

Memo

DATE: 1 December 2009
TO: Mayor and Councillors
FROM: Manager Audit and Compliance

Major District Initiative (MDI) Funding

Westland District Council has had a total of six applications for MDI funding assistance for projects in Westland approved by Development West Coast.

Key Performance Measures (KPI's) for Stage 2 funding for the Regent Theatre Restoration and the extension to the 4th Westland Boys Brigade are included in this agenda for Council consideration after Council resolved at its November meeting not to accept two of the KPI's set by DWC. These were in relation to assurances on the future sustainability of facilities which are not Council owned or controlled and that all necessary funds have been raised in relation to the Regent Theatre.

Total funds available to Council from Development West Coast are:

	MDI Allocation	MDI Funds Committed
30 June 2009	\$1,600,000	\$829,373
30 June 2010	\$2,000,000	\$2,044,063
30 June 2011	\$2,400,000	\$2,463,063
30 June 2012	\$2,800,000	\$2,523,063
30 June 2013	\$3,200,000	\$3,523,063
30 June 2014	\$3,600,000	
30 June 2015	\$4,000,000	
30 June 2016	\$4,400,000	
30 June 2017	\$4,800,000	
30 June 2018	\$5,200,000	
30 June 2019	\$5,600,000	
30 June 2020	\$6,000,000	

Summary of Westland Projects Approved by Council and Development West Coast

	Approved	Total Project Cost	MDI Funding
Westland District Library Relocation	November 2008	752,912	489,373
Regent Theatre Restoration		1,400,000	
- Stage 1	November 2008		340,000
- Stage 2	November 2009		570,000
Donovan's Store Okarito Restoration	November 2008	323,375	78,375
Westland I-SITE Relocation	July 2009	456,850	296,952
Hokitika Gorge Development	September 2009	393,822	82,014
4 th Westland Boys Brigade Extension	October 2009	576,852	247,349
Total of Projects Approved by DWC		\$3,903,811	\$2,104,063
Projects Approved by Council but not yet submitted			
Harihari Community Centre – June 2008		700,000	419,000
Fox Glacier Community Centre – June 2009		<u>5,500,000</u>	<u>1,000,000</u>
Total MDI Projects Approved		\$10,103,811	\$3,523,063

MDI projects started or completed at December 2009 is:

Regent Theatre Restoration	340,000	Stage 1 completed
Hokitika Library Relocation	489,373	Completed 30 June 2009
Relocation of Hokitika iSite	296,952	Est completion Dec 2009
Hokitika Gorge Upgrade	<u>82,014</u>	Est completion Dec 2009
Total MDI Funds Utilised	1,208,339	

Projects approved and expected to be started during 2009/2010 year.

4 th Westland Boys Brigade	247,349
Harihari Community Centre	200,000
Donovan's Store	78,375
Regent Theatre Restoration – Stage 2	<u>310,000</u>
Funds Committed at November 2009	\$2,044,063

Therefore assuming that projects are carried out in accordance with plans and MDI funds are uplifted, Council's MDI funding will be in arrears by \$44,063 for the 2009/2010 year.

Council has allocated the \$570,000 Stage 2 funding for the Regent Theatre project to be paid over three years with up to \$310,000 available in 2009/2010, \$200,000 in 2010/2011 and the remaining \$60,000 in 2011/2012. The Harihari Community Centre has also been allocated its funding over two years with \$200,000 available in 2009/2010 and \$219,000 in 2010/2011.

Council resolved at its meeting held on Tuesday 30 June 2009 to commit up to \$1 million MDI funding to the Fox Glacier Community Centre plus a further \$500,000 from the proceeds of land sales over the next two years. It also resolved to determine over the next 12 months how Council could commit another \$500,000, from other funding sources, toward the project over the next three years. Possible funding sources noted were land sales, the Reserves Development Account or loans financed by the local community by way of a special rate. This project is now expected to be the next priority for Westland District Council for MDI funding assistance but is reliant on the extra funds required being assured by 2012.

Summary of MDI Funding Approved

	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013+	Total
Approved						
Regent Theatre Restoration	340,000	310,000	200,000	60,000		910,000
Library Relocation	489,373					489,373
Westland Business Unit		296,952				296,952
Donovan's Store Restoration		78,375				78,375
Harihari Community Centre		200,000	219,000			419,000
4 th Westland Boys Brigade		247,349				247,349
Hokitika Gorge Development		82,014				82,014
Fox Glacier Community Centre					1,000,000	1,000,000
Total Projects	\$829,373	\$1,214,690	\$419,000	\$60,000	\$1,000,000	\$3,523,063

Geoff Day
Manager Audit and Compliance

Memo

DATE: 1 December 2009
TO: Mayor and Councillors
FROM: Manager Audit and Compliance

Regent Theatre Restoration Project Stage 2 \$570,000 – KPI's

Council at its meeting on Thursday 19 November resolved to accept the KPI's proposed by Development West Coast for the project with the exception of Numbers 1 & 6.

Development West Coast meet on Monday 7 December and will consider Council's request at that meeting.

A copy of the proposed KPI's and my letter to DWC are attached.

Development West Coast's response to this letter will be supplied to Councillors at the meeting.

Geoff Day
Manager Audit and Compliance

WCD 6

Geoff Day

23 November 2009

Peter Walls
Senior Business Development Manager
Development West Coast
PO Box 451
Greymouth

Dear Peter

MDI APPLICATION – REGENT THEATRE STAGE 2 - \$570,000

Council at its meeting on Thursday 19 November 2009 resolved to accept the Key Performance Indicators (KPI's), proposed by Development West Coast, with the exception of KPI's 1 and 6 being:

1. That the Westland District Council agrees to support the operation of the Hokitika Regent Theatre into the future to ensure the Theatre's sustainability.
2. That this support is subject to receipt of proof that all other funding required for this project has been obtained and that this complies with Major District Initiative policies.

It was considered that KPI 6 is not really relevant as the Westland Community Centre Inc. are able to draw down the MDI funding progressively and that volunteer time and tradesman discounts and labour have now been accepted as part of the community share component.

Council are not comfortable with KPI 1 as it can be seen as an unconditional guarantee that Council will assist in the operation or maintenance of the Theatre in the future. There is no guarantee this Council or future Councils will have the resources or the wherewithal to do this.

It was felt that it would be more appropriate for the organisation to submit to the LTCCP or Annual Plan process if they require funding in the future, as do other organisations in the District.

Council's next meeting is on Wednesday 9 December when it is hoped that your response can be considered and the KPI's accepted to ensure that the project is not delayed.

Please contact me if you have any queries on this matter.

Sincerely

A handwritten signature consisting of several overlapping loops, likely representing the name Geoff Day.

Geoff Day
Manager Audit and Compliance

GD/DM

Community Funding

Key Performance Indicators

Agreement to accept key performance indicators between

Development West Coast

and

Westland District Council -Regent Theatre project sta2

1. That the Westland District Council agrees to support the operation of the Hokitika Regent Theatre into the future to ensure the theatres sustainability.
2. That Development West Coast will enter into a funding agreement with the Westland District Council in respect to this project.
3. That this funding will be subject to the Westland District Council complying with all KPIs, conditions, and policies of the Major District Initiative funding.
4. That there will be no additional grant funding from Development West Coast for this project.
5. That Development West Coast support will be acknowledged in all promotional and publicity material in respect to this project.
6. That this support is subject to receipt of proof that all other funding required for this project has been obtained and that this complies with Major District Initiative policies.
7. That Westland Community Centre Inc will be required to raise all of the 'local contribution' (35%) in cash, labour or actual donated capital works towards the project, (independently verified) for the final stage and will be able to draw down MDI funds on a pro rata basis as local funds are raised.
8. That Westland Community Centre Inc will be required to prepare a revised detailed business plan (initial plan lodged prior to applying for the final stage of the project) including detailed operational budgets which take into account the maintenance requirements for the building and other governance and operational details which will result in a sustainable community facility. This plan is to be lodged following the 2009/2010 summer season for sign off by the Westland District Council.
9. Development West Coast may retain \$170,000+GST of this funding subject to the Westland District Council sign off of the revised Business Plan.

Memo

DATE: 1 December 2009
TO: Mayor and Councillors
FROM: Manager Audit and Compliance

Elected Representatives Remuneration - 2010

The Remuneration Authority has advised that there will be no change to the remuneration pool for members' remuneration for the 2010 year up to the Local Authority elections in October 2010.

Therefore members' remuneration will remain at the current level being:

Mayor	\$57,203
Deputy Mayor	\$18,600
Councillors	\$10,780

Meeting Fees

Committee Chairs	\$300 per meeting
Councillors	\$130 per meetings
Mileage reimbursement	@ 70 cents per kilometre

Recommendation

That the report be received.

Geoff Day
Manager Audit and Compliance

CCL 2

BY: [Signature]
600Z DEC 1 2009
RECEIVED

Remuneration Authority

24 November 2009

Mr Robin Reeves
Chief Executive
Westland District Council
Private Bag 704
HOKITIKA

CEO	HWM	MPR	MO	MAC	MF	MPA	CSO	ENG
✓				✓		✓		

cl agenda

Dear Mr Reeves

The Authority has reviewed the pool for local government remuneration for the period from 1 July 2010 until the 2010 local body elections.

In coming to our decision we have taken into account the statutory criteria of fairness both to elected officials and to the ratepayer.

The pool approved by the Authority in December 2008 provided a total movement in Local Authority remuneration of around 3%, although this fell unevenly across authorities according to the pattern of growth (or decline). This reflected the Authority's best judgement of slowing remuneration growth during 2008/09 and into 2009/10. At that time we indicated that data this year might not support any significant increase in the pool for 2010/2011. This has proved to be the case, with movements in public sector remuneration being subdued through the year.

The Authority has therefore decided that, from 1 July 2010 to election day, both mayoral salaries and the indicative pool will be held at the level set by the Authority for the current financial year.

Your council, as did most, fully allocated 2009/10 pool.

Therefore, on the assumption that there will be no change in your council's structure before next year's election, the Authority will issue a determination, from 1 July 2010 until election day, which provides the same mayoral and other salaries as in the 2009/10 determination.

The meeting fees will also be set at the 2009/10 level but, as is normal in an election year, will be pro-rated for that proportion of the year which falls between 1 July and election day.

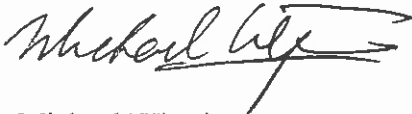
No submission is required from your council. However, if you wish to comment on this proposal, this should be provided to the Authority no later than 31 March 2010.

A second determination will be issued for the immediate post election period, as in previous election years, to provide base salaries until councils determine their final structure and recommend remuneration levels to the Authority.

During the early months of the New Year, the Authority will be reviewing its mechanism for establishing both mayoral salaries and the indicative pool. The results of this review will form the basis for the funding in the post election period.

The amount of the indicative pool for your council post election will be made available by mid-year.

Yours sincerely

A handwritten signature in black ink, appearing to read "Michael Wintringham", with a stylized flourish at the end.

Michael Wintringham
Chairman

Memo

DATE: 1 December 2009
TO: Mayor and Councillors
FROM: Manager Audit and Compliance

4th Westland Boys Brigade MDI Funding \$247,349

At its meeting on Thursday 15 October 2009, Council resolved to delay adopting the KPI's proposed by Development West Coast until additional information had been supplied by the Boys Brigade:

1. That a signed lease was in place with the Westland Racing Club ensuring that tenure and access to the land was assured.
2. That the organisations gave an assurance that adequate funds were available to complete the project.
3. Council also questioned the requirement from DWC for KPI Number 1 as the facility was not a Council owned or controlled facility.

Attached are:

1. Copy of the signed lease with the Westland Racing Club.
2. Budget from the Boys Brigade detailing the work able to be completed from the funds available.
3. Copy of correspondence with DWC seeking an amendment to the KPI's and their response dated 4 November 2009. Note DWC have advised that Trustees will further consider the KPI's at their meeting on Monday 7 December.
4. KPI's proposed by Development West Coast will be tabled on the day, as the Trust meeting to consider an amendment is on Monday 7 December.

Geoff Day
Manager Audit and Compliance

Lease instrument

(Section 115 Land Transfer Act 1952)

Affected instrument Identifier
and type (if applicable)

All/part

Area/Description of part or stratum

495105	ALL	0.7712 ha being Lot 1 DP 424305
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Lessor

THE WESTLAND RACING CLUB INCORPORATED

Lessee

THE 4TH WESTLAND BOYS BRIGADE COMPANY CHARITABLE TRUST

Estate or Interest

Insert "fee simple", "leasehold in lease number" etc.

Fee simple

Lease Memorandum Number (if applicable)

Term

Ninety nine years commencing on and from

Rental

\$500.00 per annum inclusive of GST

Lease and Terms of Lease

If required, set out the terms of lease in Annexure Schedules

The Lessor leases to the Lessee and the Lessee accepts the lease of the above Estate or Interest in the land in the affected computer register(s) for the Term and at the Rental and on the Terms of Lease set out in the above Lease Memorandum or in the Annexure schedule(s) (if any)

Annexure Schedule

Insert below:-
"Mortgage", "Transfer", "Lease" etc

Lease

Dated

page

2

of

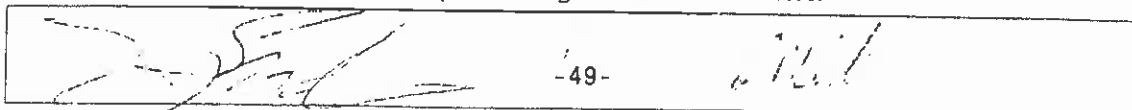
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pages

