

PALMERSTON NORTH CITY COUNCIL

Minutes of the Council Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 26 June 2017, commencing at 9.00am

Members Present: The Mayor (Grant Smith) (in the Chair) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Duncan McCann, Karen Naylor and Bruno Petrenas.

Apologies: Councillor Tangi Utikere.

89-17 Apologies

Moved Grant Smith, seconded Vaughan Dennison.

RESOLVED

1. That Council receive the apologies.

90-17 Petition - Street Lighting in Martin Street

Ms Midge Janssen presented a petition signed by 42 people with the following prayer:

“The residents of Martin Street have the following concerns regarding the effect of the lighting on motorists as well as pedestrians.

- At night it is difficult for motorists to see the corner when turning in from Broadway.
- There is decreased visibility for the increasing vehicle traffic along the street.
- It is more difficult for motorists or cyclists to see pedestrians crossing the street.
- Pedestrians are very concerned for the safety when walking after dark
- The dark areas provide places for people of ill intent to loiter.

This reduction in visibility is particularly evident in summer when the trees are in full leaf. This is when pedestrians and cyclists are more likely to be out in the evenings, and at more risk.

There are only four lights in the approximate 270 metres long street and they create three very dark areas outside properties numbered 5, 13 and 21, particularly when residents have turned off their outside lights. This is a

concern for both pedestrians and motorists.

Vehicle traffic has increased in volume since the changes in road markings in Ruahine Street and the installation of speed bumps in Broadway, with many drivers using Heretaunga and Martin Streets as an alternative to Ruahine Street. Speed is sometimes excessive.

Pedestrian traffic is also high because of the proximity to the Terrace End and Midway shopping areas.

The residents don't want to lose the trees in the street but would like to see the tree at Martin and Broadway corner trimmed to allow more light on the intersection, more lights installed, particularly by properties 5, 13 and 21."

During discussion elected members noted that a report was coming to council regarding non-compliant lighting streets in Palmerston North and the issues with Martin Street would be included as part of that report. As an interim measure it was requested that the trees be trimmed in the street to let more light through.

Moved Rachel Bowen, seconded Brent Barrett.

RESOLVED

1. That the Chief Executive be directed to trim the trees, and explore increased illumination on Martin Street, noting that Martin Street is one of the non-compliant lighting streets that will be the subject of a report back to Council.
2. That the Council receive the Petition for information.

91-17 Confirmation of Minutes

Moved Grant Smith, seconded Vaughan Dennison.

RESOLVED

1. That the minutes of the ordinary meeting of 29 May 2017 Part I Public, the extraordinary meeting of 7 June 2017 Part I Public and the extraordinary meeting of 12 June 2017 Part I Public be confirmed as a true and correct record.

92-17 Committee of Council Part I Public - 24 May 2017

Consideration was given to Committee of Council recommendations as appended to these minutes.

Moved Grant Smith, seconded Rachel Bowen.

RESOLVED

1. That the Committee's recommendations be adopted.

93-17

Committee of Council Part I Public - 19 June 2017

Consideration was given to Committee of Council recommendations as appended to these minutes.

Moved Grant Smith, seconded Brent Barrett.

RESOLVED

1. That clause 9-17 of the Committee's recommendations be amended to read "That Standing Order 3.19.2 be amended to incorporate that "where an item is moved and seconded and PUT to the meeting. The outcome of the vote shall be recorded in the minutes of the meeting."
2. That clause 10.7 of the Committees recommendation be amended to read "That Council increase the event support budget by \$180,000 by budget adjustments without impacting total rates".
3. That the balance of the Committee's recommendations be adopted.

REPORTS

94-17

Setting of Rates for 2017/18

Memorandum, dated 20 June 2017 from the Strategy Manager Finance, Steve Paterson.

Moved Grant Smith, seconded Duncan McCann.

RESOLVED

1. That the resolution to set the rates for the 2017/18 year, attached as Appendix One to the report titled "Setting of Rates for 2017/18 and dated 20 June 2017, and appended to these minutes, be adopted.
2. That it be noted that the setting of rates is a significant decision within the parameters of the Local Government Act 2002 and that it is satisfied there has been compliance with the decision-making and consultation requirements of the Act.

95-17

Resolutions to Authorise Borrowing

Memorandum, dated 20 June 2017 from the Strategy Manager Finance, Steve Paterson.

Moved Grant Smith, seconded Leonie Hapeta.

RESOLVED

1. That Council authorises the Chief Executive to borrow, in accordance with delegated authority, up to \$19 million ("the Borrowing") of additional term debt by way of bank loan or loans or credit facilities or other facilities or the issue of stock for the Borrowing secured by the Debenture Trust Deed.
2. The purpose of the Borrowing is the carrying out or continuing of programmes identified in the 2017/18 Annual Budget (Plan).
3. The security for the Borrowing may be the charge over rates under the Debenture Trust Deed if the Chief Executive considers appropriate.
4. The benefits of the Borrowing are that it will enable the Council to carry out the programmes identified in the Annual Budget (Plan) while spreading the costs for those programmes over time to recognise future benefits. The risk is that interest rates may vary in the future resulting in higher debt servicing costs to the Council.
5. For the reasons set out in this report the Council has determined, that, having regard to the Council's financial strategy, in the particular circumstances it is prudent and reasonable to enter into the proposed borrowing.
6. The raising of the Borrowing will comply with the Council's Liability Management Policy.
7. The Council note that the decision to borrow up to \$19 million is a significant decision within the parameters of the Local Government Act 2002 and is satisfied that there has been compliance with the decision-making and consultation requirements of the Act.

