

# MINUTES

**TITLE:** Council Enterprises Subcommittee  
**DATE:** Wednesday 7 March 2007  
**TIME:** 9.37 am  
**VENUE:** Tasman Council Chambers, 189 Queen Street, Richmond

**PRESENT:** Cr S G Bryant (Chair), Mayor J C Hurley, Crs E E Henry, M J Higgins, N Riley, J L Inglis

**IN ATTENDANCE:** Crs T B King, E M O'Regan, S J Borlase, Acting Chief Executive (L L Kennedy), Service Centres Manager (B Askew), Harbour Manager (A Kilgour), Minute Secretary (V M Gribble)

## 1 CONFIRMATION OF MINUTES

### 1.1 Council Enterprises Subcommittee – 13 December 2006

Moved Crs Higgins/Riley  
FN07/03/01

**THAT the minutes of the Council Enterprises Subcommittee meeting held on 13 December 2006, containing resolutions FN06/12/05 to FN06/12/20, be confirmed as a true and correct record of the proceedings of that meeting.**  
**CARRIED**

## 2 PORT TARA KOHE

### 2.1 Manager's Report

Mr Askew spoke to his report which was contained in the agenda.

Mr Askew referred to the email that had been sent to the Committee by the Golden Bay Community Board Chairman which stated that the Board believes that the cost of constructing accounts should fall on the Corporate Services Department which was responsible for the management of Port Tarakohe at the time. The Golden Bay Community Board resolved that the \$9,166.68 be reimbursed to the Tarakohe account from the Corporate Services account. Mr Askew had advised the Board that the accounts had been prepared by Council's accountant and were transparent and reflected the actual work carried out and that as the costings were specifically related to Port Tarakohe he could not support reimbursement of the account from Corporate Services although he acknowledged the rationale put forward by the Board .

**Moved Crs Bryant/Higgins  
FN07/03/02**

**THAT the Enterprises Subcommittee decline the request from the Golden Bay Community Board to charge the \$9,166.68 to Corporate Services.  
CARRIED**

There will be some further checks done on previously identified water sources located above the forestry line.

The arrangements with Pohara Boat Club in regard to providing office space for the Harbour Manager and providing access to the Club toilets for the public has proven to be very successful and improved signage is being looked at.

Cr Riley expressed concern that a large number of campervans were parking on the reserve by the Pohara Boat Club, which would have an impact on the camping ground, and also noted there was more damage to the wharf through loading rock and dolomite.

Mr Kilgour said damage to the wharf by rock and dolomite loading was not new, and debris is swept off and washed down, with the dolomite dissolving in salt water.

**Moved Crs Riley/Henry  
FN07/03/03**

**THAT the Service Centres Manager's Report on Port Taranaki dated 26 February 2007 be received.  
CARRIED**

**3 MOTUEKA AERODROME REPORT**

**3.1 Motueka Aerodrome**

Mr Askew spoke to his report on Motueka Aerodrome contained in the agenda and highlighted that fees and charges will be reviewed this year, the NZ Air Force are undertaking an exercise at the Aerodrome with a crash fire truck display is scheduled for the open day and the next step for the Motueka Aerodrome Development Plan is to seek outline planning approval.

**Moved Crs Higgins/Riley  
FN07/03/04**

**THAT the Motueka Airport Manager's Report dated 27 February 2007 be received.  
CARRIED**

**3.2 Motueka Aerodrome Financial Report**

Cr Higgins said the Enterprises Subcommittee was established to return a profit from some of Council's activities and he was concerned that ratepayers are paying the

loan for the Motueka Aerodrome. He asked that consideration be given to restructuring the accounts so that a line shows the debt that Motueka Aerodrome has and a line shows what is paid off each month.

Mr Askew said it is his intention to improve the profitability of the Aerodrome.

Cr Henry wanted to see the Aerodrome move to having no general rate input and requested a report from the Corporate Services Manager on the general rate issue.

Mr Askew would be happy to see the general rate taken out now. He said the general rate input is \$23,000 for the year and he believed it could balance out.

Cr King said as long as the operational part of the aerodrome is breaking even, the long term value of the aerodrome is the land value.

Cr Riley said the Takaka Aerodrome requires its airstrip to be resealed.

Regarding the Takaka Aerodrome, Mr Askew advised that there is provision in the LTCCP for some work to be done on the Takaka airstrip, and he would be meeting the Aerodrome Committee to ensure there is sufficient adjustment to fees and charges to meet this cost.

**Moved Crs Higgins/Henry  
FN07/03/05**

**THAT the Airport Manager make a submission to the 2007/2008 Draft Annual Plan to remove the general rate component from the Motueka Airport.  
CARRIED**

#### **4 RESOLUTION TO EXCLUDE THE PUBLIC**

**Moved Crs Higgins/Riley  
FN07/03/06**

**THAT the public be excluded from the following part(s) of the proceedings of this meeting.**

**The general subject of the matter 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 passing this resolution are as follows:**

<b>Item</b>	<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under Section 48(1) for the passing of this resolution</b>
<b>1</b>	<b>Port Tarakohe</b>	<b>Good reason to withhold exists under section 7</b>	<b>Section 48(1)(a)</b>

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

Item	Reason to withhold information under Section 7	
1	To enable any local authority holding the information to carry on, without prejudice or disadvantage, commercial negotiations	Section 48(1)(a)

**CARRIED**

(Refer to Confidential Minutes, resolutions numbered FN07/03/07 to FN07/03/08).

**Moved Crs Inglis/Henry  
FN07/03/09**

**THAT public meeting be resumed and the business transacted while the public was excluded be confirmed in open meeting.**

**CARRIED**

Crs Borlase and King, Services Centres Manager and Tarakohe Harbour Manager left the meeting at this stage.

## **5 MANAGER PROPERTY SERVICES REPORT**

### **5.1 Harbour Endowment Land**

Property Manager, Mr J Frater, was present for discussion on his report.

Discussion ensued on the proposed acceptance of an offer to freehold land by ten lessees of former Nelson and Port Motueka harbour endowment land, and the recommendations for the proceeds of such.

**Moved Crs Higgins/Henry  
FN07/03/10**

**THAT the Port Motueka harbour endowment land sales proceeds be used to purchase other land to continue the income to the endowment and the proceeds of sales of any land within the former Nelson harbour endowment be put towards development of ports and wharves in Tasman District or retire debt.**

**CARRIED**

### **5.2 Wakefield land Negotiations**

The Property Manager provided details of negotiations with the Martin family over land at Wakefield.

### **5.3 Road Stopping**

The staff committee which considers road stopping applications will be meeting in March 2007 to consider eight requests for road stopping.

Mr Frater left the meeting at this stage.

## **6 FORESTRY**

### **6.1 Forestry Quarterly Report 1 October 2006 to 31 December 2006**

Mr P Wilks, P F Olsen & Co Ltd and Reserves Manager, Mrs B Wilkes, were in attendance for discussion on the forestry report.

**Moved Crs Inglis/Riley  
FN07/03/11**

**THAT the Forestry Quarterly Report for the period 1 October 2006 to 31 December 2006 be received.**

**CARRIED**

### **6.2 Harvesting Quarterly Report 1 October 2006 to 31 December 2006**

Mr Wilks spoke to the Harvesting report contained in the agenda. He advised that revenue at 30 June 2006 is expected to be up by approximately \$500,000 as a result of increased export prices and the domestic market is expected to see a price rise as of 1 April 2007.

**Moved Crs Riley/Inglis  
FN07/03/12**

**THAT the Forestry Harvesting Report for the period 1 October 2006 to 31 December 2006 be received.**

**CARRIED**

### **6.3 Future Forests Research Ltd**

Mr Wilks spoke to the report "Future Forests Research Ltd". The forestry industry is trying to put all research efforts together to co-ordinate and give more power to government for funding. A limited liability company is proposed to act as a hub for forestry research. They have asked stakeholders to contribute financially towards the new company and asked if Council was interested in it.

Mr Wilks said \$3,000 would be payable if Council joined in category c).

**Moved Crs Higgins/Inglis  
FN07/03/13**

**THAT Tasman District Council contribute to the four themes in the Future Forestry Research Proposal under category c) at a current cost of \$3,000.**

**CARRIED**

## **6.5 Progress of Audit and Contract Extension**

Mrs Wilkes advised that Forme Consulting did an audit of the Forest Managers work and she had received a copy of the draft report. There are four recommendations in the report.

- That Council and P F Olsen investigate a more formal reporting system that reports value (stumpage).
- Improve record keeping with regard to implementation of health and safety initiatives ensuring that objectives are defined and control processes are formalised.
- Tasman District Council and P F Olsen review the requirement for a "living document" forest management plan and define controls based on the outcome of that review.
- That the renewal of fire insurance exercise each year be treated as a specific management function requiring re-assessment of the forest resource and risk profile.

The conclusion of the audit was that Council forests are managed with skill and expertise.

Mr Wilks suggested that at the next insurance renewal date (1 May 2007) forestry insurance could be put out to competitive tender and he asked the Subcommittee to consider whether self-insurance could be an option.

**Moved Crs Bryant/Higgins  
FN07/03/14**

**THAT negotiations for the extension of the Forestry Management Contract with P F Olsen & Co Ltd be entered into.  
CARRIED**

## **6.6 Forestry Management Plan**

Mr Wilks tabled a draft Forestry Management Plan for all Tasman District Council forests.

Cr Henry arrived at the meeting at 2.00 pm.

## **7 RESOLUTION TO EXCLUDE THE PUBLIC**

**Moved Crs Inglis/Riley  
FN07/03/15**

**THAT the public be excluded from the following part(s) of the proceedings of this meeting.**

**The general subject of the matter 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 passing this resolution are as follows:**

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
2	Forestry	Good reason to withhold exists under section 7	Section 48(1)(a)

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

Item	Reason to withhold information under Section 7	
2	To enable any local authority holding the information to carry on, without prejudice or disadvantage, commercial negotiations	Section 48(1)(a)

**CARRIED**

(Refer to Confidential Minute Book, resolution number FN07/03/16).

**Moved Crs Inglis/Henry  
FN07/03/17**

**THAT public meeting be resumed and the business transacted while the public was excluded be confirmed in open meeting.**

**CARRIED**

The meeting concluded at 2.23 pm.

Chair:

Date: