



Otorohanga District Council

MINUTES

13 September 2011

OTOROHANGA DISTRICT COUNCIL

13 September 2011

Minutes of an ordinary meeting of the Otorohanga District Council held in the Council Chambers, Maniapoto St, Otorohanga on Tuesday 13 September 2011 commencing at 10.06am.

MINUTES

Minutes are unconfirmed and subject to amendment at the next meeting of Council.

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PRESENT

Deputy Mayor S Blackler, Crs MM Baxter, RM Johnson, AG Ormsby, KC Phillips, DM Pilkington and RJ Prescott.

IN ATTENDANCE

Messrs DC Clibbery (Chief Executive), R Chadwick (Engineering Manager), GD Bunn (Finance & Administration Manager), AR Loe (Environmental Services Manager) and CA Tutty (Governance Supervisor).

OPENING PRAYER

Cr Ormsby read the Opening Prayer.

APOLOGY

Resolved that the apology received from His Worship the Mayor Mr DF Williams, be sustained.

Cr Prescott / Cr Johnson

ITEMS TO BE CONSIDERED IN GENERAL BUSINESS

Cr Pilkington advised that the minutes of a meeting of the Kawhia Community Board held on 29 July 2011 need to be considered and received by Council.

CONFIRMATION OF MINUTES - 23 AUGUST 2011

Resolved that the minutes of the meeting of the Otorohanga District Council held on 23 August 2011, as previously circulated, and amended, be approved as a true and correct record of that meeting.

Cr Pilkington / Cr Baxter

MATTERS ARISING

NAME CORRECTION

Cr Phillips referred to those present and requested his initials be corrected to read KC.

OTOROHANGA DISTRICT DEVELOPMENT BOARD

Cr Phillips referred to an item regarding the Otorohanga District Development Board included under the heading Civil Defence and queried what this was about. Cr Pilkington replied that the sentence relating to the Otorohanga District Development Board should be placed under a separate heading named 'The Otorohanga District Development Board' and the sentence extended to read "...seeking to bring business to Otorohanga".

REPORTS

Item-144 OTOROHANGA COMMUNITY BOARD MINUTES 11 AUGUST 2011

Resolved

That the minutes of the meeting of the Otorohanga Community Board held on 11 August 2011 be received.

Cr Prescott / Cr Ormsby

Item-149 KAWHIA COMMUNITY BOARD MINUTES 29 JULY 2011

Discussion

Cr Pilkington referred to the item 'Kawhia Medical Centre' and requested that the word 'alternations' be corrected to read 'alterations'.

Resolved

That the unconfirmed minutes of the meeting of the Kawhia Community Board held on 29 July 2011 are received and the recommendations contained therein adopted.

Cr Pilkington / Cr Phillips

Item-145 ENVIRONMENTAL HEALTH OFFICER'S REPORT FOR JUNE TO AUGUST 2011

Discussion

The Environmental Services Manager summarised the Environmental Health Officer/Liquor Licencing Inspector's report for the period June to August 2011.

Cr Blackler reported that His Worship attended the Hearing before the Liquoring Licencing Authority regarding the premises known as Gold N Kiwi Liquor and said he was very disappointed in the result.

Resolved

That the Environmental Health Officer / Liquor Licencing Inspector's report for June to August 2011 be received.

Cr Phillips / Cr Baxter

STAFFING MATTER

The Environmental Services Manager informed Members that Council's District Planner, Ms Aimee Bishop, has resigned from Council's employment. Her last day being 12 October 2011. He said Ms Bishop is to commence employment with the Greater Wellington Regional Council as a Senior Resource Officer.

The Environmental Services Manager reported that Ms Bishop has been an integral part of the Environmental team.

DOG REGISTRATION

The Environmental Services Manager reported that final warning letters have recently been forwarded to the owners of 155 unregistered dogs. He said the next line of action will be for the Animal Control Contractor to make contact with the dog owners, following which an Infringement Notice will be served.

DOG CONTROL

The Environmental Services Manager reported that during the past two weeks the Animal Control Contractor has been the victim of three vandal attacks, two on his Kawhia property and one at his Otorohanga residence. The Environmental Services Manager advised that investigations are being carried out on the options available in providing more security at these premises. He confirmed that the attacks have been reported to the local Police.

Cr Blackler said this was very disappointing to hear and that Council will support any proposal to improve security.

Item-146 PARTICIPATION IN THE LOCAL GOVERNMENT FUNDING AGENCY

Discussion

The Finance & Administration Manager presented a report following the consideration of Council's participation in the Local Government Funding Agency (LGFA).

The Finance & Administration Manager reported that a Debenture Trust Deed is a requirement of the proposal which will incur initial and ongoing costs. He said however, these costs would be faced by Council at some stage if it did not participate in the LGFA, should it engage new lenders.

In reply to Cr Baxter regarding the \$100,000 shareholding, the Finance & Administration Manager replied that this amount is based on the size of this Council. He said the amount will be funded out of the General Reserve Account.

Cr Johnson queried whether the borrowing would be in respect to new loans or refinancing existing ones. The Finance & Administration Manager replied that as existing loans mature, these would be placed under the LGFA. Cr Johnson also queried whether the interest rates would be lower than what Council pays now. The Finance & Administration replied that Council will have to wait and see however, it is predicted that there may be over a 1 percent reduction in the interest rate. He confirmed that Council will still be able to borrow from other lenders. The Finance & Administration Manager informed Members that the big advantage of the proposal was that it will allow Council to borrow long term and accordingly spread the repayments. He said there is also the potential for Council to issue its own stock.

In reply to Cr Phillips regarding the cross guaranteeing, the Finance & Administration Manager replied that there is a very small risk. Cr Phillips queried whether this Council would then be liable for Waitomo District Council's debts should the matter arise. The Finance & Administration Manager replied 'No, their loan raising would be secured over the Waitomo District. In reply to Cr Phillips regarding where the money comes from, the Finance & Administration Manager replied, this is managed through the Government Debt Office.

The Chief Executive reported that Council has already seen a lowering of interest rates by banks which could be in response to this proposal. He said however, this proposal has the benefit of long term borrowing.

Resolved

That Council:

1. **Notes** it has received no submissions in relation to the Proposal, and has also considered the other matters raised in the Statement of Proposal and accompanying Information Memorandum.
2. **Adopts** the Proposals, and makes the resolutions below to implement those Proposals.
3. **Amends** its Long Term Plan by making the amendments to its Investment Policy and Liability Management Policy that were detailed in appendix 1 and 2 of the Statement of Proposal.

4. **Approves** the participation by the Council in the LGFA Scheme as a Principal Shareholding Local Authority, including by doing some or all of the following :
 - a. Subscribing for shares in the LGFA with an aggregate issue price of up to \$100,000;
 - b. Committing to meet a certain proportion of its borrowing needs from the LGFA of up to 80% of its total borrowing;
 - c. Subscribing for Uncalled Capital in the LGFA with an aggregate unpaid amount of up to \$100,000;
 - d. Subscribing for Borrower Notes;
 - e. Entering into the Guarantee;
 - f. Committing to providing additional equity to the LGFA under certain circumstances ;
 - g. Providing a Rates Charge to secure some or all of its obligations under the LGFA Scheme;
 - h. Any other things which it is contemplated in the Information Memorandum attached to the Statement of Proposal that a Principal Shareholding Local Authority will do; and
 - i. Anything which is not specifically described in paragraphs (a) to (h) above, but which is ancillary to or not materially different from those things.
5. **Delegates** to the Chief Executive the authority to:
 - a. Agree the terms on which the Council participates in the LGFA Scheme as a Principal Shareholding Local Authority, including which of the arrangements in paragraph 4 above are entered into and the terms of those arrangements;
 - b. Determine how the Council exercises its rights under the arrangements entered into in connection with the LGFA Scheme, including, without limitation, the Council's rights as a shareholder in the LGFA.
6. **Authorises** the Chief Executive to execute such documents in accordance with the council's current policy on delegations and take such other steps on behalf of the Council as the Chief Executive considers it is necessary or desirable to execute or take in connection with the Council's participation in the LGFA Scheme as a Principal Shareholding Local Authority.
7. **Authorises** any two elected members of the Council to execute such deeds on behalf of the Council as the Chief Executive considers it is necessary or desirable for them to execute in connection with the Council's participation in the LGFA Scheme as a Principal Shareholding Local Authority.

Cr Johnson / Cr Prescott

ENVIRONMENTAL SERVICES MANAGER

The Environmental Services Manager left the meeting at 10.35am.

Item-147 SENSITIVE EXPENDITURE POLICY

Discussion

The Finance & Administration Manager presented a report advising that Council is required to have a Sensitive Expenditure Policy that puts in place the internal controls required in order to survive public scrutiny. He confirmed that the type of expenditure is that which could come under public scrutiny however, there is nothing contained in the proposed Policy that Council isn't currently doing. Cr Phillips queried the definition of 'sensitive expenditure'. The Chief Executive

replied that sensitive expenditure is anything that the public may interpret to be inappropriate. He said the draft Policy has been based on the experience of more challenging Councils.

Cr Phillips queried why this Council runs Credit Cards. The Finance & Administration Manager replied that Council has only two Credit Cards, one for His Worship and the other for the Chief Executive, and both of these have a very low credit limit. Cr Baxter expressed the opinion Debit Cards would be a better option for Council. In reply to Cr Blackler regarding Air Points schemes, the Finance & Administration Manager advised that should these be accumulating, then Council will endeavour to use these to effect Council business. He said there were not many of Council's air fares that received airpoints as these are usually at cheaper rates.

Resolved

That the Sensitive Expenditure Policy as presented be adopted.

Cr Pilkington / Cr Ormsby

Item-148 ODC MATTERS REFERRED FROM 23 AUGUST 2011

Discussion

DISTRICT LOGO

The Chief Executive advised he had still received no response from designer Mr David Walmsley for discrete changes to the existing District logo. He said however, he will continue to pursue the matter.

PLANTING OF TREES

The Engineering Manager reported it is proposed to provide information for a workshop discussion on the issue of property owners planting trees along road boundaries, after the next meeting of Council on 4 October 2011.

WALKER ROAD

The Engineering Manager replied that advice had been received from the Department of Corrections that their aim is that the proposal will be signed off by them before the end of September 2011. He reported that the advisor had queried who in their Department had the authority to approve such a proposal.

PLANTING OF TREES - STATE HIGHWAY 3

The Engineering Manager reported that Council's Roading Manager had spoken to the business owner and discussed the matter of trees being planted too close to the footpath adjacent to State Highway 3. He said the property owner had a range of small issues however, the Roading Manager will discuss these with him. The Engineering Manager reported that the property owner had planted the trees in an effort to provide security/privacy and to stop people throwing rubbish down the bank.

GENERAL

WAIKATO REGIONAL COUNCIL (WRC)

Cr Johnson queried whether any progress had been made in regards to the Work Agreement with the WRC. The Engineering Manager reported that he had recently met with representatives of the WRC where all the issues were discussed and the matter is now back in their court to finalise the agreement. He advised that Council wishes to retain control of the Flood Protection areas and the WRC be responsible for the stream itself.

With regard to the stopbanks, the Engineering Manager reported it had been agreed that Council will only accept the 'topping up' of the stopbanks not the changes in design. He expressed the opinion that the proposed changes in design relate more to stopbanks in the lower Waikato area.

The Engineering Manager confirmed however, that Council should look at the long term strengths of the stopbanks for insurance purposes.

With regard to the Waipa River weir, the Engineering Manager said he had convinced the WRC representatives that the quantity of rock proposed was not required. He said there appears to be no rocks washed down stream from the weir. The Engineering Manager reported it was proposed to install a fish passage in one side of the weir. Cr Johnson expressed the opinion he could see no justification for the proposed installation of a fish ladder.

Cr Johnson referred to the existing stopbanks and queried whether Council knew if there is any risk. The Engineering Manager replied this would entail a fairly complex investigation however, the flow of the river is considerably better than it was. Cr Johnson queried whether the onus could be placed on the WRC to provide information on the risk. The Chief Executive advised that Cr Johnson's query was very difficult to answer however, he does have an information pack which he will circulate to all Councillors.

Cr Ormsby suggested there is a need for someone to look at the amount of shingle and beds of metal. He referred to a problem along Otewa Road and said this is related to the river not the road.

PROPOSED CYCLING VELODROME

Cr Phillips reported on his presentation of a personal submission on the proposed Cycling Velodrome. He said this was a very interesting meeting, the last session was made up of 12 submitters all in support of the proposal. Cr Phillips reported he estimated there would be 50/50 for and against the proposal. He reported on a presentation from a Principal of a low decile school who was in favour of the proposal and said it would be very advantageous for his children. Members were informed that a decision on the Cycling Velodrome will be made tomorrow.

STOPBANKS - POSSIBLE WALKWAY OR CYCLE TRACK

Cr Phillips reported he had been approached by a number of people suggesting that a walkway or cycling track be installed on top of the existing stopbanks. Cr Prescott replied that such a suggestion has been raised before. The Engineering Manager advised that when Council had the Community Max workers the first part of such a proposal was installed, adjacent to the current Dog Exercise area.

ZONE 2 MEETING

Cr Baxter reported on his attendance along with His Worship at a Zone 2 meeting held in Gisborne on 8/9 September. He made particular reference to a speaker on behalf of the Remuneration Authority regarding Councillors mileage and as a result said he does not foresee any changes coming out from the Authority on this matter.

Cr Baxter referred to a presentation from the Gisborne District Council regarding Waste Minimisation which has seen a drop of waste going into their landfill.

FONTERRA 10TH BIRTHDAY SHOUT

The Chief Executive presented, on behalf of His Worship, an invitation to Councillors to attend Fonterra's 10th Birthday shout on Labour Day.

ELECTED MEMBERS REMUNERATION

The Chief Executive advised correspondence had been received from the Remuneration Authority to prepare for a review of the principles of elected members remuneration. He said questions will be asked of Councillors. Cr Pilkington said one anomaly is that the Authority see Councillors as employees.

HOUSING FOR THE ELDERLY

The Governance Supervisor informed Members that advertisements will be placed in the Waitomo News and Te Awamutu Courier calling for Applicants for Council's Housing for the Elderly units. He said there is currently a vacant flat at Kawhia with no applicants on the waiting list and Otorohanga has only one applicant on that waiting list.

REGIONAL TRANSPORT MEETING

Cr Blackler reported on her attendance at a recent Regional Transport meeting and reported that the Police are targeting heavy motor vehicles, enforcing speed limits and drivers hours. She said there is a new campaign for trucks to keep at least 10km/h below the indicative speed posted for corners in order to prevent roll-overs.

Cr Blackler reported that there are 116 unemployed people working on four of the walking and cycling projects in the Region. She said the River Trails will be officially opened on 5 November at 11.00am at Whakamaru.

Cr Blackler further reported in respect to the FAR rate that only two Waikato Territorial Authorities had a reduction, four had an increase, with the remainder remaining the same.

Cr Blackler advised that there has been a reduction in Road Safety Funding of approximately \$150,000 across the region.

Cr Blackler referred to the Hamilton/Auckland Passenger service and advised that a report was due out last week. She said the Committee wants a two year trial, proposing that 40 percent of the cost is met from Auckland, with differential rating across the entire Waikato Region for the remainder.

Cr Blackler reported on a meeting of the Road Safety Committee with Christine Chaplow and two Rooding Managers whereat funding was requested for the next three years. She said priorities are young drivers, alcohol, older drivers and motorcycles.

CIVIL DEFENCE

Cr Blackler referred to a meeting of the Waikato Valley Emergency Management Group where a presentation was made by Colonel John Broadlee who was heavily involved in the Christchurch earthquake. She said Col Broadlee gave his perspective on the earthquake and the lessons learned from it. She said information was not shared among all parties in Christchurch and there were also competing priorities.

Cr Blackler reported, following the Capability Assessment Report it has been proposed to undertake a review of the Group's resources, physical and personnel. She advised that amendments to the Constitution of the Civil Defence Emergency Management Group will be sent out to Council's for ratification.

RIVER TRAILS

Cr Johnson queried where the funding was coming from for these trails. Cr Blackler replied that some funding is being provided by the relevant Councils. Cr Johnson queried how the public will be made aware of these trails. Cr Blackler advised that this will be by way of the distribution of pamphlets and information being provided at the various i-Sites.

MEETING CLOSED

The meeting concluded at 11.20am.

MAYOR:

DATE: 4 October 2011

