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Weddin Shire Council

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Capital Expenditure  
Review and Business  
Feasibility Study

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Weddin Aquatic Centre  
December 2014

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# 1 Introduction

The original 30 mtr Grenfell pool (now 50mtr – 1960s) was constructed over 85 years ago and no longer meets the needs of a community that relies on modern infrastructure. To meet the future needs of the Weddin community, the pool urgently needs to be rebuilt to meet modern design, access and technical standards.

The Grenfell pool struggles to meet the needs of Grenfell and Weddin Shire, which is compounded by the failure of the infrastructure. The pools are leaking and do not provide access to a large portion of the community who are unable to enter or exit the pools safely. Ongoing maintenance issues mean that the redevelopment of the pool complex is essential to allow the future provision of sporting and recreational opportunities for the community along with the associated health, wellbeing and economic development benefits.

An initial concept design was developed and publicly exhibited to facilitate community consultation. The consultation process has been supplemented by a formal survey undertaken across the community, both that established that a new Aquatic Centre is viewed as critical infrastructure for the Weddin Shire. The survey also reiterated support for meeting the costs of reconstruction and ongoing management through a Special Rate Variation (SRV) and seeking grants if available.

The community exhibition and engagement process attracted submissions from residents; pool users; major swimming bodies and associations; and students, teachers and principals of local schools.

The outcomes of the exhibition process were reported to Council on 17 April 2014 where it was resolved “that the Capital Expenditure Review be finalised and submitted for Council's approval”. Subsequently, the outcomes of the survey were also reported to Council, outcome that indicated broad support for a SRV greater than the one proposed by Council.

This business feasibility study has been prepared in accordance with the NSW Government's Capital Expenditure Review guidelines. The study is the Council's evaluation of the Grenfell Aquatic Centre redevelopment in a clear, transparent and systematic way. This study is provided for the Department of Premier and Cabinet, Division of Local Government for notification requirements.

## 2 Purpose

The business feasibility study facilitates the implementation of the Weddin Aquatic Centre. The study will inform decision-making regarding the planning, provision and sustainable asset management of Weddin Aquatic Centre over the short to long term. The key objectives of the project are:

- a) To develop a feasibility study that supports the reconstruction of an Aquatic Centre in Grenfell by:
  - Informing the Council on the sustainability of the project when the tenders have been decided
  - Determining the management model for the Centre involving information on ongoing operational needs
  - Providing capital and recurrent financial assessments
- b) To develop a design concept plan, operational plan and asset management plan that will be considered by Council and form the basis for the final design for this project.

### 3 Site

The Weddin Aquatic Centre is situated in Forbes Street Grenfell NSW



Source: Google Earth

The pool is located adjacent to:

- The Grenfell Bowling Club

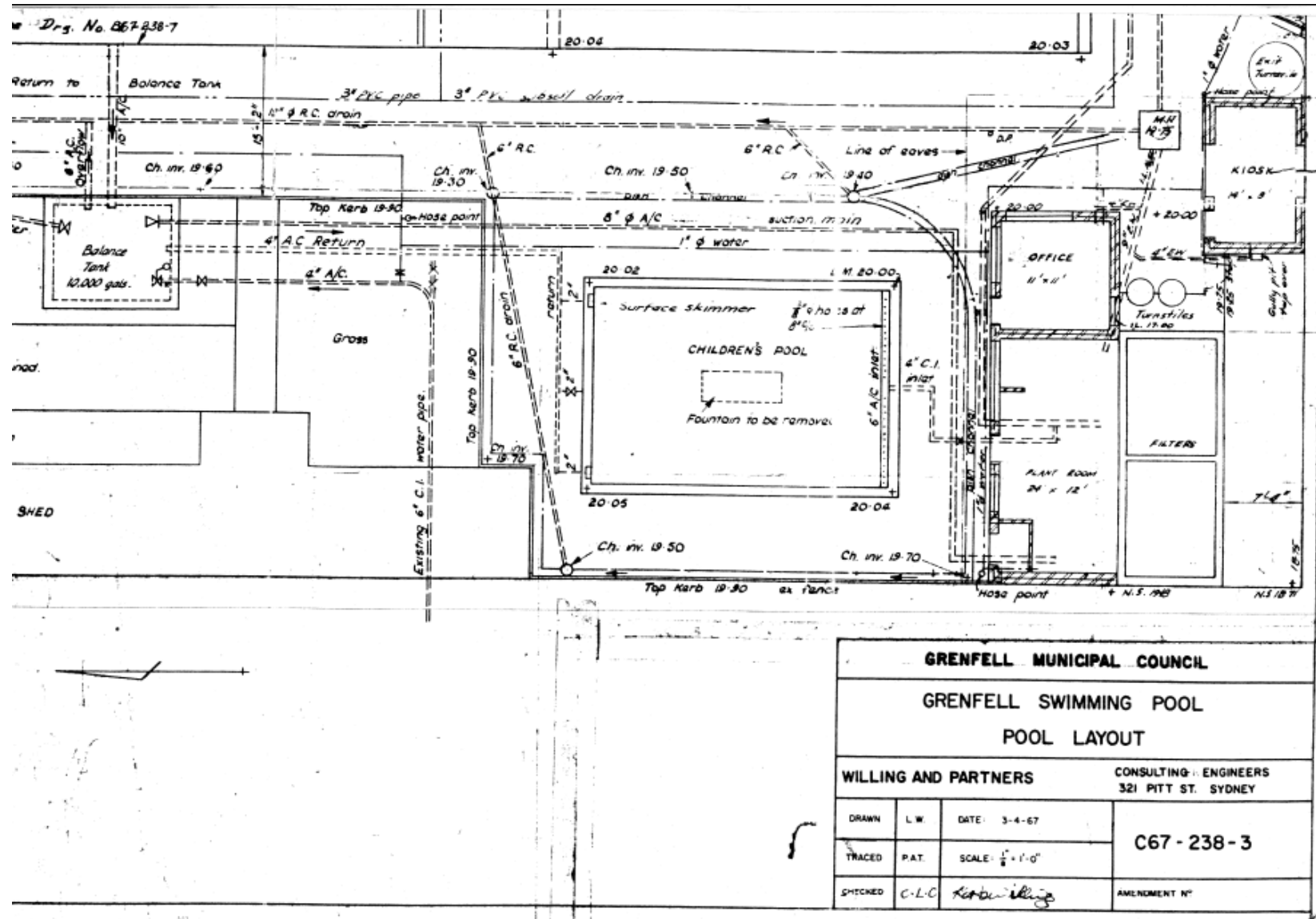


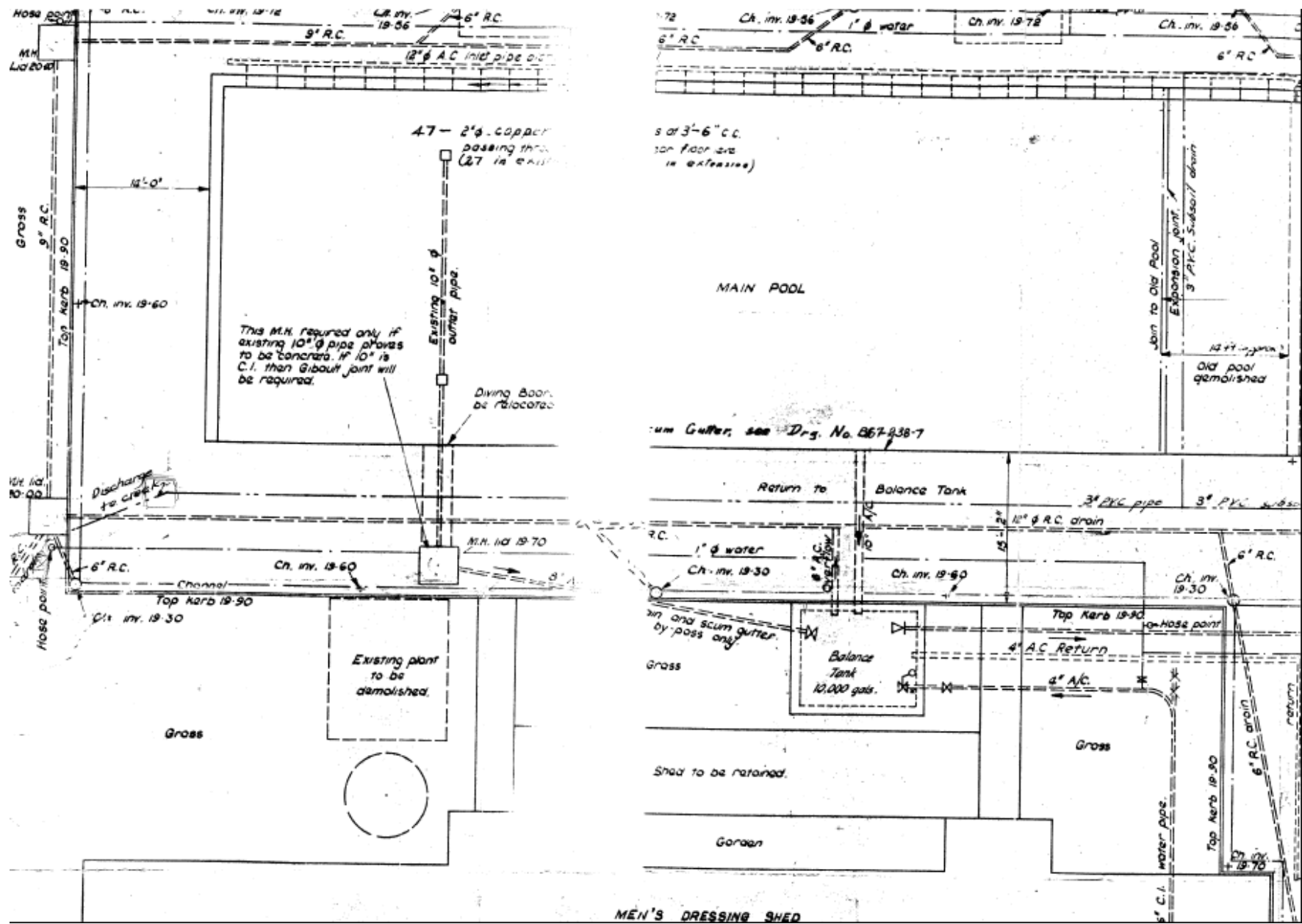
- The Grenfell Skate Park



# 4 Current Facilities – Weddin Aquatic Centre

## Toddler Pool and Plant Area





## Existing Pool

Entry Building. Incorporates primary access to pool, canteen facilities, and office and money collection. The structure incorporates the official opening plaques:

There is no Formal car parking but street parking?

50m pool extending to amenities structure.

## Pool Picture



## 4 OPPORTUNITIES AND CONSTRAINTS ANALYSIS

An assessment of a range of factors impacting on the future direction of swimming facilities at Grenfell has been undertaken including:

- I. Asset management
- II. Usage
- III. Operational budget
- IV. Management and operation options
- V. Alternative aquatic options
- VI. Modern aquatic trends and features

### ***Asset Management***

A preliminary assessment of the state and functionality of the facilities at Weddin Aquatic Centre has been undertaken. This assessment is considered in conjunction with the independent structural assessment of the actual pool and surrounds. The structural assessment indicates that the pool shell leaks and the pipe system is aging bordering on non functional, there has been some replacement of the pipe system; attached is a report on the pool failings by the Director of Engineering (attachment1). There is significant concrete deterioration. A summary of the assets is provided:

Item	Comment
50m pool	Structural assessment indicates that the pool shell is poor condition and leaks. The pool leaks up to 120,000 litres a day with some 70,000 litres per day collected through submersible pumps and fed through the systems. This adds to higher costs for chemical treatment and on heavy use days leads to early pool closures for treatment.
Children's pool	Structural assessment indicates that the pool shell is in a poor condition. The filtration system operates concurrently for both pools and on heavy use days the pool has to be closed early to allow the re stabilising of the water quality.
Plant room	The plant room and associated areas is in poor condition. The existing layout is constrained. Notwithstanding new pump being installed. The filtration system operates concurrently for both pools and on heavy use days the pool has to be closed early to allow the re stabilising of the water quality.
Amenities	The amenities are also in poor condition based on current expectations and standards. The amenities have no disabled shower fittings and there is no disabled or ambulatory access. The roofs leak and the surfaces are in poor condition.
Shade structures	There are a number of shade structures throughout the complex. Although they are not aesthetically pleasing with aging fabric they are functional. The condition of the shade structures appears to be sound although minor maintenance (eg painting) is required.



Concourse	The concourse condition is poor with grinding required at a number of potential trip hazards
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**Strategic Opportunities:**

- a. The shell pool appears to be in poor structural condition and this means that action to remove and replace is clearly the best opportunity. There is no community debate about this need.
- b. The plant room and filtration system require substantial upgrading. This provides the opportunity to consider the adequacy of the existing structure and location.

**Usage**

The pool is used by some 23,000 to 36,000 person visits per season, with the usual daily average at 60+. The Weddin Aquatic Centre is used for a large range of purposes, including:

- Lap / swimming exercise
- Recreational swimming
  - School holidays
  - After school
- Fitness and Aerobics– specifically related to free swimming by some 125 club members
- Swim club
  - Friday
  - Monday - Thursday 4-5pm
- Primary School
  - Sport day: Friday
  - Carnivals
  - Learn to Swim
- Learn To Swim (Austswim accredited)
- Aqua aerobics
  - 2 x mornings
  - 2 x afternoons
- High School
  - Carnivals
  - Bronze medallion
  - Sports day: Wednesday
- Rehabilitation (social and organised)
- Youth focus
- Parties (predominantly children’s weekend parties)
- Mothers groups

As with all community infrastructure, there is a desire to maximise usage while maintaining accessibility for the public and special interest groups. Although there is a large cross-section of users and usage, opportunities to increase patronage are recognised.

**Strategic Opportunities:**

- a. Broadening the range of desired facilities and services at the site to encourage increased usage.
- b. Continuing to support the Weddin Aquatic Centre as a key community centre by broadening its use, and by extending the swimming season through a future solar heating system.
- c. Improving access for children and disabled people through the provision of ramps and disabled access to change rooms and the entry.

## ***Operational Budget***

The current pool is managed by a paid member of Weddin Shire Council staff and operates at a deficit.

The current deficit is forecast as follows as per Council's 5 Year Management Plan:

<b>Year</b>	<b>Deficit</b>
2011/12	\$-144,167
2012/13	\$-146,787
2013/14 est	\$-150,818
2015/16 est	\$-152,254

Typically, public swimming pools operate at a deficit. Based on comparisons with other centres the operational deficit is considered to be relatively low taking into consideration the population catchment and weather. Further comparative data is provided in the comment on the operation of a 50m pool.

### ***Strategic Opportunities:***

- a. Aim to retain a relatively low operational deficit and increase patronage (and subsequently reduce the operational deficit).
- b. Introduce where possible low operational cost benefits to the pool complex (eg solar heating into the future).

## ***Management Options***

Weddin Council currently manages the Grenfell pool using staff employed by the Council.

In considering the long-term planning for the Weddin Aquatic Centre, it is timely for Council to consider the most appropriate management and operational model. The three most commonly used management models for swimming centres in Australia are:

1. Direct council management
2. Management by lease
3. Contract management

Each of these models will be outlined in relation to the proposed future direction of the Weddin Aquatic Centre. It should be noted that the following outlines are partly drawn from the delivery model plans for the Cessnock, Newcastle and Lake Macquarie aquatic centres.

### **Direct Council Management**

Under the direct council management option, the Council would directly oversee the management and operations of the Weddin Aquatic Centre. Given the capital cost and ongoing operational budget, it is anticipated that the Council would be required to:

1. Retain the existing aquatic centre manager with skills in facility management, aquatics programming and staff management.
2. Recruit other lifeguard, administration, café and aquatic programming staff positions if required.
3. Establish work method statements, processes, procedures and policies for the operation of the centre in line with current best practice standards.

#### *Potential Advantages of Direct Council Management*

1. Council has direct control over the day-to-day operation, management and maintenance of the centre.
2. Operational costs can be defrayed or minimised by using the Council's existing operations, (payroll, insurances, accounting procedures, asset and building service etc).
3. Flexible and responsive management systems which can be linked directly to Council policies.
4. Ability to provide an initial understanding of the management and operational requirements which will provide performance information to assist in determining future management requirements.
5. Gives Council an accurate picture of the performance and potential of the venue. Allows Council to work closely with the residents and user groups in regard to future operational and development initiatives.
6. Council retains the benefits and any operational surpluses associated with a professionally managed aquatic centre.

#### *Potential Disadvantages of Direct Council Management*

1. The Council has limited experience and expertise in the operation and management of an upgraded aquatic centre. In addition, there may be a need to review activities and marketing to improve income and usage.
2. Councils generally have not been well suited to operating commercially driven enterprises (NB several of the larger Councils within the CENTROC<sup>1</sup> region currently operate their centres. However, they have economies of scale unavailable here).
3. The operational risks fully rest with Council.
4. Council is fully responsible for the operational costs and any increased deficits.
5. Council is seen as the operator and this can impact negatively on the community's perception of the new facility.
6. The operation of an aquatic centre is not the Council's core business and the required attention and management support may be lacking.
7. Greater expenditure is often required for staffing under LG Award Rates and the overall deficit may be substantially higher.

### Management by Lease

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<sup>1</sup> Central NSW Regional Organisation of Council (Central Joint Organisation)

A lease transfers areas of agreed responsibility for the care, control and management (and potentially some capital expenditures) of a venue to an entity set up specifically to manage the aquatic centre in return for an agreed lease fee. The lease agreement aims to specify the lessee's responsibilities and the areas in which Council will retain control.

Some of the areas Council could retain control include:

1. Setting of fees and charges with a view to ensuring equitable community access.
2. Planned building maintenance with a view to protecting the Council's investment.
3. Capital improvements.
4. Purchase and supply of bulk chemicals, energy supply and associated consumables
5. Aspects of occupational, health and safety matters.
6. Building insurances.

Under a lease, Council removes itself from the day-to-day operations of the facility, in favour of a single-point of contact and relationship with the designated representative of the leasing entity. This should simplify Council's involvement, having divested the majority of operational responsibilities directly to the lessee.

Under a lease, Council will rely on the designated representatives of the lessee to initiate, develop and maintain direct relationships with all key stakeholders and providers. Council's role will be limited to that of arbiter, should the various stakeholders, clients and / or providers become dissatisfied with the service offered by the lessee. All being well, this is a limited and occasional role.

*The potential advantages of Management by Lease can include:*

1. Responsibility for all staff matters including salary and wages rest with the lessee.
2. The risk of fluctuations in net costs is transferred to the lessee.
3. Annual net operating cost to Council is defined and stabilised as a pre-determined budget amount.
4. A greater degree of flexibility in day-to-day management and decision-making on the part of the lessee.
5. Council is able to selectively determine the aspects of facility management it wishes to retain including major asset maintenance plans, chemical supply, power and gas.

*The potential weaknesses of Management by Lease can include:*

1. Availability of service providers in the marketplace: Council may discover that well-qualified aquatic venue managers are scarce, and that a tender process yields disappointing results in terms of applicants and / or leasing fees. This is particularly the case for a 'new' centre where there is obviously no historic data as to the actual operational costs and the centre's ability to meet local needs.
2. Council becomes once removed from the Centre and loses: its understanding and control of the day-to-day operations; its control of the programming, recruitment and selection standard of staff hired to deliver the programs; its ability to oversee quality control and the pricing of the programs and services.
3. The requirement for staff to setup and oversee lease contract conditions can also be a significant 'hidden cost' to Council and should be considered part of a total lease cost.
4. Contractual disputes and community dissatisfaction can be difficult and expensive to resolve.

## Contract Management

Contract management offers Council an opportunity to retain direct management of the facility, but divest itself of the responsibilities from staff recruitment, selection and management, together with any other aspects that Council would choose to transfer. In short, contract management is a hybrid version of Direct Council Management and Management by Lease, tailored to suit the Council's current needs.

Under Contract Management, Council effectively retains the bulk of responsibilities for the facility, as described in the Direct Council Management. These include:

1. Setting of fees and charges.
2. Planned building maintenance with a view to protecting the Council's investment;
3. Pool plant maintenance with a view to protecting Council's investment and to delivering desired standards of water quality and hygiene.
4. Capital improvements.
5. Purchase and supply of bulk chemicals and electricity supply with a view to ensuring cost effective hygienic operation of the facilities.
6. Public Liability Insurance and building insurance with a view to protecting Council's investment.

Council can choose the aspects of day-to-day operation in which it seeks to remain involved, the main point being that Council retains the right to direct the contractor as necessary. Under a Contract Management scenario, the Council is likely to transfer responsibility for the following components to the contractor:

1. Recruitment, selection and management of onsite pool staff
2. Day-to-day facility management
3. Program delivery and operations
4. Cleaning and minor maintenance

The contract management model will effectively reflect the Direct Management structure, with the exception that the contractor forms the link between Council and the Centre staff. As under leased management, Council retains its role of arbiter, should a stakeholder or provider become dissatisfied with the relationship or services offered by the contract manager. Under a contract management agreement, it is possible (and recommended) to establish an advisory committee consisting of the lessee, Council, stakeholders and general public to assist in planning and operational issues.

*Potential Advantages of Contract Management can include:*

1. More likelihood that aquatic management organisations will tender for the project due to the flexibility of the operational model.
2. Responsibility for all staff matters including salary and wages rest with the Contractor.
3. A greater degree of flexibility in day-to-day management / decision-making on the part of the contractor will enable a proactive response to changing market conditions, particularly in terms of the range of programs on offer, and / or their pricing. This should also apply to response times for on-site matters such as minor maintenance.
4. Council retains a high level of understanding and control of the day-to-day operation and, most particularly, retains control of:
  - a. Programming made available to the community.

- b. Quality and pricing of programs and services components which pertain most directly to pool safety, hygiene and cleanliness (e.g. maintenance, chemical supply, energy).
- 5. The contractor delivers staff, programs and services for a set fee which will include the contractor's profit margin. Council can determine to retain all revenues and, if well-managed and operated, these revenues can offset the initial contract fee over time,

*Potential weaknesses of the Contract Management model can include:*

- 1. Lack of suitable contract managers in the marketplace.
- 2. The risk of fluctuations in net costs rests with the Council.
- 3. Council's line management needs to have a clear understanding of the venue's objectives and a capacity to manage the contractor accordingly.

### **Strategic Opportunities:**

- a. Council continue to review the management and operational models for the Weddin Aquatic Centre with the two (2) core aims being:
  - 1. Retaining a low operational deficit
  - 2. Increasing patronage and diversity of use

### Summary

In summary, the operation models have these advantages and disadvantages.

<b>Direct Council Management</b>	
<b>Advantages</b>	<b>Disadvantages</b>
Council retains responsibility for delivery of service outcomes	Council assumes all financial and operational risks
Adequate level of capitalisation to provide working capital	Facility management can be constrained by slower moving Council processes, which can impact on the speed of reacting to new trends or opportunities
Facility cleaning and maintenance of plant and equipment is retained by Council, and is generally performed to a higher level than by outsourced providers	Specialised industry program, sales and marketing knowledge is not always available from within the Council structure
Financial surpluses, if any, are retained and are able to be reinvested back into the Council	Local government award rates are generally higher than leisure industry rates, which adds a significant overhead cost
	Council is required to provide all equipment to operate the facility

<b>Outsourced via Management or Lease Agreement</b>	
<b>Advantages</b>	<b>Disadvantages</b>
Council retains responsibility for delivery of service outcomes via a contractual arrangement with an experienced industry operator	Financial leakage can occur if the Centre generates high levels of income / profit beyond what was anticipated – this can be negated by incorporating profit-sharing arrangements that reflect councils owner ship of the facility

Financial and service risk is minimised through the transfer of some risk to the contractor	The scope of service outcomes, unless accurately prescribed in the contractual arrangements, can be compromised as contractors will focus on the higher income earning activities
Council is able to obtain specialised industry knowledge, contemporary sales and marketing expertise. Further, it can operate with a structure that provides the speed to react to opportunities, albeit within the constraints of the contract	Facility cleaning, maintenance and repair of the plant and equipment can be variable, becoming a source of contention
Centre overheads are reduced via the movement of centre staff to a leisure industry award	Council has less control and influence over the day-to-day activities and outcomes and is required to manage the performance of the contract
As part of the management offering, contractors will typically provide activity equipment including IT	Depending on the length of the agreement entered into, the outsourcing term can be too long for the Council if the performance of the operator is variable or if the term is too short for a contractor to receive an adequate return on investment
Contractors are able to become investors into facility infrastructure in return for long-term tenancy. This provides Council with a long-term management partner	Council is exposed to risk of contractor failure through inadequate working capital or poor business performance at the contracted facility

The management of the existing Grenfell Pool has rested with the Council since its opening.

While Council has considered an outsourced management agreement, it is likely such an agreement would need to include a significant Council subsidy to provide enough incentive for a contractor to take on the management role. Given that the Council would be required to invest significant resources into the management role, it is considered prudent to retain control of this aspect. Therefore, direct council management remains the preferred model for operational management.

### ***Alternative Pool Provision Options***

Through consultation and previous projects, a number of alternative options are expected to be raised and need to be addressed to support the determination of the Council on its preferred approach. This ensures that those in the future understand why the chosen option was pursued over another. As such, comments on alternative pool provision options are presented, namely:

- I. Provision of a 6 lane, 50m pool with a children's pool.
- II. Provision of an indoor facility with a children's pool

#### **50m pool complex**

Through the preliminary consultation process, as well as the matter being raised previously with Council from special interest groups and individuals, a comment on the provision of a 50m pool is provided. The key considerations are financial deficit and associated patronage levels.

The establishment of an 6lane 50m pool at Grenfell in the short term would be expected to have the following outcomes:

- There would be an expected increase in overall patronage as well as for additional events. One of the issues raised has been that Grenfell cannot hold a range of swimming events. A pragmatic view is that the provision of a 50m pool would provide improved local training and events. However, the attraction of additional events would be limited and not provide a substantial financial benefit to the operation of the Centre.
- The increase in patronage and associated income is expected to increase. However, the operational costs would be expected to outweigh the additional revenue particularly factoring in the capital costs.

To complement the above comments, a comparison to other existing outdoor swimming centres within rural NSW has been undertaken. It should be noted that this is a comparison rather than a detailed analysis or benchmark due to the variability of the centres and the depth of investigation currently required.

Examples of outdoor, 50m pool complexes that have broad similarities to Grenfell include:

<b>Outdoor Pool Complex</b>	<b>Current Indicative Operating Deficits (some rounded)</b>	<b>Comment</b>
Weddin Aquatic Centre	Net Total (\$141,000)	50m pool and associated facilities.
Orange Aquatic Centre	Expenditure: \$715,000 Income: \$140,000 Net Total (\$575,000)	Annual attendance of 49,130 persons.
Tamworth Olympic Pool	Expenditure: \$340,243 Income: \$115,250 Net Total (\$224,993)	Annual attendance of 35,000 persons.
South & West Tamworth Pool	Expenditure: \$480,565 Income: \$245,750 Net Total (\$234,815)	Annual attendance of 65,000 persons.
Armidale Swimming Centre	Expenditure: \$397,293 Income: \$243,900 Net Total (\$153,393)	
Dubbo Olympic Pool	Expenditure: \$720,000 Income: \$110,000 Net Total (\$590,000)	Includes waterslide income and operating costs, 110,000 patrons annually

Comparison of net deficits:

Grenfell Swimming Pool:	\$145,000
Orange Aquatic Centre:	\$575,000
S&W Tamworth Pool:	\$235,000
Tamworth Olympic Pool:	\$225,000
Armidale Swimming Centre:	\$153,000
Dubbo Olympic Pool:	\$590,000

It is noted that there is a degree of anomaly in the comparative figures, particularly as the comparative pool complexes have significantly higher population catchments. However, the above table clearly identifies that the Grenfell is currently operated at an exceedingly low net total deficit compared to the other pool complexes.



## Indoor pool complex

The following statements on alternative options to an indoor aquatic centre are based on the experience and analysis of the Sykes Peer Review project team, as well as discussions with existing aquatic centre owners and operators. In considering the provision of an indoor aquatic centre the following should be considered:

1. There are no existing community-based 50m indoor pool complexes in rural NSW, while there are a number of indoor aquatic centres with 25m pools. The limited number of aquatic centres is primarily due to the capital cost, catchment sizes and ongoing operational costs.
2. Within the Central West there are a number of indoor aquatic centres including Bathurst and Orange (under construction), however, their population catchments are in excess of 50,000 people. There a number of smaller townships that have established indoor aquatics centres in rural NSW (eg Blayney) but they have a lower standard of facility and their operational costs are high.
3. The vast majority of indoor aquatic centres with a 25m pool operate at a substantial deficit (generally in excess of \$400,000 pa) although there are some exceptions (eg Kurri Kurri Aquatic Centre which operates at an approximate annual deficit of \$160,000). The substantial operating costs include year round supervision and heating costs.
4. Substantial urban areas such as Wollongong and Newcastle do not have community-based indoor 50m pool complexes, even with a population base in excess of 400,000 people.
5. The trend is for large rural cities to provide a year round indoor aquatic centre with a 25m lap pool that caters for lap swimming needs in winter (during the low period of the sport) and providing an outdoor 50m lap pool to meet needs during peak periods in summer and to cater for traditional carnivals (eg at Orange Aquatic Centre).
6. The provision of an indoor 50m pool in a rural setting (with limited catchment) works against the trend in providing more water spaces for a diversified target group that an indoor aquatic centre caters for. As previously noted, the general aim for an indoor aquatic centre is to maximise the use of water space for programming purposes. This is done rather than catering predominately for a target group whose needs are already being met during the summer period and whose needs at other periods be catered for in a multi-use 25m indoor lap pool.
7. Concern is often raised by lap swimming clubs regarding the capability of an indoor aquatic centre with a 25m lap pool to meet the needs of lap swimmers. The demand for lap swimmers is met through the provision of an outdoor 50m lap pool during the summer period when the number of lap swimmers (and carnivals) peaks. In conjunction, the 25m indoor pool provides lap swimming opportunities during cold weather as well as during the winter low usage period. The efficient management of the 25m indoor pool during the winter periods is essential to assisting in alleviating congestion.
8. There is limited scope to stage additional large swimming carnivals with an indoor pool due to the limited number of regional, country and state events as well as competition from other major rural and metropolitan centres.
9. The capital costs for an indoor aquatic centre are cost prohibitive. A modern, indoor aquatic centre with associated amenities including a 25m lap-pool and leisure facilities is estimated at in excess of \$4M as a base facility.

Although there are obvious health and social benefits in an indoor aquatic centre, there are substantial financial limitations in establishing an indoor aquatic centre at Grenfell to a reasonable standard due to the population size, weather and other factors.

### **Strategic Opportunities:**

- a) There are limited opportunities for expanding the aquatics facilities at Grenfell Pool to an Aquatic Centre due to the relatively low population catchment and financial capacity of Weddin Council.
- b) Long-term planning should consider the establishment of a 6-lane, 50m lap pool. The need for changes (e.g. the inclusion of solar heating to extend the life of the pool) should be reviewed in 10-15 years based on changing community needs, changes in the aquatics industry, the financial capacity of Council and the requirements of special interest groups. It should be noted that the provision of a new 6-lane, 50m pool may increase costs due to increased usage, though this is not anticipated to be significant and may well be offset by increased usage and a slight change in pricing policy. It is estimated that the operational costs would increase in excess of \$10,000. This also takes into consideration the expected increase in the number of events and carnivals staged at the site.

## 5 Modern Aquatic Trends and Features

There are a number of features that are commonly incorporated into pool redevelopments. The following provides an outline of several of these features that have been considered for Weddin Aquatic Centre:

### Pool Wet Deck Systems



Pool wet deck filtration system – replaces the traditional scum gutter arrangement. It is hygienically sound, reduces wave motion and is visually appealing. It also raises the pool water level to the concourse height.

### Aquatic Play Equipment



Aquatic play equipment is becoming used in public swimming pool complexes increasingly. It is engaging and adds positively to the atmosphere of the site. The cost of aquatic equipment is relatively low.

### Beach Entry Access





Beach entry access provides a graded entry into the aquatic environment. It often replaces ramps and provides a safe entry for children. Beach entries are often used for leisure pools.

### Pool Inflatables



Pool inflatables provide opportunities to increase pool usage during traditional low-use periods as well as cater for events (eg birthday parties). A pool inflatable can be used across all of Weddin Council's public swimming pools.

## Sail Structures



Sails are increasingly providing architectural and design features and character to a pool setting.

### ***Strategic Opportunities:***

- a) Where possible, incorporate modern aquatic features into the redevelopment of the Weddin Aquatic Centre Complex. This may occur over time but it is useful to plan for these facilities to ensure effective anchor points.
- b) The provision of additional usage drivers (eg aquatics play equipment) is expected to maintain (or decrease) the forecasted operational deficit.



Example: Orange Aquatic Centre uses a beach entry, sails and children's aquatic play equipment

## 6 Score Analysis

A SCORE analysis identified a range of opportunities and constraints in preparing the long-term plan for the Weddin Aquatic Centre. The themes of the SCORE are:

- S** – Strengths
- C** – Constraints
- O** – Opportunities
- R** – Risk
- E** – Expectations

The following analysis is based on the analysis of the site, preliminary community consultation and identification of industry trends and standards.

### *STRENGTHS*

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- Located on a prominent site next to a bowling club and a skate park in the centre of the town of Grenfell
- Grassed areas provide opportunities for spectator seating overlooking the 50m pool.
- Pool is in close proximity to local schools
- Recognition by Weddin Council that the pool is a priority for redevelopment
- The Pool complex is a recognised community focal point with both a youth focus as well as an emerging aged population
- Close proximity to the Grenfell CBD
- Parking appears to be adequate
- Land ownership is sound – public land
- There is a high level of community interest in the pool complex
- Council already has secured funding in the 2013/14 budget for an amenity upgrade.
- There are a number of supporting facilities for the users and special interest groups including hot water to amenities, seating and shade structures

### *CONSTRAINTS*

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- Amenities are in poor condition and do not have disabled access.
- Limited season length

- Plant room is in poor condition and requires replacement.
- Limited storage on site
- Limited disabled access to and within the pool complex
- No lap timing facilities
- Minor maintenance issues including concrete, tiles, edging
- Limited surrounds to the immediate pool area
- 50m pool – is an Olympic regulation length with the 6 lanes and use of semi wave lanes ropes no to Olympic standard.
- No pool heating
- Limited maintenance capability with supplementary dosing and need to close the pool after major uses to balance chemicals and eliminate the cloudy appearance.

### *OPPORTUNITIES*

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- Building the new facility to a higher standard
- Attraction of more events and carnivals
- Solar heating of pool – pipes installed to cater for retrospective fit out, leading to lengthen swimming season over time
- Redevelopment opportunities – relocation of facilities at the site is not an immediate option.
- Improved disabled access and facilities at the site
- Improved shade areas
- Establish activity drivers e.g slides, play equipment, BBQ area and perhaps inflatable play activity
- Improved technologies to ensure structural stability

### *RISKS*

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- Not being realistic with regard to the limited population catchment and weather conditions.
- Unrealistic concept plans.
- Nothing being done by Council and / or other special interest groups.
- Lack of interest from Tenderers.

### *EXPECTATIONS*

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- Pool complex that meets local needs
- Affordable and realistic design plans – subject to refinement following initial tender
- Longer swimming season – on later installation of solar heating.
- Higher standard of facilities
- Compliance with regulations and standards
- Improved disabled access
- Improvement on or stabilising of operational deficit
- Improved storage at the site



- Increased diversity of use

## **Planning Principles**

In considering the long-term planning of Weddin Aquatic Centre there are a number of overarching planning principles:

1. Recognising of the community focus of the pool complex
2. Increasing the patronage and diversity of use at the site
3. Increasing the overall standard of the facility
4. Ensuring that the plans are realistic from an operational and capital development perspective

## **7 Outline of proposed project**

This project is for the redevelopment of the existing Grenfell Pool to:

1. Replace the existing pool with an outdoor 6-lane, 50 metre pool incorporating an accessible ramp.
2. Replace the existing toddler pool incorporating toddler play/leisure area .
3. Construct new amenities building comprising the following mix of facilities:
  - Kiosk
  - Office
  - First aid room
  - Club room
  - Accessible toilet & change room
  - Male toilets & change room
  - Female toilets & change rooms

The estimated cost of the project is \$3.6 million.

The existing 50 metre outdoor pool was constructed in 1934 on unstable fill material and consequently has suffered from significant structural issues for a number of years. The pool leaks and has required a significant amount of repairs and maintenance in recent years. As an asset, elements of the pool have reached the end of their useful life. Before any decision could be made on whether to rehabilitate, replace or augment the pool, Council needed to consider whether the pool in its current form was meeting the needs of the community. Council also considered the appropriateness of the current site in providing aquatic services and facilities for the Grenfell Township and surrounding communities.

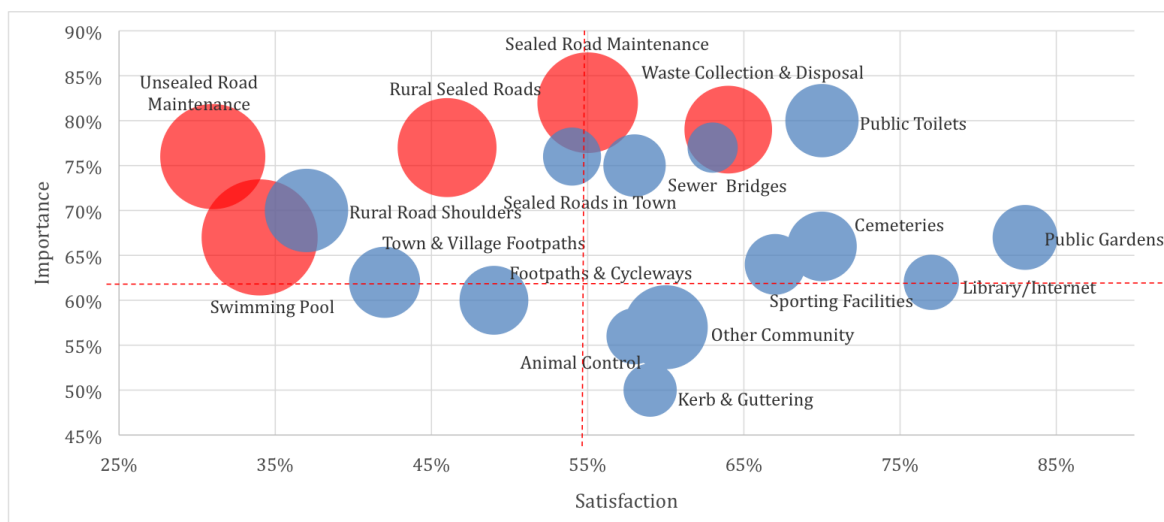
The following Table indicates the process and associated dates for community input and actions:

17/10/2013	Council resolved to write to all community groups, Grenfell Swimming Club & Schools seeking input into requirements for pool redevelopment.  24 Letters sent  10 Individual responses 47 Family responses (collated on 1 sheet)
17/04/2014	Council resolved to endorse concept plans for redevelopment - 2014 ClubGrants application submitted
23/05/2014	Council called for consultants to assist in design/documentation development  3 submissions received
7/7/2014	Council appoint Facility Design Group Architects to provide design etc.
26/8/2014	Council workshop - Councillors, staff and consultants
16/10/2014	Council review plans Resolve to redevelop in accordance with Stage 2 plans – entire development
22/10/2014	Call tenders
27/10/2014	2014/15 ClubGrants Cat 3 Application submitted
19/12/2014	Tenders Close 2 Tenders
22/1/2015	Notification – unsuccessful ClubGrants 2014/15
30/1/2015	Determination at Council – resolved no tenders accepted

Submissions were received as results of the community consultation are collated in a Community Feedback Report (Appendix One).

Further, Council undertook an extensive community survey as part of determining broad priorities within the community. Council sought to discover the satisfaction with and rated importance of existing facilities. From this process, the pool featured strongly as having a very high priority to be rebuilt. The survey also discovered that the community supported an increase in rates to cover the construction and operation of the Aquatic Centre along with a Medical centre based in Grenfell.

<p><b>Exceeding Expectations</b> (Lower Importance &amp; Higher Satisfaction)</p> <ul style="list-style-type: none"> <li>• Footpaths and cycleways</li> </ul>	<p><b>Meeting Priorities</b> (Higher Importance &amp; Higher Satisfaction)</p> <ul style="list-style-type: none"> <li>• Public gardens</li> <li>• Library and internet</li> <li>• Public toilets</li> <li>• Cemeteries</li> <li>• Rural sealed roads</li> <li>• Sealed roads in towns and villages</li> <li>• Sealed road maintenance</li> <li>• Sewers</li> <li>• Bridges</li> <li>• Waste collection and disposal</li> <li>• Sporting facilities</li> </ul>
<p><b>Less Important</b> (Lower Importance &amp; Lower Satisfaction)</p> <ul style="list-style-type: none"> <li>• Other community</li> <li>• Animal control</li> <li>• Kerb and guttering</li> </ul> <p>N= 365</p>	<p><b>Areas of Concern</b> (Higher Importance &amp; Lower Satisfaction)</p> <ul style="list-style-type: none"> <li>• Unsealed road maintenance</li> <li>• Swimming pool</li> <li>• Rural road shoulders</li> <li>• Town and village footpaths</li> </ul>



The number of responses and information provided by respondents is comprehensive and indicates there is strong community support for the Weddin Aquatic Centre project.

## 8 Project Justification

### Demonstration of a clear relationship between the proposal and Council's community strategic plan, delivery program and operational plan

The Weddin Shire Community Strategic Plan 2013-2023, prepared under the integrated planning and reporting framework, was developed in collaboration with the community. The Community Strategic Plan is based on community wants and aspirations that were made clear through a community survey, community forums and other forms of community engagement.

The plan priorities have been reinforced with the community survey results (n=365) undertaken in November 2014 – for survey results, see Attachment 2

The consultation undertaken by Council in the development of Integrated Planning and Reporting documentation identified the overarching objective is “to grow our total resident population to in excess of 4,700 people by 2023.”

The Community Strategic Plan then creates a blueprint setting out the community aspirations through six strategic objectives:

1. Strong, diverse and resilient local economy
2. Healthy, safe and educated community
3. Democratic and engaged communities
4. Culturally rich, vibrant and inclusive community
5. Care for natural, agricultural and built environments
6. Well maintained and improvements to Shire assets and services

The project is consistent with these strategic objectives as contained within the Community Strategic Plan, which also feed into the Delivery Program, and Operational Plan as outlined in the following table:

<b>Community Strategic Plan</b>		
<b>Strategic Objective</b>	<b>Strategy</b>	<b>Consistency of Proposal</b>
Strong, diverse & resilient local economy	1.2 Maximise the Weddin Shire's tourism potential	Provision of upgraded aquatic facilities supports the Weddin Shires tourism potential by provision of recreational activities opportunities available to visitors.
Strong, diverse & resilient local economy	1.7 Support expanded aged care facilities & services	Inclusion of an accessibility ramp in the pool design and upgraded accessible amenities supports increased use of the facility by the aged and will ensure access and equity.
Healthy, safe & educated community	2.5 Maximise public health and safety	Upgraded facilities better meet Health & Safety guidelines and provide enhanced opportunities for adopting active, healthy lifestyles.
Healthy, safe & educated community	2.7 Provide lifelong learning opportunities	Inclusion of a program pool supports the 'learn to swim' needs of the community.
Culturally rich, vibrant & inclusive community	4.1 Maintain & develop sporting facilities & events	Maintenance & improvement of a sporting facility. Inclusiveness is being met by making the pool accessible to the elderly and disabled
Culturally rich, vibrant & inclusive community	4.2 Maintain & develop recreational facilities & events	Provision of aquatic facilities adds to the recreation activity opportunities in Grenfell.
Well maintained & improvements to Shire assets & services	6.1 Ensure Council operations meet reasonable community expectations	The project will ensure aquatic facilities meet and will continue to meet community expectations into the future
Well maintained & improvements to Shire assets & services	6.3 Maintain structural assets	The current structure has reached the end of its useful life. The redevelopment facilitates the renewal of this critical asset.

As outlined, the redevelopment of the Weddin Aquatic Centre is clearly aligned with the expectations and desires of the Weddin Shire community. Accordingly, the following steps have been taken towards the implementation of the project:

- Council has completed a feasibility study, including concept design and has tendered the project. Council has resolved to retender at a later date once IPart<sup>2</sup> determines the outcome of a Special Rate Variation.
- Council has completed the community engagement process and has exhibited the Weddin Regional Aquatic Centre Redevelopment proposal. Further community engagement has been undertaken on importance and satisfaction on services.
- The capital expenditure review will be reported to Council for adoption and forwarding to the Division of Local Government. This will be the final formal step before seeking a Council resolution to commence construction of the Weddin Shire Aquatic Centre.

Analysis of community needs and expectations based on community consultation. This should identify how the project will address specific community needs and any issues of public access and equity.

After experiencing ongoing maintenance and community concern with the existing Grenfell Pool, Council recognised that the replacement of the pool was now a matter of urgency so that expectations of high community amenity could continue to be met.

In order to address the expressed community need and expectations, Council forwarded initial concept plans for public exhibition in 2012 Letters were also written to community groups currently using the Grenfell Pool. This resulted in 56 submissions received from:

- Residents
- Users
- Students, teachers and principals of local schools
- Major swimming bodies and associations

The community engagement process revealed the following:

- There is strong community support for the proposal
- The 6-lane, 50 metre outdoor pool is essential for school carnivals and lap swimming
- A facility to meet the 'learn to swim' needs of the community is vital
- The frequency of use by existing users would increase due to the upgraded facilities available
- An upgrade of disability facilities would enable increased access and use
- The important role of swimming in maintaining health and wellbeing

An outline of community expectations and needs and how the project satisfies these follows:

<b>Community need / expectation</b>	<b>How the project will address</b>
50 meter pool to allow school carnivals to be held and to cater for swimming club requirements. Improved access for the young and aged is expected	Provide a 6-lane, 50 metre pool that has modern surroundings with ramped access
Incorporation of children activity swim space with improved access	Ramped access
Swimming club rooms with external access	Better community access
The pool capable of retrofitted solar heating	Pipes installed for later fitting
Disability access	Ramps and accessible entries

<sup>2</sup> Independent Pricing and Regulatory Tribunal

## An outline of the projected costs in Council's long term financial plan and asset management plans

The upgrade of the Grenfell Pool was incorporated into the Asset management Plan then modelled in the Long Term Financial Plan.

The most recent cost estimate for the Grenfell Aquatic Centre proposal is \$3.6 million.

## **9 Capacity of Council**

### The capacity of Council's management and skill base to undertake the project

Construction of a new Council Depot around 2008 was completed on time on budget and to specifications. Construction for Community Hub complex housing the library, art gallery, conference room, public amenities, community technology centre and the Council staff offices reportedly completed on time on budget and to specifications in around 2009 / 2010.

While the project is under the control of the Director of Environmental Services, Council has also formed a Steering Committee consisting of external experts and internal staff to manage the project. The project will be undertaken within the parameters of Council's policies, delegations of authority and internal controls. It is subject to the oversight of Council's management executive consisting of the general manager, Director of Engineering, Director of Environmental Services and Director of Corporate Services.

Consultants will continue to be used including in the final tender development, assessment, construction and commissioning.

While council has a comprehensive internal skill base, a project manager will be employed to actively manage the delivery of this project through the construction phase, supported by a small panel of experts.

### Identify the responsibilities of Council to the project on a year-by-year basis throughout the project's lifetime

Grenfell Pool was constructed by the council in 1934 and has met the needs of the Weddin Shire community until the last 10 yrs. The pool has suffered significant structural issues due to unstable fill material, and the pool shell has now reached the end of its economic life. Accordingly, Council has commenced the process of determining needs are required of the new asset

Like all assets, the design, development and operation of the Aquatic Centre will have a lifecycle process:

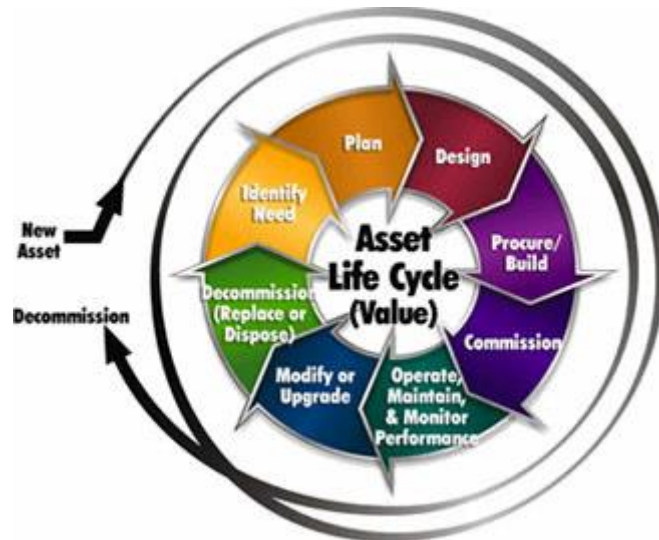


FIGURE !

The responsibilities of Council to the project vary depending on the phase the asset is in during its life cycle. The responsibilities and financial implications associated with the various phases are summarised below:

**Identify need, plan and design**

As detailed in Section 4.1, the feasibility phase of the project has been managed by the Director of Environmental Services, Council’s management executive and a steering committee while also employing consultants where required. The Weddin Aquatic Centre Feasibility Report, which includes a geotechnical report, architectural drawings and quantity surveyor cost estimates were developed prior to tender.

**Procure / build and commission**

Council has resolved (31 January 2015) to review the design elements after not accepting any tenders. It intends to retendering following the determination of a SRV application to IPart, after which the next stages are Procure / Build and Commission.

This is the major capital expenditure phase of the project, being in the order of \$3.6 million.

The project manager will report to the Director of Environmental Services who will then report to the General Manager and to the Council.

**Operate, maintain and monitor performance**

Upon completion and commissioning of the Grenfell Aquatic Centre redevelopment, the project moves into the service stage of its life cycle process. In this stage, responsibility rests with the Director of Environmental Services.

The existing Grenfell Pool has been successfully managed under this arrangement for since it was built in 1934.

As previously assessed, there is no benefit to changing the management process since the nature of the services provided by the Aquatic Centre from a management perspective are unchanged.

A maintenance and management regime and protocol will be prepared following the construction phase of the project. Some initial scoping on the implementation of the council staff management model will be required. The protocol will form the basis of the ongoing



management of the pool. It will also guide the Council staff in operating and maintaining the facility throughout its lifetime.

### Risk assessment of the project including governance and management

#### structures in place to minimise project risks

A risk register / matrix was developed which identified the major risks associated with this project.

The risks were grouped in accordance with the Capital Expenditure Guideline under the headings of:

- Completion / construction risk
- Compliance risk
- Demand / market risk
- Design risk
- Environmental risk
- Investment / planning Risk
- Management / operations risk
- Other
- Reputation risk
- Workplace health and safety risk

These risks and their corresponding risk treatments are detailed below:

<b>Task or activity type</b>	<b>List of hazards associated with the activity (Risk Source)</b>	<b>What could actually happen/ (Event)</b>	<b>What is the risk treatment if the level of residual risk is between high and extreme?</b>
<b>Completion / construction</b>	Weather and seasonal implications	Construction delay due to unfavourable weather conditions	This is within Council's Risk Appetite and is a latent condition of contract
<b>Demand / market risk</b>	Insufficient funds	Insufficient funds to complete the program to community expectations	This will be monitored throughout the project with regular community updates used to manage community expectations.
<b>Construction / design risk</b>	Site stability issues	Maintenance issues &/or premature asset failure due to inappropriate design / construction techniques given the site attributes	Geotechnical investigations will be undertaken prior to the tender for construction so that the site constraints can be considered as part of the design
<b>Design risk</b>	Appropriateness of specifications.	A lack of understanding of specifications or scope	Effective consultation at all phases to ensure appropriate specifications. This is within Council's Risk Appetite

<b>Design risk</b>	Project scope	Scope of project is not well defined and communicated. Scope of the work does not meet stakeholders' expectations	Effective consultation at all phases to manage expectations. This is within the Council's Risk Appetite
<b>Investment / planning risk</b>	Cost control	Prices exceed allocated budget	Contingencies to deal with increased project cost could include reduced scale and facilities, a staged construction process and increased borrowing. A Project Manager is to be engaged to actively manage the construction budget
<b>Investment / planning risk</b>	Insufficient funds	Insufficient funds to complete the project to community expectations	Effective consultation at all phases to manage expectations so that the delivered project is understood by the community. This is within Council's Risk Appetite
<b>Investment / planning risk</b>	Bankruptcy during construction	Contractor involved on the project becomes bankrupt	This is within Council's Risk Appetite. Contingency measures such as possible insurance may be considered to minimise project delays should occur. Council will look to 'bullet proof' this in the revised tender
<b>Management / operations risks</b>	Program delay	Critical milestones not met on time	This will be monitored throughout the project with regular community updates. A Project Manager is to be engaged to actively oversee the construction process. Council may engage a specialist project manager to review the process
<b>Other Risks</b>	Political	Other competing projects are deemed more important for the community and to be done in priority	Effective communication between community and councillors at all phases to manage expectations and determine priorities

## Assessment of compliance requirements (e.g. Local Govt Act, EP&A Act, Heritage Act etc)

### **Capital Expenditure Guidelines – December 2010**

The Weddin Aquatic Centre Redevelopment project has an estimated capital cost of approximately \$3.6 million. This document provides the required notification to the Department of Premier and Cabinet, and Division of Local Government in accordance with the Capital Expenditure Guidelines issued in December 2010.

### **Local Government Act**

Charter obligations – Council will fulfil its Charter obligations as detailed in Section 8 of the Local Government Act 1993.

### **Environmental Planning and Assessment Act**

The Weddin Aquatic Centre Redevelopment project will be undertaken under the State Environmental Planning Policy (Infrastructure) 2007 policy and thus it does not require the preparation and lodgement of a development application (DA) and construction certificate (CC).

## Consideration of the Appointment of a Steering Committee

As previously stated, the existing Grenfell Pool has been successfully managed by the Director of Environmental Services throughout its lifetime. Accordingly, the Council has appointed the Director of Environmental Services as the manager of the Grenfell Aquatic Centre Redevelopment project.

While council have taken the decision to invest responsibility for the control of the project with the Director of Environmental Services, it has also formed a Steering Committee consisting of a project manager, an external expert to assist with the contract management and a probity officer.

In conjunction with the Director of Environmental Services, the project has been managed through the design and planning stage by the Steering Committee with input from Council's management executive (including the General manager and Directors), councillors, consultants and community stakeholders/interest groups where required.

## Designating a Project Manager

As detailed in Section 4.1, Council has placed the pool redevelopment project under the control of the Director of Environmental Services. However, it has also undertaken to engage a Project Manager (to be determined) who will have the specialist skills to actively and effectively manage the delivery of the construction stage of the project.

The next phase in the process, should Council resolve to proceed with this project, will be to develop design / contract documents to enable regulatory approval as well as undertake a construction tender.

## 10 Priorities and Opportunity Cost

### Assessment of the impact of the project on Council's ability to fund future capital works and services in accordance with Council's long term financial plan

In accordance with the Resourcing Strategy – Long Term Financial Plan (LTFP), it is intended to fund this project using a combination of internally designated reserves, external borrowings, additional income generated via a special rate variation, and possibly grant funds.

The Grenfell Aquatic Centre Redevelopment project is estimated to cost \$3.6 million. The LTFP reflects this new capital cost. A preliminary cash flow analysis indicates that adequate liquidity will be maintained. The financial implications are fully addressed in Section 7.

### Reviewing the community strategic plan, delivery program and operational plan to ensure the proposal is aligned to Council's objectives

Section 3.1 demonstrates the relationship and alignment of the Council's Community Strategic Plan, Delivery Program and Operational Plan with respect to the Grenfell Aquatic Centre Redevelopment project. Additionally, the Grenfell Pool / Aquatic Centre is a critical asset which will provide a vital service delivery to the Grenfell and wider Weddin Shire Community.

### Assessment of asset management plans to ensure that other assets do not require funding as a higher priority

As previously indicated the Grenfell Pool was constructed by the Weddin Shire Council in 1934 and has served the Weddin Shire community since that time. More recently, however, the pool has suffered significant structural issues due to unstable fill material and the pool shell has now reached the end of its economic life.

As an existing asset, the outdoor 50 metre pool provides for the recreation and aquatic needs for the local community and, in particular, for several nearby primary and secondary schools. Attendance figures for Grenfell Pool are approximately 26,000 to 34,000 users days per annum. The Grenfell Pool is deemed to be a 'critical asset' which experiences high usage relative to the population in the local shire. It has fulfilled a vital role as the facility where the majority of children in the Shire learn the life-long skill of swimming. The redevelopment of this asset is not only expected to deliver health and wellbeing benefits to the shire but it is also expected to deliver social and economic benefits as well. As such, it is determined that the Grenfell Pool has a high priority and requires special consideration given the case of asset failure.

#### **Getting the asset constructed:**

Alternative forms of procurement for the construction of the Grenfell Aquatic Centre includes the following options:

- Construct Only
- Design & Construct
- Design, Construct & Maintain
- Construction Management
- Full Privatisation

### Construct only

Under this form of contract, Council has responsibility for completing a detailed design of the facility. Council then separately procures a contractor to deliver the construction component of the project. The design documentation forms part of the tender specification for this procurement process. The contractor tenders a price for the works subject to any adjustments, such as variations, provided for in the contract. Irrespective of the actual cost of the works, the contractor is entitled to be paid the contract sum as agreed between the parties prior to commencing the works. In practice, the construct-only contract may exceed the original contract sum if the project is not properly planned and managed by Council. Council also retains the design risk.

It is not considered that Council has the resources to deliver a detailed design for what is a specialised construction project. Consequently this procurement method is not considered a viable option.

### Design and Construct (D&C)

For a design and construct contract, Council develops a design brief outlining the functional specifications and key user requirements. This is less fully developed than the design documentation required for a construct-only contract. Council then tenders out the design and construct as a package to a contractor, who is required to provide a detailed design and the subsequent construction of the works described in the design brief. Council passes design risk to the contractor and this method also provides scope for the private sector to offer alternative designs. This may help offer innovative solutions which deliver efficiencies around costs or improved service delivery. Council is less directly involved but can mitigate the loss of control through oversight and consultation.

As Weddin Shire Council is a smaller council, it has no surplus resources with which to actively manage a large construction contract. Whilst a D&C contract is considered an appropriate procurement method, there is a risk that the investment of resources required to actively manage the project delivery may detract from Council's other service delivery activities.

### Design, Construct and Maintain (DCM)

Council adds the requirement to maintain the pool as an additional part of the design and construct package. In this model, as the contractor has ongoing maintenance obligations some of the asset lifecycle risk is transferred to the contractor. This encourages design efficiency and quality construction to reduce long-term costs. The objective is to fix maintenance costs for a defined period of, for example, 10 years. The extra risk being borne by the contractor may result in a risk premium being included in any tenders but Council's longer-term interests may be protected by the cost certainty.

As the construction of a commercial size pool / aquatic centre is a specialised project there are relatively few contractors available for this type of project. Council considers it has some internal maintenance capability and additionally that the construction contract would also provide a level of protection from maintenance issues resulting from poor quality construction. Thus, the additional risk premium that would be built into any tender for a DCM contract is not warranted and expected to result in relatively more expensive service delivery.

### Construction Management

In the Construction Management approach, Council engages a construction manager (contractor or consultant) to manage the construction works on its behalf. Council manages the project scoping and engages the designer directly. Council also engages the construction contractors directly, although the construction manager as Council's agent may

also enter into these contracts. The construction manager performs a managerial and coordination role (without delivery risk) and is generally paid a fee based on a percentage of the value of the works.

As Weddin Shire Council is a smaller council it has no surplus resources with which to actively manage a large construction contract. The Council have successfully used this procurement method in the past with good effect.

#### Full Privatisation

The development rights to the pool together with all existing assets and land would be transferred to the private sector. The sale agreement would be specific about the obligations on the private sector. The private sector would need to determine how it could make the business profitable, failing which some form of agreement for an ongoing subsidy would be negotiated.

Council has operated the existing Grenfell Pool since 1934. Given the public interest considerations and the expectations of Council service delivery developed over time, this is not considered an appropriate procurement method.

#### Preferred Procurement Option

After consideration of the various options, the Council has determined the preferred method is the Construction Management method. This method has been assessed as offering the most efficient service delivery.

#### Assessment of alternative methods of acquisition

Aquatic centres are unique and complex facilities which are designed to cater for the specific needs and demands of the communities they serve within the budget constraints of the service provider, in this case Weddin Shire Council. Given the service delivery provision is specific to the circumstances in which the facility operates, an off-the-shelf design acquisition is not considered appropriate, if indeed such a product is available. There are also no private facilities available for purchase and conversion which would be able to satisfy the service delivery requirements. Consequently, it is not considered there are any viable alternative methods of acquisition available to deliver this project.

#### Assessment of the consequences of not proceeding with the proposal

The existing Grenfell Pool is in the final phase of its asset management lifecycle (see figure under 4.2). The pool and its associated pumps and filtration equipment are near the end of their useful life. Maintenance and operational costs for the pool are significant due to the decline in the condition of the pool shell in particular. The 50 metre outdoor pool currently enjoys a patronage of approximately 25,000 users a year, a large portion of which is by local primary and secondary school students. The pool is deemed to be a critical asset and has provided the Grenfell and indeed the wider Weddin Shire community with their aquatic needs since its construction.

The decision for Council based on the asset management lifecycle was whether to modify, upgrade or decommission (replace or dispose) of the asset. The community has through its patronage of the pool, and through engagement and feedback, clearly stated that not proceeding with replacement of the pool is not an option.

The consequences of not proceeding are that the condition of the pool shell and its associated pumps and filtration equipment will decline to the point where the cost of

remedial work to keep them operating becomes cost prohibitive or they fail altogether. At this point, the pool would have to be closed.

The consequences of the pool being closed include:

- Recreational demands of residents are not met
- Residents would be required to travel further to obtain these services
- Residents travelling out of town to access these services will have a negative economic impact on Grenfell and the Weddin Shire
- Residents that are not able to access alternate facilities are disadvantaged
- Proposed improvements to disability access will not be achieved
- The health, wellbeing and lifestyle benefits associated with the facility are not able to be enjoyed by the community

As previously outlined, Council and the community have determined that the 'do nothing' approach and subsequent pool closure is not an option and does not meet with community expectations.

## **11 Financial Impact**

### **Financial Implications**

#### **Assessment of the whole of life cost of the project to within 5% accuracy**

##### **Capital Cost**

After market testing the capital cost of the project has been determined as \$3.6 million.

##### **Annual Operating Cost**

With regard to whole of life operating costs, is not possible to assess operational revenue and expenditure with the same degree of accuracy as capital cost estimation as it is influenced by market forces.

However, an estimated operational budget has been completed based the operational data of the existing Grenfell Pool as a base.

### Grenfell Pool - Operational Budget

<b>INCOME</b>	<b>2013/14 Yr</b>	<b>No.</b>	<b>Fee (Ex GST)</b>	<b>Total Per Annum (Ex GST)</b>
<u>Season Tickets</u>				
Season Ticket - Family	63	65	190	12,350.00
Season Ticket - Adult	21	25	85	2,125.00
Season Ticket - Pensioner	5	5	85	425.00
Season Ticket - Child	18	20	85	1,700.00
<u>Cash Attendance</u>				
Cash Attendance - Adult		2400	3.50	8,400.00
Cash Attendance - Child/Pensioner		1700	2.70	4,590.00
<b>TOTAL INCOME</b>	<b>23,918</b>			<b>29,590.00</b>

<b>EXPENSES</b>				
Chemicals	15,499			10,000.00
Depreciation	43,654			60,000.00
Electricity	21,895			20,000.00
Insurance	2,068			2,500.00
Licence Fees	207			300.00
Rates	475			550.00
Repairs & Maintenance	53,107			20,000.00
Telephone Expenses	551			600.00
Wages	61,684			65,000.00
Water Rates	26,816			20,000.00
<b>TOTAL EXPENSES</b>	<b>225,956</b>			<b>198,950.00</b>

<b>NET RESULT</b>	<b>-202,038</b>			<b>-169,360.00</b>
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As shown above it is anticipated that the pool will require an operational subsidy of around \$169,360 (including depreciation).

This is in contrast to the 2014 operational cost to maintain the Grenfell Pool of \$202,038 per year and represents a saving of \$32,678.

### Identification of funding sources

The capital cost of the project is determined to be \$3.6 million. Council proposes to utilise external loan funds to deliver this project.



To achieve this Council is applying for a Special Rate Variation (SRV) for the 2015/16 year of 4% each year over 4 years to remain permanently in the rate base to assist in servicing the loan.

A comparison of the additional income generated by the SRV and the loan servicing costs is as follows:

Proposed Additional Special Variation Income and Expenditure											
	Year 1 2015/16	Year 2 2016/17	Year 3 2017/18	Year 4 2018/19	Year 5 2019/20	Year 6 2020/21	Year 7 2021/22	Year 8 2022/23	Year 9 2023/24	Year 10 2024/25	Sum of 10 years
<b>INCOME</b>											
SRV income above the rate peg	84,576	177,140	278,784	390,219	401,926	413,984	426,403	439,195	452,371	465,942	3,530,540
<b>OPERATING EXPENSES (includes loan interest costs)</b>											
Fund existing service levels (i.e. libraries)											0
Pool Loan Interest Costs	177,558	172,055	166,272	160,192	153,802	147,084	140,023	132,601	124,798	116,597	1,490,983
Annual total	177,558	172,055	166,272	160,192	153,802	147,084	140,023	132,601	124,798	116,597	1,490,983
CUMULATIVE TOTALS BY YEAR	177,558	349,613	515,885	676,077	829,879	976,963	1,116,987	1,249,587	1,374,386	1,490,983	
<b>OTHER USES OF SV INCOME eg loan principal repayments, transfers to reserves</b>											
Pool Loan Principal Repayments	107,543	113,045	118,829	124,909	131,299	138,017	145,078	152,500	160,302	168,504	1,360,026
Annual TOTAL	107,543	113,045	118,829	124,909	131,299	138,017	145,078	152,500	160,302	168,504	1,360,026
CUMULATIVE TOTALS BY YEAR	107,543	220,589	339,418	464,326	595,625	733,642	878,720	1,031,220	1,191,523	1,360,026	
Total use of special variation income	285,101	285,101	285,101	285,101	285,101	285,101	285,101	285,101	285,101	285,101	2,851,009
Difference between additional SRV income and its uses	-200,525	-107,961	-6,317	105,118	116,825	128,883	141,302	154,094	167,270	180,841	679,531

**Identification of any potential increase in Council's actual or prospective expenditures, whether in terms of one-off capital amounts or recurrent expenditures. This includes consequential recurrent costs such as maintenance, debt servicing, staffing etc**

### One off Capital Amounts

The Grenfell Pool and its associated facilities have an estimated fair value of approximately \$1.7 million. The proposal will result in the complete replacement of the pool and all associated facilities at a cost of \$3.6 million. Therefore there is a one-off capital expenditure beyond what would have been expected to simply replace the existing pool, pumps and filters of \$1.9 million.

### Recurrent Costs

Operational expenditure has estimated as outlined in 7.1 above and results in an annual saving of \$32,678 in recurrent expenditure. This saving is largely due to a reduction in extra ordinary maintenance expenditure required to keep the facility in operation.

As outlined in 7.2 Council intends to fund the capital construction of the pool using external loan funds. This will result in loan servicing costs of an estimated \$285,101 per year including both principal and interest.

The anticipated increase in total recurrent expenditure costs (operational costs including depreciation + loan servicing costs) is \$252,423.

### Identification of systems in place to monitor and control increases in project costs

A comprehensive risk matrix has been developed which identifies a number of activities which can lead to project cost escalation. Appropriate controls have been identified and will be implemented to mitigate this risk.

Additionally, the reporting structure will ensure that regular reporting occurs and any cost increases are identified early and a decision made as to the most appropriate course of action prior to proceeding. In most cases, this will be elevated to a decision of the Council at a public meeting.

### Identification of any potential loss in the value of Council's assets or a potential loss in actual or prospective revenue

The existing Grenfell Pool has an estimated fair value of approximately \$1.2 million. The redevelopment project, which would result in a complete upgrade and redevelopment of the site, has an estimated value of \$4 - \$4.5 million. As such, it is clear that there is an improvement in the value of Council's asset.

With regard to revenue, the existing pool is currently operating at a financial cost to Council of approximate \$202,038 (inc depreciation) a year.

It is estimated the annual operational cost of the new facility will be \$169,360 (inc depreciation)

### Consideration of the inability of Council to fulfil its Charter obligations to provide adequate, equitable and appropriate services and facilities for the community

Council's Charter obligations, amongst others, include:

#### To engage in long-term strategic planning on behalf of the local community

Open space and recreation are major contributors to quality of lifestyle and the health and well being of the community. Open space enhances the character and function of a place, and recreation and sport facilities are essential for people's physical and social health.

It is important to note that the Exercise, Recreation & Sport Survey (ERASS) undertaken by the Australian Sports Commission reveals that the top three physical activities by participation are walking, aerobics / fitness and swimming. The surveys, which commenced in 2001, reveal these activities have been the top three in participation for the 10 consecutive years that the ERASS has been conducted. Exposure to farm dams, backyard pools and creeks further highlights the importance of Ausswim and the need to meet the ongoing demand for active physical participation.

Therefore, it is very clear that catering for the recreational uses of swimming and aerobics / fitness as proposed by the Grenfell Aquatic Centre proposal is good long-term strategic planning, addressing known community demands.

To bear in mind that it is the custodian and trustee of public assets and to effectively plan for, account for and manage the assets for which it is responsible

As detailed throughout this review, the process undertaken by the Council in relation to the Grenfell Pool, which is nearing the end of its useful life, has been to effectively plan for the current and future needs of the community. The Grenfell Pool is at the decommissioning phase in its asset lifecycle as shown in Fig 1. At this stage in an asset's life, a decision needs to be made as to whether to modify / upgrade or decommission (replace or dispose) of the asset. There is no alternative access options with the nearest facilities 60 kms away.

The studies undertaken by Council represent effective planning and management of a critical asset for which Council is custodian, and which provides a valued service to the community.

To promote and to provide and plan for the needs of children.

The community exhibition and engagement process highlighted the significant importance of the 50 metre outdoor pool for school carnivals, and the need to provide a facility to meet the 'learn to swim' needs of the community is vital. The submissions all emphasised the role of swimming in maintaining health and well being. The submission drew attention to the importance of 'learn to swim' programs to minimise the likelihood of trauma associated with drowning, particularly of children. The toddler / project pool (activity water space) are specifically focussed on the needs of children.

To promote and to provide and to plan for the needs of an aging and isolated community

The community profile is shows an aging population that needs ramped access to a pool and a stable under 15's population that is proportional to the State average. Basicv community amenity is critical to sustaining labour and population ion the Weddin Shire and supplying labour to the agricultural sector as well as an emerging aged care sector.

Analysis of the impact on Council's cash flow

A projected cash flow has been developed in which Council has taken a conservative approach with the assumptions used in the development of this cash flow.

The major assumptions are:

- Council will continue to operate within the current framework with a view to sustaining income and population.
- A portion of the project capital cost will be funded by external loans
- External loan funding of \$3.6 million has been used in the cash flow analysis
- The operational costs of the Grenfell Aquatic Centre will not increase but in fact decrease

Calculation of net present value and cost/benefit (where benefits can be quantified)

Not applicable

## 12 Public Consultation

### 8.1 Report of public consultation undertaken and community response

17/10/2013	Council resolved to write to all community groups, Grenfell Swimming Club & Schools seeking input into requirements for pool redevelopment.  24 Letters sent  10 Individual responses 47 Family responses (collated on 1 sheet)
November 2014 / Feb 2015	Community satisfaction survey – see attachment 2 Open days on research 2014/5

There has been extensive community consultation. Attachment one sets out the results of a community survey that specifically sought input on the importance and satisfaction of the pool and the preparedness to pay increased rates to support the development of the proposal.

# Final

# WEDDIN COMMUNITY

# SURVEY ANALYSIS

# DECEMBER 2014 –

# RATE VARIATION

## Introduction

Weddin Shire Council (Council) has undertaken a survey on service delivery and major capital expenditure. The survey sought to determine levels of community satisfaction on services measured against the importance of the service. Where levels of satisfaction and importance match then the service levels are seen as appropriate; where mismatches are evident then Council can review levels of service. This impacts asset maintenance and depreciation as well as recurrent expenditure.

The survey also sought to clarify community expectations in respect of service delivery against cost. A special emphasis was placed on the key capital programs including the replacement of the Weddin swimming pool with a modern regional aquatic centre. An emphasis was also placed on the provision of a regional medical centre in Grenfell, a need that was identified in community consultations seeking to improve health services.

Finally, new and improved services come at a cost and it was important to determine community preparedness to pay for new facilities and to service ongoing loans.

The key findings are that the Council is meeting community expectations on service delivery. However, there is a need to improve rural roads, address the

swimming pool issues, as well as develop the medical facility as the specific question on these showed strong community support. There is community preparedness to pay an increase in rates of approximately \$3.50 to \$4.50 per week extra for these services.

The survey is one tool available to Council to collect data on community needs. The Council has already undertaken expensive community consultation and will use the survey results to gain further community feedback. The survey sample size of over 350 from a population of 2800 of over 18 year olds is statistically significant with a margin of error of +/-5%.

## Survey Report

### *Methodology*

The survey was conducted using Survey Monkey. This is a reliable low-cost tool that provided sound data. The survey was piloted and the questions adjusted following respondent feedback to ensure a sound survey design.

The survey was marketed on the Council's website, the Grenfell tourism website (<http://www.weddin.nsw.gov.au/tourism-weddin/grenfell-weddin>), the local newspaper (*Grenfell Record*) as a stand-alone article on the front page and the Council news section, and during the “what’s on” segment on the local radio (Monday 1st December 2014).

Additionally, approximately 1500 surveys were distributed and marketed through:

- Mail out to letterboxes through Greenethorpe Post Office, Quandialla Post Office and Grenfell Post Office (targeting roadside mailboxes, households and PO Boxes)
- Direct email and social media contact to Councillors and local contacts as a reminder
- Direct marketing was undertaken at collection points with notices to encourage people to complete their survey i.e. the Council front counter, Grenfell Library, Technology centre, Quandialla / Greenethorpe, Caragabal Villages, post offices and the Caragabal Hotel

There were 208 physical surveys handed back and 157 submitted online, making the total response rate 365.

Following the presentation of the Preliminary survey to the Council two open days were conducted. The first was on 21 December 2014 to allow community members to come and discuss the outcomes and the impact of a rate variation on their community. 3 people and 3 councillors came through on the day and were

provided with a one on one briefing. They were invited to submit further comments and asked for further comments on the day. There were no comments that were not already addressed. The report was made available to the community and the open day was advertised in the local press. The community was also advised then that a second open day would be held on 5 February 2015.

At the second open day 3 people attended and one raised some concern over the impact of the increase where they held more than one assessment. The only other matter that was raised was the need to develop an events strategy for the Shire and also acknowledge and support natural heritage within the Shire.

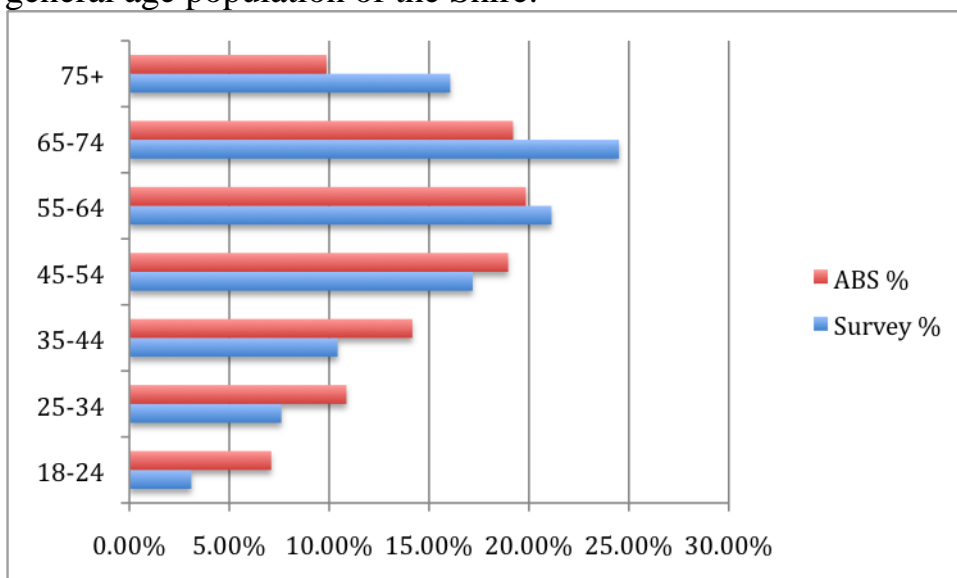
## Results

### Sample

- A sample size of n=365 from a population base of 2,817 represents a +/- 5% error rate at the 95% confidence interval
- This result is well within standard statistical margins
- Analysis by age is statistically significant in the range groupings of 18-54 years and 55+ years<sup>3</sup>

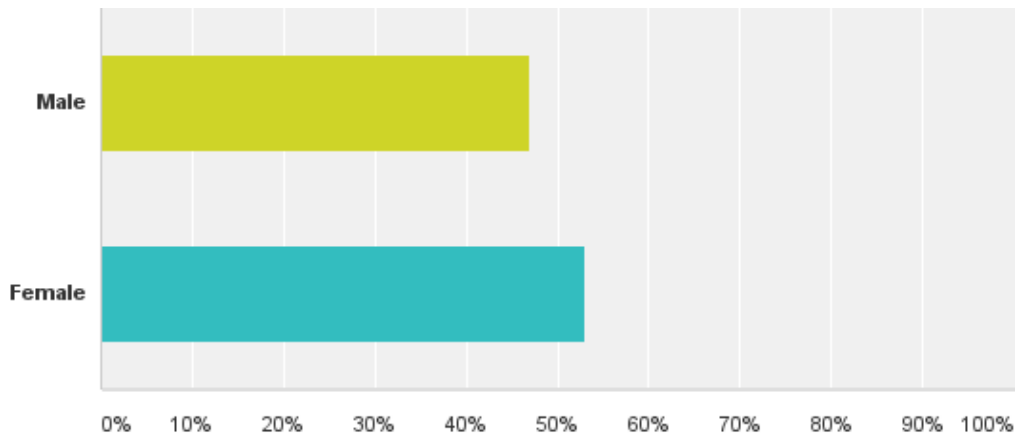
### Respondent profile

The age distribution for the 365 responses was statistically consistent with the general age population of the Shire.



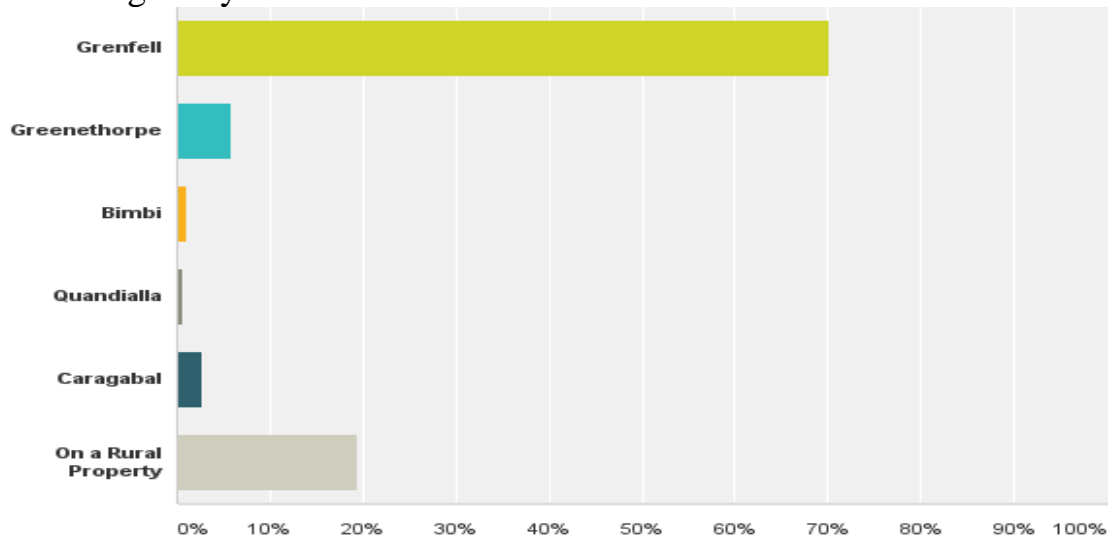
<sup>3</sup> Reviewed by Matthew Daniel B Sc Psych, Post Grad marketing, Research consultant.

The male (47%) to female (52%) distribution was similar although there were more younger female than younger male respondents and more older male respondents than female.



Distribution profile

The spread of responses across the Shire is representative of the population distribution give by the Australian Bureau of Statistics.

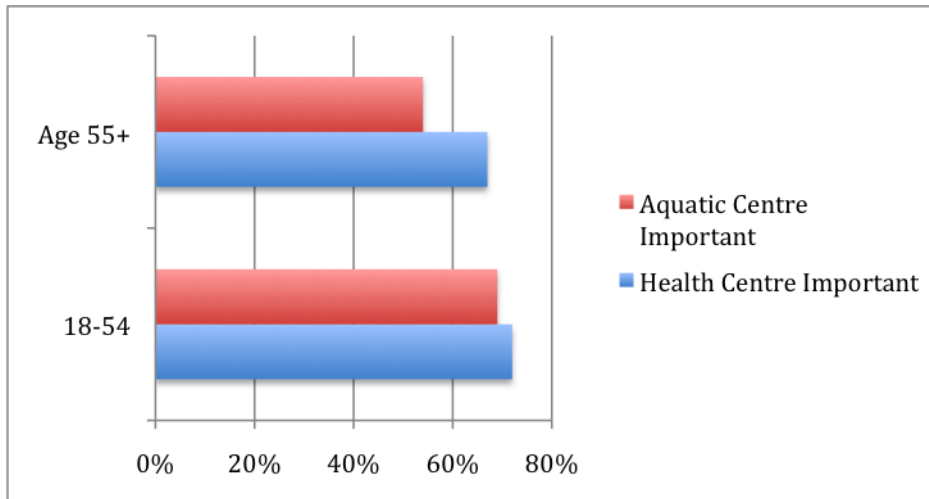


Service delivery

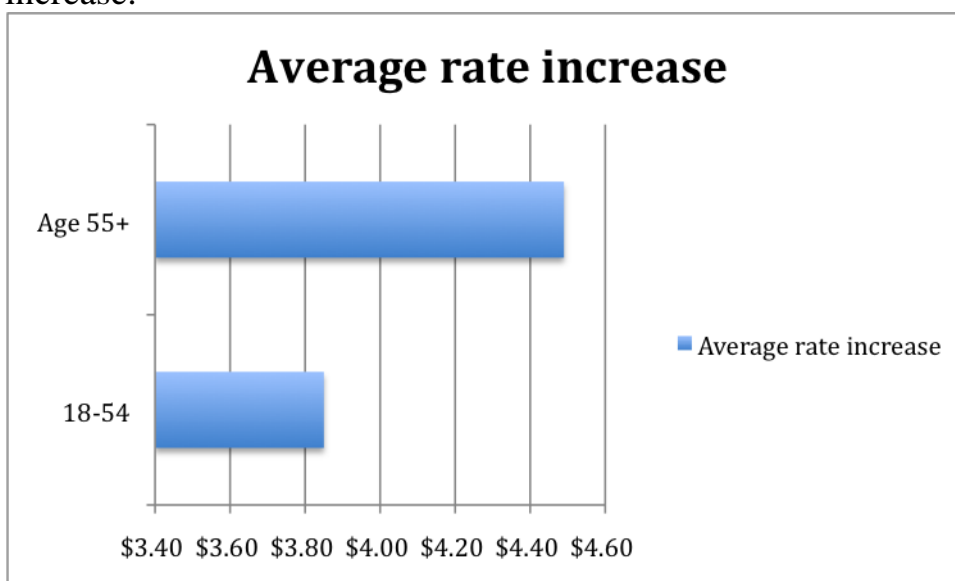
Ensuring community preparedness to pay for new services is important to developing a capital plan to service the ongoing needs of the community. During the development of the Community Plan in 2012-13, the broad community consultation identified a medical centre and the reconstruction of the Grenfell pool as an Aquatic Centre as in the top three community needs.



The survey asked the community to rate the importance of each of these. Overall, there was strong support for the development of both facilities with some small variation according to age. Those under 55s strongly supported both facilities with the health centre most important at 72%, with over 55s at 67%. As for the aquatic centre, the support from under 55s was 60%, with over 55s at 54%.



Asked to respond on a scale of \$0-\$5 per week, “how much you would be prepared to pay in increased rent or rates to provide these (medical and aquatic facilities) [over and above existing rates]”, the respondents indicated an split between the two age groups with under 55s prepared to pay on average \$3.85 more and over 55s prepared to pay \$4.50 more per week. Interestingly, while being marginally less inclined to support the facilities, the older age group had a higher preparedness to pay. Only 3.65% would not be prepared to pay any increase.



## Satisfaction and Importance

Critical to the Council's future decision-making is an understanding of how the community ranks the importance of services as well as their satisfaction with their delivery. The following graph shows where the primary services and how they rate.

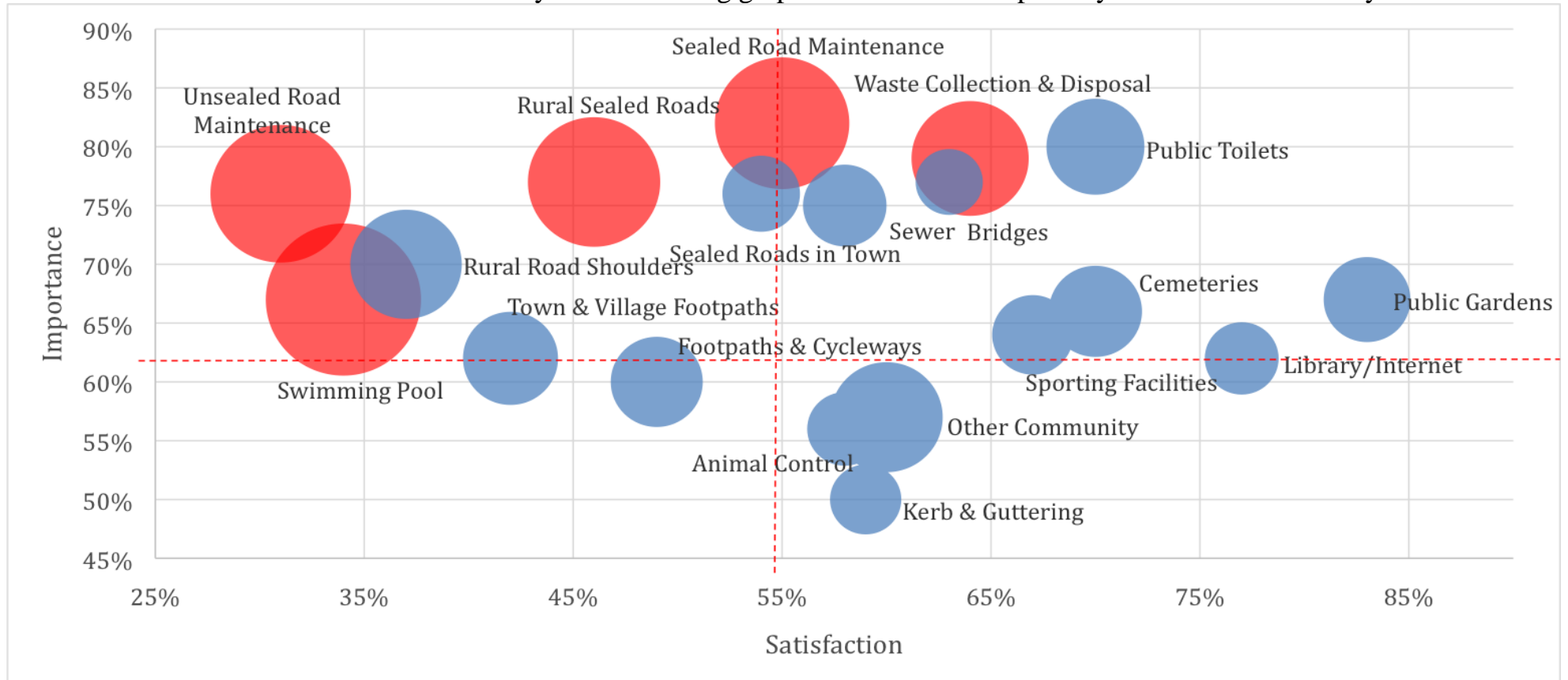


Figure 1: Importance versus satisfaction with priority overlay

Q7: Please rate your satisfaction level with each of the Council's current services. Base: All respondents (n=358) | Q8: Please rate the importance of each of the Council's current services. Base: All respondents (n=353) | Q9: Which of the following services would you wish to be given more priority? Please choose the top three. Base: All respondents (n=352)

Note: Bubble size indicates the % of respondents who wish the service was given greater priority. Red bubbles are the top service priorities for respondents.

Importantly, the swimming pool is identified as a facility that needs to be addressed<sup>4</sup>.

**Table 1: Summary of Importance versus Satisfaction**

<p><b>Exceeding Expectations</b> (Lower Importance &amp; Higher Satisfaction)</p> <ul style="list-style-type: none"> <li>• Footpaths and Cycleways</li> </ul>	<p><b>Meeting Priorities</b> (Higher Importance &amp; Higher Satisfaction)</p> <ul style="list-style-type: none"> <li>• Public Gardens</li> <li>• Library and Internet</li> <li>• Public Toilets</li> <li>• Cemeteries</li> <li>• Rural Sealed Roads</li> <li>• Sealed Roads in Towns and Villages</li> <li>• Sealed Road Maintenance</li> <li>• Sewer</li> <li>• Bridges</li> <li>• Waste Collection and Disposal</li> <li>• Sporting Facilities</li> </ul>
<p><b>Less Important</b> (Lower Importance &amp; Lower Satisfaction)</p> <ul style="list-style-type: none"> <li>• Other Community</li> <li>• Animal Control</li> <li>• Kerb &amp; Guttering</li> </ul>	<p><b>Areas of Concern</b> (Higher Importance &amp; Lower Satisfaction)</p> <ul style="list-style-type: none"> <li>• Unsealed Road Maintenance</li> <li>• Swimming Pool</li> <li>• Rural Road Shoulders</li> <li>• Town and Village Footpaths</li> </ul>

<sup>4</sup> As Council does not currently provide health services the medical centre is not included.

## **Conclusion**

The survey has provided valuable information for the Council's future decision-making. This preliminary report was prepared to elicit community consultation and now awaits comment at open days, following which a final report will be prepared. During this phase, written comments to the survey will be subject to community input and discussion.

In summary, the Council is meeting most community expectations on service delivery. However, there is a need to improve rural roads, address the swimming pool issues, as well as develop the medical facility as the specific question on these showed strong community support. There is community preparedness to pay an increase in rates of approximately \$3.50 to \$4.50 per week extra for these services.

The results will then be used to assess a rate variation application, in further development of the Asset Plan, and to support applications for various funding streams to support capital infrastructure consistent with community expectations.

**Weddin Shire Council**  
**Survey Results Analysis – Free comments summary – for public use.**  
**November 2014**

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1) Age group 25-34 (1.x<sup>5</sup>)

- Less support for medical centre than older age groups (6, 7, 9, 10)<sup>6</sup>
- Less willingness for rate rises (7, 10, 12) to pay for the aquatic centre and medical centre. An exception is 9: ‘Weddin Shire is cheap compared to other Councils.’

2) Age group 35-44 (2.x)

- Two commendations of the parks (4, 8)
- Strong negative opinion on road maintenance (7, 8, 12)
- Strong support for the aquatic centre (11, 13)

3) Age group 45-54 (3.x)

- Many emphasised the need for Council to make internal cost savings (5, 6, 8, 9, 20)
- Several noted that the medical centre is not required because of existing medical professionals and their consulting rooms (5, 9). Others against (13). For (14, 15, 16, 22)
- There is mixed support for the aquatic centre. For (14, 15). Against (2).
- Emphasised the need for encourage business (23, 24, 25, 30)
- There is some sentiment that Grenfell is being given disproportionate attention (21, 25)

4) Age group 55-64 (4.x)

- Several requested kerbside clean-up collection (3, 11, 19)
- Several noted the importance of good signage and information to promote tourism (5, 11, 29)
- Many commented on the need for animal control (12, 13, 14, 38, 42)
- Several brought up the improper use of Council cars (6, 15)
- Several respondents noted the dust from unsealed roads (12, 25). General calls for sealed roads: 35, 36. Added to this, 44 says that kerbs and guttering should also be attended to.
- There is a general call for Council to be efficient with funds and staffing (8, 27, 33, 39).

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<sup>5</sup> The number is the age range key the X refers to the number of the response on the base data – for verification purposes.

<sup>6</sup> Numbers are link to free comments in the age groups in the base data – due to privacy reasons the comments are not publicly provided.

5) Age group 65-74 (5.x)

- The medical centre is clearly a high priority (3, 4, 9, 30, 38, 39, 41). However, those opposed include 8, 16, 27
- There are several that believe that rates must rise to maintain / improve services (13, 15)
- There is strong support for an aquatic centre but one that suits the needs of older people e.g. heated / indoors / accessible (17, 19, 23, 24, 31, 40)
- Several calls for a tourist information centre (4, 11, 31)
- Many are dissatisfied with road maintenance and its efficiency (18, 28, 37, 45, 48)
- This age group has given more commendations to the Council than any other (11, 21, 24, 26, 29, 36).

6) Age group 75+ (6.x)

- There is a increased concern for beautification and the preservation of trees (2, 6, 7)
- Several oppose amalgamation (9, 14, 17).
- Various suggestions on environmental sustainability are given including wind turbines (15) and the promotion of environmentally sustainable businesses (17).
- Support for aquatic centre: 19, 25, 28.

Across all ages

- Roads / footpaths
  - There is no positive feedback on the roads (2.12, 3.8). The ‘patch truck’ is singled out many times as not doing a good job e.g. leaving stones on the road, making only short-term repairs, damaging cars (1.8, 3.12, 4.25, 5.45).
  - Many question the efficiency of the road crews (2.7, 5.28).
  - Some suggest contracting out work (2.8, 4.39, 5.30, 5.32).
  - Suggestions to repair / upgrade the footpaths on the main street (3.4, 3.13, 5.11, 5.37). Other footpaths: 6.25.
  - Sealing roads to prevent dust (4.12, 4.25, 5.37).
- Medical centre
  - Where respondents do not support a medical centre, the current existence of two doctors is noted several times (1.9, 3.5, 4.31) and the duplication of facilities (5.26, 5.43).
  - There is some opinion that other levels of government should be paying (2.11, 5.29).
  - Health includes mental health (3.26).
- Tourism
  - All age groups believe that tourism is important to the future of the community.
  - The development of the main street is called for several times (2.2, 3.8, 3.29).
  - There is praise for the CWA in providing information but there is support for paid staff (4.29, 5.11).

- Toilets. There is a universal call for more public toilets (1.5, 2.1, 4.41, 5.29, 5.31, 6.10) and for them to be kept clean (5.5). This has been noted in Greenthorpe (1.1). Signage is required to point out these toilets (1.5).
- Several suggestions to remove pigeons from the main street (5.11, 5.45). Pigeons generally: 6.25.
- There is universal condemnation of cutting down trees (3.13, 4.4, 4.16, 4.18, 5.20, 6.7), particularly on Forbes Street.
- Council. All respondents underscore the need for the operational efficiency of the Council. Predictably, opinion is mixed on whether the Council is succeeding on this front or not.
  - Many respondents noted that Council cars should only be used for work-related activities (2.6, 4.6, 4.15).
  - There is the odd comment that rates should be increased to keep up with other Councils (5.13, 5.15).
- Garbage / recycling
  - Residents are generally unsatisfied with recycling, and prefer collection from the kerb rather than going to the tip (1.3, 1.12, 2.5, 4.29, 5.31)
  - There has been more praise for the upgrade of the tip (3.14, 3.16, 5.29) than otherwise. Some gave feedback that more information is needed for residents to know what can be recycled (4.3, 4.42, 6.4). Suggestions on adjusted opening hours (3.16, 4.29).
  - Request for more bins (1.12).
  - Request to be able to buy more recycled materials (3.14).
  - Several called for council clean-ups (4.3, 5.34).
- All age groups emphasised the need for animal and weed control (1.5, 2.4, 3.24). Commendation for weed control: 4.30.
- Aquatic centre
  - Most residents are in favour of the new aquatic centre. Dissenting opinions include 1.5, 3.2.
  - Support for the aquatic centre even if the respondents do not regularly use (2.13, 5.29).
  - Should be heated for older users (4.29, 5.19, 6.19).
  - Several note that the current town pool is leaking (4.42, 5.43).
  - Should have disable access (5.17).
  - Reconsidering open hours (5.24).
- The vast majority of respondents congratulate the Council on the new caravan / trailer park (1.5, 3.3, 3.6, 4.20, 5.11).
- The state of the parks is commended many times (2.4, 2.10, 3.16, 5.26, 6.23).
- Amalgamation:
  - Opinion is mixed on amalgamation. For (2.7). Against (3.7, 4.37, 4.40, 5.15).
  - Opinion is mixed on whether the prospect of amalgamation means that Council should spend money now or wait. Those who say that it should spend money *before* amalgamation include 3.24, 4.26. Others say that expenditure should wait till *after* amalgamation including 4.29.
  - More cooperation with other councils (6.22).
- There is some sentiment that major centres like Grenfell are given disproportionate attention (3.21, 3.25, 4.2, 4.3, 5.1, 5.42)
- Business

- Slightly more people want businesses to pay higher rates (3.28, 4.22). Those opposed include 2.11.
  - Suggestion for favourable rent to fill up vacant shops (3.23).
- Community involvement
  - Local gardeners doing work in parks (2.7).
  - Raffles, dances, guided tours (3.7).
  - Beautification (4.21).
- Council-community communication
  - Several respondents would like to hear more from the Council e.g. via email (3.14).
  - Call for more local news (5.11).



## Attachment 2

### IPWEA – THE GRENFELL POOL

Who in the room has a 70 to 80 year old Council pool that they look after?

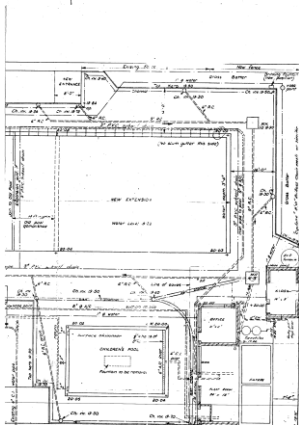
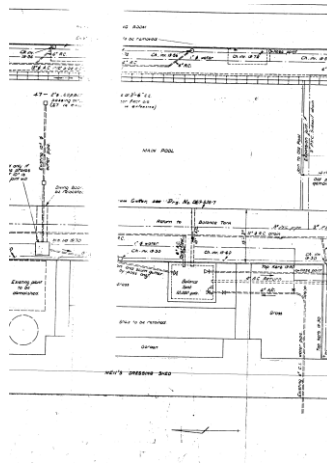
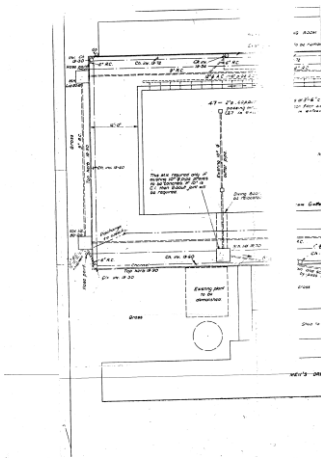


Today I will discuss the history of the Grenfell Pool, the pumping operation of the pool and my involvement with the pool over two seasons.

I will also provide an insight into the future of the Grenfell Pool, based on the community's wish for a compliant and safe pool in Grenfell and Council's capacity to fund any future upgrades.

In September 2012, one month before the opening of the Grenfell Pool for the 2012/2013 season, I was given the extra task of managing the Grenfell Pool following the resignation of the Director Environmental Services. This work included carrying out the preseason start-up of the pool and managing the overall running of the pool for the 2012/13 season.

In order to familiarise myself with the task in hand, I proceeded to research the history and operating issues with the pool.



The original Grenfell Pool was constructed in 1934 as a 33 metre six lane pool and was lengthened in 1969 to 50 metres with a new pump house, sand filters and a chlorine system.

The original pool was constructed over an old creek, and over the years has gradually subsided with the pool deep end being about 100 mm lower than the shallow end. Until about 2008 the Grenfell Pool was losing about 30 kl – 40 kl per day and, over the winter closedown, would almost empty itself as no water would be added during that time.

The leak became significantly worse from this time onwards up to 130 kl per day. Major cavitation in the pump was also evident.

A firm was engaged in 2010 to investigate and report on the locations, plus treatment also methods for repairing any leaks. This saw them visit the pool and dye test possible points of leakage, with their findings and recommendations detailed below:

- There were several cracks and expansion joints that have been painted over which has sealed the surface with no notable leaking.
- The joint between the scum gutter and the main body of the pool was a likely place for leakage on the western side of the pool.
- The main feeder pipe to the return outlets was leaking and was the major reason for the water loss in the pool.

The following recommendations were made:-

- The return pipe on the eastern wall be dug up and replaced all the way to the filter.
- Consider taking the scum gutters off and replacing with a wet deck system.

- When painting again, the joints should not be painted over as they need to be flexible.



Having considered the findings it was believed that the 300 mm drainage return lines that run from the pump house across the southern end and entire length of the eastern side, with some 47 50 mm branches that penetrate through the pool wall are predominantly responsible for the leaks.

Prior to determining the extent of renewal required, it was proposed to camera the line to try and identify any major break or failure. This occurred once the pool had closed for the season. However, the rust in the pipes and the 90° bends did not allow the camera to work well.

This work carried out was as follows:-

- Removal and replacement of 93 m<sup>2</sup> of concrete paving,
- Removal and replacement of 77 metres of 300 mm delivery pipe to the pool,
- Replacement of 47 x 50 mm copper delivery pipes to the pool.

The cost of this work was \$50,000 and was carried out in the winter of June and July 2011.

The mens and womens changerooms also showed severe cracking and deflection over the last 10 to 15 years, which was probably due to the saturation of the soil.



Uretek Pty Ltd were engaged to carry out deep injection works along the footings of the change rooms in April 2011 to try to raise the strip footings and walls back to original. However whilst the subgrade was stiffened to some degree, the saturated soil did not allow the building to move to any degree.

The pool was refilled in August 2011 and continued to lose water. Council was carrying out sewer main relining at that time and an opportunity arose to check the return lines

from the pool to the balance tank. This investigation identified a major break in the 200 mm return pipe and this pipe was subsequently replaced.

At the bottom of the deep end of the pool are two sumps with a pipe connected to the balance tank. This pipe was not able to be inspected due to a very heavy build-up of 80 years of scale inside the pipe.

As such, it was felt that the pipe and the sump could be also leaking.

The pool continued to leak, with an accelerated water loss until the water level was below the scum gutter. The pool was still leaking up to 130 kl per day.

As a temporary measure, a sump and pump was installed in the grass at the back of the pool to pump the lost water back into the system. This pumping system returned about 110 kl per day.

In the interim, Council resolved to engage the services of Facility Design Group to prepare an options report for the future upgrade of the Grenfell Pool. Stephen Johansen of Facility Design Group will be presenting a paper after me.

The report found that the majority of the water loss was occurring from under the existing scum gutter along the western wall.

The report recommended lining of the pool, with the provision of a new wet deck concourse and associated new pipework to the balance tank.

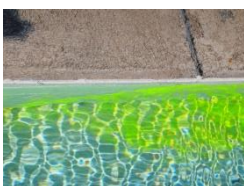
The cost of these works was estimated at over \$1 million. Even with these works being carried out, we would still have an old pool with leaky pipes.

As I stated before, in September 2012 I took over the management of the pool, armed with the knowledge that the pool was in very poor condition and I was in for a stressful journey to keep the pool going over the summer season. Little did I know that the pool would increase my blood pressure substantially.

The first action I took was to carry out an assessment of what needed to be done prior to opening the pool. Works included the raising of a pit and then re-concreting of the concourse so as to remove trips and falls issues for patrons and pool inspectors.



I also carried out dye testing along the inside of the scum gutter and engaged a contractor to seal up the major cracks in the scum gutter. The cracks inside the scum gutter were very hard to seal as the gap in the gutter was only about 50mm wide.



The pool was fired up to open early November 2012. It was noted that the pump, which was replaced in about 2007, was cavitating and required to be throttled back so as to reduce cavitation. This meant that the pool was being recirculated in about 7 hours instead of the 4 hour requirement.

As usage increased, chemicals had to be manually added so as to keep the chloride levels within the limits. It was noted that as the days became hotter, the pool would lose its lustre mid to late afternoon which was a potential concern for public health.



But we lived with that. Christmas came and went, temperatures were over 37°C most days.

On Thursday 31 January 2013 disaster struck. The Grenfell pool pump lost all of its suction after several days of partial malfunction in the suction line. It was proposed to relay the line overland from the pump to the balance tank. Suction line and a new foot valve was sourced from Orange and installed on Saturday 2 February 2013. The system operated within the pump's capacity and the pool was reopened on Monday 4 February 2013. Everything happens on the weekend.

A lot of effort went into that weekend so as to get the pool going for the public. Even so, it was a temporary fix. The daily average attendance was 155 people.

Every day was a concern to me as I would never know what might happen next.

I breathed a sigh of relief when the pool finally closed for winter on Sunday 24 March 2013. For the record 18,500 people visited the pool in the 2012/2013 season.

As I was responsible for the Grenfell Pool, I was also responsible for the 2013/2014 estimates,

I allocated \$10,000 for a new 200mm 3 phase pump which would be capable of recirculating the pool water in less than 4 hrs. I also allocated funds totalling \$10,000 to replace the temporary 200mm overland flexible suction lined with a 300mm diameter poly pipe, a new foot valve and associated pipe work and concreting.

As it was not possible to isolate the sand filters from the main pool, I allocated funds of \$5,000 in the estimates for the provision of a valve just upstream of the new pipe which was replaced previously.

During the off season, a valve was installed upstream of the replaced inlet pipes so as to isolate the sand filters and old inlet pipes for further leak testing. At this time one of the inlet 50mm pipes was replaced as it had a 10mm hole in it. It was noted that the contractor did not replace the sections of pipe through the pool which should have been replaced.



Quotations were sought for a new pump for the pool which could circulate the pool in under 4 hours. This pump was installed by Council's workshop in July 2013, and the suction pipe work was installed in the weeks following, using a small section of existing pipe into the balance tank. This negated having to break into the balance tank with a new pipe and the associated reinstatement works. Also, a pool specialist was engaged to inspect the pool. It was suggested that a dive firm inspect the pool for leaks with specialist equipment. This work was carried out in August 2013 and showed significant leaks throughout the main and baby pool.



It was not proposed to do any further leak repairs on the pool as it would not be cost effective to do so. Additionally a major leak was found on the old town water inlet line near where the suction line was to be installed.



Concurrently, a letter was written to ask community groups in the Weddin Shire seeking their input into the requirements which may be incorporated into the new pool. This commenced the formal requirement to engage the community in the pool replacement process.

The pool opened on 23 October 2013 for another season. On Sunday 2 November 2013, guess what! A large amount of muddy water erupted from the pits for about 20 minutes at the deep end of the pool. At the time the discharge valve was closed. The pool was closed to patrons as a precaution. What do I do?

As mentioned earlier, that pipe could not be CCTV'd as it was too rusted. The pool inspector was quite shaken up during and after the event.

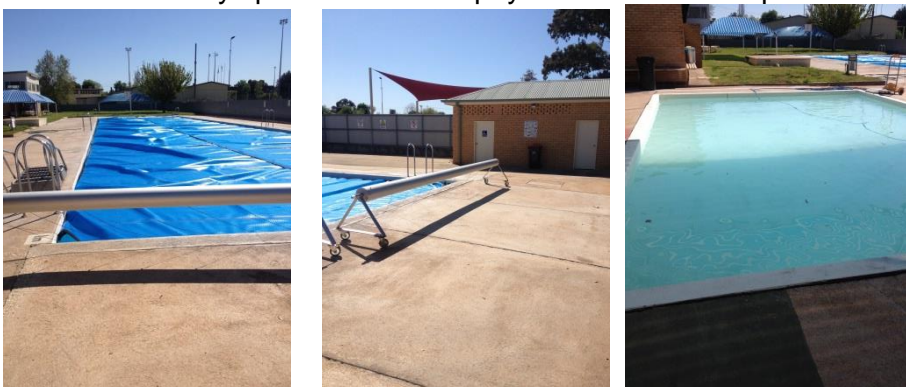
This has not happened since. All things were going well – touchwood – until on Sunday 1 December 2013 one electrical phase dropped out which caused the pump to stop. The pool was again closed for the day and it was ascertained that an underground short had occurred in the old wiring between the meter box and the ladies change room. A temporary rewire was carried out to bypass the breakage.

Again, on Monday 11 December 2013 the pool air backwash pump failed and arrangements had to be made to use Council's large air compressor in its place. A replacement pump could not be sourced, so a decision was made to continue the process.

The pool was closed after an eventful year on Sunday 30 March, 2014 and everyone, including myself, breathed a sigh of relief that it was over for another year.

Council engaged a replacement Director Environmental Services who assumed the role of pool manager as from 1 April 2014. I was no longer responsible for the pool. YES!!!!

So far I have only spoken about the physical issues of the pool.



I will now discuss the process that has been carried out to address the condition of the pool.

As stated previously during 2011 Council carried out community surveys and workshops and from these the Weddin Shire Council Community Strategic Plan 2012-2023 was developed.

The replacement of the pool was one of the community's requests in this plan.

Council also wrote to all users of the pool requesting comments on the proposed upgrade of the pool and received 11 responses.

Council considered the responses, the continued unreliability of the pool, the fact that the pool was well attended in the hot months and the fact that the public would not appreciate having no pool.



Council also considered the ongoing maintenance costs (\$50,000 per year just on repairs), the divers report and the cost of refurbishment (up to \$2M) and replacement of \$4M to \$4.5M and in October 2013 resolved that after all options were considered, a new pool be installed, with tenders to be called in October – November 2014 and construction to commence in Mid March 2015. So the Grenfell Pool has to struggle on for one more season.

We will have to see what the pool has up its sleeve for the next six months season.

I hope that there are no more major issues with the pool this season and that Council does not have to spend more funds on a pool which will be replaced in 6 months' time.

This project has been a very interesting but stressful one for me as I had to balance the idiosyncrasies of the operation of the pool with the community's expectations of the pool for 2 years.