

8. CANTERBURY REGIONAL LANDFILL CAPITAL REQUIREMENTS

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The purpose of this report is to update Subcommittee members of the capital call requirements for the new regional landfill.

Mr John Orr, Company Secretary for Transwaste Canterbury Ltd has written to Chief Executive Officers of Canterbury Waste Subcommittee members participating in the regional landfill (letter of 2 November 2001 attached), advising that the expected further call on shareholders of \$1.5m in February 2002 will now not be required thereby reducing the total 2001/02 share call from \$3.0m to \$1.5m. Capital requirements are tabulated below.

	\$m						
	98/99	99/00	00/01	01/02	02/03	03/04	Totals
As in August 2000 report to CWSC	2.500	4.500	7.500	2.500 ⁽¹⁾	2.500	2.000	21.500
As in John Orr letter of 2 November 2000	2.500	4.500	7.500	1.500	2.750 ⁽²⁾	2.750 ⁽²⁾	21.500
Totals for CWSC i.e (50%)	1.250	2.250	3.750	0.750	1.375	1.375	10.750

(1) Subsequently increased by TCL to \$3.000m, now reduced to \$1.500m as in letter of 2 November 2001.

(2) These amounts have not been confirmed by John Orr but are suggested to provisionally keep the total CWSC amount at \$21.500m.

It is emphasised that the final capital cost estimate for the landfill has not yet been formally advised by TCL (nor has the debt/equity ratio). However it is suggested that until formally advised, that Canterbury Waste Subcommittee leave its capital financial provision at \$10.750m (i.e. 50% of \$21.500m) as in the above table.

Canterbury Waste Subcommittee territorial authority shareholders are reminded that their shares of the required funding based on previously agreed population figures in the Constituting Agreement are as follows:

Council	Population (1996) Census)	%
Christchurch	314,000	75.70
Waimakariri	32,100	7.74
Hurunui	10,000	2.40
Selwyn	25,000	6.03
Ashburton	25,000	6.03
Banks Peninsula	8,700	2.10
Total	414,800	100.00

Chairman's

Recommendation: That the information be received.