

PALMERSTON NORTH CITY COUNCIL

Minutes of the Finance & Audit Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 24 November 2021, commencing at 9.00am

Members Present: Councillor Susan Baty (in the Chair), The Mayor (Grant Smith) and Councillors Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Bruno Petrenas and Mr Stephen Armstrong.

Non Members: Councillors Brent Barrett, Rachel Bowen, Zulfiqar Butt, Billy Meehan and Orphée Mickalad.

Apologies: Councillor Aleisha Rutherford (late arrival).

Councillor Aleisha Rutherford entered the meeting at 9.23am during consideration of clause 78. She was not present for clauses 75 to 77 inclusive.

The Mayor (Grant Smith) left the meeting at 12.02pm during consideration of clause 82. He was not present for clauses 82.5 to 84 inclusive.

75-21 Apologies

Moved Susan Baty, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee receive the apologies.

Clause 75-21 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Billy Meehan, Orphée Mickalad, Bruno Petrenas and Mr Stephen Armstrong.

Declaration of Interest

Councillor Rachel Bowen declared a conflict of interest in Item 8 Health, Safety and Wellbeing Report July to September 2021 (clause 81) and took no part in discussion or debate for this item.

76-21 Public Comment

Mr Mark Tregoweth made public comment relating to Item 7 on the Agenda (Victoria Esplanade Hospitality Review).

Mr Tregoweth reiterated the points he made at his presentation to the

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Finance & Audit Committee meeting on 24 March 2021 and made the following additional comments:

- Café Esplanade has overcome many challenges, most recently those relating to the pandemic, and he is looking for certainty for his business by asking for two more rights of renewal past June 2023.
- The café has co-operated with the hospitality survey and attempted to amend what appears to be the contentious clause in the lease. They have also shown a willingness to work together with the proposed miniature golf development.
- Their customer base is diverse and includes all ages and ethnicities.
- Mr Tregoweth clarified that he has accepted change is inevitable, and he is supportive of the evolution of the esplanade if change is managed carefully and has good governance.

Moved Susan Baty, seconded Leonie Hapeta.

The **COMMITTEE RESOLVED**

1. That the public comment be received for information.

Clause 76-21 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Billy Meehan, Orphée Mickalad, Bruno Petrenas and Mr Stephen Armstrong.

77-21

Confirmation of Minutes

Moved Susan Baty, seconded Brent Barrett.

The **COMMITTEE RESOLVED**

1. That the minutes of the Finance & Audit Committee meeting of 27 October 2021 Part I Public be confirmed as a true and correct record.

Clause 77-21 above was carried 14 votes to 0, with 2 abstentions, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Zulfiqar Butt, Vaughan Dennison, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Billy Meehan, Orphée Mickalad, Bruno Petrenas and Mr Stephen Armstrong.

Abstained:

Councillors Rachel Bowen and Renee Dingwall.

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78-21 **Victoria Esplanade Hospitality Review**

Report, presented by Kathy Dever-Tod, Manager - Parks and Reserves and Aaron Phillips, Senior Parks Planner.

Councillor Aleisha Rutherford entered the meeting at 9.23am.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That Council allow the Lions Club to sell a restricted selection of non-café food and drink items, in the Victoria Esplanade, as part of the operation of their proposed mini-golf course.

Clause 78-21 above was carried 15 votes to 2, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Billy Meehan, Orphée Mickalad, Bruno Petrenas, Aleisha Rutherford and Mr Stephen Armstrong.

Against:

Councillors Brent Barrett and Renee Dingwall.

Moved Vaughan Dennison, seconded Karen Naylor.

2. That Council note lease discussions between the Council and the café tenant are progressing and that officers will report back to the Council on the requested extension to the café lease in due course.

Clause 78-21 above was carried 17 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Billy Meehan, Orphée Mickalad, Bruno Petrenas, Aleisha Rutherford and Mr Stephen Armstrong.

Moved Aleisha Rutherford, seconded Grant Smith.

3. That once lease negotiations have concluded, the Chief Executive issues licences, under delegation, to a limited number of mobile vendors, with restrictions on trading hours and products for sale, to enable them to trade at the Victoria Esplanade.

Clause 78-21 above was carried 13 votes to 4, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Orphée Mickalad, Bruno Petrenas, Aleisha Rutherford and Mr Stephen Armstrong.

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Against:

Councillors Vaughan Dennison, Renee Dingwall, Lew Findlay QSM and Billy Meehan.

79-21 Palmerston North Airport Ltd - Statement of Expectations 2022-24

Memorandum, presented by Steve Paterson, Strategy Manager - Finance.

During discussion Elected Members proposed amendments to the Statement of Expectations, as follows:

Section 3(iii) Environmental Impacts: replace the words 'national goal' with 'PN City Council goal'; and remove phrase 'below 2005 levels' to align with PN City Council policy.

Moved Susan Baty, seconded Leonie Hapeta.

The **COMMITTEE RECOMMENDS**

1. That the memorandum titled 'Palmerston North Airport Ltd – Statement of Expectations' presented to the Finance & Audit Committee on 24 November 2021, be received.
2. That the Statement of Expectations for Palmerston North Airport Ltd 2022-24 be adopted, as amended.

Clause 79-21 above was carried 17 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Billy Meehan, Orphée Mickalad, Bruno Petrenas, Aleisha Rutherford and Mr Stephen Armstrong.

80-21 Notice of Motion: Aotearoa Collective for Public Transport Equity's Campaign

Memorandum, presented by Councillor Brent Barrett.

Moved Brent Barrett, seconded Renee Dingwall.

The **COMMITTEE RESOLVED**

1. That Palmerston North City Council endorse the Aotearoa Collective for Public Transport Equity's nationwide campaign for free fares on public transport for people under 25 years of age, Community Service Card holders and tertiary students.

Clause 80-21 above was carried 15 votes to 2, the voting being as follows:

For:

Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Lorna Johnson, Karen Naylor, Billy Meehan, Orphée Mickalad, Bruno Petrenas, Aleisha Rutherford and Mr Stephen Armstrong.

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Against:

The Mayor (Grant Smith) and Councillor Leonie Hapeta.

The meeting adjourned at 10.45am

The meeting resumed at 11.01am

81-21

Health, Safety and Wellbeing Report July to September 2021

Memorandum, presented by Alan Downes, Safety and Health Manager and Patrick Watson, Chief People & Performance Officer.

Moved Susan Baty, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the memorandum titled 'Health, Safety and Wellbeing Report July to September 2021', presented to the Finance & Audit Committee on 24 September 2021, be received for information.

Clause 81-21 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Billy Meehan, Orphée Mickalad, Bruno Petrenas, Aleisha Rutherford and Mr Stephen Armstrong.

Note:

Councillor Rachel Bowen declared an interest in the above clause and took no part in discussion or debate.

82-21

Waka Kotahi New Zealand Transport Agency 2021-24 National Land Transport Plan Funding Allocation

Report, presented by Sandra King, Acting Transport and Infrastructure Manager.

During discussion Elected Members were of the opinion that the state of the transport network means Council needs to use all available tools to manage the impacts of heavy traffic, and requested a report back to the Planning & Strategy Committee on process and options, including use of bylaws, to establish and enforce heavy vehicle routes in the city's urban transport network.

The Mayor (Grant Smith) left the meeting at 12.02pm.

Moved Susan Baty, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That Council note the significant funding allocations provided within the 2021-24 National Land Transport Plan (NLTP) from Waka Kotahi New Zealand Transport Agency (NZTA).
2. That Council note that Maintenance, Operations and Renewal (MOR) programmes across the 2021-24 NLTP period will continue as

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planned, and notes that officers will monitor budgets and address any additional funding requirements due to network needs, through future Annual Budgets.

3. That Council note NZTA approval of 85% of Low Cost Low Risk (LCLR) capital new programmes across the 2021-24 NLTP period, and notes that specific projects have been identified as un-funded.

Clause 82-21 above was carried 17 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Billy Meehan, Orphée Mickalad, Bruno Petrenas, Aleisha Rutherford and Mr Stephen Armstrong.

Moved Susan Baty, seconded Karen Naylor.

4. That Council note probable funding from NZTA in the 2021-24 NLTP for the following larger programmes of work is subject to finalisation of business case work for:
 - a. Improvement to existing Asset Management Plan (AMP)
 - b. PNITI – Local Road Improvements (Package 4 of PNITI Programme Business Case)
 - c. PN to Feilding Shared Path (Implementation)
 - d. Roberts Line/KB Road Intersection Safety Improvements.
5. That Council note the following larger programmes are NOT approved by NZTA in the 2021-24 NLTP:
 - a. Urban Bus Terminal Redevelopment
 - b. Palmerston North – Enabling Streets for People, Local Road Improvements (Package 7 of PNITI Programme Business Case).

Clause 82-21 above was carried 17 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Billy Meehan, Orphée Mickalad, Bruno Petrenas, Aleisha Rutherford and Mr Stephen Armstrong.

Moved Grant Smith, seconded Leonie Hapeta.

6. That Council approve the transfer of \$500,000 from Sealed Pavement Renewals (Programme 115) for 2021/22 to Sealed Pavement Maintenance (Operational Expense) to enable urgent heavy maintenance to be carried out on the transport network,

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including Summerhill Drive.

Clause 82-21 above was carried 12 votes to 5, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Billy Meehan, Orphée Mickalad, Aleisha Rutherford and Mr Stephen Armstrong.

Against:

Councillors Susan Baty, Renee Dingwall, Lorna Johnson, Karen Naylor and Bruno Petrenas.

Moved Susan Baty, seconded Karen Naylor.

7. For the un-funded Low Cost Low Risk (LCLR) programmes within the 2021-24 NLTP period, that Council confirms that:

- a. Council residual share (\$1.09M) of Tennent Drive Improvements (programme 1121) is refocused to enable early intervention works to facilitate Palmerston North Integrated Transport Initiative (PNITI).
- b. For Infill Street Lighting (programme 1367) provide additional capital borrowing of \$431k in 2021-22 (of \$1.32M three year programme) to fund NZTA share to deliver the whole programme.
- c. For Regional Shared Path Network (programme 2057) that due to limited Council residual funding (\$19.6k), Napier Road Shared Path (Te Matai to Gasworks drain link) be removed from the programme.
- d. For Off-Road Shared Path Network Improvements (programme 2021), provide additional capital borrowing to fund NZTA share (\$285,600) to deliver the programme.

Clause 82-21 above was carried 17 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Billy Meehan, Orphée Mickalad, Bruno Petrenas, Aleisha Rutherford and Mr Stephen Armstrong.

Moved Brent Barrett, seconded Bruno Petrenas.

8. That the Chief Executive report to Planning & Strategy Committee within six months on process and options, including use of bylaws, to establish and enforce heavy vehicle routes in the city's urban transport network.

Clause 82-21 above was carried 16 votes to 0, the voting being as follows:

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For:

Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Billy Meehan, Orphée Mickalad, Bruno Petrenas, Aleisha Rutherford and Mr Stephen Armstrong.

83-21 Proposed Road Stopping - Land Adjoining 18 Carey Street, Longburn

Report, presented by Bryce Hosking, Manager - Property.

Moved Aleisha Rutherford, seconded Susan Baty.

The **COMMITTEE RECOMMENDS**

1. That Council declare that the 46 square metres (more or less) of the road reserve adjacent to the property at 18 Carey Street, Longburn is not required for public work and is surplus to Council's operational requirements.
2. That Council proceeds with the formal road stopping process for the 46 square metres (more or less) of road reserve adjacent to the property at 18 Carey Street, Longburn.
3. That Council agree to dispose of the 46 square metres (more or less) of road reserve adjacent to the property at 18 Carey Street, Longburn through sale to the owner of the adjacent property owner.
4. That Council delegate to the Chief Executive Officer the power to conclude all matters in relation to the road stopping and disposal of the Land, including all legal matters including issuing the relevant public notice, declaring the road stopped, negotiating the terms of the sale, imposing any reasonable covenants and any other necessary actions.

Clause 83-21 above was carried 16 votes to 0, the voting being as follows:

For:

Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Billy Meehan, Orphée Mickalad, Bruno Petrenas, Aleisha Rutherford and Mr Stephen Armstrong.

84-21 Committee Work Schedule

Moved Susan Baty, seconded Leonie Hapeta.

The **COMMITTEE RESOLVED**

1. That the Finance & Audit Committee receive its Work Schedule dated November 2021.

Clause 84-21 above was carried 16 votes to 0, the voting being as follows:

For:

Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Billy Meehan, Orphée Mickalad, Bruno

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Petrenas, Aleisha Rutherford and Mr Stephen Armstrong.

The meeting finished at 12.09pm

Confirmed 15 December 2021

Chairperson