

WAIROA DISTRICT COUNCIL

ORDINARY MEETING OF COUNCIL

Minutes of an Ordinary Meeting of Council held in the Wairoa District Council Chambers, Coronation Square, Wairoa on Tuesday 11 April 2006 at 10.00 am.

PRESENT: His Worship the Mayor Mr L Probert (Chair)

COUNCILLORS

S Birrell, D Eaglesome, G McIntyre, B McKinnon, B Shortt, D Caves

IN ATTENDANCE: P J Freeman (Chief Executive Officer)
T Cook (Administration Manager)
R Snow (Finance Manager)
N Cook (Engineering Manager)

CIVIC PRAYER

Councillor Eaglesome gave the Civic Prayer.

APOLOGIES

Nil

PRESENTATION 25 YEARS OF SERVICE

His Worship the Mayor, on behalf of Council, made a presentation to Mr Bill Dickin, in acknowledgement of his 26 years of employment. Mr Dickin's years of service, working manner, and professional attitude to Councillor's, colleagues, and the public were applauded. The Chief Executive Officer endorsed the Mayors comments, and conveyed his appreciation of Mr Dickin's service with the Council to date, as both an employee of Council, but also as a member of the Regulatory Services Team. Mr Des Jane spoke on behalf of Council staff, expressing their appreciation of Mr Dickin as a friend and valued colleague.

Mr Dickin thanked Council for the presentation marking his 26 years of service and for the kind words imparted by those who spoke. In acknowledging that he had seen many people come and go over the years, those who remained, and those who took up employment with the Council, all contributed to making it a great place to work.

CALLS FOR ITEMS OF URGENT GENERAL BUSINESS NOT INCLUDED IN THE AGENDA AND NOTICES

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| 1. Late Item Delegation Warrant to Act – Chubb Security | (Administration Manager) |
| 2. Late Item Long Term Council Community Plan | (Administration Manager) |
| 3. Late Item Liability Management Policy | (Finance Manager) |
| 4. Mayoral Update | (His Worship the Mayor) |
| 5. Waikokopu Harbour | (Councillor McIntyre) |
| 6. Reserves | (Councillor McIntyre) |
| 7. Stormwater Drainage | (Councillor McIntyre) |
| 8. Subsidy Mahia Wastewater Scheme | (Engineering Manager) |

PRESENTATION

MAORI COMMITTEE

His Worship the Mayor welcomed the Chairman of the Maori Committee, Mr Walter Wilson, and Council's Maori Liaison Officer, Mr Mo Ropitini.

Mr Wilson thanked Council for the opportunity to make a presentation on behalf of the Maori Committee. Mr Wilson went on to explain that at the previous meeting of the Committee, the subject of rates arrears on Maori land was discussed in depth and the need to identify and implement appropriate methods and solutions that would result in the collection of rates from the owners and/or occupiers of Maori land in the Wairoa District, particularly land currently with rates arrears.

While acknowledging Council's policy on collection of rates, and rates in arrears, Mr Wilson explained that the issue concerning Maori was where a rates demand was sent to an identified owner of Maori land that was subject to multiple ownership, and the owner receiving the demand would only pay their share (as they so determined) to the Council or not pay the rates demand at all. There were also tracts of Maori land that would qualify for placement on Council's Whenua Rahui Register.

The Maori Committee acknowledged that rates arrears on Maori land was a significant issues, and wished to assure the Council that they would actively pursue the matter, but that it would require a methodical approach to ensure all with an interest and/or ownership in Maori land were captured.

The Maori Committee believed that the first step in capturing rates in arrears on Maori land would be through the appointment of an appropriately qualified person to administer Council's Whenua Rahui Policy, and to approach the landowners concerned on an individual basis. Visits could be made to Maori land blocks to allow a full and qualified assessment of the land while also addressing the concerns and/or difficulties faced by the owners, thereby allowing solutions to be identified and put in place. The Chief Executive Officer supported the Maori Committees suggestion of management on a case-by-case basis as it allowed for open engagement and discussions with landowners and the identification of solutions that were suitable to all parties concerned.

The Maori Committee wished to discuss and investigate the matter further by holding 'workshops' and would come back to Council with their recommendation.

The Mayor and Councillors commended the Maori Committee on their initiative to actively address rates arrears on Maori land and looked forward to receiving their recommendation, following workshops, on how the matter should be progressed.

ORDINARY MEETING OF COUNCIL HELD TUESDAY 07 MARCH 2006

The Minutes of an Ordinary Meeting of Council held on 07 March 2006 were presented.

Resolved:	<i>That the Minutes of the Ordinary Meeting of Council held on 07 March 2006 be confirmed as correct.</i>	Eaglesome/Birrell
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Discussion

Pinasta Pines

The Chief Executive Officer informed Councillors that the Ministry of Social Development were prepared to provide a greater subsidy than that originally proposed, which would cover the cost of wages with any remaining costs able to be met from this years reserves. Periodic Detention workers had been engaged to begin clearing those pines that didn't require specialised skills or equipment. It was likely that larger trees would be cleared by Forestry Contractors, as they had the required health and safety tickets for operation of specialised equipment, such as chainsaws, appropriate safety equipment, and knowledge of safety requirements when felling trees.

Sale of Surplus Property

In acknowledging that there had been some confusion over land determined to be surplus to requirements being at Frasertown, not on Frasertown Road, Councillor Birrell felt that two hectares was far too excessive for the requirements of a pound. While conscious of the costs involved with sub-dividing the land in question, Councillor Birrell wished to pursue the possibility of a section of the property being fenced off and leased to the interested community group who were looking for a suitable site upon which to build their clubrooms. Councillor Birrell was advised to enter into discussions on the matter with the Finance Manager.

Rural Sector Meeting

His Worship the Mayor advised Councillors that a number of rural sector Mayor's shared Council's concern on matters such as the Long Term Council Community Plan and Transits delay in road development and access. A sector meeting would be held at the Local Government Conference to formerly address these, and other rural sector issues.

Michael Laws

His Worship the Mayor confirmed that he had sent correspondence to Mr Laws, and the Dominion, refuting the statements made of Wairoa being a gang town.

SPECIAL MEETING - RESOURCE MANAGEMENT COMMITTEE HELD WEDNESDAY 8 MARCH 2006

<u>Resolved:</u>	<i>That the Minutes of the Special Meeting of the Resource Management Committee held on 08 March 2006 be confirmed as correct.</i>	Caves/McIntyre
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DISCUSSION

The Chief Executive Officer advised Councillor's that an appeal had been received from the Department of Conservation and that the Environment Court would consider the matter and make a decision following the rehearing of all evidence. Council would be required to participate in the process at it was their decision that was being called into question by the Department of Conservation.

Councillor Caves, in expressing his personal view, and assuming that of his colleagues, was disappointed in comments made through the media by ill-informed persons who had not attended the hearing, despite having had the opportunity to do so. The statements made in the press were an unfair reflection of the Hearings Committee in that they criticised the ability of Councillor's in understanding the information presented to them, and ultimately the decision that was made.

The Chief Executive Officer advised that similar situations could be avoided in future by tightening up on Resource Management Committee Agendas. For future hearings it would become mandatory for all submitters to submit full and complete submissions for inclusion in the Agenda to ensure all information is available to the Committee prior to the hearing of evidence. Alterations or additions to submissions following the closing of the Agenda, and more particularly at the hearing, would not be accepted as part of the submission/evidence.

The Mayor acknowledged and appreciated concerns at the statements made through the press, but reminded Councillor's that everyone was entitled to their right to freedom of speech, regardless of whether the comments were accurate, or misconceived. At the end of the day Councillors' had made their decision based on the evidence before them, and it was not for Councillor's to enter into debate with members of the public on their decision.

GENERAL BUSINESS

EARTHQUAKE-PRONE BUILDINGS POLICY – DANGEROUS & INSANITARY BUILDINGS POLICY

I.03.14

<u>Resolved:</u>	<i>That the report be received.</i>	Eaglesome/Caves
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The Chief Executive Officer spoke to the report advising Councillors that their was a statutory requirement for Council to consult on, and implement an 'Earthquake Prone Buildings Policy' and a 'Dangerous and Insanitary Buildings Policy by the 31st May 2006.

Council's Team Leader Building Control explained to Councillor's that the Earthquake Prone Buildings Policy was primarily concerned with buildings erected prior to 1935. Any buildings identified as being earthquake prone would be added to a register, and the owners would be required to undertake a structural assessment, which would reveal any structural issues that needed to be addressed and/or remedied.

The Dangerous and Insanitary Buildings Policy would enable Council to appropriately discharge its statutory obligations in relation to buildings that were brought to Councils attention, or suspected and/or confirmed as dangerous or insanitary.

