

EXTRAORDINARY MEETING

RODNEY DISTRICT COUNCIL

MINUTES: of an Extraordinary Meeting of the Rodney District Council which commenced at 9.05 a.m. in the Council Chamber, Centreway Road, Orewa on Thursday, 28 May 2009.

PRESENT: Penny Webster, Mayor (Chairperson)
Crs Ross Craig
Pat Delich
Michael Goudie
Gaye Harding
John Kirikiri
Dave Parker QSM
Grahame Powell
Zane Taylor
June Turner
Greville Walker
Wayne Walker (from 9.15 a.m.)
Suzanne Weld

IN ATTENDANCE: Chief Executive (Rodger Kerr-Newell)
Assistant Chief Executive (Warren Maclellan)
Director: Corporate Services (Kevin Ramsay)
Director: Infrastructure (Murray Noone) (present from 9.22 a.m.)
General Manager: Strategy (Rory Palmer)
Manager: Finance (Morna Macfarlane)
Communications Advisor (Allanah Jarman)
Executive Manager (Paul Garbett)

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330/05/09 PRELIMINARY DELIBERATIONS ON DRAFT LTCCP SUBMISSIONS

AGENDA ITEM NO. 2

FILE REF: DG/11/3

Note: All preliminary decisions made at this meeting will be incorporated in the 'Decisions Document' and reported back to the Council for formal adoption prior to the LTCCP adoption on 26 June 2009. Financial changes to the LTCCP as a result of deliberations are also shown in the chart attached as Appendix 1 to the minutes of the Extraordinary Council meeting of 29 May 2009.

Development Contributions

Present for this Topic were: John Hall (Manager: Infrastructure Funding), Dan Auber (Business Analyst) and Rob Bates (Consultant Forward Planning).

It was agreed that the following recommendations concerning Development Contributions Policy be adopted, for inclusion in the Final LTCCP.

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Early payment

- Amend payment timing in the DCP to the following:
 - Subdivision resource consent – before release of 224(c)
 - Land use resource consent – before commencement
 - Building consent – at the time of granting
 - Service connection – at the time of granting
- This deals with the issues of certainty and time lag and negates the need for a finance charge but does increase DC charges generally as Council will now have to borrow money for longer.

Interest rate charged to growth

- Retain the current approach as this reflects the anticipated (average) cost to Council of borrowing money.
- Amend the term used in the DCP to the Weighted Average Cost of Borrowing (WACB).

Note The DCP when implemented will use the latest percentage values provided by the Treasury Manager. This currently sits at 6.75% for year 1 and 7.5% for years 2 through 10. These are the indicative values used for LTCCP planning purposes based on best information now. If interest rates change significantly, there may be a need to amend these figures

Credits

- No provision be provided for credits in the DCP
(where Council requests additional work it will pay cash to the developer as if the developer was like any other contractor of Council).
- Wording in the policy to be worked through with the development community to ensure the intent of Council is properly worded to avoid misunderstanding.

Double dip

- No adjustment to be made for the double dip in the DCP.
- No adjustment to be made for the reverse 'double dip' in the DCP
 - The legal basis for making any adjustment is unclear.

Wait for Auckland Council

- Continue with implementation.

Speed of implementation

- Continue with implementation.

Delay implementation

- The DCP to be implemented as planned within the LTCCP.
- Commit to ongoing discussions with the community following implementation.

Audit

- Retain the current fully independent audit process.

Areas of funding – stormwater

- Adopt water catchment based areas of funding for the Hibiscus Coast.
- Retain current proposal for rural areas of funding.
- Continue to acknowledge wider cause and benefits relationships under Section 101(3).

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Reserve policy

- Retain current approach with two minor changes:
 - Inclusion of Orewa planning area units
 - Change formula variable (a) to refer to the total land value not the average.
- Wording in the policy to be worked through with the development community to ensure the intent of Council is properly worded to avoid misunderstanding.

Retirement unit of demand

- To look for a single reduced unit of demand differential for retirement villages but excluding vacant retirement units:
 - Ideally based on further information from the submitter (industry wide) which has been requested.
- If no progress with submitter on the above, to adopt 0.5 as the demand differential for retirement villages.
- To make no further reductions for certain types of infrastructure.

Webster/Powell

That the Council establish a Working Party of developers, Councillors and staff to ensure ongoing communication on Development Contributions – proposed membership to be referred to the Council for approval as soon as practicable.

Carried

The Council commended John Hall and his team for their work on development contributions policy.

The Council began its preliminary deliberations on rating policy issues. Warren Stevens (Group Manager: Financial Services) was present for this process.

12.32 p.m. – 1.15 p.m. Luncheon adjournment.

Cr Kirikiri raised a concern that submitters had been invited by a Councillor to join the Council for lunch. It was noted that this was not appropriate and should be avoided in future.

The Council resumed its consideration of rating issues.

Islands and Sea Access – Transport Rate

It was agreed that a differential of 0 be applied for this category (i.e. no transport rate applied).

Islands and Sea Access Uniform Annual General Charge

The Council decided not to reduce the Uniform Annual General Charge for this category. (However refer minutes of 11 June 2009 – the Council revisited this issue and decided to reduce the Uniform Annual General Charge throughout the District to 25%).

2.35 p.m. – Cr Parker retired from the meeting.

2.35 p.m. – 2.49 p.m. Adjournment

Stormwater Rate – Scotts Landing and Omaha South

(The Council's preliminary decision on this was revisited on 11 June 2009.)

Utilities – Transport Differential

(The Council's preliminary decision on this was revisited on 29 May 2009.)

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Multi Units (includes single storey Retirement Villages)

The Council decided to reduce the Transport differential for the Multi Unit categories from 2 to 1.

Commercial and Industrial

The Council requested that the description of this rating category be clarified.

Transport Rate Differential – Rural Residential

The Council decided to reduce this differential to 1.2.

3.43 p.m. – Lloyd Barton present.

Financial Divisions

The Council agreed to confirm the proposal to combine the Hibiscus Coast and Rural and Townships Financial Divisions into one Financial Division.

Wayne Walker/Kirikiri

That the Council ensure that the net profits of any asset sales are allocated with full regard to the former financial divisions of the Rodney District.

Carried

Suspension of Standing Order 3.3.7 Time Limit for Meetings

Powell/Kirikiri

That Standing Order 3.3.7 be suspended to enable the business of the meeting to be concluded.

Carried

Volumetric Charging

The Council agreed to confirm its LTCCP proposal concerning volumetric charging for water and wastewater.

4.10 p.m. – Cr Wayne Walker retired from the meeting.

Councillors were invited to list those issues they would like to have revisited on the following day of deliberations (29 July) and outlined their preferences.

Broadband (Topic TD0019)

The Council agreed to include a budget of \$50,000 in the LTCCP for 2009/2010 to assist in the facilitation of broadband initiatives.

Sandspit Wharf – Supply of Diesel

The Council agreed to a budget of \$90,000 to fund a possible 50/50 joint venture to provide for a continuance of a supply of diesel for Sandspit Wharf.

4.30 p.m. – Cr Grev Walker retired from the meeting.

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Muriwai Wastewater

The Council agreed to allow \$10,000,000 in Year 4 of the LTCCP for this project.

4.38 p.m. – Cr Craig retired from the meeting.

The meeting closed at 4.40 p.m.

CONFIRMED AS A TRUE AND CORRECT RECORD THIS 2ND DAY OF JULY 2009

MAYOR

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