

Hahei Beach Ratepayers Association

e-mail: chair@haheiratepayers.co.nz

20 March 2018

Thames Coromandel
Private Bag
Thames

Attention: Angela Jane/Scott Summerfield
Copy: Allan Tiplady

Subject: LTP Questions

Dear Angela,

Thank you for visiting Hahei and presenting the draft Long-Term Plan to our community. We intend making a submission in due course and would be grateful if you could provide the following additional information.

- 1) **Financial Forecasts**— Please provide the following financial information and an explanation which shows how the LTP 2018—2028 has changed relative to the LTP 2015-20125. Specifically, please provide the following
 - a) **Revenues** - In the 2015 LTP revenues were forecast to be \$84.325m in 2017/18. You are now forecasting \$91.367m. It would appear that a large part of the increase is Gains of \$4.804m. Please explain what Gains are and why they were not forecast 3 years ago.
 - b) **Personnel Costs** - In the 2015 LTP personnel costs were forecast to be \$15.370m in 2017/18. You are now forecasting \$18.154m. Please explain why Personnel Costs are \$2.784m (18%) higher than forecast 3 years ago
 - c) **Special Reserves** – Please explain the following
 - i) how did you calculate Hahei Parking Fees and how are they reflected in the consolidated financial statements?
 - ii) It is proposed to substantially increase concession fees for firms operating from TCDC reserves. We do not see this proposal anywhere in the LTP or financial statements. Please comment.
 - d) **Tourism Growth Assumptions** – We are very surprised to see that you have assumed tourist growth of only 4.4%. Hahei is experiencing growth of 15-20%. Cathedral Cove walkers are increasing at around 30% pa. See <http://counterreports.doc.govt.nz/var/100093375.html>. (We hope to have updated numbers from DoC very soon). Why did you decide to defer assessing impact of tourism on the environment to future planning even though you determined it was a medium/high risk?
 - e) **Population Forecasts** – In the 2009 LTP, there was table of population forecasts – see attached. Have you prepared a similar table for this plan?
 - f) **Proposed Rate Increases** – The 2015/25 LTP forecast a rate increase of 1.03% in 2018/19. The draft 2018/2028 plan proposes a 5.17% in 2018/19 and significant increases in the future. To help us understand the need for rate increases, could you please provide the following information
 - i) What options did you consider that would keep the rate increase to the level promised in the 2015/2025 LTP?

- ii) What are the main drivers of the unusually large rate increase? At our meeting, you mention the need to replenish the Power NZ reserve. But the Special Reserve statement shows only \$4.617m paid in over 10 years (\$15 pa per ratepayer). However, we note that replenishing the disaster reserve fund is much greater - \$7.777m.
- 2) **“Coromandel Walks”/Lees Road Car Park** – We would like to understand exactly what TCDC plans are in relation to the Coromandel Walks project and request you comment on the following.
- a) ***Draft LTP documentation*** – From our reading of the Draft LTP we have found the following information concerning both the Coromandel Walk Project and the Lees Road Car Park. (The Lees Road Car Park was always an integral part of the Walk Project) –
 - i) In FAQ document it states “... the project is still being progressed to the stage where resource consent applications can be lodged. Lotteries have granted an extension to the funding of the Walk out to June 2020”
 - ii) Mercury Bay Major projects list includes \$139k (2019/20) plus \$3.246m (2020/21) Total = \$3.385m for Lees Road Car Park & improvements
 - iii) The Mercury Bay Major Projects list also includes (locally funded) items that we believe may be components of the Walk. I.e. Flaxmill Bay Footbridge, \$134k in 2018/19, Purangi Upper Harbour Walkway \$1.151m in 2026/27 and Cooks Beach Hoggin Path, \$1.163m spread over next 10 years. Overall total of \$2.448m
 - iv) The LTP is therefore forecasting a total spend of \$5.833m. Does this mean the total cost of the Walk is \$ 7.383mm if we include \$1m from Lotteries and . \$330k funding from Trust Waikato?
 - b) ***Additional Project Information and Break down of costs*** – To help us understand these costs could you please provide the following information
 - i) ***Lees Road Car Park and Improvements*** – Please provide project scope details of what you intend to spend \$3.385m on. Ideally, we would like to see costs for Road upgrade to the proposed car park, car park costs, and road upgrade costs past the car park entrance to Stella Everard Reserve. You mention dust sealing at the meeting, but we cannot see this in the LTP. Please advise us where this shown.
 - ii) ***Privately developed Car Park*** - We understand the owner of property for the proposed car park has decided to proceed independently and plans to build a car park and mountain bike tourist attraction. This has been approved by TCDC. In view of this development, how do intend to alter the LTP? Will the private developer be required to pay development fees to TCDC to cover the cost of upgrading Lees Rd from Hahei Rd to his property or will this cost fall on all ratepayers?
 - c) ***Re-evaluation of the Coromandel Walk Project*** – The Coromandel Walk project was approved using forecasts included in a feasibility study prepared by Miles/TRC in November 2013. It forecast an additional visitor numbers of 17,500 to 35,000 pa due to the new Walk. The report was prepared when only 160,000 pa visited Cathedral Cove. DoC expect that 300,000 will visit Cathedral Cove in year ending June 30, 2018, rising to 0.5m by 2025 or sooner. With visitor numbers exploding without the Walk, the focus must be on providing infrastructure to take care of both current visitor numbers and the expected increase, not spending public money on tourist attractions to bring more tourists. Also, on 28 Sept 2015, Garry Towler provided a budget \$3.337m. See attached copy. Please explain how the budgets have changed over time. In view of the huge changes that have occurred over the last year or so, we request that provision is made in the LTP for a new feasibility study to evaluate the benefits of the proposed Walk Please comment.
 - d) ***TCDC 2017/18 Annual Plan*** – The 2017/18 Annual Plan contained the following statement

