

A G E N D A

Council

Council Chambers

Thursday

30 October 2014

commencing at 9.00 am

His Worship the Mayor, M.T. Havill (**Chairperson**)
Cr. J.H. Butzbach, Cr. P.M. Cox, Cr. M.S. Dawson, Cr. D.G. Hope,
A.R. Keenan, Cr. L.J. Martin, Cr. M.D. Montagu, Cr. C.A. van Beek



COUNCIL MEETING

NOTICE IS HEREBY GIVEN THAT AN ORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL WILL BE HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 30 OCTOBER 2014 COMMENCING AT 9.00 AM

Tanya Winter
Chief Executive

24 October 2014

Council Vision

"Westland will, by 2030, be a world class tourist destination and have industries and businesses leading through innovation and service.

This will be achieved by:

- *Involving the community and stakeholders*
 - *Having inspirational leadership*
 - *Having expanded development opportunities*
 - *Having top class infrastructure for all communities*
 - *Living the '100% Pure NZ' brand*
- "Westland, the last best place"*

Purpose:

The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:

- (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
- (b) To meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses

1. MEMBERS PRESENT AND APOLOGIES:

1.1 Apologies

Cr M.D. Montagu.

1.2 Register of Conflicts of Interest

2. CONFIRMATION OF MINUTES

2.1 Confirmation of Minutes of Meetings of Council

2.1.1 Ordinary Council Meeting – 25 September 2014 (Pages 6-17)

2.2 Minutes and Reports to be Received

2.2.1 Minutes of the Public Excluded Portion of the Westland District Council Ordinary Meeting held on 25 September 2014.

(Refer Public Excluded Minutes)

3. PUBLIC FORUM

The public forum section of the meeting will commence at 9.00 am

4. BUSINESS

4.1 Statement of Proposal for Consultation - Upgrade of Water Treatment Plant at Blue Spur – Hokitika (Pages 18-35)

Morning Tea at 10.30 am.

4.2 Jim Little, Chief Executive, Tourism West Coast

Jim Little, Chief Executive of Tourism West Coast will be in attendance at the meeting at 10.00 am to provide a presentation on the Annual Report from Tourism West Coast plus some future actions.

4.3 Mayor's Report

A verbal update will be provided by Mayor Havill.

4.4 Update from Councillors

4.5 MDI Expressions of Interest (Pages 36-63)

4.6 **Draft Psychoactive Substances Policy – Submissions Received**
(Pages 64-88)

4.7 **Draft Significance and Engagement Policy for Consultation**
(Pages 89-99)

Lunch at 12.30 pm.

5. **MATTERS TO BE CONSIDERED IN THE ‘PUBLIC EXCLUDED SECTION’**

Resolutions to exclude the public: Section 48, Local Government Official Information and Meetings Act 1987.

Council is required to move that the public be excluded from the following parts of the proceedings of this meeting, namely:

5.1 **Confidential Minutes – 25 September 2014.**

5.2 **Dog Control Contract: Renegotiation Prior to Expiry**

5.3 **Haast Water Treatment Plant Contract Approval**

5.4 **Westroads Proposal**

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

Item No.	Minutes/ Report of	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Minutes	Confidential Minutes – 25 September 2014	Good reasons to withhold exists under Section 7.	Section 48(1)(a)
2.	Report	Dog Control Contract: Renegotiation Prior to Expiry	Good reasons to withhold exists under Section 7.	Section 48(1)(a)
3.	Report	Haast Water Treatment Plant Contract Approval.	Good reasons to withhold exists under Section 7.	Section 48(1)(a)
4.	Report	Westroads Proposal	Good reasons to withhold exists under Section 7.	Section 48(1)(a)

**Date of Next Ordinary Council Meeting
27 November 2014
Whataroa, Venue TBC**



Council Minutes

MINUTES OF AN ORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL, HELD IN THE FIRE STATION, COOK FLAT ROAD, FOX GLACIER ON THURSDAY 25 SEPTEMBER 2014 COMMENCING AT 9.59 AM

1. MEMBERS PRESENT AND APOLOGIES

His Worship the Mayor, M.T. Havill (**Chairperson**)

Deputy Mayor P.M. Cox

Cr. J.H. Butzbach, Cr. M.S. Dawson, Cr. D.G. Hope, Cr. L.J. Martin, Cr. C.A. van Beek.

1.1 Apologies and Absent

Apologies had been received from Cr A.R. Keenan and Cr M.D. Montagu.

Moved Cr Martin, seconded Cr Dawson and **Resolved** that:

- i) Cr M.D. Montagu's apology be recorded as being accepted; and
- ii) Cr A.R. Keenan be recorded as being absent from the Council Meeting.

Staff In Attendance

T.L. Winter, Chief Executive; G. Borg, Group Manager: Corporate Services; V. Goel, Group Manager: District Assets; J. Ebenhoh, Group Manager: Planning, Community and Environment; P.G. Anderson, Operations Manager (attended part of the meeting); D. Blight, Community Development Advisor (attended part of the meeting); D.M. Maitland, Executive Assistant (attended part of the meeting).

1.2 Register of Conflicts of Interest

The Register of Conflicts of Interest was circulated and the Mayor and Councillors were asked to review the amended register to declare the type of interest to be defined as non-pecuniary, actual, potential or perceived. Any changes to be forwarded before the 30 October 2014 Council Meeting.

Mayor Havill then asked everyone in attendance at the meeting to observe a Moment's Silence for the passing of Mr John Stephen Sullivan J.P., a much respected member of the Fox Glacier community and South Westland in general.

2. CONFIRMATION OF MINUTES

2.1 Confirmation of Minutes of Meetings of Council

2.1.1 Ordinary Council Meeting – 28 August 2014

Moved Cr Dawson, seconded Deputy Mayor Cox and **Resolved** that the Minutes of the Ordinary Council Meeting, held on the 28 August 2014, be confirmed as a true and correct record of the meeting.

2.2 Minutes and Reports to be Received

2.2.1 Minutes of the Public Excluded Portion of the Westland District Council Ordinary Meeting held on 28 August 2014

(Refer Public Excluded Minutes).

3. PUBLIC FORUM

The following members of the public were in attendance at the meeting and spoke as follows:

- i) Natalia Yates, Franz Josef Community Development Officer, Franz Josef.

Ms Yates tabled the following:

- A letter in support of the Franz Josef Community to have NZTA install a footpath from the Haast Bar area to the School and then a safe crossing access for the children in the community;
- A letter thanking staff for ensuring that the Franz Josef Community did not run out of water during the recent drought in Franz Josef and asking that Council relook at the issues regarding where water is sourced to ensure continued supply to Franz Josef Township during the summer period.

ii) Kerrie Fitzgibbons, Kumara

Noted that there are two parcels of land that the Kumara community want to take on and put into Reserve status. One of the parcels is currently owned by WDPL and needs to be transferred to Council, with the remaining parcel being gifted to the Kumara Residents Trust who will turn it into a Council reserve.

Asked that Kumara Endowment Funds be released for the proposed Chinese Memorial Gardens.

iii) Des McEnaney – St John Association

Regarding the notice of motion that indicates a requirement for consultation, advised that St John have a very clear intention to consult with the community.

Noted that in Clause 2 of Clause 4 of the notice of motion, St John would be severely restricted from proceeding if the motion is carried.

Advised that if St John is unable to proceed with the proposal, there is another option they have been viewing for some time that they have been fighting against, which is that St John would close down the Haast Ambulance Station and remove its ambulance, replacing it with a First Response Unit.

iv) Blair Farmer, Haast

Advised that he is currently a first responder in Haast.

Expressed concerns that they are only one bus crash away from a public disaster with the current situation.

iv) **Maggie Houston, Harihari**

Concerned that there needs to be an ambulance at Haast closer to where it is now, and noted that there needs to be an ambulance and access to crew quicker.

v) **Carol Browne, Chairperson, Fox Glacier Community Centre Committee**

Mrs Browne provided an update on the proposed Fox Glacier Community Hall and tabled architectural drawings for the information of Council.

vi) **Kerrie Fitzgibbon, Kumara**

Asked if Councillors have been provided with a copy of the 25-year projected maintenance plan for the Chinese Gardens at Kumara.

4. **BUSINESS**

4.1 **Mayor's Report**

A verbal report was provided by Mayor Havill as follows:

- LGNZ Meeting to discuss mining royalties and wealth being returned to the regions that they come from.
- Improving internet and cellphone coverage – Mayors and Chairs Forum.
- Rates Review is progressing; stakeholders workshop was held.
- NZTA – rubber matting on the Taramakau Bridge.
- Waitaha Valley intersection – road widening and carpark.
- Would like to invite NZTA to meet with Council.
- Asked Councillors to keep a focus on why we are here this triennium.

4.2 **Update from Councillors**

Verbal reports were then provided by Councillors regarding as follows:

i) **Deputy Mayor Cox**

- Attended Rates Review and stakeholders meeting.
- Attended the Westland Wilderness Trust Meeting.
 - Kaniere Tram – awaiting approval.

- Lowering of speed limit at Milltown to 70 km.
- Safety on the trail and legal responsibilities on the trail.
- Mahinapua Creek section – along the eastern side of the creek.
- Māori names to be used for Sunny Bight and Milltown.

iii) Cr Martin

- Ross Memorial planting – great success.
- Sound of Music Festival – great success.
- Heritage Hokitika meeting
- 150th celebrations.
- Statues – concerned about their state in Westland.
- Spring Challenge – great success.
- Central Retailers Group have supported the Spring Challenge Event.
- Hudson and Price Memorial opening - 8 October 2014.

iv) Cr Butzbach

- Report from the Enterprise Hokitika meeting.
- EH are very thankful for the very positive working relationship with Council.
- Hudson and Price Memorial opening – 8 October 2014, first European settlement in Hokitika.

v) Cr Hope

- Speed limits at the Haast School.
 - Speed data has been placed in this location.
- Anniversary of the Diana Falls slip.
 - Projections that the road will be back in operation late October/November.
- Solid Waste issues - opportunities to have a unified approach to fly tipping.

vi) Cr van Beek

- Wilderness Trust Meeting.
- Safer Community Council Meeting.
- Other various Council matters.

Moved Cr Dawson, seconded Cr Butzbach and **Resolved** that the verbal reports from Mayor Havill and Councillors be received.

4.3 Notice of Motion

Cr Hope declared an interest in this matter and did not participate in this discussion or vote on this matter, and accordingly left the meeting at 10.15 am

Moved Deputy Mayor Cox, seconded Cr Dawson and **Resolved** that Council revoke the following resolution from the Ordinary Meeting of Council held on the 28 June 2012:

"4.5 St John/DHB Haast Project

Moved Councillor Eggeling, seconded Councillor Butzbach and Resolved that Council provide the area on Marks Road at a peppercorn rental for an extended period. "

Moved Deputy Mayor Cox, seconded Cr Dawson and **Resolved** that the Order of St John South Westland undertake full public consultation with the Haast community on the location of the new St John Facility at Haast.

