

COUNCIL
8 OCTOBER 2013

REF: COU131008

Item: 8 - Frankton Marina Development Update

Purpose – Decision Making

- 1 To provide an update on the Frankton Marina development and recommend the continuation of the Frankton Working Party under an updated purpose.

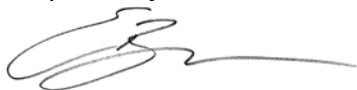
Executive Summary

- 2 Several issues were raised by Council at the 18 December 2012 meeting regarding the detail of supporting information, design, and engineering of the breakwater and anchoring system in Lakes Marina Projects Ltd (LMPL) Expression of Interest proposal. The Frankton Marina Working Party has been working with LMPL to resolve the outstanding issues and finalise the signing of the Development Agreement.
- 3 The Working Party fulfilled the original purpose of the group but the brief was extended to include all aspects of the project through to the issuing of the resource consents. The upcoming Council elections and the stepping down from office of the current Working Party Chair (Councillor John Mann) have necessitated the early review of the Working Party. Notwithstanding this, all Council committees, subcommittees and working parties are dissolved at the end of the Council term and the appointment of the Chairman and members of a Frankton Marina Working Party will therefore become the responsibility of the incoming Council.
- 4 At a recent Working Party meeting (5 September 2013) LMPL presented a Frankton Marina Design Report that clarified their progress to date and presented further supporting information on the design, engineering assessments, and programme for delivery. This will allow Council to move forward in negotiation of the Development Agreement with LMPL.
- 5 The report body contains a brief update on marina development.

Recommendation

1. ***That the Frankton Marina Working Party be extended until the completion of the marina development under the following revised purpose:***
 - a. ***To provide oversight, management of risks, and ensure the community's interests are appropriately managed during the development of the Frankton Marina.***
2. ***That (name of Councillor) be appointed as the Chair of the Frankton Marina Working Party with Council membership to include (name of one or two Councillors) and delegates the naming of two or three community representatives to these Councillors (or insert names confirmed at meeting).***
3. ***That the updated Frankton Marina Working Party Brief be approved.***

Prepared by



Erik Barnes
GM Infrastructure & Assets

Reviewed and Authorised by:



Adam Feeley
Chief Executive

Issue

- 6 Council approved the appointment of Lakes Marina Projects Ltd (LMPL) as the "preferred developer" at the meeting on 18 December 2012. This approval was subject to the completion of the Development Agreement between LMPL and Council.
- 7 The Frankton Marina Working Party was established by Council at the 8 November 2012 meeting with the purpose of:
 - a Seeking marina development proposals for the Frankton Marina reserve through a publicly advertised Expressions of Interest and a Request for Proposal process; and
 - b Recommending to Council the appointment of a suitable development company to undertake a marina development at the Frankton Marina reserve.
- 8 The Working Party fulfilled the original purpose of the group but the brief was extended to include all aspects of the project through to the issuing of resource consents. Council also indicated that a further review of the functions of the Working Party be undertaken at that time.
- 9 The upcoming Council elections and the stepping down from office of the current Working Party Chair (Cnr John Mann) have necessitated the early review of the Working Party.
- 10 Several issues were raised by Council at the 18 December 2012 meeting regarding the detail of supporting information, design, and engineering of the breakwater and anchoring system in LMPL's Expression of Interest proposal. The Frankton Marina Working Party has been working with LMPL to resolve the outstanding issues and finalise the signing of the Development Agreement.
- 11 Progress has been slow over the past year in regards to LMPL's provision of design information, updated supporting information, and a programme for the development. To date the Development Agreement has not been signed by either party. A key missing component for the agreement to progress was the development programme. Council and LMPL have been working together to gain the necessary supporting information and confidence to finalise the Development Agreement.
- 12 At a recent Working Party meeting (5 September 2013) LMPL presented a Frankton Marina Design Report that clarified their progress to date and presented further supporting information on the design, engineering assessments, and programme for delivery. This will allow Council to move forward in negotiation of the Development Agreement with LMPL.

Options

- 13 Council may consider two options for the Frankton Marina Working Party:
 - a Approval of the updated Working Party purpose, objectives, and membership.
 - b Do nothing and wait until after Council elections.

