

**MINUTES OF A MEETING OF THE CORPORATE GOVERNANCE COMMITTEE  
HELD IN THE COUNCIL CHAMBER, CIVIC HOUSE, TRAFALGAR STREET,  
NELSON ON THURSDAY 26 JUNE 2008 COMMENCING AT 9.10AM**

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**PRESENT:** Councillor G Thomas (Chairperson), His Worship the Mayor K Marshall, Councillors I Barker, A Boswijk, G Collingwood, M Cotton, D Henigan (Deputy Chairperson), M Holmes, A Miccio, P Rainey, R Reese and D Shaw

**IN ATTENDANCE:** Chief Executive (V Altmnts), Divisional Manager Support Services (P Dougherty), Chief Financial Officer (C Fitchett) and Administration Adviser (A Rose).

**APOLOGIES:** An apology was received and accepted from Councillor A McAlpine.

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**1.0 PUBLIC FORUM**

There was no public forum.

**2.0 CONFIRMATION OF MINUTES**

Resolved

***THAT** the minutes of a meeting of The Corporate Governance Committee, held on Thursday 15 May 2008, be confirmed as a true and correct record.*

Shaw/Cotton

Carried

**3.0 CORPORATE GOVERNANCE COMMITTEE STATUS REPORT – JUNE 2008**

Agenda pages 6-7 refer.

**3.1 Proposed Air Space Lease for 68 Achilles Avenue**

His Worship the Mayor advised that he had heard a rumour that the applicant no longer required this lease. In reply the Divisional Manager Support Services undertook to follow the matter up.

Resolved

***THAT** the Corporate Governance Committee Status Report for June 2008 be received.*

His Worship the Mayor./Collingwood

Carried

**4.0 FINANCE STATEMENT FOR THE 10 MONTHS ENDED 30 APRIL 2008**

Document No 668752, dated 12 June 2008, agenda pages 8-16 refer.

Agenda pages 8 – 16 refer.

The Chief Financial Officer presented the report. He advised Council that after the most recent 6 monthly round of accounts of accounts had been sent out for water, there was likely to be surplus in the water revenue of \$350,000. He confirmed that any surplus in the account would be used to repay debt from the water account.

Resolved

***THAT the Finance Statement for the 10 month ended 30 April 2008 be received and the variations noted.***

Shaw/Holmes

Carried

## 5.0 SCHEDULE OF DOCUMENTS SEALED

The schedule of documents sealed from 1 May 2008 – 10 June 2008.

Agenda pages 17-18 refer.

Resolved

***THAT the information be received.***

Collingwood/Barker

Carried

## 6.0 NELSON AIRPORT STATEMENT OF INTENT 2008/09

Document No 669319, dated 28 May 2008, agenda pages 19-34 refer.

The Divisional Manager Support Services presented the report, and the Statement of Intent, which he said had already been considered and recommended by the Combined Shareholders Group.

He pointed out that acceptance of the report would also give Nelson Airport Ltd the necessary approval from Council as its lessor, to carry out any earthworks, excavations, demotions of any buildings or construction alteration to any building, and installation or alteration to any equipment and services.

### 6.1 Consultation

His Worship the Mayor said that he felt the language used in 6.2 needed changing.

#### Clause 7.8 Discussion

Councillor Henigan was concerned that Council had not discussed the approval as lessor, that it was giving for the Stage 2 extension of McLaren Drive, and associated building works. The Chair pointed out that in the last 3 months the Airport Board had visited the Committee, and had made a presentation on all these matters.

Councillor Collingwood noted that at the bottom of page 26 of the Agenda, Nature and Scope of Activities should be Item 5.

Councillor Holmes questioned whose responsibility it was for the information about Nelson that was on display and available at the airport, and he said that the recently installed screen was not very satisfactory. Councillor Shaw reminded the meeting that a few years previously the charges for organisations to have their literature on display at the airport had increased, and that had precluded a lot of local businesses from having information at the airport because they couldn't afford the new charges.

The Divisional Managers Support Services said he would contact the Chairperson of the Nelson Airport Ltd directly and discuss the matter of the screen and the other information available, and bring Councils concerns to him.

