

PALMERSTON NORTH CITY COUNCIL

Minutes of the Finance and Performance Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 23 April 2018, commencing at 9.00am

Members Present: Councillor Susan Baty (in the Chair), The Mayor (Grant Smith) and Councillors Adrian Broad, Gabrielle Bundy-Cooke, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Karen Naylor and Bruno Petrenas.

Non Members: Councillors Brent Barrett, Aleisha Rutherford and Tangi Utikere.

Apologies: The Mayor (Grant Smith) (early departure) and Councillors Rachel Bowen, Gabrielle Bundy-Cooke (early departure), Leonie Hapeta and Duncan McCann.

Councillor Vaughan Dennison entered the meeting at 9.03 at the conclusion of clause 20. He was not present for clause 20.

Councillor Aleisha Rutherford left the meeting at 11.57am during consideration of clause 26.3 and entered the meeting again at 12.03pm during consideration of clause 26.4. She was not present for clause 26.3. She left the meeting again at 12.15pm during consideration of clause 27 and entered the meeting again at 12.23pm during consideration of clause 28. She was not present for clause 27.

Councillor Gabrielle Bundy-Cooke left the meeting at 12.37pm during consideration of clause 29. She was not present for clauses 29 to 33 inclusive.

20-18 Apologies

Moved Susan Baty, seconded Adrian Broad.

The COMMITTEE RESOLVED

1. That the Committee receive the apologies.

Clause 20-18 above was carried 12 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Adrian Broad, Gabrielle Bundy-Cooke, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

21-18 Confirmation of Minutes

Moved Lorna Johnson, seconded Brent Barrett.

Councillor Vaughan Dennison entered the meeting at 9.03am

The COMMITTEE RESOLVED

1. That the minutes of the Finance and Performance Committee meeting of 19 March 2018 Part I Public be confirmed as a true and correct record.

Clause 21-18 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

22-18

Central Energy Trust Wildbase Recovery - Solar electricity generation options
Report, dated 27 March 2018 from the Senior Property & Parks Planner, Aaron Phillips.

Moved Lorna Johnson, seconded Lew Findlay QSM.

The **COMMITTEE RECOMMENDS**

1. That Council adopt the option of installing a "15 kW 20° N tilt array system" of solar panels (Option 1) to the Central Energy Trust Wildbase Recovery Centre.
2. That Council approve an unbudgeted capital programme of \$32,000 to specify, supply and install solar panels (Option1) to the Central Energy Trust Wildbase Recovery Centre, to be funded from additional borrowings.

Clause 22-18 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

23-18

Alternate Access to Turitea Forest and Water Treatment Plant

Memorandum, dated 29 March 2018 from the Water & Waste Services Manager, Robert van Bentum and the Water Asset Engineer, Dora Luo.

During discussion Elected Members queried if the extra road was required as the current option gave sufficient access and funds could be better utilised in other areas of the Long Term Plan.

Moved Jim Jefferies, seconded Gabrielle Bundy-Cooke.

On a motion:

1. That as part of its 2018/28 10 Year Plan deliberations Council give considerations to including a Year One (2018/19) Capital New Programme called "Alternate Access to Turitea Forest and WTP" with a budget of \$225,000 on the basis that the road costs will be fully paid for from log sale proceeds from the harvest of Stands 7 and 8 of Turitea West Forest.

Note:

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

For:

Councillors Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Jim Jefferies and Bruno Petrenas.

Against:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Lew Findlay QSM, Lorna Johnson, Karen Naylor, Aleisha Rutherford and Tangi Utikere.

24-18

The Options for the City Water Supply Associated with Gordon Kear Forest

Memorandum, dated 21 March 2018 from the Water & Waste Services Manager, Robert van Bentum and the Water Asset Engineer, Dora Luo.

Moved Susan Baty, seconded Lorna Johnson.

The **COMMITTEE RECOMMENDS**

1. That the report on the options for the city water supply associated with Gordon Kear Forest be received.

Clause 24-18 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

25-18

Report on Proposal for 6 Month Trial of Free E-Waste Drop-off Service

Memorandum, dated 26 March 2018 from the Water & Waste Services Manager, Robert van Bentum and the Rubbish and Recycling Engineer, Natasha Hickmott.

During discussion Elected Members believed there was no urgency to get to zero fees and that generally there should be an element of user pays. A trial for TV's would enable the volume to be monitored and problems relating to e-waste fly tipping could be diverted

Moved Lorna Johnson, seconded Susan Baty.

The **COMMITTEE RECOMMENDS**

1. That a decision on zero fees for e-waste be deferred until after the results of the first six months of reduced fees are available.

Clause 25.1 above was carried 12 votes to 1, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas and Tangi Utikere.

Against:

Councillor Aleisha Rutherford.

Moved Brent Barrett, seconded Aleisha Rutherford.

2. That the Chief Executive report back on options for Palmerston North City

Council to increase e-waste recovery in the city.

Clause 25.2 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Moved Vaughan Dennison, seconded Susan Baty.

3. That the report, estimating an additional cost of \$300,000 for a six month trial of E-waste charges of \$0 for 'TV and Electronics', 'Consumer Electronics' and 'Other' excluding photocopiers be received.

Clause 25.3 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Moved Aleisha Rutherford, seconded Grant Smith.

Note:

On a motion: That \$50,000 be allocated toward a 6 month trial of e-waste charges of \$0 for 'TV and Electronics'. The motion was lost 5 votes to 8, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Against:

Councillors Susan Baty, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson and Karen Naylor.

The meeting adjourned at 11.02am

The meeting resumed 11.16am

26-18

Fees and Charges 2018 - Further activities

Memorandum, dated 9 April 2018 from the Strategy Manager Finance, Steve Paterson.

There was discussion around consulting on having a two year stepped fee increase for trade waste instead of the increase occurring all in the first year. Elected Members were also unsure of the definition of a sportsfield and have asked for further information on this.

Moved Susan Baty, seconded Brent Barrett.

The **COMMITTEE RECOMMENDS**

Trade Waste

1. That the Proposal to adopt updated fees and charges for Trade Waste Services effective from 1 July 2018 as attached in Appendix 1 be approved

for public consultation and the Chief Executive be authorised to undertake the necessary consultative process under sections 82 and 150 of the Local Government Act 2002.

Clause 26.1 above was carried 12 votes to 0, with 1 abstention, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Abstained:

Councillor Karen Naylor.

Moved Grant Smith, seconded Karen Naylor.

2. That Trade Waste fees as listed in 'Administration Charges Table 2, schedule 1'. go out for Consultation in a 2 year stepped fee increase from 1 July 2018.

Clause 26.2 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Moved Susan Baty, seconded Brent Barrett.

The **COMMITTEE RESOLVED**

Sportsfields

3. That the fees and charges for Sportsfields, as proposed in Appendix 2 be adopted and take effect from the summer season 2018/19.

Councillor Aleisha Rutherford left the meeting at 11.57am

Clause 26.3 above was carried 9 votes to 2, with 1 abstention, the voting being as follows:

For:

Councillors Susan Baty, Jim Jefferies, Brent Barrett, Adrian Broad, Gabrielle Bundy-Cooke, Lew Findlay QSM, Lorna Johnson, Bruno Petrenas and Tangi Utikere.

Against:

The Mayor (Grant Smith) and Councillor Vaughan Dennison.

Abstained:

Councillor Karen Naylor.

Councillor Aleisha Rutherford entered the meeting at 12.03pm

Moved Aleisha Rutherford, seconded Susan Baty.

4. That a report be brought back to the Sport and Recreation Committee to review the definition of Sportsfields, with the consideration to include the lagoon and other sporting facilities which may not be included currently.

Clause 26.4 above was carried 11 votes to 2, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Jim Jefferies, Brent Barrett, Adrian

Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Against:

Councillors Lew Findlay QSM and Lorna Johnson.

Moved Jim Jefferies, seconded Lorna Johnson.

5. That the Sportsfield charging report identified on page 91 be added to the work schedule and be report back in August.

Clause 26.526-18 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Moved Vaughan Dennison, seconded Grant Smith.

On a motion:

1. That the Season fees and charges for Sports fields be halved and take effect from the Summer Season 2018/19.
2. That the one-off fees and charges for Sportsfields, as proposed in Appendix 2 be adopted and take effect from the summer season 2018/19.

Note:

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

For:

The Mayor (Grant Smith) and Councillors Vaughan Dennison, Lew Findlay QSM, Bruno Petrenas and Tangi Utikere.

Against:

Councillors Brent Barrett, Susan Baty, Adrian Broad, Gabrielle Bundy-Cooke, Jim Jefferies, Lorna Johnson, Karen Naylor and Aleisha Rutherford.

27-18

Treasury Report for 9 months ended 31 March 2018

Memorandum, dated 6 April 2018 from the Strategy Manager Finance, Steve Paterson.

Councillor Aleisha Rutherford left the meeting at 12.15pm

Moved Susan Baty, seconded Tangi Utikere.

The **COMMITTEE RESOLVED**

1. That the performance of the treasury activity for the 9 months ending 31 March 2018 be noted.

Clause 27-18 above was carried 12 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas and Tangi Utikere.

28-18 Quarterly Performance and Financial Report - Quarter Ending 31 March 2018
Memorandum, dated 13 April 2018 from the Financial Accountant, Keith Allan and the Head of Community Planning, Andrew Boyle.

Councillor Aleisha Rutherford entered the meeting at 12.23pm

Moved Susan Baty, seconded Lorna Johnson.

The **COMMITTEE RECOMMENDS**

1. That the Committee receive the March 2018 Quarterly Performance and Financial Report and note:
 - a. The March 2018 financial performance and operating performance.
 - b. The March 2018 capital expenditure programme progress together with those programmes identified as unlikely to be completed this financial year.
2. That the Committee recommend to Council that budget operating expenditure be increased by a further \$141,000 being the estimated unbudgeted cost of conducting the Maori Ward Poll.

Clauses 28.1 and 28.2 above were carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Moved Brent Barrett, seconded Tangi Utikere.

3. That the Chief Executive be instructed to develop an additional Performance Measure within Rooding and Parking that reflects an improving road safety trend over time.

Clause 28.3 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

29-18 Work Schedule - April 2018

Councillor Gabrielle Bundy-Cooke left the meeting at 12.37am

Moved Susan Baty, seconded Lorna Johnson.

The **COMMITTEE RESOLVED**

1. That the Finance and Performance Committee receive its Work Schedule dated April 2018.

Clause 29-18 above was carried 12 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Jim Jefferies, Brent Barrett, Adrian Broad, Vaughan Dennison, Lew Findlay QSM, Lorna Johnson, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

EXCLUSION OF PUBLIC

30-18 Recommendation to Exclude Public

Moved Susan Baty, seconded Vaughan Dennison.

The COMMITTEE 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
15.	Minutes of the Finance and Performance Committee meeting - Part II Confidential - 19 March 2018	For the reasons setout in the Finance and Performance Committee minutes of 19 March 2018, held in public present.	
16.	Artificial Football Pitch Funding Costs	Negotiations	s7(2)(i)
17.	Purchasing Property to Partner with a Housing Provider - Follow-up Report	Commercial Activities	s7(2)(h)

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.

Chief Executive (Heather Shotter), 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), General Manager, Marketing and Communications (Sacha Haskell), and Communications Advisor (Sandra Crosbie) 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.

Senior Property & Parks Planner (Aaron Phillips), Policy Analyst (Ann-Marie Mori), Parks and Property Manager (John Brenkley), Strategy and Policy Manager (Julie Macdonald), Financial Accountant (Keith Allan), Property Officer (Bryce Hosking), Head of Planning Services (Simon Mori), Senior Planner –Compliance and Resolutions (Craig Auckram), and City Planning Manager (David Murphy) because of their knowledge and ability to assist the meeting in speaking to their report and answering questions, noting that such officer will be present at the meeting only for the item that relate to their respective reports.

Clause 30-18 above was carried 12 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Adrian Broad, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

The public part of the meeting finished at 12.40pm

Confirmed 21 May 2018

Chairperson