/EBITDA - 50 years





Appendices | Option 5A: Kopu South Sub-regional facility Stage 1 + 2

Option 5A: WOL Cost ~\$237.7m. Impact to rates of ~\$6.9m.

Option 5A: Kopu South Stage 1 + 2

Thames Aquatic Provision		So	ome years have	been hidden for	presentation pu	rposes										
\$NZ000's	FY24 F	Y25	FY26	FY27	FY28	FY29	FY30	FY31	FY32 Y3Y3	Y3Y3 FY37 Y3Y3	FY40 Y4Y4Y	4/4/4/4/4/4/4 FY50 Y5/5/5/5/5/5/5/5	FY60 YEYEYEYEYEYEYE	FY70 Y7777775	FY76	FY7
Casual Entry	-	-	-	-	86	121	127	133	140	178	189	231	281	343	386	39:
Swim Squad	-	-	-	-	14	19	20	21	22	26	28	34	41	50	57	58
Schools	_	_	_	_	4	5	6	6	6	7	7	9	11	13	15	15
Learn to Swim	-			-	112	153	159	165	172	208	221	270	329	401	451	460
Agua Programmes	_				38	52	54	57	60	76	81	99	120	146	165	168
Birthday Parties	_				-				-	,,	8	13	19	28	35	37
Fitness Memberships	_										120	206	251	306	345	351
Hyrdoslide											120	200	232	300	545	-
Other Revenue	-	-	-	-	13	18	19	19	20	25	27	33	40	48	54	55
Total Revenue					267	367	384	401	419	521	681	893	1,091	1,335	1,508	1,539
	-	-	-	-	207	307	304	401	413	321	001	855	1,091	1,333	1,300	1,555
Expenses					(944)	(0.53)	(002)	(4.002)	(4.024)	(4.433)	(4.470)	(1,802)	(2.407)	(2.670)	(0.040)	(3,077
Staff	-	-	-	-		(963)	(983)	(1,002)	(1,021)	(1,123)	(1,479)		(2,197)	(2,678)	(3,016) (1,259)	
Direct	-	-	-	-	(396)	(404)	(412)	(420)	(428)	(471)	(634)	(752)	(917)	(1,118)		(1,284
Indirect	-	-	-	-	(169)	(173)	(176)	(180)	(183)	(202)	(260)	(309)	(377)	(460)	(518)	(528
Other																
Operating Costs	-	-	-	-	(1,509)	(1,540)	(1,571)	(1,601)	(1,632)	(1,795)	(2,373)	(2,864)	(3,491)	(4,256)	(4,793)	(4,889
Lease																
Operating Costs	-	-	-	-	(1,509)	(1,540)	(1,571)	(1,601)	(1,632)	(1,795)	(2,373)	(2,864)	(3,491)	(4,256)	(4,793)	(4,889)
Net Operating Cost	•	-	-	-	(1,242)	(1,173)	(1,187)	(1,200)	(1,213)	(1,275)	(1,692)	(1,972)	(2,400)	(2,920)	(3,285)	(3,350)
Depreciation	-	-	-	-	(1,613)	(1,613)	(1,613)	(1,613)	(1,615)	(874)	(1,425)	(1,862)	(1,720)	(2,329)	(1,751)	(1,737)
Total Accounting Cost	-	-	-	-	(2,855)	(2,786)	(2,800)	(2,813)	(2,828)	(2,148)	(3,117)	(3,834)	(4,120)	(5,250)	(5,036)	(5,087)
Interest	-	-	(525)	(1,587)	(2,134)	(2,102)	(2,068)	(2,033)	(1,996)	(1,780)	(2,537)	(1,614)	(396)			-
Total Accounting Cost	-	•	(525)	(1,587)	(4,989)	(4,888)	(4,868)	(4,846)	(4,824)	(3,928)	(5,654)	(5,448)	(4,517)	(5,250)	(5,036)	(5,087)
Rates Cost to Council																
EBITDA	-	-		-	(1,242)	(1,173)	(1,187)	(1,200)	(1,213)	(1,275)	(1,692)	(1,972)	(2,400)	(2,920)	(3,285)	(3,350)
Interest Cost	-	-	(525)	(1,587)	(2,134)	(2,102)	(2,068)	(2,033)	(1,996)	(1,780)	(2,537)	(1,614)	(396)		-	
Capex - Establishment	_	_	(21,005)	(21,468)						(18,854)				_	_	_
External Funding Received (Equity)	_		950	950						(20,054)						
Debt Draw/Repayment	_		20.055	20.518	(642)	(675)	(708)	(744)	(781)	17.857	(1,467)	(2,389)	(830)			
Depreciation to fund Replacements		-	<u>-</u>		(1.613)	(1.613)	(1.613)	(1.613)	(1.615)	(874)	(1,425)	(1.862)	(1.720)	(2.329)	(1.751)	(1.737
Total Cost to Council - Rates			Upfront	tinterest	(5,632)	(5,562)	(5,576)	(5,590)	(5,604)	(4,925)	(7,120)	(7,837)	(5,347)	(5,250)	(5,036)	(5,087
Total Cost to Coulcil - Rates		_	capit	talised	(3,032)	(3,302)	(3,370)	(3,330)	(3,004)	(4,323)	(7,120)	(7,637)	(3,347)	(3,230)	(3,030)	(3,087
Cash Flow Cost to Council																
Cost to rates			(525)	(1,587)	(5,632)	(5,562)	(5,576)	(5,590)	(5,604)	(4,925)	(7,120)	(7.037)	(F 247)	(5.250)	(5,036)	(5,087
	-	-	(323)	(1,367)								(7,837)	(5,347)			
Addback Depreciation	-	-	-	-	1,613	1,613	1,613	1,613	1,615	874	1,425	1,862	1,720	2,329	1,751	1,737
Replacement Capex	-								(48)	(1,569)						(10,584
Total Cost to Council - Cash Flow	•	-	(525)	(1,587)	(4,019)	(3,949)	(3,963)	(3,977)	(4,037)	(5,620)	(5,695)	(5,975)	(3,626)	(2,920)	(3,285)	(13,934)
Cumulative Cash Flow	-	-	(525)	(2,112)	(6,131)	(10,080)	(14,044)	(18,021)	(22,058)	(43,757)	(60,647)	(135,836)	(202,252)	(262,693)	(284,609)	(298,543
Cumulative Cash Flow																
ЕВПОА	-	-	_	-	(1,242)	(1,173)	(1,187)	(1,200)	(1,213)	(1,275)	(1,692)	(1,972)	(2,400)	(2,920)	(3,285)	(3,350
Capex - Establishment	-	-	(21,005)	(21,468)	(-)			., -,	-	(18,854)		• • • •	** -			. ,
Replacement Capex	-	-	. ,,	. ,,	_	_	_	_	(48)	(1.569)	_	-	-	-	-	(10.584
Cash Flow			(21,005)	(21,468)	(1,242)	(1,173)	(1,187)	(1,200)	(1,261)	(21,697)	(1,692)	(1,972)	(2,400)	(2,920)	(3,285)	(13,934
Cumulative Cash Flow			(21,005)	(42,472)	(43,715)	(44,887)	(46,074)	(47,274)	(48,535)	(75,205)	(80,084)	(115,242)	(149,957)	(201,812)	(223,729)	(237,663
Deloitte. Chartered Accountants. Christchurch April 2024			(22,003)	(72,472)	(40,710)	(44,007)	(40,074)	(71,217)	(40,000)	1,3,203)	(00,004)	(220,272)	(475,557)	(202)022)	(223,723)	(237,003

Deloitte, Chartered Accountants, Christchurch April 202

DISCLAMER - These projections have been compiled from information and instructions furnished to us and estimates made by Deloitte. As these projections are based on assumptions about circumstances and events that have not yet taken place they are subject to variations that may arise as future events actually occur. Accordingly, we cannot give assurance that the predicted results will actually be achieved.

BUSINESS CASE OPTION E: ALL OUTDOOR, 25M POOL

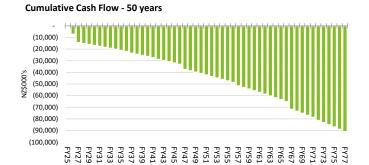


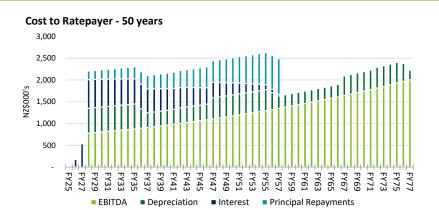
Appendices | Option 6: Outdoor Pool Only

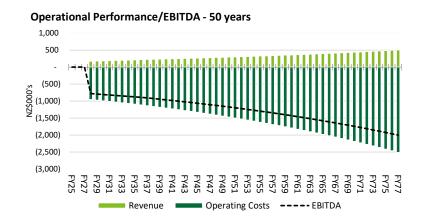
Option 6: WOL Cost ~\$90.9m. Impact to rates of ~\$2.3m

Thames Aquatic Provision Options Analysis Option 6 Outdoor Capital Expenditure Requirement (Pre Escalation) 13,509 Capital Expenditure Requirement (Post Escalation) 14,317 Statement of Financial Performance Revenue (Year 1) 163 (876) Expenditure (Year 1) EBITDA (Year 1) (2024 Real Terms) (713) Cumulative Free Cash Flow / Whole of Life (90,908) Net Present Value (33,021)Cost to Ratepayers - Gross Average (30 Years) Operational Subsidy (EBITDA) 1,030 Depreciation (to fund renewals) 451 Debt Repayments (30 years) 438 Interest (5%) 416 2,335 Estimated Funding Required (Gross Average) Rates (TCDC LTP 2027/28) * 131.373 % of Current Rates 1.78% Net Impact to Ratepayers (\$/ratepayer basis) (775)Adjusted LTP Rates Average assuming Status Quo 2,335 Average rates based on modelling: Net Difference

^{*}Adjusted to normalise for the rates impact already factored within TCDC LTP







Source: Source Information, Deloitte Analysis

BUSINESS CASE OPTION E: ALL OUTDOOR, 25M POOL



Appendices | Option 6: Outdoor Pool Only

Option 6: WOL Cost ~\$90.9m. Impact to rates of ~\$2.3m

Option 6: Outdoor Pool Only

Thames Aquatic Provision		Sor	me years have	been hidden for p	oresentation pur	poses									
VZ000's	FY24 FY	25	FY26	FY27	FY28	FY29	FY30	FY31	FY32 Y3Y3Y3\	/3Y3Y3Y3 FY40 Y4Y4Y4Y4Y4Y4Y4Y4Y	4 FY50 Y5Y5Y5Y5Y5	Y5Y5Y5Y5 FY60 Y6Y6Y6Y6Y6Y6Y6Y6Y6	FY70 Y7Y7Y7Y7	FY76	FY7
Casual Entry	-	-	-	-	44	46	47	49	50	61	75	91	111	125	128
Swim Squad	-	-	-	-	19	20	20	21	22	26	32	39	48	54	55
Schools	_		_		7	8	8	8	8	10	12	15	19	21	21
Learn to Swim	-	-	-		92	95	98	101	104	128	155	190	231	260	269
Agua Programmes	_		_		6	6	6	6	7	8	10	12	15	17	17
Birthday Parties	_	_	_	_									-		
Fitness Memberships	_	_	_	_	_	-	_	_	_		_	_	_	_	_
Hyrdoslide	_	_	_	_	_	_	_	_	_	_	_	_	_	_	
Other Revenue	_	_	_	_	9	9	9	10	10	12	15	18	22	25	25
Total Revenue		-	-	-	178	184	189	195	201	246	300	366	446	502	512
Expenses													***		
Staff	_				(651)	(664)	(677)	(690)	(703)	(821)	(1,001)	(1,220)	(1,488)	(1,675)	(1,709
Direct	_	_	_	_	(226)	(231)	(235)	(240)	(245)	(286)	(348)	(424)	(517)	(583)	(594
Indirect			_		(81)	(83)	(84)	(86)	(87)	(102)	(124)	(152)	(185)	(208)	(212
Other					(01)	(03)	(04)	(00)	(07)	(102)	(12-4)	(131)	(203)	(200)	(2.22
Operating Costs					(958)	(977)	(997)	(1,016)	(1,035)	(1,209)	(1,474)	(1,796)	(2,190)	(2,466)	(2,515
Lease					(336)	(377)	(337)	(1,010)	(1,033)	(1,203)	(1,474)	(1,730)	(2,130)	(2,400)	(2,313
Operating Costs					(958)	(977)	(997)	(1,016)	(1,035)	(1,209)	(1,474)	(1,796)	(2,190)	(2,466)	(2,515)
Net Operating Cost					(779)	(793)	(807)	(821)	(835)	(963)	(1,174)	(1,431)	(1,744)	(1,964)	(2,004)
Net Operating Cost	•	-	-	-	(773)	(/95)	(807)	(021)	(655)	(903)	(1,1/4)	(1,451)	(1,/44)	(1,964)	(2,004)
Depreciation	-	-	-	-	(571)	(571)	(571)	(571)	(572)	(341)	(484)	(285)	(449)	(221)	(204)
Total Accounting Cost		_	_		(1,350)	(1,365)	(1,378)	(1,392)	(1,407)	(1,304)	(1,657)	(1,716)	(2,193)	(2,186)	(2,207)
Interest	-		(177)	(535)	(656)	(647)	(636)	(625)	(614)	(499)	(276)				
Total Accounting Cost	•	•	(177)	(535)	(2,007)	(2,011)	(2,015)	(2,018)	(2,021)	(1,803)	(1,933)	(1,716)	(2,193)	(2,186)	(2,207)
Rates Cost to Council															
EBITDA	_			_	(779)	(793)	(807)	(821)	(835)	(963)	(1,174)	(1,431)	(1,744)	(1,964)	(2,004)
Interest Cost	_	_	(177)	(535)	(656)	(647)	(636)	(625)	(614)	(499)	(276)	-	(2,744)	(1,004)	(2,004
Capex - Establishment	_		(7,081)	(7,237)	()	(=)	(,	()		-			_		_
External Funding Received (Equity)			950	950		_		_	_						
Debt Draw/Repayment	_		6,131	6.287	(198)	(207)	(218)	(229)	(240)	(355)	(578)		_	_	_
Depreciation to fund Replacements		-				(571)	(571)	(571)	(572)	(341)	(484)	(285)	(449)	(221)	(204
otal Cost to Council - Rates			Upfront	interest	(2,205)	(2,219)	(2,233)	(2,246)	(2,261)	(2,158)	(2,511)	(1.716)	(2,193)	(2.186)	(2,207)
Xer cost to council - netes	-	_	capita	alised		(2,223)	(2,233)	(1,140)	(2,202)	(2,230)	(2,511)	(1,710)	(2,233)	(2,100)	
Cash Flow Cost to Council		_			•										
Cost to rates	_	_	(177)	(535)	(2,205)	(2,219)	(2,233)	(2,246)	(2,261)	(2,158)	(2,511)	(1,716)	(2,193)	(2,186)	(2,207)
Addback Depreciation			(-//)	(333)	571	571	571	571	572	341	484	285	449	221	204
Replacement Capex					3/1	3/1	3/1	3/1	(30)	2-1	404	203		221	204
Total Cost to Council - Cash Flow	-		(177)	(535)	(1,633)	(1,647)	(1,661)	(1.675)	(1,719)	(1,817)	(2,028)	(1,431)	(1,744)	(1,964)	(2,004)
Cumulative Cash Flow			(177)	(712)	(2,345)	(3,993)	(5,654)	(7,330)	(9,048)	(23,760)	(46,946)	(67,737)	(88,826)	(100,921)	(102,925)
Cullulative Casil Flow	•	-	(177)	(712)	(2,343)	(3,333)	(3,034)	(7,550)	(3,048)	(23,760)	(40,540)	(67,757)	(00,020)	(100,921)	(102,925
ımulative Cash Flow															
EBITDA	-	-	-	-	(779)	(793)	(807)	(821)	(835)	(963)	(1,174)	(1,431)	(1,744)	(1,964)	(2,004
Capex - Establishment	-	-	(7,081)	(7,237)							="	-			-
Replacement Capex	-	-			-	-	-	-	(30)	-	-	-	-		-
Cash Flow	-		(7,081)	(7,237)	(779)	(793)	(807)	(821)	(865)	(963)	(1,174)	(1,431)	(1,744)	(1,964)	(2,004
mulative Cash Flow		-	(7,081)	(14,317)	(15,097)	(15,890)	(16,698)	(17,519)	(18,383)	(26,262)	(40,907)	(55,720)	(76,809)	(88,904)	(90,908

DISCLAMER-. These projections have been compiled from information and instructions furnished to us and estimates made by Deloitle. As these projections are based on assumptions about circumstances and events that have not yet taken place they are subject to variations that may arise as future events actually occur. Accordingly, we cannot give assurance that the predicted results will actually be achieved.

Deloitte, Chartered Accountants, Christchurch April 2024



Appendices | Cost to Council – Rates Impact Analysis

We have restated the TCDC LTP rates forecast to reflect a BAU approach in order to present the net impact to TCDC ratepayers.

Cost to Council - Rates Impact Analysis

- The rates effect of the new facility does not commence until post construction (i.e from FY27/28).
- We have restated the TCDC LTP rates forecast to reflect a BAU approach within the current facility, and therefore no provision for expansion or replacement capital expenditure to improve the facility. This reflects an extrapolation of the current operational subsidy provided to the facility.
- This current impact of the existing operation to rate payers is estimated at ~\$775k per year (between FY26/27 to FY33/34).

Cost to Council - Rates Impact

		FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
\$000		Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7	Yr8	Yr9	Yr10
Option 4A - All Indoor	OPTION H	659	707	721	4,066	4,088	4,102	4,116	4,130	4,142	4,152
Option 4B - Indoor/Outdoor	OPTION F	659	707	721	3,428	3,450	3,464	3,478	3,492	3,505	3,516
Option 4C - Fabric Building	OPTION G	659	707	721	3,827	3,850	3,864	3,878	3,893	3,905	3,917
Option 5 - Stage 1	OPTION I	659	707	721	5,632	5,562	5,576	5,590	5,604	5,617	5,627
Option 5A - Stage 1 + 2	OPTION I	659	707	721	5,632	5,562	5,576	5,590	5,604	5,617	5,627
Option 6 - All Outdoor	OPTION E	659	707	721	2,205	2,219	2,233	2,246	2,261	2,275	2,288
BAU TCDC LTP (No Capex)		659	707	721	735	750	765	780	796	812	828

Source: TCDC, Deloitte Analysis

Cost to Council - Net Rates Impact

	·	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
\$000		Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7	Yr8	Yr9	Yr10
Option 4A - All Indoor	OPTION H	-	-	-	3,331	3,339	3,337	3,335	3,334	3,330	3,325
Option 4B - Indoor/Outdoor	OPTION F	-	-	=	2,693	2,700	2,699	2,697	2,697	2,693	2,688
Option 4C - Fabric Building	OPTION G	-	-	-	3,091	3,100	3,099	3,098	3,097	3,094	3,089
Option 5 - Stage 1	OPTION I	-	-	-	4,897	4,812	4,811	4,810	4,809	4,805	4,799
Option 5A - Stage 1 + 2	OPTION I	-	-	-	4,897	4,812	4,811	4,810	4,809	4,805	4,799
Option 6 - All Outdoor	OPTION E	-	-	-	1,469	1,469	1,468	1,466	1,466	1,463	1,460
Source: TCDC, Deloitte Analysis											



Appendices | Cost to Council – Rates Impact Analysis

We have presented the net impact per ratepayer per option for both the Thames Ward and TCDC District.

Cost to Council - Net Rates In	npact										
		FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
\$000		Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7	Yr8	Yr9	Yr10
Option 4A - All Indoor	OPTION H	-	-	-	3,331	3,339	3,337	3,335	3,334	3,330	3,325
Option 4B - Indoor/Outdoor	OPTION F	-	-	=	2,693	2,700	2,699	2,697	2,697	2,693	2,688
Option 4C - Fabric Building	OPTION G	-	-	=	3,091	3,100	3,099	3,098	3,097	3,094	3,089
Option 5 - Stage 1	OPTION I	-	-	=	4,897	4,812	4,811	4,810	4,809	4,805	4,799
Option 5A - Stage 1 + 2	OPTION I	-	-	=	4,897	4,812	4,811	4,810	4,809	4,805	4,799
Option 6 - All Outdoor	OPTION E	-	-	-	1,469	1,469	1,468	1,466	1,466	1,463	1,460
Net Impact per ratepayer - Th	ames Ward (5,525) -	GST Incl									
Option 4A - All Indoor	OPTION H				693	695	695	694	694	693	692
Option 4B - Indoor/Outdoor	OPTION F				560	562	562	561	561	561	560
Option 4C - Fabric Building	OPTION G				643	645	645	645	645	644	643
Option 5 - Stage 1	OPTION I				1,019	1,002	1,001	1,001	1,001	1,000	999
Option 5A - Stage 1 + 2	OPTION I				1,019	1,002	1,001	1,001	1,001	1,000	999
Option 6 - All Outdoor	OPTION E				306	306	305	305	305	305	304
BAU - No development		137	147	150	153	156	159	162	166	169	172
Net Impact per ratepayer - TC		- GST Incl									
Option 4A - All Indoor	OPTION H				133	134	133	133	133	133	133
Option 4B - Indoor/Outdoor	OPTION F				108	108	108	108	108	108	108
Option 4C - Fabric Building	OPTION G				124	124	124	124	124	124	124
Option 5 - Stage 1	OPTION I				196	192	192	192	192	192	192
Option 5A - Stage 1 + 2	OPTION I				196	192	192	192	192	192	192
Option 6 - All Outdoor	OPTION E				59	59	59	59	59	59	58

Source: TCDC, Deloitte Analysis



Thames Aquatic Provision | Cost to Funder Analysis

We have assessed the impact to Council and ratepayers within our analysis based on TCDC's rating policy.

Cost to Funder Analysis

- The consideration of how any funding requirement will be sourced is outside the scope of this study.
- In the absence of definitive sources of debt we have modelled it consistently
 with how aquatic complexes are generally financed, and therefore modelled, for
 the purposes of business case studies. Accordingly, for illustrative purposes the
 financial analysis has been prepared based on an allowance of \$1.9m from
 existing depreciation reserves with the residual funding by way of LGFA debt
 sourced from TCDC.
- The indicative operating cost to Council presented within our analysis considers:
 - The Accounting Cost to Council (what will appear in the Annual Accounts) is assumed to be:
 - · Net of revenue, and operating costs;
 - Interest on the money borrowed by the Funder to fund the construction cost at 5% interest, repaid over 30 years on a table loan basis (equal payments each year);
 - · Depreciation on the fit-out and plant funded by Council.
 - The Rates Cost to Council (what would be rated for) is assumed to be:
 - · The net operating cost (before depreciation): EBITDA;
 - · Interest on debt borrowed to fund development of the facility (5%);
 - Debt repayment over 30 years (on the initial development capital expenditure);
 - Depreciation, which is rated for and held in reserve to fund capital replacements and renewals.

- The cost to council analysis is presented on a net basis and therefore considers the current level of operational subsidy provided to the facility.
- We highlight that the original draft LTP included an average rates impact of ~\$4.1m per annum (between FY27/28 and FY33/34). This was based off ~\$40m of capex of which \$1.9m was assumed to be funded via depreciation reserves and the remainder (approximately ~95%) via LGFA debt.
- Upon conducting our rates impact analysis, we compared the options to TCDC's LTP under the assumption that no additional capital expenditure would be spent on improving the facility. This resulted in an average impact to ratepayers of \$775k per annum (between FY27/28 and FY33/34).
- For reference, the 2024/25 rates impact for the current facility is \$659k.
- We also understand that TCDC have alternative options as to the ratepayer base that may be allocated the rating impact of the Thames Aquatic Provision. Our analysis calculates an estimated cost impact to individual ratepayers (GST inclusive) based on the:
 - Number of ratepayers in the Thames Ward 5,525;
 - Number of ratepayers in the TCDC District 28,782.



Appendices | Basis of work

Restrictions, Reliance & Disclaimer

This addendum should be read in conjunction with the transmittal letter at the front of our Thames Aquatic Provision Financial Analysis report dated 29 May 2024.

Restrictions

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 of the business case for Thames Aquatic Provision. It is not to be reproduced or
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 addendum become known.

Reliance on Information

- In preparing this assessment, Deloitte have relied upon and assumed, without
 independent verification, the accuracy and completeness of all information that
 is available from public sources and all information that has been provided to us.
 The information has been evaluated through analysis, enquiry and examination
 for the purposes of forming this assessment. Deloitte do not warrant that these
 enquiries have identified or revealed any matters which a more extensive
 examination might disclose.
- The addendum is dated 30 December 2024 and is based on information made available to us as at that date.

Disclaimer

This addendum has been prepared with care and diligence and the statements
and conclusions in the addendum are given in good faith and in the belief, on
reasonable grounds, that such statements and conclusions are not false or
misleading. However, in no way do we guarantee or otherwise warrant the
achievability of any forecasts of future income, expense, cash flow or capital
cost.

- Forecasts are inherently uncertain. They are predictions of future events, which
 cannot be assured. They are based upon inputs, many of which are beyond the
 control of TCDC, its management and advisers. Actual results will vary from the
 forecasts and these variations may be significantly more or less favourable.
- Deloitte assume no responsibility arising in any way whatsoever for errors or
 omissions (including responsibility to any person for negligence) for the
 preparation of this assessment to the extent that such errors or omissions result
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 disclosed in the addendum or inputs reasonably taken as implicit.

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- To the extent that the addendum relates to any forecasts or projections (Forecasts) prepared by Visitor Solutions or any other party we do not provide any assurance on the reliability of the Forecasts or the underlying assumptions.
- Forecasts relate to the future, as a result they may be affected by unforeseen
 events and they depend, in part, on the effectiveness of management's actions
 in implementing the Forecasts. Accordingly, actual results are likely to be
 different from those forecast because events and circumstances frequently do
 not occur as expected, and those differences may be material.

Use Of and Reliance on the Addendum

- The addendum may only be used and relied on by Visitor Solutions for the Purpose. The addendum is confidential. No one other than Visitor Solutions is entitled to rely on the addendum for any other purpose. We accept no duty of care or liability to any one else who is shown or gains access to, or uses or relies on, the Addendum.
- This analysis and addendum report have been prepared for Visitor Solutions
 Limited in accordance with our engagement letter dated 3 April 2024. We
 consent with this analysis being incorporated into a Visitor Solutions wider
 report in connection with the project subject to us having the opportunity to
 review and approve how it is incorporated into the wider report.

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OVERVIEW

When organisations use parts of the school, it's called third party occupancy.

A board can agree to a request to lease or hire out any school property. There's no automatic right for third parties to occupy schools until a proposal has been approved by the Ministry.

The Ministry provide different standard agreements depending on the situation. Only a Ministry standard agreement can be used. A school can be leased or hired out for a variety of reasons such as:

- community groups hiring the school hall
- groups wanting to use the playground for after-school care use or weekend sports
- play groups leasing an empty classroom
- a community gym built by a local council on land leased from a school
- a swim school leasing the school pool
- the school being used as a polling booth on election day.

DEAL WITH A PROPOSAL

Before agreeing to any proposal, the board needs to consider:

- Risks to the school (costs or problems from having people on school property)
- Insurances (property may not be covered if leased out)
- Future of the school (classrooms may be needed for roll growth)
- Whether committing future boards to long-term agreements dayto-day operations, such as extra pressure on services
- Extra costs to the school, such as electricity and maintenance (these will usually be passed onto the hirer)
- Whether the school community will consider it an acceptable use
- Whether third party staff or employers need to be vetted by the police.
- If the benefits to your school will outweigh inconveniences.
- Special rules around sleepovers in schools.

THIRD PARTY OCCUPANCY

For schools to lease property to a tenant who is not another education institution or a casual user, must fill out a third-party application form and send to the property advisor. Third-Party-Occupancy-Application-Form_0.pdf

Additional information is required for swimming pools: <u>Swimming-Pool-Additional-information-for-Swimming-Pool-Leases.docx</u>

MINISTRY CONSIDERATIONS

Before approving an application, the Ministry will consider:

- If the school needs the land and buildings during the term of the agreement
- If the school needs the property at all (if considering a long-term lease it may be better to dispose of the property. See Surplus school property).
- Benefits to the school and school community, including any educational benefits (there doesn't have to be an educational benefit but if the agreement will disadvantage the school it won't be approved).
- Day-to-day operation (for example, administrative support to run a community facility).
- Health and safety issues.
- Ownership (no approval for Ministry-owned land or buildings being transferred to a third party)
- If the School can afford to commit some of their own funding if this is proposed.
- If the agreement would commit the Ministry to pay for buildings and facilities we wouldn't otherwise provide.
- If the agreement is in the public interest and won't affect the welfare of the general public (if this is a concern, the School should consider consulting with the school community before applying for consent from the Ministry).
- That the board has approved the occupation (supplied board minutes or letter approving occupancy).



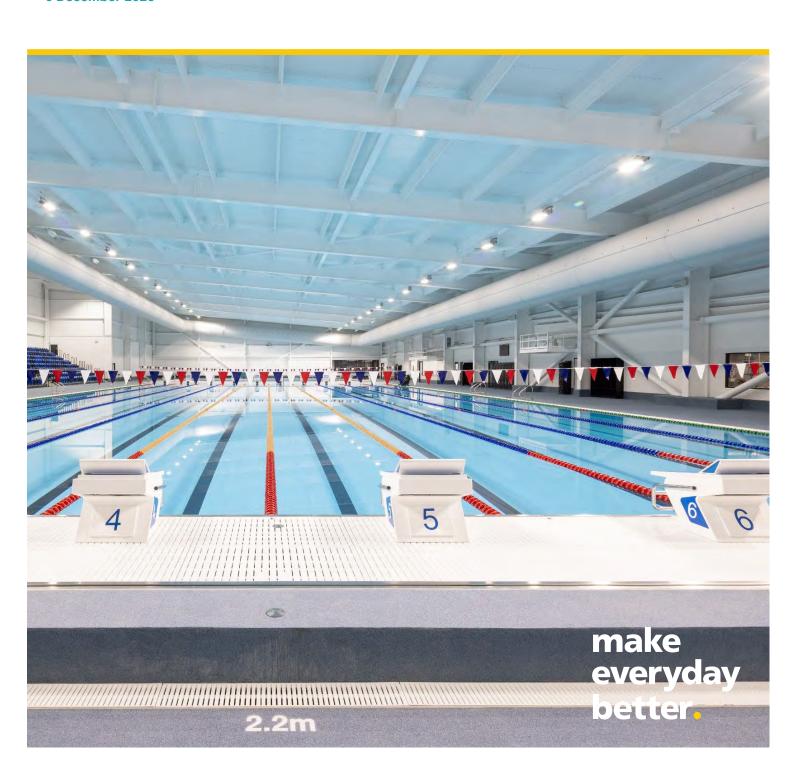
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Thames Aquatic and Sports Hub Feasibility

Thames High School Site

Prepared for Visitor Solutions Prepared by Beca Limited

6 December 2023



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Revision History

Revision N°	Prepared By	Description	Date
A	Nick Yannakis Fraser Brotherstone Denzel Belbin Bjorn Larsen	For Client Review	08/09/2023
В	Nick Yannakis Fraser Brotherstone Denzel Belbin Bjorn Larsen	Final	06/12/2023

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Executive Summary

Two sites were considered for the local aquatic facility located at the Thames High School Site, a preferred site on Richmond Street as well as an alternative site on Rolleston Street.

As per high level advice from a TCDC duty planner, the proposed facility most closely aligns with the District Plan definition of 'Formal Recreation' and 'Community Facility'. They also noted that where these activities are not provided for by the Proposed District Plan, the rules for 'Activities not provided for in the Plan' will apply. There are several activities that exceed the permitted activity requirements that will need to be worked through a resource consent process.

Should the facility be established within the Ministry of Education's (MoE) designation, written approval from MoE (as the Requiring Authority) would be necessary.

The greatest geohazard risk identified is that of seismicity causing liquefaction and softening of the near surface soils for both sites. The nearest available information suggests this may be limited to relatively shallow depths of soils. It is likely that these risks may be mitigated/managed by suitable foundation design or localised ground improvement.

The preferred site is located in an overland flood path and is required to have the finished floor level 0.5m above the existing ground. There is sufficient infrastructure to service the facility without major upgrades.

The operational costs for an all-indoor facility as well as having the main pool outside have both been estimated. Based on the estimates the outdoor pool option has a small increase in operational cost.



Overview

Visitor Solutions are undertaking a feasibility study and business case on behalf of Thames-Coromandel District Council (TCDC) for possible sites for aquatic and sport facilities in Thames.

The existing Thames Centennial Pool is located on an urupa (burial ground) and an agreement between Ngāti Maru and Thames-Coromandel District Council has been reached to relocate the facility by 2027 and the land will be returned to Ngāti Maru. The 50-year-old facility would also have needed investment to address its condition and extend the life of the facility.

Other issues, including the under-supply of all-year aquatic facilities in the wider Waikato region and increasing flood risks to the Rhodes Park sports facility, have led to the exploration of a combined facility that serves either local or sub-regional needs.

There are currently five sites that are being considered for the facility:

- Thames High School
- Ex-Carter Holt Harvey site
- Wenzlick Block
- Ngatea
- Upper Thames Racecourse

This report forms part of the business case and feasibility assessment for the local aquatic facility at the Thames High School Site. This report is intended to identify feasibility considerations associated with the proposed site from a Building Services, Civil Infrastructure, Geotechnical Engineering and Planning perspective.

The facility proposed for the Thames High School site is a local aquatic facility adjacent to the sports fields. The preferred site is located at 300 Richmond Street, Thames. There is an alternative site option across Rolleston Street, adjacent the school.



Figure 0-1: Proposed Site Location (Source: TCDC Property Maps)



1 Planning

1.1 Resource Management Consideration

The purpose of this desk-top assessment is to provide a high-level (feasibility study) planning scope in relation to potential site locations to accommodate the proposed local aquatic facility. The assessment:

- Identifies the relevant planning zones and overlays that apply under district and regional plans
- Summarises the likely consent requirements to enable the construction and operation of the project under district and regional plans
- Provide recommendations for progressing the resource consent process.

1.2 Thames District Plan (proposed) Zoning, Overlays, and District Plan Notations

The Thames-Coromandel District is currently operating under both Operative and Proposed District Plans. Although still subject to appeal in selected parts, the Proposed District Plan (PDP) (Appeals Version – 28 July 2023) is the current plan being used. Accordingly, the PDP has been considered for this investigation.

As per high level advice from a TCDC duty planner, the proposed facility most closely aligns with the District Plan definition of 'Formal Recreation' and 'Community Facility'. They also noted that where these activities are not provided for by the PDP, the rules for 'Activities not provided for in the Plan' will apply.

The PDP defines 'Formal Recreation' and 'Community Facility' as:

Formal Recreation means a facility specifically designed for an organised sport(s) and/or other organised recreational activity. This does not restrict more casual sports and other recreation activities from using the facility. It may be for profit. Examples of formal recreation include:

- Ball court, Sports field
- BMX/cycle track, skate park
- Observation stands and player and spectator infrastructure.

Community Facility means a building and surrounding area, not otherwise defined in the Plan, where the primary purpose is to provide a community service(s). It includes the regular and occasional activities for which the facility is designed or planned, that occur in the facility.