Assessment

- 14 The Frankton Marina Working Party brief and original purpose has been completed as originally drafted. The Working Party brief was extended to include all aspects of the project through to the issuing of the resource consents though the purpose and objectives were not updated.
- 15 A review of the Working Party brief was conducted to update the purpose and objectives to allow for the successful completion of the marina project.
- 16 The original brief was focused on finding a "preferred developer." The new purpose is drafted to provide the working party with a focus on the project's oversight, management of risk and ensuring the community's/Council's interests are appropriately managed (see Attachment A).
- 17 The revised purpose of the working party is:
 - a To provide oversight, management of risks, and ensure the community's interests are appropriately managed during the development of the Frankton Marina.
- 18 The newly defined objectives are:
 - a To consult with existing and potential user groups, stakeholders and the wider community and to help inform the community and Council.
 - b To ensure Council's interests and risks are appropriately managed.
 - c To ensure that LMPL can deliver their proposed development within a reasonable timeframe according to the agreed programme.
 - d To ensure that the proposed development is appropriately designed for the geotechnical, wind, wave and other marine conditions that exist at the site.
 - e To ensure that the proposed development meets the Development Brief and is the best long term outcome for the Frankton Marina reserve balancing between all of the competing interests and uses.

Discussion

- 19 Council has twice sought Expressions of Interest from potential developers to undertake a marina development based on the Frankton Marina Local Purpose Reserve. Council does not wish to be the developer of a marina but wants to facilitate a marina development.
- 20 The first attempt initially made good progress but unfortunately key deadlines were not met and the Development Agreement with Queenstown Marina Developments Ltd of Christchurch was terminated (5 August 2011 Council meeting decision). A second Expression of Interest was advertised last year and a new working party was established. This is chaired by Cnr John Mann, with two other elected members (Cnr Trevor Tattersfield and Mel Gazzard) and three community members (Steven Kirk, Mike Coburn, and Duncan Field).
- 21 LMPLs intention is to construct a marina which will be attractive, efficient in its functions, fully compatible with the natural and built environments and provide secure mooring for 200 boats of varying size and type together with facilities to support the requirements of the boating public and, where appropriate, tourists

who patronize activities based in the marina complex. LMPL are proposing to construct the marina in two stages where stage one will comprise the larger extent of the breakwater, approximately 85 berths, and shore based car parking (161 car parks) and landscaping. The marina consists of a basin sheltered from prevailing winds by a floating breakwater on its southern and western sides.

- 22 At a recent Working Party meeting LMPL presented a project update and design report showing the progress that has been made to date as well as outlining their next steps.
- 23 LMPL has brought on board 'emtech - Engineering & Marine Consultants' to peer review the engineering requirements for the marina, develop the design detail for the resource consent process, and progress further detailed design work.
- 24 The engineering firm emtech has been involved in previous engineering design work on the Frankton Marina for Council. They have been involved in the geotechnical, bathymetry, and anchor testing and bring a sound level of experience and expertise to LMPLs project.
- 25 The a brief update based on the design report from LMPL has indicated:
 - a Due to the wave and lake bed conditions, the only practical means of reducing wave energy is to provide a floating wave attenuator. The wave attenuator will be comprised of large floating concrete pontoons. LMPL are in discussions with Bellingham Marine NZ Ltd to provide the design for the attenuator and anchor systems.
 - b LMPL conducted a series of engineering assessments on the type of anchoring system (i.e. piling and screw anchors). A final review by emtech has confirmed that the deep water and weak bed materials rule out the use of piles for securing the floating structures except for the narrow margin of shallow water close to the shore. The only practical option, identified by emtech, is to use screw type anchors. Tests undertaken by OCEL Consultants Ltd, in 2007 demonstrated the ability of screw anchors to provide adequate resistance on the Frankton Marina site. LMPL have confirmed that a system of screw anchors will be used to moor the floating breakwater and the marina berthing structures. Detailed design of the breakwater and anchor system will be finalised after the consent process and any potential conditions are known.
 - c In general the breakwater will be constructed with large concrete pontoons coupled together with flexible connections. The pontoons will be held in place with screw anchors using steel chain wraps incorporating Sealfex elastic elements to dampen shock loading and maintain tension over the range of lake levels.
 - d The only proposed shore side developments (for Stage one) directly associated with the marina are:
 - i Filling of the existing boat basin including the diversion and extension of the bed of Marina Creek with a culvert.
 - ii Construction of an esplanade wall to retain the lake edge and form a functional shore line protected from erosion, provision of drainage and construction of vehicle parking, pedestrian walkways and lighting.
 - iii Landscaping

