

MINUTES OF COUNCIL MEETING

File Reference: ECM 7611249
Meeting Date: Thursday 21 December 2017 at 9am
Venue: Civic Centre, Liardet Street, New Plymouth.
Members Present: Mayor Neil Holdom, Councillors Richard Jordan, Shaun Biesiek, Gordon Brown, Murray Chong, Harry Duynhoven, Richard Handley, Stacey Hitchcock, Colin Johnston, John McLeod, Alan Melody, Mike Merrick, Marie Pearce, Roy Weaver and John Williams

Non Members Present:

Community Board Chairpersons Doug Hislop (Kaitake), Ken Bedford (Clifton), Kevin Rowan (Inglewood)

Staff in Attendance:

Craig Stevenson, Liam Hodgetts, Kelvin Wright, Alan Bird, Jacqueline Baker, Julie Straka, Jan Holdt, Stuart Robertson, Greg Stephens, Simon Rees, Ron Murray, Teresa Turner, Katrina Brunton, David Langford, Mitchell Dyer, Juliet Johnson, Delwyn Masters, Ali Trustrum-Rainey, Chris Rudd, Shawn Scott, Paul Lamb, Hayley Martin, Shaun McDougall, Callum Williamson, Steve Alderdice

Conflict of Interest

Cr Alan Melody advised a conflict of interest with Tab 5: Revenue and Financing Policy

Long-Term Plan 2018-2028 Covering Report

ECM7600255

This report provides a high level overview of Long-Term Plan 2018-2028.

Council Resolution:

Mayor Holdom)

Cr Jordan)

That, having considered all matters raised in the report, the report be noted.

Carried

Strategic Parameters for LTP 2018-2028

ECM7542474

The matter for consideration by the Council is the strategic parameters for the Long-Term Plan 2018-28, consisting of:

- The strategic operating environment (itself consisting of the Council's strategic framework and forecasting assumptions)
- The Financial Strategy, and
- The Infrastructure Strategy.

Council Resolution:

Cr Merrick)

Cr Hitchcock)

That having considered all matters raised in the report the Council:

- a) Adopt the strategic operating environment, consisting of the strategic framework and forecasting assumptions (appendix 1), for the Long-Term Plan supporting information
- b) Adopt the Financial Strategy (appendix 2) for the Long-Term Plan as supporting information for the Long-Term Plan
- c) Adopt the Infrastructure Strategy (appendix 3) for the Long-Term Plan supporting information

Carried

Adoption of Council Services Supporting Information in Relation to the Long-Term Plan 2018-2028 and Consultation Document

ECM7601291

The matter for consideration by the Council is the adoption of the Council services supporting information required to be adopted by section 93G of the Local Government Act 2002 (LGA 2002) in relation to the Long-Term Plan 2018-2028 (LTP) and the Consultation Document.

Council Resolution:

Cr Jordan)

Cr Pearce)

That having considered all matters raised in the report the Council:

- a) Include the following key initiatives in Long-Term Plan 2018-2028:
 - 1) Parks and Open Spaces - Include capex service level improvements of \$16.5m, growth capex of \$5.7m and opex service level improvements of \$4.2m as per the work programme for the Long-Term Plan 2018-2028 in Appendix One highlighting the following:
 - Capex of \$1m over Years One to Five to provide for the Taranaki Traverse 'Mounga to Surf' - Waiwhakaiho River Corridor stage - land acquisition and business case
 - Capex of \$2m in Year Three to provide for the Weymouth Street Railway crossing improvements noting that partial external funding will be sought
 - Capex of \$2.3m over Years Four to Ten to provide for CBD Street scape improvements
 - Opex of \$50k in year one to provide for the development of a concept plan for Te Kohia Pa.

An amendment was moved at the Council meeting

Cr Johnston

Cr Merrick

That the Brooklands Drive entrance Newton King Memorial gate project be included at a cost of \$150,000 with a balance of up to \$100,000 to be funded by donations and fund raising.

