

**EXTRAORDINARY MEETING OF THE
BURWOOD/PEGASUS COMMUNITY BOARD
AGENDA**

THURSDAY 9 APRIL 2015

AT 5-7PM

**IN THE BOARD ROOM,
CORNER BERESFORD AND UNION STREETS, NEW BRIGHTON**

Community Board: Andrea Cummings (Chairperson), Tim Baker, David East, Glenn Livingstone, Tim Sintes, Linda Stewart and Stan Tawa.

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**PART A - MATTERS REQUIRING A COUNCIL DECISION
PART B - REPORTS FOR INFORMATION
PART C - DELEGATED DECISIONS TAKEN BY THE BOARD**

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1. **APOLOGIES**

2. **DECLARATION OF INTEREST**

3. **EASTERN RECREATION AND SPORT CENTRE - DECISION MAKING**

To enable the Board to consider if they wish to revisit the decision making on the Eastern Recreation and Sport Centre relating to the scope.

The following decisions are **attached**:

- Minutes extract of the Board meeting of 1 September 2014.
- Report to the Council on 12 March 2015.
- Extract of the Council's decision of 12 March 2015.

9. 10. 2014

**BURWOOD/PEGASUS COMMUNITY BOARD
1 SEPTEMBER 2014**

**Minutes of a meeting of the Burwood/Pegasus Community Board
held on Monday 1 September 2014 at 4.30pm in the Boardroom,
Corner Beresford and Union Street, New Brighton, Christchurch.**

PRESENT: Andrea Cummings (Chairperson), Tim Baker, David East, Glenn Livingstone, Tim Sintes and Linda Stewart.

APOLOGIES: An apology for absence was received and accepted from Stan Tawa.

An apology for lateness was received and accepted from David East who arrived at 4.40pm and was absent for clauses 2, 3.2 and 11.

The Board reports that:

The meeting was adjourned at 5.40 and reconvened at 5.45pm

PART A - MATTERS REQUIRING A COUNCIL DECISION

1. LOCATION OF THE EASTERN RECREATION AND SPORTS CENTRE (SUPPLEMENTARY AGENDA)

The Board considered a report seeking its recommendation to the Council that it approves the location of the Eastern Recreation and Sports Centre at QE11 Park.

STAFF RECOMMENDATION

That the Council:

- 1.1 Approve QE11 Park as the preferred location of the Eastern Recreation and Sports Centre subject to the findings of a feasibility study including geotechnical investigations.
- 1.2 Instruct officers to prepare a feasibility study on the suitability of QE11 Park.
- 1.3 Report back to the Council by April 2015 through the Burwood Pegasus Community Board with the results of the feasibility study and, if appropriate, the scope, cost, procurement route and timeline for the project.
- 1.4 Instruct staff to re-engage with the Community Advisory Group to inform the scope of the facility.
- 1.5 Formally thank the chair and members of the Community Advisory Group.

BOARD RECOMMENDATION

That the Council approves the staff recommendation, with the addition of:

- 1.6 That the Board table as part of this recommendation the notes of the meeting of the Eastern Recreation and Sports Centre Community Advisory Group, Friday 29 August 2014 and the document titled Key Messages.

2. EASTERN RECREATION AND SPORT CENTRE

		Contact	Contact Details
Executive Leadership Team Member responsible:	Director Council Facilities and Infrastructure, Council Facilities and Infrastructure Rebuild Group		
Officer responsible:	Development Manager Major Facilities Rebuild Unit	Y	Simon Battrick ext 941 5174
Author:	Development Manager Major Facilities Rebuild Unit		

1. PURPOSE AND ORIGIN OF REPORT

1.1 The purpose of this report is to enable the Burwood/Pegasus Community Board to make a recommendation to the Council that the Council instruct officers to proceed with the detailed design of an Eastern Recreation and Sport Centre on QEII Park including the option of co-locating the Recreation and Sport Centre with Ministry of Education school facilities on the site.

1.2 At the Annual Plan meeting dated 26 June 2012 the Council resolved to:

"Approve a recreation and sport facility to be built at QEII or agreed alternative location following wide community consultation and with a preliminary budget of \$30.5 million (\$29 million plus inflation allowance)."

1.3 On 28 August 2014 the Council delegated authority to the Earthquake Committee of the Whole to make a decision on the Eastern Recreation and Sport Centre. On 4 September 2014 the Earthquake Committee of the Whole resolved to:

Approve QEII Park as the preferred location of the Eastern Recreation and Sports Centre subject to the findings of a feasibility study including geotechnical investigations.

Instruct officers to prepare a feasibility study on the suitability of QEII Park.

Report back to the Council by April 2015 through the Burwood/Pegasus Community Board, in conjunction with other Community Boards as appropriate, with the results of the feasibility study and, if appropriate, the scope, cost, procurement route and timeline for the project.

Instruct staff to re-engage with the Community Advisory Group to inform the scope of the facility, and that should any further significant information come to light, which the Community Board considers may impact on the location, then the Community Advisory Group should be reconvened to consider the further information.

Formally thank the Chairperson and members of the Community Advisory Group.

2. BACKGROUND

2.1 Beca were engaged to complete a geotechnical investigation of the proposed site. Beca also completed a desktop investigation of the scope and timelines for an Eastern Recreation and Sport Centre.

2.2 Davis Langdon Quantity Surveyors were engaged to prepare a cost estimate based on the scope and timelines identified by Beca.

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ATTACHMENT 2 TO CLAUSE 3 CONT'D

2 Cont'd

- 2.3 Council officers presented the content of the Beca report and Davis Langdon cost estimate to the Community Advisory Group on 11 December 2014. The Community Advisory Group:
- Reaffirmed the expectation that the Eastern Recreation and Sport Centre would be a little bigger than Jellie Park and significantly bigger than Graham Condon.
 - Questioned Beca on the findings of the geotechnical report and accepted that a recreation facility would be better situated on the East of QEII Park.
 - Questioned and debated the facility scope and accepted that available funding limited the potential scope. A couple of group members expressed disappointment that a 50m pool could not be included.
 - Discussed the potential for a facility hub in partnership with the Ministry of Education (MOE) and were broadly supportive of the concept provided that any school use of the facility did not unreasonably restrict community access.
- 2.4 On 20 November 2014 officers met with the Chair of the Hagley/Ferrymead Community Board and provided an update on the Eastern Recreation and Sport Centre process. Officers agreed to provide the Hagley/Ferrymead Community Board a memo summarising the information contained in this report and invite members of the Hagley/Ferrymead Community Board to the Burwood/Pegasus Community Board meeting at which this report will be considered.

3. COMMENT

GEOTECHNICAL INVESTIGATION

- 3.1 Council officers engaged consultants Beca to undertake geotechnical investigations on QEII Park. A draft report was completed on 21 November 2014 and is available at www.ccc.govt.nz/cityleisure/projectstoimprovechristchurch/easternpool/index.aspx.
- 3.2 Beca conducted six Cone Penetration Tests on the 29 October 2014, primarily in the eastern half of the QEII park site. Utilizing the results of these tests and significant other existing information which Beca possessed from investigations which had been undertaken on this site in the past, they concluded that:
- The western portion of the site would likely require a greater, more costly foundation solution and the eastern portion is anticipated to require a lesser and hence more economical foundation solution to meet the design criteria.
 - The depth to groundwater increases from a very shallow depth, generally between <1.0 metres to 1.5 metres below ground level, in the west of the site to 1.5 metres to 2.5 metres below ground level in the central and eastern portions of the site.
 - It is considered unlikely that conventional shallow foundations without any ground improvement will be suitable, except for possible minor, settlement tolerant structures on enhanced shallow foundations.
- 3.3 Options for ground improvement include:
- Stone columns, rammed aggregate piers or possibly timber poles, extending up to 10 metres beneath and an equal distance beyond the structure.
 - In-situ mass stabilisation to create a cement-stabilised crust extending 3–4 metres beneath and an equal distance beyond the structure.
 - High modulus columns (jet grout, continuous flight auger, or deep soil mixed) extending up to 10 metres beneath and equal distance beyond the structure.
- 3.4 Beca advised that conceptual foundation/ground improvement allowed for in the estimate would differentiate between the foundations required for the “wet” and “dry” facilities:

2 Cont'd

“Wet” Facilities including pools and in-ground structures

Piled foundation (likely to be in the order of 15 metres to 20 metres deep) providing a robust solution with good performance and where operation could be affected by fairly modest settlements.

Other “Dry” areas - ground improvements

Either – enhanced shallow foundations (a concrete raft or pads tied together with ground beams) combined with ground improvement comprising in-situ mass stabilisation to create a cement stabilised crust extending 3–4 metres beneath, and an equal distance beyond the structures,

Or - conventional shallow foundations combined with deeper ground improvement (stone columns or rammed aggregate piers) installed to 6–10 metres depth and extending an equal distance beyond the structures.

- 3.5 Ground improvement costs have been factored into the cost of building the facility on the eastern side of QEII Park. Further detailed site-specific geotechnical investigations will be required during the design phase to confirm the actual design required.

PROPOSED SCOPE AND SIZE

- 3.6 Council officers engaged consultants Beca to undertake a study covering scope and timelines, and Davis Langdon Quantity Surveyors to prepare a cost estimate for an Eastern Recreation and Sport Centre on QEII Park. A draft report was completed by Beca on 28 November 2014 and is included in this report as **Attachment 1**. The investigation was informed by Council’s decision-making process to date, and feedback from the Burwood/Pegasus Community Board and the Community Advisory Group specifically established for this process. Also taken into account were an assessment of other aquatic facilities of similar size and scope, Council’s Draft Aquatic Facilities Plan 2014 and other relevant information.
- 3.7 The overall building footprint is likely to be in the order of 4570 metres square which is made up of 2940 metres square “Wet” areas and 1630 metres square “Dry” areas. To provide a comparison of size in relation to other facilities please see Table 1. The exact size will be determined through a detailed design process and subsequently signed off by the Burwood/Pegasus Community Board and Council.

Table 1. Facility Size Comparison			
Facility	Wet Area	Dry Area	Total Area
Graham Condon Recreation & Sport Centre	1231 m ²	1960 m ²	3191 m ²
Jellie Park Recreation & Sport centre	Indoor 2709m ² (Outdoor 800m ²)	956m ² (No indoor courts)	3665 m ² (excluding Outdoor Wet Area)
Pioneer Recreation & Sport Centre	1964m ²	5185m ² (3 indoor courts)	7149m ²
EA Aquatics Centre (Ashburton)	2605 m ² (est.) (Includes 10 lane 25m pool and warm water pool)	5418 m ² (4 indoor courts)	8023 m ²
Selwyn Aquatic Centre	1993m ²	1268m ² (no indoor courts)	3261 m ²
Eastern Recreation & Sport Centre	2940m²	1630 m² (no indoor courts)	4570m²

2 Cont'd

- 3.8 Demographic profiling information from the 2013 census indicates that there is an immediate need to cater to an existing population under 15 years old. Over time and due to demographic change that need changes to a need to focus on a population over 60 years old. This is due to the effects of an aging population. This reasoning has informed the proposed scope of the facility in that there will be an initial emphasis on facilities for children and young persons; there will also be capacity allowed for the future development of additional hot water facilities to cater to an aging population.
- 3.9 The proposed scope of the Eastern Recreation and Sport Centre is detailed in Table 2. The exact design will be determined through a detailed design process and subsequently signed off by the Burwood/Pegasus Community Board and Council.

Table 2: Proposed Scope		
Wet	Dry	Ancillary
<p>Lane Pool – 25m x 25m (10 lanes) x 1.4–1.8 or 2m deep, ramped access or moveable floor. Seating for 150 pax Leisure area/water attractions including slides and water toys – 400m², beached entry pool, Whitewater AP350TB toy or similar Toddlers pool area Learn To Swim (LTS) pool – 16 x 10m, ramped access Changing Rooms – Male, Female plus 4 to 6 Family Change/Accessible Spa Pool – approx 7m x 5m plus ramp Steam Room and Sauna Other - Stores, Water Treatment, Pool Control, First Aid, Cleaners, Plant room Outdoor/BBQ areas Future Capacity Space provision for future warm water pools and outdoor activities</p>	<p>Fitness Centre (Gym) – 300m² Two Group Exercise/Studios – 140m² each Spin Room – 70m² Changing Rooms (including toilets and showers) – Male, Female plus Accessible Other – Offices, Fitness Assessment, Waiting Area, Stores, Cleaners, Plant room</p>	<p>Reception/Foyer Café Commercial e.g. Retail, physiotherapy, medical etc. Public toilets Meeting rooms – Large & small, community spaces Other – Offices, Staffroom, Stores, Cleaners, Security/Data Car parking – 200 spaces</p>

INDICATIVE TIMEFRAME

- 3.10 Council feedback has been very clear that every effort should be made to deliver the facility in a timely manner. In order to minimise the construction programme, it is currently planned to start ground improvement works in March 2016, around 5 months before the main construction contract in August 2016. It is important to note that there will be no impact on timeframe by the subsequent co-location of any Ministry of Education (MOE) school facilities. An indicative programme is set out in Table 3 below.

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ATTACHMENT 2 TO CLAUSE 3 CONT'D

2 Cont'd

Table 3: Indicative Timeframe	
Programme	Date Completed
Report on Geotechnical Investigations & Feasibility – Community Board/Council	Feb 2015
Expression of Interest for Consultants	Feb 2015
Tender & appoint Consultants	April 2015
Consenting – Ground Improvement	February 2016
Expression of Interest for contractors, Tender & Council approval – Ground Improvement	March 2016
Design and tender documentation, including a Schedule of Quantities	April 2016
Consenting – Building Works	May 2016
Expression of Interest for contractors, Tender & Council approval – Main Contract (Building Works)	July 2016
Construction - Ground Improvement	July 2016 (March 2016 start)
Construction - Main Contract (Building Works)	Early 2018 (August 2016 start)

COST

- 3.11 Quantity Surveyors Davis Langdon were engaged to prepare an estimate of project cost based on the proposed scope of the building and foundation solutions required. The cost is estimated at \$38,731,000. A high-level breakdown is set out in Table 4.

Table 4: Estimated Cost	
Element	Estimated Cost
Building works – Wet (including \$6.5m for water attractions & building structure), Dry, site-specific Civil works & Infrastructure Services (incl foundations), External Works & Landscaping	25,480,000
Construction Contingency (5%)	<u>1,274,000</u>
	26,754,000
Professional fees, CCC Costs and Consents (15%)	<u>4,013,100</u>
	30,767,100
FF&E (Furniture, Fittings & Equipment)	<u>1,000,000</u>
	31,767,100
Project Contingency (5%)	<u>1,588,355</u>
	33,355,455
Escalation (8% compounding for 2 years)	<u>5,375,545</u>
Total	\$38,731,000

2 Cont'd

POTENTIAL PARTNERS

- 3.12 The MOE have identified QEII Park as a potential site for the rebuild of an Avonside Girls High School and Shirley Boys High School. The location of QEII Park, the availability of land, the potential co-location with a large recreation and sport centre and the availability of large amounts of greenspace for outdoor activities and recreation are seen by the MOE as advantageous. From a community perspective co-location with schools is seen as an advantage because:
- The community can have the use of school facilities outside school hours, building community capacity and engagement.
 - Schools utilise traditional downtimes in recreation and sports facilities e.g. mid afternoon.
 - Health and Education benefits accrue to young persons in the locality particularly as the proposed scope of the Eastern Recreation and Sport Centre includes many youth focused attributes.
 - Shared intellectual and community resources can promote a centre of excellence for young people in a wide variety of disciplines.
 - The “school-pool” hub would be of a sufficient size to generate business and community activity in the immediate surrounding area.
 - There is the opportunity for all partners to moderate costs by sharing resources.

NEXT STEPS

- 3.13 This report will recommend that the Burwood/Pegasus Community Board and Council support council officers continuing discussions with the MOE. The aim of discussions would be the development of a co-location opportunity based on the advantages summarised in section 3.12 of this report, but taking care to mitigate the concerns expressed around the potential for school use to unreasonably restrict community access to the facility.
- 3.14 This report will also recommend that the Burwood/Pegasus Community Board and the Council approve the proposed scope of the Eastern Recreation and Sport Facility as detailed in section 3.9 of this report and authorise officers to proceed with the appointment of consultants, and the design and any enabling works necessary to allow this to happen. The design should be progressed enough to allow the estimate to be updated by September 2015. At this stage the design and updated estimate will both be presented to the Council through the Burwood/Pegasus Community Board.
- 3.15 As noted above, it is currently planned to start ground improvement works in March 2016, around 5 months before the main construction contract in August 2016. Tenders for the ground improvement work and construction contract will both be reported back to the Council before any construction takes place.

4. FINANCIAL IMPLICATIONS

- 4.1 Council has set aside Capital Expenditure (CAPEX) of \$30,534,402 as its contribution. The Council funding is currently recorded in 2015/16 dollars and this will be inflation adjusted as part of the 2015/2025 Long Term Plan.
- 4.2 The Christchurch Earthquake Appeal Trust has committed \$6,500,000 for water attractions and the building structure to accommodate them. These are expressly included in the scope, see section 3.9 of this report (aqua play water toys Whitewater AP350TB – 400 metres square, beached entry pool – Hydroslide/s).

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2 Cont'd

- 4.3 The total identified CAPEX contribution to date is \$37,034,402 (\$30,534,402 + \$6,500,000). The cost estimate for the proposed scope is \$38,731,000. If we were to remove the Escalation Allowance from the Davis Langdon cost estimate to ensure the estimate is comparable to the Council CAPEX Budget, the amount is \$33,355,455.

Council can confidently proceed to the design stage because:

- The cost estimate provided is reasonably conservative with a large inflation adjustment and contingency.
 - There is the opportunity to make savings in the design stage including Value Management.
 - There is the opportunity to partner with the MOE, for example, reduce cost by sharing car park facilities or infrastructure costs.
 - There is the opportunity for further fundraising if required.
- 4.4 Council have budgeted for replacements and renewals (R&R) to a value of \$250,000 per annum or one percent of Council's contribution to the built value. This is sufficient to ensure the facility will remain current and physically able to meet community need over its useful life of 50 years.
- 4.5 Council has set aside Operation Expenditure (OPEX) budget as detailed in Table 5.

YEAR	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
OPEX (m)	0	0	1.558	1.655	1.757	1.846	1.976	2.094	2.218	2.342	2.466

- 4.6 OPEX budgets were reviewed in August 2014 based on information available at the time. Since this time the scope and timing of the Eastern Recreation and Sport Centre and the Metro Sports Facility have become clearer. Council has indicated a preference to bring forward the opening of the South Western Recreation and Sport Centre to 2019. Council has also considered a recreation and sport centre in the South East. Concurrently a private developer is planning a 50 metre indoor pool and swim education pool on Yaldhurst Road. The net result is a risk that a large number of pools will come on line in close proximity while the population of Christchurch remains relatively static. More pools for a similar population risks oversupply and the net operational cost of each facility rising beyond pre-quake levels.
- 4.7 This scenario will affect all existing and planned swimming pool developments. Council has been advised of this risk but it has not yet been quantified. Officers will undertake a study to quantify this risk in terms of probability and magnitude. The results will be reported to Council before Council is asked to make any final decisions to proceed with the Eastern Recreation and Sport Centre.

STAFF RECOMMENDATION

That the Burwood/Pegasus Community Board recommend that the Council:

- 2.1 Approve the scope of the Eastern Recreation and Sport Centre as detailed in section 3.9 of this report.
- 2.2 Instruct the Director of Facilities and Infrastructure Rebuild to:
- 2.2.1 Proceed with the appointment of consultants and the design of the facility including any enabling works necessary to allow this to happen.

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2 Cont'd

- 2.2.2 Report back to Council through the Burwood/Pegasus Community Board with the updated design and cost estimate by November 2015.
 - 2.2.3 Tender the contract for the ground improvement work and main construction contract and report back to the Council before any construction work takes place.
 - 2.2.4 Report back to the Council through the Burwood/Pegasus Community Board if there is a probability of significant change to the scope and function of the facility that becomes apparent during the detailed design phase.
- 2.3 Authorise Council officers to continue discussions with the Ministry of Education over any co-location opportunity with the Eastern Recreation and Sport Centre on QEII Park and report back to Council not later than March 2016.

BOARD CONSIDERATION

The Board considered the advice that staff had given on the report. The Board expressed a wish to emphasise that the scope is at a high level; that it wishes to be part of the beginning of the design process so as to inform the design brief; that it also seeks to be reported back to when the Council receives information prior to any construction taking place.

The Board was satisfied that staff have addressed the concerns raised by the deputation from Robert Jugovac and the correspondence from Keep QEII in the East and the Parklands Residents Association. Clauses 4.5 and 7.2 (Part B) of these minutes refer.

Staff advised that as the scope was at a high level, there are no details available about specific locations of the two secondary schools or the sports facility.

BOARD RECOMMENDATION

That the Council:

- 2.1 Approve the high level scope of the Eastern Recreation and Sport Centre as detailed in section 3.9 of this report.
- 2.2 Instruct the Director of Facilities and Infrastructure Rebuild to:
 - 2.2.1 Proceed with the appointment of consultants and the design of the facility including any enabling works necessary to allow this to happen.
 - 2.2.2 That the consultants meet with the Community Board at the beginning of the design process to inform the design brief.
 - 2.2.3 Report back to Council through the Burwood/Pegasus Community Board with the updated design, procurement options and cost estimate by November 2015 or sooner.
 - 2.2.4 Tender the contract for the ground improvement work and main construction contract and report back to the Council and the Community Board before any construction work takes place.
 - 2.2.5 Report back to the Council through the Burwood/Pegasus Community Board if there is a probability of significant change to the scope and function of the facility that becomes apparent during the detailed design phase.
- 2.3 Authorise Council officers to continue discussions with the Ministry of Education over any co-location opportunity with the Eastern Recreation and Sport Centre on QEII Park and report back to Council not later than March 2016 or sooner if possible.

2. EASTERN RECREATION AND SPORT CENTRE

Councillor Manji arrived at the meeting at 10.17am during discussion of this item.

Councillor Livingstone moved, seconded by Councillor Scandrett, that the Council:

- 2.1 *Approve the high level scope of the Eastern Recreation and Sport Centre as detailed in section 3.9 of this report.*
- 2.2 *Instruct the Director of Facilities and Infrastructure Rebuild to:*
 - 2.2.1 *Proceed with the appointment of consultants and the design of the facility including any enabling works necessary to allow this to happen.*
 - 2.2.2 *That the consultants meet with the Community Board at the beginning of the design process to inform the design brief.*
 - 2.2.3 *Report back to Council through the Burwood/Pegasus Community Board with the updated design, procurement options and cost estimate by November 2015 or sooner.*
 - 2.2.4 *Tender the contract for the ground improvement work and main construction contract and report back to the Council and the Community Board before any construction work takes place.*
 - 2.2.5 *Report back to the Council through the Burwood/Pegasus Community Board if there is a probability of significant change to the scope and function of the facility that becomes apparent during the detailed design phase.*
- 2.3 *Authorise Council officers to continue discussions with the Ministry of Education over any co-location opportunity with the Eastern Recreation and Sport Centre on QEII Park and report back to Council not later than March 2016 or sooner if possible.*

Councillor Johanson moved by way of an amendment that:

- 2.4 *The report be referred to the Communities Housing and Economic Development Committee for a joint workshop with the Burwood/Pegasus Community Board and the Community Advisory Group on the proposed scope and timing.*

The amendment was seconded by Councillor Turner, and when put to the meeting was declared **carried**.

The substantive motion as amended was then put to the meeting and declared **carried**.

It was **resolved** on the motion of Councillor Livingstone, seconded by Councillor Cotter, that the report as a whole be adopted.