



## **NOTICE OF MEETING**

**Notice is hereby given of the Meeting of the  
Community Services Committee  
to be held in the Council Chamber,  
First Floor, Civic Administration Building,  
101 Esk Street, Invercargill on  
Monday 13 August 2018 at 4.00 pm**

His Worship the Mayor Mr T R Shadbolt JP  
Cr R L Abbott (Chair)  
Cr A J Arnold (Deputy Chair)  
Cr T M Biddle  
Cr I L Esler  
Cr G D Lewis  
Cr L F Soper  
Cr Rowly Currie (Environment Southland) (Total  
Mobility and Passenger Transport)

EIRWEN HARRIS MITCHELL  
MANAGER, SECRETARIAL SERVICES

## **Council's Values:**

- Responsibility      Take ownership of decisions and outcomes, both collectively and individually.
- We willingly share our knowledge.
  - We acknowledge our mistakes, work to resolve them and learn from them.
  - We give and receive feedback in a constructive manner to resolve issues.
  - We do our job with total commitment.
- Respect              Everyone is important, as are their views.
- We support and care for each other.
  - We stop to listen, learn and understand.
  - We communicate in an honest, up-front and considerate manner.
  - We maintain confidences and avoid hurtful gossip.
- Positivity            Always look on the bright side of life.
- We are approachable, interested and friendly.
  - We are open and receptive to change.
  - We acknowledge and praise the efforts of others.
  - We work together as a team to get the job done.
- Above and Beyond    Take opportunities to go the extra mile.
- We take the initiative to improve our work practices to get the best results.
  - We challenge ourselves and each other to make it better.
  - We take pride in providing the best possible outcomes.
  - We are ambassadors for our Council at all times.

## **Council's Vision for the City:**

Enhance our City and preserve its character, while embracing innovation and change.

## **Council's Vision:**

We are an energised, fun and innovative team that makes it better for each other and our community.

## **Council's Mission:**

Making it better by making it happen.

# A G E N D A

	Page
1. APOLOGIES	
2. PUBLIC FORUM	
3. INTEREST REGISTER	4
4. COMMUNITY INITIATIVES REPORT	9
5. MONITORING OF SERVICE PERFORMANCE	
5.1 LEVELS OF SERVICE	11
5.1.1 <i>Community Development</i>	12
5.1.2 <i>Libraries and Archives</i>	13
5.1.3 <i>Pools</i>	17
5.1.4 <i>Housing Care Service</i>	19
5.1.5 <i>Bus and Transport</i>	21
6. ACTION SHEET	
7. OTHER BUSINESS	
8.1 <i>Hydroslide Business Case</i>	22
8.1.1 Appendix 1	26
8. URGENT BUSINESS	

\*\*\*\*\*

Community Services Agenda - INTEREST REGISTER

**INVERCARGIL CITY COUNCIL ELECTED MEMBERS  
INTEREST REGISTER**

<b>ELECTED MEMBERS</b>			
<b>NAME</b>	<b>ENTITY</b>	<b>INTERESTS</b>	<b>PROPERTY</b>
<b>RONALD LINDSAY ABBOTT</b>	Invercargill City Council Kiwi-Pie Radio 88FM Invercargill Invercargill Art Gallery Invercargill Venues and Events Management	Councillor Director / Broadcaster Council Representative / Board Member Director	
<b>REBECCA RAE AMUNDSEN</b>	Invercargill City Council Arch Draught Ltd BP Orr Ltd Task Ltd Arts Murihiku Dan Davin Literary Foundation Heritage South Glengarry Community Action Group SMAG Board Venture Southland Southland Regional Heritage Committee	Councillor Director Director Director Trustee Trustee/Chair Contractor Events Co-ordinator (Volunteer)  Council Representative Council Representative Council Representative	

**INVERCARGILL CITY COUNCIL ELECTED MEMBERS  
INTEREST REGISTER**

<b>ALLAN JAMES ARNOLD</b>	Invercargill City Council	Councillor	
<b>KAREN FRANCES ARNOLD</b>	Invercargill City Council Electricity Invercargill Ltd Powernet Ltd Pylon Ltd Invercargill Creative Communities Funding Scheme Southland Warm Homes Trust	Councillor Director Director Director Trustee/Chair Trustee	
<b>TONI MARIE BIDDLE</b>	Invercargill City Council Invercargill Venue and Events Management Limited Southland Museum and Art Gallery Trust Board  McIntyre and Dick	Councillor Director  Trustee  Partner – Executive Team	
<b>ALEX HOLLY CRACKETT</b>	Invercargill City Council Ride Southland Southland Youth Futures Advisory Board Venture Southland and Sub Committee	Councillor Chair Chair  Council Representative	High Street Invercargill

Community Services Agenda - INTEREST REGISTER

**INVERCARGIL CITY COUNCIL ELECTED MEMBERS  
INTEREST REGISTER**

<b>IRWIN LLOYD ESLER</b>	Invercargill City Council	Councillor	
<b>GRAHAM DAVID LEWIS</b>	Invercargill City Council Invercargill City Holdings Limited	Councillor Director	
<b>DARREN JAMES LUDLOW</b>	Invercargill City Council Radio Southland Invercargill City Holdings Limited Invercargill Venue and Events Management Southland Museum and Art Gallery Trust Board Healthy Families Invercargill Murihiku Maori Wardens Southland Community Law Centre	Councillor Manager Director Director / Chairman Trustee Board Member Board Member Board Member	770 Queens Drive Invercargill
<b>IAN REAY POTTINGER</b>	Invercargill City Council Southland Electronics Limited Santa Parade Organiser	Councillor Director Alice Pottinger (Wife)	171 Terrace Street Invercargill 9810
<b>TIMOTHY RICHARD SHADBOLT</b>	Invercargill City Council Invercargill Airport Limited Kiwi Speakers Limited Sit Ambassador	Mayor Director Director Contractor	

Community Services Agenda - INTEREST REGISTER

**INVERCARGILL CITY COUNCIL ELECTED MEMBERS  
INTEREST REGISTER**

<b>LESLEY FRANCES SOPER</b>	Invercargill City Council Breathing Space Southland Trust (Emergency Housing) Omaui Tracks Trust National Council of Women (NCW) Active Communities Invercargill Public Art Gallery Citizens Advice Bureau Southland ACC Advocacy Trust	Councillor Chair Secretary/Treasurer Member Chair/Trustee Board Member Board Member Employee	
<b>LINDSAY STEWART THOMAS</b>	Invercargill City Council Invercargill City Holdings Limited Invercargill City Property Limited HWCP Management Limited	Councillor Director Director Director	

<b>EXECUTIVE STAFF</b>			
<b>NAME</b>	<b>ENTITY</b>	<b>INTERESTS</b>	<b>PROPERTY</b>
<b>PAMELA GARE</b>	Invercargill City Council	Director of Environmental and Planning Services	
<b>CLARE HADLEY</b>	Invercargill City Council	Chief Executive	

**INVERCARGILL CITY COUNCIL ELECTED MEMBERS  
INTEREST REGISTER**

<b>EXECUTIVE STAFF</b>			
<b>NAME</b>	<b>ENTITY</b>	<b>INTERESTS</b>	<b>PROPERTY</b>
<b>DEAN JAMES JOHNSTON</b>	Invercargill City Council  Invercargill City Holdings Limited Invercargill City Forests Limited Forest Growth Holdings Limited Netball South Crowe Howarth	Director of Finance and Corporate Services  Chief Executive Chief Executive Director  Donna (wife) is senior accountant	
<b>CAMERON MCINTOSH</b>	Invercargill City Council	Director of Works and Services	
<b>RACHEL REECE</b>	Invercargill City Council Reece Property Limited	HR Manager Sole Director	



**TO: COMMUNITY SERVICES COMMITTEE**  
**FROM: MARY NAPPER - COMMUNITY DEVELOPMENT MANAGER**  
**MEETING DATE: MONDAY 13 AUGUST 2018**

<b>COMMUNITY INITIATIVES REPORT</b>
-------------------------------------

**SUMMARY**

Representatives from the Southland Community Housing Group will be present to update and inform Councillors of progress made since the development of the Southland Community Housing Strategy Report.
--

**RECOMMENDATIONS**

**That the report be received.**

**IMPLICATIONS**

1.	<i>Has this been provided for in the Long Term Plan/Annual Plan?</i> N/A.
2.	<i>Is a budget amendment required?</i> N/A.
3.	<i>Is this matter significant in terms of Council's Policy on Significance?</i> N/A.
4.	<i>Implications in terms of other Council Strategic Documents or Council Policy?</i> N/A.
5.	<i>Have the views of affected or interested persons been obtained and is any further public consultation required?</i> N/A.
6.	<i>Have the Child, Youth and Family Friendly Policy be considered?</i> Yes.

**FINANCIAL IMPLICATIONS**

N/A.

**THE SOUTHLAND COMMUNITY HOUSING STRATEGY REPORT**

A community forum about housing, held in Invercargill in July 2016, led to an agreement that a multi-faceted collaborative approach to housing was needed. The Invercargill City Council's offer to lead the development of a strategy and action plan resulted in the commissioning of the Southland Community Housing Strategy Report. The group which worked on the report continued to meet while waiting for a Council decision on the report.

The Council advised the Southland Community Housing Group that it had resolved at the 15 August 2017 council meeting:

‘to write to the Southland Community Housing Strategy Steering Group outlining the role Council would like the steering group to have in progressing the strategy’.

The group accepted the challenge of trying to put into effect the 29 recommendations raised within the report.

The membership of the original group included Captain Perry Bray and Dave Hope from the Salvation Army, Paul Searancke (General Manager of Habitat for Humanity Invercargill) Dave Kennedy from State Housing Action group, Sumaria Beaton of Awarua Warm Homes Trust, Rebecca Amundsen (ICC Deputy Mayor), Margaret Cook (South Alive Trustee) and Dr Liz Craig. Dr Craig has since withdrawn and Denise Lormans of Southland Community Law Centre has joined.

Margaret Cook will speak to this followed by three others. Dave Hope from Salvation Army, Paul Searancke from Habitat for Humanity and Dave Kennedy from State Housing Action Group who will be available to speak to particular issues.

Margaret Cook will speak to the Southland Community Housing Strategy Report. Dave Hope from Salvation Army, Paul Searancke from Habitat for Humanity and Dave Kennedy from State Housing Action Group will be available to speak to particular issues.

A copy of the Strategy Report can be accessed at:

<https://icc.govt.nz/wp-content/uploads/2017/10/Housing-Strategy-2017.pdf>

\*\*\*\*\*

**TO: COMMUNITY SERVICES COMMITTEE**  
**FROM: MELISSA BROOK - MANAGER OF STRATEGY AND POLICY**  
**MEETING DATE: MONDAY 13 AUGUST 2018**

<b>MONITORING OF SERVICE PERFORMANCE</b>
--

**SUMMARY**

Reporting on the Community Services levels of service measures for the period comprising 1 July 2017 to 30 June 2018.
---

**RECOMMENDATIONS**

**It is recommended that the report be received.**

**IMPLICATIONS**

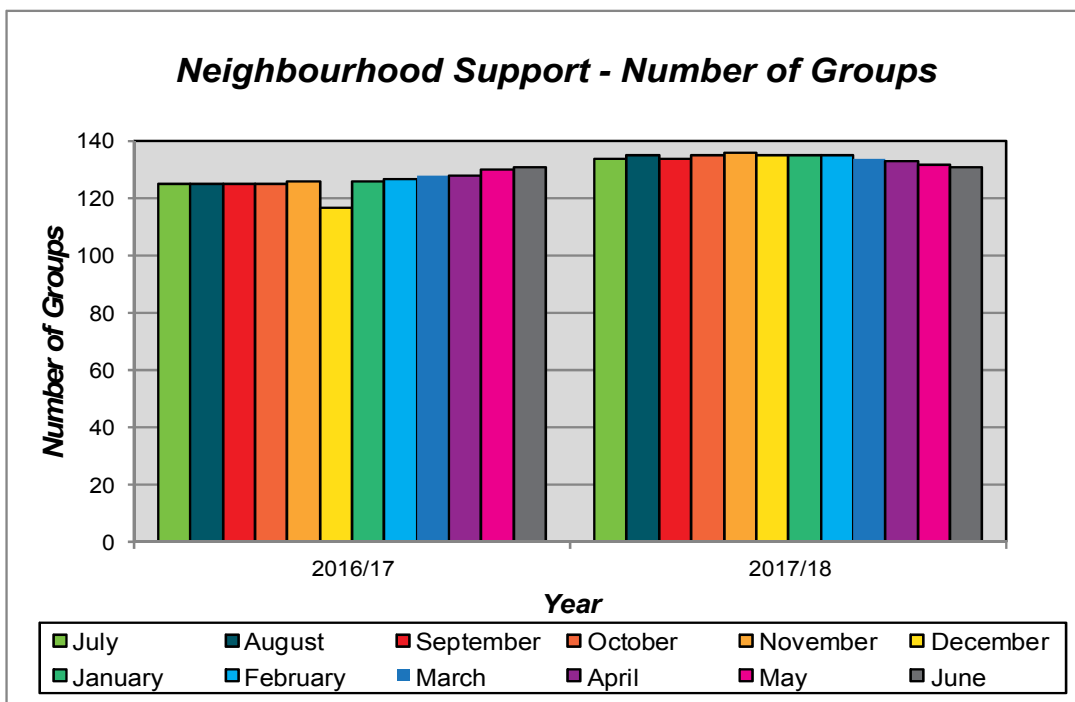
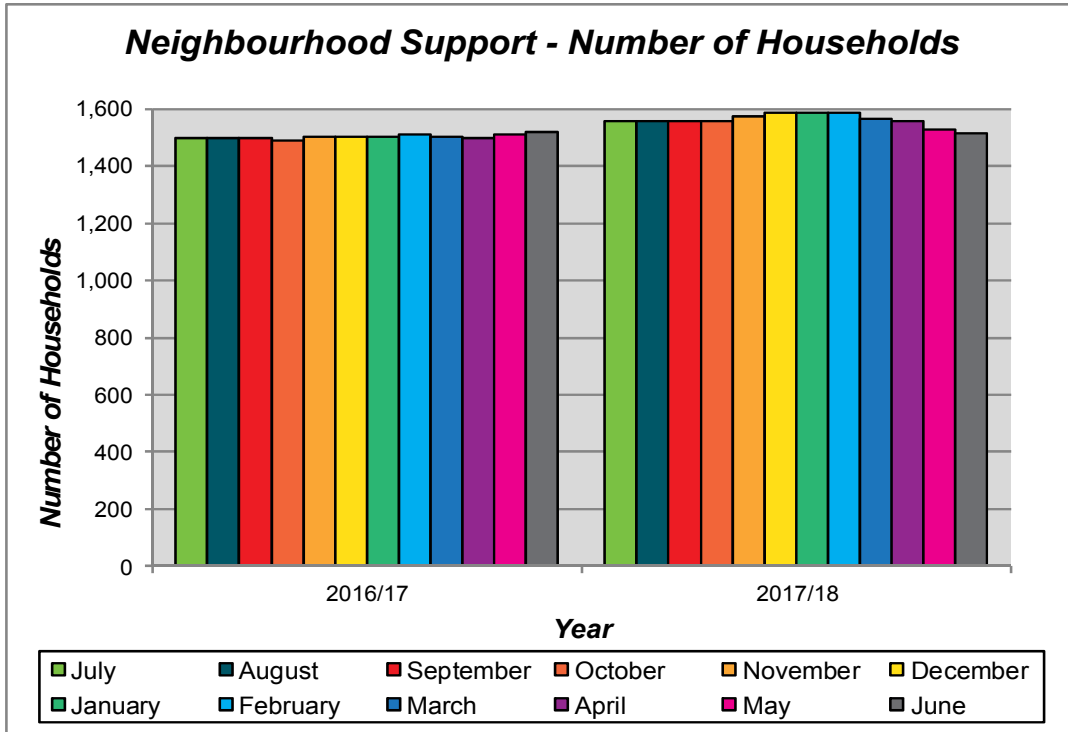
1.	<i>Has this been provided for in the Long Term Plan/Annual Plan?</i> The report monitors performance in relation to levels of service measures identified in the Long Term Plan and the Annual Plan.
2.	<i>Is a budget amendment required?</i> No.
3.	<i>Is this matter significant in terms of Council's Policy on Significance?</i> No.
4.	<i>Implications in terms of other Council Strategic Documents or Council Policy?</i> No.
5.	<i>Have the views of affected or interested persons been obtained and is any further public consultation required?</i> No.
6.	<i>Has the Child, Youth and Family Friendly Policy been considered?</i> Yes.

**FINANCIAL IMPLICATIONS**

No financial implications arise from this report.

**COMMUNITY DEVELOPMENT**

	<b>1 July 2017 to 30 June 2018</b>
<b>Neighbourhood Support</b>	
Number of households involved in Neighbourhood Support	1,517
Number of groups involved in Neighbourhood Support	131



**COMMENTARY**

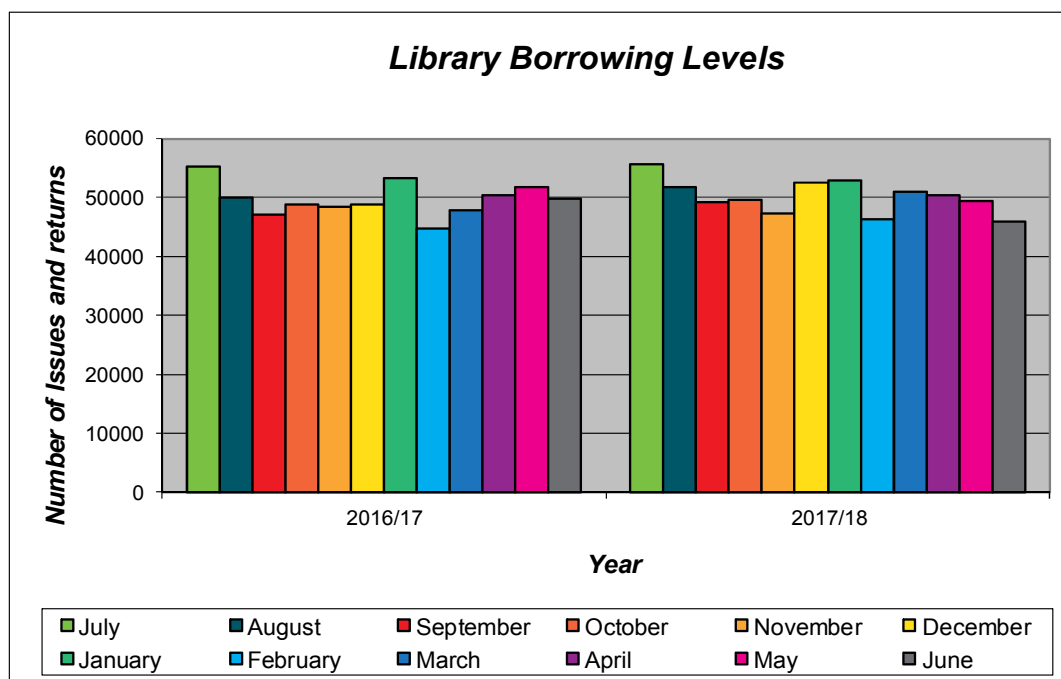
The number of households and groups involved in Neighbourhood Support has declined since November 2017.

A number of groups have been closed due to lack of interest among the residents. A small number of new groups have been opened in 2018; however this is outnumbered by the number closed. The neighbourhood support programme will continue to work with interested residents in the 2018/19 year and aims to reverse the current trend.

The number of households has declined after outdated contact trees were discovered. After a contact person resigns a new contact person is sought from the existing membership. This process has revealed that often group members either have outdated contact details, have moved or passed away. When updated, many groups have a smaller membership. Some streets have so many changes a re-establishment process begins. This involves a lot of work with often no positive increase in terms of numbers.

Commentary provided by Mary Napper  
Manager – Community Development

**LIBRARIES AND ARCHIVES**



*Graph of Library Services Borrowing Levels*

**COMMENTARY**

**Total Circulation**

All Items	2017	2018
May	51,798	49,387
<b>Total</b>	<b>51,798</b>	<b>49,387</b>
Total Year to Date	546,616	555,778

All Items	2017	2018
June	49,891	45,820
<b>Total</b>	<b>49,891</b>	<b>45,820</b>
Total Year to Date	596,507	601,598

Total circulation shows a 1% increase for the year end 2017/18. There has been a decrease in both May and June. This decrease reflects the start of the refurbishment project which included four days when the library closed to the public. The expectation is that circulation will remain below target until the refurbishment project is completed in December 2018 as access to collections is restricted with shelving compressed into a smaller space.

### Visitor Numbers

	2017	2018
May	44,754	38,771
<b>Total</b>	<b>44,754</b>	<b>38,771</b>
Total Year to Date	464,474	456,279

	2017	2018
June	40,510	38,415
<b>Total</b>	<b>40,510</b>	<b>38,415</b>
Total Year to Date	504,984	494,694

Visitor numbers show a 2% decrease for the year end 2017/18. This also reflects the start of the refurbishment project which included four days when the library was closed to the public in May and June. The expectation is that visitor numbers will remain below target until the refurbishment project is completed in December 2018 as the number of programmes and events is limited to the space available.

### Membership

From	Added May 2017	Added May 2018
Invercargill	170	162
Bluff	3	4
Other	3	10
<b>Total</b>	<b>176</b>	<b>176</b>

From	Added June 2017	Added June 2018
Invercargill	199	142
Bluff	1	1
Other	12	5
<b>Total</b>	<b>176</b>	<b>148</b>

### Total Membership

From	2016/17	2017/18
Invercargill/Bluff	34,788	36,203
Other	2,344	2,508
<b>Total</b>	<b>37,132</b>	<b>38,711</b>

Membership remains on target with 70.3% membership.

**E-Book/E-Audio Circulation Statistics**

	<b>May 2017</b>	<b>May 2018</b>
e-Books	1,324	1,243
e-Audio	376	409
<b>Total</b>	<b>1,700</b>	<b>1,652</b>
Total Year to Date	17,354	19,084

	<b>June 2017</b>	<b>June 2018</b>
e-Books	1,413	1,425
e-Audio	396	371
<b>Total</b>	<b>1,809</b>	<b>1,796</b>
Total Year to Date	19,163	20,884

**Total for Year**

	<b>2016/17</b>	<b>2017/18</b>
e-Books	15,972	16,248
e-Audio	3,191	4,632
<b>Total</b>	<b>19,163</b>	<b>20,884</b>

Comparing 2016/17 and 2017/18 there has been an increase of 8.98% in downloads. This represents an increase in e-Book downloads of 1.72% and an increase in e-audio downloads of 45.16%. Expenditure on eAudio content had been increased for this financial year and will continue in the 2018/2019 financial year. E-book and e-Audio circulation make up 3.6% of total circulation to year end 2017/2018.

**Events/Programmes/Projects*****Library refurbishment update***

Work continues in Adult Services with painting and LED lighting being completed. The stairs are nearing completion with carpet tiles about to be laid. The scheduled changeover to Stage 3, Children's Services, is set to begin from 23 August 2018. All collections and services in Children's Services will be moved across into Adult Services with a temporary help desk and returns area.

***Matariki 2018***

The Invercargill City Libraries and Archives hosted two events to celebrate Matariki this year and helped assist with the organising and operating of another event during the Matariki Festival. Children's author, Gavin Bishop, spoke at the Invercargill Public Library on 14 June. Earlier in the day Gavin did a book signing session at the Invercargill Whitcoulls store. All who attended Gavin's event gave positive feedback. Attendance was low to both the author talk and book signing session. More school visits will be included for children's author visits in the future while the refurbishment project continues.



The Matariki Festival was held on 7 July this year in Esk Street. The Library assisted with the operation of the Stardome which ran from 10.00 am - 4.00 pm. The Library also sourced 12 volunteers who helped supervise other activities throughout the day. 400 people attended the Stardome with outstanding feedback and some people returning to view it for a second time.

The final event to celebrate Matariki, hosted at the Library, was flax weaving which was held during the regular Crafternoon Tea session on 26 July. Sharne Parkinson from Harakeke Down South tutored at the event and 15 people attended. This was a very popular session, and gave an introduction to flax weaving techniques with many interested in continuing and learning more.

***Holiday Programme - Harry Potter Escape Room***

During the July school holidays Michelle Cunningham, Teen Librarian, ran a Harry Potter Escape Room at the Library. This was advertised as a teen event but families and adults were encouraged to sign up for a session due to previous feedback received regarding holding Harry Potter events for adults. This feedback was from the Night at Hogwarts event held earlier this year.

There were 19 sessions over the space of two weeks including two Tuesday evening sessions and one session on both Saturday and Sunday. This was done to encourage families to do the escape room with their teens but to also provide options if parents were working during the holidays. People who were unsuccessful in booking a session (due to spaces being booked up within four hours) asked if the Library could run this event again. Apart from staff time, the major expenditure was \$245.31 for a breakout kit which we can use multiple times. This worked well in the space that was available and will definitely be held again.



**Meeting Spaces**

	<b>2017</b>	<b>2018</b>
May	57	50
<b>Total</b>	<b>57</b>	<b>50</b>
Total Year to Date	559	572

	<b>2017</b>	<b>2018</b>
June	61	54
<b>Total</b>	<b>61</b>	<b>54</b>
Total Year to Date	620	626

The First Floor Meeting Room will not be available for bookings until further notice, as it is being used by the Library for storage, programmes and events while the refurbishment project is ongoing. The Learning and Activity space is still being well used with an overall 1% increase in use.



**Displays**

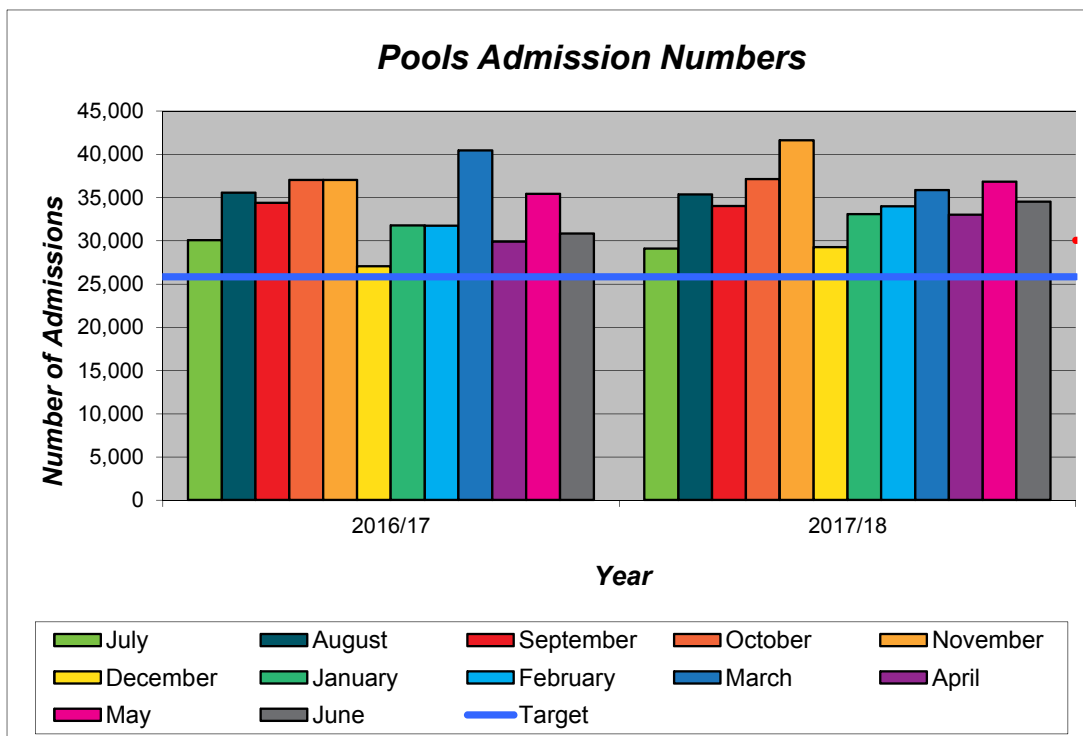
- AA
- Arts festival Yarn Bombing
- Girl Guides
- Missions Without Borders
- SeniorNet South
- Southland Model Club
- Southland College of Education

Commentary provided by Marianne Foster  
 Manager – Libraries and Archives

**POOLS**

**Use of Services**

Annual pool usage maintained at a minimum of six visits per head of population.  
 (LTP measure)



**Graph of Pool Admission Numbers**

**EVENTS**

**June**

- Mon 4 Queen’s Birthday Pool open 11.00 am – 4.00 pm
- Sat 9 Waterpolo Training Camp with Otago  
**Deep end of the main pool closed:  
 1.00 pm - 3.00 pm and 5.00 pm - 7.00 pm**
- Sun 10 Waterpolo Training Camp with Otago  
**Deep end of the main pool closed:  
 8.00 am - 10.00 am**

- Sat 16 Waterpolo Training Camp with Otago  
**Deep end of the main pool closed:  
1.00 pm - 3.00 pm and 5.00 pm - 7.00 pm**
- Sun 17 Waterpolo Training Camp with Otago  
**Deep end of the main pool closed:  
8.00 am - 10.00 am**
- Sat 23 SBS Bank Wayne Evens Memorial Series Meet #1  
**Deep end of the main pool closed:  
2.00 pm - 5.30 pm. The hydroslide was also closed**
- Sat 30 Waterpolo Training Camp with Otago  
**Deep end of the main pool closed:  
1.00 pm - 3.00 pm and 5.00 pm - 7.00 pm**

**Declined bookings due to space limitations**

No declined bookings during June.

**COMMENTARY**

During June, Splash Palace hosted three waterpolo training camps with Otago Waterpolo and the SBS Wayne Evans Memorial Swim Meet #1. These were busy events with a number of non-local athletes in attendance.

Splash Palace's three Pool Lifeguard Assessors attended Skills Active moderation in Dunedin during the month and seven staff members attended a first aid course in line with lifeguard accreditation requirements. 27 of our pool crew staff also attended training evenings for their lifeguard award completing a timed 200m swim, spinal rescues, deep water rescues, CPR, 50m lifesaving kick, mannequin tow, treading water and oxygen training.

Seven schools with 4,924 children attended ILT Swim School lessons proving again how successful this partnership between Council and the ILT is. A number of Southland Sharks and Southern Steel players attended recovery pool sessions before and after games. The team in the retail shop were kept busy this month clearing out stock ready for new arrivals in the new financial year. In helping keep our customers cooled and refreshed, ice creams and drinks are now available for purchase from reception after the café has closed for the day. This has been received particularly well by our customers (especially the younger ones).

The changing room/foyer project continues to progress well, with scaffolding now in place to begin work on the interior ceilings, and flooring almost ready for the concrete slabs to be poured.



**HEALTH AND SAFETY**

**June**

First Aid: 8  
Rescues: 1

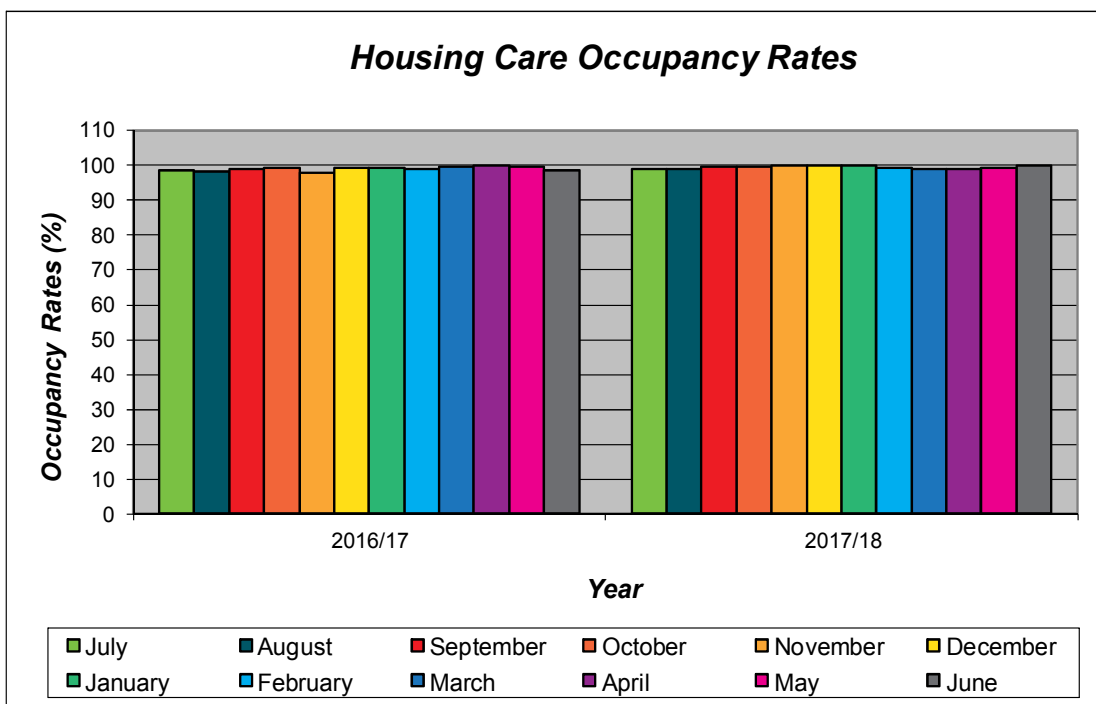
**DOOR COUNTERS**

**June**

Entries: 34,518  
Change rooms: 40,695  
Hydroslide: 33,716

Commentary provided by Peter Thompson  
Manager – Aquatic Service

**HOUSING CARE SERVICE**



*Graph of Housing Care Occupancy Rates*

**Waiting List Activity**

	June 2018	May 2018	April 2018
Invercargill	12	12	13
Bluff	2	2	1
Invercargill Supplementary	31	29	29
Bluff Supplementary	2	2	1
<b>Total</b>	<b>47</b>	<b>45</b>	<b>44</b>

	<b>June 2018</b>	<b>May 2018</b>	<b>April 2018</b>
Applications received	4	4	1
Tenancy Exits	-	2	2
Vacant Units	-	1	2

### **COMMENTARY**

The occupancy level for June was 99.83% with a Crinan Street unit being vacant for 11 days. The average occupancy level for 2017/18 was 99.39%, with January being at 100%.

Deborah Little (Housing Support Officer) and Stephen Cook (Property Maintenance Officer - Housing Care) are to be congratulated on the excellent turnaround between tenancies. Below is a list of maintenance carried out which shows how active Deborah and Stephen have been with maintaining our housing units.

### **Complex visits/maintenance**

There were 17 annual inspections and four new inspections during June. There have been a number of parking issues at Otarewa but these will ease with the provision of seven new parks in July.

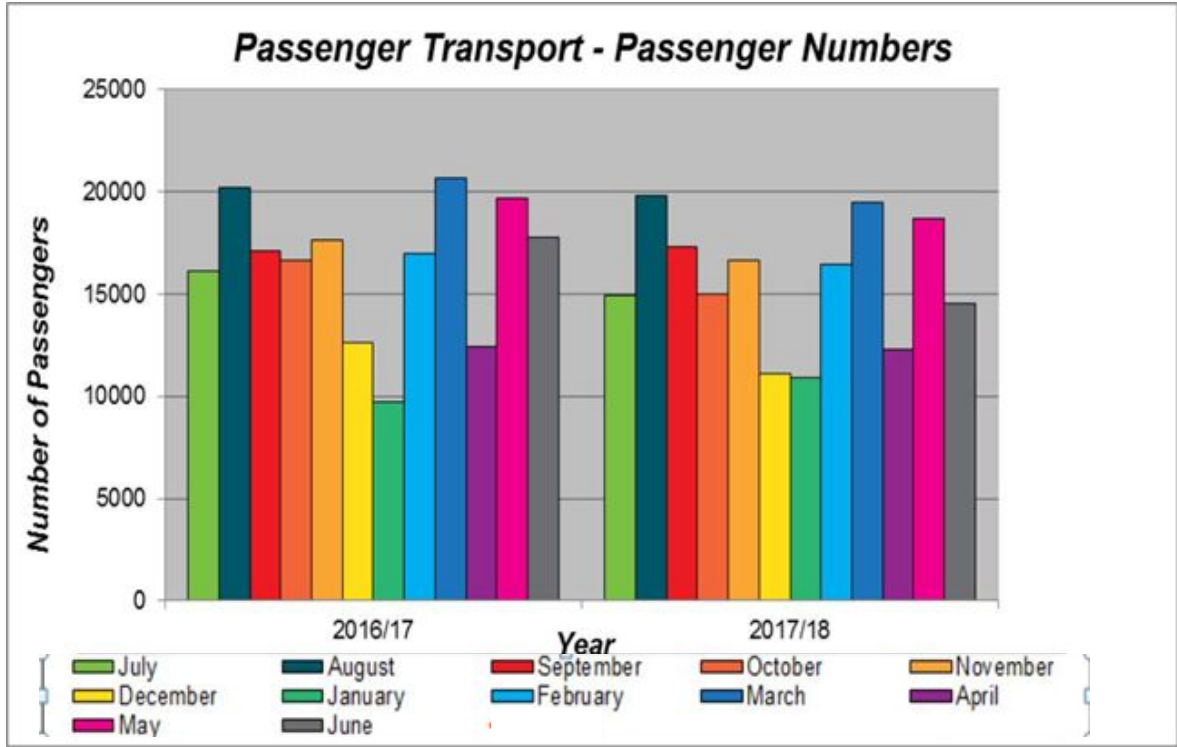
Renewal maintenance for 2017/18 was as follows:

- Fibre was installed at five complexes
- Three of the last five baths were removed
- Exterior painting/cladding repairs/ porch repairs at five complexes
- Grounds upgraded at two complexes
- Internal refurbishments for 11 units
- New flooring, carpet and vinyl at 11 units
- 18 new ovens
- 11 new washing machines
- Six new water cylinders
- New spouting at one complex
- New site drainage at four complexes

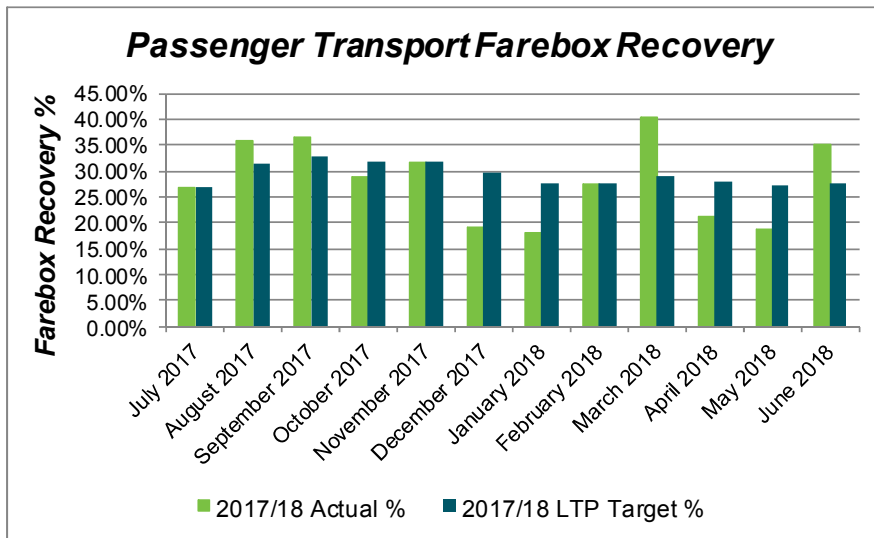
Some of the improved services have been in response to carry overs from previous years and can in part be related to our higher than anticipated occupancy levels.

Commentary provided by Stephen Ridden  
Corporate Services Manager

**BUS AND TRANSPORT**



*Graph of Passenger Transport Farebox Recovery*



**COMMENTARY**

The passenger numbers for travel continue to be less than expected. No specific issues have been identified which indicate a short term way of changing this. Planned changes to the fares and routes are targeted to improve this performance. Reducing patronage is being seen naturally. The reduced numbers of passengers reflect into a lower fare box recovery.

Provided by Russell Pearson  
Manager – Roading

\*\*\*\*\*

**TO: COMMUNITY SERVICES COMMITTEE**

**FROM: PETER THOMPSON - AQUATIC SERVICES MANAGER/  
ESG ACTING MANAGER AND LESLEY MCCOY -  
BUILDING ASSETS ADMINISTRATION OFFICER**

**MEETING DATE: MONDAY 13 AUGUST 2018**

<b>SPLASH PALACE HYDROSLIDE PROJECT</b>
---

**SUMMARY**

<p>The current slide at Splash Palace is at the end of its operational life. This report details an option to enhance the viability of the replacement hydroslide at Splash Palace, and recommends the opportunity that it provides as the best cost benefit and alignment with Council vision and community outcomes.</p>
--

**RECOMMENDATIONS**

**That the report be received**

**AND**

**That a recommendation is made to Council approving Option 2 – ‘Three Slide, New Location’ facility at Splash Palace.**

**IMPLICATIONS**

1.	<i>Has this been provided for in the Long Term Plan/Annual Plan?</i> Yes.
2.	<i>Is a budget amendment required?</i> Dependent on an outcome of grant applications.
3.	<i>Is this matter significant in terms of Council's Policy on Significance?</i> No.
4.	<i>Implications in terms of other Council Strategic Documents or Council Policy?</i> No.
5.	<i>Have the views of affected or interested persons been obtained and is any further public consultation required?</i> No - consultation was undertaken as part of the 2018 Long Term Plan (LTP).
6.	<i>Has the Child, Youth and Family Friendly Policy been considered?</i> Yes, contributes to numerous outcomes in the policy.

Current Splash Place admissions are over 400,000 a year and climbing. The facility's hydroslide is a key component of the level of service provided to users. However, the feature is some 40-plus year's old, and according to routine annual independent inspections in 2016, 2017 and 2018, it will reach its life's end in approximately 12 months. Age-related wear and tear is plainly evident.

Council has already recognised that the current slide needs replacing and the 2018 LTP included a project to replace the hydroslide in its current position. The project would see an extension to the existing tower and an additional slide at a cost of \$2,274,000 to be loan funded and recovered through a user-pays model.

However, besides the deterioration of the existing hydroslide, its current location within the main pool facility creates several risk and operational issues. Drawing and returning water to the pool, the slide renders two lanes of the deep end of the pool unusable when the slide is in operation. The situation necessarily compromises the usability of both the slide and the pool as the functions of leisure and sport effectively compete for space.

Safety-wise, the slide's location at the deep end of the pool adds operational risk with numbers of young children congregating in the limited space of the pool deck around the deeper water.

As a leisure facility, the hydroslide is popular with families, but it's location at the main pool separates it from the complex's other family-friendly features. The supervisory attention of parents and caregivers, along with pool staff, is potentially stretched across the entire concourse.

The currently proposed redevelopment does not address these risk and operational issues that arise from the slide's current location.

The attached business case proposes an enhancement to the 2018 LTP project, one that sees an exciting three-slide feature constructed as a standalone facility as part of the leisure area of Splash Palace. In moving the facility to this area, the risk and operational issues are eliminated, and the family-friendly features are effectively clustered, making it easier for parents, caregivers and pool staff to ensure children are safe.

However, the greatest benefit of this new proposal is it provides a viable means of revenue generation, which mitigates the risk to ratepayers in terms of project funding. This is due to operational hours no longer being limited to the demands for pool use and the proposed project's 'wow' factor design.

The design incorporates three slides atop an 11m high tower. The first slide, with a 'sphere', is a raft slide where each raft can accommodate up to two people. It is 101m long plus the sphere and is suitable for all ages. The second slide is a body slide, 60m long and is suitable for all ages. The third slide is a more exciting body slide, pitch black inside, 75m long and while suitable for all ages will particularly attract a currently under-represented demographic of teens and young adults.





The new recommended option sets Splash Palace apart from any other hydroslides in New Zealand. No other all-weather, all-day indoor slides start as high as 11.34m with as many slide options. A facility of this scale would encourage people from outside the region to visit Invercargill, increasing visitors to the city and admissions to other facilities / destinations in the area.

Additionally, a fulltime hydroslide facility would provide Splash Palace the opportunity to become a 'venue of choice' for many national aquatic sports and also non-aquatic sports looking for 'visiting' team or tournament down time / recreational / relaxation time. This has a significant positive flow on effect contributing to local accommodation providers, restaurants, businesses and other facilities.

For the people of Invercargill, the enhanced development promotes a number of community benefits that can be realised regardless of age, ethnicity, demographic or swimming ability:

- A facility for parents and children to spend time together; specifically, where parents introduce, encourage and educate their children on water use, safety and fun.
- A gateway to participation. Even non-swimmers would be able to experience the thrill and adventure of this water activity.
- Support life skills development - building confidence in young people through exposure to these types of activities.
- Reinforcing the strong spiritual and cultural connection Kiwis have with water.

As with the 2018 LTP development project, the new slide project would require capital funding via loan. The investment required to upgrade to this option from the LTP approved option, however, is incremental. The project proposal has been developed on the basis that it would be a commissionable product on a user-pays model to service capital loan funding ensuring the impact on ratepayers is minimised. Further, the nature of the proposed facility helps to mitigate risk by being standalone.

**CONCLUSION**

The recommended slide facility development in the attached business case (refer to Appendix A) would provide Invercargill with a new commissionable attraction that maximises benefits to the City while minimising the impact on ratepayers.

\*\*\*\*\*

## APPENDIX A

**BUSINESS CASE FOR ENHANCED HYDROSLIDE UPGRADE**

<b>Activity Area</b>	Works and Services - Aquatic Services
<b>Developed by</b>	Peter Thompson - Aquatic Services Manager Lesley McCoy - Building Assets Administration Officer
<b>Reviewed by</b>	Cameron McIntosh – Director of Works and Services
<b>Last update</b>	19 July 2018
<b>Purpose</b>	Enhance the viability of the hydroslide upgrade at Splash Palace
<b>Funding available</b>	2018 Long Term Plan: \$2,274,000 loan funding

Invercargill City has an opportunity to create 'best in class' leisure facility at its pool complex, Splash Palace. Council has already endorsed the upgrade of the considerably aged and deteriorating hydroslide. This business case proposes an enhancement to the redevelopment option contained in the 2018 LTP. For an incremental increase in cost, and no added risk, this proposed development option can position Splash Palace as the 'go to' aquatic leisure facility. It incorporates constructing a three-slide facility in the leisure area of the complex.

A commissionable option, the three-slide project proposed is the only option considered that has the capacity to generate a surplus from the day of opening.

**THE NEED FOR REDEVELOPMENT**

Admission numbers at Splash Palace have increased over the last six to seven years. Current admissions are over 400,000 a year and climbing. The facility's hydroslide is a key component of the level of service provided to users. However, the feature is some 40-plus year's old and according to routine annual independent inspections in 2016, 2017 and 2018, it will reach its life's end in approximately 12 months, i.e. July 2019.

The age-related wear and tear is evident in:

- worn joins in the fibreglass - the slide's base matting is becoming exposed
- stress lines in the outer fibres of the tubing
- stress cracks in the resin coating and laminate
- the overall poor appearance of the facility

Additionally, the existing location of the hydroslide within the pool facility creates several risks and operational issues.

Currently, the slide draws and returns water from the main pool. The volume of water being returned to the deep end of the main pool renders this end unusable for other pool users when the slide is in operation. The slide impacts two lanes of the main pool, which must be closed when the slide is in operation. The situation necessarily compromises the usability of both the hydroslide and the pool.

Safety-wise, the slide's location at the deep end of the pool adds operational risk through numbers of young children congregating in the limited space of the pool deck around the deeper water (3.8 metres).

## **OTHER CONSIDERATIONS**

The hydroslide is a leisure facility. The pool, while partly a leisure facility, also serves a sports function that is reliant on the use of lanes, whether for training or events. With the slide attached to the pool, these facilities are effectively competing. When the hydroslide is operating, the lanes have to be limited; when all the lanes are required, the slide has to be closed.

Being a leisure facility, the hydroslide is popular with families. However, the location of the slide at the main pool means that it's isolated from the other family-friendly features within the complex, such as the learners' pool. The supervisory attention of parents and caregivers, along with pool staff, is potentially stretched across the entire concourse.

## **OPPORTUNITY TO ENHANCE THE DEVELOPMENT'S VIABILITY**

This business case compares two options for the Splash Palace hydroslide replacement - 'New Slide, Old Location' (the option already provided for in the 2018 LTP) and 'Three New Slides, New Location', the solely viable option for a self-funding facility that also addresses more community benefits.

Below are the two additional alternative options that were also considered but have subsequently been discounted:

- The option of 'Do Nothing' was discounted, as Splash Palace without a hydroslide would significantly reduce the service level provided to users and compromise Council's ability to deliver several Community Outcomes.
- A second option of 'Replace Like with Like' has also been discounted. This option involved replacing the hydroslide tubing at an estimated CAPEX of \$330,000. However, this option retains the same risk and operational issues that currently exist, and there would be no opportunity to introduce admission charges to offset loan servicing and the predicted increase in maintenance cost. Replacing like with like would also risk several Community Outcomes.

### **Option 1 - New Slide, Old Location** (currently approved under 2018 LTP)

This hydroslide option provides a higher, longer, more modern slide (one slide) in the current location (the main pool). This redevelopment includes the extension of the stairwell, new tubing, and independent plant and water tanks.

- While this option would offer a higher level of health and safety benefits over the existing facility, it would not reduce the issue around the pool deck space at the deep end of the main pool.
- This option would improve the user experience, however, it is an incremental improvement only. It would still be one slide offering only one level of experience and would still have limited operational availability.
- The hydroslide is a family-friendly feature of Splash Palace, however this option would not address the slide's separation from other family-friendly features, e.g. the learner's pool and café.
- While this option would facilitate a revenue stream, due to the only slight increase in user experience and therefore uptake, it would be expected to operate at a loss.

[See Appendix 1 for a full assessment of benefits]

### **Summary of financial estimates**

- Estimated Net CAPEX: \$2,115,000 (includes contingency)
- Cost to Rates Surplus/ (Deficit) (\$41, 572)
- Based on estimated income of \$177,059 and costs of \$218,631

### **Assumptions**

- User-pays fee of \$5.00 (including GST)
- Average of 785 users per week

[See Appendix 2 for financial estimates and assumptions and Appendix 5 for funding]

### **Option 2 - Three New Slides, New Location**

This hydroslide option provides a 'wow' factor slide feature located in the leisure area of Splash Palace, at the North East of the facility. The design incorporates three slides atop an 11m high tower. The first slide, with a 'sphere' is a raft slide where each raft can accommodate up to two people. It is 101m long plus the sphere and is suitable for all ages. The second slide is a body slide, 60m long and is suitable for all ages. The third slide is a more exciting body slide, pitch black inside, 75m long and while suitable for all ages will particularly attract teens and young adults.

A visually striking installation, the three-slide facility would provide an all-weather, all-day attraction for Invercargill.

As with the 2018 LTP option, the project includes new tubing, and independent plant and water tanks.

- This option eliminates the health and safety issues relating to the deep end of the pool.
- The relocation of the slide feature increases the operational availability of both the main pool and the slide facility. Feasibly, the slide feature could run during facility opening hours.
- Located in the leisure area, the slide would be better linked to other family-friendly features, making it easier for parents and caregivers, and pool staff, to supervise children.
- This hydroslide feature would be a drawcard for visitors from outside the city, and particularly visitors in the lower represented demographics being teens and young adults.
- The increased user numbers would have flow on benefits to allied features such as the café.
- The fulltime hydroslide facility would provide Splash Palace the opportunity to become a 'venue of choice' for many national aquatic sports and also non-aquatic sports looking for 'visiting' team or tournament down time / recreational / relaxation time. This has a significant positive flow on effect contributing to local accommodation providers, restaurants, businesses and other facilities.
- This option is a significant installation of high visual impact that would add to the presence of the complex.
- The investment required to upgrade to this option from the LTP approved option is incremental. While this project would have the highest capital cost, the nature of the proposed facility helps to mitigate risk by being standalone.

[See Appendix 3 for a full assessment of benefits]

### Summary of financial estimates

- Estimated Net CAPEX: \$2,892,752 (includes contingency)
- Cost to Rates Surplus/ (Deficit) \$149
- Based on estimated annual income of \$300,115 and costs of \$299,966

### Assumptions

- User pays fee of \$6.00 (including GST)
- Average of 1,109 users per week

**Note:** these figures assume that grant funding applications are not successful.

[See Appendix 4 for financial estimates and assumptions and Appendix 5 for funding]

### NOTES TO BOTH OPTIONS

Both project options could be completed in the same time frame.

Costs are robust, with quotes based on site investigations and specific knowledge.

Safety in Design (SID) has been considered and applied. All slide designs are to DIN<sup>1</sup> EN 1069-1 Water Slides Safety requirements and test methods.

Options are based on the engineering assessment that the existing boiler has the capacity to provide an additional heating for the slides water.

Slide user numbers have been developed from the recorded number of slides measured over five months and extrapolated over the year. It is assumed and observed that the typical number of slides per user is ten.

Revenue generation:

- LTP Option (1) – is based on an average of 785\* users per week
- New Option (2) – is based on an average of 1,109\* users per week

*\*Difference in user numbers is subject to factors including slide operational hours, experience offered and user charges.*

Design life of hydrosides is 50 years.

---

<sup>1</sup> (Deutsches Institut für Normung - German Institute for Standardisation)

**DECISION SUMMARY TABLE**

	<b>Comparison to baseline (current state / status quo)</b>	
<b>Attribute</b>	<b>Preferred Option 2 – ‘Three New Slides, New Location’</b> A ‘wow’ factor, three-slide facility relocated to the leisure area of Splash Palace.	<b>Option 1 – ‘New Slide, Old Location’</b> A higher, longer, more modern slide (one slide) in the current location (main pool).
<b>Benefits Value</b>	High	Low
<b>Benefits Rank</b> (1 highest)	1	2
<b>Dis-benefits Value</b>	Low	Medium
<b>Dis-benefits Rank</b> (3 highest)	1	2
<b>Financial Summary</b>	Cost to rates: Surplus / (Deficit) \$149	Cost to rates: Surplus / (Deficit) (\$41,572)
<b>Financial Rank</b> (1 best)	1	3
<b>Risk Value</b>	Medium	Medium
<b>Risk Rank</b> (3 Highest Risk)	1	2
<b>Assessed Value for Money Rank</b> (1 Highest)	1	3
<b>Overall Rank</b> (1 Highest)	<b>1</b>	<b>2</b>

See Appendices 1 and 3 for a full summary of option benefits.

**MOVING FORWARD**

As with the 2018 LTP development project, the new slide project would require capital funding via loan. The investment required to upgrade to this option from the LTP approved option, however, is incremental. The project proposal has been developed on the basis that it would be a commissionable product on a user-pays model to service capital loan funding, ensuring that the impact on ratepayers is minimised. Further, the nature of the proposed facility helps to mitigate risk by being standalone. As such, the proposed three-slide facility in the leisure area of Splash Palace is the most viable opportunity to develop a modern, considerably future-proofed hydroslide complex.

The recommended complex would not only be a major drawcard both in-and-outside the city, it would provide more community benefits (and lower the likelihood of ‘dis-benefits’).

On Council approval, a report will be prepared for consent to contract the design and build of the chosen hydroslide project. If approved before September 2018, an opening date of July/August 2019 is anticipated.

**Council Project Staff:** Building Assets Administration Officer - Lesley McCoy; Aquatic Services Manager - Peter Thompson; Aquatic Services Facilities Maintenance Supervisor - Stephen Cook.





## APPENDIX 1

<b>OPTION 1- NEW SLIDE, OLD LOCATION: ASSESSMENT OF BENEFITS</b>		
<b>BENEFIT</b> <i>Ability to realise benefit: Low = 1, Medium = 2, High =3</i>	<b>COMMENT</b>	<b>ABILITY TO REALISE</b>
<b>Reduced impact on pool space</b> Improves use and availability of main pool lane space and pool deck	Improves deep end lane space, but not the space issues on the pool deck	2
<b>Health and Safety</b> a) Location, i.e. leisure area versus deep end b) Design c) Use of modern passive and active control systems	The deep end of the pool issue still exists Slide designed to the latest safety specs Limited active and passive control systems	2
<b>Return on Investment</b> Net return on investment	Provides a revenue stream but is projected to operate at a loss	2
<b>Admissions</b> Ability to increase admissions	Modelling suggests that there would not be significant increase in admissions	2
<b>Operational hours</b> Slide operation availability	Would still be limited due to location	1
<b>New 'destination' in Invercargill</b> Ability to be iconic and its own draw card	Not significant enough to stimulate this status	1
<b>Tourism</b> Increases out-of-town visits to the City	Unlikely due to above status	1
<b>Demographics</b> Range of demographic attracted to facility, increase the under represented demographics, i.e. teens and young adults	Likely to increase teens and young adults at the disadvantage of other demographics	2
<b>Physical exercise</b> Provides for physical activity through fun, i.e. stair climbing to access slide	Level of offering will not inspire repetitive use	2
<b>'Best in New Zealand' offering</b> Attraction like no other; world class experience in Invercargill	Not able to achieve	1
<b>Wow factor</b> Creates an epic landmark in the City	Not able to achieve	1
<b>Swimmer competency</b> Provides an exciting aquatic experience regardless of swimmer ability	Only one level of intensity offered	2
<b>Customer experience</b> Provides separation between leisure and sports/recreational activities	Not able to achieve	1

<b>Family-friendly</b> Offers an activity to suit the entire family	Only one level of intensity offered	1
<b>Impact on rates</b>	Provides a revenue stream but is projected to operate at a loss	2
<b>State of the art, modern and innovative</b> Use of the modern hydroslide technologies	Meets basic requirements	2
<b>Dream Big Invercargill</b> Civic pride	Not able to achieve	1
<b>Southland Regional Development Strategy</b> Contribution to the sords initiative	Not able to achieve	1
<b>Independent system</b> The ability of the slide to operate independent other pool systems	Achieves	3
<b>Affordability</b> Provision for an activity at a similar or higher level of attraction, at a comparable price point within the city	Not able to achieve	2
<b>Time frame</b>	Completed year-end July / August 2019. 'Dis-benefits' would occur immediately given the original slide would be dismantled prior to the replacement being installed.	

OPTION 1 - FINANCIAL ESTIMATES AND ASSUMPTIONS																	
<b>Financial Estimates and Resources</b>	<p><b>Net CAPEX estimate: \$2,115,000</b></p> <ul style="list-style-type: none"> <li>• Base Estimate: \$1,820,596</li> <li>• Contingency: \$294,404</li> </ul> <p><b>Net OPEX estimate:</b></p> <ul style="list-style-type: none"> <li>• Ongoing operational: \$71,614</li> <li>• Ongoing maintenance costs: \$2,500</li> <li>• Depreciation: \$42,300 p.a.</li> <li>• Interest: \$102,217</li> <li>• Annual Income: \$177,059</li> </ul> <p><b>Cost to Rates Surplus / (Deficit): (\$41,572)</b></p>																
<b>Assumptions</b>	<p>1. Community fund grant applications are successful (\$50,000). If declined, the loan-funded amount would increase. While the number of users would need to increase to offset an impact on rates, if this did not occur, the increase on rates would be lower than the trigger threshold under Council's Significance and Engagement Policy (Threshold and Criteria (h) Impact on Funders).</p> <div style="text-align: center;"> <p>The chart displays three scenarios: -20%, Midpoint, and 20%. For each scenario, it shows the 'Current Week Average' (green bar), 'Option 1 Projections' (purple bars), and 'Rates: Surplus (Deficit)' (blue line). The Y-axis represents the 'Number of weekly users' (0 to 1200) and the 'Rates: Surplus (Deficit)' (90,000 to (90,000)).</p> <table border="1"> <thead> <tr> <th></th> <th>-20%</th> <th>Midpoint</th> <th>20%</th> </tr> </thead> <tbody> <tr> <td>Current Week Average</td> <td></td> <td>982</td> <td></td> </tr> <tr> <td>Option 1 Projections</td> <td>628</td> <td>785</td> <td>942</td> </tr> <tr> <td>Rates: Surplus (Deficit)</td> <td>(76,984)</td> <td>(41,572)</td> <td>(6,160)</td> </tr> </tbody> </table> </div> <p>2. Assumes 10 slides per week, an average of 982 users per week (based on current usage data of a minimum 711 slides to a maximum of 1,543 per week). Some risk exists that the minimum number of users may not be achieved. This would impact rates.</p> <p>3. The financial model projects a 20% reduction in users at the midpoint due to willingness to pay.</p>		-20%	Midpoint	20%	Current Week Average		982		Option 1 Projections	628	785	942	Rates: Surplus (Deficit)	(76,984)	(41,572)	(6,160)
	-20%	Midpoint	20%														
Current Week Average		982															
Option 1 Projections	628	785	942														
Rates: Surplus (Deficit)	(76,984)	(41,572)	(6,160)														

<p><b>Assumptions</b></p>	<ol style="list-style-type: none"> <li>4. The user cost would increase to \$5.00. This is considered reasonable for the service improvement. This user charge achieves the break-even point at 973 users on average per week. At 785 users on average per week, the break-even is \$6.20. This is considered too expensive for the experience. Even at \$5.00, the user experience is only marginally improved on the current facility, and the increased cost may be a barrier to uptake.</li> <li>5. No additional staffing resource required. Should demand exceed the model, additional staff would be needed to maintain safety. This cost would be offset by increased income.</li> <li>6. The hydroslide would have its own independent water supply. The existing boiler and chemical dosing system would be used.</li> <li>7. Risk of injury is inherent with a hydroslide. However, this option offers a reduction of risk over the current facility. The risk, as it exists, has been considered in the design and staffing of the facility, and the reputational risk to Council from an injury event has been mitigated to an appropriate level [see Appendix 5]</li> <li>8. Due to location, operating hours remain the same as the current facility.</li> <li>9. No significant downtime is anticipated across the year. A risk assessment has been undertaken for the impact on finances and reputational risk of such downtime [see Appendix 5]</li> </ol>
---------------------------	---