The Lees Road seal extension and carpark, a project within the Coromandel Walks has a budget of \$3,030,304 (to be funded by car park revenue...) Please explain why the LTP budget has increased by \$355k and there is no mention of car park revenues.

- e) **Walk Costs to date** – Please provide a summary of spending on this project to date. Have there been any draw downs from Lotteries or Trust Waikato? Garry Towler’s report of 17 September 2015 states that “Lotteries advanced \$500,000 on 6 July 2015 and subject to approved reports will advance the remaining \$500,000 on 15 July 2016”.
- f) **Effect on Rates** – Please quantify the effect on our rates of the Walk and explain the changes the proposed new way of recovering the cost of economic development costs. We understand the cost of Walk would have fallen primarily on businesses, but it appears that it is now proposed to spread the cost over all ratepayers. Is this correct?
- 3) **Decision Making Process - Evaluation Criteria** – We would be very grateful if you provide some general guidelines on how you evaluated projects that were included in the draft LTP. For instance, you have included a total of \$534k for the Kuaotunu Footpath Greys to Quarry. This is a significant amount, and we would like to understand how this decision was made.
- 4) **Water and Sewage** – We understand that \$1.8m has been budgeted “to investigate water and wastewater in Hahei, Wharekaho and areas surrounding Thames” over the next few years. While we appreciate the allocation of study costs, our community would like much faster action. Water and Sewage in Hahei and serious health issue, and for one of NZ’s top tourist destinations, we must find a way deliver results, not reports. There are two immediate issues that must be resolved quickly. These are
 - a) **Wigmore Stream Clean up** – there is no doubt that older properties, with unreliable septic tanks, along the Wigmore Stream, pollute the stream regularly. e sense) Let’s just install a sewer that collects sewage from these properties as soon as possible. We don’t need 3 years of expensive consultants reports to explain this obvious immediate action. However, we agree that developing a sewage system for the whole of Hahei will take time.
 - b) **Hahei Water Association** – This organisation serves 170 properties in Hahei and has determined they would like to see TCDC/Veolia take the system over. Again, it does not take 3 years to work out what needs to be done. The properties serve an increasing number of tourists and we must make sure it delivers safe drinking water to both our residents and our visitors.
 - c) **Hahei Beachfront Effluent** – we note \$501k in 2012/22 is included in the proposed Mercury Bay projects for a toilet (we presume). Please explain why this investment is included as no decisions relating to sewage in Hahei should be made until the study is completed. Further, we do not see this as an important new investment.
 - d) **Overall Long-Term Strategy** – We agree that advisors are needed to develop an overall water and sewage plan for Hahei.
- 5) **Dalmeny Corner Bridge** – As discussed at our meeting on Saturday, all the communities in South Mercury Bay strongly feel that the LTP should include the cost of at least study to determine the feasibility of upgrading the road and bridge at Dalmeny Corner. To help understand the issues, could please provide us with traffic numbers recently collected and explain what NZTA funding criteria may be available.
- 6) **Thames Pool** – As you heard at the meeting, there is very little support for helping to fund a pool in Thames. At this time, we see only costs, and no benefits to our community. Some of our community have sympathy for the plight of the people in Thames but we have no way of understanding the benefits. Can you provide any data that demonstrates the benefits of the pool. For instance, how many people use the current pool on a regular basis? Is use increasing or

declining? Has a survey been undertaken to see if the new pool will attract an increased amount of patronage?

- 7) Targeted Funding for Tourist related assets in Hahei** – We would like to discuss the concept of funding tourist related facilities i.e. car parks, walks, etc with debt secured from revenues from parking and concession fees in Hahei. The Mercury Bay Community Board has agreed to allocate income from locally generated assets i.e. car parks to the communities where the funds are generated. We see this income is best used to service debt that must be raised to expand and upgrade tourist facilities in Hahei. We would like to discuss how this concept can be included in LTP.

Since we have a very short time to prepare and submit our community's input on the LTP, we believe the best way to address these questions would be for us to meet with you as soon as possible. Please let us know when you are available to discuss the above questions.

Finally, we appreciate your hard work developing the plan – I am sure it has not been easy. We look forward to working with you over the next few months to refine the LTP so it accurately reflects the wishes of our community.

Yours faithfully

Bill Stead

A handwritten signature in black ink, appearing to read 'Bill Stead', with a long horizontal flourish extending to the right.

Chairman of Hahei Beach Ratepayers Association

Appendix 1 - Forecasting Assumptions

Thames-Coromandel District Dwellings	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Thames-Coromandel District	24,199	24,234	24,247	24,320	24,425	24,685	24,971	25,277	25,625	25,984	26,354	26,737	27,126	27,520	27,919	28,325	28,736	29,154	29,577	30,007	30,443	30,885	31,334	31,789	32,251	32,719	33,194	33,677	34,166	34,662	35,166	35,676	36,195
Year on year increases in dwellings		35	14	73	105	260	286	305	348	359	371	383	388	394	400	406	411	417	423	430	436	442	449	455	462	468	475	482	489	496	503	511	518
Coromandel-Colville Community Board	2,391	2,392	2,393	2,398	2,413	2,453	2,493	2,536	2,585	2,636	2,688	2,743	2,798	2,855	2,913	2,971	3,031	3,092	3,154	3,218	3,282	3,348	3,415	3,483	3,553	3,624	3,696	3,770	3,845	3,922	4,000	4,080	4,161
Coromandel	1,045	1,046	1,046	1,047	1,050	1,062	1,075	1,089	1,105	1,121	1,139	1,156	1,174	1,193	1,211	1,230	1,249	1,268	1,287	1,307	1,326	1,346	1,367	1,387	1,408	1,429	1,451	1,472	1,494	1,516	1,539	1,562	1,585
Other Coromandel-Colville	1,346	1,346	1,347	1,351	1,364	1,391	1,418	1,447	1,480	1,514	1,550	1,586	1,624	1,662	1,702	1,742	1,783	1,824	1,867	1,911	1,956	2,001	2,048	2,096	2,145	2,194	2,245	2,298	2,351	2,405	2,461	2,518	2,576
Mercury Bay Community Board	7,675	7,694	7,701	7,735	7,784	7,930	8,078	8,236	8,417	8,604	8,797	8,996	9,196	9,400	9,605	9,813	10,024	10,237	10,452	10,670	10,890	11,113	11,338	11,566	11,796	12,029	12,265	12,503	12,744	12,988	13,234	13,483	13,735
Cooks Beach Ferry Landing	902	903	905	908	911	915	919	923	927	931	935	939	943	948	952	956	961	965	970	974	979	984	988	993	998	1,003	1,008	1,013	1,018	1,023	1,028	1,034	1,039
Hahei	688	688	688	689	691	697	702	708	715	722	730	737	745	753	760	769	777	785	793	802	811	820	828	838	847	856	866	875	885	895	905	916	926
Matarangi	1,041	1,044	1,046	1,054	1,054	1,070	1,087	1,104	1,125	1,146	1,167	1,189	1,210	1,231	1,251	1,270	1,289	1,307	1,325	1,342	1,358	1,374	1,388	1,402	1,415	1,427	1,438	1,448	1,457	1,465	1,471	1,477	1,481
Whangapoua	362	364	366	368	371	375	378	382	386	390	394	398	402	406	410	415	419	424	428	433	437	442	447	452	457	462	467	472	478	483	489	494	500
Whitianga	3,335	3,343	3,344	3,354	3,383	3,473	3,563	3,660	3,771	3,887	4,005	4,128	4,253	4,380	4,508	4,638	4,770	4,904	5,040	5,178	5,318	5,460	5,604	5,750	5,898	6,049	6,201	6,357	6,514	6,674	6,836	7,000	7,167
Other Mercury Bay	1,347	1,352	1,352	1,361	1,373	1,401	1,429	1,459	1,494	1,529	1,566	1,605	1,644	1,684	1,724	1,766	1,808	1,852	1,896	1,941	1,987	2,034	2,082	2,131	2,181	2,232	2,285	2,338	2,393	2,448	2,505	2,563	2,622
Tairua-Pauanui Community Board	3,952	3,952	3,956	3,976	3,999	4,033	4,069	4,106	4,146	4,188	4,230	4,274	4,318	4,364	4,409	4,456	4,503	4,552	4,601	4,650	4,701	4,752	4,804	4,858	4,912	4,966	5,022	5,079	5,136	5,195	5,255	5,315	5,377
Pauanui	2,276	2,276	2,280	2,297	2,315	2,338	2,362	2,386	2,412	2,438	2,465	2,492	2,520	2,548	2,577	2,606	2,635	2,665	2,696	2,727	2,758	2,790	2,823	2,856	2,889	2,924	2,958	2,993	3,029	3,065	3,102	3,140	3,178
Tairua	1,517	1,517	1,517	1,518	1,520	1,526	1,531	1,537	1,544	1,551	1,558	1,566	1,573	1,581	1,589	1,597	1,606	1,614	1,623	1,631	1,640	1,649	1,658	1,667	1,677	1,687	1,696	1,706	1,716	1,726	1,737	1,747	1,758
Other Tairua-Pauanui	159	159	159	161	163	169	176	183	191	199	207	216	225	234	243	253	262	272	282	292	302	313	323	334	345	356	368	379	391	403	415	428	441
Thames Community Board	5,086	5,087	5,087	5,087	5,088	5,090	5,117	5,144	5,177	5,211	5,246	5,282	5,320	5,358	5,396	5,436	5,476	5,516	5,558	5,600	5,643	5,686	5,731	5,776	5,821	5,868	5,915	5,964	6,013	6,063	6,113	6,165	6,217
Thames	3,484	3,484	3,484	3,484	3,484	3,487	3,513	3,541	3,567	3,586	3,605	3,625	3,645	3,666	3,687	3,709	3,731	3,753	3,776	3,799	3,822	3,846	3,870	3,895	3,920	3,946	3,972	3,999	4,026	4,053	4,081	4,109	4,138
Thames Coast	1,161	1,161	1,162	1,162	1,162	1,162	1,162	1,162	1,166	1,174	1,183	1,192	1,201	1,211	1,221	1,230	1,240	1,251	1,261	1,272	1,283	1,294	1,305	1,317	1,328	1,340	1,353	1,365	1,378	1,391	1,404	1,418	1,432
Thames South	441	441	441	441	441	441	442	442	444	451	458	465	473	481	489	497	505	513	521	529	538	546	555	564	573	582	591	600	609	619	628	638	648
Other Thames	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Whangamata Community Board	5,095	5,109	5,110	5,124	5,141	5,178	5,215	5,255	5,299	5,346	5,393	5,443	5,493	5,544	5,596	5,649	5,702	5,757	5,813	5,870	5,927	5,986	6,046	6,107	6,169	6,231	6,296	6,361	6,427	6,495	6,563	6,633	6,704
Onemana	373	375	375	378	380	383	386	389	392	396	399	402	406	409	412	416	419	423	427	430	434	438	441	445	449	453	457	461	465	469	474	478	482
Whangamata	4,507	4,518	4,518	4,528	4,540	4,570	4,600	4,632	4,668	4,705	4,744	4,784	4,825	4,866	4,908	4,951	4,995	5,039	5,085	5,131	5,177	5,225	5,274	5,323	5,373	5,424	5,476	5,529	5,583	5,637	5,693	5,750	5,807
Other Whangamata	216	217	217	219	221	225	229	234	239	245	251	257	263	269	275	282	288	295	302	309	316	323	331	338	346	354	362	371	379	388	397	406	415

Figure 3: Thames-Coromandel District Council Dwelling Projections

Bill Stead

From: Garry Towler <garry.towler@tcdc.govt.nz>
Sent: 28 September 2015 19:38
To: Bill Stead (chair@haheiratepayers.co.nz); john north (j.t.north@xtra.co.nz)
Cc: Glenn Leach; gwhite@doc.govt.nz; pelroy@xtra.co.nz; Ross Ashby; Lurna White; Sam Marshall
Subject: Timeline and Budget

Morning Bill & John,

Here is the timeline and budget I omitted to include in yesterday's response. The timeline is indicative and subject to change. The budget is the same one we included in our applications.

Regards

Garry



Budget

Design, supporting documents and consents 8%	266,960
Product 81%	2,702,970
Marketing 2%	66,740
Management 9%	300,330
Total	\$3,337,000
Operational	32,000
Design, supporting documents and consents	
Surveyor -RMS Surveyors Whangamata	20,000
Quantity Surveyor - QSC Whangamata	79,519
Tender document	16,000
Building consent fees	3,500
Cultural Impact study Ngati Hei	18,000
Legal fees (external) <i>Consents evaluation, Regional Council, Historic Places Trust</i>	23,102
Product	
Stage 1a Blowhole to Hahei	723,569
Stage 1b Cathedral Cove Track to Purangi	625,978
Stage 1c Purangi to ferry landing	153,240
Carter Property	458,003
Cultural heritage and significant sites Bath and rock outcrop access, Hereheretara Pa walk, Hahei Dune walk, Cooks Beach dune walk	1,217,293
Total (Product) Contingency 10% included	3,178,083
Total	3,337,000

Marketing (excluded from TCDC application to Lotteries but forms part of the total overall operational budget 2015-2017)	
Development and branding of Coromandel Great Walks 60,000official website launched for Cathedral Cove Walkway	20,000
Communication/ paid advertising around community 10,000consultation/updates on project milestone	10,000
Development of Cathedral Coast Walkway mobile phone app 10,000(the journey, the track, symbolism, flora and fauna)	2,000
Events marking major milestones in the development of Stage One.	3,000
Printing/distribution of marketing collateral (brochures/fliers)	10,000
Interpretive and interactive signage and story boards 28,00016 locations, average size 80x80cm to 1m x 1m, \$1,750 per board installed. Photographic design and narrative per board	21,740
Total Marketing	66,740

Garry Towler

Area Manager

Thames Coromandel District Council

Whangamata, Tairua, Pauanui

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Coromandel Great Walks update

TO	Economic Development Committee
FROM	Garry Towler - Area Manager Whangamata/Tairua-Pauanui
DATE	17 September 2015
SUBJECT	Coromandel Great Walks update

1 Purpose of Report

To provide an update to Economic Development Committee on the current status of the Cathedral Coast Walk project and related activities.

2 Background

The Coromandel Great Walks project began in September 2012 and its progress to date is well documented in previous reports to Council including the Project Identification Document. This report is an update to Elected Members on the current position of the project.

3 Issue

Funding

The 'Cathedral Coast Walks' project has sufficient funding available (Lotteries, DOC and TCDC) to fully complete the walkway from the 'Blowhole' to Whitianga (Stage One). This includes all structures, viewing platforms, fencing and safety measures.

Stage Two - from the Blowhole to Hot Water Beach is a separate project requiring additional funding. Giblin Group, who have been responsible for all funding to date on the Walks project have been commissioned to work with Ngati Hei and the Project Managers to explore funding options.

Track Construction

TCDC has commissioned a Traffic Management Assessment to look at a high level traffic impact, parking and road maintenance assessment of the Communities of Hot Water Beach, Hahei, Cooks Beach and Ferry Landing. This assessment seeks to address three key issues:

1. The ability of the roading network to accommodate an increasing number of visitors.
2. The impact of peak season traffic, and
3. The impact of the Great Walks.

The purpose of the report was to gain an understanding of current traffic issues and the projected increase in traffic by 2020, and to identify what is needed to address or mitigate these issues. The report will separate out those measures needed specifically for the Coromandel Great Walks project.

A period of time is needed for Council staff, Hahei and neighbouring communities to review the report and its recommendations. This is likely to be undertaken through September.

Until this work is completed, no significant track construction of the Coromandel Great Walks - Cathedral Coast Walk will be undertaken to ensure the concerns raised by the Hahei Stakeholders Group regarding additional parking and management of the increased visitor numbers are addressed by Council, DOC and the "Walks" Governance Directors.

Stand-alone projects

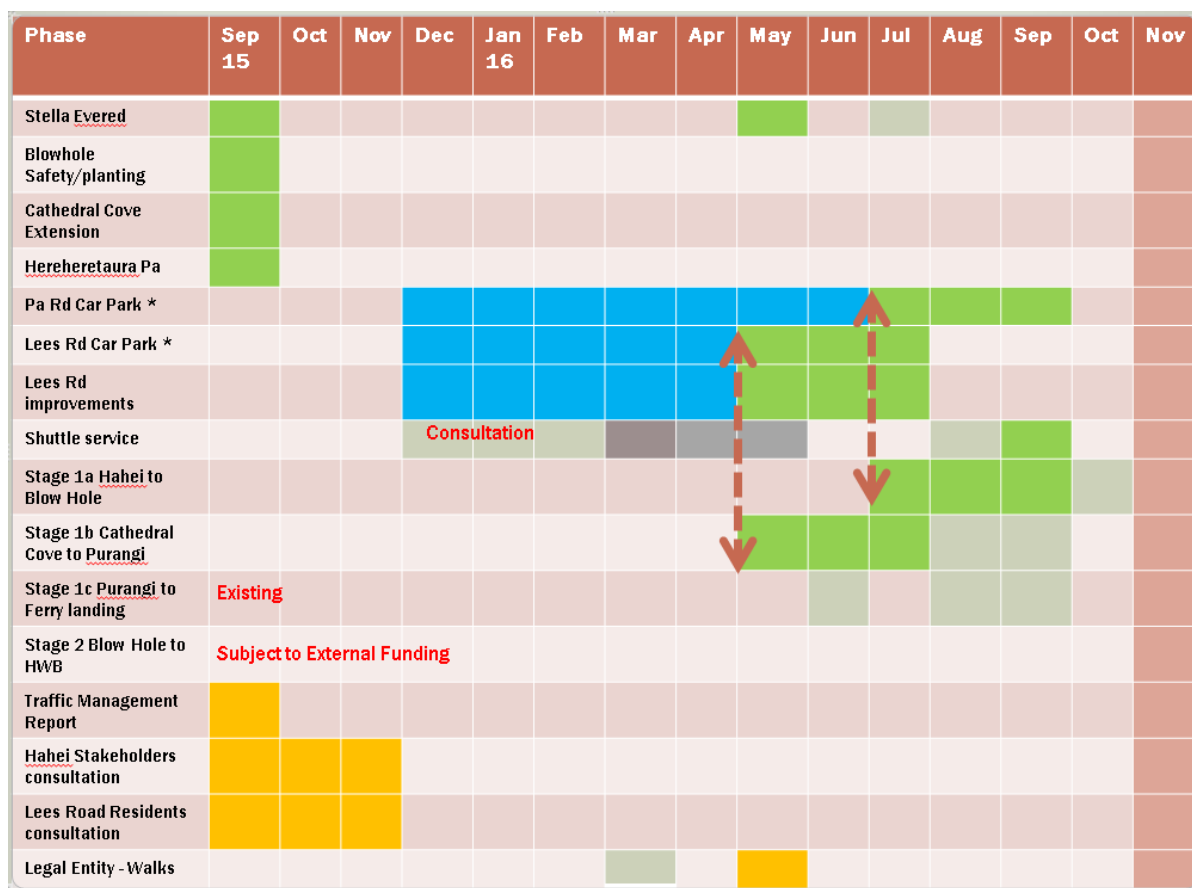
There are four discrete minor projects that can proceed (that are linked to the Great Walks), which have community benefits and need to be scheduled earlier due to a number of factors covered further in the report. These projects have been endorsed by the Coromandel Great Walks - Cathedral Coast Walk Governance Group, as well as the Hahei Stakeholders and will have no additional visitor impact on the Hahei community.

The four stand-alone projects are:

1. Safety signage and planting around the Blowhole
2. Andlinger/McCanns Bay Cathedral Cove Extension
3. Stella Evered track construction (subject to resource consent)
4. Hereheretaura Pa track reconfiguration

Project Plan

A high level, indicative programme of works for the Coromandel Great Walks - Cathedral Coast Walk is set out below. Please note that this is indicative and the schedule is subject to change. The outcomes of the Traffic Assessment as it relates to the "Walks" project will require approval of the Governance Directors, and reported to Council. Also of note is the consenting requirements for Pa Road and Lees Road carparks. These are anticipated to take at least 7 months to secure and an estimate that could well change.



Legend:

Construction	Community Consultation	Consenting	Project Specific consultation
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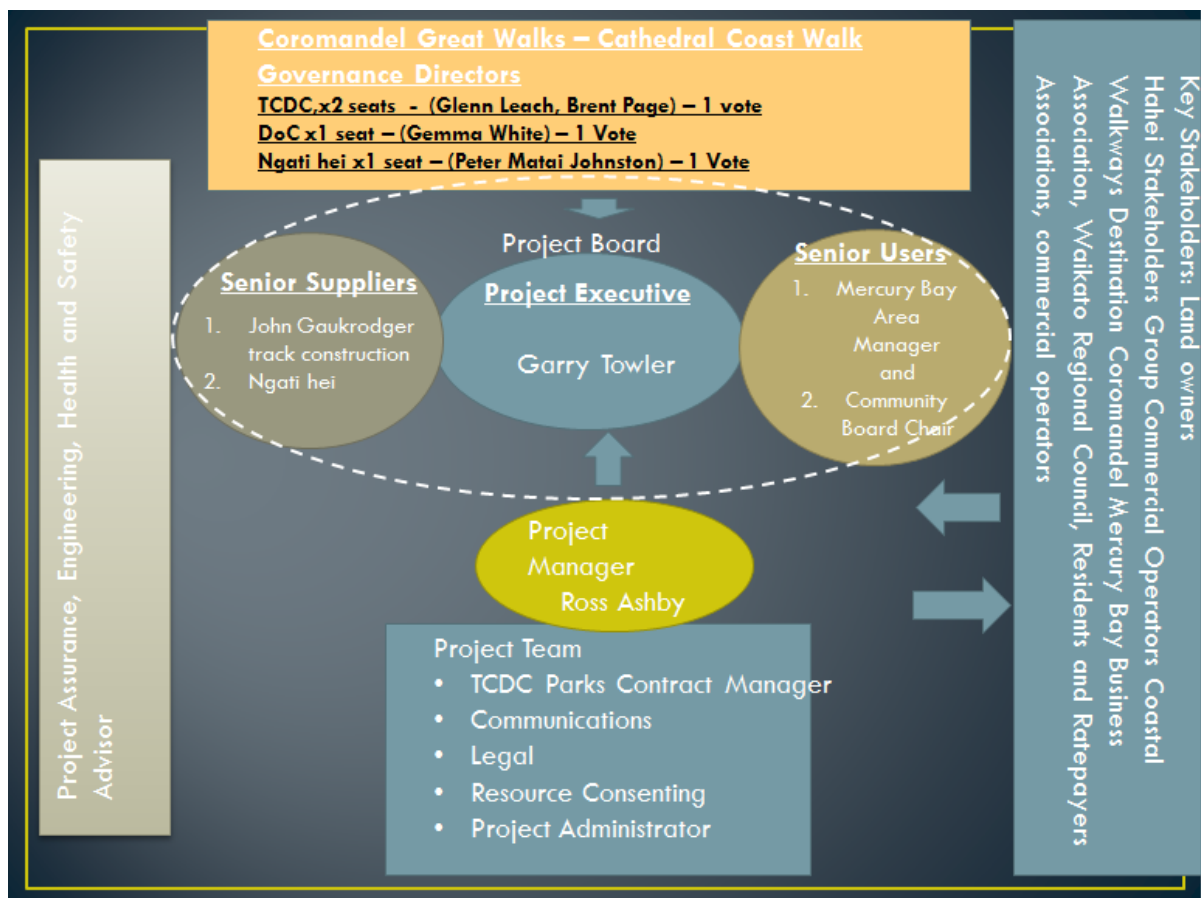
4 Discussion

Current situation;

Governance

The Coromandel Great Walks Project Board has been established and Terms of Reference drafted. The structure comprises of Governance Directors made up of TCDC, DOC and Ngati Hei; Project Executive, Project Manager, Key Stakeholders and Key Users. This structure is based on the Council project management system Prince2. Meetings will be held regularly, and will include the Hahei Stakeholders Group as key stakeholders (and other key stakeholders when appropriate will be included as the project develops).

Figure 1: Cathedral Coast Walkway Project Structure (staff will speak to how this structure is scalable for other walkway projects)



At their first meeting on 6 August, the Governance Directors approved the four discrete work components outlined above. This was reconfirmed with the Hahei Stakeholders at the Project Board meeting held on 27 August, sitting that each had little or no impact on the concerns of the Hahei Ratepayers Association regarding additional visitor numbers and traffic congestion.

Safety and planting around the Blowhole

The "Blow hole" is surrounded by TCDC owned land, and accessible via esplanade reserve (administered by DOC). An informal track is already in existence and does provide access to the blowhole by the general public. Over recent times, gorse has encroached on the 'track' making route finding difficult and raises issues with adjoining land owners around property boundaries and trespassing. Additionally there is a public liability issue for TCDC if appropriate signage is not erected. This project includes warning signage as well as some gorse removal and native planting along the track edges to allow sufficient time for these plants to establish before summer.

Andlinger/McCanns Bay Cathedral Cove Extension

This provides an opportunity to complete a long standing community expectation to complete an extension to the existing Cathedral Cove walk. This section will provide a 45 minute round trip for those already on the Cathedral Cove walk, with parking accommodated as part of the existing Cathedral Cove walk via Grange and Pa Roads.

DOC has identified this track extension in their Integrated Management Plan, and was required as part of adjoining land ownership property sales via the Overseas Investment Office. The extension provides for views over McCann's Bay and the Te Whanganui a Hei marine reserve. The track extension also includes some significant cultural and historic interests as well as future proofing access to Cathedral Cove long term should the arch collapse.

Stella Evered

The Stella Evered Memorial Park is a private reserve, administered as a publicly accessible area of land via a Deed of Trust by the Perpetual Guardian. This 37 hectare area of land is best described as a farm park offering a variety of commercial, recreational and conservation based land management opportunities.

Over the past 6 months the Coromandel Great Walks project team has been working with the Perpetual Guardian and farm managers. Work is able to be undertaken for construction of approximately 500m of the track at Stella Evered (resource consent required). Additionally the outcomes of the Traffic Assessment may also indicate some additional works that may be required and this would be addressed once this report has been reviewed.

Hereheretaura Pa

Some minor works will be undertaken to the existing track to Hereheretaura Pa, which re-aligns the track more appropriately through the terraced section of the Pa, as recommended by Ngati Hei. This will be supported by interpretive signage.

The Governance Group agreed on this work provided that no additional work will be undertaken that could result in a perception that there is an easy route to the blowhole. The Hahei Stakeholders representatives have supported this.

Resource Consenting

A resource consent consultant, Phil Mitchell, has been engaged to advise and prepare a consent application for the construction of the Lees Road car park and walking track from the car park to Cathedral Cove track (Carter property). Mr Mitchell believes the consent may take six months or more. (This report does not cover Pa Road or Grange Road car parks as these, while vitally important to the Walks project, are managed and funded by the Mercury Bay Community Board).

TCDC legal staff are working with Mr Carter's lawyer on a perpetual access and financial agreement. This document will need to be in place before a consent application is lodged.

Traffic Assessment

A draft traffic management assessment of the area from Whenuakite to Ferry Landing, taking in Hot Water Beach, Hahei and Purangi has recently been completed by MWH consultancy. The study was commissioned by TCDC and supported by Ngati Hei and Hahei Stakeholders Group to provide a long term overview of future visitor growth management.

The draft report supports the construction of Lees Road car park and sought assurance from the land owner (Mr Carter) that some 2 hectares would be available by 2019/2020 to accommodate up to 500 vehicles during peak periods. Mr Carter has provided that assurance.

The report also includes additional car parks and temporary parking options as well as the other two key car parks of Grange Road and Pa Road and shuttle services. A key aspect to the Great Walks programme is to discuss the implications of the traffic assessment with the communities identified; this is likely to be undertaken during September and October.

Funding Implications

Lotteries funding does not include the construction of the Lees Rd car park but does include track construction from the car park to Cathedral Cove track.

Hahei Stakeholders

The Hahei Stakeholders Group is fully operational and focussed on TCDC, DOC and the Walks project staff addressing the issues and impacts around peak visitor numbers. The Group's main concerns centre on peak visitor growth that is at capacity for the community now. With the Walks project likely to attract between 17,000 and 35,000 visitors annually to the area within the next three to five years, management of this growth needs to be addressed with additional parking, efficient shuttle services and tighter management of associated bylaws. Consultation is ongoing with the Stakeholders Group, private land owners and Lees Road residents.

Representatives from the Hahei Stakeholders Group and Coastal Walkways attended the Governance Group meeting on 27 August. A number of issues and concerns were discussed and many resolved. Both the Stakeholders Group and Coastal Walkways will be attending Governance Group meetings from now on, as will other key stakeholders as the project develops.

Funding/Delegations

The Coromandel Great Walks project for the 2015/2016/2017 financial years currently has four funding streams totalling \$3.77million, three within TCDC's LTP, one external being Lotteries (Trust Waikato funding to be announced).

TCDC:	\$175,000 per annum (\$525,000) operational. Consultancy, Project Manager expenses, design, consents, legal.
TCDC:	\$1.25 million capital - Walks Capital Council contribution
TCDC:	\$1 million - capital Lees road seal extension/Lees Road car park construction
Lotteries:	\$1 million capital - Walks capital/operational

Lotteries advanced \$500,000 on 6 July 2015 and subject to approved reports will advance the remaining \$500,000 on 15 July 2016.

Expenditure of external funds will occur before Council funding is sought, however it is probable that a request to Council to release some of the \$1.25 million will be made in October/ November 2015 pending construction progress.

Lees Road car park

A budget of \$1 million was set aside in the 2015- 2025 LTP to extend the seal of Lees Road and construct the car park. Developments since the budget was signed off indicate this figure may be insufficient to complete works, scheduled for 2016/2017.

A full re-assessment of the project and Project Identification Document is currently being undertaken and a report will be prepared for Council in November 2015.

Delegations

Operational and capital expenditure is managed by Project Executive Garry Towler. The Governance Directors approve/decline staged project expenditure.

This process is in line with the Prince2 project management model and provides for staged approval of funds to the project, effectively a gatekeeping activity to ensure sound accountability.

The Project Executive Garry Towler has TCDC approved financial delegation to \$300,000 and delegation from Lotteries and Trust Waikato. If an expenditure request exceeds the delegation the Chief Executive will approve/decline.

Coromandel Great Walks Trust/legal entity

Work has begun on establishing a trust/legal entity to provide governance and management of the 'Walks' project, possibly for the next ten years.

The trust/legal entity will manage commercial activities such as car parks and certain concessions, maintenance, fundraising and future direction. Legal advice is currently being sought as to the most appropriate structure. It is envisaged that once established the trust/legal entity will 'quietly' build its capacity over a two year period to ensure it is sound and fully functional. In the interim TCDC will take responsibility for the project.

An updated report on the Coromandel Great Walks project will be presented at the November Council meeting.

5 Suggested Resolution(s)

That the Economic Development Committee receives the 'Coromandel Great Walks update' report dated 11 September 2015.