

Minutes of the Long Term Plan Briefing of Kaipara District Council

Date: Wednesday, 20 January 2021

Time: 10.09 am – 2.40 pm

Location: Mangawhai Domain
75 Moir Street
Mangawhai

Members Present: Mayor Jason Smith
Deputy Mayor Anna Curnow
Cr Jonathan Larsen
Cr Karen Joyce-Paki
Cr Victoria del la Varis-Woodcock
Cr Mark Vincent
Cr Peter Wethey
Cr David Wills
Cr Eryn Wilson-Collins

Meeting started at 10.09 am.

1 Opening

1.1 Long Term Plan (LTP) Project Update

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

Council discussed:

- Issues and options, and deliberations being combined to one meeting as is normal practice.
- The current, final stage of the draft plan, where changes are editorial only.
- The public consultation process and that new projects could be raised via submissions from the public, and how these process through hearings and deliberations.

Council Directed staff to:

- Combine the separate issues and options briefing with the deliberation decision-making meeting, as presented.

2 LTP Capital Programme Update – January 2021

Jim Sephton (General Manager Infrastructure Services) and John Burt (Procurement and Commercial Manager) presented this item. Matthew Smith (Infrastructure Planning Manager) provided information for clarification.

Council discussed:

- OPEX and Capex movements.
- Attributing Financial Contributions towards projects that have a wider benefit and appeal rather than to benefit smaller groups.
- Park operations budgets.
- The difference between level of service and future growth, and how various funds can be attributed.
- How to communicate the complexities of projects in different locations where the various funds may not apply.
- The procurement process through Northland Regional Council (NRC) regarding Dargaville office.
- Building to a budget rather than design and tender
- Rigor around business cases to include contingency, and process to ensure council sign off.
- Storm water and Three Waters reform, with the focus on maintenance
- 'Safer roads' focus on speed, signage, safe crossing points, and cycleways. The key responses being to engineer roads up or bring speeds down.
- Slips and safety as a national issue as well as a key issue for the Kaipara community. Issues exacerbated in Northland due to the terrain causing roads to move continuously.
- Stopbank Improvements project application for funding.

[Secretarial Note – Councillor de la Varis-Woodcock noted that she disagrees with the 'Stopbank Improvements' project.]

- Mangawhai Sewerage plant growth opportunities combined with solving peak flow issues.
- The application of circular economy principles and opportunities to apply them, for example, sludge recycling.

Council Directed staff to:

- Include Te Kopuru by name in the document as requested previously.
- Consider the level of concern around differences in budgets versus tenders.
- Provide more detail on the NRC building project regarding budget.
- Define 'business as usual' more clearly so reviewing back is easier.

Meeting adjourned for morning tea at 11.28 am.

Meeting reconvened at 11.39 am.

3 LTP Post Workshop Financial Alterations

Sue Davidson (General Manager Finance) and Paul Cresswell (Financial Planning Lead) presented this item.

Council discussed:

- Dargaville War Memorial Hall alteration.
- Consultation document itself being compact with further detail on the website.
- Scarcity and premium price of land in Mangawhai for town planning and civic requirements.
- Financial and Development Contributions new figures reflect 'actuals' better.
- The need to list projects in the LTP in order to gain NZTA and other government subsidies and funding.
- Debt, reserves and depreciation.

Council Directed staff to:

- Discuss with Communications, to include a breakdown of demolition costs, recladding, etc in the consultation document, who is responsible for the cost, and include the narrative.
- Add qualifying statements such as 'subject to subsidy' to clarify, where applicable.
- Continue as presented.

Meeting adjourned for lunch at 12.09 pm.

Meeting reconvened at 12.42 pm.

4 Changes proposed to Development Contributions Policy for inclusion in draft Long Term Plan 21-31

Sue Davidson (General Manager Finance) presented this item.

Council discussed:

- Projects and reserves paid for via different funds.
- How 'renewables', provisions, and other accounts can be applied to existing and future ratepayers for fairness.
- The need for projects to be in the LTP in order to charge Development Contributions, and that each project adds to the debt level.
- The impact of this on Council's self-imposed debt cap of \$60 million.
- Differences between improving 'level of service' and addressing effects of 'growth' and the process used to apportion for contributions.
- Having a strategic view of what is needed with regard to sports fields considering future growth.

Council Directed staff to:

- Report back on 2.2.3b Calendar for Sports Northland sports fields, reserve strategies (ROSS).
- Continue as presented.

5 Draft Financial Strategy – January 2021

Sue Davidson (General Manager Finance) presented this item.

Council discussed:

- Rates increase direction and debt cap staff are working to was set by Council. Other councils were affected more by their investments due to Covid.
- Water by meter increases due to projects and renewals.
- The finances being well within the limits of the \$60m debt cap over the 10 year period.
- Debt per ratepayer coming down and the communication of this confirming fiscal prudence and the care being taken.
- Future reserve obligations awaiting auditor's clarification.
- Depreciation and Financial Contribution reserves collection and effective use through time, and their clear annotation for transparency.
- Population growth and predicted capital spend.
- Wastewater for Mangawhai debt being paid off with no future obligation.
- Unfunded depreciation being caught up by 2024. Available then for renewals as they fall due.
- The high capital expenditure that is not funded by debt due to significant inflow of central government Provincial Growth and Shovel Ready funding.
- Climate related information
- Wastewater connected rates and rates equalisation.

Council Directed staff to:

- Annotate chart regarding \$60 million to be clear it is self-imposed.
- Correct errors identified in charts.
- Communicate clearly that the Mangawhai Wastewater Treatment Plant debt has been repaid
- Wastewater connected rates report at next briefing for discussion or potentially an issues and options response.

Meeting adjourned 2.02 pm.

Meeting reconvened at 2.07 pm.

6 Consultation document and engagement update

Gillian Bruce (Community and Engagement Manager) gave an update on the consultation document (CD).

Council discussed:

- Ideas for descriptive title of the CD demonstrating council's vision are be forwarded to communications.
- Communication of climate change position.
- Communication of the costs of waste minimisation including recycling crates.
- General wording of document.
- Communications and engagement for the consultation period including webinars, drop in sessions across the district, media including social media, videos, and information around complex topics.
- Communications to encourage people to respond to the LTP during the consultation period.

Council Directed staff to:

- Outline that council is doing what it can, within obligations to central government with regard to Climate Change effects and response.
- Highlight the cost reduction by recycling and continue education through the consultation process.
- Corrections to wording and clarify where something is not funded through rates, direct to website of organisation funding.

Mayor Dr Smith closed the meeting with a karakia.

Meeting closed at 2.40 pm.