

**MINUTES OF CENTRAL HAWKES BAY DISTRICT COUNCIL  
FINANCE AND INFRASTRUCTURE COMMITTEE MEETING  
HELD AT THE COUNCIL CHAMBER, 28-32 RUATANIWHA STREET, WAIPAWA  
ON THURSDAY, 27 FEBRUARY 2020 AT 09:00 AM**

**PRESENT:** Brent Muggeridge (Chair)  
Alex Walker (Mayor)  
Kelly Annand (Deputy Mayor)  
Gerard Minehan (Councillor)  
Roger Maaka (Dr.)  
Jerry Greer (Councillor)  
Kate Taylor (Councillor)  
Exham Wichman (Councillor)

**IN ATTENDANCE:** Monique Davidson (CEO)  
Bridget Gibson (Governance Support Officer)  
Doug Tate (Group Manager, Customer and Community Partnerships)  
Peter Eastwood (Asset Strategy and Information Manager)  
Joshua Lloyd (Group Manager, Community Infrastructure and Development)  
Gina McGrath (Strategy and Governance Manager)

## 1 APOLOGIES

### APOLOGY

#### COMMITTEE RESOLUTION

Moved: Cr Brent Muggeridge

Seconded: Cr Kate Taylor

That the apologies for absence from Cr Aitken and Cr Chote be accepted.

**CARRIED**

## 2 DECLARATIONS OF CONFLICTS OF INTEREST

Cr Brent Muggeridge declared a non-pecuniary conflict of interest in relation to item 5.2— Kairakau Water Upgrade Funding, due to owning a property in the Kairakau area and also as the Treasurer of the Kairakau Development Society.

Councillor Muggeridge would participate in discussion and abstain from voting.

### 3 STANDING ORDERS

#### COMMITTEE RESOLUTION

Moved: Mayor Alex Walker  
Seconded: Cr Gerard Minehan

THAT the following standing orders are suspended for the duration of the Meeting:

- 21.2 Time limits on speakers
- 21.5 Members may speak only once
- 21.6 Limits on number of speakers

And that Option C under section 22 General procedures for speaking and moving motions be used for the meeting.

Standing orders are recommended to be suspended to enable members to engage in discussion in a free and frank manner.

**.CARRIED**

### 4 CONFIRMATION OF MINUTES

Nil. Today's Committee meeting is the inaugural meeting of the Finance and Infrastructure Committee.

### 5 REPORT SECTION

#### 5.1 FINANCE AND INFRASTRUCTURE COMMITTEE MONITORING REPORT

##### PURPOSE

The purpose of this report is for the Finance and Infrastructure Committee to receive a report on the progress of key committee priorities.

#### COMMITTEE RESOLUTION

Moved: Cr Gerard Minehan  
Seconded: Deputy Mayor Kelly Annand

**That, having considered all matters raised in the report, the report be noted.**

**CARRIED**

## 5.2 KAIRAKAU WATER UPGRADE FUNDING

### PURPOSE

The matter for consideration by the Committee is to approve that funding for the upgrade of the Kairakau water system is brought forward to this financial year.

### COMMITTEE RESOLUTION

Moved: Mayor Alex Walker

Seconded: Cr Jerry Greer

**That having considered all matters raised in the report:**

**That the Finance and Infrastructure Committee approves option one to bring forward the funding of \$549,218.00 for the Kairakau water upgrade from fy21/22 to fy19/20 for addressing the matter.**

**CARRIED**

Councillors and Officers discussed the criteria involved in applying for funding from the Tourism and Infrastructure Fund.

Councillors and Officers discussed usage of existing water storage tanks at Kairakau and Officers pointed out they are small, supplementary tanks that cannot meet demand. Furthermore, there are safety risks in combining council water supply with rainwater tanks, concluding that it is preferable not to combine the two for health and safety reasons.

Officers discussed the difficulties involved with installing suitably sized tanks on properties not owned by Council and the logistical and operational challenges this could produce. However, various options would be explored once funding was secured.

Officers outlined the reasons for wanting to bring the funding forward and what they would be asking for from the Tourism fund.

Councillors asked what percentage of the \$549,218.00 would be dedicated to option analysis. Officers determined that approximately 10% may be used for option analysis operations to ensure a fit-for-purpose outcome.

Councillors enquired of the potential complications the new Government drinking standards may present on release. Officers determined that the new standards would influence decision making and operational outcomes.

Councillors asked what future role do you see of governance, at the table, in regards to being included in option analysis and decision making going forward in terms of levels of service and decisions.

It was outlined that Officers recognise there is a potential appetite for discussions around service levels. Options analysis is what the requested funds would be targeted at, and regulatory and compliance risk will be assessed in the option analysis along with water treatment options.

Mayor Walker proposed the following motion —seconded by Councillor Greer:

**MOTION**

Moved: Mayor Alex Walker  
Seconded: Cr Jerry Greer

**That the findings of the options analysis, including consideration of other service delivery options, are brought to the Finance and Infrastructure Committee prior to any construction and procurement work commencing.**

**CARRIED**

Chair Mr Muggeridge abstained from voting as per non-pecuniary conflict of interest declared.

**5.3 DRAFT ANNUAL PLAN 2020/2021****PURPOSE**

The matter for consideration by the Committee is to endorse and provide feedback on the direction proposed for the Draft Annual Plan 2020/2021.

**COMMITTEE RESOLUTION**

Moved: Cr Gerard Minehan  
Seconded: Deputy Mayor Kelly Annand

**That having considered all matters raised in the report:**

- a) **That the Draft Annual Plan 2020/2021 report be received.**
- b) **That the Finance and Infrastructure Committee endorse the direction of the draft Annual Plan.**
- c) **That Finance and Infrastructure Committee requests officers between now and April 2020 (when the Annual Plan will be adopted) to continue to refine the Plan for any assumptions that change due to circumstances between now and then.**
- d) **That officers ensure that the Annual Plan meets Council's prudential benchmark for a rates increase below 5.2%**

**CARRIED**

Councillors requested that the benchmarks of the 5.12% rating impact slides with corresponding explanation be provided for Councillors' perusal.

Deputy Mayor Annand spoke to the motion acknowledging that raising rates has an impact on citizens and that this impact is taken into account by Councillors and Council staff alike in decision making in this area.

*10:35 – The Committee adjourned for morning tea.*

*The meeting resumed at 10:58am.*

## 5.4 FEES AND CHARGES 2020/21

### PURPOSE

The matter for consideration by the Committee is the adoption of the Fees and Charges for 2020/21.

### COMMITTEE RESOLUTION

Moved: Cr Gerard Minehan

Seconded: Mayor Alex Walker

**That having considered all matters raised in the report:**

- 1. That the Finance and Infrastructure Committee adopts the Fees and Charges for the financial year dated 2020/21 as set out in Attachment 1.**
- 2. That Council give notice pursuant to Section 103 of the Local Government Act 2002 of its intention to prescribe the fees payable for the period 1 July 2020 to 30 June 2021 in respect of certificates, authorities, approvals, consents, and services given or inspections made by the Council under the Local Government Act 2002, the Building Act 2004, the Building (Infringement Offences, Fees, and Forms) Regulations 2007, the Amusement Devices Regulations 1978, the Resource Management Act 1991, Health (Registration of Premises) Regulations 1966, Sale and Supply of Alcohol (Fees) Regulations 2013, the Gambling Act 2003, the Burial and Cremation Act 1964, and the Central Hawke's Bay District Council Bylaws as set out in the Fees and Charges Schedule 2020/21.**

**CARRIED**

Mayor Walker spoke to the motion stating that external stakeholders are affected by this schedule and that early adoption of the Fees and Charges Schedule in 2020 gives staff the opportunity to inform external stakeholders of any changes in the schedule before fees and charges are implemented on July 1<sup>st</sup> 2020.

## 5.5 HALF YEAR FINANCIAL REPORTING TO DECEMBER 2019

### PURPOSE

The purpose of this report is to provide the Committee with a summary of Council's financial performance and highlight the key financials for the first half of 2019/20 financial year.

### COMMITTEE RESOLUTION

Moved: Cr Exham Wichman

Seconded: Cr Jerry Greer

**That, having considered all matters raised in the report, the report on Council's second quarter financial performance for the 2019/20 financial year be noted.**

**CARRIED**

Mr Chamberlain presented a new recommended approach to the quality of financial report provided to Elected Members. Mr Chamberlain went through this report in some detail given it was the first time that Council was receiving some of this information. Council agreed that the information was presented in a way which was helpful, and commented on the quality of the report.

Councillors requested a presentation/workshop on the Local Government Funding Agency.

## 5.6 ADOPTION OF ASSET MANAGEMENT POLICY

### PURPOSE

The matter for consideration by the Committee is the adoption of Council's Asset Management Policy.

### RECOMMENDATION FOR CONSIDERATION

**That having considered all matters raised in the report, the Committee adopts the attached Asset Management Policy.**

Mr Lloyd and Mr Eastwood (Asset Strategy and Information Manager) presented the report.

Council highlighted that the policy as currently proposed did not provide sufficient information regarding the strategic context of the policy. This led to discussion on the agreed need for a review of the current governance policy framework which the Chief Executive advised was in the work programme and hoped to be completed before the end of the year.

Mayor Walker proposed and moved the following motion, seconded by Councillor Minehan.

### MOTION

#### COMMITTEE RESOLUTION

Moved: Mayor Alex Walker

Seconded: Cr Gerard Minehan

**That Council endorse the Asset Management Principles outlined in the draft asset management policy and that Officers continue further work on the policy and report back to the Committee..**

**CARRIED**

## 5.7 KEY PROJECT STATUS REPORT - BIG WATER STORY #6

The purpose of this report is to present to the Finance and Infrastructure Committee the key status project report for #thebigwaterstory.

### COMMITTEE RESOLUTION

Moved: Deputy Mayor Kelly Annand

Seconded: Cr Exham Wichman

- 1. That, having considered all matters raised in the report, the report be noted.**
- 2. That the next Big Water Story report be presented in 12 weeks at the 18<sup>th</sup> June 2020 - Finance and Infrastructure Committee meeting.**

**CARRIED**

The possibility of an odour problem in regards to the 'floating wetlands' (see Agenda page 85) was discussed and whether the public would be notified of any odour issues. Officers confirmed that there is a possibility of odour and that the risk is being mitigated and that issues of odour are minimal.

Councillor Greer queried whether there is the capacity to fill another reservoir from existing bore fields. Officers explained there is evidence of some potential and the option is being explored.

## 5.8 ELECTED MEMBERS EXPENSES FOR JULY TO DECEMBER 2019

### PURPOSE

The purpose of this report is to update the Committee on the Elected Members' Expenses for the six month period of July to December 2019.

### COMMITTEE RESOLUTION

Moved: Deputy Mayor Kelly Annand

Seconded: Cr Jerry Greer

**That, having considered all matters raised in the report, the Elected Members Expenses for July to December 2019 report be noted.**

**CARRIED**

### RESOLUTION TO EXCLUDE THE PUBLIC

### COMMITTEE RESOLUTION

Moved: Cr Gerard Minehan

Seconded: Cr Kate Taylor

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter 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 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 for the passing of this resolution
<b>6.1 - Animal Control - Pound Update</b>	<p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and</p>	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

	industrial negotiations)	
<b>CARRIED</b>		

**COMMITTEE RESOLUTION**  
 Moved: Cr Brent Muggeridge  
 Seconded: Cr Jerry Greer  
**That Council moves out of Closed Council into Open Council.**

**CARRIED**

**6 DATE OF NEXT MEETING**

**COMMITTEE RESOLUTION**  
 Moved: Cr Brent Muggeridge  
 Seconded: Mayor Alex Walker  
**That the next Meeting of the Central Hawke's Bay District Finance and Infrastructure Committee be held on 23 April 2020.**

**CARRIED**

**7 TIME OF CLOSURE**

**The meeting closed at 12:57.**

**The minutes of this meeting were confirmed at the Finance and Infrastructure Committee Meeting held on 23 April 2020.**

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**CHAIRPERSON**