

Minutes of an ordinary meeting of the Gore District Council, held in the Council Chambers, James Cumming Wing, 10C Ardwick Street, Gore on Tuesday 14 July 2020, at 4.03pm

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

In attendance The Chief Executive (Mr Stephen Parry), Chief Financial Officer (Ms Lornae Straith), HR/Administration Manager (Susan Jones), Communications-Marketing Manager (Sonia Gerken), 3 Waters Asset Manager (Mr Matt Bayliss), Project Manager Infrastructure (Mr Hashem Ramezan-zadeh), Accountant (Mrs Donna McKewen) and one member of the public.

Apology Cr N Grant apologised for absence.

Clause 9 – Gore Health Incorporated building consent waiver fee – Cr Dickson advised she was a member of Gore Heath and declared a conflict of interest.

1. CONFIRMATION OF MINUTES

RESOLVED on the motion of Cr Reid, seconded by Cr McPhail, **THAT** the minutes of the ordinary meeting of the Gore District Council, held on Tuesday 9 June 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 Tuesday 30 June 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 Phillips, **THAT** the minutes of the extraordinary meeting of the Gore District Council, held on Tuesday 7 July 2020, as presented, be confirmed and signed by the Mayor as a true and complete record.

2. PRESENTATION ABOUT SAFETY OF 5G

Mr Derek Tan was in attendance with three supporters. He made a presentation about the safety of 5G technology. Background information had been circulated with the agenda.

Mr Tan and supporters departed the meeting at 4.20pm

3. FINANCIAL REPORT FOR MAY 2020

A financial report for May 2020 from the Accountant had been circulated with the agenda and was perused by the Council.

In response to Cr Dickson querying the \$5.5 million increase in debt, the Chief Executive said there had been some debt drawn down as part of the water treatment upgrade and the civic administration building project. Those two projects alone would have totalled about \$5 million increase in debt. That would increase as the water treatment upgrade progressed. His Worship saw no reason why the debt details could not be provided in future reports. Cr Highsted said a key point was where the debt stood in relation to the Long Term Plan. The Chief Executive said the debt level was currently lower than that forecast in the LTP.

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

2020/80

The Accountant departed the meeting at 4.26pm

4. MATAURA COMMUNITY BOARD REPORT (SC2696)

A copy of the report of the meeting of the Mataura Community Board held on Monday 15 June 2020 had been circulated with the agenda.

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

AND THAT the recommendations contained in the report be ratified.

2020/81

5. WIGAN STREET WASTEWATER RENEWAL (SC2900)

A report had been received from the 3 Waters Asset Manager updating the Council on the project to renew the wastewater main on Wigan Street, including an increase in the scope of works. Following the February 2020 flood event, a large cavity had opened up in the road above the concrete wastewater main outside 82 Wigan Street. The cause of the collapse was the localised failure of the wastewater main. As part of the investigation, a further collapse in the road occurred approximately 10 metres away from the first collapse. A temporary repair had been made to the wastewater

main. A contract had been awarded to Wilson Contractors to complete the renewal with an estimated cost of \$400,000. On 9 June 2020, a further road collapse approximately 15 metres from the initially planned extent of works was reported to Council staff. The CCTV inspection showed that the first 45 metre section of the pipe was in particularly bad condition requiring urgent renewal. The estimated additional cost of that work was \$100,000, excluding GST.

The full 1.8 km of the pipeline was in poor condition requiring renewal. Additional budget for further renewals would be considered as part of the 2021 Long Term Plan.

Details of the project programme and risks were provided in the report. Due to a further road collapse, the scope of work had increased, which in turn had increased the estimated cost by \$100,000 to \$500,000, excluding GST. There was potential for further road collapses, unknown ground conditions and or construction issues to result in increases in the estimated cost.

The Manager advised the contractors were established on site and had commenced work. A section of pipe at the start of the work was found to be in worse condition than expected. It had caused a slight delay to the start of the work, but a satisfactory solution had been found.

The Chief Executive added that the replacement of the Wigan Street main could be a contender for funding of \$761 million announced by the Government the previous week for water infrastructure improvements. The funding was likely to be allocated on a per capita basis, although the exact details were still to be confirmed.

In response to Cr Reid, the Manager confirmed there had been a number of letter drops to the residents of Wigan Street keeping them informed of the project.

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

2020/82

6. REVIEW OF CONNECTION TO RETICULATED SERVICES POLICY (SC0110)

A report had been received from the 3 Waters Asset Manager outlining proposed changes to the Council's Connection to Reticulated Services Policy. On 10 March 2020 the Council had resolved to take over ownership of all wastewater and stormwater laterals (a pipe that connected the private property to the Council reticulated main) in the Council's road reserve. A copy of a report tabled at the 10 March meeting had been circulated with the agenda, together with a copy of the proposed new policy. A key feature of the proposed policy was allowing approved contractors only to undertake the work. Changes to the policy had been recommended to ensure it provided clear and transparent guidance addressing issues such as new connections, ownership, fault resolution and dispensation.

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

THAT the “Connection to Reticulated Services” policy adopted on 13 December 2011 be rescinded,

THAT the Council approve the attached “Connection to Reticulated Wastewater and Stormwater Services” policy.

THAT a review of the Council’s Water Supply Bylaw 2015 be undertaken,

AND THAT from 1 January 2021 only contractors listed on the Council’s approved 3 Waters register will be permitted undertake works on the Council’s 3 Waters infrastructure.

2020/83

7. DEFERRING PLANNED SHUTDOWN AT MULTISPORTS COMPLEX (SC2745)

A report had been received from the Aquatic Services Manager proposing a change of schedule for the planned shutdown of the Gore Multisports Complex and seeking approach for the changes in the timeline from 2020/21 to 2021/22.

There had been a planned shutdown organised for 2020/21, however, with the impact of Covid-19, it had put a financial strain on the complex but also those people who used the facility having been impacted and not able to use the facility.

Cr MacDonell moved THAT the report be received,

THAT the Council approve deferring the maintenance programme from the 2020-21 year to the 2021-22 year,

THAT Council staff work with Ice Sports Southland around its needs for the future,

THAT condition assessments be completed for all power board panels, due to their age and corrosion,

THAT the roof of the plant room and MLT event centre be re-inspected in relation to safety heights, requirements and ventilation,

AND THAT a further report with an action plan and cost estimates be provided to a future meeting.

The motion was seconded by Cr Davis.

Cr MacDonell questioned loan funding the maintenance work and thought it was a backward step. The Chief Executive said those types of issues would become clearer in the upcoming LTP process.

The motion was put and it was carried.

2020/84

8. PREPARATION FOR DRAFT 2021-31 LONG TERM PLAN (SC2940)

A memo had been received from the Chief Executive advising that a project team comprised of senior managers had been assembled. The team would be led by the Chief Financial Officer and replicated the approach taken in previous years where a small senior team met on a regular basis to prepare and implement a project plan in order that a draft consultation document was available for the Council to approve for consultation in March next year. Other members of the team would include the Chief Executive, General Manager Infrastructure, Communications Manager and Human Resources/Administration Manager.

A copy of a letter from the Controller and Auditor-General had been received and circulated with the agenda. The letter emphasised the importance of long term planning, community engagement and project management. A copy of the post-mortem undertaken by the project team of the last Long Term Plan in 2018 had also been circulated.

His Worship said there were some challenges ahead for the Council and he encouraged all elected members to make themselves available to be involved. There would be a significant time commitment required. The Chief Executive expected there would be about ten workshops required before Christmas.

RESOLVED on the motion of Cr Highsted, seconded by Cr MacDonell, THAT the report and accompanying letter from the Auditor-General be received and noted,

AND THAT the Council note that a project timetable based on feedback received at the meeting, will be prepared and disseminated to elected members.

2020/85

9. GORE HEALTH INCORPORATED BUILDING CONSENT FEE WAIVER (SC2711)

A memo had been received from the Chief Executive following a request from the Chairman of Gore Health Incorporated seeking the Council's financial assistance in regard to waiving a building consent fee. The fee related to the proposed expansion of the hospital to provide more space for general practitioner consulting rooms. The extension totalled 184m² and attracted a consent fee of \$9,764.85.

It was not normal practice for the Council to waive building or resource consent fees, however, in this case it was arguable that the Gore hospital was an essential service that was relied upon and highly valued by practically every member of the community.

The Building Control department was predominantly funded by consent fees and if the consent fee for the hospital was waived, it would have to be actioned via the payment of a grant. There was no budgetary provision for a discretionary grant to be

paid and if it was to be advanced, it was suggested that it be deficit funded and a decision made towards the end of the current financial year in regard to whether it needed to be a dedicated provision in the 2021-22 grants budget to eliminate the deficit.

Cr Highsted said the hospital was an essential service and there was a lack of other community financial support.

Cr Highsted moved THAT the Council approve a grant of \$9,764.85 in favour of Gore Health Incorporated to enable that organisation to pay its building consent fee and in recognition of the important health and social service it provides to the community,

AND THAT the Council note that the payment of the grant will be deficit funded, with a decision to make a dedicated budgetary provision for this amount in the 2021/22 grants budget, to be made in the fourth quarter of the 2020/21 financial year.

The motion was seconded by Cr Reid.

Cr Gardyne suggested caution and including the funding as a grant was unfair for the rural area. The Chief Executive said there was no intention to fund it by grant. It would be funded by deficit funding this year and if the Revenue and Financing Policy was amended it could be funded by a different format.

Cr McPhail asked where funding was sourced from for discretionary funding. His Worship said it would be considered as part of the Revenue and Financing Policy review. Cr Highsted thought it would be good for the Chief Executive of Gore Health to explain the history of the hospital's association with the Council. His Worship said Gore Health was probably the leading light in rural hospitals across the country and how it generated its revenue. He estimated there was about 30% funding came from outside of the Government contribution.

The motion was put and it was carried.

2020/86

Crs Gardyne and MacDonell voted against the motion and asked for their votes to be recorded.

Cr Bolger said the Council was restrained according to the Rating Act and any objections should be directed to central Government. If a property's value increases in value that was a good thing. Cr Gardyne said the UAGC was a fairer way of apportioning costs to all ratepayers.

10. COVID-19 RATES DEFERMENT UPDATE (SC2450)

A memo had been received from the Rating Officer advising that since the last report, there had been no further applications received for deferment. The total number of applications received remained at 16 amounting to \$24,435 in rates value.

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

2020/87

The meeting concluded at 5.02pm