

Western Bay of Plenty District Council

**Minutes of Meeting No. C23 of Council
held on 07 February 2019 in the Council Chamber, Barks Corner, Tauranga
commencing at 9.30am**

Present

His Worship the Mayor G J Webber (Chairperson), Councillors G Dally, M Dean, M Lally, P Mackay, K Marsh, M Murray-Benge, J Palmer, J Scrimgeour, D Thwaites and M Williams

In Attendance

M Taris (Chief Executive Officer), G Allis (Deputy Chief Executive), K Perumal (Chief Financial Officer), R Davie (Group Manager Policy, Planning and Regulatory Services), G Payne (Strategic Advisor), S Stewart (Policy Analyst), E Watton (Policy and Planning Manager), K Elder (Governance Manager), D Jensen (Senior Financial Planner), L Balneaves (Executive Assistant Finance and Technology Services) and A Alty (Democracy Advisor)

Community Boards

P Miller (Chairperson, Te Puke Community Board)

Others

D Riley and J Dugmore

Apologies

An apology for absence was received from Councillor Marshall and an apology for lateness was received for Councillor Dally.

Resolved: Murray-Benge / Scrimgeour

THAT the apology for absence from Councillor Marshall and the apology for lateness from Councillor Dally be accepted.

Public Forum

Resolved: Mayor / Mackay

THAT the meeting adjourn for the purpose of holding a public forum.

Amendment to the Terms and Conditions for the Supply of Water – December 2019

David Riley introduced himself to Council and spoke of his concerns that he had set out in his email sent to all Councillors and the Chief Executive Officer on 25 January 2019.

Mr Riley stated that in his opinion the change to the terms and conditions involved the withdrawal of the offer of mains pressure supply for new rural connections to be replaced by low pressure trickle feed that would require rural customers to spend thousands of dollars on tanks and pumps and testable backflow prevention devices.

Mr Riley did not agree with the reply to his correspondence from the Chief Executive Officer who advised that the change did not constitute a change in service. He noted that long term rural residents often had water supply problems and the need for uninterrupted power to facilitate pumped supply was paramount.

He asked that if it was the case that in fact very few new rural connections were being made – why make changes to the terms and conditions for supply at all.

Mr Riley congratulated Council on their investment in underground water sources that provided clean water and residential water metering that would reduce water waste throughout the Western Bay.

9.37am Councillor Dally entered the meeting

Mr Riley would like to see the changes to water supply terms and conditions adopted by Council in December 2018 reversed now before they came into effect.

Resolved: Mayor Webber / Palmer

That the meeting be reconvened in public forum at 9.39 am

C23.1 Minutes of Council and Committee Meetings for Confirmation

Council considered minutes of the meetings of the Council and its Standing Committees as circulated separately with this agenda.

Resolved: Murray-Benge / Williams

THAT the minutes of the following meetings as circulated separately with the agenda are confirmed and are a true and correct record:

1. *Minute no. C22 of the Western Bay of Plenty District Council held on 13 December 2018*

2. *Minute no. PP17 of the Policy Committee held on 13 December 2018*

C23.2 **Minutes for Receipt**

Council considered minutes as circulated separately with this agenda.

Resolved: Dean / Mackay

THAT the minutes of the following meetings as circulated separately with the agenda be received:

3. *Minute no. PF7 of the Maori Partnership Forum held on 17 December 2018*

C23.3 **Information for Receipt**

Council considered the information included in the Minute Index and Information Pack dated 07 February 2019 as circulated separately with the agenda.

Resolved: Murray-Benge / Scrimgeour

THAT the information items included in the Minute Index and Information Pack dated 7 February 2019 as circulated separately with the agenda be received.

C23.4 **Chief Executive Officer's Report to Council - January 2019**

Council considered a report from the Chief Executive Officer dated 23 January 2019 as circulated with the agenda.

The Chief Financial Officer introduced Lisa Balneaves the newly appointed Executive Assistant Finance and Technology Services in the finance team. The Chief Financial Officer spoke to the following points in the Exception Briefing Report to February 2019 noting the following items:

Key Financial Performance Indicators for the six months ended 31 December 2018

Council's net debt balance was \$82.62m at the end of the reporting period which represented a \$15.65m reduction from the June 2018 balance of \$98.27m.

Interest Rate Swaps

Council was in compliance with all of its key financial ratios for the quarter. Council had 70% of total debt fixed interest rate swaps to the value of \$155.5m which was within the policy range of 50-95% coverage.

Operating Income

The total income for the six months ended 31 December 2018 was \$56.93m against a year-to-date budget of \$47.60m. The higher income was due to favourable variances from the timing of receipt of financial contributions, subsidy income and other incomings against budget.

Operating Expenditure

Total expenditure of \$43.81m was \$955k higher than year-to-date budget of \$42.84m due higher levels of service, depreciation and operating costs, offset by lower interest costs.

Capital Expenditure

Capital expenditure of \$13.32m for the period was \$323k higher than year-to-date budget with the expenditure variance due to higher than budgeted spend in the corporate services activity, offset by underspends in the transportation and communities activities.

Financial Contributions

Financial contributions received to date were \$5.13m higher than the year-to-date budget of \$4.39m and currently at 108% of full year budget.

It was noted that the market was volatile and likely that currently level of activity in the district would not be sustained.

Information within the Chief Executive Officers Report

It was requested that the Chief Executive Officers Report be presented as an Exception Report and include more information in the open section of the meeting agenda.

Resolved: Mackay / Williams

THAT the Chief Executive Officer's report dated 23 January 2019 and titled "Chief Executive Officers Report" be received.

C23.5

Mayor's Report to Council - January 2019

Council considered a report from His Worship the Mayor dated 23 January 2019 as circulated with the agenda.

Submission to LGNZ Localism Project

Mayor Webber reported to Council that there was a lot of time and effort committed to providing responses to requests from Central Government.

The Chief Executive Officer advised that staff worked closely with Local Government New Zealand (LGNZ) and SOLGM (where appropriate) to ensure required responses provided as much background information as possible relevant to the requests.

It was extremely important that the voice of Western Bay District Council was being heard, as Council had different views on some issues.

Update NZTA

Mayor Webber advised that on Friday 8 February 2019 there would be a meeting to discuss regional transport and future roading options. The Minister of Transport and executive staff from the New Zealand Transport Agency would be in attendance and Council would take the opportunity to discuss the current and future regional roading structure proposals for the Western Bay district.

Resolved: Mayor / Scrimgeour

THAT the Mayor's Report to Council for January 2019 be received.

Local Government Official Information and Meetings Act**Exclusion of the Public****Schedule 2A**

Resolved: Williams / Murray-Benge

THAT the public be excluded from the following part of this meeting namely:

- *In Confidence Council and Committee minutes for Confirmation.*
- *In Confidence Minute Index and Information Pack*
- *In Confidence Chief Executive Officer's Report – 23 January 2019*

The general subject to 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:

<i>General subject of each matter to be considered</i>	<i>Reason for passing this resolution in relation to each matter</i>	<i>Ground(s) under Section 48(1) for the passing of this resolution</i>
<i>In Confidence Council and Committee minutes for Confirmation</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>For reasons previously stated on the relevant minutes.</i>
<i>In Confidence Minute Index and Information Pack</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>For reasons previously stated on the relevant minutes.</i>

<i>General subject of each matter to be considered</i>	<i>Reason for passing this resolution in relation to each matter</i>	<i>Ground(s) under Section 48(1) for the passing of this resolution</i>
<p><i>In Confidence Chief Executive Officer's Report – January 2019</i></p>	<p><i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i></p>	<p><i>To enable the Council to carry out commercial activity without prejudice or disadvantage.</i></p> <p><i>To enable the Council to carry to carry out negotiations (including commercial and industrial) without prejudice or disadvantage.</i></p> <p><i>Protect the privacy of natural persons, including that of deceased natural persons.</i></p>