

Minutes of an ordinary meeting of the Gore District Council, held in the Council Chambers, 29 Bowler Avenue, Gore, on Tuesday 26 June 2018, at 6.39pm

**Present** His Worship the Mayor (Mr Tracy Hicks, JP), Crs Beale, Bolger, Davis, Dickson, Gardyne, P Grant, Phillips, and Reid.

**In Attendance** The Chief Executive (Mr Stephen Parry), Chief Financial Officer (Mr Luke Blackbeard), General Manager Regulatory and Planning (Mr Ian Davidson-Watts), General Manager Infrastructure (Mr Ramesh Sharma) Project Manager Infrastructure (Mr Hashem Ramezan-zadeh), Communications-Marketing Manager (Sonia Gerken), Parks and Recreation Manager (Mr Ian Soper), Transport Manager (Mr Peter Standring), Corporate Support Officer (Suzanne Lucas), Aquatic Centre Manager, (Kim Peterson), District Arts and Heritage Curator (Jim Geddes) and 3 members of the public in the gallery.

**Apologies** Crs Highsted and D Grant apologised for absence.

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## 1. CONFIRMATION OF MINUTES

**RESOLVED** on the motion of Cr Davis, seconded by Cr Beale, **THAT** the minutes of the ordinary monthly meeting of the Gore District Council, held on Tuesday 22 May 2018, as presented, be confirmed and signed by the Mayor as a true and complete record.

*The Council noted the following amendments: Cr John Gardyne was present at the extraordinary meeting held 28 May.*

**RESOLVED** on the motion of Cr Gardyne, seconded by Cr Dickson, **THAT** the minutes of an extraordinary meeting of the Gore District Council, held on Monday 28 May 2018, as presented, be confirmed and signed by the Mayor as a true and complete record.

**RESOLVED** on the motion of Cr Reid, seconded by Cr Beale, **THAT** the report of the ordinary meeting of the Community Services Committee, held on Tuesday 12 June 2018, as presented, be confirmed and signed by the Mayor as a true and complete record.

**RESOLVED** on the motion of Cr Davis, seconded by Cr Phillips, **THAT** the recommendations contained within the report of the meeting of the Community Services Committee, held on Tuesday 12 June 2018, as presented, be ratified.

**RESOLVED** on the motion of Cr Davis, seconded by Cr Beale, **THAT** the report of the meeting of the Operations Committee, held on Tuesday 12 June 2018, as presented, be confirmed and signed by the Mayor as a true and complete record.

**RESOLVED** on the motion of Cr Dickson, seconded by Cr Reid, **THAT** the recommendations contained within the report of the meeting of the Operations Committee, held on Tuesday 12 June 2018, as presented, be ratified.

**RESOLVED** on the motion of Cr Bolger, seconded by Cr Phillips, **THAT** the report of the meeting of the Regulatory and Planning Committee, held on Tuesday 12 June 2018, as presented, be confirmed and signed by the Mayor as a true and complete record.

**RESOLVED** on the motion of Cr Bolger, seconded by Cr Beale, **THAT** the recommendations contained within the report of the meeting of the Regulatory and Planning Committee, held on Tuesday 12 June 2018, as presented, be ratified.

**RESOLVED** on the motion of Cr Bolger, seconded by Cr Gardyne, **THAT** the report of the meeting of the Finance and Policy Committee, held on Tuesday 12 June 2018, as presented, be confirmed and signed by the Mayor as a true and complete record.

**RESOLVED** on the motion of Cr Bolger, seconded by Cr Phillips, **THAT** the recommendations contained within the report of the meeting of the Finance and Policy Committee, held on Tuesday 12 June 2018, as presented, be ratified with the exception of item 5, Fees and Charges.

## 2. GORE DISTRICT YOUTH COUNCIL

Youth Councillors Emily Chamberlain, Flynn Chamberlain and Luca Patching were in attendance and gave the Council an update on recent Youth Council activities.

The Youth Councillors informed the Council that Youth week, which was held 19-27 May, was very successful and a large number of young people attended the various events.

The Councillors explained they had been involved in a Ready for Living focus group, which had involved a discussion on retaining youth in the Gore district.

*The Youth Councillors departed the meeting at 6.49 pm*

## 3. RESOURCE MANAGEMENT ACT FEES AND CHARGES (SC2074)

A memo had been received from the Principal Planner/Consultant.

The General Manager Regulatory and Planning reminded the Council the charges were not an increase but related to the deposit paid. He said no submissions were received from the public consultation.

Cr Dickson asked if the charges were fixed.

The General Manager replied that charges were not fixed but were estimates of the average cost for each type of consent, permission or sign off the Council provides as part of its planning functions. The law allows the Council to charge reasonable and actual costs. These charges were based on hourly rates for the consent process.

**RESOLVED on the motion of Cr Beale, seconded by Cr Phillips, THAT the report be received.**

**2018/61**

**4. PRESENTATION FROM SOUTHLAND MUSEUM AND ART GALLERY**

An apology was tabled from the chairperson of the Southland Museum and Art Gallery, Toni Biddle. She expressed a wish to connect with the Council in the near future.

**5. THREE BRIDGES MAINTENANCE – PROJECT PROGRESS REPORT (SC2141)**

A report had been received from the Project Manager Infrastructure. The report informed the Council of the progress of the three bridges maintenance project.

His Worship referred to the tender price, which was more than twice the engineer's estimate. He asked what process had led to this estimation

The Manager said the price estimation was based on the engineer's previous experience. This was a difficult situation, quite complex and not just a reflection of the market price.

Cr Phillips expressed his concern the estimate was considerably below that of the lowest tender and asked if there was a way of changing the process.

The Chief Executive concurred and said he had asked the engineers to investigate having a quantity surveyor involved. He said quantity surveyors would add a level of expertise, it was their *raison d'être*, and it would give the Council more confidence around the engineer's estimates.

Cr P Grant queried \$44,500 for a consent to replace the aged bridges.

The General Manager Regulatory and Planning said he too was surprised at the high charge but he thought it was based on previous experience. The level of uncertainty had most likely been a contributing factor to the high cost.

Cr P Grant asked what the consent was actually for.

The General Manager replied he thought it was for disturbance to the river bed. He further said because it was not a new structure, and there was an existing impact on

the environment already, if advice was given to stay within the parameters of the existing bridge it shouldn't be more than minor, and no notification would be required.

His Worship suggested engaging with Environment Southland to understand what was driving the cost.

Cr Dickson asked if increased weight carrying restrictions on the bridges had been taken into account.

The Transport Manager confirmed the design would be up to the maximum of 100% carrying weight at completion of repairs, as opposed to the current restriction, which was 60%.

**RESOLVED on the motion of Cr Sharp, seconded by Cr P Grant, THAT the report be received,**

**AND THAT Environment Southland be contacted to discuss costs and terms of the resource consent,**

**AND THAT a quantity surveyor be engaged for all future projects.**

**2018/62**

**6. GORE WATER TREATMENT PLANT UPGRADE – PROJECT PROGRESS REPORT (SC0647)**

A report had been received from the Project Manager Infrastructure. The report informed the Council of the progress of the Gore Water Treatment Plant upgrade.

The Manager explained to the Council the plan was to centralise the East and West Gore Treatment Plant, and the new operative plant would be in East Gore. This option would provide better technical and cost aspects, and a concept design followed by a detailed design was to be undertaken. Project completion date was expected to be February 2020.

Cr Gardyne noted the estimate was from an engineer and not a quantity surveyor, and asked a close and critical eye be kept on project costs.

His Worship concurred.

The General Manager Infrastructure assured the Council that the engineer's estimate allowed for a deviance of 25%.

**RESOLVED on the motion of Cr Beale, seconded by Cr Gardyne, THAT the report be received.**

**2018/63**

The District Arts and Curator left the meeting at 7.09pm.

7. NEW PYRAMID BRIDGE – PROJECT PROGRESS REPORT (SC2151)

A report had been received from the Project Manager Infrastructure. The report informed the Council of the progress of the Pyramid Bridge project.

The Manager informed the Council there had been a change of consultant to Calibre. A Safety in Design and Risk workshop was held last month, and efforts had been made to determine the alignment of the bridge that would optimise the price along with safety improvement of the bridge design. The west side of the bridge will be retained as is, but the east side would see a slight shift to the north in alignment.

His Worship questioned the design completion date of 20 August 2019.

The Manager confirmed that progress was on schedule, but added a correction that the tender process date and construction start date should be 2018 and not 2019 as tabled in the report.

Cr Sharp asked how the Council was expected to pay its share of the bridge and was there money put aside for this, rather than borrowing the entire amount.

The Chief Financial Officer explained the Pyramid Bridge Project was included in the 2018-28 Long Term Plan and the Council's share was being sourced by loan funding. Funds from NZTA and the Southland District Council would cover the remaining projected costs.

**RESOLVED on the motion of Cr Reid, seconded by Cr Phillips, THAT the report be received.**

**2018/64**

8. PROPOSED TRADING IN PUBLIC PLACES BYLAW (SC0107)

A memo from the Senior Regulatory Officer had been received.

The report discussed the analysis of the recent consultation relating to the proposed Trading in Public Places Bylaw with a recommendation to approve the Bylaw.

The General Manager Regulatory and Planning explained to the Council there had been a change in the name and an update to the Trading in Public Places Bylaw 2018, which governs how street furniture and mobile traders were managed. The main focus was on street signage complaints, particularly flags, relating to risks for traffic and pedestrians.

The General Manager explained there was one change to the Bylaw following a discussion with the Council. This related to a maximum of four sandwich boards and/or flags to display or advertise a shop's wares. Two submissions had been received as a result of the consultation, they opposed flags being required to be placed against the shop frontage rather than positioned further out onto the pavement. He said businesses with existing signage that did not comply with the proposed Bylaw or

wished to locate signage elsewhere would be required to work with Council staff and obtain written approval.

Cr Dickson commented that she sympathised with business owners wanting their signage to be noticeable and thought the restrictions unfair. However, she noted Council's willingness to work with individual businesses to ensure the best possible outcome.

Cr Davis asked how businesses would be made aware written approval could be granted by the Council for exceptions to the placement of signage.

The General Manager replied if the change to the Bylaw was approved, a communications campaign would be undertaken through GoRetail and other mechanisms.

Cr Dickson further made the point that it was important that any signage was secure to avoid harm to any pedestrians.

The General Manager agreed this was important and it would be communicated to all businesses concerned. The Council's Parking Warden was very proactive in this area, has a positive relationship with the majority of retailers and her common sense suggestions would prevail.

**RESOLVED on the motion of Cr Grant, seconded by Cr Phillips, THAT the Council adopt the draft Trading in Public Places Bylaw 2018,**

**AND THAT it become effective from 1 July 2018.**

**2018/65**

**9. MATAURA SCHOOL GRANT TECHNICAL SUBMISSION (SC1976)**

A memo had been received from the Chief Financial Officer.

The technical submission to the 2018-2028 10-Year-Plan Consultation Document from the Chief Executive was included in the submissions to the plan. However, it was not discussed by the Council at its deliberative meeting and now needed to be incorporated into the 10-Year-Plan and rates resolution.

**RESOLVED on the motion of Cr Phillips, seconded by Cr Dickson THAT report be received.**

**AND THAT the Council approve the incorporation of a grant of \$4,000 in the 2018-28 10-Year-Plan, in favour of Matura Primary School in order to honour its 2015 undertaking that financial assistance with additional transport costs be provided as a result of the closure of the Matura Pool.**

**2018/66**

10. ADOPTION OF THE 10-YEAR-PLAN (SC1976)

A report had been received from the Chief Financial Officer.

The purpose of the report was to adopt the Council's Revenue and Financing Policy, other supporting policies and the 10-Year-Plan. The final draft was presented to the Council.

His Worship said while nobody wanted to inflict extra costs on the community, there was an obligation for the Council to meet expectations of ratepayers and fulfilling responsibilities in terms of legislation.

The Chief Financial Officer tabled two amendments to the documentation. Page 7, the audit report referenced incorrect page numbers. Page 127 Funding Impact Statement – a correction to wording definition of non-residential rating.

**RESOLVED on the motion of Cr Bolger, seconded by Cr Davis, THAT the Council adopt the following policies as contained in the draft 2018-2028 10 Year Plan document as tabled,**

**AND THAT the Council adopt the draft 2018-2028 10 Year Plan as tabled including amendments.**

**2018/67**

11. RATES RESOLUTION (SC2177/SC1976)

A report from the Chief Financial Officer had been received.

The report outlined the rates as set under the Local Government (Rating) Act 2002 and are subject to the Council's adoption of the Long Term Plan 2018-2028.

His Worship informed the Council of a need to discuss the fees and charges, which had not been adopted at the Finance and Policy Committee meeting held 12 June 2018.

The Chief Executive reminded the Council it had approved the fees and charges as set out in the report with the exception of the Aquatic Centre charges, Council housing rental and sports fields (dedicated leases) fees. He further said there had been concern around the rationale behind the fees and charges, and in future these issues would be packaged before Christmas so that any increases were telegraphed well in advance to implementation and this timing would not be repeated.

The Chief Executive said Aquatic Centre Manager, Kim Peterson was present to discuss the proposed fees and charges at the centre.

The Chief Executive suggested discussion commence with the standard admission price of an adult swimmer as other charges increased accordingly and this would

address areas of concern particularly senior rates and the increase of the 12 month concession.

Cr Phillips referred to the proposed increases to the sports fields dedicated to Gore BMX, Gore Model Engineering and Eastern Southland Softball. He asked if there was a uniform charge per square metre on each reserve for all codes of sport.

The Parks and Recreation Manager clarified this was not the case and explained it was based on the dedicated space and was activity related.

Cr Phillips further asked if the cost of mowing and spraying were considered when setting the charges.

The Manager said that was not the case – in the schedule of fees and charges the majority of the fees were in a similar band but there was a number that were significantly outside that band. The recommendation was to bring those activities into line with the other clubs and groups of a similar ilk that have a dedicated space for their purpose.

His Worship asked for clarification of the process taken to arrive at the setting of charges.

The Manager explained there was no relation to the physical size of the playing area, but was based on the dedicated space per activity and there were quite distinct differences in the footprint available. All sites require Council input.

Cr Phillips said the BMX club had spent hours dedicating time to creating a BMX club on reclaimed land which was once landfill, this had made a positive aesthetic change to the land. He asked why the need for a large increase to their charges.

The Mayor said discussion and debate was important in order for the Councillors to see what was fit and proper in the fees the organisations are charged.

Cr P Grant asked who was responsible for weed control at the BMX track.

The Manager replied that Council staff undertake weed spraying.

Cr Dickson concurred with Cr Phillips. She said the increases to the BMX Club and Gore Model Engineering were excessive and she wanted them to be increased incrementally, perhaps over two years.

Cr Beale also agreed and said Gore Model Engineering had a small membership and a large increase could be the demise of the club.

His Worship brought the Council's attention to the fee increase for Eastern Southland Softball. He said given the recent inconvenience they had experienced due to Council works, he was reluctant to suggest an increase in charges.



Cr Bolger said he disagreed as the softball club had a big catchment area and was not under the same financial pressure as smaller clubs. He further said the Council wanted to see the facilities used and needs to be reasonable, however, in reality there are costs attached and either the ratepayer or the user must meet these costs – a balance needed to be found.

Cr P Grant asked for clarification of the area the Gore Model Engineering rented.

Cr Beale replied there was a large signal box and a track included in their lease.

The Manager informed the Council that approximately  $\frac{3}{4}$  acre was the space allocated for that particular club.

Cr Phillips asked how many pony paddocks the Council owned and asked for the rationale behind the large increase in fees and what services were included.

The Manager commented charges for the Mataura Pony Club had been revisited, the fee should be \$138 not \$160 as tabled. He informed the Council there were four paddocks and the charge included power for electric fencing, water was provided and repairs to fencing made when needed.

Cr Sharp suggested a 10% rate rise on all groups across the board.

His Worship reiterated the reason for addressing the fees and charges was through a desire to gain a balance and bring some of the charges which were out of kilter back into line.

Cr Sharp posed the question, were the increases fair and reasonable. He did not consider this to be the case.

Cr Bolger did not agree with Cr Sharp's suggested increase of 10% and put forward a motion that \$100.00 increase for each was a reasonable increase, but also a substantial discount.

**RESOLVED on the motion of Cr Bolger, seconded by Cr Beale, THAT a fees and charges increase of \$100 for Gore BMX, Gore Model Engineering and Eastern Southland Softball be adopted for each club.**

**2018/68**

His Worship invited the Manager to speak to the Councillors regarding Council Housing rental.

The Manager said he had sought a rental figure from a local real estate agent who deals with rental properties and the estimate was a starting point of \$130 in the private sector, but a community value needed to be added to that.

In response to His Worship, the Manager confirmed the Canning Street rentals were the only community housing in Gore owned by the Council.

Cr Beale suggested a rental of \$120 was more appropriate.

In reply to His Worship, the Manager said religion was not a criteria for occupancy.

Cr Reid thought a \$5 increase for social housing as long as maintenance costs were covered, was acceptable.

The Manager confirmed in response to a question posed by Cr Davis, the tenants occupying the flats were in need of financial assistance. He informed the Council, the tenancy agreements had a 1 December effective date for a change in rental figure.

Cr Davis said she was comfortable with the rental rate suggested by Cr Beale.

His Worship reminded the Council there was a social housing aspect to the flats and the recommended rental increase was fair and reasonable particularly since there was little other housing for the vulnerable available in Gore.

**RESOLVED on the motion of Cr Sharp, seconded by Cr Reid, THAT an increase of weekly rental on each of the Canning Street properties to \$95 be adopted.**

**2018/69**

His Worship asked the Councillors to turn their attention to pool charges and the suggested increases. He welcomed the Aquatic Centre Manager to the meeting.

The Chief Executive referred the Council to page 2 of the price schedule tabled, which provided an alternative proposal of a \$0.50 increase per swim rather than \$1.00 and noted the 12 Month membership would be suitably amended.

The Aquatic Centre Manager informed the Council that although the 12 Month membership charge was based on 100 swims, there were six members who in the past year have entered the pool approximately 244 times each. The Manager said having looked at the comparatives, south of Waitaki, the charges were low.

Cr Davis asked if members of the swim squad had bought memberships.

The Manager explained that the members of the squad pay a term fee that includes entry fee and a swim at any other time would encounter a separate entry fee.

His Worship responded to a comment from Cr Bolger, the next discussion on fees and charges will be before the end of the calendar year in order get in sync with the annual plan and was undertaken a year prior to changes taking effect.

Cr Dickson expressed her disappointment there had not been an increase to the fees for six years and suggested it be reviewed regularly.

Cr Davis said that she was not happy with the increase of the 12 month concession fees, the jump was excessive and was higher than neighbouring centres. Considering there were only 11 memberships purchased she suggested the charge for the membership remain the same but she agreed to the increase in charges for individual swims.

**RESOLVED on the motion of Cr Davis, seconded by Cr Sharp THAT the alternative proposal, based on an adult swim increasing to \$5, be adopted,**

**AND THAT all 12 month membership fees remain the same and are not subject to a price increase.**

**2018/70**

The Manager left the meeting at 8.07pm

His Worship asked the Council to revisit the recommendations from the minutes of the Finance and Policy meeting held 16 June to ensure they were incorporated with the recommendation for changes to the fees and charges.

**RESOLVED on the motion of Cr P Grant, seconded by Cr Phillips THAT the fees and charges as proposed, with the exception of the alternatives as previously moved, be adopted.**

**2018/71**

His Worship asked the Council to consider the report detailing rates on rating units in the District for the financial year commencing 1 July 2018 and ending 30 June 2019 as circulated by the Chief Financial Officer.

The Chief Financial Officer drew attention to a correction on page 72 and commented the main Council office address should be Bowler Avenue not Civic Avenue as stated.

**RESOLVED on the motion of Cr Bolger, seconded by Cr Davis THAT under the Local Government (Rating) Act 2002, the Council set the following rates on rating units in the district for the financial year commencing 1 July 2018 and ending on 30 June 2019:**

***a. Uniform Annual General Charge***

**A uniform annual general charge set under section 15 of the Local Government (Rating) Act 2002 for all rateable land in the district of \$701.59 (GST inclusive) per separately used or inhabited part of a rating unit.**

***b. General rate***

**A general rate set under section 13 of the Local Government (Rating) Act 2002 for all rateable land in the district of an amount of \$0.000434 (GST inclusive) in the dollar of capital value of the land.**

**c. Southland Regional Heritage Trust rate**

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 in relation to all rateable land in the district, to fund the Council's contribution to the Southland Regional Heritage Trust, of an amount of \$35.61 (GST inclusive) per separately used or inhabited part of a rating unit.