The amendment was lost.
The original motion was put and carried.

Council Resolution:

Cr Biesiek)
Cr McLeod)

- 2) Transportation - Include capex service level improvements of \$15m, growth capex of \$28.4m and opex service level improvements of \$1.2m as per the work programme for the Long-Term Plan 2018-2028 in Appendix One highlighting the following:
- capex of \$8.5m over Years Two and Three to provide for the extension of the Coastal Walkway to Waitara.

Carried

Council Resolution:

Cr Weaver)
Cr Biesiek)

- 3) Stormwater Drainage - Include capex service level improvements of \$9.6m, growth capex of \$5.8m and opex service level improvements of \$330k as per the work programme for the Long-Term Plan 2018-2028 in Appendix One highlighting the following:
- capex of \$9.1m over Years Two to Seven to provide for Waitara stormwater upgrades

Carried

Council Resolution:

Cr McLeod)
Cr Johnston)

- 4) Flood Protection - Include opex service level improvements of \$334k as per the work programme for the Long-Term Plan 2018-2028 in Appendix One

Carried

Council Resolution:

Cr Handley)
Cr Duynhoven)

- 5) Waste Management and Minimisation – Include capex service level improvements of \$7.1m, and opex service level improvements of \$19.7m to implement the Waste Management and Minimisation Plan adopted in November 2017 as per the work programme for the Long-Term Plan 2018-2028 in Appendix One highlighting the following:
- Capex of \$2.4m in Year One to provide for the Resource Recovery Facility

- Capex of \$3.5m in Year Three to provide for the establishment of a Commercial and Industrial Materials Recovery Facility.
- Capex of \$562k in Year Six to provide for upgrades and improvements to rural Transfer Stations
- Capex of \$562k over Years Three to Ten to provide for recycling in public places and at events
- Capex of \$59k in Year Eight to provide for an information portal for commercial waste
- Capex of \$45k in Year Six to provide for additional infrastructure at Transfer Stations
- Opex of \$220k over Years One to Ten to provide for composting workshops
- Opex of \$7.5m over Years Two to Ten to provide food waste collection (weekly) and replace weekly and replace weekly 60L rubbish bag collection with 120L bin collected fortnightly
- Opex of \$457k over Years Two to Ten to provide flexibility in bin sizes
- Opex of \$73k over Years One to Ten to subsidise the backdoor collection service by 50 per cents
- Expansion of the kerbside collection area over Years One to Ten on a cost recovery neutral rates basis
- Opex of \$50k in Year Four to investigate alternative technologies to landfill
- Opex of \$300k over Years One to Ten to provide a subsidy for E waste recycling
- Opex of \$70k in Year Two to investigate feasibility of Commercial & Industrial MRF
- Opex of \$1m over Years One to Ten to employ a Commercial Waste Minimisation Officer
- Opex of \$50k over Years One to Ten to provide commercial access to MRF
- Opex of \$806k over Years One to Ten to provide collaboration options (bylaw review, contestable waste levy fund)

- Opex of \$2.95m over Years One to Ten to provide leadership options (illegal dumping strategy, in-house waste minimisation strategy, public place recycling, advocate to Central Government)

Carried

The meeting was adjourned at 10.57am and reconvened at 11.10am.

Council Resolution:

Mayor Holdom)

Cr Jordan)

- 6) Water Supply - Include capex service level improvements of \$34m, growth capex of \$34.8 and opex service level improvements of \$1.43m to implement the Water Master Plan adopted in August 2016 as per the work programme for the Long-Term Plan 2018-2028 in Appendix One highlighting the following:

- Capex of \$30.1m in spread over Years One (land acquisition), Nine and Ten (water plant construction) to provide for a new water source
- Capex of \$237k in Year Three to provide for potable water extension to Dudley Road
- Capex of \$15.2m over Years Five to Seven to provide for universal water metering
- Capex of \$7.4m over Years One and Two to provide for the Mountain Road and Henwood Road water reservoirs.
- Capex of \$4.2m in Year Four to provide for the duplication of the Water Treatment Plant outlet and Feeder
- Capex of \$3.5m in Year Four to provide for the Eastern Feeder Stage 1
- Capex of \$3.5 in Years Six and Seven to provide for the Eastern Feeder Stage 2

Carried

Council Resolution:

Cr Melody)

Cr McLeod)

- 7) Wastewater Treatment - Include capex service level improvements of \$11.5m, growth capex of \$12.8 and opex service level improvements of \$500k as per the work programme for the Long-Term Plan 2018-2028 in Appendix One highlighting the following:

- Capex of \$4.8m across Years Two to Ten to provide for pumpstation overflow prevention

- Capex of \$515k in Year Two to provide for elimination of use of the Waitara Outfall
- Capex of \$8.6m in Year Four for the Eastern Sewer realignment

Carried

Council Resolution:

Cr Melody)
Cr Pearce)

- 8) Emergency Management - Include capex service level improvements of \$1.65m and opex service level improvements of \$7.9m as per the work programme for the Long-Term Plan 2018-2028 in Appendix One highlighting the following:
- Capex of \$1.65m in Years Four to Six to provide for Civil Defence Emergency Management (CDEM) related capex
 - Opex of \$3m over Years One to Ten to provide for building Emergency Operations Centre (EOC) capability.

Carried

Council Resolution:

Cr Brown)
Cr Pearce)

- 9) Community Partnerships - Include opex service level improvements as per Council decisions from the 19 December meeting, and Sport Taranaki and the Housing for the Elderly as highlighted below and in Appendix One:
- Rentals for the Council's Housing for the Elderly units are increased on an annual basis to strengthen the renewal reserves to allow for the future consideration of investment and divestment options.
 - Sport Taranaki – Receive \$81k per annum from Year One to Ten and cease the Strategic Partnership 5 year grant of \$25k.

Carried

Council Resolution:

Cr Pearce)
Cr Johnston)

- 10) Govett-Brewster Art Gallery/Len Lye Centre - Include opex service level improvements of \$1.25m as per the work programme for the Long-Term Plan 2018-2028 in Appendix One highlighting the following:
- opex of up to \$100k per annum to increase the visitor experience as a result of the preparation of a strategic plan

- opex of \$250k in Year Three to provide for the 50th Anniversary Celebration

An amendment was moved at the Council meeting

Cr McLeod

Cr Brown

Remove the Govett-Brewster/Len Lye Centre opex of up to \$100k per annum to increase the visitor experience as a result of the preparation of a strategic plan

The amendment was lost.

A Division was called on the amendment: (ECM 7611277)

Those voting for the motion were Crs Biesiek, Brown, Chong, McLeod and Merrick.

Those voting against the motion were Mayor Holdom, Crs Duynhoven, Handley, Hitchcock, Johnston, Jordan, Melody, Pearce, Weaver and Williams.

An amendment was moved at the Council meeting

Cr Brown

Cr Biesiek

Opex of \$50k in Year Three to provide for the 50th Anniversary Celebration

The amendment was lost.

A Division was called on the amendment: (ECM 7611277)

Those voting for the motion were Mayor Holdom, Crs Biesiek, Brown, Chong and McLeod.

Those voting against the motion were Crs Duynhoven, Handley, Hitchcock, Johnston, Jordan, Melody, Merrick, Pearce, Weaver and Williams.

The original motion was put and carried.

A Division was called on the original motion: (ECM 7611277)

Those voting for the motion were Mayor Holdom, Crs Duynhoven, Handley, Hitchcock, Johnston, Jordan, Melody, Merrick, Pearce, Weaver and Williams.

Those voting against the motion were Crs Biesiek, Brown, Chong and McLeod.

Council Resolution:

Cr Duynhoven)

Cr Biesiek)

- 11) Puke Ariki and Community Libraries Planning and Development - Include capex service level improvements of \$6.78m and opex service level improvements of \$1.44m as per the work programme for the Long-Term Plan 2018-2028 in Appendix One highlighting the following:

- capex of \$6.5m for the development and execution of a community libraries planning and development.
- capex of \$0.3m in Year One to provide for the fit out of the Puke Ariki archive building

- opex of \$1.2m over Years One to Ten to provide for the completion of the digitisation of the Puke Ariki Heritage Collection.

Carried

Council Resolution:

Cr Hitchcock)
Cr Pearce)

- 12) Venues and Events - Include capex service level improvements of \$1.36m and opex service level improvements of \$3.75m as per the work programme for the Long-Term Plan 2018-2028 in Appendix One highlighting the following:

- capex of \$750k in Year One to provide for external toilets and a concrete pad at the TSB Stadium
- capex of \$576k over Years One to Ten to provide for an annual new light feature at the Festival of Lights
- opex of \$310k per annum to provide for CBD activation through the Shaping our City Action Plan
- opex of \$100k per annum to provide for venues to attract events and generate revenue.

Carried

Council Resolution:

Cr Biesiek)
Cr Duynhoven)

- 13) Customer & Regulatory Solutions – No levels of service changes proposed

Carried

Council Resolution:

Cr Handley)
Cr Hitchcock)

- 14) Economic Development - Include opex service level improvements of \$7m highlighting the following:

- opex of \$350k per annum over Years One to Ten to provide for the implementation of the Tapuae Roa: Make Way for Taranaki—the Regional Economic Development Strategy and Action Plan

Carried

Council Resolution:

Cr Hitchcock)
Cr Biesiek)

15) Governance - Include opex service level improvements of \$1m including:

- Opex of \$25k every third year to participate in the CouncilMARK programme
- Opex of \$300k over Years One and Two for participation in the national online voting trial.

Carried

Cr McLeod requested that his vote against the preceding motion be recorded.

Cr Handley was not present for voting on the preceding motion.

Council Resolution:

Mayor Holdom)

Cr Brown)

16) Management of Investments and Funding - Include opex service level improvements of \$3.5m highlighting the following:

- Adopting the approach to divestment of minor surplus properties, and re-invest the income equally between land purchase/development and a reserve for funding significant capital projects
- Adopting the approach to develop and divest half of Fitzroy Golf Club and the Weka Street surplus reserve land, and to re-invest income equally between land purchase/development and a reserve for funding significant capital projects

Carried

Cr McLeod requested that his vote against the preceding motion be recorded.

Cr Handley was not present for voting on the preceding motion.

Council Resolution:

Cr Biesiek)

Cr McLeod)

b) Adopt all of the remaining draft capital and operational works programme (subject to and consistent with the decisions from a) above) for the Long-Term Plan 2018-2028 in Appendix One , noting that the projects in Appendix Two are excluded.

c) Adopts the Council services supporting information subject to decisions in items a) and b) above within Appendix Three required to be adopted by section 93G Local Government Act 2002 in relation to the Long-Term Plan 2018-2028 and the Consultation Document.

d) Note that the supporting information's financial position is still subject to Council decisions and final budget review.

e) Delegate authority to the Chief Executive to make any consequential amendments to the supporting information to reflect decisions agreed by the Council and any other minor amendments required in the development of the Consultation Document and the

Long-Term Plan 2018-2028, with changes subject to adoption in June 2018 as part of the adoption of the Long-Term Plan 2018-2028.

- f) Note that any significant amendments to the supporting information as a result of the final budget review will be presented to the Council before adoption of the Consultation Document.

Carried

Cr Handley was not present for voting on the preceding motion.

Development and Financial Contributions Policy

ECM7597625

The matter for consideration by the Council is the adoption of the draft Development and Financial Contributions Policy as supporting information for the LTP 2018-28 and approval of the draft policy for consultation under s82 of the LGA 2002.

Council Resolution:

Cr Biesiek)

Cr Pearce)

That having considered all matters raised in the report:

- a) Adopt the draft Development and Financial Contributions Policy as supporting information for the LTP 2018-28.
- b) Approve the draft Development and Financial Contributions Policy for consultation under section 82 of the LGA 2002.
- c) Note that the Development and Financial Contributions Policy will be consulted on in conjunction with the consultation for the LTP and the final policy will be subject to decisions made as part of the LTP 2018-28 process.
- d) Delegate authority to Council officers to make minor amendments updating the policy in light of any relevant decisions made by the Council as part of the LTP process and the availability of any new or updated information. Noting that any significant amendments will be presented back to the Council for adoption prior to consultation.

Carried

Proposed Changes to the Revenue and Financing Policy and Rating System for the Long-Term Plan 2018-2028

ECM7546727

The matter for consideration by the Council is changes to the Revenue and Financing Policy and rating system to be included in the Long-Term Plan 2018-2028.

Council Resolution:

Mayor Holdom)

Cr Handley)

That having considered all matters raised in the report, the Council:

- a) Note that the Revenue and Financing Policy sets the overall direction for the rating system and the directions for how the Council will raise revenue for each activity, with the detailed rating system set through the Long-Term Plan and Annual Plan processes

Rating differentials

- b) Note that:
- i) The original intention of the differential system was for small holdings (being non-commercial/industrial properties between 1 and 4 hectares) to be rated in between residential and farmland properties, but
 - ii) Due to growth in the number of small holdings, they are now paying less in rates per dollar of land value than farmland properties, and
 - iii) A 2012 review found that the commercial/industrial properties pay a higher proportion of rates than the sector receives in benefits from Council services
- c) Agree that the rating differentials be amended to:
- i) Increase the small holdings differential from 3.00% to 3.25% in 2018/19, 3.55% in 2019/20 and 3.80% in 2020/21
 - ii) Decrease the commercial/industrial differential from 27.20% to 26.95% in 2018/19, 26.65% in 2019/20 and 26.40% in 2019/20

Uniform charges

- d) Notes that:
- i) the Uniform Annual General Charge has been static since 2008/09 at \$322.22 (exc GST, \$362.50 including GST until GST increased in 2010, then \$370.55 including GST thereafter)
 - ii) the Uniform Annual Roding Charge has been static since 2009/10 at \$100 (exc GST, \$112.50 including GST until GST increased in 2010, then \$115 including GST thereafter)
 - iii) due to inflation since the rates were last set, the rating system has become more progressive over time without active reconsideration and resetting by the Council
- e) Agree that the Uniform Annual General Charge be increased from \$370.55 (inc. GST):
- i) to \$400 (inc. GST) in 2018/19 and then \$429.50 (inc. GST) in 2019/20, and
 - ii) then increased annually thereafter at the rate of the local government cost index
- f) Agree that the Uniform Annual Roding Charge be increased from \$115 (inc. GST):
- i) to \$122.50 (inc. GST) in 2018/19 and then \$130.00 (inc. GST) in 2019/20, and
 - ii) then increased annually thereafter at the rate of the local government cost index

Solid Waste disposal subsidies

- g) Agree to the following changes to the funding of Solid Waste disposal activities:
- i) Allow general rates to be applied to Solid Waste activities

- ii) Provide a public benefit attribution of 30-50 per cent for Solid Waste disposal activities, and a corresponding 50-70 per cent private benefit attribution

Funding splits for Recreational activities

- h) Agrees to the following changes to the public/private funding split for recreational activities:
 - i) Increase the Aquatics private funding split from 20-40 per cent to 30-50 per cent, and decrease the public funding split from 60-80 per cent to 50-70 per cent
 - ii) Increase the Govett-Brewster Art Gallery and Len Lye Centre private funding split from 0-20 per cent to 20-40 per cent, and decrease the public funding split from 80-100 per cent to 60-80 per cent
 - iii) Increase the Event Venues private funding split from 20-40 per cent to 30-50 per cent, and decrease the public funding from 60-80 per cent to 50-70 per cent

Miscellaneous

- i) Agrees to minor changes to:
 - i) provide that asset sale income may be used to build reserve funds
 - ii) provide that Housing for the Elderly rents will only be used for funding of that service
 - iii) reflect existing business processes
 - iv) enable the Emergency Management and Business Continuity activity may borrow funds for capital expenditure
 - v) remove a now completed transitional agreement
 - vi) reflecting legislative changes, particularly to development and financial contributions, and
 - vii) a number of technical tidy-ups and language changes to improve readability
- j) Note that above changes to the rating system must be included in the Long-Term Plan consultation document and the Revenue and Financing Policy is consulted on concurrently to the Long-Term Plan process
- k) Revoke the *Policy on Targeted Rates for the Use of Multiple Water Closets or Urinals for Wastewater Disposal* (P10-014).

Carried

Cr Melody having declared an interest, withdrew from the table and took no part in the discussion or voting on the preceding matter.

Adoption of Financial Information and Statements Report Supporting Information in Relation to the Long Term Plan 2018-2028 and Consultation Document

ECM7598174

The matter for consideration by the Council is the adoption of draft Financial Information and Statements supporting information required to be adopted by section 93G of the Local Government Act 2002 (LGA 2002) in relation to the Long-Term Plan 2018-2028 (LTP) and the Consultation Document, which includes confirming:

- Revenue initiatives and service level to reduce costs and achieve a 3.86 per cent average increase in the rating requirement over the ten years of the plan.

Council Resolution:

Cr Jordan)

Cr Biesiek)

That having considered all matters raised in the report the Council,

- a) Adopt the following Financial Information and Statements supporting information required to be adopted by section 93G of the Local Government Act 2002 in relation to the Long-Term Plan 2018-2028 and the Consultation Document :
 - Statement of Accounting Policies
 - Balancing the Budget
 - Prospective Financial Plan
 - Prospective Financial Statements
 - Statement of Reserve Funds
 - Reconciliation Summary
 - Disclosure Statement
 - Rating System and Information
 - Council Funding Impact Statement
- b) Note that the supporting information's financial position is still subject to Council decisions and final budget review.
- c) Delegate authority to the Chief Executive to make any consequential amendments to the supporting information to reflect decisions agreed by the Council and any other minor amendments required in the development of the Consultation Document and the Long-Term Plan 2018-2028, with changes subject to adoption in June 2018 as part of the adoption of the Long-Term Plan 2018-2028.
- d) Note that any significant amendments to the supporting information as a result of the final budget review will be presented to the Council before adoption of the Consultation Document.

Carried

Rates Remission and Postponement Policies

ECM7437326

The matter for consideration by the Council is a number of minor amendments to the Rates Remission and Postponement Policies.

Council Resolution:

Cr McLeod)

Cr Pearce)

That having considered all matters raised in the report, the Council:

- a) Notes that a review of the Rates Remission and Postponement Policies has identified a number of minor issues with the current policies that can be addressed now but that there are substantive issues that cannot be addressed now for timing reasons
- b) Adopts the draft amended Rates Remission and Postponement Policies for consultation under section 82 of the Local Government Act 2002 concurrently with the Long-Term Plan 2018-28 consultation process
- c) Authorises the Chief Executive to remove the remission ground for licence to occupy retirement village residents from the Policies for consultation if the Rates Rebate (Retirement Village Residents) Amendment Bill is passed before the consultation process begins
- d) Agrees that a further review of the Rates Remission and Postponement Policies occurs once the new District Plan is operative and relevant legislative reform has been enacted.

Carried

Mayor Holdom closed the meeting at 12.53pm.

The Council rose

Read and confirmed

MAYOR