

## **Kaipara District Council**

### **Long Term Plan Briefing Minutes**

**Date:** Wednesday 9 December 2020  
**Time:** 9:31 am – 2:55 pm  
**Location:** Mangawhai Domain  
75 Moir Street  
Mangawhai  
**Members Present:** Mayor Jason Smith  
Deputy Mayor Anna Curnow  
Councillor Victoria del la Varis-Woodcock  
Councillor Jonathan Larsen  
Councillor Mark Vincent  
Councillor Peter Wethey  
Councillor Eryn Wilson-Collins  
**Apologies:** Councillor Karen Joyce-Paki  
Councillor David Wills

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**Meeting started at 9:31 a.m.**

#### **1. Opening**

##### **1.1 Karakia**

Mayor Dr Smith opened the meeting with a karakia.

##### **1.2 Project update**

Michaela Borich (Strategic Planning Advisor) and Jason Marris (General Manager Engagement and Transformation) gave an update on the LTP 2021/2031 project.

Council discussed:

- Schedule, timelines and consultation dates.
- QV valuation delays by the Valuer General.
- Option of additional LTP Briefing for 20 January (discussed at end of meeting).

Council Directed staff to:

- Prepare a contingency should the QV valuations not come in January as planned.
- Proceed as presented

## **1. Mangawhai Civic Facilities Options Assessment**

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

[Secretarial note: Deputy Mayor Curnow declared an interest, noting that she is the elected member representative appointed to the Hearings panel for plan change 78, and did not participate in the conversation relating to that matter.]

Council discussed:

- Commercial sensitivity of the discussion, potential impact on future procurement, and the range of options presented dissipating this issue
- Increased permanent and aging populations, and increase in holiday makers.
- Mangawhai Community Park and the possibility to develop the area between the community park and MAZ location without compromising greenspace.
- The importance of greenspace to Mangawhai.
- Prioritising requirements and a staged approach:
  1. Library
  2. Plan for possibility of council office
  3. Council chamber (if needed)
- Possible need for two different sites, one for a library and one for staff offices.
- Preferred locations of these functions.
- Government agencies requiring service centres to meet growing needs of population.
- Need to consider the long view including sea level rise.
- Council facilities as a backbone for a range of solutions required by the community.

Council directed staff to:

- Seek clarity on fire station area.
- Future proof civic buildings including library use and office space for staff operations.
- Ensure flexibility is in built to the decision making around these.
- Green space is important in Mangawhai
- Ensure Mangawhai Community Park is kept as a predominantly green space.
- Recognise the desires of the current community library volunteers around location and need.
- Have flexibility around the 'back of house function' of Council to future proof. Ensure there is a Library, service centre, and space for back of house functions.
- Continue with leasing for staff and ensure timing is right for extensions, etc.
- Prioritise library before office buildings
- General direction on locations: Mangawhai Central or Moire street to be included in the consultation document for the community to consider.

[Secretarial note: Councillor Larsen left the meeting 10.21 am, towards the end of these discussions.]

## **2. Changes proposed to Revenue and Financing Policy for inclusion in Long Term Plan**

Sue Davidson (General Manager Finance) presented this item and answered questions from elected members.

[Secretarial note: Councillor Larsen rejoined the meeting 10.34 am, during solid waste discussion]

[Secretarial note: Councillor Larsen left the meeting 10.36 am, rejoined the meeting at 10.37 am during safer communities discussion]

Council discussed:

- Recycling and solid waste rating options.
- Safer communities terminology in consultation document.
- Waste water rating options and time frames, equity in distribution.
- Drinking water options.
- Septic tanks on vacant or developed land.
- Forestry rate options, impact on general roads, upgrades required for types of freight vehicles and volumes.
- Harmonising of rates and the issues that could arise once valuations come in.

Council directed staff to:

- Solid Waste - Look at how savings are presented particularly for those who have minimal waste.
- Safer communities – correct text as there is no Ruawai Tokatoka Ward. Use Ruawai town or Ruawai area.
- Waste water - ensure clearly noted in the document on capital and charges due to the rate rise. Extend the righthand column for 10 years so that it demonstrates the longer term impact when a separately paid for supply requires upgrade.
- A table on three waters funding with information.
- Drinking Water – Show Status Quo, Option 1, Option 2 so it is clear and include explanations.
- Septic tank - keep as is at 75%.
- Forestry rate – keep as is based on the principle of longer term view.
- Harmonising of rates – continue as presented with a view to a paper in the future outlining other options.

**Meeting adjourned for morning tea at 11.15 am**

**Meeting reconvened at 11.24 am**

[Secretarial note: The Chair changed the agenda order, bringing item 4 ahead of item 3]

### **3. (Item 4) Adoption of draft Financial Contributions Policy for inclusion in Long Term Plan**

Sue Davidson (General Manager Finance) presented and answered questions from elected members.

Council discussed:

- Financial Contributions (FC) for reserves.
- 'Land in kind' in lieu of funds.

Council directed staff to:

- Add wording: Council can acquire land in lieu of contributions at Council's discretion.

- Explain in a future briefing how the process works for Council to request 'land in kind' in lieu of funds.

**4. (Item 3) Changes proposed to Development Contributions Policy for inclusion in draft Long Term Plan 2021-31**

Sue Davidson (General Manager Finance) presented and answered questions from elected members.

Council discussed:

- Handling of contributions and interest rates on contributions in the financials.
- New categories for Development Contributions (DC) and how they are applied to a variety of development situations.
- Library infrastructure now being district wide as books can be shared around the network.
- Differences between Units of Demand and DC.
- Contributions where development are for 'public good'.
- The currently enabled, deferring of Development Contributions.

Council directed staff to:

- Units of Demand – clarification and application.
- Possible wording as Kaipara Libraries or Libraries Network.
- Kaiwaka Eastern Link road to be clarified.
- Clarify more explicitly when it is at Council's Discretion.
- Ensure there is a process to exercise that discretion fairly and appropriately.

**5. Significant forecasting assumptions - please note Attachment A is a working document**

Paul Cresswell (Financial Planning Lead), and Sue Davidson (General Manager Finance) presented and answered questions from elected members.

[Secretarial note: Councillor Larsen left the meeting 12.17 pm, at the start of this item.]

Council discussed:

- Inflation levels.
- Growth and population projection accuracy and preferred dataset to apply.
- Complexities of disparate data.
- Rates affordability, benchmark figures and the ratio being used to guide the financials.
- Assumptions in general.
- Impact of external items such as three waters on the consultation document.

Council directed staff to:

- Prepare for further discussion on the use of the current LGCI + 2% measurement, and possible other measurement options.
- Add wording regarding these assumptions being based on 'business as usual' so it is clear that this information is under normal circumstances.

- Add Taumata Arowai to the text as the new 'regulator' for water
- State clearly 'Three Waters: storm water, etc as at DATE' because the consultation document will be out when externalities hit.
- Cut back the volume of information but ensure the content is included and easily read.
- Otherwise proceed as presented.

**Meeting adjourned for lunch at 12.53 pm**

**Meeting reconvened at 1.30 pm**

## **6. Draft Financial Strategy - please note Attachment A is a working document**

Paul Cresswell (Financial Planning Lead), and Sue Davidson (General Manager Finance) presented and answered questions from elected members.

[Secretarial note: The latest working version of this report was tabled to replace the published version.]

[Secretarial note: Councillor Vincent rejoined the meeting at 1.17 pm, start of this item.]

[Secretarial note: Councillor Larsen rejoined the meeting at 1.52 pm, page 163 tabled version.]

Council discussed:

- The Financial Strategy itself.
- Managing debt to fund intergenerational equity.
- Funding of depreciation.
- Rating levels across the term.
- Factors expected to have a significant impact over 10 years.
- Aging infrastructure (nationwide issue), three waters, and reflection of this in the LTP
- Programme of depreciation to fund renewals and historic handling.
- Capital expenditure investments, impact on depreciation rates across the term.
- Whether to include information on projects that are not yet confirmed.

Council directed staff to:

- Confirmed the addition of a table outlining LTP items that are subject to external funding, and a way to illustrate that the capital expenditure from external funds is equal to a normal year effectively doubling funds.
- Smooth across the term or rate for debt repayment.
- Change paragraph to be clear regarding funding of renewables, and to be clear that operational is not being paid by debt.
- Page 164 be more quantifiable rather than well within. This will be illustrated in a table which includes history. Include Capital debt per capita.
- Provide clarification regarding the reserves for future obligations.
- Outline KDC's prudence now in the handling of depreciation, while starting late though implementing quickly, also noting the rate of depreciation.
- Remove the Key projects table on page 168.

## **7. Review Financial figures for inclusion in the draft Long Term Plan**

Paul Cresswell (Financial Planning Lead), and Sue Davidson (General Manager Finance) presented and answered questions from elected members.

Council discussed:

- Dargaville Precinct costs are coming through and will be included in the January meeting.

Council directed staff to:

- Include further information to clarify the increases for Water.
- Proceed as presented.

## **8. Additional LTP Briefing**

Jason Marris (General Manager Engagement and Transformation) facilitated discussion on the possibility of an additional LTP Briefing on 20 January 2021. Auditors will receive the information including final figures 15 January 2021. Ability for minor tweaks but not fundamental changes at that time.

Agenda outline:

- a. QV presentation re: impacts of rating valuations across the district.
- b. Development Contribution, Financial Strategy and finals
- c. Other items.

Council directed staff to:

- Schedule the 20 January 2021 meeting.
- Circulate a rough draft of the CD, electronic copy this side of Christmas to councillors.

**Mayor Dr Smith closed the meeting with a karakia.**

**Meeting closed at 2:55 pm**