

Date: Tuesday 9 May 2023 at 3.37 PM

Venue: Council Chambers, Stratford District Council, 63 Miranda Street, Stratford

Present

The District Mayor N C Volzke (the Chairman), the Deputy Mayor – M McKay, Councillors: S J Beck, G W Boyde, A M C Dudley, J M S Erwood, A K Harris, E E Hall, V R Jones, M McKay, W J Sandford and C M Tongaawhikau.

In attendance

The Chief Executive – Mr S Hanne, the Director – Corporate Services – Mrs T Radich, the Director – Assets – Mrs V Araba, the Director – Environmental Services – Mr B Sutherland, the Committee Advisor and Executive Assistant – Mrs E Bishop, the Communications Manager – Ms G Gibson, the Environmental Health Manager – Ms R Otter (*part meeting*), the Corporate Accountant – Mrs C Craig, one member of the public and one member of the media (Stratford Press)

Via audio/visual link: the Director – Community Services – Mr C Julie

1. Welcome

The District Mayor welcomed Elected Members, members of the public, staff and the media to the meeting.

1.1 Opening Karakia D21/40748 Page 5

The opening karakia was read.

1.2 Health and Safety Message D21/26210 Page 6

The District Mayor reiterated the health and safety message and emergency procedures.

2. Apologies

An approved leave of absence was noted for Councillor M J Watt.

3. Announcements

The District Mayor noted the minutes for item 6.2 Policy and Services committee were incorrect in the agenda. The correct minutes were tabled and it was noted that they were circulated to elected members and hard copies were available at the meeting.

4. Declarations of Members Interest

Elected members to declare any real or perceived conflicts of interest relating to items on this agenda. There were no declarations of interest.

5. Attendance Schedule

The attendance schedule for Ordinary and Extraordinary Council meetings was attached.

It was requested that the Deputy Mayor's attendance for 11 April 2023 be amended to sick.

6. Confirmation of Minutes

6.1 Ordinary Meeting of Council – 11 April 2023 D23/13960 Page 8

Recommendation

THAT the minutes of the Ordinary Meeting of Council held on Tuesday 11 April 2023 be confirmed as a true and accurate record.

BOYDE/HARRIS
Carried
CL/23/33

6.2 Policy and Services Committee – 18 April 2023 D23/12257 Page 14

Recommendations

1. THAT the unconfirmed minutes of the Policy and Services Committee meeting held on Tuesday 18 April 2023 be received.

TONGAAWHIKAU/BECK
Carried
CL/23/34

2. THAT the recommendations in the minutes of the Policy and Services Committee meeting held on Tuesday 18 April 2023 be adopted.

McKAY/BOYDE
Carried
CL/23/35

6.3.1 Draft Class 4 Gambling Venues Policy and TAB Venue Policy D23/17306 Page 27

The updated policies and statement of proposals with the requested amendments were attached for Council's information.

Questions/Points of Clarification:

- The District Mayor noted the amendments were slightly different to what was suggested at the policy and services committee meeting, this was to ensure the correct words were used but did not impact the intent or outcomes.

Points noted in discussion:

- It was clarified that a high number/level indicates a high deprivation score for that area where a lower score would be an acceptable location for a new venue.

The Environmental Health Manager left the meeting at 3.47pm.

Recommendations

1. THAT the unconfirmed minutes of the Sport New Zealand Rural Travel Fund Assessment Committee meeting held on Tuesday 4 April 2023 be received.

SANDFORD/DUDLEY

Carried

CL/23/36

2. THAT the recommendations in the minutes of the Sport New Zealand Rural Travel Fund Assessment Committee meeting held on Tuesday 4 April 2023 be adopted.

HARRIS/McKAY

Carried

CL/23/37

Councillor Harris noted that an additional \$3,325 from Sport New Zealand had increased the total available funds to \$12,325. Application requests totalled \$16,000.

7. District Mayor's Report D23/4126 Page 43

Recommendation

1. THAT the report be received.

VOLZKE/BOYDE

Carried

CL/23/38

2. THAT Council endorses the appointment of Councillor Ellen Hall as a trustee of the Percy Thomson Trust until the end of the 2022 – 2025 triennium (October 2025).

BOYDE/McKAY

Carried

CL/23/39

The District Mayor noted the following points:

- There is a recommendation within this report to appoint Councillor Hall as a trustee to the Percy Thomson Trust for the remainder of this triennium. This is to fill the vacancy from the resignation of Gloria Webby who had been a council representative.
- He noted the submission made on behalf of us, and other councils and organisations, regarding forestry and land use. The executive summary is included in the report as well as the link to the full submission.

Questions/Points of Clarification:

- The Deputy Mayor asked if there were plans to discuss the formalities of ANZAC day with the community? The District Mayor noted that a review would be held with himself, the Deputy Mayor, an RSA representative and the Director – Community Services and improvements will be made if necessary, this would also be the right time to ask if the formalities are correct. It was acknowledged that Stratford previously held a dawn and mid morning service that had been impacted partly by Covid-19 and partly by low attendance.

Recommendations

1. THAT the report be received.

VOLZKE/ERWOOD
Carried
CL/23/40

Recommended Reason

To finalise the draft Annual Plan 2023/24 so that it can be released to the public for community feedback with the intent of adopting the final Annual Plan in June.

The Director – Corporate Services noted the following points:

- The Draft Annual Plan is a piece of work that started in February this year with different options having been presented to Council since then.
- With some of the changes that have occurred over the past year there are a few decisions to be revisited before releasing for feedback.
- The draft survey for public feedback has been loaded in diligent for councillors to view.

Questions/Points of Clarification:

- Councillor Erwood requested there explanation on the increased forestry differential rate in the consultation wording.

Forestry Differential

- The District Mayor noted officers had been instructed to apply the same targeted rate as last year to the increased number of properties to show the amount of revenue that would be collected. Examples of \$250,000 and \$400,000 total collection have also been presented at council's request.
- Councillor Boyde noted he had thought about this time and time again. The year to date spend on unanticipated reinstatement of roads due to forestry work is \$971,000 meaning other planned maintenance work has needed to be sacrificed. This is over a third of the total maintenance budget going to logging which is of huge concern especially with more and more logging occurring. He supported an increase to \$250,000 as an increase to \$400,000 was too much of a jump.
- The District Mayor noted that the share council pays towards the road reinstatements as noted by Councillor Boyde was in the \$300,000 range due to the 61% FAR rate.
- The Deputy Mayor agreed the next step was increasing to a total differential rate of \$250,000 but this would need to continue to be reviewed for fairness to all ratepayers.
- Councillor Harris noted she was torn between \$210,000 and \$250,000. She questioned if the newly identified properties had been notified of the potential increase? Mrs Radich clarified the properties had been identified using council resources and QV and are in the process of having their property classification changed. Properties are rated on their classification as at 1 July so they would not have incurred any part rating for the current financial year. Mrs Radich would follow up if the property owners had been notified.
- It was clarified that new properties were also identified through applications for resource consents through the Taranaki Regional Council during the year. There are multiple new methods to collect information that were not available prior to this differential rate as it was not relevant data to collect.
- It was noted that the total rate of \$210,000 would mean an overall rate increase of 5.71% for these properties.
- It was clarified if further properties were identified as forestry during the next financial year they would not receive this rate charge until the 2024/25 financial year and noted that more could be identified or drop out before this rate is struck.

Recommendations

2. THAT the draft Annual Plan 2023/24 be approved and released to the public for feedback from the community, pending decisions on the following:
- The Forestry differential to the Roding targeted rate to be set at a rate that collects \$240,000, \$250,000, ~~or any other amount.~~

McKAY/BECK
Division
For 11
Against 0
Carried
CL/23/41

A Division Was Called

Those voting for the recommendation: The District Mayor, the Deputy Mayor and Councillors: Beck, Boyde, Dudley, Erwood, Hall, Harris, Jones, Sandford and Tongaawhikau

