



EXTRAORDINARY MEETING OF COUNCIL

Open Minutes

Meeting Date: Tuesday 10 March 2020

Time: 2.00pm- 2.30pm

Venue Council Chambers
Hawke's Bay Regional Council
159 Dalton Street
Napier

Present Mayor Wise, Deputy Mayor Brosnan, Councillors Boag, Browne, Chrystal, Crown, Mawson, McGrath, Price, Simpson, Tapine, Taylor, Wright

In Attendance Acting Chief Executive, Director Corporate Services, Director Community Services, Director Infrastructure Services, Director City Services, Director City Strategy, Manager Communications and Marketing, Chief Financial Officer, Manager Community Strategies, Garry Hrustinsky, Accounting Manager, Corporate Accountant

Administration Governance Team

Apologies

Nil

Conflicts of interest

Nil

Announcements by the Mayor

The Mayor introduced the Acting Chief Executive, Neil Taylor, and confirmed that he will be in the role for a period of four weeks.

The Mayor acknowledged Lance Titter, Director City Services, having recently reached 40 years of service to Napier City Council.

Announcements by the management

Nil

AGENDA ITEMS

1. PROPOSAL FOR DRAFT ANNUAL PLAN 2020/21 AND CONSULTATION MATERIAL

<i>Type of Report:</i>	Legal
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	891036
<i>Reporting Officer/s & Unit:</i>	Adele Henderson, Director Corporate Services

1.1 Purpose of Report

The purpose of the report is to formally approve the underlying information and approve key decisions from Council for the development of the draft Annual Plan 2020/21.

At the Meeting

The Director Corporate Services provided a brief overview of the report and spoke to the recommendations. It was noted that following Council's decision, the consultation document for the draft Annual Plan 2020/21 will then be prepared and brought back to Council on 31 March 2020 for adoption.

In response to questions from Councillors the following points were clarified:

- Exploring the addition of two new bores has been brought forward in order to fast track Council's ability to move manganese from source water.
 - Officers have not received any updates from Christchurch City Council in relation to the approval or otherwise of their Water Safety Plan.
 - The additional \$200,000 allocated to Council's Water Safety Plan recognises that in the near future Council will be required to move to the new Water Safety Plan template. This will require a significant amount of work and resourcing. There is currently no timeframe for this work.
 - It was confirmed that officers have not received any formal feedback on a number of Council's Provincial Growth Fund (PGF) applications.
 - The Library working group has undertaken a prioritisation exercise of 17 potential sites for the library which led to the selection of the preferred site, that being the old library site. This will be formally brought to Council shortly in conjunction with the Hotel and Civic Building projects. It was noted that the library will form part of a wider masterplan for the whole area.
 - An update on the community housing options being investigated through the strategic review will be included in the consultation document. No decisions will be made at this point as Council is merely updating the community on the process to date. Separate consultation will be undertaken following the confirmation of options by Council.
 - There is a typo on page 16 – 'Street Management' is incorrectly noted twice.
 - Strengthening work has been undertaken on all Council buildings that require it at this time. Work will be required next year for Clive Square and the Harris Stand and once
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further details have been confirmed, specific funding for these buildings will be included in the Long Term Plan.

- It was suggested that Councillors consider whether funding should also be set aside in order to allow Council to respond to issues raised by the community at any time.

It was noted that a number of matters discussed during Council workshops had not yet been updated. The Director Corporate Services confirmed that these would be resolved, and recommendation o) was amended in order to include these.

The Mayor noted that the decision today is in order to formally approve the underlying information for the Annual Plan consultation document and that no matters are going out for consultation with options. The consultation document will be used to share information with the community in relation to any significant changes to the Long Term Plan for 2020/21 and to seek their input. The community are of course welcome to raise other matters for consideration if they wish through this process.

ACTION: Director Infrastructure Services to provide an update for when officers expect the Water Supply Masterplan to come back to Council.

ACTION: Council Officers to enquire into the current status of PGF applications that they have not received feedback on to date, and update Council with the outcome of these discussions.

Officer's Recommendation

That Council:

- a. Note that the draft 2020/21 Annual Plan and consultation document will be reported back for Council adoption on 31 March 2020.
 - b. Note the proposed rates increase for 2020/21 will be a 6.5% average increase in rate requirement for existing ratepayers.
 - c. Note that the consultation, for the kerbside waste collection as outlined in the Waste Minimisation and Management Plan (WMMP), informs the community that the cost of implementation will be smoothed over two years by utilising Council reserves in Year 1 (20/21).
 - i. The impact to rates for 20/21 is 1.3%.
 - ii. The approximate increase to rates in 21/22 is likely to be 0.8%.
 - d. Note that new requirements of \$12.1 million have been identified to support Council's number one priority being water, of which, there is no rates impact for 20/21, however there is a rates impact for 21/22 of 0.6%.
 - i. Note the Water Supply Masterplan will be brought to Council in a separate report for adoption.
 - ii. Of the \$12.1 million, \$7.3 million in new requirements are for Water Supply.
 - iii. Council agree to provide extra funding for the Chlorination Review of \$200k, funded from loans-rates which will impact on rates in 21/22.
 - iv. Council agree to provide new funding of \$200k for the development of a Water Safety Plan, funded from renewals.
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- v. Council agree to provide additional funding for the Outfall of \$4 million to be funded from renewals
 - 1. Council note the risks as outlined in this paper and that Officers will bring back to Council any further costings once the investigation process is further underway.
 - e. Note that Council have allocated \$25 million in total for 20/21 across 3 Waters to support water being the number one priority.
 - f. Note that targeted engagement has occurred with those residents impacted by the proposed targeted rate associated with the Whakarire Rock Revetment and Council will receive further information at the 31 March Council meeting.
 - i. Agree the budget allocation based on new estimates will be \$2.2 million.
 - ii. Agree the private contribution to be held at the same amount as per the 2019/20 consultation, resulting in a change to the public/private split to 2.5% private/97.5% public.
 - g. Note the new funding requirements of \$2.3 million, funded from development contributions, to support development in Te Awa.
 - h. Note that the funding for the Long Term Plan requirements of \$240k is funded from the Urban/Suburban Growth fund
 - i. Note the funding for community engagement of \$100k is funded from the Urban/Suburban Growth fund
 - j. Note that Council may require external borrowings as part of this Annual Plan (\$20m) depending on the timing of projects. External borrowings were identified in the Long Term Plan to occur in 20/21 (\$30m)
 - k. Note that the proposed changes to the Revenue and Financing Policy and Council's rating policies will be brought to Council in a separate report at the 31 March Council meeting.
 - l. Note that changes to the Revenue and Financing Policy will be consulted on concurrently with the Annual Plan consultation including.
 - i. changes to the Rates Remission Policy and Rates Postponement Policy.
 - m. Note the proposed capital plan for 20/21.
 - i. Note the revision and impact to the capital plan for the remainder of the 2018-28 Long Term Plan as a result of the changes proposed in the 20/21 capital plan.
 - n. Adopt the high level consultation plan.
 - o. Adopt changes to fees as specified in the document titled Fees & Charges 20/21.
 - p. Agree that the library site selection will be included as a consultation matter, subject to the library site selection process and preferred option being brought in a separate report to Council for adoption.
 - q. That the documents and underlying information can be amended for minor refinements as for adoption of reports on 31 March 2020.
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- r. Note the supporting documentation for the draft Annual Plan 2020/21 be received.
 - s. Approve the underlying information and the financial information as the basis for the development of the Annual Plan consultation document 2020/21 and full Annual Plan for 20/21.
 - t. Resolve that the draft 2020/21 Annual Plan be prepared on the basis of this report and supporting documentation including the resolutions made above and any decisions made at this meeting.

Substitute Motion Mayor Wise / Councillor Taylor

Council resolution

That Council:

- a. Note that the draft 2020/21 Annual Plan and consultation document will be reported back for Council adoption on 31 March 2020.
 - b. Note the proposed rates increase for 2020/21 will be a 6.5% average increase in rate requirement for existing ratepayers.
 - c. Note that the consultation, for the kerbside waste collection as outlined in the Waste Minimisation and Management Plan (WMMP), informs the community that the cost of implementation will be smoothed over two years by utilising Council reserves in Year 1 (20/21).
 - i. The impact to rates for 20/21 is 1.3%.
 - ii. The approximate increase to rates in 21/22 is likely to be 0.8%.
 - d. Note that new requirements of \$12.1 million have been identified to support Council's number one priority being water, of which, there is no rates impact for 20/21, however there is a rates impact for 21/22 of 0.6%.
 - i. Note the Water Supply Masterplan will be brought to Council in a separate report for adoption.
 - ii. Of the \$12.1 million, \$7.3 million in new requirements are for Water Supply.
 - iii. Council agree to provide extra funding for the Chlorination Review of \$200k, funded from loans-rates which will impact on rates in 21/22.
 - iv. Council agree to provide new funding of \$200k for the development of a Water Safety Plan, funded from renewals.
 - v. Council agree to provide additional funding for the Outfall of \$4 million to be funded from renewals
 - 1. Council note the risks as outlined in this paper and that Officers will bring back to Council any further costings once the investigation process is further underway.
 - e. Note that Council have allocated \$25 million in total for 20/21 across 3 Waters to support water being the number one priority.
 - f. Note that targeted engagement has occurred with those residents impacted by the proposed targeted rate associated with the
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Whakarire Rock Revetment and Council will receive further information at the 31 March Council meeting.

- i. Agree the budget allocation based on new estimates will be \$2.2 million.
 - ii. Agree the private contribution to be held at the same amount as per the 2019/20 consultation, resulting in a change to the public/private split to 2.5% private/97.5% public.
 - g. Note the new funding requirements of \$2.3 million, funded from development contributions, to support development in Te Awa.
 - h. Note that the funding for the Long Term Plan requirements of \$240k is funded from the Urban/Suburban Growth fund
 - i. Note the funding for community engagement of \$100k is funded from the Urban/Suburban Growth fund
 - j. Note that Council may require external borrowings as part of this Annual Plan (\$20m) depending on the timing of projects. External borrowings were identified in the Long Term Plan to occur in 20/21 (\$30m)
 - k. Note that the proposed changes to the Revenue and Financing Policy and Council's rating policies will be brought to Council in a separate report at the 31 March Council meeting.
 - l. Note that changes to the Revenue and Financing Policy will be consulted on concurrently with the Annual Plan consultation including.
 - i. changes to the Rates Remission Policy and Rates Postponement Policy.
 - m. Note the proposed capital plan for 20/21.
 - i. Note the revision and impact to the capital plan for the remainder of the 2018-28 Long Term Plan as a result of the changes proposed in the 20/21 capital plan.
 - n. Adopt the high level consultation plan.
 - o. Adopt changes to fees as specified in the document titled Fees & Charges 20/21, noting the following corrections:
 - i. Aquarium fees and charges remain the same
 - ii. Library fees and charges - book rentals and magazine rentals to be reviewed
 - p. Agree that the library site selection will be included as a consultation matter, subject to the library site selection process and preferred option being brought in a separate report to Council for adoption.
 - q. That the documents and underlying information can be amended for minor refinements as for adoption of reports on 31 March 2020.
 - r. Note the supporting documentation for the draft Annual Plan 2020/21 be received.
 - s. Approve the underlying information and the financial information as the basis for the development of the Annual Plan consultation document 2020/21 and full Annual Plan for 20/21.
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- t. Resolve that the draft 2020/21 Annual Plan be prepared on the basis of this report and supporting documentation including the resolutions made above and any decisions made at this meeting.

Carried

The meeting closed at 2.30pm.

Approved and adopted as a true and accurate record of the meeting.

Chairperson

Date of approval