

Notice is hereby given that a Meeting of the Riverton Harbour Subcommittee will be held on:

Date: Monday, 9 November 2015
Time: 4.30pm
Meeting Room: SDC Office, Riverton

Riverton Harbour Subcommittee Agenda

OPEN

MEMBERSHIP

Chairperson	Nick White
Members	Timothy Anderson Ian Coard Neil Linscott Blair Stewart Councillor Rodney Dobson

IN ATTENDANCE

Oraka Aparima Runaka	Muriel Johnstone
Environment Southland	Kevin O'Sullivan
Environment Southland	Lyndon Cleaver
Area Engineer	Greg Erskine
Area Officer	Alyson Hamilton

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Full agendas are available on Council's Website
www.southlanddc.govt.nz

Terms of Reference for Riverton Harbour Committee

This committee is a subcommittee of Southland District Council and is responsible for:

- The management and control of all Riverton harbour assets
 - The control and management of all Riverton harbour endowment lands
 - Parking and traffic management on harbour endowment land
 - Control of the berthing of vessels
 - Management of activities in the harbour, including health and safety
 - Preparing an annual budget, including ensuring any income from assets and activities are spent on the harbour and endowment lands, and on purposes that benefit the Riverton community
 - Appointing a harbourmaster
 - Recommending legal action in cases of breaches of the bylaw
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UPDATES

8.1 Chairperson's Report

The Chairperson, Member White, to report on activities with which he has been involved since the Subcommittee's last meeting.

1 Apologies

At the close of the agenda no apologies had been received.

2 Leave of absence

At the close of the agenda no requests for leave of absence had been received.

3 Conflict of Interest

Subcommittee Members are reminded of the need to be vigilant to stand aside from decision-making when a conflict arises between their role as a member and any private or other external interest they might have.

4 Public Forum

Notification to speak is required by 5pm at least two days before the meeting. Further information is available on www.southlanddc.govt.nz or phoning 0800 732 732.

5 Extraordinary/Urgent Items

To consider, and if thought fit, to pass a resolution to permit the committee to consider any further items which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, and the Chairperson must advise:

- (i) The reason why the item was not on the Agenda, and
- (ii) The reason why the discussion of this item cannot be delayed until a subsequent meeting.

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“Where an item is not on the agenda for a meeting,-

- (a) That item may be discussed at that meeting if-
 - (i) That item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
- (b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.”

6 Confirmation of Minutes

6.1 Minutes of Riverton Harbour Subcommittee meeting dated 10 August 2015 to be confirmed.

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Riverton Harbour Subcommittee OPEN MINUTES

Minutes of a meeting of Riverton Harbour Subcommittee held in the SDC Office, Riverton on Monday, 10 August 2015 at 4.30pm.

PRESENT

Chairperson
Members

Nick White
Ian Coard
Neil Linscott
Blair Stewart
Rodney Dobson

Riverton Fisherman's Association
Riverton Harbourmaster
Riverton/Aparima Community Board
Riverton/Aparima Community Board

Councillor

IN ATTENDANCE

Environment Southland
Oraka Aparima Runaka
Property & Management Officer
Area Engineer
Area Officer

Lyndon Cleaver
Muriel Johnstone
Colin Pemberton
Greg Erskine
Alyson Hamilton

1 Apologies

An apology for non-attendance was lodged by Member Anderson.

Moved Member Stewart, seconded Member Coard

and **resolved that the apology for non-attendance lodged by Member Anderson be sustained.**

2 Leave of absence

There were no requests for leave of absence.

3 Conflict of Interest

There were no conflicts of interest declared.

4 Public Forum

There were no members of the public seeking speaking rights in the Public Forum section of the meeting.

5 Extraordinary/Urgent Items

There were no Extraordinary/Urgent items.

6 Confirmation of Minutes

Resolution

Moved Member Stewart, seconded Member Linscott

That the minutes of Riverton Harbour Subcommittee dated held on 21 April 2015 be confirmed as a true and correct record.

7. Reports

7.1 Action Sheet

Record No: R/15/8/13466

The Action Sheet from the Subcommittee's previous meetings was circulated for Members' information.

Bay Road Embankment

The meeting was advised that following an inspection of the Bay Road embankment area with the Chair, Member White, and the Area Engineer it was agreed a plasterer undertake an inspection of the area to ascertain how best to undertake this repair work with the view of commencing immediately.

Sycamore Trees

The meeting was advised the sycamore trees situated along Towack Street have been programmed by the Contractor to trim back when the weather improves.

Riverton Harbour Resource Consent

The meeting was informed that preparation of the documentation for the resource consent application for structures within the Riverton Harbour to be lodged with Environment Southland is currently with Bonish Consultants for their input and on return will be forwarded to Environment Southland.

Riverton Harbour Navigational Aids

At a previous meeting of the Subcommittee discussions have taken place on the possible transfer of all navigational aids administered by the Harbour Subcommittee within the Riverton Harbour to Environment Southland (E.S.).

At that time it was agreed this project be deferred until the review of the ownership and maintenance of the structures within the Riverton Harbour was completed.

At a subsequent meeting Environment Southland informed of the possibility it may no longer be responsible of Navigational Aids and that responsibility may fall to Maritime New Zealand (MNZ).

Mr Cleaver (E.S.) confirmed that following recent consultation with MNZ on this matter MNZ has declined to accept responsibility for administration of navigational aids within the Riverton Harbour.

Members were advised navigational aids within the Riverton Harbour are to remain under the control of the Riverton Harbour Subcommittee and it was further agreed no further action be taken on this matter.

Electricity Account

The meeting was informed further investigations are to be undertaken to the location of the power box situated at 1 Princess Street that the Harbour subcommittee is currently being charged power for.

Resolution

Moved Member Linscott, seconded Member Coard

That the Riverton Harbour Subcommittee:

- a) **Receives the report titled "Action Sheet" dated 3 August 2015.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Notes the responses from staff on the action sheet.**

7.2 Works and Finance Report to Riverton Harbour Subcommittee for the period ended 30 June 2015

Record No: R/15/7/12739

Works & Finance Report for the period ended 30 June 2015, was tabled.
Issues drawn to the attention of the subcommittee were;

- A recent storm event highlighted the frailty of some of the piling on the wharves when a tie rope pulled a pile out. The owner of the boat concerned has been contacted and repair work planned.
- The old rock/concrete protection on the road to the T-Wharf has slipped in several places. Minor repairs will be undertaken as maintenance of the existing structure.

There has been some over expenditure in the General Projects business unit due to funding of the Emtech Engineering report and payment to Bonisch Consultants for preparing and lodging the resource consent application to Environment Southland.

The meeting was informed Council's insurance for 2015/2016 has been renewed on 30 June 2015.

Members were advised as part of the renewal process, it has been identified that Council is the Harbourmaster in relation to the Riverton Harbour. As such, Harbourmaster's liability insurance cover is required.

It was noted the harbourmaster's liability insurance has been incorporated into Council's public liability and professional indemnity insurance cover, with an expected total annual premium of \$2,000 (excluding GST) which members were advised is recoverable from the Harbour subcommittee.

Members expressed concern at the cost of the insurance coverage questioning whether it is a necessary requirement.

It was agreed that the Area Engineer clarify whether the specifications within the policy are relevant to Riverton harbour and that power to act be given to the Chairperson and the Area Engineer to pursue this matter prior to the due date of the premium.

Further to this Mr Cleaver advised of the possibility this coverage may be included in the Environment Southland Insurance for the Regional Harbour Master/Maritime Manager and agreed to investigate and respond to the Area Engineer.

In addition to the Harbourmaster's liability insurance the renewal of the material damage insurance is required with expected premiums to be comparable to 2015/2015, of \$1,036 (excluding GST).

Resolution

Moved Member Stewart, seconded Cr Dobson

That the Riverton Harbour Subcommittee:

- a) **Receives the report titled “Works and Finance Report to Riverton Harbour Subcommittee for the period ended 30 June 2015” dated 10 August 2015.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Requests that staff clarify whether the specifications within the harbourmaster’s liability insurance policy are relevant to Riverton harbour and that power to act be given to the Chairperson and the Area Engineer to pursue this matter prior to the due date of the premium.**
- e) **Requests that Mr Cleaver investigate the possibility that the harbourmaster’s liability insurance coverage may be included in the Environment Southland Insurance for the Regional Harbour Master/Maritime Manager and respond to the Area Engineer.**

7.3 Future Ownership of Wharf L35 and Walkway - Riverton Harbour

Record No: R/15/7/13202

Report by Mr C Pemberton (Property & Management Officer) regarding the future ownership of the Council owned Wharf L35 and the shared wooden walkway to wharves L35 and L36 situated off Bay Road by the old bowling club, was tabled.

Mr Pemberton explained the two Council owned structures being the walkway and Berth L35 do not adjoin. They are separated by the privately owned wharf L36 belonging to Karl Hishon.

Mr Pemberton advised L35 and the adjoining L36 are in need of significant repairs, as recommended in the Emtech structural consultant’s report.

Furthermore the subcommittee was advised additional work is now required on L36 following an incident involving a vessel berthed at the adjacent L37.

Mr Pemberton advised the subcommittee has previously discussed the matter of ownership of these two structures with the view of a future sale due to the fact that they are of no benefit to Council.

The report from Emtech identified that L35 requires considerable repair work to bring it up to an acceptable standard for use and there will be on-going liability if ownership is retained.

Mr Pemberton explained the repair work required to bring this wharf up to the standard where it would comply with expected conditions in the resource consent application would cost thousands of dollars.

Further to this Mr Pemberton advised if the subcommittee decided to retain ownership, it would need to fund this work immediately.

Mr Pemberton advised there would be on going upkeep costs for both the walkway and wharf L35. This level of investment including a “rebuild” of L35, would require a significant increase in the annual rental currently charged for both wharves L35 and L36.

Mr Pemberton explained the rental charged for L35 is at the same per metre rate as all the other wharves, despite the fact Council owns it and is responsible for all maintenance costs. He added the cost of maintaining the walkway does not appear to be factored into the rentals of L35 or L36. This would need to be addressed if Council is to retain ownership.

The meeting was informed it is understood the user of L35, Graeme Coull, is interested in purchasing this structure, however this has not been confirmed.

In response to a query from the subcommittee Mr Pemberton confirmed the current lease agreement with Mr Coull has expired as have all licences in the Riverton harbour.

Members were advised Mr Coull is currently paying the rental that was set as per the original lease agreement, however no further lease agreement is being considered until the resource consent and licencing issues are resolved.

Further to this a communication from Karl Hishon expressing an interest in purchasing wharf L35 and the walkway was presented.

In his letter Mr Hishon advised he is to undertake repair work to his own berth L36 and felt it prudent to repair both berths at the same time as per the requirements of the Emtech report.

The meeting was informed that upon completion of the rebuild Mr Hishon would consider a lease contract with Mr Coull the current user of Berth L35.

In discussing this issue Members acknowledged the request from Mr Hishon to purchase wharf L35, however the subcommittee felt that due to there being public interest in purchasing berths in the Riverton Harbour that this asset be sold by public tender and that the shared walkway be retained in Council ownership with maintenance costings of same being shared between the owners of the berths L35 and L36.

Mr Pemberton advised that in the event of there being a sale process the poor condition of the structures and the Emtech report should be highlighted to prospective buyers so as to ensure the Council is not liable for not disclosing relevant information relating to the structures.

Resolution

Moved Member Linscott, seconded Member Stewart

That the Riverton Harbour Subcommittee:

- a) **Receives the report titled “Future Ownership of Wharf L35 and Walkway - Riverton Harbour” dated 31 July 2015.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Requests that the walkway to wharves L35 and L36 be retained in Council ownership with maintenance costings being shared between the owners of the wharves L35 and L36.**
- e) **Recommends to Council that it dispose of wharf L35 by way of public tender.**
- f) **Requests staff respond to Mr Hishon and Mr Coull advising the Harbour Subcommittee has recommended to dispose of wharf L35.**

Meeting closed 5.40pm

CONFIRMED AS A TRUE AND CORRECT
RECORD AT A MEETING OF THE RIVERTON
HARBOUR SUBCOMMITTEE HELD ON 10
AUGUST 2015.

DATE:.....

CHAIRPERSON:.....

Action Sheet

Record No: R/15/11/19688
Author: Alyson Hamilton, Riverton Area Officer
Approved by: ,

Decision Recommendation Information

- 1 The Action Sheet from the Board's previous meetings is circulated for Members' information.

Recommendation

That the Riverton Harbour Subcommittee:

- a) Receives the report titled "Action Sheet" dated 3 November 2015.
- b) Notes the responses from staff on the action sheet.

Attachments

- A Riverton Harbour Subcommittee - InfoCouncil Action Sheet - 9 November 2015 [View](#)
- B Riverton Harbour Subcommittee - Action Sheet - 9 November 2015 [View](#)

Riverton Harbour Subcommittee Action Sheet - Excluding Public Excluded

Open Action Items

Author	Due Date	Subject	Notes
Greg Erskine	23/02/2015	Bay Road Embankment	Mr Erskine advised minor repair work to be undertaken around the culvert outlets.
Greg Erskine	05/05/2015	Removal of Sycamore Trees - Towack Street	Mr Erskine advised the Contractor to undertake this work when the weather improves.
Colin Pemberton	05/05/2015	Riverton Harbour Review - Engineer's Report and Resource Consent Process	Additional information sought and provided to Environment Southland, awaiting a response from same.
Kevin McNaught	09/11/2015	Future Ownership of Wharf L35 and Walkway - Riverton Harbour	Refer agenda item 7.5.
Colin Pemberton	09/11/2015	Letter of response to be forwarded to Mr Hishon and Mr Coull on the Future Ownership of Wharf L35 and Walkway - Riverton Harbour	Letters forwarded to Mr Hishon and Mr Coull advising resource consent has been applied from Environment Southland and Council is awaiting their decision.
Alyson Hamilton	24/08/2015	Harbour Master Liability Insurance	Mr Cleaver to investigate the possibility that the harbormaster's liability insurance coverage may be included in the Environment Southland Insurance for the Regional Harbour Master/Maritime Manager and respond to the Area Engineer. Mr Cleaver to update the subcommittee on his findings.
Anne Robson	09/11/2015	Harbour Master Liability Insurance	As Council has harbour master responsibilities in Riverton it is essential that Council has the appropriate insurance cover for the risks associated with any claim it may receive as a result of the harbour master giving advice, directions etc. The cover of \$10 million was Council staff estimating the worst case claim that it may face, in order to obtain insurance cover. Council staff would appreciate any feedback from the subcommittee as to the amount of cover it thinks appropriate and the reasons for this. Environment Southlands insurance cover is not available as the harbour master is employed by the Southland District Council.

Recently Closed Action Items

Author	Completion Date	Subject	Notes
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Riverton Harbour Subcommittee 13 May 2013

13.2.7.0 – Riverton Causeway

<u>Name</u>	<u>Response Date</u>
Kevin McNaught	9 November 2015

Mr McNaught reported prior to a letter being forwarded to LINZ, David Hamilton, Consultants of Natural Engineering, has undertaken an inspection of the causeway on behalf of LINZ.

A report is to be presented to the Subcommittee in due course.

Officer's Comment

Riverton Harbour Subcommittee 27 January 2014

14.1.4.0 – T-Wharf issues

Greg Erskine	9 November 2015
Colin Pemberton	

The Area Engineer reported minor repair work has been undertaken around the crane area – further repair work is on hold until the review of the wharves is completed.

Officer's Comment

Repairs required are in the EMTECH report, planning for these repairs is underway.

Riverton Harbour Subcommittee 4 August 2014

14.2.6.1 – Electricity Account

Greg Erskine	9 November 2015
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Area Engineer to confirm location of power connections with Trust Power due to some confusion with the account.

Updated 20 February 2015

Request that some of the power boxes be renamed and that a plan be left at the Riverton office for information purposes.

Updated 22 April 2015

Area Engineer advised power boxes located at the following areas;

- T-Wharf - *crane, lights*
- Adventure Playground - *navigational aid*
- Princess Street – *navigational aid*
- Howells Point – *navigational aid*
- Shed at 1 Princess Street – *to be confirmed*

Officer's Comments

An update of the Princess Street power box to be provided at the meeting.

Works and Finance Report to Riverton Harbour Subcommittee for the period ended 30 September 2015

Item 7.2

Record No: R/15/10/19141
Author: Greg Erskine, Area Engineer
Approved by: Ian Marshall, GM - Services and Assets

Decision Recommendation Information

Area Engineer's Report

- 1 Work has commenced on the replacement of timber planks at the T Wharf. Work on some of the private wharves is also underway to meet the requirements of the Emtech report.
- 2 The application for the harbour consent has been lodged with Environment Southland and feedback for further information has been requested.

Recommendation

That the Riverton Harbour Subcommittee:

- a) Receives the report titled "Works and Finance Report to Riverton Harbour Subcommittee for the period ended 30 September 2015" dated 29 October 2015.

Attachments

- A Riverton Harbour Financial Report, 30 September 2015 [View](#)

Riverton Harbour Community Financial Report

25.00% Of Year

For the Period Ended September 2015

Income	<u>Annual Budget</u>	<u>Actual Income to Date</u>	<u>Income to Date %</u>	<u>Full Year Projection</u>
26381 Harbour	38,386	14,508	38%	44,411
Subtotal Local Business Units	38,386	14,508	38%	44,411
Total	38,386	14,508	38%	44,411
Expenditure	<u>Annual Budget</u>	<u>Actual Spent to Date</u>	<u>Spent to Date %</u>	<u>Full Year Projection</u>
26381 Harbour	21,894	14,536	66%	29,185
Subtotal Local Business Units	21,894	14,536	66%	29,185
Total	21,894	14,536	66%	29,185
Capital Expenditure	<u>Annual Budget</u>	<u>Actual Spent to Date</u>	<u>Spent to Date %</u>	<u>Full Year Projection</u>
Subtotal Local Business Units	0	0	0%	0
Total	0	0	0%	0

Riverton Harbour Community Financial Report

25.00% Of Year

For the Period Ended September 2015

Funding Adjustments (Contributions, Loans, Provisions, Reserves, Forestry Dividend)	<u>Annual Budget</u>	<u>Actual Adjustments to Date</u>	<u>Adjustments to Date %</u>	<u>Full Year Projection</u>
26381 Harbour	(16,492)	0	0%	(12,369)
Subtotal Local Business Units	(16,492)	0	0%	(12,369)
Total	(16,492)	0	0%	(12,369)

Reserve Balances - Annual Plan

Riverton Harbour

	Opening Balance	Current Budget	Forecast Budget	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
Local													
<i>Reserve</i>													
Riverton Harbour General - RES	88,407	104,899	104,899	121,721	117,390	133,941	150,733	161,307	178,237	195,306	212,478	229,700	254,346
Total Local Reserve	<u>88,407</u>	<u>104,899</u>	<u>104,899</u>	<u>121,721</u>	<u>117,390</u>	<u>133,941</u>	<u>150,733</u>	<u>161,307</u>	<u>178,237</u>	<u>195,306</u>	<u>212,478</u>	<u>229,700</u>	<u>254,346</u>
Total Local Balance	<u>88,407</u>	<u>104,899</u>	<u>104,899</u>	<u>121,721</u>	<u>117,390</u>	<u>133,941</u>	<u>150,733</u>	<u>161,307</u>	<u>178,237</u>	<u>195,306</u>	<u>212,478</u>	<u>229,700</u>	<u>254,346</u>
Total Riverton Harbour Reserve Balance	88,407	104,899	104,899	121,721	117,390	133,941	150,733	161,307	178,237	195,306	212,478	229,700	254,346

Unaudited Annual Accounts Report to Riverton Harbour Subcommittee for the year ended 30 June 2015

Item 7.3

Record No: R/15/8/15116
Author: Greg Erskine, Area Engineer
Approved by: Ian Marshall, GM - Services and Assets

Decision Recommendation Information

Summary of Reserve Movement

- 1 This year a deficit of \$4,507 was transferred from reserve, bringing your total funds held in reserves at 30 June 2015 to \$88,407.

Significant Budget Variances

- 2 Key reasons for the most significant budget variances are detailed below:
- 3 Costs in general projects relate to work done by Emtech into primary investigations into the wharf structure, as well as resource consent application costs.

Financial Considerations

- 4 Please note these financial results are subject to review by Audit New Zealand in September, and therefore may change.

Reserves

- 5 Interest has been allocated to the reserve accounts calculated on the average balance of the reserves for the year, at an interest rate of 4.09%. This interest is now included within the business units and found in the financial report.



Riverton Harbour Schedule of Reserve Balance

		Actual June - 014	Transfers To/(From)	Actual June -015
Local				
<i>Reserve Account</i>				
Riverton Harbour General - RES	87765	92,914.63	(4,507.47)	88,407.16
		<u>92,914.63</u>	<u>(4,507.47)</u>	<u>88,407.16</u>
Local Total		<u>92,914.63</u>	<u>(4,507.47)</u>	<u>88,407.16</u>
Total Riverton Harbour Reserves		<u>92,914.63</u>	<u>(4,507.47)</u>	<u>88,407.16</u>

Recommendation

That the Riverton Harbour Subcommittee:

- a) Receives the report titled “Unaudited Annual Accounts Report to Riverton Harbour Subcommittee for the year ended 30 June 2015” dated 15 September 2015.
- b) Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.
- c) Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.

Attachments

- A Riverton Harbour Annual Report Figures 30 June 2015 [View](#)

Riverton Harbour - Financial Report

For the Period Ended June 2015

2014/2015 Financial Year

26381 Harbour

<u>Annual Budget</u>	<u>Department</u>		<u>Year to Date Actuals</u>	<u>Year to Date Budget</u>	<u>%Variance</u>
		Income			
(24,814.00)	26381.11111	Rentals	(26,413.97)	(24,814.00)	106.45%
(7,713.00)	26381.11316	Licence Fee - Wharf	(7,560.99)	(7,713.00)	98.03%
<u>(2,025.00)</u>	26381.19151	Internal - Interest on Reserve	<u>(3,633.72)</u>	<u>(2,025.00)</u>	<u>179.44%</u>
(34,552.00)			(37,608.68)	(34,552.00)	108.85%
		Expenditure			
1,158.00	26381.21311	Material Damage Insurance	1,036.41	1,158.00	89.50%
1,000.00	26381.21411	Councillor - Meeting All	850.00	1,000.00	85.00%
500.00	26381.21836	Miscellaneous Grant	500.00	500.00	100.00%
3,302.00	26381.31211	Electricity	4,051.35	3,302.00	122.69%
4,200.00	26381.31527	Mowing	3,672.00	4,200.00	87.43%
162.00	26381.31528	Rates	163.13	162.00	100.70%
2,500.00	26381.31542	General Projects	21,181.28	2,500.00	847.25%
5,000.00	26381.35214	Maint - General	1,082.55	5,000.00	21.65%
1,500.00	26381.35216	Maint - Lights	1,328.79	1,500.00	88.59%
4,000.00	26381.36311	Refuse Collect - General	4,582.91	4,000.00	114.57%
634.00	26381.41118	Deprn - Improvements	634.19	634.00	100.03%
2,000.00	26381.43346	Internal - CTF Services	1,845.00	2,000.00	92.25%
1,851.00	26381.43366	Internal Rates expense	1,282.73	1,851.00	69.30%
<u>0.00</u>	26381.43378	internal - Insurance Valuation	<u>540.00</u>	<u>0.00</u>	<u>0.00%</u>
27,807.00			42,750.34	27,807.00	153.74%
(6,745.00)		Net Operating (Surplus)/Deficit	5,141.66	(6,745.00)	
		Capital Movements			
2,025.00	26381.87764	To-RVTN HARB General - RE	3,633.72	2,025.00	179.44%
5,354.00	26381.87765	Ex-RVTN HARB General - RE	(8,141.19)	5,354.00	-152.06%
<u>(634.00)</u>	26381.99511	Add Back Non Cash Deprn	<u>(634.19)</u>	<u>(634.00)</u>	<u>100.03%</u>
6,745.00			(5,141.66)	6,745.00	-76.23%
0.00			0.00	0.00	

Item 7.3 Attachment A

Disposal Process For Council Owned, Riverton Harbour Structures

Record No: R/15/9/16568
Author: Kevin McNaught, Strategic Manager Property
Approved by: Rex Capil, Group Manager, Policy and Community

Decision Recommendation Information

Purpose

- 1 To review a previous recommendation on the disposal of wharf L35 and walkway at Riverton Harbour.

Executive Summary

- 2 The Sub-committee previously resolved to recommend to Council that wharf L35 in Riverton Harbour be disposed of by public tender. There was an expectation by the sub-committee that the sale would take place sooner rather than later.
- 3 The sub-committee also wanted the associated walkway servicing L35 and L36 retained in Council ownership, to provide access to potential wharves that may in the future be built onto the end of wharf L35.
- 4 These matters must be dealt with sequentially, with each being dependent on conditions imposed and/or agreed to by the previous action. Consequently retention of the walkway in Council ownership cannot be guaranteed, thus the requirement to review that previously made recommendation.

Recommendation

That the Riverton Harbour Subcommittee:

- a) **Receives the report titled “Disposal Process For Council Owned, Riverton Harbour Structures” dated 2 November 2015.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Agrees that the walkway to wharves L35 and L36 be sold to the purchaser(s) of those two wharves, with ongoing maintenance and repairs being set out in the relevant licences to occupy.**
- e) **Request that officers undertake the sale process of the walkway to achieve the best possible return to Council, in conjunction with the sale of wharf L35.**

Content

Background

Wharf L35

- 5 Staff are working towards disposing of wharf L35, however Council will not publicly dispose of an asset until it's in a position to provide all the relevant information, so that any purchaser is fully informed of what they are acquiring. This subcommittee needs to be aware of this and that this disposal cannot be progressed until :
- a) Environment Southland has granted a resource consent to the Southland District Council for all the structures in the harbour as this will have an influence on licence terms and conditions
 - b) SDC has issued a licence to Mr K.J. Hishon the owner of wharf L36 which will include conditions in regard to access across his wharf to the owner of wharf L35
 - c) SDC has prepared a draft licence for L35 that reflects conditions in the resource consent, the access conditions agreed to by Mr Hishon and included in the conditions of sale/tender of wharf L35.

This draft licence will then be included in the conditions of sale/tender for wharf L35.

The Walkway

- 6 If the walkway is retained as a council asset as resolved, then the cost of its repairs and maintenance would be carried by all harbour licensees through their licence fee, as are the costs for all the other Council owned assets and services provided. i.e. the T wharf, the decking on the long wharf, the public wharf and boat ramp, rubbish skip and disposal, lawn mowing toilet etc.. To do it any other way would require a separate fee structure for these wharves which is not appropriate.
- 7 This is seen to be somewhat of an anomaly, when there are only two wharf owners who benefit from the access the walkway provides (L35 and L36). The ownership of this walkway should be transferred to the owners of wharves L35 and L36 .
- 8 It was suggested at the last meeting, that the walkway may be needed for access to future wharves that might be built onto wharf L35, with apparent interest in replacing the three wharves that used to run off L35.
- 9 It is considered that such interest in additional wharves be dealt with separately, as and when they arise. Access/walkways to any new wharves should run directly back to Bay Road. This removes the complicated issues of joint ownership and or shared access, which Council is keen to remove itself from. The wharf owners would be solely responsible for the whole of those new structures, including their own walkway.

Issues

- 10 The main issue is that terms and conditions to be applied at each step cannot be predetermined. For this reason the future ownership of wharf L35 the walkway and conditions to be applied to all the necessary licence documents, cannot start to be considered until the Resource Consent has been granted.

Factors to Consider

Legal and Statutory Requirements

- 11 These were addressed at the previous meeting and were reflected in the recommendations made to that meeting.
- 12 If the sale process was to proceed as recommended by the subcommittee, Council would be unable to include access conditions and occupation rights and obligations in the conditions of sale. This is an inappropriate process for Council to follow and creates significant risk for Council and any purchaser.

Community Views

- 13 Advice has previously been received from the Riverton Harbour Sub-committee and the Riverton Community Board, that retention of wharf facilities at Riverton are beneficial to the Riverton Community, however this does not mean that the facilities need to be owned by Council

Costs and Funding

- 14 Council’s operational budget for Riverton Harbour has traditionally been based on the all wharf owners/licensees contributing to the cost of maintaining Council owned, or provided facilities, such as the T Wharf, Public boat ramp and publicly owned wharf, toilet and rubbish skip. Retaining one walkway that services two privately owned wharves is not appropriate when all wharf owners would have to fund this, as the current berthage charges are applied evenly to all wharves irrespective of ownership or access.

Policy Implications

- 15 None identified at this stage.

Analysis

Options Considered

- 16 Option 1 – Don’t agree to review previous recommendation
- 17 Option 2 – Agree to review previous recommendation

Analysis of Options

- 18 Option 1 – Don’t agree to review previous recommendation

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • Meets wishes of Riverton Harbour Sub-committee 	<ul style="list-style-type: none"> • Probable negative feedback from all wharf owners having to fund walkway
<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Possible legal action will result due to no paperwork supporting sale conditions
<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Council unlikely to approve sale proceeding until all documentation available

Option 2 – Agree to review previous recommendation

<i>Advantages</i>	<i>Disadvantages</i>
Will allow sale process to proceed	• Will lengthen sale process timeframe
Will remove potential for legal action	•

Assessment of Significance

- 19 Not significant if Option 2 decided.

Recommended Option

- 20 Not significant if Option 2 decided.

Next Steps

- 21 Await the granting of Resource Consent and then commence licensing and sale processes to commence.

Attachments

There are no attachments for this report.

Annual Plan 2016/2017 - Draft Estimates Report

Record No: R/15/10/17977
Author: Greg Erskine, Area Engineer
Approved by: Ian Marshall, GM - Services and Assets

Decision Recommendation Information

Purpose

- 1 This report provides an overview of the forecasted services for the Riverton Harbour Subcommittee in 2016/2017. It includes any variations from what was forecasted in year two of the Long Term Plan (LTP) 2015-2025.
- 2 Council has streamlined its 2016/2017 Annual Plan process and as a result the subcommittee is only required to review your estimates for significant changes. In addition, consideration should be given to funding any significant changes from reserves where appropriate.

Executive Summary

- 3 The draft estimates will be incorporated into the Council's Draft Annual Plan which will be released for consultation in February 2016. Once the plan is finalised (and subject to any changes resulting from submissions), the estimates shown for 2016/2017 will be used to set rates for the year beginning 1 July 2016.

Recommendation

That the Riverton Harbour Subcommittee:

- a) Receives the report titled “Annual Plan 2016/2017 - Draft Estimates Report” dated 3 November 2015.
- b) Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.
- c) Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.
- d) Approves variations in the Riverton Harbour Subcommittee estimates from year two of the Long Term Plan.
- e) Estimates for the year commencing 1 July 2016 be adopted for inclusion in the Council’s Draft Annual Plan (subject to any amendments made at the meeting).
- f) Requests the setting of the following fee and charges (including GST) for the year commencing 1 July 2016 based on the approved estimates in (e) above.

Fee Description	Fee (GST Incl)
Transfer Fee	\$154.34
Wharf Licence Fee	\$14.96 (per metre)

- g) Identifies the key highlights for the Riverton Harbour (to be agreed at the meeting).

Content

Background

- 4 The draft estimates for the Riverton Harbour Subcommittee for 2016/2017 have been based on forecasted information from year two of the LTP 2015-2025.
- 5 The objective of these estimates is to highlight variations from year two of the LTP and set for 2016/2017.
- 6 This report has the following appendices:
Appendix 1: This section includes a financial summary statement which shows the expenditure and income.
Appendix 2: A list of reserves with the opening balance and projected closing balance.

Issues

- 7 There are no key variances from what was originally included in year two of the LTP and what is currently planned.

Factors to Consider

Legal and Statutory Requirements

- 8 The Annual Plan 2016/2017 is a requirement of the Local Government Act 2002 and is also closely aligned with the Local Government (2002) Rating Act.

Community Views

- 9 Significant or materially different variances from the LTP will be included in a consultation document and released for consultation from 30 January 2016 to 29 February 2016. As a result of the submission process, amendments may be made prior to Council formally adopting the Annual Plan in June 2016.

Costs and Funding

- 10 All assumptions that were made when preparing the LTP have been applied in these estimates except the interest rate on borrowings. The interest rate on borrowings has been reduced from 6.25% per annum as per the 2015-2025 LTP, to 5.72% per annum to reflect the decline in market rates over the past year. This interest rate is based on the average BNZ 3 year fixed interest rate at the time of setting the LTP assumptions (August 2014) and now (October 2015). Please note, this interest rate is subject to confirmation by Council in December 2015, so could be subject to change. Interest on reserves has been calculated at 4.19% on the average of these balances at year end and is consistent with the 2015-2025 LTP. Inflation rates have also been kept consistent with BERL rates adopted in the 2015-2025 LTP.

Policy Implications

- 11 The LTP sets out the directions or outcomes the community desires and the activities of Council that will contribute to achieving these outcomes over 10 years. These estimates have been prepared using year two forecasted data in the LTP. Any differences between the LTP and Annual Plan budget have been identified and explained in the Issues Section of this report.

Analysis

Options Considered

- 12 The Engineer has reviewed the original LTP numbers and revised as necessary, the options are to accept the report or amend it.

Analysis of Options

Option 1 - Accept the estimates as proposed in this report

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">Enables an Annual Plan to be compiled in advance with the set timeframe.	<ul style="list-style-type: none">None.

Option 2 - Amend the estimates proposed in this report

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">Further changes can be made to the LTP budgets.	<ul style="list-style-type: none">Rates requirement may need to be recalculated.May impact the delivery of the Annual Plan within the set timeframe.

Assessment of Significance

- 13 The contents of this report is not deemed significant under the Significance and Engagement Policy.

Recommended Option

- 14 Option 1 accept the estimates as proposed in this report, is recommended.

Next Steps

- 15 The estimates will be summarised in Council's Draft Annual Plan. Significant or materially different variances from the LTP will be included in a consultation document and released for consultation in February 2016. The final Annual Plan including changes made as a result of consultation will be adopted by Council in June 2016.

Appendix 1

Riverton Harbour Financial Summary			
	Actuals	Budget	Forecast
	2014/2015	2015/2016	2016/2017
Operating Expenditure	(42,750)	(22,528)	(23,077)
Non Cash Expenditure	634	634	634
Total Expenditure	(42,116)	(21,894)	(22,443)
<i>Less Funding</i>			
Net Reserve Movements	4,507	(16,492)	(16,822)
Other Income	37,609	38,386	39,265
Total Funding	42,116	21,894	22,443

Appendix 2

Riverton Harbour Reserve Report			
	Opening	Forecast	Closing
	Balance	Budget	Balance
	1/07/2015	30/06/2016	30/06/2017
Local Reserve			
Riverton Harbour - RES	88,407	104,899	121,721
Total Local Reserve	88,407	104,899	121,721
Total Local Balance	88,407	104,899	121,721
Overall Reserve Balance	88,407	104,899	121,721

Attachments

There are no attachments for this report.