
Council

OPEN MINUTES

Minutes of a meeting of the Council held in Council Chamber, Municipal Building, Garden Place, Hamilton on Wednesday 25 February 2015 at 9.00am.

PRESENT

Chairperson	Her Worship the Mayor Hardaker
Deputy Chairperson	Cr G Chesterman
Members	Cr M Forsyth
	Cr M Gallagher
	Cr K Green
	Cr A King
	Cr D Macpherson
	Cr G Mallett
	Cr A O'Leary
	Cr R Pascoe
	Cr L Tooman
	Cr E Wilson
	Cr P Yeung

In Attendance	Chief Executive, Chief Financial Officer, General Manager City Environments, General Manager City Infrastructure, General Manager Community, General Manager Customer Relationships, General Manager Events and Economic Development, General Manager Organisational Development, General Manager Performance.
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Water Asset Manager, Waters Manager, Unit Manager Strategy & Research, Parks and Open Space Manager, Manager Swimming & Recreation, Group Business Manager City Environment, Unit Manager - Accounting, Accounting Manager, Corporate Projects Accountant, Business Manager City Infrastructure, City Transportation Manager, City Safe Unit Manager, Planning Guidance Manager, Solutions Delivery Manager and City Development Manager, Communication Unit Manager and Chief of Staff Mayoral Office

Democracy Advisors	Mrs J C Pani and Mrs M Birch
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1. Apologies

Resolved: (Her Worship the Mayor Hardaker/Cr Chesterman)

That apologies for lateness from Councillors Gallagher, Mallett and Macpherson be accepted.

Councillor Mallett joined the meeting at 9.03am.

2. Confirmation of Agenda

Resolved: (Her Worship the Mayor Hardaker/Cr Chesterman)

The agenda was confirmed noting that the funded proposals Items 8 and 9 of the Chief Financial Officer's Report would be considered first.

3. Declarations of Interest

No members of the Council declared a Conflict of Interest.

4. Public Forum

There was no Public Forum.

5. Council Minutes - 9 December 2014, reconvened 10 December 2014, and 3 and 4 February 2015

Resolved: (Her Worship the Mayor Hardaker/Cr Wilson)

That Council confirm and adopt as a true and correct record the Minutes of the Council Meeting held on 9 December 2014, reconvened 10 December 2014, 3 February 2015 and 4 February 2015, including the Public Excluded session held on 10 December 2014.

6. 2015-25 Long Term Plan

The Chief Financial Officer (CFO) introduced this Item for the Council to approve the Draft Budget documents required for audit, stating that minor amendments had been made to the budgets over the last few weeks and these had been reflected in the schedule. There had been a small improvement to the balance of books figures from 4 February. He confirmed that the costs of wheelie bins and the targeted rate revenue had been included in the Draft Budget being presented to the Council.

He advised that the additional information requested by the Council on 4 February, relating to Aquatic Facilities, Sports Grounds, Rubbish and Recycling had been included in the document circulated.

The Meeting worked through the Report, commencing with the funded proposals Item 8 Rubbish and Recycling and Item 9 River Plan, then considered each item, commencing with the unfunded proposals Item 6 Aquatic Facilities and Item 7 Sports Parks.

Throughout the Meeting the CFO displayed the impacts of the various scenarios presented by amendments and motions, on the total overall debt vs prudent debt levels, balancing the books and debt/revenue %.

Rubbish & Recycling (Solid Waste) – Item 8 in the CFO Report

The General Manager (GM) City Infrastructure, supported by the Water Asset Manager, spoke to this report (page 35) providing the information requested on the options and cost implications of user pays rubbish and continuing with the existing kerbside recycling collection service as is currently provided.

The Meeting adjourned from 9.10 until 9.20am

Councillors Gallagher and Macpherson joined the meeting following the adjournment at 9.20am.

In response to questions regarding the impacts (including volume to landfill and financial) of recycling, the Water Asset Manager advised that they were not holding information about the effects of volumes to the landfills. However, she did advise that collection of refuse and recycling was the same cost, with rubbish disposal costing more. Therefore, there would be increased costs if more was sent to the landfill for disposal, with indications through the Emissions Trading Scheme that costs will increase.

The GM confirmed that the Waste Management Contract is due for renewal in July 2017 with exact details being included in a business case. He also advised that the introduction of wheelie bins was fulfilling a direction of the Council for recycling. Following Council providing funding provision in the 10-Year Plan, staff would then propose to go to the market.

The GM commented that there is a growing sector looking for more recycling options. However, his view was that there was insufficient awareness of the issues relating to waste/recycling and there was to be a communication and education programme as part of the new process.

In response to questions regarding broader use of crates, it was confirmed that the current recycling crates only collected plastics Type 1 and 2. The volume of a crate was one-third the size of a wheelie bin. Type 5 plastics, e.g. sour cream pottles, are light and there is more chance of wind blown rubbish from a crate.

Motion: Crs Pascoe/Chesterman

That the targeted rate (totalling \$3.084m) proposed to be charged in the years 2016/17 to 2018/19 to fund wheelie bins and approved by Council on Tuesday 9 December 2014 be removed from the Long Term Plan and the cost of wheelie bins be funded from general rates.

Amendment: Crs King/Mallett

That the draft 2015-25 Long Term Plan be adjusted to reflect an alternative means of funding Councils share of the Hamilton Gardens redevelopment (currently funded by a four year targeted rate), by utilising funds currently allocated for recycling wheelie bins, noting the different timing of each project, with the specific budget changes being:

- That the Hamilton Gardens Targeted rate cease on 30 June 2015;
- That the Hamilton Gardens capital redevelopment programme timing and value remain unchanged;
- The recycling wheelie bins expenditure of \$3.04m from 2017/18 be removed; and
- The Recycling Targeted Rate of \$3.084m resolved on 9 December 2014 for three years (2017/18 - 2019/20) not proceed as part of the Long Term Plan.

There were questions and discussion on the success of the Hamilton Gardens capital redevelopment programme if the targeted rate ceased on 30 June 2015. The GM Community

advised that the likelihood of success could be impacted as partnerships like to see money coming from other parties. There was widespread support for the Hamilton Gardens project continuing.

The Meeting adjourned from 10.30 until 10.45am

Councillors Forsyth (10.47am), and Wilson and Macpherson (10.48am) joined the meeting following the adjournment.

Prior to putting the matter to the Meeting for debate, the Mayor sought confirmation from Councillors whether they preferred Standing Orders strictly applied where an amendment was debated prior to debate on a motion. The Councillors confirmed that usually, and at this Meeting, they would prefer that the Mayor sought debate on both the Motion and the Amendment to add to meeting efficiency.

The Amendment (Crs King/Mallett) was Put.

Those for the Amendment:	Councillors Mallett, King, Gallagher, Green, Macpherson and Wilson
Those against the Amendment:	Her Worship the Mayor Hardaker, Councillors Chesterman, Yeung, Forsyth, Pascoe, O'Leary and Tooman

The Amendment was declared lost.

The Motion (Crs Pascoe/Chesterman) was then Put

Resolved: (Crs Pascoe/Chesterman)

That the targeted rate (totalling \$3.084m) proposed to be charged in the years 2016/17 to 2018/19 to fund wheelie bins and approved by Council on Tuesday 9 December 2014 be removed from the Long Term Plan and the cost of wheelie bins be funded from general rates.

Those for the Motion:	Her Worship the Mayor Hardaker, Councillors Green, O'Leary, Forsyth, Yeung, Pascoe, Chesterman and Tooman
Those against the Motion:	Councillors Mallett, King, Gallagher, Wilson and Macpherson

Councillor Forsyth indicated her intention to move a Motion for an investigation into a user pays rubbish/pay per bag system.

The Meeting adjourned from 11.25 until 11.30am

Resolved: (Crs Forsyth/Tooman)

That the business case to be prepared for refuse and recycling includes options for a user pays rubbish/pay per bag system to be reported back in time for the 2016/2017 Annual Plan.

Those for the Motion:	Her Worship the Mayor Hardaker, Councillors Mallett, Green, Forsyth, Yeung, Pascoe, Chesterman and Tooman
Those against the Motion:	Councillors King, Gallagher, O'Leary, Wilson and Macpherson

River Plan (funded proposal) – Item 9 in the CFO Report

The funded proposal providing for initial funding for implementing the River Plan (page 32) which had been included in the Draft Budget and Forecast Financial Statement was presented for consideration.

Resolved:	(Her Worship the Mayor Hardaker/Cr Gallagher)
That:	
a)	the following amounts are allocated in the 2015 – 25 10-Year Plan from the operating budget to fund implementation of the River Plan:
	<ul style="list-style-type: none">• 2015/16 - \$250,000• In each subsequent year - \$500,000
b)	Additional funding required for specific projects will be recommended through funding models approved by Council
Those for the Motion:	Her Worship the Mayor Hardaker, Councillors Gallagher, O'Leary, Wilson, Forsyth, Yeung, Pascoe, Chesterman and Tooman
Those against the Motion:	Councillors Mallett, King, Green and Macpherson

Aquatic Facilities (unfunded proposal) – Item 6 in the CFO Report

The GM Community, supported by the Manager Swimming & Recreation, presented the additional information (page 9) requested at the 3 February 2015 Meeting in relation to aquatic facilities proposal, not allowed for in the Draft Financial Statement.

Council was advised that rather than the proposal to enclose and heat the existing Lido Pool, as presented to the 3 February Meeting, the proposal was now to build a new 25m pool at Waterworld commencing in 2022/23 to address current and future pool space shortages in Hamilton, particularly during winter months.

There was discussion on the 2022/23 timing for the Waterworld new 25m pool, with views expressed to provide additional swimming capacity at an earlier time than 2022/23 (Year 8 of the 10-Year Plan). The GM confirmed that the proposal would address the long term issue of aquatics in Hamilton City and would meet future needs.

In response to questions regarding the partner pools programme the GM advised that the partner pools programme was being reviewed and bringing additional schools into this programme would require additional funding.

The Meeting adjourned from 1.00 until 1.50pm

Councillor Wilson retired from the meeting at 1.00pm.

Motion: Crs Mallett/Green

That Council considers the options for the Municipal Pool, and undertakes public consultation on permanent closure of the Municipal Pool as part of the 2015-25 10-Year Plan consultation.

Amendment: Mayor/Cr O'Leary

That:

- a) \$4,850m capital expenditure commencing in 2022/23 year and associated net operating impacts for additional 25m pool capacity within the City be funded in the draft 2015-25 10-Year Plan;
- b) staff report back prior to the development of the 2016/17 Annual Plan with options that include a response to short-term solutions relating to swimming capacity;
- c) Council address the longer term shortfall in pool space by including in the 30-Year Infrastructure Strategy a new Aquatic Facility that services Rototuna in years 11 – 15; and
- d) Council considers the options for the Municipal Pool, and undertakes public consultation on permanent closure of the Municipal Pool as part of the 2015-25 10-Year Plan consultation.

The Amendment was Put.

Those for the Amendment:

Her Worship the Mayor Hardaker,
Councillors Chesterman, Yeung,
Gallagher, Forsyth, Pascoe, O'Leary, King,
Macpherson and Tooman.

Those against the Amendment:

Councillors Mallett and Green

The Amendment was declared carried and became the Substantive Motion which was Put

Resolved: (Her Worship the Mayor Hardaker/Cr O'Leary)

That:

- a) \$4,850m capital expenditure commencing in 2022/23 year and associated net operating impacts for additional 25m pool capacity within the City be funded in the draft 2015-25 10-Year Plan;
- b) staff report back prior to the development of the 2016/17 Annual Plan with options that include a response to short-term solutions relating to swimming capacity;
- c) Council address the longer term shortfall in pool space by including in the 30-Year Infrastructure Strategy a new Aquatic Facility that services Rototuna in years 11 – 15; and
- d) Council considers the options for the Municipal Pool, and undertakes public consultation on permanent closure of the Municipal Pool as part of the 2015-25 10-Year Plan consultation.

Sports Parks (unfunded proposal) – Item 7 in the CFO Report

The GM Community, supported by the Parks & Open Spaces Manager, presented the additional information (page 23) requested at the 3 February 2015 Meeting in relation to options and recommendations to develop the sports fields at Rototuna and to improve current field quality of existing priority 1 sports parks.

It was confirmed that development contributions were collected from sports parks under the category of community infrastructure. The GM Community advised in regard to a multi-use park, the sports park management plan process would provide guidance on the needs and use by the different codes. The objective would be to get as much use out of the fields as possible.

Motion: Crs Chesterman/Yeung

That:

- a) \$4.8m capital expenditure in years 2021/22 to 2024/25 and associated net operating impacts for the development of the Rototuna Sports fields be funded in the draft 2015-25 10-Year Plan; and
- b) \$2.005m capital expenditure in years 2023/24 to 2024/25 and associated net operating impacts for improvements to field irrigation, drainage and enhanced turf maintenance is funded in the draft 2015-25 10-Year Plan.

Amendment: Crs Forsyth/Macpherson

That:

- a) \$2.765m capital expenditure in years 2021/22 to 2024/25 and associated net operating impacts for the staged development of the Rototuna Sports fields be funded in the draft 2015-25 10-Year Plan; and
- b) \$2.005m capital expenditure in years 2023/24 to 2024/25 and associated net operating impacts for improvements to field irrigation, drainage and enhanced turf maintenance is funded in the draft 2015-25 10-Year Plan.

The Amendment was Put.

Those for the Amendment: Councillors Forsyth, Macpherson, Mallett and King.

Those against the Amendment: Her Worship the Mayor Hardaker, Councillors Chesterman, Yeung, Pascoe, O'Leary, and Tooman.

The Amendment was declared lost.

The Motion was then Put

Resolved: (Her Worship the Mayor Hardaker/Cr O'Leary)

That:

- a) \$4.8m capital expenditure in years 2021/22 to 2024/25 and associated net operating impacts for the development of the Rototuna Sports fields be funded in the draft 2015-25 10-Year Plan; and
- b) \$2.005m capital expenditure in years 2023/24 to 2024/25 and associated net operating impacts for improvements to field irrigation, drainage and enhanced turf maintenance is funded in the draft 2015-25 10-Year Plan.

Councillor Mallett dissenting

Councillor Gallagher (2.40pm) and Councillor Green (2.45pm) retired from the Meeting during debate on the above Item and were not present for voting.

The Meeting adjourned from 3.00 until 3.10pm.

Financial Recommendations – Item 4 in the CFO Report

Resolved: (Her Worship the Mayor Hardaker/Cr Pascoe)

That subject to the changes made at the 25 February Meeting, the Council:

- a) approves the Draft Forecast Financial Statements for audit;
- b) approves the Draft Council Funding Impact Statement and the Group of Activities Funding Impact Statements for audit;
- c) approves the Draft 2015-25 Financial Strategy for audit, including an amendment to the Financial Strategy “Rating Limits for Rates Increase” to remove the words “and Refuse/Recycling”;
- d) approves the Draft Significant Forecast Assumptions for audit; and
- e) approves the Draft Long Term Plan Disclosure Statement for audit

Those for the Motion: Her Worship the Mayor Hardaker,
Councillors O'Leary, Forsyth, Yeung,
Pascoe, Chesterman and Tooman

Those against the Motion: Councillors Mallett, King and Macpherson

Financial Recommendations – Draft Asset Sales Schedule

Following discussion on the proposed Property Asset Sales Schedule the Mayor put each of the categories part of part.

Resolved: (Her Worship the Mayor Hardaker/Cr Chesterman)

That the Council Continue to pursue divestment options Properties Approved for Sale in **Category 1**, Page 105 of the Staff report.

Councillor Macpherson dissenting.

Councillor Forsyth left the Meeting at 3.55pm. She was not present for voting on the Draft Asset Sales Schedule Category 2, Category 3, and Category 4.

Resolved: (Her Worship the Mayor Hardaker/Cr Chesterman)

That the Properties listed in **Category 2**, Page 105 of the Staff report, are removed from the possible sales list and retained.

Councillor Mallett dissenting.

That upon completion of investigation any properties identified for potential sale, **Category 3** on Page 105 of the Staff report, will require Council approval to do so.

Carried Unanimously.

That upon completion of investigation any Community Facilities properties identified for potential sale, **Category 4** on Page 105 of the Staff report, will require Council approval to do so.

Councillor Macpherson dissenting.

Councillor Forsyth returned to the Meeting at 4.00pm.

Resolved: (Her Worship the Mayor Hardaker/Cr Chesterman)

That upon completion of the investigation into **Category 5** properties on Page 105 of the Staff report, Staff will report back to Council for direction.

Councillor Macpherson dissenting.

That there be no change to the **Category 6** properties on Page 105 of the Staff report.

Councillor Mallett dissenting.

That the **Category 7** properties on Page 105 of the Staff report are available for sale at any time.

Carried Unanimously.

The Meeting was declared closed at 4.10pm.