

1. **QUEEN ELIZABETH II POOLS REDEVELOPMENT - HYDROSLIDES AND DIVE POOL CONCOURSE**

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The purpose of this report is to report on options for the existing hydrosides, together with improvements to the dive pool concourse.

**INTRODUCTION**

The existing hydrosides are in poor condition and need extensive repairs and maintenance work if they are to be retained.

The concourse to the dive pool is also in poor condition and needs to have the existing ceramic tiles lifted and an epoxy finish applied.

These items are not included in the current scope of the project being carried out by Mainzeal Property and Construction Ltd. The budget was capped by the Council in 1998 and it was recognised that not all work identified in the Conditions/Options Report on QEII (January 1998) could be achieved for the available budget.

Further, the tender evaluation/recommendation report in December 1999 noted that these items were excluded and \$150,000 of the contingency was "frozen" for these items. Once the 51m pool was completed, the amount of the contingency was to be reviewed and a report on the inclusion of the hydrosides and resurfacing of the dive pool concourse was to be made to the Projects and Property Committee.

**(a) Hydrosides**

The Conditions/Options Report prepared stated inter alia:

**"2.7 Hydroslide**

**Description**

*The hydroslide was not included in the original design of the complex and was added at a later date to the northern end of the building. The plastic tubes spiral down from a platform accessed from the upper main pool seating area to a landing pool at main pool concourse level. The tubes are supported on steel pipe columns and semi circular frames and descend over the pump house below.*

**Condition**

*The hydroslide is obviously nearing the end of its life. The plastic tubes have been unsuccessfully repaired for leaks and water continues to spill onto the ground when the slide operates. The flashings around the exit points of the tubes and water supply pipes from the main building are deteriorating and untidy. The slide access area of the concrete stand is continually wet and water leaks through to the spaces below. Although not causing an immediate problem the asbestos cladding to the hydroslide platform must be removed. The tubes are discoloured and the frames fading. The splashdown enclosure is in poor condition.*

**Comment on Hydroslide**

*Repairs have recently been carried out on the plastic tubes. The tubes are fabricated in short lengths and bolted together with seals acting as expansion joints between the units. The joints were leaking and fibreglass was applied to the joints in an attempt to reseal the slide."*

Note: The report refers to plastic tubes but the hydroslide tubes are in fact manufactured from fibreglass.

The condition of the hydroslide will be viewed during the site visit before the Committee meeting.

There are three options for the hydrosides:

### **Option 1 - Retain the existing hydroslides and carry out repairs and maintenance work.**

The current project does not make provision for the retention of the hydroslides. Therefore the existing design would have to be altered as follows:

- The existing stairs from the pool deck to the top of the hydroslide tower do not comply with the current NZ Building Code (because of the rise and going of the treads) and would need to be replaced.
- The mezzanine floor and its support would need to be modified to allow for the incorporation of the hydroslide tower and stairway (approx 50m<sup>2</sup> of the available mezzanine floor space would be lost).
- A new wall and ceiling would be required to enclose the hydroslides and stairway above the mezzanine floor to contain the moist pool environment.
- Provision would need to be made for HVAC into this upper pool area.
- The hydroslides are currently linked to the existing 50-metre pool water system which will be removed. Therefore new pool water services plant would be required.

The estimated cost of the above work is \$160,000 excl GST.

In addition extensive repairs and maintenance would be required to the existing hydroslides and enclosure as follows:

Flume refurbishment (internally & externally) – resurfacing of fibreglass tubes

\$195,000

Structural maintenance

\$10,000

Mechanical maintenance

\$25,000

Replacement of enclosures for the hydroslide runout area, storage and plant rooms

\$30,000

**Total Repairs & Maintenance excl GST**

\$260,000

Therefore the cost of retaining the existing hydroslides is estimated at \$420,000 (\$160,000 + \$260,000). This expenditure would restore the hydroslides to good working order.

The existing hydroslides attracted 36,639 patrons in the 1999/2000 year. (Previous attendance figures were 69,701 in 1998/99, 77,367 in 1997/98 and 81,315 in 1996/97.) The current charge is \$4 per 30 minutes or \$7 per day.

Annual revenue for 1999/2000 was \$166,000, less expenditure for that period of \$96,000 = \$70,000 operating profit. If the existing hydroslides were removed, the operating profit for this cost centre would disappear. (This may be offset by increased revenue from the new leisure pool.)

However Alan Direen, QEII Manager, has advised that with the added attraction of the new leisure pool including wave machine, lazy river ride and water toys, it may not be possible to continue having a separate admission charge for using the hydroslides.

Two slides are not really seen as a separate attraction in this age and patrons would tend to expect two slides as part of the overall admission charge.

If a separate admission charge was not made for the hydroslides, the costs incurred would become part of the cost of running the overall facility.

### **Option 2 - Remove the existing hydroslides and replace them with a new hydroslide(s).**

The existing hydroslides could be removed and a replacement hydroslide(s) could be constructed.

The estimated cost of constructing one 800 diameter, 80 metre hydroslide would be approx. \$320,000 - \$420,000 depending on the type selected.

There would be savings if two slides were installed at the same time.

Once again, having one (or two) hydroslides would probably not be seen as a separate attraction justifying a separate admission charge, and there would be loss of operating profit as noted in Option 1 above.

Alan Direen comments further that "The original QEII hydrosides were provided by private enterprise. This may be an option. If say six slides were installed and operated at a pricing structure similar to the existing slides, it may be possible to attract investors keen to participate."

### **Option 3 - Remove the existing hydrosides.**

The existing hydrosides could be removed and not replaced.

Since this is what is currently provided under the contract with Mainzeal, there would be no additional cost but there would be a loss of operating income as noted in Option 1 above. This is the recommended option.

### **(b) Dive Pool Concourse**

The resurfacing of the existing concourse to the dive pool was not included in the current project because of budget constraints.

The concourse will be viewed during the site visit before the Committee meeting.

It is recommended that the existing ceramic tiles to the concourse should be removed because of their poor condition and the concourse resurfaced with epoxy finish. The estimated cost of this work is \$50,000.

### **CONTINGENCY/BUDGET**

The project consultants have reviewed the current remaining contingency sum (approx. \$625,000). This remaining contingency will be required to cover future variations, commissioning costs, final account resolution, contractor's claims and currency fluctuations.

The project will shortly be moving into the existing building where the existing 50m pool will be removed and the new leisure and training pools will be constructed in its place. The risk of contingency/unknown items being encountered is considered higher in an existing building.

The recommendation of the cost management consultants is that the remaining contingency sum is not sufficient to cover the cost of scope changes for the hydroslide retention and dive pool concourse.

These items are not included in the scope of the current project and the existing project budget is not considered sufficient to allow for their inclusion.

The recent value management workshop considered opportunities for cost savings on the project. A number of options were considered but there were very few cost savings identified without changing the scope and/or quality of the project, or increasing the operational cost.

It is recommended that \$50,000 additional funding be provided to cover the cost of the resurfacing the dive pool concourse.

### **PROGRAMME**

The removal of the hydrosides is programmed for early next year. If they were to be retained, redesign work would need to begin now to allow for their retention.

The work in the dive pool area is also programmed to be carried out in early 2001.

### **SUMMARY**

The existing hydrosides are in poor condition and it is recommended that they be removed (as currently provided for in the contract).

It is recommended that the scope of the project should be extended to include the resurfacing of the dive pool concourse at an estimated cost of \$50,000.

The remaining contingency sum should not be used to cover the cost of the hydroslide retention and dive pool concourse, which are both scope changes.

The Committee also discussed the options for the ceiling above the existing dive pool, and decided that the Major Projects Co-ordinator be asked to report back to the Committee on this issue.

- Recommendation:**
1. That the existing hydroslide be removed.
  2. That the QEII Manager and Leisure Manager investigate and report back to the February 2001 meeting of the Projects and Property Committee on the possibility of a private operator funding and operating new hydroslides for QEII.
  3. That approval be granted for the resurfacing of the dive pool concourse at an estimated cost of \$50,000, to be met from the \$150,000 set aside from the contingency sum for the possible inclusion of additional items not included in the original contract with Mainzeal Property and Construction Ltd.