

JUNE COUNCIL MEETING AGENDA

3. COMMUNITY SERVICES BULLETIN

The Community Services Bulletin is enclosed with the agenda, containing reports from the Gore Visitor Centre, District Arts and Heritage Curator, Library Manager, Parks and Recreation Manager and the Aquatic Services Manager.

RECOMMENDATION

THAT the Community Services Bulletin be received.

4. REGULATORY BULLETIN

(Memo from Chief Executive – 05.06.08)

Attached is a schedule of building consents issued for May 2008, together with comparisons with the previous two years.

A schedule of resource consents issued to 6 June 2008 is also attached.

RECOMMENDATION

THAT the information be received.

5. FINANCIAL REPORT FOR APRIL 2008

(Memo from Management Accountant 19/06/2008)

Operating Results

For the ten months ended 30 April 2008, the Gore District Council recorded a surplus of \$1,206k. This is favourable by \$904k on the budget result for the same period.

Our performance for the period is summarised in the table below. The full results can be found in the statements throughout this report.

Operating Results

April						
Actual	Budget	Variance		Actual	Budget	Variance
\$000	\$000	\$000		\$000	\$000	\$000
Revenue						
784	786	(2)	Rates	7,816	7,837	(20)
11	11	0	Petroleum Tax	107	105	2
337	205	132	LTNZ Subsidy	1,879	1,738	141
337	196	142	Licenses Fees & Other Revenue	2,388	2,040	348
0	0	0	External Funding for Smiths City Building	471	0	471
0	0	0	Wind Farm Revenue	37	0	37
0	4	(4)	Interest and Dividends	37	35	2
245	245	(0)	Administration Recoveries	2,449	2,450	(0)
1,714	1,446	268		15,186	14,205	980
Expenses						
118	73	(45)	Democracy	684	695	11
1,081	899	(182)	Assets	8,804	9,061	257
440	417	(23)	Corporate Services	4,491	4,147	(344)
1,639	1,389	(250)		13,979	13,903	(76)
75	56	19	Surplus (Deficit)	1,206	302	904

Variance Explanation

Income

Overall income is favourable by \$980k and is tracking well with all departments up on budget.

Included in revenue is:

- \$471k of external funding for the Smiths City Building (Shown separately)
- \$37k of fees relating to the Trustpower Wind Farm project (shown separately)

LTNZ Subsidy

- The LTNZ subsidy is on track, this variance is due to the timing of the budget spread figures.

Regulatory

- In the Building Inspections Department, Consent fees are up \$75k on Budget due to increased demand
- Parking Meter fees are up by \$20k over the budgeted amount.

Rates

Rates are spread evenly over the full financial year.

Expenditure

Overall expenditure is unfavourable by \$76k.

Democracy

- Part of the Rural Fire grant is yet to be paid out. This will be paid out prior to year end

Property

- Depreciation is less than budgeted due to the revaluation as at 30 June 2007.
- Interest expense for the new public conveniences hasn't eventuated due to the project still being in the design phase. (ie we have not needed to raise the loan yet)

Regulatory

- Some of the expenditure for the Kaiwera Downs Wind Farm has also been incurred and this will be recovered from Trustpower. This has been shown separately to give a better picture.
- Building department, an increase in staff costs and agency fees paid is offset by the increase in fee paying revenue and the agency fees collected.
- Consultancy fees are higher than budgeted but are to be offset by consent fees that are expected to be received before year end.

Heritage Precinct

- Wage costs at the i-Site are up by about \$15k due to increased staffing requirements. This has been offset by an increase in the collection of Agency Fees.
- Depreciation on the new Smiths City Building has meant that these costs are over budget by approx \$10k.
- Interest expense is up \$7k on budget due to the new borrowing and the general trend in interest rates.

Aquatic Centres

- Wage costs are higher by \$41k overall, this is due to more swimming classes and staffing requirements, note that the increase in revenue is due to swimming classes.

Gore District Council
Statement of Financial Performance
1 July - 30 April 2008

April						
Actual	Budget	Variance		Actual	Budget	Variance
\$000	\$000	\$000		\$000	\$000	\$000
Revenue						
68	69	(1)	Democracy	694	685	9
421	330	91	Essential services	3,361	3,304	58
507	375	132	Roads	3,568	3,435	134
195	192	3	Reserves & Sport Facilities	1,951	1,917	33
76	67	9	Property	699	675	25
94	69	25	Regulatory	898	774	124
0	0	0	Wind Farm Revenue Received	37	0	37
88	84	4	Aquatic Centres	903	900	3
108	105	3	Heritage Precinct	1,070	1,054	17
0	0	0	External Funding for Smiths City Building	471	0	471
157	155	2	Administration	1,532	1,462	70
1,714	1,446	268		15,186	14,205	980
Expenses						
117	73	(44)	Democracy	684	695	11
346	340	(6)	Essential services	3,262	3,471	209
505	294	(211)	Roads	3,072	2,938	(134)
164	191	27	Reserves & Sport Facilities	1,822	1,918	96
61	73	12	Property	647	734	87
75	70	(5)	Regulatory	879	703	(176)
56	0	(56)	Wind Farm Expenses Incurred	145	0	(145)
95	95	(0)	Aquatic Centres	1,035	1,007	(27)
96	105	9	Heritage Precinct	1,109	1,057	(53)
124	147	23	Administration	1,324	1,380	56
1,639	1,389	(250)		13,979	13,903	(76)
75	57	18	Surplus (Deficit)	1,206	302	904

Below are the Statements of Cost of Service for the Essential Services, Roading and Parks and Reserves departments. These show some more detail of these larger departments and also factor in the capital expenditure to give a fuller picture of the department.

Statement of Cost of Service
Essential Services
for the period ending 30 April 2008

2006/07		Actual	Budget	Variance
	<i>Revenue</i>			
1,816,027	Rates	1,887,923	1,887,923	-
865,085	Sales & Services	1,473,122	1,415,587	57,535
2,681,112	Total Revenue	3,361,045	3,303,510	57,535
2,389,374	Total Expenses	3,262,166	3,470,797	(208,631)
291,738	Gross Operating Margin	98,879	(167,287)	266,166
256,634	Capital Expenditure	674,729	771,822	(97,093)
35,103	Total Surplus/(Deficit)	(575,850)	(939,109)	363,259

Essential Services

Capital Expenditure continues grow steadily as projects are now underway. All projects are tracking as planned.

The Positive Other Revenue Variance is due the recent round of water billing, the dry summer has meant more demand for water and hence increased water bills. This offsets the less waste coming through the Landfill than anticipated, which also translates to a proportionate decrease in the Regional Landfill Gate fee expense and Haulage costs as less waste has to be transferred.

Variances in the expenditure accounts are due to timing of maintenance work. More of this maintenance work will be carried out from this point forward in the financial year so one can expect these to come back inline with the budget.

Statement of Cost of Service
Roading
for the period ending 30 April 2008

2006/07		Actual	Budget	Variance
	<i>Revenue</i>			
1,467,179	Rates	1,529,922	1,529,922	-
1,692,233	Sales & Services	2,038,545	1,904,713	133,833
3,159,412	Total Revenue	3,568,467	3,434,634	133,833
2,700,562	Total Expenses	3,071,979	2,937,992	133,987
458,850	Gross Operating Margin	496,488	496,642	(154)
874,287	Capital Expenditure	2,085,513	1,802,617	282,896
<u>(415,437)</u>	Total Surplus/(Deficit)	<u>(1,589,025)</u>	<u>(1,305,975)</u>	<u>(283,050)</u>

Roading

The Other Revenue variance is due to the spread of the budget over the year,

The variance in the Capital expenditure is due to the seasonal nature of this work and therefore due to timing, Roothing work is now well underway the variance is due to the spread of the budget over the year.

The above is split out into the major Roothing departments on the following two pages.

Statement of Cost of Service
Roading Administration
for the period ending 30 April 2008

2006/07		Actual	Budget	Variance
	<i>Revenue</i>			
-	Rates	-	-	-
242,492	Sales & Services	277,262	266,090	11,172
242,492	Total Revenue	277,262	266,090	11,172
109,010	Total Expenses	258,921	266,162	(7,241)
133,482	Gross Operating Margin	18,341	(72)	18,413
31,330	Capital Expenditure	20,471	14,868	5,603
102,152	Total Surplus/(Deficit)	(2,130)	(14,940)	12,810

Statement of Cost of Service
Urban Roding
for the period ending 30 April 2008

2006/07		Actual	Budget	Variance
	<i>Revenue</i>			
520,456	Rates	510,672	510,672	-
492,269	Sales & Services	483,056	512,590	(29,534)
1,012,725	Total Revenue	993,728	1,023,262	(29,534)
975,562	Total Expenses	936,755	986,350	(49,595)
37,163	Gross Operating Margin	56,974	36,912	20,062
281,294	Capital Expenditure	497,315	288,450	208,865
(244,131)	Total Surplus/(Deficit)	(440,342)	(251,538)	(188,804)

Statement of Cost of Service
Rural Rooding
for the period ending 31 March 2008

2006/07		Actual	Budget	Variance
	<i>Revenue</i>			
869,521	Rates	893,790	893,790	-
957,511	Sales & Services	1,253,244	1,126,512	(113,158)
1,827,032	Total Revenue	2,147,034	2,020,302	126,732
1,549,551	Total Expenses	1,766,311	1,606,470	159,841
277,481	Gross Operating Margin	380,723	413,832	(33,109)
489,703	Capital Expenditure	1,415,459	1,367,969	47,490
(212,222)	Total Surplus/(Deficit)	(1,034,735)	(954,137)	(80,598)

Statement of Cost of Service
Other Rooding
for the period ending 31 March 2008

2006/07		Actual	Budget	Variance
	<i>Revenue</i>			
77,202	Rates	125,459	125,459	-
(40)	Sales & Services	24,983	(479)	(113,158)
77,163	Total Revenue	150,443	124,980	25,463
66,438	Total Expenses	109,993	79,010	30,983
10,724	Gross Operating Margin	40,450	45,970	(5,520)
71,960	Capital Expenditure	152,268	131,330	20,938
(61,235)	Total Surplus/(Deficit)	(111,818)	(85,360)	(26,458)

Statement of Cost of Service
Parks & Reserves
for the period ending 30 April 2008

2006/07		Actual	Budget	Variance
	<i>Revenue</i>			
1,148,768	Rates	1,276,252	1,276,252	-
108,878	Sales & Services	674,454	645,483	28,971
1,257,646	Total Revenue	1,950,706	1,921,735	28,971
1,099,598	Total Expenses	1,822,190	1,928,715	(106,525)
158,049	Gross Operating Margin	128,516	(6,980)	135,496
193,581	Capital Expenditure	114,183	113,186	997
<u>(35,532)</u>	Total Surplus/(Deficit)	<u>14,333</u>	<u>(120,166)</u>	<u>134,499</u>

Parks & Reserves

The Parks and Reserves Department is tracking well with other income tracking a little above the expected amount.

The apparent under spend is a timing difference and should come in line.

Balance Sheet

On the left hand column the relevant prior year month to date actual figures are shown instead of the position at 30 June 2007. These figures are useful when looking at debtors balances which usually have an annual trend.

The major changes in the balance sheet are:

Assets

- Debtors are down on 31 April 07 due to the way Rates are now accrued.
- Fixed Assets have increased over the forecasted amount from the LTCCP due to the revaluation as at 30 June 07.
- Investments are up on the same time last year mainly due to the recognition of the value of the Swaps as at 30 June 2007
- Loans to community groups have fallen due to the repayment of the Ice Sports Southland Loan.

Liabilities

- Term Debt has increased due to the planned borrowing for the Smiths City Building purchase.
- In Terms of analysing the expected loan balance in relation to the 30 June 2008 LTCCP figure of \$11,013,000, detailed below is the respective breakdown of Loans funding for Capital and Grants expenditure for the year:

	Actual to Date	LTCCP
St. James Theatre (Grant)	-	250,000
Smiths City Building	500,000	500,000
Multisport Complex Carpark	-	50,000
Drainage (Actiflow Plant)	-	1,800,000
	500,000	2,600,000

Capital Expenditure

As at 30 April 2008 \$4.126m (\$3.047m in March) of the \$5.6m of Capital Expenditure has been spent. A large portion of this is the Smiths City Building. Just under \$1m was put up by Council however about half of this has been recovered from various community organisations to bring councils financial contribution down to the budgeted \$500,000. A loan of \$500k was raised to finance this as budgeted.

All other areas are tracking as expected, most of the Essential Services projects have now been initiated and the positive variance is decreasing as work on these is carried out.

**Gore District Council
Balance Sheet
As at 30 April 2008**

Actual 30 Apr 2007 \$000		Actual 30 Apr 2008 \$000	LTCCP 30 Jun 2008 \$000
	Equity		
140,304	Accumulated funds	139,213	138,466
106,980	Asset Revaluation Reserve	163,503	121,049
247,284		302,716	259,515
	Assets		
	Current Assets		
(98)	Bank	742	17
3,335	Debtors	1,952	900
2,751	Short Term Deposits	1,073	950
57	Inventory	60	0
6,044		3,827	1,867
	Non current Assets		
68	Investments	702	68
220	Loans to Community Groups	10	0
250,861	Fixed Assets	309,233	270,256
251,149		309,944	270,324
257,193	Total Assets	313,772	272,191
	Liabilities		
	Current Liabilities		
1,331	Creditors	2,330	1,525
	Non Current Liabilities		
8,400	Term Loans	8,594	11,013
178	Landfill Aftercare Provision	132	138
8,578		8,726	11,151
9,909	Total Liabilities	11,055	12,676
247,284	Net Assets	302,716	259,515

RECOMMENDATION

THAT the financial report for the ten months ended 30 April 2008 be received.

6. RATES RESOLUTION

(Memo from Chief Executive – 17.6.08)

A rating resolution will be distributed to Councillors separately for consideration at the Council meeting. This resolution cannot be prepared until after the Annual Plan deliberative meeting on 18 June.

At the time of writing it was hoped that the resolution could be distributed by Friday 20 June.

7. UPGRADE OF GORE LIBRARY HEATING SYSTEM

(Memo from Library Manager – 06.06.08)

The heating system in the Gore Library has been identified as being substandard for some time and as long ago as 2006 had been programmed for a significant upgrade to improve its operating capability, with \$29,000 having been set aside in the budgets for that year for this purpose. Due to the departure of the then Library Manager, the project was set aside and the funds placed in reserve. A further \$5,000 was set aside in the 2007 year for further investigation and \$21,584 is set aside in the 2009 draft Annual Plan for completion of the upgrade.

We have recently requested a quotation from our Consultants, Connell Wagner Ltd for a replacement system, with the estimated cost being approximately \$65,000. The recommended system is similar to one installed at Queenstown Airport. We have spoken to their staff in regard to the effectiveness of the system and they are extremely happy with it. Mr Ian Soper was also recently in Queenstown and took the opportunity to view the system first hand, and felt that from his observations, it was working very well.

As detailed above, we already have \$55,584 set aside specifically for this project and it is proposed to divert any required balance from the existing lighting replacement budget of \$15,000, as the remedial action on the heating system is much more urgent than the lighting issues, as these can be replaced at a later date without causing major issues.

RECOMMENDATION

THAT this report be received.

8. LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT COMPLAINT – F S MCINTYRE

(Memo from Chief Executive – 16.6.08)

I refer to the approved late item held in the open portion of the Council meeting last month. I was not present to witness the outburst of Councillor Gardyne, however I am disturbed and disappointed that he has alleged that statements that the Mayor and I made at a Finance and Policy Committee Meeting on 8 May 2007, were untruthful.

I am disturbed that Councillor Gardyne would make such an allegation in the public arena without providing an opportunity for me to respond. I am also disappointed that despite the Council's best endeavours, Councillor Gardyne appears to want to trawl through the past and relitigate issues that have already been determined.

For the record, and benefit of new Councillors, I enclose the excerpt from the Council meeting held on 27 February 2007 in which Mrs McIntyre's request for information was discussed and resolved. Whilst the wording of the resolution could have been a little more specific, I believe there is a strong inference that Mrs McIntyre was to be supplied with property sales data compiled by the former Parks and Recreation Manager, and that once that had been done, the Council was to put the matter to rest and move on. My interpretation of this resolution was that the data requested by Mrs McIntyre was not to be provided. This is the comment I made at the Finance and Policy Committee meeting held on 8 May 2007 in response to the question from Mrs McIntyre as to when she could expect to receive spreadsheets. A copy of the excerpt of the meeting which related to this particular matter is also enclosed with this report.

I reject utterly the allegation that an untruthful statement was made. My statement was an honest interpretation of the resolution passed by the Council at its February 2007 meeting. I would note that nowhere in this resolution does it state that Mrs McIntyre is to be provided with the information she sought. Further, I would respectfully suggest that Councillor Gardyne check with the mover and seconder of this resolution to ascertain their view on its intent.

I also note from the discussion at last month's meeting, that Councillor Gardyne is desirous of the Council extending an apology to Mrs McIntyre. This is obviously an issue for the Council to consider, if it wishes. However, as this matter has

now been brought into the open portion of the Council meeting, then I would suggest that for completeness, the Acting Chief Ombudsman's provisional opinion considered In-Committee on 22 April, now be disclosed to the public. Such a disclosure will at least provide a better background into this complaint and bring some balance to the question of whether an apology needs to be given.

RECOMMENDATION

THAT this report and the attached excerpts from previous Council meetings be received

AND THAT the Council make public, the Acting Chief Ombudsman's provisional opinion, dated 3 April 2008.

9. GORE MULTISPORT COMPLEX – STAGE 3: AN ALTERNATIVE VIEW ON THE ROLE OF THE GORE DISTRICT COUNCIL

(Memo from Chief Executive – 16.6.08)

I refer to a presentation made by representatives of the Gore Multisports Complex Charitable Trust at the Finance and Policy Committee meeting earlier this month. At the conclusion of this presentation Council sought a report from myself on the role of the Building Control Department in respect of building consent issues associated with the proposed Indoor Sports Centre, together with a commentary on the Council's role with this long standing project. The following commentary is provided, covering a range of matters related to this project in order that Councillors can have a full appreciation for both the assistance rendered to the project and the concerns held in regard to its compliance with the building code:

1. Building Consent Issues

In August last year the General Manager District Assets along with the Building Control Manager reported to the Council about the problems that were being encountered at that point in time with the issue of a building consent for Stage 3. A copy of this report which details a building consent application timeline and the Council's communications with the Gore Multisports Charitable Trust is included with this report. Even a casual glance at the summary of communications held with the Charitable Trust or its builder, Calder Developments would highlight the considerable number of incomplete matters that had to be corrected and documented by Calder Development to enable a building consent to be issued. This timeline includes the commencement of the troublesome and contentious fire design and protection issues which have resulted in three separate peer reviews having to be commissioned by the Council.

At the Finance and Policy Committee meeting it was intimated that there was not a great deal of difference between the design initially submitted by the Trust's fire design consultant and that which was finally approved by the Council. I suggest that a perusal of the correspondence between MWH/Gore District Council and the fire design consultant being utilised by Calder Developments, would question this view. In the interests of clarity I have enclosed all the fire design submissions from ASBIC Consultants Ltd and the responses from MWH, as a separate appendix to this report. When one analyses the content of the first peer review provided by MWH dated 8

August 2007, there appears to be strong grounds to refute the suggestion that the changes sought were only minor.

The latest letter received from Calder Development's fire design consultant dated 30 May 2008 has accused the New Zealand Fire Service Design Review Unit as being "emotive" in its approach to this matter. This type of attitude is unfortunately all too familiar with this project, where if issues are required to be addressed, the finger of fault is pointed at the regulatory authority. Indeed it is somewhat ironical that the Design Review Unit is now being accused as being emotive, when only recently the Trustees were citing the Unit as being a source of efficiency in reviewing fire design proposals.

The Chairman of the Charitable Trust anchored his address to the Finance and Policy Committee around the theme of the Council being fair and reasonable in its building consent fees to the Trust. In reviewing the interaction between the Council and the Trust, I cannot see anything that is inherently unfair or unreasonable. From this vantage point, the Trust seems to be oblivious to its obligations as a building consent applicant, to provide full and unambiguous documentation that complies with the building code. The building will be extensively used by the public and therefore needs to be assessed in terms of its compliance with the building code, in that light.

It has been hard to escape the impression that the Charitable Trust and its builder have not fully grasped this reality. Indeed the following quote from a Trustee at a meeting of the Charitable Trust held on 2 February 2004 seems to encapsulate the under-estimation of the complexities and responsibilities associated with a project of this magnitude:

"...the Stadium was really only a hay barn, and suggested the Committee should take a blank piece of paper and see what could be done. It was not a high-tech building".

2. Council Support for the Project

The above quote demonstrates just how long this project has been in gestation. Planning for Stage 3 of the Multisports Complex commenced shortly after the opening of the Aquatic Centre in September 2002.

The Maitāhara Licensing Trust in donating the sum of \$1 million to the project, were initially hopeful of having the Indoor Sports Centre complete by the time of its 50th anniversary celebrations in December 2005.

Enclosed please find minutes of a Council meeting held on 23 September 2003, together with my report considered by the Council, relating to consideration of a business plan prepared by the Charitable Trust for Stage 3. The resolutions passed at this meeting include the Council not having any responsibility for the ongoing operational costs of a new stadium and endorsing the involvement of staff in the planning and facilitation of the new development. The contribution and input from staff to the endeavours of the Charitable Trust are worthy of special mention. The Council's HR/Administration Manager, Mrs Susan Jones has diligently serviced all meetings of the Trust, right back to 2002. Additionally, Gordon Bailey the former Parks and Recreation Manager, and more latterly, Mr Ian Soper have provided co-operative support when required.

Other forms of support provided by the Council towards this project over the past few years are:

- a. A letter of support for fundraising purposes – dated 20 September 2004 (copy attached).
- b. The Council in November 2005, committing to retaining the 50c per student per entry differential in favour of schools, in respect of the Aquatic Centre. This commitment was provided to assist the Trust in securing a capital sum from the Ministry of Education in return for discounted usage for the proposed indoor stadium.
- c. The Council in November 2005, approving a 25 year ground lease in favour of the Gore Multisports Centre Charitable Trust at a nominal rental.
- d. The Council in August 2006, approving the Trust's request for an interest free loan of \$50,000 in favour of the Gore Indoor Sports Centre project for a period of 10 years. This interest free loan was subsequently diverted to assist with the construction of the car park at the complex.
- e. The Council allowing the construction of the complex to proceed in 2007 without a building consent, and without payment of fees upfront, which is a significant departure from normal practice.

3. Project Manager

During the presentation to the Finance and Policy Committee, Trustees and the Chairman in particular, expressed disappointment at criticisms levelled by elected members at the Trust's decision not to appoint a professional project manager to

oversee design and construction of the Indoor Sports Centre. It is a matter of public record that I have held for a long time, serious misgivings about the Trust's decision to eschew the option of appointing a professional project manager. I am not alone amongst staff in holding this view. Indeed it appears that all staff that have had involvement with the project, irrespective of whether they are regulatory, recreational or administrative in outlook, have expressed frustrations about lack of a smooth planning process and overlooking crucial matters of detail. The Building Control Manager and I firmly believe that if Signal Management Group was appointed to oversee this project, then the problems that have arisen with consenting issues would not have occurred. One only has to look at the smooth way in which Stages 1 and 2 were executed under the stewardship of Signal Management Group, and how quickly the Mataura Community Centre has been consented and now racing ahead in terms of its construction. I would also note that the St James Theatre Trust Fly Tower Development project, which has been professionally managed, has also had a very smooth run through the building consent process.

I enclose for the Council's information, copy of minutes of a Trust meeting held 3 November 2003. At this meeting the Trust considered a report prepared by Mr Gordon Bailey (which is attached to the minutes) and received strong encouragement from myself, Mr Chris Boyle from Ice Sports Southland and the Council's Solicitor, Mr John Bannerman to consider the merits of appointing a professional project manager. Whilst Trustees at the Finance and Policy Committee referred to a \$4 million price tag from Signal Management Group being the reason why its involvement in the project could not be entertained, a perusal of Mr Gordon Bailey's memo to this meeting in 2003, shows that the company did reduce the cost to \$2.5 million after "wish list" items were deleted.

This of course is only of historic interest, as the Trust has made its decision and must now live with the consequences. That said the Council as both land owner and owner/operator of the adjoining Aquatic Centre, which the Indoor Sports Centre will be integrated with, has a significant interest in the project's success.

Conclusion

Stage 3 of the Multisports Complex is a fantastic project that the community desperately wants to see successfully completed. The Council has always supported the project in principle and I believe that this report shows that when called upon to exercise discretion in the Trust's favour, it has done so. However, the

Council as a regulatory authority cannot offer shortcuts to the Trust to circumvent the provisions of the building code. I believe the Council's Building Control Department has been fair and reasonable in its dealings with the Trust and its builder. The Council's Building Control Department enjoys a reputation of being co-operative and obliging, as well as highly accessible to building consent applicants. In my time as Chief Executive this would be the only project that has attracted such entrenched and public criticism about the staff's approach. Given the extraordinary amount of building construction that has been undertaken in this District over the past six years, one has to wonder why this particular project has struck the problems experienced.

Notwithstanding my observations about the Council's stance being fair and reasonable, the question of whether the fees should be waived is a matter of political discretion. The Council has incurred costs with the use of MWH's Fire Design Consultant, but there may well be an opportunity to waive some staff time charged against the project. Whatever the outcome, hopefully this report will serve as providing an alternative view on the role of, and support given, by the Council to this troubled project.

RECOMMENDATION

THAT this report be received.

EXCLUSION OF THE PUBLIC

His Worship to move

I move that the public be excluded from the following parts of the proceedings of this meeting, namely the items as listed below.

The general subject of each matter to be considered while the public is excluded, the reason for passing the 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:

<u>General Subject Matter</u>	<u>Reason for passing this resolution in relation to each matter</u>	<u>Grounds under Section 48(1) for the passing of this Resolution</u>
--------------------------------------	---	--

Confirmation of Minutes

Confirmation of the Minutes of the Ordinary Monthly Meeting of the Gore District Council, held in Committee, on Tuesday 27 May 2008.

Confirmation of the Report of the Ordinary Monthly Meeting of the Finance and Policy Committee, held in Committee, on Tuesday 10 June 2008.