



Minutes of a meeting of the Nelson City Council

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

On Tuesday 30 June 2020, commencing at 10.07a.m.

Present: Her Worship the Mayor R Reese (Chairperson), Councillors Y Bowater, T Brand, M Courtney, J Edgar (Deputy Mayor), K Fulton, M Lawrey, R O'Neill-Stevens, B McGurk, G Noonan, P Rainey, R Sanson and T Skinner

In Attendance: Chief Executive (P Dougherty), Group Manager Infrastructure (A Louverdis), Group Manager Environmental Management (C Barton), Group Manager Community Services (R Ball), Group Manager Corporate Services (N Harrison), Group Manager Strategy and Communications (N McDonald), Governance Support (K McLean) and Governance Adviser (E Stephenson)

Apologies : Nil

Karakia Timatanga

There was an opening karakia.

1. Apologies

There were no apologies.

2. Confirmation of Order of Business

Her Worship the Mayor advised that the Adoption of the Annual Plan 2020/21 and the setting of the rates 2020/21 would be dealt with as the first report.

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 3 June 2020

Document number M10966, agenda pages 15 - 46 refer.

Resolved CL/2020/093

That the Council

- 1. Confirms the minutes of the meeting of the Council, held on 3 June 2020, and reconvened on 4 and 9 June 2020, as a true and correct record.***

Courtney/Brand

Carried

6. Mayor's Report

Her Worship the Mayor presented her report, together with a Project Kōkiri press release.

Resolved CL/2020/094

That the Council

- 1. Receives the Mayor's Report (R18123).***

Her Worship the Mayor/Edgar

Carried

Attachments

- 1 A2412249 - Mayor's Report 30 June 2020
- 2 A2412243 Project Kōkiri press release

7. Adoption of the Annual Plan 2020/21 and setting of the rates for 2020/21 (Agenda Item 9)

Document number R18078, agenda pages 77 - 210 refer.

Group Manager Corporate Services, Nikki Harrison, noted that there were some minor amendments to the recommendations to make them more legally robust and that there were no corrections to the report.

Ms Harrison answered questions regarding financial reserves estimates, the deficit in the Dog Control Reserve, the Housing Reserve and the Forestry Fund closed account. It was noted that use of Forestry Fund surplus to apply to rates was not in accordance with the current Finance

and Revenue Policy and that would be a discussion for the Long Term Plan (LTP).

A request was made to include the final average rate adjustment figures in the Annual Plan document.

It was confirmed that the Food Trial was being adopted as part of the Annual Plan.

Manager Strategy, Mark Tregurtha, answered questions regarding changes in assumptions and it was noted that there were still a number of uncertainties and ongoing negotiations.

In response to a question regarding whether capital projects were achievable, Group Manager Infrastructure, Alec Louverdis, said that this would be a tough year, but that with additional resources, officers would be doing their best.

Group Manager Community Services, Roger Ball, answered questions regarding the Stoke Youth Park Project and Ms Harrison answered questions regarding rates relief and previous borrowing to reduce rates rises.

Following debate, Her Worship the Mayor acknowledged and thanked all submitters, staff and Elected Members involved in the Annual Plan process.

The motion was taken in parts.

Resolved CL/2020/095

That the Council

- 1. Receives the report Adoption of the Annual Plan 2020/21 and setting of the rates for 2020/21 (R18078) and its attachment (A2409905).***

Her Worship the Mayor/Edgar

Carried

Resolutions CL/2020/096 and CL/2020/097 below were revoked at the 9 July 2020 Extraordinary Council meeting (resolution CL/2020/105)

Resolved CL/2020/096

That the Council

- 2. Adopts the Annual Plan 2020/21 (A2409905) pursuant to Section 95 of the Local Government Act 2002.***

The motion was put and a division was called:

<u>For</u>	<u>Against</u>	<u>Abstained/Interest</u>
Her Worship the Mayor Reese (Chairperson)	Nil	Nil

Cr Bowater
Cr Brand
Cr Courtney
Cr Edgar
Cr Fulton
Cr Lawrey
Cr O'Neill-Stevens
Cr McGurk
Cr Noonan
Cr Rainey
Cr Sanson
Cr Skinner

The motion was carried 13 - 0.

Her Worship the Mayor/Edgar

Carried unanimously

Resolved CL/2020/097

That the Council

- 3. Delegates the Mayor, Deputy Mayor and Chief Executive to make any necessary minor editorial amendments prior to the release of the Annual Plan 2020/21 to the public; and***
- 4. Sets the following rates under the Local Government (Rating) Act 2002, on rating units in the district for the financial year commencing on 1 July 2020 and ending on 30 June 2021.***

The revenue approved below will be raised by the rates and charges that follow.

Revenue approved:

<i>General Rate</i>	<i>\$41,032,974</i>
<i>Uniform Annual General Charge</i>	<i>\$9,128,635</i>
<i>Stormwater and Flood Protection Charge</i>	<i>\$6,228,870</i>
<i>Waste Water Charge</i>	<i>\$8,814,058</i>
<i>Water Annual Charge</i>	<i>\$3,721,307</i>
<i>Water Volumetric Charge</i>	<i>\$8,683,050</i>
<i>Clean Heat Warm Homes and Solar Saver</i>	<i>\$208,000</i>
<i>Rates and Charges (excluding GST)</i>	<i>\$77,816,894</i>

Goods and Services Tax (at the current rate)	\$11,672,534
Total Rates and Charges	\$89,489,428

The rates and charges below are GST inclusive.

(1) General Rate

A general rate set under section 13 of the Local Government (Rating) Act 2002, assessed on a differential land value basis as described below:

- **a rate of 0.51973 cents in the dollar of land value on every rating unit in the "residential – single unit" category.**
- **a rate of 0.51973 cents in the dollar of land value on every rating unit in the "residential empty section" category.**
- **a rate of 0.57170 cents in the dollar of land value on every rating unit in the "single residential unit forming part of a parent valuation, the remainder of which is non-rateable" category. This represents a plus 10% differential on land value.**
- **a rate of 0.57170 cents in the dollar of land value on every rating unit in the "multi residential" category. This represents a plus 10% differential on land value.**
- **a rate of 1.47642 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 100% commercial and industrial (occupied and empty) category. This represents a plus 184.075% differential on land value.**
- **a rate of 1.23748 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 25% residential and 75% commercial" category. This represents a plus 138.1% differential on land value.**
- **a rate of 0.99788 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 50% residential and 50% commercial" category. This represents a plus 92% differential on land value.**

- ***a rate of 0.75881 cents in the dollar of land value on every rating unit in the "commercial – excluding inner city and Stoke commercial" subject to 75% residential and 25% commercial" category. This represents a plus 46% differential on land value.***
- ***a rate of 1.57772 cents in the dollar of land value on every rating unit in the "commercial inner city" subject to 100% commercial and industrial (occupied and empty) category. This represents a plus 203.565% differential on land value.***
- ***a rate of 1.31336 cents in the dollar of land value on every rating unit in the "commercial inner city subject to 25% residential and 75% commercial" category. This represents a plus 152.7% differential on land value.***
- ***a rate of 1.04882 cents in the dollar of land value on every rating unit in the "commercial inner city subject to 50% residential and 50% commercial" category. This represents a plus 101.8% differential on land value.***
- ***a rate of 0.78427 cents in the dollar of land value on every rating unit in the "commercial inner city subject to 75% residential and 25% commercial" category. This represents a plus 50.9% differential on land value.***
- ***a rate of 1.51501 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 100% commercial and industrial (occupied and empty)" category. This represents a plus 191.5% differential on land value.***
- ***a rate of 1.26606 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 25% residential and 75% commercial" category. This represents a plus 143.6% differential on land value.***
- ***a rate of 1.01763 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 50% residential and 50% commercial" category. This represents a plus 95.8% differential on land value.***
- ***a rate of 0.76868 cents in the dollar of land value on every rating unit in the "Stoke commercial subject to 75% residential and 25% commercial" category.***

This represents a plus 47.9% differential on land value.

- a rate of 0.33782 cents in the dollar of land value on every rating unit in the "rural" category. This represents a minus 35% differential on land value.***
- a rate of 0.46776 cents in the dollar of land value on every rating unit in the "small holding" category. This represents a minus 10% differential on land value.***

(2) Uniform Annual General Charge

A uniform annual general charge under section 15 of the Local Government (Rating) Act 2002 of \$434.64 per separately used or inhabited part of a rating unit.

(3) Stormwater and Flood Protection Charge

A targeted rate under section 16 of the Local Government (Rating) Act 2002 of \$335.36 per rating unit, this rate is payable by all ratepayers excluding rural rating units, rating units east of the Gentle Annie saddle, Saxton's Island and Council's stormwater network.

(4) Waste Water Charge

A targeted rate for waste water disposal under section 16 of the Local Government (Rating) Act 2002 of:

- \$477.33 per separately used or inhabited part of a residential, multi residential, rural and small holding rating units that is connected either directly or through a private drain to a public waste water drain.***
- For commercial rating units, a waste water charge of \$119.33 per separately used or inhabited part of a rating unit that is connected either directly or through a private drain to a public waste water drain. Note: a "trade" waste charge will also be levied.***

(5) Water Annual Charge

A targeted rate for water supply under Section 16 of the Local Government (Rating) Act 2002, of:

<i>Water charge (per connection)</i>	<i>\$200.60</i>
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(6) Water Volumetric Rate

A targeted rate for water provided under Section 19 of the Local Government (Rating) Act 2002, of:

Price of water:

Usage up to 10,000 cu.m/year \$2.092 per m³

**Usage from 10,001 – 100,000 cu.m/year
\$2.006 per m³**

Usage over 100,000 cu.m/year \$1.584 per m³

Summer irrigation usage over

10,000 cu.m/year \$2.049 per m³

(7) Clean Heat Warm Homes

A targeted rate per separately used or inhabited part of a rating unit that has been provided with home insulation and/or a heater to replace a non-complying solid fuel burner under Section 16 of the Local Government (Rating) Act 2002 in accordance with agreement of the original ratepayer, of:

- For properties assessed the Clean Heat Warm Homes rate as a result of agreements entered into on or after 1 July 2011, the targeted rate for each year for 10 years will be the total cost of the installed works excluding GST, divided by 10, plus GST.**
- For properties assessed the Clean Heat Warm Homes rate as a result of agreements entered into prior to 1 July 2011 the targeted rate of:**

Loan Assistance Range	Installation after 30 Sept 2010	Completed prior to 30 Sept 2010
\$1,400 to \$1,599	\$140.00	\$143.11
\$1,600 to \$1,799	\$160.00	\$163.56
\$1,800 to \$1,999	\$180.00	\$184.00
\$2,000 to \$2,199	\$200.00	\$204.44

\$2,200 to \$2,399	\$220.00	\$224.89
\$2,400 to \$2,599	\$240.00	\$245.34
\$2,600 to \$2,799	\$260.00	\$265.78
\$2,800 to \$2,999	\$280.00	\$286.22
\$3,000 to \$3,199	\$300.00	\$306.67
\$3,200 to \$3,399	\$320.00	\$327.11
\$3,400 to \$3,599	\$340.00	\$347.56
\$3,600 to \$3,799	\$360.00	\$368.00
\$3,800 to \$3,999	\$380.00	\$388.44
\$4,000 to \$4,199	\$400.00	\$408.89
\$4,200 to \$4,399	\$420.00	\$429.34
\$4,400 to \$4,599	\$440.00	\$449.78
\$4,600 to \$4,799	\$460.00	\$470.22
\$4,800 to \$4,999	\$480.00	\$490.67

(8) Solar Hot Water Systems

A targeted rate for any separately used or inhabited parts of a rating unit that has been provided with financial assistance to install a solar hot water system under Section 16 of the Local Government (Rating) Act 2002 in accordance with agreement of the original ratepayer, of the following factors on the extent of provision of service (net cost of the work including GST after deducting EECA grant, plus funding cost):

- 0.14964 (including GST) for agreements entered into prior to 1 July 2011, multiplied by the Net Cost of the Work adjusted for any increased GST.***
- 0.13847 (including GST) for agreements entered into after 1 July 2011 multiplied by the Net Cost of the Work.***

Other Rating Information:

Due Dates for Payment of Rates

The above rates (excluding water volumetric rates) are payable at the Nelson City Council office, 110 Trafalgar Street, Nelson and shall be payable in four instalments on the following dates:

Instalment Number	Instalment Due Date	Last Date for Payment	Penalty Date
Instalment 1	1 August 2020	20 August 2020	26 August 2020
Instalment 2	1 November 2020	20 November 2020	26 November 2020
Instalment 3	1 February 2021	20 February 2021	26 February 2021
Instalment 4	1 May 2021	20 May 2021	26 May 2021

Rates instalments not paid on or by the Last Date for payment above will incur penalties as detailed in the section "Penalty on Rates".

Due Dates for Payment of Water Volumetric Rates

Residential water volumetric rates are payable at the Nelson City Council office, 110 Trafalgar Street, Nelson and shall be payable on the following dates:

Billing Month	Last Date for Payment	Penalty Date
July 2020	21 September 2020	25 September 2020
August 2020	21 September 2020	25 September 2020
September 2020	20 October 2020	26 October 2020
October 2020	21 December 2020	11 January 2021
November 2020	21 December 2020	11 January 2021
December 2020	20 January 2021	26 January 2021
January 2021	22 March 2021	26 March 2021
February 2021	22 March 2021	26 March 2021
March 2021	20 April 2021	26 April 2021
April 2021	21 June 2021	25 June 2021
May 2021	21 June 2021	25 June 2021

June 2021	20 July 2021	26 July 2021
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Special (final) water volumetric rates will be payable 14 days from the invoice date of the special (final) water reading as shown on the water invoice.

Commercial and Industrial water volumetric rates are payable at the Nelson City Council office, 110 Trafalgar Street, Nelson and shall be payable on the following dates:

Billing Month	Last Date for Payment	Penalty Date
July 2020	20 August 2020	26 August 2020
August 2020	21 September 2020	25 September 2020
September 2020	20 October 2020	26 October 2020
October 2020	20 November 2020	26 November 2020
November 2020	21 December 2020	11 January 2021
December 2020	20 January 2021	26 January 2021
January 2021	22 February 2021	26 February 2021
February 2021	22 March 2021	26 March 2021
March 2021	20 April 2021	26 April 2021
April 2021	20 May 2021	26 May 2021
May 2021	21 June 2021	25 June 2021
June 2021	20 July 2021	26 July 2021

Penalty on Rates

Pursuant to Sections 57 and 58 of the Local Government (Rating) Act 2002, the council authorises the following penalties on unpaid rates (excluding volumetric water rate accounts) and delegates authority to the Group Manager Corporate Services to apply them:

- a charge of 5% of the amount of each rate instalment remaining unpaid after the due date stated above, to be added on the penalty date as shown in the above table and also shown on each rate instalment notice.**

- ***a charge of 5% will be added on 8 July 2020 to any balance from a previous rating year (including penalties previously charged) remaining outstanding on 7 July 2020.***
- ***a further additional charge of 5% will be added on 8 January 2021 to any balance from a previous rating year (including penalties previously charged) to which a penalty has been added according to the bullet point above, remaining outstanding on 7 January 2021.***

Penalty on Water Volumetric Rates

Pursuant to Sections 57 and 58 of the Local Government (Rating) Act 2002, the council authorises the following penalties on unpaid volumetric water rates and delegates authority to the Group Manager Corporate Services to apply them:

- ***a charge of 5% of the amount of each volumetric water rate account remaining unpaid after the due date stated above, to be added on the penalty date as shown in the above table and also shown on each volumetric water rate account.***

Penalty Remission

In accordance with Council's rate remission policy, the Council will approve the remission of the penalty added on instalment one due to late payment provided the total annual rates are paid in full by 20 November 2020. If full payment of the annual rates is not paid by 20 November 2020 the penalties relating to the first instalment outlined above will apply.

The above penalties will not be charged where Council has agreed to a programme for payment of outstanding rates.

The Group Manager Corporate Services is given discretion to remit rates penalties either in whole or part in accordance with Council's approved rates remission policy, as may be amended from time to time.

Discount on Rates

Pursuant to Section 55 of the Local Government (Rating) Act 2002, the Council will allow a discount of 2.0 percent of the total rates (excluding volumetric water rates) where a ratepayer pays the year's rates in full on or before the Last Date for Payment for instalment one being 20 August 2020.

Payment of Rates

The rates shall be payable at the Council offices, Civic House, 110 Trafalgar Street, Nelson between the hours of 8.30am to 5.00pm Monday, Tuesday, Thursday and Friday and 9.00am to 5.00pm Wednesday.

Where any payment is made by a ratepayer that is less than the amount now payable, the Council will apply the payment firstly to any rates outstanding from previous rating years and then proportionately across all current year rates due.

Her Worship the Mayor/Edgar

Carried

Attachments

1 A2412831 Designed Annual Plan 2020/21

8. Contract for Services between Nelson City Council and Uniquely Nelson

Document number R10407, agenda pages 47 - 57 refer. Chris Butler and Simon Duffy of Uniquely Nelson were present for this item. A supporting document was tabled (A2413003). In response to questions they confirmed that a contract would enable them to clarify objectives, outcomes and deliverables and to formulate a strategic business plan.

Group Manager Environmental Management, Clare Barton, answered questions regarding requests for information and LGOIMA.

Discussion took place regarding the percentage of funding from Council (80%) and it was noted that three yearly funding would give more security.

Resolved CL/2020/098

That the Council

- 1. Receives the report Contract for Services between Nelson City Council and Uniquely Nelson (R10407) and its attachments (A2181631 and A2247471); and***

2. ***Agrees to a change to a contract for services for the contractual relationship between Council and Uniquely Nelson; and***
3. ***Notes that the existing Memorandum of Understanding between Council and Uniquely Nelson will cease to apply from the date that the new contract is signed.***

Edgar/Bowater

Carried

Attachments

- 1 A2413003 Uniquely Nelson tabled document

The meeting was adjourned from 12.15p.m. until 12.30p.m.

9. Funding Request: Businesses for Climate Action

Document number R18096, agenda pages 58 - 76 refer.

Climate Change Champion, Chris Cameron, answered questions regarding the report.

Discussion took place regarding an amendment to clause 3 of the recommendation as the word 'contingent' was felt to be too strong and the motion was amended accordingly.

Resolved CL/2020/099

That the Council

1. ***Receives the report Funding Request: Businesses for Climate Action (R18096) and its attachments (A2406802 and A2406803); and***
2. ***Approves \$28,880 of Climate Change Reserve funding for Businesses for Climate Action to support Nelson businesses to measure and reduce their greenhouse gas emissions; and***
3. ***Agrees that Businesses for Climate Action be encouraged to undertake further engagement with the Nelson Tasman Climate Forum.***

Noonan/Her Worship the Mayor

Carried

10. Exclusion of the Public

Resolved CL/2020/100

That the Council

- 1. Excludes the public from the following parts of the proceedings of this meeting.***
- 2. 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:***

Skinner/Brand

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	Confirmation of Minutes	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)(g) To maintain legal professional privilege • 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)

The meeting went into confidential session at 12.50p.m., and resumed in public session at 12.51p.m.

The only business transacted in confidential session was to confirm the minutes. In accordance with the Local Government Official Information Meetings Act, no reason for withholding this information from the public exists therefore this business has been recorded in the open minutes.

11. Confirmation of Minutes

Document number R18090

Resolved CL/2020/101

That the Council

- 1. Confirms the minutes of the confidential session of the meeting of the Council, held on 3 June 2020, and reconvened on 4 and 9 June 2020, as a true and correct record.***

Skinner/O'Neill-Stevens

Carried

12. Re-admittance of the Public

Resolved CL/2020/102

That the Council

- 1. Re-admits the public to the meeting.***

Her Worship the Mayor/Edgar

Carried

There being no further business the meeting ended at 12.51p.m.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date