
Finance Committee

OPEN MINUTES

Minutes of a meeting of the Finance Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton on Thursday 1 August 2019 at 9.30am.

PRESENT

Chairperson	Cr G Mallett
Members	Mayor A King
	Deputy Mayor M Gallagher
	Cr M Bunting
	Cr J R Casson
	Cr S Henry
	Cr A O’Leary
	Cr P Southgate
	Cr G Taylor
	Cr L Tooman
	Cr R Hamilton
	Maangai Bella Takiari-Brame

In Attendance	David Bryant – General Manager Corporate
	Sean Murray – General Manager Venues, Tourism and Major Events
	Chris Allen – General Manager Development
	Jen Baird – General Manager City Growth
	Eeva-Liisa Wright – General Manager Infrastructure Operations
	Sean Hickey – General Manager Strategy and Communications
	Helen Paki – Business and Planning Manager
	Tracey Musty – Financial Controller
	Natalie Young – PMO Manager
	Maire Porter – City Waters Manager
	Jason Harrison – Special Projects Manager
	Paul Gower – Programme Manager Assets Strategy
	Jayne Perry – Chief of Staff
	Julie Clausen – Programme Manager Strategy
	Natasha Ryan – Key Projects Programme Manager
	Emily Botje – Facilities Unit Manager
	Andrew Parsons – Strategic Development Manager
	Igor Magud – Procurement Manager
	Christie Harger – Corporate Business Manager

Matthew Bell – Rates and Revenue Manager
Liam Blackwell – Online Specialist
Chris Barton – Capital Projects Manager
Paul Gower – Programme Manager Assets Strategy
Cory Lang – Building Control Manager

Governance Staff Becca Brooke – Governance Lead
Rebecca Watson – Committee Advisor

1. Apologies

Resolved: (Cr Mallett/Cr Casson)
That the apologies for absence from Crs Macpherson and Pascoe are accepted.

2. Confirmation of Agenda

Resolved: (Cr Mallett/Cr Casson)
That the agenda is confirmed.

3. Declarations of Interest

No members of the Council declared a Conflict of Interest.

4. Public Forum

Ray Mudford from the Hamilton Ratepayers and Residents Association spoke to item 8 (Annual Monitoring Report). He noted his concerns regarding the legislative timeframes for the circulation of agendas to Elected Members and requested a review of Standing Orders.

Staff action: *staff undertook to confirm the minimum time period required under the 2010 Standing Orders for circulation of agendas to Elected Members.*

5. Confirmation of the Finance Committee Minutes - Open - 23 May 2019

Resolved: (Cr Mallett/Cr Casson)
That the Committee confirm the Open Minutes of the Finance Committee Meeting held on 23 May 2019 as a true and correct record.

6. Weathertight Buildings

The Building Control Manager introduced the report and responded to questions from Committee Members concerning inclusion of other costs such as legal costs in the reported figures, comparison of claim numbers with other centres and the reasons for low numbers of claims in Hamilton.

Staff action: *staff undertook to include in future reports other costs associated with weathertight claims, such as legal costs as a separate column.*

Resolved: (Cr Mallett/Cr Bunting)
That the Finance Committee receives the report.

7. Capital Portfolio Monitoring Report

The Capital Projects Manager and the PMO Manager introduced the report and responded to questions from Committee Members concerning status of the various projects outlined in the report, costs and potential design of the central city jetty, NZTA funding and timeframes concerning the Te Awa cycleway.

Resolved: (Cr Mallett/Cr Southgate)

That the Finance Committee:

- a) receives the report; and
- b) notes that decisions will be made on the Central City Jetty project as part of the Financial Strategy Report to this Committee meeting.

8. Annual Monitoring Report to 30 June 2019

The Finance Manager introduced the report, noting the current financial position of Council.

Resolved: (Cr Mallett/Cr O'Leary)

That the Finance Committee receives the report.

9. Financial Strategy Monitoring Report

The Corporate Business Manager introduced the report, noting the extra funding request for the jetty. Staff responded to questions from Committee Members concerning interest rate swaps.

Resolved: (Cr Taylor/Cr Southgate)

That the Finance Committee:

- a) receives the report.

That the Finance Committee recommends that the Council:

- a) approves the rephrasing and delay deferrals of an additional \$6.53M capital projects from 2018/19 to future years as identified in the 1 August 2019 Capital Portfolio Monitoring Report;
- b) approves the additional funding of \$0.5M for the Central City Jetty as identified in the 1 August 2019 Capital Portfolio Monitoring Report;
- c) approves the significant forecast adjustments as set out in paragraphs 20 to 24 of this report; and
- d) approves the revised forecast Financial Strategy graphs for Debt to Revenue, Net Debt and Balancing the Books as set out in paragraphs 25 to 34 of this report.

Cr Mallett Dissenting.

The meeting adjourned 11.10am – 11.27am.

10. Waikato Regional Airport Limited - Terminal Refresh Project

The report was taken as read.

Resolved: (Cr Bunting/Cr Mallett)

That the Finance Committee:

- a) receive the report as a shareholder of WRAL;
- b) approves the funding of the Terminal Project as a major transaction of up to \$13million; and
- c) approves the adjustment of WRAL's debt position from \$22m to \$25m to finance the terminal project.

11. Deferral of Reports - Update on Stadia Facilities

The General Manager Major Events, Venues and Tourism introduced the report. He responded to questions from Committee members concerning timeframes to get information back from stadia suppliers.

Resolved: (Cr Mallett/Cr Hamilton)

That the Finance Committee:

- a) receives the report; and
- b) notes that the report concerning an update on stadia facilities is deferred to the 10 September 2019 Finance Committee meeting.

12. H3 Group - Quarter Four and Year End Report for 1 July 2018 to 30 June 2019.

The General Manager Major Events, Venues and Tourism introduced the report. He responded to questions from Committee Members concerning light towers at FMG Stadium, costs and timing of turf renewal, recycling at events, opportunities for usage of stadia and potential contributions from sporting organisations to offset operating costs.

Staff action: *staff undertook to provide Elected Members with comparative information concerning other Council funding of stadia and major facilities around the country.*

Resolved: (Cr Mallett/Cr Casson)

That the Finance Committee receives the report.

13. Resolution to Exclude the Public

Resolved: (Cr Mallett/Cr 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. Confirmation of Finance Committee Meeting Minutes - Public Excluded - 23 May 2019) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Contract 18146 - General Security Services)	
C3. Report on overdue debtors as at 30 June 2019 & Debt write-offs 2018/19		
C4. River Plan - Central City Jetty - Contract 18120		
C5. Waikato LASS Professional Services Panel Review		

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 prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to avoid the unreasonably, likely prejudice to the commercial position of a person who supplied or is the subject of the information to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (b) (ii) Section 7 (2) (h)
Item C3.	to protect the privacy of natural persons to maintain the effective conduct of public affairs through protecting persons from improper pressure or harassment	Section 7 (2) (a) Section 7 (2) (f) (ii)
Item C4.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h) Section 7 (2) (i)
Item C5.	to enable Council to carry out negotiations to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)

The meeting went into a public excluded session at 12.11pm.

The meeting was declared closed at 1.30pm.

APPENDIX 1

C2. Contract 18146 - General Security Services

Motion: (Deputy Mayor Gallagher/Mayor King)

That the Finance Committee approves:

- a) the awarding of Contract 18146 General Security Services to Allied Security for a three-year term with one right of renewal for three years. The contract will commence 1 October 2019, with an Approved Contract Sum of \$4.0 million;
- b) that the contract includes provision for remunerating security staff a minimum of \$20 per hour, which will amount to \$13,330 in the first year; and
- c) that the decision in relation to this matter be released to the public at the appropriate time (to be determined by the General Manager Corporate).

Amendment: (Cr O'Leary/Cr Henry)

- a) the awarding of Contract 18146 General Security Services to Allied Security for a three-year term with one right of renewal for three years. The contract will commence 1 October 2019, with an Approved Contract Sum of \$4.0 million that **does not** include provision for remunerating security staff a minimum of \$20 per hour which will amount to \$13,330 in the first year;
- b) that the decision in relation to this matter be released to the public at the appropriate time (to be determined by the General Manager Corporate).

The amendment was put.

Those for the Amendment: Crs Mallett, Tooman, O'Leary, Bunting, Casson and Henry.

Those against the Amendment: Mayor King, Deputy Mayor Gallagher, Crs Southgate, Taylor, Hamilton and Maangai Takiari-Brame.

The Amendment was declared CARRIED on the casting vote of the Chair.

The amendment was then put as the Substantive Motion and declared CARRIED.

Those for the Substantive Motion: Crs Mallett, Tooman, O'Leary, Bunting, Casson, Henry, Southgate and Hamilton.

Those against the Substantive Motion: Mayor King, Deputy Mayor Gallagher, Cr Taylor and Maangai Takiari-Brame.

Resolved: (Cr O'Leary/Cr Henry)

- a) the awarding of Contract 18146 General Security Services to Allied Security for a three-year term with one right of renewal for three years. The contract will commence 1 October 2019, with an Approved Contract Sum of \$4.0 million that **does not** include provision for remunerating security staff a minimum of \$20 per hour which will amount to \$13,330 in the first year;

- b) that the decision in relation to this matter be released to the public at the appropriate time (to be determined by the General Manager Corporate).