

Minutes of an ordinary meeting of the Gore District Council, held virtually, via Zoom, on Tuesday 12 May 2020, at 4.30pm

Present His Worship the Mayor, Mr Tracy Hicks JP, Crs Bolger, Davis, Dickson, Gardyne, D Grant JP, N Grant (from 5.00pm), Highsted, MacDonell, McPhail, Phillips and Reid.

In attendance The Chief Executive (Mr Stephen Parry), General Manager Infrastructure (Mr Ramesh Sharma), HR/Administration Manager (Susan Jones), Communications-Marketing Manager (Sonia Gerken), 3 Waters Asset Manager (Mr Matt Bayliss), Roding Asset Manager (Mr Peter Standing) and Accountant (Mrs Donna McKewen).

Apology Cr N Grant apologised for lateness.

1. CONFIRMATION OF MINUTES

RESOLVED on the motion of Cr Reid, seconded by Cr Phillips, **THAT** the minutes of the ordinary meeting of the Gore District Council, held on Wednesday 15 April 2020, as presented, be confirmed and signed by the Mayor as a true and complete record.

RESOLVED on the motion of Cr MacDonell, seconded by Cr D Grant, **THAT** the minutes of the extraordinary meeting of the Gore District Council, held on Wednesday 22 April 2020, 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 Bolger, **THAT** the minutes of the extraordinary meeting of the Gore District Council, held on Tuesday 28 April 2020, as presented, be confirmed and signed by the Mayor as a true and complete record.

2. FINANCIAL REPORT FOR MARCH 2020

A financial report for March 2020 had been received from the Accountant and was perused by the Council.

Cr MacDonell noted the other financial liabilities had increased by nearly \$1 million on the balance sheet. The Accountant believed that it was due to timing with interest rates from what the Council had in June 2019 compared to now. Cr MacDonell did not believe there was any real value in interest rate swaps and the Council had incurred a lot of cost as a result. Cr Highsted said swaps had been considered at previous Audit and Risk Committee meetings and were in accordance with the Council's current Financial Policy.

In response to Cr Reid asking about results of contaminants at the old Waikaka landfill, the Roading Asset Manager confirmed there had been initial testing at the site and there were low levels of asbestos found. There were three separate sites and the material removed would be tested before it was determined where it was disposed of.

Cr D Grant asked about the claim for the February flooding event. The Accountant advised the claim was on hold due to the Covid-19 disruption. Cr D Grant said the Council had planners on staff and was the work required at the preparation work for a resource consent beyond them. He noted the cost for preparing a consent application was between \$150,000-200,000. The Chief Executive said the work was part of a tsunami of work as a result of the floods. The cost related to engineering works and planning had been included with that. He thought it would be unusual for engineering work to be done by an outside company and the planning work done internally. Cr D Grant asked if the remediation work was a permanent fix. The General Manager advised it was a temporary fix at this stage.

His Worship said the inference of temporary suggested the work would need to be done again. The General Manager said he was unable to confirm whether it would be a permanent solution. NEMA funded only like for like.

Cr Davis noted the increase in debt had risen by \$5.5 million and asked what it related to. The Accountant was unable to specify what it was for, but funds had been drawn down in March for the civic building upgrade and the Pyramid Bridge. Cr Davis asked for a breakdown to be provided.

RESOLVED on the motion of Cr D Grant, seconded by Cr Reid, THAT the financial report for March 2020 be received.

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The Accountant now departed the meeting.

3. DOG CONTROL POLICY AND PRACTICES (SC2498)

A memo had been received from the Administration Manager together with the annual report on the Council's dog control policy and practices for the year ending 30 June 2019. The report was an annual obligation contained in the Dog Control Act 1996. The report had been prepared in September 2019 by the former General

Manager Regulatory and Planning but had been inadvertently overlooked for inclusion on a previous agenda.

Cr Dickson asked if the dog parks had been completed and on budget. The Chief Executive understood they had been.

RESOLVED on the motion of Cr D Grant, seconded by MacDonell, THAT pursuant to Section 10A of the Dog Control Act 1996, the Gore District Council report on Dog Control Policy and Practices for the 2018-19 year be adopted.

2020/42

Cr N Grant attended the meeting from 5.00pm

4. GREEN WASTE DISPOSAL (SC0689)

A report had been received from the General Manager Infrastructure and the Roading Asset Manager seeking approval from the Council to initiate permanent free green waste disposal, effective immediately.

Cr Phillips advised he had held informal discussions with the Maitara Community Board about the future of green waste and recycling in Maitara. He asked the Council to consider Maitara as well. Not providing a green waste disposal service in Maitara was unacceptable.

The Chief Executive advised the recommendation related only until the end of June and with moving from Alert Level 3 to Level 2, waste disposal was still in a temporary state. The Council had recently determined a way forward post 1 July.

The Manager advised the Maitara service was being run by the Bowling Club and due to the age of its members and the restrictions imposed by Covid-19 the intention was the service would remain closed in the interim. His Worship suggested awaiting a recommendation from the Maitara Community Board.

RESOLVED on the motion of Cr Davis, seconded by Cr Dickson, THAT the report be received,

AND THAT the Council agree to free disposal of green waste at the Gore transfer station, with immediate effect.

2020/43

5. BANCORP TREASURY REPORT (SC2832)

A treasury report from Bancorp for the three months to 31 March 2020, had been circulated with the agenda. The Chief Executive said the world had changed hugely since the date of the report. The author of the report, Mr Miles O'Connor was intending to report to the next Audit and Risk Committee meeting on 27 May. If the Council's Liabilities Policy was to be amended then it would be subject to a special

consultative process and he expected it would be reviewed again in conjunction with the next Long Term Plan.

