

WAIROA DISTRICT COUNCIL

ORDINARY MEETING OF COUNCIL

Minutes of an Ordinary Meeting of Council held in the Council Chambers, Coronation Square, Wairoa on Tuesday, 10 November 2009 at 10.00am.

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

COUNCILLORS

D Caves, D Eaglesome, J Heron, D Evans, 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 Eaglesome.

APOLOGIES:

An apology was received from Councillor Cairns who was attending the tangi of Nanny Maria Waiwai at Waikaremoana.

<u>Resolved:</u>	<i>That the apology from Councillor Cairns be accepted.</i>	<i>Eaglesome/Caves</i>
-------------------------	---	-------------------------------

CALLS FOR CONFLICTS OF INTEREST:

Councillor McKinnon raised a conflict of interest in respect of the agenda item relating to the Wairoa District Museum Trust.

<u>Resolved:</u>	<i>That the conflict of interest be received.</i>	<i>Eaglesome/Caves</i>
-------------------------	---	-------------------------------

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

1. Street Planting (Cr Caves)
2. Wairoa A & P Society Proposal (Cr Eaglesome/Chief Executive Officer)
3. River Restrictions (Cr Eaglesome)
4. Ministry of Social Development Regional Plan Launch - Community Max (Cr Eaglesome)
5. Parking of Boats on Mokotahi Reserve (Chief Executive Officer)
6. Community Facilities Fund – Hawke’s Bay Regional Council (Cr McKinnon)
7. Mahia Avenue Trees (Chief Executive Officer)
8. Cemetery Opening Hours Issue (Engineering Manager)
9. Mayoral Update (His Worship the Mayor)

General Items

QUALITY ROADING AND SERVICES (WAIROA) LIMITED APPOINTMENT OF DIRECTORS B04.01

The Chief Executive Officer spoke to his report. He noted that two Director’s terms expire early in 2010 and one other at the end of the year.

He referred Councillors to Council's policy on CCO Appointments.

The Chief Executive Officer advised that 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.

Resolved:	<i>That Council advertise positions of QRS Directorship and 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.</i>	Caves/Evans
------------------	---	--------------------

REPORT TO 30 SEPTEMBER 2009

F02.10.01

The Finance Manager spoke briefly to his report.

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.

The Finance Manager also noted the current state of the District Development Fund.

The Chief Executive Officer noted concerns about rates recovery in respect of the Mahia Community Wastewater Scheme.

Councillor Caves enquired as to the costs associated with Liquor Licensing and the Safer Communities activity.

The Chief Executive Officer clarified that the costs associated with liquor licensing are set by Central Government and we no longer have the Safer Communities activity. He also noted the proposal of the Department of Conservation to remove the 1km fire boundary which will represent a significant cost savings to them. Inherently this would likely mean a significant cost impact on Council.

His Worship the Mayor emphasised that Council is bound by legislation in terms of costs. In closing, he added that Council is in a sound financial position and this can be attributed to the hard work of successive Council's and Council staff over the former years.

Resolved:	<i>That the report be received.</i>	Evans/McKinnon
------------------	-------------------------------------	-----------------------

INVESTMENTS AS AT 30 SEPTEMBER 2009

F02.10.01

The Finance Manager spoke to his report. 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%

Resolved:	<i>That the report be received.</i>	Eaglesome/Caves
------------------	-------------------------------------	------------------------

DOCUMENTS SEALED FOR THE PERIOD 6 OCTOBER TO 22 OCTOBER 2009

The Schedule of Documents sealed for the period 6 October to 22 October 2009 was presented.

Resolved:	<i>That the report be received.</i>	Eaglesome/Heron
------------------	-------------------------------------	------------------------

Receipt/Confirmation of Minutes of Previous Council Meetings

ORDINARY MEETING OF COUNCIL HELD 13 OCTOBER 2009

The minutes of an Ordinary Meeting of Council held on 13 October 2009 were presented.

The Chief Executive Officer noted that the work in relation to the fire risk reduction at Opoutama was progressing well and that work had been undertaken in relation to the Tuai Hall upgrade.

Resolved:	<i>That the minutes of an Ordinary Meeting of Council held on 13 October 2009 be confirmed as correct.</i>	Caves/Heron
------------------	--	--------------------

SPECIAL MEETING OF COUNCIL HELD 30 OCTOBER 2009

The minutes of a Special Meeting of Council held on 30 October 2009 were presented.

Resolved:	<i>That the minutes of a Special Meeting of Council held on 30 October 2009 be confirmed as correct.</i>	Evans/McKinnon
------------------	--	-----------------------

General Business

STREET PLANTING

B03.02.03

Councillor Caves noted concerns about the possibly of replacing the phoenix palms along Mahia Avenue with flowering gums.

The Chief Executive Officer clarified that this was only a suggestion so as to suit the opposite side of the road. He further noted that Council is to receive a donation of 80 cherry blossom trees from Kitaibaraki in recognition of the tenth anniversary of the friendship city relationship. As such, there were a number of options available to Council in respect of the replacement trees for Mahia Avenue.

WAIROA A & P SOCIETY PROPOSAL

A24.12

Councillor Eaglesome enquired as to the status of the Wairoa A & P Society Proposal.

The Chief Executive Officer apologised for not having a report to Council for this meeting. He added that the proposal would be sent to Councillors forthwith to enable a fuller discussion at the Council Forum.

He noted the salient points of the proposal in terms of the funding request. Essentially the Wairoa A & P Society does not have a major sponsor for the annual show and they were requesting that Council fill this void.

Councillor McKinnon supported by Councillor Caves noted concerns in terms of this being further funding that was not budgeted for.

Councillor Eaglesome highlighted that this was a true community event and that Council has a social responsibility to ensure that the community development of Wairoa is ongoing.

His Worship the Mayor agreed that it was difficult to commit funding after a budget had already been confirmed, but this was not insurmountable in his view.

The matter was deferred to the Council Forum.

RIVER RESTRICTIONS

B09.01

Councillor Eaglesome noted the concerns of the Wairoa Ski Club who were looking to organise the Bridge to Bridge event. She highlighted issues in relation to river restrictions that Council has in place.

The Chief Executive Officer noted that the district plan mentions noise and speed restrictions in relation to the river. However he believes that these are superseded by the navigational rules of the Hawke's Bay Regional Council Harbour Master Regulations.

He noted that he had been approached by organisers of the event. He has advised them of the need for resource consent and that Council, by way of contribution, will process this at no cost. Organisers have not come back to Council as yet.

The restrictions are in the district plan for a reason, for example, possible affects of noise and speed on the river that may impact on the use of Takitimu Marae.

MINISTRY OF SOCIAL DEVELOPMENT REGIONAL PLAN LAUNCH - COMMUNITY MAX

A24

Councillor Eaglesome spoke to her attendance at the launch of the Ministry of Social Development's Regional Plan. She noted the new Community Max Scheme.

Community Max provides a wage subsidy for six months for young people helping complete community-based projects. Projects could include initiatives such as renovating public buildings such as marae or public spaces, or improving access to local environment such as parks and reserves. It provides an opportunity for young people to build skills and work experience while contributing to the community.

Community Max subsidies are paid for up to six months, and are targeted to help prepare young people for further opportunities in the workforce.

To qualify for Community Max funding, your project must:

- be of benefit to the community or the environment
- not displace existing staff or contractors
- be additional to the normal work of the organisation (e.g. a teacher aide position is generally not additional to the normal work of a school)
- be non-commercial

- be at least 26 weeks in duration and
- provide 30 hours work per week.

Councillor Eaglesome noted that Hastings and Gisborne District Councils have both bought into the scheme.

She wondered if Wairoa District Council would consider taking up the opportunity that Community Max offers.

She proposed that a meeting be held with herself, His Worship the Mayor, Councillor Cairns, the Chief Executive Officer and Administration Manager in the near future to consider options.

PARKING OF BOATS ON MOKOTAHI RESERVE **G01.01.02**

The Chief Executive Officer noted that he had received communication from a previous complainant regarding the parking of boats on Mokotahi Reserve. The complainant wanting to know what Council was intending to do about this issue.

He advised the complainant that Council did not currently plan to do anything, which was reflective of Council's current position on this matter.

The complainant believed that Council had given him an undertaking that this matter would be resolved and he was concerned about the lack of progress.

Council noted the difficulty in resolving this issue, it wasn't for a lack of work that nothing had been done. The matter had been consulted on at length and reaching a consensus was immensely difficult. The Pohutukawa Reserve Management Plan provides for boat parking, the moot issue really concerns the location of the parking itself. Council had tried endlessly to find a solution but to no avail.

Council agreed to place this matter on its agenda again for further discussion.

COMMUNITY FACILITIES FUND – HAWKE'S BAY REGIONAL COUNCIL **A24**

The Chief Executive Officer explained the criteria in relation to the Community Facilities Fund. Principal of these was the need for any project to have been consulted on in a LTCCP or Annual Plan process.

His Worship the Mayor noted that the criteria were still under consideration. He had been in correspondence with the Chair of Hawke's Bay Regional Council expressing an interest in accessing funding on behalf of Wairoa.

He explained that Wairoa District Council had naturally not planned for any major community facility projects in the midst of a recession.

It was noted that Napier, Hastings and Central Hawke's Bay all have projects in their plans.

MAHIA AVENUE – PHOENIX PALMS **B03.02.03**

The Chief Executive Officer noted that he had received an objection to the removal of the trees.

Council discussed the matter and noted that it had already made a decision and that the decision was not made lightly. An opportunity to object had already been provided to the public.

CEMETRY OPENING HOURS ISSUE **G03.01**

The Engineering Manager advised Council of a situation regarding the opening hours of the Wairoa Cemetery, more specifically, the opening of the vehicle access gates. A family was not able to access the cemetery for a number of wheelchair bound family members. The current contract provides vehicle access Monday to Friday 9am – 4.30pm, no access on weekend unless otherwise arranged. This arrangement differs from the previous contract which informally provided access on the

weekends. The cemetery has experienced significant damage from vehicles in the past so a balance is required.

MAYORAL UPDATE **A06.03**

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

COUNCIL ACTION SHEET **A06.03**

Council reviewed and discussed its action sheet.

Exclusion of the Public

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;*

His Worship the Mayor/Heron

ADJOURNED: 11:40 AM
RE-ADMITTED: 12.25 PM

RELEASE OF CONFIDENTIAL ITEMS **A06.09**

NIL

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

CLOSED: The meeting closed at **12.26pm**

.....
Chair