



Waitakere City Council
Te Taiao o Waitakere

NOTICE OF MEETING

FINANCE AND OPERATIONAL PERFORMANCE COMMITTEE

I hereby give notice that a Meeting of the Finance and Operational Performance Committee will be held on:-

DATE: **Monday, 11 December 2006** **TIME:** **9.30 am**

VENUE: **Waitakere Central, 6 Henderson Valley Road, Henderson, Waitakere**

to consider the business as set out herein and to take any necessary action connected therewith.

8 December 2006

Ngareta Delamere
COMMITTEE SECRETARY

Telephone (09) 836 8000 extn 8552

MEMBERSHIP:

Councillors	JM	Clews, QSO, JP (Chairman)
	RI	Clow (Deputy Chairman)
	DQ	Battersby, JP
	MFP	Chan, JP
	LA	Cooper
	AK	Corban, OBE, JP
	RP	Dallow, QPM, JP
	WW	Flaunty, QSM, JP
	DE	Gilmour
	C	Harding, JP
	PA	Hulse
	JP	Lawley
	VS	Neeson, JP
	CA	Stone

Mayor RA Harvey, QSO, JP (ex officio)

(Quorum 5 members)

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(The reports and recommendations contained in all agendas are reports and recommendations only and are not to be construed, in any way, as Council policy until adopted.)

**AGENDA FOR A MEETING OF THE FINANCE AND OPERATIONAL PERFORMANCE
COMMITTEE TO BE HELD AT WAITAKERE CENTRAL, 6 HENDERSON VALLEY
ROAD, HENDERSON, WAITAKERE, ON MONDAY, 11 DECEMBER 2006,
COMMENCING AT 9.30 AM.**

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PART A - OPENING OF MEETING

1 APOLOGIES



2 URGENT BUSINESS

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 provides that where an item of business is not on the agenda, it may only be dealt with at the meeting if:

- (i) the Committee by resolution so decides; and
- (ii) the Chairman has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion and decision, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting.

The Committee may make a decision on a matter determined to be urgent.

NOTE: Urgent Business need not be dealt with now and may be delayed until later in the meeting.



3 CONFIRMATION OF MINUTES

Meeting Minutes - Monday, 6 November 2006

RECOMMENDATION

That the minutes of the Meeting of the Finance and Operational Performance Committee held on Monday, 6 November 2006, including the Public Excluded minutes, as circulated, be taken as read and now be confirmed.



PART B - PROPERTY

4 SALE OF STOPPED ROAD AT 889 SWANSON ROAD, SWANSON

PURPOSE OF THE REPORT

A1

The purpose of this report is to seek the Finance and Operational Performance Committee's recommendation to Council that a piece of stopped road adjacent to the house property at 889 Swanson Road, Swanson, as shown in the diagram attached at page A1, be sold to the owner of that property.

BACKGROUND

In April 1997 Council resolved (Council resolution 879/97) to dispose of five small areas of stopped road adjacent to the house properties at numbers 883-895 Swanson Road to the owners of those properties. At that time only the owners of 885 and 893 proceeded with the purchase.

In July 2005 the owner of number 883 Swanson Road indicated that she wished to purchase stopped road outside her property and this was approved by Council on the recommendation of this Committee (Council resolution 1686/2006) and the sale settled in September of this year.

The owners of number 889 have now indicated they wish to purchase the stopped road outside their property, but, as in the case of number 883 it is considered that because of the elapse of time since the original resolution (Council resolution 879/97) is considered appropriate to have the authority to sell this land confirmed.

ISSUES

Council Transport Assets division has confirmed that the piece of stopped road is still surplus to their requirements and does not contain any Council services or utilities which prevent the sale or require the protection of easements.

LEGAL ISSUES

Section 345 of the Local Government Act 1974 provides for the sale of surplus road to an adjoining owner at a price fixed by a competent valuer. Such as valuation has been obtained and the proposed purchasers have accepted the price.

It is considered that the proposed sale is exempt from the offer back provisions of Section 40 of the Public Works Act 1981 by virtue of Section 40 (4), which permits the sale to an adjoining owner where, because of the size, shape or situation of the land it cannot be expected to be sold to anyone else.

RESOURCES

There are no resources required to selling Section 3 SO Plan 68784 other than staff time.

CONCLUSION

This piece of former road is no longer of any use to Council and the adjoining owner is a willing buyer at a mutually accepted price and therefore its sale would appear to be appropriate.

RECOMMENDATIONS

1. That the Sale of Stopped Road at 889 Swanson Road, Swanson report be received.
2. That it be recommended to Council that the area of stopped road known as Section 3 SO Plan 68784 be sold to the adjoining owner.
3. That it be recommended to Council that pursuant to Section 40 (4) of the Public Works Act 1981, because of the size, shape and situation of Section 3 SO Plan 68784, the land could not be sold to anyone else.

Report prepared by: Maurice Heatt, Solicitor, Legal Services.



PART C - LEGAL AND CONSTITUTIONAL

5 AFFIXATION OF COMMON SEAL

EXECUTION OF DOCUMENTS - 30 OCTOBER 2006 TO 1 DECEMBER 2006

Nº	NAME	PARTICULARS
4007	WCC - EK, PJ & SA Farry and LB Roach	Deed of Waiver s.40 Public Works Act - 340 West Coast Road - Resolution 1348/2005
4008	WCC - MARAC Finance Limited & Hudson Bay Holdings Limited	Notice of Assignment of all rights, title & interest pursuant to Deed dated 23 February 2006 regarding Hobsonville - Sovereign Yachts - CT.134C/260
4009	WCC - PJ & YM Lipsham	Surrender of Consent Notice - CT.47373 - 146-148 Parker Road, Oratia - SPW 22119
4010	WCC - Boylan Properties Limited	Deed of Extension of Lease - Ratanui Street - Resolution 9/8/94
4011	WCC - Waitakere Citizens Advice Bureaux	Deeds of Lease (4) - Resolution 599/2006
4012	WCC	S73 Building Act Notification - 17 Lendic Avenue - ABA 20060274
4013	WCC - Waste Management New Zealand Limited	Deed of Variation of Landfill Disposal Agreement
4014	WCC - Lopdell House Society Inc	Funding & Service Agreement 2006/2007
4015	WCC - Waitakere Arts & Cultural Development Trust	Funding & Service Agreement 2006/2007
4016	WCC - WCC	Amalgamation Covenant pursuant to section 220 RMA - Lots 3 & 4 DP 372929 - Identifiers 294913 and 294914

N ^o	NAME	PARTICULARS
4017	WCC - Yi Xu & Peiyuan Cheng	Drainage easement in gross - CT.285906 - 6 Alma Street - SPW 22470
4018	WCC - Sandra Christensen	Deed of Waiver s.40 Public Works Act - 20B Lucinda Place - Resolution 1348/2005
4019	WCC - CJ & PR Cole	Stormwater drainage easement in gross - CT.194693 - 44 Metcalfe Road - SPW 22050
4020	WCC - Waitemata Rugby Club	Transfer of land in Swanson Road - HBC resolution 1986
4021	WCC - JG & J Sowter	Easement of Right-of-Way & Foothills Lane - Resolution 2102/2006
4022	WCC - JCR Russell and J&C Ruka	Stormwater drainage easement in gross - CTs.NA46C/1020 (JCR Russell) & NA48B/804 (J&C Ruka) - Archibald Road, Kelston - SPW 22653
4023	WCC - A & MMD Malik	Stormwater drainage easement in gross - CT.265129 - Archibald Road, Kelston - SPW 22653
4024	WCC - ML Norris	Fencing Agreement - CT.289661 - 184-186 Marine Parade, North Piha - SPW 22845
4025	WCC - MG & MI Stanley and GJ Cockroft	Fencing Agreement - CT.289662 - 184-186 Marine Parade, North Piha - SPW 22845
4026	WCC - Deang Limited	Lease at Lopdell House - Ross McLeod delegated authority 28/11/2006
4027	WCC - HM Mavoia	Fencing Agreement - CT.288540 - 107 Roberts Road - SPW 22333
4028	WCC - Sodexo Total Support Services New Zealand Limited	Lease of Kiosks Ratanui Street - Resolution 2451/2005
4029	WCC - Cummane/Bennett	Withdrawal of Caveat C350293.1 - 19 Te Atatu Road, Te Atatu
4030	WCC - Jian Hua Property Limited	Fencing Agreement in gross - CT.312265 - 17-21 and 25 Candia Road - SPW 21846
4031	WCC - Watermark Properties Limited	Variation of Easement in gross - CT.241638 - 16 Neil Avenue - SPW 22420
4032	WCC - Kathryn Jayne Manning	Warrant of Appointment & Evidence of Identity - No.WCC322

RECOMMENDATIONS

1. That the Affixation of Common Seal report be received.
2. That the action taken in affixing the Common Seal on the documents as set out in the agenda report be adopted.

Report prepared by: Yvonne Donaldson, Team Leader: Legal Services.



6 AMENDMENT TO THE CONSTITUTION OF WATERCARE SERVICES LIMITED

PURPOSE OF THE REPORT

The purpose of the report is to seek the Finance and Operational Performance Committee's approval of the amendment to the Constitution of Watercare Services Limited, enhancing the regulations governing the rotation of directors.

BACKGROUND

To maintain good governance, the Shareholders Agreement requires the Shareholders Representative Group to implement and manage a process for reviewing the relevant knowledge, experience and skills of Watercare's directors.

In 2006 the Shareholders Representative Group commissioned KPMG to review the Watercare board composition against good practice. This involved a review of competencies required of the directors and the board as a whole. The review also covered the issue of director rotation.

The KPMG review identified gaps between the current regulations (in the constitution) governing director rotation against good practice. The Shareholders Representative Group made amendments to regulations 26, 27 and 28 of the constitution to enhance regulations governing director rotation. The amendments to the constitution were approved by the Shareholders Representative Group at their meeting on 25 October 2006.

The Shareholders Representative Group has requested that shareholding Councils endorse the amendment to Watercare's constitution as required by clause 13 of the Shareholders Agreement.

As per clause 13 of the Shareholders Agreement, if the Shareholders Representative Group reach a binding decision on any matter arising in respect of the business and affairs of the company or arising under the Constitution, the shareholding Councils will then pass a resolution giving effect to that decision including passing or signing any resolution required by the Constitution or the Companies Act 1993.

A2-A5

The Constitution of Watercare Services Limited is attached at pages A2 to A5.

STRATEGIC CONTEXT

The Council's strategic goal of sustainable management of the three waters (water supply, wastewater and stormwater) is integral to its relationship with Watercare and to its role on the Shareholders Representative Group.

The Council has two major roles in connection with Watercare, one as shareholder/owner, the other as customer. The extent to which this Council can add strategic input to the governance of Watercare through its ownership and governance role heavily influences the extent to which it can supply retail services to the City's ratepayers that meet the Council's own strategic goals, and at the most efficient price possible.

ISSUES

The Shareholders Representative Group requested that shareholding Councils endorse the amendment to Watercare's constitution as required by clause 13 of the Shareholders Agreement.

The Shareholders Representative Group commissioned KPMG to review the board composition of Watercare against good practice, which covered the review of director rotation.

With regards to director rotation, KPMG recommended directors being appointed for a term of three years with a maximum of two terms. The rationale is that directors are more effective in their second term as they gain a better understanding of the business and its environment. Three terms is too long and goes against good practice of "progressive refreshing of the board" and maintaining director independence. KPMG recommended that only in exceptional circumstances should a director's tenure extend to three terms (9 years), subject to the approval of the Shareholders Representative Group. Planned and progressive refreshing of the board and orderly succession of appointments to the board maintains an appropriate balance of skills and experience for effective governance.

Regulation 27 in the current Watercare Constitution (governing director rotation) is not aligned with good practice. It does not specify the length of a term and maximum tenure (number of terms). It prescribes the retirement of one third of the longest serving directors at each general meeting, a fixed requirement that could impact on maintaining the appropriate balance of skill and experience on the board. As a result, current director retirements or re-elections are made on an ad hoc basis.

Regulation 27 - Rotation of Directors

- 27.1 One Third Retire: Subject to regulation 30.3(b) at the annual general meeting in every year, one third of the Directors or, if their number is not a multiple of three, then the number nearest to one third, shall retire from office.*
- 27.2 Longest Serving Retire: The Directors to retire shall be those who have been longest in office, but as between persons who became Directors on the same day, the Directors to retire shall, unless the otherwise agreed between them be determined by lot.*
- 27.3 Re-election: A retiring Director shall be eligible for re-election.*

The following amendments to the regulations governing director rotation in the Watercare Constitution were approved by the Shareholders Representative Group giving effect to the recommendations by KPMG on good practice:

Deleting Regulation 27 and substituting it with the following:

“27. Tenure of Directors

- 27.1 Tenure of 3 years: Subject to Regulation 28, a Director shall hold office as a Director for a term of 3 years from his or her election to the office of Director.*
- 27.2 Expiry of tenure: Upon expiry of that 3 year term the Director shall retire and subject to Regulation 27.3 be eligible for re-election.*
- 27.3 Re-election: A retiring Director shall be eligible for re-election and, at the sole discretion of the Shareholders, may be re-elected, by Ordinary Resolution, for a further term of 3 years. Any Director re-elected pursuant to this Regulation 27.3 shall retire upon the expiry of the further 3 year term. Subject only to Regulation 27.4, no Director shall hold office as a Director for a period of greater than 6 consecutive years.*
- 27.4 Tenure exceeding 6 consecutive years: In exceptional circumstances and at the sole discretion of the Shareholders, a Director retiring pursuant to regulation 27.3 may be re-elected for a further term in office, provided that any such additional term shall be for a period not exceeding 3 years as specified in the relevant Ordinary Resolution. On the expiry of any such extended term the Director shall retire, but shall be eligible for re-election on the terms of this Regulation 27.4.*
- 27.5 Transitional arrangements for existing Directors: Notwithstanding Regulations 27.1 to 27.4, all Directors holding office as at the date of adoption of this Regulation 27 will retire in accordance with this Regulation 27.5. At the annual general meeting in every year, one third of those Directors, calculated on the basis of the total number of Directors then in office, or if their number is not a multiple of three, then the number nearest to one third, shall retire from office. The Directors to retire shall be those who have been longest in office since they were last elected, but as between persons who were elected Directors on the same day, the Directors to retire shall, unless otherwise agreed between them, be determined by lot. A retiring Director under this Regulation 27.5 shall be eligible for re-election for a further term or terms to be determined at the sole discretion of the Shareholders.”*

Deleting Regulation 28.1(d) and substituting the following:

- “(d) Retires in accordance with Regulation 27.2, Regulation 27.4 or Regulation 27.5 and does not offer himself or herself for re-election or is not re-elected by Ordinary Resolution of the Shareholders; or”*

Changes to the wording of Regulation 26.1

Deleting the words “...but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting” from Regulation 26.1, and substituting the words “...at the sole discretion of the Shareholders in accordance with Regulation 25.5.”

Regulation 28.1(d), defining when a Director ceases to hold office is amended to enable alignment with changes to regulation 27.

The wording of regulation 26.1 governing appointment of a director to fill a casual vacancy is amended to reflect the changes to regulation 27 on director retirement. The previous requirement in regulation 27 for one third of the Directors to retire at each annual general meeting is removed and the Shareholders have more discretion in relation to Director Re-appointment.

CONCLUSION

The Shareholders Representative Group of Watercare's Services Limited resolved to approve the amendments to the regulations governing director rotation within the Watercare Constitution at its meeting on the 25 October 2006.

The amendments to the Constitution reflect good practice recommendations by KPMG on director rotation.

The Shareholders Representative Group has requested that shareholding Councils endorse the amendment to Watercare's Constitution, as required by clause 13 of the Shareholders Agreement.

As per clause 13 of the Shareholders Agreement, if the Shareholders Representative Group reach a binding decision on any matter arising in respect of the business and affairs of the Company or arising under the Constitution, the shareholding Councils will then pass a resolution giving effect to that decision including passing or signing any resolution required by the Constitution or the Companies Act 1993.

RECOMMENDATIONS

1. That the Amendment to the Constitution of Watercare Services Limited report be received.
2. That the Finance and Operational Performance Committee endorse the decision of the Shareholders' Representative Group of Watercare Services Limited to approve the amendments to the regulations governing rotation of directors within the Watercare constitution.
3. That the Chief Executive Officer be delegated the authority to execute the special resolution altering the Constitution of Watercare Services Limited on behalf of Waitakere City Council.

Report prepared by: Kingsha Changwai, Manager Quality Assurance.



PART D - FINANCE

7 OPERATING AND CAPITAL EXPENDITURE SUMMARIES

PURPOSE OF THE REPORT

The purpose of this report is to inform the Finance and Operational Performance Committee as to the level of the year to date operating and capital expenditure by unit compared to budget.

BACKGROUND

Through the Long Term Council Community Plan 2006-2016 processes, the Council approves operating and capital expenditure. The Council follows good practice for procurement of goods and services and ensures that funding has been provided from appropriate sources.

ISSUES

A6 This report covers expenditure for the four months to 31 October 2006. The financial summaries is attached at page A6.

If any further information is required in respect of this report, other than of a general nature, please contact either the writer or the Director: Finance prior to the meeting to enable the query to be researched.

CONCLUSION

Expenditure for the 4 months to 31 October 2006 is in line with the operational budget.

RECOMMENDATION

That the Operating and Capital Expenditure Summaries report be received.

Report prepared by: Bob Preston, Group Manager: Financial Management.



8 STATUS OF SPECIAL FUNDS

PURPOSE OF THE REPORT

The purpose of this report is to inform the Finance and Operational Performance Committee on the status of Council's Special Funds.

BACKGROUND

Special funds are those funds held or designated by Council for a specific purpose or purposes. With the exception of the Auckland Regional Services Trust funds which are held in a separate bank account, the balances of these funds are used to offset Council's borrowing requirements. Interest is allocated to funds where applicable.

Special fund movements are recommended through the Long Term Council Community Plan and Annual Plan adoption process. Special funds are classified as either "Restricted Funds" or "Non-Restricted Funds". Restricted funds are those funds that have been received by Council from a third party or parties and are to be used for a specific purpose or purposes. Non-restricted funds are funds established by a Council resolution to use and set aside its own funds and also to meet a specific purpose or purposes.

ISSUES

A7 The Special Fund report is separated into restricted and non-restricted funds. The balances and summary transactions for the four months ended 31 October 2006, is attached at page A7.

If any further information is required in respect of this report, other than of a general nature, please contact either the writer or the Director: Finance prior to the meeting to enable the query to be researched.

CONCLUSION

Special Funds are being held or designated for a specific purpose or purposes. The fund balances have been reported as required.

RECOMMENDATION

That the Status of Special Funds report be received.

Report prepared by: Bob Preston, Group Manager: Financial Management.



9 BORROWING AND INVESTMENT REPORT

PURPOSE OF THE REPORT

The purpose of this report is to provide the Finance and Operational Performance Committee with an update on the estimated borrowing and investment activity for October 2006.

BACKGROUND

Waitakere City Council enters into treasury related financial contracts in the ordinary course of its business. It is the role of Council's Funds Management section to manage such contracts and the impact that they have on the organisation. All funds management transactions are governed by the Liability Management and Investment Policy, prepared in compliance with the Local Government Act 2002. As a requirement of that Policy this report informs the Committee on the current and future movements of Council's debt and cash investments and provides a general commentary of financial market conditions.

A8-A13

The relevant portfolio and graphs reflect the estimated position as at 31 October 2006 are attached at pages A8 to A13.

ISSUES

Council's Funds Management function actively manages a large portfolio of various debt and investment instruments. The benefit of borrowing is that it enables Council to carry out the projects identified in the Annual Plan and Long Term Council Community Plan, while spreading the costs for those projects over time to recognise the future benefits. Borrowing funds therefore assist Council with its entire loans funded strategic initiatives. The Liability Management and Investment Policy requires that a report detailing the management of the portfolio be presented to the Finance and Operational Performance Committee on a regular basis. The report must include information on the following subjects:

- Cash/Debt Position
- Forecasted Borrowing Profile
- Interest Rate Profile
- Risk Management
- Material Transactions
- Market Commentary

This report addresses the requirement of the Policy and may include other information that is relevant to the Funds Management function.

FINANCIAL IMPLICATIONS

The active management of the treasury portfolio seeks to minimise Council's borrowing costs and maximise investment returns of liquid assets. The Funds Management function is also charged with seeking investors, thus ensuring that there is sufficient liquidity available for the Council to continue its work programme. New Zealand financial markets are significantly volatile and therefore interest rate risk management is a key responsibility of the Funds Management function. Detailed financial information included within this report is intended to give assurance of the prudent management of Council's portfolio.

Council maintains Standard and Poor's Credit Ratings of A-1 short term, and A+ long term (stable).

ESTIMATED SUMMARY OF BORROWING AND INVESTMENT MOVEMENTS TO OCTOBER 2006

Council's estimated gross term debt position has increased by \$2.101 million since September 2006, with an estimated closing balance at September month end of \$247.540 million.

SIGNIFICANT FUNDING TRANSACTIONS ENTERED INTO DURING OCTOBER 2006

- Amend Swap 19, decrease maturity from 2/8/2010 to 2/2/08, decrease interest payable from 6.47% to 5.77%.
- Re-issue commercial paper of \$20 million discounted at an interest rate of New Zealand 90 day bank bill mid interest rate for a term of 92 days.
- Agreed to issue \$10 million floating rate note on 25 January 2007 for a term of 5 years at an interest rate of New Zealand 90 day bank bill mid interest rate plus a margin of 10 basis points.

FINANCIAL MARKET COMMENTARY

Market Overview

Short Term interest rates divided from levels as high as 7.78% to levels around 7.52% immediately after the Reserve Bank of New Zealand issued its Official Cash Rate Announcement on 26 October 2006. However, over the past weeks leading again to the next Reserve Bank of New Zealand Monetary Policy Statement on 7 December 2006, short term interest rates have begun to rise in further financial market anticipation of a possible further increase in the Official Cash Rate. The Official Cash Rate is currently set at 7.25% and has been in that position since 8 December 2005. The Reserve Bank of New Zealand has indicated there is very little chance of a decrease to the Official Cash Rate in the near future.

Longer term interest rates have tended to trade sideways for the past few months with highs reached of 6.80% and lows of 6.60%. It is expected that this trend will continue for some time yet.

Up Coming Dates

Monetary Policy Statement	7 December 2006
Official Cash Rate Announcement	25 January 2007

CONCLUSION

All transactions covered by this report have complied with the requirements of Council's Liability Management and Investment Policy.

RECOMMENDATION

That the Borrowing and Investment report be received.

Report prepared by: Bruce Wilkin, Treasury Manager.



10 **PAYMENTS FOR APPROVAL**

PURPOSE OF THE REPORT

The purpose of this report is to advise of payments made by the Council.

BACKGROUND

This report provides details of payments made to external suppliers in excess of \$5,000. In addition there is a summary listing, which aggregates payments made to various organisations and suppliers for the Committee's information. These payments have already been processed as allowed by delegations approved by the Council. If any Councillor requires information regarding the nature of any payment, that information can be provided.

STRATEGIC CONTEXT

The Council makes various payments as provided for in its Long Term Council Community Plan and Annual Plans. The Council follows good practice for procurement of goods and services and ensures that funding has been provided from appropriate sources.

PAYMENTS

A14-A24

A summary schedule of payments made for the period 8 September to 26 October 2006, as attached at pages A14 to A15. A further schedule of all payments of \$5,000 and above, together with the reason for the payment, as attached at pages A16 to A24. As there was no 'payments for approval' report presented to this Committee last month the report attached to this agenda covers a 7 week period. If a committee member wishes to ask specific questions relating to any of these payments, prior to the meeting, then such questions can be directed to the Acting Director: Finance.

CONCLUSION

The summary schedule of payments is shown for the period 8 September 2006 to 26 October 2006. Payments have been provided for in accordance with approved budgets.

RECOMMENDATIONS

1. That the Payments for Approval report be received.
2. That the contracts let and payments made be approved.

Report prepared by: Alec Third, Acting Director: Finance.



PART E - GENERAL

11 MASSEY LEISURE CENTRE ALTERATIONS

PURPOSE OF THE REPORT

The purpose of this report is to seek approval from the Finance and Operational Performance Committee for the alteration of the Fitness Centre at the Massey Leisure Centre.

BACKGROUND

The Massey Leisure Centre (the Centre) is a purpose built Council owned facility which has a fitness centre, two-court stadium, a crèche facility and a sub-dividable community meeting/activity room. The fitness centre occupies a space which was initially designed as a meeting room. The Centre is contract managed by YMCA for the operation of the facility. The agreement has been in place since the facility was opened in 1999. Council entered into a nine year management agreement with a review to be conducted every three years. The first review period took place in 2006 and Council is into the second term of this agreement with the YMCA which began in July 2006.

Council officers negotiate the visitor targets annually with YMCA, whilst the operating subsidy has been negotiated to reduce over the nine year term. Council currently provides \$100,000 towards the operational costs. In addition, YMCA agreed to deliver an increased level of youth programmes and services. A sum of \$40,000 was allocated from the subsidy for the delivery of such programmes.

The Centre provides a range of recreation, leisure and sport programmes, as well as providing hall/stadium hire and meeting space for community and user groups.

STRATEGIC CONTEXT

Council leisure facilities and activities contribute significantly to the wellbeing of the City's residents, by providing recreation opportunities that promote health and social cohesion. The Council's Leisure Strategy, Community Facility Plan, Parks Strategy, Youth Recreation Needs Assessment and the Funding Policy guide the provision of these facilities and activities to ensure that they are available to all residents, responsive to changing demands and provided efficiently.

Council's strategic objective for leisure is that a comprehensive range of leisure, recreation and sports services and facilities are provided.

To improve the well being of the City's people and communities, the Council provides and supports a diverse range of leisure opportunities through facility operation and development, direct funding, assistance to access other funding and support of activity initiatives.

Through the Strategic Plan Council has adopted a strategic platform of 'Strong Communities' stating that in the next 10 years Council will develop the City as a renowned hub of social activity, arts, leisure, sports and recreation.

ISSUES

The Centre has steadily grown its membership base since it opened in 1999, and has become a very popular and respected leisure facility servicing the wider Massey community.

The Centre currently has 200 square metres of floor space set aside for the fitness area which houses all the cardio equipment, weight machines and floor space for abdominal work outs and floor exercise. The industry's standard measurement suggest that for moderate usage the gym should have three members per square metre, efficient usage would be four members per square metre and the capacity should be no more that five members per square metre (see table 1).

Table 1.

Industry Standard Measurement - Members Per Floor Space	Member Per Sq metre	Capacity for Current Area	Capacity After Alterations
		200sq m	291 sq m
Moderate	3	600	873
Efficient	4	800	1164
Capacity	5	1000	1455
<i>Currently over capacity</i>	<i>5.64</i>	<i>1128</i>	

The Centre's membership as of 1 November 2006 was 1,128 members which means that the Centre has 5.64 members per square metre of gym floor which is well above the capacity figure suggested by the industry standards (see table 1).

As membership numbers have increased it has put more pressure on the Centre and has made it more difficult to retain existing members and to also attract new members. In a survey conducted by an Auckland University Bachelor of Sport and Recreation student to determine the factors that would increase retention in the fitness centre, 86% of members surveyed said that they would like to see more space in the gym and 78% said they would leave the gym because of overcrowding.

YMCA is determined to continue to offer new and existing members the best possible facilities and has investigated the possibility of increasing the floor space to reduce the members per square metre and give scope to increase their membership base without compromising the service available to existing members.

The Concept

The YMCA's purpose is to expand the existing fitness area by blocking off the current entrance way and moving the current reception area down towards the end of the administration area and erecting a temporary wall from the end of the new reception across the foyer with a door for members to enter and leave the fitness area (see figure 1). No structural changes to the building are required and all structures will be able to be removed if YMCA had to move out of the facility at any stage.

The changes will require a new entrance way to be created, and the current reception would need to be relocated. YMCA is proposing moving the reception further down towards the stadium which will allow the staff to have a view shaft directly towards the library, towards the stadium and into the fitness area. This will improve the security at the Centre as currently anybody can enter the facility through the Library entrance and access toilets and the Don Buck room without being seen by the reception staff and theft has been an ongoing issue for the YMCA. The YMCA is proposing that everyone will use the existing entrance beside the Library and during peak times and special events one of the many other doors along that building face can be opened to allow the Centre users easier access.

