

Date: Thursday 16 August 2018
Time: 9.30AM
Meeting Room: Upper Harbour Local Board Office
Venue: 30 Kell Drive
Albany

Upper Harbour Local Board

OPEN MINUTE ITEM ATTACHMENTS

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Herald Island Community Wharf Trust

GST No. 70-697-173

“The changing times and Trustee obligations”

The Herald Island Community Wharf Trust was originally established 14 October 1999 ‘to hold, administer and make available for the educational and recreational use of the people of Auckland, the property known as ‘the old wharf’ referred to as ‘The Community Wharf’ located at Twin Wharf Road, Herald Island.’

Four Trustees are appointed, with two trustees appointed to represent the interests of the Herald Island Boating Club and two Trustees appointed to represent the interests of the residents of Herald Island and the people of Auckland.

The almost 20 years since the Wharf Trust was created, massive changes have occurred.

With a history starting pre the 1958 construction of the causeway, that included providing berthage for the famous Devonport Ferry excursions back in the 1940-50’s, to more recent times where visitors now come from many parts of West Auckland to enjoy floating pontoon design of the wharf and more recently the new housing developments at Whenuapai and Hobsonville Point has added more numbers. The Wharf has provides a significant opportunity for large groups of residents to enjoy the opportunity it offers. However, over very recent times the development of permanent boat residents who live aboard their moored boats and use the general wharf facilities, toilets, parking and the ‘shed’ becomes a meeting venue for regular ‘social’ gatherings of this unique group of water-bound residents. Together with the larger numbers of general visitors, we now face an entirely different user pattern from the original intended purpose of the wharf and the duties of the Wharf Trust.

We were recently reminded of potential real hazards to the Wharf and its visitors, from explosion hazards moored boats can produce. With moorings now situated much closer to the Wharf and all the public visitors, we face greater risks of wharf damage and health risks to wharf users. Wharf management, maintenance and controls are very important.

In the past, the Wharf Trust obtained an annual \$3,000 funding from the Auckland Council and occasional special needs assistance from the Licensing Trust. In addition to annual costs funds to service the annual Wharf Insurance, Public Liability Insurance, Coastal Permit and regular minor maintenance, the current inability to build a Sinking Fund to provide for major maintenance is now a serious threat facing the trustees. They now have no income stream.

In 2016 we had a bank balance of 21,657.10, Major maintenance was undertaken in 2016-17 and used the bulk of the reserves. Today, the bank balance is \$3,554.

Annual costs for Structure Insurance \$840.19, Public Liability Insurance \$244.66, Coastal Permit \$115.00 plus approximately \$2,000 in minor maintenance, requires \$3,199.85. We rely on voluntary assistance for all the other operational issues. In reality, we have one year of funding remaining.

Council stopped the annual \$3,000 contribution a few years ago. A special one-off grant of \$3,000 was made so we could meet our final obligations to the major maintenance undertaking.

Licensing Trust assistance to cover us for a further year of actual costs could be addressed but is only short-term assistance.

The ability for the Wharf Trust to meet its on-going financial commitments is now under question. Trustees have an obligation to address this issue and the purpose of this communication is to establish discussions relating to the future role of the Wharf Trust in these 'Changing Times'

The Herald Island Wharf is the only floating pontoon wharf in the Upper Harbour region suitable for fishermen and ideal for parents and children to learn how to try fishing. Seeing the expressions on the faces of children and enjoyment from all adults being down at the water's edge and the ability to try some sprat fishing, is a major benefit for the entire community.

Management of the use of facilities by permanent boatholders or other parties temporarily tying up at the wharf, needs constant monitoring. An arrangement with the Boat Club to utilize the services of their caretaker and others, has worked well and should be retained.

The Auckland Upper Harbour and the general area associated with the Herald Island Wharf, has significant historic links, especially with the visitation of Captain Hobson and HMS Herald, reportedly around 1840.

The Wharf Trust has not direct responsibility for the parking facilities; however, the lack of parking caused primarily by permanent boat residents using the limited number of parking spaces has impacted on the ability for Auckland City Citizens to access the wharf.

The lifestyles and expectations of the users of the Wharf have changed dramatically over recent years and together with other local leisure activities available to the growing community numbers, requires the purpose and funding of the Wharf Trust needs to be restructured in order for the facility to address the needs of the service it is expected to provide under today's changed circumstance.

The Wharf Trust can no longer function and meets its obligations without an adequate stream of income.

The following are some matters that should be determined in order to be able to address and predict the management processes and funding required for the Wharf Trust in the future:

1. Existing commitments to the NZ Police, HarbourMaster, RNZAF (aircraft emergencies), Fire Service and other Emergency Services, residents, IWI, Boating Club and mooring owners.
2. Auckland Transport suggestions of a Riverhead Ferry Service and dredging associated with creating a suitable channel. If this entails a Herald Island Ferry stop, the impact, changes to current bus routes and parking challenges.
3. HarbourMaster future policy regarding mooring numbers and wharf access to service such activities.
4. Future of Permanent Boat Residents, their access and parking. Harbourmaster comments.

5. Any expressions of assistance or suggestions from the Upper Harbour Board.
6. Any expressions of assistance from the Licensing Trusts.
7. The liabilities of the Trustees.
8. Neither the Herald Island and/or Whenuapai Resident Associations have major funds available to make a major annual contribution towards the funding of the Wharf Trust.

Should this investigation lead to any consideration being given to winding the Wharf Trust up, there are a number of daily operational management issues to be maintained and addressed and local authority matters to be clarified – especially regarding the increasing number of permanent boat residents and their big impact on the overloading of the wharf and parking facilities.

The understanding and opinions of affected parties on the purpose of the Trust Wharf going forward needs to be determined.

Should there be a consideration to wind-up the Trust, there is a legal process to be followed. Clause 10 of the Trust deed states: 'Any funds or assets remaining on the winding-up of the Trust shall be distributed to a Named Registered Charity or if this is unable to be done then by as order of the Court'.

There is a question of what, if any, monetary value the Trust has as a formal Asset through the ownership of the Wharf. A maintenance investment of just over \$20,000 was undertaken in late 2016 and presumably reflects some asset value does exist.

These are the views of just one trustee. No broader discussion has taken place. This document is intended to provide a thought starter and makes no recommendation as such. Trustees however have an obligation to address these matters.

Noel Rugg, Trustee

Representing the interests of the Residents of Herald Island and the people of Auckland.

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10 August 2018