96-17

Draft Local Alcohol Policy - approval for consultation

Report, dated 23 May 2017 from the Policy Analyst, Peter Ridge.

Moved Grant Smith, seconded Vaughan Dennison.

RESOLVED

1. That the Statement of Proposal, including the draft Palmerston North Local Alcohol Policy, attached as attachment two to this report, be approved for public consultation.
2. That the Mayor and Deputy Mayor be authorised to approve minor amendments to the Statement of Proposal prior to public consultation.

On clause 96-17 above a division was called, the clause was carried 7 votes to 5, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Rachel Bowen, Gabrielle Bundy-Cooke, Vaughan

Dennison, Jim Jefferies, Duncan McCann and Bruno Petrenas.

Against:

Councillors Brent Barrett, Adrian Broad, Lew Findlay QSM, Lorna Johnson and Karen Naylor.

Note:

Councillors Susan Baty and Leonie Hapeta declared a conflict of interest and withdrew from discussion and voting on clause 96-17 above.

97-17

Appointment of Commissioners - Te Rere Hau Windfarms

Memorandum, dated 14 June 2017 from the Head of Planning Services, Simon Mori.

Moved Grant Smith, seconded Leonie Hapeta.

RESOLVED

1. That two independent Commissioners that are not on the Palmerston North City Council approved commissioners list be appointed to hear the review of the Te Rere Hau Windfarm Resource Consent conditions hearing.
2. The Chair of the panel would be either Shonagh Kenderdine or Gordon Whiting. The other being independent acoustic expert Dr Kym Burgemeister.
3. That Mr Tangi Utikere is also appointed to the panel as an independent Commissioner.

98-17

Appointments to the Hearings Committee

Memorandum, dated 26 May 2017 from the Governance & Support Team Leader, Kyle Whitfield.

Moved Grant Smith, seconded Susan Baty.

RESOLVED

1. That Councillor Duncan McCann be appointed to the Hearings Committee.

Note:

Councillor Duncan McCann declared a conflict of interest and withdrew from discussion and voting on clause 98-17 above.

99-17

Discussion Document and Submission form for Maori Ward Options

Memorandum, dated 10 May 2017 from the Legal Counsel, John Annabell.

Moved Grant Smith, seconded Leonie Hapeta.

RESOLVED

1. That the attached discussion paper about the Māori ward options be approved for consultation, noted that this discussion paper replaces the

discussion paper referred to in the Council resolution number 43.17.1 made at the Council meeting of 24 April 2017.

2. That the proposed consultation initiatives for the Māori ward options, as detailed in this memorandum, be approved.

On a motion:

- “1. That the attached discussion paper about the Māori ward representation options be approved for consultation, subject to amendments to broaden the discussion to models to achieve improved participation of Maori in council decision making (such as Maori Standing committees and Iwi Partnership models) noted that this discussion paper replaces the discussion paper referred to in the Council resolution number 43.17.1 made at the Council meeting of 24 April 2017.
2. That the proposed consultation initiatives for the Māori ward representation options, as detailed in this memorandum, be approved”,

a division was called and the motion was lost 6 votes to 8, the voting being as follows:

For:

Councillors Rachel Bowen, Adrian Broad, Vaughan Dennison, Lew Findlay QSM, Karen Naylor and Bruno Petrenas.

Against:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Gabrielle Bundy-Cooke, Leonie Hapeta, Jim Jefferies, Lorna Johnson and Duncan McCann.

100-17

Conference Opportunity - Climate Change & Business Conference

Memorandum, dated 20 June 2017 from the Committee Administrator, Carly Chang.

Moved Grant Smith, seconded Vaughan Dennison.

RESOLVED

1. That the Committee approve the attendance of up to two elected members to attend, with expenses paid, the Climate Change & Business Conference being held in Auckland on 10 and 11 October 2017.
2. That, registrations of interest be invited from elected members wishing to attend, with expenses paid, and advise the Committee Administrator, Carly Chang, by 12 noon Friday 30 June 2017.

RECOMMENDATIONS FROM COMMITTEE MEETINGS

101-17

Planning and Strategy Committee Part I Public - 7 June 2017

Consideration was given to Planning and Strategy Committee recommendations as appended to these minutes.

Moved Duncan McCann, seconded Jim Jefferies.

RESOLVED

1. That the Committee's recommendations be adopted.

102-17 Sport and Recreation Committee Part I Public - 7 June 2017

Consideration was given to Sport and Recreation Committee recommendations as appended to these minutes.

Moved Leonie Hapeta, seconded Duncan McCann.

RESOLVED

1. That the Committee's recommendations be adopted.

Note:

Councillor Bruno Petrenas declared a conflict of interest and withdrew from discussion and voting on clause 102-17 above.

103-17 Community Development Committee Part I Public - 12 June 2017

Consideration was given to Community Development Committee recommendations as appended to these minutes.

Moved Rachel Bowen, seconded Leonie Hapeta.

RESOLVED

1. That the Committee's recommendations be adopted.

104-17 Finance and Performance Committee Part I Public - 19 June 2017

Consideration was given to Finance and Performance Committee recommendations as appended to these minutes.

Moved Susan Baty, seconded Jim Jefferies.

RESOLVED

1. That the Committee's recommendations be adopted.

EXCLUSION OF PUBLIC

105-17 Recommendation to Exclude Public

Moved Grant Smith, seconded Jim Jefferies.

RESOLVED

"That the public be excluded from the following parts of the proceedings of this meeting listed in the table below.

The general subject of each matter to be considered while the public is

excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered		Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution
19.	Minutes of the ordinary meeting - Part II Confidential - 29 May 2017	For the reasons setout in the ordinary minutes of 29 May 2017, held in public present.	
20.	Contract to deliver building services Manawatu District Council	Negotiations	s7(2)(i)
21.	Appointment to the Jaycee Trust Travelling Fellowship Panel	Privacy	s7(2)(a)
22.	Presentation of the Part II Confidential Planning and Strategy Committee Recommendations from its 7 June 2017 Meeting	Commercial Activities	s7(2)(h)
23.	Presentation of the Part II Confidential Finance and Performance Committee Recommendations from its 19 June 2017 Meeting	Third Party Commercial	s7(2)(b)(ii)

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as stated in the above table.

Also that the persons listed below be permitted to remain after the public has been excluded for the reasons stated.

Acting Chief Executive (David Wright), Chief Financial Officer (Grant Elliott), General Manager, City Enterprises (Ray McIndoe), General Manager, City Future (Sheryl Bryant), General Manager, City Networks (Ray Swadel), General Manager, Customer Services (Peter Eathorne), General Manager, Libraries and Community Services (Debbie Duncan), Human Resources Manager (Wayne Wilson) and Strategic Communications Manager (Mark Torley) because of their knowledge and ability to provide the meeting with advice on matters both from an organisation-wide context (being members of the Council's Management Team) and also from their specific role within the Council.

Legal Counsel (John Annabell), because of his knowledge and ability to provide the meeting with legal and procedural advice.

Governance and Support Team Leader (Kyle Whitfield) and Committee Administrators (Penny Odell, Carly Chang and Rachel Corser), because of their knowledge and ability to provide the meeting with procedural advice and record the proceedings of the meeting.

Head of Building Services (Leigh Sage), because of his knowledge and ability to assist the meeting in speaking to his report and answering questions, noting that such officer will be present at the meeting only for the item that relate to their respective report.

The public part of the meeting finished at 11.35am

Confirmed 28 August 2017

Mayor

RECOMMENDATIONS FROM COMMITTEE

TO: Council

MEETING DATE: 26 June 2017

TITLE: Presentation of the Part I Public Committee of Council Recommendations from its 24 May 2017 Meeting

Set out below are the recommendations only from the Committee of Council meeting Part I Public held on 24 May 2017. The Council may resolve to adopt, amend, receive, note or not adopt any such recommendations. (SO 3.18.1)

6-17 **Proposed Annual Budget 2017/18 - Outcome of Consultation Process**
Memorandum, dated 18 May 2017 from the Strategy Manager Finance, Steve Paterson, the Planning and Reporting Coordinator, Courtney Kibby and the Claims Management Officer, Jo-Anne Dulieu.

The COMMITTEE RECOMMENDS

1. That the written submissions from the consultation process on the proposed Annual Budget be received.
2. That the officer comments made in response to issues raised during the consultation process – entitled “Proposed Annual Budget 2017/18 – Officer Comments to Issues Raised in Submissions” (attached as Appendix 1 of the report dated 18 May 2017 and entitled: Proposed Annual Budget 2017/18 – Outcome of Consultation Process) – be received
3. That the Chief Executive be instructed to prepare a draft of the final Annual Budget document for consideration by the Committee of Council meeting on 19 June 2017 and that it incorporate:
 - h. As a consequence of public consultation, amendments determined by the Committee, as outlined below:
 3. In relation to Submission 60 – Menzshed – that the building at Rangitane Park be formally leased to Menzshed Manawatu for a 5 year lease, and the Menzshed become the sole lease holder.
 5. That Chief Executive be instructed to include options for allowing sound and lighting of the skate rink (on assumption of it being paid externally) when preparing the development plan for Memorial Park.

6. Chief Executive be instructed to work with the community in order to advance consideration by the New Zealand Transport Agency of the Road Safety considerations in Aokautere.
11. That the Chief Executive be instructed to enter into discussions with the Central Economic Development Agency as to the future of the Manawatu Events Trust so that it can be a fundraising mechanism for all events.
14. In relation to submission 60 from the Menzshed Manawatu – that a costing to update toilets and modify internal walls and construct an outdoor shelter be presented to the 2018/28 Long Term Plan for Consideration.
18. That the Chief Executive be instructed to engage with the Walkers Road community around the provision of recycling services.
19. That the Chief Executive be instructed to report back on options to address the issue of access to Te Patikitiki Library as raised in submission 24 from Judith Barsanti.
24. That Council considers investment towards the Cornerstone Hall and Meeting Room Development during the Long Term Plan process, following completion of the Kelvin Grove Feasibility Study.
25. That Council commits to plans for the Bunnythorpe Community Centre within the 2017/18 year.

ATTACHMENTS

Nil

RECOMMENDATIONS FROM COMMITTEE

TO: Council

MEETING DATE: 26 June 2017

TITLE: Presentation of the Part I Public Committee of Council Recommendations from its 19 June 2017 Meeting

Set out below are the recommendations only from the Committee of Council meeting Part I Public held on 19 June 2017. The Council may resolve to adopt, amend, receive, note or not adopt any such recommendations. (SO 3.18.1)

9-17 Confirmation of Minutes

The **COMMITTEE RECOMMENDS**

1. That Standing Orders be amended to incorporate that “where an item is moved and seconded and PUT to the meeting. The outcome of the vote shall be recorded in the minutes of the meeting”.

10-17 Finalising the Annual Budget (Plan) 2017/18

Memorandum, dated 7 June 2017 from the Strategy Manager Finance, Steve Paterson.

The **COMMITTEE RECOMMENDS**

1. That the Annual Budget 2017/18 as circulated with the report titled “Finalising the Annual Budget 2017/18” dated 7 June 2017 be adopted as the final Annual Budget(Plan), subject to the following amendments (if any).
2. That the Mayor and Chief Executive be given delegated authority to approve the final Annual Budget (Plan) document for publication.
3. That the adoption of the Annual Budget (Plan) 2017/18 be confirmed as a significant decision within the parameters of the Local Government Act 2002 and that the Council be satisfied that all submissions had been considered and that there has been compliance with the decision-making and consultation requirements of the Act.
4. That the Chief Executive be delegated authority to authorise payments to Council-controlled organisations and other external organisations in

accordance with their respective service level agreements.

5. That an additional \$66,000 capital expenditure be allocated for the provision of the proposed Waitoetoe Dog Park.
6. That Council authorises the provision of 'Cricket Sight Screens' (a \$20,000 cost) from within the financial envelope previously approved (\$175,663.58) by the Committee of Council Meeting on 24 May 2017 for the Fitzherbert Park Upgrade.
7. That Council increase the event support budget to \$180,000 by budget adjustments without impacting total rates.

ATTACHMENTS

Nil

RECOMMENDATIONS FROM COMMITTEE

TO: Council

MEETING DATE: 26 June 2017

TITLE: Presentation of the Part I Public Planning and Strategy Committee Recommendations from its 7 June 2017 Meeting

Set out below are the recommendations only from the Planning and Strategy Committee meeting Part I Public held on 7 June 2017. The Council may resolve to adopt, amend, receive, note or not adopt any such recommendations. (SO 3.18.1)

35-17 Palmerston North Animals and Bees Bylaw 2011 Review - S155 Determination Report
Report, dated 16 May 2017 from the Policy Analyst, Ann-Marie Mori.

The **COMMITTEE RECOMMENDS**

1. That it be agreed that a bylaw is the most appropriate way of addressing the public health and safety, and nuisance problems, caused by the keeping of animals (other than dogs) within Palmerston North.

36-17 Palmerston North Dog Control Policy 2011- Review
Report, dated 15 May 2017 from the Policy Analyst, Ann-Marie Mori.

The **COMMITTEE RECOMMENDS**

1. That the Committee agrees to a review of the Palmerston North Dog Control Policy 2011.

ATTACHMENTS

Nil

RECOMMENDATIONS FROM COMMITTEE

TO: Council

MEETING DATE: 26 June 2017

TITLE: Presentation of the Part I Public Sport and Recreation Committee Recommendations from its 7 June 2017 Meeting

Set out below are the recommendations only from the Sport and Recreation Committee meeting Part I Public held on 7 June 2017. The Council may resolve to adopt, amend, receive, note or not adopt any such recommendations. (SO 3.18.1)

16-17 Clearview Park Proposed Land Exchange

Report, dated 4 May 2017 from the Leisure Assets Planner, Jason Pilkington.

The COMMITTEE RECOMMENDS

1. That Palmerston North City Council, in the report *Clearview Park Proposed Land Exchange* on 7 June 2017 by Jason Pilkington, and as the administering body of Clearview Reserve, authorises the exchange of that part of the Clearview Reserve described in Appendix I (as part of Lot 1 DP 69185 & Lots 187 189 DP 67876) for the land described in Appendix II (as part of Lot 146 DP 372992) belonging to Fair Investments Ltd.
2. That Palmerston North City Council, in the report *Clearview Park Proposed Land Exchange* on 7 June 2017, by Jason Pilkington and in exercise of the powers conferred on it by delegation under the Reserves Act 1977, authorises the exchange of that part of the Clearview Reserve described in Appendix I (as part of Lot 1 DP 69185 & Lots 187 189 DP 67876) for the land described in Appendix II (as part of Lot 146 DP 372992) belonging to Fair Investments Ltd.
3. That Council note that the requirements of Section 4 of the Conservation Act 1987 have been satisfied in relation to consultation with Iwi over granting a land exchange at Clearview Reserve.
4. That Council note that the requirements of Sections 119 and 120 of the Reserves Act 1977 have been satisfied in relation to public notification prior to the resolution to enter into the land exchange at Clearview Reserve.
5. That the Chief Executive be instructed to work with the Developer to resolve the maintenance issues of the existing pathways within the Clearview sub division.

Councillor Bruno Petrenas declared a conflict of interest and withdrew from voting and discussion on clause 16-17 above.

17-17 Campbell Street Campervan Carpark Trial

Report, dated 18 May 2017 from the Leisure Assets Planner, Jason Pilkington.

The **COMMITTEE RECOMMENDS**

1. That Council continue the trial of the Campbell Street Campervan Carpark for another year to gain a better understanding of the dynamics of the site; and assess the Campbell Street Carpark within the wider context of Motorhome use in the City.
2. That Council install a security camera at the site up to the value of \$8,000.
3. That Officers report back on the Campbell Street Campervan Carpark trial in June of 2018.
4. That Officers report back to Council on a wider assessment of potential motor home sites, and with recommendations, prior to a final report on the trial of the Campbell Street Campervan Carpark.

19-17 Memorial Park Draft Development Plan

Report, dated 17 May 2017 from the Leisure Assets Planner, Jason Pilkington.

The **COMMITTEE RECOMMENDS**

1. That the Chief Executive be instructed to investigate options for memorial/remembrance to be included in the Memorial Park Development Plan and report back to the Committee at the September 2017 meeting.
2. That disability issues are fully reflected in the design of the park before consultation.

ATTACHMENTS

Nil

RECOMMENDATIONS FROM COMMITTEE

TO: Council

MEETING DATE: 26 June 2017

TITLE: Presentation of the Part I Public Community Development Committee Recommendations from its 12 June 2017 Meeting

Set out below are the recommendations only from the Community Development Committee meeting Part I Public held on 12 June 2017. The Council may resolve to adopt, amend, receive, note or not adopt any such recommendations. (SO 3.18.1)

15-17 Notice of Motion - Disability Reference Group

The **COMMITTEE RECOMMENDS**

1. That Council supports the formation of a Disability Reference Group to advise Council on disability issues noting that the Group's Terms of Reference will be subject to formal Council endorsement.
2. That the Chief Executive reports on community relationships and representations as it relates to portfolios.

17-17 Implications of the proposed review of the Social Housing Strategy

Memorandum, dated 19 May 2017 from the Strategy & Policy Manager, Julie Macdonald.

The **COMMITTEE RECOMMENDS**

1. That Appendix One attached to the memorandum titled "Implications of the proposed review of the Social Housing Strategy' from the Strategy and Policy Manager, Julie Macdonald, dated 19 May 2017 be received.
2. That the Council consider ceasing the conversion of bedsits to enable priority to be placed on increasing new social housing as part of the 10-year plan development and subsequent consultation.
3. That the Council is provided with further information about the implementation of Options 1C and 1D, in order to inform a recommended change to be consulted on through the 10 Year Plan process.

18-17 Community Centres Review

Memorandum, dated 25 May 2017 from the General Manager - Libraries and Community Services, Debbie Duncan.

The **COMMITTEE RECOMMENDS**

1. That Council reviews and approves the Action Points highlighted within this Memorandum in relation to the Community Centres workshop held 15 May 2017.
 - Organise a meeting with all lease holders / management committees with the Mayor and relevant Councillors to outline Council goals and expectations.
 - Review and update agreements, policies and charges to clearly outline responsibilities and expectations of both Council and the individual management committee on a Centre by Centre basis.
 - Asset Management Plans to be reviewed for inclusion within the 10 Year plan considerations.
 - Support individual management committees with their capacity and capability building.
 - Develop an annual satisfaction survey of users to be included as a KPI for each centre.
 - Investigate a centralised digital booking and information solution.

ATTACHMENTS

Nil

RECOMMENDATIONS FROM COMMITTEE

TO: Council

MEETING DATE: 26 June 2017

TITLE: Presentation of the Part I Public Finance and Performance Committee Recommendations from its 19 June 2017 Meeting

Set out below are the recommendations only from the Finance and Performance Committee meeting Part I Public held on 19 June 2017. The Council may resolve to adopt, amend, receive, note or not adopt any such recommendations. (SO 3.18.1)

44-17 Palmerston North Airport Ltd - Final Statement of Intent for 2017/18

Memorandum, dated 1 June 2017 from the Strategy Manager Finance, Steve Paterson.

The **COMMITTEE RECOMMENDS**

1. That the Palmerston North Airport Ltd Statement of Intent for 2017/18 be endorsed.

45-17 Ashhurst Domain Riverbank Erosion - Update

Memorandum, dated 8 June 2017 from the General Manager - City Networks, Ray Swadel.

The **COMMITTEE RECOMMENDS**

1. That the Committee notes:
 - a. Horizons Regional Council has committed to undertake immediate works to redirect the active river channel away from the Ashhurst Domain bank, subject to Palmerston North City Council confirming a contribution of up to \$70k for these works and applying for any associated consents.
 - b. The General Manager – City Networks provided confirmations referred to in recommendation (a) above, on a “Without Prejudice” basis.
 - c. Upon receipt of a response to Palmerston North City Council’s submission to the Horizons Proposed Annual Plan 2017/18, that further work be undertaken to prepare a tri-party agreement between Horizons Regional Council, Palmerston

North City Council and the New Zealand Transport Agency for permanent rock lining protection works along the Ashhurst Domain riverbank.

46-17 Options for Enhanced Recycling and Waste Management Services

Memorandum, dated 2 June 2017 from the Water & Waste Services Manager, Robert van Bentum, the Rubbish and Recycling Engineer, Natasha Hickmott and the Behaviour Change & Education Co-ordinator, Samantha Battman.

The COMMITTEE RECOMMENDS

1. That the Committee receive the report on Options for Enhanced Recycling and Waste Management Services
2. That the Committee note the range of initiatives already implemented and planned to be funded from the Waste Minimisation operational budget for 2017-18 to improve awareness, change behaviour and promote waste reduction.
3. That the range of Council approved official rubbish bags be extended to include a smaller 40 litre bag with a maximum retail price of \$1.80 including GST per bag.
4. That the Committee note that Officers will look for opportunities during 2017/18 where budget savings may allow to implement some or all of the initiatives in clauses 4.2, 4.3 and 4.6 of this report.
5. That the Committee confirms that Level 1 including removing more plastic from the waste stream, is the preferred package of enhanced services which Officers should develop further into costed proposals for consideration through the 2018-28 LTP prioritisation process.
6. That the option of kerb side green waste collection be included in costed proposals for consideration through the LTP process.
7. That the Chief Executive instruct officers to increase support for Charity Shop waste disposal to \$20,000 pa, but out of existing budgets.

49-17 Programme 1086 LED street light upgrade

Report, dated 1 June 2017 from the Road Planning Team Leader, David Lane.

The COMMITTEE RECOMMENDS

1. That Council authorise continuation of compliant LED street light upgrades envisaged under Programme 1086 and approve conversion of street lights in the phase two part of the programme in compliant streets;
2. That Council note that a further report will be presented discussing options for streets that are non-compliant, with recommendations for prioritised financial programmes to address that non-compliance.
3. That the Chief Executive be instructed to deliver a scoping report on a) compliance standards relating to PNCC physical assets, and b) compliance status of our physical assets.

ATTACHMENTS

Nil

Palmerston North City Council

Resolution to Set Rates for the 2017/2018 year

The Palmerston North City Council resolves to set rates for the financial year commencing on 1 July 2017 and ending on 30 June 2018 in accordance with the Rating Policies and Funding Impact Statement contained in its 2017/18 Annual Budget (Plan) as follows:

1 Details of rates to be set

Notes

- All rates and charges shown are inclusive of Goods and Services Tax.
- References to the 'Act' relate to the Local Government (Rating) Act 2002.

1.1 Uniform Annual General Charge

A Uniform Annual General Charge of \$630 on each rating unit pursuant to section 15 of the Act.

1.2 Water Supply Rates

A targeted rate for water supply, set under section 16 of the Act, of:

- \$273 per separately used or inhabited part of a residential rating unit which is connected to a Council operated waterworks system. This charge is not made where water supply is invoiced on the basis of water consumed.
- \$273 per rating unit for non-residential rating units which are connected to a Council operated waterworks system. This charge is not made where water supply is invoiced on the basis of water consumed.
- \$136.50 per separately used or inhabited part of a rating unit which is not connected to a Council operated waterworks system but which is serviceable (i.e. within 100 metres of such waterworks system).

Instead of the above a targeted rate for metered water supply, set under sections 16 and 19 of the Act, of \$1.173 per cubic metre of water supplied to any rating unit that

is invoiced on the basis of water consumed plus fixed charges based on the size of the meter connection as follows:

Meter Size	Annual Charge \$
Up to 15mm	41.40
19 to 20mm	42.55
25mm	54.05
32mm	78.20
40mm	144.90
50mm	144.90
75 to 80mm	286.35
100mm	365.70
150mm	512.70
200mm	610.65

1.3 Wastewater Disposal Rates

A targeted rate for wastewater disposal, set under section 16 of the Act, of:

- \$246 per separately used or inhabited part of a residential rating unit which is connected to a public wastewater drain.
- \$246 per non-residential rating unit which is connected to a public wastewater drain.
- \$246 per pan (i.e. water closet or urinal) or pan equivalent for all pans in excess of three for non-residential rating units connected to a public wastewater drain.
- \$123 per separately used or inhabited part of a rating unit which is not connected to a public wastewater drain but which is serviceable (i.e. within 30 metres of such a drain).

1.4 Rubbish and Recycling Rates

1.4.1 Kerbside Recycling

A targeted rate for kerbside recycling set under section 16 of the Act of \$128 per separately used or inhabited part of each rating unit for which the Council is prepared to provide the collection service.

Where ratepayers elect, and the Council agrees, additional levels of service may be provided. These additional services could be by way of provision of more recycling bins or more frequent service. Each additional level of service will be charged a rate of \$128. This may include charges to non-rateable rating units where the service is provided.

1.4.2 Rubbish and Public Recycling

A targeted rate for rubbish and public recycling set under section 16 of the Act of \$60 per separately used or inhabited part of each residential rating unit and \$60 per rating unit for all other rating units. Rating units which are vacant land will not be liable for these rates.

1.5 Warm Palmerston North

A targeted rate set on all properties that have benefited from the installation of insulation through the Warm Up Palmy Home Insulation Scheme. The rate is calculated as a percentage of the service amount (the cost of the installation) until the service amount and the costs of servicing the serviced amount are recovered. For 2017/18 the rate will be 16%.

1.6 General Rate

A general rate pursuant to section 13 of the Act set on all rateable land on the basis of land value and assessed differentially (based on land use) against each property group code (as described below) at the rate of cents in the dollar set down in the following schedule:

Differential Group		Differential Factor (expressed as % of Group Code MS)	Rate (cents in \$ of LV)
Code	Brief Description		
R1	Single unit residential	Balance (approx. 79)	0.7458
R2	Two unit residential	120	1.1392
R3	Three unit residential	130	1.2341
R4	Four unit residential	140	1.3290
R5	Five unit residential	150	1.4240
R6	Six unit residential	160	1.5189
R7	Seven unit residential	170	1.6138
R8	Eight or more unit residential	180	1.7087
MS	Miscellaneous	100	0.9493
CI *	Non-residential (Commercial/Industrial)	250	2.3733
CR	Commercial Research	250	2.3733

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CA	Commercial accommodation	250	2.3733
FL	Rural/Semi-serviced (5 hectares or more)	15	0.1424
FS	Rural/Semi-serviced (0.2 hectares or less)	51	0.4841
FM	Rural/Semi-serviced (between 0.2 & 5 hectares)	36	0.3417

* In respect of multi-storey buildings in group code CI an additional surcharge shall be applied equivalent to 5% on the basic general rate (group code MS-miscellaneous) for each storey four and over to a maximum of 25%.

2. Differential Matters and Categories

The following shall be adopted as the definitions for the Council's differential categories for the purposes of the General Rate for 2017/2018:

R1 [New codes 1001, 2001 & 3001]	Single Unit Residential	<p>Every rating unit not otherwise classified:</p> <ul style="list-style-type: none"> • Two hectare or less in area having a predominant or exclusive residential use and on which is erected one residential unit; or • Two hectare or less in area and having no predominant use, on which no building is erected but upon which the erection of residential units is a permitted activity under the City's District Plan.
R2 – R8 [New codes 1002 – 1008, 2002 – 2008 & 3002-3008]	Multi-unit residential	<p>Every rating unit not otherwise classified on which is erected:</p> <ul style="list-style-type: none"> • R2 – two residential units; or • R3 – three residential units; or • R4 – four residential units; or • R5 – five residential units; or • R6 – six residential units; or • R7 – seven residential units; or • R8 – eight or more residential units <p>In determining what is a residential unit the Council will apply the same criteria as defined for a SUIP as shown in 5.3</p>
MS [New codes 1000, 2000 & 3000]	Miscellaneous	<p>Every rating unit (or division thereof) of the following types:</p> <ul style="list-style-type: none"> • Property which could be categorised in another group code but which is used for not-for-profit purposes or other community purposes, determined at the Council's discretion • Property that is used for parking that is available for public use in accordance with criteria determined by the Council • Where the ratepayer conducts or permits to be conducted a business, being a Home Occupation as defined in the City's District Plan, and which would otherwise qualify for inclusion in group code R1 • Serviced property that is more than two hectare in area, having a predominant or exclusive residential use and on which is erected one residential unit

		<ul style="list-style-type: none"> • Vacant, serviced property not classified in group codes R1 or FL or elsewhere as follows: <ul style="list-style-type: none"> • Property where non-residential use is a permitted activity under the City's District Plan • Property over two hectare in area where residential use is a permitted activity under the City's District Plan • Property which, due to location, would otherwise qualify for inclusion in group code FL, FS or FM but which is not used for predominantly residential, farming, military or not-for-profit community purposes. The Council may determine that only a portion of the property shall be classified as MS and that the remainder is classified as FL, FS or FM, as appropriate.
CI, CR & CA [New codes 1100 – 1300, 2100 – 2200 & 3100- 3200]	Non Residential	<p>CI Every rating unit not otherwise classified which has not a predominant or exclusive residential use (except property used for parking and/or vacant serviced property as defined in group code MS). Multi-storey properties, four storeys and over will be levied an additional differential surcharge.</p> <p>CR Every rating unit not otherwise classified which is predominantly used for research purposes in accordance with criteria determined by the Council.</p> <p>CA Every rating unit on which is erected a licensed hotel or an apartment building or residential institution and including a guest house, rooming house, boarding house, private hotel, motel, residential club or hostel. (Taverns which have no residential accommodation shall be included in group code CI)</p>
FL, FS & FM [New codes 1400 – 1600, 2400 – 2600 & 3400- 3600]	Rural & Semi- serviced	<p>FL - Every rating unit not otherwise classified which does not have access to the City's sewage disposal system and has Either (a) an area of five hectares or more Or (b) an area less than five hectares but on which there is no residential dwelling unit or non-residential improvements.</p> <p>In determining whether for rating purposes access is deemed to be available the Council will have regard to the following:</p> <ul style="list-style-type: none"> • whether the Council will allow the rating unit to be connected to the sewage disposal system • whether the rating unit is capable of subdivision and if so, the

		<p>ratepayer's intentions regarding subdivision</p> <ul style="list-style-type: none"> the scope of any sub-divisional plan deposited with the District Land Registrar the portion of the property with access to services, which in the opinion of the Council, would form a reasonable first stage of subdivision the prevailing economic climate as it affects subdivision and the supply of serviced land within the City. <p>Based on its assessment of the matters outlined above the Council will determine one of the following rating approaches:</p> <ul style="list-style-type: none"> reclassify the full property to the higher rated group in the year immediately succeeding access to the system becoming available reclassify only a portion of the property to the higher rated group code with the circumstances being reviewed annually retain the present classification and review it annually. <p>FS Every rating unit which would otherwise qualify for inclusion in group code FL but which has an area of 0.2 hectares or less and on which there is either a residential dwelling or non-residential improvements.</p> <p>FM Every rating unit which would otherwise qualify for inclusion in group code FS but which has an area greater than 0.2 hectares and less than five hectares. The Council may consider reclassifying only a portion of the property into a higher rated group code once access is available to the City's sewage disposal system. In that event the same criteria as for group code FL will apply.</p>
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Properties which have more than one use (or where there is doubt as to the relevant primary use) will be placed in a category with the highest differential factor, or if in the Council's opinion it is fair and reasonable to do so, then the Council may partition the property into parts and allocate each part to the most appropriate category. Note that, subject to the rights of objection to the rating information database set out in sections 29 and 39 of the Act, the Council is the sole determiner of the categories.

3. Due Dates for Payment of Rates

Rates will be payable at the offices or agencies of the Council in four quarterly instalments on 1 August 2017, 1 November 2017, 1 February 2018 and 1 May 2018.

The due dates (i.e. final day for payment without incurring penalty) shall be:

Instalment One	25 August 2017
Instalment Two	24 November 2017
Instalment Three	23 February 2018
Instalment Four	25 May 2018

4. Due Dates for Payment of Metered Water Targeted Rates

Properties which have water provided through a metered supply will be invoiced either monthly or two monthly at the discretion of the Council.

The due date for metered water targeted rates shall be the 20th of the month following invoice date as follows:

Monthly invoicing					
Instalment	Date meter read & invoice issued	Due date	Instalment	Date meter read & invoice issued	Due date
1	June 2017	20 July 2017	7	December 2017	20 January 2018
2	July 2017	20 August 2017	8	January 2018	20 February 2018
3	August 2017	20 September 2017	9	February 2018	20 March 2018
4	September 2017	20 October 2017	10	March 2018	20 April 2018
5	October 2017	20 November 2017	11	April 2018	20 May 2018
6	November 2017	20 December 2017	12	May 2018	20 June 2018

Two monthly invoicing					
Linton, East & North Rounds			Ashhurst, South West, PNCC & Central Rounds		
Instalment	Date meter read & invoice issued	Due date	Instalment	Date meter read & invoice issued	Due date
1	June 2017	20 July 2017	1	July 2017	20 August 2017
2	August 2017	20 September 2017	2	September 2017	20 October 2017
3	October 2017	20 November 2017	3	November 2017	20 December 2017
4	December 2017	20 January 2018	4	January 2018	20 February 2018
5	February 2018	20 March 2018	5	March 2018	20 April 2018
6	April 2018	20 May 2018	6	May 2018	20 June 2018

5. Penalties on Unpaid Rates (excluding metered water)

A penalty charge of 10% will be added to any portion of an instalment remaining unpaid after the due date for payment as follows:

Instalment One	25 August 2017
Instalment Two	24 November 2017
Instalment Three	23 February 2018
Instalment Four	25 May 2018

Any penalty charge imposed on the outstanding first instalment will be automatically remitted provided payment of the full year's rates is made by 24 November 2017.

A second penalty charge of 10% will be added to all rates and penalty charges remaining unpaid as at 1 July 2018 with further penalty charges of 10% added at six monthly intervals thereafter to all such rates and penalty charges which continue to remain unpaid.

A penalty charge of 10% will be added to any outstanding rates (including penalties) assessed in previous years and remaining outstanding at 1 July 2017 and again on 1 January 2018.

Penalties will not be applied to the metered water targeted rate.

Penalties may be applied on dates later than specified in this resolution if this is considered necessary to ensure all payments deemed to be made by the respective due date have been properly accounted for before application of the penalty.

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