

RAGLAN VOLUNTEER COASTGUARD.

Background

The Raglan Volunteer Coastguard Unit is based in Raglan and has 30 active volunteers who are professionally trained in emergency marine search and rescue.

The Unit operational area covers the notorious North Island west coast from Mokau in the south to Port Waikato in the north and is on call 24/7, 365 days of the year.

Raglan Unit is the only dedicated coastguard unit in the Waikato west coast region. It provides a safe, efficient, and professional emergency marine search and rescue service to not only, all boaties from throughout New Zealand who use the west coast for fishing and recreation, but also, to all aircraft who have an incident in that marine zone.

The assets deployed by the unit include two jet ski's and an 11 metre Scott Robson designed twin hull vessel powered by two 500 hp diesel engines with twin jet units.

Raglan Volunteers assemble every Wednesday at 1730 hours throughout the year for formal training in emergency search and rescue procedure. In 2013 Raglan Unit was the recipient of three Coastguard awards which included "Unit of the Year", "Rescue Vessel Volunteer of the Year", and "Volunteer of the Year".

The operation of the Raglan Unit is linked to and supported by; Police Search and Rescue North Comms Auckland, Waikato Regional Police Search and Rescue, Coastguard New Zealand, Westpac Rescue Helicopter, Waikato Regional Council, Waikato District Council, Coastguard Northern Region, The Auckland Air Patrol Unit, and the Rescue Co-ordination Centre New Zealand.

Coastguard has a very high profile throughout New Zealand which is evidenced by the gratuitous respect in which, not only the Public, but also the local Communities regard the organization.

The Raglan Coastguard Unit Volunteers contributed 9,500 man hours of unpaid volunteer effort in the past year to saving lives at sea and 118 people were returned to safety. The majority of the Unit Volunteers are young men and women who, in most cases have families and hold day jobs as well.

Raglan Wharf Tenancy

The Raglan Volunteer Coastguard Unit occupied part of the Raglan Wharf building prior to the destruction of that building by fire in 2010.

The Tenancy Agreement at that time was a long term rent free arrangement with Waikato District Council.

Waikato District Council at that time also made an annual grant of \$6,500 to Raglan Volunteer Coastguard.

Following the destruction of the building by fire in 2010 Waikato District Council built a new multi tenancy building and offered Coastguard an opportunity to occupy a tenancy.

Negotiations between Waikato District Council staff and Raglan Volunteer Coastguard Executive resulted in a memorandum of understanding as detailed in the Heads of Agreement, and letter dated 4 April 2013 attached.

The most relevant aspect for Coastguard in this agreement was that , Coastguard would not be held accountable for the payment of a rental provided that Coastguard not only, agree to relinquish the existing \$6,500 Waikato District Council grant, but also, agree to pay a proportion of rates and maintenance on the new building.

Coastguard Executive agreed to this proposal and took up occupation of the tenancy in April 2013. Incidentally Coastguard fundraised for the internal fit out of the building tenancy which to date has cost in excess of \$130,000.

In 2016 Coastguard were successful in securing from Waikato Regional Council a proportion of the newly established emergency services funding initiative (The Regional Services Fund). This funding is utilized on an equitable basis for operational costs by the nine Coastguard Units within the Waikato Regional Council jurisdiction. The allocation to the Raglan Unit based on the structure of the funding deed is \$19,440 per annum.

Waikato District Council have now requested that Coastguard be held accountable for the annual payment of a \$33,346 commercial rental on the Raglan Wharf tenancy occupied by Coastguard.

Raglan Volunteer Coastguard is funded totally by sponsorship, donations, stake holders, business contributions, grants, and Unit member fundraising activities.

The Raglan Unit has an annual operational expenditure of \$75,000 which does not include asset replacement, capital expenditure or unforeseen contingency costs. The Unit has forthcoming capital expenditure to fund over the next 3 years of \$300,000 which relates to the 11 metre vessel hull and navigation equipment.

It is the contention of the Raglan Volunteer Coastguard Executive that the initial agreement that was made between Waikato District Council staff and Coastguard in 2013 should remain in place, be long term and as in the past, Coastguard should not be held accountable for the payment of rental regarding the Raglan Wharf tenancy.

Yours Faithfully,



Wally Hawken

Coastguard Raglan President ph: (07) 8258064
11 August 2017

Your Ref

In reply please quote
06413/049.00

If calling, please ask for
Michelle Smart

4 April 2013

The President
Raglan Volunteer Coastguard
raglancoastguard@gmail.com

Dear Wallis

Raglan Wharf – Coastguard Lease and Outgoings

Further to our telephone conversation this morning regarding the lease of Wharf Tenancy 1 to the Raglan Coastguard and outgoing under the lease.

Under the terms of the Lease the rent charged is the commercial rate of \$33,346.00 plus GST plus operating expenses. Councils Grants budget allows for \$6,500 as a contribution to the Raglan Volunteer Coastguard. The balance of \$26,846 will be covered from the Councils Harbour Reserves.

I understand that that you have previously indicated verbal acceptance of the terms and conditions of the lease, but were awaiting an indication of the likely outgoing.

The Coastguard will be responsible for 23% of the total, which reflects that area occupied and the share in the common areas.

The outgoing as indicated below are the actual amounts incurred in the 2012/13 financial year. As annual charges, these may vary from year to year and are therefore should be treated as indicative only for future years.

Common Area Cleaning and Consumables:	Averages at \$9,125 p/a	(23% = \$2098.75 p/a)	
Waikato Regional Council Rates:	Total \$770.32 p/a	(23% = \$177.17 p/a)	
Waikato District Council Rates:	Total \$3,884.51 p/a	(23% = \$893.43 p/a)	
Waikato District Council Water Rates*:	Averages at \$2,516 p/a	(23% = \$578.68 p/a)	73748.03

(* charged out at quarterly intervals)

The Coastguard previously occupied land and buildings situated on Reserve land, and under the terms of the Council leasing policy that applied to that specific situation, the land and lease were exempt from Rates charges. The Wharf tenancy is a commercial tenancy, and the terms and conditions that applied to the Coastguard's former premises do not apply to this particular building (and tenancy). I will arrange for information to be sent to you regarding the Councils Grants process, the Coastguard may choose to make an application for a further grant (however there can be no guarantee as to outcome).

Power and Telephone charges are to be separate accounts held in the Coastguards name, which the Coastguard will responsible for organising connection.

The ICP number for Tenancy 1 is 0000033709WE-038, Meter Number 3312A045746.

Please find attached a copy of the lease, when acceptance of the terms and conditions has been received, final originals will be provided to you for signing. When each copy has been signed, both originals should be returned to Council for signing. One original copy will then be returned for your records.

Please do not hesitate to contact me at the Ngaruawahia Council Offices on 0800 492 452 ext 5658 if you would like to discuss or further clarify.

Yours sincerely

Michelle Smart
PROPERTY OFFICER

Heads of Agreement

Waikato District Council and Raglan Volunteer Coastguard have a long association dating back to the 1970's with regard to water safety , not only within the Raglan Harbour but also on the westcoast beyond the Raglan Bar zone.

Waikato District Council have a mandate to provide Raglan Volunteer Coastguard Charity with an operations base from which to undertake marine emergency search and rescue tasking.

An agreement was made between Raglan Volunteer Coastguard and Waikato District Council prior to Raglan Volunteer Coastguard taking up occupation of the tenancy in the Wharf building in April 2013.

The Agreement

1. Waikato District Council is committed to provide Raglan Volunteer Coastguard Search and Rescue Emergency Agency with a premises to operate from.
2. Raglan Volunteer Coastguard will not pay a rental to Waikato District Council.(As detailed in the letter dated 4 April 2013). The rental shall be offset by Raglan Volunteer Coastguard foregoing an existing annual grant from Waikato District Council of \$6,500 and the balance of the rent is to be covered from the Council's harbour reserves.
3. Raglan Volunteer Coastguard agree to pay a portion of rates and other out goings as detailed in the letter dated 4 April 2013.
4. Raglan Volunteer Coastguard will pay for the fitout and any partitioning in the Tenancy occupied by coastguard.
5. The tenancy is to be enduring and long term because Raglan Volunteer Coastguard has invested \$130,000 in the building.

Comments

Regional Services Fund (RSF) and Harbour Board Reserve Fund

1. The Regional Services Fund is to be distributed on an equitable basis for operational expenditure by the nine Coastguard Units within the Waikato Regional Council jurisdiction.
2. The intention of the regional Services Fund is to leave all Coastguard Units in a better position than they were prior to the fund being established and that no Unit should be left in a worse position.
3. Should a payment be paid to Waikato District Council from the Regional Services Fund this then, firstly leaves the Raglan Unit worse off than they were prior to the establishment of the fund and secondly this contradicts the initial lease agreement and memorandum of understanding made between the Raglan Coastguard Unit and Waikato District Council staff in 2013.
4. The inherent purpose of the Regional Services Fund is to provide operational funding support to emergency rescue services and not become a tool whereby councils transfer money between each to balance the books at the expense of a charitable volunteer emergency service.
5. Rate payers in the Waikato Regional Council jurisdiction would be very concerned/annoyed to learn that their rates that they believed were going to support operational expenses of charitable volunteer emergency services was in fact being siphoned off by council to pay themselves a commercial rental on a building that in fact they, the rate payers, already own i.e. (Waikato District Council Raglan Wharf building).
6. The current contra transaction whereby Waikato District Council uses Harbour Board reserve funds has been in place for the past 4 years which supports Waikato District Council's original commitment to Coastguard in that Coastguard will not be held accountable for the commercial rental payment.
7. The Harbour Board Reserve Fund originates from the ground rent paid to Waikato District Council by the small number of Lessees who occupy leases pertaining to Harbour Board Reserve land located solely within Raglan Township. This fund is distinctly different to rates and is not a rate that is levied on rate payers.