Council's Team Leader Building Control emphasised that both policies were in draft form and that submissions and/or suggestions for improvement were both sought and encouraged.

Resolved: That Council adopt the Draft Earthquake Prone Buildings Policy, and Draft Dangerous and Insanitary Buildings Policy for public consultation.	Shortt/Eaglesome
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AJOURNED: 10:55 am

RECONVENED: 11:02 am

ROAD CLOSURES – RALLY HAWKE'S BAY **B.03.02.12/B.03.02.05**

Resolved: That the report be received.	Shortt/Eaglesome
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Councillor McKinnon expressed concern that the previous years request from Council, where rural roads marked for closure were to remain open between the hours of 6:30 am and 10:30am to enable residents with school children involved in school sports to traverse to scheduled weekend commitments, was not taken account of.

Resolved: That Council approve the closure of roads for the purpose of holding the 2006 Rally Hawke's Bay in Wairoa on 29 th and 30 th July 2006, on the condition that the accessibility of residents to Saturday morning children's sports events between the hours of 6:30 am and 10:30 am, is taken into consideration.	Caves/McKinnon
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WASTE MANAGEMENT BUDGETS **B.06.03**

Resolved: That the report be received.	Caves/Birrell
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Councillor Caves was concerned and disappointed to see that there were inefficiencies within Council's systems, particularly the length of time that had passed prior to the error being picked up, and ongoing disputes with Contractors. The Engineering Manager responded, stating that in any contracting environment disputes can arise, and where they do, are not necessarily resolved within Council's financial year. The failure in Council's engineering operating system had been rectified through the appointment of additional staff.

Resolved: That Council approves the over-expenditure of \$65,000 from the waste management operational budget.	Shortt/McKinnon
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FUNDING OF DEPRECIATION **F.01.22**

The Finance Manager spoke to the report explaining that the purpose was to determine the extent to which Council wished to fund depreciation on Council owned assets. While depreciation had not been applied in previous years, Council were required to fund depreciation on the Peri Urban Frasertown and Mahanga water supplies, and pensioner housing as they were all significant strategic assets, under Council's Policy on Significance.

The Finance Manager sought an amendment to his report in that 'Balances held in depreciation reserves will earn interest that will be **accredited against rates**', not accumulated into the reserve.

Resolved: That the report be received. **McIntyre/Birrell**

Resolved: That the Peri Urban, Frasertown, and Mahanga Water Supplies, and Pensioner Housing assets of Council be fully funded for depreciation from 2006/07. **Eaglesome/McKinnon**

Resolved: That the following Council assets, community halls and buildings on reserves, the camping ground, staff housing, the Ruakituri fire appliance, the Land Transport new Zealand portion of subsidised roading, and the AFFCO portion of the costs of replacement of the treatment plan, will not be funded for depreciation from 2006/07. **Shortt/McIntyre**

Resolved: That Council approves the use of interest earned on depreciation reserves to offset the need to fund depreciation in future years. **Eaglesome/Caves**

Resolved: That Council approves the use of depreciation reserves to retire debt. **Shortt/McIntyre**

QRS SIX MONTH REPORT 31 DECEMBER 2005 **F.02.13.02**

Resolved: That the report be received. **McIntyre/Birrell**

Resolved: That Council accepts that the Six-Month Report for the period ended 31 December 2005 has achieved the desired results, as set out in the statement of corporate intent. **McIntyre/Shortt**

Councillor Shortt made the statement that at the end of the day Council's main interest on behalf of the ratepayers of the district was the operating profit and the return in the way of a dividend, which was at present 50%. The question was asked as to whether the dividend should be increased to 60%, as the company appeared to be in a sound position.

The Chief Executive Officer advised that the Directors of the Company set the dividend and any request to increase the current dividend from 50% to 60% would need to be negotiated when Council were considering Quality Roding Services (Wairoa) Limited Statement of Corporate Intent for the upcoming year.

USE OF FINANCIAL YEAR SURPLUS **F.01.22**

Resolved: That the report be received. **McIntyre/Shortt**

The Finance Manager spoke to the report explaining that the purpose was for Council to decide whether to authorise the transfer of surplus of \$1,733,616 as reported at 30th June 2005 to the District Development Fund for 2006/07, with \$225,518 of this amount utilised to reduce the targeted roading rate requirement for 2006/07.

Under section 101(1) of the Local Government Act 2002, Council must manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community.

Resolved: That the cash surplus of \$1,733,616, be transferred to the District Development Fund. **Shortt/McIntyre**

Resolved: That \$225,518 be utilised to reduce the roading rate and thereby reduce the rating requirement for the 2006/07 financial year. **Eaglesome/Shortt**

LATE ITEM – DELEGATION WARRANT TO ACT – CHUBB SECURITY

C.18.03

Resolved: *That in accordance with Section 46A (7) of the Local Government Official Information and Meetings Act, the item DELEGATION WARRANT TO ACT – CHUBB SECURITY be considered given the item had not come to hand at the time of Agenda compilation and consideration of this item is required now in order to respond within the timeframe allowed.*
Eaglesome/Birrell

The Administration Manager spoke briefly to the report explaining that it was an administrative procedural matter that required Council approval to enable Mr David Evans to exercise the powers of an enforcement officer as related to Noise Control.

Resolved: *That the Delegation and Appointment as scheduled below be approved with immediate effect.*
Eaglesome/Birrell

Part Time Officers – Noise Control

Dave Evans	<ol style="list-style-type: none">1. "Enforcement Officer" Under Section 38 of the Resource Management Act to carry out Noise Enforcement under Section 3272. An "Enforcement Officer" appointed under Section 177 of the Local Government Act 2002 for the enforcement of bylaws and regulations.
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LATE ITEM – LIABILITY MANAGEMENT POLICY

F.01.22

Resolved: *That in accordance with Section 46A (7) of the Local Government Official Information and Meetings Act, the item LIABILITY MANAGEMENT POLICY be considered given the item had not come to hand at the time of Agenda compilation and consideration of this item is required now in order to respond within the timeframe allowed.*
Birrell/McKinnon

Council's Liability Management Policy was developed in 1998, and with the introduction of the Local Government Act 2002, requires review in relation to borrowing limits. Council is proposing to fund \$9,096 million by way of loan for the years 2007 to 2016, as provided in the Council Long Term Council Community Plan, with a projection of \$7,53 million of debt for 2015/16. This exceeds the \$4.5 million limit disclosed in current Council policy.

Resolved: *That Council deletes the requirement that 'The level of debt is not to exceed \$4.5 million.'*
Shortt/McIntyre

Resolved: *That the amended Liability Management Policy be adopted with the following borrowing limits:*

- (i) *The cost of servicing borrowing must not exceed 5% of comprehensive income.*
- (ii) *Net cash flow from operating activities (excluding interest) exceeds gross annual interest expense by two times.*
- (iii) *Liquidity ratio of not less than 1:1*
- (iv) *Net Debt less than 20% of equity.*
- (v) *Net interest less than 30% of annual rates income.*

Eaglesome/Shortt

LATE ITEM – LONG TERM COUNCIL COMMUNITY PLAN

F.01.22

Resolved: *That in accordance with Section 46A (7) of the Local Government Official Information and Meetings Act, the item LONG TERM COUNCIL COMMUNITY PLAN be considered given the item had not come to hand at the time of Agenda compilation and consideration of this item is required now in order to respond within the timeframe allowed.*
Eaglesome/Shortt

The Administration Manager spoke to the report advising Councillor's that they needed to review and adopt the Schedule of Fees and Charges prior to the schedule being included in the Long Term Council Community Plan. Councillor's reviewed the schedule with minor amendments made to charge out rates.

Resolved: *That the amended Schedule of Fees and Charges be adopted for inclusion in the 2006/2016 Long Term Council Community Plan.*
McIntyre/Birrell

Resolved: *That the 2006/2016 Long Term Council Community Plan be released to Audit for their opinion.*
Eaglesome/Shortt

ADJOURNED: 12:01 PM

RECONVENED: 12:45 PM

MAYORAL UPDATE

A06.03

The Mayor updated Councillor's on his activities for the previous month.

SUBSIDY MAHIA WASTE WATER SCHEME

B08.13

The Engineering Manager informed Councillor's that a letter had been received from the Ministry of Health confirming the allocation of a 50% subsidy to the Mahia Waste Water scheme, being a total of \$4,415,000.

WAIKOKOPU HARBOUR

H01.10

Councillor McIntyre, wished to further explore the re-development of the Waikokopu Harbour as it has merits as a search and rescue mooring and launching facility, and the potential to add to the employment industry of the area, and subsequently the district.

The Chief Executive Officer informed Councillors that a submission would need to be made to the 2006/16 Long Term Council Community Plan. Councillor McIntyre agreed to make a submission on behalf of Council.

ALAN DICKSON

G02.09

During a field trip with Hawke's Bay Regional Council Councillor's and staff, Mr Dickson approached Councillor's advising that he wished to meet with the Mayor and Management to reconcile previous issues. The Mayor advised Councillor's that an open invitation had been given to Mr Dickson to meet with the Mayor and the Chief Executive Officer and that it was now up to Mr Dickson to progress the matter.

STORMWATER DRAINAGE - MAHIA

B02.05

Councillor McIntyre remained concerned at the state of some of the drains around Mahia Township. The Engineering Manager advised that the matter was in hand and being addressed by engineering staff and Contractors.

PRESENTATION

His Worship the Mayor welcomed Mr Keith Frenz who was in attendance to make a presentation to Council on the Mahia Isthmus Structure Plan and the Wairoa Coastal Plan Change.

MAHIA ISTHMUS STRUCTURE PLAN

During the presentation, concern was raised that the intent of the proposed plan, following initial consultation, was to identify areas of expansion. It was following Consultant assurances that there was room for expansion of Mahia Communities, that the Mahia Isthmus Communities Structure Plan had been undertaken at ratepayers' expense. Now however consultants were stating that the only area where expansion could take place was Mahia Beach, for which a separate Structure Plan was already in place.

Mr Frenz stated that it was an issue of not being able to provide for expansion without first having provided for services, outweighed by the inability to install services, without first having expansion. The argument was one about infrastructure, the exception being where prospective developers had plans in place that incorporated the provision of services.

The proposed plan did allow for some minor development at Opoutama, Mahanga, and Waikokopu.

The Mayor and the Chief Executive Officer advised Councillors that they needed to make a decision as to whether they accepted the Consultants view as outlined in the proposed plan and the limitations on expansion and growth of the Mahia Isthmus.

The consensus of Councillors was that they were not in a position to form an opinion on the information before them, and requested that a field trip and workshop be arranged as soon as possible to finalise on an agreed Mahia Isthmus Communities Structure Plan to take out to the public for consultation.

The Chief Executive Officer would determine a suitable date and itinerary, and advise Councillors accordingly.

COASTAL PLAN CHANGE

Mr Frenz informed Councillors of the Coastal Plan changes required as a result of new sub-division performance standards and the Hawke's Bay Regional Council's introduction of coastal hazard lines.

The proposal was an introduction of two zones at Mahia, Residential Mahia and Coastal Mahia. Residential Mahia would be a controlled activity, with a minimum lot size of 800 square metres, maximum site coverage of 35%, and a household density of one dwelling per 800 square metres. Coastal Mahia would be a discretionary activity with a minimum lot size of 2300 square metres, maximum site coverage of 10%, and a household density of one dwelling per 2500 square metres.

As Councillor's had no further questions, His Worship the Mayor thanked Mr Frenz for his presentations giving an assurance that they would advise of their opinion of the Mahia Isthmus Communities Structure Plan following their field trip and workshop.

Resolved: *That pursuant to Section 48 (1) of the Local Government Information and Meetings Act 1987, the public be excluded on the following grounds:*

That the exclusion of the public from the whole or relevant part of the proceedings of the meeting is necessary to enable the local authority to deliberate in private on its decision or recommendation in:

- S7 (2)(b) Protect information where the making available of the information-*
- (i) Would disclose a trade secret; or*
 - (ii) Would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information;*

Caves/Birrell

EXCLUDED FROM: 2:30 PM

READMITTED FROM: 2:42 PM

RELEASE OF CONFIDENTIAL ITEMS

A06.09

The Engineering Manager had raised a matter in 'Confidential' where the resolution of Councillor's pertaining to ornamentation of graves at the Wairoa Cemetery, needed to be released if Council Officers were to have the authority to enact the resolution.

<u>Resolved:</u>	<i>That the resolution to resolve the issue of grave ornamentation at the Wairoa Cemetery be released.</i>	Caves/Shortt
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WAIROA CEMETERY

G.01.01

<u>Resolved:</u>	<i>That those families in contravention of the Cemeteries and Crematoria Bylaw, as related to grave ornamentation, be approached by Council as a first step in resolving the matter.</i>	Eaglesome/Birrell
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There being no further General Business, His Worship the Mayor declared the meeting closed:

MEETING CLOSED: 2:45 PM

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Chair