

Hastings District Council

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OPEN MINUTES

COUNCIL

Meeting Date: Monday, 13 February 2012

**Minutes of a Meeting of the Council held on
13 February 2012 at 9.05am**

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HASTINGS DISTRICT COUNCIL

MINUTES OF A MEETING OF THE COUNCIL HELD IN COUNCIL CHAMBER, GROUND FLOOR, CIVIC ADMINISTRATION BUILDING, LYNDON ROAD EAST, HASTINGS ON MONDAY, 13 FEBRUARY 2012 AT 9.05AM

- PRESENT:** Mayor Yule (Chair)
Councillors Bowers (Deputy Mayor), Bradshaw, Collin, Hazlehurst, Heaps, Henderson, Kerr, Lester, Nixon, O'Keefe, Poulain, Roil, Twigg and Watkins.
- IN ATTENDANCE:** Chief Executive (Mr R McLeod)
Group Manager: Asset Management (Mr D Fraser)
Group Manager: Community Facilities & Programmes (Ms T Winter)
Group Manager: Corporate and Customer Services (Mr M Maguire)
Group Manager: Planning and Regulatory Services (Mr J O'Shaughnessy)
Group Manager: Strategy and Development (Mr D Morgan)
Chief Financial Officer (Mr T Gray)
Waste and Data Services Manager (Mr M Jarvis)
Environmental Planner Policy (Ms K Pascall)
Environmental Policy Manager (Mr P McKay)
Strategy Manager (Mr L Verhoeven)
Principal Advisor: Infrastructure (Mr C Thew)
Accounting Manager (Ms A Louwrens)
Environmental Planner Policy (Mr R Little)
Principal Advisor: District Development (Mr M Clews)
Economic and Social Development Coordinator (Ms V Berkahn)
Development Contributions Administrator (Mr A Humphrey)
Rating Policy Analyst (Ms J Gray)
Democratic Support Manager (Mrs J Pani)
- ALSO IN ATTENDANCE:** Mr J Mackintosh, Chief Executive, Regional Sports Park.
Mr D Hulls, Akina Hockey Club.
Rev. G Pilgrim, St Matthews Anglican Church.
-

1. PRAYER

The opening prayer was given by Rev. Graeme Pilgrim.

2. APOLOGIES AND LEAVE OF ABSENCE

Apologies

Mayor Yule/Councillor Roil

That an apology for lateness from Councillor Bowers be accepted.

CARRIED

Leave of Absence

Mayor Yule/Councillor Roil

That leave of absence be granted as follows:

Councillor Twigg,	5 September–3 October 2012
Councillor O’Keefe,	16 February 2012
Councillor Watkins,	20 and 21 February 2012
Councillor Heaps,	18–23 May 2012

CARRIED

3. CONFLICTS OF INTEREST

The following potential conflicts of interest relating to the Long Term Plan items were declared:

Mayor Yule –	Regional Sports Park Trust and Pettigrew Green Arena
Councillor O’Keefe –	U-Turn Trust.
Councillor Hazlehurst –	Hastings Business Association
Councillor Poulain –	Pettigrew Green Arena
Deputy Mayor Bowers –	Creative Hastings

4. CONSIDERATION OF:

A) ADDITIONAL BUSINESS ITEMS

B) EXTRAORDINARY BUSINESS ITEMS

There were no additional or extraordinary business items.

5. MINUTES OF 1 FEBRUARY 2012 COUNCIL MEETING

Councillor Heaps/Councillor Hazlehurst

That the minutes of the Council Meeting held 1 February 2012 be confirmed as a true and correct record and be adopted.

CARRIED

6. REPORTS OF COUNCIL REPRESENTATIVES ON OUTSIDE ORGANISATIONS

Councillor Kerr reported on her participation on the Regional Transport Committee and the Hawke’s Bay Sport Council.

Mayor Yule/Councillor Watkins

That the verbal reports of Council representatives on outside organisations be received.

