

# MINUTES

**TITLE:** Special Council  
**DATE:** Thursday 29 June 2006  
**TIME:** 1.00 pm  
**VENUE:** Tasman Council Chambers, 189 Queen Street, Richmond  
**PRESENT:** Mayor J C Hurley, Crs N Riley, E E Henry, R G Kempthorne, E J Wilkins, R G Currie, S G Bryant, P K O'Shea, J L Inglis, E M O'Regan, T B King, T E Norriss  
**IN ATTENDANCE:** Chief Executive (R G Dickinson), Corporate Services Manager (D G Ward), Accounting Manager (M W Staite), Engineering Manager (P W Thomson), Minute Secretary (V M Gribble)

## APOLOGIES

Moved Crs Bryant/Inglis  
CN06/06/61

THAT apologies from Crs S J Borlase and M J Higgins for absence be sustained.

CARRIED

## 1 CONFIRMATION OF MINUTES

### 1.1 Special Council 15 June 2006

Moved Crs O'Regan/Inglis  
CN06/06/62

THAT the minutes of the Special Council meeting held on 15 June 2006, containing resolutions numbered CN06/06 to CN06/06 be confirmed as a true and complete record of the proceedings of that meeting.

CARRIED

### 1.2 Special Council 16 June 2006

Moved Crs Henry/Currie  
CN06/06/63

THAT the minutes of the Special Council meeting held on 16 June 2006, containing resolutions numbered CN06/06 to CN06/06 be confirmed as a true and complete record of the proceedings of that meeting.

CARRIED

### 1.3 Special Council 20 June 2006

#### Moved Crs Wilkins/Norriss CN06/06/64

**THAT** the minutes of the Special Council meeting held on 20 June 2006, containing resolutions numbered CN06/06 to CN06/06 be confirmed as a true and complete record of the proceedings of that meeting.

**CARRIED**

## 2 FUNDING REQUIREMENTS

### 2.1 Loan Rollover

The following recommendation is required to acknowledge a funds rollover that took place on 20 June 2006 for a three month period. The interest rate for this rollover facility was 7.67%.

#### Moved Crs O'Regan/Henry CN06/06/65

**THAT** a loan of \$2,426,410.06 be raised for the purpose of repaying at maturity the Tasman District Council General Renewal Loan No 48, 2006 and that such loan be known as the Tasman District Council General Renewal Loan No 49, 2006.

**CARRIED**

### 2.2 Loan Rollover

Funds are required for the following projects identified in Council's 2005/2006 Annual Plan for which works have either been recently commenced or have been completed.

#### Moved Crs Kempthorne/Henry CN06/06/66

**THAT:**

i)		The Council shall borrow the sum of Two million, one hundred and nine, five hundred and twenty eight dollars (\$2,109,528) from (Bank).
ii)		The loan documentation shall comprise the following:
	a)	Existing deed of charge entered into between Tasman District Council, Bank of New Zealand, National Bank of New Zealand, Westpac and ASB Bank Ltd.
	b)	A letter of offer from Westpac.
iii)		The Mayor and the Chief Executive are authorised to sign the loan documentation on behalf of the Council.
iv)		The Chief Executive is authorised to sign a certificate, pursuant to s122ZG(3) of the Local Government Act 1974.
v)		The loan advance of dollars shall be used to finance the following projects identified in Council's Annual Plans: \$

		<b>Wai-iti Dam</b> <b>Tasman Bays Heritage Trust – to acknowledge five year term</b> <b>Saxton Field Development</b> <b>District Kerb and Channel</b> <b>Water Murchison</b> <b>Sewerage Collingwood</b>	<b>130,000</b> <b>1,200,000</b>  <b>410,000</b> <b>54,000</b> <b>130,528</b> <u><b>185,000</b></u>  <u><b>2,109,528</b></u>
vi)		<b>The Council shall charge rates revenue as security for the loan and the performance of its obligations pursuant to the loan documentation.</b>	
vii)		<b>The Council acknowledges that by charging rates revenue, the Council is deemed to have made a special rate of such amount each year, on the rateable value of every rateable property in the district, as is sufficient to provide in that year for the payment of its commitments in respect of the loan or loan documentation during that year plus 10% thereof until the loan is repaid or the obligations incurred under the loan documentation are fully performed.</b>	
viii)		<b>The Council has considered the risks and benefits to the Council of the loan and loan documentation and of the security to be given in relation to the loan and loan documentation.</b>	
ix)		<b>The Council is satisfied that the general terms and conditions of the loan and loan documentation and of the security to be given in relation to the loan and loan documentation are in accordance with the borrowing management policy adopted by the Council and, in particular, the limits and guidelines set out in that borrowing management policy.</b>	
x)		<b>The Council delegates to the Chief Executive and the Corporate Services Manager the authority to further determine the precise terms and conditions of the loan, loan documentation and security, to be negotiated at the best current terms and conditions, such terms and conditions to be advised to the Council following the raising of the loan.</b>	

**CARRIED**

### **2.3 Facility Agreement Variations**

Mr Ward reported that Council has been advised of proposed variations to existing facility agreements that will be required in order to allow Council to continue to borrow over part of the period of the LTCCP. In conjunction with Council's legal advisors, facility agreement variations with each of the four funding institutions, with whom similar agreements currently exist, have been completed.

Cr O'Regan said the first LTCCP also showed rapidly escalating borrowing and we haven't borrowed the projected amount. He hoped that as we progress through the coming years, this is an outside estimate and we'll come in below it.

Mr Ward said we have borrowed less than we stated we were going to because of deferral of projects.

Mr Dickinson said there is no point adopting the LTCCP if you haven't got the facility to pay for it.

**Moved Crs O'Regan/Currie  
CN06/06/67**

**THAT:**

- 1. Council agrees to vary or enter into new facility agreements with ANZ National Bank, Westpac, Bank of New Zealand and ASB Bank Ltd, to an upper limit of an extra \$10 million from each bank.**
- 2. Council agrees to enter into a deed of variation of the substitute security sharing deed dated 5 December 2003.**

**CARRIED**

### **3 ADOPTION OF UNAUDITED LONG TERM COUNCIL COMMUNITY PLAN**

Mr Ward said the process is to adopt the LTCCP unamended for audit. Having passed that resolution, a staff member will advise Audit NZ who in turn will formally sign and forward to Council, a copy of the Audit Report for inclusion in the LTCCP. Then Council will be able to pass a resolution adopting the audited LTCCP.

Mr Ward advised of variations to the LTCCP document circulated to Councillors prior to today's meeting.

Cr Henry asked that thanks to Mr Dickinson and Mr Ward be acknowledged in the LTCCP.

**Moved Crs Kempthorne/Henry  
CN06/06/68**

**THAT the 2006 – 2016 Long Term Council Community Plan Volumes 1 and 2 be adopted for audit with the amendments noted.**

**CARRIED**

### **4 RESOLUTION TO EXCLUDE THE PUBLIC**

**Moved Crs King/Norriss  
CN06/06/69**

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

**SH 6/McGlashen Avenue Intersection Improvements**

**The general subject 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(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution, are as follows:

Item No	General subject of each matter to be considered:	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
4	SH 6/McGlashen Avenue Intersection improvements	Good reason to withhold exists under Section 7	Section 48(1)(a)

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

Item Number	Reason to withhold information under Section 7	
4	Protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied.	Section 7(2)c(i)

**CARRIED**

(Refer to Confidential Minute Book).

**Moved Crs King/Kempthorne  
CN06/06/70**

**THAT public meeting be resumed.  
CARRIED**

## **5 ADOPTION OF AUDITED LONG TERM COUNCIL COMMUNITY PLAN**

Mr Ward tabled a copy of the unqualified Audit Report. He said an Audit Management letter will follow which will be discussed at the Audit Management Subcommittee.

**Moved Crs Norriss/King  
CN06/06/71**

**THAT Council adopts the audited LTCCP for 2006 – 2016.  
CARRIED**

Mayor Hurley thanked Mr Dickinson, Mr Ward and other Council staff involved in the LTCCP process. Council can be proud of the fact that it has an unqualified Audit Report.

Cr O'Regan appreciated the long hours and effort by staff, but expressed concern that the audit adds nothing to what the public get in the finish.

Cr Norriss said reading the audit report Tasman District Council is continually referred to as a "district" council, when we are actually a unitary authority and more aligned to regional activities.

The meeting concluded at 1.50 pm.

Chair:

Date: