



**Minutes of a Meeting of the
Marlborough District Council
held in the Council Chambers, 15 Seymour Street, Blenheim
on THURSDAY 27 FEBRUARY 2020 commencing at 9.00 am**

Present

The Mayor J C Leggett (in the Chair), Cllrs J A Arbuckle, C J Brooks, J D N Croad, B G Dawson, B A Faulls, M J Fitzpatrick, G A Hope, F D Maher, D D Oddie (to 11.58 am), M A Peters, T P Sowman and N P Taylor.

In Attendance

Mr M S Wheeler (Chief Executive), Mr M F Fletcher (Chief Financial Officer), Mr D G Heiford (Manager Economic, Community & Support Services), Mr R P Coningham (Manager Assets & Services), Mr A J Lyall (Property and Community Facilities Manager), Mr D G Walters (Communications Manager), Mr S A Donaldson (Planning & Development Engineer), Mr S W Rooney (Operations & Maintenance Engineer), Mr S J Murrin (Marlborough Roads), Mr G R Dick (Rivers & Drainage Engineer), Ms J Tito (Reserves & Amenities Manager), Mr B R Paton (Emergency Services Manager), Mr A G McNeil (Solid Waste Manager), Mr B Walker (Infrastructure Projects Engineer), Ms C L Lake (Financial Services Manager), Ms R Zhao (Systems Accountant), Ms L Moore (Financial Accountant) and Mr M J Porter (Democratic Services Manager).

Karakia

The meeting opened with a karakia.

Apology

Cllrs Brooks/Arbuckle:

That the apology for absence from Cllr J L Andrews be received and sustained.

Carried

Cncl-0220-264 Declaration of Interests -

Members were reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

A number of declarations were noted in the agenda:

- The various interests as declared under Minute Nos. Cncl-1219-209;
- The interest as declared under Minute No. A&S-0120-220 (Minute No. A&S-0120-e-44); and
- The interest as declared under Minute No. PF&C-0220-249 (Minute No. PF&C-0220-250)
- The interest declared at the meeting by the Mayor under Minute No. Cncl-0220-e-xx (Minute No. A&S-0120-e-44 refers).

Cncl-0220-265

Annual Budgets 2020-21

F230-A20-03

The Mayor welcomed everybody and introduced the purpose of the budget side of the meeting as per the Agenda. The Mayor also acknowledged the work of Mr Fletcher and his staff and indeed all staff who had worked on reports.

The Mayor also announced that the agenda would be slightly rearranged, items were discussed in the order below.

Cncl-0220-266 Budget Summary

F230-A20-03

Mr Fletcher spoke to his report, including a PowerPoint presentation (filed in TRIM – Record No. 2042282), which provided Council with an overview of the proposed budget for inclusion in Council's 2020-21 Annual Plan (AP).

In summary Mr Fletcher reported that to maintain current levels of service, the proposed rates increase for 2020-21 is 4.55% after removing the increase relating to the Energy Efficiency Voluntary Targeted Rate. This is a 1.36% reduction on the rates increase forecast in the Long Term Plan (LTP) for 2020-21 and a 2.13% reduction on the rates increase forecast for 2020-21 in the 2019-20 Annual Plan. The majority of the increase is driven by: the cost pressures facing local government as reflected in the LGCI; Council's capital expenditure programme and consequential increased maintenance and management; and the additional staff approved as part of the LTP which identified the need for more staff to deliver Capex and Environmental Programmes. This is borne out as a contributor to the current Capex lag. Net debt levels are forecast to be within the \$140M Net Debt Cap set by Council except for two relatively minor exceedances over the 10 years to 2030. The Cap is exceeded in 2024-25 by \$0.9M and 2025-26 by \$4.5M.

Mr Fletcher, in his background to the report, advised that for each of the two years between LTPs Council is required to prepare an AP. 2020-21 is the second year since Council adopted its 10 year 2018-28 LTP. As part of the preparation of the LTP, Council undertook a significant review of its operations and policies. Council's review included: the levels of service for all its activities; Rating and Revenue Policies including the method of rating, rating areas and its Revenue and Financing Policy; Treasury, debt and investment policies; and key assumptions including legislative impact, inflation, interest rates, NZTA subsidy level, population growth and the economic lives of Council assets.

Mr Fletcher spoke on the budget approach which was detailed in the report. The prime drivers for rates increases, debt and proposed Council operating and capital expenditures were also covered.

The table below identifies the activities that have the greatest impact on the proposed increase in rates and charges and in summary the reasons why. It should also be noted that some of the increase results from the flow on effects of previous year's decisions. For example, last year's expenditure may have been funded from Reserves for one year and this year it is fully rate funded. Also, there is the follow on impact of investment in infrastructure intensive activities such as sewerage, water and community facilities. These projects are now incurring a full year's charge for depreciation, interest on loans and, for some, increased operating costs:

General Rates and Charges		
Environmental Management	\$775,058	More resources are required for Environmental Management to keep pace with government (National policy and environmental statements) and the communities demand for quality environmental data and monitoring so as to position Council well for the future. Increase in biodiversity assistance programme & monitoring expenses.
General Revenues	\$369,203	Decrease the funding from the General Revenues to allow the funds to be transferred to the Emergency Events Reserve which will allow this Reserve to be funded sufficiently. Refer para 29 for further comments.
Community Facilities	\$395,811	Increased operating costs are budgeted for reserves, public conveniences and halls.
Roads and Footpaths	\$331,553	Increased depreciation costs compared to last year following the large increase in value following the 2019 revaluation.
Solid Waste Management	\$207,867	The hazardous waste centre was setup with a one off government contribution. The costs of this centre are now the responsibility of Council.
Storm Water	\$152,919	Increase in costs for depreciation and internal interest due to recent capital investment.
Resource Consents	\$152,697	Additional personnel and overhead costs as result of additional resources and increases in salaries resulting from recruiting staff at more junior levels and moving them to the midpoint as they gain experience.
Democratic Process	\$149,870	Increase in costs due to the audit of next year's long term plan and increase in representation costs which are offset by the nil cost for an election in this year.
Environmental Protection	\$131,871	More resources are required to monitor consent compliance as agreed in the LTP.
Biosecurity	\$122,224	There is a new bio security strategy being implemented which had an increase in resource & budget.
Building control	(\$230,881)	Income has increased due to revised charging policy and activity increase for building consents.
Targeted Rates and Charges		
Combined Water	\$278,599	Increase in costs due to recent capital investment.
Awatere & Riverlands water supplies	\$243,887	Increased operating costs due to new system.
Energy Efficiency	\$186,422	Increase in targeted rate due to an increased uptake in the energy efficiency scheme.
TOTAL	\$3,267,100	(Total Annual Plan movement \$3,393,703)

Mr Fletcher reported that managers have identified a number of new initiatives with supporting papers contained elsewhere in this Agenda. The table below shows the indicative impact on Reserves and Rates should Council agree to proceed with the proposed initiative:

Item	Initiative	Cost \$	Proposed Funding
4.9	Muller Road Stormwater, Sewer and water project	6,430,000	As these projects are primarily renewals they will be funded from depreciation reserves.
4.10	Renewal of Lions Back Tanks	1,200,000	As this project is primarily renewals it will be funded from depreciation reserves.
4.11	Wairau River Edge Protection Works	1,650,000	Funding from Emergency Events Reserve.
4.12	Co-funding of Te Tauihu Pouārahi	30,000	Rates. NB this is subject to the two other Top of the South Councils also agreeing.
4.13	Renwick Kerbside Recycling	73,775	Targeted Rate
4.14	Blenheim Library, Furniture, Fittings and Equipment	1,600,000	From either Forestry & Land Development Reserve or Infrastructure Upgrade Reserve depending on the sale price of the Queen Street building
4.15	Community Facilities - Blenheim	166,000	Rates
4.16	Community Facilities – Picton and Surrounds	172,000 80,000	Rates As the Acid wash is a once every 5 year event, it is proposed to fund this item from the Forestry & Land Development Reserve.
4.17	Community Facilities - Other	130,450	Rates
4.18	Community Facilities Capital: - Pou on Picton foreshore - Playground Shade Sails - Water meter/data loggers	15,000 300,000 96,000	Forestry & Land Development Reserve. Land Subdivision Reserve. Forestry & Land Development Reserve.
4.19	Picton Planter Box Removal	40,000	Forestry & Land Development Reserve
4.20	Picton cruise season funding	60,000	As the project is still in development phase and final costs and funding sources aren't fully determined, it is proposed to fund this initiative from the Forestry & Land Development Reserve for one year.
4.21	Council Art Collection Maintenance	30,000	As this expenditure is for two years only until the new Art Gallery is operational it is proposed that this request is funded from the Forestry & Land Development Reserve.
4.22	Videography	25,000	Forestry and Land Development Reserve for one year

Mr Fletcher further reported that two opportunities have been identified as possible means of reducing rates:

- When the forecast balance of Emergency Events Reserve was considered by the LTP Working Group, to achieve a balance in 2030 of around \$10M a reduction of just over \$350,000 in general rates subsidy from General Revenues was required. The reduction in subsidy was used to increase the balance of the Emergency Events Reserve. With the revised forecast balance of the Reserve now being in the order of \$17M, even after Council potentially deciding to approve the Wairau River work above, there is room to increase the general rates subsidy for 2020-21.
Councillors should note when considering this option that the Community's preference following consultation on the LTP was to have a projected 2028 balance in the **\$10M to \$15M range**.
- For Council to identify and agree to reduce levels of service or to exit certain activities. If Council decided that it did not want certain activities delivered there would be consequential project and staff reductions as well as an eventual impact on overhead costs. In 2011 during the Global Financial Crisis, Council considered an extensive list of options. However, following the consultation process very few changes were ultimately made. A copy of the report is available on request. Related to this is the further deferral of major Capital Expenditure items.

It was reported that the position of Council's Reserves is slightly better than that projected in the LTP, primarily as a result of additional revenue from Subsidiary dividends, distributions from Marlborough Regional Forestry, the higher than expected proceeds from section sales and the delay in some Capital Expenditure.

Cllrs Peters/Taylor:

That the information be received and adopted as supporting information.

Carried

Following discussion on all budget reports, members agreed to the opportunity identified in the first bullet point immediately above.

Cllrs Peters/Arbuckle:

That Council agree to restore \$350,000 of the transfer from General Revenues to General Rates.

Carried

Cncl-0220-267 Reserve Balances

F230-A20-03

Mr Fletcher outlined the forecast balances for Council's significant Reserves.

Cllrs Brooks/Arbuckle:

That Council note the forecast balances and adopt this paper as supporting information.

Carried

Cncl-0220-268 Infrastructure Upgrade Reserve

F230-A20-03

Mr Fletcher provided an update on the Infrastructure Upgrade Reserve.

A question regarding COVID-19 and the effect any downturn in the economy may have. Mr Fletcher advised that it was too early to guess at this stage, but it is fortunate that Picton is a multi-use port.

Cllrs Croad/Dawson:

That Council receive and adopt this paper as supporting information.

Carried

Cncl-0220-269 Forecast Financial Statements

F230-A20-03

Mr Fletcher explained the forecast Statements of Comprehensive Revenue and Expense (commonly called an Income Statement or Statement of Financial Performance), Changes in Equity, Financial Position (commonly called a Balance Sheet) and Cash Flows - reflecting the income, expenditure and funding decisions in the 2020-21 Draft Annual Plan.

Cllrs Peters/Sowman:

That the information be received and adopted as supporting information.

Carried

Cncl-0220-270 Emergency Management - Co-funding of Te Tauihu Pouārahi

E200-001-003-03

Members noted that the purpose of the report was to gain approval for co-funding a Te Tauihu Pouārahi position to work alongside Iwi, Marlborough and Nelson/Tasman Emergency Management and deliver mutual benefits to Iwi and the wider community.

Dave Johnson (General Manager, Te Rūnanga o Ngāti Kuia Trust) and Lorraine Eade (Senior Advisor, Te Puni Kōkiri) were in attendance and the Mayor invited them to address Council.

In summary it was reported that since November 2016 Marlborough and Nelson/Tasman Emergency Management (EM) have forged a mutually beneficial relationship with Te Tauihu (top of the south) Iwi in responding to, and recovering from significant natural disasters, particularly earthquakes and fires. Iwi are keen to work alongside EM to contribute to all four 'R's of emergency management – reduction, readiness, response and recovery. During business as usual there is not the capacity within Iwi or Emergency Management to develop outcomes that will result in a more resilient community as a whole. To facilitate Te Tauihu Iwi and both EM Groups to work together, a role is required as a focal point for all parties to work through to achieve these outcomes. The Pouārahi will fill this gap. As more members of our communities are trained to respond or resourced to assist when an emergency occurs the improved response will benefit the province as a whole.

Clrs Peters/Hope:

That Council agree to provide annual and ongoing funding of \$30,000 per annum, being a third share, to establish a full time Pouārahi role in Te Tauihu, subject to Nelson and Tasman Councils providing their equitable share.

Carried

Cncl-0220-271 Council Activities

F230-A20-08-04

Mr Fletcher advised that the purpose of this paper was to present for Council's information each of Council's Activities and provide a guide to the structure of each the Activity Statements. The intention was that this information would be made available to the public during the consultation process as supporting information. The papers were separately attached to the Agenda (filed in CM – Record No. 2023330).

A number of questions were answered by staff at the meeting.

Clrs Peters/Hope:

- 1. That Council note the availability of the information contained in the separate Activity Attachment.**
- 2. That Council receive and adopt the information as supporting information.**

Carried

Cncl-0220-272 Capital Expenditure Schedule

F230-A20-03

Members noted the proposed capital expenditure programme for the 2020-21 Draft Annual Plan. Mr Fletcher reported that the majority of the larger items are commented on in the next two items.

Clrs Taylor/Sowman:

That the information be received and adopted as supporting information.

Carried

ATTENDANCE: The meeting adjourned at 10.28 am and reconvened at 10.45 am.

Cncl-0220-273 Water, Sewerage and Stormwater Capital Budgets

F230-A20-03

Mr Donaldson provided an overview of Water, Sewerage and Stormwater projects and capital budgets over the 2020-23 period and identified changes in capital budgets (excludes overheads and inflation) and the programme.

The report included specific detail on the projects proposed and their capital costs.

Clrs Taylor/Croad:

That the water, sewerage and stormwater budget and programme changes to the 2020-21 Annual Plan be received and the information be adopted as supporting information.

Carried

Cncl-0220-274 Road and Footpaths Budget

F230-A20-03

Mr Murrin provided an overview of major roading expenditure, broken down into three categories: Maintenance; Renewals; and Capital Improvements. It was noted that expenditure is split into subsidised and unsubsidised. Subsidised expenditure attracts a subsidy from NZTA. The current subsidy is set at 51%.

It was further reported that the Road Maintenance Contract (NOC) has just been re-tendered. We have seen a significant lift in costs since the last contract was tendered in 2013. These cost increases are likely to require a lift in budgets for the next three year NLTP commencing 2021/22. There is a large amount of Asphalt surfacing that is coming to the end of its life. The renewal budget for resurfacing is already tight. Marlborough Roads are doing some modelling and will report back to committee if adjustment to the budget is required for the next NLTP. Lifting the Levels of Service in regard to CBD cleaning has resulted in an increase in costs with the new NOC.

Re-allocation of budget or additional funding will be required to cover this. Concentrated logging traffic as seen recently on Waihopai Valley and Opouri Roads, could affect the ability to maintain the roads within current budgets. Last financial year Sealed Pavement Maintenance was over \$1M overspent. Fortunately there was under expenditure within other maintenance activities and budget could be re-allocated. With additional costs within the NOC this will not be possible in the future. There is no budget for traffic growth in the next 10 years. Issues with Traffic growth is starting to become evident in particular around the CBD, as well as around the Burleigh/Omaka areas. Investigation work is required in this area and Network improvements that haven't been budgeted are also likely. Marlborough Roads are seeing a lot more requests for dust suppressant and seal extensions to combat issues with dust being generated particularly by logging trucks. This is currently being funded from unsealed roads budgets. With the increase in costs from the new NOC it is unlikely these works will be able to be funded without an increase in budget.

A number of questions were answered by staff at the meeting.

Cllrs Brooks/Fauls:

That the information be received and adopted as supporting information.

Carried

Cncl-0220-275 Muller Road Stormwater Sewer and Water Project W415-001-01, W430-003-001-02, W460-002-002-02

Mr Rooney advised that the purpose of the report was to seek approval for funding a new stormwater, sewer and watermain in Muller Road from Redwood Street to Weld Street.

In summary it was reported that the stormwater main in Muller Road from Redwood to Weld Streets requires replacing and increased capacity. The sewer main in Muller Road from Redwood to Weld Streets requires an increase in capacity. Design has found it is also necessary to replace the water mains to enable construction of the stormwater and sewer. There is insufficient budget to meet the costs of this project in 2020/21 and 2021-22 financial years.

The report covered in detail the Background, Description of the Works, Cost Estimates, and an Assessment/Analysis; and gave Council two options (either a full service upgrade or the status quo). Members agreed to go with the full service upgrade option. It was noted that the majority of funding would be required in the 2021-22 financial year.

Cllrs Dawson/Sowman:

- 1. That additional budget of \$6,430,000 be approved to renew the stormwater, sewer and water mains in Muller Rd from Redwood Street to Weld Street to be funded from the Depreciation Reserve.**
- 2. That this budget be spread across the 2020/21 and 2021/22 financial years.**

Carried

Cncl-0220-276 Awatere/Seddon Water Supply – Renewal of Lions Back Tanks W450-003-001-06

Mr Rooney reported that the purpose of the report was to consider and approve additional funding to renew the reservoir tanks at Lions Back on the Awatere/Seddon Water Supply and to consider options for procurement of a replacement reservoir.

In summary it was reported that the Lions Back reservoir tanks were failing prior to the Seddon Earthquakes. The earthquakes have accelerated the deterioration. These are now badly damaged and need replacing. Tendering this as a one-off single project is likely to attract pricing that exceeds cost estimates. Negotiating direct with a tank supplier and civil construction company rather than going to the market is likely to achieve costs which are acceptable. If negotiations do not meet expectations a tender could still be put to the market.

The report covered in detail the background to the tanks' siting, size and condition. Also included were comments on cost estimates, pricing and options.

Cllrs Oddie/Hope:

- 1. That provision be made within current budget for the replacement of the Lions Back tanks to a value of \$1,200,000 GST exclusive.**

2. That staff be given authority to negotiate with a tank supplier/s to achieve the best price solution for the replacement of the Lions Back tanks.
3. That staff be given authority to negotiate direct with a civil construction company with experience in constructing reservoirs of this capacity to achieve the best price solution for this construction.
4. That a recommendation from these negotiations be considered and approved by the Chief Executive and Chair of the Assets & Services Committee.

Carried

Cncl-0220-277 Wairau River Edge Protection Works Damage, Proposed Repairs and Capital Upgrades

R710-01-001

Mr Dick reported that the purpose of the report was to advise Council of recent cumulative flood damage to edge protection works in the Wairau River between State Highway 1 and the Waihopai River confluence, repairs and capital upgrades proposed, and additional reserve funding required. A PowerPoint presentation (filed in TRIM – Record No. 2042284) was also shown.

In summary Mr Dick reported that recent flood events including the December 2019 event have resulted in about 15 sites requiring works to mitigate further erosion to maintain river alignment and scheme security. Additional funds, estimated at \$1.65M, from reserves will be required to complete the repair programme. Capital upgrades at five sites have been identified to ensure flood security and cost effective maintenance in the longer term and adequate budget is already available in the Rivers & Drainage area to complete or significantly progress three of the identified sites by June 2021. Given the practical constraints of rock supply and difficulties of construction during winter 2020 this is considered acceptable progress. Rivers staff will carefully consider the adequacy and timing of capital and maintenance funding provisions as part of the upcoming 2021 to 2031 LTP budget process.

The report covered in detail the Background, Proposed enhanced edge protection repair works plan, Capital upgrade works, River flow and rock supply logistics, and financial comments. Also attached to the report was spreadsheet identifying priority works, along with location, issue and estimated cost.

It was noted that the LTP process will look at future budgets.

Cllrs Peters/Maher:

That the Council authorises the funding of the proposed Wairau River protection works repairs from the Emergency Reserve to a value of up to \$1.65M and notes planned upgrade works at Southern Valleys intake, Conders and Wratts Road which are planned to be progressed or completed by June 2021.

Carried

Cncl-0220-278 Renwick Kerbside Recycling

W300-007-01

Mr McNeil advised that the purpose of the report was to discuss the introduction of a kerbside recycling service to Renwick at a cost of \$135,775 per annum and the associated community consultation process.

Mr McNeil reported that up until 19 December 2019 Renwick residents managed their recycling utilising either by way of direct delivery to Blenheim or the use of the Rural Community Recycling (RCR) container supplied by council and located adjacent to the dog park at Foxs Island. There is no private sector recycling collection in Renwick primarily due to the fact that these operators rely on wheelie bins as a collection methodology and currently have no outlet to process mixed or co-mingled recycling. The Renwick recycling container has proven extremely popular but is now reaching the limit of its capacity and adversely impacting on the amenity of the surrounding community, regardless of where it is located. For this reason returning the container to the school site in June 2020 when the hall refurbishment works are completed is not being considered. The withdrawal of the service in response to persistent illegal dumping and subsequent littering presents an opportunity to consider the longer term recycling service provision to the Renwick community. Kerbside collection of refuse is not being considered as this service is provided by the private market predominantly via wheelie bins.

The report covered in detail the current situation, property counts, the rating impact from the 2020-21 financial year and other matters.

Members agreed that a recycling facility is still needed, Mr Mcneil advised he is working on this.

Clrs Brooks/Maher:

1. That the report be received.
2. That approval is given to consult the community via the 2020-21 Annual Plan on the introduction of a kerbside recycling service to Renwick.

Carried

Cncl-0220-279 New District Library Furniture, Fittings and Equipment Budget Requirement L300-027-01

Messrs Heiford and Lyall reported that the purpose of the report was to approve a budget allocation to fund the furniture, fittings and equipment for the new District Library facility in High Street, due to be completed in late 2021.

It was reported that the District Library in Arthur Street was opened in May 1989. Most of the furniture and equipment dates from this period. A major budget component is the shelving which is now 30 years old. It does not meet the NZ Standards pertaining to earthquake standards and it cannot be used in the new facility. Most of the furniture, tables and chairs, also show signs of wear and need replacing. It is anticipated that the Library's RFID equipment purchased in 2017 will be able to be transferred.

The report covered in detail the assessment/analysis and recommended that a budget be established to fund the furniture, fittings and equipment needed for the new District Library facility.

Clrs Taylor/Peters:

That Council approve a budget of \$1.6M to fund the furniture, fittings and equipment requirements for the new District Library.

Carried

Cncl-0220-280 Community Facilities - Blenheim R510-021-01

Ms Tito advised that the purpose of the report was to request funding for the maintenance of newly developed parks and facilities located within the Blenheim area, as a number of new facilities and areas require funding to ensure that levels of service are maintained.

Members noted that each year Council makes a number of decisions on funding capital projects in the reserves and recreational sector for the community. These projects flow from the Small Townships program and the Land Subdivision workshop and are ratified by full Council through the committee process. A large number of the projects are in response to growth or to align with community needs and expectations. The capital costs for these projects are generally funded from Council Financial Reserves with the on-going maintenance costs to be funded by Rates, aligned to the rating area that the asset resides (further detail on this was included in the report).

The report covered further detailed comment on the request.

The budget request of \$166,000 per annum was broken down to: Rose Manor (new subdivision – garden plots, street trees, playground) \$12,000; Omaka Landing (new subdivision – garden plots, street trees, playground) \$9,000; Taylor River (urbanisation, pathways connections, furnishings and fittings, asset repairs, Mark Smith Reserve, old dump site at Taylor, Nelson Street carpark to the Quays) \$35,000; Wither Hills (connections, Redwood Street carpark, buffer strip, weed control, dead tree removal, maintenance of walk and bike tracks (health and safety)) \$85,000; and New Carparks at Pollard Park and Monro Street (maintenance of new carpark areas) \$25,000.

Clrs Hope/Brooks:

That the budget be increased by \$166,000 per annum to meet the cost of maintaining additional facilities and meeting the current levels of service in Blenheim area.

Carried

Cncl-0220-281 Community Facilities – Picton and Surrounds

R510-021-01

Ms Tito advised that the purpose of the report was to request additional funding for operational aspects to meet increases in the levels of service to key destination areas within Picton and surrounds.

In summary it was reported that a number of new facilities and recognition of the increased use in Picton and surrounds requires funding to ensure that levels of service are maintained along with a desire for improved standards at the Picton foreshore.

The report covered further detailed comment on the request.

The on-going budget request of \$172,000 per annum was broken down to: Picton Contract Review (increase to contract –tendered from 1 July 2020 – 9% (estimate)) \$48,000; Waikawa (additional BBQ, shade shelters) \$10,000; Picton Destination Playgrounds (maintenance, health and safety compliance of play equipment and safety soft-fall, water play areas) \$10,000; Picton Beach Grooming (Councillor/community request - clear drift wood - minimum 4 times per year) \$4,000; Picton Foreshore / London Quay / Victoria Domain (visitor increase – visitor / cruise ship numbers, maintenance levels with widening and upgrading of tracks, trails, consents) \$65,000; Picton Foreshore, Parks and Playground (parks, playgrounds, higher level of maintenance and management) \$30,000; and Essons Valley (newly formed car park area and toilet) \$5,000. The one-off budget request of \$80,000 was for acid washing of the Picton Foreshore pavers.

Clrs Faulls/Oddie:

That the budget be increased by \$172,000 per annum to meet the cost of maintaining additional facilities and increasing the current levels of service in Picton and that one-off \$80,000 for acid wash of the Picton Foreshore pavers be funded from the Forestry and Land Development Reserve in the 2020/21 financial year.

Carried

Cncl-0220-282 Community Facilities - Other

R510-021-01

Ms Tito advised that the purpose of the report was to request funding for the maintenance of newly established parks and facilities within Marlborough, outside of the Picton and Blenheim areas.

In summary it was reported that the development of open space areas and making public areas safe requires maintenance funding. A number of areas also require an increase in level of service.

The report covered further detailed comment on the request.

The budget request of \$130,450 per annum was broken down to: Seddon (maintenance around hall, new pump track, tennis fence) \$4,450; Havelock (Waterfall track, town pathway, Neil Street) \$15,000; Grovetown Reserve and Lagoon (garden plots, street trees, tracks and trails) \$15,000; Small Township Projects (Spring Creek - heritage walkway, Wairau Valley - town plan, Ward - town plan, Anakiwa - town plan, Renwick - CBD planters and street trees, Canvastown - riverside vegetation planting) \$20,000; Marlborough Environment Plan (as it affects parks and open spaces) (managing trees under new plan provisions) \$30,000; Marlborough Environment Plan (as it affects parks and open spaces) (managing hazardous soil issues under new plan provisions) \$16,000; Marlborough Environment Plan (as it affects parks and open spaces) (managing water allocation under new plan provisions, water meters and data loggers) \$12,000; Shade in Playgrounds (in line with Council policy - maintenance/cleaning) \$3,000; and Street Trees in Marlborough (maintenance, increased watering, 100 extra trees) \$15,000.

Clrs Brooks/Taylor:

That the budget be increased by \$130,450 pa to recognise the additional areas and an increase in the level of service for the regional areas identified above.

Carried

Cncl-0220-283 Capital Expenditure Programme – Community Facilities

R510-021-01

Ms Tito advised that the purpose of the report was to request capital funding for projects not currently in the Community Facilities budget.

In summary it was reported that the following projects were identified for consideration: Installation of a Maumaharatanga (Pou) on the Picton Foreshore to commemorate the 28th Maori Battalion \$15,000; Council's

playground policy recognises the need to put a plan in place for the shading of all playground areas that do not have suitable shade areas \$300,000; and Installation of water meters and data loggers to meet Council's resource consent requirements for public drawing of water for public facilities \$96,000.

The report covered further detailed comment on the request.

Cirs Peters/Fitzpatrick:

1. That \$15,000 be allocated from the Forestry and Land Development Reserve to fund the installation of a Pou on the Picton Foreshore.
2. That \$300,000 be allocated from Land Subdivision reserve to fund the installation of 30 shade sails at Marlborough's existing playgrounds.
3. That \$96,000 be allocated from Forestry and Land Development reserve to fund the installation of 16 water meter / data loggers at wells located on Council reserves and facilities.

Carried

Cncl-0220-284 High Street Picton – Planter Box Removal

R510-016-01

Mr Lyall advised that the purpose of the report was to request one-off funding to remove the raised Planter Boxes in lower High Street Picton.

Mr Lyall reported that High Street in Picton had raised planter boxes installed as part of the streetscape in the 1990's. Over the years they have been regularly reversed into by drivers resulting in car damage and damage to the brick and tile formed garden boxes. Council is regularly left with the repair cost as vehicle drivers depart without leaving contact details. In 2019, a price was requested to remove all of the raised garden boxes which was costed at \$95,217. The high cost was due to the contractor belief that the walls were heavily reinforced concrete walls and would take substantial time to remove. Staff agreed with a contractor to remove three planter boxes on a time and materials basis to ascertain a true cost for demolition and removal so that a budget item could be prepared for the 20/21 year. The cost for the removal of three planter boxes was approximately \$20,000.

