

MINUTES

TITLE: Council's Enterprise Subcommittee
DATE: Wednesday 16 July 2008
TIME: 9.30 am
VENUE: Tasman Council Chambers, 189 Queen Street, Richmond
PRESENT: Crs M J Higgins (Chair), S G Bryant, N Riley, J L Inglis, T E Norriss
IN ATTENDANCE: Crs S J Borlase, B W Ensor, R G Currie, T B King, Chief Executive (P Wylie), Property Manager Services (J K Frater), Harbour Manager (A Kilgour), Executive Assistant (V M Gribble)

Moved Crs Bryant/Inglis
FN08/07/01

THAT apologies for absence from Mayor R G Kempthorne be accepted.
CARRIED

1 CONFIRMATION OF MINUTES

1.1 Council's Enterprise Subcommittee – 13 June 2008

Moved Crs Inglis/Riley
FN0807/02

THAT the minutes of Council's Enterprise Subcommittee meeting held on 13 June 2008, containing resolutions numbered FN08/06/ to FN08/06/ be confirmed as a true and complete record.
CARRIED

2 CHAIR'S REPORT

Cr Higgins spoke to his report which was contained in the agenda. He spoke about the principle of Council enterprises earning, in cash or public good, a return equal to or better than the 90-day bank interest rate.

Cr Borlase preferred to have a definite percentage rate, rather than the 90-day bank interest rate as it fluctuates too much.

Cr King spoke to and illustrated an "opportunities map" which graded projects as minor, moderate, major and significant and measured them from inception through to completion which could be helpful in considering ideas for the future.

Cr Higgins said there are four basic business units ie forestry, Port Tarohe, property and Motueka Aerodrome. A statement of corporate intent is needed, with one each for the unit, and a financial reporting standard that enables a business model to be run. A meeting calendar needs to include visits to specific sites, with one meeting concentrating on business planning, and another to do statements of

corporate intent, review risk management, visits with customers and matters of interest, eg boat club at Motueka. An action list which including what is happening, the date to achieve it by, and comments about whether it is happening. This runs alongside the opportunities map.

Mr Wylie said the Local Government Act requires Council to have a purpose for every asset it owns. The bulk of assets are managed through asset management plans. He said financial reports should be established for each business unit. He said a statement of intent describes why Council owns an asset, what it expects to get out of it and the strategic approach to get the desired rate of return. A sample of a possible revised business unit income and expenditure and balance sheet formats were circulated. Mr Wylie explained that these formats possibly with a cashflow statement, would be introduced during the current financial year to report business unit performance against the business unit statement of intent.

**Moved Crs Riley/Bryant
FN08/07/03**

THAT:

- a) the Enterprises Subcommittee endorses the four enterprise group model.**
- b) the Enterprises Subcommittee requests CEO to bring to the next meeting a draft of those assets which should comprise the property business unit.**
- c) each business unit be required to establish a Statement of Intent;**
- d) that the Enterprise Subcommittee review its terms of reference to reflect the above;**
- e) a financial reporting structure be adopted to support a business model;**
- f) a meeting calendar be established with issues to deal with through the year;**
- g) at each meeting an action list and an opportunities map be included.**

CARRIED

**Moved Crs Higgins/Inglis
FN08/07/04**

THAT the Chairperson's report dated 9 July 2008 be received.

CARRIED

Cr King left the meeting at 10.40 am.

**3 TARAKOHE HARBOUR WESTERN INNER BREAKWATER
EXTENSION**

Mr Frater spoke to the report contained in the agenda which considered a proposal to extend the western inner breakwater of Tarakohe Harbour, Port Golden Bay.

**Moved Crs Bryant/Inglis
FN08/07/05**

THAT:

- a) the Enterprises Subcommittee approve an extension of the western inner breakwater of Tarakohe Harbour, Port Golden Bay by approximately 60 metres.
- b) The quotation of \$158,028 from Sollys Contracting Limited be accepted;
- c) The schedule of fees for the period commencing 1 July 2008 as set out herein be approved.

CARRIED

4 MANAGER PROPERTY SERVICES REPORT

4.1 Tarakohe Harbour

Mr S Hughes has been employed to prepare a resource consent for the inner western breakwater extension and this has been lodged with the Council.

A new contract has been negotiated with the Harbour Manager, recognising that the position is now essentially a fulltime role.

4.2 Motueka Aerodrome

A quotation has been received to remove the build-up of rubber on the Motueka Aerodrome. Nelson Drag Racing Association will be paying for this work.

Moved Crs Bryant/Riley
FN08/07/06

THAT the Manager Property Services report dated 10 July 2008 be received.
CARRIED

5 TARAKOHE HARBOUR, PORT OF GOLDEN BAY

Mr Frater spoke to the report contained in the agenda which had been requested to advise work that is proposed at Port Tarakohe.

Moved Crs Inglis/Norriss
FN08/07/07

THAT the report on proposed developments at Tarakohe Harbour, dated 10 July 2008, be received.
CARRIED

6 PORT TARAKOHE AND MOTUEKA AERODROME FINANCIAL REPORTS

The agenda contained financial reports for Port Tarakohe and Motueka Aerodrome for the period ended 31 May 2008.

**Moved Crs Riley/Bryant
FN08/07/08**

**THAT the financial reports to 31 May 2008 for Port Tarkohe and Motueka Aerodrome be received.
CARRIED**

Cr Borlase left the meeting at 11.45 am.

7 RESOLUTION TO EXCLUDE THE PUBLIC

**Moved Crs Riley/Inglis
FN08/07/09**

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

Motueka Endowment

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
7.1	Motueka Endowment	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	
10.1	To enable any local authority holding the information to carry on, without prejudice or disadvantage, commercial negotiations	Section 7(2)(i)

CARRIED

(Refer to Confidential Minute Book resolutions numbered FN08/07/10 and FN08/07/11).

**Moved Crs Bryant/Inglis
FN08/07/12**

**THAT public meeting be resumed.
CARRIED**

The meeting concluded at 12.35 pm.

Chair:

Date: