



Waitaki

DISTRICT COUNCIL

TE KAUNIHERA Ā ROHE O WAITAKI

Notice of Meeting of

Council

at the

**Council Chamber, Council HQ
20 Thames Street, Oamaru**

at

9am, Wednesday 29 March 2017

***In the interests of the environment and to help reduce photocopying costs,
please bring your Council agenda with you to the meeting***

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Waitaki District Council Meeting

9 am, Wednesday 29 March 2017
Council Headquarters, Council Chambers
3rd Floor, 20 Thames Street, Oamaru

Apologies

Declarations of Interest

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"That the public be excluded from the following parts of the proceedings of this meeting, namely items 13 - 16.

The general subject of each matter to be considered while the public is excluded; the reasons for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter - Section 48(1)
Public Excluded:	To protect the privacy of natural persons.
<ul style="list-style-type: none"> • Confirmation of Public Excluded Meeting Minutes: Council 15 February 2017 	Section 48(1) (a). (The disclosure of the information would cause unnecessary personal embarrassment to the persons concerned).
<ul style="list-style-type: none"> • Legal Update 	
<ul style="list-style-type: none"> • Recommendation from Executive Committee – 13 March 2017 	To enable the Council to carry out commercial negotiations without prejudice or disadvantage.
<ul style="list-style-type: none"> • CEO Performance Review 2016 	Section 48(1)(a) (Premature disclosure of the information would detrimentally affect the Council's position in the negotiations).

These resolutions are made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of the Act or Section 6 or Section 7 or Section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above (in brackets) with respect to each item."

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|------------|---|---------|
| 13. | Confirmation of Public Excluded Meeting Minutes | |
| | <ul style="list-style-type: none"> • Council 15 February 2017 | 76-78 |
| 14. | Legal Update | |
| | <ul style="list-style-type: none"> • Report and Recommendation | 79-107 |
| 15. | Recommendations from Executive Committee – 13 March 2017 | |
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| 16. | CEO Performance Review 2016 | |
| | <ul style="list-style-type: none"> • Memorandum and Recommendation | 110-139 |

Waitaki District Council

Council

Minutes of a meeting of the Waitaki District Council held in the Empire Room, Oamaru Opera House, Thames Street, Oamaru at 9.00am on Wednesday 15 February 2017

Present Mayor Kircher (Chair), Crs Tavendale, Dawson, Garvan, Holding, Hopkins, Kingan, Percival, Perkins, Wheeler and Wollstein

Apologies

In Attendance Mr Ross (Chief Executive)
Mr Jorgensen (Assets Group Manager)
Dr Cloete (Community Services Group Manager)
Mrs Baillie (Customer Services Group Manager)
Mr Hope (Chief Financial Officer)
Mr Roesler (Policy & Communications Manager)
Mrs Tanner (Policy Officer - Governance)

Declarations of Interest

Mayor Kircher declared an interest in the Observatory Retirement Village Trust agenda item and will not take part in discussions or participate in voting. Mayor Kircher is a Council appointee on the Trust.

1. Public Forum

Mr Michael Douglas O'Brien spoke on his recent experience with Council's building consent process and tabled a copy of background information to his concerns. Mr O'Brien applied for a building consent for recladding a back porch and replacing part of a sub-floor. Mr O'Brien spoke about a lack of consistency and conflicting advice from officers causing him to abandon his plans.

2. Setting Fees under the Food Act 2014 - Submissions

To present for consideration the verbal and non-verbal submissions to Council's Setting Fees under the Food Act 2014 consultation.

Mrs Guyan explained that Council has not been recovering costs for quite some time. With the new legislation it has forced Council to recover costs. Mayor Kircher explained that Council will agree on costs and a system to recover them.

Verbal Submissions

Trish Woods-Whiting (The Galley Café)

Ms Woods-Whiting expressed concern about the proposed large increase in fees. Ms Woods-Whiting explained that such a big fee increase charged each July, could create cash flow difficulties for businesses as this is generally their quiet time.

Liz Moir (Dunback Inn)

Ms Moir was unable to attend the meeting.

Kate Proctor (representing Riverstone Kitchen)

Ms Proctor spoke on behalf of Mr Smith who is unhappy with the proposed fee schedule and feels it is very open ended with little or no transparency regarding the calculation of hours spent on each issue. Mr Smith asks if the fees can be capped. There appears to be several sections in the proposed fee structure document where cost increases are very open ended.

All submissions (including non-verbal) will be considered by Council at their meeting on 29 March 2017.

RESOLVED
WDC17/001

Crs Hopkins/Tavendale
"That Council receives the information."

CARRIED

3. Confirmation of Minutes

RESOLVED
WDC17/002

Crs Tavendale/Kingan
"That Council confirms minutes of 14 December 2016 Extraordinary Council meeting."

CARRIED

4. Mayor's Report

Mayor's report provides comments to bring Councillors and the public up to date with a number of issues that have arisen since the last Council meeting. Some of these include:

Tourism

- There have been many visitors in town, and those in the hospitality and service industries are reporting increases, in spite of the very inconsistent weather.
- One of the less welcome weather events was the bad weather experienced late in January which left Otematata Boat Harbour campground decimated. The usually quiet Otematata Stream runs at less than 10 cumecs, but that night rose to around 500! An amazing amount of water flowed over the state highway bridge and inundated the neighbouring campsite. Thanks to the good work of a number of people, including our camp manager and the local Otematata fire brigade, no one was at risk.
- The business case for the adventure park/zipline project has been completed, and provides some excellent information which indicates the project is feasible. The next stage is to get some of the uncertainties out of the way, and make sure that investors have a more complete picture of what the risks might be.

Property Sales

- It's been as busy as ever with property sales and our team have been working hard to get some of these progressed. It is particularly notable that they have now sold all of the sections at Cirrus Place in Omarama.

Harbour Street

- Council will today be discussing the topic of a potential closure of Harbour Street to traffic, in this instance, a trial closure for weekends over the next couple of months. This is a subject which has always created very mixed reactions. This time though, I think we have the right mix of measures in place, or ready to put in place. We now have record numbers of visitors coming to the area, locals are using Harbour Street in unprecedented numbers, the back lane and Tyne Street are both set out for the trial, and we will be improving access around the area.

Friendly Bay Family Day

- Weather permitting, 26 February will be the day for the second Family Day at the harbour. This year will be even better than last, with live entertainment and more activities. We will also be holding the inaugural Fat Sally's Corporate Paddleboard Challenge, with up to 16 teams competing for some great prizes. Fingers crossed for good weather, and an excellent turnout!

RESOLVED
WDC17/003

Crs Hopkins/Tavendale
"That Council receives the information."

CARRIED

5. 2017/18 Annual Plan Draft Operating Budgets and Proposals

The objective of this report is for Council to agree draft operating budgets and proposals to advance the 2017/18 Annual Plan (AP). The recommendations also direct Council staff on consultation and engagement requirements.

RESOLVED

WDC17/004

Crs Tavendale/Wollstein

"That Council:

1. Agree to Option 1 (clear existing loans for which loan servicing costs are funded on a district-wise basis) as an option for smoothing rates over the next two financial years for inclusion in the draft annual plan.

CARRIED
AGAINST Cr Hopkins

Meeting adjourned at 10.19am and reconvened at 10.42am

RESOLVED

WDC17/005

Crs Hopkins/Tavendale

"That Council:

2. Agrees the proposed changes with amendments to year 3 of the 2015-25 Long Term Plan as a step towards completing the 2017/18 Annual Plan.

CARRIED

RESOLVED

WDC17/006

Crs Hopkins/Wollstein

"That Council:

3. Agrees that the proposed changes to year 3 of the 2015-25 Long Term Plan do not constitute a significant or material difference to year 3 of the 2015-25 Long Term Plan.

CARRIED

RESOLVED

WDC17/007

Crs Dawson/Tavendale

"That Council:

4. Agrees to community and stakeholder consultation and engagement as part of the process of completing and deciding the Annual Plan 2017/18.
5. Directs Council staff to bring the content that will support community consultation to 15 March 2017 Council meeting for approval."

CARRIED

6. Observatory Retirement Village Stage 2 Care Facility Funding

To determine whether Council wishes to make a contribution to Observatory Retirement Village Trust to allow an immediate start to the preliminary work required to consider developing stage 2 of the care facility and to determine if any further action will be taken in relation to the costs of extending Stoke Street.

RESOLVED

WDC17/008

Crs Tavendale/Hopkins

"That Council:

1. Acknowledges the information provided by the Observatory Village Trust on their desire to help address the needs for additional community care beds by investigating and possibly accelerating the stage 2 of their care facility but their limited capacity to respond at this point in time.
2. Approves in principle a donation of \$93,000 to the Observatory Village Trust, funded from the PT Mulligan Pensioner Housing Bequest held by Council, subject to agreement by the relevant executor.
3. Approves a loan to the Observatory Village Trust of up to \$157,000, interest free, to be funded from the Community Housing Reserve.

WDC 15.02.17

4. Acknowledges that further requests may be forthcoming, but that decisions around any other funding to the Observatory Village Trust will be made once the following matters have been completed:
 - a. the supply of supporting information, including a business case or similar confirmation of viability, and any other investigations deemed to be necessary during the review period.
5. Enters into dialogue with other providers of community care beds to determine the number and type of facilities planned for the future, and where the gaps are in our community."

CARRIED

Mayor Kircher did not participate in the debate and abstained from voting

RESOLVED
WDC17/009

Mayor Kircher/Cr Tavendale

"That Council:

1. Agree that the Executive Committee meet with rest home providers within the district as soon as possible to discuss the state of the local industry."

CARRIED

AGAINST Cr Hopkins

RESOLVED
WDC17/010

Crs Hopkins/Perkins

"That Council:

2. Agree that the Executive Committee write a report to be shared with all Councillors within 5 working days on the outcome of the meeting with rest home providers."

CARRIED

7. Recommendations from Ahuriri Community Board Meetings – 12 December 2016 and 30 January 2017

12 December 2016 – Recreation Update

Ahuriri Community Board is concerned about uncontrolled broom in the Ahuriri and Otematata Rivers that may be increasing in density and would like Council to facilitate a plan between relevant land owners and other authorities to control this.

RESOLVED
WDC17/011

Cr Dawson/Mayor Kircher

"That Council:

1. Investigates a joint approach with agencies in conjunction with land owners to tackle the broom/weed problem."

CARRIED

30 January 2017 – Recreation Update

Otematata Tennis Courts Fence

RESOLVED
WDC17/012

Crs Hopkins/Wheeler

"That the Ahuriri Community Board's request for \$5,000 from RMA reserves fund to assist with repairs to the Otematata Tennis Courts fence, be referred to the next Community Services Committee for consideration."

CARRIED

Meeting adjourned for lunch and a workshop at 12.20pm and reconvened at 1.15pm.

8. Recommendation from Assets Committee Meeting – 1 February 2017

Harbour Street: Improvements and Trial Closure

To improve the traffic and pedestrian flow around the Historic Precinct by modifying speed and parking within the general area and prohibiting vehicle access into Harbour Street between 10am and 4pm on weekends, by means of installation of retractable bollards.

RESOLVED

WDC17/013

Crs Kingan/Tavendale

"That Council:

1. Consider the design and installation of the new footpath and retractable bollards.
2. Adopt the proposal to construct a raised pedestrian crossing.
3. Adopt Back Lane improvements.
4. Adopt a trial closure of Harbour Street."

CARRIED

9. Regional Transportation Committee: Programme Update and Matters Arising

It is proposed that Council reviews the key matters from the RTC Agenda document 1 December 2016. This report condenses the RTC agenda for the purposes of simplicity. Objective of this decision is to provide direction to the Regional Transportation Committee (RTC) about Waitaki District Council's aspirations for the RLTP and promote discussion for inclusion of proposals into the RLTP for 2018-21.

RESOLVED

WDC17/014

Crs Hopkins/Percival

"That Council:

1. Receives the information.
2. Receives the matters as noted be reviewed and direction for the combined Environment Southland and Otago Regional Council Regional Land Transport Plan (RLTP) Programme including:
 - a. Additional items for Programme;
 - b. Consideration regarding the implications for regional governance of cycle trails."

CARRIED

10. Waitaki District Council – Local Governance Statement 2016

The purpose of this report is to present Council with the 2016 Local Governance Statement. The Statement sets out information regarding Council and is a requirement under the Local Government Act 2002.

RESOLVED

WDC17/015

Crs Hopkins/Wollstein

"That Council adopts the Waitaki District Council Local Governance Statement 2016 as attached, with amendments."

CARRIED

11. Waitaki District Council – Elected Members Code of Conduct 2016

The appended Code of Conduct was updated by Local Government New Zealand (LGNZ) in October 2016. It provides guidance on the standards of behaviour that are expected from Mayor and elected members of the Waitaki District Council.

RESOLVED

WDC17/016

Cr Hopkins/Mayor Kircher

"That Council adopt the attached draft Waitaki District Council – Elected Members Code of Conduct 2016 with amendments. The appended Code of Conduct was updated by Local Government New Zealand (LGNZ) in October 2016."

CARRIED

12. Macraes Community Development Trust – Appointment of a Trustee

To appoint a Waitaki District Council representative as a Trustee on the Macraes Community Development Trust (MCDT) as permitted under Clause 14.1(d) of the Trust Deed.

RESOLVED
WDC17/017

Crs Wheeler/Wollstein
"That Council appoints Mrs Kathy Dennison, Chair of the Waihemo Community Board as a Trustee on the Macraes Community Development Trust."

CARRIED

13. Triennial Agreements 2016-19

The objective of this report is for Council to approve the Canterbury and Otago local authorities Triennial Agreements as required under Section 15 of the Local Government Act 2002.

RESOLVED
WDC17/018

Crs Hopkins/Dawson
"That Council:
1. Approves the Canterbury local authorities Triennial Agreement.
2. Notes the 'Charter of Purpose' for the Canterbury Mayoral Forum.
3. Approves the Otago local authorities Triennial Agreement.
4. Invites Mayor Kircher to sign the Canterbury and Otago 2017-19 Triennial Agreements on behalf of Council."

CARRIED

14. Otematata Boat Harbour Repairs

To enable work to take place at the Otematata Boat Harbour to repair damage caused by 22 January 2017 flash flood event.

RESOLVED
WDC17/019

Crs Dawson/Hopkins
"That Council agrees:
1. To fund up to \$60,000 for repairs to boat ramp and channel with \$20,000 to come from the Boat Ramp Reserve, \$20,000 from Council's self-insurance fund, \$20,000 from Council's Disaster Fund and up to \$40,000 from the Lakes Camping Rate Surplus for Flood protection work."

CARRIED

15. Options for RSA Building

To determine if Council wishes to continue to negotiate a commercial lease for the RSA with an interested party or investigate other options for use of the RSA building. As well as update the community in a public meeting on what the direction Council is considering for future use of the RSA building.

RESOLVED
WDC17/020

Crs Garvan/Tavendale
"That Council agree:
1. The RSA building is redeveloped, including the addition of a new wing for a total budget of \$4m and on condition that:
a. A commercial lease for a minimum of 10 years is negotiated and signed with an interested party prior to upgrading works.
b. That funding is sourced from endowment and/or reserve funds.
c. The funds used provide an equal or better return that they do in their current investment.
d. The return on investment be expected to improve over time."

WDC 15.02.17

- e. Details of the lease be discussed in public excluded, due to commercial sensitivities.
2. A press release is issued advising the public of the decisions made, once any lease is negotiated and signed."

CARRIED

AGAINST Crs Wheeler/Hopkins & Percival

- AMENDMENT Crs Perkins/Wheeler
"That Council agree:
1. The RSA building is redeveloped, including the addition of a new wing for a total budget of \$4m and on condition that:
 - c. The funds used provide a return that adequately reflects the risks inherent in investing in developing a commercial property."
- LOST

- AMENDMENT Crs Perkins/Wheeler
"That Council agree:
1. The RSA building is redeveloped, including the addition of a new wing for a total budget of \$4m and on condition that:
 - d. The lease includes provision for annual Consumer Price Index increases in rent, and a hard ratchet clause to prevent the rent falling when a market level review takes place."
- LOST

Meeting adjourned at 3.18pm and reconvened at 3.30pm.

Agenda item: 'Adoption of Standing Orders 2016-2019' deferred to 29 March Council meeting.

RESOLVED
WDC17/021

- Crs Hopkins/Dawson
"That the public be excluded from the following part of the proceedings of this meeting, namely:
- Itchen Street Lease
 - 12 Ranfurly Street, Kurow
 - Recommendation from Assets Committee meeting – 1 February 2017
 - Landfill Closure Charges
 - Oamaru Whitestone Civic Trust – Trustee Appointments
 - Appointment to Community House Trust
 - Urgent item – CEO Recruitment."

CARRIED

"The general subject of each matter to be considered while the public is excluded; the reasons for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter - Section 48(1)
Public Excluded:	
<ul style="list-style-type: none"> • Itchen Street Lease • 12 Ranfurly Street, Kurow • Landfill Closure Charges • Oamaru Whitestone Civic Trust – Trustee Appointments • Appointment to Community House Trust • Urgent Item – CEO Recruitment 	<p>To protect the privacy of natural persons. Section 48(1)(a) (The disclosure of the information would cause unnecessary personal embarrassment to the persons concerned).</p> <p>To enable the Council to carry out commercial negotiations without prejudice or disadvantage. Section 48(1)(a) (Premature disclosure of the information would detrimentally affect the Council's position in the negotiations).</p>

These resolutions are made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of the Act or Section 6 or Section 7 or Section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above (in brackets) with respect to each item."

Refer to Public Excluded Minutes

RESOLVED
WDC17/033

Crs Dawson/Garvan

"That Council resumes in open meeting and decisions made in public excluded session are confirmed and made public as and when required and considered."

CARRIED

There being no further business the Chairman declared the meeting closed at 5.14pm.

Confirmed on this 29th day of March 2017 at Waitaki District Council Chambers, Oamaru.

Mayor Kircher

Waitaki District Council

Extraordinary Council

Minutes of a meeting of the Waitaki District Council held in the Council Chamber, Council Headquarters, Thames Street, Oamaru at 9.00am on Wednesday 15 March 2017

Present	Mayor Kircher (Chair), Crs Tavendale, Dawson, Garvan, Holding, Hopkins, Kingan, Perkins, Wheeler and Wollstein
Apologies	Cr Percival
In Attendance	Mr Ross (Chief Executive) Mr Jorgensen (Assets Group Manager) Dr Cloete (Community Services Group Manager) Mrs Baillie (Customer Services Group Manager) Mr Hope (Chief Financial Officer) Mr Roesler (Policy & Communications Manager) Mrs Finnerty (Committee Secretary)

Declarations of Interest

Apologies

RESOLVED Cr Kingan/Tavendale
WDC17/034 "That apology for absence be accepted from Cr Percival".

CARRIED

Item not on the Agenda

The Chair explained, in accordance with Standing Order 3.7.5, the reason for the late paper and why the discussion could not be delayed until a subsequent meeting.

RESOLVED
WDC17/035 Crs Hopkins/Tavendale
"That the Council agrees to consider the late report Forrester Lane Way Long Lunch – Liquor Ban Exemption as part of the 15 March 2017 Council meeting agenda."

CARRIED

1. 2017/18 Annual Plan Community Engagement

The objective of this report is for Council to enable staff to begin the community feedback process for the 2017/18 Annual Plan.

RESOLVED
WDC17/036 Crs Dawson/Hopkins
"The Council:

1. Notes the Community Engagement Plan (attachment 1) and the options available to the Council
2. Agrees the approach for community engagement as detailed in the Community Engagement Plan (attachment 1)
3. Agrees the consultation content subject to any changes identified during the 15 March 2017 meeting (attachment 2)

WDC 15.02.17

4. Delegates to the Communication Portfolio the ability to approve any refinement to the consultation material based on the 15 March 2017 Council meeting feedback.

CARRIED

2. Section 17A Review – Phase II

Section 17A of the Local Government Act 2002 requires all councils to undertake reviews of the cost-effectiveness of current arrangements for delivering services unless a legal or cost-benefit exemption applies. The first reviews must be completed by August 2017.

Reviews must consider specific options which would involve one or more other councils, including jointly owned council controlled organisations (CCOs) or shared services arrangements. This is one reason the Otago Mayoral Forum resolved in November 2016 to coordinate service reviews across the six Otago councils, including the Otago Regional Council.

A high-level review provided to the Otago Mayoral Forum recommended conducting detailed reviews of three regional activity groups, namely Solid Waste, Waterways and Harbours, and Regulatory Services, as the regional benefits of these detailed reviews had a strong potential to exceed the costs of review. It was also recommended that further assessment of the potential regional benefits for two activity groups namely Three Waters and Land Transport be undertaken. A regional review of Civil Defence and Emergency Management was separately concluded.

The Otago Mayoral Forum accepted these recommendations on 11 November 2016. It is recommended that each Otago council now confirm or decline to participate in the recommended detailed regional reviews. It is also recommended each council consider whether any further reviews will be undertaken independently before August 2017.

RESOLVED

WDC17/037

Crs Hopkins/Wollstein

"That Council:

- 1 **Approves** the Council's participation in detailed regional service reviews of Solid Waste, Regulatory Services and Waterways and Harbours under section 17A(1) of the Local Government Act 2002.
- 2 **Notes** that a number of other potential future reviews have been identified and that further assessment of the potential regional benefits of reviews of Three Waters and Land Transport will be undertaken.
- 3 **Decides** not to conduct any other reviews under section 17A(1) of the Local Government Act 2002 before August 2017, for the reason in section 17A(3)(b) of the Local Government Act 2002.
- 4 Notes that the Waitaki District Council funding contribution to this collaborative review is relatively minor and will be met from the existing consultancy budget."

CARRIED

3. RMA Delegation

A delegation to staff is required to resolve the Oceana Gold Ltd, Coronation North appeals through a consent order.

RESOLVED

WDC17/038

Crs Hopkins/Wollstein

"That Council delegate to the Planning Manager the power to resolve the two appeals lodged to the Oceana Gold Ltd Coronation North consents."

CARRIED

4. Forrester Lane Way Long Lunch – Liquor Ban Exemption

To enable a fundraising event to take place in Harbour Street under the terms and conditions of the current alcohol license for Sally Anne Donnelly.

RESOLVED
WDC17/039

Crs Tavendale/Hopkins

"The Council:

1. Approves the temporary exemption of the Liquor Ban for the Forrester Lane Way Long Lunch in Harbour Street 1 April 2017, 11.30am – 4.30pm.
2. Notes that as per the Liquor Ban bylaw this will be publicly notified at least 14 days before the event."

CARRIED

There being no further business the Chairman declared the meeting closed at 9.30am.

Confirmed on this 29th day of March 2017 at Waitaki District Council Chambers, Oamaru.

Mayor Kircher

Waitaki District Council Memorandum

From Mayor Gary Kircher

Date 29 March 2017

Mayor's Report

Recommendation

That Council receives the information.

Purpose

The following comments are provided to bring Councillors and the public up to date with a number of issues that have arisen since the last Council meeting.

What's been happening?

The year is ticking along at a great rate, as we spend our time on numerous projects and dealing with the occasional issue. The kids' bike park in the harbour area is now open, following two years of promoting the idea and gaining support. It will add significantly to the area as a facility that many youngsters can enjoy at the same time. We have also made good progress on the HamNak pipeline project, and the roading team have completed their re-tender of the roading maintenance contract.

The RSA building proposal has taken up its share of our time, with the Courthouse project in the background but also making progress. I hope that we can get costs for the Courthouse confirmed within the next two months, and conclude our negotiations with the Ministry. That would improve the likelihood of court services being back in the building before Christmas this year.

Our Annual Plan also continues on track to meet timeframes and Councillors' expectations. The need for our District Plan review is becoming more and more obvious as time passes. I have had numerous comments and anecdotes that indicate the review is necessary and changes need to be made, particularly in relation to minimum lot sizes during the subdivision of Rural Residential, and Rural General land. Thankfully we are getting a bit closer to having the reviewed plan ready for public consultation. I have covered off a number of other topics in more detail below.

Chief Executive Recruitment

We have appointed Mike Stenhouse from Sheffield's as our recruitment consultant, and the Councillors and I had a very good initial session with Mike to run through our expectations of the process to be followed, the advertising required, and our respective views on what attributes an ideal candidate might bring to the role. I remain confident that we will have a good level of interest in our CE role, and look forward to getting through the process. At this stage, we are on track to make an appointment in the latter part of June.

The Observatory Retirement Village

As you know, this project is very much a community one – it is set up as a community trust, providing a facility which was deemed to fill a gap in our district, with profits going to benefit the whole community in the form of improved health services. This Council has backed it and we continue to be very supportive of it. It is in this context that I update you on the latest progress for the project.

The retirement village is on track to open in August, with the resthome part of the business starting with what should be a full house, because of the closure of Rendell On Reed which is timed for the same month. Work is progressing as quickly as possible to increase the number of available beds, so we minimise any moving of our older folk to resthomes outside Waitaki.

The trust has also been busy in the other areas of the retirement village as well. With 12 apartments available for occupation from August, the trust has been showing potential clients through them. The list of interested people has been used as the basis for this and priority given to those who indicated particular interest in the apartments. The very good news that I am pleased to share with you is that the response to the apartments has been overwhelming.

It is with great pleasure that I can report that all 12 apartments have been signed up – eight with unconditional contracts and four conditional ones. They are all expected to go unconditional very soon. The purchasers have bought the Occupational Right Agreements for the apartments, to a total of approximately \$3.3m, a hugely encouraging affirmation of the need for such a facility in Waitaki!

There is a second stage planned for the apartments, though the timing of that is yet to be determined and will rely on considerations such as cashflow. But it is a very auspicious start!

A start has also been made on the construction of three 'showhome' villas. There are three designs available, and one of each design is to be built. Interest is also strong in these, with a number of sales being made from the plans. I hope to be able to give a verbal update on this at our meeting. Suffice to say, everyone involved in the project has been overwhelmed by the support of the community for the project. It bodes very well for the future.



Trustees inspect the apartments as they near completion

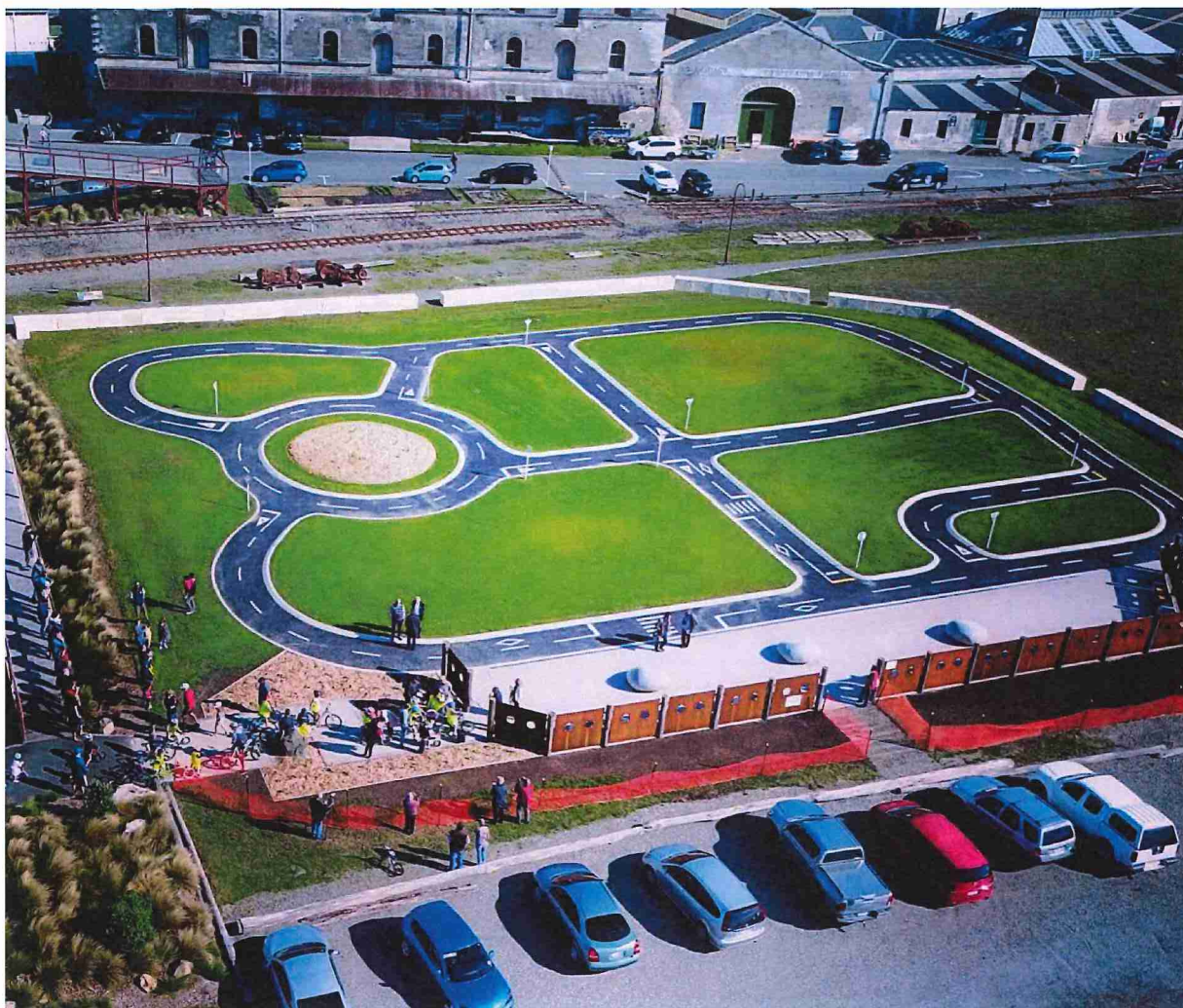
Bike Park

We held the official opening of the bike park on the 18th of March. It has been over two years since I first floated the idea of the bike park on my Mayoral Facebook page, using images of the Napier one. The response then was extremely positive, and every time I have featured the project on my page, it has continued to show excellent support. The opening went very well, with a variety of youngsters using it for the first time.

I want to take the opportunity to thank everyone who worked so hard to make this happen, especially businesses who provided goods and services for free or discounted costs; staff who looked after elements of the project, including Rodger McGaw for the design work and Erik van der Spek for his project management; and to Councillors and the public who provided the support to make it happen! It is an awesome addition to the harbour playground facility. A special mention to the Otago Community Trust for their \$55,000 grant to the project, and to Cr Tavendale who was instrumental in putting together the application and for her involvement in the small project team from the start.

There are still some elements to be completed – the addition of the major play piece in the north-west area, picnic tables and the last of the landscaping (when funding allows). I have also been in discussion with a local business about the sponsorship of a drinking fountain.

It is projects such as this which really add to our goal of Waitaki being a great place to live, and I'm sure there is a bunch of wee kids and their parents who agree with that!



Opening Day!

Harbour Street

We are a month into the trial period and the feedback I have received to date has been positive. We have been closing the road at 10am and reopening it at 4pm. There has been an opportunity to try a number of different things, depending on the weather and the activities in the area. The most common feedback (limited though it is) is that the trial closure has improved business which is obviously what we were expecting. This feedback includes at least one business which was against the closure so I am heartened by their comments. When I asked them what we could do to improve the closure for them, their answer was an unequivocal, "Keep it closed until 6 o'clock!"

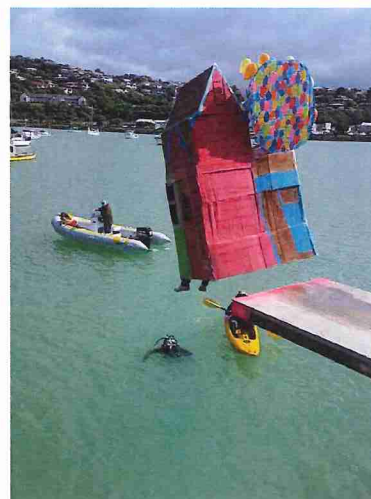
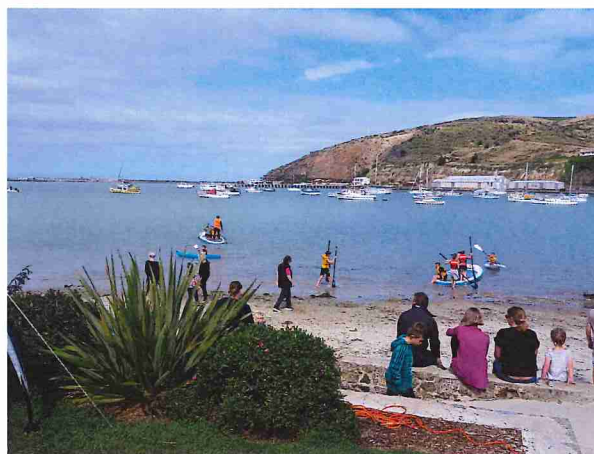
Last weekend, it was raining on Sunday and the forecast was for rain all day. We made the decision to postpone the closure and it stayed open. Although I did overhear some negativity about vehicles in the street, it still allowed businesses to trade well. If the closure becomes a regular event, then we do need to set up some protocols so businesses and the public have a good understanding of what will happen in different circumstances. I would also want us to work on other ways to enhance the environment in the street before any regular closures occurred. We still have some time to go before the trial is completed. At that stage, we will have a debrief with stakeholders and get together the information that we will need to make a good decision.

Friendly Bay Family Day

The day was another success, although it would have been better if the weather had been another 5 degrees warmer. I believe the crowd was a similar size to last year's, although generally families didn't stay for as long. The addition of live music went well, with the frame being used as a stage for the first time. We had attempted to have a corporate challenge using extra-large paddle boards, but a number of teams had to withdraw at the last minute, leaving us with no choice but to cancel that particular event. I still collected the boards from Timaru and there were plenty of kids, and older tourists, who got a lot of enjoyment from them. We are keen to attempt the challenge again next year, with the benefit of greater experience.

Once again, the day's success was largely due to local businesses and individuals getting behind it, and helping to keep it as a free event for everyone. Special mention goes to Cr Holding who spent much of the afternoon in the water looking after children as they enjoyed the giant paddleboards and the kayaks – it was an exceptional effort!

It was great to get feedback from a number of visitors from Dunedin and Timaru who were quite envious of our day, wishing that they had something similar in their hometowns. A start to organising next year's Friendly Bay Family Day has begun already.



Lots of activity at the Friendly Bay Family Day

New Associate Minister for Local Government

I attended an event celebrating the promotion of our local MP, Jacqui Dean, to become a Government Minister. She now holds the roles of Minister of Commerce & Consumer Affairs, Minister for Small Business, Associate Minister for ACC, and Associate Minister for Local Government. It is this last role which is of the most interest to us. Having our local member holding this position gives us the potential to have a more direct link to Parliament.

With her background as a Councillor and past Deputy Mayor of the Waitaki District Council, I believe we have the opportunity to give Mrs Dean a good insight into the current workings, and frustrations, of local government as we struggle at times to work within the legislative restraints that all too often lead to perverse outcomes – those situations where we want to get on and make things more efficient, as central government often wants us to, but cannot because that same body has put restrictions and excessive procedural impediments in the way. I want us to grab the opportunity to reacquaint Mrs Dean with our Council, and show her first-hand how we can work together to improve the situation.



The Hon Jacqui Dean addresses the crowd at her event

Waitaki Sports Awards

Every year, the annual Waitaki Sports Awards impress me with the variety and calibre of our local athletes, and this year was no exception! The supreme Sportsperson Of The Year was Courtney Duncan, a very deserving champion in a field that was very difficult to choose from. I'm just pleased I'm not on that judging panel!

Coach of the Year went to our very own Narcis Gherca, the popular and successful coach of our swimming squad. This is the second year in a row that Narcis has won the award and the continued success of his athletes is something we should all be proud of.

The guest speaker this year was Anna Grimaldi. Anna is a para-athlete and has raised her profile significantly with her gold medal in the Women's long jump at last year's Paralympics in Rio. A very unassuming youngster, Anna spoke well and was truly inspirational. Another truly great Kiwi athlete!



Anna Grimaldi gives her speech



Narcis Gherka receives his award

Katiki Point

As part of the Councillor tour of the southern part of our district, we called into Katiki Point at Moeraki. We got to see first-hand the challenges and opportunity that the area offers. It is the home to a good number of yellow-eyed penguins, and it is about the only place on the mainland where numbers of the penguins are reasonably stable. This is due to the very good work of a group of volunteers, including the hard-working Rosalie Goldsworthy who gave us a tour of the site. It is very clear that the birds' popularity is a major risk to them, and it appears to many of us that the best chance of a sustainable future is to turn that popularity into an advantage. Creating a tourism experience that visitors pay for will provide the necessary funding to help the endangered birds to not just survive, but to increase in number.

We need to continue to use every avenue open to us to get the key parties together. Only then can we make progress. The demands of tourists will only increase, and the pressure on the penguins and the volunteers will only get greater. Let's get it sorted before it is too late.

For more info, see: <http://www.penguins.org.nz/>



Rosalie Goldsworthy points out the penguins (apologies for the photo quality)

Freedom Camping

One of the best presentations at the Rural & Provincial Councils meeting in Wellington on the 16th of March, was given by ex-Mayor of Mackenzie District, Claire Barlow. She was there on behalf of KiwiCamp, along with the man behind the concept, Chris Wagner of Blenheim.

The concept is a part of the solution to the problem many areas face with freedom camping. It uses readily available technology and could change the face of budget tourism in New Zealand. The concept itself is quite simple – visitors use their smart phone, loaded with the Kiwicash app, to pay for services

they use at park-over spots around the country. It is free to park there but the facilities provided are paid for, simply by placing a phone (with Kiwicash app) next to the built-in sensors on the facility.

For example, if someone wants a shower, they can put their phone with loaded app to the shower sensor, and it will give them a pre-set amount of hot water for a set charge. The same applies to hot water for doing dishes, using washing machines, accessing wifi, or whatever else is set up to operate in this way. The basic facilities of toilets, rubbish & recycling are recommended to be free, to ensure they are actually used. The costs of the other services can be set to recover the overall costs of the area.

There is also the ability to control the number of vehicles in a camping area through a barrier arm controlled by the app. If it is set to 25 vehicles, it won't open for the 26th one to come along. This could even allow a camper to drive from the site to a shop, restaurant or other attraction, without losing their space.

This is not a cure for all of the problems associated with camping, but the applications for a district like Waitaki is great! Imagine using this at our lakes camps for added services... An existing holiday park owner could set up a secondary area to operate like this, and actually add to their business. Certainly it is something that I want us to look at more closely. It is a great solution to the problem.

www.kiwicamp.nz
www.kiwicash.nz



Claire Barlow details the concept and its advantages. The technology can be added to existing facilities if required.

The Frame

The frame at Friendly Bay has been getting a lot of use over the summer. Here are a couple of photos taken from the past few weeks:

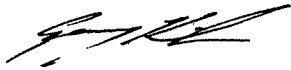


Thank you.

Meetings Attended:

13 February	Meeting with Mayor Damon Odey, Timaru
14 February	Mayor & CEO Catch up
14 February	Meeting with Chris Swan & Helen Algar, WDHSL
14 February	WGHS Excellence assembly
14 February	Meeting with Ray Simpson, NO Recreational Turf Trust
15 February	Council Meeting
15 February	FAR Committee Meeting
15 February	Councillor Briefing
16 February	Meeting with Mayor Bryan Cadogan and James Mather (Mayors' Taskforce for Jobs)
16 February	Meeting with Mike McElhinney, Tourism Waitaki
16 February	Meeting with Clare and Taranaki Smith re water issues
17 February	Meeting with Phoenix Mill Water Wheel Trust
20 February	Mayor & CEO Catch up
20 February	Meeting with Grant Finn, NZ Whisky Co.
20 February	Meeting with Dan Lewis, Radio Waitaki
21 February	Meeting with Mark Rogers, Aoraki Development Trust
21 February	Meeting with Klaus Steiner, Oamaru Lions Club
21 February	Meeting with Don Patterson, Railway Station
21 February	Meeting with OWCT
23 February	Canterbury Mayoral Forum ED Workshop, Christchurch
23 February	Canterbury Mayoral Forum Dinner
24 February	Canterbury Mayoral Forum, Christchurch
24 February	North Otago A&P Show
25 February	North Otago A&P Show Opening
25 February	Celebration Event for Dougal Allen – Challenge Wanaka Record Holder
26 February	Friendly Bay Family Fun Day
27 February	Mayor & CEO Catch-up
27 February	Council Workshop
27 February	Executive Committee Meeting
27 February	Meeting with Peter Scott, Oamaru Rowing Club
28 February	Meeting with Jason Menard, A2O
1 March	FAR Committee Meeting
1 March	Council Workshops
1 March	Councillor Briefing
2 March	Meeting with ORC re harbour activities
3 March	Maheno and Hampden Schools - Visit to Council
3 March	Iona Home Men's Group – Guest Speaker
6 March	The AM Show interview, Timaru
6 March	Southern Rail Campaign Meeting, Timaru
6 March	Waitaki Sports Awards
7 March	Mike Hosking Show Interview
8 March	PortFM Mayoral Musings
8 March	Councillor workshop with recruitment consultant
8 March	Meeting with Otago Regional Transport Committee
9 March	Meeting with Mike Lowe, McBrimar Holdings
9 March	Visit to Iona Home
9 March	Meeting with Mike McElhinney, Tourism Waitaki
12 March	Dr Rawlence talk on rare birds of Waitaki
13 March	Mayor & CEO Catch up
13 March	Council Business Development Workshop
13 March	Executive Committee Meeting
13 March	Citizenship Ceremony
14 March	AAPG Conference Opening, Opera House
14 March	Meeting with Probation Services
14 March	Meeting with Steve Bennett, DIA
14 March	Farewell Dinner for George Berry, WDHSL Chair
15 March	Extraordinary Council and Committee Meetings
15 March	Council Workshops
15 March	Councillor Briefing
16 March	Rural & Provincial Meeting, Wellington
16 March	LGNZ Stakeholder Function, Wellington

17 March	Rural & Provincial Meeting, Wellington
17 March	Cocktail Party, Lions Conference
18 March	Lions Conference Opening
18 March	Kids Bike Park Opening
21 March	Mayor & CEO Catch up
21 March	Phoenix Mill Trust Meeting
21 March	OWCT Meeting



Mayor Gary Kircher

Waitaki District Council

Memorandum

From Chief Executive

Date 29 March 2017

Chief Executive's Report

Recommendation

That Council receives the information.

Purpose

The following comments are provided to bring Councillors up to date with issues that have arisen since the last Council meeting on 15 February 2017. The layout of this report is designed to mirror in part the KPI's set by Council for the CEO. These reflect our key community outcomes. There are also number of the comments are simply reporting back to Council on matters which have arisen over the last few weeks.

1. Affordability

Annual Plan

This process is well underway for our 2017/18 Annual Plan, Council agreed the Community Engagement Plan and the consultation content at their extraordinary meeting on 15 March. At this stage the draft is indicating a rates increase in the area of approximately 1%.

Managing our Internal Debt

This is being managed and reported by our Chief Financial Officer at the Finance, Audit and Risk Committee (FAR) meeting.

Manage Investments

Our cash investments and their returns are reported on at the FAR meeting.

2. Opportunities for new and existing businesses

Regulatory Services

Over the past month we have employed two new administration staff Glenda O'Neill and Monique Hamilton, a third staff member Jessica Mason will start on Monday 27 March (two fixed term and one permanent). This will fully complement our administration team to allow Regulatory Services to deliver critical functions over the next 12 to 18 months. This work includes the implementation of the Food Act 2014 where premises will transition over the next three years, updating over 300 Compliance Schedules for buildings requiring Building of Warrant of Fitness, integrating the inspection of Swimming Pools into our inspection work and recording information on Earthquake Prone Buildings plus assisting other areas of Regulatory Services to improve service delivery.

Alps 2 Ocean

Alps 2 Ocean project team and Joint Committee met with Ministry of Business Innovation and Employment, and New Zealand Cycle Trail in Omarama last month. We discussed the possibility of extending existing funding to include high profile off road sections. The A2O Project Team are also working closely with Department of Conservation to confirm an off road trail route.

Quality Accommodation

We have held a workshop on the Harbour Development Plan and Councillors are clearly keen to advance development in the area. Our Property team will be developing detailed plans to enable a number of projects to move ahead including:-

- Defining the potential site for visitor accommodation on the corner of Arun and Tyne Streets
- Planning a new road connection from Tyne to the Harbour.
- Seeking expressions of interest for the Tyne Streets and Esplanade Corner sites.

Business Visits

Visits have been made this year to Glide Omarama, The Wrinkly Ram, Waitaki Braids Lodge in Kurow and the McKeown Group.

3. Our Distinct Environment is Valued

District Plan Review

Workshops have been held regularly with Council on the review. The latest of these was held on 22 March 2017 and covered Energy and Utilities.

4. We Maintain a Safe Community

Health and Safety

I was pleased to hear from Robert Gonzales that our joint shared arrangement on Health & Safety is working well for both for us and Waitaki District Health Services – so well done Colleen Myers. They are enjoying working together with us on this and through our help – the hospital was able to achieve its ACC Accreditation.

5. Other

Cultural Facility Development

Cultural Facility Development Project Team have put in applications to four major funders and are awaiting the outcomes. These are the Regional Culture and Heritage Facilities Fund (Ministry of Culture and Heritage), Environment and Heritage Fund (Lotteries), Significant Project Fund (Lotteries) and Otago Community Trust. The first community fundraising event, Forrester Laneway Long Lunch, will be held on 1 April (Appendix 1).

There is a paper on this agenda which is seeking Council's formal approval for the revised total value of the project – noting that fund raising activity is hoped to raise more and that our ex rates contribution remains at the original level discussed.

Library set to Re-open.

The Oamaru library is set to reopen on Monday 27 March. An opening is scheduled for 9am with a welcome from Deputy Mayor Melanie Tavendale followed by a karakia lead by Anne Te Maiharoa-Dodds.

The refreshed facility will then be open to the public at 9.30am

Governance Support

Workshops with Community Boards are being planned to assist them with the development of their plans for the current triennium.

HamNak Project

The pipeline contract is currently out for tender. Bids close just prior to Easter – so it will be interesting to see the outcome of this significant project for the community. There has been a good level of interest in this project from potential contractors.

6. Council Controlled Organisations

Omarama Airfield Limited

A decision regarding a new director for OAL is to be made at this meeting. The process once an offer is made - is for the individual to carry-out their own due diligence on the company so as to be able to make an informed decision prior to accepting the offer of a role on the Board.

Waitaki District Health Services

WDHS will be presenting their 6 monthly report to this meeting. They also intend to outline how they see the future of health service delivery out into the community. Chairman Chris Swan and Deputy Chair Helen Algar will be presenting. The Board invited Mayor Kircher and I to attend a dinner to celebrate the service of former Chairman George Berry and to thank him for his nearly 20 years of service. He and his fellow directors have made a major contribution to the success of the company and to some key milestones along the way.

Whitestone Contracting Limited

The company presented its 6 monthly report at our last FAR meeting. It is good to see that their interim profit is on target and that hopefully the company is well positioned to earn a similar amount to last year. It was disappointing that they were not able to get back on to our

road maintenance contract in tier combined bid with Fulton Hogan – however the scoring process involving NZTA and an independent assessor clearly came out in favour of the bid from SouthRoads/Downer.

Tourism Waitaki

The company is in the process of finalising its project down at the penguin colony. Completion of work is now expected in April. Work on Alps2Ocean continues and TW is working with both Waitaki and Mackenzie District Council's in getting the trail firmly on the map and off the State Highway. It was tragic to see a visitor to this country killed in a cycle accident in the State Highway near to the Mt Cook turnoff just 10 days ago. This highlights just how important getting A2O off the highway sections really is. We would hate to have an accident created by road traffic on the trail.

Observatory Retirement Village

Great to hear of the success that the company has had in signing up its apartments and more recently in gaining interest in their villas – which are just beginning construction. As has previously been reported – Council is awaiting with interest the outcome of a new business case to see what may be affordable for the Trust to advance its plans for an additional care wing at the complex. More on this topic will be provided once that information comes to hand.

Councillors met with other service providers on Wednesday 22 March to discuss their views on the market in Waitaki. There is clearly some concern by other aged care facilities in Oamaru about the impact that Observatory Retirement Village may have on their business. The question of balancing the wider needs of the community with those of the existing providers continues to challenge Council.

Rural and Provincial Sector Meeting – Wellington.

Mayor Gary and I attended the above meeting on Thursday/Friday 16/17 March. There was an excellent update from President Yule and CEO Malcolm Alexander. Judge Peter Boshier – Chief Ombudsman outlined his views of the sector and how his office has had to respond more efficiently and effectively to requests in order to reduce the turnaround time for complaints to his office. He has also been a lot more definitive in declining to respond to complaints which appear to have little substance. Ministers Nicky Wagner outlined her priorities for tourism development and the funding to support local government with various infrastructure projects – much of which we already knew about. Lou Sanson Director General of DoC also presented on what DoC was doing with its team in the Tourism space. It was quite alarming to see the growth in numbers on some of the well-known DoC attractions – e.g. the Tongariro Crossing.

Minister Anne Tolley then followed with an update on the Better Local Services Bill. It was good to hear that she is definitely not pushing the amalgamation agenda and was a lot softer than her predecessor on forced CCTO's – which have now been removed from the Bill.

Minister Joyce was the first to address us on the Friday morning – and was upbeat about NZ's place in the world and how we were performing in general. However he was also clear that in order to ensure our international competitiveness – that Local Government had a part to play in ensuring that our processes were as efficient as possible.

7. Meetings Attended

22 February	Waihemo Ward Bus Tour
22 February	Mr Glenn Campbell, CEO, Whitestone Contracting Limited
23 February	Canterbury Mayoral Forum, Christchurch
27 February	Cultural Facility Development Committee Workshop
27 February	Executive Committee Meeting
1 March	Finance, Audit and Risk Committee
1 March	Downer, Open Space Manager
2 March	North Otago Irrigation Company Board meeting
6 March	Southern Rail Campaign meeting, Timaru District Council
7 March	Environment Canterbury, Southern Regional Manager, Tania Harris
8 March	Phil and Tyler Scott – Brewery Lease.
8 March	Otago Regional Transport Committee

9 March	Observatory Retirement Village – walkway easement.
14 March	Tourism Waitaki, Jason Gaskill
15 March	Extraordinary Council and Committee meetings
16/17 March	Rural and Provincial Meeting, Wellington
22 March	Council Workshops



Michael Ross
Chief Executive

Attachment

Forrester Lane Way Long Lunch Poster

FORRESTER LANEWAY LONG LUNCH

WITH BEVAN SMITH AND SALLY ANN DONNELLY



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Waitaki District Council Report

From Committee Secretary

Date 29 March 2017

Recommendation from the Assets Committee Meeting 15 March 2017

1. Waitaki Resource Recovery Trust Redevelopment Funding

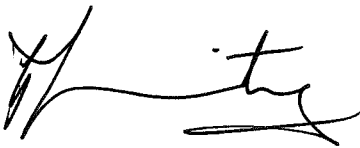
RESOLVED

AC17/010 Crs Tavendale/Garvan

"The Assets Committee recommends that Council:

1. confirms that resolution WDC 16/234 relating to glass noise at the WRRT site, has been met, and
2. approves WRRT's redevelopment plan, and
3. confirms that by meeting resolution WDC 16/234 and approving the redevelopment plan, resolution WDC 16/235 relating to the funding of the WRRT redevelopment has also been met."

CARRIED



Elly Finnerty
Committee Secretary



Lisa Baillie
Customer Services Group Manager

Waitaki District Council Report

From Committee Secretary

Date 29 March 2017

Recommendations from the Community Services Committee Meeting 15 March 2017

1. North Otago Hockey Turf Funding

RESOLVED
CSC17/007

Crs Garvan /Wollstein

"The Committee recommends Council:

1. Direct staff to include \$36,000 in the 2017/18 draft budgets for the North Otago Recreational Turf Trust (NORTT) playing surface replacement project.
2. Notes approval of any contribution to this NORTT project will occur at the 21 June 2017 Council Meeting at which the Annual Plan 2017/18 is adopted.
3. Direct staff to write a letter of support for NORTT application to lotteries for replacement of the playing surface stating that Council is proposing a \$36,000 financial contribution in its Annual Plan consultation."

CARRIED

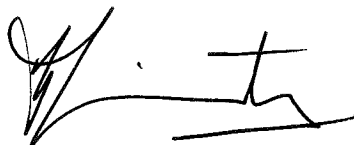
2. Otematata Tennis Court Fence

RESOLVED
CSC17/008

Crs Hopkins/Dawson

"That Committee recommends Council declines to fund \$5,000 from the RMA Fund with the balance of funds required to come from the 'Ahuriri Recreation Reserves Fund."

CARRIED



Elly Finnerty
Committee Secretary



Lisa Baillie
Customer Services Group Manager

Waitaki District Council Report

From Regulatory Services Manager

Date 29 March 2017

Approval of Fees under the Food Act 2014

Recommendation

That Council adopt the proposed fees below under the Food Act 2014 to take effect Monday, 3 April 2017.

Food Act 2014 (Food Control Plan or National Programme)		
New Application	Base fee plus \$155 per hour after first hour	155.00
Renewal		155.00
Amendments	Base fee plus \$155 per hour after first hour	155.00
Verification inspection	Base fee plus \$205 per hour after first hour (Capped at 4 Hours)	205.00
Improvement Notice / Corrective Action		155.00
Re inspection	Base fee plus \$205 per hour after first hour	205.00
Compliance Verification	Base fee plus \$205 per hour after first hour (Capped at 4 Hours) Only charged for verified complaints	205.00
Mentoring service - provider advisement available on request		NA
Food Control Plan		30.00

Objective of the Decision

To approve the fee proposal under the Food Act 2014 (the Act).

Summary

It is proposed that Council approve the fees proposed under the Food Act 2014. New fees will apply for the 2016/17 financial year for businesses transitioning in year one and 2017/18 financial year.

Summary of Decision Making Criteria

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	Yes	Environmental Considerations	No
Legal	Yes	Cultural Considerations	No
Significance	Yes	Social Considerations	No
Financial Criteria	Yes	Economic Considerations	Moderate
Community Views	No	Community Board Views	No
Consultation	Yes	Publicity and Communication	Yes

Background

A proposal for fees under the Food Act 2014 went out for public consultation for two months from 2 December 2016 to 1 February 2017. Consultation documents were hand delivered to food operations along the Main Street and in the Historic area. Others were contacted either by email or mail. The proposed fees are detailed in **appendix 1**.

Eight (8) submissions were received. Due to the low number of submissions an officer contacted sixteen (16) food operators across a range of activities seeking feedback. The general feedback was as follows:

- the document was hard to understand and the timing of the consultation affected their ability to make time to understand it;
- many operations were prepared to accept the proposal as they felt they didn't really have a choice;
- some were happy and wanted to know what the next step in the transition process was.

Of note one operator has entered the Food Sector and gone straight onto a food control plan without prior experience of the Food Hygiene Regulations and found it comprehensive, easy to use and useful.

Submissions were mainly focused on the large increase and the hourly rate model with questions being raised about the potential for cost blow outs. Officers acknowledge that the inclusion of current fees was the most likely reason for confusion as a number of operators were not clear where in the range their existing fees fell.

Summary of submission discussion

Part payment

One submitter thought the increase could be significant. An option discussed was part payment. Under the new Act operators must pay before registration, so if a payment option was arranged it would need to be in advance of the renewal date.

It could be considered that the new fee regime does allow a level of part payment where the application or renewal fee is paid on registration and the verification will be carried out within 12 months.

We are offering an opt-in scheme to better manage the transition particularly for 17/18. This would see registration in advance of March 2018 but verifications at the same time as previously scheduled. So most businesses will have the \$155 renewal fee then the verification fee at a later date.

Although it would not be actively promoted if a business approached Council to consider a part payment option we would work with them to achieve a desirable outcome.

Capped Rate

The Ministry of Primary Industries (MPI) has provided guidance on how long a verification might take. Size and complexity of a business impacts the duration. Most of our verifications would fit in the simple category, small or medium business. Estimated duration for small is 1-3 hours and medium 1-6 hours.

Our environmental health officer is finding most verifications to date are taking 2-3 hours in total. (Inclusive of preparation, inspection and report completed). If a capped option was considered we suggest it should be at four hours as we feel it is unlikely that verifications will extend beyond four hours. **Appendix 2** details costs for food operators if verifications are 1-5 hours.

Fixed Rate

Appendix 3 details current fees against estimated future fees for the food operators that made submissions. Officers have looked at three Councils that have adopted a fixed verification rate. We have compared the costs based on the best information available – this is detailed in **appendix 4** and **appendix 5** provides a summary of those Councils fees.

Overall the proposed fees compare relatively favorably. Our fees may be higher for one operator and lower for another, but overall we fall in the middle.

The proposed hourly rate fee is to recover costs and encourage food operators to be prepared. It means operators managing their operation more effectively should pay less than those that are not.

Summary of Options Considered

Option 1 – Accept the proposed fee model to include a capped rate of four hours for verifications.

Option 2 – Amend the proposed fee model to a fixed rate.

Option 3 – Decline the proposed fee model. If the proposal is declined we will not be in a position to charge fees for premises registered under the Food Act this financial year.

Assessment of Preferred Option

Option 1 is the preferred option. This option is expected to increase revenue from where it has been over the past few years and should enable us to assess our assumptions against the multiple variables within the Act. Verification fees capped at four hours may provide a level of comfort when planning compliance costs.

Having considered the options summarised above, the following conclusions have been reached:

1. A mixed fee model will reflect actual time officers spend with a business.
2. A model that reflects actual time processing or verifying activity is fair and will take into account size and quality of implementation of the food control plan.
3. Verification fees capped at four hours is unlikely to greatly impact our revenue.



Lichelle Guyan
Regulatory Services Manager

Thunes Cloete
Community Services Group Manager

Attachments:

Additional decision making considerations

Appendices

Appendix 1: Proposed fees

Appendix 2: Fee Comparison with Capped Rate Verification

Appendix 3: Fee comparison – Current versus Proposed Fees under the Food Act 2014

Appendix 4: Fee Comparison against fixed verification fee options

Appendix 5: Summary of Fees used for comparison

Additional Decision Making Considerations

The following matters have been considered in making the decisions.

Community Outcomes

We maintain the safest community we can

We keep our district affordable

We provide services so people want to stay and move to Waitaki

We enable opportunities for new and existing businesses

Publicity & Communication Considerations

Officers will work with food operators as they transition to help them understand their requirements and costs.

Appendix 1: Proposed Fees

Food Act 2014 (Food Control Plan or National Programme)		
New Application	Base fee plus \$155 per hour after first hour	155.00
Renewal		155.00
Amendments	Base fee plus \$155 per hour after first hour	155.00
Verification inspection	Base fee plus \$205 per hour after first hour (Capped at 4 Hours)	205.00
Improvement Notice / Corrective Action		155.00
Re inspection	Base fee plus \$205 per hour after first hour	205.00
Compliance Verification	Base fee plus \$205 per hour after first hour (Capped at 4 Hours) Only charged for verified complaints	205.00
Mentoring service - provider advisement available on request		NA
Food Control Plan		30.00

Appendix 2: Fee Comparison with Capped Rate Verification

Verification time	1 Hour	2 hours	3 hours	4 hours	5+hours
Cost	\$205	\$410	\$615	\$820	\$820
Renewal Fee	\$155	\$155	\$155	\$155	\$155
Total	\$360	\$565	\$770	\$975	\$975

Verification time includes preparation, onsite verification and report.
Verification time is charged at 30 minute intervals after the first hour.

Appendix 3: Fee comparison – Current versus Proposed Fees under the Food Act 2014

Food Operator	Current Fees	Food Act 2014	Difference	Percentage
A	\$505	\$667.50*	\$162.50	32%
B	\$390	\$565	\$175	45%
C	\$505	\$462.50*	(\$42.50)	(8.5%)
D	\$160	\$462.50	\$302.50	189%
E	\$610	\$565	(\$45)	(7.5%)
F	\$395	\$462.50	\$67.50	17%
G	\$268	\$462.50	\$194.50	73%

*\$155 renewal fee does not apply until after transition as the business was previously registered under the VIP scheme. This is included in this calculation to give a closer indication of ongoing costs.

Appendix 4: Fee Comparison against fixed verification fee options

This comparison includes annual fees plus one verification

Food Operator	Waitaki	Dunedin	Southland	Timaru (including McKenzie & Waimate)*
A	\$667.50	\$625	\$584	\$555
B	\$565	\$625	\$584	\$535
C	\$462.50	\$625	\$584	\$535
D	\$462.50	\$431	\$292	\$535
E	\$565	\$625	\$584	\$535
F	\$462.50	\$431	\$584	\$580
G	\$462.50	\$431	\$584	\$535

*Travel applies. Yellow highest cost and green lowest cost against those compared.

Appendix 5: Summary of Fees used for comparison

	Application	Renewal	Compliance Monitoring	Verification
Waitaki	\$155 ph	\$155	N/A	\$205 ph
Dunedin	\$155	\$60	\$60pa	\$505 - First audit FCP \$311 – First audit NP \$311 – Class 1 \$505 – Class 2 \$738 – Class 3 \$815 – Class 4
Southland	\$146 ph	\$73	N/A	\$511 - Schedule 1 \$219 – Schedule 2
Timaru	\$150 ph – single site \$225 fixed plus 150 ph Multi site	\$150 – FCP single \$225 - FCP Multi \$200- NP (biannual)	\$75pa – FCP \$150ba - NP	\$300 FCP single site \$300 plus \$150 per hour after 2 hours multi \$150 ph NP*

*Travel

Zone 1 – Timaru \$10 fixed charge per visit

Zone 2 – Mackenzie \$55 fixed charge per visit

Zone 3 – Waimate \$30 fixed charge per visit

Actual costs – 85c per KM plus \$150 per hours staff travel time for validated complaint

Waitaki District Council Report

From Policy and Communications Manager

Date 29 March 2017

Register of Delegations to Elected Members 2017

Recommendations

That Council:

1. Notes the direction provided by the Council at the 22 March workshop has been reflected in proposed Delegations Register 2017
2. Adopts the Register of Delegations to Elected Members 2017.

Objective

This report presents the proposed 'Register of Delegations to Elected Members 2017' (Register) to the Council for adoption.

Summary

The recommendations within this report are driven by the Local Government Act 2002 supporting democratic local decision-making and action. While the criteria, other than legal, are flagged as 'No', the Register assists with the smooth operation of the Leadership function that has oversight across all Council activity.

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	No	Environmental Considerations	No
Legal	Key	Cultural Considerations	No
Significance	No	Social Considerations	No
Financial Criteria	No	Economic Considerations	No
Community Views	No	Community Board Views	No
Consultation	No	Publicity and Communication	No

Background

The need for a Register is required under the Local Government Act 2002 and is well established practice. Clear delegation of decision-making authority supports the effective and efficient operation of Council. Council's delegations are contained in two documents, the Register of Delegations to Elected Members and the Register of Delegations to the Chief Executive and Officers. This report is concerned with the delegations to Elected Members only. The current Register was adopted in January 2014 and it must be updated to align with the Council's post 2016 elected member governance arrangements.

It also provides an opportunity for the new Council to review the delegations so that the Elected Members are fully informed of and comfortable with, the scope and extent of delegations. Attachment 2 provides some of the guiding principles embodied within the Register in the document.

Proposal

The Council, at its 1 March and 22 March workshops, considered draft versions of the proposed Register and direction to staff has subsequently been included. Overall the proposed Register remains largely unchanged, based on historic judgements about good practice and consistent legal requirements. Change that has occurred relates to:

1. Post 2016 election governance structure and elected member roles as agreed by Council
2. Direction to Council staff from the March workshops including:
 - a. reference to good management practice and the inclusion of elected committee members in some Resource Management Act (RMA) related matters. Note that the 'Certificate of Compliance' matter raised by the CEO has been checked by the Planning Manager with no change required to the Register.
 - b. Property delegations under the Asset Committee
 - c. Reserves Act Delegations
 - d. Including Information Services under Finance Audit Risk Committee

- e. Increasing the quorum of the Development Contributions Committee
- f. General provision for approving minutes
- g. Addition of delegated elected member appointments to external bodies
- h. Various editorial corrections and minor amendments.

Council can agree to specific amendments to the proposed Register at the 29 March 2017 meeting.

Next steps

Following adoption Council staff will circulate the Register to all elected members, including any changes decided at the 29 March 2017 meeting.



Mike Roesler
Policy and Communications Manager

Lisa Baillie
Customer Services Group Manager

Attachments

Appendix 1: Proposed Register of Delegations to Elected Members 2017 (**under separate cover**)

Appendix 2: Guiding Principles

Attachment

Appendix 2: Guiding principles

1. Everything can be delegated, except those matters reserved to Council by law and matters expressly reserved to Council.
2. Council as a whole makes and changes policy. Hence Committees will often develop and recommend policy but final approval rests with Council.
3. Council sets budgets, rates, fees and charges and only Council can change them.
4. Only Council can delegate authority. No Committee or Subcommittee has powers of sub-delegation.
5. Even where a Standing Committee has Power to Act, it is normal practice for Committees to make recommendations to the Council meeting, unless there is some reason of urgency or practicality for exercising the Power to Act.
6. All decisions and recommendations made under delegated authority are publicly available and reported through minutes and reports, subject to official information law.
7. Where doubt exists about a delegation, the precautionary principle will apply and the decision will rest with the Council.

Waitaki District Council Report

From Customer Services Group Manager
Policy and Communications Manager

Date 29 March 2017

Standing Orders 2017

Recommendations

That Council:

1. Notes the Council considered and gave feedback to staff on the Draft Waitaki District Council Standing Orders 2017 at the 15 February 2017 meeting.
2. Notes that feedback from the 15 February 2017 Council meeting has been considered by Council staff and that the action points were communicated to all Councillors leading into the 29 March 2017 meeting
3. Adopts the Waitaki District Council Standing Orders 2017 for use over the 2017-2019 triennium.

Objective

The objective of this report is to ensure that Council has appropriate and relevant guidance and rules for the conduct of the proceedings of local authorities, committees, subcommittees and subordinate decision-making bodies and community boards.

Summary of Decision Making Criteria

This decision supports good governance practice and meets Schedule 7 27(1) Local Government Act 2002 requirements for Standing Orders. The decision is legally driven. Schedule 7 27(1) of the Local Government Act 2002 states that a local authority must adopt a set of Standing Orders for the conduct of its meetings and those of its committees. Once adopted, Standing Orders 'rollover' from triennium to triennium. They may be amended at any time but only with a 75% voting majority. Legislation also requires all elected members to follow Standing Orders.

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	No	Environmental Considerations	No
Legal	Key	Cultural Considerations	No
Significance	No	Social Considerations	No
Financial Criteria	No	Economic Considerations	No
Community Views	No	Community Board Views	No
Consultation	No	Publicity and Communication	No

Background

The Council, at its 15 February 2017 meeting, considered a report recommending the adoption of 'Standing Orders' for use during this political triennium. That meeting resulted in the Council requesting a 1 March Councillor workshop and adoption at the 29 March 2017 Council meeting.

The 1 March workshop was completed and resulted in Councillors directing staff to clarify some specific matters relating to the Standing Orders. Council staff circulated to all Councillors, via an 8 March e-mail, the specific matters and invited feedback (attachment 2). Following that e-mail no negative feedback or further issues were raised.

Proposal

This report proposes that Council utilise the LGNZ Model Standing Orders, including the changes directed by Council for its governance and legislative requirements. The result of doing so is reflected in Appendix 1 - Waitaki District Council Standing Orders 2017 (CSO 2017).

Next steps

Following approval of the Waitaki District Council Standing Orders 2017 officers will circulate the final document to all elected members, subject to any changes decided at the 29 March 2017 meeting, and add a copy to Council's website for public information.



Mike Roesler
Policy and Communications Manager

Lisa Baillie
Customer Services Group Manager

Attachments

Appendix 1: Waitaki District Council Standing Orders (under separate cover)

Appendix 2: Clarification sought from the 1 March 2017 Council workshop

Appendix 2

This table shows the clauses where change was instructed and/or legal clarification was sought to the Draft Standing Orders 1 March version.

Clause	Change to 1 March Draft (Yes/No)	Comment
8.3 Extraordinary meeting may be called	No	No legal discretion appears to exist to change this clause cl. 22 (1) Schedule 7, LGA 2002.
9.13 Discussion of minor matters not on the agenda	No	No legal discretion appears to exist to change this clause s. 46A (7A), Local Government Official Information and Meetings Act (LGOIMA).
12.7 Right to attend by audio or audio visual link 12.8 Member's status: quorum	No	See LGA Schedule 7 Part 1 s. 23 and 25A 12.7 & 12.8 demonstrate the intent around quorum and voting i.e. they are to some extent mutually exclusive – you might not be counted in the quorum but you can still vote.
17.1 Motions and resolutions to exclude the public	No	s. 48 LGOIMA & Schedule 2A The legislation is clear about 'resolutions to exclude the public' & process. WDC practice complies with the substantive LGOIMA requirements. However we need to improve our resolution regarding who can be present and our process for reporting back the decision/status of the excluded item. Policy & Communications Manager to work with Governance Support Officer to improve these aspects.
18.3 Chairperson has a casting vote	No	The Mayor, Chairperson or any other person presiding at a meeting has a deliberative vote and, in the case of an equality of votes, has a casting vote cl. 24 (2) & (4) Schedule 7, LGA 2002
21.1 Options for speaking and moving	Yes	This subsection provides three options for speaking and moving motions and amendments at a meeting of a local authority, its committees and subcommittees, and any local or community boards Option B applies to all meetings
26.1 Notice of intended motion to be in writing	No	Notice of intended motions must be in writing signed by the mover, stating the meeting at which it is proposed that the intended motion be considered, and must be delivered to the chief executive at least 5 clear working days before such meeting. [Notice of an intended motion can be sent via email and include the scanned electronic signature of the mover]. Once the motion is received the Chief Executive must give members notice in writing of the intended motion at least 2 clear working days' notice of the date of the meeting at which it will be considered. Note that these time lines are consistent with S. 46A LGOIMA that prescribes the availability of agendas & reports and other legislative sections that refer to guidance/consideration from the CEO. WDC should ideally remain consistent in its Standing Orders with the broader legislative guidance.

Waitaki District Council

Memorandum

From Chief Financial Officer

Date 29 March 2017

Waitaki District Health Services Limited Half Yearly Report

Recommendations

That Council receive the information.

Purpose and Summary

To provide Council with the Waitaki District Health Services Limited (WDHSL) half-yearly report for the period ending 31 December 2016. WDHSL members will be in attendance at the meeting to present the report and answer questions.



Paul Hope
Chief Financial Officer

Attachment

WDHSL Half-Yearly Report (under separate cover)

Waitaki District Council Report

From Community Services Group Manager

Date 29 March 2017

Capital Project Budget

Recommendations:

That Council

1. Approve the capital budget for the Cultural Facility Development Project be increased from \$4,500,000 to a maximum \$6,000,000, and
2. Increases its contribution towards the Cultural Facility Development Project from \$1,500,000 to \$1,900,000 (\$1,500,000 loan funded and \$400,000 depreciation funded), and
3. Take note, once the project and final plans are approved this estimated budget allocations may be reviewed.

Objective of the Decision / Purpose of this report

The recommendations enable the Committee to progress its funding applications. Informing Council of the reasons for the updated project budget.

Summary

It is proposed that Council approve the updated project budget which need to be included in the funding applications to the following funders,

- Lotteries – Environment and Heritage Fund
- Lotteries – Significant Project Fund
- Otago Community Trust
- Regional Culture and Heritage Fund

This is an interim budget as we do not have final detail drawings or finalised service delivery through this facility to the community and visitors.

Following approval of final plans and operational services, there may be an impact on this revised budget.

Summary of Decision Making Criteria

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	Key	Environmental Considerations	No
Legal	No	Cultural Considerations	No
Significance	Key	Social Considerations	No
Financial Criteria	Key	Economic Considerations	No
Community Views	No	Community Board Views	No
Consultation	No	Publicity and Communication	Key

Background

In the 2015-25 Long Term Plan (LTP) the Cultural Facility Development Project (CFDP) was approved at a capital cost of \$4.5 million with a \$1.5 million Council contribution (internal loan) towards this project. The Council contribution should be at least one third of the total capital project cost to support a Government funding application.

Council also put in place an 'amber light' date of July 2017. Council agreed that in July it will review the external funding accumulated from sources such as; Lotteries, Regional Culture and Heritage Fund (Ministry of Culture and Heritage), Otago Community Trust and other funders and determine if the project will proceed.

This 'amber light' date, and Council's low appetite for the risk associated with securing external funding, has meant that the design drawings for the new facility have not been progressed to the final tender stage due to cost. The project has, however, met all other funder requirements including Resource Consent, Heritage NZ sign-off, Needs Analysis for fitness for purpose and Collection Significance – all supported by independent Peer and Expert Review.

Discussion

As part of our funding applications to the above mentioned major funders mentioned above, we need to include a Council-approved project budget. At a workshop on the 7th December 2016 the following project funding update was presented to Council. The CFDP Committee, however, wanted a more detailed report explaining the increases to the project budget as approved in the 2015-25 LTP.

Following are the reasons for change:

Funding Sources	Original Budget	Update / Current	Secured to date
• Other (1)	250,000	250,000	111,000
• Waitaki District Council (2)	1,500,000	1,900,000	1,500,000
• Lottery - Environment & Heritage Fund (3)	1,200,000	1,000,000	-
• Otago Community Trust (3)	500,000	600,000	-
• Regional Cultural and Heritage Fund (3)	1,500,000	2,000,000	-
• Lottery - Significant Project Fund (3)		1,000,000	-
	4,950,000	6,611,000	1,611,000

Reasons for change:

1. **Other:** At present we have received \$111,000 from local funders and trusts. We will continue to apply to the smaller funds and trusts. The Community Fundraising will be included in this income line. (The Community fundraising is kicking off with the Long Lunch on 1 April.)
2. **Waitaki District Council:** The overall project cost change created the need to increase Council's contribution by \$400,000 in order for it to stay at one-third of the project cost. This increase is funded from depreciation. Other funders is shown as part of the Council contribution.
3. The amounts requested from the funders listed above have been adjusted to offset the total project cost increase.

Costs	Original	Updated
New Build (incl. Construction: Professional fees)(A)	4,000,000	4,157,200
Fit out (B)	500,000	1,000,000
Forrester Building (C)	0	500,000
Non-construction (Professional fees) (D)		
• Stakeholder Engagement	0	} 274,000
• Funding	0	
• Museum/Gallery/Archive	0	
Landscaping (E)	0	68,800
	4,500,000 (Approved)	6,000,000

Reasons for change:

- A. New Build (incl. Construction: Professional fees):** An updated Quantity Surveyors costing was completed in December 2016, on the new building to be added to the back of the existing Forrester Building. (Appendix 1). An increase of \$157,200 is attributed to inflation and building costs over the last 2 years. To be confirmed once final plans are approved by Council.
- B. Fit out:** The original \$500,000 was an indicative costing. Following the development of draft concept plans for fit out and internal layout by a museum consultant this amount was increased to \$1,000,000. The attached costing (Appendix 2) shows three options – the second option, Base Model, was chosen by the Committee in order to develop a 'fit for purpose' facility. To be confirmed once final plans and space allocations have been approved by Council.
- C. Forrester Building:** The Quantity Surveyor didn't include the existing building into his assessment (New Build) as it was going to be funded from depreciation. This and other cost changes / inclusions were the main reason the Project Team needed to update the Committee and Council relating to budget increases. To be confirmed once final plans and space allocations have been approved by Council.
- D. Non-construction (Professional fees):** This is the cost for Stakeholder engagement, investigating and writing of funding applications, and Museum/Gallery/Archive specialists (collection storage planning, concept development, fit-out development, needs analysis and confirming collection significance). The Stakeholder engagement and Museum/Gallery/Archive

specialists were to be funded out of the existing operational budget and partly from the Construction Professional fees. When we did the detailed planning around what needed to be done, the cost became clear and we had to declare the specific use and application of funding. This cost includes the Summary Business Case for the 2015-25 Long Term Plan, project planning and related administration for this project.

The cost of planning the fundraising project and applying to funders were going to be included as part of the funding applications. Experience gained from Alps 2 Ocean funding applications allow for these types of expenditure to be included. This is not the case for Culture and Heritage funders which include, Lotteries – Environment and Heritage Fund, Regional Culture and Heritage Fund (Ministry of Culture and Heritage) as well as the Lotteries – Significant Project fund.

When Council approve the project in July 2017, prior to going ahead, the following will have to be scoped, planned and resource needs determined;

- exhibition concept, overall fit out and design costs,
- marketing (including stakeholder engagement, newsletters, social media), and
- ongoing fundraising (including; corporate sponsorships, community fund and events)

The existing operational budget will be the first funding source.

- E. Landscaping:** Was not part of the original costing. Landscaping will be done in conjunction with the parking project and linking with the Heritage Precinct. Landscaping and car parking work at the Humber Street aspect of the building will be vital to the overall success of the project ie improved access.

Operational Budget:

To provide a full financial picture of this project the updated projected operational budget is attached (Appendix 3). Depending on the final plans and services to be provided in the new facility the final operational impact will not be known. According to the projected operational budget the total Operational impact on the rate payers could be \$127,871 (excluding loan servicing costs).

The operational budget has been updated with the 2016/17 budget as base line. Attached find Appendix 3 showing the updated budget and notes.

Summary of Options Considered

Option 1 – Council:

- Approve the capital budget for the Cultural Facility Development Project be increased from \$4,500,000 to a maximum \$6,000,000, and
- Increases its contribution towards the Cultural Facility Development Project from \$1,500,000 to \$1,900,000 (\$1,500,000 loan funded and \$400,000 depreciation funded).

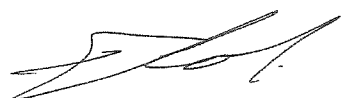
Option 2 – Council do not approve the increased capital budget.

Assessment of Preferred Option

Option 1 is the preferred option. Council needed to be informed of the reasons for the increased capital budget. For the Committee to apply for external funding Council have to approve the increased budget including Councils increased contribution.

Conclusion

This is the most up to date costings that could be done with the information available. The final capital cost for this project will be available when the winning tender is approved by Council. Until that time the actual operational cost impact can not be finalised.



Thunes Cloete
Community Services Group Manager

Appendix 1 First assessment of potential Fit-out Budget
Appendix 2 Quantity Survey
Appendix 3 Operating Budget

Additional Decision Making Considerations

The following matters have been considered in making the decisions.

Outcomes

- We provide and enable services and facilities so people want to stay and move here.
- We understand the diverse needs of our community.

Policy and Plan Considerations

A project included in the 2015-16 Long Term Plan

Financial Considerations

The operational impact of this recommendation has been calculated in Appendix 3

Publicity & Communication Considerations

It is recommended that a media release be drawn up

Appendix 1

FIRST ASSESSMENT OF POTENTIAL FIT-OUT BUDGET

27-Jul-16

	Budget @ \$750,000	Base model	Enhanced model	NOTES
1 BACK OF HOUSE LG12-LG15				
Shelving and equipment				
screens for 2D material, new Hydestor	96,122	96,122	96,122	Mostly used to store Art Gallery Collection. It is not feasible to re-use existing racks on a compactor system Mostly used to store Museum collection Mostly used to store Museum collection Based on assumption: Archive collection not relocating to new building. Gun cabinets, lock up safe for small valuable items Space will get 1 clean under construction budget but needs at least 1 more, plus clean of all new shelving before collection is relocated.
shelving compacta, new Hydestor	91,163	91,163	91,163	
shelving heavy duty, existing Stack-iT, relocate	3,000	3,000	3,000	
shelving compacta, new Hydestor - Archive collection	0	0	176,625	
specialist cabinets and secure safe	0	2,000	5,000	
specialist cleaning of physical space and shelving	3,000	3,000	3,000	
Workshop space set up				
Materials	1,000	2,000	2,000	
Back of House equipment				
trolleys	0	2,000	2,000	
pallet jack	0	0	2,000	
Back of House Sub total	194,285	199,285	380,910	
2 PUBLIC SPACES	Budget	Base	Enhanced	NOTES
Reception LG16-17				
Reception Desk, merchandise area fit-out	10,000	10,000	10,000	Confirm extent of fit-out for LG front desk / shop fit-out / L1 reception desk / etc in Main contract
Donation box	0	2,000	2,000	
Sponsor board	1,000	2,000	2,000	Try and get into Main contract - fixture transfer existing stock, obtain on consignment, phase in stock
Door counter	0	5,000	5,000	
Cards, brochures, books etc	20,000	20,000	20,000	
School bag / back pack lock up	0	0	1,000	
Education space FF02-03				
Interactives and education programmes	0	0	0	Nil replacement or additional equipment and furniture
Equipment	0	0	0	
Security				

	Budget @ \$750,000	Base model	Enhanced model	NOTES
Staff communication	0	0	8,000	One staff member (minimum) will be on roving duty, needs to be in contact with reception / front desk staff especially on weekends.
Front of House	Sub total	31,000	39,000	48,000
3 EXHIBITIONS General- overall overhead costs	Budget	Base	Enhanced	NOTES
Admin				
Tender costs	2,000	2,000	2,000	
Peer review	0	0	3,000	
Research and fees IP	2,000	3,000	5,000	
Space set up				
Surface walls (changes)	0	5,000	5,000	Control costs by early decision, painting in Main Contract budget
Surface flooring (changes / additions)	0	5,000	10,000	Control costs by early decision, covering in Main Contract budget
Electrical data services relocation	5,000	5,000	10,000	Control costs by early decision with final fix in Main Contract budget. Assume cost of cable (including fibre?) throughout in Main Contract.
Furniture and equipment				
Seating general (forms in galleries)	1,000	5,000	20,000	
Barriers and bollards	0	5,000	10,000	
Exhibition light fittings (spots, floods etc)	50,000	50,000	100,000	\$50,000 provides approx. 43 fixtures for new building. Others currently in use in Forrester to be replaced with depreciation fund tbc
Exhibition track	0	0	0	Assumed in Main Contract budget and use of existing track in Forrester. New track approx. \$100 per meter.
Design and development				
Wifi throughout public spaces				
Website development - open platform	0	20,000	20,000	Website carries Audio-visual guide
Visitor market research	0	5,000	8,000	
Exhibition design fees	60,000	100,000	150,000	Assumes use of Jane Macknight for initial concept design. Cost added for Concept 100%, Developed Design, Detail design for fabrication and production
Lighting design	5,000	5,000	15,000	
Research (expert, peer)	5,000	5,000	15,000	

		Budget @ \$750,000	Base model	Enhanced model	NOTES
Writing and editing		20,000	20,000	40,000	
Graphic design		15,000	15,000	10,000	In enhanced version less use of graphic, more use of audio-visual delivered via website CMS
Specialist product production					
Graphics production		20,000	30,000	50,000	Based on DAC cost @ \$275, 1m x 2m direct applied high quality print including application allowance (\$155 + \$120). \$20k allows for 72 blocks of print.
Audio-visual tour (contract delivery package)		0	20,000	40,000	Based on Christchurch Art Gallery \$15,000 for 40 pieces (plus significant staff time)
Education curriculum and teacher notes		2,000	4,000	5,000	Curriculum links only, teachers notes and pack
Specialist skills					
Conservation		20,000	30,000	50,000	\$20k probably gives cleaning only (nil treatment) to approx. 20 significant objects
Mount making (contractor + materials)		20,000	40,000	60,000	Approx. \$1,000 per item
Staff contract					
Prepare and installation technician general		40,000	40,000	50,000	
Prepare and installation technician electric data lights		25,000	25,000	35,000	
Scaffold (hire)		3,000	3,000	3,000	
Cleaning		2,000	2,000	2,000	
Exhibitions General	Sub total	297,000	444,000	718,000	Space will get 1 clean under construction budget but needs at least 1 more, plus clean of all new furniture before collection is relocated. Forrester also needs deep clean.
4 EXHIBITIONS Specific Display Components		Budget	Base	Enhanced	NOTES
NOTE: The in-budget model does not allow for Forrester Gallery spaces which are currently back of house to be refitted as front of house display space. In the budget model either reallocates proposed display into temporary gallery spaces or proposed phased delivery.					
Creation: Diatoms, limestone and fossils, myth (tbc) LG08	Black box	0	6,000	38,000	in-budget = walkway only LG17
Audio guide		0	0	0	audio-visual guide x 2
Curatorial expertise		0	3,000	3,000	
Mounting [original] geology collection or material		0	3,000	3,000	
Plinths and Perspex lids		0	0	4,000	\$1,000 each local production and current standard
Mounting microscope and diatom slide		0	0	3,000	
Artist commission diatoms, etching on glass,		0	0	10,000	Note currently an open colonnade not glassed in corridor

		Budget @ \$750,000	Base model	Enhanced model	NOTES
	Plinths and Perspex lids	1,000	1,000	2,000	\$1,000 each local production and current standard
	Special joinery	10,000	10,000	10,000	
NZ Nationalists Gallery (Colin Wheeler, Colin McCahon: influencers and influenced by) UG04	White box	0	0	30,000	in-budget: Phased /move into temporary gallery space
	Audio-visual guide x 1	0	0	0	Audio-visual guide x 1
	"Aural history" product dev sound recording	0	0	10,000	
	Aural history development equipment	0	0	5,000	
	"Inspired by Wheeler" product development AV	0	0	10,000	
	"Inspired by Wheeler" delivery equipment	0	0	5,000	
New media LG05	White box	0	10,000	30,000	in-budget: Phased
	Changing touring exhibition space	0	0	0	
	It, Av sound equipment	0	10,000	30,000	
Human Impact 1st Event LG04	Black box	0	3,500	29,500	in-budget: Phased
	Original habitat graphic or AV	0	0	5,000	
	Original Species profiles objects taxidermy x3	0	0	2,000	
	Interactive pollen sorting	0	500	500	
	Forest burning graphic or AV	0	0	5,000	
	PC for link to local archaeological sites	0	0	2,000	
	Species arrival and departure objects taxidermy x3	0	0	2,000	
	Species arrival and departure graphic or av	0	0	5,000	
	Live animal display	0	0	2,000	
	Plinths and Perspex lids	0	3,000	6,000	\$1,000 each local production and current standard
	Graphic	0	0	0	
Empire UG02-03	Black box	14,000	53,000	58,000	
	Audio guide	0	0	0	audio guide x 3
	Audio product dev	10,000	10,000	10,000	Based on nine 1 mins sound recordings
	Audio product delivery equipment	0	0	5,000	
	Wall interactive, mechanical x 30 components	0	10,000	10,000	
	It, Av sound equipment	0	10,000	1,000	
	Front door interactive product dev	0	0	10,000	Based on Te Papa costs x4 push button choices
	Front door interactive delivery equipment	0	0	5,000	
	Floor Plinths for furniture	4,000	4,000	4,000	\$2k each local production and current standard
	Exhibition case, glass	0	15,000	30,000	\$10 - 15,000 each depending on size of case

		Budget @ \$750,000	Base model	Enhanced model	NOTES
	Body forms, mannequin	0	4,000	8,000	Cost of \$4,000 each
Individual Homage (Bank Vault)UG05	White box	0	2,000	3,000	in-budget: phased
	Plinths and Perspex lids	0	2,000	3,000	\$1,000 each local production and current standard
Community Gallery UG11	White box	1,000	1,000	2,000	
	Plinths and Perspex lids	1,000	1,000	2,000	\$1,000 each local production and current standard
Temp Exhibition gallery large UG12-15	White box	34,000	34,000	49,000	
	Walls temp, internal dividing	30,000	30,000	40,000	
	Seating	0	0	5,000	
	Plinths and Perspex lids	4,000	4,000	4,000	\$1,000 each local production and current standard
Temp Exhibition gallery small UG14	White box	10,000	13,000	19,000	Replaced with exhibition of Willetts' collection
	Walls temp, internal dividing	10,000	10,000	10,000	
	Seating	0	0	5,000	
	Plinths and Perspex lids	0	3,000	4,000	\$1,000 each local production and current standard
Human Impact 2nd Event FF07	Black box	2,000	15,000	50,000	in-budget: phased
	Exhibition cases, glass	0	15,000	45,000	\$10 - 15,000 each depending on size of case
	Floor Plinths for furniture	2,000	2,000	2,000	\$2k each local production and current standard
	Plinths and Perspex lids	0	1,000	3,000	\$1,000 each local production and current standard
Education workshop, Artist in Residence FF08	Multi-purpose	0	0	0	
	Furniture	0	0	0	
Collection Inspired Community Collections FF04	White box	0	1,000	2,000	
	Plinths and Perspex lids	0	1,000	2,000	\$1,000 each local production and current standard
Visual storage FF12		22,000	22,000	32,000	
	Special joinery	20,000	20,000	30,000	
	Plinths and Perspex lids	2,000	2,000	2,000	\$1,000 each local production and current standard
Reference, Research, Access FF14	Visual storage	13,000	13,000	43,000	
	IT multi-image touch screens etc	0	0	25,000	
	Furniture (tables, chairs, bookcases)	10,000	10,000	10,000	
	Develop portal - visitor access to collection material	3,000	3,000	8,000	Verify existing plus additional databases
Exterior	Exterior	0	0	0	
	Fixings for stone panel commissions	0	0	0	Main budget
Exhibitions Components	Sub total	140,000	253,500	610,500	

	Budget @ \$750,000	Base model	Enhanced model	NOTES
5 Relocation of Gallery & Museum Collections (excluding Archive)	Budget	Base	Enhanced	NOTES
Museum collection prep for move including fumigation				
staff supervisor	0	20,000	20,000	
collect techs	0	30,000	30,000	
packaging materials	10,869	10,000	10,000	
equipment	0	10,000	10,000	
hire equipment for fumigation	0	5,000	5,000	
fumigation	0	15,000	15,000	
Move Gallery & Museum collections				
staff supervisor	0	15,000	15,000	
collect tech	22,500	22,500	22,500	
special moves	5,500	5,500	5,500	
move company	20,000	20,000	20,000	
equipment	0	2,000	2,000	
Relocation Sub total	58,869	155,000	155,000	Move of large and/or difficult objects
6 SUMMARY				
Back of House total	194,285	199,285	380,910	
Front of House Total	31,000	39,000	48,000	
Exhibitions General Total	297,000	444,000	718,000	
Exhibitions Components Total	140,000	253,500	610,500	
Relocation	58,869	155,000	155,000	
Sub total	721,154	1,090,785	1,757,410	
Contingency 4%	28,846	43,631	70,296	
TOTAL	750,000	1,134,416	1,827,706	
FIT-OUT BUDGET EXCLUDES				
A Staff - Museum project manager for Relocation, Exhibition fit-out and other client planning and delivery.				
B Does not cover any shortfall between the budgets of the Main Contract, Forrester Depreciation and Fit-out to enable upgrading of areas in the Forrester building.				
C Restoration and renewal of Forrester building (to be funded by depreciation)				
D Landscaping at Ocean Entry				

Appendix 2

PROPOSED CULTURAL FACILITIES REDEVELOPMENT FOR WAITAKI DISTRICT COUNCIL

Printed: 1/11/2016

PROPOSED CULTURAL FACILITIES REDEVELOPMENT

FOR

WAITAKI DISTRICT COUNCIL

9 THAMES ST, OAMARU

Concept Design Estimate 31/10/2016

ITEM	DESCRIPTION OF WORK	QUANTITY	UNIT	Estimated Costs 01/11/2016	
				RATE	AMOUNT
	16537 PROPOSED CULTURAL FACILITIES REDEVELOPMENT for WAITAKI DISTRICT COUNCIL, 9 THAMES ST, OAMARU This estimate was prepared from the following information provided by <u>SITE PREPARATION</u> Demolition No allowance for demolition of existing structures Site Clearance				
1	Bulk excavation to reduced levels, load and cart away	997	m3	90.00	89,730.00
	<u>SUBSTRUCTURE</u> The following subject to Engineers final design				
2	Piling allowance		SUM		142,875.00
3	Formwork to foundations - allowed 600 deep	208	m2	105.00	21,840.00
4	Reinforcement to foundations - allowed 125kg/m3	9,857	kg	4.00	39,428.00
5	Concrete in foundations & isolated foundations	71	m3	320.00	22,720.00
6	300 Reinforced concrete in lift pit base	6	m2	205.00	1,230.00
7	150 Concrete in floor slabs on grade, including formwork, reinforcement, insulation	360	m2	140.00	50,400.00
8	Compacted hardfill to building platform to bring back to FGL	927	m3	85.00	78,795.00
	<u>FRAME</u>				
9	Pitched timber roof frame members (rafters, joists etc)	408	m2	105.00	42,840.00

Flanders Marlow Ltd

16537 9 Thames St, Oamaru - Page 1 of 7

ITEM	DESCRIPTION OF WORK	QUANTITY	UNIT	Estimated Costs 01/11/2016	
				RATE	AMOUNT
	<u>STRUCTURAL WALLS</u>				
10	Precast panels	1,180	m2	420.00	495,600.00
11	Masonry blockwork to lift shaft	135	m2	205.00	27,675.00
12	Seismic separation joints	108	m	150.00	16,200.00
13	Structural steel members in columns & beams		SUM		45,000.00
	<u>UPPER FLOORS</u>				
14	Suspended concrete floors	720	m2	200.00	144,000.00
15	Insitu concrete ring beam to L3	182	m	157.50	28,665.00
	<u>ROOF</u>				
16	New Roof covering & associated flashings - Endura™/ZR8™	340	m2	100.00	34,000.00
17	Membrane roof covering including plywood substrate to link area	68	m2	175.00	11,900.00
18	600 Internal membrane gutter including framing and plywood substrate	33	m2	200.00	6,600.00
19	Downpipes	23	m	70.00	1,610.00
20	Rainwater head each end	4	No	350.00	1,400.00
	<u>EXTERIOR WALLS & EXTERIOR FINISH</u>				
21	Oamaru stone veneer	311	m2	205.00	63,755.00
	<u>WINDOWS & EXTERIOR DOORS</u>				
22	Timber framed, double glazed windows	47	m2	1750.00	82,250.00
23	Extra value to radiused heads	12	No	225.00	2,700.00
24	Aluminium framed double glazed curtain wall window system	114	m2	750.00	85,500.00
25	Approx 5000x 2200 Aluminium framed pair of bypass sliding door sets to courtyard area	2	No	8000.00	16,000.00
26	Aluminium framed, pair of glazed entry doors	2	No	3570.00	7,140.00
	<u>STAIRS & BALUSTRADES</u>				

ITEM	DESCRIPTION OF WORK	QUANTITY	UNIT	Estimated Costs 01/11/2016	
				RATE	AMOUNT
27	Precast stairs rising approx 5300 with 2No intermediate landing		SUM		19,000.00
28	Precast stairs rising approx 3400 with intermediate landing		SUM		12,000.00
29	Precast stairs rising approx 2700 with intermediate landing		SUM		8,950.00
30	Glazed balustrades to link - allowed 1200 high with handrail	24	m2	425.00	10,200.00
<u>INTERIOR WALLS</u>					
31	Remove existing windows from West façade and demolish area from floor to window sill to form opening to access existing building. Make good on completion	6	No	1000.00	6,000.00
32	150 timber framed partitions, excluding linings	69	m2	65.00	4,485.00
33	100 Timber framed partitions, excluding linings	153	m2	52.50	8,032.50
34	Timber strapping, DPC to inside face of precast walls	1,241	m2	50.00	62,050.00
35	Glazed partition system	81	m2	385.00	31,185.00
36	Extra value for doors	6	No	1250.00	7,500.00
<u>INTERIOR DOORS</u>					
37	Timber framed solid core doors	11	No	1250.00	13,750.00
38	Timber framed sliding door incl track	2	No	1500.00	3,000.00
39	Fire/smoke rated egress doors & closers	9	No	2250.00	20,250.00
<u>FLOOR FINISHES</u>					
40	Concrete floor sealed only	1,015	m2	15.00	15,225.00
41	Vinyl floor coverings to WC & lobby - Prime Cost allowance	41	m2	75.00	3,075.00
42	Laying of last	41	m2	24.00	984.00
43	Tiled floor to Ocean Foyer & Ocean entrance areas	68	m2	200.00	13,600.00
<u>WALL FINISHES</u>					
44	13 Toughline plasterboard wall linings- stopped & painted	381	m2	80.00	30,480.00

ITEM	DESCRIPTION OF WORK	QUANTITY	UNIT	Estimated Costs D1/11/2016	
				RATE	AMOUNT
45	Extra value Fyrelime plasterboard linings	127	m2	5.00	635.00
46	Insulation behind linings	1,047	m2	16.00	16,752.00
47	Skirting's and architraves	1,003	m	26.50	26,579.50
<u>CEILING FINISHES</u>					
48	Seal Level 1 suspended concrete underside - exposed ceiling and services in this area	360	m2	20.00	7,200.00
49	Level 1 & Level 2 Proprietary suspended ceiling systems	720	m2	55.00	39,600.00
50	Extra value for acoustic finishes to L1 visitor experience area	289	m2	200.00	57,800.00
51	Thermal insulation behind Level 2 linings	360	m2	21.50	7,740.00
<u>FITTING & FIXTURES</u>					
52	L3 kitchenette benchtop & joinery - Provisional Sum		SUM		2,500.00
53	Accessible grab rails to wc's		SUM		1,500.00
<u>SANITARY PLUMBING</u>					
54	Locate and form connection with water supply		SUM		750.00
55	Incoming water supply including trenching	45	m	85.00	3,825.00
56	Cold water supply pipework to fittings and outlets	37	m	32.00	1,184.00
57	Hot water supply pipework to fittings and outlets	27	m	37.50	1,012.50
58	uPVC sanitary waste in fill under slab	12	m	100.00	1,200.00
59	uPVC waste & vents in wall framing	20	m	65.00	1,300.00
60	Roof penetration, flashing and vent termination cap		SUM		350.00
61	Sanitary fittings, sinks & bowls, including associated taps, traps & valves - Prime Cost allowance		SUM		15,000.00
62	Connect water supply and waste pipework to fittings and outlets, including valves & insulation	19	No	650.00	12,350.00
<u>HEATING & VENTILATION</u>					
63	Ducted air conditioning allowance	1,080	m2	250.00	270,000.00

Flanders Marlow Ltd

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ITEM	DESCRIPTION OF WORK	QUANTITY	UNIT	Estimated Costs 01/11/2016	
				RATE	AMOUNT
64	Extra value for humidification allowance to collections area	179	m2	85.00	15,215.00
65	Extract ventilation to wc areas		SUM		4,500.00
	<u>FIRE SERVICES</u>				
66	Locate and form connection with water supply		SUM		750.00
67	Incoming water supply including trenching	45	m	85.00	3,825.00
68	Pipework, valves, pumps and equipment within sprinkler valve room		SUM		20,000.00
69	Sprinkler installation (outside sprinkler valve room) - new build	1,080	m2	105.00	113,400.00
70	Smoke & heat detector warning system		SUM		30,000.00
	<u>Existing Building</u>				
71	Sprinkler installation (outside sprinkler valve room) - within existing building. All services exposed	512	m2	150.00	76,800.00
72	Smoke & heat detector warning system		SUM		20,000.00
73	Allowance for egress signage and emergency lighting		SUM		2,500.00
	<u>ELECTRICAL SERVICES</u>				
74	Sub main to new build		SUM		3,825.00
75	Distribution board		SUM		5,000.00
76	Lighting & power circuits allowance	1,080	m2	125.00	135,000.00
77	Feature lighting fitting to entry foyer - Provisional Sum allowance		SUM		25,000.00
78	Bollard & accessible opening device to entry doors		SUM		3,500.00
	<u>VERTICAL & HORIZONTAL TRANSPORTATION</u>				
79	Lift including fitout		SUM		95,000.00
	<u>DRAINAGE</u>				
80	Replacement of the existing building stormwater and potentially sewer drainage - Provisional Sum allowance		SUM		18,000.00

PROPOSED CULTURAL FACILITIES REDEVELOPMENT FOR WAITAKI DISTRICT COUNCIL

Printed: 1/11/2016

ITEM	DESCRIPTION OF WORK	QUANTITY	UNIT	Estimated Costs 01/11/2016	
				RATE	AMOUNT
81	Locate, open and form connections for stormwater & foul drains		SUM		1,500.00
82	uPVC foul drains including excavation & backfilling	58	m	105.00	6,090.00
83	uPVC stormwater drains including excavation & backfilling	91	m	105.00	9,555.00
	EXTERNAL WORKS				
84	Landscaping allowance to void within link		SUM		10,000.00
	SUNDRIES				
85	Prior to construction starting, engage a registered building surveyor to provide a condition report of adjacent buildings		SUM		10,000.00
					2,906,357.50
	Preliminary & General			7.5%	217,980.00
	Contractor's Overheads & Margin			8.0%	3,124,337.50 249,950.00
	Contingency Allowance			10.0%	3,374,287.50 337,430.00
	Professional Fees			12.0%	3,711,717.50 445,410.00
	Total				4,157,127.50
	TOTAL OF ESTIMATE (Excluding GST)				\$ 4,157,200.00

EXCLUSIONS & CLARIFICATIONS

1. No allowance for GST
2. No allowance for Resource & Building consent fees or application
3. No allowance for escalation
4. No allowance for specialist foundation systems or ground improvements
5. There has been no allowance for site mitigation responses as required by territorial authorities for a contaminated site. It has been assumed the site is not classified as contaminated.
6. No allowance for asbestos or hazardous substance removal

Flanders Marlow Ltd

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PROPOSED CULTURAL FACILITIES REDEVELOPMENT FOR WAITAKI DISTRICT COUNCIL

Printed: 1/11/2016

ITEM	DESCRIPTION OF WORK	QUANTITY	UNIT	Estimated Costs D1/11/2016	
				RATE	AMOUNT
	<p>7. No allowance for lighting tracks & feature lighting for display & shows</p> <p>8. No allowance for data & audio visual</p> <p>9. No allowance for floor coverings to circulation areas & stairs</p> <p>10. No allowance for structural strengthening to existing building</p> <p>11. No allowance for consequential works that may arise if a building consent is required to works within the existing building</p> <p>10. No allowance for security systems</p> <p>11. No allowance for works outside the building footprint</p> <p>12. Assumes a competitive tender process</p>				

Flanders Marlow Ltd

16537 9 Thames St, Oamaru - Page 7 of 7

Appendix 3

Waitaki District Council (WDC)**Gallery, Museum and Archive Operational Budget Forecast**

(with increased operational revenue shown at year 5 post completion)

	Base Line 2016/17 Annual Plan	Option 3 New Gallery, Museum & Archive One Site	
Project construction / Implementation 1.	-	6,000,000	
External Funding	-	68.3%	
Rates	959,400	1,122,936	
Rates Increase (additional to base line)		163,536	
Rates Increase % Gallery, Museum and Archive		17.0%	
Rates Increase % WDC		0.6%	\$29,722,192 WDC Rates 2016/17
Funding			
Capital Grants / Donations Required		3,989,000	
WDC Funding: Internal Loan		1,500,000	
WDC Funding: Depreciation Reserves		400,000	
External Funding: Secured from Local Trusts 2.		111,000	
Operating Revenue			
User Fees & Charges	24,800	24,800	
Artists Sales	5,000	5,000	
Shop Sales	8,000	8,000	
Increased Revenue (Gross Margin) 3.		74,707	
Total Operating Revenue	37,800	112,507	
Total Revenue	997,200	1,235,443	
Operating Expenses			
Employee Costs 4.	431,900	431,900	
Other Expenditure 5.	200,200	200,200	
Additional Other Expenditure Estimated Cost 5.		50,000	New displays, exhibition costs and operational cost pressures.
Overheads Charged 6.	365,100	365,100	
Increased Insurance 7.		16,072	
Increased Depreciation 8.		61,799	123,598 50% UnFund
Operational Expenses (excluding Loan)	997,200	1,125,071	
Loan Servicing Costs			
- principal		58,929	5 Year shown \$110,372.63 pa
- interest		51,444	20 Years
Total Operating Expenditure	997,200	1,235,443	4.00% Interest
Increased Operational Cost (excluding loan servicing costs)		127,871	
Whole of life WDC costs 30 Years		1,918,808	

Gallery, Museum and Archive Operational Budget Forecast

1. The project construction / implementation expenditure of \$6,000,000 includes \$500,000 for the refurbishment of the current Forrester Gallery building.

2. External Funding: Secured from Local Charitable Trusts

J W Christie	60,000
Alexander McMillian	50,000
Local - Anonymous Trust	1,000
	<u>111,000</u>

3. Total operating revenue of the new Cultural Facility is estimated to be 20% of the operational expenses by year ten post completion of the development (being \$225,014). For the purposes of this budget forecast total operating revenue is shown at year five post completion of the development (being \$112,507), which requires an increase in revenue of \$74,707. Loan servicing costs have been excluded from this calculation.

4. The employee costs are for a staffing level of 6.2 Full Time Equivalent's (FTE).

5. Other Expenditure:	Current	Additional
Advertising	5,400	
Conservation	10,000	
Contractors Cleaning	20,800	5,200
Cost of Sales	8,600	17,900
Depreciation	16,800	
Electricity	37,300	9,300
Exhibitions	40,500	13,400
Insurance	19,100	
Maintenance	13,500	3,400
Materials Purchased	9,800	
Office Consumables & Printing	7,700	
Security	2,200	
Subscriptions & Reference Materials	2,900	
Telephone/Cellphone	4,200	800
Transport	1,400	
	<u>200,200</u>	<u>50,000</u>

6. Overheads

Community Services Group Manager	61,800
Customer Services	12,300
Financial Services	51,800
Human Resources	18,700
IT Services	82,000
Property Services	138,500
	<u>365,100</u>

7. Increased insurance calculation based on the Oamaru Opera House (OOH) facility.

OOH insurance factor: 583

Increased Insurance: \$16,072

8. Increased depreciation calculation on the new build based on the Oamaru Opera House. This increase was then 50% rate unfunded for the course of the 20 year internal loan.

Time Effects Through Implementation

Officer FTE per annum (additional to current Gallery, Museum & Archive FTE's)	1.3	0.00002%	Of Project Cost
Officer Cost per annum (Opportunity cost)	87,040	\$32	Average FTE Cost/hr plus 7% for KiwiSaver and employee related costs.

note: The additional FTE amount is an indication of the effect the project would have on increasing FTE's. Any changes to FTE's would require a separate report to Council with supporting documentation. This support would be best provided from actual operating records of the new and refurbished Gallery, Museum, and Archive facility. It is a case of determining if the new facility can be operated with existing FTE's before increasing FTE levels.

Waitaki District Council Report

From Executive Committee

Date 22 March 2017

Chief Executive Officer Recruitment and Selection Update

Recommendation

The Council:

1. Receives this information regarding the progress of the Chief Executive Officer recruitment and selection process.
2. Approves the selection of Sheffield to coordinate the recruitment and selection process.

Objective of the Decision

The purpose of this report is to receive the update information regarding the progress of the Chief Executive Officer recruitment and selection process; approve the selection of the Recruitment Consultant; and to agree the next steps in this process.

Summary

This report provides an overview of the process that has occurred to date and provides the timeline of the next steps in the Chief Executive Officer recruitment and selection process.

Summary of Decision Making Criteria

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	Key	Environmental Considerations	Mod
Legal	Key	Cultural Considerations	Mod
Significance	No	Social Considerations	Mod
Financial Criteria	No	Economic Considerations	Mod
Community Views	No	Community Board Views	No
Consultation	No	Publicity and Communication	No

The recommendations within this report are within the scope of the purpose of the Local Government Act 2002 to enable democratic local decision-making and action by, and on behalf of, communities; and to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

Background and Discussion

The process began with an approach to three recruitment companies, who were asked to present proposals to assist us with the recruitment and selection process for the Chief Executive Officer position. These consultants were asked for proposals that included the full service. Following the review of these proposals, the decision was made by Council, during Councillor Briefing discussions, to engage Mike Stenhouse, Director of Sheffield.

On 8 March, Mike Stenhouse met with Councillors to discuss the following:

- Overview of the process
- Confirm timeframes
- Agree key discussion points/Councillor involvement
- Briefing process
- Attributes to be considered when recruiting and selecting a Chief Executive Officer

Feedback was also sought from the Community Boards regarding the key attributes to be considered when recruiting and selecting a Chief Executive Officer.

Following the preparation/confirmation of the Advertisement, Candidate Briefing Information and Position Description, the advertisements are planned for placement from 25 March, closing on 18 April.

The timeline from this point is as follows:

Sourcing Candidates

- Develop 'Candidate Briefing' material for candidates, including finalising Position Description and Person Specification 24-31 Mar 2017
- Commence advertising

Evaluation

- Review candidates and agree longlist for Sheffield interviews 18 Apr-Mid Apr 2017
- Close off advertising
- Notify unsuccessful applicants

Shortlist recommendations

- Sheffield recommends a 'shortlist' of candidates typically 4 or 5 May 2017

Shortlist interviews

- Sheffield provide written reports on 'shortlist' candidates, including evaluative comments and their original CV
- 4/5 candidates interviewed by Executive Committee (Sheffield may assist with facilitating the interviews, if required) Mid May 2017
- Shortlist Candidates (2/3) interviewed by Council (All Councillors) End May 2017
- Trained assessment specialists to provide psychometric assessments

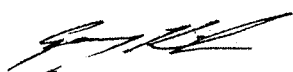
Appointment

- Stringent reference checking undertaken on preferred candidate Early Jun 2017
- Manage communication strategy regarding announcement of new appointment

The recruitment and selection process adheres to the current policy and legal requirements under the Employment Relations Act 2000 and the Local Government Act 2002.

Conclusion

Council, via discussion at the relevant briefings and workshops, made the decision to appoint Sheffield to coordinate the Chief Executive Officer recruitment and selection process and have committed to the timeframe above.



Gary Kircher
Mayor Waitaki District Council

Attachment

Additional Decision Making Criteria

Additional Decision Making Criteria**Legal**

The Local Government Act 2002 (Section 42 (1)) A local authority must, in accordance with clauses 33 and 34 of Schedule 7, appoint a chief executive.

Publicity and Communication

At this point of the recruitment and selection process, no current communications/publicity is expected. The timing of any public announcement will be agreed in conjunction with Mayor Kircher and Council.

Waitaki District Council

Memorandum

From Chief Financial Officer

Date 29 March 2017

Tourism Waitaki – Half Yearly Report

Recommendations

That Council receive the information.

Purpose and Summary

To provide Council with the Tourism Waitaki half-yearly report for the period ending 31 December 2016. Tourism Waitaki will be in attendance at the meeting to present the report and answer questions.

A copy of the half-yearly report is enclosed.



Paul Hope
Chief Financial Officer

Attachment

Tourism Waitaki Half-Yearly Report



Half-Year Report

December 2016



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TWL District Performance Targets	5
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TWL Financial Overview	8

Board of Directors

Chair Mike McElhinney
Directors Adair Craik, James Glucksman, Janine Tulloch, Marcus Brown

Senior Staff

General Manager Tourism Waitaki	Jason Gaskill
Operations Manager	Wendy Simpson
Research Scientist	Philippa Agnew
Accountant	Richard Heeringa

Head Office 8 Itchen Street, Oamaru 9400

Solicitors Lane Neave, Christchurch

Auditors Audit New Zealand, on behalf of the Auditor-General

OVERVIEW

The six months ending December 2016 has been punctuated by development delays and investment. Work in and around the Oamaru Blue Penguin Colony to expand the visitor centre and establish the penguin underpass, as well as work at 12 Harbour Street and the Oamaru ISITE have broadened Tourism Waitaki Limited's operational base. As work nears completion, we remain hopeful projected revenue will be realised toward the end of the current financial year.

We are on target to produce a modest \$137,000 surplus for the full year, which, while being below our budgeted surplus of \$203,808, is significantly above last year's loss of \$67,777. Much of this improvement comes from expanded revenue through the Colony, improved performance of the A2O commercial operations, and the impact of the new Harbour Street operation. Ongoing staff development and sales training has also helped improve the performance through the ISITE network. However, delays in the OBPC extension and the opening of Whitestone City at 12 Harbour Street have resulted in a forecasted reduction in surplus. Ongoing delays could still further negatively impact on the forecast.

The Colony development, which began in early Q1, is ongoing, and is now not set to be completed by early Q4. Likewise, work at 12 Harbour Street, following consenting delays, is now not set to be completed until late Q3, early Q4. The Oamaru ISITE underwent a refurbishment which was completed in late Q1, and we are looking at improvements to the Palmerston ISITE and possible alignment with the local museum.

Work through the Regional Tourism Organisation, Tourism Waitaki, has produced District gains: steady increases to the number of bed nights, a stable length of stay measure, and higher visitor attraction activity all indicate efforts are bearing positive results. This work has resulted in the total value of the industry rising to over \$170 million per year, up from \$126 million in 2013.

TWL has initiated a review of the District Tourism Strategy, and held several community meetings to receive input from interested parties. We will hold further meetings with key stakeholders, our shareholder, and again with the public as we work through what key messages the community feels best represent our District. We anticipate having this project completed by the end of the current financial year.

We remain focussed on improved efficiency and returning value to the District. Attracting MORE visitors, who will spend MORE time in the District, and do MORE things while they are here, may require further rationalisation of core services. Working more closely with communities to uncover how to effectively illustrate what makes us unique will make both TWL and the industry more open and accessible to visitors of all types. This remains a priority, and is the core organisational objective for the second half of the year.

Jason Gaskill
General Manager
Tourism Waitaki Limited

PERFORMANCE

The following section outlines our tourism performance:

Tourism Tasks:

- 1.1 Increase Trade-Ready Product:
District operators have either initiated or expanded trade business over the last six months, e.g., Oamaru Blue Penguin Colony (Oamaru), Lady Bird Hill (Omarama), Wrinkly Ram (Omarama), OBPC (Oamaru), Steampunk HQ (Oamaru), and various hotels. We are also aware of further businesses that are planning trade-specific activity in the next 12 months.
- 1.2 Increase Visitors' Length of Stay in the District:
The most recent Commercial Accommodation Monitor for the year ending November 2016 shows a stable length of stay at 1.55 nights. Occupancy remains consistent at 18.6%, and total capacity rose slightly. Visitor information for the period November to December through the ISITE and monitored operations also indicates steady growth.
- 1.3 Increase Visitor Yield:
Gains have been made through increased visitor nights on Alps 2 Ocean, higher charge rates for, and the establishment of, new attractions, and the impact of increased total numbers. The total value of the District tourism industry sits at \$172 million (for the year ending November 2016).

TWL Performance Measures

The following table outlines the specific tools used to measure and achieve performance over the last financial year:

TARGETS	MEASUREMENTS	ACHIEVEMENTS
Regional promotion	Increase in Bed Nights	Total bed nights up 11% to 433,555 (international up 20% to 155,069; Domestic up 6% to 278,486).
	Growth in visitors from core Domestic markets	Core markets in Canterbury and Otago continue to be targeted. The US, Chinese, Japanese, Asian, and European markets have all also shown significant growth.
	District Signage renewal	Renewal of District boundary signs began in December 2015, and will continue until it is satisfactorily complete.

Product Development	Develop new trade-ready tourism ventures	Work continues on Harbour Street and Alps 2 Ocean, as well as further work with specific operators on becoming trade-ready. New operators have also opened in the last few months, and others have begun working more closely with trade.
	Expand current trade-ready products	The OBPC, A2O, and multiple other operators have expanded their services and added new products. We are also aware of other businesses that are looking to expand over the next 18 months.
	Expand travel infrastructure network	We continue working with interested parties on improved rail connections as well as closer affiliations with regional air services and providers.
Develop new strategic partnerships	Expand Industry affiliations	TWL is involved in all major industry bodies, and is increasing its presence at regular events.
	Investigate further IMA activity and partnerships	We have been working closely with a variety of regional partners on further developing both our domestic and off-shore collaboration.
Trade initiatives	Increase in visitors coming through inbound operators	IBO visitors to the District continue to climb with increased visitor numbers at Omarama attractions, and a higher number of contracted businesses at the OBPC.
	Growth in TRENZ attendees from the District	We continue to work with operators on attending TRENZ. Due to its expense and location, attendance can be difficult. We are therefore developing mechanisms to more fully represent the variety of trade activities we can offer.
	Develop District-wide itineraries	We continue to work with the industry on saleable itineraries based on those requested by industry partners.
	Establish a functional District booking engine	District bookings are being further developed in association with our partners Bookeasy and Bookit.

Statement of Compliance & Responsibility

Compliance

The Board and senior management of Tourism Waitaki Limited confirm that all the statutory requirements of the Local Government Act 2002, regarding financial management and borrowing, have been complied with.

Responsibility

The Board and management of Tourism Waitaki Limited accept responsibility for the preparation of the annual Financial Statements and the judgments used in them.

The Board and management of Tourism Waitaki Limited accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Board and management of Tourism Waitaki Limited, the Financial Statements for the six months ended 31 December 2016 fairly reflect the financial position and operations of Tourism Waitaki Limited.

Mike McElhinney
Chair

Adair Craik
Director

TOURISM WAITAKI LIMITED
Financial Performance

Tourism Waitaki
Financial Statements
For the Period Ending
December 2016

	DEC 2016 Actual	DEC 2016 Budget	DEC 2015 Actual	JUNE 2017 Forecast	JUNE 2017 Budget	JUNE 2016 Actual
Revenue						
OBPC	663,642	763,499	587,148	1,555,143 ¹	1,691,000	1,374,646
i-site	236,381 ²	244,310	175,532	376,431 ³	420,000	389,499
A2O	259,999	297,000	133,044	492,999 ⁴	533,000	269,916
HS	151,122 ⁵	197,460	0	390,500 ⁶	595,000	0
TW	<u>270,813</u>	<u>260,500</u>	<u>140,452</u>	<u>444,313⁷</u>	<u>496,000</u>	<u>336,236</u>
Total	<u>1,581,957⁸</u>	<u>1,762,769</u>	<u>1,036,176</u>	<u>3,259,386⁹</u>	<u>3,735,000</u>	<u>2,370,387</u>
Expenditure						
OBPC	474,194	537,627	410,432	992,443 ¹⁰	1,088,000	821,066
i-site	234,432	255,153	221,181	468,133	511,600	459,307
A2O	227,894	221,281	178,642	537,990 ¹¹	578,250	387,830
HS	31,565	23,234	0	289,477 ¹²	503,642	0
TW	<u>437,339</u>	<u>414,078</u>	<u>330,412</u>	<u>833,863¹³</u>	<u>849,700</u>	<u>769,961</u>
Total	<u>1,405,424¹⁴</u>	<u>1,451,373</u>	<u>1,140,667</u>	<u>3,121,906¹⁵</u>	<u>3,531,192</u>	<u>2,438,164</u>
Surplus	<u>176,533</u>	<u>311,396</u>	<u>(104,489)</u>	<u>137,480</u>	<u>203,808</u>	<u>(67,777)</u>

¹ The Colony has seen substantial growth off the back of increased FIT numbers and an adjusted standard retail entry price. However, the forecast has been lowered to reflect the impact of the delayed completion of the visitor centre extension and the projected revenue flowing from its operation.

² The variance between December 2015 and December 2016 is due to the timing of some funding being brought forward in the 2016 year.

³ A modest drop in ISITE revenue stems primarily from falling retail sales and a change to the recording procedures of wider TWL advertising revenue.

⁴ This includes \$160,000 of maintenance recoveries from project stakeholders.

⁵ These are development related reimbursements from project stakeholders.

⁶ Total Harbour Street Revenue consists of MBIE investment of \$290,500 and \$100,000 in forecast ticket revenue for Q4. This ticket revenue is contingent on the final opening date, and subject to revision due to further delays. If this is removed, with its attendant expenses, the impact would be an (-11,000) reduction in forecast surplus by 30 June.

⁷ Forecast revenue is up based on increases to partner program investment.

⁸ Incomes is \$181,000 down on forecast due to delays in the OBPC extension and the attendant drop in projected day revenue, and the non-realised revenue from harbour Street due to its delayed opening. A2O partner revenue reflects delays in timing.

⁹ This includes all revenues, including grant funding from MBIE for A2O and Harbour Street, as well as ticket revenue, sponsorship grants for events, and retail sales.

¹⁰ Forecast OBPC expenditure is up in line with increased revenue. A rise in staff costs (\$51,000), website development (\$14,000), rent (\$22,000), Depreciation (\$10,300), penguin underpass and fencing (\$20,000), and marketing (\$27,569) accounts for most the increase.

¹¹ A2O maintenance has increased \$124,870 to include all recoveries. This is now offset by equal revenue (see Note 4 above). We have also seen an increase in partner funding and commercial arrangements.

¹² Costs include project disbursements (\$142,250), rent (\$44,067), staffing (\$59,000) and other basic overheads. These costs have been calculated for Q4 only except for the disbursements and rent, which cover the full financial year.

¹³ Tourism Waitaki's promotional activities saw increases in marketing (\$38,148), events (\$44,709), and a reduction in staff costs (-\$52,450).

¹⁴ Expenses have been pulled back by \$46,000, primarily in staffing costs.

¹⁵ This total does not include capital items or tax expenses.