

Kaipara District Council

Long Term Plan Briefing Minutes

Date: Wednesday 11 November 2020
Time: 9:33 am – 3:52 pm
Location: Lighthouse Function Centre
32 Mount Wesley Coast Road
Dargaville

Members Present: Mayor Jason Smith
Deputy Mayor Anna Curnow
Councillor Karen Joyce-Paki
Councillor Victoria del la Varis-Woodcock
Councillor Mark Vincent
Councillor Peter Wethey
Councillor David Wills (from 9.42 item 2)
Councillor Eryn Wilson-Collins

Apologies: Councillor Jonathan Larsen

Meeting started at 9:33 a.m.

1. Opening

1.1 Karakia

Councillor Eryn Wilson-Collins opened the meeting with a karakia.

It was noted that the Mayor would leave the meeting from 10.45am to lay a wreath at the RSA for Armistice. The Deputy Mayor would take the Chair at that time. Members would hold a minute silence at 11.00am.

It was also noted that the agenda order had altered.

1.2 Project update

Michaela Borich (Strategic Planning Advisor) gave an update on the LTP 2021/2031 project.

Council discussed:

- Schedule and consultation dates
- Significant forecasting assumptions

Council Directed staff to:

- Check if the financial strategy is to go to Council via the Audit, Risk and Finance Committee, particularly the significant forecasting assumptions.

2. Financial Update – Part 1

Paul Cresswell (Financial Planning Lead), Jim Sephton (General Manager Infrastructure Services) and Sue Davidson (General Manager Finance, by phone) presented part one of the financial update and answered questions from elected members.

Council discussed:

- Principles adopted in the update of the Draft LTP.
- Definition of funding sources as 'subsidised' implying any source of funding external to council.
- Inclusion of the Regional Development Council Controlled Organisation (CCO).
- Charging and communication of the new solid waste recycling initiative.
- Mitigation options regarding bins being used for other purposes.
- Dargaville Community Development Board (DCDB) request to target a rate on their behalf, to deliver CCTV to Dargaville and Ruawai.

Council directed staff to:

- Keep Table 1 Climate Change and the CCO as is.
- Inclusion of Climate Change to cover Auditor General baseline with options above that for the community to consider.
- Ensure consistent and clear messaging across Northland on these topics particularly around the cost rises in the longer term.
- Keep Solid Waste as is.
- Include the cost per week in the report, and for communications work to illustrate in a simple way, the savings from general waste when recycling.
- Include the DCDB request but make Council's role clear; that DCDB is an external party and Council is only administering. The community is to be asked in the LTP document if they agree with council's role as administrator.

The Chair was passed to Deputy Mayor Curnow

Meeting adjourned for morning tea at 10:50 a.m.

A minute silence was observed at 11:00 a.m. for Armistice

Meeting reconvened at 11:02 a.m.

3. Consultation dates, updates and pre-engagement feedback

Ben Hope (Senior Communications Advisor) presented this item and answered questions from elected members.

Council discussed:

- Pre-engagement so far and the purpose of each step of the consultation process
- Waste in relation to climate change, and the three waters statistics presented.
- The value of the pre-engagement events for elected members to meet the community.

- Educational pieces occurring between now and March 2021.
- Staff confirmed that high level results of surveys (high level) will be circulated back to the community.
- There was confirmation of the stringent process the consultation document goes through with auditors including assumptions, ensuring it is clear and concise, the balancing between 'plain language' and appropriate language.

Council directed staff to:

- Proceed as presented

The Chair returned to Mayor Smith at 11:25 a.m.

4. Financial Update – Part 2

Paul Cresswell (Financial Planning Lead), Jim Sephton (General Manager Infrastructure Services) and Sue Davidson (General Manager Finance, by phone) presented part two of the financial update and answered questions from elected members.

Council discussed:

- Capital Growth Projects and the removal of some as discussed previously.
- The challenge of growth versus affordability and risk in the prioritisation process.
- The opportunity to revisit growth in the next LTP review in three years
- Development Contributions (DC) processes and policy
- Revised Rates increases from 2020-2021 Annual Plan
- Optional items not included in the rates
- Solid Waste
- Current pre-engagement events to clarifying complex points with the community

Council directed staff to:

- That the plan would show all growth projects with some in the prioritised list and others to be the enabler.
- Clearly communicate the solid waste impact on rates
- Rates invoices to clearly outline the council where the rates are attributed eg: Northland Regional Council versus Kaipara District Council, etc.
- Members expressed a degree of comfort with the current state of the financials understanding that it is the indicative foundations that will go through to the auditors, and that there is the equalisation process still to come.

