
Minutes of a meeting of the Governance Committee

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

On Thursday 9 July 2015, commencing at 9.01am

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

In Attendance: Councillor T Skinner, Chief Executive (C Hadley), Group Manager Community Services (C Ward), Group Manager Corporate Services (N Harrison), Manager Communications (P Shattock), Manager Administration (P Langley), Administration Adviser (S McLean), and Youth Councillors J Lankshear and E Thomas

Apologies: Councillors E Davy and P Rainey

1. Apologies

Resolved GOV/2015/015

***THAT apologies be received and accepted from
Councillors Davy and Rainey.***

McGurk/Noonan

Carried

2. Confirmation of Order of Business

The Chairperson advised that item 10, The Ridgeways Joint Venture Half Yearly Report and Draft Statement of Intent 2015/16, would be considered after item 5, Confirmation of Minutes.

The Chairperson advised that the meeting would adjourn at 10.15am to enable an extraordinary Commercial Subcommittee meeting to take place.

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.

5. Confirmation of Minutes

5.1 28 May 2015

Document number M1233, agenda pages 8 - 15 refer.

Resolved GOV/2015/016

THAT the minutes of the meeting of the Governance Committee, held on 28 May 2015, be confirmed as a true and correct record.

McGurk/Murray

Carried

6. The Ridgeways Joint Venture Half Yearly Report and Draft Statement of Intent 2015/16

Document number R4496, agenda pages 90 - 104 refer.

Group Manager Corporate Services, Nikki Harrison, and Seddon Marshall presented the report.

Mr Marshall provided an update on the Ridgeways Joint Venture. He advised the majority of sections had sold, with the remaining sites being on steeper land. Mr Marshall advised that a discounted regime may be required to sell these sections.

In response to a question, Mr Marshall said the sites could be used for smaller more affordable housing, and he suggested looking at the singles market. He provided detail on holding costs for the remaining sections, the bulk of which were rates.

In response to a question, Ms Harrison clarified that the inventory on the balance sheet was shown at historic cost, not current value.

Resolved GOV/2015/017

THAT the report The Ridgeways Joint Venture Half Yearly Report and Draft Statement of Intent 2015/16 (R4496) and its attachments (A1281445 and A1377704) be received.

McGurk/Peters

Carried

Recommendation to Council GOV/2015/018

THAT the Ridgeways Joint Venture Statement of Intent 2015/16 (A1377704) be approved for signing, subject to minor edits.

McGurk/Peters

Carried

7. Status Report - Governance Committee - 9 July 2015

Document number R4521, agenda pages 16 - 17 refer.

It was noted that the workshop referred to in the Review of Economic Development Services action item had been held.

Resolved GOV/2015/019

THAT the Status Report Governance Committee 9 July 2015 (R4521) and its attachment (A1160658) be received.

Noonan/Her Worship the Mayor

Carried

8. Chairperson's Report

The Chairperson commended Council on the work done to produce the Long Term Plan 2015-25.

9. Fire Services Review: Submission

Document number R4507, agenda pages 18 - 28 refer.

Manager Emergency Management, Roger Ball, presented the report.

Mr Ball advised he had seen submissions from Tasman District Council and Local Government New Zealand, both of which were in favour of Option 2: Coordinated service delivery as well as being open to Option 3: One national fire service.

In response to questions, Mr Ball confirmed that the current shortage of volunteers had been central to the fire services review. He said the responses to the review had been mixed, with the balance of conversation about Options 2 and 3. Mr Ball said some centres were concerned that Option 3 would reduce local engagement in fire services.

In response to a question, Mr Ball advised that under Options 2 and 3, councils would be relieved of their rural fire authority responsibility, which would require a change to legislation. The Committee supported this as a means to reduce cost and responsibility for Council.

In response to questions, Mr Ball said it was not clear what would happen with existing fire service assets, and the proposed submission included reference to this. He said there were inequities in the current funding arrangements which would need to be addressed during the review.

Resolved GOV/2015/020

THAT the report Fire Services Review: Submission (R4507) and its attachments (A1379827 and A1378688) be received;

AND THAT the attached submission from Nelson City Council (A1378688) be approved.

McGurk/Noonan

Carried

10. Memorandum of Understanding for Uniquely Nelson 2015-16

Document number R4517, agenda pages 29 - 89 refer.

Group Manager Community Services, Chris Ward, and Uniquely Nelson Manager, Cathy Madigan, presented the report.

Ms Madigan said Uniquely Nelson had been participating fully in the review of economic development services and was looking forward to working with the new structure in the future. She highlighted the independence of Uniquely Nelson as it focussed on promoting the central business district (CBD) as a destination.

Attendance: Councillor Matheson left the meeting at 10.48am.

In response to a question, Ms Madigan said the revenue generating subcommittee referred to in the Business Plan 2015-16 had not yet been established. She advised that Uniquely Nelson would be having a strategic planning session in August to determine key priorities.

In response to a question, Mr Ward said the outcomes in the Memorandum of Understanding had been jointly agreed between Uniquely Nelson and Council. He advised that the presentation of Uniquely Nelson's annual report to the Governance Committee was Council's opportunity to review the performance of Uniquely Nelson.

Attendance: Councillor Matheson returned to the meeting at 10.56am.

It was pointed out that minor edits were needed to the Memorandum of Understanding.

In response to a question, Mr Ward advised that Council officers would be reviewing the CBD Wi-Fi service and presenting this information to a future Governance Committee meeting.

A suggestion was made that Uniquely Nelson could be proactive about commercial vacancies in the CBD. Ms Madigan pointed out that the matter was complex, and Uniquely Nelson did not have the expertise to be involved. She highlighted that several shops were vacant because they did not meet the building code.

In response to a question, Ms Madigan provide detail on the bonus radio airtime included in the Profit and Loss Forecast. She explained the business plan had been written in February 2015.

In response to a question, Ms Madigan explained that a system involving paid membership would result in valuable time and resource spent chasing up fees. She suggested a targeted rate could be used if this was linked to the inner city differential rate.

Concern was raised that the Memorandum of Understanding did not contain reference to leveraging value from events and tourism. Ms Madigan said she supported work on events and tourism, and it was agreed this would be added.

Attendance: The meeting adjourned from 10.17am to 10.44am.

Resolved GOV/2015/021

THAT the report Memorandum of Understanding for Uniquely Nelson 2015-16 (R4517) and its attachments (A1380525, A1380520 and A1380518) be received;

AND THAT minor alterations be made to the Memorandum of Understanding as discussed by the Governance Committee.

Noonan/McGurk

Carried

Recommendation to Council GOV/2015/022

THAT the amended Memorandum of Understanding between Uniquely Nelson and Nelson City Council (A1380525) is approved for signing.

Noonan/McGurk

Carried

REPORTS FROM COMMITTEES

11. Audit, Risk and Finance Subcommittee - 18 June 2015

Document number M1286, agenda pages 104 - 110 refer.

Mr John Peters summarised the Audit, Risk and Finance Subcommittee meeting held on 18 June 2015.

Resolved GOV/2015/023

THAT the unconfirmed minutes of a meeting of the Audit, Risk and Finance Subcommittee, held on 18 June 2015, be received.

Peters/McGurk

Carried

Attendance: Councillor Acland left the meeting at 10.50am.

12. Commercial Subcommittee - 18 June 2015

Document number M1288, agenda pages 111 – 115 refer.

Mr John Murray summarised the Commercial Subcommittee meeting held on 18 June 2015.

Resolved GOV/2015/024

THAT the unconfirmed minutes of a meeting of the Commercial Subcommittee, held on 18 June 2015, be received.

Murray/Noonan

Carried

13. Forestry Harvest on Dun Mountain Walkway

Document number R4539, late item memo M1335 refers.

The Chairperson advised that as a result of the extraordinary Commercial Subcommittee meeting on 9 July 2015, there was a public late item to be considered.

Concern was raised about the timeliness of the late item and the lack of awareness for the public.

Resolved GOV/2015/025

THAT the item regarding Forestry Harvest on Dun Mountain Walkway be considered at this meeting as a major item not on the agenda, pursuant to Section 46A(7)(a) of the Local Government Official Information and Meetings Act 1987, to enable a timely decision to be made.

Matheson/McGurk

Carried

Attendance: The meeting adjourned from 11.00am to 11.07am, during which time Councillor Acland returned to the meeting.

Acting Manager Operations, Marg Parfitt, presented the report.

Ms Parfitt explained the uncertainty surrounding the value of the forestry block due to market movements.

Ms Parfitt summarised the options available to Council if it didn't harvest the forestry block.

In response to concerns about traffic management, Ms Parfitt tabled a map of traffic movements (A1387677) which had been provided with the consent application. She said the same traffic movement methodology as the last major forestry harvest in The Brook would be used.

In response to a question, Ms Parfitt advised the logging trucks would not be going past the Brook Valley Motor Camp.

The Chief Executive, Clare Hadley, provided detail on the forestry management contract which would be publicly tendered near the end of 2017.

In response to questions about harvest timing, Ms Parfitt explained the fixed costs that applied to the forestry block. She said the focus was on the return on trees against the fixed costs of growing them.

Ms Parfitt explained the difficulty of trying to harvest the forestry block once the Brook Waimarama Sanctuary Fence was in place. She detailed the conditions applied to the non-notified resource consent.

In response to a question, Group Manager Corporate Services, Nikki Harrison said matters relating to the forestry block would not directly impact rates as it was a closed account. She added that changes may impact debt levels.

There was discussion on contingent liability if the Sanctuary fence was damaged.

It was noted that further forestry matters would be presented to the Commercial Subcommittee as part of the forestry review, and this would include consideration of the post-harvest use of the Dun Mountain Walkway site.

Concern was raised about logging trucks navigating the right turn from Westbrook Terrace into Seymour Street. Mrs Hadley confirmed there would be six logging trucks into the site and six logging trucks out, five days a week, for a period of 12-15 weeks.

It was questioned whether the logs could be sent over the Tanragee Saddle and up Maitai Valley Road.

In response to a question, Ms Parfitt advised that the contract with P F Olsen was for the administration and management of Council-owned forestry and was not site specific.

Environmental Reserves Supervisor, Lindsay Barber, advised that 30% of the forestry block was export grade, and the remainder would be used for various local needs.

Projects Adviser – Roading, Chris Porteners, explained that the success of the pest-proof Sanctuary fence was based on the pest eradication process that would occur over winter once the fence was constructed. He said if the fence had to be taken down, which would be a length of approximately 1.2km, the pest-eradication process would need to be repeated.

Concern was raised that more information was needed on the risk of delaying the harvest.

Attendance: The meeting adjourned from 12.02pm to 12.10pm.

Concern was raised that the community had not been engaged on this matter. Concern was also raised that the proposed harvesting time was not ideal weather wise.

It was agreed that the matter would be transferred to Council for its meeting on 23 July 2015, where further information would be presented.

Resolved GOV/2015/026

THAT the report Forestry Harvest on Dun Mountain Walkway (R4490) and its attachment (A1373078) be received;

AND THAT the Governance Committee transfer its delegations regarding the matter of the forestry harvest on Dun Mountain Walkway to the Council, for its meeting on 23 July 2015.

Matheson/McGurk

Carried

Attachments

- 1 A1387677 - Tabled Document - Traffic Management Map for Dun Mountain Trail Forestry Block Harvest

14. Exclusion of the Public

Resolved GOV/2015/027

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:

Peters/Noonan

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	Governance Committee Meeting - Public Excluded - 28 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).
2	Appointment of Directors to Tourism Nelson Tasman Ltd and the Nelson Regional Economic Development Agency 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

The meeting went into public excluded session at 12.15pm and resumed in public session at 12.37pm.

15. Re-admittance of the Public

Resolved GOV/2015/028

THAT the public be re-admitted to the meeting.

McGurk/Peters

Carried

There being no further business the meeting ended at 12.37pm.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date