
CLYDE QUAY BOAT HARBOUR REDEVELOPMENT

1. Purpose of report

Council agreed in June 2012 as part of the 2012-2022 Long Term Plan deliberations that officers would report back to the Strategy and Policy Committee following further review of the Clyde Quay Boat Harbour Restoration Master Plan for consideration in the 2013/14 Draft Annual Plan.

2. Executive summary

Since June 2012, a significant amount of work has been conducted in regards to the Clyde Quay Boat Harbour Master Plan and business case. This work has involved officers working closely with the Royal Port Nicholson Yacht Club (RPNYC) and the undertaking of an independent review.

In October 2012 Wardale Marine Industry Consulting was engaged by officers to complete an independent review of the Clyde Quay Boat Harbour Master Plan business case. A draft report was received from Wardale Marine Industry Consulting (refer to "Appendix 7") in December 2012. The report identified a number of risks with the project and recommended that alternative boat harbour layouts and designs be considered to improve the marina upgrade business case.

However, the Wardale report acknowledged that the Clyde Quay Boat Harbour has the potential to be a world class facility. Most marina facilities in the Wellington are at or are close to full occupancy and demand for marina berths is expected to continue to grow. The report supported the vast majority of the proposed land based improvements as positive enhancements and focused most of its recommendations on the marina upgrade.

In order to mitigate the risks outlined in the Wardale report it is recommended that the following feasibility/investigative works are completed at Clyde Quay Boat Harbour before further Master Plan design work is undertaken:

- A wave study
- A geotechnical study (including silt and contamination testing)
- A seabed survey

This work was identified by officers and RPNYC officials in the original budgets to be completed during the investigation, design and consent phase. However, as a result of the Wardale report officers now view the risks as significant enough that this work should be done first to quantify the risks before settling on a design and committing to the project. The cost of these feasibility/investigative works is estimated to be \$205,000

3. Recommendations

- 1. Receive the information.*
- 2. Agree that no funding is allocated for the upgrade of the Clyde Quay Boat Harbour in the 2013/2014 Draft Annual Plan due to financial constraints, the risks associated with the marina upgrade business case and higher priority for other capex renewals and upgrades in the 2012-2022 Long Term Plan.*
- 3. Agree that feasibility funding for a wave study, geotechnical investigations and an assessment of the harbour floor for the proposed Clyde Quay Marina Upgrade is reconsidered during the 2014/2015 Draft Annual Plan deliberations.*

4. Background

4.1 Ownership and Status

Clyde Quay Boat Harbour has been a water based recreation hub since 1905. Under the District Plan it is a heritage area with multiple listed heritage buildings and structures such as the boat sheds, break waters and slipway.

The Clyde Quay Boat Harbour is made up of 50 boatsheds and a total of 72 fore and aft moorings which are protected by two concrete sea walls (break-waters). There has been very little change to the way vessels have been moored within the boat harbour over the last century.

The RPNYC owns the clubhouse and the Sailing Academy buildings. Two buildings adjacent to the Sailing Academy (the Coene buildings) are owned by Council and leased to the RPNYC. In addition the club leases three of the boatsheds from the Council.

The RPNYC has installed a number of floating finger jetties outside the Sailing Academy and completed an extension to a decked area outside their clubhouse.

Officers have been working closely with the Royal Port Nicholson Yacht Club (RPNYC) since 2006 in regards to the proposed redevelopment of the Clyde Quay Boat Harbour. This work has involved a significant level of analysis, financial modelling, design, and consultation by officers and the RPNYC. A number of reports have also been presented to Council for consideration (as outlined in section 4.2).

4.2 Project Chronology

- **2006:** Memorandum of Understanding signed between Mayor Prendergast and the RPNYC.
- **September 2009:** RPNYC produces a draft Master Plan and seeks funding from Council to fund feasibility and design.

- **2010/11 Annual Plan:** No funding approved in Annual Plan but Council requests that RPNYC work with officers to undertake further work to develop design brief scope and report back.
- **Mid 2010:** Joint working party established to prepare a design brief scope that could be used as basis for public consultation. Work identified significant heritage issues
- **November 2010 – February 2011:** Consultation on design undertaken (managed by RPNYC). Feedback generally supportive but concerns about effects of development on heritage values, loss of harbour views, increased cost of mooring and possible conflict between increased public use and marina operations.
- **3 March 2011:** Report presented to Strategy & Policy Committee reporting back on the development of design and recommending new initiative prepared for 2012-2022 Long Term Plan.
- **16 February 2012:** Report presented to Strategy & Policy Committee seeking inclusion of funding for design and construction of public access elements of the project in the 2012-2022 Long Term Plan.
- **June 2012:** Funding of \$208k allocated in 2012/13 for minor improvements to access ways, lighting and other minor works. No other funding was allocated in LTP and the project was rated category “c” (not recommended for funding). Resolution passed by Council for officers to undertake further analysis and to report back to Strategy and Policy Committee in December 2012.
- **October 2012:** Wardale Marine Industry Consulting engaged to undertake review of the Clyde Quay Boat Harbour Master Plan and business case. Officers and RPNYC undertake further financial analysis of marina upgrade business case.
- **December 2012:** Draft report received from Wardale Marine Industry Consulting. Report identifies risks and recommends that design changes are considered regarding the boat harbour layout.

5. Discussion

5.1 Clyde Quay Boat Harbour Master Plan

There are 6 main elements to the Clyde Quay Boat Harbour Master Plan:

- Improve public amenity, accessibility and heritage in and around the boat harbour and yacht club
- Provide an improved and upgraded marina
- Provide an events and social venue at the harbour’s edge
- Development of a new Ocean Water Sports Centre building
- Development of a “Powered by the Wind” education centre
- Transfer of the management of the Clyde Quay Boat Harbour to the RPNYC

The project would see the functionality of the boat harbour improved for yachting and other ocean sports. The public space and amenity improvements in the Master Plan would enhance ability to host events on Wellington Harbour.

It is considered that the proposed works would improve access by the community to this section of the waterfront.

5.1.1 Public Space, Access and Amenity

Access by the public to Clyde Quay Boat Harbour is presently limited. The Master Plan incorporates a number of features designed to improve public access:

- Public plazas in the centre of the harbour and its north-eastern edge
- A western park integrating the harbour into the Wellington Waterfront
- Enhanced entrance ways on the western and eastern edges to draw people into the Harbour
- Widened concrete promenade connecting western edge to central public plaza
- Connections to the boat harbour via improved entrance steps off Oriental Parade
- A promenade connecting the central plaza to Oriental Bay beach
- Restoration of heritage elements including heritage interpretation areas and a cluster of heritage yachts

The public space and amenity improvements would improve and increase the ability for Wellingtonians to participate in and engage with events held in Wellington Harbour. A central plaza and bay is proposed which could be used as the focal point or starting point for many ocean sports events into the future.

The financial model for the public access amenities assumes these works are funded by Council. The capital cost of public access amenities is estimated to be \$2.794M. The net operational cost of the public access amenities is estimated to be \$2.029M over 10 years.

The financial modeling proposes that the public access amenities would be funded by Council.

It is noted that funding was proposed in the 2012-2022 Draft Long Term Plan and that the project was rated category “c” (not recommended for funding).

5.1.2 Marina Upgrade

The capacity of the boat harbour would be increased by approximately 33%. This would be achieved by the following works being undertaken:

- Removal of mooring blocks from harbour floor
- Selective dredging to increase depth in key areas
- Installation of fore and aft mooring systems
- Installation of surge protection system
- Installation of walk on marina berths

The Wardale report recommended changes to the marina layout outlined in the 2011 Master Plan design (refer Appendix 4). The Wardale report view was that the marina layout limited future redevelopment - i.e. the space allocated to moorings in the existing marina layout should be used for walk on berths while the space adjacent to the breakwaters should be used for moorings

It is noted that the RPNYC has developed a new design since the Wardale report (refer Appendix 5) that incorporates ideas from this report. However, this new design has not been fully reviewed or consulted on and does not allow for critical information from the wave study, geotechnical survey and seabed survey as recommended in the Wardale report.

The financial model for the *marina upgrade* is based upon the Council's funding policy of 0% subsidy for marinas and makes provision for user fees to pay off borrowings and the interest on borrowings over the useful life of the marina facilities.

The capital cost of the *marina upgrade* portion of the project is estimated to be \$3.978M (conservative model) and \$2.478M (optimistic model) over 2 years. The net operational cost is estimated to be \$1.175M (conservative model) and 1364k (optimistic model) over 10 years.

5.1.3 Events

Since 2006 the Council and Club have worked successfully together to co-host stopovers for events such as the Volvo Ocean Race, the Vendee Globe Race, the Velux 5 Oceans Race and the Global Ocean Race.

The public space and amenity improvements in the Master Plan would enhance the Club's, the Council's and other ocean sports' ability to host and develop events on Wellington Harbour.

5.1.4 Wellington Ocean Sports Centre

A purpose built Wellington Ocean Water Sports Centre is proposed to be developed as part of the Clyde Quay Boat Harbour Master Plan. The RPNYC is proposing that this aspect of the Master Plan is considered as part of deliberations on the next Council Long Term Plan in 2015/2016.

The centre would include the following facilities:

1. Changing rooms including drying space for wet weather and safety clothing
2. Storage space for equipment such as kayaks, windsurfers, paddle boards, etc
3. Storage space for rescue and coaching craft
4. Enhanced access to the harbour for a range of ocean sports
5. Classrooms for the delivery of ocean sports courses

¹ Marina Upgrade– it is noted that the operating expenses are projected to break-even in year 7 of the "optimistic model"

6. Office space for administration of ocean sports

It is noted that the Council, the RPNYC and Sport New Zealand (funder) began a 3 year 'Active Communities' project to establish ocean sports programmes in and around the Clyde Quay precinct in 2011. The project is aimed at increasing the number of Wellingtonians actively participating in ocean sports and currently involves waka ama, windsurfing, kayaking, stand-up paddle boarding, dragon boating and sailing. Significant progress has been made already on this project. This programme currently uses existing buildings at Clyde Quay Boat Harbour.

The construction cost of the proposed Wellington Ocean Sports Centre was estimated at \$2,000,000 in 2012. It is proposed that 50% of this funding is sourced from Wellington City Council and 50% from community funding grants.

5.1.5 Powered by the Wind Education Centre

The Clyde Quay Boat Harbour Master Plan proposes that a "Powered by the Wind" Education Centre be established. The RPNYC is proposing that this aspect of the Master Plan considered as part of deliberations in the next Council Long Term Plan in 2015/2016.

The Powered by Wind Education Centre is intended to capitalise on Wellington's unique wind advantage and New Zealand's competitive edge in innovative design and use of high tech materials in the marine and renewable energy sectors.

Construction of the Powered by the Wind Education Centre was estimated to cost \$5,035,000 in 2012.

5.1.6 Transfer of the management of the Clyde Quay Boat Harbour

Clyde Quay Boat Harbour and Evans Bay Marina are presently managed by Council.

Operating the two marinas together provides economies of scale and efficiencies to achieve the Council Funding Policy.

A Memorandum of Understanding was signed between Council and the RPNYC in 2006 and provides a framework for discussions around the ongoing management of the Clyde Quay Boat Harbour by the RPNYC.

The RPNYC has proposed that a Trust be established to oversee the ongoing governance of the Clyde Quay Boat Harbour and Chaffers Marina.

The Wardale report concluded that a transfer of the management rights of the Clyde Quay Boat Harbour would be a more complex decision for the Council than the actual redevelopment of the boat harbour itself – and that the technical process of transferring the management rights as proposed would be relatively

complex and extended and may result in future complications. The report concluded that a transfer of management could have a negative effect on Evans Bay Marina.

5.2 Demand

The Wardale report identified that most marina facilities in the Wellington are at or are close to full occupancy and demand for marina berths is expected to continue to grow over the coming decades.

Recent research by Wardale Marine Industry Consulting in other parts of the country has identified a number of trends that will affect demand for space at marinas and should be used as a guide for any master planning of marina facilities:

- Mono-hull cruising yachts are progressively getting longer and beamier (wider).
- Racing yachts are progressively getting deeper
- Deeper keels are being retrofitted to some older models of racing yachts
- Multi-hull vessels are becoming more popular and will continue to do so. This is an international trend that is catching on in New Zealand.
- Major yachting competitions moving to multi-hulls. This in turn has significant impacts on berth configuration due to the event focus of the Clyde Quay Boat Harbour.

The Wardale report states the following:

- *“Clyde Quay would be an attractive facility with walk on marina berths, in a similar way as Chafers Marina has attracted over 160 new vessels to its facility since it was built in the early 1990’s.*
- *We do consider that there are alternative berth layouts for the boat harbour that could improve the boat harbour’s long term viability by incorporating more larger berths particularly if localised dredging can provide for some greater depths in certain areas should a seabed survey indicate the requirement.*
- *We consider that the two rows of fore and aft moorings do occupy the prime water space within the boat harbour. As these are the higher value space we consider that the better location for the smaller low value moorings are along the inside of the two seawalls. If the moorings were relocated to the inside the sea walls it would allow the prime water space to be reconfigured to provide for some attractively positioned marina berths in the central core of the harbour”.*

5.3 Project Risks

A full summary of the risks and the recommended mitigation measures identified by Wardale Marine Industry Consulting is outlined in “Appendix 3”.

The key concerns and risks identified in the Wardale report were:

- Wave effects and/or mitigation costs are underestimated
- Marina berth mix does not align with demand in the short and/or the long term
- A variety of Master Plan options have not been considered
- Marina berth rental rates used within the financial model are too aggressive
- Implementation of new management model may produce undesirable outcomes
- Public and/or marina user opposition to the proposal, including the significant proposed increase in fees / Resource Consents are declined

Other findings from the Wardale report were:

- It recommended that alternative boat harbour layouts and designs be explored. In particular, the review took the position that the retention and redevelopment of the fore and aft moorings (that have been in place within the boat harbour since its construction) carry too great a risk and limit the harbour's full potential in the medium to long term.
- That if the management of Clyde Quay boat harbour was transferred to another organisation that there could be a negative impact on Evans Bay Marina.
- That the transfer of management could be a complex and technical process.
- That the proposed marina fee increases were too aggressive and suggested that compounding licence fee increases across the first 10 years may need to be reconsidered given the risks associated with such large increases.
- That an alternative Master Plan with a new berth layout may assist in lowering the associated risks once feasibility/investigative works have been completed.
- Recommended a review of suitable contingencies given that the project was still at concept stage.

5.4 Consultation and Engagement

There have been high levels of consultation and engagement with the RPNYC and other stakeholders in respect to the 2011 Master Plan.

The RPNYC has briefed a wide range of stakeholders such as the New Zealand Historic Places Trust, Wellington Waterfront Watch and the Oriental Bay Residents Association. A large number of interest groups have expressed support for the project (refer to RPNYC 2013/14 Draft Annual Plan submission).

It is noted that the revised December 2012 Master Plan design has not been widely consulted on.

5.5 Financial considerations

Currently Council is within the new borrowings target set in the Financial Strategy for the first triennium. Unless offsetting savings are identified, this project would put the Council over its new borrowings target.

The capital cost of the *marina upgrade, public access amenities and initial Ocean Water Sports Centre Facilities* is estimated by officers to be \$7.357M (conservative) and \$5.856M (optimistic) over 3 years. The net operational cost over 10 years is estimated to be \$3.808M (conservative) and \$2.997M (optimistic)².

A purpose built *Wellington Ocean Water Sports Centre* (estimated to cost \$5,035,000 in 2012) and a *“Powered by the Wind” education centre* (estimated to cost \$5,035,000 in 2012) is also proposed to be developed as part of the project. This aspect of the Master Plan has been proposed by the club to be considered as part of deliberations in the next Council Long Term Plan in 2015/16 and is not included in the financial model.

The development of the public space elements would be funded through borrowings and the ongoing costs would be funded through rates.

The Marina upgrade would be funded by borrowings with operating costs, including paying down borrowings, being funded by users in line with Councils 100% user pays funding policy for the Marina activity. Financial modelling shows there would be an initial period, as the occupancy of the boat harbour grows and the fee increases are phased in, where the activity would not fully fund its costs and would require ratepayer support.

5.6 Climate change impacts and considerations

Rising sea levels have been considered in the concept design of the marina upgrade, public access amenities and other new facilities. However, a wave study would provide further detail in regards to the impact of rising sea levels.

No funding has been allocated to address the impact of rising seas levels on the boat sheds at Clyde Quay Boat Harbour. It is noted that when king tides coincide with low pressure weather systems that sea water enters the boat sheds.

5.7 Long Term Plan considerations

Funding of \$208k was allocated in year 1 of the 2012/2022 Long Term Plan for public access improvements (lighting and improvements to the steps) adjacent to the Clyde Quay Boat Harbour.

No other funding was allocated in the 2012/2022 Long Term Plan for the upgrading of the Clyde Quay Boat Harbour.

Details of the financial impacts by year are shown in Appendix 2.

² Includes \$208k that was allocated in 2012/13 of the LTP for public access improvements (lighting and improvements to the steps) adjacent to the Clyde Quay Boat Harbour.

6. Conclusion

The Wardale report has identified a number of risks with the marina upgrade business case component of the project. It is recommended that a wave study, geotechnical study and a seabed survey is undertaken before further Master Plan design work is undertaken or any other funding commitment is made to upgrading the Clyde Quay Boat Harbour.

It is noted that as part of the 2012-2022 LTP deliberations Councillors considered the public amenity, harbour accessibility works of the project and these were rated as “category c”. Unless offsetting savings are identified, any commitment to this project would put the Council over its new borrowings target.

Contact Officer: *Paul Andrews, Manager Parks, Sport & Recreation*
Glenn McGovern, Recreation Projects Manager

SUPPORTING INFORMATION

1) Strategic fit / Strategic outcome

The policy supports Council's overall vision of Wellington Towards 2040: Smart Capital - Clyde Quay Marina is identified as an important proposal in terms of "Maintaining Wellington as an inclusive place where talent wants to live".

2) LTP/Annual Plan reference and long term financial impact

If funding is approved this will lead to an increase in operational and capital expenditure. Currently Council is within the new borrowings target set in the Financial Strategy for the first triennium. Unless offsetting savings are identified, this project would put the Council over its new borrowings target.

3) Treaty of Waitangi considerations

The Port Nicholson Block Settlement Trust has been approached and is supportive of the proposal. The Trust supports the concept of a water sports hub but wishes to be involved with the planning and implementation of the proposal as Council sees fit. The Trust notes that it has Statutory Acknowledgement on the harbour.

4) Decision-making

The recommendation in this report does not constitute a significant decision.

5) Consultation

a) General consultation

The project has involved a wide level of consultation and engagement. Further consultation will be sought through the 2013/14 Draft Annual Plan process if funding is proposed by Council.

b) Consultation with Maori

The Port Nicholson Block Settlement Trust has been consulted with. Refer to comments in 3) above.

6) Legal implications

No legal advice has been sought in the preparation of this report.

7) Consistency with existing policy

This report is consistent with existing policy.

Appendix 1

Council Resolution 27 June 2012.

- (q) *Clyde Quay Boat Harbour*
- (i) *Agree to the proposed expenditure on public space works for Clyde Quay, as proposed in the draft 2012-22 Long-Term Plan*
 - (ii) *Instruct officers to prepare a report on the scope of a feasibility study for Clyde Quay Restoration Master Plan, and report back the Strategy and Policy Committee in December 2012. Note that this will include the management and marina upgrade business case, agreed by committee on 16 February 2012*
 - (iii) *Note that any costs associated with preparing the Clyde Quay feasibility study will be a matter for consideration in the 2013/14 Draft Annual Plan*
 - (iv) *Agree to section 6.1 Urban Planning, Heritage and Public Space Development (key projects and proposals) of the long-term plan being updated under Clyde Quay Marina with, “During 2012/13 we will consider the scope of a feasibility study for the Clyde Quay Restoration Plan, including the management and marina upgrade business case. Council has been working in partnership with the Royal Port Nicholson Yacht Club on the development of a long term master plan for Clyde Quay. The master plan aims to:*
 - *improved public amenity, accessibility, and heritage celebration*
 - *an events and social venue at the harbour's edge*
 - *an upgraded marina*
 - *a new Ocean Water Sports and "Powered by the Wind": Education centres*

Appendix 2

Financial Impact - Clyde Quay Boat Harbour Masterplan (Conservative Model)

Project Component	Operating expenses \$000										
	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	10 Year Total
<i>Public Access and Amenity</i>											
<i>Operating costs</i>	0.0	0.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	80.0
<i>Depreciation/Interest costs</i>	6.2	19.8	97.4	260.8	260.8	260.8	260.8	260.8	260.8	260.8	1,949.0
<i>Surplus/(Deficit)</i>	(6.2)	(19.8)	(107.4)	(270.8)	(270.8)	(270.8)	(270.8)	(270.8)	(270.8)	(270.8)	(2,029.0)
<i>Initial Ocean Water Sports Centre Facilities</i>											
<i>Depreciation/Interest costs</i>	0.0	0.0	17.5	54.5	54.5	54.5	54.5	54.5	54.5	54.5	399.1
<i>Marina Upgrade</i>											
<i>Income</i>	155.3	163.8	240.9	297.8	377.1	397.1	418.0	439.8	462.6	486.3	3,438.6
<i>Operating costs</i>	85.7	151.6	155.8	198.2	204.4	210.4	216.7	223.2	230.4	237.8	1,914.1
<i>Depreciation/Interest costs</i>	67.6	81.1	168.7	324.0	324.4	324.4	347.3	346.6	345.4	370.1	2,699.8
<i>Surplus/(Deficit)</i>	1.9	(69.0)	(83.7)	(224.4)	(151.8)	(137.7)	(146.0)	(130.0)	(113.2)	(121.6)	(1,175.4)
<i>Marina Upgrade Feasibility & Surveying Work</i>											
<i>Opex project costs</i>	0.0	205.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	205.0
<i>Total operating costs</i>	4.3	293.7	208.6	549.7	477.1	463.0	471.3	455.3	438.6	446.9	3,808.4

APPENDIX 2

This report is officer advice only. Refer to minutes of the meeting for decision.

Project Component	Capital expenses (Conservative Model)										
	\$000										
	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	10 Year Total
<i>Public Access and Amenity</i>	208.0	243.1	2,343.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,794.3
<i>Initial Ocean Water Sports Centre Facilities</i>	0.0	0.0	584.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	584.0
<i>Marina Upgrade</i>	0.0	149.5	3,828.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,978.2
Total	208.0	392.5	6,756.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7,356.5

APPENDIX 2

This report is officer advice only. Refer to minutes of the meeting for decision.

Financial Impact - Clyde Quay Boat Harbour Masterplan (Optimistic Model)

Project Component	Operating expenses \$000										
	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	10 Year Total
<i>Public Access and Amenity</i>											
<i>Operating costs</i>	0.0	0.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	80.0
<i>Depreciation/Interest costs</i>	6.2	19.8	97.4	260.8	260.8	260.8	260.8	260.8	260.8	260.8	1,949.0
<i>Surplus/(Deficit)</i>	(6.2)	(19.8)	(107.4)	(270.8)	(270.8)	(270.8)	(270.8)	(270.8)	(270.8)	(270.8)	(2,029.0)
<i>Initial Ocean Water Sports Centre Facilities</i>											
<i>Depreciation/Interest costs</i>	0.0	0.0	17.5	54.5	54.5	54.5	54.5	54.5	54.5	54.5	399.1
<i>Marina Upgrade</i>											
<i>Income</i>	155.3	163.8	240.9	297.8	394.0	432.0	463.0	497.3	512.2	527.6	3,683.8
<i>Operating costs</i>	85.7	151.6	155.8	198.2	204.4	210.4	216.7	223.2	230.4	237.8	1,914.1
<i>Depreciation/Interest costs</i>	67.6	81.4	153.8	253.8	253.4	252.1	267.5	264.7	261.6	277.9	2,133.9
<i>Surplus/(Deficit)</i>	1.9	(69.2)	(68.7)	(154.2)	(63.8)	(30.5)	(21.2)	9.4	20.2	11.8	(364.2)
<i>Marina Upgrade Feasibility & Surveying Work</i>											
<i>Opex project costs</i>	0.0	205.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	205.0
<i>Total operating costs</i>	4.3	294.0	193.6	479.5	389.2	355.8	346.5	315.9	305.1	313.5	2,997.3

Project Component	Capital expenses (Optimistic Model)										
	\$000										
	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	10 Year Total
<i>Public Access and Amenity</i>	208.0	243.1	2,343.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,794.3
<i>Initial Ocean Water Sports Centre Facilities</i>	0.0	0.0	584.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	584.0
<i>Marina Upgrade</i>	0.0	149.5	2,328.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,478.1
Total	208.0	392.5	5,255.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,856.4

Appendix 3

Risks Identified by Wardale Marine Industry Consulting

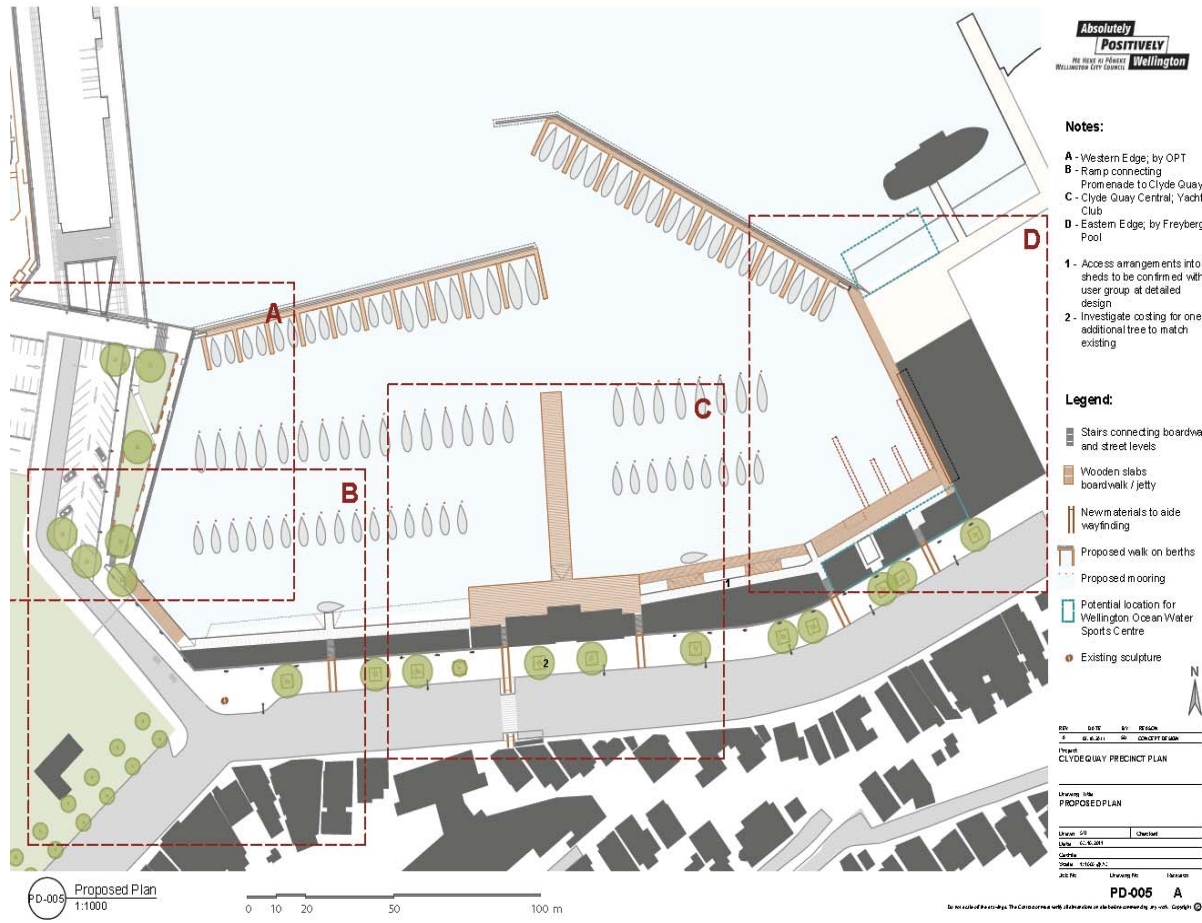
Risk	Severity	Impact	Mitigation Measure	Details
Wave Mitigation Costs are underestimated	High	Financial	Complete a comprehensive wave study. Review mitigation costs, review budget	Risk results from reduction in mitigation budget
Wave Study Identifies long period waves entering the harbour	High	Financial & Asset	Reconfigure the boat harbour	The reconfiguration would remove the marina berths along the eastern sea wall
Marina berth mix does not align with demand	High	Financial	Complete a detailed Masterplan design of the entire boat harbour without limitations	Risk results from the current assumption of the retention of fore and aft moorings
Geotech study identifies hardened seafloor materials requiring piles be drilled	Medium	Financial	Increase contingency until geotech report is received	Risk is unknown until more is understood regarding the makeup of the seabed
Geotech study identifies contaminants that require mitigation	Medium	Financial & Regulatory	Increase contingency	Could greatly increase disposal costs and could be resource consent issue
Future Sea level rise	Medium	Financial & Asset	Consideration given during design solutions phase.	Boat sheds and new promenades and walkways could be vulnerable.
Masterplan Layout of boat harbour limits future redevelopment	High	Financial	Complete a detailed Masterplan design which considers staged future redevelopment	Risks results from marina berths being installed in the wrong location
Marina Layout is non compliant	High	Compliance	Use appropriate master planning techniques to guarantee eve with a staged redevelopment berths are all compliant	Standards are helpful to gauge user acceptance based upon comparable alternative facilities.
Marina Berth rentals are too high	High	Financial (Occupancy)	Reduce rental rates within the model & consider a longer period for the introduction of the new rates	Risk results from unknown acceptance of the new rates
Marina Berth rental increases are too aggressive	High	Occupancy/Financial	Review the rental rates & reconsider the compounding 3% inflation rate	Risk could result in Clyde Quay boat harbour having the highest rental rates in the region
Marina berth rental fees are unacceptable to the existing customers	High	Financial	Review rental rates, consider phasing for existing customers	
Fore and Aft moorings are no longer in demand	High	Occupancy/Financial	Review the long term viability of such dated methods of mooring craft in prime water spaces	Risk is accentuated due to the aggressive rental fee increases
Insufficient dredging for future demands	High	Occupancy	Review draft requirements and incorporate additional defined dredging within Masterplan	Localised dredging for events could solve the dredging impacting upon occupancy and sailing events

Resource Consent fees increase Resource Consent Issues – Traffic/Parking Adjustments to buildings	High High	Financial Project	Recast budget to include increase in RC fees Consider additional RC professional fees to provide experts from multiple disciplines	
Resource Consents are declined	Medium	Project	Stakeholder & public consultation.	
Implementation of new management model produces undesirable outcomes	High	Financial & Asset	Completion of full risk analysis regarding alternative models	Political importance of getting the decision right.
Subcontracting the management	High	Operation/Financial	Complete a further detailed analysis of risks associated with the alternatives if the RPNYC is accepting of a day to day management role	Include items from Table 10, including, short term planning, self interested parties, Council objectives not being met. These risks need likelihood assessments
Conflict of Interest Issues with RPNYC and Chaffers Marina Directors	High	Project	As part of any management agreement any conflicts of interest will need to be carefully considered.	
Consolidation of Councils including Hutt City Council adjusting marketplace	High	Project	Look for benefits should there be changes with the makeup of the various councils.	

APPENDIX 3

Appendix 4

Master Plan Design (2011)



APPENDIX 4

Appendix 5

Updated Marina Design (December 2012) – note: not yet fully consulted/reviewed



APPENDIX 5

This report is officer advice only. Refer to minutes of the meeting for decision.

Appendix 6 – Updated Marina Design with Funding Streams



APPENDIX 6

This report is officer advice only. Refer to minutes of the meeting for decision.