Meeting adjourned for lunch 12:18 p.m.

Meeting reconvened at 12:49 p.m.

5. Dargaville Civic Precinct Options Assessment

John Burt (Property, Procurement and Commercial Manager), Gavin Flynn (AR & Associates Ltd, consultants) presented this item and answered questions from elected members.

Council discussed:

- Dargaville's important role as a civic centre for the Kauri Coast and the essential services required
- Future opportunities on government owned land
- A range of options for existing buildings and functions also considering the new ways of working
- Ensuring function of rooms enabled sharing facilities with other agencies and the community
- Requirements for a meeting room that can satisfy all functions of a Council Chamber
- The need for centrally located civic buildings for accessibility
- The proposed 2024 start time and the impact on current building remedial requirements
- 'Trust' models
- Capital costs versus demolition operational cost and depreciation assignment

Council directed staff to:

- Refine the level of detail in report based on today's discussions.
- Preference was to demolish the 1990's leaky addition at 37 Hokianga Rd with the necessary repairs/ reinstatement made to the two older buildings
- Council will consult with the Community about forming a trust to construct a new building adjacent to the War Memorial hall and Municipal building to house the Library and a community Hub. This facility will be multiuse and therefore also be suitable for holding Council meetings/ceremonies. Council contribution to this project will be in the order of \$2.8 million as well as providing the land
- Preference to demolish 42 Hokianga Road council building and convert land into green space and land bank it, once council staff had moved into new NRC building.
- Library conversation to continue to find interim solution
- Doing nothing is not an option. Present options for consultation with a 'preferred option' from council.
- Team to consider depreciation on those buildings to offset demolition.

Meeting adjourned for afternoon tea at 2:12 p.m.

Meeting reconvened at 2:20 p.m.

6. Water storage options

Matthew Smith (Infrastructure Planning Manager), Jim Sephton (General Manager Infrastructure Services) presented this item and answered questions from elected members.

Council discussed:

- The need for a secure water supply.
- Storage as an option.

- The growing population and potential reduction of water take from rivers in future based on the National Policy Statement (NPS).
- The need to remove reliance on current supplies from Auckland or Whangarei in future.
- Desalination and wastewater treatment as an alternative to water storage. Cultural aspects and public perceptions with regard to wastewater treatment.
- The need to communicate water conservation.
- The Dargaville storage option and central government funding to make it viable.
- Future proofing the areas along the pipeline route of the pipeline and availability of water for other uses.
- \$2 million capital investment for the infrastructure of the treated water line into Dargaville and a small package treatment plant at Te Kopuru.
- Water rates in the LTP financials include the \$2m and indicative costings.
- Mangawhai not included in LTP at this stage.
- Maungaturoto repair to existing system and operational issues to work through this summer. Funding has been approved through three waters. To be looked at in next LTP with possibility of designating as 'water storage' to give the protection it needs.

Council directed staff to:

- Desalination and treated waste water to be explored for the latest technology as a future option.
- \$2 million to include in LTP for connection to Dargaville from Tai Tokerau Water Trust water storage facility, funded from debt.
- Proceed as presented.

7. Financial Update – Part 3

Paul Cresswell (Financial Planning Lead), Jim Sephton (General Manager Infrastructure Services) and Sue Davidson (General Manager Finance, by phone) presented part two of the financial update and answered questions from elected members.

Council discussed:

- Notes regarding the 'Summary Draft Statement of Revenue and Expense (Year 1)'
- Water rates and penalties are not included.
- Budgets are working to Council's direction of \$60m borrowing which is well within the direction of Treasury for borrowing.
- Growth work.
- Water supply and waste water targeted rate equalisation.
- The cost of the two systems, water and wastewater, and options for distribution of the cost.
- The 'benefit to all' principle, equalisation, and transition across three years to avoid sharp costs for communities.
- The equalisation model alignment with 'Three waters' work.

- Allocating a percentage of the rate to the general rate for the benefit of the whole, and the balance targeted.
- The general rate already takes 10% to storm water.
- Failing wastewaters schemes.

Council direction:

- Yes, council will support equalisations and amendments for smoothing, but both options to go out to the community.
- Support general rate wastewater around 5%.
- No, around potable water.

Councillor Wilson Collins closed the meeting with a karakia.

Meeting closed at 3:52pm