

MINUTES OF A MEETING OF THE GOVERNANCE COMMITTEE HELD IN THE COUNCIL CHAMBER, CIVIC HOUSE, TRAFALGAR STREET, NELSON ON THURSDAY 18 SEPTEMBER 2008 COMMENCING AT 9.00AM

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

IN ATTENDANCE: Chief Executive (V Altmants), Chief Financial Officer (C Fitchett), Divisional Manager Community Services (S Coleman) and Administration Adviser (A Rose).

APOLOGIES: Apologies were received and accepted from Councillors I Barker and M Cotton.

1.0 PUBLIC FORUM

1.1 Jacquetta Bell, Nelson Media Agency – Marketing Nelson Arts Festival

Memo dated 18 September 2008 enclosing a copy of 6-12 September edition of the Listener, agenda page 1 refers.

Ms Bell spoke to her memo which urged Council to release the money currently in the Nelson Events Strategy in order to better publicise the Nelson Arts Festival and/or the Adam Chamber Music Festival.

She argued that it was better to spend the money in promoting and enhancing the events currently staged in Nelson than trying to replace WOW with a new event.

She referred to the four page feature on the Otago Festival which had appeared in the NZ Listener and compared this to the very small classified advert about the Nelson Arts Festival in the same magazine.

In answer to a question from Councillor Reese, the Festivals Director, Annabel Norman, said that the Nelson Arts Festival was the same size as Tauranga but it was the only arts festival in New Zealand with a budget under \$1 million. The current budget, she said, was \$600,000.

In answer to a question from Councillor Henigan, Jacquetta Bell advised that 80% of seats had sold at last year's Arts Festival.

The Chairperson thanked Ms Bell for her presentation.

2.0 CONFIRMATION OF MINUTES

7 August 2008

Resolved

THAT the minutes of the meeting of the Governance Committee, held on Thursday 7 August 2008, be confirmed as a true and correct record.

Holmes/Shaw

Carried

3.0 CORPORATE GOVERNANCE COMMITTEE STATUS REPORT SEPTEMBER 2008

3.1 Implementation of Events Strategy

The Committee saw there was some urgency to action the resolution passed at the last meeting

THAT the Events Strategy is to be reviewed by the Events Management Committee and come back to the Governance Committee for future discussion.

The Chairperson directed that the issue raised under Public Forum could be discussed under this heading.

Councillor Henigan expressed discomfort that a Council Contractor had made a submission to this Committee lobbying for more funding to do what they do.

She also pointed out that as there is only what appeared to be a 20% capacity of seating left unsold at the Arts Festival, it was not cost effective to spend a lot more money on marketing.

After more discussion it was agreed that the Committee could not make any progress until the Events Management Committee had met and come back with its review on the Events Strategy to the Governance Committee.

Resolved

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

Holmes/Boswijk

Carried

4.0 FINANCE STATEMENT FOR TWELVE MONTHS ENDED 30 JUNE 2008

Document No 688113, dated 10 September 2008, agenda pages 15-24 refer.

Resolved

THAT the report be received and the variations noted.

Rainey/Miccio

Carried

5.0 FINANCE STATEMENT FOR THE ONE MONTH ENDED 31 JULY 2008

Document No 693801, dated 10 September 2008, agenda pages 25-38 refer.

The Chief Financial Officer introduced the report explaining that it was now in the new format. The Committee agreed that it was a great improvement, easier to read, user friendly and provided more information to Councillors.

Resolved

THAT the Governance Financial Statement for the one month to 31 July 2008 be received and the variations noted.

Reese/McAlpine

Carried

6.0 SCHEDULE OF DOCUMENTS SEALED

A schedule of documents sealed from 23 July 2008 to 2 September 2008, agenda pages 39-40 refer.

Resolved

THAT the information be received.

Reese/Boswijk

Carried

7.0 RATING SYSTEM WORKING PARTY

It was advised that at the Council Workshop held on 2 September 2008 it had been recommended that a Rating System Working Party be set up, to be chaired by Councillor Thomas. The matter was on the agenda of the Governance Committee meeting to consider this recommendation and appoint Councillors to the Working Party as required.

After discussion the Committee requested a report on the Working Party and its possible Terms of Reference be brought to the next Council meeting.