Members noted there are six remaining planter boxes that could be removed at an estimated cost of \$40,000 (funded from the Forestry and Land Development Reserve). It was noted that the planter boxes will be replaced with road level gardens of native species.

Cirs Oddie/Taylor:

That \$40,000 be allocated from the Forestry and Land Development Reserve to pay for the removal of the raised planter boxes in lower High Street Picton.

Carried

ATTENDANCE: Clr Oddie left the meeting at the conclusion of the above item (11.58 am).

Cncl-0220-285 Regional Development – Picton Cruise Season Funding Proposal

E100-004-03

Mr Heiford advised that the purpose of the report was to consider an annual budget to assist with the increased costs of cruise related visitors to Picton and Marlborough.

In summary it was reported that Marlborough has increasing numbers of cruise ship visits during the season between October and April. The number of large cruise ships and the number of visits and visitors has put strain on the hosting infrastructure of Picton and Marlborough. Port Marlborough, Council and Destination Marlborough have identified a number of infrastructure, safety and maintenance issues linked to the impact of cruise ships.

The report covered in detail the Background and an Assessment/Analysis; and gave Council three options (Option One was to provide an annual budget of \$60,000 for Cruise support to provide Traffic Management, Cruise maintenance and a contracted Cruise coordinator based in Picton; Option Two was the status quo; or Option Three which was a mixture of both). Members agreed to go with Option One.

Cirs Faulls/Taylor:

1. That Council receive the report.
2. That Council consider an annual budget for Traffic Management, Cruise related maintenance and a Cruise Coordinator.
3. That Council set the budget for year one at \$60,000, to be funded from Reserves.
4. That Council undertake a review of the services and any other service delivery options and funding for year two.

Carried

Cncl-0220-286 Council Art Collection Funding Proposal

A200-001-01

Mr Heiford advised that the purpose of the report was to consider an annual budget to assist with the maintenance and preservation of the Marlborough Collection.

In summary it was reported that Council holds a varied art collection of 100 plus items on behalf of the people of Marlborough. This collection consists of sculptures, paintings, glasswork, photos, plaques and other works of mixed media. Many of the works are stored or displayed in Council buildings, or stored at the Marlborough Art Society, and the Millennium Public Art Gallery. The funding via a bequest for the preservation and maintenance of the collection has been expended.

The report covered in detail the Background and an Assessment/Analysis; and gave Council two options (Option One was to provide a budget of \$30,000 for the maintenance of the Marlborough Collection for two years; or Option Two which was the status quo). Members agreed to go with Option One.

Cirs Peters/Hope:

1. That Council receive the report.
2. That Council provide funding for the preservation of the Marlborough Collection.
3. That Council set the budget at \$30,000 per annum for two years to be funded from Reserves.

Carried

Cncl-0220-287 Videography Production

C500-007-000-01

Mr Walters advised that the purpose of the report was to approve funding of \$25,000 per annum for video production and Facebook boosting, to showcase the Council's key projects, initiatives and items of interest to residents.

In summary it was reported that Council uses print and images to explain its activities and decisions to the public. While the Council enjoys a relatively high level of satisfaction with its communications, at 71% of residents (MDC Resident Satisfaction Survey, 2019), it's not currently producing and sharing videos on its main online platforms, Facebook and YouTube, or boosting its Facebook posts. Newspapers and Facebook are residents' preferred channels for receiving Council news and information (MDC Communications Survey, 2017). Facebook was also second preference to radio as the preferred way of receiving emergency information, across all age groups.

Shareable online videos have become established and very popular in recent years. Better, cheaper smartphone technology, the attraction of visual storytelling, the ease of sharing and the availability of 'how to' explainer videos have all contributed to this growth. Council does not currently have its own specialist video production expertise. There are freelance video producers in Marlborough who could be contracted by Council to carry out this work.

The report covered in detail the Background and an Assessment/Analysis; and gave Council two options (Option One was to produce shareable videos showcasing key projects and items of interest to residents and ratepayers, with Facebook boosting allowing Council to share more of its important posts to Marlburians; or Option Two which was the status quo). Members agreed to go with Option One.

Cirs Maher/Peters:

1. That Council approve one-off funding of \$25,000 for the 2020/21 financial year from the Forestry and Land Development Reserve for video production and Facebook boosting, to showcase and share Council's key projects, initiatives and items of interest to residents.
2. That Council refer the issue of livestreaming of committee and Council meetings to the LTP Working Group for investigation and consideration.

Carried

Cncl-0220-288 Storm Water Development Contributions Review

F225-004-01

Mr Fletcher advised that the purpose of the report was to review the level of development contributions charged for the provision of storm water to cater for growth in the Blenheim catchment. A PowerPoint presentation (filed in TRIM – Record No. 2042285) was also shown.

Mr Fletcher reported that the Development Contributions Policy was last reviewed in 2018. Modelling of Blenheim storm water capital expenditure assessed the Development Contributions for Blenheim storm water at \$3,515 per developed lot (Storm water upgrade levy). At the time Council maintained the development contribution levy at \$757 per lot. At the time Council was still finalising a significant review of its storm water systems and gaining an understanding of the expenditure which should be attributable to growth, to renewal and to improved level of service. Council was reluctant to alter the charge significantly until this work was completed. In addition to the Upgrade Levy highlighted above Council introduced a North West extension zone levy which included a provision of \$2.2 million for upgrading Caseys Creek to meet storm water demands from the developed zone. This amounted to \$6,040 per lot of the \$27,000 per lot zone levy for all infrastructure provided within the zone. It should be noted that the capital expenditure associated with Caseys Creek is expected to be \$3.5 million which will require an increase to the zone levy of \$3,660 if it is intended to continue to recover the full cost of this capital expenditure.

The report covered in detail the Background and an Assessment/Analysis (which showed that the capital expenditure required to provide for storm water in Blenheim and the allocation to meet the needs of growth was \$7,737,500 in total); and presented Council with two options (Option A was to maintain the zone levy for Caseys Creek and calculate zone and upgrade levies accordingly; or Option B which was to incorporate the Caseys Creek expenditure into the upgrade levy and reduce the northwest extension zone PC 64, 65 and 67 levy). Members agreed to go with Option B.

Cirs Peters/Taylor:

1. That Council amend the development contributions policy to provide revenue to meet storm water capital expenditure (\$7.7 million) required to enable development growth.
2. That Council remove Caseys Creek upgrades from the zone levy and incorporate into the upgrade levy for Blenheim storm water as a whole (option B outlined in paragraph 8).
3. That Council increase the storm water upgrade levy from \$757 per lot to the discounted amount of \$4,247.
4. That Council reduce the North West extension zone (PC 64, 65 and 67) levy by \$6,040 from \$27,045 to \$21,005 per lot to reflect Caseys Creek capital works being recovered in the upgrade levy across all of Blenheim.

Carried

ATTENDANCE: The meeting adjourned at 12.45 pm and reconvened at 1.20 pm.

Cncl-0220-289 Confirmation of Minutes

The Mayor/Cir Taylor:

That the Minutes of the Council Meeting held on 12 December 2019 (Minute Nos. Cncl-1219-209 to Cncl-1219-219) be taken as read and confirmed.

Carried

Committee Reports

Cncl-0220-290 Assets & Services Committee -

Clrs Taylor/Fitzpatrick:

That the Committee report contained within Minute Nos. A&S-0120-220 to A&S-0120-233 be received and the recommendations adopted.

Carried

Cncl-0220-291 Environment Committee -

The Mayor/Clr Arbuckle:

That the Committee report contained within Minute Nos. Env-0220-234 to Env-0220-248 be received and the recommendations adopted.

Carried

Cncl-0220-292 Planning, Finance & Community Committee -

Clrs Peters/Croad:

That the Committee report contained within Minute Nos. PF&C-0220-249 to PF&C-0220-259 be received and the recommendations adopted.

Carried

Cncl-0220-293 Outer Limits Ltd – Westwood Park Resource Consent U190255 U190255

Members noted that the purpose of the report was to seek approval under s48 Reserves Act for the grant of an electricity easement to be registered against Lot 9 which is land to be vested in Council as Local Purpose Reserve (drainage).

Staff reported that Outer Limits Ltd is undertaking the development of Westwood Park under Resource Consent U190255. Council has imposed conditional easements including an electricity easement in favour of Marlborough Lines Ltd over a reserve (Lot 9) to be vested in Council as Local Purpose Reserve (drainage). This in turn requires a consent under s48(1) Reserves Act 1977 by Council acting under delegated authority from the Minister of Conservation.

Clrs Dawson/Fitzpatrick:

That pursuant to section 48(1) of the Reserves Act 1977 the Marlborough District Council pursuant to a delegation granted by the Minister of Conservation under section 10 of the Reserves Act 1977 hereby consents to the grant of the right to convey electricity in gross marked X on DP540443 over Lot 9 DP540443 comprised in record of title 905896 in favour of Marlborough Lines Ltd.

Carried

Cncl-0220-294 Decision to Conduct Business with the Public Excluded -

Clrs Taylor/Croad:

That the public be excluded from the following parts of the proceedings of this meeting, namely:

- Confirmation of Public Excluded Minutes
- Committee Reports (Public Excluded Sections)
- Land Purchase

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
Minutes and Committee Reports	As set out in the Minutes	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.
Land Purchase	To enable the Council, as holder of the information, to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) provided for under Section 7(2)(i)	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987.

Carried

The meeting closed at 1.31 pm.

Confirmed this 2nd day of April 2020

J C LEGGETT
MAYOR

Record No. 2058290