

Western Bay of Plenty District Council

**Minutes of Meeting No.C24 of Council
held on 7 March 2019 in the Council Chamber, Barkes Corner, Tauranga
commencing at 9.30am**

Present

His Worship the Mayor G J Webber (Chairperson), Councillors G Dally, M Dean, M Lally, P Mackay, D Marshall, J Palmer, J Scrimgeour and D Thwaites

In Attendance

M Taris (Chief Executive Officer), G Allis (Deputy Chief Executive), J Pedersen (Group Manager People and Customer Services), K Perumal (Group Manager Finance and Technology Services), R Davie (Group Manager Policy, Planning and Regulatory Services), B Williams (Strategic Property Manager), D Jensen (Senior Financial Planner), K Elder (Governance Manager), R Woodward (Communications Advisor) and A Alty (Democracy Advisor)

Community Boards

M Grainger (Chairperson, Omokoroa Community Board), P Miller (Chairperson, Te Puke Community Board) and A Sole, (Chairperson, Waihi Beach Community Board)

Apologies

An apology for absence was received from Councillor Williams and apologies for lateness were received from Councillor Lally and Councillor Murray-Benge. It was noted that Councillor Marsh was on leave of absence.

Resolved: Mackay/ Scrimgeour

THAT an apology for absence from Councillor Williams be accepted and the apologies for lateness from Councillor Lally and Councillor Murray-Benge be accepted.

At the beginning of the meeting the Chief Executive Officer introduced Jan Pedersen who had recently been appointed as the Group Manager People and Customer Services.

Additional Items / Late Items Pack

The Mayor advised that there were three LATE ITEMS for the Council to consider for inclusion in the open section of the agenda, being:

- (1) Recommendatory report from Omokoroa Community Board – Request for CCTV**
- (2) Sapphire Springs Reserve – Geotechnical Investigation Funding**
- (3) Recommendatory Report from the Operations and Monitoring Committee relating to the Sale of Land – Housing Affordability Forum**

The reason these items were not included on the agenda was because they came to hand after the Council agenda had been distributed.

Resolved: Thwaites / Dean

- (a) THAT in accordance with Section 46A (7) of the Local Government Official Information and Meetings Act the following items be considered as late items of open business:*
 - (i) Recommendatory Report from Omokoroa Community Board – Request for CCTV*
 - (ii) Sapphire Springs Reserve Geotechnical Investigation Funding – Report from the Reserves and Facilities Manager*
 - (iii) Sale of Lane – Housing Affordability Forum – Recommendatory Report from the Operations and Monitoring Committee*
- (b) The reason why the items were not included in the agenda was because they came to hand after the Council agenda had been distributed.*
- (c) The reason why discussion on the above reports cannot be delayed are:*
 - (i) Omokoroa Community Board Request for CCTV - The item is to be presented to the next Omokoroa Community Board meeting on 26 March 2019, for which the agenda is currently being finalised.*
 - (ii) Sapphire Springs Reserve – A decision on funding is required to enable Council to progress Stage 2 of the geotechnical Investigation for a new cemetery/urupa without further delay.*
 - (iii) Sale of Land Housing Affordability – The Operations and Monitoring Committee have requested staff meet with the Housing Affordability Forum to discuss the developer options, funding and ownership structures and seek to reach agreement on an approach that meets the complimentary objectives of both the pilot project and Council's Housing Action Plan as soon as practicable.*

C24.1

Receipt of Community Board Minutes

Council considered minutes of the meetings of the Community Boards as circulated separately with this agenda.

Resolved: Mackay / Dally

THAT the minutes of the following meetings be received:

1. *Minute no. WB18 of the Waihi Beach Community Board held on 11 February 2019*
2. *Minute no. OM18 of the Omokoroa Community Board held on 12 February 2019*
3. *Minute no. K18 of the Katikati Community Board held on 13 February 2019*
4. *Minute no. MC18 of the Maketu Community Board held on 19 February 2019*
5. *Minute no. TP17 of the Te Puke Community Board held on 21 February 2019*

C24.2

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: Scrimgeour / Palmer

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

6. *Minute no. C23 of the Western Bay of Plenty District Council held on 7 February 2019*
7. *Minute no. CC15 of the Community Committee held on 14 February 2019*
8. *Minute no. PP18 of the Policy Committee held on 21 February 2019*
9. *Minute no. OP17 of the Operations and Monitoring Committee held on 28 February 2019*
10. *Minute no. RUR12 of the Rural Committee held on 28 February 2019*

C24.3

Minutes for Receipt

Council considered minutes as circulated separately with this agenda.

Resolved: Marshall / Dean

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

11. *Minute no. RH16 of the Regulatory Hearings Committee held on 27 February 2019*

12. Minute no. PF8 of the Māori Partnership Forum held on 19 February 2019

C24.4 **Information for Receipt**

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

Resolved: Mackay / Thwaites

THAT the information items included in the Minute Index and Information Pack dated 07 March 2019 as circulated separately with the agenda be received.

C24.5 **Recommendatory Report from the Omokoroa Community Board Meeting OM18, 12 February 2019 - Request for CCTV**

Council considered a report from the Democracy Advisor dated 12 February 2019 as circulated with the agenda.

Council advised that the Omokoroa Community Board needed to be fully informed of the current Council Policy on CCTV, initial set-up costs of a CCTV system and the ongoing monitoring and maintenance costs.

Resolved: Mackay / Palmer

THAT the item lie on the table at this time to enable the Omokoroa Community Board to give full consideration to initial set-up costs of a CCTV system and the ongoing long term monitoring and maintenance costs.

C24.6 **Application for Rates Remission on the Omokoroa Slip Affected Properties**

Council considered a report from the Team Leader Financial Services dated 14 February 2019 as circulated with the agenda.

Resolved: Palmer / Mackay

- 1. THAT the Team Leader Financial Services report dated 14 February 2019 and titled 'Application for Rates Remission on the Omokoroa Slip Affected Properties' be received.*
- 2. THAT the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.*
- 3. THAT Council approves the application on behalf of the property owners for full remission of annual rates for the 2018/2019 year on*

the valuation numbers, itemised in the report, being 06881 484 00, 06881 047 00, 06881 130 00, 0688 131 00 and 06881 539 00.

4. *THAT staff be directed to advise the applicants of Council's decision on the application for remission of annual rates for the 2018/2019 year.*

C24.7

Quarterly Review of Western Bay of Plenty District Council Risk Profile

Council considered a report from the Risk Specialist dated 7 March 2019 as circulated with the agenda.

Resolved: Mackay / Thwaites

1. *THAT the Risk Specialist's report dated 7 March 2019 and titled 'Quarterly Review of Western Bay of Plenty District Council Risk Profile' be received.*
2. *THAT the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.*

C24.8

BOPLASS Limited Half Yearly Report to Shareholders 2018 - 2019 and Draft Statement of Intent 2019 - 2022

Council considered a report from the Group Manager Finance and Technology Services dated 27 February 2019 as circulated with the agenda.

Resolved: Mayor Webber / Marshall

1. *THAT the Group Manager, Finance and Technology Services report dated 25 February 2019 and titled "BOPLASS Limited Half Yearly Report to Shareholders 2018-2019 and Draft Statement of Intent 2019-2022" be received.*
2. *THAT the BOPLASS Limited Half Yearly Report to Shareholders 2018-2019 and Draft Statement of Intent 2019-2022 relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.*
3. *THAT the BOPLASS Limited Half Yearly Report to Shareholders 2018-2019 be received.*
4. *THAT the BOPLASS Limited Draft Statement of Intent 2019-2022 be received.*

Chief Executive Officer's Exception Report to Council – February 2019

Council considered a report from the Chief Executive Officer dated 22 February 2019 as circulated with the agenda.

The Group Manager, Finance and Technology Services spoke to the Exception Briefing Report to March 2019 noting the following items:

Key Financial Performance Indicators for the seven months ended 31 January 2019

Council's net debt balance was \$87.05m at the end of the reporting period which represented a \$11.22m reduction from the June 2018 balance of \$98.27m.

Interest Rate Swaps

Total debt covered by interest rate swaps reduced from 70% in December 2018 to 66% at 31 January 2019 due to the maturity of legacy swaps. The level of coverage was within the required policy range of 50%-905%. The value of interest rate swaps at 31 January 2019 was \$150.5m.

Operating Income

The total income for the seven months ended 31 January 2019 was \$64.60m against a year-to-date budget of \$55.53m. The \$9.07m variance was largely due to favourable variances arising from the timing of receipt of financial contributions, subsidies and grants income and other income against budget. Actual revenue received for all categories of operating income was higher than year-to-date budget for the seven month period.

Operating Expenditure

Total expenditure of \$50.26m was \$351K higher than year-to-date budget of \$49.90m due to higher than budgeted additional level of service and depreciated and operating costs offset by lower interest costs. Overall operating income and expenditure levels indicated Council's financial performance was on track at the end of the reporting period.

Capital Expenditure

Capital expenditure of \$18.62m for the period was \$3.34m higher than year-to-date budget. The variance was attributed to higher than budget spend in corporate services activity, resulting from unbudgeted land purchases of 452 Omokoroa Road and 24 Middlebrook Drive Katikati.

Financial Contributions

Financial contributions income received to date of \$11.08m was \$5.96m higher than the year-to-date budget of \$5.13m and currently at 126% of full year budget.

Resolved: Scrimgeour / Mayor Webber

THAT the Chief Executive Officer's report dated 22 February 2019 and titled "Chief Executive Officers Report" be received.

C24.10 **Mayor's Report to Council - February 2019**

Council considered a report from His Worship the Mayor dated 22 February 2019 as circulated with the agenda.

C24.10.1 **Ministry of Housing - Insulation Regulations**

Mayor Webber advised that all Council rental properties met the insulation regulations that applied to residential rental property covered by the Residential Tenancies Act.

C24.10.2 **Rates Rebate Subsidy**

Mayor Webber advised that the Productivity Commission, with unanimous support from Local Government, was lobbying central government to change the current rate rebate threshold of [up to] \$630.00 per household to reflect the current average household income. The change may result in a rate rebate threshold increase [up to] \$918.00 reflecting an average household income of \$38,000.

C24.10.3 **Smartgrowth Briefing**

Mayor Webber advised that all Councils needed to be in agreement with the Housing Accord Forum initiative in order for it to proceed further.

C24.10.4 **Chief Executive Officer's Appraisal**

Mayor Webber advised that the extension to the Chief Executive Officer's contract from 1 July 2019 to 30 June 2021 needed to be confirmed.

Resolved: Mayor Webber / Dean

THAT Council confirm the extension of the Chief Executive Officer's contract from 30 June 2019 to 30 June 2021.

Councillor Lally abstained from voting on this item.

C24.10.5 **2019 Anzac Day Commemorations**

- 1. THAT Councillor(s) Marshall and Williams attend the Waihi Beach Anzac Day Service and lay a wreath not exceeding the value of \$200.00 on behalf of the Western Bay of Plenty District Council.*
- 2. THAT Councillor(s) Dally, Lally and Scrimgeour attend the Te Puke Anzac Day Service and lay a wreath not exceeding the value of \$200.00 on behalf of the Western Bay of Plenty District Council.*

3. *THAT Councillor(s) Scrimgeour and Dally attend the Maketu Anzac Day Service and lay a wreath not exceeding the value of \$200.00 on behalf of the Western Bay of Plenty District Council.*
4. *THAT Councillor(s) Mackay and Williams attend the Katikati Anzac Day Service and lay a wreath not exceeding the value of \$200.00 on behalf of the Western Bay of Plenty District Council.*
5. *THAT Councillor Palmer attend the Omokoroa Anzac Day Service and lay a wreath in conjunction with the Omokoroa Community Board on behalf of the Western Bay of Plenty District Council.*
6. *THAT Councillor Murray-Benge attend the Tauranga Anzac Day Service and lay a wreath not exceeding the value of \$200.00 on behalf of the Western Bay of Plenty District Council.*

Resolved: Mayor Webber / Dean

THAT the Mayor's report dated 22 February 2019 and titled Mayor's Report to Council –February 2019 be received.

C24.11

Sapphire Springs Reserve - Geotechnical Investigation Funding

Council considered a report from the Reserves and Facilities Manager dated 28 February 2019.

The Deputy Chief Executive Officer spoke to the report outlining that Council had signalled its intention to investigate Sapphire Springs Reserve as a cemetery/urupa in the recently adopted Katikati Waihi Beach Ward Reserve Management Plan. As part of due diligence, a geotechnical investigation of the land was required to ensure that the site had the physical attributes required for a cemetery/urupa. The initial basic feasibility study had been completed and Council had received an offer of Service from a Geotechnical Consultant to undertake the Stage 2 investigation for which funding approval was required.

Resolved: Marshall / Mackay

1. *THAT the Reserves and Facilities Manager's report dated 1 March 2019 and titled "Sapphire Springs Reserve – Geotechnical Investigation Funding" be received.*
2. *THAT the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.*
3. *THAT \$25,000 be allocated from the General Rate Reserve account for Stage 2 of the Sapphire Springs Reserve Geotechnical Investigation.*

C24.12

Recommendatory Report from the Operations and Monitoring Committee - Sale of Land - Housing Affordability Forum

Council considered a report from the Democracy Advisor dated 28 February 2019.

Resolved: Mackay / Palmer

1. *THAT Council adopt the recommendation that land within the Special Housing Area, designated for use by the Housing Affordability Forum, be offered for sale to the approved developer for \$1,100,000 generally on the following conditions:*
 - *Price fixed until 31 March 2020*
 - *Development plan, funding and ownership structure to be approved by Council by 1 November 2019*
 - *Subdivision consent (if required) to be approved by 31 March 2020*
 - *Building consent to be lodged by 30 June 2020*
 - *Payment for land 30 June 2020*
 - *All development investment at purchasers' risk*
 - *Buy back clause at cost if building does not proceed.*
2. *THAT staff meet with the Housing Affordability Forum to discuss the developer options, funding and ownership structures and seek to reach agreement on an approach that meets the complimentary objectives of both the pilot project and Council's Housing Action Plan.*
3. *THAT the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.*

Additional Items/ Late Items Pack (In Confidence Item)

The Mayor advised that there was an additional item for the Council to consider for inclusion in the closed section of the agenda, being:

Recommendation from the Operations and Monitoring Committee relating to Land Exchange – 75 Kayelene Place Omokoroa

The reason why the item was not on the agenda was because it was considered at the Operations and Monitoring Committee Meeting held on 28 February 2019 and the information from that meeting came to hand after the Council agenda had been distributed.

Resolved: Thwaites / Dean

- (a) *THAT in accordance with Section 46A (7) of the Local Government Official Information and Meetings Act the following item be considered as a late item of closed business:*

- **Recommendation from the Operations and Monitoring Committee – Land Exchange 75 Kayelene Place Omokoroa**

- (b) *The reason why the item was not on the agenda was because it was considered at the Operations and Monitoring Committee Meeting held on 28 February 2019 and the information from that meeting came to hand after the Council agenda had been distributed.*
- (c) *The reason why discussion cannot be delayed is that staff were currently in negotiation with landowners in relation to respective Memorandum of Agreement and Land Exchange Agreement for the proposed land exchange and sale relating to 75 Kayelene Place Omokoroa.*

Local Government Official Information and Meetings Act

Exclusion of the Public

Schedule 2A

Resolved: Marshall / Scrimgeour

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 No.2 Road Church Hall*
- *In Confidence Statute Barred Rates*
- *In Confidence Chief Executive Officer's Exception Report – February 2019*
- *Recommendation from Operations and Monitoring Committee – Land Exchange 75 Kayelene Place Omokoroa*

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>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 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>To enable the Council to carry on without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) Protect the privacy of natural persons, including that of deceased natural persons. Maintain legal professional privilege.</i>
<i>In Confidence No 2 Road Charitable Trust Board</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>Protect the privacy of natural persons, including that of deceased natural persons.</i>
<i>In Confidence Statute Barred Rates</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>Protect the privacy of natural persons, including that of deceased natural persons.</i>
<i>In Confidence Chief Executive Officer's Exception Report – February 2019</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>To enable the Council to carry on without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) Protect the privacy of natural persons, including that of deceased natural persons.</i>
<i>Recommendation from the Operations and Monitoring Committee – OP17 - Land Exchange 75 Kayelene Place Omokoroa</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>To enable the Council to carry on without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</i>

Item Transferred from the In Confidence Section

C24.16

Statute Barred Rates

Resolved: Scrimgeour / Marshall

- 1. THAT the Team Leader Financial Service's report dated 07 February 2019 and titled 'Statute Barred Rates' be received.*

2. *THAT the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.*
3. *THAT the amount of \$373,433.17 be approved for write-off as legal recovery action is prohibited under s65 of the Local Government (Rating) Act 2002.*
2. *THAT the report entitled 'Statute Barred Rates' remain in confidence and that the resolutions 1 – 4 be transferred into the open section at the conclusion of the meeting.*