

Hepburn Shire Indoor Aquatics Provision Feasibility Study and Business Case

Final Options and Feasibility
August 2024



Acknowledgement of Country



Hepburn Shire Council acknowledges the Dja Dja Wurrung as the Traditional Owners of the lands and waters on which we live and work. On these lands, Djaara have performed age-old ceremonies of celebration, initiation and renewal. We recognise their resilience through dispossession and it is a testament to their continuing culture and tradition, which is strong and thriving.

We also acknowledge the neighbouring Traditional Owners, the Wurundjeri to our South East and the Wadawurrung to our South West and pay our respect to all Aboriginal peoples, their culture, and lore. We acknowledge their living culture and the unique role they play in the life of this region.



Introduction

Hepburn Shire engaged Solucio to undertake an Indoor Aquatics Provision Feasibility Study and Business Case.

The specific objective of this project is to develop a feasibility study and business case for indoor aquatics provision options for the Hepburn Shire.

The desired outcome from this project is a series of practical indoor aquatics options, with independent assessments of feasibility and sustainability – each designed for the Hepburn community.

The following is a high-level overview of progress and timing for each of the designated project stages:

1. Project Scoping (Complete)
2. Situational Analysis (Complete)
3. Stakeholder Engagement* (Complete)
4. Options Analysis (Complete)
5. Design, Feasibility and Business Case (Current Stage)
6. Advocacy/Funding Plan and Activation Plan (November)

This Document

The purpose of this document is to present the final options and the assessments of feasibility and sustainability for each of the options.

The outcome of this project is a strategic position on indoor aquatics. This project and report is not intended to address the current outdoor aquatics facilities or strategic direction of these facilities within the Shire, outside of any direct implications from the specific indoor aquatics options explored.

An original version of this report was provided and presented to Council in December 2023, and was updated in August 2024 following the completion of structural pool shell assessments, completed by a third party.

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• Additional Project Background and Reference Reports:	
• Solucio – HSC – Situational Analysis – 21-02-23 – Final Report.	
• Solucio - HSC - Preliminary Options and Feasibility - 20-07-23.	
• Solucio – Consultation Report – 10-08-23.	
• FMG Engineering Investigation Report 2024.	

Overview of Final Options

Prior to developing the final options, a discussion paper was prepared and presented to Council which outlined a series of concept options available.

Council requested that each of the five options be progressed to the next phase of detailed planning including site selection, concept design, costings and operational modelling.

Each of these concepts has now been designed and analysed in detail. This table shows the evolution of the options.

Ref.	A	B	C	D	E
Initial Concept (as presented in Discussion Paper: 20 th July, 2023)	Maintain Current Aquatics Provision.	Develop and enhance transport options to current facilities.	Upgrade/enclose an existing aquatics facility.	New 'minimum viable product' indoor aquatics facility.	New 'optimal' indoor aquatics facility.
Final Option Description	<ul style="list-style-type: none"> Implementation of current strategy. Implementation of recommendations from FMG report (August 2024). 	<ul style="list-style-type: none"> Dedicated bus service. Two for each of the existing proximal indoor aquatics facilities and the adjacent segments of the Hepburn Shire Community. 	<ul style="list-style-type: none"> 800m2 water space. Redevelopment project at Daylesford Pool. Specifications: <ul style="list-style-type: none"> 25m outdoor pool. Indoor lap swimming pool. Warm-water programming pool. Change rooms. Alternate use/ functional spaces. 	<ul style="list-style-type: none"> 450m2 water space. New facility at Doug Lindsay Reserve, Creswick (TBC). Specifications: <ul style="list-style-type: none"> Indoor lap swimming pool. Warm-water programming pool. Change rooms. Alternate use/ functional spaces. 	<ul style="list-style-type: none"> 1,100m2 water space. New facility at Doug Lindsay Reserve, Creswick (TBC). Specifications: <ul style="list-style-type: none"> 25m indoor lap swimming and recreational pool. Warm-water programming pool. Hydrotherapy pool. Change rooms. Alternate use/ functional spaces.

Option A: Implementation of current strategy

The Hepburn Shire Council Aquatics Strategy was adopted in April 2022 and sets out the strategic direction for the community facilities. The Vision is to *Provide access to sustainable, affordable year-round aquatics facilities that brings Hepburn residents together to enjoy health, wellbeing, education and leisure experiences.*

Strategy Objectives (a reminder):

1. Access to affordable, accessible and inclusive aquatics facilities that support participation opportunities and key program needs for all, including people with a disability, children, youth and older adults.
2. Existing facilities are well managed and maintained to meet current design and operational industry standards.
3. Facilitate access to a network of complementary facilities that support health and wellbeing outcomes for all, including people with a disability, children, youth and older adults.
4. Future design of facilities will be operationally sustainable and based on contemporary universal and inclusive design principles. for this project, which outlined:

Relevance to this project

The Aquatics Strategy identifies the need for access to an indoor year-round aquatics facility to support the needs of Hepburn Shire residents. This project was a recommendation to further detailed planning work including feasibility, business case and funding strategy to fully understand Council's ability to fund, develop and operate an indoor aquatics facility.

Baseline costs to renew existing aquatics facilities:

The cost estimate in 2022 \$AUD to complete the strategic outdoor pool upgrades (7.4.6) and Compliance and OH&S Works (7.4.1) - is **\$3.800 million to \$5.210 million***.

In addition, the FMG report recommends additional costs to repair the pool shells ranging from **\$3.158 million to \$7.279 million**.

Given the above doesn't include CPI, escalation, contingency or project management, we estimate **the real 10-year baseline costs** to renew the current pools as they reach end of life over the next, say 10 years, will be in the order of **\$23.308 million to \$26.935 million^**.

This is the 10-year cost of **minor improvements to the current service offering**, and therefore needs to be added to the indicative costings for each of the other options explored.

Notes:

- * Strategic Direction 7.4.6 is only one of the specific initiatives from the Aquatics Strategy, which **includes non-pool-shell asset renewal and installation of heat pumps for Daylesford, Clunes and Trentham**.
- * Strategic Direction 7.4.1 is for Compliance and OH&S Works, which will be required as facilities are upgraded.
- * The total costs of all initiatives was estimated at \$5.915 million to \$7.980 million (which also doesn't include pool-shell asset renewal). The majority of the additional costs are the recommended Water Play Upgrades (\$2 million - \$2.5 million AUD).
- ^ Forecast is based on evenly distributing the indicative costs over a ten-year expenditure projection with 7.5% escalation p.a. and 30% contingency.



Cost: \$23.3 million - \$26.9 million



Lifespan: 10-50 years



Project Complexity: Low



Case Study: N/A

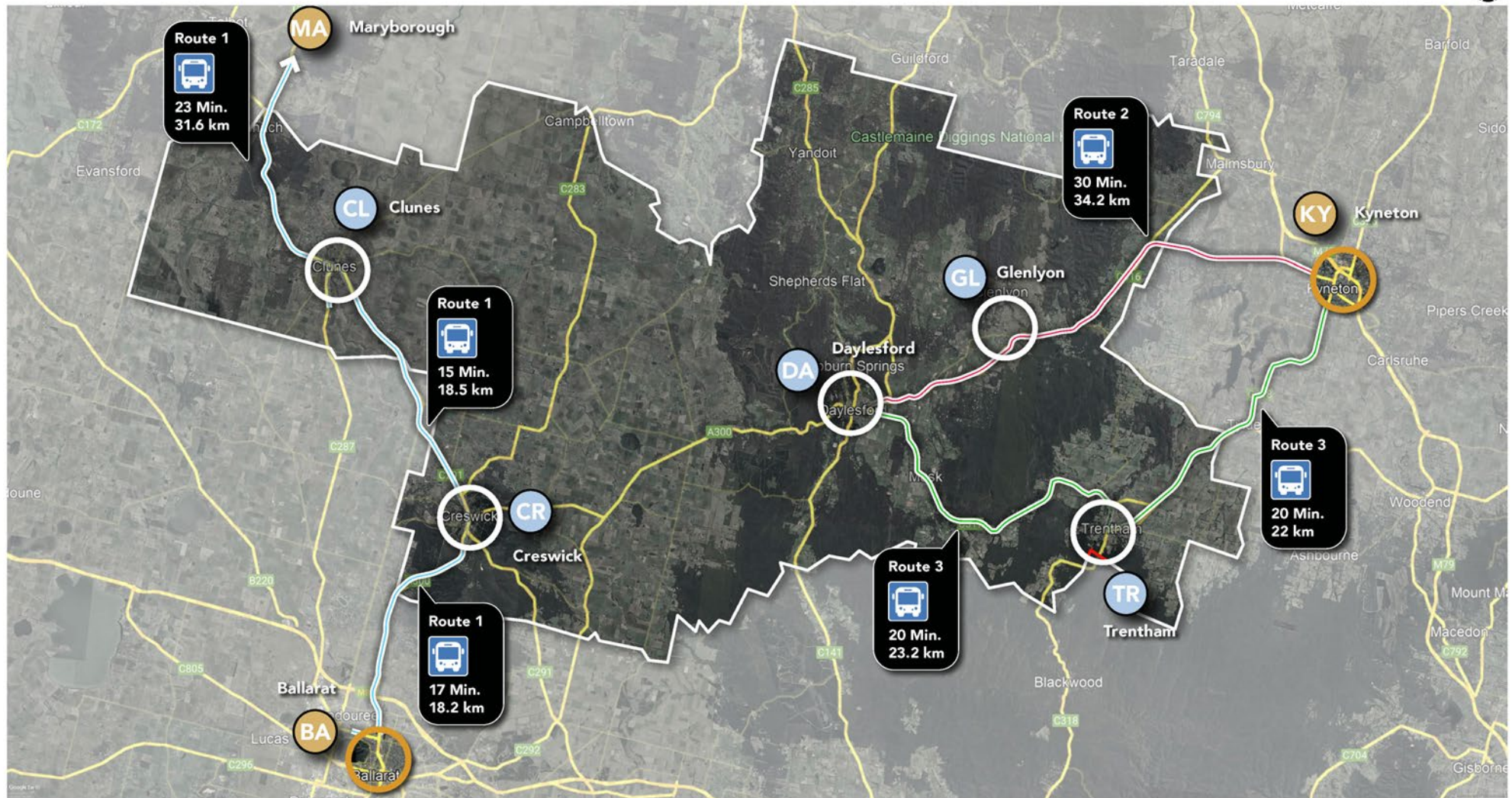
Option: B

Develop and enhance transport options to current facilities.

Description:

- Three dedicated bus loops.
- Two for each of the proximal indoor aquatics facilities and the adjacent segments of the Hepburn Shire Community.

Route Plan



Option: B

Develop and enhance transport options to current facilities.

Example Bus Route Timetables

Route 1

Clunes to Ballarat Aquatic Centre



MONDAY & SATURDAY

Maryborough	Clunes	Creswick	Ballarat	
*7.30 am	8.00 am	8.20 am	8.45 am	(9.00am lesson / Session)
*11.30 am	12.00 pm	12.20 pm	12.45 pm	(1.00 pm lesson / Session)
*3.30 pm	4.00 pm	4.20 pm	4.45 pm	(5.00pm lesson / Session)

* Optional extension to bus route.

Considerations:

- This transport option has not been undertaken by specialist integrated transport planners.
- Three dedicated bus loops indicated with an optional extension for Maryborough.
- Requires coordinations with specific Aquatics Facilities.
- Bus timetable is for illustrative purposes only.

Ballarat Aquatic Centre to Clunes



Ballarat	Creswick	Clunes	Maryborough
10.15 am	10.40 am	11.00 am	*11.30 am
2.15 pm	2.40 pm	3.00 pm	*3.30 pm
6.15 pm	6.40 pm	7.00 pm	*7.30 pm

* Optional extension to bus route.

MONDAY & SATURDAY

Route 2

Daylesford to Kyneton Toyota Sports & Aquatic Centre (Via Glenlyon)



FRIDAY

Daylesford	Glenlyon	Kyneton	
8.00 am	8.15 am	8.40 am	(9.00am lesson / Session)
12.00 pm	12.15 pm	12.40 pm	(1.00 pm lesson / Session)
4.00 pm	4.15 pm	4.40 pm	(5.00pm lesson / Session)

Kyneton Toyota Sports & Aquatic Centre to Daylesford



Kyneton	Glenlyon	Daylesford
10.15 am	10.40 am	10.55 am
2.15 pm	2.40 pm	2.55 pm
6.15 pm	6.40 pm	6.55 pm

FRIDAY

Route 3

Daylesford to Kyneton Toyota Sports & Aquatic Centre (Via Trentham)



WEDNESDAY & SATURDAY

Daylesford	Trentham	Kyneton	
8.00 am	8.25 am	8.50 am	(9.00am lesson / Session)
12.00 pm	12.25 pm	12.50 pm	(1.00 pm lesson / Session)
4.00 pm	4.25 pm	4.50 pm	(5.00pm lesson / Session)

Kyneton Toyota Sports & Aquatic Centre to Daylesford



Kyneton	Trentham	Daylesford
10.15 am	10.40 am	11.05 am
2.15 pm	2.40 pm	3.05 pm
6.15 pm	6.40 pm	7.05 pm

WEDNESDAY & SATURDAY

Option: C

Upgrade/enclose and existing aquatics facility

Description:

- Redevelopment project located at the Daylesford Community Pool.

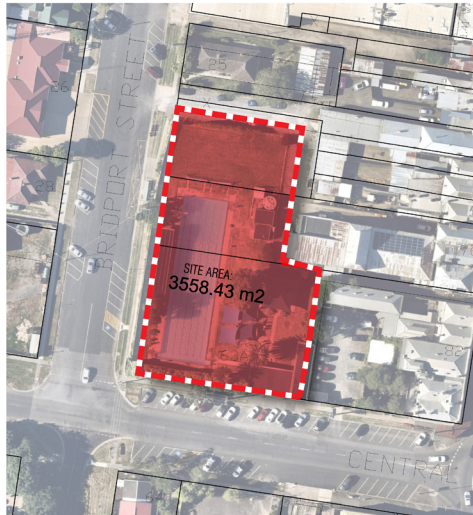
Shire Location Map



SUBJECT LOCATION

SUBJECT AREA

Subject Site Location



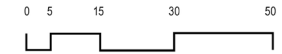
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Concept Plan



Scale: 1:1000



LEGEND

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Option C: Upgrade/enclose an existing aquatics facility

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<ul style="list-style-type: none"> Each of the three existing outdoor pools were considered as options. Daylesford was selected as it will service the largest population of the existing facilities. The design allows for 800m2 of aquatics spaces, maintaining a 25m outdoor pool, two heated indoor pools with changerooms and reception. Assumption this option can capture 100% of the catchment, there is still a shortfall in patronage based on industry benchmarks. Implications for selecting this option: <ul style="list-style-type: none"> Halting planned works for Daylesford Pool to re-focus on this development. Testing community support. Completing detailed design and development planning – including functions beyond indoor aquatics and integrating the plant room within the new building structure. Seeking financial support/grants. Considering longer-term opportunities to complete similar projects at Trentham and Clunes (TBC). 	<table border="1"> <thead> <tr> <th colspan="2" style="background-color: #0070C0; color: white;">Community Aquatics Usage</th> </tr> </thead> <tbody> <tr> <td colspan="2">Patrons</td> </tr> <tr> <td>20-minute Population Catchment</td> <td>8,738</td> </tr> <tr> <td>Share of Catchment/Capacity</td> <td>100%</td> </tr> <tr> <td>Patrons/population (14 years and under)</td> <td>34%</td> </tr> <tr> <td>Patrons/population (15 years and over)</td> <td>16%</td> </tr> <tr> <td>Patrons - 14 years and under</td> <td>416</td> </tr> <tr> <td>Patrons - 15 years and over</td> <td>1,202</td> </tr> <tr> <td colspan="2">Visitation</td> </tr> <tr> <td>Weekly Lessons</td> <td>287</td> </tr> <tr> <td>Weekly Lap Swimming Patrons</td> <td>957</td> </tr> <tr> <td>Weekly General Admissions</td> <td>109</td> </tr> <tr> <td>Average Weekly Visits</td> <td>1,353</td> </tr> <tr> <td>Total Annual Visits</td> <td>70,338</td> </tr> <tr> <td>Industry Benchmark Visits p.a. 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<ul style="list-style-type: none"> This option is favourable based on the site, location and proximity to the major Daylesford town centre. The financial feasibility of this option is negative with a \$21.6 million construction estimate (2030-31) and forecast annual operating losses (\$29,000 p.a.). This option would turn the current ageing, seasonal, zero-revenue facility into a new year-round facility with a small annual operating loss. It is not recommended based on the financial investment/cost-benefit feasibility. 																																																																																																								

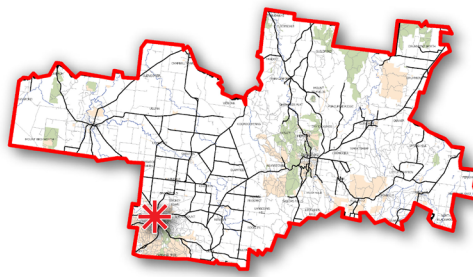
Option: D

New 'minimum viable product' indoor aquatics facility

Description:

- New facility located at Doug Lindsay Reserve, Creswick (TBC).

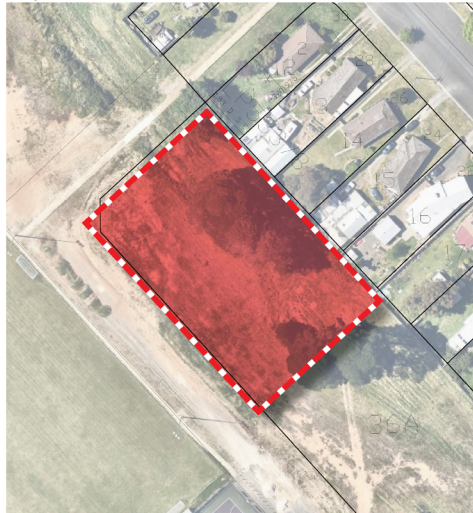
Shire Location Map



SUBJECT LOCATION

SUBJECT AREA

Subject Site Location

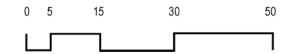


Scale: 1:1500



Concept Plan

Scale: 1:1000



LEGEND

- SUBJECT SITE
- SITE ENTRY
- MAIN BUILDING ENTRY
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Option D: New 'minimum viable product' indoor aquatics facility

Description and Considerations	Community Aquatics Usage	Investment and Financial Feasibility																																																																																																																									
<ul style="list-style-type: none"> Three specific factors influenced the site selected for this option: <ul style="list-style-type: none"> The largest 20-minute population catchment. Avoiding a new facility competing with an existing Hepburn Shire facility. A Council-managed land parcel. The design caters for lap swimming and programs. It allows for 450m2 of aquatics spaces in the form of two heated indoor pools with changerooms and reception. Implications for selecting this option: <ul style="list-style-type: none"> Testing community support. Detailed site planning, investigation and risk assessments. Completing detailed design and development planning – including functions beyond indoor aquatics to enhance the feasibility. Seeking financial support/grants. 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Overall Feasibility Assessment

- This option provides a new, design-efficient and operationally-efficient indoor aquatics facility within the Hepburn Shire community. It's 20-minute population catchment is significantly larger than any options in Daylesford (while still providing comparable access to Hepburn Shire residents).
- This option involves an \$17.5 million construction cost and has forecast annual operating surpluses (\$64,000 p.a.).
- This option does not address the overall operating losses and aging other facilities.
- It is not recommended based on the financial investment/cost-benefit feasibility.**

Option: E

New "optimal" indoor aquatics facility.

Description:

- New facility located at Doug Lindsay Reserve, Creswick (TBC).

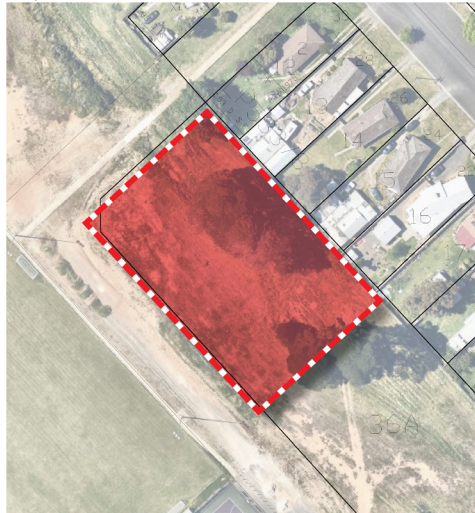
Shire Location Map



SUBJECT LOCATION

SUBJECT AREA

Subject Site Location

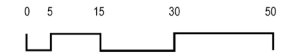


Scale: 1:1500



Concept Plan

Scale: 1:1000



LEGEND

- SUBJECT SITE
- SITE ENTRY
- MAIN BUILDING ENTRY
- PEDESTRIAN ACCESS
- CAR PARK ACCESS
- SENSITIVE INTERFACE
- CAR PARKING
- DDA CAR PARKING
- TREE PLANTING
- SURROUNDING FEATURES
- PASSIVE OPEN SPACE
- PEDESTRIAN CONNECTIONS
- SECONDARY CONNECTIONS
- OTHER CONNECTIONS

Option E: New 'optimal' indoor aquatics facility

Option Analysis and Considerations
<ul style="list-style-type: none"> As per Option D, three specific factors influenced the site selected for this option: <ul style="list-style-type: none"> The largest 20-minute population catchment. Avoiding a new facility competing with an existing Hepburn Shire facility. A Council-managed land parcel. The design allows for 1,100m² of aquatics spaces including three indoor heated indoor pools, indoor multi-purpose room, changerooms and reception. Implications for selecting this option: <ul style="list-style-type: none"> Testing community support. Detailed site planning, investigation and risk assessments. Completing detailed design and development planning – including functions beyond indoor aquatics to enhance the feasibility. Seeking financial support/grants. Considering longer-term feasibility of maintaining all three existing pools – depending on usage comparisons with new facility.

Community Aquatics Usage	
Patrons	
20-minute Population Catchment	37,757
Share of Catchment/Capacity	30%
Patrons/population (14 years and under)	34%
Patrons/population (15 years and over)	16%
Patrons - 14 years and under	1,797
Patrons - 15 years and over	5,195
Visitation	
Weekly Lessons	423
Weekly Lap Swimming Patrons	1,465
Weekly General Admissions	101
Average Weekly Visits	1,990
Total Annual Visits	103,467
Industry Benchmark Visits p.a. (from m ²)	104,500
Comparison with industry benchmark	0.99
Pricing - 14 years and under	
Lessons	\$20.00
Memberships	\$500.00
General Admission	\$5.00
Pricing - 15 years and over	
Lessons	\$20.00
Memberships	\$744.00
General Admission	\$8.50

Investment and Financial Feasibility	
Development Costs	\$,000
Demolition/Site Preparation/Building Fill	\$2,625
Wet Space	\$6,600
Changerooms/Amenities	\$1,593
Entry/Circulation/Reception Area	\$2,813
Plant Room	\$1,200
Landscaping and External Paths/Areas	\$500
Car Parking	\$400
Sub-total	\$15,730
Services/Fit-out/Finishings	\$1,573
Contingencies (30%)	\$4,719
Sub-Total	\$22,022
7.5% p.a. escalation to 2030-31	\$11,965
Indicative Costs	\$33,987
Annual Operating Forecast	
Indicative Operating Revenue	\$1,216
Indicative Operating Expenditure	\$1,199
Indicative Surplus/Deficit	\$18
Investment Ratios	
10-year Accumulative Cash Position	-\$16,848
NPV (over 50 years)	-\$9,909
IRR (over 50 years)	2.3%
Notes	
Annual Revenue Growth (Price/Patrons)	4.5%
Annual Expense Cost Increases	4.0%

Overall Feasibility Assessment

- This is the largest of the aquatic facility options developed. In comparison to the smaller scale Option D, this has a larger construction cost, less efficient operating financial projections and a higher risk profile based on requiring more than double the forecast patron visits.
- The financial feasibility of this option is poor with a \$34.0 million construction estimate with small forecast annual operating surpluses.
- This option does not address the overall operating losses and aging other facilities, is considered too big a facility for the Hepburn Shire and is **not recommended to be pursued**.

Independent Conclusions

Dedicated Indoor Aquatics Provision (Options C, D, E) is Not recommended.

- We believe Council would need to allow for a budget provision of between \$17.5 million and \$34 million of Capital Expenditure within its 10-year financial plan (on top of Option A which is estimated to be \$15.5 million to maintain current facilities), if it is to deliver one of these projects within seven years.
- From an investment perspective the financial feasibility is not considered suitable. However, the benefits of indoor aquatics provision are broad and can cater to the needs of everyone in the community, so there is still consideration for assessing the return (community benefits) on investment of the strategic options, versus other (non-aquatic) investment options and opportunities.

Bus Service (Option B): Recommended as a trial.

- The Bus Service is worth considering and potentially trialing a dedicated bus services on a short-term/trial basis to assess the real level of demand for the services. This could be implemented within the next 12-18 months.
- The Bus service also has the benefit of being integrated with other services outside aquatics facilities.

Aquatics Strategy Priorities (Option A): Recommended.

- Council to consider the “FMG Engineering Investigation Report 2024”, in its implementation of current Aquatics Strategy Strategic Direction 5 Asset Management Plan, to determine the specific initiatives, costs, timeframes and priorities for improving each site.



**Appendix: High-level Financial Feasibility
Comparison and Detailed Planning Considerations.**

Explanation of Indicative Capital Costings

With a conceptual level of design, the most appropriate costing technique is to take the dimensions of each component within the concept designs and multiply them by indicative dollar-per-square-metre rates. Solucio’s indicative rates are based on many inputs (industry benchmarks, recently completed project examples, industry rate guides, case studies, white papers, and existing organisational IP). These are provided on page 30.

Should the concepts progress to a much more detailed level of planning and design (a multi-year process outlined on the following page), a Quantity Surveyor can be engaged to provide a more specific level of costings (the technique is similar however it would go into the different materials and quantities required to build the design). From there, Council may go out to tender with the reference design and receive quotes from contractors who can complete the build/construction. It is only really at this point that costings become accurate.

Given aquatic development projects often take six to eight years to turn soil, we have included a cost escalation/Index of 7.5% p.a. from the 2024-25 indicative costs. For our investment modelling, we have used year six (2029-30) as the low, year seven (2030-31) as the medium, and year eight (2031-32) as the high.

Year	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
Option A	\$16,235,397	\$17,453,051	\$18,762,030	\$20,169,182	\$21,681,871	\$23,308,011	\$25,056,112	\$26,935,321	\$28,955,470	\$31,127,130	\$33,461,665
Option B	-										
Option C	\$14,043,400	\$15,096,655	\$16,228,904	\$17,446,072	\$18,754,527	\$20,161,117	\$21,673,201	\$23,298,691	\$25,046,092	\$26,924,549	\$28,943,891
Option D	\$11,341,400	\$12,192,005	\$13,106,405	\$14,089,386	\$15,146,090	\$16,282,046	\$17,503,200	\$18,815,940	\$20,227,135	\$21,744,171	\$23,374,983
Option E	\$22,022,000	\$23,673,650	\$25,449,174	\$27,357,862	\$29,409,701	\$31,615,429	\$33,986,586	\$36,535,580	\$39,275,749	\$42,221,430	\$45,388,037



Low



Mid



High

Detailed Planning Considerations (should Options C, D or E be chosen)

Tasks to undertake on either of the two subject sites AFTER the feasibility project would be:

- Planning assessment for requirements subject to the planning scheme ordinance. This highlights the specific planning requirements for each development site.
- Title consolidation/subdivision for Daylesford to combine the three titles relative to the site into one.
- Potential subdivision of title parcel in Creswick depending on the planning feedback.

For each site (not exhaustive):

- Title/parcel re establishment survey.
- Full features survey.
- Inground services proofing surveys.
- Geotechnical report to determine soil types.
- Hazardous materials/contamination report.
- Bushfire report for Creswick Site.
- Heritage report for the Daylesford site (we note Daylesford has a heritage control on the parcel of land connected to the current Council offices. It appears to only cover the built form and not the other areas. There are no apparent heritage restrictions on the Creswick Site).
- Arboricultural assessment of each site including flora and fauna study.
- Infrastructure services report (what the requirements may be from a water, sewer and power supply requirement).
- Full building and pool shells fabric condition report for Daylesford.

To assist future concept designs and to be done at time of detailed concept plans:

- Project brief and scope developed from stakeholder/community consultation, Aquatics Strategy and Feasibility/Business Case projects.
- Detailed concept plans from a building designer.
- 3D building images.
- Detailed cost planning report.
- Town planning pathway report.
- DDA and accessibility report from a suitable consultant.
- Certification and AS requirements report from a building surveyor.
- Water Sensitive urban Design report if required.
- Traffic report.
- Waste management report.
- ESD and sustainability report.
- Landscape plan if required.

High-level Option Operational Comparison

This table provides the operating financial forecast for the first full year of operations post delivery/implementation of the option.

Option	A	B	C	D	E
Operating Revenue					
Lessons			\$298,141	\$431,449	\$440,398
Memberships			\$478,468	\$260,911	\$736,201
General Admission			\$43,049	\$7,298	\$39,860
	\$0	\$0	\$819,658	\$699,658	\$1,216,458
Operating Expenditure					
Staff			\$582,400	\$486,400	\$824,000
Aquatic Repairs and Equipment			\$64,000	\$36,000	\$88,000
Aquatic Supplies			\$8,000	\$4,500	\$11,000
Utilities - Gas			\$91,000	\$22,500	\$128,750
Utilities - Electricity			\$27,300	\$22,800	\$38,625
Utilities - Water			\$18,200	\$15,200	\$25,750
Cleaning			\$18,200	\$15,200	\$25,750
Building and Ground Maintenance			\$18,200	\$15,200	\$25,750
IT and Phone			\$9,100	\$7,600	\$12,875
Safety			\$3,640	\$3,040	\$5,150
Other	\$500,000		\$9,100	\$7,600	\$12,875
Bus Hire		\$234,000			
Total Annual Expenditure	\$500,000	\$234,000	\$849,140	\$636,040	\$1,198,525
Operating Surplus/Deficit	-\$500,000	-\$234,000	-\$29,482	\$63,618	\$17,933

High-level Option Operational Comparison

Option	A	B	C	D	E
Annual Ongoing Surplus/Deficit (for each option in isolation)	-\$500,000	-\$234,000	-\$29,482	\$63,618	\$17,933
Overall annual Surplus/Deficit of Aquatic Facilities	-\$500,000	-\$734,000	-\$279,482	-\$436,382	-\$482,067
Notes	All data sourced from Aquatic Strategy. Capital costs adjusted to allow for 7.5% escalation p.a. and 30% contingency.	Annual operating costs of option would be in addition to annual operating costs of the current aquatic facilities.	Baseline capital costs reduced (by 45%) to exclude Daylesford. Overall Annual operating deficit is based on removing the current operating deficit at Daylesford (\$250,000 p.a.) and adding the new operating deficit (\$29,000).	Annual capital costs would be in addition to Option A capital costs. Operating surplus is combined with existing annual operating costs of the current aquatic facilities.	Annual capital costs would be in addition to Option A capital costs. Operating surplus is combined with existing annual operating costs of the current aquatic facilities.