Cr Highsted said when the Audit and Risk Committee last met it had appointed a Treasury Panel to enable the Council to be more nimble about any changes that were required. He would be raising it again at the next Audit and Risk meeting.

Cr Gardyne asked if the Council should not enter into any more swaps until after the Audit and Risk meeting on 27 May.

Cr Dickson noted the Council had a \$3 million facility at the ANZ that would expire towards the end of June. She asked whether it would be utilised. Cr Gardyne added the facility cost the Council about \$33,000 per annum. He suggested the facility should be reduced to \$1 million.

Cr Highsted referred to the hedging policy in the report and explained the Council had to keep within the bands detailed.

His Worship said the Audit and Risk Committee was charged with maintaining the best financial policy.

RESOLVED on the motion of Cr D Grant, seconded by Cr Bolger, THAT the report be received.

2020/44

6. REVENUE FORECASTING FOR THE YEAR ENDING 30 JUNE 2020 (sc2820)

A memo had been received from the Chief Executive together with an analysis of the impact that Covid-19 had had and would likely to have on Council's revenues. The report highlighted the Multisports Complex and regulatory services where revenue levels had been most affected. The Council had also recently learnt that Council operations that could prove a 30% loss in revenue over the past few months, may be eligible for receipt of a Government wage subsidy. An application for wage subsidies for the Multisports Complex would be submitted. If received, the subsidy would make a meaningful contribution to off-setting the loss of revenue.

Cr Highsted asked if staff had turned their mind to costs to offset the revenue reduction. The Chief Executive said costs had definitely been looked at and there had been a stringent drive to remove or reduce costs. The Council had made a call to make redundant the part-time swim instructors. The Aquatic Services Manager had reviewed the budget and costs in particular. The Council was actively looking at areas that it could save money in to minimise the impact to the ratepayer.

Cr Highsted referred to the Council's Procurement Policy and ensuring the emphasis on buy local was appropriate in it. He asked if a report could be provided to confirm that emphasis was on buying local. In the current environment, every dollar that could

be spent in the town was crucial. By way of clarification, Cr Highsted said he would like an outline of how the current policy was working and whether there were any improvements to be made. His Worship agreed it would be good to see how the application of the changes made recently were tracking.

Cr Bolger thought the rates deferral policy would impact on the Council's financial situation. The Chief Executive said to date, the take up had been quite light. There was cash in the system and it was thought any deferrals could be managed. It would be monitored month by month as to what the impact would be.

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

2020/45

7. HEALTH AND SAFETY REPORT (SC2752)

A health and safety report had been received from the Human Resources Manager covering staff training, relocation of the office to the James Cumming Wing and a summary of 83 incidents reported from 19 November to 30 April.

RESOLVED on the motion of Cr N Grant, seconded by Cr Reid, THAT the report be received.

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8. CIVIC FINANCIAL SERVICES ANNUAL REPORT (SC2449)

A memo had been received from the Chief Executive together with a copy of the annual report from Civic Financial Services for the year ending 31 December 2019.

The entity had recorded a profit of \$2,251,309. The profit was approximately double that which had been forecast and had been boosted by the one-off gain from the sale of its building. The one-off gain was \$1,209,909.

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

2020/47

9. PROPOSED EXPANSION OF URBAN RATING BOUNDARIES (SC2450)

A memo had been received from the Chief Executive advising that a major feature of the 2018-2028 Long Term Plan had been the Council's intention to expand the urban rating boundaries that applied to both Gore and Mataura. The proposal profiled at that time followed a comprehensive review which had questioned the adequacy of the existing boundaries which had not been disturbed since the creation of the Gore District Council in 1989.

Following extensive consultation and hearing of submissions, the Council decided to proceed with implementing changes. However, to give affected ratepayers time to adjust to moving into an urban rating area, the Council deferred implementation until the 2020-21 financial year. In light of the Covid-19 pandemic crisis and the concomitant financial pressure placed on many households, the question was posed as to whether the decision of the Council should be postponed. The rating boundary change had been driven by fairness and consistency issues as distinct from any additional income for the Council.

Cr Bolger felt postponement was a good idea. Cr Highsted said he was an affected property owner and would not comment on the postponement. However, thinking about rating islands and industries that connected to urban services, he suggested a report be forthcoming about consistency and how appropriate the current rating allocation for those industries were for the Gore, Mataura and rural rating areas.

Cr Davis supported the postponement and said there were pressures in the community.

Cr Bolger said some of the urban industries also imposed costs on rural ratepayers. The more that things were amended, the more opportunity there was for things to go awry. The impact of MVM on the community could complicate the discussion, but it did pay for the access it received. He urged caution as to how much change the Council may want to make.

The Chief Executive said a review was timely but he did not see it as a big review. He thought it would consider the Council's approach to industry and what the similarities were and then consider where to from there.

RESOLVED on the motion of Cr Highsted, seconded by Cr Bolger, THAT a report be provided detailing the consistency and appropriateness of the current rating allocation for industries within the Gore, Mataura and rural rating areas.

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RESOLVED on the motion of Cr Dickson, seconded by Cr Reid, THAT the Council agree to deferring the implementation of its urban rating boundary review until the 2022-23 financial year,

2020/49

The meeting concluded at 5.41pm