#### **Clause 7.4 Proposed expansion of the Airport Terminal**

Councillor Shaw warned that with the rapidly rising cost of fuel, and reduction of services by Air New Zealand, there may not now be a need to expand the Airport Terminal. In reply the Divisional Manager Support Services said that with the introduction of larger aircraft and the closure of Origin Pacific, it was being found that the terminal was becoming crowded with larger numbers of people waiting for planes, and that the overall passenger numbers using the one terminal had increased.

#### **Clause 7.2.1 Sustainability**

There followed a discussion by the Committee on sustainable best practice, and the majority view was that sustainable best practice is best developed by organisations themselves, rather than have the Council dictate what that best practice should be.

#### **Clause 7.2.6 Financial Performance**

In reply to Councillor Barkers expressed concern regarding the projected amount of tax being paid by the Airport, the Chief Executive said that the whole question of taxation for Councils Trading Organisations is being currently being reviewed by the Tax Group.

#### **Clause 7.2.4 Development planned for the airport**

In answer to a question from the Chairperson, as to when this development would be made available for the Council to comment, the Chief Executive undertook to obtain a timeframe from the Company.

Resolved

***THAT** the Nelson Airport Limited Statement of Intent for 2008/09 be approved for signing.*

Reese/His Worship the Mayor

Carried

### **7.0 TASMAN BAYS HERITAGE TRUST STATEMENT OF INTENT 2008/2009**

Document 669438, 28 May 2008, agenda pages 55-76 refer.

The Divisional Manager Support Services presented the report. There was concern expressed that only minimal progress was being made in digitizing the Museums extensive photograph collection, and it was agreed that this and funding for storage should not be lost sight of in the upcoming LTCCP process. In answer to another question, the Divisional Manager Support Services undertook to find out as to whether the Museum was still protecting and restoring its collection of negatives.

Resolved

**THAT the Tasman Bays Heritage Trust Statement of Intent 2008/2009 be approved for signing.**

Reese/Cotton

Carried

Attendance meeting adjourned for morning tea from 9.58am to 10.18pm. During this time His Worship the Mayor left the meeting.

## **8.0 THE NELSON REGIONAL ECONOMIC DEVELOPMENT AGENCY STATEMENT OF INTENT 2008/2009**

Document No 671695, dated 18 June 2008, agenda pages 35-54 refer.

The Chairperson of the Economic Development Agency Robyn Reid, and its Chief Executive Bill Findlater, and Pip Jameson joined the meeting.

Ms Reid made a power-point presentation and answered questions on the Statement of Intent.

Attendance: His Worship the Mayor returned to the meeting at 10.31am.

In answer to a question regarding consultation with Iwi and Maori, Ms Reid said that there had been a huge amount of consultation during the REDS process, and reminded the Council that Mr Ropata Taylor was a member of the Board, and he also provided excellent contact with Iwi and Maori.

In answer to a question regarding whether a member from New Zealand Trade and Industry should be appointed to the Advisory Group, it was advised that while it would be important to have that organisation in the mix, it must be remembered that Regional Development must be driven from the bottom up.

There followed some discussion on the change to the Mission Statement from the word “driven” to the word “facilitate”, and Ms Reid explained that the Organisation did not have the resources to drive anything, and that facilitation was a more accurate representation for what it is actually doing.

The meeting then went on to consider the recommendation in the report and in particular the second part regarding the proposed appointment of two representatives to form part of an advisory group that would act as liaison between the Board of the Economic Development Agency and the two Councils, to assist with the prioritisation of work programmes. It was felt that the recommendation in the report should be considered first and then the actual nominations for representatives considered after that.

Resolved

**THAT**

- (i) ***The Nelson Regional Economic Development Agency Statement of Intent 2008/2009 be approved for signing.***

- (ii) *The Council appoint two representatives to form part of an Advisory Group that acts as a liaison between the Board of the EDA and the two Councils, to assist with the prioritisation of work programmes.*

Miccio/Cotton

Carried

Proposed Councillor Shaw, Seconded Councillor Boswijk that Councillor Reese and Councillor Miccio be the two Councillors from Nelson City Council on the Advisory Group.

