

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 14 June 2023, commencing at 9.04am

Members Present: Grant Smith (The Mayor) (in the Chair) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

Apologies: Councillors Roly Fitzgerald and Kaydee Zabelin (lateness).

Karakia Timatanga

Councillor Debi Marshall-Lobb opened the meeting with karakia.

89-23 Apologies

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council receive the apologies.

Clause 89-23 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

Declaration of Interest

Councillor Leonie Hapeta declared an interest in Item 7 'Fees and Charges - Confirmation Following Public Consultation' (clause 91) and took no further part in discussion or debate on that Item.

90-23 Confirmation of Minutes

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That the minutes of the ordinary meeting of 31 May 2023 Part I Public be confirmed as a true and correct record.

Clause 90-23 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent

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Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

REPORTS

91-23

Fees and Charges - Confirmation Following Public Consultation

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

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council approve the fees and charges for Planning & Miscellaneous Services, as scheduled in Attachments A and B, effective from 1 July 2023.
2. That Council approve the fees and charges for Trade Waste Services, as scheduled in Attachment C, effective from 1 July 2023.

Clause 91-23 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Patrick Handcock, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

Note:

Councillor Leonie Hapeta declared an interest, withdrew from the discussion and sat in the gallery.

92-23

2023/24 Annual Budget - Adoption

Memorandum, presented by Cameron McKay, Chief Financial Officer, and Steve Paterson, Strategy Manager - Finance.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council adopt the Annual Budget (Plan) for 2023/24 as attached.

Clause 92.1-23 above was carried 13 votes to 1, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad and William Wood.

Against:

Councillor Karen Naylor.

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Moved Grant Smith, seconded Debi Marshall-Lobb.

2. That Council delegate authority to the Mayor and Chief Executive to approve minor amendments to the final Annual Budget (Plan) 2023/24 for publication.
3. That Council confirm the adoption of the Annual Budget (Plan) 2023/24 is a significant decision within the parameters of the Local Government Act 2002 and that Council is satisfied that all submissions have been considered and that there has been compliance with the decision-making and consultation requirements of the Act.
4. That Council delegate authority to the Chief Executive to authorise payments to Council Controlled Organisations and other external organisations in accordance with their respective service level agreements.

Clause 92.2-23 to 92.4-23 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

93-23

Setting Rates for 2023/24

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

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council adopt the resolution to set the rates for the 2023/24 year (Appendix One).
2. That Council note 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.

Clause 93-23 above was carried 13 votes to 1, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Rachel Bowen, Vaughan Dennison, Lew Findlay, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

Against:

Councillor Brent Barrett.

The meeting adjourned at 10.20am.
The meeting resumed at 10.42am.

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94-23 Resolutions to Authorise Borrowing

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

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council authorise the Chief Executive to borrow, in accordance with delegated authority, up to \$37 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. That Council note that the purpose of the Borrowing is the carrying out or continuing of programmes identified in the Annual Budget 2023/24 year.
3. That Council note that any sums raised and subsequently on-lent to Palmerston North Airport Limited pursuant to the loan agreement between the Council and the Company will be in addition to the sums to be raised for the Council's own funding purposes as authorised above.
4. That Council note that the security for the Borrowing may be the charge over rates under the Debenture Trust Deed if the Chief Executive considers appropriate.
5. That Council note that the benefits of the Borrowing are that it will enable the Council to carry out the programmes identified in the Annual Budget 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.
6. That Council approve that having regard to the Council's financial strategy, it is prudent and reasonable to enter into the proposed borrowing for the reasons set out in this report.
7. That Council note that the raising of the Borrowing will comply with the Council's Liability Management Policy.
8. That Council note that the decision to borrow up to \$37 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.

Clause 94-23 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

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95-23 Work Schedule

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That the Council receive its Work Schedule dated 14 June 2023.

Clause 95-23 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

EXCLUSION OF PUBLIC

96-23 Recommendation to Exclude Public

Moved Grant Smith, seconded Debi Marshall-Lobb.

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
13.	Tender Award - Custom Street Upgrade	Third Party Commercial	s7(2)(b)(ii)
14.	Proposed District Plan Change G: Aokautere Urban Growth - Appointment of Commissioner	Privacy	s7(2)(a)

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.

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Clause 96-23 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

The public part of the meeting finished at 10.53am

Confirmed 28 June 2023

Mayor

Palmerston North City Council

Resolution to Set Rates for the 2023/2024 year

The Palmerston North City Council resolves to set rates for the financial year commencing on 1 July 2023 and ending on 30 June 2024 in accordance with the Rating Policies and Funding Impact Statement contained in its Annual Budget (Plan) 2023/24 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 \$200 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:

- \$407 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.
- \$407 per rating unit for all other 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.
- \$203.50 per 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) and the Council would allow a connection.

Instead of the above targeted rates for metered water supply, targeted rates set under sections 16 and 19 of the Act, of \$1.65313 per cubic metre of water supplied to any rating unit that is invoiced on the basis of water supplied plus a fixed amount

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of \$220 per metered connection for connections of 25mm or less and \$470 for connections greater than 25mm.

1.3 Wastewater Disposal Rates

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

- \$306 per separately used or inhabited part of a residential rating unit which is connected to a public wastewater drain.
- \$306 per rating unit for all other rating units which are connected to a public wastewater drain.
- \$306 per pan (i.e. water closet or urinal) for all pans in excess of three for non-residential rating units connected to a public wastewater drain.
- \$153 per separately used or inhabited part of a residential rating unit which is not connected to a public wastewater drain but which is serviceable (i.e. within 30 metres of such a drain) and the Council would allow the connection.
- \$153 per rating unit for all other rating units which are not connected to a public wastewater drain but which is serviceable (i.e. within 30 metres of such a drain) and the Council would allow the connection.

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:

- \$148 per separately used or inhabited part of a rating unit for residential properties receiving the Council's kerbside collection service.
- \$148 per rating unit for non-residential and rural/semi-serviced properties receiving the Council's kerbside 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 \$148. This may include charges to non-rateable rating units where the service is provided.

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1.4.2 Rubbish and Public Recycling

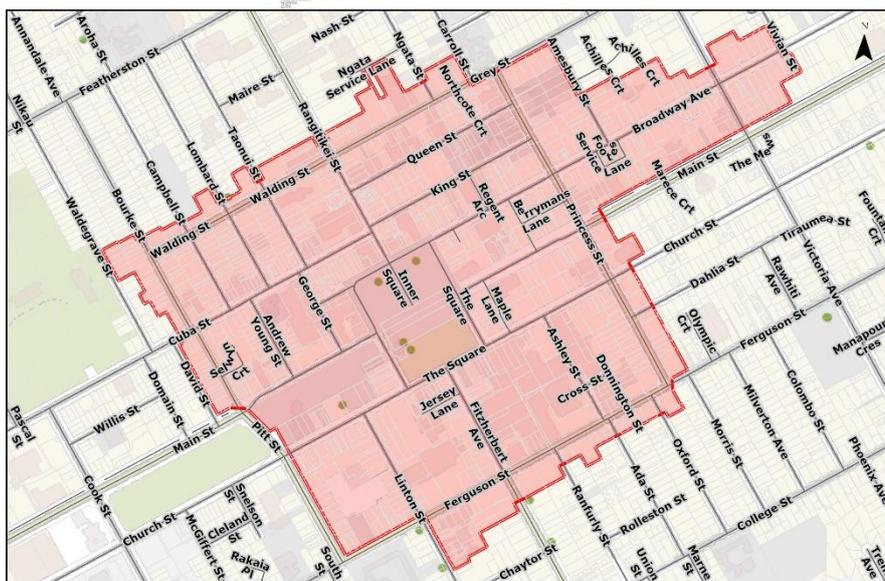
A targeted rate for rubbish and public recycling set under section 16 of the Act of \$103 per separately used or inhabited part of each residential rating unit and \$103 per rating unit for all other rating units. Rating units which are vacant land will not be liable for these rates.

1.5 Palmy BID

Targeted rates set under section 16 of the Act on all properties within the central city Palmy BID area as shown on the following map that are categorised as non-residential for the Council’s general rate calculated as follows:

- A fixed amount of \$344 per rating unit; and
- A variable amount of 0.0137 cents in the dollar of capital value of the rating unit.

PALMY BID RATE AREA



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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 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)	0.4363
R2	Two unit residential	110	0.6067
R3	Three unit residential	120	0.6618
R4	Four unit residential	130	0.7170
R5	Five unit residential	140	0.7721
R6	Six unit residential	150	0.8273
R7	Seven unit residential	160	0.8824
R8	Eight or more unit residential	170	0.9376
MS	Miscellaneous	100	0.5515
CI	Non-residential (Commercial/Industrial)	300	1.6545
FL	Rural & Semi-serviced (5 hectares or more)	25	0.1379
FS	Rural & Semi-serviced (0.2 hectares or less)	75	0.4136
FM	Rural & Semi-serviced (between 0.2 & 5 hectares)	50	0.2758

2. Due Dates for Payment of Rates

Rates (other than metered water targeted rates) will be payable at the offices or agencies of the Council in four quarterly instalments on 1 August 2023, 1 November 2023, 1 February 2024 and 1 May 2024.

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

Instalment One	25 August 2023
Instalment Two	24 November 2023
Instalment Three	23 February 2024
Instalment Four	31 May 2024

3. 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 2023	20 July 2023	7	December 2023	20 January 2024
2	July 2023	20 August 2023	8	January 2024	20 February 2024
3	August 2023	20 September 2023	9	February 2024	20 March 2024
4	September 2023	20 October 2023	10	March 2024	20 April 2024
5	October 2023	20 November 2023	11	April 2024	20 May 2024
6	November 2023	20 December 2023	12	May 2024	20 June 2024

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 2023	20 July 2023	1	July 2023	20 August 2023
2	August 2023	20 September 2023	2	September 2023	20 October 2023
3	October 2023	20 November 2023	3	November 2023	20 December 2023
4	December 2023	20 January 2024	4	January 2024	20 February 2024
5	February 2024	20 March 2024	5	March 2024	20 April 2024
6	April 2024	20 May 2024	6	May 2024	20 June 2024

4. Penalties on Unpaid Rates (excluding metered water)

A penalty charge of 10% will be added on the following dates to any portion of an instalment remaining unpaid after the due dates:

Instalment One	30 August 2023
Instalment Two	29 November 2023
Instalment Three	28 February 2024
Instalment Four	5 June 2024

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 2023.

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A penalty charge of 10% will be added to any outstanding rates (including penalties) assessed in previous years and remaining outstanding at 5 July 2023 (penalty applied on 6 July 2023) and again on 4 January 2024 (penalty applied on 5 January 2024).

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

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