

**MINUTES OF AN ORDINARY MEETING OF THE HURUNUI DISTRICT COUNCIL
HELD IN THE COUNCIL CHAMBERS, 66 CARTERS ROAD AMBERLEY ON
THURSDAY 26 FEBRUARY 2009 AT 9.32 AM**

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PRESENT: Mayor Jackson (Chairperson) Councillors J Coster, R Black, W Dalley, V Daly, W Doody, M Malthus, J Meikle, K Prenter.

APOLOGIES: Councillors R Black, A Smart.

MOVED THAT THE APOLOGIES BE ACCEPTED.

Jackson/Malthus

CARRIED

IN ATTENDANCE: Mr A Dalziel (Chief Executive Officer), Mrs M Brown (Council Secretary).

PART MEETING: Mrs J Batchelor (Customer Services Manager), Miss A Dalley (Policy Planner), Mr B Yates (Manager of Engineering Services), Mr J Beck (Manager of Financial Services), Ms S Cracknell (Solid Waste Manager), Ms A van der Monde (Manager of Community and Corporate Services), Ms J Weaver (Policy Planner), Mrs N Woodham (Human Resources and Communications Advisor), Mr R Nye (Utilities Engineer – Operations), Mr P Farrant (Utilities Engineer –Projects).

BUSINESS:

1. URGENT BUSINESS

- 1.1 UPDATE ON KAIKOURA ABOLITION
- 1.2 LEAVE OF ABSENCE
- 1.3 WAIPARA RIVER FLOW REGIME AND SUBMISSIONS
- 1.4 PLAN FOR 26 MARCH 2009 COUNCIL MEETING
- 1.5 QUARRYING AND MINING
- 1.6 EXTRACTION OF METAL

THAT THE ITEMS OF URGENT BUSINESS ARE DEALT WITH.

Jackson/Coster

CARRIED

2. AFFIRMATION

The affirmation was read by Mayor Jackson.

3. CONFLICT OF INTEREST DECLARATIONS

Nil.

4. RECORDING DEVICE

The Councillors were advised that a recording device was in use for the purpose of accurately recording the minutes.

5. MINUTES

The following corrections were asked to be made to minutes of the Council Meeting, 29 January 2009 :

Page 17, Item 9.9.5 Resolution to read: THAT THE COUNCIL APPROVE THE DRAFT TOURISM STRATEGY FOR INCLUSION IN THE DRAFT LTCCP, BUT RETAIN AN OVERHEAD EXPENSE OF \$10,000 FOR THE COLLECTION OF A TARGETED RATE.

Page 19, Item 9.9.11 second sentence to read: Given the current economic climate, this has now been reduced to 3% which saves \$160,000, when it is combined with the total of other saving initiatives.

THAT THE MINUTES OF THE ORDINARY COUNCIL MEETING HELD ON 29 JANUARY 2009 AS CIRCULATED, ARE TAKEN AS READ AND NOW CONFIRMED WITH THE AMENDMENTS AS REQUESTED.

Meikle/Malthus

CARRIED

5.1. MATTERS ARISING FROM COUNCIL MINUTES 29 JANUARY 2009

CHILEAN NEEDLEGRASS

- A further meeting was held in Cheviot about the Chilean Needlegrass problem. The Minister David Carter has received information on the issue of Chilean Needlegrass. ECAn is now more focused on the seriousness of this issue and have been alerted to a chemical that is available in Australia to eradicate the grass.

THE HURUNUI RIVER CONSERVATION ORDER

- Further submissions are to be made by 13 March 2009, then the wider hearings will be made in the form of presentations after 30 March 2009.

Mayor Jackson requested that the presentation notes form part of the minutes of the Extraordinary Council meeting of 17 February 2009.

THAT THE MINUTES OF THE EXTRAORDINARY COUNCIL MEETING HELD ON 17 FEBRUARY 2009 AS CIRCULATED, ARE TAKEN AS READ AND NOW CONFIRMED WITH THE ADDITIONS AS REQUESTED.

Dalley/Malthus

CARRIED

5.2. MATTERS ARISING FROM EXTRAORDINARY COUNCIL MEETING 17 FEBRUARY 2009

The Regional Fuel tax working group are looking at options including funding the projects, the additional programmes, the level of additional funding and the gap that arose from the overall requirement. There maybe a further update at the Works and Services Committee meeting.

6. ACTION SHEET

The Council were updated on the outstanding matters on the action list.

7. MISCELLANEOUS ITEMS

Notices of sale were tabled for the Council's information.

8. MAYORS DIARY

Council were advised of the Mayor's diary from 19 December to 26 February 2009.

9. BUSINESS

9.1 TREASURY RISK MANAGEMENT POLICY

The Manager of Financial Services reported that an updated version of the Treasury Risk Management Policy had been prepared and recommended that it be adopted by Council. This was developed in conjunction with Brett Johanson, the Councils Treasury Advisor. The policy had not been updated since 1990.

The policy for the investment market, in particular the bond market, the liabilities and risk management.

The delegations for new investments was changed from for the Manager of Financial Services to Council. If decisions are required between Council meetings, contact will be made with Councillors.

Legal and audit advice supported changing the Internal Financing Policy in relation to the debt servicing for the Hanmer Springs Thermal Reserve, to set at 200 basis points, 2.5% above the OCR.

In relation to the debt repayment policy, it was discussed and agreed that there could be some flexibility to the terms of debt servicing on specific projects.

MOVED THAT THE COUNCIL POLICY ON DEBT REPAYMENT SHOULD BE REPAID OVER TWENTY YEARS, BUT THE COUNCIL HAVE THE RIGHT TO CHANGE THIS FROM TIME TO TIME DEPENDING ON CIRCUMSTANCES.

Dalley /Malthus

CARRIED

THAT THE TREASURY RISK MANAGEMENT POLICY AND THE INTERNAL FINANCING POLICY AS AMENDED, BE ADOPTED AND INCORPORATED WITH THE INVESTMENT POLICY, AND EXTERNAL LIABILITY MANAGEMENT POLICY IN THE DRAFT LONG TERM COUNCIL COMMUNITY PLAN 2009-2019.

Jackson/Malthus

CARRIED

Meeting adjourned at 10.12 am for morning tea

Meeting resumed at 10.27 am

9.2 DRAFT HURUNUI LONG TERM COMMUNITY PLAN 2009-19

The Chief Executive reported that the Council adopted the Draft HTCP for audit purposes on 29 January 2009, and since then, Council staff had been working with Audit NZ to enhance and correct various aspects of the plan.

The Manager of Financial Services highlighted the changes that have been made to the Draft HLTCP and tabled a paper setting out the following:

- Provision for revaluation of the forestry assets
- Increased costs for Motunau Beach Fire Depot to \$22,500

- Inflation rates for solid waste contractors for year two, three, four and five
- Eliminated costs for sewer accounts for Cheviot, Hawarden and Waikari
- Depreciation on vehicles
- Depreciation on amenity budgets
- \$1.5 million from Government for Queen Mary site
- Reduction in marginal interest charged.
- Forecasted revenue over the next 3 years.
- District Wide Rates
- Targeted rates
- Sample properties itemised with variances form Ward to Ward

The sewer system at Waipara was raised and agreed that it needs to be included in the Glenmark Ward profile section.

Audit New Zealand were satisfied that the draft plan met the requirements of the Local Government.

Audit New Zealand had raised the following issues:

- Key Performance Indicators in the roading activity section were incomplete therefore three new performance measures have been added.
- They recommended seeking a legal opinion to ensure Council were not contravening the Reserves Act and that the marginal interest rate being set at three percent for Hanmer Springs Thermal Pools and Spa was in order. The legal advice given to Council confirmed that there were no problems with the Reserve Act, but a recommended making the reduction to a 2.5% marginal interest rate.

A draft summary of the Draft LTCCP was tabled and Council were advised that this will be sent out to all ratepayers, residents and Council staff in the district as a special edition of the Hurunui News.

Miss Amelia Dalley was welcomed by Council as the new Policy Planner.

THAT THE COUNCIL ADOPT THE STATEMENT OF PROPOSAL AND THE SUMMARY OF THE DRAFT HURUNUI LONG TERM COMMUNITY PLAN 2009-2019 FOR PUBLIC CONSULTATION FROM 6 MARCH UNTIL 24 APRIL 2009 VIA THE SPECIAL CONSULTATIVE PROCEDURE IN ACCORDANCE WITH SECTIONS 93(2), 83, AND 84 OF THE LOCAL GOVERNMENT ACT 2002, IN THE KNOWLEDGE THAT THERE WILL BE SOME REFINEMENTS TO THE TEXT AND ADJUSTMENTS FOR THE AUDITORS SIGN OFF.

Jackson/Dalley

CARRIED

A paper was tabled on the consultation programme for the public meetings and open days with the attendance of Councillors and Managers.

Presentation from Dr Alistair Humphrey on Cheviot Drinking Water Supply

Dr Humphrey spoke to a power point presentation about the Cheviot drinking water supply and explained why the community and the public were at risk and what actions were needed to correct this.

Dr Humphrey advised that since 2004 a permanent boil water notice has been in place for the Cheviot water supply and this was not satisfactory as it posed an unacceptable risk, with higher than normal cases of gastroenteritis being reported.

Dr Humphrey was asked by Council whether chlorination would be an appropriate means of treatment, to which the response was that chlorination would only be a suitable short term corrective measure for the township's drinking water supply. The long term solution could be a treatment plant. The Chief Executive Officer informed Council that the residents of Cheviot had previously indicated they did not want chlorination of their water.

Dr Humphrey suggested there may be central government funding subsidies available nationwide and that health authorities were able to assist the Council in this.

Dr Humphrey said that while he was impressed that the Hurunui District Council had incorporated provision for treating the water in Cheviot in its new draft LTCCP, he still required immediate action to address the water quality for Cheviot residents and visitors, in order for them to be safe.

Mayor Jackson noted that at a recent Rural Sector meeting, the issue was raised about the drinking water standards and whether the Government might help in this regard. Further discussion took place on the implementation and the revision of the dates for compliance and the economic effects for smaller rural towns.

It was suggested that a public meeting be organised for the people of Cheviot about the need for urgent action. Dr Humphrey agreed to attend. (Dr Humphrey's presentation attached).

THAT COUNCIL APPROVE AND DELEGATE STAFF TO COMMENCE WORK IMMEDIATELY ON A ROBUST WORK PLAN FOR THE TREATMENT OF THE WATER IN CHEVIOT. TO BE BROUGHT BACK TO THE 26 MARCH 2009 COUNCIL MEETING FOR APPROVAL AND IN THE INTERIM CARRY OUT URGENT COMMUNICATION WITH THE PEOPLE IN CHEVIOT.

Jackson/Malthus

CARRIED

9.3 MAINPOWER TRUST ELECTION

The Manager of Community and Corporate Services advised that due to a change in legislation, two trustees from the MainPower Trust have retired to enable a by-election to be held for two trustees. The retired trustees were Anthony (Tony) Hall and Judith Hoban. Tony Hall (the current Chairman) is standing again, whereas Judith Hoban is not. The Hurunui District Council is eligible to vote and can do so by either completing the 161 individual voting papers it is entitled to, or for Council to make a resolution on behalf of the District and submit that as its vote. The election day is Friday 27 February 2009.

The different options were discussed including the do nothing option and let the shareholders of Mainpower exercise their voting right, or instruct the Chief Executive Officer vote on behalf of Council.

THAT COUNCIL RESOLVES TO DELEGATE TO THE CHIEF EXECUTIVE TO VOTE AS THE CUSTOMER AND SHAREHOLDER OF MAINPOWER TWO TRUSTEES AND SUBMIT THE NAMES TO ELECTIONZ.COM AS ITS SINGLE, COLLECTIVE VOTE.

Jackson/Daly

Against Doody

CARRIED

9.4 ENC DRAFT 2009 STATMENT OF INTENT

The Manager of Community and Corporate Services provided a report for Council's general information. Enterprise North Canterbury have prepared it's annual draft Statement of Intent and a six month progress report for the period to December 2008.

It has been identified that there has been a need to raise issues on strategic level content of the district as part of the discussion.

It was clarified that the North Canterbury Business Awards funding comes from sponsorship.

THAT THE INFORMATION BE RECEIVED.

Meikle/Doody

CARRIED

9.5 REMUNERATION FOR ELECTED MEMBERS FOR THE 2009/2010 YEAR

The Manager of Financial Services asked Council to consider the framework for Elected Member remuneration for the period from 1 July 2009 to 30 June 2010 and to make a recommendation to the Remuneration Authority.

Given recent media attention to the issue of receiving remuneration increases, Councillors were asked for their opinion by Mayor Jackson.

Cr Prenter suggested to forego the increase for himself, but agreed with the proposed Mayors salary.

Cr Meikle considered the increase appropriate particularly because of the time and travel involved in the role

Cr Doody made the comment that the Mayor deserved his salary, but as Councillors the recompense was a minimal salary

Cr Daly agreed that the Mayors salary increase should be accepted

Cr Dalley agreed with previous comments about the Mayors salary, but was concerned that as the increase was less than the inflation rate and it did little to safe guard the situation of future Councillors

Cr Malthus was happy with the recommendation and that it be accepted.

THAT COUNCIL RECOMMEND THE FOLLOWING TO THE REMUNERATION AUTHORITY:

Position	No	Proposed Salary	Total Salary
Mayor	1	\$60,185	\$60,185
Deputy Mayor	1	\$21,924	\$21,924
Committee Chairs (Environmental & Works)	2	\$21,924	\$43,848
Councillor	6	\$14,545	\$87,270
Total Council Salaries			\$213,227
Community Board Chair	1	\$7,902	\$7,902
Community Board Member	4	\$3,819	\$15,276
Total Community Board Salaries			\$23,178
Less 50% of Community Board Salaries set outside the Remuneration Pool			(11,589)
TOTAL REMUNERATION			\$224,816

THAT THE REMUNERATION RECOMMENDATION FOR THE HANMER SPRINGS COMMUNITY BOARD BE REFERRED TO THE BOARD FOR ENDORSEMENT.

Malthus/Coster

CARRIED

Cr Prenter against

Mayor Jackson abstained.

Meeting adjourned for lunch at 12.30 pm

Meeting resumed at 1.04 pm

9.6 PROPOSED INCREASE OF COUNCIL LITTER INFRINGEMENT FINES

The Compliance Officer reported that in order to issue Infringement Notices under the Litter Act 1979, Section 13 of that Act requires that Council must first pass specific resolution after giving 14 days public notification of its intention to do so. Due to a recent amendment to the Litter Act including an increase in infringement fees a new resolution is required in order for Council to adopt these new penalties. The Environmental Services Committee at its meeting on 17 February 2009 adopted the resolution that the Environmental Services Committee recommended to Council that the infringement fine be increased.

THAT THE COUNCIL RESOLVE TO INCREASE THE INFRINGEMENT FINE LEVEL FOR LITTERING FROM THE CURRENT \$100 TO A MAXIMUM ALLOWABLE OF \$400 ON A STEPPED FINE AS SET OUT IN APPENDIX 1 WITH THE AMENDMENT TO (B), TO SHOW UP TO FOUR SHOPPING BAGS AND ONE BLACK REFUSE BAG AND ADDITION TO (C) TO STATE TWO OR MORE BLACK REFUSE BAGS.

Daly/Malthus

Some discussion took place on the schedule in (B) and the need to distinguish between that and what was in schedule (C) and also the need for clarification on up to four shopping bags and one black rubbish bag to be included.

Cr Dalley sought more clarification on the items of rubbish as some items are more offensive than others and are detrimental to the environment and should be reflected under schedule (B) or under schedule (C).

It was agreed by both the mover and seconder that the motion was to be amended to read:

THAT THE COUNCIL RESOLVE TO INCREASE THE INFRINGEMENT FINE LEVEL FOR LITTERING FROM THE CURRENT \$100 TO A MAXIMUM ALLOWABLE OF \$400 ON A STEPPED FINE AS SET OUT IN APPENDIX 1 WITH THE AMENDMENT TO (B), TO SHOW UP TO FOUR SHOPPING BAGS AND ONE BLACK REFUSE BAG AND ADDITION TO (C) TO STATE TWO OR MORE BLACK REFUSE BAGS.

Daly/Malthus

CARRIED

Against Dalley

9.7 WAIPARA RIVER FLOW REGIME

Concerned landowners in the area of the Waipara River who had noticed a significant reduction in its water flow has expressed their concerns to ECan. They have published the information with a public workshop to take place on 11 March 2009. Mr Yates advised that Council have not been provided for in the report for the supply of water for the Waipara township, if it were to increase in size. Mayor Jackson asked that the infrastructure should be looked after as well as the landowners on either side of the river. A draft set of information that relates to all concerns is to be presented for the workshop by Mr Yates and Mayor Jackson.

9.8 UPDATE ON KAIKOURA ABOLITION PROPOSAL

The Manager of Community and Corporate Services updated Council on the Kaikoura Abolition Proposal. The Local Government Commission have contracted Mr Brian Smith to undertake further investigation regarding the sustainability of both Kaikoura and Hurunui District Councils. Both Councils 2006 LTCCP's and their current Draft LTCCPS are being examined. Mr Smith will visit our Council and speak with the Management Team in the week commencing 19 March 2009.

9.9 QUARRYING AND MINING

Cr Meikle advised that the Hearing Panel's recommendations should be presented to the 26 March 2009 Council meeting.

9.10 EXTRACTION OF METAL

Cr Dalley advised Council that as a result of a meeting with ECan there has been tentative approval to seek a local consent to be granted for the extraction of metal.

Mayor Jackson suggested it was timely to have an update with ECan on all the issues that are underway with the presence of Mr Yates, Councillor Dalley and Meikle, the Chief Executive Officer and Mayor Jackson. He suggested a regular catchup perhaps once a month with all involved parties, to ensure that the concerns are addressed.

9.11 PLAN FOR 26 MARCH 2009 COUNCIL MEETING

A site visit at Queen Mary is to commence at 9.30 am. The Council meeting to commence in the Hanmer Springs Hall at around 11.00 am following the morning tea at 10.30 am with the attendance of any Hanmer Springs Community Board members. Presentations are expected by representatives from the New Zealand Police on blood alcohol levels in conjunction with the Automobile Association, Canterbury Museum Trust Board and Chris Constable from the ADRA.

9.12 LEAVE OF ABSENCE

Mayor Jackson requested leave of absence from 3 March to 15 March 2009.

MOVED THAT THE LEAVE OF ABSENCE BE APPROVED.

Meikle/Prenter

CARRIED

9.13 RECYCLING UPDATE/CONTRACTS

Mayor Jackson advised that the Solid Waste Manager would provide an update on recycling to Council, along with the recycling contracts that were circulated prior to the meeting. As the information in the recycling contracts that was to be discussed had some content that could be commercially sensitive it was moved to the public excluded session.

MOVED SESSION INTO PUBLIC EXCLUDED AND WHAT WAS DISCUSSED IN THIS SESSION IS TO REMAIN CONFIDENTIAL.

Jackson/Malthus

CARRIED

10. PUBLIC EXCLUDED SESSION

THE GENERAL SUBJECT OF THE MATTER TO BE CONSIDERED WHILE THE PUBLIC IS EXCLUDED, THE REASON FOR PASSING THIS RESOLUTION IN RELATION TO THE 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:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Grounds under section 48 (1) for the passing of this resolution
Item 1 Public excluded Minutes of the Extraordinary Council meeting of 17 February 2009.	Minutes contain information which if released would affect the privacy of natural persons.	Section 48 (1) (a) (i)
Item 2 Recycling update/contracts	To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including	Section 48 (1) (a) (i)

industrial and
commercial
negotiations) Section 7
(2) (i) of the Local
Government Official
Information and
Meetings Act (1987).

MOVED MEETING INTO OPEN SESSION AND RESOLVED THAT WAS
DISCUSSED REMAINS PRIVATE AND CONFIDENTIAL.

Jackson/Doody

CARRIED

MEETING CLOSED AT 3.47 PM.

Following the closure of this meeting a Citizenship Ceremony was held at the Hurunui Memorial Library at 4.30 pm. The Ceremony was chaired by Mayor Jackson and attended by Councillors Coster, Dalley, Doody, Meikle, Malthus, Daly.

Citizenship Award recipients: Mr F Chadwick, Mr A Nickless, Mr G Shaw, Mr S Macham, Mrs A Macham, Miss M Macham, Master J Macham, Ms S Martins.

Confirmed _____ Date _____