

Minutes of a meeting of the Strategy & Finance Committee of the Waikato District Council held in the Council Chambers, District Office, 15 Galileo Street, Ngaruawahia on **WEDNESDAY 29 MAY 2019** commencing at **9.02am**.

Present:

Cr JM Gibb (Chairperson)
His Worship the Mayor, Mr AM Sanson [*from 9.04am until 10.24am, and from 10.27am*]
Cr AD Bech
Cr JA Church
Cr DW Fulton
Cr SL Henderson [*from 9.16am*]
Cr SD Lynch
Cr RC McGuire
Cr FM McNally
Cr BL Main
Cr EM Patterson
Cr JD Sedgwick
Cr NMD Smith
Cr LR Thomson

Attending:

Mr B MacLeod (Chair, Raglan Community Board)

Mr G Ion (Chief Executive)
Mr R MacCulloch (Acting General Manager Service Delivery)
Mrs S O’Gorman (General Manager Customer Support)
Mr C Morgan (General Manager Community Growth)
Ms A Diaz (Chief Financial Officer)
Mr P Ellis (Solid Waste Team Leader)
Ms J Bishop (Contracts & Partnering Manager)
Mr P McPherson (Community Projects Manager)
Ms K Overwater (Senior Policy Planner)
Mr G Boundy (Senior Environmental Planner)
Ms S Whybrow (Facilities Management Officer)
Ms M May (Community Connections Manager)
Ms J Dolan (Economic and Community Development Manager)
Mr C Bailey (Rates Team Leader)
Ms A d’Aubert (Consents Manager)
Ms D Dalbeth (Business Analyst)
Mr J Brown (Communications Advisor)
Mrs LM Wainwright (Committee Secretary)

APOLOGIES AND LEAVE OF ABSENCE

Resolved: (Crs Smith/Main)

THAT an apology for lateness be received from His Worship the Mayor.

CARRIED on the voices

S&F1905/01

CONFIRMATION OF STATUS OF AGENDA ITEMS

Resolved: (Crs Thomson/Church)

THAT the agenda for a meeting of the Strategy & Finance Committee held on **Wednesday 29 May 2019** be confirmed and all items therein be considered in open meeting with the exception of those items detailed at agenda item 8 which shall be considered with the public excluded;

AND THAT all reports be received;

AND FURTHER THAT Mr MacLeod, Chair of the Raglan Community Board, be given speaking rights for the duration of the open section of this meeting.

CARRIED on the voices

S&F1905/02

DISCLOSURES OF INTEREST

Councillors Gibb, Sedgwick and Fulton declared a non-financial conflict of interest in item 5.3 [*District Plan Review – Project Update*] and would withdraw to the public gallery and not speak to, or vote on, this item when considered.

Councillor Thomson declared a non-financial conflict of interest in item PEX 2.1 [*Raglan i-SITE Update*] and would withdraw to the public gallery and not speak to, or vote on, this item.

CONFIRMATION OF MINUTES

Resolved: (Crs Sedgwick/Main)

THAT the minutes of a meeting of the Strategy & Finance Committee held on **Wednesday 27 March 2019** be confirmed as a true and correct record of that meeting.

CARRIED on the voices

S&F1905/03

REPORTS

Consultation Results on the proposed Raglan Food Waste Targeted Rate Agenda Item 5.1

The Solid Waste Team Leader summarised the report and outlined the reasons for the staff recommendations. The Committee discussed the options detailed in the staff report and noted that Waikato District Council is conducting a solid waste service review this year where all services will be evaluated against the obligations under the WMMP and consistency with the LTP. Food waste will form part of this review.

Resolved: (Crs Smith/Patterson)

THAT the Strategy & Finance Committee recommend that Council does not implement the proposed targeted rate and the Raglan kerbside food waste collection discontinue as of 30 June 2019 (Option 2 in the staff report).

The Motion was CARRIED by a show of hands: 8 voting in favour and 6 voting against

S&F1905/04

| For | Against | Abstention |
|-----------------------|-----------------|------------|
| His Worship the Mayor | Cr AD Bech | Nil |
| Cr DW Fulton | Cr JA Church | |
| Cr JM Gibb | Cr SL Henderson | |
| Cr SD Lynch | Cr RC McGuire | |
| Cr FM McNally | Cr BL Main | |
| Cr BL Main | Cr LR Thomson | |
| Cr EM Patterson | | |
| Cr NMD Smith | | |

His Worship the Mayor entered the meeting at 9.04am during discussion on item 5.1 and was present when voting took place.

Cr Henderson entered the meeting at 9.16am during discussion on item 5.1 and was present when voting took place.

Consideration of Conservation Fund Applications
Agenda Item 5.2

The report was received [*S&F1905/02 refers*] and the Senior Environmental Planner summarised the report.

Resolved: (Crs Church/Bech)

THAT the Strategy & Finance Committee recommends to Council that the Conservation Fund application of \$5,280.00 from Wrights Bush Restoration Group be approved in full.

CARRIED on the voices

S&F1905/05

District Plan Review – Project Update
Agenda Item 5.3

Cr Gibb declared a conflict of interest, vacated the Chair, withdrew to the public gallery and did not speak to, or vote on this item.

Cr Fulton declared a conflict of interest, withdrew to the public gallery and did not speak to, or vote on this item.

Cr Sedgwick declared a conflict of interest, withdrew to the public gallery and did not speak to, or vote on this item.

Cr Bech assumed the chair.

The report was received [*S&F1905/02 refers*]. The Senior Policy Planner summarised the report and discussion was held on the following items:

- Budget for the District Plan process - costs for the process would be spread over the 10 year life of the plan.
- The Chairperson's use of a casting vote option when making a decision on the District Plan submissions.

Resolved: (His Worship the Mayor/Cr McGuire)

THAT the Strategy & Finance Committee recommends to Council that it approves the minor changes to the Terms of Reference for the District Plan Review Hearings Panel (Stage 1 and 2) as shown in Attachment 1 to the staff Report.

CARRIED on the voices

S&F1905/06

Cr Gibb resumed the Chair for the remainder of the meeting following the conclusion of Item 5.3.

Economic & Community Development – Resourcing Update
Agenda Item 5.4

The report was received [S&F1905/02 refers]. The Economic and Community Development Manager summarised the report.

Economic & Community Development Update
Agenda Item 5.5

The report was received [S&F1905/02 refers]. The Economic and Community Development Manager summarised the report.

Financial Review of Key Projects
Agenda Item 6.1

The report was received [S&F1905/02 refers]. The Chief Financial Officer summarised the report and discussion was held on the following items:

- Tuakau Cemetery – the crematorium consultation process.

ACTION: The Chief Financial Officer to investigate the crematorium consultation process and advise elected members.

- Budgets for the Library and Community Facility in Ngaruawahia.

Summary of Movements in Discretionary Funds
Agenda Item 6.2

The report was received [S&F1905/02 refers]. The Chief Financial Officer summarised the report.

Treasury Risk Management Policy – Compliance Report at 31 March 2019
Agenda Item 6.3

The report was received [S&F1905/02 refers]. The Chief Financial Officer summarised the report and advised that the “fixed to floating interest rate controls” breach was for the final quarter of the 2018/19 financial year only.

Resolved: (Crs Church/Sedgwick)

THAT Council notes the non-compliance with the Treasury Risk Management Policy for fixed/floating interest rate control for the fourth quarter of the 2018/19 financial year.

CARRIED on the voices

S&F1905/07

2019 Third Quarter Non-Financial Performance Report
Agenda Item 6.4

The report was received [*S&F1905/02 refers*]. The Business Analyst took the report as read.

His Worship the Mayor withdrew from the meeting at 10.24am during discussion on the above item.

Development Contribution Levies for 2019/20
Agenda Item 6.5

The report was received [*S&F1905/02 refers*]. The Chief Financial Officer summarised the report and discussion was held on the following:

- Legislation changes had recently been passed on development contribution levies. Staff would undertake work for the Council to meet legislative requirements.

Resolved: (Crs Thomson/McInally)

THAT the Strategy & Finance Committee recommends to Council that Appendix I of the Development Contributions Policy be updated for 2019/20 to capture producer price index movements over the past financial year.

CARRIED on the voices

S&F1905/08

His Worship the Mayor re-entered from the meeting at 10.27am during discussion on the above item and was present when voting took place.

The meeting adjourned at 10.29am and resumed at 10.56am.

Waikato Quarries Limited – Exemption from being classified as Council Controlled Organisation
Agenda Item 6.6

The report was received [*S&F1905/02 refers*]. The Chief Financial Officer summarised the report and advised the Committee that the change to the Committee's previous resolution was to satisfy the Office of the Auditor-General.

Resolved: (His Worship the Mayor/Cr Fulton)

THAT the following Committee resolution (S&F1611/14) be altered, in part, from:

AND THAT pursuant to section 7(3) of the Local Government Act 2002 ("LGA") Waikato District Council exempt Strada Corporation Limited ("Strada") from being classified as a council controlled organisation, for the purposes of section 6(4) of the LGA;

AND FURTHER THAT on reaching its decision, the Council has taken the following matters into account:

- a. Strada has ceased trading and is therefore no longer a council controlled trading organisation;*
- b. Strada has realised almost all its assets and is in the process of returning its capital to Council;*
- c. There is a cost benefit to Strada and Council not having to comply with the statement of intent and monitoring provisions set out in Part 5 of the LGA;*
- d. When the asset realisation process is completed Strada will have no further activities to undertake. Its only asset will be a balance of \$625,000.00, receivable from Waikato Quarries Limited. Strada will have no liabilities other than contingent liabilities as guarantor under the Quarry Sale Agreement between Waikato Quarries Limited and Fulton Hogan Limited.*

to read:

AND THAT Pursuant to section 7(3) of the Local Government Act 2002 Waikato District Council exempt both Strada Corporation Limited and its subsidiary Waikato Quarries Limited from being classified as council controlled organisations, for the purposes of section 6(4) of the LGA;

AND FURTHER THAT on reaching its decision, the Council has taken the following matters into account:

- a. Strada Corporation Limited and Waikato Quarries Limited have ceased trading and are therefore no longer council controlled trading organisations;**
- b. The companies have realised almost all assets and are in the process of returning capital to Council;**
- c. There is a cost benefit to not having to comply with the provisions set out in Part 5 of the LGA;**

- d. When the asset realisation process is completed the companies will have no further activities to undertake. Strada Corporation Limited's only asset will be a balance of \$625,000 receivable from Waikato Quarries Limited. Strada Corporation Limited will have no liabilities other than contingent liabilities as guarantor under the Quarry Sale Agreement between Waikato Quarries Limited and Fulton Hogan Limited.

CARRIED on the voices

S&F1905/09

Civic Financial Services Limited Annual General Meeting
Agenda Item 6.7

The report was received [*S&F1905/02 refers*] and the Chief Financial Officer summarised the report.

Resolved: (Crs Smith/McGuire)

THAT the Strategy & Finance Committee recommend that Council support the reduction of directors on the Civic Financial Services Limited's Board from six to five as proposed in the special resolution below:

Special Resolution to Reduce the Maximum Number of Directors of the Board:

That the Company reduce the maximum number of directors from six to five pursuant to clause 15.1.2 of the Company's constitution, with effect from 1 July 2019.

CARRIED on the voices

S&F1905/10

Replacement of Raglan Museum Air-Conditioning Units
Agenda Item 7.1

The report was received [*S&F1905/02 refers*]. The Facilities Management Officer summarised the report.

Resolved: (Cr Lynch/His Worship the Mayor)

THAT the Strategy & Finance Committee recommends that Council approves:

- a. the funding to replace the three air-conditioning units at the Raglan i-SITE and Museum with the added protection of a salt resisting coating, at an estimated cost of \$10,000 plus GST (Option 2 in the staff report); and

- b. that the replacement costs be funded from the Properties Replacement Reserve.

CARRIED on the voices

S&F1905/11

EXCLUSION OF THE PUBLIC

Agenda Item 8

Resolved: (Crs McGuire/Henderson)

THAT the public be excluded from the whole or part of the meeting to enable Council to deliberate and make decisions on the following items of business:

Confirmation of Minutes dated Wednesday 27 March 2019.

REPORTS

a. Raglan – i-SITE Update

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

| | |
|---|---|
| Reason for passing this resolution to withhold exists under: | Ground(s) under section 48(1) for the passing of this resolution is: |
|---|---|

Section 7(2)(f)(i), (ii)

Section 48(1)(3)(d)

b. Water Rates and Penalties Write-off: Hakarimata Road, Ngaruawahia

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

| | |
|---|---|
| Reason for passing this resolution to withhold exists under: | Ground(s) under section 48(1) for the passing of this resolution is: |
|---|---|

Section 7(2)(a)

Section 48(1)(3)(a)(i)

c. Debt Write-offs for Resource Consents

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: Ground(s) under section 48(1) for the passing of this resolution is:

Section 7(2)(a)

Section 48(1)(3)(a)(i)

d. Waikato District Council/Hamilton City Council Governance Meetings

This resolution is made in reliance on section 48(1)(a) and 48(2)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part(s) of the proceedings of the meeting in public are as follows:

Reason for passing this resolution to withhold exists under: Ground(s) under section 48(1) for the passing of this resolution is:

Section 7(2)(i), (j)

Section 48(1)(3)(d)

CARRIED on the voices

S&F1905/12

Resolutions S&F1905/13 – S&F1905/15 are contained in the public excluded section of these minutes.

There being no further business the meeting was declared closed at 11.47am.

Minutes approved and confirmed this day of 2019.

JM Gibb
CHAIRPERSON