**d. Targeted rate for various specified activities**

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 to fund the following activities: roading; civil defence; aquatic facilities; district libraries; property; MLT Event Centre and public toilets. The rate is set based on the capital value of the land and at different rates in the dollar for different categories of land as follows:

Categories of rateable land	Per \$ of Capital value (GST inclusive)
Gore, Residential	0.001868
Gore, Commercial	0.004625
Mataura, Residential	0.000819
Mataura, Commercial	0.005120
Rural	0.000768
Heavy Industry 1	0.064537
Heavy Industry 2	0.012322
Heavy industry 3	0.010739
Utilities	0.000829

**e. Parks & Reserves Residential rate**

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for parks and reserves on all rateable land defined as residential, and at different amounts for different categories of such land as follows:

Categories of rateable land	Factor(s) for calculating liability	Rate (GST inclusive)
Gore, Residential	Per separately used or inhabited part of a rating unit	\$311.97
Mataura, Residential	Per separately used or inhabited part of a rating unit	\$244.67

**f. Parks & Reserves Rural rate**

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for parks and reserves on all rateable land defined as rural, and at different fixed amounts for different categories of such land, as follows:

Categories of rateable land	Factor(s) for calculating liability	Rate (GST inclusive)
Rural, Capital value \$0 - \$149,000	Per separately used or inhabited part of a rating unit	\$207.97
Rural, Capital value 149,001 and above	Per separately used or inhabited part of a rating unit	\$349.79

**g. Parks & Reserves Commercial rate**

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for parks and reserves on all rateable land defined as commercial, and at different amounts or rates in the dollar for different categories of such land, as follows:

Categories of rateable land	Factor(s) for calculating liability	Rate (GST inclusive)
Commercial, Capital value \$0 – 90,000	Per rating unit	\$450.00
Commercial, Capital value \$90,001 - \$901,000	Capital value	\$0.004938
Commercial, Capital value \$901,001 and above	Per rating unit	\$4,450.00

**h. Water rate**

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for water supply, at different amounts for different categories of land as follows:

Categories of rateable land	Factor(s) for calculating liability	Rate (GST inclusive)
Gore or Maitava water scheme – Connected	Per separately used or inhabited part of a rating unit	\$325.44
Gore or Maitava water scheme – Serviceable	Per separately used or inhabited part of a rating unit	\$162.72

**i. Additional water rate**

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for water supply, on all non-residential land which is connected to the Gore or Maitava water schemes, of an amount of \$325.44 (GST inclusive) per connection after the first connection.

**j. Wastewater and stormwater rate**

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for wastewater and stormwater at different amounts for different categories of land, as follows:

Categories of rateable land	Factor(s) for calculating liability	Rate (GST inclusive)
Gore or Maitua Scheme, Connected	Per separately used or inhabited part of a rating unit	\$427.47
Gore or Maitua Scheme, Serviceable	Per separately used or inhabited part of a rating unit	\$213.73
Waikaka Scheme, Connected	Per separately used or inhabited part of a rating unit	\$131.44
Waikaka Scheme, Serviceable	Per separately used or inhabited part of a rating unit	\$65.72
Pukerau Scheme, Connected	Per separately used or inhabited part of a rating unit	\$98.58

**k. Additional wastewater and stormwater rate**

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for wastewater and stormwater on all non-residential land connected to the Gore, Maitua or Waikaka Wastewater and Stormwater Schemes, at different amounts for different categories of land, as follows:

Categories of rateable land	Factor(s) for calculating liability	Rate (GST inclusive)
Connected to Gore or Maitua Scheme, short term accommodation	per water closet or urinal after the first	\$213.73
Connected to Gore or Maitua Scheme, educational institutions	per water closets or urinals after the first. The number of water closets or urinals will be assessed on the basis of 6.25% of the total number of staff and pupils at each establishment.	\$427.47
Connected to Gore or Maitua Scheme, all other non-residential	per water closet or urinal after the first.	\$427.47

rating units (excluding educational institutions).		
Connected to Waikaka Scheme, all non-residential (excluding educational institutions).	per water closet or urinal after the first.	\$131.44

***l. Otama water unit allocation rate***

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for the Otama water scheme on all land connected to the scheme, of an amount of \$200 (GST inclusive) per water unit allocation i.e. on the extent of the provision of the service.

***m. Otama water connection rate***

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for the Otama water scheme on all land connected to the scheme, of an amount of \$215 (GST inclusive) per water connection.

***n. Solid waste rate***

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for solid waste at different amounts for different categories of land as follows:

Categories of rateable land	Factor(s) for calculating liability	Rate (GST inclusive)
Gore and Mataura, vacant land (unserviced)	Per separately used or inhabited part of a rating unit	\$71.81
Gore and Mataura, small wheelie bin service (80 ltr)	Per separately used or inhabited part of a rating unit	\$247.07
Gore and Mataura, (standard wheelie bin service (240 ltr)	Per separately used or inhabited part of a rating unit	\$293.77

***o. Community hall rate***

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for rural halls as follows:

Categories of rateable land	Factor(s) for calculating liability	Rate (GST inclusive)
Brydone hall area	Per separately used or inhabited part of a rating unit	\$24.22

Mandeville hall area	Per separately used or inhabited part of a rating unit	\$46.00
Otama hall area	Per rating unit	\$80.50
Pukerau hall area	Per separately used or inhabited part of a rating unit	\$36.00
Tuturau hall area	Per separately used or inhabited part of a rating unit	\$34.86
Waikaka hall area	Per separately used or inhabited part of a rating unit	\$48.00
Knapdale hall area	Per separately used or inhabited part of a rating unit	\$57.50

2. That all rates will be payable in four instalments with the due dates for payment being:

Instalment No	Period Covered	Due Date for Payment
1	1 July to 30 September	31 August 2018
2	1 October to 31 December	30 November 2018
3	1 January to 31 March	22 February 2019
4	1 April to 30 June	31 May 2019

### 3. Penalties

That a 10% penalty will be added to each instalment, or any portion of the instalment, of rates assessed in the 2018/2019 rating year that remain unpaid on the day after the due date for payment of that instalment.

That additional 10% penalties will be added to any rates assessed in previous financial years that remain unpaid on 6 July 2018; and then again on 6 January 2019.

Only payments actually received at the Council offices named below will be accepted as paid on that date.

### 4. Method of Payment

Rates can be paid at the main Council office in Bowler Avenue, Gore or at the Maitara Service Centre in Bridge Street Maitara.

Payments may be made in cash or by cheque or EFTPOS. Credit card payments may be made online via the Council's eservices website. A 2.88% surcharge will be added to any credit card payment.

Electronic payments by direct debit or online banking can be arranged by contacting a customer services representative on 209-0330.



12. BECOMING A GUARANTOR BORROWER WITH THE LGFA (SC2168)

A memo from the Chief Financial Officer had been received.

The report discussed the implications of becoming a guarantor borrower with the Local Government Funding Agency LGFA.

The Chief Financial Officer explained, in December 2015 the Council became a non-guarantor member of the LGFA, which means Council borrowing would be limited to \$20 million. With the 2018-28 10 Year Plan forecasts, debt could be expected to peak at \$35 million. Therefore it would be necessary to become a guarantor to be able to cover this debt and access competitive borrowing rates.

The Chief Financial Officer informed the Council the LGFA has a large number of tools in its tool kit and would be able to absorb a loss and would never call on the guarantee which is the intention but is necessary for the financial viability of the LGFA. The purpose of the guarantor clause was to allow a higher credit rating and access cheaper borrowing.

In response to a comment from Cr Beale that ratepayers are considered a debenture, the Chief Financial Officer said if the situation occurred and the LGFA couldn't raise any money to pay back their investors, they could expect Councils to recover a certain percentage of that debt.

Cr Dickson asked for clarification, if one Council defaulted on payment then would all Councils that are guarantors pay part of that penalty.

The Chief Financial Officer explained that was not the case, no Council has ever defaulted and it was highly unlikely that situation would occur. For a Council to default it would have to have borrowed so much it could not access any more funds. There was currently no Council in that situation and the purpose of LGFA is to keep track of Councils finances.

Cr Beale commented that if the LGFA made a call on the guarantor the Gore District Council's share would be minimal at 0.3%

The Chief Executive reminded the Council the proposal was about risk and reward – the risk being very low and carried with it the reward of immediate access to lower interest rates.

Cr Bolger was in favour of the suggestion of becoming a guarantor and was being able to access lower interest rates which would be of benefit to all ratepayers.

Cr Sharp asked if the Council was paying ANZ to have \$3million available to borrow.

The Chief Financial Officer replied that he thought the line fee was \$10k a year.

Cr Sharp further asked if there was a cost to be a guarantor with the LGFA.

The Chief Financial Officer said there was not.

Cr Gardyne expressed his concern about becoming a guarantor borrower with the LGFA and the risk involved. He wanted it noted that he opposed the recommendation.

**RESOLVED on the motion of Cr Bolger, seconded by Cr Beale THAT the report be received,**

**AND THAT the Council become a guarantor member of the LGFA.**

**2018/73**

The meeting concluded at 8.28 pm