
Services and Assets Committee

OPEN MINUTES

Minutes of a meeting of Services and Assets Committee held in the Council Chambers, 15 Forth Street, Invercargill on Wednesday, 21 June 2017 at 9.04am.

PRESENT

Chairperson	Brian Dillon
Councillors	Stuart Baird
	John Douglas
	Bruce Ford (9.48am – 11am, 11.03am – 11.12am)
	Darren Frazer
	George Harpur
	Gavin Macpherson
	Neil Paterson

IN ATTENDANCE

Group Manager Services and Assets	Ian Marshall
Group Manager, Community and Futures	Rex Capil
Group Manager, Environmental Services	Bruce Halligan
Communications Manager	Louise Pagan
Governance and Democracy Manager	Clare Sullivan
Committee Advisor	Fiona Dunlop

1 Apologies

Apologies for absence were received from Mayor Tong, Councillors Duffy, Keast, Kremer and Perham.

Apologies for lateness were received from Councillor Ford.

Resolution

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

That the Services and Assets Committee accept the apologies.

2 Leave of absence

There were no requests for leave of absence.

3 Conflict of Interest

There were no conflicts of interest declared.

4 Public Forum

Jim Hargest (Chair) Greg Buzzard and Allan Beck - Southland Warm Homes Trust Representatives addressed the meeting regarding the Trusts Annual Report for the year ended 30 June 2016.

5 Extraordinary/Urgent Items

There were no Extraordinary/Urgent items.

6 Confirmation of Minutes

Resolution

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

That the Services and Assets Committee confirms the minutes of meeting held on 5 April 2017 as a true and accurate record of that meeting.

Reports for Resolution

7.1 New Professional Services Contract

Record No: R/17/6/12143

Roading Asset Management Engineer – Hartley Hare, Commercial Lead Roding – Dylan Rabbidge and Strategic Manager Transport – Joe Bourque were in attendance for this item.

The Officers advised that the purpose of the report was to outline the proposed procurement strategy for Southland District Council Transport Professional Services and seeks affirmation from the Services and Asset Committee for the procurement of this services.

The Meeting noted that the report covered the Transport Professional Services requirements and outlined the proposed procurement methodology of these services and also the technical, specialised and support services for the Council's Transport activity.

(During discussion on the report Councillor Ford joined the meeting at 9.48am.)

Moved Councillor Douglas, seconded Councillor Paterson, the following motion with an amendment to recommendation e (as indicated):

That the Services and Assets Committee:

- a) **Receives the report titled "New Professional Services Contract" dated 13 June 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 the procurement of Transport Professional Services.**
- e) **Endorse that delegation be provided to the Chief Executive to award the contract based on an estimated tender value of \$1.950million subject to the matter being considered by the Finance and Audit Committee prior to letting.**

**The motion was put and declared LOST on a show of hands (2:5).
Councillor Dillon abstained from voting.**

The recommendations contained in the officers report were then put.

Resolution

Moved Cr Baird, seconded Cr Macpherson

That the Services and Assets Committee:

- a) **Receives the report titled "New Professional Services Contract" dated 13 June 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 the procurement of Transport Professional Services.
- e) Endorse that delegation be provided to the Chief Executive to award the contract based on an estimated tender value of \$1.950million.

The motion was put and declared CARRIED on a show of hands (5:2).
Councillor Dillon abstained from voting.

Reports

8.1 Forestry Operations - Financial Report to 31 March 2017

Record No: R/17/5/11530

IFS Growth Forest Manager – Reece McKenzie and Group Manager, Services and Assets – Ian Marshall were in attendance for this item.

Mr McKenzie advised that the report to the Committee was up to 31 March 2017. Forestry activity is gaining momentum with a strong finish expected for the year. This past period has seen the start of the main harvest program in Dipton Forest, with production in excess of 10,000 tonnes per month. The annual harvest target this year is 46,000, with 45% cut so far.

The Committee noted that the year to date position reflects a surplus of \$907,000 and that the expected net surplus at year end will be \$2.1million, compared to a budget of \$813,000. This \$1.3million variation is reflective of stronger log prices.

Resolution

Moved Cr Harpur, seconded Cr Paterson and resolved:

That the Services and Assets Committee:

- a) Receives the report titled “Forestry Operations - Financial Report to 31 March 2017” dated 13 June 2017.

8.2 Downer Water and Wastewater Maintenance Contract 10/01 - Monthly Report for April 2017

Record No: R/17/5/11529

Operations Manager, Water and Waste Services – Bill Witham and Group Manager, Services and Assets – Ian Marshall were in attendance for this item.

Mr Witham advised that the purpose of the report was to update the Committee on the progress of the contract 10/01 for delivery of water and wastewater services to Council for the Southland District.

The Meeting noted that the contract was awarded in 2010 for a maximum period of 12 years.

Resolution

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

That the Services and Assets Committee:

- a) **Receives the report titled “Downer Water and Wastewater Maintenance Contract 10/01 - Monthly Report for April 2017” dated 13 June 2017.**

8.3 Roothing Operations May 2017

Record No: R/17/4/8728

Roothing Asset Management Engineer – Hartley Hare and Commercial Lead Roothing – Dylan Rabbidge were in attendance for this item.

Officers advised that the purpose of the report was to update the Committee on the progress of the major roading maintenance and capital contracts.

Resolution

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

That the Services and Assets Committee:

- a) **Receives the report titled “Roothing Operations May 2017” dated 13 June 2017.**

8.4 Services and Assets Contracts Update

Record No: R/17/6/12625

Group Manager, Services and Assets – Ian Marshall were in attendance for this item.

Mr Marshall advised that the purpose of the report was to update the Committee on the progress on the status of all Contracts within Services and Assets Department except where the Water and Waste and Roothing opex and capex contracts are reported through their respective operations reports.

Resolution

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

That the Services and Assets Committee:

- a) **Receives the report titled “Services and Assets Contracts Update” dated 13 June 2017.**

Public Excluded

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

Resolution

Moved Cr Douglas, seconded Chairperson Dillon **and resolved:**

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

C9.1 Southland District Council Resurfacing Programme

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
Southland District Council Resurfacing Programme	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.

That the Group Manager, Community and Futures, Group Manager – Services and Assets, Communications Manager, Group Manager, Environmental Services, Governance and Democracy Manager, Committee Advisor, 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 C9.1 Southland District Council Resurfacing Programme. 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 10.50am.

The meeting adjourned at 11am and reconvened at 11.03am.

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

The meeting concluded at 11.12am.

CONFIRMED AS A TRUE AND CORRECT
RECORD AT A MEETING OF THE SERVICES
AND ASSETS COMMITTEE HELD ON
WEDNESDAY 21 JUNE 2017.

DATE:.....

CHAIRPERSON:.....