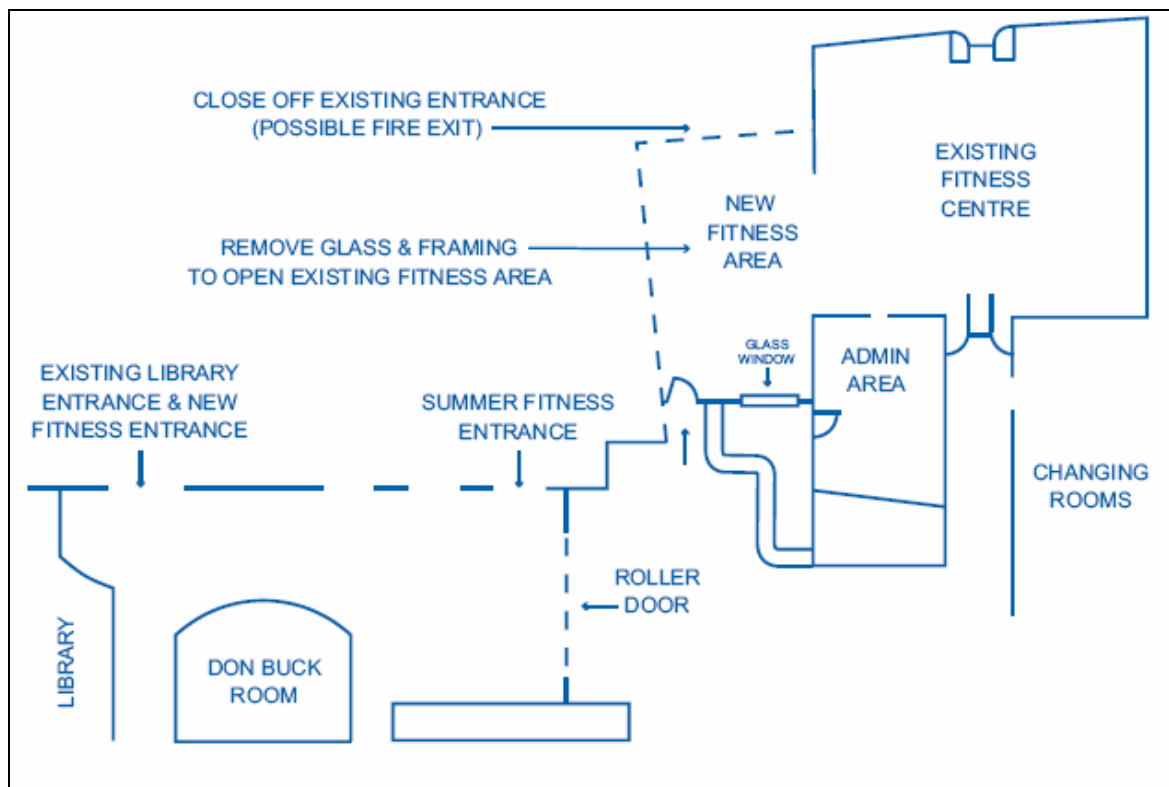


Figure 1 - Alterations to fitness centre

These changes will enable the YMCA to increase the floor space available to the fitness centre by 91 square metres which takes the total floor space available to them to 291 square metres, increasing the capacity of the area to 1,455 members. YMCA however are conscious about the effect of overcrowding and may set the capacity of the centre at 1,300 members which is slightly above the efficient level suggested, but will enable YMCA to continue to retain current members, which they feel is extremely important.

Consultation

The YMCA conducted a series of consultations with all users of the Centre as well as users of the Library. The fitness centre members unanimously approved the alteration of the fitness centre as they felt that the current area was overcrowded at peak times and many commented that this would be the single most determining factor in deciding to leave the Centre. The other users of the facility also unanimously approved the alterations and felt it was a good utilisation of a currently underused area. 80% of the Library users were also in favour of the change with only eleven disapproving. Some of the reasons for their disapproval were:

- Reduction of common area for people to hang out and chat,
- Don't want to put up with smelly gym people,
- Entrance should be separate,
- If approved it needed covered walkway from car park to main door,
- Building won an architectural award and shouldn't be changed.

A25-A33

In response to the concerns raised by those consulted, the YMCA has attempted to address these issues in their proposal (see pages attached at A25 to A33 for their responses).

The major concern was the congestion caused by using the same entrance way for both the Library and Leisure Centre. The YMCA believes that this will not in fact be the case as the Centre's peak times are in the morning from 6 am to 8 am and again in the evening from 5.30 pm to 7.30 pm, which fall outside the opening hours for the library. During the day there may be a constant flow of traffic coming and going from the Centre but the entrance and adjoining foyer area can easily accommodate that level of foot traffic.

Cost

The YMCA has stated that they will bear all costs associated with this alteration and will not be asking Council to contribute towards the construction or the fit out of the area. The YMCA views this project as an investment and believes the added membership capacity and income generated will enable them to recoup that investment. The YMCA has not obtained any quotes for the construction work but they have set aside up to \$50,000 for this project. They intend to acquire more accurate costing for this project once Council has approved the project in principle. The YMCA also intends to invest an additional \$100,000 in replacing and upgrading the equipment in the fitness centre.

Benefits to the Centre

The major benefit of this alteration will be the continued growth of the membership base. As mentioned earlier the current membership figures are well above the capacity figure as set out by the industry measurement of members per square metre. By increasing the available floor space it will give the YMCA the opportunity to grow that membership base to a capacity of 1,455 members however YMCA may limit membership growth to approximately 1,300 members as they do not want the facility to continue to be overcrowded and are keen to see the members per square metre remain at a reasonably efficient level rather than always at capacity.

The increase in members will directly increase visitor numbers to the Centre. On average each member visits the Centre 50 times per year and with an increase of membership from 1,128 to 1,300 the Centre can expect an increase of over 8,000 visits per year, which is approximately a 4% increase in their annual visitor numbers.

As pointed out earlier in the consultation, the single most important factor mentioned by current users as to why they leave the gym was overcrowding. By extending the fitness centre, the YMCA expects to retain current members and be able to attract new membership due to upgraded facilities and floor space.

Another potential benefit will be a possible flow on effect for the Library due to the Centre's visitors having to walk past the Library to enter the facility. It is hoped that this may mean an increase in participation in the Libraries activities and programmes by the Centre's users.

The underlying benefit to both Council and the YMCA will be providing the opportunity for more people to be more active more often.

RESOURCES

Council provides an annual subsidy to the YMCA to provide programmes and activities in the Centre. \$100,000 is set aside in the Annual Plan 2006/2007.

CONCLUSION

The fitness centre in the Massey Leisure Centre is currently well over capacity according to industry's standard measurement of members per square metre. The capacity for the current fitness centre is 1,000 members and the Centre currently has 1,128 members.

The YMCA are proposing to extend the fitness centre by 91 square metres (see figure 1) which will increase the capacity of the centre from 1,000 members to 1,455 members, however, the YMCA may restrict membership to approximately 1,300 to ensure overcrowding does not become an issue again.

The YMCA consulted with both the Centre and Library users and received 100% approval for the alterations from all of the Centre's users and 80% approval from the Library users.

The YMCA estimates the cost of the alteration to be approximately \$50,000 and also plan to invest an additional \$100,000 for the upgrade and replacement of equipment. All costs associated with these alterations will be covered by the YMCA.

As part of the YMCA's agreement with Council, if the relationship was dissolved the YMCA would return the facility to its original state.

There are number of benefits to both the Council and the YMCA with this proposed alteration, such as significant improvements to the quality of the fitness centre which should improve the YMCA's ability to retain and attract members, increased visitors numbers through an increase in members and an improvement in the centre's security by only having one entrance point with that entrance being completely visible from the new reception area.

RECOMMENDATIONS

1. That the Massey Leisure Centre Alterations report be received.
2. That the Finance and Operational Performance Committee approve the proposed alterations to the Fitness Centre at the Massey Leisure Centre in principle.
3. That a report detailing concept design and cost of the Fitness Centre at the Massey Leisure Centre be brought back to the Finance and Operational Performance Committee for final approval.

Report prepared by: Rob McGee, Leisure Services: Projects and Contracts Officer.



12 REVIEW OF RATING SYSTEM - ANALYSIS OF CAPITAL AND ANNUAL VALUE

PURPOSE OF THE REPORT

The purpose of this report is to present a progress report to the Finance and Operational Performance Committee on the review of the rating system and evaluation of an Annual Value rating system.

BACKGROUND

At its meeting held on 7 August 2006 the Finance and Operational Performance Committee considered a report setting out a work programme which included a review of the three rating systems, including the Annual Value rating system and resolved to endorse the approach proposed. This report deals with the impacts of both a capital value and an Annual Value rating system.

STRATEGIC CONTEXT

The Courts have stated that a rating system is primarily a taxation system rather than a system for charging for services, although in adopting the basis of rating and setting its differential rating system a local authority must not act unreasonably, and decisions on a rating system involve the exercise of political judgement by elected representatives of the community.

ISSUES

Analyses have been carried out to indicate the impacts on ratepayers in various bands of Land Value of a change to either Capital Value or Annual Value rating. In all cases the analysis has used the 2006/2007 Annual Plan total rate requirement, and property values as at 30 June 2006, although these property values are expressed in terms of September 2004 levels of values.

Initially analysis of both Capital and Annual Value rating has been based on the Sector's share of costs being 22%. The level of rates contribution from the Business Sector under either an Annual Value or Capital Value rating system may need to be reviewed. This will be dealt with in more detail later in this report.

The analysis of property values shows:

1. The Business Sector's share of property values as at 30 June 2006 are as follows:

Land Value	6.69%
Capital Value	10.55%
Annual Value	15.22%

2. Manukau City's figures for the Business Sector (extracted from a copy of report prepared earlier in 2006) show:

Land Value	16.1%
Capital Value	22.9%
Annual Value	29.9%

3. Although the Business Sector share of property values in Waitakere City under both Capital Value and Annual Value rating are much closer to the Sector's share of costs, using the current method of calculation, there will still be a need for a Business Sector differential, with or without a Uniform Annual General Charge if a similar rate requirement from the Business Sector is desired. This is unlike Manukau City where due to its much higher business base under an Annual Value rating system there is theoretically no need for a business sector differential if no Uniform Annual General Charge is levied.

Change from Rating on Land Value to Capital Value

Capital Values are assessed on the market value of an entire property, both the land and improvements, at the date of valuation. The Capital Value is more understandable than the Land Value to most ratepayers who own a property with a building and other improvements on it as the land value is in many cases largely hypothetical, as there are few vacant lots with which to compare values.

A34-A36

Attached at pages A34 to A36 are schedules showing the indicative impact on rates of the use of Capital Value for calculation of rates on residential properties for the 2006/2007 year. The schedules also show the impact on Business Sector properties of rating on Capital Value.

This analysis shows that in the Inner Area, 62.9% of properties would have a decrease or no change in rates payable. In the Outer Area 75% of properties would have a decrease or no increase in rates payable. These relatively high percentages arise from a combination of two main factors:

1. A reduction in the overall share of rates met by the Residential Sector if the Business Sector share of rates increases from 20% to 22% of the total rate requirement.
2. The level of development on the properties may be lower than the average, ie. the land value as a percentage of the capital value is higher than the average.

If the Business Sector share of the total rate requirement remained at 20%, the equivalent figures would be 50.4% of Inner Area properties and 65.9% of Outer Area properties would have a decrease or no increase in rates.

A37-A39

Attached at pages A37 to A39 are schedules showing the indicative impact on rates of the use of Capital Value for calculation of rates on residential properties if the Business Sector share of the total rate requirement remained at 20%. The schedules also show the impact on Business Sector properties of rating on Capital Value.

A number of anomalies have been identified if Capital Values are used to calculate wastewater rates on Business Sector properties with some high value properties being charged excessive amounts in relation to the relative volume of wastewater generated. Consequently the Business Sector models have been calculated using Land Values for wastewater rates and Capital Values for general rates. As referred to elsewhere in this report, if the anomalies relating to some high value properties are to be eliminated, the basis on which wastewater rates are levied should be reviewed.

Under Capital Value rating (with wastewater rates calculated on Land Value) 57.6% of Business Sector properties would have a reduction in rates, or no increase, if the Sector's share of rates was increased to 22%. However if the Sector's share of rates remained at 20%, 69.1% of Business Sector properties would have a reduction in rates or no increase.

Change from Rating on Land Value to Annual Value

The Annual Value of a property is calculated on the assessed rental obtainable from a property reduced by a factor of 20% for developed properties and 10% for vacant land, but in no case is the Annual Value less than 5% of the Capital Value.

The general characteristics of an Annual Value rating system are:

1. Rates on higher valued residential properties tend to be lower under an Annual Value rating system than under a Capital Value rating system.
2. Conversely rates on lower valued residential properties tend to be higher under an Annual Value rating system than under a Capital Value rating system.

This is because Annual Values tend to be a higher percentage of Capital Values on properties with lower values and at 5% of Capital Values for properties with high values.

A disadvantage of an Annual Value rating system is that the concept of a rateable value based on an assessed rental income adjusted by statutory factors, but with a lower limit of 5% of the Capital Value is not well understood by ratepayers, even in areas where Annual Value has been used for many years. Capital Values used for calculating rates are the best understood as they can be related to the market value of a property.

Over the whole of the City, the Annual Value of Business Sector properties is on average 8.17% of the Capital Value, and Residential and other properties it is 5.36% of the Capital Value.

A40-A42

Attached at pages A40 to A42 are schedules showing the indicative impact on rates on residential properties of the use of Annual Value for calculation of rates for the 2006/2007 year.

This analysis shows that in the Inner Area, 64.2% of properties would have a decrease or no change in rates payable. In the Outer Area 80.5% of properties would have a decrease or no increase in rates payable. These relatively high percentages arise from a combination of two main factors:

1. A reduction in the overall share of rates met by the Residential Sector if the Business Sector share of rates increases from 20% to 22% of the total rate requirement.
2. The Annual Value as a percentage of the Capital Value is lower than the average.

If the Business Sector share of the total rate requirement remained at 20%, the equivalent figures would be 50.8% of Inner Area properties and 73.1% of Outer Area properties would have a decrease or no increase in rates.

A43-A45

Attached at pages A43 to A45 are schedules showing the indicative impact on rates on residential properties of the use of Annual Value for calculation of rates if the Business Sector share of the total rate requirement remained at 20%.

The impact on Business Sector properties of rating on Annual Value is also shown in the schedules.

Again for Business Sector properties wastewater rates have been calculated on Land Value in view of the anomalies that arise if Annual Values were used.

Evaluation of Impact of Annual Value Rating on Residential and Other Properties

Characteristics 1 and 2 above are confirmed, ie. for a given level of Uniform Annual General Charge, rates on properties with a higher than average Annual Value would reduce when compared with rates calculated on Capital Value, and conversely, rates on properties with a lower than average Annual Value would increase when compared with rates calculated on Capital Value. However it is unlikely that the Uniform Annual General Charge could be totally eliminated.

As stated earlier, in the residential sector, the Annual Value is on average 5.36% of the Capital Value, not significantly above the statutory minimum of 5%. Of Inner Area residential properties, 50.2% have an Annual Value that is 5% of the Capital Value. In the Outer Area the equivalent figure is 88.6%. For the whole residential sector, 53.8% of properties have an Annual Value that is 5% of the Capital Value. This is much lower than the equivalent figures in Auckland City and Manukau City, reported to be 78.3% and of the order of 60% respectively. Generally properties with an Annual Value that is 5% of Capital Value pay lower rates under an Annual Value rating system than under a Capital Value rating system. The significantly higher percentage of such properties in Auckland City and higher figure in Manukau City makes an Annual Value rating system much easier to "sell" to ratepayers.

Timing of a Change in Rating System

Any change to the method of rating would require an amendment to the Long Term Council Community Plan.

Change to Rating on Annual Value

If the Council wishes to pursue the adoption of an Annual Value rating system, it could not be implemented until Annual Values prepared to a standard that meets the requirements of the Valuer-General had been entered on the District Valuation Roll, and objections dealt with. The earliest opportunity that entering the values on the District Valuation Roll could be achieved would be at the triennial revaluation to be conducted as at 1 September 2007. Therefore such a change could not take effect until the year commencing 1 July 2008.

The data on Annual Values recently obtained from Quotable Value New Zealand and used for the analysis has not been prepared to the standard required by the Valuer-General for inclusion in the District Valuation Roll, due to incomplete base data on which to accurately assess all values, and therefore details of values and indicative rates on individual properties should not be communicated to individual ratepayers. However the data is considered sufficiently accurate to gauge the likely impact of an Annual Value rating system when considered at the higher level of the whole city and groups of properties.

If consultation on Annual Value rating is to proceed with a view to implementation on 1 July 2008, a decision by the Council would be required by February 2007 to enable Quotable Value New Zealand to gather data required to accurately assess all values for inclusion in the District Valuation Roll to be prepared as at 1 September 2007.

Therefore consultation on the change would be appropriate for the Annual Plan 2008/2009 when reliable comparisons could be made of rates payable on individual properties under alternative rating systems, although the Council's intentions could be foreshadowed in the 2007/2008 Annual Plan. There would be additional funding required in the vicinity of \$560,000 for the cost of the initial assessment of Annual Values to be provided by Quotable Value New Zealand to a standard that meets the requirements of the Valuer General.

Change to Rating on Capital Value

As Capital Values are currently on the District Valuation Roll, and property owners had the opportunity to object to these values at the time of the last review of values as at September 2004, a Capital Value rating system could be implemented as from 1 July 2007.

Other Issues to be Considered in Relation to the Business Sector

A report containing economic analysis of the impacts of a change in rating system on business sector properties, and the results of consultation with a number of Business Sector ratepayers and property owners will be presented to the February 2007 meeting of the Committee.

The current method of calculating the Business Sector's share of costs, which was adopted in the mid 1990s, may need to be revisited to confirm that the assumptions are still valid, and if necessary modify them.

- a. Roothing costs - These costs comprise the major part of costs attributable to the Business Sector based on the damage to roads by heavy motor vehicles. Those vehicles may have included buses, and it may be appropriate to consider whether the movement of people as distinct from freight should be totally a charge against the Business Sector, despite bus companies being business enterprises. A downward adjustment in the Sector's share of these costs could result in a reduction in the current differential.
- b. Under the current calculation method, where there is no identifiable basis of sharing costs between the Business and Residential Sectors, the default basis of sharing costs is to use property values. However there are some costs such as parks and reserves, libraries, community facilities where the Business Sector's share of benefits from these facilities may not be in proportion to their share of property values, particularly if Capital or Annual Value is used to apportion costs. If a lesser share of these costs was attributed to the Business Sector, eg. continue to attribute the Sector's share of some such costs on Land Value in the event of a change to rating on Capital or Annual Value, the Sector's share of costs would be lower than 22%.
- c. Wastewater Rates

For the 2006/2007 year wastewater rates charged to Business Sector properties were calculated on their land values. However for many if not most properties wastewater costs shared on the basis of property value may be greater than their share based on volume of wastewater generated. This situation is accentuated in many cases under a Capital or Annual Value rating system.

Whichever rating system is adopted, there is a need to move to charging the major generators of wastewater on the basis of volume generated under a system of negotiated contracts. This may reduce remaining costs to a reasonable level where a pan charge method could be more equitable.

CONCLUSION

From the preliminary analysis of the modelling undertaken, higher developed/valued residential properties in the City would benefit from an Annual Value method of rating. Conversely lower developed/valued residential properties would pay higher rates than under a Capital Value rating system.

There are "winners and losers" in any change of rating system. However there does not seem to be any overwhelming advantage of Annual Value rating over Capital Value rating in Waitakere City. As with any change, those ratepayers whose rates would be less under a different rating system will generally be in favour of a change, and those whose rates would be greater will generally be against a change.

The Committee will have to make a decision and recommendation to the Council on any change to the current Land Value rating system for the 2007/2008 year at its meeting in February 2007 so that any changes may be included in the draft Annual Plan 2007/2008 consultation process.

Decisions will also be required on the method of charging major generators of wastewater in the Business Sector, any consequential changes to level of wastewater rates, and the overall level of contribution to rates from the Business Sector.

Council also needs to ensure it takes account of impacts on the community and of community views on proposals. A consultation plan would need to be put in place to ensure that all those effected by any change to the rating system, have adequate knowledge and information regarding any proposed changes, and an opportunity to convey effects of proposals on them to Council. At its meeting on 11 September 2006 the Finance and Operational Performance Committee agreed (minute 1703/2006) that the draft Rating Review Consultation Strategy as presented to the meeting would form the basis of any consultation to be undertaken.

RECOMMENDATIONS

1. That the Review of Rating System - Analysis of Capital and Annual Values report be received.
2. That the final decision on any change to the rating system be made at the February 2007 meeting of the Finance and Operational Performance Committee following consideration of the report on the results of the economic analysis.
3. That the Finance and Operational Performance Committee advise what further analysis it requires for presentation to the February 2007 meeting of its Committee.

Report prepared by: Colin North, Financial Analyst, Rates.



13 THE TRUSTS STADIUM 2006/2007 FOUR MONTH PERFORMANCE REPORT

PURPOSE OF THE REPORT

The purpose of this report is to update the Finance and Operational Performance Committee on The Trusts Stadium's four month performance against their business plan and the 2006/2007 Funding and Service Agreement between Council and The Trusts Stadium.

BACKGROUND

The Trusts Stadium (the Stadium) on Central Park Drive is owned and operated by the Waitakere City Stadium Trust. Council contributed over \$14 million of capital funding towards the project and provides the Waitakere City Stadium Trust with operational grants, with \$475,000 budgeted in the 2006/2007 financial year.

