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### Three Council Projects

Good morning Mr Mayor, Councillors and ladies and gentlemen,

This morning I would like to ask the Mayor and Councillors about the financial aspects of three Greytown based projects approved by the last Mayor and Council.

Firstly, let me say I am not against these community projects per se, in fact the bridge is a great asset. My questions are about the financial aspects and management of these projects.

The first is the ratepayers contribution of \$1 million to the proposed Kuranui School Hall on the basis that it will be shared by the community when completed. It's my understanding that money has been paid and the ratepayers are now paying back a 10 year loan at \$100,000 per annum plus annual interest.

What are the terms of the agreement Council has in place for this project? In particular, who currently holds the \$1 million, on what terms is it held, has any of it been spent and why has the project not commenced?

It is important to ensure that Council has some oversight and control over how the money is spent. Who within Council is responsible for checking that the proposed hall is designed and built in a way that meets ratepayer needs, as well as those of the school? What processes are in place to ensure the money is disbursed and properly applied in line with ratepayer interests?

Further, given construction of the hall has not commenced, why did the Council borrow the money when it did? Every day that goes by without commencement is another day of interest cost the Council did not have to bear. Given the current state of the economy it is also worth noting that inflation is currently eroding the value of that \$1 million. Is there a fixed price contract in place with the contractor or does Council now face the uncertain prospect of what its \$1 million will actually buy?

Also, why was all the money borrowed upfront? Given it is for a construction project it would be usual for the money to be borrowed in tranches that match construction progress, as well as the equivalent spending of government. Alternatively, if money has been spent, then what has it been spent on and has it been spent on the basis the project is going ahead on a certain timeframe, or is the project still uncertain?

The other project of interest is the Greytown wheels park. My understanding is that another \$1 million has been granted to a wheels park committee to get construction plans produced and to start construction with a further \$2 million to be found within the community.

What are the terms of the agreement Council has in place for this project? Who is on the wheels park committee and what financial control if any does this committee have over the project and ratepayers contribution? Are Council employees involved in the financial management, tendering of works and overseeing construction?

Has the balance \$2 million been secured and if not, why has ratepayer's money been committed upfront? Has any of the money been spent? If the additional \$2 million is not secured then what happens to the money already committed, or even spent, by Council?

The last project I would like information on please is the five trails Featherston to Greytown project. My understanding is that the Government is funding most of this project, and that the ratepayers will fund any extra money required. Is that correct and if so, what are the terms of the agreement Council has in place for this project? Is there a cap on the extra money Council may have to fund? What oversight and control does Council have over the project and what happens if the project goes over budget?

From memory, the project included the bridge over the Tauherenikau River, off and on ramps, toilet block, car parking and lime trails adjacent to Underhill Road. Has the construction contract been signed and is it on a fixed price basis?

Finally, for all of the above projects, who has the authority to disburse the Council money from the relevant bank accounts and what is the audit office's opinion of all of these projects and their financial terms and controls?