The Meeting discussed this motion, and it was finally agreed that the motion would be withdrawn and considered at the forthcoming Council meeting on 10 July 2008.

Resolved

***THAT*** *there should be an interim link for liaison purposes between the Council and the Nelson Regional Economic Development Agency, and that Councillors Miccio and Reese should fulfil that link until the appointment of representatives has been decided.*

His Worship the Mayor/Collingwood

Carried

## 9.0 CORPORATE GOVERNANCE MAJOR PROJECTS 2007/08

Document No 674607, dated 19 June 2008, agenda pages 77-78 refer.

The Divisional Manager Support Services presented the report. In answer to questions he outlined the scope of the brief that had been put out for the provision of architectural services for the Civic House Office Accommodation Project. There was some concerns expressed about the suitability of retro fitting Civic House, and it was agreed that this should be part of the discussion for the 2009 LTCCP. Mr Dougherty confirmed that the detailed plans and the budget for the ground floor work will be presented for approval to the Corporate Governance Committee meeting on 11 September 2008.

In answer to a question he said that it was unlikely that Council could easily lease or dispose of the old State Advances Building, because of increase in staff numbers. The Chief Executive confirmed that since the 1998 restructuring, staff numbers of fulltime equivalent positions had increased by 20. The Chief Executive went on to explain that if part-timers were taken into account the numbers of people employed by the Council was now in excess of 200.

Attendance: Councillor Henigan left the meeting at 11.18am.

Resolved

***THAT*** *the report be received.*

Collingwood/Boswijk

Carried

**10.0 WATER SUPPLY BYLAWS**

Document No 669722, dated 28 May 2008, agenda pages 79-140 refer.

The Administrator Adviser Richard Palmer joined the meeting and presented the report. He explained that the Council's present Bylaw relating to the protection and use of City water supply is due for review before July this year. An assessment of its provisions had been undertaken by staff, and this assessment has resulted in the proposed new Bylaw which was being recommended to be put out for public consultation.

There was some discussion regarding the provisions relating to the access to the catchment area for recreational purposes. It was agreed that these provisions would be clarified to point out that there was more public access now than previously, and this will be reported to the Council at its meeting on 10 July 2008.

Recommendation to the Council.

***THAT the draft Bylaw 217 "Water Supply" included as Attachment 2 to Document No 669722 and amended as required by this Committee, be adopted for public consultation in accordance with the provisions of the Local Government Act 2002;***

***AND THAT pages 134 to 140 inclusive in Document No 669722 be adopted as Council policy;***

***AND THAT when the new bylaw is finalised the existing Bylaw 199/99 "Water Supply" be revoked.***

Barker/Rainey

Carried

Attendance: The meeting adjourned briefly from 11.45am to 11.52am.

**11.0 PUBLIC EXCLUDED BUSINESS****Exclusion of the Public**

Resolved

***THAT the public be excluded from the following parts of the proceedings of this meeting in accordance with section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 on the grounds that the public conduct of this part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.***

***i. Confirmation of Public Excluded Minutes – 15 May 2008***

*Reasons:*

*To enable the Council to carry out negotiations or commercial activities without prejudice or disadvantage; and*

*To protect the privacy of natural persons.*

ii. *Corporate Governance Committee Status Report – June 2008*

*Reasons:*

*To enable the Council to carry out negotiations or commercial activities without prejudice or disadvantage; and*

*To protect the privacy of natural persons.*

Collingwood/Holmes

Carried

The meeting went into Public excluded session at 11.52am and resumed into Public session at 12.02pm

**11.1 Re-admittance of the Public**

Resolved

**THAT the public be re-admitted to the meeting.**

His Worship the Mayor/Cotton

Carried

There being no further business the meeting adjourned at 12.02pm.

CONFIRMED AS A CORRECT RECORD OF PROCEEDINGS

\_\_\_\_\_ CHAIRPERSON

\_\_\_\_\_ DATE