

Western Bay of Plenty District Council

**Minutes of Meeting No. C26 of Council
held on 06 June 2019 in the Council Chamber, Barkes Corner, Tauranga
commencing at 9.30am**

Present

His Worship the Mayor G J Webber (Chairperson), Councillors G Dally, M Dean, M Lally, P Mackay, K Marsh, D Marshall, M Murray-Benge, J Palmer, J Scrimgeour, D Thwaites and M Williams

In Attendance

G Allis (Deputy Chief Executive), K Perumal (Group Manager Finance and Technology Services), R Davie (Group Manager Policy, Planning and Regulatory Services), J Pedersen (Group Manager People and Customer Services), D Jensen (Senior Financial Planner) and A Alty (Senior Governance Advisor)

Community Boards

A Sole (Chairperson, Waihi Beach Community Board)

Other

R Nees (Director, Nees Consulting)

Declarations of Interest

Members were reminded of the need to be vigilant and to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest that they may have.

Members were advised that if they had an interest (actual, potential, perceived, pecuniary or non pecuniary interest) in any item on the agenda, then they must declare this interest and refrain from discussing or voting on the item and are advised to withdraw from the meeting table for the item. (As per the Local Authorities (Members' Interest) Act 1968)

The Chairperson enquired whether any members wished to disclose an interest in any items on the agenda.

Councillor Marsh declared an interest relating to Agenda Item C26.11 – Bledisloe Park Board – Nominations for Appointment for 2019 – 2022 Term.

C26.1 **Receipt of Community Board Minutes**

Council considered minutes of the meetings of the Community Boards as circulated separately with this agenda.

Resolved: Murray-Benge / Williams

THAT the minutes of the following meetings be received:

1. *Minute no. WB20 of the Waihi Beach Community Board held on 6 May 2019*
2. *Minute no. OM20 of the Omokoroa Community Board held on 7 May 2019*
3. *Minute no. K20 of the Katikati Community Board held on 8 May 2019*
4. *Minute no. MC20 of the Maketu Community Board held on 14 May 2019*
5. *Minute no. TP20 of the Te Puke Community Board held on 16 May 2019*

C26.2 **Minutes of Council and Committee Meetings for Confirmation**

Council considered minutes of the meetings of the Council and its Standing Committees as circulated separately with this agenda.

Resolved: Scrimgeour / Marshall

THAT the minutes of the following meetings as circulated separately with the agenda are confirmed and are a true and correct record:

6. *Minute no. C25 of the Western Bay of Plenty District Council held on 18 April 2019*
7. *Minute no. CC17 of the Community Committee held on 9 May 2019*
8. *Minute no. PP20 of the Policy Committee held on 20 May 2019*
9. *Minute no. OP19 of the Operations and Monitoring Committee held on 22 May 2019*
10. *Minute no. LAMP8 of the Long Term and Annual Plan Committee held on 28 May 2019*

C26.3 **Information for Receipt**

Council considered the information included in the Minute Index and Information Pack circulated separately with this agenda.

Resolved: Dean / Mackay

THAT the information items included in the Minute Index and Information Pack dated 6 June 2019 as circulated separately with the agenda be received.

C26.4 **Recommendatory Report from the Operations and Monitoring Committee - Waihi Beach Medical Centre**

Council considered a report from the Senior Governance Advisor dated 23 May 2019 as circulated with the agenda.

Resolved: Williams / Thwaites

- 1. THAT the report from the Senior Governance Advisor dated 23 May 2019 and titled Recommendatory Report to Council from the Operations and Monitoring Committee – Waihi Beach Medical Centre be received.*
- 2. THAT Council resolution C27.12 dated 17 December 2015, approving the entering into a lease with the Waihi Beach Medical Centre Trust be rescinded.*

C26.5 **Recommendatory Report from the Operations and Monitoring Committee - Wilson Road South (Walter Street) Road Stopping**

Council considered a report from the Senior Governance Advisor dated 27 May 2019 as circulated with the agenda.

Resolved: Mackay / Marsh

- 1. THAT the report from the Senior Governance Advisor dated 23 May 2019 and titled Recommendatory Report to Council from the Operations and Monitoring Committee – Wilson Road South (Walter Street) Road Stopping be received.*
- 2. THAT Council resolution C15.10 dated 17 May 2018, proposing to stop Wilson Road South (Walter Street) be rescinded.*

C26.6 **Recommendatory Report from the Operations and Monitoring Committee - Omokoroa Library Budget & Estimate**

Council considered a report from the Senior Governance Advisor dated 27 May 2019 as circulated with the agenda.

The requested budget provision for the construction of the Library/Office would be made in the 2019/2020 financial year. A decision was required prior to the adoption of the Long Term and Annual Plans in order to meet

the expected Omokoroa Sport and Recreation Club timetable for their tender process.

The Deputy Chief Executive Officer advised that under the Local Government Act the proposed property sale would require a consultation process. This would occur after the new building commenced and the recommendation committed the project. He advised that if the community decided they wished to retain the old Library and Service Centre as a community facility, then the community would have to pay a targeted rate (over a period of ten years) to cover the indicative funding from the proposed sale of the old building.

Resolved: Palmer / Murray-Benge

1. THAT the report from the Senior Governance Advisor dated 27 May 2019 and titled Recommendatory Report to Council from the Operations and Monitoring Committee – Omokoroa Library Budget & Estimates be received.

2. THAT Council approve the budget provision, for construction of the Omokoroa Library and Office on Western Avenue sports fields be increased from \$1.2 million, to \$1.5 million, for the 2019/2020 financial year.

3. THAT indicative funding for the project be from, but not limited to:

- The possible sale of the existing library/office: \$600,000
- The Reserves Financial Contributions: \$540,000
- The Property & Assets Reserve: \$360,000

Councillor Williams requested that his vote against the resolution be recorded.

C26.7

Recommendatory Report from the Long Term and Annual Plan Committee - Recommendation for Adoption of Dog Registration Fees (Dog Control Act 1996) 2019/2020.

Council considered a report from the Governance Advisor dated 28 May 2019 as circulated with the agenda.

Resolved: Scrimgeour / Marshall

1. *THAT Council adopts the 2019-2020 dog control fees and charges and that they be approved for public notification in accordance with the Dog Control Act 1996.*
2. *THAT the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.*

C26.8 Water Rates Remission Policy

Council considered a report from the Group Manager Finance and Technology Services dated 20 May 2019 as circulated with the agenda.

The Water Rates Remission Policy was adopted by Council's Finance and Risk Committee on 3 July 2014. As part of Council's three yearly policy review cycle only minor editorial amendments had been made to the Policy submitted to Council for adoption.

Resolved: Murray-Benge / Marsh

1. *THAT the Group Manager, Finance and Technology Services report dated 20 May 2019 and titled "Water Rates Remission Policy" be received.*
2. *THAT the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.*
3. *THAT Council note there are no substantive changes to the Policy.*
4. *THAT Council adopt the Water Rates Remission Policy with the following amendments:*

Include sentence under Item 6 Water Rates Remission Policy:

"Where a property has a change of ownership, Council may consider an application from the new owner(s)."

That the term 'Rating Unit' be applied to any reference to 'Property' within the policy.

C26.9 Proposal to Lease - Te Puna Memorial Hall Society Incorporated

Council considered a report from the Legal Property Officer dated 16 May 2019 as circulated with the agenda.

The land for the Te Puna Memorial Hall had been obtained from New Zealand Transport Agency and a condition of the settlement with the Agency was that Council enter into a lease with the Te Puna Memorial Hall Society Incorporated.

Council needed to approve the lease as it exceeded a term of 10 years which was outside the scope of the Chief Executive Officer's delegations.

Resolved: Thwaites / Mackay

1. *THAT the Legal Property Officers report dated 16 May 2019 and titled "Proposal to Lease – Te Puna Memorial Hall Society Incorporated" be received.*
2. *THAT the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.*
3. *THAT Council enter into a lease with the Te Puna Memorial Hall Society Incorporated for the occupation of land obtained from New Zealand Transport Agency on the following terms;*
 - i) *5 year term with 3 rights of renewal for a total of 20 years*
 - ii) *Occupation of an estate in fee simple in all that parcel of land being more or less Section 1 SO 529511 contained in Record of Title 873797*
 - iii) *Lease amount of \$1.00 per annum on demand.*

C26.10

Quarterly Review of Council Risk Profile

Council considered a report from the Risk Specialist dated 6 June 2019 as circulated with the agenda.

The updated Risk Profile was provided to Council for review, noting that small updates had been made to the details to reflect their current status. The Group Manager Finance and Technology Services advised that Council was comfortable with the information provided through independent assessment and there were no concerns within the current levels of risk reported. He also advised that staff had recently undertaken work on crisis awareness and risk management and the overarching responsibilities and impacts to ratepayers.

Resolved: Mackay / Marshall

1. *THAT the Risk Specialist's report dated 6 June 2019 and titled 'Quarterly Review of Council Risk Profile' be received.*
2. *THAT the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.*

C26.11

Bledisloe Park Board - Nominations for Appointment for 2019 - 2022 Term

Declaration of Interest

Councillor Marsh declared an interest in this item, and took no part in the discussion or voting thereon.

Council considered a report from the Senior Governance Advisor dated 22 May 2019 as circulated with the agenda.

Resolved: Williams / Scrimgeour

1. *THAT the report from the Senior Governance Advisor dated 22 May 2019 and titled Bledisloe Park Board Nominations for Appointment for 2019 – 2022 Term be received.*
2. *THAT the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.*
3. *THAT Council approve the following nominations for appointment from:*
 - *Kevin Marsh*
 - *Wendy McFadyen*
 - *Charles Peni*
 - *Ronald Spratt*

and that the nominations be forwarded for confirmation by the Governor General for appointment to the Bledisloe Park Board for the 2019 -2022 three year term.

4. *THAT a letter of appreciation be sent to previous Board members thanking them for their service to the community over the past three year term.*

C26.12

Chief Executive Officer's Report to Council - May 2019

Council considered a report from Chief Executive Officer dated 24 May 2019 as circulated with the agenda.

The Group Manager, Finance and Technology Services spoke to the Exception Briefing Report to June 2019 noting the following items:

Key Performance Indicators for the Ten Months Ended 30 April 2019

Council's net debt balance was \$75.17m at the end of the reporting period which represented a \$23.1m reduction from June 2018 balance of \$98.27m. Council had a positive cash position of \$34.83m at 30 April 2019.

Interest Rate Swaps

Total debt covered by interest rate swaps at 30 April 2019 was 81%. This level of coverage was within the required policy range of 50-95%. The value of interest rate swaps at 30 April 2019 was \$150.5m. Council was in

compliance with all of its key financial ratios at the end of the reporting period.

Operating Income

The total income for the ten months ended 30 April 2019 was \$109.41m against a year-to-date budget of \$79.33m. The \$30.08m higher income variance is largely due to favourable variances arising from the timing of receipt of financial contributions, subsidies and grants income and other income and vested assets against budget.

With the exception of the rate and user fees income streams actual revenue received for all categories of operating income were higher than year-to-date budget for the eight month period.

Operating Expenditure

Total expenditure of \$71.75m was \$379k higher than year-to-date budget of \$71.37m due to higher than budgeted additional level of service, depreciation and operating costs offset by lower interest costs. Overall operating income and expenditure levels indicate Council's financial performance was on track at the end of the reporting period.

Capital Expenditure

Capital expenditure of \$24.72m for the period was \$2.84m higher than year-to-date budget. The expenditure variance was attributable to higher than budgeted spends in the corporate services and transportation activities offset by underspends in the recreation and leisure and water supply activities.

Financial Contributions

Financial contributions income received to date of \$16.25m was \$8.93m higher than the year-to-date budget of \$7.32m and was currently at 185% of full year budget.

Resolved: Mayor Webber / Thwaites

THAT the Chief Executive Officer's report dated 24 May 2019 and titled "Chief Executive Officers Exception Report" be received.

C26.13

Mayor's Report to Council - May 2019

Council considered a report from His Worship the Mayor dated 24 May 2019 as circulated with the agenda.

Planning for Change or Change for Planning

Councillors received a paper from Peter Silcock, the Chief Executive Civil Contractors New Zealand. The paper outlined aspects of infrastructure

planning and construction that were put on hold for various reasons, which resulted in communities losing out on progress within their area. It was reinforced that once a decision had been made then all affected parties needed to be behind those decisions and back them to bring them to completion.

Mayor Webber noted that in planning for the future Council worked through their Long Term and Annual Plan projects and a 30 year asset plan model. Council provided foresight on future projects but this was not the case with central government that changed commitments with short term notice.

Urban Form & Transport Initiative (UFTI)

Mayor Webber advised that under the current SmarthGrowth Leadership Group, Councils should be united in their commitment to the Urban Form & Transport Initiative (UFTI).

The master plan and key projects would be developed through the UFTI project. Each partner would need to include the projects in their respective long term budgets.

Resolved: Mayor Webber /Mackay

THAT the Mayor's report dated 24 May 2019 and titled Mayor's Report to Council - May 2019 be received.

Local Government Official Information and Meetings Act

Exclusion of the Public

Schedule 2A

Resolved: Marshall / Murray-Benge

THAT the public be excluded from the following part of this meeting namely:

- *In Confidence Council and Committee minutes for Confirmation.*
- *In Confidence Minute Index and Information Pack*
- *In Confidence Chief Executive Officer's Report – May 2019*
- *In Confidence Mayor's Report – May 2019*

The general subject to each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

<i>General subject of each matter to be considered</i>	<i>Reason for passing this resolution in relation to each matter</i>	<i>Ground(s) under Section 48(1) for the passing of this resolution</i>
<i>In Confidence Council and Committee minutes for Confirmation</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>For reasons previously stated in the relevant minutes.</i>
<i>In Confidence Minute Index and Information Pack</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>For reasons previously stated in the relevant minutes.</i> <i>To enable the Council to carry on without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</i> <i>Protect the privacy of natural persons, including that of deceased natural persons.</i> <i>Maintain legal professional privilege.</i>
<i>In Confidence Chief Executive Officer's Report – May 2019</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>To enable the Council to carry on without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</i> <i>Protect the privacy of natural persons, including that of deceased natural persons.</i>
<i>In Confidence Mayor's Report to Council – May 2019</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>Protect the privacy of natural persons, including that of deceased natural persons.</i>