

MINUTES

TITLE: Corporate Services Committee
DATE: Thursday 3 February 2005
TIME: 9.30 am
VENUE: Council Chambers, 189 Queen Street, Richmond

PRESENT: Mayor J C Hurley, Crs T B King (Chair), E M O'Regan, J Inglis, T E Norriss, R G Currie, M J Higgins, N Riley, E J Wilkins, R G Kempthorne, S J Borlase, E E Henry, P K O'Shea, S G Bryant

IN ATTENDANCE: Motueka Community Board Member (S Bean), Corporate Services Manager (D G Ward), Corporate/Engineering Administrator (V M Gribble)

1 PUBLIC FORUM

1.1 Nelson Airport Users

C Rush, Nelson Airport Lessees Group, addressed the Committee concerning ground rents at Nelson Airport.

1.2 Mr R Hellyer

Mr Hellyer spoke about recycling issues, Newsline – The Mag, drag racing at Motueka Airport and property valuations.

1.3 Mr L Marshall, Richmond & Waimea Community Association

Mr Marshall spoke about the proposed office accommodation alterations.

1.4 Mr C Robinson

Mr Robinson spoke to the Committee about accounts, ASB Bank Aquatic Centre issues and radio advertising. He tabled a list of questions requesting written answers to them.

2 CONFIRMATION OF MINUTES

2.1 Information and Publicity Subcommittee – 21 July 2004

Moved Crs Henry/O'Shea
FN05/02/03

That the minutes of the meeting of the Information and Publicity Subcommittee held on 21 July 2004, containing resolution number FN04/07/01 be confirmed as a true and complete record of the proceedings of that meeting.

CARRIED

2.2 Corporate Services Committee – 8 December 2004

Moved Crs Kempthorne/Inglis
FN05/02/04

**That the minutes of the meeting of the Corporate Services Committee held on 8 December 2004, containing resolutions numbered FN04/12/01 to FN04/12/17 be confirmed as a true and complete record of the proceedings of that meeting.
CARRIED**

2.3 Enterprises Subcommittee – 9 December 2004

Moved Crs Bryant/Henry
FN05/02/05

**That the minutes of the meeting of the Enterprises Subcommittee held on 9 December 2004, containing resolutions numbered FN04/12/18 to FN04/12/29 be confirmed as a true and complete record of the proceedings of that meeting.
CARRIED**

2.4 Publicity Subcommittee – 26 January 2005

Moved Crs Henry/Kempthorne
FN05/02/06

**That the minutes of the meeting of the Publicity Subcommittee held on 26 January 2005, containing resolutions numbered FN05/01/01 to FN05/01/05 be confirmed as a true and complete record of the proceedings of that meeting.
CARRIED**

3 CHAIRMAN'S REPORT

Cr King tabled and spoke to his report in which he commented on the proposed rates increase of 6% after natural growth, which is already included in the LTCCP. He cautioned Councillors about adding extra things into the draft 2005/2006 Annual Plan without identifying items that could be excluded.

He commented on the representation review which is to be undertaken.

Cr Bryant said the representation review is another kick in the teeth for rural communities.

Cr Riley said the rural areas need to be considered because they have the greater amounts of unsealed roads and many of the roads lead to National Parks.

Moved Crs King/Henry
FN05/02/07

That the Chairman's Report for February 2005 be received.

CARRIED

4 CORPORATE SERVICES MANAGER'S REPORT

4.1 Change of Meeting Date

Mr Ward reminded the Committee that the Corporate Services Committee will meet on 24 March 2005, not 17 March 2005 as previously advised.

4.2 Funding Requirements

Cr O'Regan suggested contributing \$200,000 from the DILs account to the Moutere Hills Community Centre Sports Complex.

Mr Ward advised that such a request should be referred to the Community Services Committee.

Cr Currie expressed concern at the amount of money Council is paying in interest on loans.

Cr King said there are issues in borrowing and Council needs to make sure it is not over committed. He said to do most of the projects Council is involved in, borrowing is essential.

Moved Crs Kempthorne/J Inglis
FN05/02/08

That:

i)		The Council shall borrow the sum of six million, six hundred and eighty nine thousand and thirty seven dollars (\$6,689,037) 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, WestpacTrust and ASB Bank Ltd.
	b)	A letter of offer from WestpacTrust.
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:
		\$
		Pohara Wastewater 729,037
		Moutere Hills Community Centre Sports Complex 1,800,000
		Wai-iti Community Dam 2,900,000
		Tasman Bays Heritage Trust 600,000

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		Kaiteriteri Tapu Bay Wastewater	<u>660,000</u> <u>6,689,037</u>
vi)		The Council shall charge rates revenue as security for the loan and the performance of its obligations pursuant to the loan documentation.	
vii)		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.	
viii)		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.	
ix)		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.	
x)		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.	

CARRIED

4.3 Members Interest Register

Mr Ward advised that he had received no formal responses from Councillors indicating that they may wish to register interests.

Cr Higgins said the register should remain open so that Councillors can add to it at any future date.

Moved Crs Higgins/Kempthorne
FN05/02/09

That:

- a) entries be made to the Members Interest Register as notified at the date of this Corporate Services Committee meeting, being 3 February 2005, and**

- b) the register remain open with any further registrations of interest being notified either through the Chief Executive or the Corporate Services Manager.**

CARRIED

4.4 Pre-amalgamation Rates

The agenda to today's meeting contained a report suggesting the abolition of pre-amalgamation rates due to the longevity of loans specific to the stormwater and wastewater loans for the former Richmond Borough Council and Waimea County Council. The report proposed that credit balances in the pre-amalgamation loan accounts be used to retire debt, with the balance of the loans being transferred respectively to the stormwater and wastewater "club" accounts.

Moved Crs Kempthorne/Norriss
FN05/02/010

That:

- a) the Corporate Services Committee recommends to Council that its Funding Impact Statement for the 2005/2006 financial year reflects the abolition of pre-amalgamation loan rates for wastewater and stormwater.**
- b) Credit balances currently pertaining to pre-amalgamation loan accounts for wastewater and stormwater be utilised to discharge existing debt;**
- c) Remaining debt be transferred to wastewater and stormwater "club" accounts;**
- d) The debt cost associated with the remaining balances of former pre-amalgamation loans be charged against property owners levied under the rating policy for the club accounts.**

CARRIED

4.5 Small Loan Balances

At the last Committee meeting, it was agreed in principle to discharge those existing Council loans with small balances (under \$50,000), the specific effect of which would be to save on both external and internal administrative costs associated with managing the respective loans.

Moved Crs Inglis/Norriss
FN05/02/11

That:

- a) Council effects repayment of all current loan balances under \$50,000 during the 2005/2006 financial year.**
- b) Funds required for the repayment of loan balances under \$50,000 be utilised from the proposed term loan repayment figure of \$4.4 million that is proposed in Council's LTCCP.**

CARRIED

4.6 Development Impact Levy Accounts

Following the December 2004 meeting, staff have reviewed development impact levy accounts, acknowledging issues raised. Staff have also taken the liberty of holding discussions with individual Councillors on the matter.

Cr O'Regan asked for a full report of reserves impact levy accounts to be provided as part of the 2005/2006 annual plan process and the question of whether Waimea/Lakes/Murchison DILs account be split into separate accounts be attended to at that time, with the public given opportunity to submit on the matter.

Mr Dickinson arrived at the meeting at 11.15 am.

Moved Crs O'Regan/Norriss
FN05/02/12

That:

- a) **DILs account reporting be prepared on a similar basis to prior years external reporting to reflect anticipated revenues, identify projects against which funds are to be allocated and details of current projects being funded; and**
- b) **Council's draft 2005/2006 Annual Plan include a suggestion, for consultation and submission, proposing the external reporting of the Waimea/Lakes/Murchison DILs account into two separate entities, based on Ward boundaries.**

CARRIED

Moved Crs Norriss/O'Regan
FN05/02/13

That the Corporate Services Manager's report for February 2005 be received.
CARRIED

5 ACCOUNTS – NOVEMBER AND DECEMBER 2004

Cr Henry asked that Mr Ward make enquiries from Audit NZ as to whether there is a legal requirement for the accounts to be included in the agenda to be approved.

Mr Ward undertook to seek written advice from Audit NZ on the matter.

Moved Crs Higgins/Borlase
FN05/02/14

That the accounts for November and December 2004 be approved for payment.
CARRIED

6 LTCCP REQUIREMENTS WORKSHOP

Mr Ward undertook to schedule a workshop for discussion on LTCCP requirements.

The meeting concluded at 11.33 am.

Date Confirmed:

Chair: