



AGENDA

Ordinary meeting of the

Governance Committee

Thursday 28 May 2015

Commencing at the conclusion of the Council meeting

Council Chamber

Civic House

110 Trafalgar Street, Nelson

Membership: Councillor Ian Barker (Chairperson), Her Worship the Mayor Rachel Reese, Councillor Luke Acland (Deputy Chairperson), Councillors Eric Davy, Kate Fulton, Paul Matheson, Brian McGurk, Gaile Noonan, Pete Rainey, and Mr John Peters and Mr John Murray

Guidelines for councillors attending the meeting, who are not members of the Committee, as set out in Standing Orders:

- All councillors, whether or not they are members of the Committee, may attend Committee meetings (SO 2.12.2)
- At the discretion of the Chair, councillors who are not Committee members may speak, or ask questions about a matter.
- Only Committee members may vote on any matter before the Committee (SO 3.14.1)

It is good practice for both Committee members and non-Committee members to declare any interests in items on the agenda. They should withdraw from the table for discussion and voting on any of these items.

1. Apologies

- 1.1 An apology has been received from Councillor Kate Fulton

2. Confirmation of Order of Business**3. Interests**

- 3.1 Updates to the Interests Register
- 3.2 Identify any conflicts of interest in the agenda

4. Public Forum**5. Confirmation of Minutes**

- 5.1 16 April 2015 **9 - 21**

Document number M1225

Recommendation

THAT the minutes of the meeting of the Governance Committee, held on 16 April 2015, be confirmed as a true and correct record.

- 6. Status Report - Governance Committee - 28 May 22 - 23**

Document number R4310

Recommendation

THAT the Status Report Governance Committee 28 May 2015 (R4310) and its attachment (A1160658) be received.

- 7. Appointment of Trustee to the Nelson Municipal Band Trust 24 - 26**

Document number R4249

Recommendation

THAT the report Appointment of Trustee to the Nelson Municipal Band Trust (R4249) be received.

Recommendation to Council

THAT pursuant to the terms of the Trust Deed dated 14th July 2008, the Council hereby appoints David Todd to act as a Trustee for the administration of the Fund.

8. Sister Cities Update 2015 27 - 33

Document number R4272

Recommendation

THAT the report Sister Cities Update 2015 (R4272) and its attachment (A1354036) be received.

9. Business case approach for 2015/16 projects - Further Information 34 - 45

Document number R4309

Recommendation

THAT the report Business case approach for 2015/16 projects - Further Information (R4309) and its attachments (A1331113 and A1329251) be received.

Recommendation to Council

THAT projects highlighted yellow in document A1331113 follow a business case approach.

REPORTS FROM COMMITTEES

10. Commercial Subcommittee - 5 May 2015 46 - 49

Document number M1198

Recommendation

THAT the unconfirmed minutes of a meeting of the Commercial Subcommittee, held on 5 May 2015, be received.

11. Audit, Risk and Finance Subcommittee - 5 May 2015 50 - 57

Document number M1202

Recommendation

THAT the unconfirmed minutes of a meeting of the Audit, Risk and Finance Subcommittee, held on 5 May 2015, be received.

11.1 Events Resource Consent Charging Regime for RM125012

Recommendation to Governance Committee and Council

THAT Council consider the options for the charging regime for the use of Council's Resource Consent RM125012, as detailed in report R4177, and increase the charge to \$500 and apply it only to commercial ticketed events.

11.2 Business Case Approach for 2015/16 Projects

Recommendation to Governance Committee and Council

THAT a revised report and list of projects to follow a business case approach be confirmed at the next Governance Committee meeting.

Note: Please refer to item 9, Business Case Approach for 2015/16 projects – Further Information which was requested by the Audit, Risk and Finance Subcommittee

11.3 Corporate Report for the Period Ending 31 March 2015

Recommendation to Governance Committee and Council

THAT Council note that ongoing costs of approximately \$11,250 pa will need to be included in the Long Term Plan 2015-25 for live streaming of Council meetings.

PUBLIC EXCLUDED BUSINESS

12. Exclusion of the Public

Recommendation

THAT the public be excluded from the following parts of the proceedings of this meeting.

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 are as follows:

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	<p>Governance Committee – Public Excluded Minutes – 16 April 2015</p> <p>These minutes contain information regarding:</p> <p>Nelmac Limited draft Statement of Intent</p> <p>Nelson Airport Limited – Airport Land</p> <p>Nelson Airport Limited Proposed Constitutional Changes</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
2	<p>Review of Economic Development Services</p> <p>This report contains information regarding:</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person Section 7(2)(i) To enable the local

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
	Review of Economic Development Services		authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
3	Bishop Suter Trust Negotiations This report contains information regarding: Bishop Suter Trust negotiations	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
4	Audit, Risk and Finance Subcommittee – Public Excluded Minutes – 5 May 2015	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
5	Commercial Subcommittee Meeting - Public Excluded - 5 May 2015 These minutes contain information regarding: A Property Assets Review	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under 7	The withholding of the information is necessary: <ul style="list-style-type: none"> Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities.

13. Re-admittance of the public

Recommendation

THAT the public be re-admitted to the meeting.

Note:

- **This meeting is expected to continue beyond lunchtime.**
- **Lunch will be provided at 12.00pm.**

Minutes of a meeting of the Governance Committee

**Held in the Council Chamber, Civic House, 110 Trafalgar Street,
Nelson**

On Thursday 16 April 2015, commencing at 9.00am

Present: Councillor I Barker (Chairperson), Councillor L Acland, E Davy,
B McGurk, P Matheson, G Noonan, P Rainey, Mr J Murray and
Mr J Peters

In Attendance: Group Manager Corporate Services (N Harrison), Group
Manager Community Services (C Ward), Group Manager
Infrastructure (A Louverdis), Manager Administration (P
Langley) and Administration Adviser (G Brown)

Apologies: Her Worship the Mayor R Reese and Councillor K Fulton

1. Apologies

Resolved

***THAT apologies be received and accepted from
Her Worship the Mayor and Councillor Fulton for
attendance and Councillor Matheson for lateness.***

Acland/McGurk

Carried

2. Confirmation of Order of Business

The Chairperson advised that due to key representatives being unable to attend the meeting, items 10, 11 and 12 would be adjourned and discussed at a reconvened meeting on 23 April 2015.

The following resolution was passed:

Resolved

THAT item 10 (Tourism Nelson Tasman Ltd draft Statement of Intent 2015/16 and Half Yearly Report), item 11 (The Nelson Regional Economic Development Agency draft Statement of Intent 2015/16 and Half Yearly Report) and item 12 (Economic Services Delivery Outcomes 2015-2018) in the public agenda, be adjourned until the Governance Committee meeting to be held on the 23 April 2015 at 9.00am.

Murray/Barker

Carried

3. Interests

Mr Murray declared an interest with item 8 on the agenda, The Bishop Suter Trust draft Statement of Intent 2015/2016 and Half Yearly Report.

Councillor Rainey declared an interest with item 7 on the agenda, Procurement Policy and Debt Management Process.

4. Public Forum

There was no public forum.

5. Confirmation of Minutes – 3 March 2015

Document number A1325357, agenda pages 10-17 refer.

Resolved

THAT the minutes of a meeting of the Governance Committee, held on 3 March 2015, be confirmed as a true and correct record.

Davy/Peters

Carried

6. Status Report – 16 April 2015

Document number A1160658, tabled document.

There was a concern raised that the Everyman Records Ltd debt item needed to be monitored by Council. It was advised the item was a Governance Committee delegation and was discussed at the Governance meeting on 3 March 2015 when an opportunity for questions was presented.

In response to a question, Group Manager Corporate Services, Nikki Harrison advised the additional information referred to in the status report related only to the identification of a point of contact at Nelson City Council for the Police.

Resolved

**THAT the Status Report – Governance Committee
16 April 2015 (A1150321) be received.**

Davy/Noonan

Carried

7. Chairperson's Report

There was no Chairperson's Report.

Attendance: Councillor Rainey declared an interest with item 8 and sat away from the table at 9.08am.

FINANCE

8. Procurement Policy and Debt Management Process

Document number A1338718, agenda pages 18-30 refer.

Group Manager Corporate Services, Nikki Harrison presented.

In response to a question, Ms Harrison clarified that page 19, clause 4.5 in relation to referring debt to a debt collection agency after more than 14 days overdue, was only the ability to and provided flexibility.

Ms Harrison added that the Debt Management Process would be considered at the Audit Risk and Finance subcommittee.

Resolved

**THAT the report Procurement Policy and Debt
Management Process (A1338718) and its
attachments (A1293789, A1316053 and
A1324271) be received.**

Recommendation to Council

**THAT the Nelson City Council Procurement Policy
January 2015 (A1293789) be approved.**

Noonan/Davy

Carried

Attendance: Councillor Rainey returned to the table at 9.14am. Mr John Murray declared an interest with item 9 and sat away from the table at 9.14am.

9. The Bishop Suter Trust draft Statement of Intent 2015/2016 and Half Yearly Report

Document number A1327756, agenda pages 31-76 refer.

Group Manager Community Services, Chris Ward, Director of the Suter Art Gallery, Julie Catchpole and Mr John Hambleton presented.

It was discussed that with the current situation of the Suter Art Gallery and their temporary premises it was difficult to review the Statement of Intent. Ms Catchpole advised that opportunities existed with the relocation to Halifax Street as the Suter Art Gallery was building new relationships in this area.

In response to a question, Ms Catchpole said that emerging artists could join the Nelson Suter Artists Society, however she indicated that many artists utilise the Refinery Artspace and that it was always a challenge for new artists to exhibit their artworks.

In response to a further question, Ms Catchpole advised that the Suter Trust Board had considered free admission to the public in the past, but it would mean the \$16,000 admission revenue would need to be replaced from elsewhere. Mr Hambleton added that the Suter Trust Board raised 50% of its revenue outside of grants.

Ms Catchpole informed the Committee that the Suter Trust Board was looking at a strategy to grow the Friends of the Suter membership.

Resolved

THAT the report The Bishop Suter Trust draft Statement of Intent 2015/16 and Half Yearly Report (A1327756) and its attachments (A1325270, A1327762 and A1334741) be received;

Davy/Rainey

Carried

Recommendation to Council

THAT the draft Bishop Suter Trust Statement of Intent 2015/16 (A1327762) be approved as the final version.

Davy/Noonan

Carried

Attendance: Mr John Murray returned to the table at 9.31am.

10. Nelson Events Strategy Funding Application South Island Masters Games

Document number A1339394, agenda pages 77-96 refer.

Attendance: Councillor Rainey left the meeting at 9.32am.

Group Manager Community Services, Chris Ward, presented.

The Chairperson advised this was a large event and the benefits to the region were illustrated in the report.

Attendance: Councillor Rainey returned to the meeting at 9.33am.

In response to a question, Mr Ward advised that the Events Management Committee was organised by the Economic Development Agency. He added that Tasman District Council was not contributing to the event.

There was some concern raised that there would not be a significant impact to Nelson City in relation to financial benefits as the event was held at Saxton Field. Mr Ward advised that it would be the standard charging regime and that organisers had shown that there were benefits for the economy.

There was a varying opinion as to whether or not Council should be operating as a commercial enterprise.

In response to a question, Mr Ward advised that the \$65,000 figure was to match the contribution of the Canterbury Community Trust.

There was general support that the region benefited from these events.

Resolved

THAT the report Nelson Events Strategy Funding Application South Island Masters Games (A1339394) and its attachments (A1341230, A1341271 and A1340067) be received;

AND THAT Tasman Regional Sports Event Trust receive \$65,000 sponsorship through the Events Marketing and Development Fund for the 2015 South Island Masters Games subject to all contractual conditions being agreed to.

Davy/Noonan

Carried

REPORTS FROM COMMITTEES

11. Audit, Risk and Finance Subcommittee – 10 March 2015

Document number A1327326, agenda pages 173-180 refer.

Mr John Peters advised that this was the first meeting of the Audit, Risk and Finance subcommittee and the subcommittee was establishing a work programme.

Resolved

THAT the unconfirmed minutes of a meeting of the Audit, Risk and Finance Subcommittee, held on 10 March 2015, be received.

Peters/Murray

Carried

11.1 Corporate Report for the Period Ending 31 January 2015

In response to a question, Group Manager Infrastructure, Alec Louverdis, advised that the two week's notice referred to in clause 2 of the recommendation was adequate and that the increased charges would be effective from 1 July.

Recommendation to Council

THAT the landfill charges be increased from \$114 per tonnes (inclusive of GST) to \$121 (inclusive of GST) effective 15 May 2015;

AND THAT landfill users be given two weeks notice of the increase in landfill charges;

AND THAT approval is given for a transfer of all capital expenditure and debt relating to the Maitai Walkway to be made from the Inner City Enhancement account to the Unsubsidised Roding account in order to properly account for interest and debt in future years.

Peters/McGurk

Carried

11.2 Liability Management and Investment Policies

Recommendation to Council

THAT the Liability Management and Investment Policies, with amendments from the Audit, Risk and Finance Subcommittee, be adopted.

Peters/McGurk

Carried

12. Exclusion of the Public

Rob Gunn and Margaret Soderberg of Nelson, were in attendance for Item 6 of the Public Excluded agenda to answer questions and, accordingly, the following resolution was passed:

Resolved

THAT, in accordance with section 48(5) of the Local Government Official Information and Meetings Act 1987, Rob Gunn and Margaret Soderberg remain after the public has been excluded, for Item 6 of the Public Excluded agenda (Nelmac Limited draft Statement of Intent 2015/16 and Half Yearly Report), as they have knowledge that will assist the Council;

AND THAT, in accordance with section 48(6) of the Local Government Official Information and Meetings Act 1987, the knowledge that Rob Gunn and Margaret Soderberg possess relates to the Nelmac Limited draft Statement of Intent 2015/16 and Half Yearly Report.

Resolved

THAT the public be excluded from the following parts of the proceedings of this meeting.

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 are as follows:

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	Nelson Airport Limited Proposed Constitutional Changes This report contains information regarding constitutional changes of a Council Controlled Organisation.	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none">• Section 7(2)(h) To carry out commercial activities

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
2	Nelson Airport Limited - Airport Land This report contains information regarding airport land.	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> • Section 7(2)(i) To carry out negotiations
3	Nelmac Limited draft Statement of Intent 2015/2016 and Half Yearly report This report contains information regarding a draft statement of intent and half yearly report.	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> • Section 7(2)(h) To carry out commercial activities

Barker/McGurk

Carried

The meeting went into public excluded session at 9.54am at which time Councillor Matheson joined the meeting. The meeting resumed in public session at 11.26am.

13. Re-admittance of the Public

Resolved

THAT the public be re-admitted to the meeting.

Davy/Peters

Carried

As resolved in the Confirmation of Order of Business, the meeting adjourned at 11.26am with the remaining items to be considered at a reconvened meeting on 23 April 2015.

Minutes of a reconvened meeting of the Governance Committee

**Held in the Council Chamber, Civic House, 110 Trafalgar Street,
Nelson**

On Thursday 23 April 2015, commencing at 9.00am

Present: Councillor I Barker (Chairperson), Her Worship the Mayor Rachel Reese, Councillors L Acland (Deputy Chairperson), E Davy, K Fulton, B McGurk, P Matheson, G Noonan, P Rainey, and Mr J Peters and Mr J Murray

In Attendance: Chief Executive (C Hadley), Administration Adviser (G Brown)

FINANCE

14. Tourism Nelson Tasman Ltd draft Statement of Intent 2015/16 and Half Yearly Report

Document number A1335253, agenda pages 97-129 refer.

Chief Executive, Clare Hadley, presented the report.

Phil Taylor, Chair of Tourism Nelson Tasman Ltd, and Lynda Keane, Chief Executive Officer, joined the meeting to answer any questions.

In response to a question, Ms Keane advised that Tourism Nelson Tasman had 1.2 full time employees and that they supported operators of events in the region. In addition, the same resources marketed the region domestically and internationally.

In response to a further question, Ms Keane said that over the last ten years the average length of stay for visitors was 2.16 nights and in January 2015 it was 3.05 nights. She advised the Committee that statistics were from Statistic New Zealand however, did not include B&B, holiday homes and luxury lodges.

Ms Keane advised that four cruise ships came to Nelson in 2014 and this year seven were expected. She indicated that Tourism Nelson Tasman was seeking to increase the number of ships coming to Nelson but there were limitations at the Port. She clarified that Tourism Nelson Tasman contacted cruise lines directly.

In response to a question, Ms Keane advised that Tourism Nelson Tasman selected projects carefully due to limited funding and that

European markets would likely receive less resource. She added that she would be seeking additional funding from operators and local businesses.

In response to a further question, Ms Keane clarified that the results in table 1.0 of the Six Month Report to Shareholders – 1 July to 31 December 2014 illustrated Nelson Tasman together as only one Regional Tourism Organisation (RTO) exists in this area and for each area with an RTO these are shown separately. She added that Nelson Tasman results were trending well and there was substantial growth in the West Coast.

It was discussed that Nelson should be leveraging from events such as the Cricket World Cup and encouraging visitors to stay for an extra day. It was suggested that this could be a KPI within the Statement of Intent (SOI).

The Committee agreed funding income should be shown separately for Nelson City Council funding of \$664,878 and the amount which would be utilised for contractors.

It was suggested that Nelson was not well promoted when it came to signage throughout New Zealand.

In response to a question, Ms Keane advised that Tourism Nelson Tasman worked with Online Travel Agencies to promote the region. However, it was noted that Tripadvisor only contained limited information on activities in Nelson.

It was highlighted that trending information would be useful and that negatives should also be included in the Six Month Report to Shareholders, such as the stopping of the Nelson to Palmerston North airline route.

Attendance: Councillor Fulton left the meeting at 9.50am.

Mr Taylor advised the Committee that for a small organisation it would be difficult to be more effective.

Ms Keane said that secondary flights to Nelson was a barrier, however Nelson attracted the 7th highest number of visitors. In response to a question, she added that attractions such as the proposed Nelson Gondola project and a direct route from Auckland and Queenstown would be advantageous for the region.

It was discussed that the Statement of Intent (SOI) needed further work. It was noted that there was a review underway of Tourism Nelson Tasman.

Resolved

THAT the report Tourism Nelson Tasman Ltd draft Statement of Intent 2015/16 and Half Yearly Report (A1335253) and its attachments (A1325269, A1325267 and A1334741) be received;

Peters/Davy

Carried

Attendance: Councillor Rainey and Councillor Davy left the meeting at 10.24am.

It was discussed that due to the timelines the Committee should refer the matter back to Council for consideration.

Attendance: Councillor Rainey returned to the meeting at 10.26am.

It was highlighted that the information gathered from a review of economic development services would be distributed to councillors and could have an impact on the SOI. However, due to the legal framework for Council Controlled Organisations the current process needed to be followed.

Attendance: Councillor Davy returned to the meeting at 10.28am.

Recommendation to Council

AND THAT the Governance Committee refer back to Council the draft Statement of Intent (A1325267) for consideration.

Davy/Noonan

Carried

Attendance: The meeting adjourned for morning tea at 10.35am until 10.49am. During this time Councillor Fulton returned to the meeting.

15. The Nelson Regional Economic Development Agency draft Statement of Intent 2015/16 and Half Yearly Report

Document number A1335048, agenda pages 130-166 refer.

Chairman, Paul Dalzell, and Chief Executive of the Economic Development Agency (EDA), Bill Findlater joined the meeting to answer questions.

In response to a question, Mr Findlater advised that there was no plan to market Nelson in relation to migrants as it was a decision not to capitalise from someone's misfortune.

In response to a further question, Mr Findlater said that he could not publicly discuss potential projects relating to China. However, he added that Nelson was promoted well in some Chinese cities and there was a

market for New Zealand products in China. He said supplying China was the difficulty.

There was a discussion regarding promoting career opportunities in aquaculture, seafood and marine industries.

It was agreed that reference to Horoirangi be removed from table 4 of the Half Yearly Report December 2014 and table 4.3 of the Statement of Intent.

It was agreed that on page 163 of the Statement Of Intent, under Physical Infrastructure the reference to a convention centre be removed.

Attendance: Her Worship the Mayor left the meeting at 11.18am.

Mr Findlater advised the Committee that organisations which were already established did not need the assistance of the EDA, although the EDA was comfortable assisting with funding or endorsing projects.

Attendance: Councillor Rainey left the meeting at 11.26am.

It was discussed that the EDA was part of the review of economic development services.

There was a discussion regarding the important of trending information and it was noted that part of the SOI referred to progress measurements and GDP statistics. It was highlighted that this information would be gathered over time and then the data could be analysed.

Resolved

THAT the report Nelson Regional Economic Development Agency draft Statement of Intent 2015/16 and Half Yearly Report (A1335048) and its attachments (A1323924, A1323928 and A1334741) be received;

Murray/Matheson

Carried

Recommendation to Council

THAT the draft Nelson Regional Economic Development Agency Statement of Intent (A1323928) be approved with the following amendments:

- ***Removal of Horoirangi from table 4.3;***
- ***Removal of the reference to the convention centre on page 163 under Physical Infrastructure.***

Noonan/McGurk

Carried

16. Economic Services Delivery Outcomes 2015-2018

Document number A1339069, agenda pages 167-172 refer.

There was a discussion in relation to the information provided. It raised many questions and it was agreed that this item needed additional time to discuss and fully understand.

It was noted that due to timeframes the item may need to be considered at an extraordinary meeting.

Resolved

THAT the report Economic Services Delivery Outcomes 2015-2018 (A1339069) and its attachment (A1335085) be received;

AND THAT a workshop be held to discuss the Economic Services Delivery Outcomes 2015-2018 (A1339069).

Noonan/Matheson

Carried

There being no further business the meeting ended at 11.50am.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date

REPORT R4310

Status Report - Governance Committee - 28 May

1. Purpose of Report

- 1.1 To provide an update on the status of actions requested and pending.

2. Recommendation

***THAT the Status Report Governance Committee
28 May 2015 (R4310) and its attachment
(A1160658) be received.***

Shailey McLean
Administration Adviser

Attachments

Attachment 1: Status Report - Governance Committee - May 2015

Status Report – Governance 28 May 2015

Date of meeting/Item	Action Resolution	Officer	Status
Governance Committee - 3 March 2015 Everyman Records Limited Debt	THAT the Chief Executive and Mayor be instructed to ask Police to reconsider whether any action could be taken against Mr Shaw or Everyman Records in regards to the non payment of debt.	Clare Hadley	28/05/15 The Mayor wrote to the Police 18 March. They have responded seeking additional information. This matter should now be referred to the Audit Risk & Finance Subcommittee REFERRED
Governance Committee – 23 April 2015 Economic Services Delivery Outcomes 2015-2018	AND THAT a workshop be held to discuss the Economic Services Delivery Outcomes 2015-2018 (A1339069).	Chris Ward	28/05/15 A workshop on Economic Services Delivery Outcomes was held on 30 April 2015. COMPLETE

REPORT R4249

Appointment of Trustee to the Nelson Municipal Band Trust

1. Purpose of Report

- 1.1 To appoint David Todd as Trustee of the Nelson Municipal Band Trust.

2. Delegations

- 2.1 The Governance committee has responsibility of all matters relating to Council Controlled Organisations and have the power to make recommendations to Council on these matters.

3. Recommendation

THAT the report Appointment of Trustee to the Nelson Municipal Band Trust (R4249) be received.

Recommendation to Council

THAT pursuant to the terms of the Trust Deed dated 14th July 2008, the Council hereby appoints David Todd to act as a Trustee for the administration of the Fund.

4. Background

- 4.1 Nelson City Council established the Nelson Municipal Band Trust in 1980 to assist the Band to develop a capital fund, to provide an annual income to help support the Band.

5. Discussion

- 5.1 The Nelson City Council was named as Trustee, but provision is made in the deed for the Council to appoint three Trustees to administer the fund, such Trustees are to be appointed by Council resolution. The deed was modified in 2008 to comply with the requirements for registration with the Charities Commission as a charitable trust.
- 5.2 The initial Trustees by resolution of Council were the then Mayor, the President of the Band, and the Manager of the Council's bank. Historically

these three individuals have remained as the Trustees ex officio, with the current appointees being respectively Rachel Reese, Patrick Heaphy, and Fiona Webster. However, the Council under the terms of the Trust Deed is able to appoint any three people to fill these positions.

- 5.3 With the recent change in the executive at the Band, it is appropriate for the Council to appoint a replacement Trustee of the Nelson Municipal Band Trust. The new Band President resides in Motueka and would find it difficult to attend any meetings during the day, therefore the Band has agreed to seek to have David Todd appointed as a Trustee of the Nelson Municipal Band Trust.

- 5.4 David Todd is a very long standing member of Nelson City Brass, is a Life Member and currently Treasurer of the Band. Over his many years of membership he has held a number of executive appointments. He has the full support of the Executive of Nelson City Brass for appointment as their representative on the Nelson Municipal Band Trust.

6. Options

- 6.1 Option 1 – accept the recommendation. This is an administrative matter which is required under the Trust deed of the Nelson Municipal Band Trust.
- 6.2 Option 2 – reject the recommendation.

7. Alignment with relevant Council policy

- 7.1 This appointment should follow Nelson City Council's policy Procedure for Appointment of Directors/Trustees of Council Controlled Organisations and Council Controlled Trading Organisations (A284857). However, as per section 8 of that policy, the process has been varied to accommodate the needs of the Nelson Municipal Band Trust.

8. Assessment of Significance against the Council's Significance and Engagement Policy

- 8.1 This is not a significant decision.

9. Consultation

- 9.1 No consultation is required.

10. Inclusion of Māori in the decision making process

- 10.1 No consultation is required.

Nikki Harrison
Group Manager Corporate Services

Attachments

Nil

Sister Cities Update 2015

1. Purpose of Report

- 1.1 To receive the report from the Volunteer Sister Cities Coordinator.

2. Delegations

- 2.1 Sister Cities relationships are an area of responsibility of the Governance Committee.

3. Recommendation

THAT the report Sister Cities Update 2015 (R4272) and its attachment (A1354036) be received.

4. Background

- 4.1 Nelson has four Sister City relationships:
- Miyazu, Japan
 - Huangshi, Hubei, People's Republic of China
 - Yangjiang, People's Republic of China
 - Eureka, California, United States.
- 4.2 Council has appointed a Volunteer Sister City Co-ordinator to oversee community activity in relation to Sister Cities.

5. Discussion

- 5.1 Sister Cities relationships can deliver social, cultural and economic outcomes. It is important that Councillors are aware of these relationships and of opportunities to further enhance them.
- 5.2 The Sister Cities co-ordinator reports to the Governance Committee twice each year. The attached report (A1354036) covers the last six months worth of activities.

6. Alignment with relevant Council policy

- 6.1 Provision has been made in the Long Term Plan for Sister Cities activities and these are consistent with the Council outcome of Our communities are healthy, safe, inclusive and resilient.

7. Assessment of Significance against the Council's Significance and Engagement Policy

- 7.1 This is not a significant decision.

8. Consultation

- 8.1 No consultation has been carried out in preparing this report.

9. Inclusion of Māori in the decision making process

- 9.1 Maori have not been consulted on this report.

Chris Ward
Group Manager Community Services

Attachments

Attachment 1: A1354036 - Sister City Coordinator Tasks and Expectations
2013-2015

Sister City Coordinator Tasks and Expectations 2013 - 2015

In relation Huangshi, Miyazu and Eureka

Visits internal & external

- Discuss and plan in conjunction with sister cities and groups possible rotation of annual visits to and from Nelson, taking into consideration special anniversaries.

Action - *In April I joined the Mayoral delegation to visit Huangshi, mainly for the re confirmation signing of the MOU agreement to celebrate 20 years of the Sister City relations ship. This did not eventuate and will now take place in Nelson during September when Mayor Dong Weimin visits. The strong sister city relationship and continuing long term friendship with Huangshi have helped the the business and education relationships to develop, without the society's support this may not have happened.*

I travelled with the Mayoral party to Yangjiang which is pretty city, high rise buildings not as high as elsewhere, very mild weather and quite close to a wonderful beach resort area Hailing Island. Access to the beach is paid with wonderful facilities but there are sections of the golden sand that can be used for free. Yangjiang is called the China capital of Knives and Scissors and is also known as the Kite hometown of China.

Advise the Mayor and Staff on protocols for the various groups in relation to contacts and visits.

- Run sheets for events or visits
- Gift list, provide suggestions after consultation with the Sister City group (the gifts must be of the right scale and from Nelson)
- Draft invitation lists and menus suitable for the function
- The status of dignitaries and visitors, and how to address the delegation and individual guests.
 - Keep the Mayor briefed
- Go on sister cities trips as necessary

Action- *The visit to Jangjiang was mostly organised by EDA,*

I was not requested to deliver on the above bullet points. Visits are expected in May from Yangjiang and July from a party of six from Huangshi who will contribute to the planning of China week and a delegation including the Mayor will attend China week in September.

I sought permission from the Mayor's office to join the Mayoral delegation to Huangshi and Jangjiang at my own cost. This travel was a fantastic opportunity - the welcome at Huangshi was extremely warm as many friendships were rekindled again - the food extraordinary and the hospitality first rate.

Economic Development Agency - Yangjiang relationship

- Assist CE Economic Development Agency (EDA) as necessary in relation to Economic visits from or to any of the three sister cities
- Assist EDA CE in relation to Yangjiang

Action - *No requests have been made. The Nelson NZCFS coordinator is usually in close contact with any arrangements concerning Huangshi. It appears the paramount focus of the relationship with Yangjiang is business purposes.*

Financial

- Submit an outline plan and funding requirements for each of the three sister cities to the Council officer delegated Sister City responsibility by end of February each year, and if additional funds are required by December.
- The outline plan submitted should state what is to be delivered and the anticipated total cost - a full budget is not required.
- An annual financial summary of expenditure by all groups to be reported to council after 30 June.

Action - *Nelson Miyazu Sister City Association and NZCFS Nelson have submitted funding requirements for the coming financial year 2015 -16 and summaries of the 2014 -15 expenditure will be reported at one of the meetings following the end of the financial year .*

Nelson Eureka Sister City Association has not requested funds as they are currently inactive but financially viable.

Meetings

- Identify an annual meeting schedule in liaison with identified administration advisors.(AA's)

- Provide items from all groups to AA's for inclusion in the agenda.
- Check draft minutes prior to distribution.
- Attend National meetings and local SC meetings especially Annual General meetings as necessary.
- Support the mayor at "SC" related meetings when requested.

Action - *Sister City coordinating group meetings are scheduled until February 2016 and procedural matters followed and reported on.*

I attended; (amongst other events)

- *Sister Cities NZ AGM and conference in April and was appointed a director of the Sister Cities NZ Board.*
- *The Miyazu AGM as well as the annual soiree at the home of Inga and Carl Browning where the Miyazu song is traditionally practiced and the Cherry Blossom Festival. This year 20 September.*
- *NZCFS Nelson AGM and year of the Goat dinner.*
- *At the NZCFS Nelson AGM I was confirmed as a committee member. I continue to help with the organisation of the National AGM and Conference being held in May at the Muritai Centre, Tahunanui.*
 -
- *NZCFS dinner to welcome the guests from Huangshi at the Oriental Restaurant. And the Mayoral dinner held at the Rutherford Hotel*
 -
- *The Sister City Coordinating group meeting with Hiromi Morris during her visit to Nelson in May and along with Andrew Petheram took her to the Chinese and Miyazu gardens and the site for Eureka Park*
- *I attended the Nelson community meeting called to discuss "China Week" and also observed the discussion in Huangshi to agree and confirm the September date. This may well encompass the first NZ Chinese Language week.*
- *Race Unity Day where both Miyazu and NZCFS had stalls.*
- *Attended the Nelson Chinese Association New Year party*
 -

Reporting

The coordinator will report to each Sister City meeting.

- Present a written report twice yearly to Council
- March
- Sept

Action- *Reports have been provided and included in the agenda of the Sister City Coordinating group meetings. The report due to the Governance Committee in March was delayed due to my absence from Nelson.*

Advice

- Seek advice and support from the NCC Kaihautu on all things Maori.
- Seek advice from Embassies and sister city groups when needs are identified
- Lead and coordinate response to enquiries for additional sister cities relationships

Action - *No further requests for sister city relationships have been referred to me.*

Work with Council staff to coordinate national 2016 Sister City conference proposed to be held in Nelson involving Tasman District Council if needed.

Action - *Council has approved that the next Sister Cities NZ Conference will be held in Nelson. Along with Hiromi Morris President SCNZ I met with Chris Ward to discuss the May 2016 conference, the venue and identify the organiser. The date and conference theme is to be confirmed after discussion with the Board of SCNZ.*

Have fun as necessary

Conclusion

- *A personal submission has been made to the NCC Long Term Plan part of this relates to Sister Cities and is focused on "Eureka Park" in the Brook Recreation Reserve and the proposed "China Week". The Eureka Park portion reconfirms the Nelson Eureka Sister City Association submission to the Brook Recreation Reserve Management Plan.*
- *A list of items to be included in the NCC policy on Sister City relationships is accumulating such as the status of the SC coordinating group- official photographic record of sister city happenings - voting at Sister City NZ Annual General Meeting - nominations to Sister City NZ board.*

- *Sister Cities New Zealand have produced a new brochure.*
- *Thank you for the response to the request for a prominent, permanent display space for the many wonderful gifts given to our city from our Sister Cities. Planning is underway and I hope will be actioned shortly. It is timely to recognise the status of these long term relationships and improve their visibility in our city especially with an increase in visits, proposed China week, the NZCFS AGM and Conference and the 2016 SCNZ Conference and AGM.*
- *Both Sister City Committees are extremely active and busy. The output and activities in support of Nelson City Council's Sister Cities are acknowledged throughout the country and I feel very proud when Nelson groups are used as examples to other cities.*
- *Miyazu held a sold out Sake tasting event, participated in a cultural learning programme at Te Kura Kaupapa School and produced new brochures. A citizens delegation including a Nelson Choir is being organised for 2016. Some new school exchanges are being discussed as well as cooking and language classes*
- *NZCFS are developing a new brochure, sent a representative to Huangshi for the 20 anniversary visit, celebrated the spring equinox and planted a tree in Chinese gardens, held three culture camps, support the Mandarin teachers at primary schools and will bring a school art exchange exhibition here. The Appo Hocton Scholar Sucy Sun graduated from NMIT and is to return shortly on an internship. Many Nelson people take advantage of the NZCFS organised tours to travel to China.*

Gail Collingwood

Volunteer Sister City Coordinator

May 2015

REPORT R4309

Business case approach for 2015/16 projects - Further Information

1. Purpose of Report

- 1.1 To provide further information and a revised list of projects as requested at the Audit, Risk and Finance Subcommittee on 05 May 2015.

2. Delegations

- 2.1 This is a matter for the Governance Committee. The information in this report relates to a recommendation, which appears on the agenda for this Governance Committee, from the Audit, Risk and Finance Subcommittee held on 05 May 2015.

3. Recommendation

THAT the report Business case approach for 2015/16 projects - Further Information (R4309) and its attachments (A1331113 and A1329251) be received.

Recommendation to Council

THAT projects highlighted yellow in document A1331113 follow a business case approach.

4. Background

- 4.1 The report "Business Case Approach for 2015/16 Projects" (A1329251) was presented to the Audit, Risk and Finance Subcommittee held on 05 May 2015 and is attachment 7 of the report.
- 4.2 An attachment was included which listed capital funded infrastructure projects included in the draft Long Term Plan 2015/25 with a total year 1 to 3 budget of \$250,000. A suggested set of projects to follow a business case approach was pre-selected by officers and highlighted yellow in the list, for the Committee's consideration.
- 4.3 It was agreed that Group Managers would discuss the list of projects with Committee Chairs in order to review and revise the selection. This selection is highlighted yellow in the revised attachment 1.

- 4.4 The Audit, Risk and Finance Subcommittee advised that access to previous reports relating to this matter would be useful. These were previously provided to the Governance Committee and Council in 2014 as follows:
- Report to Governance Committee 22 May 2014 Independent Review Southern End, Trafalgar Centre (A1180055)
 - Review of Events Relating to Closure of the Trafalgar Centre, Paru Paru Road, Nelson by Alan Bickers, Jayal Enterprises Ltd 5 June 2014 (A1180082)
 - Report to Council 19 June 2014 Delivery of Projects – Internal Review (A1205287)
 - Report to Council 30 October 2014 Delivery of Projects – Update on Internal Review (A1260612)

These documents can be found on Google Drive. Copies have been provided to our external members.

5. Alignment with relevant Council policy

- 5.1 This matter is not in contradiction to any Council policy or strategic document.

6. Assessment of Significance against the Council's Significance and Engagement Policy

- 6.1 This matter is not significant in terms of Council's Significance and Engagement Policy

7. Consultation

- 7.1 The public have not been consulted on this matter.

8. Inclusion of Māori in the decision making process

- 8.1 Maori have not been consulted on this matter.

9. Conclusion

- 9.1 This report provides further information requested by the Audit, Risk and Finance Subcommittee on 05 May 2015.

Arlene Akhlaq
Senior Projects Adviser

Attachments

Attachment 1: A1331113 - Capital funded infrastructure projects included for year 1 of the draft Long Term Plan 2015/25, with Committee Chairs selections

Attachment 2: A1329251 - Report to Audit Risk and Finance Committee 5 May

Capital Projects Fund				Only yellow highlighted cells are relevant				
	A	B	C	D	O	P	Q	R
6	activity	project name	Project Definition	Project ID	15/16	16/17	17/18	Y1-3Total
7	Corporate	EQ Prone Building Remediation	Physical work to bring buildings up to standard required	2582	500,000	513,050	526,595	1,539,645
8		Civic House Capital Programme	Funding for new assets and building modifications	1198	180,000	389,918	242,234	812,152
9		Strategic Land Purchases	Options for strategic land purchases for consideration (approval by Council resolution)		3,166,500	2,328,634	1,855,986	7,351,120
10		Civic House Veranda renewal	Investigation of options regarding and repairs or replacement of existing veranda at Civic House	1192	350,000	-	-	350,000
11		Civic House Renewal Programme	Renewal work and modifications	1199	110,000	112,871	52,660	275,531
12								
13	Parks & Active recreation	Trafalgar Centre Reopening	Undertake strengthening work to facilitate reopening of the Trafalgar Centre	1832	9,534,253	-	-	9,534,253
16		Rutherford/Trafalgar Park Development	Beginning of development in line with Rutherford Park development plan	1548	1,900,000	307,830	526,595	2,734,425
17		General Reserves land purchase programme	Purchase of land for Parks and Reserves	1354	635,634	410,440	579,255	1,625,329
18		Marina Hardstand	Provide adequate public hardstand at the Marina	1769	-	1,539,150	-	1,539,150
19		Modellers Pond Solution	Improve water quality and amenity of pond	1379	1,000,000	-	-	1,000,000
20		Neighbourhood parks upgrade program	Murphy Reserve redevelopment	1063	100,000	410,440	105,319	615,759
21		Rutherford playground	Provision of a play space near the Maitai shared path	2294	60,000	554,094	-	614,094
22		Water sports building at Marina	Sea sports facility to house a range of water users	2142	-	51,305	526,595	577,900
23		Renewal Saxton hockey turf	Replacement hockey water turf	2156	-	-	526,595	526,595
24		Nayland remodelling	Nayland pool remodelling	2284	152,640	184,698	157,979	495,317
25		Swimming Pools Renewal Prgm	Nayland Pipe Renewals	2285	101,171	123,308	226,194	450,673
26		Horticulture Parks Renewal Prgm	New & Renewal of minor furniture/sign items within Horticultural Parks.	1729	56,000	252,420	58,979	367,399
27		Replacement of benched seats	Flat floor seating renewal for Trafalgar Centre.	2271	-	359,135	-	359,135

CHS Projects 2015/16				Only yellow highlighted cells are relevant				
	A	B	C	D	O	P	Q	R
6	activity	project name	Project Definition	Project ID	15/16	16/17	17/18	Y1-3Total
28	Parks & Active recreation	Esplanade & Foreshore Planting Prgm	Revegetation of Esplanade & Foreshore Reserves not currently in desirable vegetation, includes Tahunanui beach	1052	100,000	102,610	105,319	307,929
29		Sports Parks access/carparks	Renewal of car parks, access ways as per condition assessment report	1603	85,000	87,219	89,521	261,740
30		Saxton Creek Upgrade	Upgrade stream channel and associated culverts, walkways and planting, recreation pond enhancements (noted as 2 projects rows 30 and 63)	2689	-	256,525	-	256,525
31								
32	Social	Stoke sports & community facility	New sports and community facility in Stoke - Construction Year 2	1175	1,000,000	4,617,450	-	5,617,450
33		Suter redevelopment	Upgrade of Gallery	1606	2,403,288	-	-	2,403,288
34		Elma Turner Library extension	Consents and planning following Elma Turner investigation	2226	-	205,220	308,585	513,805
35		Millers Acre toilet	Increase toilet facilities available at Millers Acre	2002	32,205	359,135	-	391,340
36		Community Housing Renewals	Renewal work for community housing	1486	100,000	102,610	105,319	307,929
37								
38	Transport	Sealed road resurfacing	Renewal of existing sealed carriageway surfaces. Needed to protect underlying road structure	1540	1,326,000	1,360,609	1,396,530	4,083,139
39		Rocks Road cycling and walking project	Investigation of walking and cycling options for Rocks Road	2213	390,000	307,830	2,432,869	3,130,699
41		Roading Minor Improvement Programme	(funding line only, to fund projects with a total cost of less than \$300,000. Budget allocated to projects once priorities defined)	1525	650,000	666,965	684,574	2,001,539
42		Traffic services renewals	Renewal of traffic signal controllers, and update obsolete communications equipment	1541	405,000	436,585	385,429	1,227,014
43		Bridge/retaining walls renewals	Renewal of bridge and retaining wall structures. Needed to halt active failure of retaining walls and ensure bridges on routes to essential assets are at an appropriate seismic standard	1537	450,768	377,268	334,329	1,162,365
44		Renewals footpaths	Renewal of existing sealed footpath surfaces. Needed to ensure surfaces are safe and level of service is appropriate for pedestrians	1494	300,000	309,677	319,760	929,437

	A	B	C	D	O	P	Q	R
6	activity	project name	Project Definition	Project ID	15/16	16/17	17/18	Y1-3Total
45	Transport	Tahunanui cycle network	Provide improved level of service and safety for cyclists in the Tahunanui area	2333	100,000	266,786	526,595	893,381
46		Sealed road pavement rehabilitation	General pavement rehabilitation with sites to be confirmed, to address surface failures that cannot be solved with patching or reseal		3,166,500	2,328,634	1,855,986	7,351,120
47		Halifax (Maitai to Milton Street)	New stormwater pipe as part of wide Wood area storm water upgrade	2075	10,000	51,305	631,914	693,219
48		Todd Bush Rd upgrade	Roading renewal with footpath to improve pedestrian safety and level of service	2193	600,000	-	-	600,000
49		CBD Enhancements	General inner city enhancements with priority to be decided by Councillors	3000	50,000	256,525	263,298	569,823
50		On and off street parking meters	Renewal of on-street parking meters which are past their design life	1484	-	-	494,999	494,999
51		New Footpaths	New footpaths to fill gaps in the existing pedestrian network, to ensure surfaces are safe and level of service is appropriate for pedestrians	2798	50,000	205,220	210,638	465,858
52		Parking Strategy Implementation	Actions from the Draft Parking Strategy: improve guide signage, review mobility space locations, monitor cycle parking demand and respond, motorhome parking in the CBD, carpooling trial and investigate graduated parking charges for long term users	2518	270,000	123,132	-	393,132
53		Drainage renewals	Renewal of kerb and channel and other road related drainage, needed to ensure pavement structure remains dry	1538	100,000	103,226	106,587	309,813
54								
55	Wastewater	Neale Park PS upgrade	Redevelopment and upgrade of Neale Park Sewer pump station.	1187	250,000	3,078,300	3,159,570	6,487,870
56		Corder Park Pump Station upgrade	Construction of new pump station at Corder Park including a section of Atawhai rising main replacement. Replaces existing pump station and delays the need to replace sections of Atawhai rising main	1920	2,700,000	-	-	2,700,000
57		Wastewater pipe renewals	Renewal of sewer pipes throughout city. Old earthenware pipes replaced	1564	300,000	538,703	552,925	1,391,628
58		Renewals pump stations	Reconditioning and renewal of 6 pumps	1502	130,000	133,393	136,915	400,308
59		Awatea Place	First stage of project to construct new sewer pump station at Awatea Place, subsequent stages of rising and trunk main construction to allow decommissioning of both Parkers Road pump stations	1716	-	307,830	52,660	360,490
60		Ngawhatu Valley sewer trunk main	Stage 1 upgrade existing reticulation between Ngawhatu and Main Road Stoke to allow for future development in the upper Ngawhatu Valley. Stage 2 from Main Road Stoke to Songer St pump station	1190	335,000	-	-	335,000
61		Hampton St East- Little Go Stream	Upgrade capacity	2100	250,000	-	-	250,000

CHAIRS Projects 1-25				Only yellow highlighting cells are relevant				
	A	B	C	D	O	P	Q	R
6	activity	project name	Project Definition	Project ID	15/16	16/17	17/18	Y1-3Total
62								
63	Stormwater & Flood Protection	Saxton Creek Upgrade	Upgrade stream channel and associated culverts, walkways and planting, recreation pond enhancements (noted as 2 projects rows 30 and 63)	2689	2,000,000	2,052,200	1,579,785	5,631,985
64		Hampden St East - Little Go Stream - Stage 2	Waimea Road pipeline section with sewer and water renewal, and complete resurfacing	2865	4,000,000	718,270	-	4,718,270
65		York Stream Channel upgrade	Install large diameter storm water pipe from Caltex at Bishopdale to Stream in Tipahi Strett	1100	750,000	769,575	526,595	2,046,170
66		St Vincent/Hastings St Culvert	Storm water renewal, due to chloride corrosion of box culvert walls from tidal flows	2090	100,000	153,915	1,579,785	1,833,700
67		Orphanage Stream upgrade	Investigate options for increasing capacity of bridges and culverts plus channel break out points from Ngawhatu Valley to Whakatu Drive	2688	250,000	153,915	789,893	1,193,808
68		Halifax (Maitai to Milton Street)	New stormwater pipe as part of wide Wood area storm water upgrade	2075	50,000	25,653	895,212	970,865
69		Railway Reserve - Saxton Rd West - Dryden Street	Install stormwater to connect historical subdivisions that discharged direct to railway reserve; development contributions previously collected	2958	80,000	769,575	-	849,575
70		Wastney Terrace stormwater (pvt drain prgm)	Upgrade of the public stormwater system to serve the future development potential (Harris sub-division on Sunnybank Rise, plus Atawhai Syndicate and Gourdie sub-divisions below)	2473	800,000	-	-	800,000
71		Inventory of Urban Streams	Set up models of streams to confirm flood capacity and support future works	2103	600,000	-	-	600,000
72		Whakatu Drive (Storage World)	Upgrade stormwater pipe under Whakatu Drive adjacent Storage World, flooding occurred in April 2013	2866	50,000	51,305	526,595	627,900
73		Nile Street East	Upgrade section of undersized pipeline from outlet in Maitai to Nile St East, flooding occurred in 2011	2624	50,000	513,050	-	563,050
74		Flood mitigation	Construction of gravel traps and upgrading intake structures in Poormans and Orphanage Streams	2657	150,000	153,915	157,979	461,894
75		Vanguard Street Stormwater	Review of capacity of St Vincent Street and Vanguard Streets stormwater and secondary flow paths. Bottom end of the York Stream review. Part of the Nelson Central investigation and upgrade	2861	50,000	51,305	315,957	417,262
76		Rutherford Stage 1 - Girls College detention	Investigate potential to use Nelson College for Girls Playing field as detention pond for Little Go Stream, to take pressure off Rutherford Street box culvert	2850	80,000	51,305	263,298	394,603

CRISP Projects 1-25				Only yellow highlighting cells are relevant				
	A	B	C	D	O	P	Q	R
6	activity	project name	Project Definition	Project ID	15/16	16/17	17/18	Y1-3Total
77	Stormwater & Flood Protection	Maire Stream - Stage 1	Stage 1 improve channel design adjacent stormwater pipe outlet, which was damaged in 2014 due to rain event	1182	50,000	51,305	263,298	364,603
78		Brook Stream fish passage	Investigate potential for adding layer of flat rock to base of concrete section of Brook Stream to improve fish passage	1387	50,000	51,305	263,298	364,603
79		Fifeshire Crescent	Review section of stormwater pipe 1 to 17 Fifeshire Crescent, and upgrade as necessary	2823	50,000	51,305	263,298	364,603
80		Brook Stream Outlet low flow	Construct a low flow channel immediately downstream of Nile Street bridge. Adjacent energy dissipation/gravel pool. Will aid ongoing gravel removal by keeping flow away from pool	2963	50,000	51,305	263,298	364,603
81		Tahuna Slope Risk Area	Review of utilites in the slope risk overlay. Address areas without stormwater and fix utilities that may introduce water into the slope failure zone	2855	100,000	102,610	105,319	307,929
82		Montcalm/Arrow/Washington Valley/Hastings Street	Investigate stormwater overflows and located property flooding throughout the valley. Links to stormwater box culvert in St Vincent Street	2054	150,000	153,915	-	303,915
83		Maitai upgrade & enhancement	Upgrade the flow capacity of the Maitai river in urban sections	1178	100,000	102,610	105,319	307,929
84		Public/private drains	Funding line only - budget will be allocated to projects as prioritised	1060	100,000	102,610	105,319	307,929
85								
86	Water Supply	Maitai Pipeline (water treatment plant to Westbrook Terrace)	Construction scheduled 2015/2017	2130	2,100,000	2,052,200	-	4,152,200
87		Water Pipe renewal Prgm	Funding line - individual projects to be prioritised	1461	544,000	814,723	836,233	2,194,956
88		New membrane (Train 5)	Adding new train (#5) at the Water Treatment Plant	2555	1,000,000	-	1,053,190	2,053,190
90		Residential Meters renewal Prgm	Trial of remote sensing meters in conjunction with NTL to renew existing residential meters throughout the city to avoid misreading errors	2128	100,000	102,610	526,595	729,205
91		Maitai Resource consent renewal	Investigation of freshwater issues in Maitai river in advance of applying for consent for abstraction in 2016	2139	200,000	205,220	210,638	615,858
92		Water Loss Reduction Programme	Address 30% un-accounted for water. Critical part of new resource consent applications	2803	200,000	205,220	210,638	615,858
93		Roding Resource Consent Renewal	Investigation of freshwater issues in Roding river in advance of applying for consent for abstraction in 2016	2136	200,000	205,220	210,638	615,858
94		Water Treatment Plant Renewals	Required to ensure ongoing functionality of treatment plant	2951	246,000	143,654	216,957	606,611

CHS Projects List

Only yellow highlighted cells are relevant

	A	B	C	D	O	P	Q	R
6	activity	project name	Project Definition	Project ID	15/16	16/17	17/18	Y1-3Total
95	Water Supply	Hampton St East- Little Go Stream	Upgrade capacity	2100	500,000	-	-	500,000
96		Capital: Atawhai No.2 Reservoir	Identify and secure site for future reservoir for Atawhai area. Mix of growth and level of service	2314	87,000	102,610	300,159	489,769
97		Backflow Prevention Pgrm	installation of backflow prevention to commercial/industrial properties connected to NCC water supply	1168	150,000	153,915	157,979	461,894
98		Commercial meter renewals programme	Renew commercial water meters and install more accurate low-flow meters; lined to backflow prevention	1491	150,000	153,915	157,979	461,894
99		Fire Flow Upgrades	Upgrade to piping and fire hydrants in isolated areas of the city to comply with NZ Fire Service code of practice	2131	100,000	102,610	210,638	413,248
100		Pump Stations - Renewals	Water pump stations renewal programme for pumps and fittings	2811	-	277,047	73,683	350,730
101		Seismic Risk Upgrades	Works to secure water network from earthquake impacts. First stage is reservoirs and syphons	2806	100,000	102,610	105,319	307,929
102		Water loss reduction areas establishment	Integral part of water loss reduction. Establishes metered areas in the network to find those with high leakage rates, to prioritise repair works	2802	50,000	102,610	105,319	257,929
103								

Business Case Approach for 2015/16 Projects

1. Purpose of Report

- 1.1 To decide which 2015/16 capital funded infrastructure projects will follow a business case approach.

2. Delegations

- 2.1 This is a matter for the Audit Risk and Finance Subcommittee as it has responsibility to recommend to Governance Committee in the areas of risk management and internal control, and monitoring of Council's financial and service performance.

3. Recommendation

THAT the report Business Case Approach for 2015/16 Projects (A1329251) and its attachment (A1331113) be received.

Recommendation to Governance Committee and Council

THAT projects highlighted yellow in document A1331113 follow a business case approach.

4. Background

- 4.1 In 2014, the Chief Executive commissioned an external review of decisions and actions relating to the southern extension of the Trafalgar Centre. The review was conducted by Alan Bickers, of Jayal Enterprises Ltd. The final report to Council carried a recommendation that "for every significant capital project NCC should consider a policy requiring the preparation and approval of a business case". After receiving that report, Council resolved on 5 June 2014:

AND THAT Council note the business case approach to projects, as set out in the Independent Review of the Southern End, Trafalgar Centre, will be reviewed and incorporated into management practices for use in significant Council projects;

AND THAT through the Long Term Plan/Annual Plan development, Council will give consideration to the projects that will follow a business case approach.

4.2 Management practices that incorporate the business case approach are being implemented. As part of this, officers have selected a number of projects from the draft Long Term Plan 2015/25, for which Nelson City Council management will adopt a business case approach. This selection is based on a range of factors, such as level of capital investment is \$250,000 or more, level of risk, and level of perceived public interest. In the first instance, initial business cases will be collated for these projects. These projects are highlighted yellow in Attachment 1.

4.3 The initial business cases will describe:

- the known problem, or opportunity;
- the preferred or agreed solution for addressing the problem or opportunity, noting alternative options;
- the estimated lifetime costs for the project and its deliverables;
- the expected outcomes and benefits that will result from the project;
- the key known risks that could impact on the project deliverables or outcomes.

5. Discussion

5.1 Projects have been included in the draft Long Term Plan 2015/25, based on advice from officers and as discussed through the draft Asset Management Plans 2015/25, and Council workshops for the Long Term Plan 2015/25.

5.2 A selection of projects that will follow a business case approach is presented for consideration by the Audit Risk and Finance Subcommittee. The list of capital funded infrastructure projects in the draft Long Term Plan 2015/25 with a total year 1 to 3 budget of \$250,000 or more is included in Attachment 1, with the selected projects highlighted yellow.

6. Options

6.1 The Audit Risk and Finance Committee recommend to the Governance Committee that the projects highlighted yellow in Attachment 1 are the selected projects that will follow a business case approach.

6.2 The Audit Risk and Finance Committee recommend to the Governance Committee an amended selection of projects that will follow a business case approach.

7. Assessment of Significance against the Council's Significance Policy

- 7.1 This matter is not significant in terms of Council's Significance and Engagement Policy.

8. Alignment with relevant Council Policy

- 8.1 This matter is not in contradiction to any Council policy or strategic document.
- 8.2 The recommendation is unlikely to be inconsistent with any other previous Council decision.
- 8.3 The costs associated with the recommendation are staff time, and are accommodated within existing budget.

9. Consultation

- 9.1 The public have not been consulted on this matter.

10. Inclusion of Māori in the decision making process

- 10.1 Maori have not been consulted on this matter.

11. Conclusion

- 11.1 Following a business case approach for selected projects fulfils the Council resolution from 5 June 2014.

Arlene Akhlaq
Senior Projects Adviser

Attachments

Attachment 1: Capital funded infrastructure projects included for year 1 of the draft Long Term Plan 2015/25 [A1331113](#)

Minutes of a meeting of the Commercial Subcommittee

Held in Ruma Mārama, Level 2A, Civic House, 110 Trafalgar Street, Nelson

On Tuesday, 5 May 2015, commencing at 1.08pm

Present: Mr J Murray (Chairperson), Her Worship the Mayor R Reese, Councillor G Noonan, and Mr J Peters

In Attendance: Councillor B McGurk, Group Manager Infrastructure (A Louverdis), Group Manager Strategy and Environment (C Barton), Manager Administration (P Langley), and Administration Adviser (G Brown)

Apology: Councillor L Acland

The meeting adjourned at 1.08pm and resumed at 4.05pm

1. Apology

Resolved COM/2015/001

THAT an apology be received and accepted from Councillor Acland.

Peters / Noonan

Carried

2. Confirmation of Order of Business

There was no change to the order of business.

3. Interests

There were no updates to the Interests Register, and no interests with items on the agenda were declared.

4. Public Forum

There was no public forum.

GOVERNANCE

5. Nelson City Council Forestry Estate Review

Document number R4173, agenda pages 5 - 17 refer.

Group Manager Strategy and Environment, Clare Barton, and Manager Environment Programmes, Dean Evans, presented the report.

In response to a question, Mr Evans said a budget review was not currently included as part of the Forestry Estate review. Ms Barton added that the Forestry Estate review could be partly funded by Project Maitai.

It was discussed that it would be beneficial to find out how much Council had invested in forestry.

In response to a question in relation to the reference to the loan amount of \$2.1 million in attachment 1, Ms Barton advised that these figures still needed to be investigated.

There was a concern raised about the reference in attachment 1 to no expectation of a return on investment. Ms Barton advised the forestry infrastructure was originally established for a variety of reasons such as amenity and control of runoff.

In response to a question, Ms Barton advised that additional resources may be required if a specific skill set was needed for the review. It was noted that it would be worth speaking with consultants about forestry ownership and investments.

In response to a further question, Ms Barton clarified that the statement in 4.1.1 of the officer report was related to findings from a Cawthron Report.

In response to a question, Mr Evans advised the Forestry Estate review would be considered as part of the Nelson Plan review in relation to the land use and whether it was appropriate.

It was suggested that a commercial approach needed to be taken starting by considering why Council originally purchased the forestry land and then consider what its future use should be. It was said that there would only be three outcomes from the review, sell it, lease it, or let it regenerate.

Resolved COM/2015/002

THAT the report Nelson City Council Forestry Estate Review (R4173) and its attachment (A1345166) be received;

AND THAT the Nelson City Council forestry estate review proceeds with further information being gathered and a recommendation and possible

actions for Nelson City Council forestry activities to be brought to the Commercial Subcommittee by August 2015.

Peters / Noonan

Carried

6. Exclusion of the Public

Resolved COM/2015/003

THAT the public be excluded from the following parts of the proceedings of this meeting.

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 are as follows:

Noonan / Peters

Carried

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	Property Assets Review	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities

The meeting went into public excluded session at 4.28pm and resumed in public session at 5.23pm.

7. Re-admittance of the Public

Resolved COM/2015/004

THAT the public be re-admitted to the meeting.

Murray / Peters

Carried

There being no further business the meeting ended at 5.23pm.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date

Minutes of a meeting of the Audit, Risk and Finance Subcommittee

Held in Ruma Mārama, Level 2A, Civic House, 110 Trafalgar Street, Nelson

On Tuesday, 5 May 2015, commencing at 1.09pm

Present: Mr J Peters (Chairperson), Her Worship the Mayor R Reese, Councillors B McGurk and I Barker, and Mr John Murray

In Attendance: Councillor G Noonan, Group Manager Infrastructure (A Louverdis), Group Manager Community Services (C Ward), Group Manager Corporate Services (N Harrison), Manager Communications (P Shattock), Manager Capital Projects (S Davies), Manager Administration (P Langley), and Administration Adviser (G Brown)

Apology: Councillor I Barker for early departure

1. **Apology**

Resolved AUD/2015/001

THAT an apology be received and accepted from Councillor Barker for early departure.

Peters / McGurk

Carried

2. **Confirmation of Order of Business**

There was no change to the order of business.

3. **Interests**

There were no updates to the Interests Register, and no interests with items on the agenda were declared.

It was noted that there was no information in the Members Interests Register for Glenice Paine and this needed to be followed up.

4. Public Forum

There was no public forum.

5. Confirmation of Minutes

5.1 10 March 2015

Document number M998, agenda pages 7 - 14 refer.

Resolved AUD/2015/002

THAT the minutes of the meeting of the Audit, Risk and Finance Subcommittee, held on 10 March 2015, be confirmed as a true and correct record.

McGurk / Murray

Carried

6. Status Report - Audit, Risk and Finance Subcommittee - 5 May 2015

In response to a question, Group Manager Corporate Services, Nikki Harrison advised the Risk Register would be brought to the next Audit, Risk and Finance Subcommittee meeting and the Debt Management Policy had not yet been adopted.

Document number R4175, agenda pages 15 - 16 refer.

Resolved AUD/2015/003

THAT the Status Report Audit, Risk and Finance Subcommittee 5 May 2015 (R4175) and its attachment (A1324298) be received.

McGurk / Murray

Carried

GOVERNANCE

7. Interests Register

Document number R4170, agenda pages 17 - 25 refer.

It was noted that Councillor Barker was no longer a member of the Nelson Residents Association, therefore this needed to be removed from the Members Interests Register.

8. Events Resource Consent Charging Regime for RM125012

Document number R4177, agenda pages 27 - 30 refer.

Manager Community Partnerships, Shanine Hermsen, presented.

In response to a question, Ms Hermesen advised that Anzac Day at Anzac Park did not fall into consent RM125012, however Opera in the Park was covered in this consent. She added that she believed the consent did not expire but this needed to be confirmed.

In response to a question, Group Manager Community Services, Chris Ward, advised that if there was a charge to attend an event then it was treated as a commercial activity. He clarified this was not the case for 'koha' events.

There were concerns raised in relation to costs for the use of specific venues which could be written into a resource consent. Mr Ward advised that fees and charges were currently being reviewed across Council and he could provide this information to the Subcommittee when complete.

There was general agreement that the charge for the resource consent should be increased to \$500 and that it should be clarified this was only for commercial ticketed events.

Resolved AUD/2015/004

THAT the report Events Resource Consent Charging Regime for RM125012 (R4177) be received.

McGurk / Peters

Carried

Recommendation to Governance Committee and Council AUD/2015/005

THAT Council consider the options for the charging regime for the use of Council's Resource Consent RM125012, as detailed in report R4177, and increase the charge to \$500 and apply it only to commercial ticketed events.

Peters / McGurk

Carried

Attendance: Councillor Barker left the meeting at 1.39pm.

9. Business Case Approach for 2015/16 Projects

Document number R4183, agenda pages 31 - 39 refer.

Senior Project Adviser, Arlene Akhlaq, presented.

In response to a question, Ms Akhlaq advised the definition of a business case was that it identified the problems, illustrated how these could be resolved, and the stated expected benefits. She added that a business case helped manage the project and would aid decision making.

In response to a further question, Ms Akhlaq said the bullet points under section 4.3 of the report were from Prince 2 methodology, which was internationally accredited.

In response to a question, Ms Akhlaq advised there was a presentation by Derek Walker from Third Bearing during the Long Term Plan workshops and she confirmed the report had been received by Council at the end of October 2014.

There were concerns raised that some members had not read the Alan Bickers or Third Bearing reports.

In response to a question, Ms Akhlaq advised the purpose of the officer report was to address the Council resolution from June 2014, which was to 'give consideration to the projects that will follow a business case approach.' She added that at this point in time, detailed business cases could not be conducted for all projects.

In response to a question, Group Manager Infrastructure, Alec Louverdis, informed the Subcommittee the projects highlighted in yellow were a first cut by the Senior Leadership Team and still needed to be approved by Council as part of the Long Term Plan process. He clarified that some multiyear capital projects had started this financial year and for that reason were not shaded yellow.

There was concern around how projects were identified and that a process should be set before moving forward. In response to a question, Ms Akhlaq said the rationale for the chosen projects was that management believed these needed specific attention due to public/political interest or were of a substantial cost. She added that all projects do receive a level of attention.

Group Manager Community Services, Chris Ward, said the usual mechanism for projects would be through Asset Management Plans but due to time restrictions this was the best mechanism to draw the Subcommittee's attention to these projects.

There was a discussion that rationale for project selection would be beneficial especially for future projects. It was agreed that further information would be required and that it would be worthwhile having a discussion with committee chairs as to projects they thought required businesses cases before the next Governance Committee meeting.

It was suggested that a column be added to attachment 1 showing the justification for the project selection, and that the projects should be listed under the committee the project would be delegated to.

Resolved AUD/2015/006

THAT the report Business Case Approach for 2015/16 Projects (R4183) and its attachment (A1331113) be received;

AND THAT discussions are held with the Committee Chairs and Deputies to clarify and justify the projects listed in (A1331113).

Her Worship the Mayor / McGurk

Carried

Recommendation to Governance Committee and Council AUD/2015/007

THAT a revised report and list of projects to follow a business case approach be confirmed at the next Governance Committee meeting.

Her Worship the Mayor/ McGurk

Carried

FINANCE

10. Letter to the Council on the Audit for the Year Ending 30 June 2014 - Further Information

Document number R4168, agenda pages 40 - 42 refer.

In response to a question, Group Manager Corporate Services, Nikki Harrison, advised there had not been any impact to levels of service from the reduction in staff.

Resolved AUD/2015/008

THAT the report Letter to the Council on the Audit for the Year Ending 30 June 2014 - Further Information (R4168) be received.

Murray / McGurk

Carried

11. Corporate Report for the Period Ending 31 March 2015

Document number R4194, agenda pages 44 - 65 refer.

Group Manager Corporate Services, Nikki Harrison, and Senior Accountant, Tracey Hughes, presented.

In response to a question, Ms Harrison advised there were a number of adjustments to projections for year end, however it was favourable in

terms of savings. She added that the savings were not all ratings related.

Group Manager Infrastructure, Alec Louverdis, advised the \$5,000 stated in section 5.6.4 in the report relating to the Dun Trail slip was only for a temporary solution to open up the track to users, and that a long term solution needed to be considered following the submission of a geotechnical report from the Waimarama Sanctuary Trust.

In response to a question, Group Manager Community Services, Chris Ward, said unbudgeted expenditure would be considered by Council if there was no initial budget.

In response to a question, Mr Louverdis advised the flood protection works had not been completed yet due to the gravel build up from storm events in December 2011, April 2013 and June 2014, but a plan was now in place for this to progress. He added there were issues with landowners in certain areas.

In response to questions, Mr Louverdis said the Saxton Creek Upgrade from Champion Road to Main Road Stoke had been defined in the 2014/15 Annual Plan but not resolved as yet.

In relation to Whakatu Drive/Beatson Road cycleway and sewer project, Mr Louverdis confirmed there would be minimal impact to any southern link.

In response to question, Manager Capital Projects, Shane Davies, advised that the Stanley/Beachville stormwater project was currently under negotiations with the landowner relating to the easement and if this was unresolved an alternative option was available.

In response to a question, Mr Louverdis noted the Rocks Road cycling and walking project was now being project managed by the New Zealand Transport Agency, however this was still a partnership with Nelson City Council and the Steering Group meetings would continue.

Mr Davies advised the final costs for the Maitai Walkway (Akersten Street to Trafalgar Street) were on budget. In response to a question, Mr Davies said the Saltwater Creek/Haven Road culvert completion date needed to be updated via the Councillors newsletter.

Resolved AUD/2015/009

THAT the report Corporate Report for the Period Ending 31 March 2015 (R4194) and attachments (A1342336, A1311288, A133636, A1340305 and A793514) be received and the variations noted.

Murray / McGurk

Carried

Recommendation to Governance Committee and Council AUD/2015/010

THAT Council note that ongoing costs of approximately \$11,250 pa will need to be included in the Long Term Plan 2015-25 for live streaming of Council meetings.

McGurk / Her Worship the Mayor

Carried

12. Exclusion of the Public

Resolved AUD/2015/011

THAT the public be excluded from the following parts of the proceedings of this meeting.

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 are as follows:

McGurk / Murray

Carried

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	Kahurangi Employment Trust - Completion of Liquidation	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> • Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person • Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

The meeting went into public excluded session at 3.40pm and resumed in public session at 3.54pm.

13. Re-admittance of the Public

Resolved AUD/2015/012

THAT the public be re-admitted to the meeting.

McGurk / Murray

Carried

There being no further business the meeting ended at 3.54pm.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date