

MINUTES

TITLE: Tasman District Council
DATE: Friday 24 June 2005
TIME: 9.30 am
VENUE: Council Chamber, 189 Queen Street, Richmond.

PRESENT: Mayor J C Hurley (Chair), Crs T B King (Deputy Mayor), S J Borlase, S G Bryant, R G Currie, E E Henry, M J Higgins, J L Inglis, R G Kempthorne, T E Norriss, N Riley, P K O'Shea and E J Wilkins

IN ATTENDANCE: Chief Executive (R G Dickinson), Corporate Services Manager (D G Ward), Engineering Manager (P W Thomson), Community Services Manager (L L Kennedy), Environment and Planning Manager (D C Bush-King), Corporate/Engineering Administrator (V M Gribble)

1 ISSUES RAISED IN DRAFT ANNUAL PLAN SUBMISSION PROCESS

1.1 Walkway Collingwood

The budget allows for \$15,000 for a walkway up to the cemetery paid by Reserve DILs. The requested \$20,000 would not be required in the 2005/2006 year.

1.2 School of Music

School of Music received \$2,000 from Grants from Rates in the 2004/2005 financial year and have requested \$10,000 for the 2005/2006 year.

Mr Kennedy said Grants from Rates has a limit of \$5,000 and suggested that Council could put extra money into Grants from Rates. He said funds are allocated at the end of August each year and they leave a surplus to cater for extra requests.

Cr O'Regan said of all requests we have had he would put the School of Music at the top of the list and we should be looking to grant part of their request at least.

**Moved Bryant/Riley
CN05/06/12**

**THAT the School of Music request be referred to Grants from Rates Subcommittee. If that Subcommittee feels that the current funding is inadequate they are requested to report back to Council with recommendations.
CARRIED**

1.3 Nelson Tasman Business Trust

Nelson Tasman Business Trust requested Council grant them \$10,000 for the 2005/2006 financial year.

**Moved Bryant/Riley
CN05/06/13**

**THAT the Nelson Tasman Business Trust request be referred to Grants from Rates Subcommittee. If that Subcommittee feels that the current funding is inadequate they are requested to report back to Council with recommendations.
CARRIED**

1.4 Nelson Ark

Cr O'Shea said the group has presented to Council and we have agreed to be the umbrella group for funding applications to another organisation.

1.5 Streetscaping Collingwood

Community Services had already allocated a sum from DILs for landscaping. An extra \$8,000 has been requested to complete the work in time for the Trafalgar celebrations.

Cr Riley said the group is asking for some form of streetscaping and there has been a suggested plan presented to Community Services and Engineering.

Mr Thomson said it is a non subsidised roading budget so has direct impact on the general rate and said it should be considered with other Golden Bay roading issues.

Mayor Hurley said the streetscaping was completed on one side and this is looking to complete the other side of the street.

Cr Borlase said the committee is needing to dig up the pavement to place the interpretative panels and asked for the other work that involved digging up the pavement to be done at the same time.

Cr Norriss said there are many areas in the district that have not had streetscaping completed and issued a word of caution about allocating more money to Collingwood.

Cr O'Shea suggested they work with Community Services and Engineering to come up with an interim solution for the Trafalgar celebrations.

Mr Thomson said non subsidised roading for Hiawatha Lane of \$40,000 for a turning head at the end of the Lane has been allocated. He agreed that it is a lower priority than some of the things on the request list. There are three roading projects in Golden Bay, ie streetscaping Collingwood, cycling in Golden Bay and walkway from Pohara along Abel Tasman Drive. He suggested some cycleways be put in along Meihana Street, but said the problem with starting that work in the 2005/2006 year is that it would have to be non subsidised as it hasn't been approved by Land Transport NZ. The walkway from Pohara past the band rotunda to Pohara Valley Road had an original budget of \$330,000. He had looked to see if it can be reduced but requires at least \$250,000 to build a revetment that would provide increased road formation width which would accommodate some sort of gravel footway/cycleway which would satisfy

stormwater, roading and penguin passage. If loan funded it would require \$18,000 from the general rate for the first year.

Cr Kempthorne said the issue of off road cycleways was raised and submitters were asked if Golden Bay Community Board could work through offroad cycleway options with them and they agreed. The priority list is mostly state highway works. Cyclists say if there was a widened verge on the road it would be a huge help, as is happening at Birds Hill at the moment.

Cr Borlase agreed with Cr Kempthorne. He said Transit is doing Birds Hill now and talking about doing offroad cycleways.

Cr Norriss said these projects have already been through Engineering Services Committee and if Hiawatha Lane could be deleted that \$40,000 should go towards reducing the general rate.

Cr King agreed that some of the \$40,000 could go towards Collingwood streetscaping with the rest going towards reducing general rate. Most of the people said the speed limit should be lowered along Pohara as a partial solution.

Cr O'Regan said with the Pohara walkway, a reduced speed limit will help. He supports reducing the speed limit, but supports development of the road so it will carry traffic for the next 50 years.

**Moved Crs O'Shea/Borlase
CN05/06/14**

THAT:

- 1. Hiawatha Lane, with a stated value of \$40,000 be deferred to a subsequent financial year;**
- 2. the sum of \$8,000 from these accrued savings be given to the Collingwood Streetscaping project;**
- 3. Cycling in Golden Bay be referred back to the Community Board, noting the greater issue is speed limit along Pohara.**

CARRIED

1.6 Our Town Motueka

Our Town Motueka requested \$3,000 for sponsorship of 160 hours for the Co-ordinator's time.

Cr Norriss said Our Town Motueka had the opportunity to increase the business rate and could have covered this request.

Cr O'Shea said it has been a traumatic time getting the rate into place and the committee is not happy about increasing their rate.

Mayor Hurley said this should be referred to Grants from Rates.

1.7 Millennium Centre

Cr Higgins expressed support for this project and said Council agreed to consider it in the 2009/2010 year and it is important that we should face up to that schedule. They need as a group to prepare the case for funding and to be organised. They have requested seed funding to appoint a project manager, determine location, and do engineering analysis and confirmation of location. They would like to go to concept stage and prepare for fundraising campaign. These issues are important now, to determine location and do engineering analysis. They've asked for \$140,000 and suggested at least a third, with it being debt funded against the facilities rate.

Cr King said it is in the LTCCP and over the next 12 months when we work through the initial LTCCP we will face a number of questions about just how achievable the projects are. In terms of the rate we're facing and the consultation process of the LTCCP it is unnecessary to provide that money now.

Cr Borlase believes in the project and agrees with Cr Higgins. He referred to the Golden Bay Community Board submission which suggested a departure tax from Nelson Airport could be levied and money could go towards the arts. There are a number of large projects being asked for and although they're outside our core business they are important.

Cr O'Regan doesn't believe it is the duty of Council to provide the facility. If you vote in favour of this you vote in favour of trebling the community facilities rate in the next five years.

Mr Ward said if Council was of a mind to accede to the funding request of \$140,000, there would be no impact on the community facilities in the 2005/2006 year. A similar request was made of Nelson City Council and they have agreed to loan fund \$770,000 over the next three years for this project.

Cr Currie agreed with Cr King. We are going outside our core business and seeing more and more of these requests for money. Ratepayers are not asking us to fund these projects.

Cr Kempthorne supports the project but doesn't agree with funding it through this part of the annual plan, as it should come through the Funding Forum and through Council's Facilities Rate Subcommittee recommendations for projects to be incorporated into the draft annual plan so the community has opportunity to comment.

Cr Inglis agreed it is a worthy project that should be supported long term.

Cr Higgins said it has been through the Funding Forum to get onto the 10 year plan. The reason for no recent application for funds is that it sits there and won't happen this year, but they're asking for a preparatory fund. He suggested \$140,000 over three years would be sufficient.

Mayor Hurley said it would be from community facilities rate and the request should go through the Community Facilities Subcommittee for consideration and action.

Cr O'Shea noted the Community Facilities Subcommittee couldn't make the recommendation. She was astonished with the initial costs, agreed it is premature, that the community is aware of the project, but not aware of this request for this part of the project.

Mr Ward said it is proposed it will be a community facilities rate-funded project. If that is the case there is criteria to be followed, and more work this Council needs to do. Staff, in conjunction with Community Facilities Rate Subcommittee should work through the criteria and then report back to Council. The Subcommittee's sole responsibility is to undertake the feasibility study and make recommendations back. The Theatre Royal is a similar project and it should be directed to Facilities Rate Subcommittee and staff to do the work to allow Council to make a decision.

Cr Norriss emphasised the reporting back process.

Cr Riley expressed concerns about Fonterra and the likely effects it will have on the community of Golden Bay.

**Moved Crs Higgins/Borlase
CN05/06/15**

**THAT the Community Facilities Rate Subcommittee undertake the necessary due diligence on the Millennium Centre and report back to Council.
CARRIED**

1.8 Nelson Bays Rugby Union

Nelson Bays Rugby Union have requested a loan of up to \$700,000 for two years for the redevelopment of Trafalgar Park.

Cr Norriss suggested including the request in the 2006/2007 draft Annual Plan.

Cr Riley agreed, stating he considered this was the appropriate way to communicate with the community to assess their views on the proposal.

Cr Higgins suggested an amendment that it be forwarded to the Community Facilities Rate Subcommittee for a feasibility study. Nelson Bays Rugby Union was placed in a situation that is difficult to accommodate in a ten year plan in that the opportunity came up to try for the premiere division. It is a significant event for the district that should be taken seriously.

Moved Crs Norriss/Riley

THAT the Nelson Bays Rugby Union request be included in the 2006/2007 Annual Plan.

Cr O'Shea said the request came in one week before we set the budget and she didn't believe this was the correct process.

Cr King said if the Funding Forum meets and makes a decision it will come back to the Community Facilities Subcommittee anyway.

Mr Ward said one of the outcomes will be to determine where the funding impact is. He agreed with Cr King's process.

Cr Currie expressed concern about coming to Tasman ratepayers for funding to build Nelson City Council infrastructure.

Cr Norriss said before Council makes a decision, the public needs to have the opportunity to have a say.

Cr Borlase was concerned about this project being funded from the Community Facilities Rate.

Amendment

**Moved Crs Higgins/Kempthorne
CN05/06/16**

THAT the Nelson Bays Rugby Union request be included in the 2006/2007 Annual Plan and that it be passed in the first instance to the Community Facilities Rate Subcommittee.

CARRIED

The amendment was Carried and became the substantive motion.

Cr King said looking at the community facilities list there are significant upgrades for not only most sports but also cultural facilities. It is important that rugby isn't singled out as a special case, or because of its profile. This is rugby's particular request and should be considered equally.

1.9 Nelson Bays Arts Advocacy and Marketing

Mayor Hurley said there has been no previous grant to Film Friendly - their request was for cash assistance of \$10,000.

Mr Bush-King said we've got information from LGNZ of how we can be film-friendly and Council's rules are permissive and procedures are in place for use of roads and reserves for filming.

Cr O'Shea considered Creative NZ Grants would be a better place for this to be referred to.

Cr O'Regan believed people in the film business can get through the system in Tasman relatively easily. In relation to arts advocacy and marketing request for \$5,000, he had difficulty with that. Every community has various galleries with people making a living but they are not asking the ratepayer to help them. Council should deny both requests. Nelson School of Music is a renown facility and if anything is worth helping it is to maintain that institution.

Cr Henry said the application should be referred to Creative NZ which is different from Creative Communities that Tasman District Council administers.

**Moved Crs Kempthorne/Bryant
CN05/06/17**

THAT the request from Nelson Bays Arts Advocacy and Marketing be referred to Grants from Rates.

CARRIED

1.10 Richmond Unlimited

Mr Thomson said \$150,000 has been included in the budget and it would be unlikely that more than the \$150,000 would be spent.

Cr King said the issue of Richmond streetscaping is tied up with the Richmond ring road and a lot of issues to do with Queen Street access in and out and streetscaping may prove difficult to implement until the works are done. Until we know the extent of the ring road system and intersection improvements, the \$150,000 may not need to be spent.

Cr Henry said Richmond streetscaping has been on the books for a long time. She drew Council's attention to the degree of urgency the project should be accorded in the 2006/2007 year.

Cr Kempthorne agreed with Cr Henry. The Engineering Manager has said \$150,000 is available and it should be left there.

Mayor Hurley said the need will identify itself in the next six months. Richmond is changing and streetscaping will become more defined and more urgent and the timeframe seems to be appropriate.

1.11 Nelson Dressage Group

Mr Dickinson arrived at 11.25 am.

Cr Higgins asked staff to seek further information on the request as there was some uncertainty as to what actions need to occur and what it will cost.

Cr Bryant said there are a number of other applications for DILs funding and thought they should be referred back to Ward Councillors for DILs.

Mr Kennedy said it could be referred to Ward Councillors and recommended back to Community Services for a decision.

**Moved Crs Bryant/O'Regan
CN05/06/18**

**THAT applications that concern DILs be referred to Ward Councillors and then to Community Services for a decision.
CARRIED**

1.12 Theatre Royal

Mr Ward acknowledged that the item had been inadvertently omitted from the draft annual plan.

Cr King said the group is seeking a reduction in the request to \$195,000. He considered it to be a worthwhile level of expenditure.

Cr Norriss supported the project and said Council needs to look at the criteria for the facilities rate.

Cr Higgins expressed concern about the project, and was not convinced the budgeting is adequate.

Cr Currie was of the opinion they will come back for more money.

Cr O'Regan said the Facilities Rate could accommodate this without the need for an increase in the rate.

Mr Ward said the impact would be \$1.30 which can be absorbed within the \$35 Community Facilities Rate.

**Moved Crs King/O'Shea
CN05/06/19**

**THAT the funding request from the Theatre Royal Trust be brought forward to year one, acknowledging the reduction in cost, subject to Facilities Rate Subcommittee approval.
CARRIED**

1.13 Beyond Rainbow Sports Trust

Mr Kennedy said there is sufficient money in the districtwide DILs for the \$10,000 requested.

Cr O'Regan said Council has assisted this organisation for two years in a row and considered there are a few more facts and figures needed before it commits further.

Cr Kempthorne supported the funding from district wide DILs.

**Moved Crs O'Regan/Higgins
CN05/06/20**

THAT the request from Beyond Rainbow Sports Trust be referred back to Community Services Committee for more information to make a decision for funding from district wide DILs.

CARRIED

1.14 Clock Tower Trust

The Motueka Clock Tower Trust has requested that the \$150,000 loan be forgiven.

Mr Ward said Corporate Services had considered this application and prior to ownership of the clock tower going to the Trust there were cautionary reports from engineering and financial staff. If Council wanted to forgive the loan, as opposed to provide assistance with fundraising, it needs to consider where it would be funded from.

Mayor Hurley said the Trust have purchased the land and the original intention was that it would be for the citizens and community of Motueka.

Cr King questioned whether the land was worth anything. He said evidence had been given that the tower could not be moved. The request was for a rate to be struck over Motueka, but it would need to be included in an annual plan. If some assistance from grants could be provided to help with interest for this year, it could be put in the annual plan next year for consultation.

Cr O'Shea said it is not just a Motueka asset, the whole district benefited from the tobacco industry. She believes there are other sources of funding that could be investigated.

**Moved Crs King/Norriss
CN05/06/21**

THAT for the 2005/2006 financial year Council considers grants to meet the cost of loan repayments for the Motueka Clock Tower Trust and it be included in the 2006/2007 LTCCP for possible solutions.