CARRIED

7. HAWKE'S BAY REGIONAL RESOURCE MANAGEMENT PLAN: CHANGE 4 - MANAGING THE BUILT ENVIRONMENT

Councillor Lester/Councillor Twigg

- A) That the report of the Environmental Planner (Policy) titled Hawke's Bay Regional Resource Management Plan: Change 4 - Managing the Built Environment dated 13/02/2012 be received.
- B) That the tabled submission on Proposed Change 4 – Managing the Built Environment be endorsed, with final sign-off on any amendments delegated to the Hearings Committee Chair and Group Manager: Planning and Regulatory Services.

With the reasons for this decision being that the objective of the decision will contribute to the Council's Strategic Objectives by:

Participating in the RPS submission process to ensure Councils views are considered in what are significant changes to the overarching Regional Council document (the Regional Policy Statement), to which Council must give effect.

CARRIED

8. WASTE LEVY FUNDING RELEASE FOR PROJECTS

Councillor Heaps/Councillor Hazlehurst

- A) That the report of the Waste Services Manager titled Waste Levy Funding Release for projects dated 13/02/2012 be received.
- B) That Council approve the release of the waste levy funds as follows:
- (i) to provide \$20,000 for trial recycling facilities being established
 - (ii) to provide \$20,000 towards establishing a local solution to E-waste disposal
- C) That the Council notes that the expenditure is not provided for in the 2011/12 Annual Plan and authorises the expenditure.

With the reasons for this decision being that the objective of the decision will contribute to the Council's Strategic Objectives by:

- Installing trial recycling depots
- Developing an E-waste solution

CARRIED

9. RECOMMENDATIONS OF THE HDC:MAORI JOINT COMMITTEE MEETING HELD 8 FEBRUARY 2012

Councillor Lester/Councillor Hazlehurst

That the report of the Democratic Support Manager titled Recommendations of the HDC:Maori Joint Committee meeting held 8 February 2012 be received and Council notes that consideration of a Maori Ward for the Hastings District from 2016 elections onward will be presented to a future meeting

CARRIED

10. RECOMMENDATION OF THE RURAL COMMUNITY BOARD MEETING HELD 7 FEBRUARY 2012

Councillor Lester/Councillor Kerr

A) That the report of the Democratic Support Manager titled Recommendation of the Rural Community Board meeting held 7 February 2012 be received.

B) That the following recommendation of the Rural Community Board meeting held 7 February 2012 be received and considered as part of the Long Term Plan 2012-2022 – Item 11:

LONG TERM PLAN 2012-2022 UPDATE

“That the Rural Community Board recommends that the rate increase for rating area two be no higher than 3.9% for the first three years of the long term plan”.

CARRIED

11. LONG TERM PLAN 2012-2022

The Strategy Manager (Mr L Verhoeven) advised that the purpose of this item was to obtain decisions on the final content and form of the Long Term Plan 2012-2022 (LTP) to be submitted to Audit NZ for review and then, subject to audit clearance, to public consultation.

Council commenced to work through items 12, 13, 14, 15, 16 and 17 as subsets of the LTP.

The items were considered and taken out of order as follows:

- Item 14 Statement of Proposal to Form Council Controlled Organisation – Shared Services. (11a)
 - Item 15 Haumoana Coastal Erosion Issue – Draft Statement of Proposal (11b)
 - Item 12 Regional Sports Park – Development Options (11c)
 - Item 13 Review of Community Grants and Contracts for Service (11d)
 - Item 16 Potential Establishment of a Council Controlled Trading Organisation (11e)
 - Item 17 Review of Relative Levels of Service, Benefits, Funding and Related Rating Policy (11f)
-

11a. LONG TERM PLAN 2012-2022: STATEMENT OF PROPOSAL TO FORM COUNCIL CONTROLLED ORGANISATION - SHARED SERVICES

Mayor Yule/Councillor Kerr

- A) That the report of the Group Manager: Corporate and Customer Services titled Long Term Plan 2012-2022: Statement of Proposal to form Council Controlled Organisation - Shared Services dated 13/02/2012 be received.
- B) That the proposal to establish in partnership with at least Napier City Council a Council Controlled Organisation to implement shared services initiatives as outlined in the Draft Statement of Proposal (attached to the agenda report referred to in resolution A) above) be included as an issue for consultation in the 2012-2022 Draft Long Term Plan.

With the reasons for this decision being that the objective of the decision will contribute to the Council's Strategic Objectives by:

Developing shared services opportunities to minimise costs and/or deliver better services to the community and/or provide greater consistency in service delivery and provision for users

CARRIED

11b. LONG TERM PLAN 2012-2022: HAUMOANA COASTAL EROSION ISSUE DRAFT STATEMENT OF PROPOSAL

The Draft Haumoana Coastal Erosion Statement of Proposal was circulated at the meeting.

Councillor Heaps/Councillor Poulain

- A) That the report of the Senior Environmental Planner (Policy) titled Long Term Plan 2012-2022: Haumoana Coastal Erosion Issue Draft Statement of Proposal dated 13/02/2012 be received.
- B) That the substantive decision on whether to adopt the draft Haumoana Coastal Erosion Statement of Proposal be postponed until 15 March 2012 to allow time for final modelling and funding implications to be resolved and finalised.

With the reasons for this decision being that the objective of the decision will contribute to the Council's Strategic Objectives by:

Providing options to the local Haumoana community to address ongoing coastal erosion through the 2012-22 Long Term Plan – Haumoana Coastal Erosion Statement of Proposal.

CARRIED

Councillor Watkins exited the meeting at 10.25am.

*The meeting adjourned at 10.25am for morning tea
and reconvened at 10.50am.*

Councillor Bowers joined the meeting at 10.50am.

11c. LONG TERM PLAN 2012-2022: REGIONAL SPORTS PARK - DEVELOPMENT OPTIONS

Having declared a conflict of interest earlier in the meeting, Mayor Yule sat in the public gallery took no part in discussion and voting on this item. Deputy Mayor Bowers assumed the role of Chair at 10.50am.

Councillor Watkins joined the meeting at 11.05am during discussion on Item 12.

Mr J Mackintosh, Chief Executive Officer of the Regional Sports Park displayed a PowerPoint presentation providing an overview of Sports Park Hawke's Bay.

Councillor Kerr/Councillor Hazlehurst

- A) That the report of the Chief Financial Officer titled Long Term Plan 2012-2022: Regional Sports Park - Development Options dated 13/02/2012 be received.**
- B) That the Council:**
- **endorse the plans submitted by the Hawke's Bay Regional Sports Park Trust for the future development of the Regional Sports Park as set out in Appendix 1 to the report referred to in A) above.**
 - **agree that provision for Council's involvement in the future development of the Hawke's Bay Regional Sports Park of \$3.513m be considered and consulted on as part of the 2012-2022 Long Term Plan with \$1.513m provided in 2012/13 and \$2.0m in 2018/19.**
 - **note that subject to provision being made for Hawke's Bay Regional Sports Park development expenditure in the 2012-2022 Long Term Plan that the Trust will forward to Council for final consideration specific requests, including a final business case for each development.**

With the reasons for this decision being that the objective of the decision will contribute to the Council's Strategic Objectives by:

Creating a modern and multipurpose regional sports facility with associated programming and support services

CARRIED

Mayor Yule returned to the table and assumed the role of Chair at 11.40 am.

11d. LONG TERM PLAN 2012-2022: REVIEW OF COMMUNITY GRANTS AND CONTRACTS FOR SERVICE

Councillor Lester/Councillor Hazlehurst

- A) That the report of the Economic & Social Development Co-ordinator titled Long Term Plan 2012-2022: Review of Community Grants and Contracts for Service dated 13/02/2012 be received.
- B) That the Funding Model (Appendix A attached to the report referred to in resolution A above), be approved for consultation via the Long Term Plan 2012-22.
- C) That the budget allocation (outlined in paragraph 6.3 of the report referred to in resolution A above) be approved.
- D) That the Implementation Plan (Appendix C to the report referred to in resolution A above) is noted for information only.

With the reasons for this decision being that the objective of the decision will contribute to the Council's Strategic Objectives:

By providing a more efficient and effective grants and contracts for service process that is better for applicants, officers, and elected members.

CARRIED

11e. LONG TERM PLAN 2012-2022: POTENTIAL ESTABLISHMENT OF A COUNCIL CONTROLLED TRADING ORGANISATION

Deputy Mayor Bowers/Councillor Kerr

- A) That the report of the Chief Financial Officer and Group Manager: Asset Management titled "Long Term Plan 2012-2022: Potential Establishment of a Council Controlled Trading Organisation" dated 13/02/2012 be received.
- B) That the Council approve for inclusion in the draft 2012-22 Long Term Plan a proposal (included in Attachment 1 to the report referred to in A) above), the draft Statement of Proposal to establish a Council Controlled Trading Organisation to operate and manage the activities of the existing Parks Service Delivery Unit; subject to:
 - i. detailed investigations by the Establishment Board supporting this as the best option for service delivery and management of the activity, and
 - ii. Council approving a Business Case supporting the establishment of the Council Controlled Trading Organisation to manage and operate the Parks Service Delivery Business activity
- C) That the Council endorse the actions of the Chief Executive to set up an Establishment Board to review and oversee the establishment of the Parks Service Delivery Unit as a stand-alone business unit within Council, to investigate in detail the option of establishing the Parks

Service Delivery Unit as a Council Controlled Trading Organisation and to prepare a business case to transition the Parks Service Delivery Business Unit to a Council Controlled Trading Organisation.

With the reasons for this decision being that the objective of the decision will contribute to the Council's Strategic Objectives by:

By providing affordable, high quality council services and facilities through the efficient and effective operation and maintenance service for parks, reserves and other Council facilities.

CARRIED

11f. REVIEW OF RELATIVE LEVELS OF SERVICE, BENEFITS, FUNDING AND RELATED RATING POLICY

The Development Contributions Administrator, Mr Humphrey, displayed a PowerPoint presentation providing an overview of the rating scenarios.

*The meeting adjourned at 12.37pm for lunch
and reconvened at 1.20pm.*

11f. REVIEW OF RELATIVE LEVELS OF SERVICE, BENEFITS, FUNDING AND RELATED RATING POLICY (CONT'D)

The recommendations A – F below were moved Councillor Kerr and seconded Councillor Lester.

- A) That the report of the Chief Financial Officer titled Review of Relative Levels of Service, Benefits, Funding and Related Rating Policy dated 13/02/2012 be received.
- B) That Council approve for inclusion in the draft 2012-22 Long Term Plan proposed rating differentials, based on the option submitted by the Chief Financial Officer and Chief Executive as a result of further peer review, including the restatement of rating area 2 differentials with farming established as the base for introduction over 8 years commencing on 1 July 2012 as follows:

DRA2	Revised Differential %
Farming	100
Residential	76
Commercial	104

DRA 1	Revised Differential %
Residential (Hastings/Havelock North/Flaxmere)	100
Clive	90
Residential Non Urban and Small Settlements	80
Horticulture Farming	70
Commercial – Core CBD (Targeted Rate)	270
Other Commercial	235
Non Urban Commercial	235

- C) That Council in conjunction with B) above, approve for inclusion in the draft 2012-22 Long Term Plan a proposed CBD targeted rate for the core CBD areas of Hastings and Havelock North for introduction over 8 years commencing on 1 July 2012.
- D) That Council approve the charging of a fixed water targeted rate to rating area one and that rating area two schemes will be charged a fixed water targeted rate for each separate scheme to cover all individual scheme costs.
- E) That Council note that ratepayers will be consulted on these changes to rating policy as part of the consultation on the draft 2012-22 Long Term Plan.
- F) That Council note that these changes will be incorporated into Council's Revenue and Financing Policy and Rating Policy.

A motion was foreshadowed changing the introduction period from 8 to 5 years.

Following discussion, the Chair advised that the Councillor Kerr/Councillor Lester motion would be PUT in three parts.

Part 1:

Recommendations A, B, D, E and F (without the reference to the 8 year introduction period) were PUT and declared CARRIED on a show of hands.

- A) *That the report of the Chief Financial Officer titled Review of Relative Levels of Service, Benefits, Funding and Related Rating Policy dated 13/02/2012 be received.*
- B) *That Council approve for inclusion in the draft 2012-22 Long Term Plan proposed rating differentials, based on the option submitted by the Chief Financial Officer and Chief Executive as a result of further peer review, including the restatement of rating area 2 differentials with farming established as the base for introduction commencing on 1 July 2012 as follows:*

DRA2	Revised Differential %
<i>Farming</i>	100
<i>Residential</i>	76
<i>Commercial</i>	104

<i>DRA 1</i>	<i>Revised Differential %</i>
<i>Residential (Hastings/Havelock North/Flaxmere)</i>	<i>100</i>
<i>Clive</i>	<i>90</i>
<i>Residential Non Urban and Small Settlements</i>	<i>80</i>
<i>Horticulture Farming</i>	<i>70</i>
<i>Commercial – Core CBD (Targeted Rate)</i>	<i>270</i>
<i>Other Commercial</i>	<i>235</i>
<i>Non Urban Commercial</i>	<i>235</i>

- D) *That Council approve the charging of a fixed water targeted rate to rating area one and that rating area two schemes will be charged a fixed water targeted rate for each separate scheme to cover all individual scheme costs.*
- E) *That Council note that ratepayers will be consulted on these changes to rating policy as part of the consultation on the draft 2012-22 Long Term Plan.*
- F) *That Council note that these changes will be incorporated into Council's Revenue and Financing Policy and Rating Policy.*

Part 2:

The proposed rating differentials, including a proposed CBD targeted rate for the core CBD areas of Hastings and Havelock North, for introduction over 8 years commencing on 1 July 2012 was PUT and declared CARRIED on a show of hands.

Part 3:

Recommendation C was then PUT and declared CARRIED on a show of hands.

- C) *That Council in conjunction with B) above, approve for inclusion in the draft 2012-22 Long Term Plan a proposed CBD targeted rate for the core CBD areas of Hastings and Havelock North for introduction over 8 years commencing on 1 July 2012.*

Resolved:

Councillor Kerr/Councillor Lester

- A) That the report of the Chief Financial Officer titled Review of Relative Levels of Service, Benefits, Funding and Related Rating Policy dated 13/02/2012 be received.
- B) That Council approve for inclusion in the draft 2012-22 Long Term Plan proposed rating differentials, based on the option submitted by the Chief Financial Officer and Chief Executive as a result of further peer review, including the restatement of rating area 2 differentials with farming established as the base for introduction over 8 years commencing on 1 July 2012 as follows:

DRA2	Revised Differential %
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Commercial – Core CBD (Targeted Rate)	270
Other Commercial	235
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- C) That Council in conjunction with B) above, approve for inclusion in the draft 2012-22 Long Term Plan a proposed CBD targeted rate for the core CBD areas of Hastings and Havelock North for introduction over 8 years commencing on 1 July 2012.
- D) That Council approve the charging of a fixed water targeted rate to rating area one and that rating area two schemes will be charged a fixed water targeted rate for each separate scheme to cover all individual scheme costs.
- E) That Council note that ratepayers will be consulted on these changes to rating policy as part of the consultation on the draft 2012-22 Long Term Plan.
- F) That Council note that these changes will be incorporated into Council's Revenue and Financing Policy and Rating Policy.

CARRIED

11. LONG TERM PLAN 2012-2022 (CONT'D)

The meeting returned to consider Item 11, Long Term Plan 2012-2022, including the recommendation of the Rural Community Board.

Councillor Lester/Councillor Kerr

That the following recommendation of the Rural Community Board meeting held 7 February 2012 be ratified:

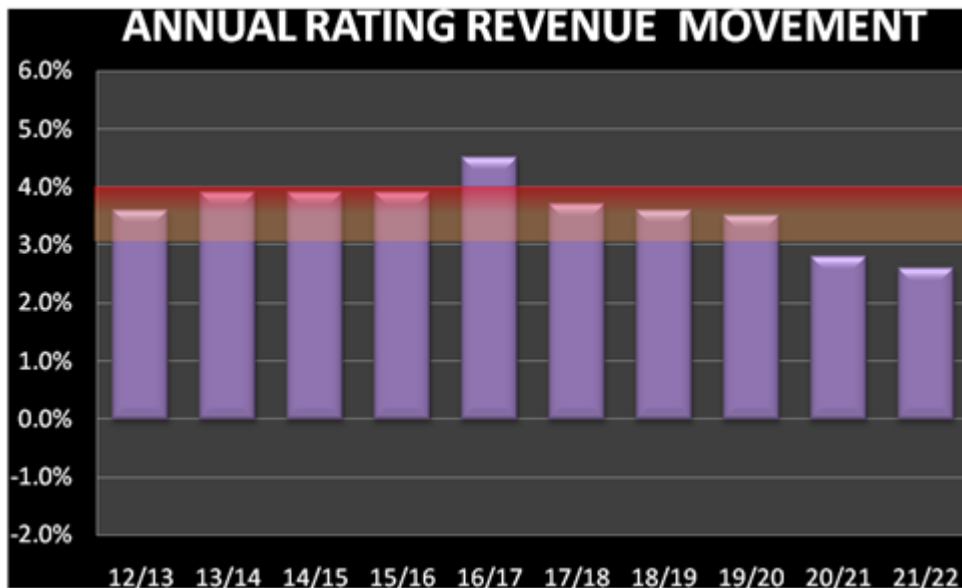
“That the rural community board recommends that the rate increase for rating area two be no higher than 3.9% for the first three years of the long term plan”.

CARRIED

Councillor Collin requested his vote against this motion be recorded

Mayor Yule/Deputy Mayor Bowers

- A) That the report of the Strategy Manager titled “Long Term Plan 2012-2022” dated 13/02/2012 be received.**
- B) That Officers incorporate the decisions from the meeting dated 13 February 2012 into the draft Long Term Plan.**
- C) That the 10-year work programme and budget requirements represented by the graph and figures below be adopted for inclusion in the Draft Long Term Plan 2012-2022.**



	2012/ 13	2013/ 14	2014/ 15	2015/ 16	2016/ 17	2017/ 18	2018 /19	2019/ 20	2020/ 21	2021/ 22
Rating requirement average inflation adjusted	60,835	63,172	65,629	68,908	71,241	72,677	74,746	76,628	78,021	80,319
Average Increase to Ratepayers	3.6%	3.9%	3.9%	3.9%	4.5%	3.7%	3.6%	3.5%	2.8%	2.6%

- D) That Council feedback on the draft documentation is directed to the Strategy Manager prior to 24 February 2012.
- E) That upon completion of the above, officers submit the draft Long Term Plan 2012/22 for Audit review and then subject to audit review to the Council meeting dated 15 March 2012 for formal adoption.

CARRIED

The meeting closed at 2.30pm

Confirmed:

Chairman:

Date: