

Minutes of an extraordinary meeting of the Gore District Council held in the Council Chambers, 29 Bowler Avenue, Gore on Tuesday 31 May 2016 at 4.00pm.

Present His Worship the Mayor (Mr Tracy Hicks, JP), Crs Beale, Bolger, Byars, Davis, Gover, D Grant, P Grant, Highsted, Page and Sharp.

In Attendance The Chief Executive (Mr Stephen Parry), General Manager District Assets (Mr Paul Withers), Chief Financial Officer (Mr Luke Blackbeard), Parks and Recreation Manager (Mr Ian Soper), 3 Waters Manager (Mr Matt Bayliss), Communications Manager (Sonia Gerken) and Mataura Community Board Chairman (Mr Alan Taylor).

Apology Cr Dixon apologised for absence.

1. URGENT LATE BUSINESS

An item of urgent late business was tabled at the meeting. It related to the proposed compilation of the panel appointed to hear submissions on a resource consent application for 1 Irk Street, Gore and would be considered in committee.

RESOLVED on the motion of Cr Highsted, seconded by Cr Gover, **THAT** the matter be considered in committee, as urgent late business.

2016/57

Conflict of interest - Cr P Grant declared a conflict of interest in the Gore Kids Hub submission.

2. CONFIRMATION OF MINUTES

RESOLVED on the motion of Cr P Grant, seconded by Cr D Grant, **THAT** the minutes of the extraordinary meeting of the Gore District Council, held on Tuesday 17 May 2016, be confirmed and signed by the Mayor as a true and complete record.

3. DELIBERATION ON SUBMISSIONS RECEIVED TO DRAFT 2016/17 ANNUAL PLAN
(SC1446)

His Worship noted the Council had received 20 submissions to work through. He advised he would progress through each submission and consider them in order. Any decisions would be taken at the time. He said the three issues the Council had sought feedback on in its consultation document would be considered first.

Proposed Southland Regional Heritage Rate

His Worship noted that 12 submitters provided feedback on the issue. It was quite clear by the submissions, and feedback on social media, the direction the public felt the Council should take.

His Worship also referred to a memo from the District Curator Jim Geddes. Mr Geddes outlined his thoughts on the Council considering an increase to the regional heritage rate.

In his report, Mr Geddes said the Council could not entertain an annual financial contribution to a trust board run museum that did not have Council representation at a governance level, and where the Council had no input into its operational management.

Mr Geddes recommended the Council engage with the other elected member representatives on the Southland Regional Heritage Trust (SRHT) to formulate a protocol around the regional heritage rate.

Cr Highsted, one of two Council representatives on SRHT, said he agreed with the recommendation from the District Curator. The committee had a pivotal role to play in arts and heritage in Southland, and he did not believe there should be a change in the rate until there was more discussion.

Cr P Grant endorsed Cr Highsted's comments.

RESOLVED on the motion of Cr D Grant, seconded by Cr Davis, THAT until there was a recommendation from Southland Regional Heritage Trust as to the appropriateness of increasing the Regional Heritage rate, there be no change.

2016/58

Food Safety Fees

Cr Davis said the fees reflected the new legislation, therefore the Council did not have any room to move on this issue.

RESOLVED on the motion of Cr Davis, seconded by Cr Gover, THAT the new Food Safety Fees be introduced.

2016/59

Home Heating Loan Scheme

A memo from the Chief Executive mentioned this issue was the most evenly contested by the submitters, with seven in support of the Council's preferred option not to partner with Environment Southland on the scheme, and six supporting the concept.

Cr Davis said she believed the Council had shown significant leadership with the Health Homes programme, and would continue with that. She was of the view this funding had been a good use of ratepayer money, and did not believe there was enough support from the public for the Council to undertake the loan scheme initiative.

Cr Bolger said the scheme was Environment Southland's statutory responsibility. It had a much larger rating base than the Council and much more financial horsepower to implement it.

Cr Beale said the scheme would be like one sector of the community subsidising another. It would be a dangerous area to get into, he said.

RESOLVED on the motion of Cr Davis, seconded Cr Bolger, THAT the Council not involve itself in the home heating loan scheme.

2016/60

Submission – Sally McIntyre

Cr Sharp questioned if Mrs McIntyre was right in her assertion the Uniform Annual General Charge (UAGC) had fallen below 25 percent.

The Chief Financial Officer reiterated his comments on how the UAGC was calculated, in that the UAGC and other targeted rates set on a uniform basis must be less than 30 percent of the total rates revenue. The Southland Regional Heritage Rate was a uniform targeted rate for the purpose of Section 21 and therefore must be included.

His Worship said the inclusion of the Southland Regional Heritage Rate lifted the Council's UAGC to around the 25 percent mark.

Cr Bolger said former Cr McIntyre had, as per usual, again made accusations about smoke and mirrors. The Council's last Annual Plan clearly stated how the Council was charging, made reference to Section 21 of the Rating Act, and was a reiteration of the Council's position in its Long Term Plan of the previous few years.

Submission – Mark Copland and Peter Hargest

Cr Bolger said he believed there was a general misunderstanding among the public about the Council's responsibilities when it came to upgrading or maintaining assets.

If the Council identified something in its Asset Management Plans that needed maintenance or upgrading, it needed to undertake the work, otherwise it would fall shy of the auditors. Cr Bolger said there was often the suggestion the Council should borrow less or do less, when in reality the Council had a responsibility to maintain its assets. The Council was at the point where there was a large amount of capital work on the horizon that it had to do.

Cr Sharp said the call for an independent inquiry was a surprise. A bigger surprise had been the suggestion how to pay for it, namely the Rural Special Fund.

Cr Davis raised a point of order. She believed Cr Sharp had a direct conflict of interest and should not be speaking on this issue. His Worship agreed.

His Worship said the point raised by the submitters regarding an independent inquiry had been raised by others. If there was an overwhelming desire for a public inquiry he was more than happy for that to occur. It was vitally important to make sure the public was aware how the process had been carried out.

How it was financed was another matter and something the Council would have to discuss, His Worship said

Cr Sharp attempted to reiterate his point about how an independent inquiry may be funded. Cr Davis again raised a point of order, based on Cr Sharp's direct conflict of interest, which was upheld by His Worship.

Cr Bolger said the process had been carried out under independent commissioners, the mediation for compensation was under an independent mediator, and he couldn't see how the Council could have been any fairer. Cr Bolger said he believed if people wanted another inquiry, it should be up to them to fund it.

Federated Farmers of New Zealand (Southland Province)

His Worship noted that the submission had sought cost efficiencies within the Council, using the UAGC to the maximum and encouraging the Council to consider all the services it provides to the community.

Cr Highsted said he had asked the submitters to suggest areas of cost savings the Council had missed, or initiatives other councils were undertaking. Cr Highsted referred to a letter from Federated Farmers, tabled at the meeting, and said he was a little disappointed at the suggestion the Council was less than rigorous around budgeting and current expenditure. The submitters obviously missed the effort that went into the workshops around the Long Term Plan and budgets.

Cr Highsted believed that apart from pointing to parks and reserves, which had already been the subject of review, the initiatives suggested were already being undertaken by the Council.

Cr Davis said she was also disappointed in the response from Federated Farmers, noting there was nothing in the letter for the Council to work on. An extensive parks and reserves review some time ago looked at options around this activity. It resulted in an overwhelming public response not to sell any Council owned land. Unless the Council looked at such options again and reducing services, there were not many areas where it could cut costs further, she said.

His Worship noted there was a suggestion from Federated Farmers about a discretionary budget allocated to the Chief Executive, which he believed was totally incorrect. The Chief Financial Officer confirmed there was no such discretionary fund.

The Chief Executive said he wondered if the submitter had been confused with the delegated authority he held for expenditure within approved budgets, which has been upgraded recently.

Southland District Health Board

His Worship said it was in general a supportive submission. He noted the request for the Council to become an international safe community, and that there were 30 such communities across New Zealand.

Cr Gover said she was keen to see the Council develop a smokefree outdoors spaces policy. She believed the Council had gone part of the way with its smokefree playgrounds, and would like to see a staff report on an outdoor spaces policy.

RESOLVED on the motion of Cr Gover, seconded by Cr Davis, THAT the Council explore developing a smokefree outdoor spaces policy, and staff develop a paper on what this might mean, with the report addressing staff resources required to cover such a proposal.

2016/61

Gore Kids Hub Charitable Trust

Cr Grant vacated his seat due to his conflict of interest.

His Worship noted that Cr Byars had indicated she was a member of the Gore Parents Centre but he did not believe this presented a conflict of interest.

The Trust had written to the Council asking for financial support for a playground at the Kids Hub, which had always been part of the concept. The Trust was in the throes of fundraising for the playground.

In his report, the Chief Executive recommended a grant of \$100,000 and noted the Council could access its reserves contribution fund for this purpose. The fund's current balance was \$96,000.

His Worship said he believed this presented a good opportunity, given the Council could access funding that would not affect rates, to build capacity in the community in an area it would be investing in anyway.

Cr D Grant said he was a strong supporter of the Kids Hub Charitable Trust but also noted the Council had been urged by ratepayers to watch expenditure.

Cr Grant said he appreciated the Trust wanted to complete the playground, and that it would be vested to Council. However, he believed \$20,000 would be a more appropriate amount.

The Parks and Recreation Manager confirmed the reserves contribution fund was for the replacement of assets on recreational reserves.

Cr Highsted said that potentially while there was no impact on rates now, there could be in the future. This could happen when a playground for older children was established, and the Council did not have the reserves contribution fund available to call upon, he said.

His Worship said the Council had signalled it wanted a senior and a junior playground at the Gore Multisports Complex at some stage. The Kids Hub playground presented an opportunity for the latter, therefore it made sense for the Council to allocate some, if not all, of the funding to the Trust.

Cr Beale said it was a wonderful facility and he could support a grant of \$20,000.

There was discussion around the future of existing Council-owned playgrounds in the vicinity, and if the Council could sell these and invest the money into the Trust's playground.

Crs Gover, Sharp and Davis spoke in support of granting the Trust \$50,000. Cr Gover said she would like to see the Council's logo used under the trout play equipment, in the river, in recognition of the Council's contribution.

RECOMMENDED on the motion of Cr Gover, seconded by Cr Sharp, THAT the Council advance a grant to the Kids Hub Charitable Trust of \$50,000.

Cr Bolger moved as an amendment, THAT the Council advance a grant to the Kids Hubs Charitable Trust of \$20,000.

The amendment was seconded by Cr D Grant.

There was further discussion about what would be required to sell nearby playgrounds, and that the Kids Hub playground was for junior children, however, there would still be a need for a senior playground. Councillors spoke of their support of the Kids Hub and how they valued what it had done. However, there was concern that the funds were only available once.

The amendment was put and lost.

The motion then put and was carried.

2016/62

His Worship thanked Councillors. He spoke about the merits of the project and congratulated the Kids Hub for the work it had done. He believed the Council was getting real value for money, whether it gave \$20,000 or \$50,000.

Cr Sharp said he wanted to move that the process of selling the other playgrounds be started.

His Worship said he believed that debate was for another time, when the Council had a better understanding of what impact the Kids Hub playground will have on nearby facilities. His Worship said he would be reluctant to act with haste. Any potential discussion around the sale of reserve lands should be part of a community conversation, not just a Council conversation, and around the Annual Plan or Long Term Plan time.

Cr Davis asked that Cr Gover's suggestion to have the branding included on some of the play equipment be added to the recommendation.

Cr P Grant rejoined the meeting.

CCS Disability Action

No comment.

Elmer Curry

Cr Sharp said he agreed with the fourth point Mr Curry made in his submission. He read from the submission *"My big fear with things as they are at present is that when we borrow there is no plan for the repayment of that loan, we seem only to pay back the interest and the capital loan remains as a terrible weight around the ratepayers neck. A good example of this is the swimming pool in Gore which still owes millions and it has been in existence for years"*.

Cr Bolger asked Cr Sharp that if he wanted to accelerate debt repayment, how much did he want to put rates up by, as this would be the only option.

His Worship said it was incorrect to say no debt had been repaid on the aquatic centre.

The Chief Executive said the Council had sought feedback in its first Long Term Plan in 2006 on an offer to accelerate debt repayment and had not received any submissions.

His Worship said the Council was about to embark on the largest capital spend in its history, in terms of upgrading infrastructure, and debt repayment had been measured into that equation. His Worship said he was disappointed that Cr Sharp agreed with comments there was no plan to pay it back.

Cr Highsted asked Cr Sharp what his solution would be.

Cr Sharp said there were two solutions, either rate higher or spend less. In response, His Worship asked what Cr Sharp would suggest was the best way to handle the infrastructure expenditure that was planned.

Cr Sharp responded by saying the Council should do the work but structure debt repayment. His Worship said it amazed and worried him that Cr Sharp had sat around the table while there had been discussion about structuring debt repayment, but he did not appear to understand what had been discussed.

Joan Whyte

This submission implored the Council not to put fluoride into the water supply.

His Worship said there was no plan to introduce fluoride into water supply, but there was a plan in place by the Government to shift the responsibility for fluoridation from local authorities to district health boards.

Cr Davis said the fluoride issue had been a hotly debated topic in the past, shifting the responsibility would not alleviate the angst. She asked if the Council should be making some provisions in preparation for the possibility it will be asked to put fluoride in the water supply.

The General Manager District Assets said the possibility of this happening was being taken into consideration as part of the planning around the manganese removal project at Hilbre Avenue.

Toimata Foundation

There was no comment on this submission.

On-Site Effluent Treatment National Testing Programme - Rotorua

This submission was declined.

The meeting concluded at 5.15pm