CARRIED

1.15 Environment and Planning

Mr Bush-King sought \$25,000 to service a \$250,000 loan for fire place conversions to achieve compliance with Air Quality Standards.

Cr King said this may only be an initial contribution to the problem, the method of raising the money needs consideration. He queried whether the whole district should be asked to contribute to the cost when only a certain area is eligible to apply for funds.

Mr Bush-King said in terms of priorities people in the air-shed would be a priority. He accepted that criteria would need to be spelt out.

Cr Currie said compliance has been brought in by central government and they should be funding it.

Cr O'Regan had reservations about doing this at this time. He said in establishing standards government increased the standard and he was not satisfied on the basis which they did it. He suggested looking at planning provisions, where Council already has a rule on new buildings where only low emission burners can be installed and open fires banned in the air-shed area. He said the boundary of air shed is an arbitrary boundary and suggested not committing, but undertaking discussions with other councils and government.

Mr Dickinson said regulations come into effect on 1 September 2005 and Council has eight years to get to the target and make straightline improvements each year. The implication of not getting straightline improvement is serious and the implications of making no progress are very serious.

Cr Kempthorne said Council needs to get into the community and start talking about the problem and solutions because it is not going to be popular and for some people it will be hard to fund. Council will need to subsidise low income households.

Cr King was concerned that this project has not been in the draft annual plan, and there is no criteria of what low income is, or no detail for people to comment on. \$250,000 is a significant amount of money. He is uncomfortable with the idea of subsidies generally and considers there is more debate to be had on the whole idea as to whether it requires Council to subsidise all or some people.

Cr Norriss agreed with Cr King. He is totally opposed to the rest of the district paying a subsidy to fix fire places in Richmond. Rules have been forced on us by central government, they should be facilitating loans for low income people to fix the problem.

Cr O'Regan suggested it should be put in the 2006/2007 annual plan to enable ratepayers to be consulted.

Cr Inglis said he would vote against the recommendation until Council stops allowing fire places to be installed in Richmond.

Mr Dickinson said installation of open fires in new homes has been banned for 12 months and log burners have to comply with high standards. Councillors are not understanding the implications. There is immediate punishment, as soon as someone puts forward for an application for a new consent, if you haven't started making straightline improvements, the answer is no.

Mr Bush-King said we know from our inventory that 80% emissions are from domestic fires and we're looking at promoting a package including regulation and good advice and the next step is coming up with a financial inducement to get people to change their behaviour to meet deadlines. We need to set up criteria for the programme and could go through a special consultative procedure to get people to comment.

Cr Kempthorne said the fact is we have an obligation we have to meet. We won't meet the 2013 deadline but have to make a start.

Moved Crs Kempthorne/Henry

THAT \$13,000 is put forward to service a \$250,000 loan for fire place conversions.
LOST

A division was called for:

Bryant – against

Pat - for

Elaine - for

Borlase - against

Kempthorne - for

O'Regan - against

Wilkins - against

Riley - against

Higgins - for

Norriss - against

Inglis - against

Currie - against

King - against

Mayor Hurley - against

Mayor Hurley said Council will need to decide no burning in Richmond, otherwise the problem will not be fixed.

**Moved Cr O'Regan/Inglis
CN05/06/22**

**THAT the request for funding for fire place conversions be placed in the
2006/2007 annual plan.
CARRIED**

1.16 Golden Bay Community Board

The Golden Bay Community Board had sought funding towards an amalgamation feasibility study.

Cr Borlase spoke against the funding request stating that he did not believe there would be any benefit to Golden Bay.

Cr Riley stated he believed Golden Bay would suffer if there was amalgamation and noted there had not been no call anywhere else in the district for amalgamation.

Cr O'Shea asked if Nelson City Council had been approached concerning amalgamation and noted that until it had been it wasn't appropriate to pursue, as both Councils would be involved in the exercise.

Cr Currie said there was no indication of where funding was to come from and also wondered if this was a wish list put forward by some Community Board members.

**Moved Crs Borlase/O'Regan
CN05/06/23**

**THAT Council decline the request for funding to assist with an amalgamation study.
CARRIED**

1.17 Refuse Rate

Mr Thomson tabled a paper on the proposed refuse collection rate, kerbside recycling rate and refuse bag price.

Mr Thomson suggested an alternative proposal of a waste collection service target rate and refuse bag price. The two separate target rates are over the same rating area which has been adopted by Council. A single targeted rate over the area is considered more appropriate. Submissions suggested that 80 cents per bag could encourage people to increase their residual refuse and there were comments from refuse collectors about Council subsidising the service.

Mayor Hurley noted that the alternative proposal shows a considerable saving on the original proposal.

Mr Thomson said when the original estimates were done the final figures of the targeted area were not known. They are not stand alone services, they are combined integrated services.

Cr Norriss said last year's annual plan signalled that the recycling collection area would be extended this year. At that stage it said it would be extended into extra areas.

Mr Thomson said the \$40 targeted rate already exists, so the \$21.55 and \$50.00 were merely a proposal in the draft annual plan.

Cr Bryant supported the proposal. He said Council needs to be signalling that it will only collect recyclables in one or two years time.

Cr Henry supported the proposal and said there have already been two articles in Newsline and if Council goes along with this option there will need to be another one. She said people use wheelie bins because of the convenience of them. She would like to see Council look at the whole question of refuse collecting and address the question, "should we still be providing that service"?

Cr Higgins understood that the bulk bin collectors were disposing of their material at York Valley and constraining our cashflows which led to the budget proposals that came through, and also that cashflows at Eves Valley have picked up. He asked if there is improved cashflows could the figures be revised accordingly.

Mr Thomson anticipated redirection of commercially collected waste at least from Richmond and Motueka which is currently going to York Valley that could go to Eves Valley. Our charges are above York Valley charges. In terms of what is proposed here, it doesn't have an impact on the \$1 million expenditure to provide these two collection services.

Cr King asked if Mr Thomson was satisfied it will recover total costs.

Mr Thomson said the only variable is the bag sale component. The over expenditure in the current year is for an entirely different set of reasons from what we are talking about here.

Cr King supported the proposed option. To provide an 80% coverage for refuse collection and recycling is a credit to the staff who have worked on it.

Cr Bryant suggested the name "Refuse/Recycling Rate" for the proposed charge.

**Moved Crs Norriss/Kempthorne
CN05/06/24**

**THAT the Refuse/Recycling Rate of \$55 (inclusive of GST) and refuse bag price of \$1.10 (inclusive of GST) be adopted for incorporation into Council's Funding Statement for the 2005/2006 financial year.
CARRIED**

1.18 Recommended Changes to Annual Plan

Mr Bush-King presented a report responding to matters raised in submissions to the draft Annual Plan, and other suggestions that are considered to warrant some amendment.

Cr O'Regan asked if consideration had been given to the fact that development contributions will be based on a different formula to the reserves DILs. He drew Council's attention to the amount of increases in costs and charges.

**Moved Crs O'Regan/Kempthorne
CN05/06/25**

**THAT Council adopts the recommended changes contained in the report EP05/06/25.
CARRIED**

2 FUNDING IMPACT STATEMENT

2.1 General Rate

Cr King reminded the meeting that any suggested variation to the proposed general rate figure for the 2005/2006 year must be directly linked to specific projects, activities or funding streams.

Cr O'Shea pointed out that Council had numerous submissions pointing out the impact on the total rates and was mindful of the ratepayer who had a gross income of \$10,000 and we were close to demanding 10% of that income for rates.

Cr Currie spoke strongly against the proposed rate increase.

Mr Dickinson said the average general rate increase for 2003/2004 was 7.5% for all councils. Every council is buckling under the pressure of increased costs, standards etc which have an accumulative effect.

Cr Bryant was not happy about the 5.9%, and said Council needs to bear in mind we have targeted rates which need to be paid over and above the general rate. The average increase would be around 10% which is fuelling inflation.

Cr Higgins commented about the process by which we set our rates and asked for it to be addressed before next budget round.

**Moved Crs O'Regan/Borlase
CN05/06/26**

**THAT the general rate increase for the 2005/2006 financial year be 5.9%.
CARRIED**

2.2 Uniform Annual General Charge

The Uniform Annual General Charge is proposed to be \$160 for the 2005/2006 year.

Mr Ward said we have a district revaluation to be released shortly and the outcome will have the usual ups and downs.

Cr O'Shea believed this should be in the same discussion basket as the general rate, with all pros and cons debated in a constructive way.

Cr Currie said regardless of what you call the UAGC it is still a rate and cannot see why it is increasing. He asked the justification to keep on raising rates all the time.

Cr King said the UAGC has been through a number of debates and next year would be an opportune time to discuss it after revaluation. With huge capital value increases in certain areas, people on fixed incomes realise that a certain amount being fixed helps them.

**Moved Crs Bryant/Riley
CN05/06/27**

**THAT the Uniform Annual General Charge for the 2005/2006 financial year be \$160.
CARRIED**

2.3 Targeted Rates 1 – 4

Mr Ward said self assessment of the LTCCP will commence next week with Council's auditors.

**Moved Crs Kempthorne/Henry
CN05/06/28**

**THAT targeted rates 1 – 4 as identified in the Funding Impact Statement be adopted for the 2005/2006 year.
CARRIED**

2.4 Targeted Rates 5 – 8

Mr Ward noted the combination of 14 and 17 becomes Refuse/Recycling Rate of \$55 and rate 13 Fire Blight Control in Waimea will be amended to read “this rate will be levied once the project has been confirmed by Council”.

Mr Ward said the cost of management of the contract and cost of insurance on building are the only costs which are met by the targeted rate for the ASB Bank Aquatic Centre.

Cr O’Shea said there were a number of submissions about the Mapua stopbank that haven’t been discussed in detail.

Mr Dickinson said the rate of \$10 is for investigation. The main controversy is who is going to pay the capital cost and in what proportion. That won’t be in the 2005/2006 financial year.

Cr O’Regan said the contract on the ASB Bank Aquatic Centre is a fixed sum and regardless of how much profit or loss, the sum that Council pays is fixed. This is the biggest project Council has undertaken and we have yet to see a financial report on it.

Mr Ward said the contract has a profit sharing clause in it. That’s assessed on a 12 monthly basis. He referred back to a memo from the Community Services Manager that addressed the ASB Aquatic Centre and noted the same issue applies to the Lake Rotoiti Hall. Both of these issues will be downloaded into the final Annual Plan.

Cr Currie requested that the word “community” be deleted from Wai-iti Community Dam.

Mr Ward said it has been referred to as Wai-iti Community Dam right from the beginning of the project and did not recommend the name be changed at this stage.

**Moved Crs Kempthorne/Inglis
CN05/06/29**

**THAT targeted rates 5 – 18, from the Funding Impact Statement, with amendments as noted, be adopted for 2005/2006 year.
CARRIED**

2.5 Definitions

Mr Ward noted that 18% of Council’s ratepayers took advantage of the 4% discount option.

**Moved Crs O'Regan/King
CN05/06/30**

**THAT the definitions included in the Funding Impact Statement on page 97 of the draft annual plan be adopted for the 2005/2006 financial year.
CARRIED**

**Moved Crs O'Regan/Kempthorne
CN05/06/31**

**THAT reference to wastewater reticulation table 4 page 105 of the draft annual plan be deleted and the situation with services overlay area be clarified.
CARRIED**

2.6 Schedule of Charges Pages 110 – 126

Mr Thomson noted the refuse bag charge was amended from \$0.80 to \$1.10.

**Moved Crs O'Regan/Riley
CN05/06/32**

**THAT the schedule of charges with the noted amendment to refuse bag charge be adopted for the 2005/2006 financial year.
CARRIED**

3 WATER AND SANITARY SERVICES ASSESSMENTS (WSSA) RECOMMENDATIONS

Mr Thomson spoke to the report entitled Water and Sanitary Services Assessments Recommendations.

The report summarised submissions received and advised Council of the suggested revisions to the above referenced WSSA document. It is proposed that agreed revisions be formally presented to Council on 30 June 2005 so the final WSSA can be adopted by the statutory deadline.

Mr Dickinson asked what priority ranking it takes to get into the LTCCP. If Council agreed that such a scheme was priority one, should it be built in the next three years, or where does it lead to.

Mr Thomson said it indicates there is a likely need either now or in the future, so it is up to Council to make the determination on how it acts on those priorities. Our assessment of services will need to go through discussions. It may be that one community is keen to establish a scheme and that will change the rate at which that community may progress with a scheme. Affordability is an issue that isn't even dealt with in terms of the assessment.

Cr O'Shea acknowledged the amount of work that has gone into the exercise. She said some people have had their concerns taken into account and for others nothing has changed. In several cases we are going to be committed to collecting more

information on which to base the priorities. There were some good submissions from Mr Ogilvie and other Motueka submissions which should have been given more weighting.

Cr Bryant congratulated staff on the work undertaken. He considered the policy on composting toilets was too broad. If a policy is to be developed it should be outside the wastewater areas.

Mr Thomson said it doesn't say what the policy should be, it says Council should develop a policy.

Cr Riley congratulated staff on the document. He was concerned at wording for consultation and said it should state before it investigates a scheme.

Mr Thomson said the Pohara water scheme has been in and out of draft annual plans since 1999. In responding to submissions we are trying to give reassurance of consultation. He said there is ongoing budget commitment to schemes like Motueka water supply. Priority of investigating issues in communities needs to be included in a ten year plan.

Cr King wondered whether alternative provision of services should be considered as a broader focus look at alternatives, rather than composting toilets.

Mr Thomson said Council has policies on other means of onsite treatment but there are some undeveloped policies in regard to composting toilets which is why it has been singled out.

Cr Currie said priorities should be based on affordability. With reference to stormwater problems, what are we going to do with it, except to discharge it to a water way or into the sea.

Cr Borlase was concerned at keeping priority two for a Takaka water scheme.

Mr Thomson said we need to do a risk assessment of groundwater quality. We assume that the groundwater is of a high quality but there are risks associated with people drawing water from a shallow aquifer in an urban area. The purpose of the assessment is to help Council plan and prioritise for services in future where they consider they may have an obligation. We tried to take an approach that indicated good, bad or indifferent and give priorities as to whether Council sees itself having a future involvement with those communities. Priority 2 for Takaka is in line with what Council has adopted in the LTCCP. Funding and affordability and other legislation will have an important role on what happens with capital schemes. Priority 2 acknowledges there is some risk. Where you have a dispersed widespread take from a shallow aquifer there can be risks. Priorities do not bind Council in any way to spending money on capital developments for water schemes.

Mr Dickinson said a lot of work has gone into the assessment, but it's fair to say the assessment is based on technical assessments of water qualities and wastewater contamination. He presented a table which showed the cost of capital and debt repayment costs contained in the LTCCP currently.

Cr Kempthorne said consultation doesn't mean that people who come and submit will have their comments taken on board. The document was setting out priorities, but even in priority one areas Council will delve deeper to find out why they are priority one and whether it is going to do the work to change it and address affordability. Mr Ogilvie had helpful details for formatting of the document.

**Moved Crs Henry/Kempthorne
CN05/06/33**

**THAT the revisions and additions contained in the Water and Sanitary Services Assessments Recommendations report be approved, that the Water and Sanitary Services Assessments document be updated and resubmitted for adoption at the 30 June 2005 Council meeting.
CARRIED**

The meeting concluded at 3.30 pm.

Confirmed:

Date: