

MINUTES

TITLE: Council Enterprises Subcommittee
DATE: Wednesday 2 February 2005
TIME: 12.45 pm
VENUE: Takaka Service Centre, Commercial Street, Takaka

PRESENT: Crs S G Bryant (Chair), JL Inglis, E E Henry, M J Higgins, N Riley

IN ATTENDANCE: Chief Executive (R G Dickinson), Corporate Services Manager (D G Ward), Property Manager (J Frater), Service Centres Manager (D Blake-Gillard), Port Tarakohe Harbour Manager (A Kilgour), Corporate/Engineering Administrator (V Gribble)

1 PORT TARAKOHE

1.1 Wooden Wharf

Mr Ward welcomed the Port Tarakohe Harbour Manager, Mr Kilgour, to the meeting and thanked him for showing the Subcommittee members around the marina and facilities at Port Tarakohe.

Mr Ward spoke to his report concerning the wooden wharf replacement at Port Tarakohe that was included in the agenda. The wooden wharf has been closed to the public under gazette notice for a number of years as a result of the unsafe nature of the decking on the facility.

The Port Tarakohe Users Group had considered options for refurbishing the wooden wharf and would like to pursue option "F", however they acknowledge that it is probably beyond affordability of existing port users and accordingly are promoting, as a first stage towards achieving the ultimate goal of option "F", a modified version of option "D".

The LTCCP proposes \$691,000 capital expenditure and \$978,000 which anticipated work being done on the wooden wharf. The reason a cheaper version is being pursued is affordability.

Cr Henry asked that a description of the works be included in the resolution.

Cr Higgins asked that some certainty in cashflows be recorded.

**Moved Crs Henry/Inglis
FN05/02/01**

That:

- a) the Council Enterprises Subcommittee endorses a modified version of option "D" involving a 14 metre by 11 metre concrete pad for the enhancement of the wooden wharf structure at Port Tarakohe, as proposed in the independent consultant's report.**

b) Stuart Hughes Associates be asked to prepare finalised working drawings and tender documents and they be released for tender and be requested to report the outcome to this subcommittee's scheduled meeting of April 2005.

c) staff be instructed to issue the mussel line charges forthwith and report to the April 2005 meeting of the Enterprises Subcommittee on cashflow.

CARRIED

1.2 Port Tarakohe Financial Report

Mr Ward spoke to his report summarising revenue and operating costs for Port Tarakohe for the past four years, together with projected revenue and expenses for the next financial year, assuming that the meeting agrees with the proposal for refurbishment of the wooden wharf.

Financial reports would continue to be produced for the Subcommittee on a regular basis.

Cr Inglis said if more mussel lines were allowed, it would help the cashflow of the port.

Mr Dickinson said while there is huge potential, there won't be any increase in aquaculture in Tasman or Golden Bay within 2 years.

Cr Riley said spat collection could be charged for.

Mr Ward said in discussions with the industry, it was considered desirable to leave the spat lines out of the equation in the meantime, but not long term. There will be increased revenue in dollar value or number of lines in the bay further down the track. Revenue received from aquaculture line levies will be used for enhancement of the wooden wharf.

In answer to a question from Cr Henry, Mr Ward said when the report is prepared for the April 2005 meeting of the Subcommittee, the cost of debt servicing will be known more clearly.

Cr Henry said the Port Tarakohe accounts need to stand alone, and the Subcommittee needs to be assured it can meet its obligations.

**Moved Crs Higgins/Inglis
FN05/02/02**

**That the summarised Port Tarakohe Financial Report be received.
CARRIED**

1.2 Motueka Airport Update

Mr Dickinson said resolution FN04/12/28 of this Subcommittee was conveyed to the Nelson Drag Association and the matter is on the Council agenda for tomorrow's

meeting. Council wrote to the Drag Association on 11 January 2005 and asked for a lot more information on their risk management report. The report was not detailed. Mayor Hurley, Airport Executive Officer and Chief Executive met the author of the safety report. Council has now received his reply to the Chief Executive's request for more information.

Ms Blake-Gillard said Drag Racing were told that until safety issues were sorted out Council wouldn't book any drag racing dates.

The risk report mpe needs to go to staff to compare and see if there are any loopholes around risk mitigations and how they affect aviation.

At the north western end of the runway where the drag racing sets up for spectators is actually where the previous Airport Subcommittee has approved three new hangars and once built they will impact on the Drag Racing Association.

Cr Henry said the report had no relevance to the Subcommittee until the decision is made tomorrow. If the outcome of tomorrow's meeting is they want us to do something, then it will have relevance and we will need to have access to it.

Cr Higgins reiterated the resolution passed by this Subcommittee.

Cr Henry said she signed Cr Norriss's notice of motion because she believes there may be new information and it is a wise Council who would debate it again. She said the same conclusion may be arrived at, but the public perception will be that we have reconsidered it.

Cr Inglis main concern was security. He believes drag racing is good for the town but the safety needs to be put right.

1.3 Property Report

Property Manager, J Frater, was in attendance and gave a powerpoint presentation on the property division. He outlined the specific projects that he saw the Subcommittee being interested in.

Mr Dickinson said if the Subcommittee was agreeable with what Mr Frater suggested, they would require a report on specific projects, property disposals and harbour endowment portfolio.

Mr Frater briefed the Subcommittee on theatre for Richmond. They want to be in the centre of Richmond with 3 or 4 theatres and room for expansion. They are looking at the Papps Car Park in Cambridge Street and are proposing a development on the ground floor with the rest of it being car parking and a two storeyed building.

Cr Higgins said he has been following progress on this proposed development and said the mall is requiring assurance that new releases will come to Richmond but they won't give it. Council's interest is that we would like to see a theatre in Richmond. He doesn't want to see Council taking any soft options with the people involved.

Mr Dickinson agreed with Cr Higgins. He said the developer will have to pay a fair price. This option has a lot less difficulties than the Library option.

Cr Henry said car parking needs to be looked at very carefully.

Mr Frater said Council owns four houses on Oxford Street that are all tenanted out. Because of the recent extensions to Warring car park more development is not on the books for the next couple of years. Council is getting \$40,000 income from those houses.

Mr Frater asked for indication as to what he can tell the people about Papps Car park use.

Cr Higgins said so long as there is no cost to Council he will consider it.

Cr Henry expressed apprehension about it.

The meeting concluded at 2.20 pm

Date Confirmed:

Chair: