
Council

OPEN MINUTES

Minutes of a meeting of the Council held in Council Chamber, Municipal Building, Garden Place, Hamilton on Thursday 29 June 2017 at 9.38am.

PRESENT

Chairperson	Mayor A King
Deputy Chairperson	Deputy Mayor M Gallagher
Members	Cr M Bunting
	Cr J R Casson
	Cr S Henry
	Cr D Macpherson
	Cr R Pascoe
	Cr P Southgate
	Cr G Taylor
	Cr L Tooman

In Attendance:	Richard Briggs – Chief Executive
	Sean Hickey – General Manager Strategy and Communications
	Lance Vervoort – General Manager Community
	David Bryant – General Manager Corporate
	Kelvyn Eglinton – General Manager City Growth
	Chris Allen – General Manager City Infrastructure
	Tracey Musty – Financial Controller
	Matthew Bell – Revenue Manager
	Kelvin Powell – City Safe Unit Manager
	Susan Stanford – Animal Control Manager
	Robyn Denton – Transportation Operations Manager
	Brendan Stringer – Legal Services and Governance Advisor
	Nigel Ward – Communications Team Leader
	Sarah Ward – Corporate Planning Programme Manager

Governance Advisors:	Lee-Ann Jordan – Governance Manager
	Becca Brooke – Governance Team Leader
	Claire Guthrie – Committee Advisor

Tame Pokaia carried out a blessing and Bishop Helen-Ann Hartley read a bible reading to open the Council Meeting.

1. Apologies

Resolved: (Crs Casson/Pascoe)

That the apologies from Crs O'Leary Mallett and Yeung are accepted.

2. Confirmation of Agenda

Resolved: (Crs Bunting/Southgate)

That the agenda is confirmed.

3. Declarations of Interest

No members of the Council declared a Conflict of Interest.

4. Public Forum

No members of the public wished to speak

5. Council Meetings Minutes - 1 June 2017

Resolved: (Crs Bunting/Casson)

That Council confirm the Open Minutes of the Council Meeting held on 1 June 2017 as a true and correct record.

6. Elected Member Briefing Notes - 15 June 2017

Resolved: (Crs Tooman/Henry)

That the Council confirm the notes of the Elected Member Briefing held on 15 June 2017 as a true and correct record.

7. Adoption of the 2017/18 Annual Plan

The report was taken as read.

Resolved: (Crs Casson/Bunting)

That Council:

- a) receives the report; and
- b) adopts the 2017/18 Annual Plan.

8. Rates Resolution to Set and Assess Rates for 2017/18

The Revenue Manager introduced the report, noting that in conjunction with the adoption of the Annual Plan, Council was legislatively required to set and assess the rates by adopting a rates resolution.

Staff responded to questions concerning the following:

- Land/capital value,
- water rates charges, and
- Hamilton Gardens targeted rate end date.

The CE clarified that Council was being asked to adopt the Rates Resolution contained in paragraph 8 to 64 of the report.

Resolved: (Crs Henry/Taylor)

8. That Council:
- a) receives the report; and
 - b) sets and assesses the rates for the 2017/18 financial year (1 July 2017 to 30 June 2018) in accordance with the **Rates Resolution for the 2017/18 Financial Year** (as required by the Local Government (Rating) Act 2002) as set out in paragraphs 9 – 64 below.

9. All figures in the following sections 10 to 64 of this resolution are GST inclusive.

10. GENERAL RATE

11. A general rate is set and assessed on the capital value of all rateable properties in the city.
12. General rates are set under Section 13 of the Local Government (Rating) Act 2002 on a differential basis on the categories of land identified below. The rating categories are defined in the Rating Policy. The differential basis is the use to which the land is put and/or the area of the land, and in the case of the BID Commercial differential, the location of the land. The different categories of rateable land are outlined in the table below.
13. This funding mechanism covers all services of Council.
14. The total revenue sought is \$51,243,415.
15. A general rate set and assessed on a differential basis as follows:

SOURCE	DIFFERENTIAL CATEGORIES	DIFFERENTIAL FACTOR	PERCENTAGE OF TOTAL GENERAL RATES	GENERAL RATE IN THE DOLLAR OF CAPITAL VALUE (GST INCL)	RATES REVENUE (GST INCL)
General Rate	Residential	1.0000	65.00%	0.00143455	\$33,308,240
	Commercial	1.8363	27.20%	0.00263423	\$13,937,039
	BID Commercial	1.7445	6.80%	0.00250251	\$3,485,700
	Rural	0.4806	1.00%	0.00068944	\$512,436

16. Land described in Part 2 of Schedule 1 of the Local Government (Rating) Act 2002 (broadly land owned or used by societies for arts or sports) will be assessed 50% of the residential rate that applies to the land.
17. The revenue sought is \$250,489.

18. TARGETED RATES

19. Transitional Rate
20. The rate is set and assessed on the land value of all rateable properties in the City.
21. The transitional rates are set on a differential basis on the categories identified in the table below. The rating categories are defined in the Rating Policy. The differential basis is the use to which the land is put and/or the area of the land, and in the case of the BID Commercial differential, the

location of the land.

22. The different categories of rateable land are outlined in the table below. The total revenue sought is \$119,776,125.

SOURCE	DIFFERENTIAL CATEGORIES	DIFFERENTIAL FACTOR	PERCENTAGE OF TOTAL TRANSITIONAL RATES	TRANSITIONAL RATE IN THE DOLLAR OF LAND VALUE (GST INCL)	RATES REVENUE (GST INCL)
Transitional Rate	Residential	1.0000	63.16%	0.00681327	\$75,655,758
	Commercial	2.9791	26.93%	0.02029708	\$32,253,288
	BID Commercial	2.8301	7.07%	0.01928222	\$8,470,621
	Multi Unit Residential	1.4957	1.79%	0.01019085	\$2,144,287
	Rural Residential	0.5685	0.05%	0.00387303	\$54,408
	Rural Small	0.4190	0.75%	0.00285459	\$897,817
	Rural Large	0.1730	0.25%	0.00117857	\$299,946

23. Metered Water Rate

24. The rate is set and assessed for metered and restricted flow water supply on a differential basis to all metered rating units (as defined by Hamilton City Council's Water Supply Bylaw 2013).

25. The rate is:

i. a fixed amount based on the nature of the connection as follows:

- \$440 for all metered rating units (except rural receiving a restricted flow supply);
- \$320 for rural rating units receiving a restricted flow supply.

ii. a charge per unit of water consumed or supplied on every metered connection in accordance with the following scale:

- All metered rating units (except rural receiving a restricted supply) - \$1.82 per kilolitre of water supplied after the first 240 kilolitres of consumption or supply;
- rural rating units receiving a restricted flow supply - \$1.34 per kilolitre of water supplied after the first 240 kilolitres of consumption or supply.

26. The rates contribute to the funding of the Water Distribution and Water Treatment and Storage activities.

27. The total revenue sought is \$9,060,864.

28. Commercial and Rural Non-metered Water Rate

29. The rate is set and assessed on non-metered Commercial and Rural properties which are connected to or have a water supply available. The rate is \$440 per separately used or inhabited part of the rating unit.

30. The rates contribute to the funding of the Water Distribution and Water Treatment and Storage activities.

31. The total revenue sought is \$266,717.

32. Access Hamilton Rate

33. The rate is set and assessed at a uniform rate per dollar of capital value on all rating units in the City (excluding 100% non-rateable and 50% non-rateable properties).

34. The Access Hamilton rate funds the work programmes and/or financing costs relating to this project as part of the Transport Network activity.

35. The rate is \$0.00018763 per dollar of capital value. The total revenue sought is \$5,750,000.

36. Business Improvement District Rates (BID)

37. The rate is set and assessed on all commercial rating units in the BID area as mapped in the Rating Policy. The rate is:

- i. BID Fixed Rate: a fixed amount of \$239 per separately used or inhabited part of a commercial rating unit within the defined area; and
- ii. BID CV Rate: a rate per dollar of capital value required to meet the total revenue, after allowing for the total revenue raised by the BID Fixed Rate. The rate is \$0.00003309 per dollar

of capital value.

38. The rate provides funding to the Economic Development activity.
39. The total revenue sought is \$334,650.

40. Central City Rate
41. The rate is set and assessed on all commercial rating units within the BID area as mapped in the Rating Policy. The rate is a fixed amount of \$102.85 per separately used or inhabited part of a rating unit within the defined area.
42. The rate provides funding to the Transport Network activity.
43. The total revenue sought is \$125,066.

44. Hamilton Gardens Rate
45. The rate is set and assessed as a fixed amount on all rating units within the City (excluding 100% non-rateable and 50% non-rateable properties). The rate is set at \$11.50 per separately used or inhabited part of a rating unit.
46. The rate contributes funding to develop themed gardens and infrastructure as part of the Hamilton Gardens activity.
47. The total revenue sought is \$713,000.

48. Services Category Use - Water Rate
49. The rate is set and assessed on properties as defined as service category (see Rating Policy) and which are connected to the water supply.
 - i. a fixed amount of \$440 per separately used or inhabited part of a rating unit; and
 - ii. a rate per dollar of land value of the rating unit, set at \$0.00199025
50. The rate provides funding towards the water distribution and water treatment and storage activities.
51. The total revenue sought is \$114,790.

52. Services Category Use- Refuse Rate
53. The rate is set and assessed on properties defined as service category (see Rating Policy) and which are provided with refuse collection service. The rate is:
 - i. a fixed amount of \$151 per separately used or inhabited part of a rating unit; and
 - ii. a rate per dollar of land value per rating unit set at \$0.00075944
54. The rate provides funding towards the refuse collection activity.
55. The total revenue sought is \$47,365.

56. Service Category Use -Sewerage Rate

The rate is set and assessed on properties defined as service category (see Rating Policy) and which are connected to the sewerage network. The rate is:

 - i. a fixed amount of \$436 per separately used or inhabited part of a rating unit; and
 - ii. The rate per dollar of land value set at \$0.00238760.
57. The rate provides funding towards the sewage distribution and sewage treatment and storage activities.
58. The total revenue sought is \$1,010,897.

59. **DUE DATES FOR PAYMENT OF RATES**
60. The due dates for rates for the period 1 July 2017 to 30 June 2018 are as follows:

Area	Instalment 1	Instalment 2	Instalment 3	Instalment 4
North East	24 August 2017	16 November 2017	22 February 2018	17 May 2018
South East	24 August 2017	16 November 2017	22 February 2018	17 May 2018
North West	07 September 2017	30 November 2017	08 March 2018	31 May 2018
South West	07 September 2017	30 November 2017	08 March 2018	31 May 2018

61. DUE DATES FOR PAYMENT OF METERED WATER RATES

62. The due dates for metered water rates for the period 1 July 2017 to 30 June 2018 are as follows:

Month of Invoice	Invoice Due Date
July 2017	20 August 2017
August 2017	20 September 2017
September 2017	20 October 2017
October 2017	20 November 2017
November 2017	20 December 2017
December 2017	20 January 2018

Month of Invoice	Invoice Due Date
January 2018	20 February 2018
February 2018	20 March 2018
March 2018	20 April 2018
April 2018	20 May 2018
May 2018	20 June 2018
June 2018	20 July 2018

63. Penalties

64. Pursuant to Section 57 and 58 of the Local Government (Rating) Act 2002 Council authorises the following penalties that may be applied:

- a) A penalty of 10% of the amount due and unpaid on the due date to be added on the day after the due date.
- b) A penalty of 10% of the amount of any rates assessed in any previous year which remain unpaid on 6 July 2017 to be added on the day after 6 July 2017.
- c) A penalty of 10% of the amount of any rates assessed in any previous year which remain unpaid on 6 January 2018 to be added on the day after 6 January 2018.
- d) A penalty of 10% of the amount unpaid for water-by-meter rates charged to be added on the day after the due date.

9. Local Government New Zealand Annual General Meeting 2017 - Remits for Consideration.

The Governance Manager introduced the report. Staff responded to questions from Elected Members concerning the LGNZ remit process and clarification of the background and intent of each of the remits.

Resolved: (Crs Southgate/Bunting)

That Council approves the **Litter Act 1979** remit to be supported by Council's Delegate at the 2017 LGNZ AGM.

Resolved: (Crs Macpherson/Tooman)

That Council approves the **15% Goods and Services Tax** remit to be supported by Council's Delegate at the 2017 LGNZ AGM.

Mayor King Dissenting.

Resolved: (Crs Bunting/Macpherson)

That Council approves the **National Legislation to Manage Cats** remit to be supported by Council's Delegate at the 2017 LGNZ AGM.

Crs Pascoe and Tooman Dissenting.

Motion: (Crs Henry/Gallagher)

That Council approves the **Development of a Sugar Sweetened Beverages Policy** remit to be supported by Council's Delegate at the 2017 LGNZ AGM.

Those for the Motion: Councillors Gallagher, Macpherson, Bunting and Henry.

Those against the Motion: Mayor King, Councillors Pascoe, Tooman, Casson, Southgate and Taylor.

The Motion was declared lost.

10. HCC's Draft Submission to the Remuneration Authority - Local Government Review Consultation (Part 2)

The Legal Services and Governance Advisor introduced the report, noting that the submission was in relation to proposals that the Remuneration Authority were looking to put in place immediately. The longer term proposals concerning the framework for remuneration of Elected Members would be considered in a later submission this year. Staff were proposing one change to the draft submission sent on 13 June 2017 to ask the Remuneration Authority to re-consider the timing of the determination release so that it was better aligned with the financial year reporting processes.

Resolved: (Crs Macpherson/Pascoe)

That the Council:

- a) retrospectively approves HCC's draft submission dated 13 June 2017 to Part 2 of the Remuneration Authority's consultation document – *Local Government Review*, subject to the changes highlighted in Attachment 1 to this staff report.
- b) requests that:
 - i. the Chief Executive advise the Remuneration Authority of any other changes made to HCC's submission at the 29 June 2017 Council meeting;
 - ii. the approved submission be uploaded to the Council's website;
 - iii. the Chief Executive review the Elected Members Support Policy, assess if any changes are required to align this Policy with the Authority's 2017/18 determination and report back to the Council in September 2017.

Cr Casson Dissenting.

11. Finance Committee - Amending Terms of Reference

The Chief Executive introduced the report, noting that a change to the Finance Committee Terms of Reference was recommended to address a disconnect regarding monitoring of financial Key Performance Indicators (KPIs) of the organisation at the Finance Committee and the non-financial KPIs in the other Committees. Returning the responsibility for both financial and non-financial KPIs would provide Elected Members with a more comprehensive view of Council's 10 Year Plan Performance.

The Chief Executive undertook to hold a briefing to discuss with Elected Members how this would work in practice.

Motion: (Crs Southgate/Bunting)

That Council:

- a) receives the report; and
- b) approves changes to the terms of reference for the Finance Committee, Growth and Infrastructure Committee, and Community and Services Committee to delegate to the Finance Committee responsibility to monitor financial and non-financial reporting against Council's 10 Year Plan.

Those for the Motion: Mayor King, Councillors Gallagher, Pascoe, Tooman and Casson.

Those against the Motion: Councillors Macpherson, Bunting, Henry, Southgate and Taylor.

The Motion was declared tied.

Mayor King exercised his casting vote as Chair for the motion.

The motion was declared carried on the casting vote of the Chair.

Resolved: (Crs Southgate/Bunting)

That Council:

- a) receives the report; and
- b) approves changes to the terms of reference for the Finance Committee, Growth and Infrastructure Committee, and Community and Services Committee to delegate to the Finance Committee responsibility to monitor financial and non-financial reporting against Council's 10 Year Plan.

12. Approval of Amended Hamilton Public Transport Joint Committee Terms of Reference and Project Agreement.

The Governance Manager introduced the report, noting that the references to the 'Strategy and Policy Committee' on pages 140 and 141 of the agenda, would be changed to the 'Growth and Infrastructure Committee'.

Cr Macpherson as Deputy Chair of the Hamilton Public Transport Joint Committee, noted that the Committee felt that it was appropriate to include members from Waipa and Waikato District Councils on matters relating to satellite services.

Resolved: (Crs Macpherson/Tooman)

That Council approve the following recommendation from the Hamilton Public Transport Joint Committee:

That:

- a) the membership of the HPTJC be amended to include a member from Waipa and Waikato District Councils on matters relating to satellite services; and
- b) the HPTJC project agreement be varied and the Terms of Reference amended to accommodate the change in membership.

13. Recommendations to Council from Audit and Risk Committee Meeting -13 June 2017

Resolved: (Crs Casson/Pascoe)

Audit NZ Proposal to Conduct Audits for the 2017, 2018 and 2019 Financial Years.

That Council:

- a) approves the proposal letter; and
- b) authorises the Mayor to sign the proposal letter on Council's behalf.

Audit NZ Engagement and Arrangements Letter

That Council:

- a) approves the Audit Engagement letter and Audit Arrangement letter; and
- b) authorises the Mayor to sign the proposal letter on Council's behalf.

14. Recommendation to Council from the Growth and Infrastructure Committee Meeting - 20 June 2017

Resolved: (Crs Casson/Bunting)
 That Council:

- a) approves the amendment to clause 6.1 of the Hamilton Tradewaste and Wastewater Bylaw 2016 so that it refers to section 177 of the Local Government Act 2002; and
- b) approves the amended Hamilton Tradewaste and Wastewater Bylaw 2016.

15. Resolution to Exclude the Public

Resolved: (Crs Bunting/Casson)

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Recommendation to Council from Audit and Risk Committee Meeting - Public Excluded - 13 June 2017) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Appointment of External Member for Audit & Risk Committee)	

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to maintain legal professional privilege	Section 7 (2) (g)
Item C2.	to protect the privacy of natural persons	Section 7 (2) (a)

The Meeting went into a Public Excluded session at 11.43am.

The Meeting was declared closed at 12.36pm.