1. THE LESSEE COVENANTS WITH THE LESSOR

- (1) To punctually pay the annual rent (or as varied pursuant to any rent review) to the Lessor by equal monthly instalments in advance.
- (2) To pay all rates, taxes and assessments insurance premiums charges for electricity and water consumed and other charges and outgoings imposed in respect of the said land and the building and installations (called "the improvements") hereon.
- (3) Not to construct or erect any access roads (subject to clause 1 (13) hereof) buildings masts poles or other improvements on the land nor make any alterations or additions to the improvements without the prior written consent of the Lessor or any other authority necessary first had and obtained for every such purpose. All such improvements shall be made at the Lessee's expense.
- (4) Not to carry on or suffer to be carried on the land any offensive, noisome or dangerous trade or business or do or suffer any act or omission which is a disturbance nuisance or annoyance to the Lessor or the occupiers or owners of adjoining lands or buildings.
- (5) That the Lessee will not without the consent in writing of the Lessor first had and obtained mortgage, charge or encumber assign sublet or part with the possession of the land or any part or parts thereof PROVIDED HOWEVER that such consent shall not be unreasonably or arbitrarily withheld in the case of a suitable and solvent assignee sub-lessee or sub-tenant AND IT IS HEREBY DECLARED that a transfer of a majority of the shares or the controlling shares in the capital of the Lessee or any assignee Company shall be deemed to be an assignment within the meaning of this clause, AND PROVIDED THAT this clause shall not apply to any casual hire of the premises for short terms.
- (6) To use the land for the following purpose and for no other purpose unless permitted by the Lessor namely: activities, buildings and associated facilities for the use of the Lessee and for other public uses.
- (7) To keep and maintain at all times the land and improvements in a clean and tidy condition and in good repair and also free and clear of all noxious weeds, noxious animals and vermin and the Lessor shall be the sole judge as to what constitutes noxious weeds, noxious animals and vermin.
- (8) To comply, at the Lessee's own expense, with all statutes, regulations and by-laws having reference to the Lessee's activities and affecting the land PROVIDED THAT the Lessee is not bound under this lease to make any structural alterations to the improvements or land.
- (9) To permit the Lessor by its agents or other persons authorised by it at all reasonable times during the term to enter upon the land to view and inspect the same and the improvements thereon.
- (10) (a) Not to exhibit on the land any sign or advertising device except those permitted by the Lessor, and
(b) To remove at the end or sooner determination of the term every sign or advertising device permitted under this clause and make good any damage caused by the removal.

If this Annexure Schedule is used as an expansion of an instrument, all signing parties and either their witnesses or their solicitors must put their signatures or initials here.



Annexure Schedule

Insert below:-
"Mortgage", "Transfer", "Lease" etc

Lease

Dated page 3 of 5 pages

(11) To indemnify the Lessor against any claims for damage sustained on the land made against the Lessor by any workman, customer, visitor or invitee of the Lessee.

(12) Not to keep or suffer to be kept on the land any goods of a dangerous nature without the appropriate dangerous goods licence and complying with the requirements of any statute, regulation or by-law applying to the storage, packaging and use of such materials.

(13) To permit the Lessor, its servants, officers, agents, visitors and other persons using the Lessor's adjoining premises with the leave of the Lessor, to pass and repass with and without vehicles of any kind at all times by day and night along or over the access roads formed on the land. The Lessee shall at all times during the term of this lease keep the access roads as presently sited maintained and in good condition.

2. THE LESSOR COVENANTS WITH THE LESSEE AS FOLLOWS:

(1) To give and ensure that the Lessee shall have and enjoy at all times quiet and undisturbed possession of the land without any interruption by the Lessor or anyone lawfully claiming through or under them PROVIDED the Lessee shall promptly pay the rent herein provided and shall have at all times observed and performed all the provisions hereof and subject to the terms of clause 1 (13) hereof.

(2) To duly and punctually pay all rates, taxes and assessments affecting the premises.

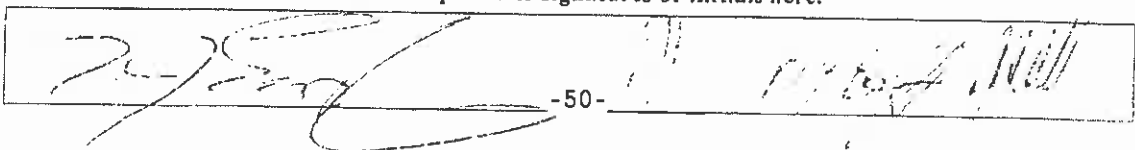
3. THE LESSOR AND THE LESSEE MUTUALLY COVENANT AS FOLLOWS:

(1) That the Lessee shall have the right at any time prior to the expiration or determination hereof to remove all improvements effected by the Lessee to the land including any fences and gates which may be constructed on the land by the Lessee and the Lessee will if so required by the Lessor remove all such improvements by the expiration of within three months of the termination hereof PROVIDED HOWEVER that the Lessor may by notice to the Lessee purchase the improvements or any of them at a price to be agreed between the parties and if the parties cannot agree then at a price fixed by Arbitration in accordance with the provisions of this Lease.

(2) That in case the rent hereby reserved or any part thereof shall be in arrears or unpaid for the space of one calendar month after any of the days hereinbefore appointed for payment thereof whether the same shall have been legally demanded or not or if breach shall be made in the observance or performance of any of the covenants conditions or agreements on the part of the Lessee herein expressed or implied then and in any case it shall be lawful for the lessor forthwith or at any time or times thereafter to re-enter and take possession of the land and determine the estate and interest of the Lessee therein and that without discharging the Lessee from liability for rent due or accruing due or for any previous breach of covenant.

(3) That any rights powers or provisions otherwise implied herein by statute shall be deemed to be negated or modified insofar as the same are contradictory to or inconsistent with the terms conditions and agreements set out herein.

If this Annexure Schedule is used as an expansion of an instrument, all signing parties and either their witnesses or their solicitors must put their signatures or initials here.


-50-

Annexure Schedule

Insert below:-
"Mortgage", "Transfer", "Lease" etc

Lease

Dated page 4 of 5 pages

(4) In the event of any dispute or difference arising as to any clause matter or thing herein contained or implied or as to the construction hereof or arising in any way in respect hereof such dispute or difference shall be referred pursuant to the Arbitration Act 1996 to a single arbitrator if one can be agreed upon by the parties and failing such agreement to two arbitrators, (one of whom shall be appointed by each party to the reference) and an umpire who shall be appointed by the arbitrators before proceeding with the reference and who shall sit with them during the reference.

(5) THE LESSEE will pay to the Lessor all costs charges and expenses paid or incurred by the Lessor in and incidental to the preparation and registration of this lease or of any variation, renewal or surrender of it (including all counterparts) on and incidental to an application for the consent of the Lessor to any dealing requiring the consent of the Lessor in and incidental to the enforcement of any powers or the exercise or purported exercise of any rights herein or in consequence of the breach of any covenant provision or condition herein.

(6) THE LESSOR shall have free of charge exclusive use and occupation of the premises on each day racing is conducted by the Lessor on its adjoining land together with the day preceding and the day following each race day and also on each trial day conducted by the Lessor. The Lessor shall give notice to the Lessee of the dates of these events as soon as they are known, shall recompense the Lessee for any electricity consumed, leave the premises in a clean and tidy condition and shall make good any damage arising out of its use of the premises. It is agreed that usage by the Lessor pursuant to this clause shall be for a maximum of 9 days in any calendar year.

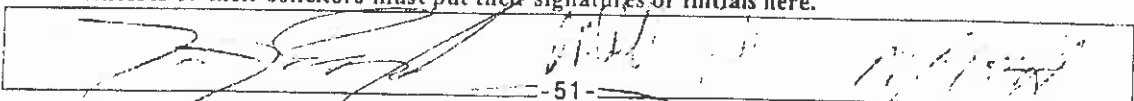
(7) RENT REVIEW: The annual rent payable under this lease may be reviewed by the Lessor at five yearly intervals throughout the term of this lease and any renewal thereof. The rental for each five year period shall be adjusted from the previous rental figure only to take account of movements in the Consumer Price Index since the last rental review.

(8) RENEWAL OF LEASE: If the Lessee has given the Lessor written notice to renew this lease at least 3 calendar months before expiry, then the Lessor shall (at the cost of the Lessee) grant to the Lessee a renewed lease of the demised land for a further term of ninety nine years. The rental for the renewed lease shall be the existing rental payable under this lease (subject to any adjustments as provided for in clause 3 (7) of this lease) and otherwise upon and subject to the same covenants, conditions and provisions as are contained and implied in this lease but without this present covenant for renewal.

(9) MUTUAL USE: Further to clause 1 (13) of this lease, the parties agree that during the term of this lease and any renewal thereof, both parties shall allow each other to use each other's premises as is needed for all access purposes and for the shared use of all existing water, stormwater, power, sewerage, telephone and all other services. Upon termination of this lease and any renewal thereof, the Lessee shall carry out such work in respect of those services as is reasonably required by the Lessor to reinstate the premises. It is agreed that the Lessee shall be responsible for all maintenance of its services.


(10) THE parties agree that the coming into effect of this lease supercedes and cancels the existing deed of licence between the parties dated 22 December 1988.

If this Annexure Schedule is used as an expansion of an instrument, all signing parties and either their witnesses or their solicitors must put their signatures or initials here.



Dated this 3rd day of Nov 2009

Executed by the
Lessor by

To John Englehardt


in the presence of:

Executed by the
Lessee by

 John Mitchell

in the presence of:

4WBB BUDGET NOVEMBER 2009
HALL EXTENSION

THIS BUDGET IS INTENDED TO SHOW HOW AVAILABLE FUNDING WILL ENABLE THE PROJECT TO PROCEED AND NOT BE LEFT IN AN UNUSABLE CONDITION WHEN IT IS EXHAUSTED.

AVAILABLE FUNDING: 4 TH WESTLAND	\$ 80,000.00
CALDER STEWART DEPOSIT	\$ 12,000.00
HAMISH HAMILTON DEPOSIT	\$ 11,250.00
A & P ASSOCIATION	\$ 10,000.00
NZ LOTTERIES	\$189,159.00
MDI	\$247,348.95
	\$549,757.00
4WBB HELD FOR INSURANCE RATES AND COMPANY	\$8898.58

PLANNED EXPENDITURE:

CALDER STEWART	\$123,891.00
HOMEFRONT STAGE 1	\$151,240.84
HOMEFRONT STAGE 2+3	\$54,865.19 ##
MARK KEENAN	\$16,467.85 ##
HAMILTON ELECTRICAL	\$32,505.00 ##
FIRE ALARM	\$32,120.00 ##
JOHN MITCHELL	\$14,800.00 ##
HOMEFRONT STAGE 4	\$83,655.00
STAGE 4 ELECTRICS	\$4,097.00 ##
WEST ROADS (SEALING)	\$63,210.00
	\$576,851.88

SHORTFALL \$27,094.88

BY USING VOLUNTARY LABOUR AND DONATED GOODS ON ITEMS MARKED ## THE SHORTFALL WILL BE COVERED. IN COMPARING THIS BUDGET WITH THE PREVIOUS ATTACHED A SHORTFALL OF \$170,497.07 WILL BE NOTED. THE ITEMS FOR WHICH THIS IS REQUIRED CAN BE COVERED BY FUTURE FUNDRAISING AND BY USING VOLUNTARY LABOUR.

WITH THE SHORTFALL BUT IN ORDER TO GET STARTED WE ENVISAGE THE FOLLOWING WILL BE FINISHED AT THE CONCLUSION OF THIS BUDGET.

BASEMENT. COMPLETE AND USEABLE
ENTRANCE . COMPLETE AND USEABLE
TUNNEL. (EXIT FROM HALL)

USEABLE NO FLOOR COVERING
BAR FINISHED AND USEABLE . NO CHILLER
STORE ROOMS. UNPAINTED BUT USEABLE TO BE
FINISHED ONE AT A TIME
STAGE 3 FLOORING SO USEABLE AS OPEN SPACE

STAGE 3 IS THE ICING ON THE CAKE FOR THE DEVELOPMENT . HOW FAR WE GET WITH THIS LEVEL IS DEPENDANT ON PREVIOUS STAGES. I EXPECT IT WILL PROBABLY BE FRAMED AND LINED OUT, WAITING FINISHING. ONE ROOM AT A TIME.

4.W.B.B COSTING FEB 24

CALDER STEWART	KITSET SUPPLY	\$123,891-00
HOME FRONT BULIDERS	EXTERNAL SHELL TO LOCK UP	\$151,240-84
HOME FRONT BULIDERS	STAGE 2+3	\$54,865-19
MARK KEENAN PLUMBERS	PLUMBING/ DRAINLAYING	\$16,467-85
HAMISH HAMILTON		
ELECTRICAL	WIRING	\$32,505-00
	FIREALARM	\$32,120-00
	SECURITY	\$10,600-00
JOHN MICHELL		
CABINET MAKER	DOORS/STAIRS	\$14,800-00
PETE GREEN		
PLASTERING	GIB STOPPING	\$12,000-00
HOKITIKA COLOUR		
CENTER	PAINT SUPPLY	\$10,258-66
CARPET COURT	CARPET LAYING	\$21,225-77
MITRE 10	EAST DECK	
	MATERIALS	\$4736-94
CHILLER	P.C SUM ONLY	\$8000-00
	CONTINGENCIES/ CONSENTS.	7293-75 \$500,000

STAGE 4, 5 & FIT OUT		GST X	GSTINC
STAGE 4 CONSTRUCTION HOME FRONT		\$83655.95	\$94112.94
ELECTRICAL HAMISH HAMILTON		\$4097.00	\$4609.12
PLASTERING ESTIMATE		\$3000.00	\$3375.00
PAINT ESTIMATE		\$ 500.00	\$562.50
FLOORING CARPET COURT		\$4259.00	\$4791.37
EXCAVATION ESTIMATE		\$2000.00	\$2250.00
GROUND			
PREP AND TARSEAL WESTROADS		\$63210.00	\$71111.25
LANDSCAPING ESTIMATE		\$5000.00	\$5625.00
FIT OUT			
SIGNAGE ESTIMATE		\$5000.00	\$5625.00
ACCOUSTICS ESTIMATE		\$10000.00	\$11250.00
CABINetry JOHN MITCHELL		\$15961.00	\$17956.00
TABLES & CHAIRS HOUSTONS		\$50666.00	\$57000.00
		\$247348.95	\$278267.57

WCD 6

Geoff Day

21 October 2009

Peter Walls
Senior Business Development Manager
Development West Coast
PO Box 457
GREYMOUTH

Dear Peter

MAJOR DISTRICT INITIATIVE FUNDING - 4TH WESTLAND BOYS BRIGADE EXTENSION

Council, at its meeting on Thursday 15 October 2009 decided to delay adopting the Key Performance Indicators put forward by Development West Coast until the November meeting to enable additional information to be obtained.

This related to the Boys Brigade assuring Council that all the funding required to complete the project has been obtained or that the plans have been modified in accordance with the funding available as well as confirmation that a signed lease is in place with the Westland Racing Club to ensure the tenure of the land occupied is assured.

Council also requested that Development West Coast be asked what is the purpose of KPI #1 as the building is not a Council asset and no ratepayers funds have been allocated to this organisation previously.

Any queries please contact me.

A copy of the Council minutes are attached for your information.

Yours sincerely



Geoff Day
Manager Audit and Compliance

GD/KM

Attachment:

6 October 2009

Geoff Day
Manager Audit and Compliance
Westland District Council
Private Bag 704
Hokitika

Dear Geoff

MDI Application-Boys Brigade Project.

At their meeting of 5th October 2009 Trustees resolved to adopt the following;

- 1/ That Development West Coast provide a grant of \$247,349+GST, of accrued MDI funding to the Westland District Council for the Fourth Westland Boys Brigade extension project.
- 2/ That this support is subject to the Westland District Council accepting the proposed KPIs and conditions.

A copy of the draft KPIs / conditions is attached for your perusal.

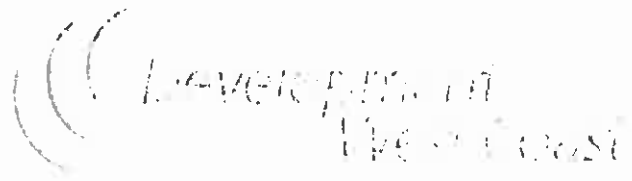
Should you accept these KPIs / conditions then please contact the undersigned to arrange for formal copies to be forwarded for your sign off.

I look forward to hearing from you in due course.

Yours sincerely



Peter Walls
Senior Business Development Manager



Community Funding Key Performance Indicators

Agreement to accept key performance indicators between

Development West Coast

and

Westland District Council- Boys Brigade Project

1/ That the Westland District Council agrees to continue to support the operation of the Boys Brigade facility into the future to ensure the facility is well maintained and the business aspect of the facility is sustainable.

2/ That Development West Coast will enter into a funding agreement with the Westland District Council in respect to this project, and receiving independent verification that the funds are being spent on the project.

3/ That this funding will be subject to the Westland District Council complying with all KPIs, conditions, and policies of the Major District Initiative funding.

4/ That there will be no additional funding from Development West Coast for this project.

5/ That Development West Coast support will be acknowledged in all promotional and publicity in respect to this project.

6/ That Development West Coast support is subject to receipt of proof that all other funding required for this project has been obtained, or the project modified to fit within available resources, and that these comply with Major District Initiative policies.

7/ That this will be the total funding provided by Development West Coast for this project, and that the previous grant approved of \$60,000 from Development West Coast no longer being available for this project.

8/ That confirmation is received from the Westland District Council as to the Tenure of the land occupied by the Boys Brigade facility.

4 November 2009

DWCB

Geoff Day
Manager Audit and Compliance
Westland District Council
Private Bag 704
Hokitika

CEO	HWM	MPR	MO	MAC	MF	MPA	CSO	ENG
					✓			

Dear Geoff

Re MDI Funding 4th Westland Boys Brigade Project

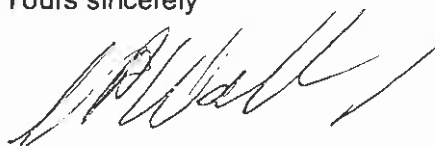
Your letter of 21 October 2009 was considered by Trustees at their meeting of 2 November 2009 in respect to the purpose of the first Key Performance Indicator around the Westland District Council agreeing to support the operation of the 4th Westland Boys Brigade facility into the future to ensure the facility is well maintained and the business aspect of the facility is sustainable.

"Trustees resolved that the Westland District Council be advised that Development West Coast confirms this KPI/condition as a key to the ongoing sustainability of key community facilities and services supported under the Major District Initiative funding"

This reinforces the two key outcomes from the Trust Deed around promoting sustainable employment and generating sustainable economic benefits for the west coast region.

If you require further clarification on any of the above then please contact the undersigned and I look forward in due course to receipt of information confirming the lease agreement between the 4th Westland Boys Brigade and the Westland Racing club.

Yours sincerely



Peter Walls
Senior Business Development Manager

Memo

DATE: 1 December 2009
TO: Mayor and Councillors
FROM: Manager Audit and Compliance

Riskpool Call on Members

Riskpool have advised that the call for deficits on members for years 7 (2003-04), year 8 (2004/05) and part of year 9 (2005/06) will be \$22,493 and the call will be made on 1 July 2010.

The previous call made of \$11,810.25 was for years 6 (2002-03) and 7 (2003-04) so I assume that further deficits have now resulted for 2003-04.

Council was a member until 30 June 2007 so can expect at least another call for the remainder of year 9 and all of year 10.

Copies of correspondence and the first invoice for years 6 & 7 are attached.

Recommendation

That the correspondence be received.

Geoff Day
Manager Audit and Compliance



INS 10

New Zealand Mutual Liability RiskPool

P O Box 11-145
Wellington
New Zealand

Telephone 0-4-4958228
DD 0-4-4958216
Facsimile 0-4-4958177

27 November 2009

Geoff Day
Westland District Council
Private Bag 704
Hokitika 7842

CEO	HWM	MPR	MO	MAC	MF	MFA	CSO	ENG
				(C)				

Dear Geoff

RISKPOOL ANNUAL REPORT, DEFICITS AND CALLS

Please find our 2009 Annual Report enclosed. The accounts show a marked deterioration from 2008 and this is principally due to adjustments made to claims provisions for outstanding weathertightness claims made against Councils following a significant deterioration in the liability environment for Local Government.

Background

On behalf of Local Government, RiskPool is managing a complex set of weathertightness litigation with many uncertainties, variables and a changing liability environment both in terms of an unpredictable jurisdiction and the practical effects of other respondents more frequently not able to meet their liability for damages. The effect of this has been a rapid deterioration in claims provisions and this has obviously had an effect on RiskPool's accounts.

In addition to that, we have *Hamlin* setting the imposition of a duty. Whilst we have two significant appeals in *Byron Avenue* and *Sunset Terraces* that have been heard by the Court of Appeal, those decisions are not yet out (and the reality is that there will be further appeals regardless of the outcome due to the significance of the issues involved). We therefore have to treat our claims reserves as the law currently stands.

Even just a year ago we were generally able to settle claims against Councils on reasonably good terms, often with plaintiff compromising their claims and with other defendants making good settlement contributions. A noticeable change in the claims environment began to take place during the 2008-09 financial year with plaintiffs more frequently refusing to compromise, and other defendants increasingly unwilling or unable to contribute to settlement.

This caused our actuaries to recognise this developing trend and recommend that additional provisions be made for unresolved claims.



The Call

The accounts, reflecting the deterioration in the Local Government liability environment, show a deficit increase across all Fund Years from \$1.3m to \$21m assuming a full recovery on reinsurance claims RiskPool has with its reinsurers. This has led the Board to take the decision that a succession of Calls are required to be made pursuant to clause 11.3 of the Trust Deed:

If during a Fund Year it becomes apparent to the Board that as a result of unexpected or exceptional circumstances the Fund for that Fund Year will be insufficient to meet Claims payable from the Fund, the Board may determine an Additional Contribution payable by each Member for the Fund Year (which will be in the same proportion to the Additional Contributions of all other Members for that Fund Year bears to the initial Contributions of all Members for that Fund Year).

The Board has agreed in principal that there should be three \$9m Calls across the Membership depending upon final claims development, one on 1 July 2010, a second on 1 July 2011 and a likely further one on 1 July 2012. Actual Calls for 2011 and 2012 will depend upon the evolution of the liability environment and the flow-on effect on open claims provisions. In that regard we await with much interest the appeals in *Byron Avenue* and *Sunset Terraces* mentioned above.

The 1 July 2010 Call is to address deficits in Funds 7, 8 and most of Fund 9.

The Board has proposed to the six Councils with the most weathertight claims that they pay all three Calls at once. This should assist the Fund in the interim whilst we await the decisions in the appeals mentioned above and review the situation once those decisions are to hand.

Accordingly, the Call for Council on 1 July 2010 will be \$22,493.

Underwriting Steps Taken

Mindful of ensuring that the development of the common law and our experience with resolving building defect claims, RiskPool's Board resolved to continue to cover these claims. The Board has monitored the out-turn of weathertightness claims and the extent of the Fund's reinsurance arrangements (which being in the commercial market have changed as the issue has evolved) over the years and has made underwriting changes as thought appropriate at a number of points in time such as:

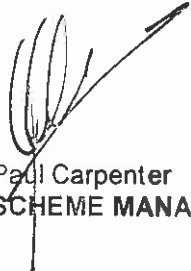
- *The application of a minimum \$50,000 excess on all WHRS/WHT claims effective 1 February 2006;*
- *The application of a multi-unit exclusion for a number of Councils from 30 June 2006;*
- *The application of a \$500,000 annual aggregate sub-limit for all weathertight claims for all Councils from 30 June 2007;*



- *Weathertight claims excluded for most Councils from 30 June 2009, with reinsurance cover in place for those Councils with on-going sub-limited weathertightness cover.*

The last point above is important as it means that an opportunity for deficits in Fund Year 13 (2009-10) onwards is limited only to reinsurer failure when a reinsurance claim on foot, and that risk is monitored by counter-party rating.

Yours sincerely
LIABILITY RISKPOOL



Paul Carpenter
SCHEME MANAGER



Westland District Council
Private Bag 704

Hokitika

PO Box 11145
WELLINGTON 6142

Phone: +64 4 495 8228
Fax: +64 4 495 8177

TAX INVOICE

Class:	RiskPool - Call	Reference:	W0009 / 0015128
Fund:	Local Government Mutual Funds Trustee Ltd		
Period:	28/09/2009 to 28/09/2009 04:00 PM	GST No:	68-551-226
Date:	28/09/2009	Invoice No:	100162780

Transaction

Call for Funds 6 and 7 pursuant to letter dated 30 June 2009.	Contribution	\$10,498.00
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GST	\$1,312.25
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Total Due	NZD \$11,810.25
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Your contact is Paul Carpenter

AMOUNT NOW DUE FOR PAYMENT

Payment is due before 28/10/2009.
Payment can be made by:

- * Cheque
- * Direct Credit to our Bank Account: 01-0527-0061803-00.
Please ensure that our reference 00162780 is quoted.

Please return this with your remittance:

NZ Mutual Liability RiskPool
PO Box 11145
WELLINGTON 6142

+64 4 495 8228
+64 4 495 8177

Our Reference: W0009 / 0015128
Invoice No: 00162780
Date: 28/09/2009
GST No: 68-551-226

TOTAL DUE: NZD \$11,810.25

Memo

DATE: 2 December 2009
TO: Mayor and Councillors
FROM: Engineer

FRANZ JOSEF WASTEWATER – PUMP STATION UPGRADE

The original “temporary” pump station in Cron Street is in need of urgent replacement.

This is a result of significant growth and subsequent demand in Franz Josef since the pump was installed in 2003.

A design for this work and prices have been received but an alternative proposal from Franz Josef Developments Ltd (refer to attached letter) as part of their “St John” development has been proposed.

As this proposal is not included in the LTCCP, a detailed report and recommendation from staff will be tabled at the meeting.

P G Anderson
Engineer

FRANZ JOSEF DEVELOPMENTS LTD.
PROVIDING A LIVING ENVIRONMENT IN
HARMONY WITH THE NATURAL BEAUTY AND
SERENITY OF THE SURROUNDING RAINFOREST.



Westland District Council,
Private Bag 704,
Hokitika 7842

20 October 2009

Attention: Robin Reeves.

Dear Sir,

Re: SEWER PUMP RELOCATION, FRANZ JOSEF.

The current sewer pump on Cron Street, Franz Josef appears to be unable to cope with the increased demand from new developments in the township. We understand that Council is considering upgrading the pump to cope with this increased demand. We further understand that Council is considering relocating the pump to a site just inside our boundary on Cron Street extension. We respectfully request that the upgraded sewer pump be located at site PS 1 as notated on MWH plan Z1750000_C006 attached.

We understand that Council has several issues with this sewer upgrade. Furthermore, we understand that there still remains a significant flow of stormwater through the township's sewers. Be that as it may, Council would still need to upgrade the system to cater for the recent new developments, i.e. Scenic Circle's new 5 star Forrest Retreat Hotel and Ngai Tahu's hot pools etc. These developments are beyond the scope of Franz Josef Developments. The original pump was specifically designed to cope with the demand from its Cron Street and Kamahi Crescent subdivisions only. Subsequent discussions with Council resulted in the original Cron Street system being joined to the new system. This was in the expectation that the system would extend through our land to SH6 and thence to the ponds from there.

We are required to install sewer services to the new St John/Westland District Health Board site on Cron Street extension. The optimal site for this installation is at the lower (north-western) corner of the site. This is in consideration of the fact that the sewer main is proposed to traverse this route as indicated above. It is therefore our consideration that the obvious site for the upgraded sewer pump site is along the prescribed route. Additionally, it should be at a location sufficiently distant so as to not require further relocation in the near future.

FRANZ JOSEF DEVELOPMENTS LIMITED

20 COWPER STREET, GREYMOUTH 7805, NEW ZEALAND Tel: +66-6-66-66-66 Telephone: +64 3 768 4818 Facsimile: +64 3 768 4828
P.O. BOX 4, FOX GLACIER 7859, NEW ZEALAND Telephone: +64 3 751 0111 Facsimile: +3 751 0108
Mobiles: Barry: 027 353 3830 Grant: 027 226 2748 email: fjdevelop@xtra.co.nz

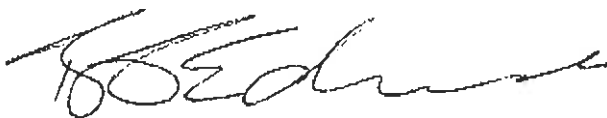
Franz Josef Developments has in place with Council an agreement to borrow development costs for the proposed sewer main over land that it owns. Due to the proposed WDC design changes that agreement is now redundant. However, Franz Josef Developments is prepared to activate the spirit of that agreement to ensure that the sewer pump is relocated to the site described above. Franz Josef Developments is prepared to accept the cost of the additional pipe and installation required for the proposed relocation to the PS 1 site in return for Council granting the company a loan to cover such cost.

We are aware that Council has several sewer system options available to it but is yet to commit to a particular scheme. Obviously the full cost of constructing that part of the scheme over company land and therefore Franz Josef Developments' contribution is still unknown. Nevertheless we will not shirk at contributing to the cost on the same basis as previously agreed. That is that costs will be divided between Council and Franz Josef Developments. Franz Josef Developments will pay the total cost of construction over its land less any increase costs in relation to the (Council) required pipe capacity. We are confident that Council will play its part honourably. You will recall that Franz Josef Developments, at its own expense, has already increased the size of the sewer main along Cron Street at Council's request.

We are looking for an immediate sign off by Council today to enable the, soon to be constructed, St John/DHB complex to connect to the town sewer system. Failure to do this at this time will mean that sometime in the next 12-14 weeks the proposed new pump station will have to be relocated to the PS 1 site. It would be a waste of time and resources to move the pump twice when it could be completed in one stage.

We look forward to your proactive approach to this matter and look forward to working on a solution to Franz Josef's current sewerage challenges. Should you have any queries on this matter or need further information please do not hesitate to contact Grant Gibb or me at your convenience.

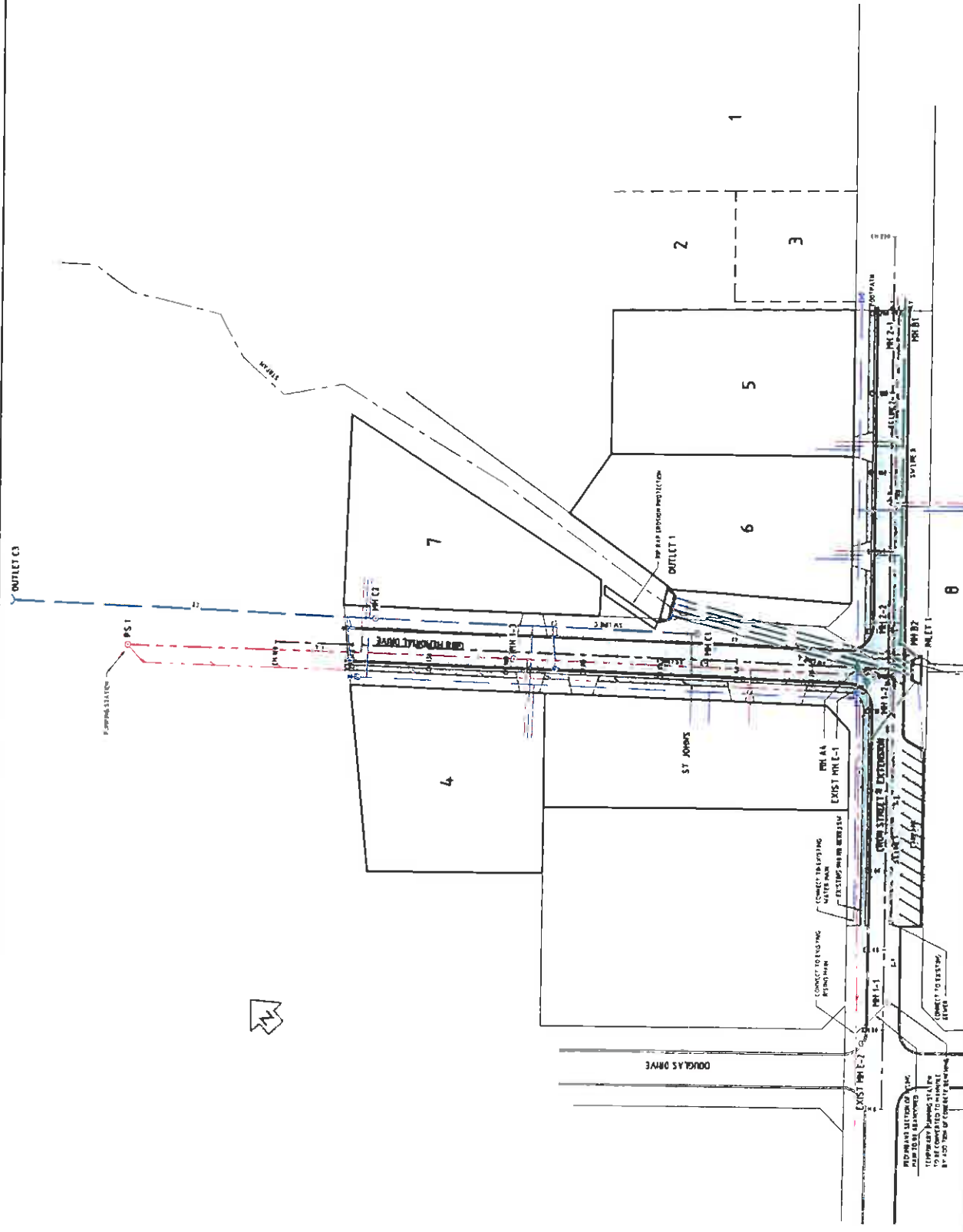
Yours Sincerely,



Barry Edwards.

SERVICES LEGEND

Water Main 150 mm	Water Main 100 mm
Water Main 75 mm	Water Main 50 mm
Sanitary Sewer 150 mm	Sanitary Sewer 100 mm
Sanitary Sewer 75 mm	Sanitary Sewer 50 mm
Storm Sewer 150 mm	Storm Sewer 100 mm
Storm Sewer 75 mm	Storm Sewer 50 mm
Power and Telecom 150 mm	Power and Telecom 100 mm
Power and Telecom 75 mm	Power and Telecom 50 mm



NOT FOR CONSTRUCTION

DATE	FOR TENDER
25/05/2009	
SCALE (A1) 1:500	
Z1750000	C006
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FRANZ JOSEF DEVELOPMENTS LTD
STAGE 1 - COMMERCIAL
SERVICES LAYOUT

FRANZ JOSEF DEVELOPMENTS LTD



NO.	DATE	REVISION	BY	CHKD	APP'D
1	17/08	DESIGN			
2	17/08	DESIGN			
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68

SCALE: 1:500

DATE: 25/05/2009

PROJECT: STAGE 1 - COMMERCIAL SERVICES LAYOUT

CLIENT: FRANZ JOSEF DEVELOPMENTS LTD

DESIGNER: MWH

APP'D: [Signature]

CHKD: [Signature]

DATE: 17/08/09

SCALE: 1:500

PROJECT: STAGE 1 - COMMERCIAL SERVICES LAYOUT

CLIENT: FRANZ JOSEF DEVELOPMENTS LTD

DESIGNER: MWH

APP'D: [Signature]

CHKD: [Signature]

DATE: 17/08/09

Memo

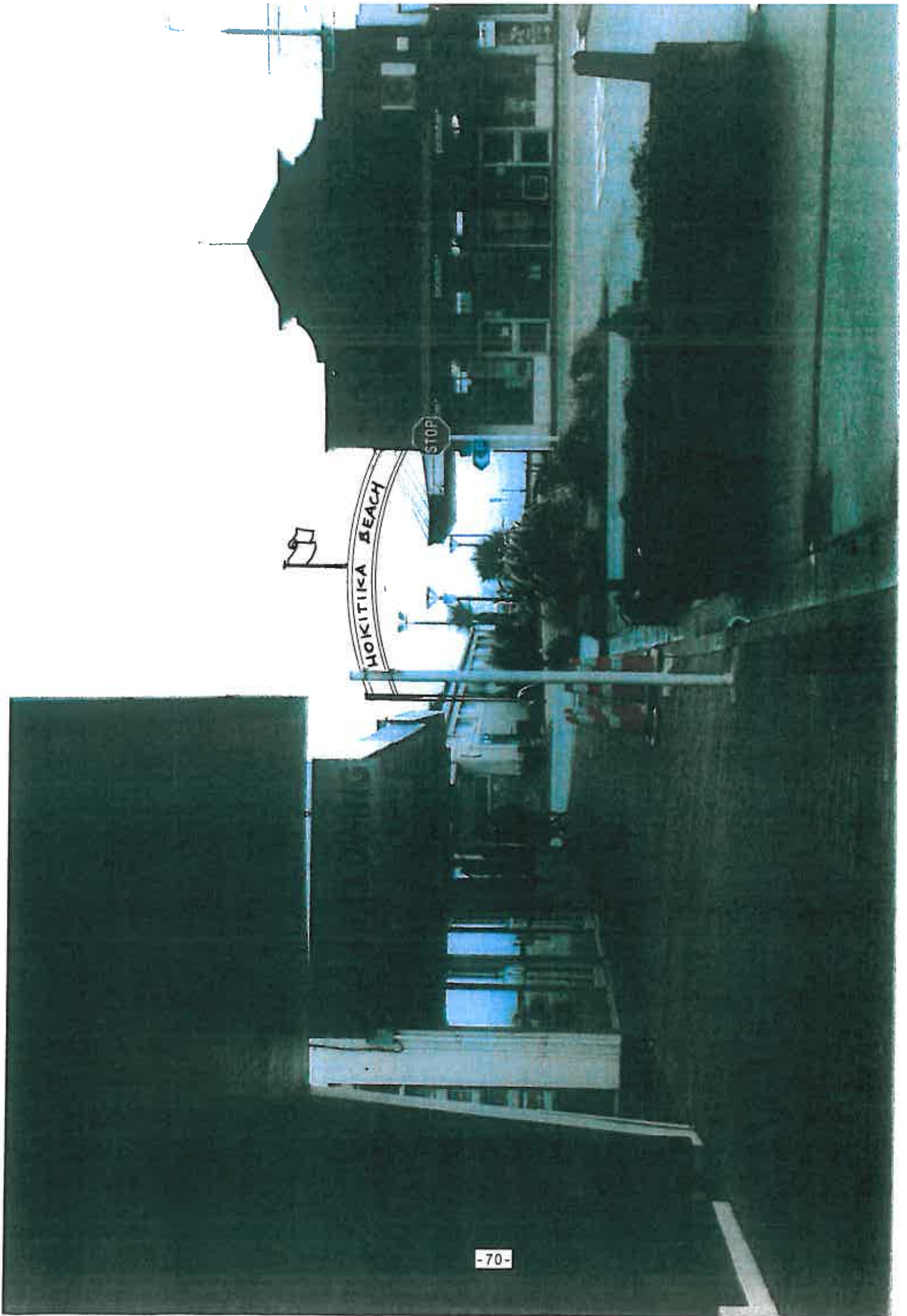
DATE: 2 December 2009
TO: Mayor and Councillors
FROM: Manager Operations

HOKITIKA BEACH SIGN – WELD LANE

Attached is a photo mock-up of a sign showing the Weld Lane access to the beach.

An indicative costing will be available at the Council meeting.

R J Daniel
Manager Operations



PO.MDI



23 November 2009

Chief Executive
Westland District Council
Private Bag 704
HOKITIKA

CEO	HWM	MPR	MO	MAC	MF	MPA	CSO	ENG
✓						✓		

Dear Robin

cl agenda

MAJOR DISTRICT INITIATIVE (MDI) POLICY Funding Availability

Trustees have recently resolved to amend the MDI policy to better protect the Trust's funds for the long term.

A summary of the two key changes to the Policy are:

The original MDI policy required the Trust to reach its 3% annual growth target before each year's MDI funding could be accrued. As an expression of co-operation and clear intention by the Board in supporting the Councils and their communities this will be changed to allow funding to be accrued if the Trust reaches 2% growth in the previous financial year.

As a prudent measure, the policy has been amended to provide a funding expiry date of 31 March 2022, capped at a maximum of \$400,000 per annum.

Trustees will be formally adopting the changes to the policy at their December meeting subject to receiving confirmation from the Office of the Auditor-General and Audit New Zealand that the proposed changes do not create any accounting or financial risk to the Trust.

Following formal adoption, the Trust will be seeking written acknowledgement from each of the District Councils that they understand the limitations of the policy, including that annual funding is not guaranteed.

In the interim, Trustees have approved the MDI accrual for the second quarter of this financial year (to 30 September 2009). The approval of the accrual of MDI funding for the remainder of the 2010 financial year is subject to receipt of the written acknowledgement from all Councils.

A copy of the revised policy will be forwarded following the December meeting of Trustees along with a letter of acknowledgement for your Council's execution.

Kind regards

Tony Williams
CHAIR