

Christchurch City Council
MINUTES

Date: Thursday 14 July 2022
Time: 10.01am
Venue: Council Chambers, Civic Offices,
53 Hereford Street, Christchurch

Present

Chairperson	Mayor Lianne Dalziel
Deputy Chairperson	Deputy Mayor Andrew Turner
Members	Councillor Jimmy Chen
	Councillor Catherine Chu
	Councillor Melanie Coker
	Councillor Pauline Cotter
	Councillor Mike Davidson
	Councillor Celeste Donovan
	Councillor Anne Galloway
	Councillor James Gough
	Councillor Yani Johanson
	Councillor Aaron Keown
	Councillor Sam MacDonald
	Councillor Phil Mauger
	Councillor Jake McLellan
	Councillor Tim Scandrett
	Councillor Sara Templeton

Principal Advisor

Dawn Baxendale
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Karakia Tīmatanga: Given by the Mayor.

The agenda was dealt with in the following order.

1. Apologies Ngā Whakapāha

There were no apologies received.

2. Declarations of Interest Ngā Whakapuaki Aronga

Councillor Scandrett declared an interest in Item 5.

3. Public Participation Te Huinga Tūmatanui

3.1 Public Forum Te Huinga Whānui

There was no public forum scheduled for this meeting.

3.2 Deputations by Appointment Ngā Huinga Whakaritenga

3.2.1 Hospitality New Zealand

Peter Morrison on behalf of Hospitality New Zealand spoke regarding item 5 Te Kaha multi-use arena budget increase.

3.2.2 William Stewart

William Stewart spoke regarding item 5 Te Kaha multi-use arena budget increase.

Attachments

A 3.2.2 William Stewart Presentation [⇒](#) 

3.2.3 Crusaders and Canterbury Rugby Football

Grant Jarrold, Chair of Crusaders and, Colin Mansbridge, Chief Executive of the Crusaders spoke regarding item 5 Te Kaha multi-use arena budget increase.

Tony Smail, Chief Executive of Canterbury Rugby Football spoke regarding item 5 Te Kaha multi-use arena budget increase.

3.2.4 Helen Broughton

Helen Broughton spoke regarding item 5 Te Kaha multi-use arena budget increase, by audio/visual link.

3.2.5 Josiah Tualamali'i

Josiah Tualamali'i spoke regarding item 5 Te Kaha multi-use arena budget increase.

3.2.6 Central City Business Association

Annabel Turley spoke regarding item 5 Te Kaha multi-use arena budget increase.

Attachments

A 3.2.6 Central City Business Association Presentation 

4. Presentation of Petitions Ngā Pākikitanga

There was no presentation of petitions.

Councillor Gough left the meeting at 10.49am and returned at 10.51am during discussion on item 5.

The meeting adjourned at 11.25am and reconvened at 11.44am.

5. Te Kaha multi-use arena budget increase

Introduction

Christchurch City Council Citizens and Community General Manager Mary Richardson joined the table and provided a PowerPoint presentation (Attachment A).

Consultation Analysis and Findings

Christchurch City Council Research Analysts Aimee Martin and Ashleigh Hamilton joined the table and provided a PowerPoint presentation (Attachment B) regarding the consultation analysis.

Te Kaha Project Delivery Limited Board

Barry Bragg, Chair of the Te Kaha Project Delivery Limited Board, Caroline Harvie-Teare, Chief Executive of Venues Ōtautahi and David Kennedy, Chief Executive of the Te Kaha Project Delivery Limited Board joined the table and provided a PowerPoint presentation (Attachment C) regarding the Boards recommendations.

Also in attendance were the following:

Lisa Curran, Simpson Grierson, Special Counsel, Peter Neven, Positive Contractual Relationships Ltd, Assurance Expert (by audio/visual link), Gill Cox, Te Kaha Project Delivery Limited Board Member/Chair of Venues Ōtautahi, Richard Peebles, Te Kaha Project Delivery Limited Board member (by audio/visual link) and Jane Huria, Te Kaha Project Delivery Limited Board member.

The meeting adjourned at 12.57pm and reconvened at 2.03pm.

Financial Impact

Christchurch City Council General Manager/Chief Financial Officer Leah Scales and Finance Business Partner Peter Langbein provided a PowerPoint presentation (Attachment D) regarding the financial implications.

Council Decision

The Council resolved to increase the total budget for Te Kaha multi-use arena to \$683,165,830 as detailed in resolutions 2 to 7.

The Council also included additional requests as detailed in resolutions 8 to 10.

Officer Recommendations

That the Council:

1. Receive the report on the consultation on the investment of a further up to \$150 million in the Te Kaha project.
2. Receive and consider the recommendation in the report from Te Kaha Project Delivery Ltd and advice from the Independent Assurance Expert and Simpson Grierson independent Legal Advisors.
3. Receive and consider the information in the report on the financial impact of a further investment in Te Kaha.

Te Kaha Project Delivery Limited Board Recommendations

That the Council:

1. Appoint BESIX Watpac NZ (CMUA) Limited to carry out the Design and Construct contract for the Te Kaha project for the contract sum and details as set out in Detailed Project Costings (Attachment D (Confidential)).
2. Delegate authority to the Christchurch City Council Chief Executive to execute a Letter of Acceptance to BESIX Watpac to enable work to proceed and to execute the Design and Construct contract once all the contract documentation has been completed.
3. Approve the overall Total Project Budget of \$683,165,830 including the BESIX Watpac D&C Contract and other project costs, including Governance, Project Team, Insurance, Enabling Works, PCSA Phase Consent Fees, Other Works outside BESIX Watpac's contract, Design & Construct Contingency (P85 QRA) and Council Project Contingency, as set out in Detailed Project Costings (Attachment D (Confidential)).
4. Approve the Delegations to the Board and Contingencies as set out in Detailed Project Costings (Attachment D (Confidential)).
5. Acknowledge confirmation from the Crown via The Treasury Te Tai Ōhanga that the Project Assurance Points 2 & 3 as set out in the Funding Agreement with the Crown have been satisfied, subject to Council approving the additional funding required for the project and providing the required Delegations and Contingency to the Board as noted above.

Council Resolved CNCL/2022/00053

That the Council:

2. Approve to increase the overall Total Project Budget for Te Kaha to \$683,165,830, noting this budget includes D&C Contract and other project costs, including Governance, Project Team, Insurance, Enabling Works, PCSA Phase Consent Fees, Other Works outside BESIX Watpac's contract, Design & Construct Contingency (P85 QRA) and Council Project Contingency, as set out in Detailed Project Costings (Attachment D (Confidential)).
3. Appoint BESIX Watpac NZ (CMUA) Limited to carry out the Design and Construct contract for the Te Kaha project for the contract sum and details as set out in Detailed Project Costings (Attachment D (Confidential)).
4. Delegate authority to the Christchurch City Council Chief Executive in consultation with the Chair and Deputy Chair of the Finance and Performance Committee to execute a Letter of Acceptance to BESIX Watpac to enable work to proceed and to execute the Design and Construct contract once all the contract documentation has been completed.
5. Contract and other project costs, including Governance, Project Team, Insurance, Enabling Works, PCSA Phase Consent Fees, Other Works outside BESIX Watpac's contract, Design & Construct Contingency (P85 QRA) and Council Project Contingency, as set out in Detailed Project Costings (Attachment D (Confidential)).
6. Approve the Delegations to the Board and Contingencies as set out in Detailed Project Costings (Attachment D (Confidential)).

7. Acknowledge confirmation from the Crown via The Treasury Te Tai Ōhanga that the Project Assurance Points 2 & 3 as set out in the Funding Agreement with the Crown have been satisfied, subject to Council approving the additional funding required for the project and providing the required Delegations and Contingency to the Board as noted above.

Mayor/Councillor Gough

Carried

*The division was declared **carried** by 13 votes to 3 votes the voting being as follows:*

For: Mayor Dalziel, Deputy Mayor Turner, Councillor Chen, Councillor Chu, Councillor Cotter, Councillor Davidson, Councillor Galloway, Councillor Gough, Councillor Johanson, Councillor Keown, Councillor MacDonald, Councillor Mauger and Councillor McLellan

Against: Councillor Coker, Councillor Donovan and Councillor Templeton

Councillor Scandrett declared an interest, sat back from the table and took no part in the discussion or debate on this matter.

Council Resolved CNCL/2022/00054

That the Council:





1. Receives:
 - a. The report on the consultation on the investment of a further up to \$150 million in the Te Kaha project.
 - b. The report from Te Kaha Project Delivery Ltd and advice from the Independent Assurance Expert and Simpson Grierson independent Legal Advisors.
 - c. The report on the financial impact of a further investment in Te Kaha.
8. Request that Te Kaha Project Delivery and Venues Ōtautahi work with Council to maximise commercial and funding opportunities that will minimise the ongoing opex contribution to Te Kaha required from Christchurch City Council.
9. Request that Te Kaha Project Delivery and Venues Ōtautahi work with Council to attempt to secure additional capital contributions to Te Kaha to reduce the amount required from Christchurch City Council.
10. Request that Te Kaha Project Delivery and Venues Ōtautahi provide quarterly updates to the Council on progress.

Mayor/Councillor Gough

Carried

Councillor Scandrett declared an interest, sat back from the table and took no part in the discussion or debate on this matter.

Attachments

- A Te Kaha - Introduction 
- B Te Kaha - Consultation Analysis 
- C Te Kaha Project Delivery Limited Board presentation 
- D Te Kaha - Financial Implications 

The meeting did not go into Public Excluded session.

Karakia Whakamutunga: Given by the Mayor.

Meeting concluded at 3.29pm.

CONFIRMED THIS 11TH DAY OF AUGUST 2022.

MAYOR LIANNE DALZIEL
CHAIRPERSON