Resolved

THAT a report on the proposal for a Rating Working Party to be set up, together with a possible Terms of Reference for the Working Party, be prepared for the next Council meeting.

Shaw/Collingwood

Carried

8.0 WATER SUPPLY BYLAW

Document No 691610, dated 2 September 2008, agenda pages 41-78 refer.

The Administration Adviser, Richard Palmer, presented the report.

8.1 Page 71

It was noted that there was no longer a need to specify the Brook as a Nelson City catchment area, in the bylaw, as drinking water was no longer sourced from this catchment.

The Committee generally supported the proposed Bylaw but there was some discussion regarding Section 6.1 and 6.2 Access to Catchments and Activities Permitted in Catchments Pursuant to a Permit.

It was agreed to clarify that walking and running was among the activities permitted within the catchments and although there was some concern expressed about the use of the term 'existing tracks' it was agreed to leave this wording unchanged in the document.

Recommendation to the Council

THAT clause 6.2 of the draft Water Supply Bylaw be amended by adding a new sub-clause (ix) to read "Tramping off Existing Tracks";

AND THAT subject to the foregoing amendment Bylaw 217 "Water Supply", being Attachment 2 to Report No 691610, be adopted;

AND THAT Bylaw 217 come into effect on Monday 13 October 2008;

AND THAT the Terms and Conditions of Connection to the Water Supply System, being Attachment 3 to Report No 6910610, dated 2 September 2008, be adopted;

AND THAT on the coming into effect of Bylaw 217, Bylaw 199 Water Supply (1999) be revoked.

Collingwood/Reese

Carried

Attendance: The meeting adjourned for morning tea from 10.20am to 10.35am.

9.0 NELSON REGIONAL SEWERAGE BUSINESS UNIT NELSON PIPELINE UPGRADE

Document No 692959, dated 9 September 2008, agenda pages 79-85 refer.

The Chairperson of the NRSBU, Ms Donna Hiser, and the General Manager, Mr Michael Schruer, joined the meeting and presented the report. Mr Schruer gave a powerpoint presentation.

Mr Schruer said that the NRSBU was about to embark on a major upgrade of the pipeline across the Waimea estuary, which is likely to have significant economic and cultural implications for the community. The Board of the Business Unit had recommended that the owners of the scheme be briefed on the issue and asked to confirm that they are comfortable with the direction being proposed by the Business Unit.

Mr Schruer said that the risk of pipe failure between Monaco and Bells Island was considered an extreme risk and any failure would possibly require up to two months to repair.

He said initial consultation with iwi on the replacement of the pipeline had brought requests for requirements of an iwi monitor on site, archaeological work on Bells Island and the pipe duplicate avoiding identified archaeological sites.

However, indications were that the iwi long-term requests were to decommission the duplicate pipe within 10 years, a walkway be constructed around the estuary, the NRSBU sponsor a Working Party to monitor and improve the health of the estuary and coastal environment, and discharges be directed away from the coast and coastal waters.

Mr Schruer said that this last request would involve the relocation of the treatment plant which has an estimated replacement value of \$50 million and it could cost double for a full relocation, he added.

The meeting discussed the report and the various options presented. There was some support for considering whether the treatment plant should remain on Bells Island in the long-term.

His Worship the Mayor said that it was Council's job to indicate the future bearing in mind the best possible forecasts for future growth and climate change.

He said that the present treatment plant, although very modern when it was built, was now old fashioned and Council needed to have a state of the art facility. However he agreed that something needed to be done in the short-term to mitigate the risk of a pipeline failure.

The Chief Executive reminded the Committee that by following international best practice was how Council ended up with its present water treatment plant.

Resolved

THAT in principal, Council supports the NRSBU, proceeding to initiate a process that considers both the short and long-term options including relocation from Bells Island and international best practice before proceeding with an upgrade of the existing estuary pipeline.

Reese/Miccio

Carried

10.0 TOURISM NELSON TASMAN STATEMENT OF INTENT 2008/09

Document No 693381, dated 8 September 2008, agenda pages 86-106 refer.

Resolved

THAT Tourism Nelson Tasman Limited Statement of Intent for 2008/09 be approved for signing;

AND THAT in order to demonstrate the ongoing commitment of the Council to Tourism Nelson Tasman the Chief Executive be authorised to write to the Auditors of Tourism Nelson Tasman outlining the Council's support for the company and advising them that if the company's low equity causes cash flow problems the Council as shareholder would provide sufficient financial support to the company to meet its obligations as they fall due;

AND THAT the second part of this recommendation is subject to the Tasman District Council giving similar approval.

Collingwood/Rainey

Carried

11.0 PORT NELSON STATEMENT OF INTENT 2008/09 APPOINTMENT OF DIRECTORS

Document No 693260, dated 8 September 2008, agenda pages 107-121 refer.

Resolved

***THAT** subject to clarification in the Statement of Intent as to the Director's estimate of company value, the Port Nelson Limited Statement of Intent for 2008/09 be approved;*

***AND THAT** Mr Phil Lough and Mr Nick Paterson be reappointed as Directors to Port Nelson Limited for a period of approximately three years ending in October 2011.*

Rainey/Boswijk

Carried

12.0 COMMERCIAL PROPERTY SUBCOMMITTEE

Minutes of the meetings of the Commercial Property Subcommittee held on 7 August and 4 September 2008, agenda pages 131-133 refer.

Resolved

***THAT** the minutes of meetings of the Commercial Property Subcommittee held on 7 August and 4 September 2008 be received.*

Miccio/Thomas

Carried

13.0 COMMUNICATION SUBCOMMITTEE

Minutes of the meeting of the Communication Subcommittee held on 13 August 2008, agenda pages 134-135 refer.

Resolved

***THAT** the minutes of the meeting of the Communication Subcommittee held on 13 August 2008 be received.*

Boswijk/Holmes

Carried

14.0 NEW YEAR'S EVE EVENT UPDATE

Document No 691727, dated 2 September 2008, agenda pages 122-130 refer.

The Divisional Manager Community Services presented the report which provided an update on plans for the New Year's Eve events following further investigation of resource consent (noise) issues.

The Divisional Manager Community Services said that the report proposed that The New Hub event proceeds but that the Trafalgar Street event be cancelled, and funding could then be used to address consent issues for events.

The Committee was keen that some way be found for the Trafalgar Street event to be held and there was discussion of the permitted noise levels at the boundaries of the nearest residential properties.

There was also discussion regarding the noise levels emanating from such annual events as the Mask Parade and Carols by Candlelight, and it was generally felt that a successful New Year's Eve event could be held with noise levels being kept within the permitted range.

There was also support for funding to be set aside in the next financial year to do work to investigate noise levels for events run by Council.

Resolved

THAT the two events for New Year's Eve 2008/09, an alcohol free youth event at The New Hub and a street performance and count down to the New Year in Trafalgar Street, be held;

AND THAT resource consents for Nelson City Council events over a range of sites are applied for in the next financial year.

Collingwood/Miccio

Carried

15.0 LATE ITEM - AKERSTEN STREET – PUBLIC EXCLUDED

It was advised that in accordance with Section 49A(7) of the Local Government Official Information and Meetings Act 1987, the reason why the item was not on the agenda and the reason why discussion of this item could not be delayed until the subsequent meeting is because it came to hand after the agenda had closed and needs to be considered at this meeting because of the need for urgency.

Resolved

THAT the item regarding Akersten Street be considered at this meeting pursuant to Section 46a(7) of the Local Government Official Information and Meetings Act 1987, because of the need for urgency.

McAlpine/Shaw

Carried

Attendance: The meeting adjourned for lunch from 12.45pm until 1.25pm. During this time Councillor Henigan left the meeting.

16.0 PUBLIC EXCLUDED MINUTES**16.1 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 – 7 August 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 – August 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.

iii. NCC/TDC Joint Shareholders minutes 29 August 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.

iv. Commercial Property Subcommittee Public Excluded Minutes 7 August and 4 September.

Reasons:

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

To protect the privacy of natural persons.

v. Akersten Street

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/His Worship the Mayor

Carried

The meeting went into public excluded session at 1.25pm and resumed in public session at 2.45pm.

16.2 Re-admittance of the Public

Resolved

THAT the public be re-admitted to the meeting.

Holmes/Boswijk

Carried

There being no further business this part of the meeting ended at 2.45pm.

CONFIRMED AS A CORRECT RECORD OF PROCEEDINGS

_____ CHAIRPERSON _____ DATE