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# Council

## OPEN MINUTES

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Minutes of a meeting of Council held in the Council Chambers, 15 Forth Street, Invercargill on Thursday, 27 April 2017 at 1pm.

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### PRESENT

<b>Mayor</b>	Mayor Gary Tong
<b>Deputy Mayor</b>	Paul Duffy
<b>Councillors</b>	Stuart Baird
	John Douglas
	Bruce Ford
	Darren Frazer
	George Harpur
	Julie Keast
	Ebel Kremer
	Gavin Macpherson
	Neil Paterson
	Nick Perham

### IN ATTENDANCE

Chief Executive Officer – Steve Ruru  
Group Manager, Environmental Services – Bruce Halligan  
Group Manager, Services and Assets – Ian Marshall  
Chief Financial Officer – Anne Robson  
Communications Manager – Louise Pagan  
Governance and Democracy Manager – Clare Sullivan  
Committee Advisor – Fiona Dunlop

## 1 Apologies

An apology had been received from Councillor Dillon.

Moved Cr Paterson, seconded Cr Baird and **resolved:**

**That Council accept the apology.**

## 2 Leave of absence

Requests for leave of absence were as follows:

Councillor	Dates Indicated for Leave of Absence
Councillor Kremer	8 June 2017 to 30 June 2017
Councillor Duffy	7 June 2017 to 23 June 2017
Councillor Frazer	26 May 2017 to 9 June 2017
Councillor Keast	9 June 2017 to 23 June 2017

Moved Mayor Tong, seconded Cr Harpur **and resolved:**

**That Council agree to requests for leave of absence as follows:**

<b>Councillor Kremer</b>	<b>8 June 2017 to 30 June 2017</b>
<b>Councillor Duffy</b>	<b>7 June 2017 to 23 June 2017</b>
<b>Councillor Frazer</b>	<b>26 May 2017 to 9 June 2017</b>
<b>Councillor Keast</b>	<b>9 June 2017 to 23 June 2017.</b>

## 3 Conflict of Interest

Councillor Ford declared a conflict of interest in relation to item 8.1 – Proposed Road Stopping – Main Road Stewart Island and advised that he would not take part in debate or discussion on the matter.

## 4 Public Forum

There was no public forum.

## 5 Extraordinary/Urgent Items

Mayor Tong advised that pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987 there are two extra items for the agenda and they were as follows:

- **Around the Mountains Cycle Trail – Legal Issues; and**
- **District Promotion Opportunity**

Please note that both of these items are to be considered by the meeting in the public excluded part of the meeting.

The reason why the items were not on the agenda was that the information for the reports was not available at the time the agenda was prepared.

The reason why the discussion of these items cannot be delayed until a subsequent meeting is to ensure that Council can make timely decisions on the legal issues surrounding the Around the Mountains Cycle Trail project and ensure the organisers of the opportunity for the District promotion are informed of commitment from Southland District for the event.

Moved Mayor Tong, seconded Cr Kremer **and resolved:**

**That Council consider the following items as a matter of urgent business in order that a decision can be made before the next ordinary meeting, subject to Section 46A of the Local Government Official Information and Meetings Act 1987:**

- **Around the Mountains Cycle Trail – Legal Issues; and**
- **District Promotion Opportunity.**

## 6 Confirmation of Council Minutes

There were no minutes to confirm.

## Reports - Operational Matters

### 8.1 Proposed Road Stopping - Main Road Stewart Island

**Record No: R/17/2/3580**

Councillor Ford withdrew from the table due to a conflict of interest and did not take part in debate or voting on the item.

Strategic Property Manager Kevin McNaught was in attendance for this item.

Mr McNaught advised that the purpose of the report was to consider a request from the Rakiura Heritage Centre Trust to stop an additional 3m<sup>2</sup> of road on Main Road Stewart Island as part of the development on the adjacent land by the Trust.

The Meeting noted that in 2012 a small portion of Main Road Stewart Island was stopped as part of the development of the Rakiura Heritage Centre Trust. Further refinements of the site and building has identified a further small area of 3m<sup>2</sup> is also required to ensure the building is situated entirely on the private property and not over the boundary on the road owned by Council.

Mr McNaught further advised that Council's approval to the road stopping is required to allow the next step of the process to proceed.

#### **Resolution**

Moved Cr Kremer, seconded Cr Perham **and resolved:**

**That the Council:**

- a) **Receives the report titled “Proposed Road Stopping - Main Road Stewart Island” dated 13 April 2017.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Resolves to approve the stopping of 3m2 of road on Main Road Stewart Island being Section 1 SO 507936 pursuant to the Public Works Act 1981 and when stopped being amalgamated with the adjoining CFR 611929.**

(Councillor Ford returned to the table.)

## **8.2 Request to Transfer Ownership of Council's Rural Fire Vehicles and Plant and Equipment to the Southern Rural Fire Authority**

**Record No: R/17/3/5518**

Chief Financial Officer – Anne Robson was present for this item.

Miss Robson advised that the purpose of the report was to seek Council approval to the request from the Southern Rural Fire Authority to transfer ownership of Council's Rural Fire Vehicles and Plant and Equipment to the Authority.

The Meeting noted that the Southland District Council is the owner of various vehicles and pumps which is being used by the Southern Rural Fire Authority.

Miss Robson also advised that the Southern Rural Fire Authority has asked all of its members to consider transferring assets that they own that are currently being used by the Authority to them for nil value. This reflects that since 2003, the Authority has covered the costs for insurance, repairs and replacement of these assets. This request is further to the amalgamation they are about to undertake with Fire and Emergency New Zealand.

### **Resolution**

Moved Cr Paterson, seconded Cr Douglas **and resolved:**

#### **That the Council:**

- a) **Receives the report titled “Request to Transfer Ownership of Council's Rural Fire Vehicles and Plant and Equipment to the Southern Rural Fire Authority” dated 11 April 2017.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it**

does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.

- d) Resolves to transfer the following assets to the Southern Rural Fire Authority at nil value.

Asset
Fire Engine - SG7641
Isuzu FTS 12H Tanker - ZI4629
Homemade trailer - S5725
Fire Engine - KO4284
Fire Engine - DQ3995
Isuzu Truck - KM5022
Pumps X 10

### 8.3 Libraries Progress Update

**Record No: R/17/3/7297**

Manager, District Library – Lynda Hodge was in attendance for this item.

Mrs Hodge advised that the purpose of the report was to update to Council on the recommendations made in the Service Delivery Review considered by Council in April 2016.

#### Resolution

Moved Cr Keast, seconded Cr Douglas **and resolved:**

**That the Council:**

- a) **Receives the report titled “Libraries Progress Update” dated 4 April 2017.**

### 8.4 Community Trust of Southland - Proposal to include Milford Sound in Area

**Record No: R/17/4/7429**

Chief Executive – Steve Ruru was in attendance for this item.

Mr Ruru advised that Southland District Council has been approached by the Community Trust of Southland who would like Council’s support for them to engage with the Community Trust of Otago around a boundary change to allow Milford Sound to come under their area.

#### Resolution

Moved Cr Baird, seconded Cr Frazer **and resolved:**

**That the Council:**

- a) **Receives the report titled “Community Trust of Southland - Proposal to include Milford Sound in Area” dated 5 April 2017.**
- b) **Agree to write a letter of support to the Community Trust of Southland**

endorsing the proposal to engage with the Community Trust of Otago around a boundary change to incorporate Milford Sound into the Community Trust of Southland's area.

## 8.5 Management Report

**Record No:** R/17/4/7794

Chief Executive – Steve Ruru was in attendance for this item.

### Resolution

Moved Cr Ford, seconded Cr Harpur **and resolved:**

**That the Council:**

- a) **Receives the report titled “Management Report” dated 10 April 2017.**

## Reports - Governance

### 9.1 Financial Report for the month ended 28 February 2017

**Record No:** R/17/4/7769

Management Accountant – Robert Tweedie and Chief Financial Officer – Anne Robson were in attendance for this item.

Mr Tweedie advised that the report outlined the financial results for the eight months to 28 February 2017 or 67% of the financial year.

### Resolution

Moved Cr Kremer, seconded Cr Harpur **and resolved:**

**That the Council:**

- a) **Receives the report titled “Financial Report for the month ended 28 February 2017” dated 11 April 2017.**

### 9.2 Southland Museum and Art Gallery Trust Board - Statement of Intent 2017/2018

**Record No:** R/17/3/3769

Group Manager, Environmental Services – Bruce Halligan was in attendance for this item.

Mr Halligan advised that the purpose of the report was to forward the Southland Museum and Art Gallery Trust Board's Statement of Intent 2017/2018 to Council as information.

### Resolution

Moved Mayor Tong, seconded Cr Paterson **and resolved:**

**That the Council:**

- a) **Receives the report titled “Southland Museum and Art Gallery Trust Board - Statement of Intent 2017/2018” dated 12 April 2017.**
- b) **Determines that this matter or decision be recognised not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Receives the attached Southland Museum and Art Gallery Trust Board Statement of Intent 2017/2018 and associated Interim Annual Report for the six months ended 31 December 2016 as information.**

**9.3 Finance and Audit Committee Terms of Reference**

**Record No: R/17/3/5827**

Chief Executive – Steve Ruru was in attendance

Mr Ruru advised that the purpose of the report was to ask the Council to amend the terms of reference for the Finance and Audit Committee.

**Resolution**

Moved Cr Kremer, seconded Deputy Mayor Duffy **and resolved:**

**That the Council:**

- a) **Receives the report titled “Finance and Audit Committee Terms of Reference” dated 15 March 2017.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Approves a change to the Terms of Reference for the Finance and Audit Committee so that the quorum provides:**

*The quorum at any meeting of the Finance and Audit Committee shall be any three members.*

**9.4 Minutes of the Community and Policy Committee Meeting dated 14 December**

2016

Record No: R/17/3/6135

**Resolution**

Moved Cr Douglas, seconded Cr Ford **and resolved:**

**That Council receives the minutes of the Community and Policy Committee meeting held 14 December 2016 as information.**

**9.5 Minutes of the Community and Policy Committee Meeting dated 1 February 2017**

Record No: R/17/3/6136

**Resolution**

Moved Cr Douglas, seconded Cr Ford **and resolved:**

**That Council receives the minutes of the Community and Policy Committee meeting held 1 February 2017 as information.**

**9.6 Minutes of the Lumsden Community Development Area Subcommittee Meeting dated 5 December 2016**

Record No: R/17/2/3474

**Resolution**

Moved Cr Douglas, seconded Cr Ford **and resolved:**

**That Council receives the minutes of the Lumsden Community Development Area Subcommittee meeting held 5 December 2016 as information.**

**9.7 Minutes of the Manapouri Community Development Area Subcommittee Meeting dated 15 November 2016**

Record No: R/17/3/6773

**Resolution**

Moved Cr Douglas, seconded Cr Ford **and resolved:**

**That Council receives the minutes of the Manapouri Community Development Area Subcommittee meeting held 15 November 2016 as information.**

**9.8 Minutes of the Nightcaps Community Development Area Subcommittee Meeting dated 9 August 2016**

Record No: R/17/3/6131



**Resolution**

Moved Cr Douglas, seconded Cr Ford **and resolved:**

**That Council receives the minutes of the Nightcaps Community Development Area Subcommittee meeting held 9 August 2016 as information.**

**9.9 Minutes of the Ohai Community Development Area Subcommittee Meeting dated 9 August 2016**

**Record No: R/17/3/6132**

**Resolution**

Moved Cr Douglas, seconded Cr Ford **and resolved:**

**That Council receives the minutes of the Ohai Community Development Area Subcommittee meeting held 9 August 2016 as information.**

**9.10 Minutes of the Te Anau Basin Water Supply Subcommittee Meeting dated 8 November 2016**

**Record No: R/17/3/5818**

**Resolution**

Moved Cr Douglas, seconded Cr Ford **and resolved:**

**That Council receives the minutes of the Te Anau Basin Water Supply Subcommittee meeting held 8 November 2016 as information.**

**9.11 Minutes of the Riverton Harbour Subcommittee Meeting dated 12 December 2016**

**Record No: R/17/3/6173**

**Resolution**

Moved Cr Douglas, seconded Cr Ford

**That Council receives the minutes of the Riverton Harbour Subcommittee meeting held 12 December 2016 as information.**

**9.12 Milford Community Trust Final Statement of Intent 2017-2020**

**Record No: R/17/3/6922**

Chief Executive – Steve Ruru was in attendance for this item.

Mr Ruru advised that the purpose of the report was for Council to approve the Final Milford Community Trust Statement of Intent 2017-2020.

### Resolution

Moved Cr Kremer, seconded Cr Keast **and resolved:**

**That the Council:**

- a) **Receives the report titled “Milford Community Trust Final Statement of Intent 2017-2020”.**
- a) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- b) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Approves the Final Statement of Intent 2017-2020.**

### 9.13 Milford Community Trust Half Yearly Report for the Six Month Period to 31 December 2016.

**Record No: R/17/3/7018**

Chief Executive – Steve Ruru was in attendance for this item.

Mr Ruru advised that the purpose of the report was for Council to note the contents of the Milford Community Trust – Half Yearly Report for the Period to 31 December 2016 and approve accordingly.

### Resolution

Moved Cr Kremer, seconded Cr Keast **and resolved:**

**That the Council:**

- a) **Receives the report titled “Milford Community Trust Half Yearly Report for the Six Month Period to 31 December 2016.”**
- b) **Approves the “Milford Community Trust Half Yearly Report for the Six Month Period to 31 December 2016.**

### Public Excluded

**Exclusion of the Public: Local Government Official Information and Meetings Act 1987**

### Resolution

Moved Cr Ford, seconded Cr Paterson **and resolved:**

That the public be excluded from the following part(s) of the proceedings of this meeting.

#### **C10.1 New Maintenance Alliance Contracts**

#### **C10.2 Proposed Amendments to Solid Energy Escrow Agreements - Request for Council approval**

### C10.3 Waituna Partnership - Freshwater Improvement Fund Application

### C10.4 Around the Mountains Cycle Trail - Legal Issues

### C10.5 District Promotion Opportunity

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:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
New Maintenance Alliance Contracts	s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.  s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.
Proposed Amendments to Solid Energy Escrow Agreements - Request for Council approval	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.
Waituna Partnership - Freshwater Improvement Fund Application	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.
Around the Mountains Cycle Trail - Legal Issues	s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege.  s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.
District Promotion Opportunity	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.  s7(2)(i) - The withholding of the information is necessary to enable	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.

	the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	
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That the Chief Executive Officer, Group Manager, Environmental Services, Group Manager, Services and Assets, Chief Financial Officer, Communications Manager, Governance and Democracy Manager and Committee Advisor be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the items C10.1 New Maintenance Alliance Contracts, C10.2 Proposed Amendments to Solid Energy Escrow Agreements - Request for Council approval and C10.3 Waituna Partnership - Freshwater Improvement Fund Application, C10.4 Around the Mountains Cycle Trail - Legal Issues and C10.5 District Promotion Opportunity. This knowledge, which will be of assistance in relation to the matters to be discussed, is relevant to those matters because of their knowledge on the issues discussed and meeting procedure.

That the Strategic Manager Transport, Commercial Lead Roading and Roading Asset Management Engineer be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the items C10.1 New Maintenance Alliance Contracts. This knowledge, which will be of assistance in relation to the matters to be discussed, is relevant to those matters because of their knowledge on the issues discussed and meeting procedure.

The public were excluded at 1.38pm.

Resolutions in relation to the confidential items are recorded in the confidential section of these minutes and are not publicly available unless released here.

### **Resolutions from Confidential Section of the Meeting to be released in open**

#### **C10.1 New Maintenance Alliance Contracts**

**Record No: R/17/4/8057**

**That the Council:**

- a) **Receives the report titled “New Maintenance Alliance Contracts” dated 13 April 2017.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Endorse the recommendations of the Evaluation Team that:**
  1. **Fulton Hogan be appointed as the Preferred Proponent for the Foveaux Region - Contract No. 17/01.**

2. **SouthRoads be appointed as the Preferred Proponent for the Central Region - Contract No. 17/02.**
  3. **SouthRoads be appointed as the Preferred Proponent for the Waimea Region - Contract No. 17/03.**
  4. **Both SouthRoads and Fulton Hogan are formally advised of their appointment at the earliest possible opportunity and invited to enter commercial negotiations with Council with a view to entering an Interim Project Alliance Agreement commencing 1 July 2017.**
- e) **Authorises the Chief Executive to formally advise the two proponents of Council's decision and to conclude the commercial negotiations necessary to enable Council to enter into an Interim Project Alliance Agreement with each of the Preferred Proponents in a timely manner.**
  - f) **Notes that it is understood that both proponents are imminently in negotiations regarding neighbouring Council's maintenance contracts which could be affected by the outcome of Southland's contracts**
  - g) **Makes public the resolutions from this report and authorise officers to release the project information as appropriate considering the reasons for this report being considered under public excluded provisions s7(2)(b)(ii) Local Government Official Information and Meetings Act 1987.**

The meeting concluded at 2.46pm.

CONFIRMED AS A TRUE AND CORRECT  
RECORD AT A MEETING OF THE COUNCIL  
HELD ON THURSDAY 27 APRIL 2017.

**DATE:**.....

**CHAIRPERSON:**.....