## APPENDIX 3

<b>OPTION 2 - THREE NEW SLIDES, NEW LOCATION: ASSESSMENT OF BENEFITS</b>		
<b>BENEFIT</b> <i>Ability to realise benefit: Low = 1, Medium = 2, High =3</i>	<b>COMMENT</b>	<b>ABILITY TO REALISE</b>
<b>Reduced impact on pool space</b> Improves use and availability of main pool lane space and pool deck	Improves both deep end lane space and space issues on the pool deck	3
<b>Health and Safety</b> a) Location, i.e. leisure area versus deep end b) Design c) Use of modern passive and active control systems	The deep end of the pool issue is eliminated Slide designed to the latest safety specs Active and passive control systems	3
<b>Return on investment</b> Net return on investment	Provides a revenue stream and is projected to be cost neutral	3
<b>Admissions</b> Ability to increase admissions	Modelling suggests significant increase in admissions, whilst improving lane space. Not considered in the financial assessment is the indirect income attributed to café and other family admissions because of slide attraction.	3
<b>Operational hours</b> Slide operation availability	Operational hours would not be restricted and could in theory run during facility opening hours	3
<b>New 'destination' in Invercargill</b> Ability to be iconic, and its own draw card	Achieves	3
<b>Tourism</b> Increase out of town visits to the City	The experience offered is like no other in the South Island and is anticipated to draw tourism in its own right	3
<b>Demographics</b> Range of demographic attracted to facility, increase the under represented demographics, i.e. teens and young adults	Attractive to all ages, with differing levels of intensity on offer. This product would particularly attract teens and young adults	3
<b>Physical exercise</b> Provides for physical activity through fun i.e. stair climbing to access slide	Achieves	3
<b>'Best in New Zealand' offering</b> Attraction like no other; world class experience in Invercargill	Achieves	3
<b>Wow factor</b> Creates an epic landmark in the City	Achieves	3
<b>Swimmer competency</b> Provides an exciting aquatic	Achieves	3

experience regardless of swimmer ability		
<b>Customer experience</b> Provides separation between leisure and sports/recreational activities	Achieves	3
<b>Family Friendly</b> Offers an activity to suit the entire family	Achieves	3
<b>Impact on Rates</b>	Provides a revenue stream and is projected to be cost neutral	3
<b>State of the art, modern and innovative</b> Use of the modern hydroslide technologies	Achieves	3
<b>Dream Big Invercargill</b> Civic pride	Achieves	3
<b>Southland Regional Development Strategy</b> Contribution to sords Initiative	An innovative, new attraction for Invercargill, which encourages active participation, increases civic pride and draws more visitors to the City	3
<b>Independent system</b> The ability of the slide to operate independent of other pool systems	Achieves	3
<b>Affordability</b> Provision for an activity at a similar or higher level of attraction at a comparable price point within the city price point within the city	Comparable with other user pays activities in the City	3

<b>Time frame</b>	Completed year end July / August 2019. The only potential 'dis-benefit' would impact after June 2019. However, benefits would begin at the same time.
-------------------	--

APPENDIX 4

OPTION 2 - FINANCIAL ESTIMATES AND ASSUMPTIONS																	
<b>Financial Estimates and Resources</b>	<p><b>Net CAPEX estimate: \$2,892,752</b></p> <ul style="list-style-type: none"> <li>• Base Estimate: \$2,892,752</li> <li>• Contingency: included above</li> </ul> <p><b>Net OPEX estimate: \$</b></p> <ul style="list-style-type: none"> <li>• Ongoing operational: \$96,534</li> <li>• Ongoing maintenance costs: \$5,000 this figure has been provided by the supplier.</li> <li>• Depreciation: \$57,855 p.a.</li> <li>• Interest: \$140,577</li> <li>• Annual Income: \$300,115</li> </ul> <p><b>Cost to Rates Surplus / (Deficit): \$149</b></p>																
<b>Assumptions</b>	<ol style="list-style-type: none"> <li>1. Community fund grant applications are declined, and Council increases loan funding by \$618,500 over and above the sum in LTP budget.</li> <li>2. If grant applications are successful, the loan-funded amount could decrease, lessening Council's financial risk through reducing the number of users or cost per user requirements for capital loans.</li> </ol> <div style="text-align: center;"> <p>The chart, titled 'Option 2 Slide Usage', displays the number of weekly users (left y-axis, 0-1600) and rates surplus/deficit (right y-axis, -80,000 to 80,000) for three scenarios: -20%, Midpoint, and 20%. A bar chart shows 'Current Week Average' (green), 'Option 2 Projections' (purple), and 'Rates: Surplus (Deficit)' (blue line with markers). A data table is provided below the chart.</p> <table border="1"> <thead> <tr> <th></th> <th>-20%</th> <th>Midpoint</th> <th>20%</th> </tr> </thead> <tbody> <tr> <td>Current Week Average</td> <td></td> <td>982</td> <td></td> </tr> <tr> <td>Option 2 Projections</td> <td>887</td> <td>1109</td> <td>1331</td> </tr> <tr> <td>Rates: Surplus (Deficit)</td> <td>(59,874)</td> <td>149</td> <td>60,172</td> </tr> </tbody> </table> </div> <ol style="list-style-type: none"> <li>3. Assumes 10 slides per week, an average of 982 users per week (based on current usage data of a minimum 711 slide to maximum 1,543 per week). Some risk exists that the minimum number of users may not be achieved. This would impact rates.</li> </ol>		-20%	Midpoint	20%	Current Week Average		982		Option 2 Projections	887	1109	1331	Rates: Surplus (Deficit)	(59,874)	149	60,172
	-20%	Midpoint	20%														
Current Week Average		982															
Option 2 Projections	887	1109	1331														
Rates: Surplus (Deficit)	(59,874)	149	60,172														

<p><b>Assumptions</b></p>	<ol style="list-style-type: none"> <li>4. A 33% increase in usage is projected through service level improvements - three slides, longer hours - and a 20% reduction in users at the midpoint due to willingness to pay. Overall, the projected increase is 13% (1,109) users on average per week.</li> <li>5. The user cost would increase to \$6.00, based on:             <ul style="list-style-type: none"> <li>➤ Level of service improvement over the '<b>New Slide, Same Location</b>' option.</li> <li>➤ Cost of similar City activities</li> <li>➤ Cost neutral impact on ratepayers (based on projected user numbers in financial model)</li> <li>➤ The 'wow factor' of the facility, which is anticipated to offset any barrier-to-uptake of the higher cost.</li> </ul> </li> <li>6. Advice provided by the supplier is that no additional staffing resource is required. Should demand exceed the model, additional staff would be needed to maintain safety. This cost would be offset by increased income.</li> <li>7. The hydroslide would have its own independent water supply. The facility's existing boiler and chemical dosing system would be used.</li> <li>8. Risk of injury is inherent with a hydroslide. However, this option offers a reduction of risk over the current facility. The risk, as it exists, has been considered in the design and staffing of the facility and the reputational risk to Council from an injury event has been mitigated to an appropriate level [see Appendix 5]</li> <li>9. The change of location provides for the slide to operate at all hours.</li> <li>10. No significant downtime is anticipated across the year. A risk assessment has been undertaken for the impact on finances and reputational risk of such downtime [see Appendix 5].</li> <li>11. The change in location would allow for an estimated 6% percent increase in the usage of the main pool.</li> <li>12. The operational cost includes servicing loan funding.</li> </ol>
---------------------------	--



## APPENDIX 5

**Hydro Slide**

<i>LGCI Inflation</i>		2.2%	2.2%	2.2%	2.3%
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
<b>Fees &amp; Charges Revenue</b>					
Fees		300,115	306,717	313,465	320,675
<b>Grants &amp; Subsidies Revenue</b>					
External funding	0				
<b>Total Revenue</b>	0	300,115	306,717	313,465	320,675
Operational Expenditure		7,453	7,617	7,785	7,964
Repairs & Maintenance Expenditure		5,000	5,110	5,222	5,343
Financial Expenditure	67,782	140,577	149,734	144,710	139,406
Depreciation Expenditure		57,855	57,855	57,855	57,855
<b>Total Expenditure</b>	67,782	210,886	220,316	215,572	210,567
<b>Operating Surplus / (Deficit)</b>	<b>(67,782)</b>	<b>89,229</b>	<b>86,402</b>	<b>97,893</b>	<b>110,108</b>
<b>Capital Expenditure</b>	2,892,752				
<b>Capital Funding</b>					
Loans raised	(2,892,752)				
Loans repaid	44,121	89,081	89,273	94,251	99,506
Funded depreciation		57,855	57,855	57,855	57,855
<b>Cash Back Depreciation</b>	0	57,855	57,855	57,855	57,855
<b>Rates Required</b>	<b>111,903</b>	<b>(149)</b>	<b>2,872</b>	<b>(3,642)</b>	<b>(10,602)</b>