- The service may be profit or non-profit
- The activity may occur inside and/or outside the building, but the core of the activity is in the building
- The service may be exclusive to members
- It may include a public amenity.

Community facility may include, but is not limited to:

- Group gatherings (e.g. church, religious centre, hall, clubroom)
- Education (e.g. school, adult education, kura kaupapa, kohanga reo, library)
- Health services (e.g. health centre, hospital)
- Recreation (e.g. indoor multi-purpose recreation hall, coastguard building, lifesaving stand)
- Emergency services (e.g. police, fire or ambulance services).

It is considered the proposed activity better aligns with the definition of 'Community Facility' and this should be confirmed with a TCDC Consent Planner. However, for the purposes of this assessment, both activities have been considered.



1.2.1 The Site

The site is located in downtown Thames and there are two potential locations for the proposed facility. The first location (Preferred) sits on a section of the Thames High School property between the sports field and Richmond Street. The second location (Alternative) is situated across the road, adjacent to Thames High School. This location comprises the school's pool and two neighbouring residential properties. The site location options, and their respective zones are shown in Figure 1-1 below.



Figure 1-1: Site 1 Location Options, Planning Overlays and Features (Source: TCDC Planning Maps)

Thames High School has four identified Historic Heritage items and has outlined Curtilage areas to the north of the preferred site, not directly in the vicinity of the proposed location. There have been no Archaeological sites identified within the vicinity of the site. The Ministry of Education has a designation over both location options.

The planning notations applicable to the site are outlined in Table 1-1 below.

Table 1-1: PDP planning notations

Thames-Coromandel	Thames-Coromandel District Plan			
Zone	Preferred - Extra Density Residential Zone (school)			
	Alternative - Residential Zone and Recreation Passive Zone (Other property)			
Overlays	 Historic Heritage Items and Curtilage – within the property/school, but not directly on the proposed site location (pink x's in Figure 1). 			
	 Flood Hazard Area - Overland flow area A 0.5m above ground level (affecting Option 1) 			
Designations	Designation MOE 18 (Ministry of Education)			
Designation over the sites 1 and 2 (for Education purpos				
Features	None identified within the site.			

Should the facility be established within the Ministry of Education's (MoE) designation, written approval from MoE (as the Requiring Authority) would be necessary.

¹ As per website - New Zealand Archaeological Association https://nzarchaeology.org/



The relevant District Plan rules for undertaking the proposed activity in the zones applicable to the site are outlined in Table 1-2 below. The table outlines the permitted standards for development in the zones and provides comments on likely consent triggers.

Table 1-2: PDP rules assessment

Provision	Activity Status	Comment	
Section 44 – Extra Density Resid	<u> </u>		
Section 44.7 - Rule 25 - Community and Formal Recreation facilities	Discretionary Activity	Community and Formal Recreation facilities within the Extra Density Residential Zone triggers the need for land use consent as a Discretionary activity under the PDP.	
Section 44.4 - Rule 5A - Earthworks Standards as outlined in Rule 5A Table 1 of the TCDP.	Permitted Activity	In this zone, earthworks are restricted to a volume of 250m³ over an area of 250m² per year. The maximum height of cut/fill is 1.5m and the maximum duration of work in a calendar year is 3 months. Given its size, the earthworks required for the proposed facility are expected to exceed these limits and therefore would likely require resource consent for a Restricted Discretionary Activity .	
Section 44.9 - Table 4 - General Bulk and Location Standards.	Permitted Activity	 The most relevant permitted bulk and location requirements are outlined below: Maximum site coverage - 45% Setbacks - front yard 3m and side/rear yard of the site 1.5m Maximum building height is 8m Height in relation to boundary of 3m & 45°. The exceedance of these permitted standards will trigger the need for resource consent as a Restricted Discretionary Activity. 	
Section 54 – Residential Zone	_		
Section 54.6 Rule 24 - Community and Formal Recreation facilities	Discretionary Activity	Community and Formal Recreation facilities within the Extra Density Residential Zone triggers the need for land use consent as a Discretionary activity under the PDP.	
Section 54.4 - Rule 5A - Earthworks Standards as outlined in Rule 5A Table 1 of the TCDP.	Permitted Activity	In this zone, earthworks are restricted to a volume of 250m³ over an area of 250m² per year. The maximum height of cut/fill is 1.5m and the maximum duration of work in a calendar year is 3 months. Given its size, the earthworks required for the proposed facility are expected to exceed these limits and therefore would likely require resource consent for a Restricted Discretionary Activity .	
Section 54.8 - Table 4 - General Bulk and Location Standards.	Permitted Activity	 The most relevant bulk and location requirements for development in this zone are outlined below: Maximum site coverage - 35% Setbacks - front yard 3m and side/rear yard of the site 1.5m, Maximum building height is 8m. Height in relation to boundary of 3m & 45° 	



Provision	Activity Status	Comment
	The status	Should the facility exceed these standards, resource consent will be required as a Restricted Discretionary Activity .
Section 53 – Recreation Passive	Zone	
Section 53.4 Rule 3 - Community facility	Permitted Activity	A community facility within the Recreation Passive Zone is a permitted activity as required by the PDP, provided the structure(s) do not exceed the relevant bulk and location standards, and the structure has a gross floor area of less than 250m ² .
		Given the size of the proposed facility, it is not expected to comply with these permitted standards and would likely trigger the need for land use consent as a Restricted Discretionary Activity .
Section 53.5 Rule 16 - Formal Recreation	Discretionary activity	A formal recreation facility is a Discretionary Activity in this zone.
Section 53.4 - Rule 8A - Earthworks Standards as outlined in Rule 8A Table 1 of the TCDP.	Permitted Activity	In this zone, there are no limits on the volume and area of earthworks, provided it complies with the general district plan standards and is not within a Kauri hygiene area.
		If the permitted earthworks standards cannot be met, resource consent for a Restricted Discretionary Activity would be required.
Section 53.7 - Table 4 - General Bulk and Location Standards. Refer to Appendix A of this report - Table 7 for the full Assessment Standards, Matters and Criteria.	Permitted Activity	 The most relevant bulk and location requirements for development in this zone are outlined below: Maximum reserve coverage - 15% Setbacks - front yard and side/rear yard of the entire reserve is 5m Maximum building height is 6m Height in relation to boundary of 2m & 45°. As the proposed structure is anticipated to cover more than 15% of the site area and exceed 6m in height, resource consent would likely be required as a Restricted Discretionary Activity.
Section 34 – Natural Hazards		
Section 34.9 - Rule 2 Any other activity in a Flood Hazard Area	Restricted Discretionary Activity	Community and recreational facilities in a Flood Hazard Area require resource consent as a Restricted Discretionary Activity .
Section 34.11 - Rule 10 Earthworks in a Natural Hazard Overlay	Permitted Activity	The consent status for earthworks depends on the status of the building itself. Accordingly, earthworks in a Flood Hazard area will require resource consent as Restricted Discretionary or Discretionary Activity .
Section 39 – Transport (applies t	to all zones)	
Section 39.2 Rules 5 & 6 Vehicle access, parking, loading, and manoeuvring	Permitted Activity	For community and recreation activities, the PDP requires a parking ratio of 1 car park per 25m² gross floor area, a minimum of two bicycle parks, and disabled parking. The plan also outlines when an Integrated Transport Assessment (ITA) is required, which is determined by the expected vehicle movements and the order of the road from which access is gained.



Provision	Activity Status	Comment
		If these standards are not met, resource consent will be required as a Restricted Discretionary Activity . Regardless of the consent requirements, an ITA may be required to support the wider resource consent application.

1.3 National Environmental Standards for Assessing and Managing Contaminants in Soil to Protect Human Health

The National Environmental Standards for Assessing and Managing Contaminants in Soil to Protect Human Health (NESCS) is a national set of standards and rules that apply to specific activities on certain 'pieces of land' that have or are more likely than not have had elevated levels of contaminants.

Whether the NESCS is relevant or not can be informed through a Preliminary Site Investigation (PSI), undertaken by a contaminated land specialist, who reviews information such as records from TCDC/WRC, historical aerial photography, and a site walkover. Further detailed site investigations (DSI) (e.g. soil sampling and testing) may be required to corroborate the findings of the PSI.

If the NESCS is deemed relevant, resource consent requirements may be triggered depending on the extent of soil disturbance and/or in the instance of a change in land use, whether the PSI concludes it is highly unlikely that there is a risk to human health if the activity is undertaken. The PSI may require that a DSI is undertaken to confirm the risk of an activity to human health.

1.4 Waikato Regional Plan

The following matters will need to be considered in relation to the Waikato Regional Plan (WRP) in order to facilitate the development (these are dependent on the location of the activities onsite and final design):

1.4.1 Bulk Earthworks

The WRP outlines permitted activity standards for soil disturbance in the region. The standards are largely focused on managing erosion sediment control. There are also rules regarding encroachment of the groundwater table depending on the scale of excavations. If the earthworks of the proposed facility do not comply with the permitted activity standards of the WRP, resource consent would be required.

1.4.2 Stormwater Discharge to Water and Land

Depending on the method of stormwater discharge from the site, the WRP outlines permitted activity standards for discharging stormwater to land and water. These standards seek to minimise sediment and contaminant laden runoff. If the permitted standards for stormwater disposal are not met, resource consent will be required.

1.4.3 Water Takes

Such facilities may require the water take from ground and/or surface water resources. The WRP outlines permitted standards for ground and surface water takes. These standards are largely dependent on the volume of extraction and managing adverse effects on ground and surface water quality. Should surface or groundwater extraction be required for the operation of the facility, and the water take does not comply with the permitted standards, resource consent would be required.



1.4.4 Geothermal Resources

Geothermal water can be used to heat aquatic facilities and the WRP provides permitted standards for the extraction and reinjection of geothermal resources. If geothermal resources are utilised for the facility, and the extraction and reinjection do not meet the permitted limits, resource consent will be required.

1.4.5 Contaminated Land

As well as the NESCS, the WRP also have rules in relation to undertaking activities on contaminated sites. A contaminated land investigation (PSI and possible subsequent DSI) is required to inform the consenting requirements in relation to WRP contaminated land provisions.

1.5 Authorising the Use

In consideration of the respective zoning rules and the planning investigation undertaken in this report, resource consent would likely be required for a discretionary activity under the PDP provisions to establish the proposed facility onsite.

Should it be determined that the activity is innominate under the PDP definitions, and it is considered as 'Activities not provided for in the Plan', resource consent would be required for a non-complying activity. Resource consent applications for non-complying activities need to be considered under Section 104D of the Resource Management Act 1991 (RMA) which is otherwise known as the 'gateway test'. A consent authority can only grant such a resource consent if they are satisfied that the adverse effects will be (no more than) minor or the activity is not contrary to the relevant objectives and policies of the plan.

Whilst it is considered the activity most closely aligns with 'Community Facilities' (and therefore would not fall under the 'Activities not provided for in the Plan'), it is recommended this interpretation is confirmed with TCDC.

Resource consent may also be needed from TCDC under the NESCS pending further investigations.

While the potential regional plan provisions have been noted, it is recommended that the specific consent requirements be revisited when the necessary information is available.

An alternative pathway would be to consider serving a Notice of Requirement (NoR) to designate the land for a specific purpose by TCDC. This could be an appropriate pathway if (for example):

- There is an interest in protecting the land in the interim whilst maintaining flexibility in relation to timeframes for design and/or development; or
- There is a desire to stage the works (and thus avoid multiple resource consent processes with TCDC); or
- The facility is proposed on land not owned by the requiring authority and the designation provides a basis for the subsequent acquisition of land needed for the works. This is of relevance for location Option 2, which includes private property.

Despite no archaeological sites being identified, it is recommended that an Archaeological Authority is obtained from Heritage New Zealand Pouhere Taonga to provide for the accidental discovery of archaeological finds during the earthworks stage of the project.

1.6 Specialist Inputs

As part of an application process, technical investigations will be required to understand the potential effects of the project and can help to inform the design and operation of the facility.

Technical inputs to support an application may include:

- Planning (to provide further planning advice, and prepare the overarching application)
- Civil engineering (e.g. three waters infrastructure, earthworks and minimum floor levels, and flood assessment)



- Transport assessment (access, parking, and traffic assessment)
- Landscape and visual assessment (provide guidance on built form and assess effects of built form and natural character)
- Contaminated land investigation (PSI and possible DSI per Section 2.2)
- Geotechnical assessment (to inform civil engineering)
- Noise and vibration investigation (to consider noise and vibration during construction and operation),
- Archaeological investigation (to advise regarding an Archaeological Authority)
- Cultural impact assessment (should mana whenua identify this as necessary to inform a cultural effect assessment).

1.7 Stakeholder Engagement

Table 1-3 sets out the suggested parties that could be consulted during the course of the project.

Table 1-3: Parties suggested for Stakeholder engagement.

Stakeholder	Why	When
Mana whenua	Only tangata whenua can assess cultural effects including input into environmental effects from a māori perspective.	Commence pre-lodgement and continue over the course of the project. It would be advised to consider including an iwi representative as part of a project steering group or similar.
Ministry of Education (MOE)	Approval from MOE will be required to establish a non-education purpose activity on their designation.	Early in the due diligence process, as their approval is critical for securing the rights to develop this site.
Neighbours	It could be expected that the neighbours adjoin the site will have concerns regarding traffic generated by the facility and the effects of bulk and location rule infringements.	Pre-lodgement via letter drop then phone call/meeting.
TCDC economic development	Likely supporter of the project who can help to facilitate processes internally and externally.	ASAP.
TCDC regulatory	Consent authority to process district council consents and/or other RMA matters.	Pre-lodgement meeting before seeking resource consent.
WRC regulatory	Consent authority to process regional council consent application.	Pre-lodgement meeting before seeking resource consent from WRC.
Community	As it will be a community facility, it would be valuable to create public interest and support from the local community.	Pre-lodgement via website / social media. Potential to use interactive website such as www.seekbeak.com and Al tools to give and receive feedback.

1.8 Conclusion

This scoping study has described the planning context of the site located largely within the boundaries of Thames High School, which has been identified as a potential location for developing a local aquatic facility. Planning approval(s) will be required to enable the development of the site.

Both pathways will require further technical investigation and engagement with stakeholders. Such activities will help to inform design outcomes and the resource management process.



2 Geotechnical

2.1 Geotechnical Considerations

The purpose of this desk-top assessment is to provide a high-level geotechnical comment in relation to the proposed local Thames Aquatic facility. The scope of work has comprised:

- · A desk study comprising the following:
 - Review of published geological information
 - Review of publicly available Historic Aerial Photos
 - Review of published historical maps
 - Groundwater Information from Waikato Regional Council (WRC) web site
 - Information from Thames Coromandel District Council (TCDC) web site
- A review of potential geotechnical constraints on development
- Preparation of this report.

2.2 Site Locations

2.2.1 Preferred Site

The preferred site is currently occupied by Thames High School outdoor asphalted courts, with a small storage shed located in the middle of the courts along Richmond Street.

The site is located on flat terrace with a gradually increasing slope towards the east of the site.

2.2.1 Alternative Site

The alternative site is currently occupied by car park, an outdoor lane pool and a residential house.

The site slopes from east to west and has been terraced by a series of low retaining walls.

The lowest terrace is used for car parking and the upper terrace for the swimming pool. The house is located at the northern end of the site.

2.3 Desk Study

2.3.1 Geological Information

Published Geological Maps

The published geology (Townsend et al., 2008) indicates that the following:

- The preferred site overlies two different geological formations, Holocene River deposits and Middle to Late Pleistocene "River and hill slope deposits".
- The alternative site overlies Middle to Late Pleistocene "River and hill slope deposits".

A basic description of each formation shown in Table 2-1:

Table 2-1: Published Geology - School Sites.

Name	Description
Holocene river deposits	Alluvial gravel, sand, silt, mud and clay with local peat.
Middle to Late Pleistocene	Pumiceous sand, silt, mud and clay with interbedded gravel and peat.
"River and hill slope deposits"	

New Zealand Geotechnical Database (NZGD)

Previous geotechnical investigation records by Tonkin and Taylor in 2014 for developments around the school are available on the NZGD (Cone Penetrometer Tests, CPTs and Hand Augers, HAs).



Preferred Site

The preferred site is located approximately 75m south of the closest geotechnical investigation.

The CPTs and HAs encountered layers of interbedded stiff silt and loose sand for the top 2.5m underlain by loose to medium dense sand to a depth of 5m. This was in turn underlain by firm silt/clayey silt to a depth of 10m.

Groundwater was encountered between 0.5 and 0.7m bgl (below ground level).

Alternative Site

The alternative site had one CPT and two hand augers performed in the carpark section of the site, however all of these exploratory holes terminated at <1m depth with groundwater not encountered. The CPT provides limited useful information however the HAs show up to 200mm of topsoil followed by a silt fill with some gravel to at least 0.9m bgl, beneath which it is expected to have a similar profile to the preferred site.

Active Faults Database

The nearest mapped known active fault shown on the GNS Active Faults Database is the northwest striking Kerepehi Fault located approximately 10km to the southwest of both site.

No faults are mapped as passing directly through the proposed site locations and as such the risk of direct fault rupture is considered low.

2.3.2 Historic Aerial Photographs

We have reviewed publicly available historic aerial photography (www.Retrolens.co.nz and Google Earth Pro).

Preferred Site

The earliest available photograph from 1944 shows the eastern half of the preferred site was being used as residential housing with the western half being an open field. The western half was developed to sports courts by the 1961 photograph, with the housing removed on the eastern half between 1965 and 1968 and left as an open field. The courts were then extended between 1973 and 1980 to cover the open field, leaving the whole site covered by courts.

No changes were observed for the preferred site since 1980.

Alternative Site

The earliest available photograph from 1944 shows the south eastern half of the alternative site used as a pool and the northern section occupied by a residential dwelling both of which have remained to the present day.

The south western half of the site however has gone through significant changes throughout the same period of time, between the years of 1944 and 1961 this section was being used as sports courts, being removed between 1973 and 1980 and replaced with three structures. The northernmost structure was then removed between 1980 and 1983 and the remaining two being removed between 1987 and 1994 leaving the southwestern half of the site bare, until it was replaced with a carpark between 2012 and 2019.

2.3.3 Historic Maps and Plans

Historic maps and plans (www.mapspast.org.nz) were checked for relevant information to the sites.

Preferred Site

The maps show that between 1949 and 1979, the western half of the preferred site as undeveloped, with the eastern half remaining occupied by possible housing over this period.



In the 1989 and 1999 maps, the site is displayed as occupied by housing and courts, with the 2009 and 2019 map showing no indication of the courts at the site.

Alternative Site

For the alternative site the maps show the site as occupied by the pool and housing, from 1949 until 2019.

2.3.4 Waikato Regional Council (WRC) Data

The Waikato Regional Council Hazards Portal (waikatoregion.maps.arcgis.com) indicates that the proposed sites have a rating of "possible" for liquefaction.

The Waikato Regional Council Groundwater map (waikatomaps.waikatoregion.govt.nz) shows the location of bores across the region.

One bore located nearby (Bore 60_358) drilled to a depth of 33.5m shows clay with alternative peat between 0 and 3m and again at 13.8m and 21.5m bgl, with sands in between these layers.

Preferred Site

The preferred site is located approximately 160m to the south of Bore 60_358.

Alternative Site

The alternative site is located approximately 200m to the east of Bore 60_358.

2.3.5 Thames Coromandel District Council (TCDC) Data

TCDC map data (tcdc.maps.arcgis.com) was checked for relevant geotechnical hazard information pertaining to the site. No geohazards are shown for the site.

Preferred Site

The preferred site was noted to be in both the TCDC Hazard and Regional Scale Flood Hazard risk areas.

Alternative Site

The alternative site was not located in either flood risk areas, located along the edge of the Regional Scale Flood Hazard risk area.

2.4 Potential Geohazards

The potential geohazards assessed are summarised in Table 2-2, the geohazards for both sites are expected to be similar due to their proximity and similar underlying geological formations.

Unless stated the risk ratings apply to both sites.

Some hazards are discussed further in the sections below.

Table 2-2: Potential Geohazards Summary

Geohazard	Risk	Comment
Fault rupture	Low	See Section 2.1.3
Liquefaction	High	See Section 1.4.1
Expansive soils (Shrink/swell Potential of Soils)	Low/Medium	See Section 1.4.2
Soft ground / non engineered fill	Preferred Site:Low/Medium Alternative Site: High	See Section 1.4.3
Slope instability	Very low/Medium	See Section 1.4.4
Contaminated land	Low/Medium	See Section 1.4.5



2.4.1 Liquefaction

The geotechnical investigations in and around the school indicated the top 2.5m of both sites may comprise interbedded stiff cohesive silt/clay materials and loose sands. These materials are considered potentially susceptible to cyclic softening and liquefaction respectively.

Regional groundwater beneath the preferred site is expected to be approximately 0.5m below site level and approximately 1.0m below site level for the alternative site resulting in a significant thickness of potentially susceptible soils beneath the site.

Based on the current information reviewed and site observation we consider that the risk of potentially damaging liquefaction effects is high.

Site specific investigation and assessment recommended to confirm the liquefaction hazard.

Due to a combination of the terraced levels, the slopes on site and potentially high risk of liquefaction the alternative site is also expected to have a potential risk of lateral spread.

It is likely that site specific foundation design will be required for both sites, possibly requiring ground improvement or piling to the underlying clay soils.

2.4.2 Shrink/Swell Potential of Soils

Preferred Site

The preferred site is expected to be underlain by interbedded stiff sandy clays and silts, and loose sandy soils of Holocene river deposits.

Low plasticity silty soils are expected to be low risk, however some of the clays may be potentially expansive.

The risk of expansive soils is therefore considered to be low to medium. However, this can be easily addressed by standard construction practices.

Alternative Site

The alternative site is expected to be underlain by interbedded stiff sandy clays and silts, and loose sandy soils of Middle to Late Pleistocene "River and hill slope deposits".

Low plasticity silty soils are expected to be low risk, however some of the clays may be potentially expansive.

The risk of expansive soils is therefore considered to be low to medium. However, this can be easily addressed by standard construction practices.

2.4.3 Soft Ground/Non-engineered Fill

No near surface soft ground (less than 25kPa) or organic soils (except topsoil) were encountered in the nearby geotechnical investigation, however there is the possibility of near surface peats and soft soils in the alluvial soils.

Preferred Site

Some areas of non-engineered fill, and possible relict foundations may be anticipated beneath the western section of the preferred site where houses were previously located.

Near surface cohesive soils (clays) and granular soils (sands) are anticipated to be stiff and loose respectively.

Alternative Site

Non-engineered fill is expected beneath the carpark area, and possible relict foundations beneath the former structures.



Near surface cohesive soils (clays) and granular soils (sands) are anticipated to be stiff and loose respectively.

2.4.4 Slope Instability

Preferred Site

The preferred site is located on flat ground and the resulting risk of slope instability is very low.

Alternative Site

The alternative site is located on two terraced levels with retaining walls, with the northern section being an exposed slope. With these contributing factors and the observed slope angle the risk of slope instability for the site is medium but can be managed by suitable engineering measures.

2.4.5 Contaminated Land

Preferred Site

The preferred site is located on playing fields and school grounds where fertilisers and herbicides may have been used.

There is also risk of demolition debris from the former buildings over part of both sites being present in the soils. This could potentially give rise to metals and asbestos contamination.

Alternative Site

There is evidence that the alternative site was in part occupied by now demolished 'structures' of unknown usage. There is therefore a risk of soil contamination from demolition materials, old foundations and from unknown activities.

We recommend that an environmental specialist be consulted to confirm the status of both sites with respect to the National Environmental Standard (NES) for potentially contaminated land.

2.5 Conclusions and Recommendations

The greatest geohazard risk identified is that of seismicity causing liquefaction and softening of the near surface soils for both sites. The nearest available information suggests this may be limited to relatively shallow depths of soils.

It is likely that these risks may be mitigated/managed by suitable foundation design or localised ground improvement.

Similarly, the low/medium risks identified for expansive soils and soft compressible soils may also be mitigated by suitable foundation design or localised ground improvement.

The medium slope instability risk identified for the alternative site can be managed by conventional engineering measures such as retaining walls.

Non-engineered fill on the alternative site may need to be undercut or removed as part of any development.

All these risks can be quantified by appropriate ground investigation.

The potential for contaminated land needs to be assessed by a specialist. The most significant potential effect should contaminated soils be present may be increased costs to dispose of unsuitable soils on excavation.



3 Civil Infrastructure

3.1 Civil Infrastructure Considerations

This section provides high-level considerations for the civil infrastructure requirements for the 'local' aquatic facility option proposed. The following infrastructure is considered:

- Stormwater
- Wastewater
- Water Supply
- Power
- · Communications.

3.2 Stormwater

3.2.1 Preferred Site

Due to the known high water table at the site, approximately 0.5m below ground level, stormwater discharge via soakage is not a viable option for the site. The high water table also limits the use of underground tanks, for stormwater attenuation for example, due to buoyancy created from the water table.

The current site is predominantly covered with impervious asphalt tennis courts, so it may be possible to maintain or reduce the amount of impervious surface post-development which would remove the need for stormwater attenuation. If attenuation were to be required this would likely need to be done above ground, either from above ground rainwater tanks fed from the facility roof or pond/raingardens.



Figure 3-1: TCDC 3 Water GIS



There is a Ø600mm concrete gravity stormwater main that runs southwest along the north side of Richmond Street, as shown in Figure 3-1, which runs to its ultimate discharge point at the coast. The proposed development could discharge stormwater runoff to this stormwater main as the existing site currently does.

A Ø225mm concrete gravity stormwater main from the high school campus runs through the site to Richmond Street. This existing stormwater line will likely need to be relocated to along the eastern site boundary if the facility building footprint is over or within 3 metres of the line.

Stormwater runoff from carparking of the new facility will require stormwater treatment to TCDC standards, this could be provided though raingardens, swales, propriety treatment devices or a combination of these.

The site is located within the 'Overland Flow Area A 0.5m above ground level' zone as show in Figure 3-2 from the TCDC Flood Hazard Map. As a result, flood modelling will be required to assess the effect of the new facility on surrounding properties and to determine a suitable finished floor level.



Figure 3-2: TCDC Flood Hazard Map

3.2.2 Alternative Site

The site is currently serviced by a Ø300mm concrete gravity stormwater main running northwest along the east side of Rolleston Street. This main is then connected to a Ø600mm concrete gravity stormwater that runs south west down Sealey Street to its ultimate discharge point at the coast.

The alternative site currently has a high impervious surface coverage due to a newly constructed carpark (not shown on Figure 3-1 as not updated yet on TCDC GIS)), however as this is a recently constructed carpark it is likely to have some form of stormwater attenuation as the site was previously a grassed area and would have had to match the pre-development flows to meet TCDC standards. If this is the case the site will require stormwater attenuation to match pre-development peak stormwater runoff flows. As a high ground water table will also be an issue at this site, attenuation would likely need to be done above ground, either from above ground rainwater tanks fed from the facility roof or pond/raingardens.



Stormwater runoff from carparking of the new facility will require stormwater treatment to TCDC standards, this could be provided though raingardens, swales, propriety treatment devices or a combination of these.

The alternative site is outside of any flood hazard zoning, as shown in Figure 3-2, so would not require flood modelling.

3.3 Wastewater

3.3.1 Preferred Site

From TCDC's publicly available assets map, shown in Figure 3-1. A Ø150mm gravity wastewater main from the north east of the runs through the site to Richmond Street. This existing wastewater line will likely need to be relocated to along the eastern site boundary if the facility building footprint is over or within 3 metres of the line.

A Ø150mm gravity wastewater main runs southwest along the north side of Richmond Street, the proposed development will be able to connect to this main. An agreement with TCDC will need to be reached on a maximum discharge rate to wastewater system for activities such as pool draining.

3.3.2 Alternative Site

From TCDC's publicly available assets map, shown in Figure 3-1.

A Ø300mm gravity wastewater main runs north west along the rear boundary of the site, the proposed development will be able to connect to this main. The building footprint will need to stay outside of the wastewater mains easement as this main will not be easily relocated as the line runs through private properties.

An agreement with TCDC will need to be reached on a maximum discharge rate to wastewater system from activities such as pool draining.

3.4 Water Supply

3.4.1 Preferred Site

A Ø100mm PE water supply main runs along the south side of Richmond Street, the site can be connected to this main via new connection across Richmond Street. Discussions with TCDC will be required to assess the current capacity of the network to meet the water demands of the facility, water storage for both supply and fire fighting may be required if there is insufficient existing network capacity.

3.4.2 Alternative Site

A Ø150mm water supply main runs along the east side of Rolleston Street, the site can be connected to this main via new connection across the adjacent footpath. Discussions with TCDC will be required to assess the current capacity of the network to meet the water demands of the facility, water storage for both supply and fire fighting may be required if there is insufficient existing network capacity.

3.5 Power

3.5.1 Preferred Site

From PowerCo network information received through a Before You Dig enquiry, as shown in Figure 3-3, the preferred site is adjacent to a 11kV underground HV cable running along the north side of Richmond Street. Discussions will be required with PowerCo to see if a connection to this HV line via a new 750kVA transformer will provide the facility the required power supply.





Figure 3-3: PowerCo Network GIS Data

3.5.2 Alternative Site

At the north-eastern corner of the alternative site, there is a transformer on Rolleston Street, as shown in Figure 3-4. This Transformer supplies the high school across the road. Discussions with PowerCo will be needed to see if the existing transformer has capacity however with a 750kVA transformer required it is likely it requires an upgrade or new separate transformer onsite.



Figure 3-4: PowerCo Transformer on Rolleston Street



3.6 Communications

From the Chorus communications network plans provided through a Before You Dig enquiry, as shown in Figure 3-5, both the preferred and alternative sites are adjected to their networks. Coordination will be required with Chorus to connect the sites.



Figure 3-55: Chorus Communication Network Plans



4 Building Services

4.1 Building Service Considerations

The purpose of this desktop assessment is to provide high-level considerations around the building services requirements for the 'local aquatic' facility option proposed for the existing Thames High School site. While there are two location options including the preferred location on Richmond Street and the alternative location on Rolleston Street (opposite the Jack Mclean Community Recreation Centre), the facility building service requirements will not change between the two sites. The assessment will consider the following:

- Operational costs for heating, cooling, general electricity, water, and chemical costs.
- Service connection requirements for electricity, water, and sewer.

Additionally, to reduce capital cost an option for an outdoor 25m Pool has been considered.

4.2 Facility Area Schedule (Indoor 25m Pool Option)

The facility has been analysed based on the following area schedule provided by Architecture HDT:

- Pool hall 1650m² complete with:
 - 25m Lane Pool 750m³
 - Programme/Warm Water Pool 300m³
 - Spa Pool 25m3
 - Learn to Swim Pool 100m3
 - Leisure/toddlers pool including toys and equipment 60m³
- Front of house 780m² complete with:
 - Reception/Lobby
 - General Administration and Office Space
 - Staff Room including Staff Changing Room
 - Male/Female/Family/Accessible Change Space
 - Wet and Dry Circulation
 - Pool Store/Plant Area.

4.3 Estimated Operational Cost (Indoor 25m Pool Option)

Table 4-1: Operational Cost Summary (Indoor 25m Pool Option)

	Area (m²)	Conditioning	General Electricity	Water	Chemicals
Main Pool Hall	1650	\$140,000 pa	\$140,000 pa	фоо ооо	\$25,000 pa
Front of House	780	\$15,000 pa	\$15,000 pa	\$30,000 pa	-
Total	2700	\$155,000 pa	\$155,000 pa	\$30,000 pa	\$25,000 pa

Table 4-1 summarises the operational costs associated with the electricity, water, and chemical with the following assumptions:

- Electricity tariff of 21c/kWh.
- Energy consumption based on benchmarked data for similar facilities with facility built out of water table.
- Electrified heating site based on heat pump technology with an average co-efficient of performance (CoP) of 3.0 (heating cost of 7c/kWh).
- Pool hall conditioned 24/7 to 27°C and 60% RH average with medium to high level of heat recovery and utilising fresh air dehumidification.
- Front of house generally conditioned 15 hours per day between 21-24°C during occupied hours.
- Chemical and water consumption is based on estimated water volumes of pool water.



- Water is estimated at \$2/m3.
- Chlorine is estimated at \$0.1/L of 1% chlorine.

4.4 Facility Area Schedule (Outdoor 25m Pool Option)

The facility has been analysed based on the following area schedule provided by Architecture HDT:

- Pool hall 850m² complete with:
 - Programme/Warm Water Pool 300m3
 - Spa Pool 25m3
 - Learn to Swim Pool 100m3
 - Leisure/toddlers pool including toys and equipment 60m3
- Outdoor Pool Area complete with:
 - 25m Lane Pool 750m³
- Front of house 780m² complete with:
 - Reception/Lobby
 - General Administration and Office Space
 - Staff Room including Staff Changing Room
 - Male/Female/Family/Accessible Change Space
 - Wet and Dry Circulation
 - Pool Store/Plant Area.

4.5 Estimated Operational Cost (Outdoor 25m Pool Option)

Table 4-2: Outdoor Cost Summary (Outdoor 25m Pool Option)

	Area (m²)	Conditioning	General Electricity	Water	Chemicals
Main Pool Hall	850	\$85,000 pa	\$70,000 pa		
Outdoor Pool	-	\$70,000 pa	\$15,000 pa	\$30,000 pa	\$30,000 pa
Front of House	780	\$15,000 pa	\$60,000 pa		
Total	2700	\$170,000 pa	\$145,000 pa	\$30,000 pa	\$30,000 pa

Table 4-2 summarises the operational costs associated with the electricity, water, and chemical with the following assumptions:

- · Electricity tariff of 21c/kWh.
- Energy consumption based on benchmarked data for similar facilities with facility built out of water table.
- Electrified heating site based on heat pump technology with an average co-efficient of performance (CoP) of 3.0 (heating cost of 7c/kWh).
- Pool hall conditioned 24/7 to 27°C and 60% RH average with medium to high level of heat recovery and utilising fresh air dehumidification.
- Outdoor pool is covered for 12 hours a day.
- Front of house generally conditioned 15 hours per day between 21-24°C during occupied hours.
- Chemical and water consumption is based on estimated water volumes of pool water.
- Water is estimated at \$2/m³.
- Chlorine is estimated at \$0.1/L of 1% chlorine.

4.6 Site Energy Opportunities

There are no immediate opportunities for the site to share or recovery energy from any adjacent sites/ facilities. If the aquatic facility set up a central energy plant, there may however be opportunity for either the high school or recreation centre to utilise the aquatic centre's efficient heating and cooling plant.



4.7 Electrical Site Infrastructure

It is expected that a new dedicated 750kVA transformer is required to serve the site power requirements.

4.8 Site Water Infrastructure

The size and flow of the water connection will dictate the fill time for the pools. A minimum 63OD mains water connection is recommended for operations of the facility off the mains water supply (i.e. no water storage requirements onsite). Larger connections can be explored if suitable infrastructure enables faster filling time.

4.9 Site Wastewater Infrastructure

The wastewater connections will need to be explored in detail with the three waters team. A minimum 5l/s connection is generally required for general operations of the facility. Attenuation tanks will be required to attenuate the pool water filtration backwash water flow as well as considerations to emptying of the pools for maintenance.



