



ORDINARY MEETING

OF COUNCIL

**TUESDAY**

**10 NOVEMBER 2009**

**10.00 am**

**WAIROA DISTRICT COUNCIL**

**ORDINARY MEETING OF COUNCIL**

to be held in the Council Chambers,  
Coronation Square, Wairoa

**TUESDAY 10 NOVEMBER 2009 AT 10.00 AM**

**PART 1**  
**A G E N D A**

**CHAIRMAN:** His Worship the Mayor Mr L Probert

**COUNCILLORS**

B Cairns, D Caves, D Eaglesome, J Heron, B McKinnon, D Evans

CIVIC PRAYER

APOLOGIES

CALLS FOR CONFLICT OF INTEREST

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

Public Forum

General Items

1-3	<b><u>QUALITY ROADING AND SERVICES (WAIROA) LIMITED APPOINTMENT OF DIRECTORS</u></b>	<b><u>B04.01</u></b>
4-15	<b><u>REPORT TO 30 SEPTEMBER 2009</u></b>	<b><u>F02.10.01</u></b>
16-17	<b><u>INVESTMENTS AS AT 30 SEPTEMBER 2009</u></b>	<b><u>F02.10.01</u></b>
18	<b><u>DOCUMENTS SEALED FOR THE PERIOD 6 OCTOBER TO 22 OCTOBER 2009</u></b>	

Receipt/Confirmation of Minutes of Previous Council Meetings

19-27	<b><u>ORDINARY MEETING OF COUNCIL HELD 13 OCTOBER 2009</u></b>	
28-29	<b><u>SPECIAL MEETING OF COUNCIL HELD 30 OCTOBER 2009</u></b>	
30-31	<b><u>COUNCIL ACTION SHEET</u></b>	

## Exclusion of the Public

**Recommended:** 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;

**WAIROA DISTRICT COUNCIL**

**PART OF AN ORDINARY MEETING OF COUNCIL**

to be held in the Wairoa District Council Chambers  
Queen Street, Wairoa

**ON TUESDAY 10 NOVEMBER 2009**

**PART 2**  
**A G E N D A**

The Chief Executive Officer has determined, pursuant to Section 46A (8) and Section 46A (9) of the Local Government Official Information and Meetings Act, that the following items are reasonably expected to be dealt with by the Council/Committee with the Public Excluded.

Page

General Items

1-2      **HOWARD ESTATE ADVISORY BOARD -**  
**SMEDLEY STATION & CADET TRAINING FARM** **A21.05**

3-4      **WAIROA DISTRICT MUSEUM TRUST** **H05.03.01**

Receipt/Confirmation of Minutes of Previous Council Meetings

5-7      **ORDINARY MEETING OF COUNCIL HELD 13 OCTOBER 2009**

8        **COUNCIL ACTION SHEET**



## GENERAL ITEMS

REPORT TO: <b>COUNCIL</b>		
DATE: <b>10 NOVEMBER 2009</b>		
SUBJECT: <b>QUALITY ROADING AND SERVICES (WAIROA) LIMITED - DIRECTORS</b>	FILE REF: B04.01	
AUTHOR: <b>P J FREEMAN, CHIEF EXECUTIVE OFFICER</b>	ATTACHMENTS:	
RELATED COMMUNITY OUTCOME: Facilitates Achievement of all Outcomes	RELATED COUNCIL ACTIVITY: Trading Activities	

### PURPOSE:

This report is necessary to allow Council to commence the process of appointment of two Directors of Quality Roading and Services (Wairoa) Limited whose term expires early in 2010.

### CURRENT SITUATION:

The following shows the term of each Director:

	Appointment	Term (Yrs)	Expiry
D Munro	01 January 2008	3	31 December 2010
M Jarvis	01 January 2007	3	31 December 2009
G Gaddum	01 March 2007	3	28 February 2010
C Torrie	01 March 2008	3	28 February 2011

### REPORT:

As can be seen, two Director's terms expire early in 2010 and one other at the end of the year.

Attached is Council's policy on CCO Appointments.

If Council wishes it may re-appoint one or both of these Directors or it may advertise for the positions.

Either way it would be beneficial to have a Sub-Committee appointed as in the past to make recommendations to Council.

RECOMMENDATION(S): That Council appoint His Worship the Mayor, Councillors Heron and McKinnon, P J Freeman and D Munro as a Sub-Committee to explore all options regarding the two vacant positions and report back to Council.



P J Freeman  
**CHIEF EXECUTIVE OFFICER**

## **POLICY ON THE APPOINTMENT AND REMUNERATION OF DIRECTORS AND TRUSTEES FOR COUNCIL ORGANISATIONS (CO)**

The Local Government Act 2002 requires that the Council may appoint a person to a directorship of council organisations only if the Council considers the person has the skills, knowledge and experience to:

- Guide the organisation given the nature and scope of its activities
- Contribute to the achievement of the objectives of the organisation.

The Council is required to adopt a policy setting out an objective and transparent process for identifying and considering the skills required of a CCO director, and appointing the directors of CCOs

### **Skills**

The Council considers that any person that it appoints to be a director of a CCO should, as a minimum, have the following skills:

- Intellectual ability
- An understanding of governance issues
- Either business experience or other experience that is relevant to the activities of the organisation (or both)
- Sound judgement
- A high standard of personal integrity
- The ability to work as a member of a team.

### **Appointment Process**

When vacancies arise in any CCO the Council will follow the following process for appointing directors.

The Council will decide in open Council whether to advertise a particular vacancy or make an appointment without advertisement. When making this decision the Council will consider:

- The costs of any advertisement and process
- The availability of qualified candidates
- The urgency of the appointment (eg a CCO that is without a quorum cannot hold board meetings).

### **APPOINTMENT BY ADVERTISEMENT**

Where the Council decides to advertise a vacancy, it will form an ad hoc committee to consider the applications and make a recommendation to the Council. The Mayor, or a Councillor nominated by the Mayor, will chair the committee.

A shortlist of candidates will be prepared by the Mayor, the Chairperson of the Committee charged with responsibility for monitoring the CCO and the Chief Executive.

The short listed candidates will be interviewed by the relevant committee and the committee will report to Council on each of the candidates. The committee may make a recommendation if it wishes to do so.

### **APPOINTMENT WITHOUT ADVERTISEMENT**

Where the Council decides not to advertise a particular vacancy it will refer the matter to the Council Committee that is responsible for monitoring the CCO.

The Council Committee will consider the appointment at its next scheduled meeting. The committee will identify a shortlist of candidates whom it considers meet the above criteria and will forward those to Council together with a report explaining why these candidates meet the criteria. The committee may make a recommendation.

## FINAL APPOINTMENT

The Council will make a decision in committee (thus protecting the privacy of natural persons). Public announcement of the appointment will be made as soon as practicable after the Council has made its decision.

An elected member who is under consideration to fill a particular vacancy may not take part in the discussion or vote on that appointment.

## Conflicts of Interest

The Wairoa District Council expects that directors of council organisations will avoid situations where their actions could give rise to a conflict of interest. To minimise these situations the Council requires directors to follow the provisions of the New Zealand Institute of Directors' Code of Ethics. All directors are appointed 'at the pleasure of the Council' and may be dismissed for breaches of this code.

## Remuneration

Remuneration of directors of Council Organisations is a matter of public interest.

Where the Council is the sole shareholder in a particular organisation the council will set director's remuneration either by resolution at the Annual General Meeting or will review salaries on an annual basis (for those organisations that do not have such a meeting). In reaching a view on the appropriate level of remuneration for directors of Council Organisations the Council will consider the following factors:

- The need to attract and retain appropriate qualified people to be directors of the CCO
- The Levels and movement of salaries in comparable organisations (the Council will retain professional advice on salary levels and movements)
- The objectives of the CCO (in particular whether or not the CCO operates on a charitable basis)
- The past performance of the CCO
- Whether the CCO is operating as a trading undertaking
- The financial situation of the CCO.

In cases where the Council cannot exercise direct control, such as in an organisation where it is one shareholder among many, it will conduct its own monitoring of salaries against the above factors and will publicly disclose the name of any CO which it considers is not complying with the above factors.

<b>REPORT TO:</b> COUNCIL	
<b>DATE:</b> 10 NOVEMBER 2009	
<b>SUBJECT:</b> REPORT TO 30 SEPTEMBER 2009	<b>FILE REF:</b> F02.10.01
<b>AUTHOR:</b> RUSSELL SNOW, FINANCE MANAGER	<b>ATTACHMENTS:</b> Report 30 September 2009
<b>RELATED COMMUNITY OUTCOME:</b> Nil	<b>RELATED COUNCIL ACTIVITY:</b> Corporate Services

**PURPOSE:**

To report on the performance of Council against the annual budget of 2009-10 as at 30 September 2009.

**CURRENT SITUATION:**

The Council's Financial Report to 30 September 2009 provides a summary of Council's financial performance and financial position during the past nine months. The Statement of Financial Performance discloses a surplus of \$1,499,834 against a budgeted surplus of \$819,081 projected for the year to 30 June 2010.

The following factors need to be taken into account: -

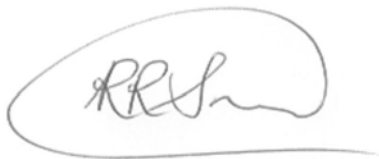
1. Corporate costs and fees and charges include support services income and expenditure which is allocated at 30 June 2010. Total expenditure \$537,410 to 30 September 2009.
2. Dog control income is all received at the start of the year. Expenditure is incurred throughout the year with the net credit steadily reducing throughout the year to 30 June 2010.
3. The financial report includes provision for the LTNZ September claim, water purchases, petrol tax, and interest on call account.
4. The Income Statement includes expenditure on infrastructure assets that is included in the Statement of Financial Position at year-end.
5. Depreciation is not included in the accounts and is estimated at \$930,000.

The Balance Sheet discloses total current assets of \$21.599 million and current liabilities of \$1.014 million, working capital of \$20.586 million, and net assets of \$189.323 million.

Attached is the updated Summary of Transactions for the District Development Fund for the three months ended 30 September 2009. All adjustments are made at the end of the financial year in June 2010.

Should any Councillor require further clarification of any matters please contact the Finance Manager.

**Recommended:** That the report be received.



R R Snow  
**FINANCE MANAGER**

**INVESTMENTS***Statement of Cost of Service for the period ending 30 September 2010*

<b>BUDGET 2009/10</b>	<b>COSTS 2009/10</b>	<b>REVENUE 2009/10</b>	<b>NET COST 2009/10</b>
37,370 Property	23,314	48,549	(25,234)
(967,335) Funds Management	-	503,743	(503,743)
(125,000) Dividends		-	-
(55,300) Corporate	9,023	15,491	(6,468)
<u>(1,110,265)</u>	<u>32,338</u>	<u>567,783</u>	<u>(535,445)</u>
Less Internal Reallocation	-	-	
	<u>32,338</u>	<u>567,783</u>	
Funded by			
(652,565) Rates			(652,565)
12,800 Depreciation not funded			-
(670,500) Reserves			-
<u>(1,310,265)</u>			<u>(652,565)</u>

**Description of Statement**

This statement records the operating costs and revenues of Investments owned by the Council

Projects			
- Corporate Property			-
- Commercial Properties			-
26,000 Sundry Property			-
<u>26,000</u>			<u>-</u>
Funded by			
15,400 Reserves			-
10,600 Rates			-
<u>26,000</u>			<u>-</u>

**WATER SERVICES***Statement of Cost of Service for the period ending 30 September 2010*

<b>BUDGET</b>		<b>COSTS</b>	<b>REVENUE</b>	<b>NET COST</b>
<b>2009/10</b>		<b>2009/10</b>	<b>2009/10</b>	<b>2009/10</b>
841,351	Water Reticulation	145,344	32,232	113,113
134,400	Water Production	174,503	80,942	93,561
269,120	Stormwater and Drainage	25,296	89	25,207
901,410	Sewerage	126,092	859	125,233
<u>2,146,281</u>		<u>471,236</u>	<u>114,122</u>	<u>357,114</u>
	Less internal allocation	<u>53,371</u>	<u>53,371</u>	
		<u>417,864</u>	<u>60,750</u>	
	Funded by			
1,519,581	Rates			357,114
492,300	Reserves			-
134,400	Depreciation not funded			-
<u>2,146,281</u>				<u>357,114</u>
	<b>Projects</b>			
185,000	Water Reticulation	-		-
214,100	Water Production	-		-
352,900	Stormwater & Drainage	-		-
4,800	Stormwater & Drainage - Loan Pay	-		-
280,000	Sewerage	-		-
	Sewerage - Loan Pay	-		-
<u>1,036,800</u>		<u>-</u>		<u>-</u>
	Funded by			
4,800	Rates	-		-
729,100	Reserves	-		-
302,900	Loans	-		-
<u>1,036,800</u>		<u>-</u>		<u>-</u>

**SOLID WASTE***Statement of Cost of Service for the period ending 30 September 2010*

<b>BUDGET</b> 2009/10		<b>COSTS</b> 2009/10	<b>REVENUE</b> 2009/10	<b>NET COST</b> 2009/10
675,700	Waste Management	181,224	47,739	133,485
<u>675,700</u>		<u>181,224</u>	<u>47,739</u>	<u>133,485</u>
	Funded by			
635,700	Rates			133,485
40,000	Reserves			-
	Depreciation not funded			-
<u>675,700</u>				<u>133,485</u>
	<b>Projects</b>			
600,000	Waste Management	-		-
-	Waste Management - loan paymt	-		-
<u>600,000</u>		<u>-</u>		<u>-</u>
	Funded by			
-	Rates	-		-
-	Reserves	-		-
600,000	Loans	-		-
<u>600,000</u>		<u>-</u>		<u>-</u>

**TRANSPORT***Statement of Cost of Service for the period ending 30 September 2010*

<b>BUDGET</b>		<b>COSTS</b>	<b>REVENUE</b>	<b>NET COST</b>
<b>2009/10</b>		<b>2009/10</b>	<b>2009/10</b>	<b>2009/10</b>
23,700	Airport	8,443	3,772	4,671
4,395,028	Roading (Transfund assisted)	1,405,309	923,256	482,053
430,050	Roading (District funded)	49,601	2,930	46,671
49,060	Parking	4,773	-	4,773
<u>4,897,838</u>		<u>1,468,127</u>	<u>929,959</u>	<u>538,167</u>
	Funded by			
3,458,207	Rates			538,167
70,000	Reserves			-
1,369,631	Depreciation not funded			-
<u>4,897,838</u>				<u>538,167</u>
	<b>Projects</b>			
3,428,337	Roading (Transfund assisted)	-		-
346,000	Roading (District funded)	-		-
-	Airport	-		-
5,000	Parking	-		-
<u>3,779,337</u>		<u>-</u>		<u>-</u>
	Funded by			
5,000	Rates	-		-
1,158,835	Reserves	-		-
2,615,502	Subsidies	-		-
<u>3,779,337</u>		<u>-</u>		<u>-</u>

**COMMUNITY FACILITIES***Statement of Cost of Service for the period ending 30 September 2010*

<b>BUDGET</b>		<b>COSTS</b>	<b>REVENUE</b>	<b>NET COST</b>
<b>2009/10</b>		<b>2009/10</b>	<b>2009/10</b>	<b>2009/10</b>
699,270	Parks & Reserves	105,806	17,972	87,834
304,340	Library	70,895	3,305	67,590
87,000	Museum	-	-	-
55,200	Community Support	6,298	59,335	53,037
234,000	Community Centre	59,612	-	59,612
17,800	Community Halls	2,413	-	2,413
74,100	Visitor Information Centre	59,034	35,846	23,188
7,400	Pensioner Housing	40,865	22,219	18,645
81,675	Cemeteries	19,676	7,022	12,654
<b>1,560,785</b>		<b>364,599</b>	<b>145,700</b>	<b>218,899</b>
Funded by				
1,555,785	Rates			216,248
-	Reserves			2,651
5,000	Depreciation not funded			-
<b>1,560,785</b>				<b>218,899</b>
<b>Projects</b>				
15,000	Parks & Reserves	-		-
45,000	Library	-		-
33,000	Pensioner Housing	-		-
<b>93,000</b>		<b>-</b>		<b>-</b>
Funded by				
-	Rates			-
93,000	Reserves	-		-
<b>93,000</b>		<b>-</b>		<b>-</b>

**PLANNING & REGULATORY***Statement of Cost of Service for the period ending 30 September 2010*

<b>BUDGET</b>		<b>COSTS</b>	<b>REVENUE</b>	<b>NET COST</b>
<b>2009/10</b>		<b>2009/10</b>	<b>2009/10</b>	<b>2009/10</b>
298,190	Resource Planning	23,601	2,087	21,514
114,240	Environmental Health	26,890	12,098	14,792
79,760	Building Inspection	75,638	59,264	16,374
13,140	Liquor Licensing	6,799	5,544	1,255
108,430	Bylaw Control	65,397	143,825	- 78,428
-	Safer Communities	59,275	128,278	- 69,003
319,510	Emergency Management	41,116	16	41,100
<u>933,270</u>		<u>298,715</u>	<u>351,111</u>	<u>- 52,396</u>
	Funded by			
770,080	Rates		-	55,900
123,190	Reserves			3,504
40,000	Depreciation not funded			-
<u>933,270</u>				<u>- 52,396</u>
	<b>Projects</b>			
25,000	Regulatory - vehicle urchase	-		-
-	Regulatory - Sound level meter	-		-
-	Regulatory - dog control	-		-
15,000	Emergency Management	-		-
-				
<u>40,000</u>		<u>-</u>		<u>-</u>
	Funded by			
-	Rates	-		-
30,000	Reserves	-		-
10,000	Asset Sales	-		-
<u>40,000</u>		<u>-</u>		<u>-</u>

**LEADERSHIP & GOVERNANCE***Statement of Cost of Service for the period ending 30 September 2010*

<b>BUDGET</b>		<b>COSTS</b>	<b>REVENUE</b>	<b>NET COST</b>
<b>2009/10</b>		<b>2009/10</b>	<b>2009/10</b>	<b>2009/10</b>
1,171,000	Community Representation	291,826	981	290,845
120,300	Maori Liaison	23,981	-	23,981
87,450	Economic Development	9,948	-	9,948
<u>1,378,750</u>	<b>Total</b>	<u>325,755</u>	<u>981</u>	<u>324,774</u>
	Funded by			
1,378,750	Rates			324,774
-	Reserves			-
-	Depreciation not funded			-
<u>1,378,750</u>				<u>324,774</u>
	<b>Projects</b>			
-		-		-
<u>-</u>		<u>-</u>		<u>-</u>
	Funded by			
-	Rates	-		-
-	Reserves	-		-
<u>-</u>		<u>-</u>		<u>-</u>

**SUPPORT SERVICES***Statement of Cost of Service for the period ending 30 September 2010*

<b>BUDGET</b>		<b>COSTS</b>	<b>REVENUE</b>	<b>NET COST</b>
<b>2009/10</b>		<b>2009/10</b>	<b>2009/10</b>	<b>2009/10</b>
207,860	Management	54,230	53,966	264
1,627,800	Corporate Services	246,901	425,369	(178,469)
517,352	Information Services	86,590	116,031	(29,441)
594,800	Engineering Services	149,690	145,547	4,143
	Regulatory Services	-		-
<u>2,947,812</u>		<u>537,410</u>	<u>740,912</u>	<u>(203,503)</u>
	Funded by			
13,000	Rates			-
55,000	Reserves			-
<u>2,879,812</u>	Overhead Allocation			<u>(203,503)</u>
<u>2,947,812</u>				<u>(203,503)</u>
	Projects			
59,000	Information Services			-
30,000	Engineering			-
25,000	Corporate Services			-
<u>114,000</u>				<u>-</u>
	Funded by			
25,000	Asset Sales			-
89,000	Reserves			-
<u>114,000</u>				<u>-</u>

This statement records the cost of operating Council's administrative and support functions and other costs directly attributable to any activity. These costs are all allocated via the overhead allocation process to significant activities so that the net cost of Support Services is nil

## FORECAST STATEMENT OF FINANCIAL PERFORMANCE

*For the period ending 30 September 2010*

<b>BUDGET 2009/10</b>		<b>BUDGET 2009/10</b>
	REVENUES	
8,698,938	Rates	2,280,930
6,508,214	Subsidies	1,113,800
70,000	Petrol Tax	15,000
1,760,795	Fees and Charges	1,163,354
1,153,835	Investment Income	552,783
18,191,782		5,125,866
18,191,782		5,125,866
	EXPENDITURE	
2,821,111	Water Services	417,864
1,005,700	Solid Waste	181,224
8,811,250	Transport	1,468,127
1,851,710	Community Facilities	364,599
1,377,610	Planning & Regulatory	298,715
1,378,750	Leadership & Governance	325,755
73,070	Investments	23,314
53,500	Corporate	546,433
17,372,701		3,626,032
17,372,701		3,626,032
819,081	Net Surplus (Deficit) on Operations	1,499,834

## STATEMENT OF FINANCIAL POSITION

For the period ending 30 September 2009

<b>BUDGET</b>	Notes	<b>ACTUAL</b>
2009/10		2009/10
<b>CURRENT ASSETS</b>		
2,729,081	Cash and cash equivalents	8,591,114
38,000	Inventories	3,921
3,300,000	Trade & other receivables	936,623
-	Available for sale financial asset	-
12,065,766	Financial assets at fair value	12,067,908
<u>18,132,847</u>	Total Current Assets	<u>21,599,566</u>
<b>LESS CURRENT LIABILITIES</b>		
4,293,539	Trade & other payables	1,013,915
-	Current Portion - Term Liabilities	-
<u>4,293,539</u>	Total Current Liabilities	<u>1,013,915</u>
13,839,308	Working Capital	20,585,650
<b>NON CURRENT ASSETS</b>		
172,726,153	Property, Plant & Equipment	168,462,198
25,040	Loans & other receivables	15,447
1,250,000	Investments in Subsidiary	1,250,000
130,000	Biological asset - forestry	117,947
52,000	Intangible Assets	39,610
22,992	Available for sale financial assets	22,992
188,045,493		190,493,844
<b>LESS TERM LIABILITIES</b>		
1,427,900	Term Debt	-
1,034,196	Provisions for other liabilities	1,170,000
<u>185,583,397</u>	<b>Net Assets</b>	<u>189,323,844</u>
<b>Represented by</b>		
185,583,397	Equity & Reserves	189,323,844
<u>185,583,397</u>		<u>189,323,844</u>

<b>Projects committed by Council from District Development Fund to 30 September 2009</b>	<b>Council Meeting</b>	<b>\$\$\$ Approved</b>	<b>\$\$\$ Spent</b>
<b>District Development Fund Balance 1/7/09</b>		1,078,553.00	1,078,553.00
<b>2009/10 Long Term Council Community Plan</b>		853,695.00	5,581.05
		<b>224,858.00</b>	<b>1,072,971.95</b>
1 Waste Management - Lake to Lighthouse	Sep-09	6,000.00	0.00
2 Mahia Wastewater Scheme - to be recovered from project or ratepayers	Sep-09	150,000.00	12,208.50
		<hr/>	<hr/>
		156,000.00	12,208.50
<b>District Development Fund Balance 30/9/09</b>		<hr/>	<hr/>
		68,858.00	1,060,763.45

<b>REPORT TO: COUNCIL</b>	
<b>DATE: 10 NOVEMBER 2009</b>	
<b>SUBJECT: INVESTMENTS AS AT 30 SEPTEMBER 2009</b>	<b>FILE REF: F02.10.01</b>
<b>AUTHOR: RUSSELL SNOW, FINANCE MANAGER</b>	<b>ATTACHMENTS:</b> Schedule of Investments as at 30.09.09
<b>RELATED COMMUNITY OUTCOME:</b> Nil	<b>RELATED COUNCIL ACTIVITY:</b> Corporate Services

**PURPOSE:**

To report against the quarterly target for funds management.

**CURRENT SITUATION:**

Attached for Council consideration is the Schedule of Investments as at 30 September 2009.

As indicated in the previous report, the duration of the portfolio was reduced during the quarter due to the expectation that longer-term rates would increase, while the overnight cash rate is expected to remain constant at 2.50% through to June 2010.

There has been a significant realignment of prices for Rabobank, Fonterra, Credit Agricole and ANZ perpetuals. These bonds have now "come back into Fashion" due to a shortage of other bonds, and the realisation that the above bonds offered significantly better returns than other similar rated bonds. This has contributed 76% of the above market yield of 4.30%, reversing the trend from previous reports.

The balance of Auckland International Airport bonds was sold during the quarter due to the bond being downgraded to A-.

The focus over the next quarter is to take further profits in longer dated bonds and position the portfolio to take advantage of increased interest rates over the next 1 to 2 years.

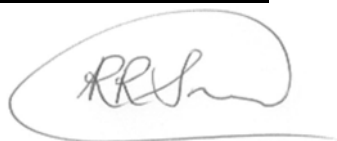
The return on investment is as set out below: -

Yield for twelve months	5.19%
Benchmark trading bond index	1.60%
Above market yield	4.30%

The maturity profile is detailed as follows: -

	<b>30/09/09</b>	<b>30/06/09</b>
Due within 12 months	1%	3%
Due from 1 – 2 years	16%	3%
Due from 2 – 3 years	7%	6%
Due from 3 – 4 years	17%	13%
Due from 4 – 5 years	19%	24%
Due 5 years and over	<u>40%</u>	<u>51%</u>
	<u>100%</u>	<u>100%</u>

**RECOMMENDATION:** That the report be received.



R R Snow  
**FINANCE MANAGER**

SCHEDULE OF INVESTMENTS SEPTEMBER 2009						
NAME	MATURITY DATE	COUPON	YIELD	BALANCE		
MANAWATU DISTRICT COUNCIL	15.11.09	6.85%	3.25%	\$ 50,000.00		
BANK OF NEW ZEALAND	15.09.10	7.50%	4.15%	\$ 105,000.00	\$ 155,000.00	1%
TRANSPOWER	15.12.10	7.00%	4.54%	\$ 100,000.00		
ANZ NATIONAL BANK LTD	17.02.11	6.80%	4.52%	\$ 47,000.00		
TELECOM FINANCE NEW ZEALAND LTD	15.04.11	7.75%	4.75%	\$ 31,000.00		
TELECOM FINANCE NZ LTD	15.04.11	8.15%	4.75%	\$ 13,000.00		
WESTPAC INVESTMENTS LTD	18.04.11	8.87%	4.68%	\$ 194,000.00		
FONTERRA CO-OP GROUP LTD	21.04.11	6.64%	5.19%	\$ 350,000.00		
ASB BANK LTD	15.06.11	7.03%	6.34%	\$ 330,000.00		
TOYOTA FINANCE NZ	05.08.11	7.34%	5.13%	\$ 150,000.00		
ANZ NATIONAL BANK	15.09.11	7.16%	6.60%	\$ 665,000.00	\$ 1,880,000.00	16%
WESTPAC NZ INVESTMENTS LTD 19.12.11	19.12.11	7.24%	5.32%	\$ 14,000.00		
TELECOM NZ FINANCE LTD	15.04.12	0.00%	5.75%	\$ 17,908.00		
RABOBANK NEDERLAND	03.05.12	7.68%	5.45%	\$ 250,000.00		
ANZ NATIONAL BANK LTD	23.07.12	8.23%	7.13%	\$ 43,000.00		
ANZ NATIONAL BANK LTD	18.09.12	5.63%	5.91%	\$ 500,000.00	\$ 824,908.00	7%
ASB BANK LTD	15.11.12	8.77%	7.30%	\$ 750,000.00		
ANZ NATIONAL BANK	18.04.13	9.66%	8.89%	\$ 1,180,000.00		
KIWIBANK LTD	30.09.13	8.75%	7.73%	\$ 102,000.00	\$ 2,032,000.00	17%
WESTPAC NZ LTD	28.11.13	7.05%	6.48%	\$ 500,000.00		
HOROWHENUA DISTRICT COUNCIL	15.04.14	7.80%	6.90%	\$ 1,000,000.00		
TELECOM NZ	15.04.15	8.30%	7.00%	\$ 130,000.00		
FONTERRA CO-OP GROUP LTD	21.04.14	6.86%	8.40%	\$ 580,000.00		
DEUTSCHE BANK AG	16.06.14	7.14%	3.63%	\$ 76,000.00	\$ 2,286,000.00	19%
TELSTRA CORPORATION LTD	24.11.14	7.15%	7.20%	\$ 250,000.00		
HOROWHENUA DISTRICT COUNCIL	15.12.14	7.05%	7.00%	\$ 750,000.00		
BANK OF NEW ZEALAND	27.05.15	8.68%	6.87%	\$ 129,000.00		
CENTRAL HAWKES BAY DISTRICT COUNCIL	15.08.16	7.00%	7.30%	\$ 667,000.00		
CREDIT AGRICOLE	19.12.17	10.04%	9.78%	\$ 1,994,000.00		
RABOBANK PERPETUAL BOND	8.10.37	9.48%	8.20%	\$ 1,100,000.00	\$ 4,890,000.00	40%
				\$ 12,067,908.00		

<b>REPORT TO: COUNCIL</b>	
<b>DATE: 10 NOVEMBER 2009</b>	
<b>SUBJECT: DOCUMENTS SEALED FOR THE PERIOD FROM 6 OCTOBER TO 22 OCTOBER 2009</b>	<b>FILE REF:</b>
<b>AUTHOR: J BATY, ADMINISTRATION MANAGER</b>	<b>ATTACHMENTS: Nil</b>
<b>RELATED COMMUNITY OUTCOME:</b> All Community Outcomes	<b>RELATED COUNCIL ACTIVITY:</b> Community Representation

**PURPOSE:**

Presented for Council's information is the following Schedule of documents sealed for the period from 6 October to 22 October 2009.

06.10.09

**Contract**

Wairoa District Council & WP & JM Halkett Partnership  
10/01 - Wairoa Cemetery Maintenance

12.10.09

**Transfer Instrument**

Wairoa District Council & Frances Emily Whale  
532 sq metres Lot 1 DP 413819 ("Lot 1")

12.10.09

**Agreement**

Wairoa District Council & Wairoa Rowing Club  
Lease - Part of Alexandra Park

14.10.09

**Agreement**

Wairoa District Council & Department of Internal Affairs  
Crown funded grant from Community Partnership Fund

22.10.09

**Agreement**

Wairoa District Council & Peter Grant & Iryna Robson  
Agreement to acquire land

**RECOMMENDATION:**

That the report be received.



J Baty  
**ADMINISTRATION MANAGER**

# Receipt/Confirmation of Minutes

REPORT TO:	<b>COUNCIL</b>	
DATE:	<b>10 NOVEMBER 2009</b>	
SUBJECT:	<b>CONFIRMATION OF MINUTES OF AN ORDINARY MEETING OF COUNCIL HELD 13 OCTOBER 2009</b>	FILE REF:
AUTHOR:	<b>J BATY, ADMINISTRATION OFFICER</b>	ATTACHMENTS: Nil
RELATED COMMUNITY OUTCOME: N/A	RELATED COUNCIL ACTIVITY: N/A	

**PURPOSE:**

Attached are the minutes of an Ordinary Meeting of Council held on 13 October 2009.

**RECOMMENDATION:**

That the minutes of the Ordinary Meeting of Council held on 13 October 2009 be confirmed as correct.

## WAIROA DISTRICT COUNCIL

### ORDINARY MEETING OF COUNCIL

Minutes of an Ordinary Meeting of Council held in the Council Chambers, Coronation Square, Wairoa on Tuesday, 13 October 2009 at 10.00am.

**PRESENT:** His Worship the Mayor Mr L Probert (Chairman)

**COUNCILLORS**

D Caves, D Eaglesome, J Heron, D Evans, B Cairns, B McKinnon

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

**CIVIC PRAYER**

The civic prayer was given by Councillor Heron.

**APOLOGIES: Nil**

**CALLS FOR CONFLICTS OF INTEREST: Nil**

**URGENT GENERAL BUSINESS NOT INCLUDED IN THE AGENDA AND NOTICES:**

1. Tsunami Warnings (Cr Caves/Chief Executive Officer)
2. LATE ITEM – Interim Maori Standing Committee Recommendations (Administration Manager)
3. LATE ITEM – Marine Parade Street Trees (Engineering Manager)
4. LATE ITEM – Oraka Coastal Protection (verbal report) (Engineering Manager)

## 3. Wandering Stock

(Chief Executive Officer)

**PUBLIC FORUM**

His Worship the Mayor welcomed the public, and in particular members of the Interim Maori Standing Committee, to the meeting and asked if there were any items they wished to bring to Council's attention. There was not, however, a Late Item from the Interim Maori Standing Committee would be presented later during the meeting.

**PRESENTATION: BEVAN PICKETT – QV DISTRICT REVALUATION**

Mr Pickett provided Council with an overview of the revaluation process. He noted that a detailed market analysis is undertaken across all categories of property. They also incorporate local knowledge and expertise. All sales are inspected by valuers; they then apply values and conduct further inspections. Finally, computerised statistical tests are undertaken for accuracy.

While the rating values are based on market sales they are a 'snapshot' of the market at a single point in time. As real estate tends to fluctuate over time, a rating valuation cannot be expected to represent the market value for an extended period. Rating values also do not include chattels.

The following overall results were noted:

- Total number of properties is 7,166.
- Wairoa District is now worth \$1.869 billion.
- Overall 11.9% decrease in Capital Values.
- Overall 20.2% decrease in Land Values.
- Coastal market values have decreased significantly in recent years while the township has remained relatively steady.
- The rural sector has seen a general reduction in value.
- Most residential property values have trended upwards apart from coastal properties.
- Average house value \$129,941 – down 17.9% (but big variation in values between coast and Wairoa Township).
- Average section value \$59,561 – down 36.3%.
- Rural (dairy/pastoral) \$494,605 – down 13.4%.
- Lifestyle Improved \$275,081 – down 6.2%.

Sector	No. Assts	2009 CV (\$000)	% Change	2009 LV (\$000)	% Change
<b>Farming</b>	1,475	842,503	-13.4	719,828	-15.7
<b>Crop &amp; Specialist</b>	33	18,650	5.6	11,055	-0.5
<b>Forestry</b>	124	158,863	-9.3	151,247	-9.8
<b>Lifestyle</b>	985	213,447	-13.7	145,546	-20.9
<b>Residential</b>	3,674	581,630	-17.9	343,679	-36.3
<b>Commercial</b>	132	32,423	6.3	11,464	-4.8
<b>Industrial</b>	132	21,625	8.6	3,511	33.7
<b>Other</b>	602	252,099	1.5	82,744	-16.5
<b>TOTAL</b>	7,166	2,121,450	-11.9	1,469,238	-20.2

His Worship the Mayor thanked Mr Pickett for this presentation and invited Councillors to ask any questions. Councillors clarified a number of matters.

## General Items

### **LATE ITEM – MARINE PARADE STREET TREES**

**F01.25**

**Resolved:** *That in accordance with Section 46A (7) of the Local Government Official Information and Meetings Act the item **MARINE PARADE STREET TREES** be considered given the item had not come to hand at the time of Agenda compilation and consideration of this matter is required now in order to respond within the time frame allowed.*

**Eaglesome/Cairns**

His Worship the Mayor welcomed Wairoa College student Karlton Karangaroa who has been undertaking work experience with the Engineering Department. The Engineering Manager noted that part of his work was to design and undertake a survey about the street trees and to produce a report with recommendations. He was assisted in his work by staff.

It was noted that a submission was received during consultation on the LTCCP requesting the removal of street trees on the shop side of Marine Parade. The submission cited problems with birds, leaf litter etc as the key reasons for the request. Council determined that nothing should be done without full consultation with all businesses and directed staff to undertake a survey or similar exercise to gauge public opinion.

Karlton presented his findings and noted the options available to Council, which are:

1. Do Nothing
2. Remove some of the trees
3. Remove all of the trees and replace with something else
4. Undertake maintenance on those trees that require it

There is no preferred option although Option 1 is unacceptable from a traffic safety perspective and work would have commenced already on some of the trees had Council not initiated this report through the LTCCP process.

All options except Option 3 could be expected to be funded from existing budgets. Removing a single tree and replacing it with a smaller equivalent would cost in the order of \$200 per tree. For 13 trees would be in the order of \$2,500 - \$3,000 once dump fees are taken into account.

Karlton's report makes a recommendation that Option 4 be adopted. This is sound reasoning based on the survey of businesses and discussion with Council operational staff regarding traffic safety and aesthetics.

His Worship the Mayor on behalf of Council and the wider community thanked Karlton for his work and congratulated him for the professionalism he displayed in carrying out his research.

**Resolved:** *That the report be received.* **Heron/Eaglesome**

**Resolved:** *That Council undertakes maintenance on those Marine Parade trees that require it.* **Heron/Cairns**

**Resolved:** *That general guidelines regarding trees be investigated.* **Cairns/Evans**

### **LATE ITEM – INTERIM MAORI STANDING COMMITTEE RECOMMENDATIONS**

**A26.01**

**Resolved:** *That in accordance with Section 46A (7) of the Local Government Official Information and Meetings Act the item **INTERIM MAORI STANDING COMMITTEE RECOMMENDATIONS** be considered given the item had not come to hand at the time of Agenda compilation and consideration of this matter is required now in order to respond within the time frame allowed.*

**Eaglesome/Cairns**

His Worship the Mayor welcomed members of the Interim Maori Standing Committee and invited Chairperson Graeme Symes to speak to the report.

The report made a number of recommendations and Council dealt with each in turn and made resolutions as required.

<b><u>Resolved:</u></b>	<i>That the report be received.</i>	<b>Caves/McKinnon</b>
<b><u>Resolved:</u></b>	<i>That Council appoints under Schedule 7, Part 1, Clause 31(4)(a) of the Local Government Act 2002, Councillors Heron and Cairns to the Interim Maori Standing Committee.</i>	<b>Evans/McKinnon</b>

It was noted that the Interim Maori Standing Committee meetings are public and as such any Councillors are welcome to attend and they were encouraged to do so.

The Interim Maori Standing Committee also requested that their Chairperson be given a voting right at the Council table.

The Chief Executive Officer acknowledged the request, but noted that legislation prevented this from occurring.

In particular, the Chief Executive Officer referred to Section 41(2) of the Local Government Act 2002, namely:

**41 Governing bodies**

- (2) A territorial authority must have a governing body consisting of members and a mayor elected in accordance with the Local Electoral Act 2001.

For this reason it was not possible for Council to grant this request. The Chief Executive Officer noted the option of establishing Maori Wards.

The Interim Maori Standing Committee also requested that four members be appointed to the Resource Management Committee.

Councillor Cairns enquired as to why four members would be required. It was clarified that this number would ensure there would always be an Interim Maori Standing Committee member available at Resource Management Committee meetings.

A number of training matters were also raised. Councillor McKinnon highlighted the cost and difficulty associated with the RMA training which he noted was getting increasingly more difficult to pass.

<b><u>Resolved:</u></b>	<p><i>That:</i></p> <ol style="list-style-type: none"> <li>1. <i>Two members of the Interim Maori Standing Committee be mandated to sit at the Resource Management Committee, preferably with RMA certification.</i></li> <li>2. <i>All members of the Maori Standing Committee be given the "Good Decision Making" programme as budget allows.</i></li> <li>3. <i>Training in policy &amp; procedure be initiated for Interim Maori Standing Committee.</i></li> <li>4. <i>Tiriti O Waitangi training be delivered to the Interim Maori Standing Committee and Councillors.</i></li> </ol>	<b>Heron/Cairns</b>
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In closing, various policy responsibilities were discussed.

<b><u>Resolved:</u></b>	<p><i>That:</i></p> <ol style="list-style-type: none"> <li>1. <i>The Interim Maori Standing Committee review the Maori Policy.</i></li> <li>2. <i>The Road Naming and Numbering Policy be given to Maori Standing Committee to lead.</i></li> <li>3. <i>Maori Tourism is an issue for the Maori Standing Committee to manage.</i></li> </ol> <p style="text-align: right;"><b>Caves/McKinnon</b></p>
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## Exclusion of the Public

<b><u>Resolved:</u></b>	<p><i>That pursuant to Section 48 (1) of the Local Government Information and Meetings Act 1987, the public be excluded on the following grounds:</i></p> <p style="text-align: center;"><i>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:</i></p> <p><i>S7 (2)(b) Protect information where the making available of the information-</i></p> <ol style="list-style-type: none"> <li><i>(i) Would disclose a trade secret; or</i></li> <li><i>(ii) Would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information;</i></li> </ol> <p style="text-align: right;"><b>Heron/Evans</b></p>
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**ADJOURNED: 11:50 AM**  
**RE-ADMITTED: 1.06 PM**

## NEW ZEALAND MUTUAL LIABILITY RISKPOOL A11.01

The Finance Manager spoke to his report. He noted that Riskpool provides public liability and professional indemnity cover for Councils. It is a mutual liability fund governed by a Trust Deed. The Trustee is Local Government Mutual Funds Trustee Limited, a 100% subsidiary of Civic Assurance. Directors are appointed by Civic and Civic also acts as Fund Manager. Riskpool commenced in 1997, and has 78 local authority members.

Riskpool has been involved in a number of claims relating to the Resource Management Act and failure of infrastructure. It is now faced with a shortfall in the mutual pool's funds due to the "leaky" building issue. Riskpool wrote to Council on 30 June 2009 advising that there was a need for a call on funds to cover for the shortfall. We wrote back advising that we were unfairly subsidising the metropolitan centres, that we have not received any substantiation of the claims and due to the timing of the letter, we had not provided financial provision for the additional expense. Council has now received the attached letter and an invoice for \$20,142.00 being a call on funds 6 and 7.

<b><u>Resolved:</u></b>	<i>That the report be received.</i>	<b>Evans/McKinnon</b>
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<b><u>Resolved:</u></b>	<i>That Council approves the request to fund the shortfall in Riskpool of \$20,142.</i>	<b>Evans/McKinnon</b>
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## FIRE RISK REDUCTION – OPOUTAMA I05.06

The Chief Executive Officer advised that Councillors are aware of the devastating fire at Oputama that destroyed several buildings, including one dwelling in February of this year. While the fire became the responsibility of the Department of Conservation because it was within their 1km fire safety margin, it apparently started on Council land and did significant damage to growth on that land.

The remaining saplings both burnt over, and not, still present a potential fire risk. To mitigate this risk to a reasonable level the proposal is to cut and mulch an area of approximately 3.6 ha between the Ruawharawhara Urupa and the access track into the YMCA Camp.

This work could be done at the same time as D.O.C. and the Forest Restoration Trust are undertaking similar work and may also be coincident with work to meet Council's obligations to the Urupa Trustees and also potential roading options in the area.

It should also be noted that D.O.C. have felled most if not all trees in their reserves along YMCA road and propose to do more.

The Chief Executive Officer noted that staff were still firming up quotes with three providers but it seems that we could achieve what is required with \$20,000. While this is not strictly "Disaster Recovery" he proposed that Council utilise some of the \$500,000 available in the Disaster Recovery Reserve on the basis that it is partial recovery from last year's fire and partially prevention of another fire this season.

The various options were then discussed.

<b><u>Resolved:</u></b>	<i>That Council approve a sum of \$20,000 from the Disaster Relief Fund to form a fire break on plantation reserve YMCA Road, Opoutama between Ruawharawhara Urupa and the YMCA access track.</i>	<b>Caves/Evans</b>
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## **REPAIRS AND MAINTENANCE – TUAI HALL**

**H06.02**

The Chief Executive Officer spoke to his report. He noted that the Tuai Hall is owned by Council and administered by a local committee. Apparently all funds derived from users are used in cleaning and supplies such as toilet paper etc. The use of the hall is sporadic at best.

The Tuai Hall Committee have written to Council requesting certain work be undertaken before the November Genesis Energy Lake to Lighthouse Challenge to allow the hall to be used as a gallery for local artists.

Council owns the building and therefore has an obligation to maintain it.

A proposal to get things moving might be to:

1. Attend to exit door
2. Pest eradication

These are urgent works which must be done

3. Renew curtain tracks and curtains

Then programme further works for future years in next year's Annual Plan.

Current budget for Repairs and Maintenance is \$2,000 only.

The work has not been costed but a rough order of cost would see about \$10,000 to undertake items 1-3.

<b><u>Resolved:</u></b>	<i>Council approve a sum of up to \$10,000 from the Depreciation Fund to attend to urgent work on the Tuai Hall and that a full maintenance programme be prepared for inclusion in future Annual Plans through the LTCCP.</i>	<b>Eaglesome/Caves</b>
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## **MAHIA AVENUE – PHOENIX PALMS**

**B03.02.03**

The Engineering Manager spoke to the report. He noted that Council was well aware of this matter and its associated history. A letter was received from a resident of Mahia Avenue requesting some action be taken with the Phoenix Palms to reduce the problem of starlings nesting in these trees and the perceived health problems created by these birds.

In an attempt to reduce the problem a number of trees in the vicinity of the residents' houses were pruned to restrict the resting area but the resident claims this hasn't fixed the problem.

A further letter was received requesting all the phoenix palms in Mahia Avenue be removed and this and other options were investigated.

Letters were forwarded to 20 residents of Mahia Avenue who were regarded as affected parties to gauge their reaction on removing the palms. Ten letters were returned with six being in support of the removal and four were against.

Pest control companies were contacted to discuss a possible action to remove the birds but it appears there is no long term solution to the problem.

An estimate was obtained for the felling and removal of the palms and this is \$800 per tree and there are 18 trees on Mahia Avenue.

Council is currently trialling plastic owls in some of the pruned trees as a deterrent; these were installed 2-3 days ago.

Council discussed the matter at length.

<b><u>Resolved:</u></b>	<i>That the report be received.</i>	<b>Evans/McKinnon</b>
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<b><u>Motion:</u></b>	<i>That the report be deferred to the next Council meeting pending the outcome of the plastic owl trial.</i>	<b>DEFEATED</b>
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<b><u>Resolved:</u></b>	<i>That Council approves a budget of \$20,000 from the District Development Fund to remove the trees and possibly replant with flowering gums to suit the opposite side of the road. Additionally, that no work be conducted until Council considers the results of the plastic owl trial at its Council Forum in 2 weeks time.</i>	<b>Evans/McKinnon</b>
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#### **ANNUAL REPORT ON DOG CONTROL POLICY AND PRACTICES 2008-2009** **A04.04**

The Administration Manager noted the salient matters contained in his report.

Section 10A of the DCA requires territorial authorities to publicly report each financial year on:

- the administration of their dog control policy and their dog control practices (Section 10A(1)); and
- a variety of dog control related statistics (Section 10A(2)).

While not explicitly stated in the DCA, one of the primary purposes for preparing this report is to allow communities to see how Council is managing its dog control responsibilities.

<b><u>Resolved:</u></b>	<i>That the report be received.</i>	<b>Caves/Evans</b>
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<b><u>Resolved:</u></b>	<p><i>That:</i></p> <ol style="list-style-type: none"> <li>1. <i>Pursuant to section 10A of the DCA, Council adopts the Annual Report on Dog Control Policy and Practices 2008-2009.</i></li> <li>2. <i>Council give public notice of the Annual Report on Dog Control Policy and Practices 2008-2009 by way of advertisement in the Wairoa Star.</i></li> <li>3. <i>Within one month of adopting this report a copy of it be sent to the Secretary for Local Government.</i></li> </ol>	<b>Cairns/McKinnon</b>
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#### **DOCUMENTS SEALED FOR THE PERIOD 20 AUGUST 2009 TO 1 OCTOBER 2009**

The Schedule of Documents sealed for the period 20 August 2009 to 1 October 2009 was presented.

<b><u>Resolved:</u></b>	<i>That the report be received.</i>	<b>Cairns/Heron</b>
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## Receipt/Confirmation of Minutes of Previous Council Meetings

### **ORDINARY MEETING OF COUNCIL HELD 8 SEPTEMBER 2009**

The minutes of an Ordinary Meeting of Council held on 8 September 2009 were presented.

<b><u>Resolved:</u></b>	<i>That the minutes of an Ordinary Meeting of Council held on 8 September 2009 be confirmed as correct.</i>	<b>Evans/McKinnon</b>
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## General Business

### **TSUNAMI WARNINGS**

**A22.02**

Councillor Caves queried whether Council would reconsider submissions made during the LTCCP process to install tsunami warning sirens in coastal areas given the recent tsunami scare. He further noted the residents in some areas had indicated a willingness to contribute funding towards any such installation.

The Chief Executive Officer acknowledged the concerns of residents but queried whether the installation of sirens was the best option. The ongoing maintenance required for sirens in coastal environment was a major concern, and their effectiveness is already being questioned in other parts of the country where such installations have been implemented. The Emergency Management Team have been investigating alternative options such as load speaker warnings via helicopter for outlying communities.

### **LATE ITEM – ORAKA COASTAL PROTECTION**

**D05.03.09**

<b><u>Resolved:</u></b>	<i>That in accordance with Section 46A (7) of the Local Government Official Information and Meetings Act the item <b>ORAKA COASTAL PROTECTION</b> be considered given the item had not come to hand at the time of Agenda compilation and consideration of this matter is required now in order to respond within the time frame allowed.</i>	<b>His Worship the Mayor/Heron</b>
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The Engineering Manager apologised for not being able to prepare a written report for this matter, however, the timing was not conducive. Nonetheless, he believed it was prudent to put this matter before Council for consideration.

Local residents have gained resource consent to do coastal protection work at Oraka. Of benefit to Council is that this consent extends beyond the residents houses beside Council road and reserve.

This matter of coastal protection was raised during the LTCCP process so is not a new issue.

Essentially, this work is underway and there is an opportunity for Council to leverage off this initiative and save costs as the contractor is onsite now. The contractors may only be there for another week or so. The Engineering Manager highlighted that if Council were to do this work at a later time the costs will increase as the contractors would need to re-establish onsite.

Council briefly discussed the matter.

<b><u>Resolved:</u></b>	<i>That \$25,000 from the District Development Fund be approved for this coastal protection project.</i>	<b>Evans/Caves</b>
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### **WANDERING STOCK**

**I10.02**

The Chief Executive Officer advised Council that a local farmer had been successfully sued in the Dispute Tribunal for wandering stock causing damage to a vehicle. The claimant was awarded a \$5500 settlement.

The tribunal accepted the farmers' fences were in a reasonable condition, but that is not good enough any longer. The standard has got tougher and they have suggested a list of farming practices needed to improve.

**MAYORAL UPDATE****A06.03**

His Worship the Mayor provided an overview of the various events and meetings he had attended over the past month.

There being no further General Business, His Worship the Mayor, declared the meeting closed:

**CLOSED:** The meeting closed at **1.45pm**

**RELEASE OF CONFIDENTIAL ITEMS****A06.09**

The following resolutions were approved for release.

**KOPU ROAD LINK CONSTRUCTION****B03.01.05 10/10**

<b><u>Resolved:</u></b>	<i>That Council approve direct negotiation for the construction of the Kopu Road Link.</i>	<b><i>Heron/McKinnon</i></b>
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REPORT TO: <b>COUNCIL</b>		
DATE: <b>10 NOVEMBER 2009</b>		
SUBJECT: <b>CONFIRMATION OF MINUTES OF A SPECIAL MEETING OF COUNCIL HELD 30 OCTOBER 2009</b>	FILE REF:	
AUTHOR: <b>J BATY, ADMINISTRATION OFFICER</b>	ATTACHMENTS: Nil	
RELATED COMMUNITY OUTCOME: N/A	RELATED COUNCIL ACTIVITY: N/A	

PURPOSE:

Attached are the minutes of a Special Meeting of Council held on 30 October 2009 to adopt the Annual Report for the year ended 30 June 2009.

RECOMMENDATION:

That the minutes of the Special Meeting of Council held on 30 October 2009 to adopt the Annual Report for the year ended 30 June 2009 be confirmed as correct.

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**WAIROA DISTRICT COUNCIL**

**SPECIAL MEETING OF COUNCIL**

Minutes of a Special Meeting of Council held to Adopt the Annual Report for the Year Ended 30 June 2009 in the Council Chambers, Coronation Square, Wairoa on Friday 30 October 2009 at 1.00pm.

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**CHAIRMAN:** His Worship the Mayor Mr L Probert

**COUNCILLORS**

B Cairns, D Caves, D Eaglesome, J Heron (In: 1.10pm), B McKinnon, D Evans

**IN ATTENDANCE:** R Snow (Finance Manager)  
J Baty (Administration Manager)  
S Staley (Financial Planning Manager)

CIVIC PRAYER

Councillor Eaglesome gave the Civic Prayer.

APOLOGIES - Nil

CALLS FOR CONFLICTS OF INTEREST - Nil

## General Items

### **ANNUAL REPORT FOR YEAR ENDED 30 JUNE 2009**

**F02.10.14**

His Worship the Mayor welcomed everyone to the meeting noting that a lot of hard work and effort had been put in by staff to complete the Annual Report.

The Finance Manager spoke to his report and in doing so he noted the following amendments:

- That the other major variance is in increased roading costs of \$1.3 million, not \$1.2 million.
- That the sentence "In addition the inclusion of the Visitor Information Centre accounted for \$0.1 million of the variance" be struck from the report.
- As regards reserve funds and the Schedule of Reserves, this should refer to Note 18, not Note 19.

The Joint Statement from the Mayor and the Chief Executive was also presented.

The Finance Manager reported that Ernst & Young had completed their audit requirements in respect of the Annual Report and that Council finished the year with a surplus of \$334,000 and Reserve Funds of \$18,084,967. The balance sheet discloses assets of \$187.8 million. He also noted that Council currently has no long term debt but there will be a need to borrow to repay some internal advances to capital projects.

Overall 72% of performance targets were met. This is considered reasonable given the pass/fail nature of many targets. Further work will be undertaken during the next year to develop more meaningful performance measures. The Administration Manager noted that staff had reviewed a number of performance measures during the recent LTCCP process, however, this Annual Report reflected measures contained in the previous LTCCP (2006-2016).

The Finance Manager noted that Quality Roding and Services (Wairoa) Limited's Annual Report shows a reduction in operating surplus before tax of 21.8% or \$83,572. The after tax profit was \$211,564 which represents a 4.4% return on equity of \$4,671,510. A dividend of \$90,000 was disclosed which is \$35,000 less than budgeted.

The Councillors were then canvassed as to whether they wished to go through the Report page by page. They were of the view that this was not necessary.

Councillor Caves referred to the summary of performance measures contained in the Finance Manager's report and queried whether the presentation was suitable for the average rate payer in terms of readability.

Councillor Cairns suggested some minor changes to the comments regarding Hawke's Bay Health Homes Project.

Councillor Heron suggested that a comment clarifying the profit should be included in the Annual Report. He was referred to Note 32 on page 85 of the Annual Report.

His Worship the Mayor asked Councillors if they had any final questions.

<b><u>Resolved:</u></b>	<i>That the report be received.</i>	<b><i>Caves/Eaglesome</i></b>
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<b><u>Resolved:</u></b>	<i>That the Annual Report and Summary Annual Report for the year ended 30 June 2009 be adopted.</i>	<b><i>Eaglesome/Cairns</i></b>
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<b><u>Resolved:</u></b>	<i>That transfers from and to reserves as provided for in the Annual Report for the year ended 30 June 2009 be approved.</i>	<b><i>McKinnon/Evans</i></b>
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There being no further business the Mayor declared the meeting closed.

**CLOSED:**           The meeting closed at 1.20pm.

**ACTIONS FOR THE ORDINARY MEETING OF WAIROA DISTRICT COUNCIL HELD ON TUESDAY 13 OCTOBER 2009**

<b>Item</b>	<b>Title</b>	<b>Description</b>	<b>Who</b>	<b>When</b>	<b>Status</b>
1.	Maintenance Marine Parade Trees	That Council undertakes maintenance on those Marine Parade trees that require it.	Engineering	ASAP	In train
2.	Tree Guideline	That general guidelines regarding trees be investigated.	Regulatory	ASAP	In train
3.	Council Appointment to Interim Maori Standing Committee	That Council appoints under Schedule 7, Part 1, Clause 31(4)(a) of the Local Government Act 2002, Councillors Heron and Cairns to the Interim Maori Standing Committee.	Administration	Immediate	Completed
4.	Resource Management Committee Appointment	Two members of the Interim Maori Standing Committee be mandated to sit at the Resource Management Committee, preferably with RMA certification.	Regulatory	ASAP	Completed
5.	Training - Interim Maori Standing Committee	<ol style="list-style-type: none"> <li>1. All members of the Maori Standing Committee be given the "Good Decision Making" programme as budget allows.</li> <li>2. Training in policy &amp; procedure be initiated for Interim Maori Standing Committee.</li> <li>3. Tiriti O Waitangi training be delivered to the Interim Maori Standing Committee and Councillors.</li> </ol>	Administration	ASAP	In train
6.	Policy Responsibilities - Interim Maori Standing Committee	<ol style="list-style-type: none"> <li>1. The Interim Maori Standing Committee review the Maori Policy.</li> <li>2. The Road Naming and Numbering Policy be given to Maori Standing Committee to lead.</li> <li>3. Maori Tourism is an issue for the Maori Standing Committee to manage.</li> </ol>	Administration	ASAP	In train
7.	Kopu Road Link Construction	That Council approve direct negotiation for the construction of the Kopu Road Link.	Engineering	Immediate	In train
8.	New Zealand Mutual Liability Riskpool	That Council approves the request to fund the shortfall in Riskpool of \$20,142.00.	Finance	Immediate	Completed
9.	Fire Risk Reduction – Opoutama	That Council approve a sum of \$20,000 from the Disaster Relief Fund to form a fire break on plantation reserve YMCA Road, Opoutama between Ruawharawhara Urupa and the YMCA access track.	Regulatory	ASAP	In train

Item	Title	Description	Who	When	Status
10.	Repairs and Maintenance – Tuai Hall	Council approve a sum of up to \$10,000 from the Depreciation Fund to attend to urgent work on the Tuai Hall and that a full maintenance programme be prepared for inclusion in future Annual Plans through the LTCCP.	Engineering	Immediate	In train
11.	Mahia Avenue – Phoenix Palms	That Council approves a budget of \$20,000 from the District Development Fund to remove the trees and possibly replant with flowering gums to suit the opposite side of the road. Additionally, that no work be conducted until Council considers the results of the plastic owl trial at its Council Forum in 2 weeks time.	Engineering	Immediate	In train
12.	Annual Report on Dog Control Policy and Practices 2008-2009	<ol style="list-style-type: none"> <li>1. Pursuant to section 10A of the DCA, Council adopts the Annual Report on Dog Control Policy and Practices 2008-2009.</li> <li>2. Council give public notice of the Annual Report on Dog Control Policy and Practices 2008-2009 by way of advertisement in the Wairoa Star.</li> <li>3. Within one month of adopting this report a copy of it be sent to the Secretary for Local Government.</li> </ol>	Regulatory Administration	Immediate	Completed
13.	Oraka Coastal Protection	That \$25,000 from the District Development Fund be approved for this coastal protection project.	Engineering	Immediate	In train