

STAFF REPORT

TO: Chairman and Members Council Enterprises
Subcommittee

FROM: Bob Askew

DATE: 26 February 2007

SUBJECT: Port Tarakohe

FINANCIALS

I attach herewith the summary statements at 31 December 2006 and 31 January 2007. Looking at the financials for 31 December 2006, we can see that while incomes are tracking positively compared to forecast budget, expenditure is tracking on the high side which can be seen to be due to the cost of salaries and wages which again were largely due to the expenditure required to provide information for the questions asked by Golden Bay Community Board regarding wharfage fees. I am attaching a copy of the resolution of the Board which requested that the \$9,166.68 be reimbursed to the Tarakohe account from the Corporate Services account. At the meeting I advised the Community Board that the accounts had been prepared by Council's accountant and were transparent and reflected the actual work carried out and that as the costings were specifically related to Port Tarakohe that in the interests of transparency that I could not support reimbursement of the account from Corporate Services.

On the expenditure streams for December 2006, apart from the excess expenditure on salaries and wages, the \$108,897 loan interest and principal appears to be tracking much higher than one would expect with a budgeted figure of \$160,000. However I am sure there is an explanation for this and will seek advice from the Corporate Services Manager, prior to the meeting.

The bottom line is that we are tracking reasonably favourably towards a net surplus in excess of the budget prediction, but it would have been good to have had a significant increase in income over expenditure. However, I am still holding out for some healthy wharfage income before we get to the end of the financial year.

Overall, there has been a stand still on any significant development improvements at the Port, given the fiscal restraints, however we have carried out maintenance and repairs to at least maintain the status quo.

The continued concerns regarding people accessing the fenced-off area of the port, where the condemned wooden wharf is, has caused me to investigate the option of rented security fencing around the area. Initial costings for this would be \$60 per week, reflecting an annual budgetary cost of \$3,000. Whilst I do not have any specific budget for this, I would have to advise this subcommittee that there is really

no alternative given the risk that Council may be facing, despite the fact that there is some partial fence netting around the old wharf area which appears not to provide 100% security from preventing access.

WATER SUPPLY AND TOILETS

Although the water supply situation has improved over the summer months with the non-interruptions caused by rainfall washing down loose soil from the upland forestry works, the supply quality is still not 100% and we continue to truck water in for potable use only. The arrangements with Pohara Boat Club in regard to providing office space for the Harbour Manager and providing access to the Club toilets for the public have proven to be very successful and I am now looking at improving signage to raise public awareness of the toilet facilities being available.

Regarding improvements to the water supply, there will be some further checks on previously identified water sources located above the forestry line and given the prolonged dry spell, if these water sources are proven to continue to provide adequate quantities of water, then consideration of capturing those supplies can be further considered. However, again, there is no capital provided in the budget for such works.

Bob Askew
Service Centres Manager