

# PALMERSTON NORTH CITY COUNCIL

## Minutes of the Committee of Council Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 17 February 2021, commencing at 9.01am

**Members Present:** The Mayor (Grant Smith) (in the Chair) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

**Apologies:** Councillors Zulfiqar Butt (absent on Council business) and Lew Findlay QSM.

Councillor Leonie Hapeta left the meeting at 4.53pm during consideration of clause 4.7. She was not present for clauses 4.7, 4.8, 5 and 6 inclusive.

Councillor Renee Dingwall left the meeting at 5.00pm after consideration of clause 5. She was not present for clause 6.

### 1-21 Apologies

Moved Grant Smith, seconded Aleisha Rutherford.

#### The COMMITTEE RESOLVED

1. That the Committee receive the apologies.

Clause 1-21 above was carried 13 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

### 2-21 Notification of Additional Items

Moved Grant Smith, seconded Aleisha Rutherford.

#### The COMMITTEE RESOLVED

1. That the following late item be received:

Additional supporting information for Consultation Document for 10 Year Plan - Long Term Plan Disclosure Statement

The item is late is because it had not been completed at the time of circulation of the agenda and it must be considered at the meeting on 17 February 2021 because the auditors will wish to review it as part of their audit.

Clause 2-21 above was carried 13 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

**3-21 Confirmation of Minutes**

Moved Grant Smith, seconded Aleisha Rutherford.

The **COMMITTEE RESOLVED**

1. That the minutes of the Committee of Council meeting of 10 June 2020 Part I Public be confirmed as a true and correct record.

Clause 3-21 above was carried 10 votes to 3, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Susan Baty, Rachel Bowen, Vaughan Dennison, Patrick Handcock ONZM, Leonie Hapeta, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

**Against:**

Councillors Brent Barrett, Renee Dingwall and Lorna Johnson.

The meeting adjourned at 10.46am

The meeting resumed at 11.06am

**4-21 Approving the 2021 10 Year Plan Supporting Material (including the Draft Financial and Infrastructure Strategies and Updated Funding and Financial Policies) and Consultation Document for Audit**

Memorandum, presented by David Murphy, Acting General Manager - Strategy & Planning and Steve Paterson, Strategy Manager - Finance.

Moved Grant Smith, seconded Aleisha Rutherford.

The **COMMITTEE RECOMMENDS**

1. That the proposed Revenue and Financing Policy and the proposed 2021 Development Contributions Policy be approved for public consultation.

Clause 4.1 above was carried 13 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

2. That the Supporting Material (consisting of the following documents) be approved, subject to Audit, as the basis for the Consultation Document for the 2021 10 Year Plan.

### ***Council's 2021 Vision, Principles and Goals, plus Council's Strategies***

Moved Karen Naylor, seconded Brent Barrett.

Note:

On a motion: "Amend Goal 3 to read: 'A connected, inclusive, and safe community'", the motion was lost 5 votes to 8, the voting being as follows:

**For:**

Councillors Brent Barrett, Susan Baty, Renee Dingwall, Karen Naylor and Bruno Petrenas.

**Against:**

The Mayor (Grant Smith) and Councillors Rachel Bowen, Vaughan Dennison, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan and Aleisha Rutherford.

Moved Grant Smith, seconded Aleisha Rutherford.

#### **The COMMITTEE RECOMMENDS**

That the Supporting Material (a. Council's 2021 Vision, Principles and Goals, plus Council's Strategies) be approved, subject to Audit, as the basis for the Consultation Document for the 2021 10 Year Plan.

Clause 4.2 above was carried 13 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

### ***Council's Plans (2021-24)***

Moved Grant Smith, seconded Aleisha Rutherford.

That the Supporting Material (b. Council's Plans (2021-24)) be approved, subject to Audit, as the basis for the Consultation Document for the 2021 10 Year Plan.

Clause 4.3 above was carried 13 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

### ***Financial Strategy***

Moved Karen Naylor, seconded Billy Meehan.

Note:

On a motion: "That the rates increase policy limit be LGCI, plus growth, plus 2%", the motion was lost 4 votes to 9, the voting being as follows:

**For:**

Councillors Vaughan Dennison, Billy Meehan, Karen Naylor and Bruno Petrenas.

**Against:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson and Aleisha Rutherford.

Moved Grant Smith, seconded Aleisha Rutherford.

That the Supporting Material (d. Financial Strategy) be approved, subject to Audit, as the basis for the Consultation Document for the 2021 10 Year Plan.

Clause 4.4 above was carried 12 votes to 1, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Bruno Petrenas and Aleisha Rutherford.

**Against:**

Councillor Karen Naylor.

The meeting adjourned at 11.58am

The meeting resumed at 2.31pm

### ***Activity Levels of Service and Budgets***

Moved Karen Naylor, seconded Vaughan Dennison.

**Note:**

On a motion: "That the following programme is adjusted: Prog 1949 - Civic and Cultural Precinct Masterplan - \$250K OP - change to \$125K to look at library and TM options only", the motion was lost 4 votes to 9, the voting being as follows:

**For:**

Councillors Vaughan Dennison, Billy Meehan, Karen Naylor and Bruno Petrenas.

**Against:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson and Aleisha Rutherford.

Moved Karen Naylor, seconded Billy Meehan.

**Note:**

On a motion: "That the following programme is adjusted: Prog 902 - Property Seismic Strengthening - \$115m - change to \$60m (through re-prioritisation)", the motion was lost 2 votes to 11, the voting being as follows:

**For:**

Councillors Karen Naylor and Bruno Petrenas.

**Against:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan and Aleisha Rutherford.

Moved Karen Naylor, seconded Bruno Petrenas.

Note:

On a motion: "That the following programme is adjusted: Prog 1852 - Closing level of service gaps for reserves - \$661K - change increase to \$330K (half)", the motion was lost 2 votes to 11, the voting being as follows:

**For:**

Councillors Karen Naylor and Bruno Petrenas.

**Against:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan and Aleisha Rutherford.

Moved Karen Naylor, seconded Bruno Petrenas.

Note:

On a motion: "That the following programme is adjusted: Prog 1941 - Removing library fines - \$368K - change to \$184K (by halving fines)", the motion was lost 2 votes to 11, the voting being as follows:

**For:**

Councillors Karen Naylor and Bruno Petrenas.

**Against:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan and Aleisha Rutherford.

Moved Karen Naylor, seconded Brent Barrett.

Note:

On a motion: "That the following programme is adjusted: Prog 1929 - Workforce Transformation - \$1.876m OP (over 8 years) - change to \$938K (half)", the motion was lost 2 votes to 11, the voting being as follows:

**For:**

Councillors Brent Barrett and Karen Naylor.

**Against:**

The Mayor (Grant Smith) and Councillors Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Bruno Petrenas and Aleisha Rutherford.

Moved Karen Naylor, seconded Brent Barrett.

Note:

On a motion: "That the following programmes are adjusted:

- Prog 86 - Furniture Replacements (cap renewal) - \$841K - change to \$420K (half)
- Prog 2047 - Furniture Transformation (cap new) - \$1.126m - change to \$563K (half)
- Prog 1826 - CAB - Workplace Transformation (cap new) - \$2.968m - change to \$1.484m (half)"

the motion was lost 5 votes to 8, the voting being as follows:

**For:**

Councillors Brent Barrett, Vaughan Dennison, Billy Meehan, Karen Naylor and Bruno Petrenas.

**Against:**

The Mayor (Grant Smith) and Councillors Susan Baty, Rachel Bowen, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson and Aleisha Rutherford.

During discussion Elected Members were of the opinion that funding for Programme 990 Central Energy Trust Arena – Southern Grandstand should be brought forward to keep momentum going, in the interests of continuing economic development in the region.

Moved Grant Smith, seconded Leonie Hapeta.

3. That, dependent on 66% of the funding being raised externally, the programme for Central Energy Trust Arena – Southern Grandstand (Programme 990) be funded in:

Year 3:	\$100,000 (costing/QS process)
Year 4:	\$600,000 (design/planning/consenting)
Year 5:	\$7,000,000 (construction)
Year 6:	\$4,400,000 (construction)

Clause 4.5 above was carried 10 votes to 3, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Susan Baty, Rachel Bowen, Vaughan Dennison, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Bruno Petrenas and Aleisha Rutherford.

**Against:**

Councillors Brent Barrett, Renee Dingwall and Karen Naylor.

Moved Brent Barrett, seconded Renee Dingwall.

**Note:**

On a motion: "That Council ringfence PNCC's Turitea Windfarm revenue for use on specific biodiversity projects within the draft LTP", the motion was lost 3 votes to 10, the voting being as follows:

**For:**

Councillors Brent Barrett, Vaughan Dennison and Renee Dingwall.

**Against:**

The Mayor (Grant Smith) and Councillors Susan Baty, Rachel Bowen, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

During discussion Elected Members were of the view that it was necessary to ensure there was adequate investigation undertaken to inform the delivery of the Programme 1959 (Envirohub and Resource Recovery Centre (subject to external funding)).

Moved Renee Dingwall, seconded Brent Barrett.

4. That \$100k of programme 1959 (Envirohub and Resource Recovery Centre (subject to external funding)) be brought forward from Year 4 to Year 3 to enable feasibility and early design to inform the next Long Term Plan.

Clause 4.6 above was carried 8 votes to 5, the voting being as follows:

**For:**

Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Leonie Hapeta, Lorna Johnson and Aleisha Rutherford.

**Against:**

The Mayor (Grant Smith) and Councillors Patrick Handcock ONZM, Billy Meehan, Karen Naylor and Bruno Petrenas.

Moved Karen Naylor, seconded Bruno Petrenas.

Note:

On a motion: "That the following programme is deferred until year 4 of the LTP: 'Prog 2044 - Kerbside Food Waste Collection and Processing Investigations - \$271K OP (Yr 2-3)'" , the motion was lost 2 votes to 11, the voting being as follows:

**For:**

Councillors Karen Naylor and Bruno Petrenas.

**Against:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan and Aleisha Rutherford.

Moved Karen Naylor, seconded Bruno Petrenas.

Note:

On a motion: "That the following programmes are removed from the LTP and included on the 'considered but not included list': 'Prog 1838 & 2012 - Upgrade Exotic Aviaries \$834K & \$601K = \$1.435m'" , the motion was lost 2 votes to 11, the voting being as follows:

**For:**

Councillors Karen Naylor and Bruno Petrenas.

**Against:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan and Aleisha Rutherford.

Moved Karen Naylor, seconded Bruno Petrenas.

Note:

On a motion: "That the following programmes are removed from the LTP and included on the 'considered but not included list': 'Prog 1273 - Palmy Unleashed - \$75K'" , the motion was lost 2 votes to 11, the voting being as follows:

**For:**

Councillors Karen Naylor and Bruno Petrenas.

**Against:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy

Meehan and Aleisha Rutherford.

Moved Karen Naylor, seconded Billy Meehan.

Note:

On a motion: "That the following programmes are removed from the LTP and included on the 'considered but not included list':

- Prog 1686 - Streets for People Programmes - \$22.481m
- Prog 1803 - Village Streetscape \$1.9m"

the motion was lost 2 votes to 11, the voting being as follows:

**For:**

Councillors Karen Naylor and Bruno Petrenas.

**Against:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan and Aleisha Rutherford.

Moved Karen Naylor, seconded Billy Meehan.

Note:

On a motion: "That the 8.3% rates increase for increase in Renewal costs is adjusted to be spread across 3 years, increasing by 3.3% in the first year, and 3% in the following year, and 2% in Year 3. Prioritisation of programmes to be determined by the CE, based on safety and highest need", the motion was lost 4 votes to 9, the voting being as follows:

**For:**

Councillors Vaughan Dennison, Billy Meehan, Karen Naylor and Bruno Petrenas.

**Against:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson and Aleisha Rutherford.

The meeting adjourned at 4.08pm

The meeting resumed at 4.20pm

Councillor Leonie Hapeta left the meeting at 4.53pm

Moved Karen Naylor, seconded Billy Meehan.

Note:

On a motion: "That city marketing budget (MSL) be reduced by \$120,000 per year", the motion was lost 2 votes to 10, the voting being as follows:

**For:**

Councillors Billy Meehan and Karen Naylor.

**Against:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Lorna Johnson, Bruno Petrenas and Aleisha Rutherford.

Moved Grant Smith, seconded Aleisha Rutherford.

That the Supporting Material (c. Activity Levels of Service and Budgets) be approved, subject to Audit, as the basis for the Consultation Document for



the 2021 10 Year Plan, noting 4.5 and 4.6 above.

Clause 4.7 above was carried 11 votes to 1, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Bruno Petrenas and Aleisha Rutherford.

**Against:**

Councillor Karen Naylor.

Moved Grant Smith, seconded Aleisha Rutherford.

That the Supporting Material:

- e. Infrastructure Strategy
- f. Revenue and Financing Policy
- g. Asset Management Plan Executive Summaries
- h. 2021 Development Contributions Policy
- i. Significant Forecasting Assumptions
- j. Forecast Financial Statements
- k. Rating Information
- l. Long Term Plan Disclosure Statement (late item)

be approved, subject to Audit, as the basis for the Consultation Document for the 2021 10 Year Plan.

Clause 4.8 above was carried 12 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

**5-21 Extension of meeting**

Moved Grant Smith, seconded Aleisha Rutherford.

The **COMMITTEE RESOLVED**

1. That the meeting be extended to 5.30pm.

Clause 6-21 above was carried 12 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

Councillor Renee Dingwall left the meeting at 5.00pm

Moved Karen Naylor, seconded Bruno Petrenas.

Note:

On a motion that: "The content of the Consultation Document is changed so that the lack of compliance with LGFA rules refers to the overall capital costs, rather than to specific programmes", the motion was lost 3 votes to 8, the voting being as follows:

**For:**

Councillors Billy Meehan, Karen Naylor and Bruno Petrenas.

**Against:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Patrick Handcock ONZM, Lorna Johnson and Aleisha Rutherford.

**6-21**

Moved Grant Smith, seconded Aleisha Rutherford.

The **COMMITTEE RECOMMENDS**

5. That the Consultation Document for the 2021 10 Year Plan be approved, subject to Audit.

Clause 6.1 above was carried 10 votes to 1, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Bruno Petrenas and Aleisha Rutherford.

**Against:**

Councillor Karen Naylor.

Moved Grant Smith, seconded Aleisha Rutherford.

6. That the Committee note that the Financial Policies, Supporting Material and the 2021 Consultation Document (amended if necessary following the audit process) will be presented to Council for adoption and subsequent consultation.

7. That the Mayor, Deputy Mayor and Chair of Finance and Audit be given delegated authority to make minor amendments to the documents before they are provided to Audit NZ.

Clauses 6.2 and 6.3 above were carried 11 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Vaughan Dennison, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

The meeting finished at 5.13pm

Confirmed 17 May 2021

**Chairperson**

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