

## 2. NAPIER AQUATIC DEVELOPMENT UPDATE

<i>Type of Report:</i>	Operational and Procedural
<i>Legal Reference:</i>	Local Government Act 2002
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<i>Reporting Officer/s &amp; Unit:</i>	Keith Marshall, Interim Chief Executive

### 2.1 Purpose of Report

To seek agreement in relation to the next steps in relation to the Napier Aquatic Development.

#### Officer's Recommendation

That Council:

- a. Note that Council, being conscious of the widespread community interest around progressing the previously proposed Napier Aquatic Centre Development, wishes to take some time to reconsider the various options.
- b. Resolve that Council will commence some further consultation on the Napier Aquatic Centre Development as part of its Long Term Plan 2021-31 with a view to ensuring that the whole community is involved in progressing any finally agreed project in due course even though that might not determine a final option until a future annual plan.
- c. Note that Council prefer not to continue with the tender for the Napier Aquatic Centre Development as issued on 21 May 2019 in favour of further considering the project as part of the Long Term Plan 2021-31.
- d. Note that Council had provided \$5m in the draft Annual Plan 2020/21 on the basis that it wasn't sure of the court outcome at the time, nor of the best way to progress matters, and therefore had left itself some options to proceed while also noting the residual balance of the project sits in future years.
- e. Note that Council are consulting on its draft Annual Plan 2020/21 and can make the necessary changes to move the current budget to future years for the Napier Aquatic Centre Development as part of deliberations and community feedback.
- f. Resolve to transfer \$500k from the reserve funding currently allocated for the pool in 2020/21 to operating costs to allow for further site investigations and design requirements at Onekawa site or any other requirements for potential consultation and further consideration as part of the Long Term Plan 2021-31.

### 2.2 Background Summary

Council undertook consultation as part of its Long Term Plan 2018-28 to look at options for providing additional pool space in Napier including a new pool at a new location or an extension to the existing pool. The consultation feedback found small favour of a new pool located on Prebensen Drive (51% compared to the alternative option of 49%).

Council adopted as part of its Long Term Plan 2018-28 to progress a new pool at a new site, however these plans were put on hold subject to a Judicial Review around the

process that Council undertook. The Judicial Review judgement of 30<sup>th</sup> April saw all 9 causes of action being dismissed by the Court.

There have been a number of seminars held with the new Council to discuss the history and background surrounding the pool, right through to the resolutions of Council as part of the Long Term Plan 2018-28. This Council have expressed that it is their expectation that any decision around the expansion of the existing pool, or to progress the new pool be made ensuring that the whole community is involved in progressing any project in due course even though that might not determine a final option until a future annual plan.

To enable this outcome to be achieved, it is recommended Council take the time to work through how to best move forward in the best interest of the city. And as such, it is crucial that the whole community is involved when making such an important decision for the city. Council are open to re-examine how this might happen.

To achieve this, it is proposed that this conversation is progressed with the community through the Long Term Plan process, which would mean that it is anticipated that no progress on a new pool would start until 2021/22.

### **2.3 Issues**

#### *Tender*

Council were in a tender process at the time of the Judicial Review to progress a new pool on Prebensen Drive. If it is the preference not to progress the tender and tenderers will need be advised of Councils decision.

#### *Funding*

Due to the pandemic and impact on the financial position of Council, no funding was provided for any further site investigation for Onekawa or any other work required to satisfy Councils requirements to further consultation with the community. A resolution to change funding from capital to operating from reserves can be considered if Council wished to advance this to obtain a better understanding of the site conditions prior to consultation of the Long Term Plan 2021-31.

#### *LGA Requirements*

Council are responsible for ensure that the Local Government Act requirements are met and whether the significance and engagement policy requirements have been met.

### **2.4 Significance and Engagement**

Consultation on next steps may be reconsidered as part of the Long Term Plan 2021-31 or as separate consultation with the community. This will be subject to a Council recommendation and decision around next steps.

The three options are considered to go back to the community with, but not limited to, are:

- The proposed option at Prebensen/Tamatea Drives.
- A design with the same features and level of service as the proposed option amended to fit the Onekawa site (essentially the proposed option made to fit at Onekawa).
- Expansion built around the existing Ivan Wilson complex.

These options have not been fully investigated to date, and will require additional funding to progress. A resolution to progress funding has been provided in this paper.

Consideration will be given to the development comparable options. Council will determine based on further information what options may be result in further consultation with the community.

## 2.5 Implications

### Financial

There is currently \$5m in the Annual Plan 2020/21 to allow Council to progress the pool tender if required. Council will have the ability to move the funding to future years as part of the deliberations of the Annual Plan 2020/21 based on what is resolved as part of this paper.

There will be additional costs associated with undertaking site investigations and potential design requirements (allowed \$500k) associated with a proposed new layout of the pool as deemed necessary. Until such time a decision is made to progress with a pool, these costs are considered operating costs and not capital costs. Council have the option to transfer some funds from the reserves it currently had allocated to the project to meet these requirements without further impacting the ratepayer. This may mean additional loan costs should the pool project progress to meet the total cost associated with the expansion/new pool.

The Prebensen site has been prepared should this be the preferred option site, however will require moving and spraying to maintain while a final decision is made.

Project delays are likely to increase the overall cost of the project depending on the preferred option.

### Social & Policy

N/A

### Risk

There is financial risk to the project with time delays now anticipated, which will result in the overall cost of the project likely to be higher than what was originally signalled should a similar sized project be progressed.

Prior to the pandemic there was unmet aquatic demand in Napier. The future delays and growth of the city are likely to mean this gap might widen.

## 2.6 Options

The options available to Council are as follows:

- a. Continue with the existing project as adopted in the Long Term Plan 2018-28  
 Advantage – all the planning has been done, and a pool could be delivered once the tender has been let. Costs should be in line with current budgets.  
 Disadvantage – a small group of the community expressed dissatisfaction with the pool proposal and the process undertaken, and therefore proceeding with the pool without again checking in on community opinion could result in further divisions in the community and a lack of a strong mandate to proceed.
- b. Take further time and go back to the community with options as part of the Long Term Plan 2021-31.  
 Advantage – Provides community with an opportunity to have a re-think and provide more direction. Some pockets of community may have particular interest to get more involved.

Disadvantage – further time delay will increase construction costs for Prebenson Pool, if it is in fact that option the community selects.

- c. Go back to the drawing board and reassess Napier's aquatic facility options across all current and proposed facilities in Napier and Hawke's Bay region.

Advantage – takes into consideration any funding from central government that may be successful for a regional pool, and may decrease the pool space requirement for Napier.

Disadvantage – will take longer to assess wider options and this could mean a delay in getting out the options to the community, and may not be possible to get full options scoped before December when consultation document for LTP. There is a risk that the proposed option may not make it into the LTP budget and therefore require an LTP amendment subsequently from July 2021.

## **2.7 Development of Preferred Option**

**Option B** - Council will undertake further consultation on the Napier Aquatic Centre Development as part of its Long Term Plan 2021-31 and ensure that the whole community is involved in progressing such an important project for the city.

## **2.8 Attachments**

Nil