

## 8. 35 MINERS ROAD - LICENCE FOR GRAVEL EXTRACTION

<b>General Manager responsible:</b>	City Environment Group General Manager DDI 941 8656
<b>Officer responsible:</b>	Acting Unit Manager Transport and Greenspace
<b>Author:</b>	Justin Sims, Property Consultant

### PURPOSE OF REPORT

1. The purpose of this report is to seek the Board's approval to the granting of a Licence for gravel extraction from a reserve vested in Council at 35 Miners Road.

### EXECUTIVE SUMMARY

2. Fulton Hogan operate quarries in Hasketts Road and Miners Road. The demand for aggregates following the recent earthquakes has increased and they are therefore seeking new land to quarry to fulfil requirements.
3. 35 Miners Road is located on the opposite side of Miners Road to their existing quarry. The property is surrounded by land owned by Fulton Hogan and would therefore not require bunds on three sides of the property. It is therefore considered that a licence to Fulton Hogan would result in the largest amount of aggregates being removed with the highest amount of royalties being paid to Council.
4. A valuation of the appropriate royalties rate is currently being completed by an independent registered valuer and the licensee has agreed to pay the rate that is arrived at by them.
5. The property was vested in Council as a Gravel Pit administered under the requirements of the Reserves Act 1977 and the use is therefore consistent with the originally intended purpose.

### FINANCIAL IMPLICATIONS

6. The Royalty rate has been valued by an independent registered valuer and the revenue generated will return to Council.

#### **Do the Recommendations of this Report Align with 2009-19 LTCCP budgets?**

7. No, though the costs of granting the Licence will be off-set by the revenue received.

### LEGAL CONSIDERATIONS

#### **Have you considered the legal implications of the issue under consideration?**

8. Yes, the Legal Services Unit has been consulted regarding the Licence agreement and fulfilment of the requirements of the Reserves Act. As the Licence is not being tendered, it cannot be for a term greater than 5 years to adhere to the Public Bodies Leases Act 1969.

### ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

#### **Do the recommendations of this report support a level of service or project in the 2009-19 LTCCP?**

9. No.

### ALIGNMENT WITH STRATEGIES

#### **Do the recommendations align with the Council's strategies?**

10. Not applicable.

### CONSULTATION FULFILMENT

11. Not applicable.

## **STAFF RECOMMENDATION**

That the Fendalton/Waimairi Community Board adopts a resolution in the following form.

- (a) That the land at 35 Miners Road is Licensed to Fulton Hogan for gravel extraction on a royalties basis for a term of five years.
- (b) The Corporate Support Unit Manager is delegated authority to conclude the Licence agreement with Fulton Hogan.