- iv Construction of a public/private toilet block, administration and storage buildings in the car park area.
 - v Installation of bulk fuel storage tanks.
 - e It is proposed to provide for floating buildings for offices, shops, and marina support services to be located between the esplanade and the main walkway connecting the finger docks. The buildings will be low profile and allow for minimal visual impact. Fourteen pontoon buildings are planned for Stage one, with a further six for Stage two. The uses include communal marina facilities, meeting rooms or club rooms, light commercial activities (i.e. café or kiosk), professional offices and other marine related activities and businesses.
 - f Operations and Maintenance
 - i The marina will be designed to be as automated as possible requiring minimal operational input on a day to day basis.
 - ii A maintenance programme will be initiated in which a detailed inspection will be carried out of all structures and anchoring systems six months after completion. A routine programme will then commence with monthly inspection intervals of all above water components. All underwater anchoring and tensioning units will be inspected on an annual basis (commencing after the first six month check), or following any major storm or mishap.
 - g Landscape plan and public space
 - i The detailed landscape treatment of the onshore area of the project is being worked on at present. It is proposed that it will include identification of recreational areas, public spaces, public/private toilets, cycleway and footpaths and general landscape treatments.
 - ii With respect to the Queenstown Trail, Frankton Arm section, it is proposed to include a wide formed pathway between the northern edge of the proposed car park and the sealed formation of Sugar Lane.
 - iii The inshore end of the breakwater will be open to access by the public. Access to the breakwater beyond the fuel/pump-out facilities will be controlled by a barrier and be opened to the public in calm conditions. The main stem (parallel to the shore) of the marina will be open to the public at all times except in storm conditions. Access to the finger piers will be controlled by a swipe card or key pad system to exclude non-berth holders during hours of darkness and storm events.
 - h Marina fuel and services
 - i LMPL have identified that the provision of sewage pump-out and disposal, fuelling, and potable water are essential services for a marina. The potential for larger diesel powered boats will require the marina to supply diesel and multiple grades of fuel. The fuelling facility will be required to have the appropriate modern certifications to ensure the highest level of site safety and environmental protection.
- 26 LMPL have indicated that the bulk of the resource consent application has been drafted. They are awaiting final reports from traffic engineers, acoustic consultants, survey design, engineering design, visual assessment and landscape design before the application can be finalised and lodged. LMPL anticipate lodging the consent within the next four to six weeks.

- 27 With the renewed progress from LMPL Council is progressing the signing of the Development Agreement with LMPL (as agreed by Council). The agreement will include clearly defined terms and timelines to progress the marina development.
- 28 The Development Agreement is conditional on completion of defined deliverables by key dates after the agreement is signed. These dates will be mutually agreed and provide Council with an indication of the time frame for the development of the marina.
- a Applying for and holding an operative Resource Consent.
 - b Obtaining the LINZ Lease of the Lake Bed Area.
 - c Obtaining a signed Reserve Lease from Council.
 - d Identified timeframe for the start and completion of construction.
 - e Progress on the Development Programme as defined in Schedule C in the Development Agreement.
- 29 Negotiations of the Reserve Lease terms will occur once the agreement is signed between the parties. Council's Development Brief clearly outlined that the preferred status would not bind Council to proceed into entering into a Reserves Lease.
- a Development Brief statement:
 - i The appointment of the preferred development company by Council will not bind Council to necessarily proceed to the stage of entering into the Reserves Lease. There will be no binding commitment from Council until both the Development Agreement and Reserves Deed of Lease are made unconditional to the satisfaction of Council.

Local Government Act 2002 Purpose

- 30 The purpose of local government is to meet the current and future needs of communities for good quality local infrastructure. This matter is within the scope of the purpose of local government as defined in section 10 of the Local government Act 2002.

Significance of Decision

- 31 The Council's policy on significance requires consideration of three criteria in determining significance:
- a Whether the issue affects a large number of residents and ratepayers to a moderate extent.
 - b Whether the issue affects a small number of residents and ratepayers to a large extent.
 - c Whether the issue has a history of generating wide public interest within the district or region.
- 32 The issues in this report are not considered significant in regards to Council's policy.

Consultation - Interested or Affected Persons

- 33 No public consultation has taken place ahead of the drafting of this report.
- 34 LMPL have conducted on-going consultation with affected parties and stakeholders in the development of their design and will continue to engage with these parties as the development progresses.

Relevant Council Policies and Plans

- 35 The following policy documents have been considered in the preparation of this report:
- a The 2012-2022 Long Term Plan (LTP)
 - b The Council's "policy on significance"
 - c The District Plan - identifies the area for the proposed development as Frankton Marina Local Purpose Reserve (designation No 165)

Delegations

- 36 The Council has the necessary delegations to make the decision sought by this report.

Risk Management

- 37 The Working Party has been developed to help Council manage the risks with the Frankton Marina development and provide advice to Council in mitigating any potential risks.

Attachments

- A Frankton Marina Working Party Membership and Brief
- B Proposed Marina Plan and Sketch Views

FRANKTON MARINA WORKING PARTY MEMBERSHIP and BRIEF

WORKING PARTY BRIEF

Purpose

1. To provide oversight, management of risks, and ensure the communities interests are appropriately managed for the development of the Frankton Marina.

Working Party Membership:

- Council Representatives (2 or 3), to be appointed by Council
 - Councillors - TBD
- Community Representatives (2 or 3), to be appointed by the Councillor Steering Group members.
 - TBD

The criteria to be used to propose the membership of the Steering Group are:

- a) Appointing a chairperson from the Council representatives who is capable of drawing together the other participants;
- b) Utilising strong individuals with wide connections within the community relevant to marine activity;
- c) Focusing on skills in consultation and communication;
- d) Giving emphasis to analytical thinking and not appointing any individual who may advocate for one interest only.

Project Team

Erik Barnes, GM Infrastructure (Project Sponsor)

TBD, Project Manager

Stewart Burns, CFO

Meaghan Miller, Director CE Office

Objectives:

1. To consult with existing and potential user groups, stakeholders and the wider community and to help inform the community and Council.
2. To ensure Council's interests and risks are appropriately managed.
3. To ensure that the recommended development company can deliver their proposed development within a reasonable timeframe according to the agreed programme.
4. To ensure that the proposed development is appropriately designed for the geotechnical, wind, wave and other marine conditions that exist at the site.
5. To ensure that the proposed development meets the Development Brief and is the best long term outcome for the Frankton Marina reserve balancing between all of the competing interests and uses.

Authority – the Working Party is authorised to:

- Provide direction and guidance to the project team through the Chair.
- To make recommendations to full Council through the GM Infrastructure & Assets.
- To assist the project team in rationalising competing interests between stakeholders, user groups and the wider community.
- To act as an informal conduit of information to the community.

The Working Party has no delegated authority for expenditure.

The Working Party is expected to work with the project team to reach decisions largely by consensus.

Allocation of Space - there are many uses competing for space at the Frankton Marina Local Purpose Reserve, not all can be accommodated in the space available. The Frankton Marina Local Purpose Reserve makes provision for marine and marine related activities as a priority. The potential uses are:

- Boat launching and retrieval – provided for with a relatively new ramp and pontoon.
- Trailer parking – limited and somewhat informal at present.
- Car parking to support current and future reserve use.
- Boat berths – inshore versus offshore.
- Recreation – enhancement of the existing foreshore, access to the lake, open space and the existing Frankton Walkway that traverses through the site.
- Fuel supply – continuation of the existing marine fuelling facility as an essential service.
- Commercial marine activities – jet boating, jet ski and boat hire, etc.
- Spill over of adjacent commercial activities such as car and bus parking.
- Provision of public toilets and other support facilities.
- Other marine related uses – public and commercial.

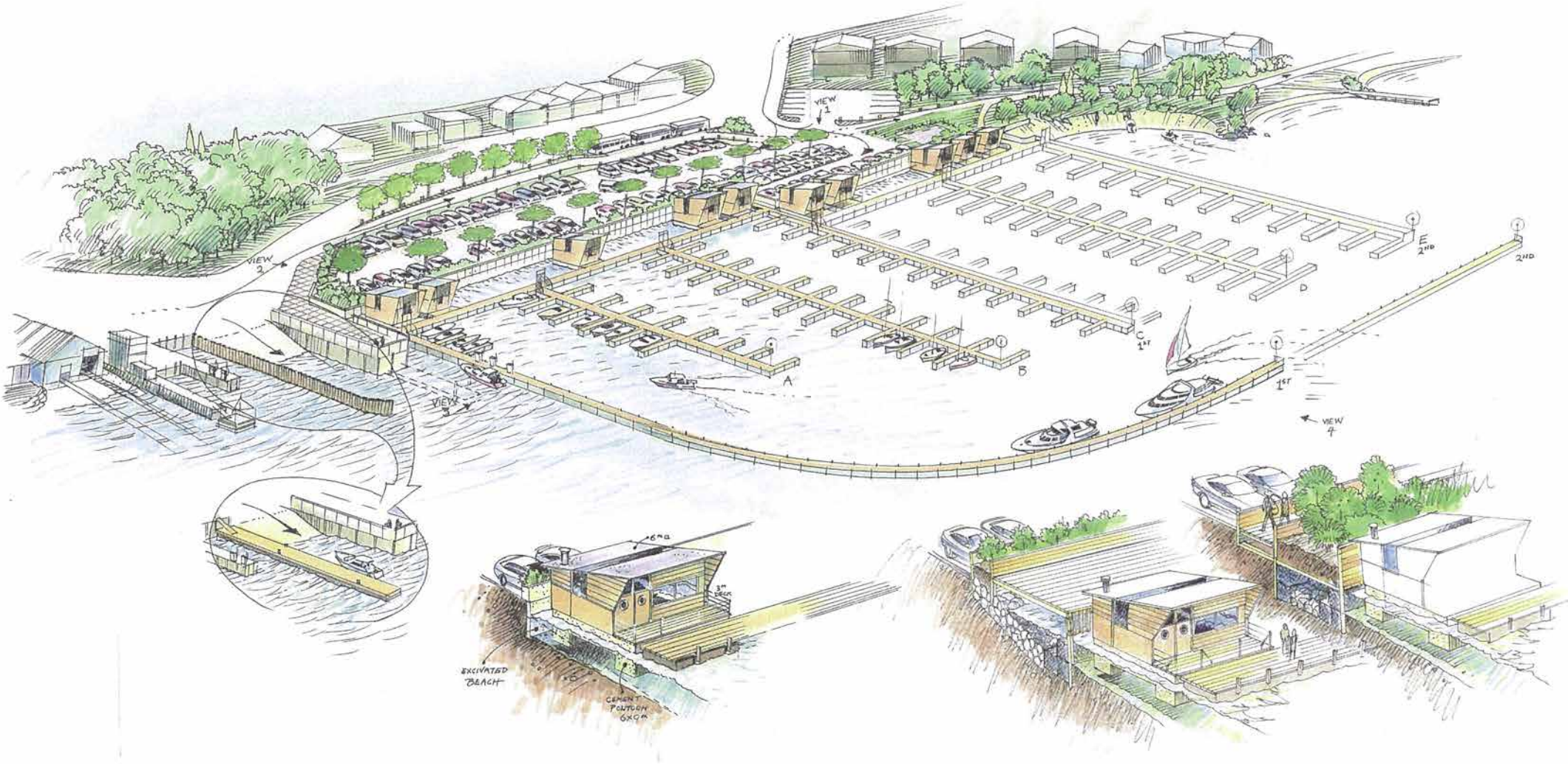
Reporting – the Working Party shall provide regular progress reports to full Council and shall keep the Chief Executive informed through the Project Manager. It is expected that the functions of the Working Party will be reviewed after acceptance by Council of a particular development proposal.

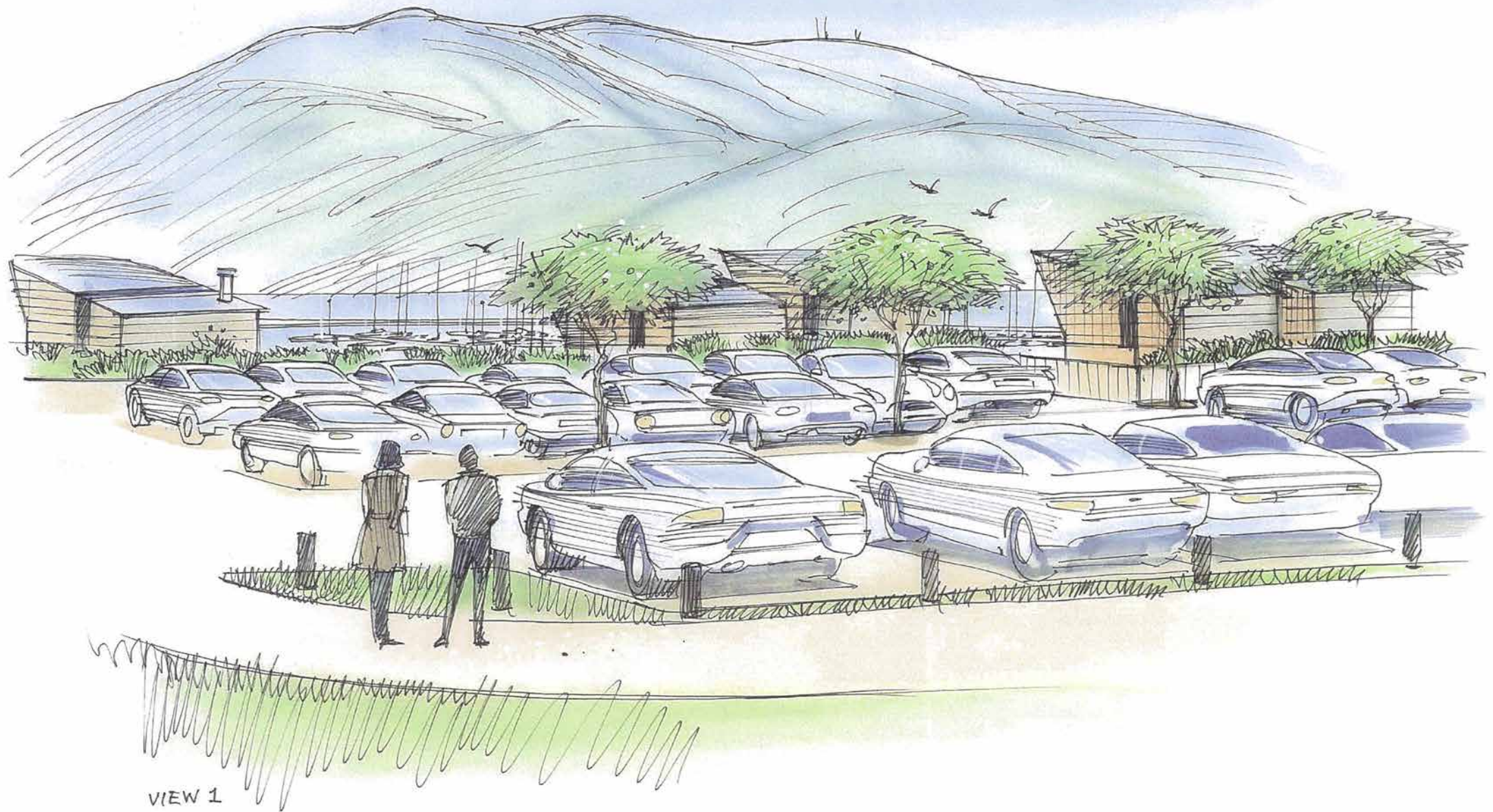
Budget – there is no budget allocated to this project. Staff time will be made available as necessary. External costs such as legal fees to prepare agreements will require the approval of the Chief Executive.

Timeframe – key dates:

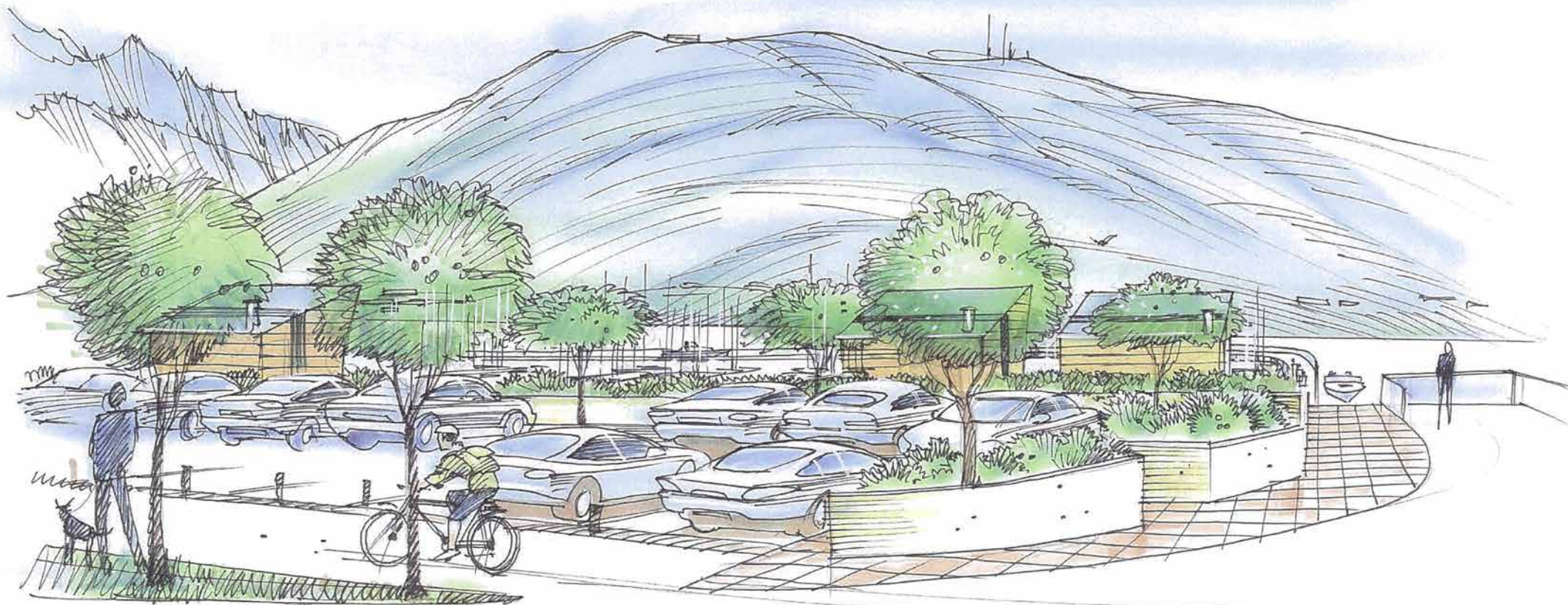
Upon signing of the Development Agreement the Working Party will monitor and report on progress in meeting the defined milestones and programme delivery dates. These will include:

- Applying for and holding an operative Resource Consent.
- Obtaining the LINZ Lease of the Lake Bed Area.
- Satisfying Council that there is adequate finance to enable the completion of the proposal in accordance with the agreement, the Resource Consent, and the Reserve Lease.
- Obtaining a signed Reserve Lease from Council.
- Identified timeframe for the start and completion of construction.
- Progress on the Development Programme as defined in Schedule C in the Development Agreement.

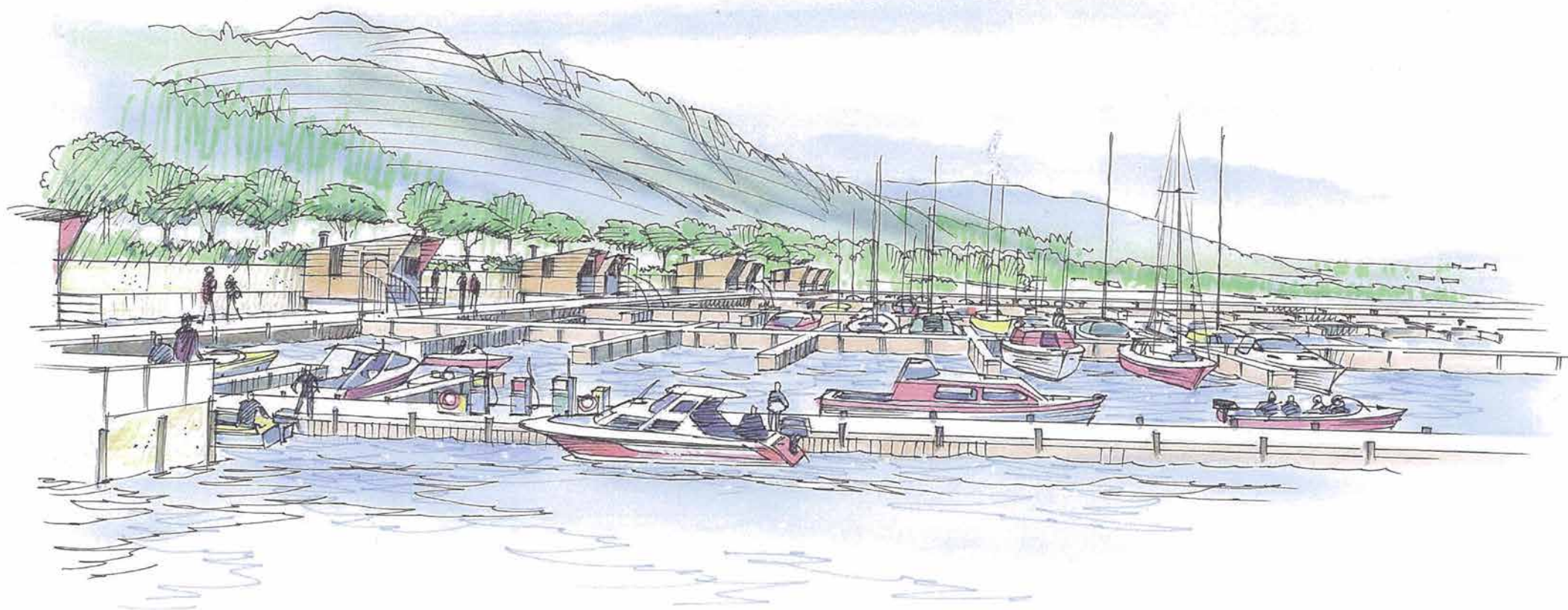


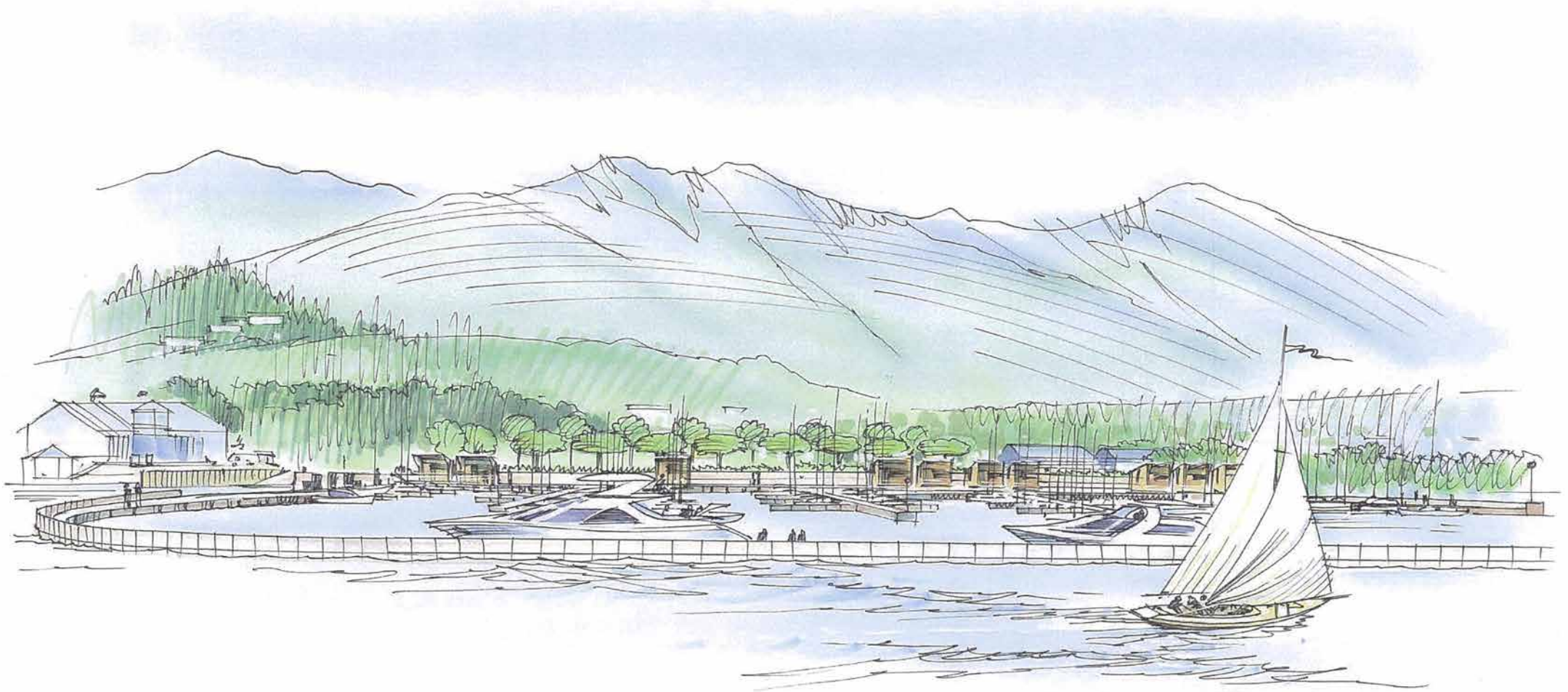


VIEW 1



VIEW 2





VIEW 4