Those voting against the resolution: none

Removal of Brecon Road Bridge Business Case

- Mrs Radich clarified that this expenditure was covered off by the Tranche 1 of the Better Off Funding package and if it was to be reallocated further discussion would be required.
- The Director – Assets noted that DIA had confirmed that reallocation could be discussed but any new projects would need to be presented and go through the same assessment and criteria requirements as the initial application.
- The District Mayor noted he had discussed this project with Waka Kotahi this morning, particularly the merits of the project given the funding mechanism had changed with no guaranteed funding at the conclusion of the business case. Currently the business case can be pursued with no impact on rates and the business case can then be used to present an application should funding come available from another source. Stratford District Council had been very successful in a number of funding applications recently as a result of having projects ready to go. The Waka Kotahi representative was very supportive of proceeding with a business case as this project would add resilience to connectivity and alternative routes through the town away from the main highway. He noted his support for this to remain in the Annual Plan.
- Councillor Sandford questioned how long a business case will remain viable once compelled? Mrs Araba noted the case study will be valid as long as it needs to be with the ability to update the project worth in terms of construction if required. She noted it takes about two years to develop a business case. Councillor Sandford noted he was happy to keep this in the Annual Plan as long as it was not costing rate payers.
- Councillor Erwood noted this project had already been discussed with the community as part of the Long Term Plan consultation and felt it would not be pursued if it went off the radar. He supported leaving it in Annual Plan.
- The Deputy Mayor questioned if the funds were to be reallocated what would the proposed project to be presented to DIA be? Mrs Araba noted options would need to be brought to council for consideration and instruction as there are lots of potential projects.
- The Deputy Mayor felt that this idea was always going to be something the community will want to see and will understand it costs a lot of money. A business case would allow council to make a decision to proceed with it or not and could potentially pay off if a funding opportunity comes up.
- Councillor Hall noted her questions had been answered regarding clarification of where the funding is coming from, the benefits of a business case sitting in a drawer and acknowledged the points made regarding the endorsement by the public through the Long Term Plan process and therefore was in favour of keeping this in the Annual Plan.

- Councillor Boyde noted he supported the idea, rationale and concept of the bridge including the opportunities it creates but noted that it is absolutely costing council something. This will be an \$18 million bridge he asked if councillors believed they would be able to get that? Waka Kotahi would say there are three to four alternative routes through town and with criteria changing for funding from there he did not think there was any way council would get funding for this and he could not support this because of that.
- The District Mayor noted he would need to ensure this project was presented to the Regional Transport Committee for inclusion in the regional transport strategy.
- Councillor Tongaawhikau questioned if it was a lengthy process to repurpose the funds. Mrs Araba clarified it would be ensuring the project meets the criteria from the fund, the first step would be identifying a project with council which would then require formal council approval and then be presented to the DIA.
- Councillor Jones questioned if the business plan would focus solely on a bridge in that location or would it cover a bridge on the other side of town? It was clarified that the business plan would look at all options for the bridge and would be a massive study.

Recommendations

2. THAT the draft Annual Plan 2023/24 be approved and released to the public for feedback from the community, pending decisions on the following:

- ~~Remove Brecon Road bridge business case operating expenditure of \$250,000, currently included.~~

THE MOTION WAS LOST

Transport Choices

- Mrs Radich noted that this topic had only been presented to elected members recently so this was giving them the opportunity to remove it from the Annual Plan. This addition does increase the rates rise from 8.56% to 8.91% but removal of the projects would mean not keeping the funding.
- The District Mayor noted that the funding was subject to council contributing approximately \$1.5 million to the total project cost of \$7.8million. The projects include installation of cycleways and walkways across all of the township as well as reconfiguration of parking at the Stratford Primary School, outside of Wai o Rua, the establishment of cycleways to key access points such as the Bike Park and Wai o Rua and crossing points at key locations on the state highway which is a major safety issue.
- Councillor Jones questioned if the potential rates increase as a result of this fund was due to the interest? It was clarified that yes this would be.
- Councillor Jones questioned what would the operating expenses be to maintain this work over the next few years? Mrs Araba noted that this would require little physical maintenance as the infrastructure is not buildings and are expected to last a long time before deteriorating (5-10 years) but that there would be some depreciation in terms of accounting processes.
- Mrs Araba noted that when this funding had been applied for it was because council had said it would support with 20% of costs. This fund was meant to be for only tier 1 and tier 2 councils but as a tier 3 Stratford was successful and has been identified as a flagship project for school and community safety.
- Councillor Harris questioned if the projects within this would become a requirement to council in the future in terms of safety around schools and if proceeding with this now could save future rate increases in the future for the same projects? The Chief Executive noted that a number of these projects are a moral obligation such as an additional crossing on Broadway but that this also includes the bridge by the Centennial Rest Rooms which is not fit for purpose. Mrs Araba reminded council that these projects will be the implementation of the connecting our communities strategy for which there is currently no other budget to fund.
- The District Mayor noted the safety improvements at Stratford Primary School was a huge project that council was going to undertake and could have cost in a similar vicinity to the proposed investment to this total project. This is a great opportunity to receive \$6.5 million subsidy from the government.

- Councillor Hall noted that the presentation on this had felt aspirational and it was exciting to see something like this becoming a reality in our community. She noted her support for it to remain in the Annual Plan.

The Communications Manager left the meeting at 4.38pm.

2. THAT the draft Annual Plan 2023/24 be approved and released to the public for feedback from the community, pending decisions on the following:

- ~~Remove Transport Choices funded (part) capital expenditure of \$7,800,000, currently included.~~

THE MOTION WAS LOST

Three Waters depreciation funding

- Due to the delay in the implementation of the three waters entities council was being asked today if they wanted to review the proposed 75% depreciation for water assets.
- It was clarified that the rates increase would be reduced to 8.41% if depreciation was reduced further to 70% and be 9.42% if it was increased to 80%.
- Councillor Jones questioned if two years would make a difference with 5% of the depreciation? Mr Hanne noted that depreciation is a long term gain and two years would not impact that significantly.
- The Deputy Mayor noted that the three waters discussion had began four years ago and has now been pushed out a further two years which could change again after the elections this year so asked what position council would be in if the affordable waters did not go ahead? The District Mayor noted it would still go ahead regardless of which political party won the election but it may just take another form. There is no one saying it won't go ahead but the timing could potentially change as National is saying 2025, Labour saying 2026 and there is also the opportunity to go straight away if an entity area is ready.
- Councillor Hall questioned if there was an impact from council funding the depreciation for the three waters at 75% for the regional model? Mr Hanne noted it could either affect the work council can do between now and then but most likely it will affect either the cash or debt that is transferred to the future entity.

Recommendations

2. THAT the draft Annual Plan 2023/24 be approved and released to the public for feedback from the community, pending decisions on the following:

- ~~Increase funding of three waters depreciation from 75% currently, to 80%, or any other percentage amount.~~

THE MOTION WAS LOST

Loan Funded Expenditure

- Mrs Radich noted the loan funded capital expenditure had been presented at a workshop and this decision was just to re-confirm before the draft annual plan is released. The full list of projects was included in the agenda.
- The Deputy Mayor noted the uncertainty on the pending reforms and with the District Plan she questioned what council's absolute necessity was in completing this before the reforms were confirmed? The Director – Environmental Services noted that officers were actively trying to avoid proceeding in advance of the reforms, in terms of completing the District Plan after the reforms he noted it would be required but what is needed to be done may change. He noted that even if it is a regional plan it will still need to be done. Mr Hanne noted that the expenditure would start for this in Year 3 of the Long Term Plan but the rating impact would not be felt until the following year. This loan would have a higher rating impact as it is only spread over ten years and would have no depreciation.

- The Deputy Mayor questioned if council was going to go back to the community with this list and ask if they still want council to loan fund these projects? Mrs Radich clarified that the majority of these are already in the Long Term Plan as it is important to set the projects at that point and wait until Year 4 to make changes. These don't require further consultation. The Deputy Mayor noted that there had been a lot of changes since the Long Term Plan and feelings around increasing costs have changed. She noted the waste water and storm water upgrades were maintenance and repairs but also included increased levels of service and felt if the community was asked how they felt about increasing levels of service she was not sure if they would say it was ok. She confirmed she was looking to remove some of these projects to reduce capital expenditure.
- The District Mayor suggested the capital projects could be left as they were and could be changed when the feedback was discussed or at the final adoption to give officers time to present exactly what those changes were for. The Deputy Mayor reiterated her concern that council should ask the community if they want an upgrade to the level of service or maintain the status quo. Mrs Radich reminded councillors that a change from the Long Term Plan to three waters then council would have to notify DIA which will require a bit of time, this is doable but it is important to consider this. Mr Hanne noted that if these services are retained then this is essential work and if they go to the entity then the debt will go with them.
- Mrs Araba noted that the increased level of service could be legislative or a consent requirement.
- The Deputy Mayor suggested the consultation document could ask questions around capital expenditure to refer the community to that section directly. Mr Hanne noted that the Deputy Mayor was seeking a conversation that council will not be providing enough information for, the depth of this conversation is for the Long Term Plan and the timeframes will now not allow this level of consultation. The District Mayor noted she did not think the community will care if it is the Long Term Plan time or not.
- The District Mayor noted the points raised were valid and that the community may very well have a view and the feedback form could ask if the community wants to continue with loan funding some of these projects, however he acknowledged the danger would be not having the ability to explain these projects and why they are being done.

