



Minutes of an extraordinary meeting of the Nelson City Council

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

On Tuesday 27 November 2018, commencing at 11.00a.m.

Present: Deputy Mayor P Matheson, (Chairperson), Councillors L Acland, I Barker, M Courtney, B Dahlberg, K Fulton, M Lawrey, B McGurk, G Noonan, M Rutledge, T Skinner, S Walker and Her Worship the Mayor R Reese (via teleconference)

In Attendance: Chief Executive (P Dougherty), Group Manager Infrastructure (A Louverdis), Group Manager Community Services (R Ball), Group Manager Corporate Services (N Harrison), Group Manager Strategy and Communications (N McDonald) and Team Leader Governance (R Byrne)

Apologies : Nil

Opening Prayer

Councillor Noonan gave the opening prayer.

Attendance: Councillor Skinner entered the meeting at 11.03a.m.

1. Apologies

2. Confirmation of Order of Business

There was no change to the order of business.

3 Release of Information from Public Excluded Business

The Chief Executive, on reviewing the information in the Public Excluded report, Confirmation of contribution to the Waimea Dam, had agreed that the matter could be considered in public, unless members wanted to ask questions about negotiations.

Resolved CL/2018/273

That the Council

Agrees that Report (R9876), Confirmation of contribution to the Waimea Dam be released from public excluded business for consideration in the open part of the meeting.

Matheson/Rutledge

Carried

4. Interests

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

5. Public Forum

4.1 Steve Cross - Nelson Residents Association - Urban Water Supply

Mr Cross noted that during the consultation period and following hearings the Nelson Residents Association had requested a simple graph showing water demand in Nelson and future projection. They had not received this information and recommended that members request this. They considered that the Drought Security Report included an inflated forecast and that there would be implications for not taking a regional view on water supply, as Nelson City had a significant supply and could provide for the Tasman urban area.

6. Recommendations from Committees

6.1 Community Services Committee - 4 October 2018

6.1.1 Stoke Library Weather Tightness

The following recommendation was not included in the Agenda at the Council meeting on 15 November 2018.

Resolved CL/2018/274

That the Council

Approves unbudgeted expenditure of \$200,000 for an immediate short term structural renewal for the Stoke Library; and

Approves unbudgeted expenditure of \$25,000 for design work considering the medium and long term solutions for the Stoke Library to inform the draft Annual Plan 2019/20, giving consideration to activities in the Stoke CBD.

Noonan/Barker

Carried

7 Confirmation of contribution to the Waimea Dam

Document number R9867, agenda pages 4 - 10 refer.

Group Manager Corporate Services, Nikki Harrison, presented the report and noted that the recommendation was in line with the Council resolution of 15 May 2018. As requested, officers had negotiated with Tasman District Council to have the ability to become a shareholder after 10 years and to have influence over appointing a director. Ms Harrison answered questions on legality if a letter from Nelson City Council was a contractual arrangement and the percentage of shareholding a \$5million contribution would provide.

Chief Executive, Pat Dougherty, clarified that the shareholding would provide for Council to take up to 22,000m³/day, should it require that. The decision would be made by the Council at the time, following due diligence.

Ms Harrison confirmed that Tasman District Council had confirmation of commitment from all investors and would make their final decision on Friday 30 November. Following this the only outstanding issue would be the passing of the Tasman District Council (Waimea Water Augmentation Scheme) Bill due to be read on 15 December 2018.

Ms Harrison was asked to include further clarification of the water take in the officer's recommendation.

The meeting adjourned from 12.03p.m. until 12.15p.m

Resolved CL/2018/275

That the Council

Receives the report Confirmation of contribution to the Waimea Dam (R9867); and

Authorises the Chief Executive to write to Tasman District Council confirming the following:

- Nelson City Council's contribution is \$5 million;***
- Nelson City Council's contribution is included in 2020/21 of Nelson City Council's Long Term Plan 2018-28 and payment will be made on 1 July 2020, as requested by Tasman District Council;***
- Nelson City Council has noted that the cost of the Waimea Dam has increased by 30% but declines the request from Tasman District Council to increase the amount of its***

contribution to the Dam and/or decrease the volume of water that its contribution provides access to;

- **Nelson City Council, or its successor, will have ongoing rights to access 22,000m³/day of water from the Waimea Aquifer;**
- **Nelson City Council, or its successor, has the right to convert the \$5 million to shares in Waimea Water Limited no earlier than 2028, being 10 years after financial close for the Waimea Dam – the number of shares representing the rights to take up to 22,000m³/day (515 hectares equivalent);**
- **If Nelson City Council exercises its rights to convert the grant to shares, then it will also have the right to appoint, jointly with Tasman District Council, a director to the Waimea Dam Company board.**

The motion was put and a division was called:

<u>For</u>	<u>Against</u>
Her Worship the Mayor Reese	Cr Acland
Cr Barker	Cr Fulton
Cr Courtney	Cr Lawrey
Cr Dahlberg	Cr Skinner
Cr Matheson(Chairperson)	Cr Walker
Cr McGurk	
Cr Noonan	
Cr Rutledge	

The motion was carried 8 - 5.

Her Worship the Mayor/Noonan

Carried

There being no further business the meeting ended at 12.58p.m..

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date