

2 HAWTHORN AND KEW RECREATION CENTRES REDEVELOPMENT

REPORT PURPOSE

To outline the approach being taken in planning for redevelopment of the Hawthorn Aquatic and Leisure Centre (HALC) and Kew Recreation Centre (KRC) (Stage 1) and to seek Council support for the scope of the projects.

Confidential information is contained in **Attachments 3, 4 and 5** in the confidential section of the Agenda in accordance with Section 89(2) of the *Local Government Act 1989* as the information relates to contractual matters and proposed developments and premature disclosure of the information could be prejudicial to the interests of Council or other persons. These items have been included in the public agenda to facilitate transparency and accountability in Council's decision making.

If discussion of the confidential information in the confidential attachment to this report is required in order for Council to make a decision, this item will be deferred to the confidential section of the Agenda.

OFFICERS' RECOMMENDATION

That Council resolve:

1. That Hawthorn Aquatic and Leisure Centre be developed with a budget provision of \$22.9M (August 2009 dollars) incorporating the following key elements:
 - New outdoor 50 x 20m pool for lap swimming and existing water polo.
 - New building with a floor area of 5,078m² containing:
 - 42 place crèche with associated outdoor play area.
 - Lounge, waiting and café/kiosk area.
 - Gymnasium and circuit room (totalling 780m²).
 - Adaptable dry program spaces for spinning/cycling, aerobics, martial arts etc (totalling 720m²).
 - Consulting Health Suites.

- Warm water pool for rehabilitation and gentle exercise (20m x 10m).
 - Reception/administration spaces.
 - Associated change rooms and toilets / storage etc.
2. That the Kew Recreation Centre be extended with a budget of \$4.3M (August 2009 dollars) incorporating the following key elements:
 - Two storey extension to the north of the existing gymnasium.
 - New crèche and associated outdoor play area.
 - Southerly extension of the existing program room.
 - Expansion of some staff facilities and administration areas.
 - Internal re-organisation to improve the reception and café.
 - A new spinning room.
 - Re-grading of a grassed area near the northern boundary of the site to allow flexibility for overflow parking on peak usage days.
 3. To proceed to appoint architects and undertake a developed design with an associated cost plan.
 4. That the developed design and associated cost plan be presented to Council for consideration prior to commencement of the tendering process.
 5. To request a Ministerial exemption to extend the current management contracts (Contract no. 06/045 Management and operation of Boroondara Leisure and Aquatic Centres (APARC, BLC, HALC & KRC) and Contract no.05/031 Management and operation of Boroondara Sports Complex (BSC)) which both cease in June 2011, to a date that links with the completion of the redevelopments.
 6. That the Hawthorn and Aquatic Leisure Centre members be catered for through expanded and new dry facilities at Kew Recreation Centre and Boroondara Sports Centre for the duration of the Hawthorn Aquatic and Leisure Centre redevelopment.

7. That an information and communication strategy be developed for all aquatic and leisure centre members and patrons to provide regular updates concerning the proposed redevelopments and transition arrangements.

RESPONSIBLE DIRECTOR: JUNE DUGINA/JACQUI BRIGGS
STRATEGIC DEVELOPMENT/COMMUNITY DEVELOPMENT

1. Purpose

To outline the approach being taken in planning for redevelopment of the Hawthorn Aquatic and Leisure Centre (HALC) and Kew Recreation Centre (KRC) (Stage 1) and to seek Council support for the scope of the projects.

2. Policy Implications & Relevance to Council Plan

This project implements priority components of the Leisure and Aquatic Centres Planning Study (LACPS) presented to Council in October 2008. The program of works recommended in the LACPS supports the Council Plan key strategic activity of strengthening communities.

3. Background

The strategic policy context for the redevelopment and location of the HALC was endorsed by Council on 29 June 2009 within the Glenferrie Oval, Grace Park and LE Bray Reserve Concept Master Plan (Grace Park Master Plan). The Grace Park Master Plan process indicated that "there is clear support for redevelopment of the Aquatic and Leisure Centre". The Plan supports the HALC redevelopment "*largely within the current footprint*".

The location is also supported by the draft Glenferrie Structure Plan, which articulates the current HALC site within the existing footprint.

Hawthorn Aquatic and Leisure Centre (HALC)

HALC was identified as the first priority for redevelopment in the Leisure and Aquatic Centres Planning Study (LACPS).

- *'The oldest leisure and aquatic centre is the Hawthorn Aquatic and Leisure Centre. The outdoor swimming pool urgently requires a major renovation. Similarly, the buildings housing the indoor sports stadium, gym, program rooms and amenities need to be replaced. Given the age of the buildings that comprise the Hawthorn Aquatic and Leisure Centre, upgrading the existing buildings is not recommended. Renovation works would be expensive and not provide the space, form and functionality required to meet community needs, demands and expectations.'*

The Study outlined the following scope of works:

- *'Refurbished outdoor 50 metre pool and redeveloped 2 storey leisure centre, including a new indoor warm water pool, new gym, new program rooms, new health suites, new occasional childcare facilities, new change rooms, new amenities, new café and improved visibility from Glenferrie Road'* (LACPS p.224)

Given the extent of the redevelopment required, it is proposed that HALC be redeveloped in a single stage with demolition and site clearance followed by construction of a complete new purpose designed facility. This approach allows for maximum economy in the building process, minimises construction timeframes and allows the design freedom required to optimise use of the restricted site and the incorporation of environmental sustainability features. This approach will also require the provision of some alternate sites for displaced users of those groups which will continue to be catered for within the redeveloped facility.

A car parking and traffic management study will be undertaken as part of the redevelopment process, to assess parking availability within the Glenferrie precinct.

Kew Recreation Centre (KRC)

In order to accommodate some of the programs displaced by the redevelopment at HALC, it is proposed to bring forward some of the dry space expansion work proposed for KRC. Specifically these KRC Stage 1 works comprise:

- two storey extension to the north of the existing gym to provide an expanded health club on the upper level (at the same level of the existing gym) and program/administration space in the lower level.
- new and expanded crèche and associated outdoor play area.
- southerly extension of the existing program room.
- a new spinning room.
- expansion of some staff facilities and administration areas.
- internal re-organisation to improve the reception/entry and café.
- re-grading of a grassed area near the northern boundary of the site to allow flexibility for overflow parking on peak usage days.

The estimated capital cost for Stage 1 works is estimated at \$4,295M which is in accordance with the LTFS.

Environmentally Sustainable Design (ESD) enhancements in KRC Stage 1 are limited to those mandated on the Building Code of Australia. A more comprehensive ESD upgrade would be carried out as part of planned major refurbishment in Stage 2, which at this time is scheduled for post 2018/19.

4. Outline of Key Issues/Options

Hawthorn Aquatic and Leisure Centre (HALC)

Considerable work has been undertaken to assess the proposed works required and costs associated with the redevelopment of a new centre on the HALC site in Grace Street Hawthorn. The Leisure and Aquatic Centres Planning Study (LACPS) proposed the renovation of the existing 50m pool (including an extension in length to accommodate a 1.5 m wide moveable separating boom), a new warm water pool and a new building providing an increase in programmable dry space of approximately 50% over existing.

A preliminary engineering analysis conducted in July and August 2009, has cast considerable doubt on the viability of retaining and renovating the existing 50m pool for the following reasons:

- At approximately 50 years of age, the existing structure is nearing the end of its economic life.
- Water re-circulation rates are inadequate based on contemporary health standards for pool water quality, higher bather loads and rectification will require replacement of old piping under the pool floor to increase turnover rates.
- The existing pool is too shallow at one end (0.8m instead of the recommended 1.4m) and excessively deep at the other (3.6m instead of the water polo requirement of 2.1m). The shallow end is not suitable for lap swimmers and does not meet recommended Life Saving Victoria safety standards. The additional volume of water at the deep end requires additional pumping and filtration which increases operating costs and environmental impact.

On the other hand, replacement with a new concrete pool would allow:

- Provision of a full 50 plus year economic life (modern construction techniques).
- Construction to optimum depths of 1.4m - 2.1m.
- Introduction of a disability access ramp (DDA compliant).
- Design freedom in the location and orientation of the 50m pool which can improve space utilisation of the site and some safety aspects including the orientation of the deep end of the pool away from the change room exit to comply with Life Saving Victoria Guidelines for Safe Pool Operations.
- Facilitate an increase of pool width from 17m to 20m, allowing an increase in the number of pool lanes and lane width to accommodate more lap swimmers and improve conditions for water polo.
- State of the art pool plant, pipe work and chemical storage which would ensure all required water quality standards and OH&S standards can be met.
- Guarantee of the life of the pool shell, pipe work and plant.
- Reduced operating costs due to a smaller pool water volume.
- Increased ESD due to reduced energy cost and lower water usage.

Proposed Change of Scope

The following are recommended changes to the scope with the intention of maximising the useability and flexibility for the public, the return on investment and the quality of Council's asset management for the long term (ie. 50 plus years).

- Installation of a moveable separating boom is not considered necessary. Further research and analysis demonstrates that the additional costs for the boom to provide two separate water spaces (approx. \$450K) will not be offset by adequate additional usage in responding to the existing demand for a 50m pool.
- The existing pool width is 17m and an increase of width in the pool to 20m will ensure higher usage.

Options for the 50m pool are as follows:

OPTION	ADVANTAGES	DISADVANTAGES
1 Base Case Refurbishment Existing 50x17m 8 lanes x 2.125m New disability access ramp and shallowing of deep end.	<ul style="list-style-type: none"> • Lowest cost \$3.259M 	<ul style="list-style-type: none"> • Potentially short life and limited warranties. • No increase in lap swimming capacity. • Inappropriate water depth at shallow end. • Inappropriate orientation ie. shallow end closest to dressing rooms. • Limits site planning flexibility. • High operating cost and environmental impacts.
2 Base Case New Pool 50x20m 8 lanes x 2.5m New disability access ramp	<ul style="list-style-type: none"> • Extended pool life and full construction warranties. • Improved facility for water polo. • Fully compliant design. • Flexibility in site planning. • Appropriate water depths. • ESD at a higher level. 	<ul style="list-style-type: none"> • Increased cost \$3.624M (ie. Option 1 plus \$0.365)

Option 2 is based on establishing a 20m wide 8 lane pool (8 lanes x 2.5m) with the option to increase to 9 lanes (9 x 2.22m) in peak times as opposed to the existing 17m wide 8 lane pool (8 lanes x 2.125m). It is anticipated that this will cater for an additional ten lap swimmers at any given time (in 9 lane configuration). This provides for a maximum of 90 lap swimmers in the whole pool at any one time as opposed to 80 in an 8 lane pool resulting in an increased capacity of 11%.

In conclusion, Option 2 (50x20m pool) is considered to offer an appropriate level of service improvement while containing costs and environmental impacts. Option 2 is recommended.

Environmental Sustainable Design (ESD)

Council has adopted a policy of achieving equivalent five star ESD rating in new facilities. Although there is no ESD rating tool specifically for leisure and aquatic centres, the inclusion in this project of ESD initiatives will substantially reduce operating costs and environmental impact, for example:

- High level of building insulation.
- Photo-voltaic power generation.
- Solar boosted domestic hot water and boiler feed.
- Rain water retention and use.
- High efficiency motors and pumps.
- Water and power saving fittings throughout.
- Filter backwash re-use.

Negative impacts on the environment will be minimal with incorporation of a high level of initiatives as listed above. As the design process occurs refinement and costings of potential ESD initiatives will inform final decision making.

Proposed Scope

The principal components of the new facility will be based on the original concept plan contained in the Leisure and Aquatic Centres Planning Study (LACPS) and proposed changes as previously outlined:

- New outdoor 50x20m pool for lap swimming and existing water polo.
- New combined aquatics plant room and associated pipe work to/from the pool.
- New building containing:
 - 42 place crèche with associated outdoor play area.
 - Lounge, waiting and café/kiosk area.
 - Gymnasium and circuit room (totalling 780m²).
 - Adaptable dry program spaces for spinning/cycling, aerobics, martial arts etc (totalling 720m²).
 - Consulting health suites.
 - Warm water pool for rehabilitation and gentle exercise (20x10m).
 - Reception/administration spaces.
 - Associated change rooms and toilets / storage etc.
 - Providing a total floor area of 5,078m².

Attachment 1 lists the various user groups who are currently operating from HALC and will have the opportunity to remain at the centre following the proposed redevelopment.

The proposed new dry facility does not have the high roof stadium and therefore will not provide for basketball, netball, volleyball or badminton. Alternative venues are being explored for users of the stadium who will be displaced by the redevelopment. Refer **Attachment 2**.

Proposed Program Timeline

The outline development program for the combined proposed project is as follows:

	2009			2010			2011			2012			2013		
Kew Recreation Centre Stage 1															
Design and Tender															
Construction															
Hawthorn Aquatic & Leisure Centre															
Planning and Design															
Planning Permit															
Docum'n and Tender'g															
Construction															

**Note: this program assumes no appeal to VCAT due to the community support expressed for the redevelopment within the existing footprint as part of the Grace Park Masterplan process.

Temporary Relocation

The provision of temporary health club (gymnasium and group exercise) facilities in the Hawthorn area to cater for patrons during the construction of the new facility has been investigated. As a result of this assessment certain usages were excluded due to the high cost and relative patronage ratio. Temporary health club facilities would not provide for all user groups including aquatic/pool users, child care users and health suite services. If Council were also to incorporate childcare and health suite facilities this would add additional costs to any temporary location. Given the acknowledged difficulty of providing childcare services due to regulations (including the requirement for indoor and outdoor play area) and the car spaces required for leisure centres, finding a suitable venue to operate temporary facilities may not be possible. In light of these concerns, provision of a temporary facility with all services including child care will be difficult. The provision of temporary facilities is estimated to cost Council between \$606,035 and \$931,995 over the 2011/12 and 2012/13 financial years.

The expanded gymnasium area at Kew Recreation Centre (KRC) (340 m²), plus the new proposed temporary gymnasium area at Boroondara Sports Complex (BSC) (150 m²) facilities will create an additional 490 m² of combined health club floor space which can accommodate up to 2,940 new and relocated members. This will more than adequately cater for the relocation of the estimated 1,800 displaced HALC users over 1-2 years and will potentially offer greater retention ability due to the provision of more regular services/facilities. The estimated number of displaced HALC health and fitness members is based on a 70% retention rate. Additional program space is also being researched at the Ashburton Pool and Recreation Centre (APARC) to potentially accommodate the increased members across the Boroondara sites.

There are significant financial advantages in transferring members to the existing sites including savings in staffing and administration due to the existing staff structure and membership services at these sites. Relocating members to the existing leisure and aquatic facilities will offset the anticipated income loss when HALC shuts down during the redevelopment works. Refer **Confidential Attachment 3**.

It is recommended that HALC members are catered for at the expanded and new dry facilities at KRC, and BSC for the duration of the HALC redevelopment and that an information and communication strategy be developed for HALC and KRC patrons to provide regular updates about the proposed redevelopments and transition arrangements

It is recommended that HALC members are catered for at the expanded and new dry facilities at KRC, and BSC for the duration of the HALC redevelopment and that an information and communication strategy be developed for HALC and KRC patrons to provide regular updates about the proposed redevelopments and transition arrangements.

5. **Consultation/Communication**

The broad proposal for redevelopment and location of HALC was tested as part of the consultation program for the Glenferrie Oval, Grace Park and L.E. Bray Reserve concept master plan. Redevelopment of the centre, largely within its existing boundaries received a very high level of support.

In regards to the proposed redevelopment of the HALC, extensive consultation was undertaken as part of the LACPS. This included a survey of 400 residents, on-site focus group meetings with centre users and staff, Councillors and officers, discussions with various industry and supplier groups, Lifesaving Victoria, Swinburne University Student Services Association and neighbouring councils.

Effective engagement of the community as this project progresses will be essential in managing the expectations of users, local residents and the general community. A detailed communication engagement plan is being developed and will be reported at a further Council meeting.

6. **Financial and Resource Implications**

Estimated Capital Costs (August 2009 dollars)	
Kew Recreation Centre (Stage 1)	\$4,294,884
Hawthorn Aquatic and Leisure Centre	\$22,920,685

Details outlined in **Confidential Attachment 4**.

Closure of HALC

An analysis has been undertaken on the financial impact of the two year closure of HALC and is detailed in **Confidential Attachment 5**. In summary the loss of income at HALC is offset by reduced maintenance expenditure and increased income at KRC.

Current Management Contract

The current contracts for the management of Council's five leisure and aquatic centres cease in June 2011. With the proposed timeframe to close HALC in January 2012 and re-open in September 2013 it is recommended that Council seek Ministerial exemption to extend the two current contracts. This is a familiar industry practice when major redevelopments coincide with contract periods due to the difficulties for potential contractors to develop financial and operational business plans when a major redevelopment and shut down of the facility occurs during the contract period.

7. **Governance Issues**

The implications of this report have been assessed in accordance with the requirements of the Victorian Charter of Human Rights and Responsibilities and Disability Discrimination Act.

The officers responsible for this report have no direct or indirect interests requiring disclosure.

8. **Social & Environmental Issues**

The programs and services provided from Council's five leisure and aquatic centres have a positive impact on the physical, social and mental well-being of those participating in the 2.5 million plus visits to the facilities made each year.

Continued development and enhancement of Boroondara's leisure and aquatic centres will have a positive community impact and lead to greater participation. Redevelopment of the Hawthorn Aquatic and Leisure Centre and the Stage 1 works at Kew Recreation Centre is the first step in this program.

A high level of ESD will be incorporated into the HALC redevelopment.

**DIRECTORS &
REPORT**

OFFICERS:

JACQUI BRIGGS, DIRECTOR COMMUNITY DEVELOPMENT
JUNE DUGINA, DIRECTOR STRATEGIC DEVELOPMENT

Attachment 1



Sporting Clubs and User Groups retained at the redeveloped Hawthorn Aquatic and Leisure Centre

The following lists the sporting clubs and user groups who are currently operating from HALC and will have the opportunity to remain at the centre following the proposed redevelopment.

- Swinburne University (student/teacher members - annual agreement)
- MLC Aquatic - Swim School
- Carey Baptist Grammar School
- Scotch College
- St Kevins College
- Preshil School
- Camberwell Grammar School
- Camberwell Girls Secondary College
- Mullauna College
- Ruyton Girls School
- Trinity Grammar School
- CROP (Community recreation Outreach Program)
- SCIPA (Spinal Cord Injury Project Assoc)
- Inner East Community Health
- PLC Aquatic
- Surrey Park Swim Club
- Xtreme Triathlon Club
- Victorian Tigers Waterpolo
- Victorian Water Polo Inc. (VWPI) Junior Waterpolo
- Nunawading Yarra Plenty Dragons Waterpolo
- Veterans Waterpolo
- Massage Therapist Contractors (various)
- Chinese Medicine Therapist
- Absolute Osteopathy
- Physiotherapy Specialist
- Shotokan Karate Coalition
- Carnegie School

Attachment 2



Assessment - Relocation of Stadium and Squash Court Users

The proposed new dry facility does not have the high roof stadium and therefore will not provide for basketball, netball, volleyball or badminton. Alternative venues are being explored for users of the stadium who will be displaced by the redevelopment. These users are predominantly basketball and netball groups that use the stadium for training and mid-week social competitions (note that the current stadium does not comply with standards due to undersized run offs and cannot be used for basketball or netball association competitions/tournaments). The main associations/groups using the current stadium include the Hawthorn Basketball Association, Hawthorn Netball Association and Hawthorn Mixed Netball.

Additional stadium bookings include use by the Hawthorn CYC Badminton Club, Richmond Junior Soccer Club training and Wimbles (indoor) Tennis Coaching.

The main requirement for these displaced user groups is stadium court space. Research is already underway to relocate the groups at the numerous facilities in Boroondara, including contact with the two secondary school stadiums in the immediate Hawthorn area. Early discussions indicate significant day time availability. After hours availability is determined at the start of each calendar year and Officers will continue to liaise with the school coordinators to register booking requests at the appropriate time.

The list of local stadiums includes:

- Hawthorn Secondary College
- Swinburne Senior Secondary College
- Kew High School
- Balwyn High School
- Canterbury Girls College
- MLC
- Trinity Grammar
- Scotch College
- Carey Baptist Grammar School
- Xavier College
- Boroondara Sports Complex
- Balwyn Leisure Centre
- Ashburton Pool and Recreation Centre

Squash courts will also not be included in the redeveloped HALC facility to allow for increased group fitness space. Existing squash bookings at HALC are limited to a small social competition, school bookings and casual use. Research is also underway to accommodate the displaced users at local squash courts and indicates that day time use for

schools is available. Further discussions with local squash facilities will attempt to source availability for peak time users.

The list of squash courts includes:

- The Hawthorn Club
- Swinenergy Recreation Centre (Swinburne Uni Campus – Hawthorn)
- Healthways (Mont Albert)
- Malvern Squash Centre
- Bennettswood Squash Courts (Burwood)
- Westerfolds Sports Centre (Templestowe)
- Ivanhoe Squash and Fitness Centre

An analysis of the different options for the proposed dry space has occurred within the constraints of the existing footprint.

The improved use of reconfigured program space will enable the projected increase of 1,150 members in the new redeveloped facilities. This is an increase of approximately \$475K* p.a. in net income due to the increased participation and membership opportunities. As per the table below, the same relative program space required for squash and stadium would only generate a net return to Council of approximately \$175K compared to an estimated return of \$650K for more flexible and viable health and fitness programs.

	Stadium and Squash Programming	Health and Fitness Programming	Variance
Net Return	\$175K	\$650K	\$475K

Rationale for multi court facilities vs single courts

- Minimal number of users required high roof stadium.
- Single court stadium not supported.

* This is an increase in program income, not total return to Council for HALC operations.