Bond for Green Island Landfill

**BY THIS BOND dated this xx day of xx**

**THE DUNEDIN CITY COUNCIL**, a territorial authority under the local Government Act 2002 (with each of its respective successors, administrators and assigns) but not including any Council Controlled Organisation or other third party operating the Green Island Landfill on its behalf ("the Owner") acknowledges that subject to the provisions below it is bound to pay to THE OTAGO REGIONAL COUNCIL, a regional authority under the Local Government Act 2002 ("the Council”) the sum of one and a half million dollars ($1,500,000), and is subject to the other terms of this bond.

**WHEREAS:**

A. The Owner is the registered proprietor of an estate in fee simple in the pieces of land described in the schedule hereto ("the land”).

B. The Owner applied to the Council for Resource Consents in respect of the land for the Green Island landfill.

C. The Council granted Resource Consents on conditions that the Owner shall enter into this bond to be effective in the event that the land is to be transferred by the Owner to private ownership.

**THIS BOND shall be void:**

1. While the Owner is the owner of the land; or

2. If the Owner or any subsequent owner of the land or transferee of the resource consents referred to below:

(a) Complies with the conditions of the Resource Consents granted by the Council for the operation, closure and aftercare of the Green Island landfill (consents RM23.185.01-08) ("the obligations"); and

(b) Indemnifies the Council against all costs (including costs as between solicitor and client) damages and expenses, claims, actions and proceedings of or against the Council in consequence of or arising out of any fault, neglect, or sufferance of the owner, its servants, agents or contractors in respect of complying with the obligations and/or the exercise by the Council of its servants, agents or contractors of any of its rights, powers and remedies available under this bond.

3. This bond is released and void once these resource consents have expired and all consent conditions have been complied with as certified in writing by the Council.

**IT IS AGREED that:**

1 IF the Owner or any subsequent owner fails to fulfil the obligations the owner shall on demand by the Council pay to the Council the sum of one and a half million dollars ($1,500,000) either in cash, or provide a security by a bank or other financer that is approved by the Council, including the terms of any security, or such portion as may be demanded by the Council provided that. in the latter case the Council may from time to time thereafter demand and the owner shall whenever demand is made on it pay the balance or any portion of the said sum of one and a half million dollars ($1,500,000) until the full amount thereof if required by the Council has been paid, by the owner to the Council.

2. THE Council may at any time and from time to time enter on the land and take such steps and carry out such work as may be necessary to fulfil the obligations.

3. ALL expenses incurred by the Council under the last preceding clause or arising therefrom shall constitute a debt due to the Council by the Owner and may be recovered by the Council from the Owner,

4 WHERE the cost of any work done by the Council under the last preceding clause exceeds the bonded amount of $1,500,000 the amount of the excess cost above $1,500,000 shall constitute a debt due to the Council by the Owner and shall be a charge on the land.

5. THIS bond may be varied or cancelled or renewed at any time by agreement between the Owner and the Council.

6. THE liability of the Owner hereunder shall not be released varied or affected in any way by any delay, extension of time or other indulgence granted to the Owner suffered by the Council or by any delay, failure or neglect of the Council to enforce its rights hereunder or any obligation of the Owner hereunder.

7. THE powers and remedies hereby given to the Council are in addition to ail other powers and remedies conferred on it by the Resource Management Act 1991 or by any other Act and the exercise by the Council of any power or remedy under this bond or any such Act shall not prejudice its authority to exercise any other such power or remedy.

8. THIS bond shall be registered by the Owner at its cost under the Land Transfer Act 1952 against the land pursuant to section 109 of the Resource Management Act 1991.

9. IT is the intention of the parties that this bond is deemed to be a covenant running with the bonded land.

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| Signed by **THE DUNEDIN CITY COUNCIL** by affixing its common seal in the presence of: |  Authorised Witness |
|  Common Seal |  Authorised Witness |

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| Signed by **THE OTAGO REGIONAL COUNCIL** by affixing its common seal in the presence of: |  Authorised Witness |
|  Common Seal |  Authorised Witness |

**SCHEDULE TO BOND**

1. 4.2765 hectares more or Less being Lot 1 Deposited Plan 20582 and being part Sections 41, 42 and 43 Green Island Bush District and part Section 64 Block VII Dunedin and East Taieri District and being all the land comprised and described in Certificate of Title 12C/262 subject to the reservations, covenants, restrictions and conditions as set out in the Certificate of Title.

2. 49.0242 hectares more or less being parts Sections 45, 46 and 47 Green Island Bush District and Sections 54, 55, 63, 65 and 119 Block VII Dunedin and East Taieri District and being all the land comprised and described in Certificate of Title 1IB/1241 subject to the reservations, covenants, restrictions and conditions as set out in the Certificate of Title.

3. 1.0841 hectares more or less being parts Sections 45, 46 and 47 Green Island Bush District and being all the land comprised and described in Certificate of Title 368/19 subject to order in Council 3714 as to the reservations, covenants, restrictions and conditions as set out in the Certificate of Title.

4. 6.36.96 hectares more or less being Section 103 and part Sections 85, 86, 87, 98, 99, 100, 101, and 102 Block V Lower Kaikorai District and being all the land comprised and described in Certificate of Title 13A/566 (Otago Registry) subject to reservations, covenants, restrictions and conditions as set out in the Certificate of Title.

5. 6.0424 hectares more or less being Section 120 and part Section 53 Block VII Dunedin and East Taieri District and closed road intersecting Sections 86, 87, 98, 102 and 103 Block V Lower Kaikorai District and being all the land comprised and described in Certificate of Title 11C/1275 (Otago Registry) subject to reservations, covenants, restrictions and conditions as set out in the Certificate of Title.

6. 8.2303 hectares more or less being part Sections 38, 39, 40, 44 and 156 Green Island Bush District and being all the land comprised and described in Certificate of Title 7C/934 (Otago Registry) subject to reservations, covenants, restrictions and conditions as set out in the Certificate of Title.