Recommendations

2. THAT the draft Annual Plan 2023/24 be approved and released to the public for feedback from the community, pending decisions on the following:
 - ~~Review loan-funded expenditure, with the understanding that the major effects will impact the budget in the following year (2024/25) with an increase in loan repayments, depreciation, and/or interest costs.~~

THE MOTION WAS LOST

Swimming Pool – Fees and Charges

- The District Mayor requested the following options be presented to council to consider in the Annual Plan:
 - That the fee structure be simplified as it is extremely complicated.
 - Two or three options around an increase in entry fee for all patrons as this would be handy to know rather than increasing charges for one group of people. This could result in a lower increase per head but impact evenly. The Deputy Mayor questioned if this meant removing the lane hire and higher entry fee for the private swim school? The District Mayor clarified that councillors had instructed officers to increase revenue at the pool and yet none of the fees had been increased and he would like to see that option considered. This could be as well as the lane hire fee and higher rate for external swim school entry.
 - Following the feedback process he requested a representative of council, or a group, meet with the external swim school to discuss what fee they may be able to afford or find acceptable.
 - He requested the Chief Executive continue to work at reducing costs at the facility particularly wage costs. He acknowledged that this may take a bit of time.
- Mrs Radich noted her concern that increased fees and charges for the swimming pool would not have been proposed in the public feedback process. Feedback will only be sought on what will be approved today. If a change is made that wasn't driven by feedback then the feedback process did

not help inform the decision. The District Mayor noted there had been a substantial amount of annoyance around the proposed lane hire fee but council had not looked at the general fees at all.

- Mr Hanne suggested a resolution could be made to increase all fees by a set amount but given that council was not sure if they wanted to proceed with it or not that might not be the right idea.
- Councillor Boyde suggested leaving it as it was, no one would provide feedback saying increase the fees. The District Mayor questioned what would happen if the public said they did not want the lane hire fee and that it would be fairer to increase across the board, he felt this could be a question put to the public. Councillor Boyde agreed this would be a much cleaner way of doing this.
- Councillor Erwood agreed that a across the board increase would be fairer, only 5% of the community use the facility so it should be user pays.

The Director – Corporate Services left the meeting at 5.10pm.

Recommendations

3. THAT the draft Annual Plan 2023/24 be approved and released for public feedback.

VOLZKE/HALL

Carried

CL/23/42

Recommended Reason

To finalise the draft Annual Plan 2023/24 so that it can be released to the public for community feedback with the intent of adopting the final Annual Plan in June.

Points noted in discussion:

- It was noted the properties in the sample rates cannot be differentiated in the system between urban and rural.
- Councillor Harris noted she had requested that a secondary rural property with a lower capital value be included in the sample rates. It was agreed to add a property with a capital value of \$2.5 million.
- There was an incorrect title on page 140 for the Water Supply level of service (last table). This would be updated.
- Councillor Jones noted his concern regarding the operating costs having doubled for the swimming pool and questioned where council had gone wrong noting that the operating costs in the Long Term Plan 2021-2031 had been well under where they are at now. He asked if a review of this process was required. Mr Hanne noted the timelines had impacted on the entire process as the focus was heavily on the capital expenditure and included a last minute significant increase in the budget due to external funding. He also noted that electricity costs had risen excessively during this time and was not sure if depreciation had been considered with the change in budget. Councillor Jones noted before the government funding it had still been a \$15 million facility and felt there had been a fundamental mistake made and a review was required to ensure a mistake like this did not happen again. Mrs Araba noted this had been the biggest investment in the history of this council and there were lessons to be learned. However she noted that the operational costs were now actual costs.
- It was clarified that there would be no hearing in the public feedback process. The feedback would be presented to council in a decision report in June. The District Mayor requested that it be made very clear that this is process. Councillor Jones supported having the feedback in writing. Councillor Erwood reminded councillors it was up to them to go out to their community and make sure they pass on their feedback. Councillor Hall did not feel the community would be any less heard as long as it is clear in the procedures that this is the process for an Annual Plan.

9. Response to Public Forum

Speaker: Michael Carr

Topic: Sport Taranaki Update

Speaker: Holly Sutich, Andrew Murphy and Paul Vanner.

Topic: Stratford Park Update

- It was requested that the District Mayor thank both organisations for their presentations and request a six monthly update to council from the Stratford Park.

10. Questions

- Councillor Hall noted that there had been discussion regarding karakia at meetings to revisit other options around karakia at meetings. Mr Hanne noted that the standard karakia was included in the agenda but any karakia could be used. Councillor Hall asked if there was an appetite for elected members to learn different karakia to ensure they had more in their kite to pull from and requested something be brought back to council to consider. She noted that opening and closing karakia should be different. Mr Hanne will liase with Councillors Hall and Tongaawhikau on the next steps for this discussion.

11. Closing Karakia

D21/40748 Page 206

The closing karakia was read.

The meeting closed at 5.29pm

N C Volzke
Chairman

Confirmed this 13th day of June 2023.

N C Volzke
District Mayor