

# **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 19 February 2020, commencing at 9.01am**

**Members Present:** Councillor Susan Baty (in the Chair) and Councillors Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Lorna Johnson, Karen Naylor, Bruno Petrenas and Tangi Utikere.

**Non Members:** Councillors Brent Barrett, Rachel Bowen, Zulfiqar Butt, Billy Meehan and Aleisha Rutherford.

**Apologies:** The Mayor (Grant Smith) (for lateness), Councillors Leonie Hapeta and Rachel Bowen (early departure on Council business)

The Mayor (Grant Smith) entered the meeting at 9.09am at the conclusion of clause 3. He was not present for clauses 1 to 3 inclusive.

Councillor Rachel Bowen left the meeting at 10.19am during consideration of clause 6. She entered the meeting again at 12.06pm during consideration of clause 9. She was not present for clauses 6 to 8 inclusive.

### **1-20 Apologies**

Moved Susan Baty, seconded Aleisha Rutherford.

#### **The COMMITTEE RESOLVED**

1. That the Committee receive the apologies.

Clause 1-20 above was carried 14 votes to 0, the voting being as follows:

#### **For:**

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

### **2-20 Confirmation of Minutes**

Moved Susan Baty, seconded Karen Naylor.

#### **The COMMITTEE RESOLVED**

1. That the minutes of the Finance & Audit Committee meeting of 4 December 2019 Part I Public be confirmed as a true and correct record.

Clause 2-20 above was carried 14 votes to 0, the voting being as follows:

#### **For:**

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

**3-20**

**Conference Opportunity - Rangitāne Appointed Members**

Memorandum, presented by Hannah White, Democracy & Governance Manager.

After discussion Elected Members requested that the scope of the Expenses Policy be broadened to allow for other items to be included in the review.

Moved Rachel Bowen, seconded Karen Naylor.

**The COMMITTEE RESOLVED**

1. That the attendance of Rangitāne Appointed Member Mr Chris Whaiapu, with expenses paid, at the Te Maruata Hui of LGNZ being held in South Taranaki on 11 and 12 March 2020, be approved.
2. That a review of the Expenses Policy be undertaken to consider whether the Policy be extended to cover all Appointed Members, and to make recommendations for any other changes required to update the policy including to the definition of, and travel expenses associated with, Official Business, with a report to Finance and Audit Committee (in September 2020).

Clause 3-20 above was carried 14 votes to 0, the voting being as follows:

**For:**

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

The Mayor (Grant Smith) entered the meeting at 9.09am

**4-20**

**Quarterly Performance and Financial Report - Quarter Ending 31 December 2019**

Memorandum, presented by Stuart McKinnon, Chief Financial Officer and Andrew Boyle, Head of Community Planning.

Moved Susan Baty, seconded Karen Naylor.

**The COMMITTEE RESOLVED**

1. That the Committee receive the December 2019 Quarterly Performance and Financial Report.

Clause 4-20 above was carried 15 votes to 0, the voting being as follows:

**For:**

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

**5-20 Treasury Report - 6 months ending 31 December 2019**

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

Moved Susan Baty, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the performance of Council's treasury activity for the six months ended 31 December 2019 be noted.

Clause 5-20 above was carried 15 votes to 0, the voting being as follows:

**For:**

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

**6-20 New Deed of Lease for Manawatu Pony Club, Manawatu Canine Club and Ruahine Kindergarten Milverton**

Memorandum, presented by Bryce Hosking, Manager - Property.

Councillor Rachel Bowen left the meeting at 10.19am

Moved Aleisha Rutherford, seconded Brent Barrett.

The **COMMITTEE RECOMMENDS**

1. That the Council as the administering body under the Reserves Act 1977, on behalf of the Minister of Conservation, approve the following leases:
  - a. Land lease at Ashhurst Domain, Palmerston North, to Manawatu Pony Club Incorporated.
  - b. Land lease at Ashhurst Domain, Palmerston North, to The Manawatu Canine Centre Incorporated.
  - c. Land lease at Milverton Park, Palmerston North, to Ruahine Kindergarten Association Incorporated.
2. That the Council agree to execute the following leases:
  - a. A new five-year lease with renewal option between Palmerston North City Council and Manawatu Pony Club Incorporated for the land at Ashhurst Domain, Palmerston North.
  - b. A new five-year lease with renewal option between Palmerston North City Council and The Manawatu Canine Centre Incorporated at Ashhurst Domain, Palmerston North.
  - c. A new five-year lease with renewal option between Palmerston North City Council and Ruahine Kindergarten Association Incorporated for the land at Milverton Park, Palmerston North.

Clause 6-20 above was carried 14 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Zulfiqar Butt, Vaughan

Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

**7-20 Powerco Easement at Vautier Park**

Memorandum, presented by Bryce Hosking, Manager - Property.

Moved Susan Baty, seconded Grant Smith.

The **COMMITTEE RECOMMENDS**

1. That Council, as the administering body of Vautier Park (legally described as Part Section 249 Town of Palmerston North), authorise the granting of an easement to convey electricity, to Powerco.
2. That Council, in exercise of the powers conferred on it by delegation under the Reserves Act 1977, authorise the granting of an easement to convey electricity, to Powerco.
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 an easement to convey electricity at Vautier Park.
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 grant an easement to convey electricity over Vautier Park.

Clause 7-20 above was carried 14 votes to 0, the voting being as follows:

**For:**

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

The meeting adjourned at 10.26am

The meeting resumed at 10.46am

**8-20 Wastewater BPO Quarterly Report & Financial Status**

Report, presented by Robert van Bentum - Transport and Infrastructure Manager, Sacha Haskell, GM - Communications and Marketing.

Moved Susan Baty, seconded Vaughan Dennison.

The **COMMITTEE RESOLVED**

1. That the Committee receive the update for the Wastewater BPO Project as detailed in the report titled 'Wastewater Best Practicable Option Quarterly Report & Financial Status' dated 19 February 2020.

Clause 8.1 above was carried 14 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Lorna Johnson, Billy

Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Moved Susan Baty, seconded Vaughan Dennison.

The **COMMITTEE RECOMMENDS**

2. That Council approves additional budget of \$470,700 in order to complete the technical work and marketing and communications input scoped for the BPO Project for the 2019/2020 financial year.

Clause 8.2 above was carried 10 votes to 4, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Zulfiqar Butt, Vaughan Dennison, Patrick Handcock ONZM, Lorna Johnson, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

**Against:**

Councillors Renee Dingwall, Lew Findlay QSM, Billy Meehan and Karen Naylor.

Moved Karen Naylor, seconded Billy Meehan.

**Note:**

On a motion that "The Committee approves additional budget of \$355,200 in order to complete the technical work scoped for the BPO project for the 2019/2020 financial year", the motion was lost 5 votes to 8, with 1 abstention, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Renee Dingwall, Billy Meehan, Karen Naylor and Bruno Petrenas.

**Against:**

Councillors Brent Barrett, Susan Baty, Zulfiqar Butt, Vaughan Dennison, Patrick Handcock ONZM, Lorna Johnson, Aleisha Rutherford and Tangi Utikere.

**Abstained:**

Councillor Lew Findlay QSM.

**9-20**

**PNCC Animal Shelter Options**

Report, presented by Bryce Hosking, Manager - Property.

During discussion Elected Members felt there was a level of urgency to progress this project, as the current facility is non-compliant and animal welfare continues to be a concern. Elected Members therefore requested the design and consent phase be brought forward to the current year.

Councillor Rachel Bowen returned to the meeting at 12.06pm

Moved Lorna Johnson, seconded Lew Findlay QSM.

The **COMMITTEE RECOMMENDS**

1. That Council agrees to proceed with Option 2 and builds a new Animal Shelter next to the existing facility in Totara Road, Palmerston North for \$2,925,919 + GST. This will be a multi-year Programme split over the 2020/21 and 2021/22 financial years.

The proposed programme budget (not currently budgeted for) will be split:  
2020/21 \$300,000 – Design and Consent Phase  
2021/22 \$2,625,919 – Construction Phase

Amended by Council on 26 February 2020  
Clause 14-20

Clause 9.1 above was carried 14 votes to 1, the voting being as follows:

**For:**

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

**Against:**

Councillor Karen Naylor.

Moved Lorna Johnson, seconded Aleisha Rutherford.

2. That consideration be given by the Chief Executive to bringing the design and consent phase into the current year if possible.

Clause 9.2 above was carried 12 votes to 3, the voting being as follows:

**For:**

Councillors Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Lorna Johnson, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

**Against:**

The Mayor (Grant Smith) and Councillors Susan Baty and Billy Meehan.

Moved Susan Baty, seconded Karen Naylor.

**Note:**

On a motion that “The scope of a new Animal Shelter is referred to a Councillor workshop with revised options being reported back to the Finance & Audit Committee as soon as practicable”, the motion was lost 5 votes to 10, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Susan Baty, Billy Meehan, Karen Naylor and Bruno Petrenas.

**Against:**

Councillors Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Lorna Johnson, Aleisha Rutherford and Tangi Utikere.

## 10-20

### Committee Work Schedule

Moved Susan Baty, seconded Lew Findlay QSM.

#### The COMMITTEE RESOLVED

1. That the Finance & Audit Committee receive its Work Schedule dated February 2020.

Clause 10-20 above was carried 15 votes to 0, the voting being as follows:

**For:**

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

The meeting finished at 1.28pm

Confirmed 18 March 2020

**Chairperson**