

	A	B	C	D	E	F	G
1		Stadium Cost, Funding & Debt					
2							
3		Summary of Variances				Fav (Unfav)	
4		Unfavourable:				\$'000	Ref
5		University contribution to cost sharing				(1,159)	A
6		Catering Fitout and Equipment				(3,700)	B
7		Construction				(2,481)	C
8		Project Administration				(1,097)	D
9		Trust Costs				(1,238)	E
10							
11						(9,675)	
12		Favourable:					
13		Interest Capitalised				1,972	F
14		Balance of Other minor items of expenditure and funding				373	G
15							
16		Total Unfavourable Variance				(7,330)	3.2%
17							
18							
19		Details					
20				Actual	Estimate	Variance F(U)	
21		Cost		per DCC	Act-Est	Summary	
22				\$'000	\$'000	\$'000	ref
23	1	Stadium Design, Engineering, Project Management		24,702	23,956	(746)	C
24	2	Construction Contract payments :					
25		Base Build		132,000	130,400	(1,600)	
26		Pitchworks		2,267	2,300	33	
27		Siteworks incl Plaza		6,110	4,900	(1,210)	
28		Security Fencing		652	550	(102)	
29		F F & E		750	750	0	
30		Demountable Seating West Stand		1,350	1,744	394	
31		Team Interchange Bench		45	30	(15)	
32		Switchboard		25	75	50	
33		Dew Suppression		200	25	(175)	
34		OCR Changes/Amendments		50	65	15	
35		Lockers		-	50	50	
36		CCTV		167	165	(2)	
37		Internal Signage		-	100	100	
38		Screens		-	105	105	
39		Pump House		-	35	35	
40		Goal Posts (Rugby and Soccer)		106	150	44	
41		Less Costs as per Part of Catering/Fitout/DVL instigated		(550)	-	550	
42							
43							
44		Total Contruction Payments		143,172	141,444	(1,728)	C
45							
46	3	Additional Items (Approved by Council 14 March 2011)					
47		Catering Equipment, Fitout, Fees, net of contrib'n		6,100	2,400	(3,700)	B
48		Media Suite		1,300	1,350	50	G
49		Wayfinding Signage		300	400	100	G
50		Relocatable West Stand Toilets		481	500	19	G
51		Replay Screens		870	800	(70)	G
52		Additional Toilets Level 3		-	100	100	G
53							
54							
55		Total Additional Items		9,051	5,550	(3,501)	
56							
57	4	Other Items					
58		Grassmaster		663	656	(7)	C
59							
60							
61		Subtotal - Arrow managed costs (1,2,3,4)		177,588	171,606	(5,982)	
62							

	A	B	C	D	E	F	G
19		Details			Estimate	Variance F(U)	
20				Actual	per DCC	Act-Est	Summary
21		Cost		\$'000	\$'000	\$'000	ref
63		Other costs capitalised and incurred outside Arrow managed contracts					
64	5	CST Project admin - PDT		1,097		(1,097)	D
65	6	Site acquisition costs		35,622	35,599	(23)	G
66	7	Trust costs - Personnel, rent, IT, marketing, admin, legal		3,638	2,400	(1,238)	E
67	8	Land holding costs - rates, insurance		450	375	(75)	G
68	9	Other costs in capital - Planning, Building consents		665	613	(52)	G
69	10	Interest Expense		18,119	20,091	1,972	F
70							
71							
72		Subtotal - Other costs		59,591	59,078	(513)	
73							
74		Gross Cost		237,179	230,684	(6,495)	
75							
76		Funding					
77		External funding					
78		Otago Regional Council		37,500	37,500	0	G
79		Rental recoveries from site properties		1,033	790	243	G
80		Proceeds from land sales		6,077	6,105	(28)	G
81		Community Trust + Other trusts		7,601	7,600	1	G
82		NZCT and Southern Trust - Grassmaster		656	656	0	G
83		University - Land purchases		5,602	5,602	0	A
84		University - contribution under cost sharing plan		3,239	4,398	(1,159)	A
85		Government grant		15,000	15,000	0	G
86		Private sector funding during construction		678	570	108	G
87		Rates Funding Interest		13,363	13,363	0	G
88							
89							
90		Subtotal - External funding		90,749	91,584	(835)	
91							
92							
93							
94		Total sources of funding		90,749	91,584	(835)	
95							
96		Net Debt to be serviced		146,430	139,100	(7,330)	
97							

**EXTRACT FROM THE NON-PUBLIC MINUTES OF THE COUNCIL MEETING HELD ON
20 FEBRUARY 2012**

PART C:

25 STADIUM PROGRESS UPDATE

Staff other than the Chief Executive, Manager Governance and Governance Support Officer left the meeting at this point. Councillor Collins left the meeting at this point.

a) **Consideration of whether the item should be discussed in public or non-public**

Councillor Vandervis expressed the view that although he could understand the argument for keeping the matter confidential, this debate should be held in public, given that there was already considerable public and media knowledge and interest, and he believed that there was no chance of the matter remaining confidential.

It was moved (Vandervis/MacTavish (pro forma)):

"That the Stadium Progress Update be considered in public."

The Chief Executive responded that there were a number of questions that needed to be clarified and he would like to obtain an independent assessment of the project costs and variances before making the matter public. There were also individual and organisational reputations involved.

Councillor Collins returned to the meeting at 3.14 pm.

Following discussion the motion was **put and lost**.

b) **Stadium Progress Update Report**

A report from the Chief Executive (Paul Orders) provided an update for members on the likely final cost of the Forsyth Barr Stadium and an outline of the review process that had been implemented to consider the issues identified in the report.

Councillors asked a number of questions about the report.

Councillor Noone left the meeting at 3.55 pm and Councillor Acklin left the meeting at 4.01 pm.

Following discussion it was moved (Wilson/MacTavish):

- "1 That Council notes the matters raised in the report and the intention to investigate the issues.**
- 2 That the information contained in the report remains confidential noting that a full report will be presented in public no later than the Council meeting on 27 March 2012.**
- 3 That the Council authorise the Chief Executive to obtain a review of the cost of the end position associated with the Forsyth Barr Stadium.**

- 4 That the Council authorise the Mayor and Chief Executive to release a statement as soon as practicable outlining the situation with the cost of the end position associated with the Forsyth Barr Stadium, and confirm commencement of an independent review and that results will be available in late March 2012.
- 5 That a suitable rider be included in the draft Long Term Plan advising the public of the effects of any overrun in Forsyth Barr Stadium costs in the 2011/12 year."

Councillor Hudson left the meeting from 4.10 pm to 4.14 pm. Councillor Noone returned to the meeting at 4.13 pm.

Following further discussion Resolutions 1, 2, 4 and 5 were **put and carried** with Councillor Vandervis recording his vote against.

Resolution 3 was then **put and carried**.

It was moved (Wilson/MacTavish):

"That the Council ask the Chief Executive for a report at the next Community Development or Finance, Strategy and Development Committee on the new structure of the Academy of Sport/High Performance Sport New Zealand and implications for the Dunedin City Council and DVML, and the financial projections that funding by the Dunedin City Council were based on."

Motion carried

It was moved (The Mayor/Staynes):

"That the Council resume in open meeting."

Motion carried