Moved Deputy Mayor Cox, seconded Cr Butzbach and **Resolved** that Council instructs the Chief Executive to work with the Order of St John South Westland Area Committee on a consultation and funding plan for a new St John Facility at Haast.

Cr Hope returned to the meeting at 10.29 am.

The meeting adjourned at 10.30 am and reconvened at 11.19 am.

4.4 Kumara Chinese Gardens – Proposed Community Project By Kumara Residents Trust

The Group Manager: District Assets spoke to this report and sought clarification from Mrs Kerrie Fitzgibbon regarding the survey that was undertaken with Kumara residents.

Moved Cr Martin, seconded Cr Dawson and **Resolved** that:

- a) Council supports the proposal from Kumara Residents Trust to establish Chinese Gardens in Kumara with no financial implication to Westland ratepayers other than Kumara residents,

- b) Council staff undertake a consultation process with the Kumara community to establish a mechanism to fund the future maintenance of the Chinese Gardens at the cost of Kumara residents,
- c) Subject to recommendation a), Council undertakes to negotiate with WDPL for securing the ownership of the proposed site with purchase costs to be funded by the Kumara Residents Trust,
- d) Council approves the proposal for the sites CT WS8A/766 (Lot 4 DP 2008) and Part Section 312 Town of Kumara CT WS 3A/328 to become a reserve under the Reserves Act 1977 and the process to establish a reserve commences,
- e) Subject to recommendation a), Council approves and releases \$398,000 from the Kumara Endowment Funds for the construction of the Kumara Chinese Gardens project.

4.5 **MDI Expressions of Interest**

Cr Dawson declared an interest in this matter and did not participate in this discussion or vote on this matter.

Moved Cr Hope, seconded Cr Martin and **Resolved** that the MDI Expressions of Interest Report be withdrawn and be discussed in a Council Workshop.

4.6 **LTP Vision and Forecasting Assumptions**

The Group Manager: Planning, Community and Environment spoke to this report.

The LTP Vision and Forecasting Assumptions for the Long Term Plan 2015/25 were amended as follows:

- Council Vision - Remove reference to "all communities..."
- Forecasting Assumptions –
 - i) "Strengthen its assets and infrastructure and have adequate maintenance and depreciation programmes in place ~~in anticipation of natural hazard events.~~"

ii) “Recognise and plan and prepare for the occurrence of natural hazard events.”

iii) “Foster better working relationships with Maori and ensure that Maori contribution to Council decision making increases.”

Moved Cr Butzbach, seconded Cr Martin and **Resolved** that Council adopt the amended Council Vision and Forecasting Assumptions as follows:

<p style="text-align: center;">COUNCIL VISION</p> <p>Westland District Council will facilitate the development of communities within its district through delivery of sound infrastructure, policy and regulation.</p> <p>This will be achieved by:</p> <ul style="list-style-type: none">• Involving the community and stakeholders.• Delivering core services that meet community expectations and demonstrate value and quality.• Proudly promoting, protecting and leveraging our historic, environmental and natural resource base to enhance lifestyle and opportunity for future generations.

Forecasting Assumptions for the Long Term Plan 2015/25:

The Council must –

1. Factor in the specific characteristics of this district when carrying out its business, including the small rating base, the large geographic area and the distance between settlements.
2. Adopt the Statistics NZ medium growth rate as being the most suitable for this Council to use for its financial and infrastructural modelling.
3. Acknowledge there will be price changes and changing economic drivers that impact on its business and on the community.
4. Respond to new legislation and other requirements from Central Government, and acknowledge that this responsibility is likely to be accompanied by fluctuating central government financial input.
5. Provide its community with financial stability and financially sustainable infrastructure and services.

6. Strengthen its assets and infrastructure and have adequate maintenance and depreciation programmes in place.
7. Recognise and plan and prepare for the occurrence of natural hazard events.
8. Engage and communicate with the community and be transparent about the job it is doing.
9. Foster better working relationships with Maori and ensure that Maori contribution to Council decision making increases.
10. Identify opportunities for alignment with other local authorities and agencies so efficiencies and better local community outcomes are achieved.
11. Ensure that the District Plan review exercise that is underway provides opportunities for alignment with other Councils, efficiencies and positive community outcomes.

4.7 Z-line, Sewell Street, Hokitika

The Group Manager: District Assets spoke to this report.

Moved Cr Martin, seconded Cr Butzbach and **Resolved** that:

- a) Council approve the early replacement of 75 metres of the Line Z wastewater main through 131 Sewell Street.
- b) Council purchase all necessary materials and lay the pipe to a total value of \$35,000 excl GST to be funded from the wastewater depreciation reserves and on the condition that the developer backfills the trench under supervision from District Assets Staff.

4.8 Highway Tourism Signage

The Chief Executive spoke to this report.

Moved Cr Dawson, seconded Cr Butzbach and **Resolved** that:

- a) Council approve funding of \$5,665 (plus GST) to support a regional project to install new highway tourism signage.

- b) Council acknowledges that this project is not in the Annual Plan and that the contribution to this project is unbudgeted expenditure.

4.9 Administration of Reserve Funds (Hokitika-Westland RSA, West Coast Wilderness Trail, Three Mile Reserve)

The Group Manager: Corporate Services spoke to this report.

Moved Cr Martin, seconded Cr Butzbach and **Resolved** that:

- a) Council instructs the Chief Executive to create a Restricted Reserve fund for the Hokitika War Memorial Reserve Land.
- b) Council instructs the Chief Executive to create a Council Created Reserve Fund for the West Coast Wilderness Trail Partners Programme Contributions and Maintenance.
- c) Council instructs the Chief Executive to transfer \$80,000 to the Three Mile Domain fund from the following sources, whilst retaining the allocations within the fund for the respective communities:
- | | | |
|------|-------------------------|----------|
| i) | Whataroa Township Fund: | \$35,000 |
| ii) | Ross Township Fund: | \$26,500 |
| iii) | Fox Township Fund: | \$15,500 |
| iv) | Haast Township Fund: | \$3,000 |

4.10 Rates Review Statement of Proposal and Consultation Plan

The Group Manager: Corporate Services spoke to this report.

- i) The Rating Review Statement of Proposal was amended as follows:
- Page 79 – The addition of a reference that “The Council’s Rating System is not sustainable for the future and Council needs to find a solution with a system that is easy to understand and easy to administer”.
 - Page 79 – add “The amount of the uniform annual general charge...”.
 - Page 82 – add “This will be particularly noticeable if the rates next increase”.

- Page 83 – “Capital value is less progressive than capital value...”.
 - Page 91 – Amend reference to “Kaniere”.
- ii) The Rating Review 2014 Consultation was amended as follows:
- Reschedule of the meeting on the 3 December 2014.
 - “18 December – Adopt policy direction at a Council Meeting for inclusion in the LTP”.
 - Addition to Key Messages - The Council’s Rating System is not sustainable and need to find a solution that is easy to understand and easy to administer”.
 - Page 113 – “Copies of the SOP and the Summary”.
 - Page 115 – “Follow the link to the Summary Statement of Proposal...”.

Moved Cr Martin, seconded Cr Butzbach and **Resolved** that:

- a) The Rating Review Statement of Proposal, as amended, be adopted for consultation in accordance with the consultation plan.
- b) The Rating Review Consultation Plan, as amended and subject to confirmation of dates, be adopted.

The meeting adjourned for lunch at 12.30 pm and reconvened at 1.37 pm.

The meeting was then adjourned for an informal discussion with a ratepayer at 1.37 pm until 2.15 pm.

5. MATTERS TO BE CONSIDERED IN THE ‘PUBLIC EXCLUDED SECTION’

Moved Cr Martin, seconded Cr Hope and **Resolved** that Council exclude the public in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 2.15 pm.

Council is required to move that the public be excluded from the following parts of the proceedings of this meeting, namely:

5.1 Public Excluded Minutes of Meetings of Council 28 August 2014

5.2 Upgrade of Water Treatment Plant at Blue Spur

5.3 WHL Director Appointment

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

Item No.	Minutes/ Report of	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Public Excluded Minutes of Meetings of Council	Confirmation of July Public Excluded Council Minutes.	Good reasons to withhold exists under Section 7.	Section 48(1)(a)
2.	Report to Council	Upgrade of Water Treatment Plant at Blue Spur	Good reasons to withhold exists under Section 7.	Section 48(1)(a)
3.	Report to Council	WHL Director Appointment	Good reasons to withhold exists under Section 7.	Section 48(1)(a)

Moved Cr Martin, seconded Cr Butzbach and **Resolved** that the business conducted in the "Public Excluded Section" be confirmed and the public be readmitted at 3.25 pm.

MEETING CLOSED AT 3.25 PM

Confirmed by:

Mike Havill
Mayor

Date

Next Meeting:
30 October 2014 - Ordinary Council Meeting (Council Chambers)

Report



DATE: 30 October 2014
TO: Mayor and Councillors
FROM: Group Manager: District Assets

STATEMENT OF PROPOSAL FOR CONSULTATION - UPGRADE OF WATER TREATMENT PLANT AT BLUE SPUR – HOKITIKA

1.0 SUMMARY

- 1.1** The purpose of this report is to consider and adopt the Statement of Proposal for the Upgrade of the Water Treatment Plant (WTP) at Blue Spur Hokitika for consultation with the community.
- 1.2** This issue arises as a result of request from Westland Milk Products (WMP) for increased treated water requirement and Council’s resolution at its 25th September 2014 Council meeting recommending that the Chief Executive drafts a Statement of Proposal in order to commence a special consultative procedure.
- 1.3** Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision set out in the Long Term Plan 2012-22. The matters raised in this report relate to those elements of the vision identified in the following table.

Vision’s Objectives	Achieved By
Involving the community and stakeholders Having inspirational leadership Having expanded development opportunities	Partnering with key industry to provide the appropriate levels of service through infrastructure upgrades that are prudently funded, and Consulting with the community and stakeholders in the most practical and appropriate manner.

- 1.4 This report concludes by recommending that Council adopts the Statement of Proposal in **Appendix A** for consultation as per the requirements of Section 82 of the Local Government Act, but not as a special consultative procedure.

2.0 BACKGROUND

- 2.1 The WMP Hokitika dairy plant has continued to grow in recent years and is set to expand further in the coming years, resulting in an increased demand for treated water.
- 2.2 The future water usage for WMP in 2016 is forecast to be 1,500 m³ per day higher than current, an increase of 30-35%.
- 2.3 By 2020 the daily water intake is projected to have increased by 2,500 m³ per day, an increase of approximately 50-55% to a daily intake of 7,500 m³ per day.
- 2.4 The water treatment plant at Blue Spur supplies water to WMP and the township of Hokitika. The current capacity of the plant to treat water is limited to approximately 8000 m³/day and the reservoirs can hold up to 5100 m³ of treated water at any given time when full.

3.0 CURRENT SITUATION

- 3.1 Figure 1.0 shows the estimated growth for the WMP Hokitika plant over the next eight years and the Hokitika town estimated demand.

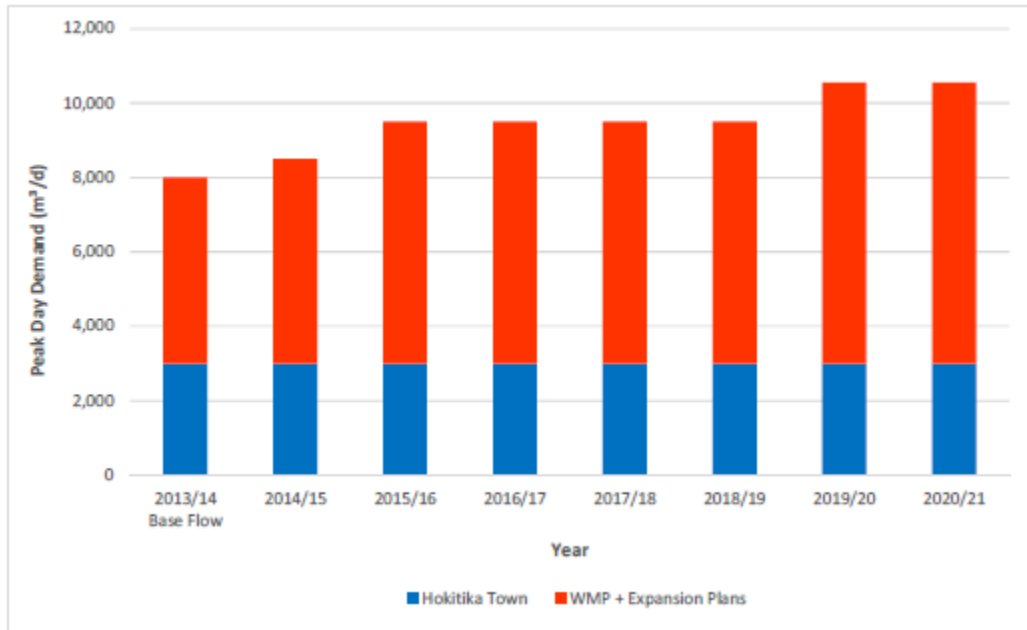


Figure 1.0: Estimated water demand over next 8 years

- 3.2 A detailed review was undertaken on the current capacity of the Hokitika system focusing on the raw water line, capacity of the Blue Spur Water Treatment Plant, and storage capacity.
- 3.3 To complete the upgrade and provide the additional quantity of water , the water will have to be drawn from a new intake from the Hokitika River, which will include the following:
 - 3.3.1 A river intake, pump station, generator and trunk main to the Blue Spur Water Treatment Plant;
 - 3.3.2 Additional 90 modules to be added to the membrane plant to increase the capacity to approximately 174 L/s; (an upgraded capacity to produce treated water to approx.. 5.4M m³ per annum)
 - 3.3.3 A new dedicated trunk main from the Blue Spur plant to WMP.
- 3.4 The estimated capital costs involved for this project are shown in Table 1.0 below:

Table 1.0: estimated capital costs

Capital Upgrades	• Year	• Cost \$
New Distribution DN350 Trunk Main	• 2014-15	• 990,000
WTP Upgrades to 15 ML/d Capacity	• 2014-15	• 1,515,000
New Source – River Intake, Pumps, raw Water line	• 2014-15	• 2,300,000
New Sewer to treatment plant	• 2015-16	• 290,000
• Total Capital Costs \$		• 5,095,000

3.5 Council is now faced with a situation where it either partners with WMP and supports the project or accepts that WMP may choose to build their own plant and there will be a resulting redundant capacity at the water treatment plant, which will have an effect on the current water rate.

3.6 It is fair to say that WMP has subsidised the current treated water rate for the district, being the biggest consumer of the supply from Blue Spur. WMP also made a \$1 million contribution at the time of first construction of the Blue Spur water treatment plant.

3.7 On 25th September 2014 a report was considered by Council in the public excluded section of the meeting, which presented the options varying from 100% ratepayer funded upgrade and the option to not to support the upgrade works and let WMP be self-sufficient for their increased treated water needs.

3.8 Based on assessments and the report, Council resolved that:

3.8.1 **THAT** Council instructs the Chief Executive to draft a Statement of Proposal for the project for approval by Council in order to commence a Special Consultative Procedure, and

3.8.2 **THAT** Council approves to raise the debt limit for this project by \$5.1M subject to the outcome of the Special Consultative Procedure.

4.0 OPTIONS

4.1 **Option 1:** Council adopts the Statement of Proposal for consultation under special consultative procedure in accordance with Section 82 and Section 83 of the Local Government Act.

- 4.2 **Option 2:** Council rejects the Statement of Proposal for consultation
- 4.3 **Option 3:** Council adopts the Statement of Proposal and undertakes a consultation in accordance with Section 82 of the Local Government Act, but not as a Special Consultative Procedure.

5.0 SIGNIFICANCE AND CONSULTATION

- 5.1 This matter in accordance with Council's policy of significance is deemed to be of moderate significance. There are no affected ratepayers, although the funding of the project will see the Council debt limits increase by \$5.0M which could potentially generate public interest and the matter can then be assumed to be high significance.
- 5.2 Public consultation is required as per the Council resolution of 25th September 2014. Extensive discussion has taken place between representatives of Council and WMP. Previously it was advised that the project may trigger an LTP amendment, however further detailed analysis of the proposal suggests no amendment to the current LTP is required. As such the consultation does not have to be a special consultative procedure. This has been further explained and assessed in Section 6.3 of this report. The consultation plans are included in section 6.1 and Section 6.3 and are specific to the options.

6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 **Option 1:** Council adopts the Statement of Proposal for consultation under special consultative procedure in accordance with Section 83 of Local Government Act.

In accordance with Section 83 of Local Government Act 2002, a minimum of 30 days or 1 month consultation is required under a special consultative procedure. While a special consultative procedure is not required, the reason explained in Option 3 below on this report, if Council chooses this option, the table below presents the consultation plan:

This proposal is open for submissions from 31st October to 4pm on 30 November 2014.

30th October	Council adopts Statement of Proposal for consultation with the community.
31st October	The proposal is open for public submissions. Soft copies of the proposal are made available online on Council Website and hard copies will be made available at the Council office, Hokitika Library, and through Community Development Officers within District. There will be a media release immediately after Council meeting.
3rd November	Newsprint information advising ratepayers that the proposal is being consulted upon
10th November	Newsprint information advising ratepayers that the proposal is being consulted upon
Mid - November	Public information meeting to be held at either Council offices or a venue in Hokitika. Date : TBA
17th November	Newsprint information advising ratepayers that the proposal is being consulted upon
24th November	Newsprint information advising ratepayers that the proposal is being consulted upon
3rd December	A Submission hearing meeting to be held at Westland District Council offices
11th December	Final report included with recommendation based on feedback from the consultation for 18 th December Council meeting
18th December	Council makes a decision whether to proceed or not with the proposal

This option will push out the timeline of the project by 60 days, given the decision will not be available to proceed or not until just before the Christmas season.

The proposal does not affect any other ratepayer as the costs of the upgrade are paid for by a water rate levied on Westland Milk Products. There is no change to the current levels of service for the water activity, and therefore the proposal does not trigger an LTP amendment. As such a special consultative procedure is not required.

Option 3 presents a more practical option with an alternative consultation process.

A special consultative procedure is **NOT** the preferred option.

6.2 Option 2: Council rejects the Statement of Proposal for consultation.

Not proceeding with this option will see the upgrade project not proceed and will present challenges for Council and WMP. The option not to

proceed with the project has been assessed and rejected by Council already.

The only advantage of proceeding with this option is that there will be no additional \$5.1 M borrowing required.

The disadvantages as a result of the project not proceeding have been discussed in the previous Council report of 25th September 2014 and on page 7 and 8 of the proposal attached in Appendix A.

This is **NOT** a preferred option.

- 6.3** **Option 3:** Council adopts the Statement of Proposal and undertakes consultation in accordance with Section 82 of the Local Government Act, but not as a Special Consultative Procedure.

This is **THE PREFERRED** option

Council at its previous meeting resolved to undertake a special consultative procedure on this proposal. The reasons for a special consultative procedure were mainly to ensure the consultation is wide as possible with all ratepayers of the district and on the assumption that the proposal will trigger an LTP amendment. However, after a more robust review was undertaken by staff, it was determined that the proposed upgrade does not present any significant change to the current levels of service for the Water activity and does not trigger an amendment to the current Long Term Plan. The proposal also does not directly affect any other ratepayers aside from WMP, although there could be potential interest from ratepayers, given the project is proposed to be brought forward from future years and funded by an additional loan of \$5.1 M.

It is therefore, recommended that the consultation on this project be undertaken in accordance with section 82 of the Local Government Act 2002, but not as special consultative procedure.

Other advantages of this option is that the timeframes after this consultation will allow for a timely commencement of the project. The decision on the proposal could be included on the agenda for the November Council meeting. A December Council meeting decision will push the project another 2 months behind schedule. The target date for completion is August 2015.

If Council opts for this option then, it will have to amend its previous resolution requiring a special consultative procedure. The consultation plan under this option is highlighted in the table below:

This proposal is open for submissions from 31st October to 4pm on 18 November 2014.

30th October	Council adopts Statement of Proposal for consultation with the community.
31st October	The proposal is open for public submissions. Soft copies of the proposal are made available online on Council Website and hard copies will be made available at the Council office, Hokitika Library, and through Community Development Officers within District. There will be a media release immediately after Council meeting.
3rd November	Newsprint information advising ratepayers that the proposal is being consulted upon
10th November	Newsprint information advising ratepayers that the proposal is being consulted upon
Mid - November	Public information meeting to be held at either Council offices or a venue in Hokitika. Date : TBA
17th November	Newsprint information advising ratepayers that the proposal is being consulted upon
20th November	A Submission hearing meeting to be held at Westland District Council offices
21st November	Final report included with recommendation based on feedback from the consultation for 27 th November Council meeting
27th November	Council makes a decision whether to proceed or not with the proposal

7.0 PREFERRED OPTION AND REASONS

- 7.1 Option 3 is the preferred option.
- 7.2 The option presents a win-win outcome for both parties. This option allows for a final decision to be made at 27th November 2014 Council meeting.
- 7.3 The consultation plan presented is reasonable and practical. Information will be made available in accordance with Section 82 and 82A of Local Government Act 2002.

8.0 RECOMMENDATIONS

- A) **THAT** Council rescinds its previous resolution made at the 25 September 2014 Council meeting for a special consultative procedure for this proposal, and
- B) **THAT** Council adopts the Statement of Proposal to “Borrow \$5.1m to Advance the Water Treatment Plant Upgrade at Hokitika” as attached in Appendix A, and
- C) **THAT** Council commences a consultation process in accordance with section 82 of the Local Government Act and as per the consultation plan in Section 6.3

Vivek Goel
Group Manager – District Assets

Appendix 1: Statement of Proposal – Upgrade of Blue Spur Water Treatment Plant

Proposal to Borrow \$5.1m to Advance Water Treatment Plant Upgrade at Hokitika

November 2014

**Proposal to borrow \$5.1m to upgrade
the Hokitika treated water supply,
essential to supply increased demand
from Westland Milk Products**

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Overview

The proposal

Council is proposing to borrow \$5.1m to fund the cost of upgrading the water treatment plant at Blue Spur to meet extra demand for treated water to Westland Milk Product's Hokitika milk treatment plant.

The new debt and interest will be repaid over 5 years by Westland Milk Products.

There will be no additional cost to any other ratepayers as a consequence of this proposal.

Reason for the proposal

Council has been requested by Westland Milk Products to bring forward plans to supply their Hokitika milk treatment plant with more treated water.

The upgrade is essential to the development of business of Council's largest water supply consumer and consequentially to jobs and the economy of Westland.

The entire cost of the project (including finance costs) will be paid by Westland Milk Products, but for a short period (5 years) it will be financed by Council.

Council has planned in the Long-term Plan 2012-22 to do this work; just not right now. In that plan the work was to be funded by all water consumers.

Council is consulting on whether it is appropriate for Council to bring this project forward, support and be supported by Westland Milk Products and in doing so add to Council's debt for 5 years at no cost and very low risk to the ratepayer.

More information

Copies of the proposal

Copies of this proposal are available online at www.westland.govt.nz and at Council Libraries or from the main Council building in Weld Street, or you can call us on **0800 474 834** and we will send you a copy.

Decision-making

After receiving submissions and hearing community views at a Council meeting, Council will make a decision about whether to borrow the funds and increase the supply of treated water to Westland Milk Products.

This decision will consider many matters, including but not limited to, the views expressed by the community.

If Council was to go ahead with the proposal consents will be obtained and capital work contracts prepared and let as soon as possible after the decision is made.

If Council decide to not borrow \$5.1m and undertake the project, any preliminary costs for preparing applications for and obtaining consents will be funded through the water rates and consents if granted will be held by Council for future use.

Key dates

30th October	Council adopts Statement of Proposal for consultation with the community.
31st October	The proposal is open for public submissions. Soft copies of the proposal are made available online on Council Website and hard copies will be made available at Council offices, Libraries, District Libraries and through Community Development Officers and other libraries within District.
3rd November	Newsprint information advising ratepayers that the proposal is being consulted upon

10th November	Newsprint information advising ratepayers that the proposal is being consulted upon	20th November	A Submission hearing meeting to be held at Westland District Council offices
17th November	Newsprint information advising ratepayers that the proposal is being consulted upon	21st November	Final report included with recommendation based on feedback from the consultation for 27 th November Council meeting
18th November	Public information meeting to be held at either Council offices or a venue in Hokitika.	27th November	Council makes a decision whether to proceed or not with the proposal

Have Your Say

Making a submission

Council wants to hear which option you support or don't support. Have your say and it will be considered by Council as part of the decision-making process.

This proposal is open for submissions from 31st October to 4pm on 18 November 2014.

There are several ways you can make a submission.

■ Online

Fill in a submission form at www.westland.govt.nz

■ Post

Rating Review Submission
Westland District Council
Private Bag 704
Hokitika 7842

■ Deliver

Bring your submission to the Westland District Council Offices, 36 Weld Street, Hokitika. If you would like a hard copy submission form, you can download one from our website at www.westland.govt.nz or collect one from the Council offices or at Council libraries. You can also phone us on 0800 474 834 and we will post one to you.

Please make sure you include in your submission:

- Your name and email or postal address.
- Whether you want to speak in support of your submission at a Council hearing.

CLOSING DATE:

Submissions must be received by Council no later than 4pm, Thursday 18 November 2014.

Once the submission period is closed, Council will notify submitters who wish to speak at the hearings on 18 December of the time for the Council meeting.

Please note: All submissions are public documents and will be loaded onto Council's website with the names and contact details of submitters included.

Information sessions

The Deputy Mayor, Councillors and Council staff will be on hand to answer questions at an information session to be held at Westland District Council offices in Hokitika on **TBA**.

The Proposal

Why we need to borrow \$5.1m

Westland Milk Products - Hokitika milk treatment plant has continued to grow in recent years and is expanding production further, resulting in an increased demand for treated water.

Council supplies treated water to the plant and Hokitika consumers from its Blue Spur water treatment plant, with water piped 14 km from Lake Kaniere.

Council can treat approximately 8,000 m³/day and the reservoirs can hold up to 5,100 m³ of treated water at any given time when full.

The water usage for the Hokitika milk treatment plant is forecast by 2016 to be 1,500 m³ per day higher than current, an increase of 30-35%, from 3,600 m³/day.

By 2020 the daily water intake is projected to have increased by 2,500 m³ per day, an increase of approximately 50-55% to a daily intake of 7,500 m³ per day.

Figure 1.0 shows the estimated growth for the Hokitika milk treatment plant over the next eight years and the Hokitika town estimated demand

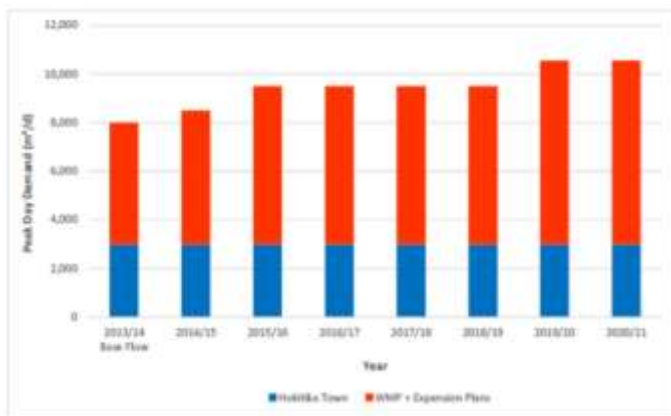


Figure 1: Estimated water demand over next 8 years

To provide the additional quantity of water, the water will have to be drawn from a new Hokitika River intake, which will include:

- A river intake, pump station, generator and trunk main to the Blue Spur water treatment plant;
- Additional 120 modules to be added to the water treatment membrane plant
- A new dedicated trunk main from the Blue Spur plant to WMP.

The cost of this work funded from debt is:

Upgrades	Year	Cost \$
New distribution DN350 trunk main	2014-15	990,000
WTP ¹ upgrades to 15 ML/d capacity	2014-15	1,515,000
New Hokitika River intake, pumps, raw water line	2014-15	2,300,000
New sewer to treatment plant	2015-16	290,000
Total costs		5,095,000

Westland Milk Products

Westland Milk Products – Hokitika is Westland’s largest employer and supports businesses the length of the district. The company is committed to environmental sustainability and invests in supporting our communities.

The growth of the processing abilities of the Hokitika plant, made possible with more treated water will contribute significantly to the growth of Westland’s GDP.

The company has already been a major investor in previous Hokitika water upgrades which has contributed to a more resilient water supply for Hokitika and lead to more affordable water supplies throughout the District.

¹ WTP = Blue Spur water treatment plant

Funding the loan

Council proposes to borrow \$5.1m to cover the entire cost of planning, consenting, designing, constructing and commissioning the upgrade.

Council owns the consents and assets at all times.

The loan will be at a fixed interest rate for the term of the loan. The loan and interest on the loan will be charged to Westland Milk Products as a water rate. This amount will be paid regardless of the amount of water used by the company.

No other ratepayers will contribute to the project, debt or interest repayments.

The loan and interest repayments will be secured by rates against the Hokitika milk treatment plant. This security provides statutory protection to Council.

After the loan is repaid water rates will be charged based on a cost recovery basis for the volume used.

Risks to Council

A. Westland Milk Products failure.

In the unlikely event the company fails within the five years, before the loan is repaid, Council's rates rank ahead of other creditors. The rates remain a charge on the land whoever owns it.

B. Westland Milk Products sells the Hokitika milk processing plant.

The rates remain payable on the land by the new owner. This would be disclosed to a potential owner by Council in a Land Information Memorandum (LIM).

C. Council decides not to proceed with the proposal.

Council has started the process for obtaining the consents necessary to take water from the Hokitika River. If following consultation, Council does not proceed with the proposal, Council will evaluate whether to continue with the consents process. It is likely that the consents will be required anyway, to secure Hokitika water supply. Council will need to determine how to fund this.

D. Council cannot get a consent to take water from the Hokitika River.

In the event this cannot be obtained options for water sources will need to be re-evaluated.

Advantages of the proposed option

The advantages of Council borrowing \$5.1m and constructing an upgraded water supply are:

- Council supports Westland's largest industry to increase production, productivity and exports.
- Westland Milk Products and Council each focus what they do well, processing milk and supplying water.
- By bringing the upgrade forward from when it was originally planned in the Long-term Plan 2012/22, all District water consumers benefit from the entire cost of essential upgrades being paid for by Westland Milk Products. The Long-term Plan projects were to be funded from District's water consumers, either in funding depreciation or debt.
- Council supports its biggest consumer and in doing so protects the interests of all water consumers in the District. This achieved by Westland Milk Product's contribution to fixed costs of the Hokitika water supply, which brings down the consumer contribution. Council then equalises this across all water supplies in the District, recognising the benefit the company gives to the whole District. (i.e. if this proposal doesn't proceed water rates could increase after Westland Milk products obtain their own supply, this has been estimated at up to \$84 per annum per rating unit).
- An alternative Intake to the water supply adds security and resilience to the supply. The existing Kaniere Lake intake is at times near the limits of the supply. A second alternate supply minimises quantity and quality issues that could arise.

Disadvantages of proposed option

The disadvantages are:

- An increase in borrowing of \$5.1m is a significant addition Council's \$15m of debt. It exceeds debt per ratepayer borrowing limits. This will rectify itself within 2 years as debt re-payments are made over the 5 years of the loan. The policy limit assumes debt is owed equally by all ratepayers which is not the case with this loan which is a liability secured against one ratepayer.
- An increase in borrowing reduces Council financial resilience if we have an unexpected event in the next 1 – 3 years. Despite the Liability Management Policy limit breach, borrowers will lend Council's debt up to 250% of revenue. Based on projected \$19m in revenue Council should be able to secure finance, in an emergency, up to \$47m.

Other options considered

Before determining the preferred option Council and Westland Milk Products worked together to review all practicable options. Resulting from this, Council considered and rejected three other options:

Council funds the project with ratepayer input

The advantages are:

- Westland Milk Products benefit from paying for only their own water use.
- Council spread's risks associated with the project across all ratepayers.
- Operational benefits of security and resilience of the Hokitika water supply

The disadvantages are:

- Other water ratepayers contribute increased rates for infrastructure being built, at this time, exclusively for the benefit of Westland Milk Products. (estimated at an additional \$79 per rating unit per annum).
- A loan of \$5.1m is drawn and is not repaid for 20 years inhibiting other opportunities for the development of the District and reducing resilience.

Council and Westland Milk Products fund the project 50/50

The advantages are:

- Westland Milk Products benefit from paying for only their own water use.
- Council only borrows \$2.5m.
- Council spread's risks associated with the project across all ratepayers.
- Operational benefits of security and resilience of the Hokitika water supply

The disadvantages are:

- Other water ratepayers contribute increased rates for infrastructure being built, at this time, exclusively for the benefit of Westland Milk Products. (estimated at an additional \$15 per rating unit per annum)
- A loan of \$2.55m is drawn and is not repaid for 20 years inhibiting other opportunities for the development of the district.

WMP build their own plant and top-up their supply from the existing Council supply.

The advantages are:

- Westland Milk Products pay less rates.
- Council doesn't borrow any new funds.
- Council doesn't own additional infrastructure.

The disadvantages are:

- Operational benefits of security and resilience of the Hokitika water supply are not obtained.
- Other water ratepayers will contribute increased rates for infrastructure not being used because of a major consumer exiting the scheme. (estimated at an additional \$84 per rating unit per annum)
- Westland Milk Products duplicates Council water plant operating expertise.

Other Matters

Overview of Council debt

This is made up of two types of debt:

- \$8m borrowing to purchase shares in Westland Holdings Limited.
- \$7m mostly associated with constructing water and waste management projects in 2011

Council is budgeting to repay \$424,000 of debt in 2014/15, but will need to draw down a further \$835,000 new debt to fund projects, should they all occur on budget and on time. This is a net increase of \$411,000.

Council's infrastructure is largely in good condition and has capacity for any immediate future growth. The full funding of depreciation (yet to be achieved) will ensure the renewal of existing services can be largely funded without further debt. As per the statistics available from Statistics New Zealand, Westland population growth is more or less same for the next 10 years.

Council anticipates that long term planning to be undertaken in early 2015 will confirm that Council will be undertake new capital works required for a sustainable Westland within the current debt levels.

Inconsistency with current plans and policies

The proposal to borrow \$5.1m to upgrade the Hokitika water supply in 2015 is inconsistent with the Long-term Plan 2012/22, Annual Plan 2014/15 and Liability Management Policy

The Long-term Plan 2012/22 p.150 does provide for the following projects (\$5.2m inflation adjusted) that are effectively the same but spread over a much longer period.

- 2015/16 Blue Spur Upgrade Treatment Plant (modules only) = \$218,131
- 2018/19 Blue Spur Treatment Plant Improvement = \$417,063
- 2021/22 Hokitika River to Blue Spur – Reticulation Upgrades = \$3,252,629
- 2021/22 Blue Spur Treatment Plant = \$1,301,052

These essential projects were proposed to be funded from all water consumers by way of depreciation funding and debt. The proposal differs from the Long-Term Plan 2012/22 in that all the costs will be met by Westland Milk Products.

The new debt will also add to the breach of the borrowing limits in the Long-term Plan 2012/22 Financial Strategy. Council considered this of little consequence given the inaccuracies and errors in the Plan which have been well documented in subsequent Annual Plans.

The Annual Plan 2014/15 flags that Council would be talking to Westland Milk Products about a possible Hokitika water supply upgrade but no value or funding source were identified.

The Liability Management Policy sets a borrowing limit of \$3,000 per rateable property. This translates to \$19.8m. This proposal exceeds that limit.

Report



DATE: 30 October 2014

TO: Mayor and Councillors

FROM: Community Development Advisor

MDI EXPRESSIONS OF INTEREST

1.0 SUMMARY

- 1.1 The purpose of this report is to present the recommendations of the Project Control Group (PCG) regarding prioritisation of Expressions of Interest for Major District Initiative (MDI) funding, and to propose additional assessment criteria to be considered by Council.
- 1.2 This issue arises from the previous report to Council about MDI Expressions of Interest, which was withdrawn from last month's agenda to enable Council to consider other options in prioritising proposed projects.
- 1.3 The matter has come to Council's attention because more MDI funding is becoming available for drawdown by Westland District Council, at a rate of \$100,000 per quarter until 2022, and community groups have shown interest in having funding allocated to their projects.
- 1.4 Council wants to work towards getting some MDI funded projects into the Draft Long Term Plan 2015-2025 (LTP), consistent with DWC's requirements for consultation on MDI projects.
- 1.5 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision set out in the Long Term Plan 2012-22. The matters raised in this report relate to those elements of the vision identified in the following table.

Vision's Objectives	Achieved By
Involving the community and stakeholders Having inspirational leadership Having expanded development opportunities Having top class infrastructure for all communities	Consideration of Expressions of Interest from community groups, and recommendations by a Project Control Group Prioritising projects to improve infrastructure and development in Westland.

- 1.6 This report concludes by recommending that Council, taking the PCG's recommendations into consideration, also examine additional criteria for these projects and decide which projects need to be included in the draft LTP 2015-2025 before it goes out for public consultation.

2.0 BACKGROUND

- 2.1 As shown in the table below, just over \$4 million of Westland's MDI funding is uncommitted. Of the \$4 million in uncommitted funds, Council has allocated and DWC has approved funding of \$1,000,000 for the proposed Fox Glacier Community Centre. This leaves approximately \$3 million unallocated for other projects.

Table 1: Westland District MDI Funding Availability 2014-2022

Westland District MDI Funding	\$Approved/Available
<i>Total Funding</i>	\$6,700,000
minus Committed Funds	\$2,659,082
<i>Uncommitted funds</i>	\$4,040,918
minus Allocated Funds	\$1,000,000 (Fox Glacier)
<i>Unallocated funds available to 2022</i>	\$3,040,918

- 2.2 The unallocated \$3,040,918 is not yet available but from 31 December 2014 will build up at a rate of \$100,000 per quarter.
- 2.3 Council can decide to allocate funding to projects before the money is actually available for drawdown, but project sponsors will need to be aware that there may be a lag between when their project is ready to receive funding and when the funding is actually available.

- 2.4 Not all communities have benefited equally to date from MDI funding. Appendix 1 shows how allocated funds have been distributed throughout the District.
- 2.5 To ensure a fair process around the allocation of the approximately \$4 million of uncommitted funds, Council called for Expressions of Interest for new projects in the Westland District, with a closing date of 30 June 2014. Nine community groups expressed an interest in MDI funding, discussed it with the Community Development Advisor and submitted Expressions of Interest.
- 2.6 At the 24 July 2014 Council meeting, it was agreed to establish a Project Control Group (PCG) to prioritise projects that have expressed interest in MDI funding, using Development West Coast's Facility Proposal Assessment Tool.

3.0 CURRENT SITUATION

- 3.1 The MDI Project Control Group, as appointed by Council, and using the DWC Facility Assessment Tool, met on 15 September 2014 and agreed on the following prioritisation of potential projects:

Table 2: Recommended prioritisation of Expressions of Interest from the MDI Project Control Group

<i>Order of Priority</i>	<i>Proposed Project</i>
1 st	Kidsfirst Kindergarten at Franz Josef Glacier
2 nd	Ross Community Hall Enhancement
3 rd	Kaniere Community Hub at Kaniere School
4 th	Hokitika Riding for the Disabled Project
5 th	St John's/DHB Facility at Haast
6 th	Westland High School Gym upgrade
7 th	Kumara Residents Trust Chinese Gardens
8 th	Hokitika Hockey Club Astro turf Playing Surface
9 th	Hokitika-Westland RSA proposed facility

- 3.2 The PCG also recommended that the top two projects of Kidsfirst Kindergarten at Franz Josef Glacier and the Ross Community Hall Enhancement be the only two projects for which Council would apply for MDI funding, at this time. They recommended that the next four projects (be asked for more information, and that the three lowest-ranked projects be encouraged to look at other funding sources.
- 3.3 Council informally discussed the PCG's recommendations at a workshop on 1 October 2014, and suggested to staff that additional criteria should be

considered as an overlay with the criteria that the PCG has already discussed. These additional criteria, as understood by staff, are the following:

- Is the proposed project in a locality that has never received any MDI funding (Positive factor)
- Will this project duplicate any of the existing facilities of like nature in the same locality of the District? (Negative factor)
- Is there a robust and proven organisation behind the project? (Positive factor)
- Will the project be able to sustain ongoing maintenance costs? (Positive factor)
- Does the project fit into Council's new vision? (Positive factor)
- Does the entity have the ability to self-fund or fund the project by other means, without the need for MDI funding? (Negative factor)

3.4 The project groups were asked on 8 October to submit responses to the first five criteria by 13 October, and then on 14 October to respond to the last question. Responses were received from all the groups and they are attached as Appendix Two.

3.5 The questions sent to the groups did not include the "positive factor" or "negative factor" statement. Some of the groups appear to have misinterpreted the question about self-funding, seeing self-funding as positive and pointing out their ability to meet maintenance costs and their ability to attract matching funds. The intention of the criteria was to determine whether a project was so self-funding that it would not need MDI funding at all, which would be a negative factor. Council should not necessary consider a positive response to the self-funding question as a negative factor, if the group was merely pointing out that it had attracted some other funding sources and/or was in a position to maintain the facility in the future.

4.0 OPTIONS

4.1 In all the options below, any projects selected to move forward in the process would be invited to submit full applications to Council. The applications would then be reviewed by Council for a final check, prior to inclusion in the draft Long Term Plan for the public consultation required by DWC. If the Council wished to rank the chosen subset of projects in the draft LTP to indicate which projects would be 'first in the queue,' it could do so once full applications are received. Any projects not invited to submit a full application at this time could still be invited to submit Expressions of Interest in future years, subject to funding availability.

- 4.2 **Option One:** That Council chooses not to select any potential projects at this time for future MDI funding.
- 4.3 **Option Two:** That Council chooses to select all nine potential projects for potential inclusion in the draft LTP.
- 4.4 **Option Three:** That Council disregard the PCG's recommendations completely and evaluate projects only on the basis of the additional criteria requested at the Councillors' workshop.
- 4.5 **Option Four:** That Council consider the prioritisation recommendations of the PCG, but overlay them with the additional criteria asked for in 3.2 of this report. This will enable Council to confirm the current prioritisation and/or re-prioritise the Expressions of Interest, at least to decide which projects should be invited to take the next step. The answers from project groups to the questions relating to the additional criteria can be found in Appendix 2 to this report.

5.0 SIGNIFICANCE AND CONSULTATION

- 5.1 This has a high level of significance for Council because the decisions regarding funding of these potential projects affect a large portion of the community in a way that is not inconsequential. This issue has also generated a lot of community interest through media reports of the Project Control Group's recommendations.
- 5.2 The public should be invited to make submissions on the MDI projects Council approves, as per DWC policy, before formal applications are made by Council to DWC for MDI funding approval. This can occur through the inclusion of the projects in the draft Long Term Plan 2015-2025, which will be consulted upon in April/May 2015.

6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 In terms of Option One: if no potential projects are selected for MDI funding at this time, the advantage is that Council will not be exposed to any risks or responsibilities in terms of project over-runs or on-going costs, which DWC requires the Council to cover if necessary. The disadvantage is that projects deemed worthy by the PCG cannot proceed, and the roughly \$3 million of future MDI funding will be unused for the time being – probably until at least July 2016, given the need to consult on projects through a LTP or Annual Plan. This is not a preferred option.

- 6.2 In terms of Option Two: if all nine projects are put into the LTP without any prioritisation, none of the organisations behind those projects will know for some time whether or not they will ever receive any funding at all and if they do, when it is likely to happen. This is because the funding only becomes available from DWC from 31 December 2014 at \$100,000 per quarter, so not all projects can proceed at once, and the more projects that are included the more likely that the total MDI funding requests could exceed the roughly \$3 million available. Even if the funding requests total less than \$3 million, a higher number of projects will lead to more potential competition to be 'first in the queue' for MDI funding as it becomes available. This is not a preferred option, as it places the project sponsors in an uncertain situation, and may be raising false hopes. Ranking the projects after full applications are received, prior to inclusion in the LTP, would help with the uncertainty but could still raise false hopes if there is not enough funding to go around.
- 6.3 In terms of Option Three: completely disregarding the recommendations of the PCG and re-evaluating the Expressions of Interest based only on the new criteria would give Council the most flexibility at this stage. However, the PCG was specifically appointed by Council to make recommendations to Council, using the DWC Facility Assessment Tool, and has conducted an in-depth analysis of the Expressions of Interest according to the DWC criteria. It makes sense to at least consider the PCG's recommendations regarding prioritisation of projects and which projects should move forward in the process. This option is therefore not recommended.
- 6.4 In terms of Option Four: consideration of the PCG's recommendations in Table 2 and of the additional criteria listed at 3.2 of this report should help Council to evaluate projects. Some projects are ready to commence and could then be asked to submit a full application for final review prior to inclusion in the draft LTP. Ranking of that subset of projects could occur once full applications are received, as part of inclusion in the draft LTP. The projects not invited to submit a full application at this time could still be invited to submit Expressions of Interest in the future, subject to funding availability. **This is the preferred option.**

7.0 PREFERRED OPTION AND REASONS

- 7.1 The preferred option is that Council firstly examines the recommendations of the PCG, secondly examines the further overlay of information provided in relation to the criteria listed in 3.2 above, and then evaluates the projects. Some projects are ready to commence and to proceed and should then be asked to submit a full application for final review prior to inclusion in the draft LTP 2015-2025.

7.2 This is the preferred option because it takes account of the PCG's recommendations, based on DWC's criteria, but adds other criteria considered important by Council. It also reduces uncertainty and does not raise false hopes for organisations that do not seem to have viable MDI projects. At the same time, it leaves the option open for Council to prioritise or rank the chosen subset of projects further once full applications are received. In short, the Council would be creating two categories of projects at this time: those that are invited to proceed further towards MDI funding at this time, and those that are not.

8.0 RECOMMENDATION

- A) **THAT** Council asks the following groups (*insert list*) to submit a full application for MDI funding for final review prior to inclusion in the draft LTP 2015-2025

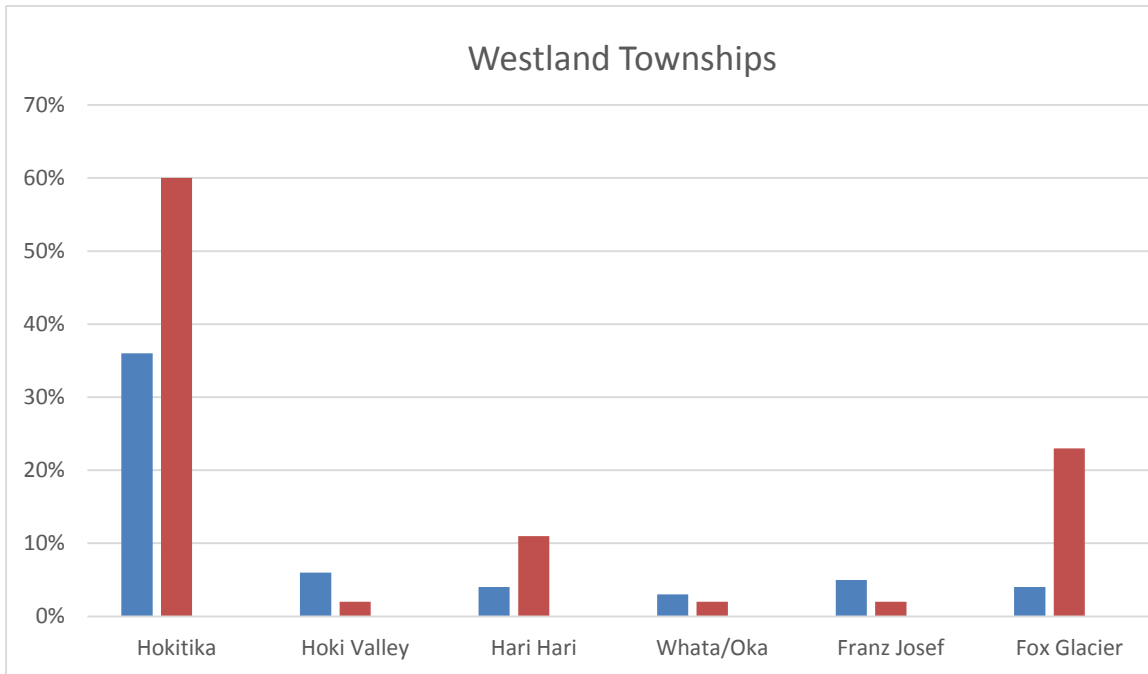
Derek Blight
Community Development Advisor

Appendix 1: Comparison of Communities

Appendix 2: Further answers from organisations

Appendix 1

A comparison of which Westland communities have benefited from MDI funding to date to either build new community facilities or to upgrade existing community facilities.



Places that have received MDI funding:

% of Westland's population

% of MDI funds received and/or approved

Note:

1. No MDI funds have ever gone to Kumara, Ross or Haast.
2. Whataroa has been included with Okarito.
3. The Hokitika Gorge Project is in the Hokitika Valley.
4. Population is the normal resident population as at the 2013 Census.

Appendix 2

Further answers from organisations to the additional criteria sought:

ASTROTURF PROJECT

- 1. Should Council give more weight to your proposed project if it is in a locality in Westland which has never received any MDI funding in the past?**

Yes it should, but I think the financial cost of a full-field AstroTurf would mean that Hokitika is the only realistic (i.e. financially viable & suitable) place to have it. If that means an AstroTurf scores low on that criterion, then so be it - it would then need to be prioritised on the basis of overall benefits.

- 2. Will your project duplicate any of the existing facilities of like nature in the same locality of the District?**

There are two small astroturfs at Kokatahi and Kaniere Schools. While these provide small all-weather outdoor recreation areas (as do Hokitika's netball courts & tennis courts etc), a full-sized (100x50m) astroturf gives different and wider opportunities, e.g. for full-field games, official tournaments and large training areas for sports like hockey, soccer, rugby, touch, marching, tennis, etc (see Tigerturf website for multisport examples). It would be the same or similar to the Westturf artificial surface in Grey District, but could also complement it and effectively create a 2-turf tournament venue. On the other hand, an all-weather turf could reduce the need for grass fields and the costs associated with maintaining them.

- 3. Is there a robust and proven organisation behind your project?**

Both Hokitika Hockey and Soccer clubs have given their support to the project in the past, and have previously submitted (I can provide these) to the Council's annual and long term plans. Westland Sports Hub and Westland DC have looked at it favourably. However, it has not been pushed very hard in the last couple of years since Westland Sports Hub disbanded and due to other priorities. Hokitika Hockey Club has been steadily raising seeding funds specifically intended for the initiation of an AstroTurf development (presently about \$20,000 in the bank).

4. Will the project be able to sustain ongoing maintenance costs?

An initial step would be to produce a feasibility study to answer this and other questions. Lottery Grants Board offers full funding for feasibility studies, but there would be little point in getting this done until some form of project funding appears on the horizon. An agreement in principle to propose MDI funding for a turf in the LTP subject to a feasibility study could provide that incentive.

5. How does the project fit into Council's new vision?

The Westurf Stadium in Greymouth (as well as many other astroturfs in NZ) has proven its worth since 1994 as a quality, sustainable community facility, with social, health, wellbeing and economic benefits to the Greymouth and wider community. A Hokitika astroturf could very well have similar benefits. The hockey club's earlier submissions (I can provide these) to WDC annual & long term plans summarise the numerous benefits that a turf could provide.

6. Does the Hokitika Hockey Club have the ability to self-fund or fund the project by other means?

In brief, the answer's yes.

The detail could be provided in an initial feasibility study, and the degree of self-funding would depend on the type of turf decided on (e.g. full size or smaller, multisport or single-use, sand- or water-based, location and admin arrangements). There are many turfs of many kinds around NZ now, and they typically have much less public funding than most grass fields that are usually heavily subsidised by councils or schools etc. A quote from my 2004 submission to WDC - "Experience elsewhere in NZ shows that once established, astroturfs are much easier to self-fund than grass fields. While council support is always very welcome, most councils in NZ give no ongoing operational funding to astroturfs. "I think this statement still stands. The Westurf Stadium in Greymouth (managed by the Westurf Recreation Trust, on Council reserve land) is largely self-funded I believe, gaining income from sponsors, grants and turf fees, while also relying on voluntary effort. As far as I know, rates are not used to fund that turf. Westurf's Financial Accounts should be publically available on the Charities website.

One feature is that an astroturf can attract top quality tournaments that also provide community-wide economic benefits, as well as income for the turf owner. Hockey NZ has produced a template business case for artificial turfs that I'm trying to track down. And Astrograss/Tigerturf can also provide some information on versatility & financial aspects etc: <http://www.multisportsurfaces.co.nz/astrograss.html>

Here's a couple of excerpts from letters to WDC and WHS, dating back ten years or so that provide good summaries of the potential benefits & feasibility of an artificial surface in Hokitika.

They also help to show that this is not a short term idea, but one that has been on our minds for some time. Just waiting to find the \$\$!

6.1 SUBMISSION TO 2006-16 LONG TERM COMMUNITY PLAN

“The essence of our submission is that the plan should include provision for the WDC to undertake a feasibility study into the establishment in or near Hokitika of a full-size (100 x 50 metre) water-based artificial sports surface (‘astroturf’) with floodlighting. If the outcome of that study is positive, then the Council should take a leading role in the establishment of such a facility.

Because an astroturf would be a new development for Westland, the feasibility study should be undertaken in advance of the Recreation Facilities review proposed for 2007, so that it can be more readily seen within the context of existing facilities.

An astroturf in Hokitika could be a valuable asset to the Westland community, making long-term economic sense (lesser ratepayer costs and greater revenue than grass fields) and catering for a wide range of sports and recreational activities.”

6.2 SUBMISSION TO 2005/6 DRAFT ANNUAL PLAN

“The club seeks the inclusion of funding in the 2005 Annual Plan for a full feasibility study into the establishment of an artificial sports surface in Hokitika.”

6.3 SUBMISSION TO 2004/5 DRAFT COMMUNITY PLAN

“The essence of my submission is that the plan should include provision for the WDC to undertake a feasibility study into the establishment in or near Hokitika of a full-size (100 x 50 metre) water-based artificial sports surface (‘astroturf’) with floodlighting. If the outcome of that study is positive, then the Council should take a leading role in the establishment of such a facility.

An astroturf in Hokitika could be a valuable asset to the Westland community, making long-term economic sense (lesser ratepayer costs and greater revenue than grass fields) and catering for a wide range of sports and recreational activities.”

6.4 ASTROTURF PROPOSAL OUTLINE FOR THE WESTLAND HIGH SCHOOL BOARD OF TRUSTEES 21 MARCH 2006

“At this stage, we are seeking support in principle from the WHS BoT for the establishment of an astroturf on the school grounds.”

Kaniere Community Hub Project

1. Should Council give more weight to your proposed project if it is in a locality in Westland which has never received any MDI funding in the past?

MDI funding should not be based on a geographical imperative but on demonstrated need and feasibility.

Each project should be considered on its merits and community need and benefit. Also taking into consideration how advanced the planning is and how likely the project is going to happen.

It is important to know that the group driving the project have done their homework and are pursuing things such as getting the required consents, having the concept plans, capital costs, identified community need, who will use it, analysis of other facilities etc.

2. Will your project duplicate any of the existing facilities of like nature in the same locality of the District?

The Kaniere Community Hub couples modern sustainable design and future proofed technology unlike any other existing community building. Formal research will be undertaken to ensure that the building is as energy efficient as possible. This will ultimately reduce long term running costs, making it more affordable for the community to utilize.

Obviously there is a huge need within the school for this facility, but we also see the scope for this project to bring the broader community together with the school. There is great value in this connection between school and community for current and future growth and development of a community.

3. Is there a robust and proven organisation behind your project?

The Kaniere School Board which is a proven entity in the local community is undertaking this project.

We have a robust structure operating which allows us to manage school matters ranging from education matters to property maintenance. Our board meets at regular intervals and we are made up of a cross section of the local community.

The school has an existing cleaning and office staff available and they will be utilized in the running of this facility. The school has the capacity in its current budgets to clean and maintain the building.

The MoE will not provide funding for non-classroom spaces at primary schools; the Board has looked into this extensively. This is why we are seeking to work with our community to build something that works for the current and future generations of the Westland District.

We are investing resources in the Kaniere Community Hub project and are currently having an independent feasibility study conducted by Jackie Gurden to ensure that our project is workable and advantageous to the Hokitika community.

Jackie Gurden, in previous employment and through her role as Managing Director of Gurden Consulting Ltd has worked extensively for almost 30 years in recreation, community, arts, heritage and economic development planning. Recent projects of a similar nature include:

- preparation of the feasibility study for the Chatham Islands War Memorial Community Complex, 2014 (\$6m)
- the feasibility study for the Grey District Miners' Recreation Centre, 2011-2012 (\$8m)
- preparation of the feasibility study and Project Coordination for the Grey District Aquatic Centre, 2006-2009 (\$11m).

4. Will the project be able to sustain ongoing maintenance costs?

We are currently undertaking a feasibility study which will ascertain the ongoing maintenance costs for this facility.

It will be the Boards responsibility to maintain the Hub for the school and community and as such will be included in the school budget for running expenses.

Renting the space to the community at a reasonable rate will supplement this. The Ministry of Education will assume maintenance of this facility after 10 years. This does not mean that they will own it, only that they will maintain it as part of the school. This is a win win situation for the school and broader community and fits well with the current long term plan. (Page 81 Long Term plan).

5. How does the project fit into Council's new vision?

Our project fits with the Council's new vision in these ways:

- Creating a building that showcases environmentally sustainable practices and focuses on the connection between the inner and outer spaces of the building.
- We will encourage the community to embrace the hub as their own by engaging a venue coordinator (.1FTE) to liaise with the community to provide opportunities for arts, cultural, educational, recreational, and leisure activities. The Hub will also provide a gathering point in civil defence emergencies.

- We have been and will continue to consult with the community throughout the process to ensure we design and create a facility that meets the needs of the broadest group of users.
- The community will be given priority usage of the building.

6. Does the Kaniere School have the ability to self-fund or fund the project by other means?

The school has already raised \$100,000 over 10 years towards the Kaniere Hub and will continue to raise funds with events such as the yearly school fair, this event usually raises approx \$12,000. The ability of the school to raise large amounts through traditional fundraising is limited and the MoE will not fund this non classroom space. If we continue to fundraise towards this project at our current rate it will take us another 100 years!

The Board has identified this as an issue and plans to put together a fundraising group that will focus on raising funds only for this project; we hope to have this group formed by the end of November.

This group will look at other ways we could raise money for the project outside of our applications to Council and The Lotteries Board.

However it is unlikely that this project would be able to proceed without a major injection of funding from a community funder.

KIDSFIRST PROJECT IN FRANZ JOSEF

1. Should Council give more weight to your proposed project if it is in a locality in Westland which has never received any MDI funding in the past?

We believe that the council should fund projects which meet the criteria, will provide long term value to their community, and are ready to start – regardless of where they are situated. Weighting in this manner could mean that the projects that could add the most value to the District may never be funded.

2. Will your project duplicate any of the existing facilities of like nature in the same locality of the District?

The closest licensed early childhood service is in Hokitika – 148 kilometres away. The community is desperate for this facility and have waited for nine years. This project will not only increase educational outcomes for children, but will provide employment and economic development opportunities for local businesses who need child care to support workers.

3. Is there a robust and proven organisation behind your project?

Kidsfirst Kindergartens: Educating children in their early years.....

Teachers, whānau, neighbourhoods – children at the heart of amazing learning

- 61 Early Childhood Education services (including 3 on the West Coast)
- 2 new centres on the way (Glacier Country and Diamond Harbour)
- 3000 children enrolled
- 375 staff
- More than 100 years of operation– here to stay
- Teaching staff 100% qualified and registered
- 100% New Zealand-owned
- Not-for-profit in a highly commercial, competitive sector
- Member of New Zealand Kindergartens

Who are we?

We are an incorporated society with an elected governance board. Our chief executive, Sherryll Wilson, carries out the directions of the board, assisted by our strategic leadership team: Education Delivery (Jo Rendall), Human Resources (Karyn Willets), Business Development (Jenny Pitama) and Support Services (Rebecca Nicholson).

In the 100 years plus since we started, Kidsfirst has evolved into a sophisticated organisation, with superb systems and processes, a robust operating and administrative structure and clear strategic focus.

Education Review Office Statement 2013/14:

The association provides efficient governance and Management for all its kindergartens. Long term vision and goals are determined, and each kindergarten establishes its own plan based on these. The assn. has high expectations for teaching and learning. The use of recently developed indicators of best practice is helping to identify and spread effective practice.

Kidsfirst was a finalist in the 2013 Chamber of Commerce Canterbury Business awards in the ACC category. We are proud to provide a safe workplace for all our employees.

Kidsfirst also provides support to other associations and centres in a range of aspects of business and practice. Currently we are supporting Oamaru Kindergarten Association, Central Otago Kindergarten Association and Ashburton Kindergarten Association, as well as other community-based services.

4. Will the project be able to sustain ongoing maintenance costs?

A dedicated Property Management function takes care of the many and diverse needs of our 62 kindergartens and head office, which see some heavy-duty action every day. There's a regular maintenance programme [that results from the 10 Year Maintenance Plans we have on each site], and more recently, quake-specific work including strengthening. Providing just the right environment for children to explore freely and safely is a priority for Kidsfirst. The annual budget for Kidsfirst Glacier Country includes \$6000 for repairs and maintenance.

5. How does the project fit into Council's new vision?

Education provision is vital in rural communities to ensure that the foundations for life-long learning are provided for local children in their developmental years. These are the children who will be business owners, councillors and community contributors in the future. The Glacier communities have waited a long time for access to quality early childhood education and are fully involved in, and behind, this project. We have had not a single piece of negative feedback since we stepped in to help this community – everyone agrees it is long overdue.

Education is a core service, and Kidsfirst intends to deliver the best possible quality of early childhood education for this generation of Glacier Country pre-schoolers and for those to come long into the future.

6. Does Kidsfirst have the ability to self-fund or fund the project by other means?

From our initial estimate of \$860,000 for this build, we now have constructions costs of \$1.2m, plus another \$200,000 for landscaping and developing the outdoor play area, resources and equipment. From the very first concept meeting, we have seen this as a partnership: Kidsfirst, the Ministry of Education and the South Westland Community, and hope that the Westland District Council will prioritise funding for this facility to strengthen local ownership of the project.

The local community has raised \$35,000.00, testament to the strong support for this project. The Ministry of Education has made a capital contribution of \$100,000.00, acknowledging the lack of access to ECE in this area and the positive impact that early childhood education has on the life-long learning of children. This was the maximum available for the project.

The Kidsfirst Board has agreed to underwrite the remaining costs from their capital investment fund, but as a not-for-profit organisation we are seeking to recover this cost to strengthen our long term position through securing as much community funding as possible, although we have not been successful with any other applications to date.

KUMARA CHINESE GARDENS

1. Should Council give more weight to your proposed project if it is in a locality in Westland which has never received any MDI funding in the past?

Yes, Council should be dispersing these funds fairly throughout the Westland District. All localities should be given an equal opportunity to aid their projects by accessing MDI.

2. Will your project duplicate any of the existing facilities of like nature in the same locality of the District?

Our project will be the only one of its kind in Westland and indeed one of only three others in New Zealand. This will be a draw for Tourism adding to attractions in Westland.

3. Is there a robust and proven organisation behind your project?

Yes. The Kumara Residents Trust is behind this project. We have recently won the Supreme Trust Power Award for volunteer groups in Westland. DIA has also recognised our ability as a community to work together and have aided us in moving forward by funding a paid Community Development Officer to work with us and the Ross community for a three year period. This person will be assisting our community to move forward, enhance our surroundings and foster strong community relationships.

4. Will the project be able to sustain ongoing maintenance costs?

Yes. We have thought long and hard on this question. The design of the garden has been chosen with the long term maintenance in mind. The design is to fit the unique West Coast conditions. We also have submitted a 25 year ongoing plan for replacements of structures within the garden, vandalism, growth, management, plant renewal etc. This plan has been submitted to Councillors and to the MDI project group for viewing.

5. How does the project fit into Council's new vision?

This project fits very well into the Westland District Council's new vision. The Memorial Chinese Garden will certainly be involving not only the Kumara Community but the greater Westland Community. E.g. We are already speaking with Shantytown on ways to use the garden for educational purposes and are working closely with the Ross Community on ways to share our stories. The garden will be of the highest standard. It will be honouring the history of the gold and our hardy pioneers, particularly the many Chinese who came here to seek their fortune. Our future lies both in the past and in the natural environment around us. We wish to share the stories of the past, celebrate and

honour those who came before us but to also leave an ongoing place of beauty, education, and peace and recreation for the future generations.

6. Do the Kumara Chinese Gardens have the ability to self-fund or fund the project by other means?

We have very conservatively covered this area in our 25 year maintenance report. This was to be made available to all Councillors for consideration. Another copy can be made available if required.

This report was conservative when looking at the garden as a venue. From the very positive reports we have received back recently from the Chinese who have had meetings with tour operators already such as the owner of China Travel, this garden has the likely hood of not only being self-funding but assisting in other projects down the track.

I am happy to get a letter from the Tams to verify these meetings have occurred if required.

Our area is short on gardens for wedding photos. This garden will be of great beauty. Again we have gone very light on this aspect but there certainly is great potential in this area for development.

ROSS HALL

- 1. Should Council give more weight to your proposed project if it is in a locality in Westland which has never received any MDI funding in the past?**

Yes the Council should look at our proposed project with more weight as we have not received MDI funding in the past and we are part of Westland.

- 2. Will your project duplicate any of the existing facilities of like nature in the same locality of the District?**

No. This is the Ross Community Hall.

- 3. Is there a robust and proven organisation behind your project?**

Yes, Ross Community Society Inc

- 4. Will the project be able to sustain ongoing maintenance costs?**

Hall hireage covers a certain amount of maintenance of this Council owned facility. Capital projects would require both council and community financial assistance.

- 5. How does the project fit into Council's new vision?**

Our project has the support of the Ross Community.

By repairing the roof and upgrading the kitchen, the Ross Community will have an earthquake assessed facility that will provide a dry, central meeting place for community meetings, social and school gatherings and provide an emergency shelter.

The Ross Community Hall has a roof that is leaking quite extensively at one point. We want to protect this community asset and make sure this building will survive for further generations. The continuing lifestyle of the Ross Community is dependent on this facility.

- 6. Does the Ross Community Hall have the ability to self-fund or fund the project by other means?**

No, this is Westland District Council property.

RSA

1. Should Council give more weight to your proposed project if it is in a locality in Westland which has never received any MDI funding in the past?

No, each application should be assessed on their own merits, preference should be given to the area that will benefit the most users, considering Hokitika is the main centre the bulk of the funding should go to that area.

2. Will your project duplicate any of the existing facilities of like nature in the same locality of the District?

Yes it will duplicate, as it is an existing proven facility, although there are some halls that are not fully utilised, they do not provide the facilities required for multiuse. In planning the rebuild of their existing facility, the RSA have approached many groups in the community and assessed their requirements and incorporated their needs, upgraded and modern facility that will contain the latest IT equipment, e.g. for use of Search and Rescue and Police.

3. Is there a robust and proven organisation behind your project?

The core organisation is the Hokitika Westland Returned and Services Association Inc. which is affiliated to the national body. Our association has given 95 years of service to the Westland area. We have in excess of 150 new members who have joined to support this project, with a wide range of skills to continue to manage this existing project.

4. Will the project be able to sustain ongoing maintenance costs?

Yes, there will be no costs to Council, being a modern facility. With existing demand for use, all maintenance will be covered by revenue.

5. How does the project fit into the Council's new vision?

As stated above, this is a renewal of an existing facility with a proven use. Because it will be a modern facility, it is expected there will be a greater use.

There has been consultation with the community and existing users. The new building has been designed to cater for these needs.

This project is the rebuild of the existing War Memorial Hall that we have designed to be used as a community centre, civic centre as well as the RSA headquarters. The RSA motto is "people helping people" continuing to support widows and families of those who fought in conflicts. The War Memorial Hall with its strong attachments to our community remembers those who fought for our freedom and lifestyle in various

conflicts – WW11, Korea, Malaya, Malaya-Borneo, Vietnam, East Timor, Afghanistan and numerous peace keeping operations. Both the travelling public and generations to come will have opportunity to view.

This facility in its central location is and will continue to be the home base for ANZAC Day which is our national day of remembrance.

Lest we forget, it is 60 years since the War memorial hall was built. Over this time, this hall has been the heart of the community and this proposed rebuild with overwhelming community support will be a fitting new memorial to celebrate 150 years of our District.

6. Does the RSA have the ability to self-fund or fund the project by other means?

At this stage we do not have the funds to rebuild, but as you are aware we are working towards getting sufficient funds from our garage sales, and then may have the ability to apply for lotteries funding, but that is not an option until we have a third of the funds required. We are also currently investigating funding from a variety of sources.

St John's Haast

1. **Should Council give more weight to your proposed project if it is in a locality in Westland which has never received any MDI funding in the past?**

Yes.

2. **Will your project duplicate any of the existing facilities of like nature in the same locality of the District?**

The project will renew and upgrade existing facilities/ services on a new location in the district.

3. **Is there a robust and proven organisation behind your project?**

The Order of St John is New Zealand's biggest, and oldest charity.

4. **Will the project be able to sustain ongoing maintenance costs?**

Yes.

5. **How does the project fit into the Council's new vision?**

We believe our project ticks all boxes on Council's vision statement.

6. **Does St John's have the ability to self-fund or fund the project by other means?**

The project will not self-fund. It will be funded in a similar fashion to all our other projects.

The capital cost is via fundraising using the St John network, St John professional fundraisers engaging other charitable trusts, communities, and corporate sponsorship. Any project approved by St John South Island Trust will have the trusts backing.

The operational costs are met by St John South Westland Area Committee. In most cases our building running costs are met by revenue generated from room hire, public first aid training etc.

St John Structure:

The Order of St John is New Zealand's largest charity. At its head is New Zealand's Governor General. The governance structure is The Priory Trust Board overseeing three Regional Trust Boards. Ours is the South Island Trust Board.

St John is responsible for, among other things, providing New Zealand's ambulance service.

It owns New Zealand's largest privately owned vehicle fleet. It operates a multi-million dollar annual budget on a par with New Zealand's largest companies.

No project is undertaken without Board approval. No approval is given without the Boards knowing it can be successfully completed. The Board will give the necessary backing to ensure completion of its approved projects.

Westland High School

1. Should Council give more weight to your proposed project if it is in a locality in Westland, which has never received any MDI funding in the past?

This could be a consideration but it is far more important to ensure that as many people as possible benefit, and to consider the overall impact of the project and the level of community involvement. The project should be able to offer long term sustainability once set up.

MDI funding has been utilized by organisations in Hokitika already. However, our project services the recreational needs of Westland residents from the Hokitika and surrounding wards and from South Westland, so Council should consider it more favourably based on need rather than locality. We are providing a community facility that the Council is not; therefore we are fulfilling a Council obligation.

2. Will your project duplicate any of the existing facilities of like nature in the same locality of the District?

It will enhance sporting provision and bring different sporting bodies together. With regard to the gymnasium, the only other similar facility is the Boys Brigade Hall, which is utilized by a different set of users and is not functional as a competitive full size playing court for netball or basketball. With regard to the current 6 sealed netball/tennis courts at Westland High School the only other facility is the Hokitika Tennis and Squash Rackets Club, which is basically single purpose. An all-weather Astroturf does not currently exist in the district. Council is aware of the future lifespan of the current Hokitika town pool.

3. Is there a robust and proven organisation behind your project?

Yes. Westland High School has managed and maintained existing sport and recreational facilities located at the school, which have been utilized by a wide cross section of the Westland community, over several decades. The school community, the BOT, and ultimately, the Ministry of Education support the facilities. The sporting bodies that utilise the facilities all have histories of successful delivery.

4. Will the project be able to sustain ongoing maintenance costs?

In terms of maintenance costs, the project will be supported by maintenance funding from the school budget and proceeds from facility hire. Consideration needs to be given to the funding required to make up the shortfall given that the gymnasium is currently 1/3 "community owned"

5. How does the project fit into Council's new vision?

The project absolutely fits the Council's vision. It will increase community coherence. Delivering quality sports facilities to the community is a core service. This is an ideal opportunity to create quality facilities at a fraction of the cost that Buller and Grey District Councils have had to invest. We do have existing facilities that are well utilized by the community but expectations are increasing and we would like to work with Council, community and stakeholders to enhance the lifestyle of the Westland community and provide ongoing opportunity for future generations.

6. Does Westland High School have the ability to self-fund or fund the project by other means?

Some of the funds would come out of Westland High School Reserves but fund raising would need to be done and other sources of funding explored. The latter option has not been discussed yet.

Riding for the Disabled

- 1. Should Council give more weight to your proposed project if it is in a locality in Westland which has never received any MDI funding in the past?**

We cater for all of Westland. This service is not available anywhere else in Westland. We have riders from South Westland.

- 2. Will your project duplicate any of the existing facilities of like nature in the same locality of the District?**

No. We are unique in Westland (and in the West Coast). A covered area will provide a large area for both equine and other pursuits.

- 3. Is there a robust and proven organisation behind your project?**

Yes. Refer to Leading Lights Business Awards 2013.

- 4. Will the project be able to sustain ongoing maintenance costs?**

Yes. RDA is well supported by funding bodies and we are becoming more self-sufficient, generating income through riding lessons and facility hire.

- 5. How does the project fit into Council's new vision?**

We cater to and involve people from all areas of the community, particularly the marginalised and less advantaged.

We deliver a high quality service catering for physical, intellectual, social and emotional therapy.

We enable both riders and volunteers to experience physical activity in the outdoors (when it's not raining.)

- 6. Does RDA have the ability to self-fund or fund the project by other means?**

We are not able to fund such a large project. MDI funding would be the major fund for this project.