

**MINUTES OF CENTRAL HAWKES BAY DISTRICT COUNCIL  
FINANCE AND INFRASTRUCTURE COMMITTEE MEETING  
HELD AT THE COUNCIL CHAMBER, 28-32 RUATANIWHA STREET, WAIPAWA  
ON THURSDAY, 18 JUNE 2020 AT 09:00 AM  
STREAMED LIVE ONLINE VIA ZOOM**

**PRESENT:** Cr Brent Muggeridge (Chair)  
Mayor Alex Walker  
Deputy Mayor Kelly Annand  
Cr Tim Aitken  
Cr Gerard Minehan  
Kaiārahi Matua Roger Maaka  
Cr Jerry Greer (attended via audiovisual link)  
Cr Kate Taylor

**IN ATTENDANCE:** Monique Davidson (Chief Executive Officer)  
Joshua Lloyd (Group Manager, Community Infrastructure and Development)  
Doug Tate (Group Manager, Customer and Community Partnerships)  
Brent Chamberlain (Chief Financial Officer)  
Darren De Klerk (3 Waters Programme Manager)  
Bridget Gibson (Governance Support Officer)

**1 APOLOGIES**

**APOLOGY**

**COMMITTEE RESOLUTION**

Moved: Mayor Alex Walker  
Seconded: Cr Brent Muggeridge

That the apologies for absence from Cr Tim Chote and Cr Exham Wichman be accepted.

**CARRIED**

**2 DECLARATIONS OF CONFLICTS OF INTEREST**

Councillor Brent Muggeridge declared a non-pecuniary conflict of interest in relation to item 5.5 Kairakau Water Upgrade - Options Report. Councillor Muggeridge would abstain from voting on the matter.

### 3 STANDING ORDERS

#### COMMITTEE RESOLUTION

Moved: Deputy Mayor Kelly Annand

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

#### COMMITTEE RESOLUTION

Moved: Mayor Alex Walker

Seconded: Cr Kate Taylor

That the minutes of the Finance and Infrastructure Committee Meeting held on 23 April 2020 as circulated, be confirmed as true and correct.

**CARRIED**

Amend the minutes to include the Chief Executive as in attendance, and record the meeting was held via audio-visual link rather than in Chambers.

### 5 REPORT SECTION

#### 5.1 FINANCE AND INFRASTRUCTURE COMMITTEE MONITORING REPORT

##### PURPOSE

The purpose of this report is to present to the Finance and Infrastructure Committee an update on key 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 RESOLUTION MONITORING REPORT

### PURPOSE

The purpose of this report is to present to the Committee the Finance and Infrastructure Committee Resolution Monitoring Report. This report seeks to ensure the Committee has visibility over work that is progressing, following resolutions from Council.

### COMMITTEE RESOLUTION

Moved: Mayor Alex Walker

Seconded: Deputy Mayor Kelly Annand

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

**CARRIED**

## 5.3 ADOPTION OF LAND TRANSPORT STRATEGIC FRAMEWORK

### PURPOSE

The matter for consideration by the Finance and Infrastructure Committee is the adoption of the Land Transport Strategic Framework.

### COMMITTEE RESOLUTION

Moved: Cr Gerard Minehan

Seconded: Cr Kate Taylor

That having considered all matters raised in the report:

- a) That the Finance and Infrastructure Committee adopt with amendments the Land Transport Strategic Framework.

**CARRIED**

Mr Lloyd presented, taking the report as read.

In response to questions and answers:

In regards to the statement "safety above all else" (pg. 21) who do we work with, what do we fund, and what is the main focus in regards to the safety of our roading networks and users?

Safety improvement funding comes from the NZTA and is injected into the asset management plan. There are safety initiatives and projects prioritised and put into the programme annually. Roadsafe and the Police support us. We work with the Regional Council and Roadsafe. A particular focus at the moment are rural intersections. Road safety programme is business as usual, what we see in this framework is that safety has been emphasised as has education and safety awareness.

Aspects of the speed limit review are set by law and public consultation will be part of the process and the public are encouraged to inform the Council of areas of concern.

Smart Growth and implications for roading will be encompassed in the asset and activity management plans. Furthermore, a result area will be incorporated into the strategic framework around Smart Growth including an action around ensuring the integrated planning of Asset Management Plans to achieve our smart growth objectives (and as informed by the Spatial Plan). This result area will incorporate footpaths and other town planning objectives.

The impact of road closures on residents and other networks was noted for actionable consideration by officers.

Roadside rubbish management will be captured within the framework.

#### **5.4 WAIPUKURAU SECOND WATER SUPPLY PROJECT - STATUS UPDATE**

##### **PURPOSE**

The purpose of this report is to provide an update on the Waipukurau Second Supply project and seek endorsement to continue with planning and design components consistent with both Option 2 and Option 4 as outlined in a recent options presentation to the Finance and Infrastructure Committee in April 2020.

##### **COMMITTEE RESOLUTION**

Moved: Mayor Alex Walker

Seconded: Cr Jerry Greer

That, having considered all matters raised in the report

- a) The report be noted.
- b) That work progresses on the Waipukurau Second Water Supply improvements, consistent with improvement options 2 and 4, noting that no final decision on a preferred option will take place until the outcome of the Crown Infrastructure Partners funding application is known to Council.

**CARRIED**

Mr De Klerk spoke to the report seeking Council's endorsement of direction of work preceding Crown Infrastructure funding being secured. The implications of the decision to go forward with work on options 2 and 4 of the Project were discussed including the risk of the reservoirs deteriorating if work is stalled while the outcome of the application for funding from Crown Infrastructure Partners is waited on.

Mr De Klerk reiterated that the proposed work is not over and above planning and is already within scope. Robust asset management plans are being developed that provide transparency around the condition of Council assets and allows for appropriate 10 year budgeting.

Budget constraints for renewal and maintenance of lateral pipes are currently being assessed as part of the asset management plan and incorporated into the LTP.

Officers confirmed that a conditional assessment of infrastructure (reservoirs) was to be carried out and the results would be reported to Council.

Approximately just under 40% of the budget would be utilised to enable the works, as planned for in the current LTP.

## 5.5 KAIRAKAU WATER UPGRADE - OPTIONS REPORT

### PURPOSE

The matter for consideration by the Council is to endorse the upgrade option recommended for the Kairakau water system to be progressed through to design, community engagement and construction.

### COMMITTEE RESOLUTION

Moved: Cr Tim Aitken

Seconded: Mayor Alex Walker

That having considered all matters raised in the report

- 1) the Finance and Infrastructure Committee identify Option 2 as the preferred option — to upgrade the Kairakau water treatment plant to
  - i) meet Drinking Water Standards for New Zealand 2005 (revised 2018);
  - ii) remove roof water from supplying potable water;
  - iii) install restrictors to all properties to control peak demand; and
- 2) That the Finance and Infrastructure Committee endorse upgrading the Kairakau Water Treatment Plant to meet Drinking Water Standards for NZ while developing a Water Safety Plan and the review of the water bylaw.
- 3) That the Committee await formal adoption of an option until the completion of community engagement and review of the existing water bylaw.

**CARRIED**

Chair Muggeridge abstained from voting due to non-pecuniary conflict of interest declared in regards to property ownership.

Mr de Klerk spoke to the report.

*The meeting adjourned for refreshment break at 10:41am.*

*Meeting Resumed at 11:01am.*

## **5.6 RATING REVIEW - THE NEXT STEPS**

### **PURPOSE**

The matter for consideration by the Council is an update on the Rating Review process to date, and signalling the next steps.

### **COMMITTEE RESOLUTION**

Moved: Cr Gerard Minehan

Seconded: Mayor Alex Walker

That having considered all matters raised in the report the Finance and Infrastructure Committee:

- a) To endorse the direction of the Rates Review, the General Rate differential of Zoned properties in the commercial and industrial area, as well as including Otane and Takapau in the existing Capital Value rated stormwater network, and further that Land Transport remain on the existing rating base.
- b) Request officers prepare relevant policies and consultation for consideration at the 30<sup>th</sup> July 2020 Council Meeting.

**CARRIED**

Mr Chamberlain presented the report taken as read.

## 5.7 REVIEW OF BUNDLED FINANCIAL POLICIES

### PURPOSE

The matter for consideration by the Council is the 3 yearly review of the Financial Policies of Central Hawkes Bay District Council.

### COMMITTEE RESOLUTION

Moved: Cr Kate Taylor

Seconded: Cr Tim Aitken

That having considered all matters raised in the report:

- a) That the Finance and Infrastructure adopt the proposed updated policies described as the “bundled financial policies”.
- b) That the Committee note that the “bundled financial policies” include:
  - a. Remission of Additional Charges Policy
  - b. Uniform Annual Charges on Contiguous Properties Remission Policy
  - c. Remission and Postponement of Rates on Māori Freehold Land Policy
  - d. Rates Postponement Policy (Economic Development)
  - e. Remission of Rates for QEII Trust and Land for Natural, Historic or Cultural Conservation Policy
  - f. Sundry Remission of Rates Policy
  - g. Remission of Water Meter Rates Attributable to Water Leaks Policy
  - h. School Sewerage Charges Remission Policy
  - i. Outstanding Accounts Policy
  - j. Community Contribution and Club Rebate Remission Policy
  - k. Rates Discount Policy
  - l. Special Fund Accounts Policy

**CARRIED**

It was requested that officers combine the rating policies contained in this bundle into a single overarching policy, to be brought back to the Finance and Infrastructure Committee 13 August 2020 for adoption.

**5.8 QUARTERLY FINANCIAL RESULTS FOR QUARTER ENDED 31 MARCH 2020****PURPOSE**

The purpose of this report is to update Councillors on the Council's financial position for the quarter ended 31 March 2020.

**COMMITTEE RESOLUTION**

Moved: Mayor Alex Walker

Seconded: Cr Gerard Minehan

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

**CARRIED**

**5.9 YEAR END FINANCIAL FORECAST 2019/2020****PURPOSE**

The purpose of this report is to update Councillors on the outcome of the recent year end forecast undertaken by Officers.

**COMMITTEE RESOLUTION**

Moved: Deputy Mayor Kelly Annand

Seconded: Cr Tim Aitken

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

**CARRIED**



**5.10 PGF PROJECTS - KEY PROJECT STATUS REPORT****PURPOSE**

The purpose of this report is to update the Finance and Infrastructure Committee on the three active provincial growth fund projects, including current status, milestones achieved or deferred, financials, risks and next steps.

**COMMITTEE RESOLUTION**

Moved: Cr Kate Taylor

Seconded: Cr Gerard Minehan

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

**CARRIED**

**5.11 KEY PROJECT STATUS REPORT - BIG WATER STORY****PURPOSE**

Following the conception of #thebigwaterstory, Council set about implementing the programme. A programme manager was appointed and focus given to defining the projects that form the programme in greater detail.

The purpose of this key project status report serves as an opportunity to formally report to elected members on the progress of each of the projects and their expected delivery against time, scope, budget and quality standards against the larger programme objectives.

**COMMITTEE RESOLUTION**

Moved: Cr Kate Taylor

Seconded: Cr Gerard Minehan

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

**CARRIED**

## 5.12 KEY PROJECT STATUS REPORT - WASTEWATER PROJECTS

### PURPOSE

Following the conception of #thebigwaterstory, Council set about implementing the programme that makes up #thebigwaterstory. A programme manager was appointed and focus given to defining the projects that form the programme in greater detail.

The six wastewater plants form a significant programme of works themselves, and we have prudently decided to report on the progress of these six wastewater plants and their subsequent upgrades and re-consenting separately from #thebigwaterstory.

The purpose of this key project status report serves as an opportunity to formally report to elected members on the progress of each of the projects and their expected delivery against time, scope, budget and quality standards against the larger programme objectives.

### COMMITTEE RESOLUTION

Moved: Cr Gerard Minehan

Seconded: Cr Kate Taylor

That, having considered all matters raised in the report;

1. That the report be noted.
2. That the committee endorses the formation of a project control group and a project governance group to ensure appropriate leadership and oversight is applied to the project.
3. That Councillor Brent Muggeridge and Deputy Mayor Kelly Annand be appointed to the project governance group.

**CARRIED**

## 6 DATE OF NEXT MEETING

### COMMITTEE RESOLUTION

Moved: Cr Kate Taylor

Seconded: Deputy Mayor Kelly Annand

THAT the next meeting of the Finance and Infrastructure Committee be held on 13 August 2020.

**CARRIED**

## 7 TIME OF CLOSURE

*The Meeting closed at 1.24pm.*

**The minutes of this meeting were confirmed at the Finance and Infrastructure Committee Meeting held on 13 August 2020.**

.....  
**CHAIRPERSON**