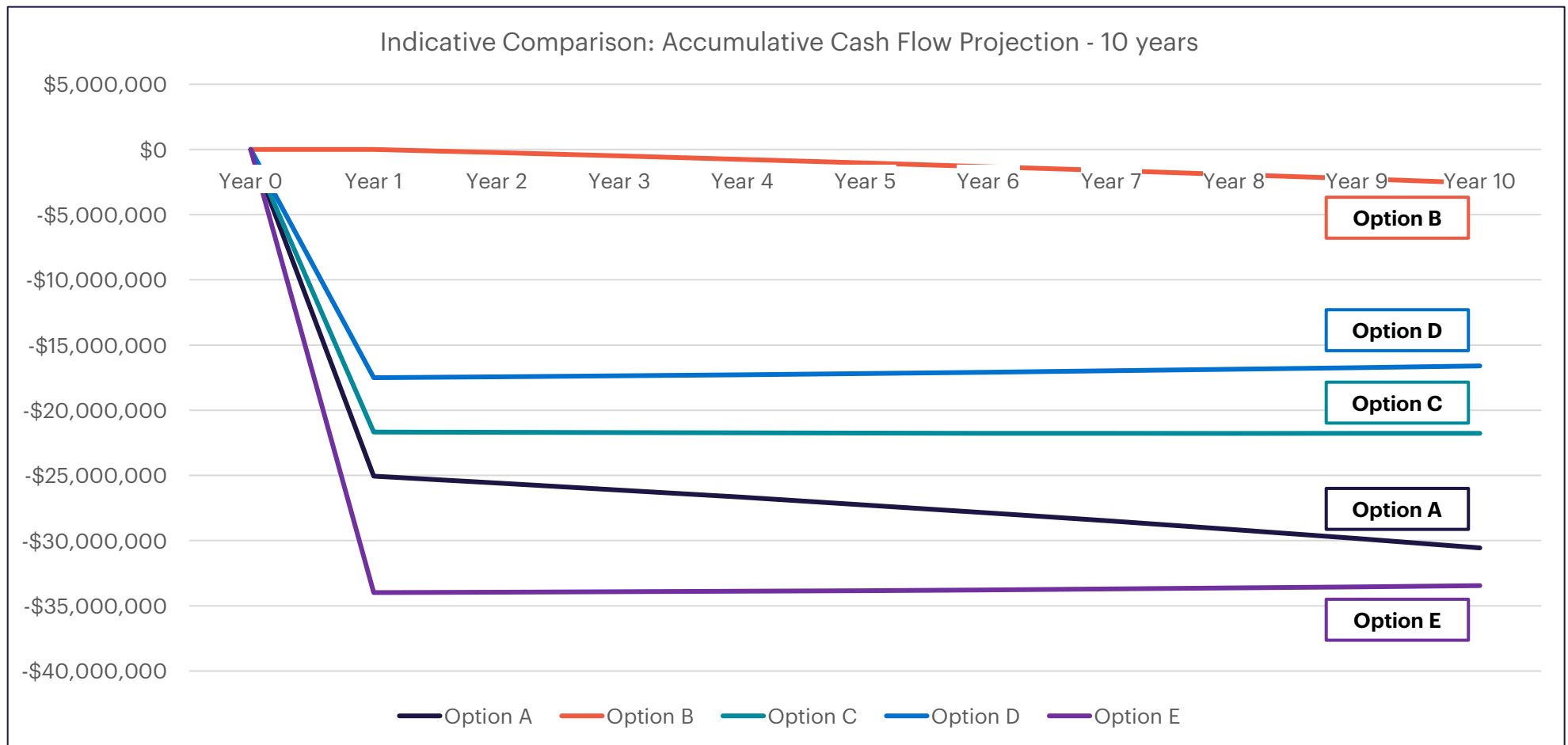
While still not considered financially feasible/sustainable, this option presents the best overall operating forecast for Hepburn Shire.

The following pages provide the overall (Capital and Operational) financial comparisons.

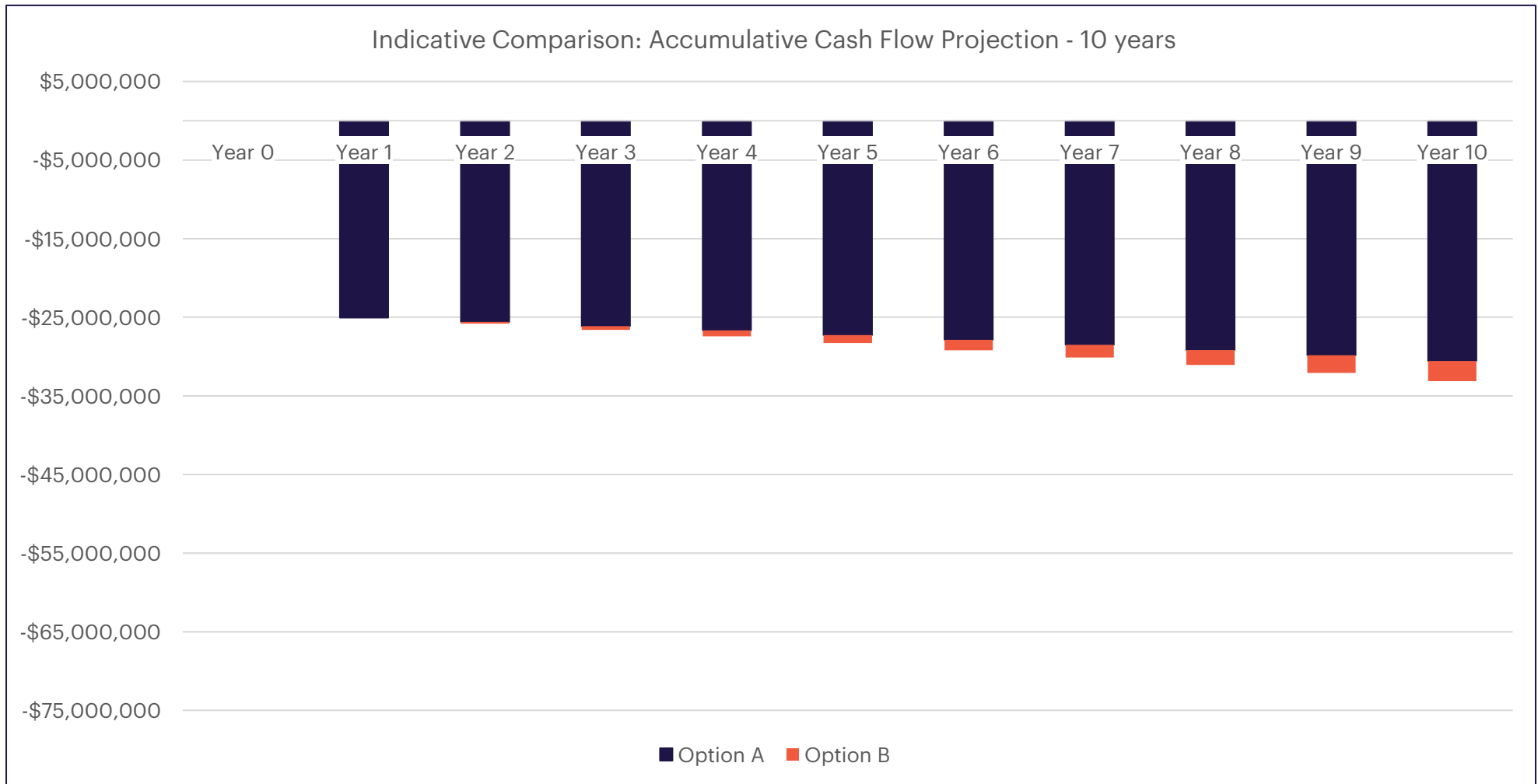
Overall Financial Comparison – Options in Isolation

This chart demonstrates a comparison of the projected cash flows for each of the options in isolation. To ensure comparability, we have shown the capital expenditure for each option in year one with the projected operational impacts over a ten-year period. We have applied 4.5% p.a. revenue growth, and 4% p.a. expense increases.

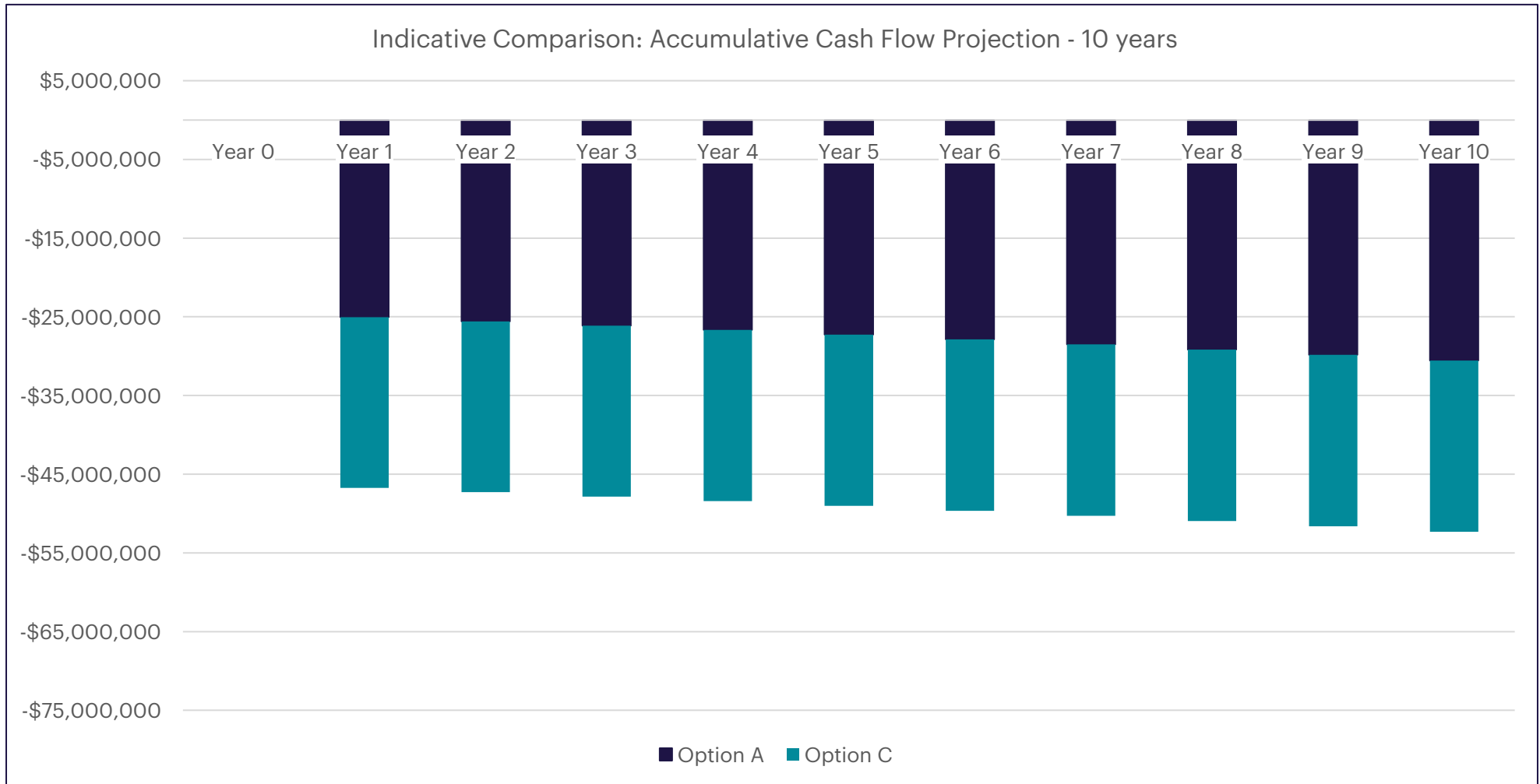
The following pages provide more practical scenarios, demonstrating the financial forecast of implementing the current Aquatics Strategy (Option A) combined with each of the 'new' options (B, C, D and E).



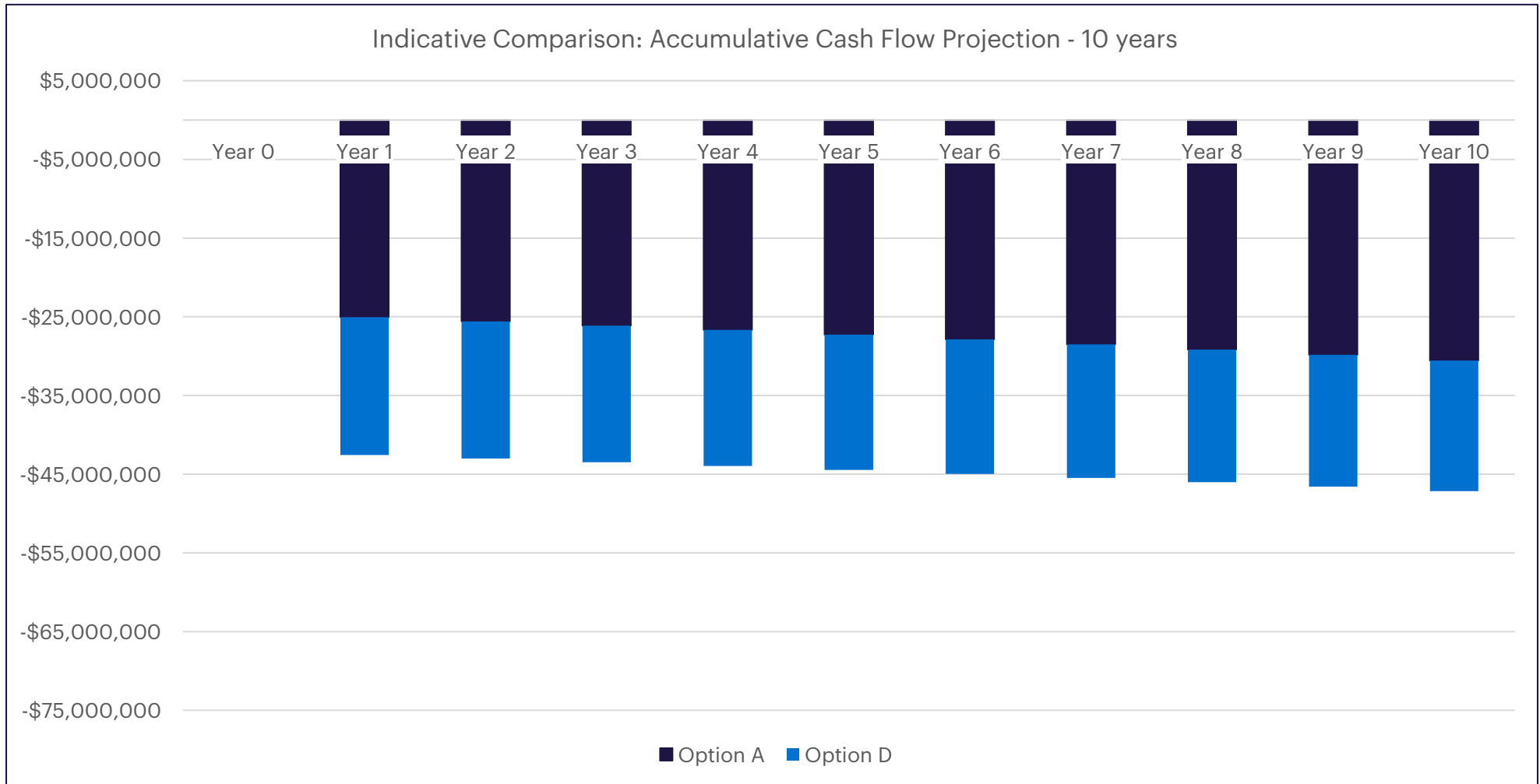
Overall Financial Comparison – Realistic Scenario: Option A+B



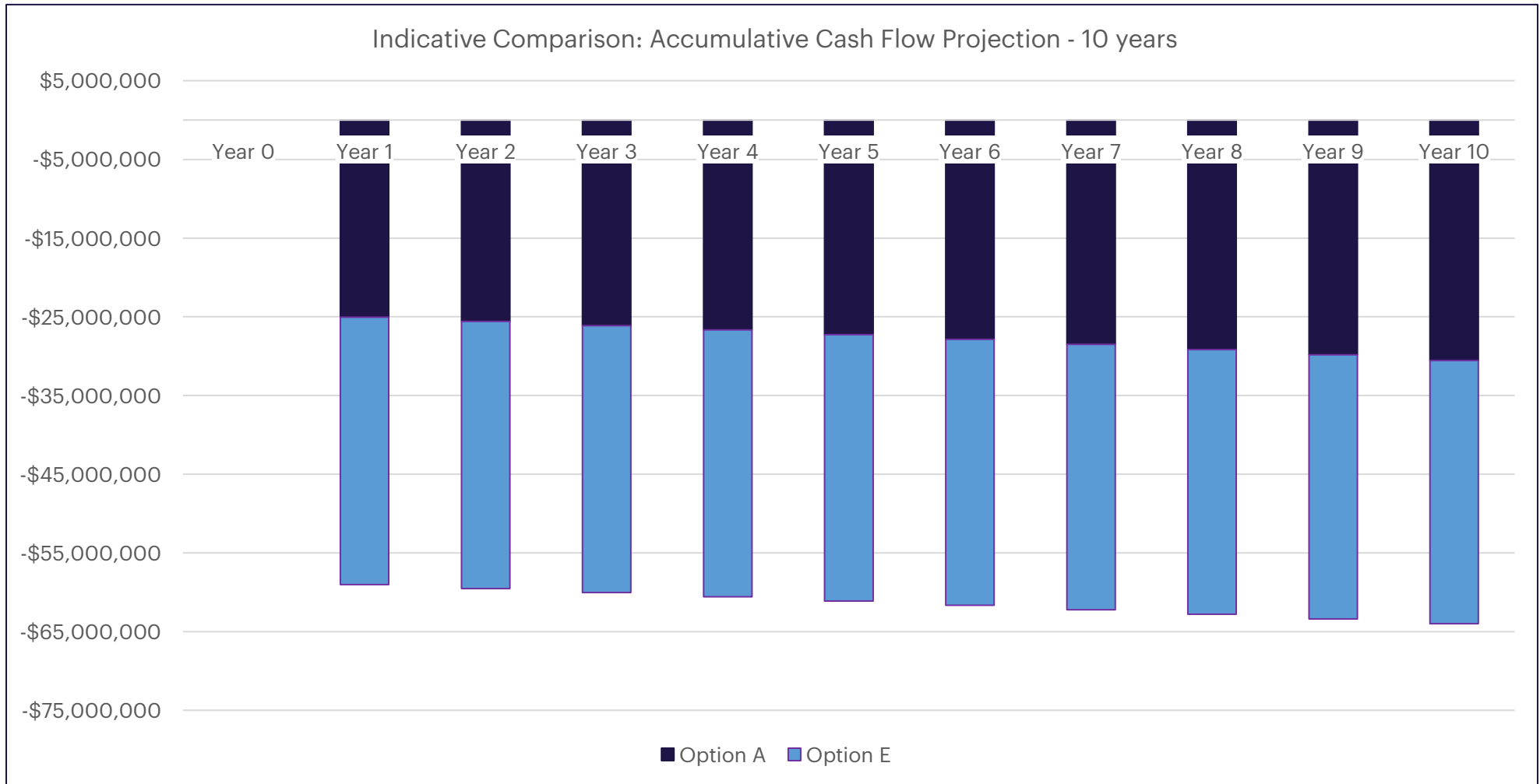
Overall Financial Comparison – Realistic Scenario: Option A+C



Overall Financial Comparison – Realistic Scenario: Option A+D



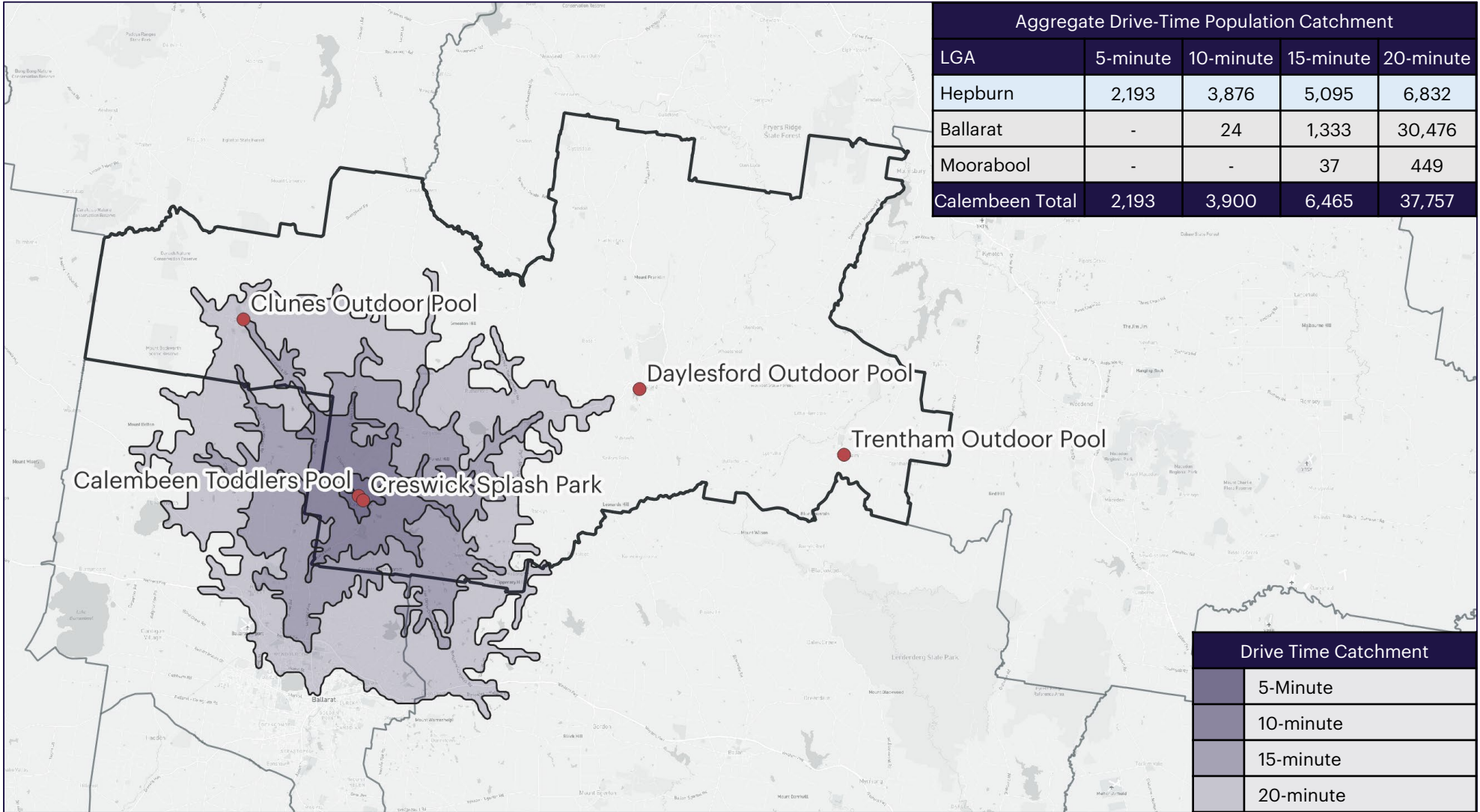
Overall Financial Comparison – Realistic Scenario: Option A+D



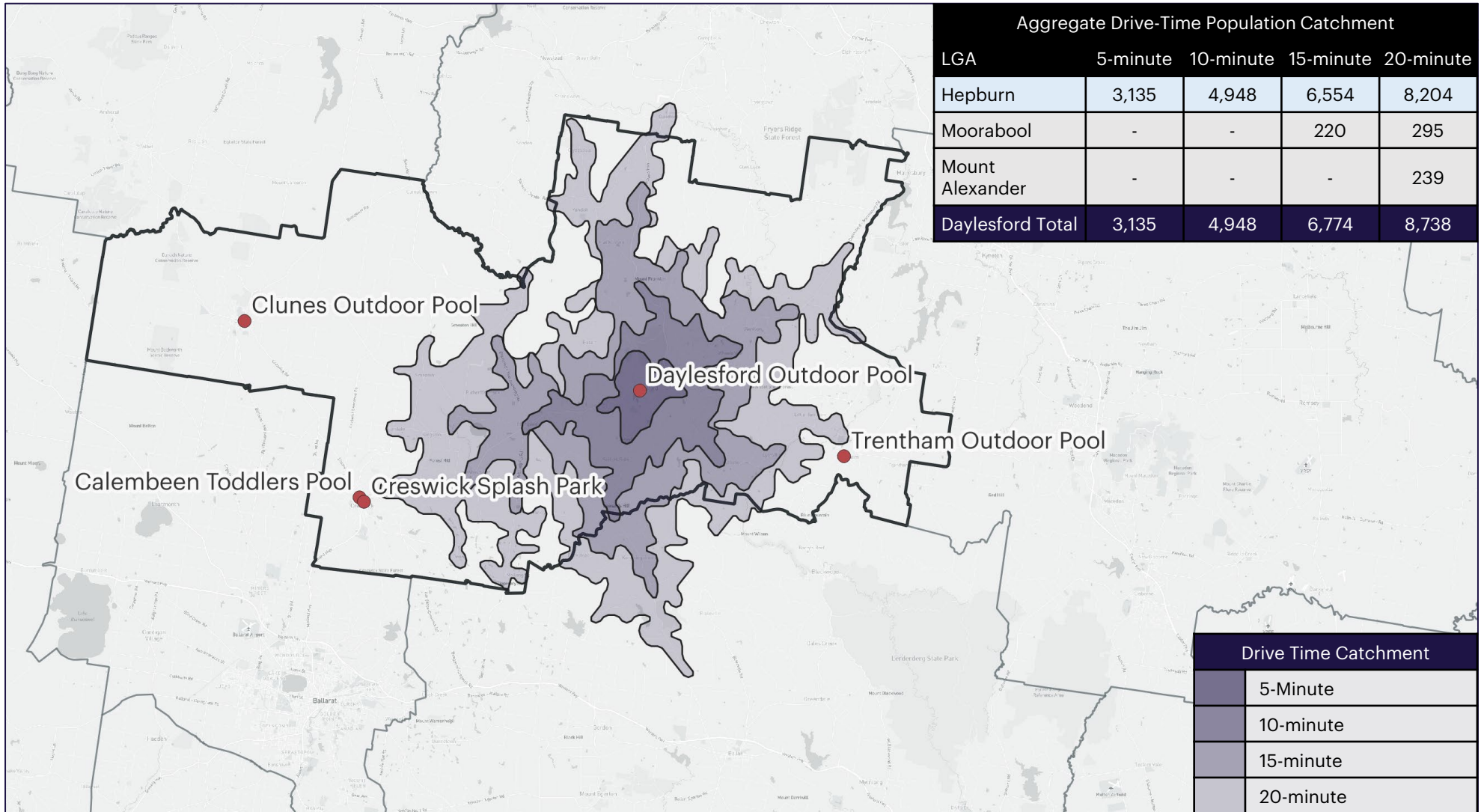


Appendix: Population Catchments

Doug Lindsay Reserve



Daylesford Outdoor Community Pool





Appendix: Patron and Financial Model Inputs/Assumptions and Forecasts

Data and Benchmarks

AusPlay		
Overall Participation (per percentage of population)		
14 and under	34%	AusPlay
15 plus	15.9%	AusPlay
Average number of participation sessions per year		
14 and under	111	AusPlay
15 plus	57	AusPlay
Overall category of participation		
15 plus		
Lap Swimming	61.00%	AusPlay
Open Water	14.00%	AusPlay
Squad/club training	5.00%	AusPlay
Lessons	3.00%	AusPlay
Other	17.00%	AusPlay
14 and under		
Lap Swimming	0.00%	AusPlay
Open Water	0.00%	AusPlay
Squad/club training	15.00%	AusPlay
Lessons	81.00%	AusPlay
Other	4.00%	AusPlay
CERM: Patrons per pool space m2		
Low	70	CERM
Average	85	CERM
High	100	CERM

Hepburn Patronage Model			
Overall Participation (per percentage of population)			
14 and under	34%		
15 plus	16%		
Average number of participation sessions per year			
Scenarios	Low (-15%)	Medium	High (+15%)
14 years and under			
Lessons	42.5	50	57.5
Lap Swimming/ Squad Training	63.75	75	86.25
Other - Play/Recreation/ Aqua-Aerobics	8.5	10	11.5
15 years and over			
Lessons	21.25	25	28.75
Lap Swimming/Squad Training	63.75	75	86.25
Other - Play/Recreation/ Aqua-Aerobics	8.5	10	11.5
Facility/Design-specific patron usage mix			
	Option C	Option D	Option E
14 years and under			
Lessons/classes	50.0%	95.0%	60.0%
Lap Swimming/Squad Training	15.0%	0.0%	15.0%
Other - Play/Recreation/Aqua-Aerobics	35.0%	5.0%	25.0%
15 years and over			
Lessons/classes	15.0%	45.0%	15.0%
Lap Swimming/Training	50.0%	45.0%	60.0%
Other - Play/Recreation/Aqua-Aerobics	35.0%	10.0%	25.0%

Construction Rates

Development Costs					
	Applies to (refer table below for options' areas):	Low (-25%)	Medium	High (+25%)	
Demolition/Site Preparation/Building Fill	Area of site required to be demolished.	563.5	750	938.5	QS Benchmark Rates/m2
Wet Space	Area of new pool/wet spaces.	4501	6,000	7501	QS Benchmark Rates/m2
Changerooms/Amenities	Area of new changerooms.	3413.5	4,550	5688.5	QS Benchmark Rates/m2
Entry/Circulation/Reception Area	Area of new entry/circulation/reception.	1876	2,500	3126	QS Benchmark Rates/m2
Plant Room	Area of new plant room.	4501	6,000	7501	QS Benchmark Rates/m2
Landscaping and External Paths/Areas	Area of new landscaping.	188.5	250	313.5	QS Benchmark Rates/m2
Car Parking	Area of new car parking.	151	200	251	QS Benchmark Rates/m2
Fit-out/Finishings and Service Connections	Sub-total of above costs.	10%	10%	10%	QS Benchmark Rates/m2
Contingencies	Sub-total of above costs.	30%	30%	30%	QS Benchmark Rates/m2

Development Areas	Option C	Option D	Option E
Demolition/Site Preparation/Building Fill	800	1,500	3,500
Wet Space	800	450	1,100
Changerooms/Amenities	220	220	350
Entry/Circulation/Reception Area	800	850	1,125
Plant Room	200	120	200
Landscaping and External Paths/Areas	1,600	1,000	2,000
Car Parking	150	900	2,000

Expenditure

Operating Expenditure p.a. (per total facility m2)				
	Low (-15%)	Medium	High (+15%)	
Staff	\$273.00	\$320.00	\$369.00	Solucio benchmarks/m2
Aquatic Repairs and Equipment*	\$69.00	\$80.00	\$93.00	Solucio benchmarks/m2
Aquatic Supplies*	\$9.50	\$10.00	\$12.50	Solucio benchmarks/m2
Utilities - Gas	\$43.50	\$50.00	\$58.50	Solucio benchmarks/m2
Utilities - Electricity	\$13.80	\$15.00	\$18.30	Solucio benchmarks/m2
Utilities - Water*	\$9.50	\$10.00	\$12.50	Solucio benchmarks/m2
Cleaning	\$9.50	\$10.00	\$12.50	Solucio benchmarks/m2
Building and Ground Maintenance	\$9.50	\$10.00	\$12.50	Solucio benchmarks/m2
IT and Phone	\$5.30	\$5.00	\$6.80	Solucio benchmarks/m2
Safety	\$2.70	\$2.00	\$3.30	Solucio benchmarks/m2
Other	\$5.30	\$5.00	\$6.80	Solucio benchmarks/m2



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