

MEMORANDUM OF UNDERSTANDING (“MOU”)

This Memorandum of Understanding is made this 12th day of JUNE 2017

BETWEEN WHANGANUI DISTRICT COUNCIL (“WDC”)

AND THE TRUSTEES OF THE REGIONAL VELODROME DEVELOPMENT TRUST (“the Trust”)

PARTIES

- A The Whanganui District Council (“WDC”) owns the recreational property known as Cooks Gardens in Whanganui and on that property has previously built an uncovered velodrome (‘the Velodrome’).
- B WDC will own the improvements constructed during the Velodrome Project.
- C The Regional Velodrome Development Trust (“the Trust”) has been formed to:
1. Raise funds to be donated to WDC for the specific purpose of the construction by WDC of a roof over the existing Regional Velodrome at Cooks Gardens, Whanganui;
 2. To raise funds to be donated to WDC for the specific purpose of payment for ongoing maintenance and future development of the Regional Velodrome by WDC; and
 3. Incidental Matters: all things incidental to the charitable purposes described in
- D At the time of signing this agreement the Trustees of the Trust are Robert John Keith Smith, Leigh Edward Grant, Mark David Stoneman, Stuart James Bruce and Martin Errol O’ Fee.

PURPOSE

- E This MOU is designed to bring the parties together to facilitate and progress the Velodrome Project and empower the project to completion through the collective strength of the parties.

BACKGROUND

F The deliberations and investigations of the RVRG (now the Trust) including applications for funding and preliminary work by WDC, for Velodrome Roof and associated agreed works (which will hereinafter be referred to as the “Velodrome Project”) are outlined at Appendix 1.

THE VELODROME PROJECT

H The Trust and WDC have recognised the desirability of erecting a roof over the Velodrome for a number of reasons, not the least of which include the need to protect the existing Velodrome from weather related deterioration, to increase the ongoing use of the Velodrome by cycling groups and the general public of Whanganui and the wider region and to enable the development of other sporting activity, particularly in-line skating, and other community uses for the Velodrome.

I WDC for its part acknowledges the input of RVRG and the Trust to date in respect of the Velodrome Project and wishes to continue working with the Trust in relation to the activities as outlined above and are very supportive of the proposed Velodrome Project.

NOW IT IS AGREED AS FOLLOWS

1. The parties agree:
 - a. To work in collaboration to ensure a successful outcome for the Velodrome Project.
 - b. That WDC as owner of Cooks Gardens and the Velodrome will be responsible for all final decisions in regard to any proposals to construct a roof over the Velodrome and if appropriate enclosing the Velodrome and upgrading any portion of the interior of the Velodrome (collectively called “the Velodrome Project”).
 - c. The parties will immediately form a Project Control Group (PCG) to manage the Velodrome Project that shall consist of two representatives from WDC and two representatives from the Trust. At the time of signing this Agreement the two WDC members are Leighton Toy and Rosemary Fletcher, and the two Trust representatives are Leigh Grant and Robert Smith.

- d. That Velodrome Project will only proceed as funds are available in accordance with the PCG project plan. The Trust will ensure sufficient committed funding to meet the total cost of the Velodrome Project.
- e. The importance of consistent communications with the media regarding the Velodrome Project. If any party wishes to make any announcements or issue any release of information with regard to the Velodrome Project that party will provide to the other parties details of the proposed communication and will not release such communication until such time as that communication has been approved by WDC and the Trust.
- f. That Copeland Architects and Associates (CAA) will be engaged to prepare documentation to developed design stage when sufficient committed funding is confirmed.
- g. That WDC reserves the right to peer review any or all aspects of the developed design prior to committing to detailed design and construction.
- h. The agreements in this MOU are dependent on both parties agreeing to the outcome of any peer review undertaken by WDC.
- i. This Memorandum of Understanding will remain in force until such time as the parties shall have, in consultation with each other, agreed to the termination of the Velodrome Project.
- j. The terms of this Memorandum will remain binding upon the parties and will not be varied unless such variation is in writing signed by all parties to this Memorandum

SPECIFIC ROLES

The parties agree that they shall each have the following specific roles in relation to the Velodrome Project:

- a) WDC
 - i) Authorisation of all aspects of the implementation of the Velodrome Project.
 - ii) Provide a representative or representatives to the PCG
 - iii) Provide the support to the Trust in their fund raising efforts through appropriate representation at events and facilitation where required.

- iv) When the Velodrome Project is approved then in conjunction with the appointed PCG, complete the delivery of the Velodrome Project in a timely manner for the benefit of the Whanganui Community and the wider region.

b) The Trust

- i) Provide a representative or representatives to the PCG
- ii) Provide input to PCG as required throughout all phases of the Velodrome Project.
- iii) Ensure that the Trust does not instruct, procure services or apply for consents directly that are project related without the express permission of the PCG.
- iv) Ensure that the Trust is registered as a Charitable Trust with the charitable purpose of the Trust being to raise funds to be gifted to WDC to enable WDC to complete the Velodrome Project.
- v) Take all necessary steps to secure committed funding from the Community and all other possible funding avenues to meet all costs associated with the Velodrome Project including promotion and marketing.
- vi) Ensure that all funding received by the Trust is held in the Trust Account and that funding received by the Trust for the purposes of the Velodrome Project will be returned to the original Donors of such funds if the Velodrome Project does not proceed.

c) Project Control Group-("PCG")

- i) The PCG will manage all aspects of the Velodrome Project on behalf of WDC and the Trust.
- ii) The PCG will document and agree the processes required to ensure auditable records of all financial transactions.
- iii) The PCG will provide a procurement plan appropriate to the various funding arrangements including grants and to 'best industry practice'.
- iv) The PCG will develop, agree, present and report against the project plan.
- v) The PCG will meet regularly and as required by the project keeping approved minutes and records of all project documentation.

SIGNED:

The Trust

Name Leigh Grant .

Signature 

Name R. S. K. SMITH

Signature 

WDC

Name **Kym Fell, Chief Executive**

Signature 

Name Leighton Toy

Signature 

BACKGROUND

- A. WDC owns the recreational property known as Cooks Gardens in Whanganui and on that property has previously built an uncovered Velodrome.
- B. Robert John Keith Smith, Leigh Edward Grant, Mark David Stoneman and Stuart James Bruce have jointly under the name of the Raise the Velodrome Roof Group recognised the desirability of erecting a roof over the Velodrome for a number of reasons, not the least of which include the need to protect the existing Velodrome from weather related deterioration, to increase the ongoing use of the Velodrome by cycling groups and the general public of Whanganui and the wider region and enable the development of other sporting and community uses for the Velodrome.
- C. WDC have previously employed a design consortium (Copeland Group) and have investigated possible options for roofing the Velodrome and have undertaken extensive work to identify a suitable design proposal for the roof construction. The Copeland Group identified that a tension-membrane structure as the most cost-effective option for providing a clear-span roof covering the entire complex. RVRG have obtained preliminary costing estimates for this design based on 2016 construction costs.
- D. The Trust has confidence in the Copeland Group design and was established to raise funds for the purposes of eliciting Central Government and grant funding for the concept developed by Copeland Group.
- E. Raise the Velodrome Roof Group (RVRG – group prior to trust forming) has also investigated options for raising funding to meet the cost of constructing the Copeland Group design for roofing the Velodrome and during those investigations have been advised by potential funders that the proposed project should not be restricted to roofing the Velodrome but should also include providing additional facilities to enable it to be used by a wide range of sporting and community organisations. This would involve partially or fully enclosing the Velodrome and making other alterations to the interior arena to make it suitable for a variety of other purposes and not just solely for cycling (which works will hereinafter be referred to as the “Velodrome Project”). RVRG had also obtained preliminary cost estimates for these developments.

- F. The RVRG has received positive responses to its initial approaches to the Government, general public and community groups of funding for the proposed Velodrome Project and have taken steps to obtain pledges for such funding from the Government and the community.
- G. The RVRG has applied to and obtained approval for two tranches of funding from the Powerco Community Trustⁱ for the purpose of completing an initial feasibility proposal for the roofing and possible enclosure of the Velodrome concept and preliminary designs of the additional facilities required, applying for Resource Consent approval, and also for the geotechnical investigation of the site, wind tunnel testing of the roof, and development of the design for the roofing and possible enclosure of the Velodrome. Some of that funding has already been expended for purposes approved by the Powerco Community Trust and the balance of the available funding is currently retained by Powerco Community Trust and is available to be advanced for the appropriate purposes.
- H. The RVRG has recognised that any ongoing fundraising for the proposed Velodrome Project should be conducted through a Charitable Trust and the members of RVRG have arranged to have formed a Charitable Trust formed under the name of the Regional Velodrome Development Trust (“the Trust”). For the purpose of clarity, the Trust has effectively replaced the role previously held by the RVRG.
- I. WDC has been in discussions with RVRG in relation to the activities of RVRG as outlined above and are very supportive of the proposed Velodrome Project. The parties agree to work in collaboration to ensure a successful outcome for the Velodrome Project.
- J. RVRG in conjunction with the Copeland Group has completed concept and preliminary design work for the roof including, archaeological approval, undertaking wind tunnel testing and obtaining Resource Consent, and has completed site testing and geotechnical reporting, with the consent of WDC. The next stage is to continue with developed design in respect of the roof and preliminary design of the additional facilities required.
- K. WDC has given approval for the PCG to commission developed design from Copeland Group.

ⁱ Powerco Community Trust is now renamed as Four Regions Trust.