Council's justification for the investment in the Stadium is to ensure community accessibility to the Stadium, assist to attract a number of events that may have otherwise not been held Waitakere or that contributes to Waitakere both economically and/or socially. A charter document exists between the Waitakere City Stadium Trust, Council and two other partner organisations, Waitakere City Rugby Club and Waitakere Athletics Club. The Charter document sets out in Schedule K the Community Objectives the Stadium is to meet and the principle objectives of Council's contribution to the Stadium.

Council and the Stadium subsequently signed a Funding and Service Agreement (the agreement) for the 2005/2006 financial year that agrees the specific outcomes the Stadium is to meet with Council's financial contribution.

STRATEGIC CONTEXT

Council's support for the Stadium falls under a number of key strategic platforms, namely Strong Communities, Strong Innovative Economy and Urban and Rural Villages. It also contributes to the healthy lifestyles Community Outcomes. The Stadium provides a venue for active and passive recreation contributes to Henderson's recreation precinct and provides a vehicle for jobs and stimulation of the local economy.

ISSUES

Core Operations

The Stadium had 193,623 visitors during the first four months of this financial year, which is significantly higher than the 140,368 visitors recorded this time last year and puts the Stadium well on track to exceed the target of 400,000 visitors for the year. These figures do not include the visitors to the Momentum gym or visitors to the wider precinct such as those to the Douglas Track and Field and adjoining playing fields.

This increase in visitor numbers has meant that the Stadium is currently tracking ahead of budget and is well on target to meet or exceed year end results. The Stadium was audited on their accounting practice and procedures by Hayes Knight and satisfactorily passed.

The Stadium is about to receive the Halberg Trust Sport Access Gold Award, which is a quality assurance mark designed to identify and enhance inclusive opportunities within regular sports clubs, facilities and programmes. Sport Access aims to encourage sporting clubs and facilities to better meet the needs of all users when designing amenities, services and programmes, and to provide sustainable inclusive sport and active leisure opportunities for people with a disability. The Stadium will be the first facility in New Zealand to be awarded this which is a fantastic achievement by the Stadium.

Events and Hospitality

The Stadium has now reached a stage where they have a well balanced calendar of annual events, which means they have now changed their focus to be more selective with the additional events they target in future as they endeavour to balance the need to maximise the usage of the facility whilst being mindful of the impact on the community accessibility of the Stadium. This is done by where possible looking for events that fall in the quieter periods of the year, and also events that do not tie up a lot of court space during peak hour times. They have recently appointed a Business Development Manager to concentrate in this area.

Events overall continue to be a real success, with the Stadium being able to attract a number of high profile events/tournaments during this period. On the back of events such as Cirque Rocks and the Diwali festival, the Stadium also hosted both the National Provincial Netball Championships and the Oceania Youth Basketball Championships which gave the Stadium excellent exposure during their week long tournaments. This significantly impacted on visitor numbers during this period and has enabled the Stadium to post a very healthy result, however these events can not be considered annual events and may only come along once very four to eight years if they are lucky, so future targeting and planning will have to consider this when setting targets etc.

The Stadium has been able to retain 80% of the key annual events held in the city the previous year with the only exception being the Breakers who chose to play at North Shore due to reasons outside of the Stadium's control but continue to use the Stadium as their headquarters and to train.

The Stadium is still working through negotiations with the Auckland Diamonds, K-1 and Dean Lonergan Events for the upcoming year and expects to be able to finalise an agreement with all clients in the near future. All clients appear to be extremely happy with the facility and the services provided, and seem keen to continue their relationship with the Stadium

The Stadium hosted the Diwali festival during this period which again proved popular and they have already booked in for their 2007 event. A fireworks display was also held at the Stadium and attracted in excess of 10,000 visitors, and they are working on attracting the Toddlers day out and Flare to the facility in the future. The Trash to Fashion was once again held at the Stadium and a decision on whether they will continue to base themselves there will not be know until after the review this year event.

In terms of conventions, there hasn't been a large focus on attracting a number of new conventions as the Stadium already has a large number of major week long events booked for the coming year. The Stadium is however looking at specific conventions that fit around the existing bookings to balance commercial aspect of the stadium with the community accessibility aspect. Oz talk will return in 2007 and the Stadium is also marketing to professional conference organisers to secure some trade shows and conventions in future. One significant area of concern for the Stadium is the lack of accommodation to host visitors for conventions and trade shows, having recently missed opportunities to host events as a result of an inability to accommodate significant numbers within close proximity.

Despite limitations with respect to accommodation, the Stadium sees a lot of potential in attracting conferences to the stadium as they have an excellent venue, and conferences can be held without disrupting court space, which is a win win situation for all. The Business Development Manager will be looking at this area for future improvement as well. Currently this area is still performing very well with over 422 booking during the first four months of the year, which puts them well on track to reach the target of 1,000 booking for the year (this includes meeting rooms).

Regular Community Hirers

The Stadium is slightly behind last years figures in terms of community court usage and hours available at peak times which is largely due to the two week long tournaments mentioned earlier. These events will only occur once every four to eight years and although community access was temporally affected, these events enable Waitakere residents a fantastic opportunity to see high quality sports up close.

The Stadium was used for 1,346 hours by the community which puts them on target to meet the minimum target of 3,000 hours for the year. Waitakere Basketball continue to be the most dominant user (59%) followed by Netball (24%). 3,486 hours were available at peak time, with 2,263 (65%) of those hours being made available for community access with the remaining hours unavailable due to events, maintenance and the pack in and out of events. This percentage was slightly higher than previous periods and that can be put down to the extra times taken out by the two week long sporting tournaments run during this period. The Stadium expects the percentage of unavailable time to return to normal (20% to 25%) over the next eight months.

During the first four months of the year the Stadium has provided \$48,520 worth of subsidies to community users of the facility, which again puts them well on target to exceed the target of \$90,000 for the year.

Future Events

The Stadium has some exciting events planned for the remaining eight months, including two concerts, Carole King and DMX during December 2006. The Toddlers day out and OZ Talk will be hosted at the Stadium during March with the Diamonds starting their season in April. The Fight For Life is again scheduled for May next year. The next four months are traditionally the quietest period for the stadium, but after such an excellent first four months the stadium looks well on track to meet and exceed all targets as set out in the 2006/2007 Funding and Service Agreement.

RESOURCES

Council budgeted an operational subsidy of \$475,000 for the 2006/2007 financial year. \$475,000 operational subsidy is budgeted in the Long Term Council Community Plan for subsequent years.

CONCLUSION

The Stadium has made an excellent start to the 2006/2007 financial year with visitor numbers reaching a record high for the four month period (193,623). This was largely due to the hosting of a series of high profile events and tournaments such as Cirque Rocks, the National Provincial Netball Championships and the Oceania Youth Basketball tournament. Some of these events are one off events that can not be planned for over the coming years but they were important events that raised the profile of the stadium both national and internationally and brought significant visitor numbers and overnight bed stays to the City.

The Stadium has been able to retain almost all major events, except for the Breakers who although still use the Stadium as their headquarters, choose to play their games on the North Shore. The Stadium is currently in negotiations with all major clients to secure long term agreements which will see them continue to use the Stadium for their events.

A Business Development Manager has recently been appointed to look at new opportunities, in particular events and conferences that compliment the existing events the Stadium already has in their calendar. They are working hard to balance the need for community access and also provide exciting and valuable events/conventions and conferences to the people of Waitakere.

Although the hours available to community users of the Stadium were slightly down on the previous year, they remain on target. The Stadium and already provided \$48,520 worth of subsidies to community groups which is well on target to reach the target of \$90,000 for the year.

The next four months traditionally are the quietest period for the Stadium but have some exciting events lined up including a Carole King and DMX concert during December which should ensure the Stadium remains on track to meet and or exceed all targets as set out in the 2006/2007 Funding and Service agreement.

RECOMMENDATION

That the Trust Stadium 2006/2007 Four Month Performance Report be received.

Report prepared by: Rob McGee, Leisure Services: Projects and Contracts Officer.



14 QUARTERLY PERFORMANCE REPORT FOR SEPTEMBER 2006

PURPOSE OF THE REPORT

A46-A79

The purpose of this report is to present to the Finance and Operational Performance Committee the Quarterly Performance for September 2006. Refer to the attachments at pages A46 to A79.

BACKGROUND

In June 2006, the Council adopted its Long Term Council Community Plan for 2006-2016. Volume 2 of the document itself, detailed the activity performance measures, works programme and activity costs. The quarterly report follows this format. New sets of performance measures were developed for the activities where appropriate.

STRATEGIC CONTEXT

The activities detailed in volume 2 of the Long Term Council Community Plan for 2006-2016 are the mechanisms used by the Council to deliver the Council's strategic direction and to contribute to the Community Outcomes. The performance measures indicate how well an activity is performing.

ISSUES

Where possible, all measures have been reported. There are some measures where the data is only collected annually or six-monthly and there are some measures that are survey-based. The relevant surveys will be carried out in 2007. Most measures are on-target and explanations and comments are provided on each measure, especially where the target has not been met. The full year's measures will be published in the Council's Annual Report. Strategic Platform and Community Outcome measures are still being developed.

RESOURCES

The only resources required to date are staff time.

CONCLUSION

The quarterly performance report indicates that the Council is generally on target to meet its performance measures. Special attention will be paid to any areas where problems have been identified.

RECOMMENDATION

That the Quarterly Performance for September 2006 be received.

Report prepared by: Bob Preston, Group Manager: Financial Management.



15 **CORBAN ESTATE: PROPOSAL FOR LINK ROAD AND BRIDGE OPTION STUDY**

PURPOSE OF THE REPORT

The purpose of this report is to update the Finance and Operational Performance Committee on progress with the Corban Estate link road and bridge project development and to recommend the reallocation of funds so that planning work can commence earlier than anticipated.

BACKGROUND

The need for a second access road into Corban Estate was identified as part of the 2004 draft concept plan. This road access is necessary to enable the site to function efficiently for event access. The proposed road link would run from the southern part of the estate, across the Opanuku Stream and connect to Henderson Valley Road through the Opanuku Reserve.

Budget to develop plans for a link road and bridge over the Opanuku Stream was incorporated in the Long Term Council Community Plan 2006-2016 for 2007/2008. This was to coincide with work being implemented by Waitakere Properties Limited's for the remainder of the new Civic Centre site at Waitakere Central. It was intended that the Waitakere Properties Limited development and the Opanuku Stream link road would meet on Henderson Valley Road at a new intersection.

During 2006, discussions have taken place with Unitec, Waitakere City's major tertiary education provider, over the possibility of locating the School of Performing and Screen Arts and School of Design at the Corban Estate to realise a vision of a creative quarter. A key factor in the discussions with Unitec is the potential for the access road to improve connections between the Henderson transport interchange in Henderson Valley Road, the Unitec campus at Ratanui St and the Corban Estate. The additional link road to the site is also necessary for a performing arts centre to operate. One of the major factors in developing a venue that is suitable for student activity is to develop adequate access to public transport and the best possible links to Henderson town centre for pedestrians as well as cars.

STRATEGIC CONTEXT

The Corban Estate has the potential to become the City's pre-eminent arts, culture and regional attractor to national and international visitors and a key component of the City's partnership with Unitec, (the City's tertiary education provider).

The development of an access road and bridge over the Opanuku Stream will enable pedestrian and vehicle links to the Henderson town centre and transport interchange, which will enhance both the usability of Corban Estate itself, and will make the site available to a wider demographic.

ISSUES

The link road and bridge are not seen as a priority for the traffic management around Henderson. However, this connection is an essential component to the future development of the Corban Estate Creative Quarter. Further planning for the development of a performing arts centre has shown that this proposed link road and bridge is necessary prior to the construction of the centre. In the absence of this connection a temporary road would need to be constructed off the end of Mt Lebanon Lane to allow construction vehicles onto the site. Therefore there is a need to start this work at the earliest possible time to ensure the performing arts centre and the future development of the site is not further delayed.

A80 A draft project timeline is attached at page A80, showing construction of both the link road and the performing arts centre. This timeline shows the need to accommodate each winter season, between April and October, when the likelihood of significant bad weather precludes large-scale earthworks in projects such as these. It also incorporates the completion of the Opanuku link road before work begins on the performing arts centre. Under these constraints, if planning work is not started in early 2007, the performing arts centre could not be completed before March 2011. Detailed planning of the link road will enable a more comprehensive project timeline to be created.

Rationale for Reallocating Funds to Enable Opanuku Link Road to Begin

As budgets were prepared for the Long Term Council Community Plan 2006-2016, \$5,145,000 was incorporated into the plan for the 2007/2008 financial year for the development of a link road and bridge between Henderson Valley Road and the Corban Estate. A feasibility investigation is needed to identify the best location for the bridge and the cost implication of the various options.

2007/2008 was selected as the appropriate time for investigation work to commence, as the link road is intended to meet a proposed intersection with Waitakere Properties Limited's development at Waitakere Central. This is due in two to five years depending on demand.

Proposed Process

Once approval has been obtained to reallocate sufficient funds, a Request for Proposal will be issued to carry out an option analysis for the location and high-level design factors of the access road and bridge across the Opanuku Stream.

The scope of the option analysis work will incorporate the weight and height of an arts component, the need for geotechnical research on ground stability, and based on the assumption that the link road and bridge will be of the "slow street" type and offer potential for a tram crossing. The design of the associated art work would occur during the detailed design stage of the bridge. It is intended that early consultation take place with neighbouring owners and stakeholders. While this latter step is not strictly necessary at this stage it is considered prudent as the knowledge will enable better analysis of options.

Once the outcome of the option analysis is known, a report, including quadruple bottom line analysis of the various options, will be brought back to the Council with recommendations and request to proceed with detailed design.

RESOURCES

The project will be managed by the City Development Section, with specialist advice from the Transport Assets Section. This options study will be outsourced, and a consultant is intended to be appointed using a competitive tendering process. It is anticipated that this study will take four months to complete. A report with a recommended option and indicative costing will be brought back to the City Development Committee for a decision.

\$400,000 is approved in the Annual Plan 2006/2007 to develop a detailed design for a performing arts centre. This process has been aligned to incorporate the negotiations with Unitec over shared development of the centre.

It is recommended to reallocate \$100,000 of the \$400,000 for the design of the performing arts centre to allow the feasibility study to commence early in the new year. It is expected that this money would be replaced in 2007/2008 with \$100,000 from the \$5,145,000 planned for the link road in that year's budget. Discussion with Unitec about the design of the performing arts centre will also commence in the new year. It is unlikely that this concept planning for the centre will be completed by July 2007 and will run over into the next financial year.

CONCLUSION

The Opanuku Stream link road and bridge is required to facilitate development of the Corban Estate, particularly the development of a performing arts centre. Planning work with Unitec for the development of a School of Performing and Screen Arts and School of Design at Corban Estate has created the need to bring forward preparatory work to develop a link road and bridge from Henderson Valley Road to Corban Estate from the 2007/2008 to 2006/2007 work programme. Funds to undertake options study for the link road and bridge need to be transferred from existing budget in 2006/2007 and replaced in 2007/2008. No additional funds are being sought.

RECOMMENDATIONS

1. That the Corban Estate: Proposal for Link Road and Bridge Option Study report be received.
2. That \$100,000 of the City Development 2006/2007 performing arts centre concept design budget be used to enable an option study to be carried out in the 2006/2007 financial year and that \$100,000 of the Corban Estate link road budget for 2007/2008 be used in that year to complete work on the performing arts centre concept design.
3. That a report be brought to the City Development Committee with a recommended option, indicative costings and a programme for construction.

Report prepared by: Michael Riley, Project Manager: Strategic Property Projects.



16 **PETER SAUERBIER SCULPTURE COLLECTION – ESTABLISHMENT PROJECT REPORT**

PURPOSE OF THE REPORT

The purpose of this report is to update the Finance and Operational Performance Committee on the status of the Peter Sauerbier bequest to the City and to gain support for funding to be reallocated to facilitate responsible care and protection for the collection prior to the establishment of a permanent home for the Peter Sauerbier Sculpture Collection in the City.

BACKGROUND

In August 2006 the late Peter Sauerbier gifted to the Council his complete body of art works - a collection in excess of a hundred sculptural works, plus paintings and associated memorabilia. It was gifted with the proviso that this collection be incorporated into the Corban Estate in the future as part of its development as an Arts precinct.

There was a verbal commitment to also gift the proceeds of Peter Sauerbier's estate in order to make a purpose built gallery possible. Peter Sauerbier passed away before this part of his bequest could be enshrined in any written documentation. However, it is the intention of the Sauerbier family to honour this intention through the setting up of a family trust to work in partnership with the Council to bring their father's dream to fruition. It is understood by the family that a permanent home for the collection cannot be achieved immediately and that it will be incorporated into the overall planning for the 'Creative Quarter' on the Corban Estate. This may take some years. Meanwhile the proposal to curate and tour the collection throughout New Zealand is under investigation. In principle, this is a reasonable short term option and one that the family supports wholeheartedly.

A81-A82

A letter from the Public Trust outlining the current situation in relation to the collection and future management, as attached at pages A81 to A82.

It is estimated that the collection is worth \$250,000, but this would need to be verified prior to being insured.

There is no dedicated budget allocation for the establishment of this collection within the 2006/2007 financial year as the gifting of this collection occurred post budget deliberations.

STRATEGIC CONTEXT

The Corban Estate has the potential to become the City's pre-eminent arts, culture and regional attractor to national and international visitors and a key component of the City's partnership with Unitec, (the City's tertiary education provider). Establishment of the Peter Sauerbier Sculpture Collection will add to the significance of the Corban Estate and will contribute to achieving the Council's strategic platforms in relation to:

Urban and Rural Villages - By increasing the range of attractions that are part of the Corban Estate will act as a destination for visitors. This will contribute to the creation of a thriving place where people can live work and play.

Strong Communities - As the Corban Estate is developed there will be a range of people that will be attracted to the site for employment, education and recreation.

Strong Innovative Economy - The Peter Sauerbier Sculpture Collection is based on the innovative use of industrial materials and has strong links the various manufacturing industries within the City.

ISSUES

The Collection

The collection comprises in excess of one hundred works of sculpture, a collection of paintings and possibly other items of memorabilia. Currently the Director of Corban Estate Arts Centre and the Council's Arts Manager are meeting with the family to complete a full index of all works. The precise value of the works is yet to be established but it is clear that it has a value of some hundreds of thousands of dollars.

Corban Estate Arts Centre

Part of the Peter Sauerbier sculpture collection was exhibited in the gallery of the Corban Estate Arts Centre. The main purpose of this gallery is to showcase local artists work for short period. The Corban Estate Arts Centre gallery does not currently have the space or capacity to display the collection on a permanent basis. However, the Corban Estate Arts Centre (through the Waitakere Arts and Cultural Development Trust) does have the experience and skill sets to curate and manage the collection on behalf of the City. It was Peter Sauerbier's wish that Corban Estate Arts Centre become the permanent home for the collection.

Curating the Collection

There is an urgent need for the collection to be indexed and photographed and packed to curatorial standards to ensure it is protected. As there is no suitable space available to store the collection on the Corban Estate, commercial storage facilities will have to be located.

The immediate and urgent need is for the Council to take over the management and care of the collection. This includes:

- Production of a full index of all gifted items;
- Production of a photo record of all items;
- Identification of works for a potential touring exhibition;
- Packing to touring standards of selected works;
- Packing for storage of the remainder of the collection;
- Securing of safe, weather-proof and monitored storage facilities; and
- Valuation and insurance for the full collection, both in storage and while touring.

Possible Collection Tour

It has been suggested that a significant part of the collection could be packaged into an exhibition for touring to interested galleries in the short term. It is proposed to seek expressions of interest from galleries nation-wide to gauge whether this would be viable. Early indications for this are positive. A touring exhibition would be on the basis of being cost neutral to the Council. A touring exhibition would not resolve the need for other storage for the remainder of the collection. A touring programme would require a professional curator/manager to be contracted by the Council. A business case will be prepared and brought back to the Arts, Events and Cultural Special Committee meeting in 2007.

RESOURCES

Responsibility for the establishment of this collection sits with the Arts Manager. This collection will be a key feature of the Corban Estate Creative Quarter and consideration of the spatial display needs will be part of the concept plan preparation process.

Indicative costs

\$ 5,000	Valuation and insurance
\$15,000	Packaging and indexing
\$10,000	Storage (12 months)
\$ 5,000	Transport
\$15,000	Management of Collection
<u>\$50,000</u>	Possible establishment costs

Based on these indicative costs it is proposed that funds of \$50,000 for this immediate work be redirected to this project from the Corban Estate Concept Plan budget (\$145,000) which sits within the City Development Section's budget. Funds for this work have not been spent at the anticipated rate due to preliminary discussions with Unitec continuing until December 2006. This temporary diversion of funds would not impact on the timetable for the preparation of the concept plan for the Corban Estate. It is intended that this gap would be considered as part of the mid-year budget review. If this gap is not filled through this process, the scope of the concept plan work would be adjusted to fit the remaining budget (\$95,000).

CONCLUSION

The Council has been gifted a unique collection from a local artist that makes a significant contribution to the cultural well-being of the City. This gifting places a certain obligation on the Council to manage the collection (protect and display) as part of the development of a Creative Quarter on the Corban Estate. Establishment and storage of the collection have certain costs that need to be met in the short term. There are no dedicated funds in the 2006/2007 budget as the gifting of the collection occurred post budget deliberations. Funds from another project can be redirected to this project subject to the gap being considered as part of the mid-year budget review.

RECOMMENDATIONS

1. That the Peter Sauerbier Sculpture Collection - Establishment Project Report be received.
2. That funds from the Corban Estate Concept Plan budget be reallocated for the immediate establishment of the Peter Sauerbier Sculpture Collection.
3. That the funding gap for completion of the Corban Estate Concept Plan is considered as part of the mid-year budget review.

Report prepared by: Yvonne Rust, Group Manager: City Development and Naomi McCleary, Manager: Arts.



17 **AMENDMENTS TO THE TRANSPORT BUDGETS IN THE ANNUAL PLAN 2006/2007**

PURPOSE OF THE REPORT

The purpose of this report is to advise the Finance and Operational Performance Committee of amendments made by Council to the Transport budgets that were approved in the Annual Plan 2006/2007.

BACKGROUND

The Transport budgets for 2006/2007 were approved on 30 June 2006. At the time of their preparation, some subsidised line items were not clearly defined in relation to funding assistance and responsibility between Council / ONTRACK / Transit New Zealand and the Auckland Region Transport Authority.

Since that time, the funding for a number of projects has changed and other projects have had to be deferred due to timing issues arising from projects dependent on ONTRACK, Auckland Regional Transport Authority and Transit New Zealand.

Rehabilitation treatment of Great North Road / Edsel to McLeod Street has been revised and amended.

Severe weather conditions at the end of September 2006 caused several slip sites within the City. The severest of these is the slip at 286 to 292 Triangle Road.

STRATEGIC CONTEXT

The Council's 'Integrated Transport and Communication' platform provides the strategic context for this report. The vision is for public transport and communications systems that provide fast, effective services, and for city travel facilitated by integrated, environmentally responsible, and innovative design, with a focus on meeting the essential needs of all, for access, communication, and safety.

ISSUES

There are several line items that will be under spent and can be offset to other line items, as detailed below.

ONTRACK has decided to fund the various Road / Rail crossing projects along the rail track within the City in conjunction with the double tracking of the rail line. ONTRACK has also approved funding the Sturges Road Rail bridge replacement by replacing the bridge with like structure and, any additional Roading / Traffic / Cycling / Pedestrian improvements are to be funded by the Waitakere City Council.

Some other line items such as the Universal Drive extension have experienced delays in consulting and negotiating a successful settlement with land or property owners which has eventuated in delaying the implementation of the projects.

Rehabilitation treatment of Great North Road / Edsel to McLeod Street has been amended to structural asphaltic concrete layers because of the existence of a gas pipe in the very near vicinity of the work. The width of the rehabilitation area is therefore very narrow and restricting which prohibits the use of heavy pulverising machinery required for chemical stabilisation of the road and the strengthening of the sub-grade layers.

Permanent repairs to the slip site at Triangle Road are required to mitigate any potential future movement and further slippage damaging Triangle Road and the surrounding properties. Auckland Regional Transport Authority has visited the site and has confirmed support for an application for funding assistance for repair work in 2006/2007.

Lincoln Road Corridor, Hobsonville Road Corridor, Cycleway Committed Projects (Twin Streams Cycleways), Whau River crossing are examples of potential carry forwards due to delays in negotiating and finalising agreement with property owners, pending Treasury decision regarding New Lynn undergrounding, and delays in flood modelling.

The table below provides a summary of the reasons for the changes in scope and budget, as follows:

Line Item	Approved Annual Plan 2006/2007	Recommended Change to the Annual Plan 2006/2007	Explanation
Sturges Road Bridge Replacement	\$300,000	\$150,000	ONTRACK will now fund the balance.
Great North Road/Edsel/McLeod Road Rehabilitation	\$600,000	\$950,000	Geotechnical investigation confirms the need for more repairs than budgeted for.
Lincoln Road Widening	\$178,000	\$428,000	Additional costs of relocation of power poles.
Real Time Passenger Information Signs	\$851,000	\$401,000	Auckland Regional Transport Authority will now fund the balance.
New Lynn Town Centre Projects	\$1,000,000	\$850,000	Scope reduced pending confirmation of funding by Treasury.
Double Tracking at Glen Eden	\$150,000	\$0	Work now funded by ONTRACK
Flood Damage	\$1,000,000	\$1,250,000	Additional funding required to repair Triangle Rd slip.
Contribution to Subdividers	\$250,000	\$149,000	Based on expenditure to date, it is expected that there will be reduced levels of contributions.
Rail Crossings	\$250,000	\$0	Work is now funded by ONTRACK.
School Zones 40kph and Speed Advisory Signs	\$0	\$150,000	This work is not included in the approved Annual Plan 2006/2007. However, there has been widespread community requests for speed management.

Line Item	Approved Annual Plan 2006/2007	Recommended Change to the Annual Plan 2006/2007	Explanation
Forward Design of Capital Works	\$0	\$400,000	Previously budgeted as non-subsidised, but can now be claimed as a subsidy. The subsidy allows Council to carry out additional work at no additional cost.
Waipareira/Woodford Road Extension	\$0	\$103,000	Additional costs due to the presence of contaminated soil, relocation services, and providing access to a commercial property.
Forward Design of Capital Works	\$550,000	\$300,000	Transfer to subsidised budget.
Sturges Road Park and Ride	\$494,000	\$2,427,000	Additional costs for land purchase were not included in the original budget, prepared in 2004/2005. Overall, there will not be an increase in the cost of park and ride projects.
Transport Specific Projects	\$1,935,000	\$0	Adjustment to fund Sturges Road park and ride.
Total	\$7,558,000	\$7,558,000	

RESOURCES

The approved 2006/2007 budgets for Transport Assets includes sufficient funds to offset to potential over spending items. The approved total budget for the Transport Assets will be slightly affected because of reduction in subsidy funds while offsetting funds to non subsidised work items.

CONCLUSION

It is recommended to amend, reallocate and offset some of the available funds under a few line items to fund items that indicate potential over spending to maintain that all proposed projects be implemented and completed within the 2006/2007 Financial Year.

RECOMMENDATIONS

A83-A89

1. That the Amendments to the Transport Budgets in the Annual Plan 2006/2007 report be received.
2. That the authority be delegated to the Group Manager: Asset Management to amend the Transport Assets budgets for 2006/2007, without incurring additional funding.
3. That the line items identified in this report and the schedule as attached at pages A83 to A89 as carryovers be endorsed and submitted to the Long Term Council Community Plan 2006-2016 and Annual Plan Special Committee at the appropriate time.

Report prepared by: Ara Ovanessoff, Service Manager: Transport Assets.



PART F - REPORTS FROM THE SUBCOMMITTEES

18 TENDERS SUBCOMMITTEE

THE SUBCOMMITTEE SUBMITS THE FOLLOWING REPORT OF ITS MEETING HELD ON FRIDAY, 3 NOVEMBER 2006 AND FRIDAY, 17 NOVEMBER 2006

MATTERS CONSIDERED

A90-A98

The Subcommittee dealt with a number of items for which it has delegated powers to act and a copy of the minutes of the meeting is attached at pages A90 to A98 and the public excluded minutes are attached at pages C1 to C3 of the Confidential Supplement.

The Subcommittee Recommends:

That the Meeting report of the Tenders Subcommittee held on Friday, 3 November 2006 and Friday, 17 November 2006 be received.

JM Clews, QSO, JP

CHAIRMAN



PART G - PUBLIC EXCLUDED MATTERS

19 PROJECT TWIN STREAMS - RIGHT OF WAY, 54 KEELING ROAD HENDERSON

20 ACQUISITION OF LAND FOR ROAD - TAKAPU STREET AND MCLEOD ROAD

These items will be considered in the Confidential Supplement of the agenda, and have been circulated to members separately with this agenda.

That the public be excluded from the following parts of the proceedings of this meeting, Project Twin Streams - Right Of Way, 54 Keeling Road Henderson and Acquisition of Land for Road - Takapu Street and McLeod Road.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation of the matters, 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 of the matters to be considered.	Reason for passing this resolution in relation to each of the matters.	Ground(s) under Section 48(1)(a) for the passing of this resolution.
<ul style="list-style-type: none"> • Project Twin Streams - Right Of Way, 54 Keeling Road Henderson • Acquisition of Land for Road - Takapu Street and McLeod Road 	<p>The withholding of information is necessary in order to:</p> <ul style="list-style-type: none"> • Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). 	<p>That the public conduct of the relevant parts of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</p>

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 7(2)(i) of that Act which would be prejudiced by the holding of the relevant parts of the proceedings of the meeting in public as follows:

- *The report contains information which if released could affect Council's negotiations.*

