
MINUTES
of the
CORPORATE SERVICES COMMITTEE MEETING
held
9.30 am, Thursday, 7 March 2013
at
Tasman Council Chamber, 189 Queen Street, Richmond

Present: Councillor T B King (Chair), Councillors M L Bouillir, S G Bryant, B F Dowler, J L Edgar, B W Ensor, G A Glover, J L Inglis, C M Maling, T E Norriss, P F Sangster and E J Wilkins.

In Attendance: Chief Executive Officer (L McKenzie)
Corporate Services Manager (M W Staite)
Finance Manager (R Holden)
Financial Accountant (B Grammer)
Human Resources Manager (J Cranness)
Manager Property Services (J Frater)
Information Services Manager (P Darlington)
Forest Manager - P Wilks
Motueka Community Board Chairman (D Ogilvie)
Administration Officer (G Woodgate)

1 OPENING, WELCOME

2 APOLOGIES AND LEAVE OF ABSENCE

Moved Cr Glover/Maling
FN13-03-1

That apologies from Mayor R G Kempthorne and Cr Z S Mirfin for absence be accepted.
CARRIED

3 PUBLIC FORUM

No-one spoke in Public Forum.

4 DECLARATIONS OF INTEREST

Nil.

5 CONFIRMATION OF MINUTES

Moved Cr Glover/Cr Sangster
FN13-03-2

That the minutes of the Corporate Services Committee meeting held on Thursday, 31 January 2013, be confirmed as a true and correct record of the meeting.
CARRIED

6 REPORTS

6.1 Report of Audit Subcommittee held on 8 November 2012.

Moved Cr Glover/Cr King
FN13-03-3

That the minutes of the Audit Subcommittee meeting held on 8 November 2012 be received by the Corporate Services Committee.
CARRIED

7 PRESENTATIONS

Nil.

8 REPORTS

8.1 Chairman's Report, Report RFN13-03-20.

The Chairman's report contained the following matters for discussion:-

- Release of the Draft Annual Plan
- Prioritizing of Council services
- Six monthly accounts
- Commercial Subcommittee appointment process
 - Discussion ensued on the length of time this process has taken.
- Property matters
 - Discussion ensued on the need for an overview of all land and commercial/community buildings owned by Council.

Action Point

The Corporate Services Committee requested an earthquake risk and management report on Council's land and commercial/community buildings property portfolio.

Moved Cr Bouillir/Cr Bryant
FN13-03-4

That the Corporate Services Committee receives the Chairman's Report, Report RFN13-03-20.
CARRIED

8.2 Corporate Services Manager's Report, Report RFN13-03-08.

Corporate Services Manager, Murray Staite, spoke to the report which was included in the agenda.

Concern was expressed regarding the length of time information from Joint Shareholders Committee meetings are placed on the Corporate Services Committee's agenda for discussion.

Action Point

The Corporate Services Manager to investigate and report on how to reduce the time gap of information from Joint Shareholders Committee meetings being placed before the Corporate Services Committee.

The Corporate Services Manager was requested to obtain, and circulate to Committee members, a copy of the Code of Compliance of the Nelson Museum building.

**Moved Cr Maling/Cr Wilkins
FN13-03-5**

**That the Corporate Services Committee receives the Corporate Services Manager's Report RFN13-03-08.
CARRIED**

8.3 Tasman Bays Heritage Trust Report, Report RFN13-03-13.

Corporate Services Manager, Murray Staite, spoke to the report which was included in the agenda.

The purpose of the report was to approve the 2012/2013 Tasman Bays Heritage Trust (TBHT) Statement of Intent (SOI) for signing.

The Corporate Services Manager advised that he had just received, and would circulate to Committee members, copies of the Trust's cash flows and balance sheets.

Concern was expressed that the Statement of Intent's objectives were not balanced and that this matter, along with the need for a total review of the Trust's operations, should be raised at the next Joint Shareholders Committee meeting.

**Moved Cr Glover/Cr Norriss
FN13-03-6**

That the Corporate Services Committee:

- 1) Receives the Tasman Bays Heritage Trust Report RFN13-03-09; and**
- 2) Approves the Tasman Bays Heritage Trust 2012-2013 Strategic Plan.**

CARRIED

8.4 Loans Resolution - 2012/2013 Report, Report RFN13-03-03.

Financial Accountant, Bryce Grammer, was in attendance to speak to the report which was included in the agenda.

The purpose of the report was to approve Council loan funding for the 2012/2013 year.

Committee members discussed the following matters:-

- Council's increasing debt level
- Funding of depreciation
- Renewals.

Action Point

That the Corporate Services Manager prepare a Terms of Reference for the review of funding for

depreciation and renewals.

**Moved Cr Bryant/Cr Inglis
FN13-03-7**

That the Corporate Services Committee:

- 1) Receives the Loans Resolution - 2012/2013 Report, Report RFN13-03-03; and
- 2) Approves:
 - i) The Council shall borrow the sum of fifteen million, and six hundred and twenty three thousand, and six hundred and forty two dollars (\$15,623,642) from the approved financial institutions as set out in the Treasury Management Policy.
 - ii) Such borrowings shall be secured by the security stock allocated under the terms of the Council's Debenture Trust Deed dated 7th of July 2010 between the Council and Perpetual Trust Limited.
 - iii) The stock secures all liability of the Council to the approved financial institutions under the documents.
 - iv) The Council approves the transactions contemplated by the documents.
 - v) The Chief Executive and Corporate Services Manager are authorised to sign the documentation on behalf of the Council.
 - vi) The loan advance of dollars shall be used to finance the following projects identified in Council's 2012/2013 Long Term Plan:

<u>Environmental Management:</u>	\$
Flood Control Model	83,040

<u>Transportation, Roads and Footpaths:</u>	
Unsealed Road Metalling	394,536
Sealed Road Resurfacing	1,267,414
Drainage Renewals	712,062
Pavement Rehabilitation	286,059
Associated Improvements	101,490
Bridge Renewals/ Structure Replacement (includes Yellow Pine Bridge)	390,778
Minor Safety Improvements	436,092
Traffic Service Renewals	196,095
Additional Local Share subsidised roading works	247,475
Great Taste Trail Cycle Loop	1,058,345
Footpaths Rehab/Kerb and Channel/Road Construction/ Central Business District Upgrades	336,831

<u>Stormwater:</u>	
Richmond: Reservoir Creek Dam	683,870
Richmond: Poutama Creek, Queen St, Ranzau/Paton/White Roads	222,432
Tasman Baldwin Road	348,768

<u>Solid Waste:</u>	
Eves Valley Consent Renewal, Closure Plan and Stage Two earthworks	595,101
Richmond Resource Recovery Centre	112,175
Mariri/Takaka/Murchison Resource Recovery Centre Enhancement	236,183

Water:

Richmond East Reservoir and pipeline	610,344
Richmond Water Treatment Plant and new ground source	728,864
Richmond Reservoir Seismic Remediation	269,880
Backflow Prevention and Telemetry Upgrade	357,448
Small Scheme Upgrades (e.g. 88 Valley Road, Dovedale etc)	674,287
Water Development Contributions Bridging Finance Loans (Only if required)	371,642

Wastewater:

Motueka Wastewater Treatment Plant and Renewals	714,412
Richmond Pipeline Renewals and telemetry	265,313
Takaka Wastewater Treatment Plant upgrade	530,604
Martin Farm Road, Pohara/Tata Beach upgrades	110,000

Coastal Structures:

Port Tarakohe Crane, Weighbridge and Associated Works	311,400
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Property:

Council Main Office Building Extension Completion	155,700
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Community Facilities:

Saxton Field General Works	291,270
Hockey Turf at Saxton Field	306,600
Cycle Track at Saxton Field	204,400
Mapua Community Hall	829,440
Saxton Field (TDC property)	160,890

Rivers:

Lower Motueka Stopbank	311,400
T3 Development and Database	103,800
Borlase Catchment Project	216,942

Other:

Computer Hardware	280,260
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\$15,513,642

- vii) The loan advance of dollars shall be used to finance the following projects approved by the Council's Community Services Committee in August 2012:

Reserve Financial Contributions:
Brightwater Property Purchase

**\$
110,000**

- viii) The Council acknowledges that pursuant to the Debenture Trust Deed the Council has granted a security interest over rates and rates revenue in favour of Perpetual Trust Limited on behalf of stockholders.
- ix) The Council has considered the risks and benefits to the Council of the borrowing and of the security to be given in relation to the borrowing.
- x) The Council is satisfied that the general terms and conditions of the borrowing and of the security to be given in relation to the borrowing are in accordance with the borrowing management policy adopted by the Council and, in particular, the limits and guidelines set out in that borrowing management policy.

xi) **The Council delegates to the Chief Executive and the Corporate Services Manager the authority to further determine the precise terms and conditions of the borrowing and security, to be negotiated at the best current terms and conditions, such terms and conditions to be advised to the Council following the raising of the borrowing.**

xii) **The Chief Executive is authorised to sign a certificate under section 118 Local Government Act 2002 to the effect that the Council has complied with the Local Government Act in entering into the documents.**

CARRIED

8.5 Treasury Management Report, Report RFN13-03-10.

Corporate Services Manager, Murray Staite, spoke to the report which was included in the agenda.

Committee members discussed the following matters:-

- The Nelson Regional Sewerage Business Unit debt and possibly aligning it with what Nelson City Council does
- The General Disaster Fund
- The Pinegrove Trust investment.

Action Point

Staff to discuss with the Pinegrove Trust Council's continued involvement with their investment.

Moved Cr Maling/Cr Wilkins

FN13-03-8

That the Corporate Services Committee receives the Treasury Management Report, Report RFN13-03-10.

CARRIED

10.38 – 10.50 am: Morning tea.

9.0 Procedural motion to exclude the public.

Moved Cr Ensor/Cr Maling

FN13-03-9

That the public be excluded from the following part(s) of the proceedings of this meeting. The general subject of 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 follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

9.1 Proposal to Take Out a Forestry Right, Richmond

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.</p> <p>s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>

CARRIED

10.50 am: Mr Ogilvie departed the Chamber.

**Moved Cr Glover/Cr Norriss
FN13-03-12****That the ordinary meeting be resumed.
CARRIED**

11.38 am: Mr Ogilvie returned.

REPORTS, CONTINUED**8.6 Manager Property Services Report, Report RFN13-03-12.**

Manager Property Services, Jim Frater and Forest Manager, Peter Wilks spoke to the report which was included in the agenda.

Forestry Quarterly Report

Mr Wilks advised that forestry quarterly operations were ahead in both revenue and volumes.

Action Point

The forecast Forestry dividend to be reviewed as part of the final Annual Plan.

**Moved Cr Inglis/Cr Ensor
FN13-03-13****That the Corporate Services Committee receives the Forest Managers Quarterly Report.
CARRIED**

11.38 am: Mr Wilks departed and Mr Ogilvie returned.

Motueka Aerodrome

Discussion ensued on how the independent member to the Motueka Aerodrome Users Group would be found.

**Moved Cr Wilkins/Cr Bouillir
FN13-03-14**

That selected unsuccessful candidates for the Commercial Subcommittee be approached to see if they wished to be considered as an independent member on the Motueka Aerodrome User Group.

CARRIED

Port Tarakohe

Committee members requested the Manager Property Services report back on the actual membership of the Tarakohe Marina Association.

Golden Bay Service Centre

Committee members advised that they disagreed with the Quantity Surveyors seismic report on the Council offices at 78 Commercial Street, Takaka.

Action Point

Council's Quantity Surveyors to be invited to attend a Corporate Services Committee meeting to explain their processes and advise what legislation they followed when preparing and making their conclusions in a seismic report.

The Chief Executive Officer corrected a statement made by the Forestry Manager in his written report that 'No incidents or near misses were reported'. One complaint at Rabbit Island had been received and there was a second minor issue of tree removal reported.

**Moved Cr Wilkins/Cr Bouillir
FN13-03-15**

That the Corporate Services Committee:

- 1. Receives the Manager Property Services Report, Report RFN13-03-12; and**
- 2. Agrees to appoint an independent member to the Motueka Aerodrome User Group who has commercial and business skills and asks staff to report back to the next meeting with suitable candidates.**

CARRIED

8.7 HUMAN RESOURCES UPDATE REPORT, REPORT RFN13-03-02

Human Resources Manager, Joanna Cranness, spoke to the report which was included in the agenda.

The purpose of the report was to update the Committee on the proposed employment legislation changes, and provide an update on Human Resources activities and information.

Discussion on uncapped sick leave ensued.

**Moved Cr Bryant/Cr Wilkins
FN13-03-16**

That the Corporate Services Committee receives the Human Resources Update Report, Report RFN13-03-02.

CARRIED

The Chairman acknowledged that this meeting was to be the Corporate Services Manager's last Corporate Services Committee meeting and thanked Mr Staite for all his excellent work over the past six years. All Committee members wished Mr Staite all the very best for the future.

12.35 – 1.15 pm; Lunch. Mr Ogilvie did not return to the meeting.

8.8 December 2012 Financial Reports, Report RFN13-03-11.

Finance Manager, Russell Holden and Financial Accountant, Bryce Grammer, spoke to the report which was included in the agenda.

Committee members discussed the following matters:-

- Clarification on what is included in 'Other Revenue'
- The non-transparency of Council's operating and expense reserves.

**Moved Cr Maling/Cr Wilkins
FN13-03-17**

That the Corporate Services Committee receives the December 2012 Financial Reports RFN13-03-11.

CARRIED

1.31 pm: Cr Norriss departed.

8.9 Rates Debtors Collection Report, Report RFN13-03-13.

Finance Manager, Russell Holden, spoke to the report which was included in the agenda.

The Committee had requested an update on the level of outstanding rates and the process by which those debts are recovered.

The Finance Manager advised that since the report had been written, the total amount of outstanding rates had reduced to a total of \$288,000 from 150 ratepayer accounts. For the remaining outstanding rates, staff will be formally issuing this week, requests to ratepayers' first mortgagees to make payment of arrears. Affected ratepayers have already been written to advising this course of action.

A debt collection agency is to be advised of ratepayers with no mortgages who have outstanding rates for their action.

Discussion on a hard core group of ratepayers whose outstanding rates roll over year after year ensued.

**Moved Cr Ensor/Cr Bouillir
FN13-03-18**

That the Corporate Services Committee receives the Rates Debtors Collection Report, Report RFN13-03-13.

CARRIED

8.10 Action Sheet - 7 March 2013, Report RFN13-03-14.

Discussion on Ipads supplied to several Councillors and the sending of agenda electronically ensued.

Action Point

The Corporate Services Manager was requested to organize the sending out of all agendas electronically (upon request) in conjunction with the sending out of hard copies.

Moved Cr Maling/Cr Edgar
FN13-03-19

That the Corporate Services Committee receives the Action Sheet - 7 March 2013, Report RFN13-03-14.
CARRIED

8.11 Accounts for Payment - January 2013, Report RFN13-03-15.

Moved Cr Inglis/Cr Maling
FN13-03-20

That the Corporate Services Committee receives the Accounts for Payment - January 2013, Report RFN13-03-15.
CARRIED

9 CONFIDENTIAL SESSION (CONTINUED)

9.2 Procedural motion to exclude the public.

Moved Cr Bouillir/Cr Glover
FN13-03-21

That the public be excluded from the following part(s) of the proceedings of this meeting. The general subject of 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 follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

9.3 Council Property at 257 Queen Street, Richmond

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

9.4 Motueka Cinema

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists	s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good

under section 7.	activities.	reason for withholding exists under section 7.
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CARRIED

**Moved Cr Edgar/Cr Wilkins
FN13-03-24**

**That the open meeting be resumed.
CARRIED**

The meeting concluded at 2.15 pm.

Date Confirmed:

Chair:

UNCONFIRMED MINUTES