

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 27 May 2026, commencing at 9.05am.

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

Members Online: Councillor Vaughan Dennison

Apologies: Councillor Vaughan Dennison, Lew Findlay and Leonie Hapeta for early departure.

Karakia Timatanga

Councillor Debi Marshall-Lobb opened the meeting with karakia.

58-26 Apologies

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council receive the apologies.

Clause 60-26 above was carried 16 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, Hayden Fitzgerald, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

59-26 Notification of Additional Items

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council accept the late Item: Head Start Amalgamation Announcement – Palmerston North City Council Response.

Reason for Lateness: Report includes most recent information from the Chief Executives' meetings

COUNCIL - PART I - 27 MAY 2026

Reason for Urgency: Decision needed to progress within short timeframe set by Government

Clause 60-26 above was carried 12 votes to 4, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Rachel Bowen, Vaughan Dennison, Lew Findlay, Hayden Fitzgerald, Leonie Hapeta, Billy Meehan, Karen Naylor, William Wood and Kaydee Zabelin.

Against:

Councillors Brent Barrett, Lorna Johnson, Bonnie Kuru and Orphée Mickalad.

60-26

Public Comments

Mereti Taipana, on behalf Aorangi Marae, made a public comment against Item 8: Manawatū Regional Freight Ring Road Indicative Business Case: Short List Programme – Options 2A and 2C. Mereti expressed concerns regarding the traffic using Waughs Road and recommended that options are explored to shift this traffic away from the Marae, as it is already generating sound and air pollution. They recommended the use of Campbells Road as an alternative.

Kerryn Pollock, Area Manager Central Region, Heritage New Zealand, made a public comment in support of Item 7: Heritage New Zealand Pouhere Tāonga Proposal to List the Ladies' Rest. Kerryn asked Elected Members to allow the process to commence. Kerryn also mentioned that once this is completed, Heritage New Zealand Pouhere Tāonga will be able to provide the Council with free conservation advice and support funding applications and other grants.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council receive the public comments.

Clause 60-26 above was carried 16 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, Hayden Fitzgerald, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

61-26

Confirmation of Minutes

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

COUNCIL - PART I - 27 MAY 2026

1. That the minutes of the ordinary Council meeting of 6 May 2026 Part I Public be confirmed as a true and correct record.

Clause 61-26 above was carried 16 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, Hayden Fitzgerald, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

62-26

Heritage New Zealand Pouhere Tāonga Proposal to List the Ladies' Rest Report, presented by Keegan Aplin-Thane, Senior Planner.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That the Chief Executive be authorised to sign the *Owner Agreement Form* for the proposed entry of the Ladies' Rest on the New Zealand Heritage List/Rārangi Kōrero on behalf of Council.

Clause 62-26 above was carried 16 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, Hayden Fitzgerald, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Councillor Leonie Hapeta left the meeting at 10.09am, after consideration of clause 62.

63-26

Manawatū Regional Freight Ring Road Indicative Business Case: Short List Programme - Options 2A and 2C

Memorandum, presented by David Murphy - General Manager Strategic Planning, James Miguel - Senior Transport Planner, Tim Eldridge - Executive Advisor, GHD; and Linda Stewart- Director Regional Relationships, Linda Faulknor - Regional Manager System Design, Shaun Harvey - Regional System Design Lead, Waka Kotahi New Zealand Transport Agency.

Moved Grant Smith, seconded Hayden Fitzgerald.

RESOLVED

1. That Council revoke the following part of clause 45-26 adopted by Council on 22 April 2026 "subject to the options being amended to omit Options 2A and 2C and substitute with 2E".

COUNCIL - PART I - 27 MAY 2026

Clause 63-26 above was carried 11 votes to 4, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Rachel Bowen, Vaughan Dennison, Lew Findlay, Hayden Fitzgerald, Bonnie Kuru, Orphée Mickalad, Karen Naylor and William Wood.

Against:

Councillors Brent Barrett, Lorna Johnson, Billy Meehan and Kaydee Zabelin.

Moved Grant Smith, seconded Hayden Fitzgerald.

RESOLVED

2. That Council signals an initial policy preference for Option 2E over Options 2A and 2C, subject to the completion of the assessment of the recommended Manawatū Regional Freight Ring Road Indicative Business Case: Short List Programme Options and Sub options.

Clause 63-26 above was carried 15 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, Hayden Fitzgerald, Lorna Johnson, Bonnie Kuru, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

The meeting adjourned at 10.45am.

The meeting resumed at 11.02am.

Councillor Leonie Hapeta was present when the meeting resumed at 11.02. She was not present for Clause 63.

64-26

Head Start Amalgamation Announcement- Palmerston North City Council response

Report, presented by Waid Crockett, Chief Executive and Hannah White, Manager- Governance.

Initially recommendation 1b was moved by the Mayor (Grant Smith) and seconded by Cr. Naylor. After a majority of the room agreed, the motion was lifted and recommendation 1c put, seconded by Cr. Bowen.

A procedural motion was put to withdraw the Chair's ruling.

The meeting adjourned at 12.21pm.

The meeting resumed at 12.24pm.

Councillor Lew Findlay left the room and was not present for clause 64, recommendation 2.

COUNCIL - PART I - 27 MAY 2026

Moved Grant Smith, seconded Rachel Bowen.

RESOLVED

1. That Council

c. Prepare by investigating and lead a response (Option 3)

Clause 64-26 above was carried 13 votes to 3, 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, Hayden Fitzgerald, Leonie Hapeta, Billy Meehan, Orphée Mickalad, William Wood and Kaydee Zabelin.

Against:

Councillors Lorna Johnson, Bonnie Kuru and Karen Naylor.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

If Option 3, then

2. That Council schedule an additional Council meeting to be held on 5 August 2026 at 2pm at Palmerston North City Council Chambers, 32 Te Marae o Hine The Square for the purpose of considering community feedback and a proposal to submit to Government by 9 August 2026.

Clause 64-26 above was carried 15 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, Hayden Fitzgerald, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Moved Lorna Johnson, seconded Karen Naylor.

Note:

On a Procedural Motion that: The Chairperson's ruling be withdrawn. The motion was lost 7 votes to 9, the voting being as follows:

For:

Councillors Brent Barrett, Rachel Bowen, Hayden Fitzgerald, Lorna Johnson, Bonnie Kuru, Karen Naylor and William Wood.

Against:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Vaughan Dennison, Lew Findlay, Leonie Hapeta, Billy Meehan, Orphée Mickalad and Kaydee Zabelin.

The meeting adjourned at 12.27pm

The meeting resumed at 1.32pm

Councillor Lew Findlay was not present when the meeting resumed.

COUNCIL - PART I - 27 MAY 2026

- 65-26** **2027-37 Long-Term Plan - Vision, goals, outcomes and indicators**
Report, presented by Peter Ridge, Manager Strategy and Policy
Stephanie Velvin, Acting Manager Organisational Planning and Performance.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council endorse the vision to inform the preparation of the Draft 2027-37 Long-Term Plan:
 - a. 'Big on opportunity, grounded in community'

Clause 65-26 above was carried 13 votes to 2, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Brent Barrett, Rachel Bowen, Vaughan Dennison, Hayden Fitzgerald, Lorna Johnson, Bonnie Kuru, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Against:

Councillors Mark Arnott and Leonie Hapeta.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

2. That Council endorse the goals and outcomes to inform the preparation of the Draft 2027-37 Long-Term Plan, as per Attachment 1.

Clause 65-26 above was carried 12 votes to 3, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Brent Barrett, Rachel Bowen, Vaughan Dennison, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Billy Meehan, Orphée Mickalad, William Wood and Kaydee Zabelin.

Against:

Councillors Mark Arnott, Hayden Fitzgerald and Karen Naylor.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

3. That Council endorse the set of indicators to inform the preparation of the Draft 2027-37 Long-Term Plan outcomes, as per Attachment 2.

Clause 65-26 above was carried 10 votes to 4, with 1 abstention, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Rachel Bowen, Vaughan Dennison, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, William Wood and Kaydee Zabelin.

Against:

Councillors Mark Arnott, Hayden Fitzgerald, Bonnie Kuru and Karen Naylor.

COUNCIL - PART I - 27 MAY 2026

Abstained:

Councillor Brent Barrett.

66-26

2027-2037 Long Term Plan - Early Engagement information

Memorandum, presented by Peter Ridge, Manager Strategy and Policy, Stephanie Velvin, Acting Manager Organisational Planning and Performance, and Amy Viles, Acting Manager Community Development.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council receive the memorandum titled '2027-2037 Long-Term Plan – Early Engagement information' presented on 27 May 2026.

Clause 66-26 above was carried 15 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, Hayden Fitzgerald, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

67-26

2027-37 Long Term Plan: Our City Snapshot 2026 and Strategic Demographic and Household Projections

Memorandum, presented by Stacey Andrews, City Economist.

The meeting adjourned at 2.23pm.

The meeting resumed at 2.26pm.

Councillor Vaughan Dennison left the meeting at 2.27pm.

Councillor Lew Findlay entered the meeting again at 2.47pm, during consideration of Clause 67. He was not present for Clause 64, recommendation 2 through to clause 66, inclusive.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council endorse 'Our City Snapshot – Palmerston North 2026' (Attachment 1) as a key strategic overview of the city's current demographic, social and economic profile to inform the preparation of the Draft 2027-37 Long Term Plan.
2. That Council endorse the 'Palmerston North Population, Household and Associated Projections' (Attachment 2) as a basis for strategic planning for the city over the period 2027-2057 and to inform the preparation of the Draft 2027-37 Long Term Plan.

Clause 67-26 above was carried 14 votes to 0, with 1 abstention, the voting being as follows:

COUNCIL - PART I - 27 MAY 2026

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Hayden Fitzgerald, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Abstained:

Councillor Lew Findlay.

68-26

Arena 5 Development Six Monthly Update and Recommendation

Report, presented by Glenn Bunny, Manager Property & Project Management, and Anna Saunders, Senior Project Manager.

Councillor Lew Findlay left the meeting at 3.27pm

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That the Council receive the report titled 'Arena 5 Development Six Monthly Update', presented to Council on 27 May 2026.
2. That the Council agree:
 - a. To proceed with the procurement of a main contractor to design and construct an Air Dome building for the new Arena 5 facility (Option 1)

Clause 68-26 above was carried 10 votes to 4, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Rachel Bowen, Hayden Fitzgerald, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad and William Wood.

Against:

Councillors Brent Barrett, Bonnie Kuru, Karen Naylor and Kaydee Zabelin.

Councillor Billy Meehan left the meeting at 3.33pm, after consideration of clause 68.

69-26 Nature Calls - Wastewater Treatment Plant Upgrade Project - Quarterly Report

Memorandum, presented by Mike Monaghan - Manager - 3 Waters.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council receive the report titled 'Nature Calls - Wastewater Treatment Plant Upgrade Project - Quarterly Report' presented on 27 May 2026.

Clause 69-26 above was carried 12 votes to 1, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Hayden Fitzgerald, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Against:

Councillor Bonnie Kuru.

The meeting adjourned at 3.36pm

The meeting resumed at 4.37pm

Councillor Lew Findlay was present when the meeting resumed. He was not present for clause 68 and 69.

70-26 Civic and Cultural Precinct: 6 Monthly Update

Memorandum, presented by Glenn Bunny, Manager Property and Project Management.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council receive the report titled 'Civic and Cultural Precinct: 6 Month Update' presented on 27 May 2026.

Clause 70-26 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, Lew Findlay, Hayden Fitzgerald, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

RECOMMENDATIONS FROM COMMITTEE MEETINGS

71-26 Finance, Performance & Audit Committee Part I Public - 13 May 2026

Councillor Karen Naylor, Committee Deputy Chair presented the recommendations below:

Moved Karen Naylor, seconded Leonie Hapeta.

RESOLVED

1. That Council adopt the recommendations from the Finance, Performance & Audit Committee of 13 May 2026:

Quarterly Performance and Financial Report - period ending 31 March 2026 (clause 28-26)

Memorandum, presented by Scott Mancer, Manager - Finance, Glenn Bunny, Manager - Property and Project Management, Stephanie Velvin, Manager - Organisational Planning and Performance.

The COMMITTEE RECOMMENDS

2. That Council approve a budget transfer for Internal Water Rates Revenue of \$933K from Organisational Performance to Water.
3. That Council approve a budget transfer for Sludge & Biosolid disposal of \$350K from Resource Recovery to Wastewater.

Internal Audit Charter (clause 31-26)

Memorandum, presented by Emy Bastillo, Internal Auditor / Business Assurance Advisor and Desiree Viggars, Manager Legal Risk and Assurance / Legal Counsel.

The COMMITTEE RECOMMENDS

1. That Council endorse the Internal Audit Charter (the Charter) as enclosed in Attachment 1.

Clause 71-26 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, Lew Findlay, Hayden Fitzgerald, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

72-26 Community Resilience & Sustainability Committee Part I Public - 20 May 2026

Councillor Lorna Johnson, Committee Chair presented the recommendations below:

COUNCIL - PART I - 27 MAY 2026

Moved Lorna Johnson, seconded Brent Barrett.

RESOLVED

1. That Council adopt the recommendations from the Community Resilience & Sustainability Committee of 20 May 2026:

Butterfly Compassion Community - Occupancy Arrangements at 82 Waldegrave Street (clause 27-26)

Report, presented by Perene Green, Property Officer.

The **COMMITTEE RECOMMENDS**

3. That there be a change to the current lease terms from 1 June 2026 to allow for a 50% reduction to the commercial lease, unless superseded by the outcome of the process agreed above.

Marriner Reserve - Proposal to Grant Easement to Powerco - Deliberations Report (31-26)

Memorandum, presented by Perene Green, Property Officer.

The **COMMITTEE RECOMMENDS**

1. That Council grant an easement to convey electricity at Marriner Reserve, Marriner Street, Palmerston North, to Powerco.

Community Reference Groups - Terms of Reference Review (clause 32-26)

Memorandum, presented by Martin Brady, Senior Community Development Advisor.

The **COMMITTEE RECOMMENDS**

1. That Council agree the revised Terms of Reference for Community Reference Groups, with an amendment to s.1.5 so that the Terms of Reference will be reviewed triennially.
2. That Council note that the provision for the acknowledgement payment to include the Heritage Reference Group is subject to budget being agreed in the 2026-2027 Annual Budget.

Clause 72-26 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, Lew Findlay, Hayden Fitzgerald, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

EXCLUSION OF PUBLIC

73-26 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
23.	Church Street Carpark Development Opportunity	Commercial negotiations must remain confidential to protect Council's commercial position and avoid prejudicing Council's ability to negotiate favourable development outcomes.	s7(2)(h)COMMERCIAL ACTIVITIES: This information needs to be kept confidential to allow Council to engage in commercial activities without prejudice or disadvantage

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.

Clause 73-26 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, Lew Findlay, Hayden Fitzgerald, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

The following Items were deferred to 24 June 2026:

- **Adoption of the Delegations Manual 2026**
- **Local Governance Statement 2025-28**
- **Elected Members' Meeting Attendance Statistics – 1 July 2025 to 31 December 2025**

COUNCIL - PART I - 27 MAY 2026

The public part of the meeting finished at 4.46pm.

Confirmed 24 June 2026.

Mayor

UNCONFIRMED