

## 8. JELLIE PARK AQUALAND - LEASE UPDATE

RR 10044

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Corporate Plan Output: Swimming Pools Leased - Jellie Park	

The purpose of this report is to update the Parks and Recreation Committee on progress in preparing a revised lease for Jellie Park Pool with lessees, Recreation Management Services.

### EXISTING LEASE CONDITIONS

The lease was granted to Recreation Management Services being Mr Dave Henderson and Mr Murray Francis on 1 July 1992 for five years with options for right of renewal for two further terms of five years to 30 June 2007.

Details of the current rent paid by Recreation Management Services are contained in the public excluded section of this agenda.

The lessee is responsible for the day-to-day operation of the facility, but any replacement items are at the Council's expense.

The lease specifies when the facility should be open to the public as a minimum period as follows:

6am-9pm     Mondays to Thursdays  
6am-8pm     Fridays  
10am-7pm   Saturdays/Sunday and Public Holidays

The lessee is required to have at least one lane available to the public at all times.

### CURRENT CHARGES

The following table details the current charges at Jellie Park, Pioneer and QEII Park pools. The Jellie Park charges have been in force since 1 August 1997.

	<b>Jellie Park</b>	<b>Pioneer</b>	<b>QEII</b>
Adults	\$4.00	\$4.00	\$3.00
Senior Citizens	\$2.00	\$3.00	\$2.00
Beneficiaries	\$2.50	\$3.00	\$2.00
Children	\$1.50	\$1.50	\$1.50
Spectators	\$1.50	NC	\$1.50
Pre Schooler and Parent Caregivers with Pre Schooler	\$1.00	\$1.50	\$1.00
Students	\$2.50	\$3.00	\$2.00

Recreation Management Services were advised in August 1997, when advice was given that the increase in charges had been approved, that this did not allow them to charge spectators accompanying children for admission for the complex.

## **RECENT IMPROVEMENTS**

The following are a list of improvements recently undertaken by the Council:

- new shade area
- refurbished changing rooms
- new filtration equipment
- replacing pool tiles - main and teaching pool

## **IMPROVEMENTS BEING CONSIDERED FOR 1999/2000**

- provision of changing facilities for disabled
- provision of three family change rooms
- repairs to balance tank
- tiling of toddlers' pool
- improvements to car park - creating 15 more car parks

## **LIMITATION OF EXISTING LEASE**

Given the recent investments made by the Council in this facility the Manager of Jellie Park Aqualand, Mr Dave Henderson, was advised that we would like to make improvements and modifications to the existing lease agreement to facilitate more transparent monitoring of their performance and to align the operation with the Council's Strategic Objectives and Council operated leisure facilities.

The existing lease does not have any conditions regarding the operation of plant to ensure that the facility does not suffer long term from the likes of high condensation, poor ventilation etc.

A planned preventative maintenance programme is now required from the operator through agreement but not specified in the lease. There are no conditions regarding water and air temperature, water quality and testing, lifeguards etc. While some of these are covered under NZ Standards, they should also be specified in the lease.

## **ALIGNMENT WITH COUNCIL OBJECTIVES**

The lease has no statements or conditions that align it to the Council's strategic objectives, therefore general public access can be limited because of coaching and training sessions, organised activities etc. As this facility is in a densely populated area, and is well used by schools and for coaching, learn to swim classes, usage is high. At times during the day it is difficult for the general public to access water space.

In negotiations for this lease revision the opportunity to "buy back" or "trade" for water space to meet Council outcomes should be made. These would be negotiated annually in line with the rental review. A formula would be set up to determine the monitoring value or work of any changes made increasing general public accessibility or special sessions that the Council would like to introduce.

**Timetable****Completion by**

- |    |  |                         |
|----|--|-------------------------|
| 1. | Identify appropriate Council strategic objectives and outcomes that can be derived from the use of Jellie Park Aqualand  | End of July 1999        |
| 2. | Identify what aspects of the operation should/could be aligned with other Council facilities eg programmes, signage and marketing, hours of operation, additional features | End of July/August 1999 |
| 3. | Update draft deed of lease with objectives and provisions to “acquire outcomes” with a Service Level Agreement (SLA)   | End of September        |
| 4. | Obtain an up-to-date valuation of lease  | End of September        |
| 5. | Present draft lease to Parks and Recreation Committee for consideration  | October meeting         |
| 6. | Distribute draft lease to RMS and open negotiations  | November 1999           |

**Recommendation:** That the information be received and that progress be made on updating the lease with RMS for Jellie Park Aqualand so that negotiations with the lessee can be commenced by November 1999.

**Chairman’s**

**Recommendation:** That the above recommendation be adopted.