

# **ORDINARY MINUTES**

## **CORPORATE AND OPERATIONS COMMITTEE**

**DATE:** Wednesday, 26 August 2009

**TIME:** 9.30 am

**VENUE:** Council Chambers  
Matamata-Piako District Council  
35 Kenrick Street  
TE AROHA

**MEMBERSHIP – Quorum (6)****Members:**

Mayor G W H Vercoe QSM, ED, JP  
Cr J E Barnes  
Cr S D Gillard JP  
Cr C L Greenville JP  
Cr M L Gribble  
Cr J W Harris  
Cr P M Jager  
Cr T J M Johnston JP  
Cr R J McGrail  
Cr G R Stanley  
Cr M P Steffert  
Cr L M Tisch

*Information and recommendations are included in the reports to assist Corporate and Operations Committee in the decision making process and may not constitute Corporate and Operations Committee's decision until considered by Corporate and Operations Committee.*

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**MATAMATA-PIAKO DISTRICT COUNCIL**

**MINUTES** of an Ordinary Meeting of the Corporate and Operations Committee held in the Council Chambers, 35 Kenrick Street, Te Aroha on 26 August 2009 commencing at 9.30 am.

**1 MEETING OPENING**

The Chairman welcomed everyone to the meeting and declared the meeting open.

**2 PRESENT****MEMBERS PRESENT**

Mayor G W H Vercoe QSM, ED, JP  
Cr J E Barnes Chairman  
Cr S D Gillard JP  
Cr C L Greenville JP  
Cr M L Gribble  
Cr J W Harris  
Cr T J M Johnston JP  
Cr R J McGrail  
Cr G R Stanley  
Cr M P Steffert  
Cr L M Tisch

**OFFICERS PRESENT**

Mr D McLeod	Chief Executive Officer
Mr S Fabish (for Item 6.2)	Community Facilities Manager
Mr G Ridley (for Items 6.3, 6.4, 6.5)	Infrastructure Manager
Mr M Te Wiata (for Item 6.7 & 6.8)	Community and Support Services Manager
Ms S Barnes (for Item 6.8)	Health and Safety Manager
Mr B Langlands (for Item 6.8)	Facilities Operations Manager
Mrs J Payze	Committee Secretary

**IN ATTENDANCE**

Mr S Edwards	Editor, Piako Post
Mr C Hallett (for Item 6.2)	Te Aroha Tramping Club

### **3 APOLOGIES**

#### **MEMBERS APOLOGIES**

Cr P M Jager

**MOVED BY:** Cr J W Harris

**SECONDED BY:** Cr L M Tisch

**CARRIED**

### **4 NOTIFICATION OF URGENT BUSINESS**

Pursuant to clause 3.7.5 and 3.7.6 of the Standing Orders NZS 9202:2003 and Section 46A (7) of the Local Government Official Information and Meetings Act 1987, the Chairman enquired from members whether there were any additional items for consideration which qualified as extraordinary or urgent additional business.

There were no items of urgent additional business.

### **5 CONFIRMATION OF MINUTES**

Minutes, as circulated, of the Ordinary Meeting of the Corporate and Operations Committee, held on 22 July 2009.

[Minutes July 22 2009 Corporate and Operations Committee.doc](#)

#### **RESOLUTION**

**That the Minutes of the Ordinary Meeting of the Corporate And Operations Committee held on 22 July 2009 be confirmed and signed as a true and correct record.**

**MOVED BY:** Cr C L Greenville

**SECONDED BY:** Cr S D Gillard

**CARRIED**

## 6 OFFICER REPORTS

### 6.1 CHIEF EXECUTIVE OFFICERS REPORT - JULY 2009

**File No:** SUP164601  
**Attachments:** [Chief Executive Officers Report](#)  
[Major Projects August 2009](#)  
**Responsible Officer:** D McLeod  
Chief Executive Officer  
**Author:** S Barnes  
Democracy Services/Health & Safety Manager

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#### EXECUTIVE SUMMARY

A copy of the Chief Executive Officer's report for the month of July 2009 was attached.

#### POLICY AND BYLAW ISSUES

There are no other Policy or Bylaw issues in relation to this matter.

#### OFFICER RECOMMENDATION/COMMITTEE RESOLUTION

That the Chief Executive Officer's report for July 2009 be received.

**Moved by:** Cr M P Steffert

**Seconded by:** Cr S D Gillard

**CARRIED**

**6.2 COUNCIL PARTNERSHIP WITH THE TE AROHA TRAMPING CLUB**

**File No:** 05311/488.00  
**Attachments:** [Proposed Memorandum of Understanding](#)  
**Responsible Officer:** G Ridley  
Infrastructure Manager  
**Author:** R Marshall  
Community Facilities Planning Officer

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**EXECUTIVE SUMMARY**

The Te Aroha Tramping Club seeks Council approval to play a greater role in management of the Te Aroha Horseman's Track and Waterfall Track. Aspirations of the club include maintaining the tracks in good condition and undertaking improvements to the tracks. It is proposed that a formal relationship is established between the Tramping Club and Council. This could be in the form of a 'Memorandum of Understanding'.

Steve Fabish, Community Facilities Manager and Colin Hallett, Te Aroha Tramping Club Representative gave a presentation to discuss this proposal. A copy of the presentation is attached.

**BACKGROUND**

Council's Community Facilities Department currently undertakes maintenance of MPDC walking tracks in the Te Aroha Mountain. This role includes vegetation clearance, minor track works, track edge weed control, etc. Council does not presently undertake any maintenance work on the Te Aroha Horseman's Track and Waterfall Track.

The Te Aroha Tramping Club would like to contribute to track maintenance and believe undertaking volunteer work to the Te Aroha Horseman's Track and Waterfall Track will result in benefits to the local community.

If the Tramping Club is to play a greater role in site management, a "Memorandum of Understanding" is proposed to formalise the relationship between Council and the Tramping Club.

The Department of Conservation have also indicated they are willing to be involved as a number of their tracks connect to Council tracks and this would provide an opportunity to provide consistent standards. The Department of Conservation is willing to provide specialist advice to the Te Aroha Tramping Club and Council.

The Te Aroha Tramping Club and the Department of Conservation have been consulted regarding the appropriate role of each party in relation to track work. As a result a draft Memorandum of Understanding has been produced. This is provided as an attachment to this report.

**STATUTORY ISSUES**

There are no statutory issues.

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## **POLICY AND BYLAW ISSUES**

The Te Aroha Horseman's Track and the Waterfall Track are located in the Kaitiaki zone. Council's Infrastructure Department is currently in the process of applying for three year resource consent to undertake maintenance work in Kaitiaki zones throughout the district.

## **LONG TERM COUNCIL COMMUNITY PLAN**

### **COUNCIL ACTIVITIES**

#### ***Community Facilities***

*Community Facilities are Council activities focused on recreational and cultural opportunities in the district. Previously, much of the work we have done in this area has been around the provision of services and assets, such as the libraries, swimming pools, parks and reserves and other public amenities. In the future, Council will be looking to see how it can enhance the provision of these services to the community through the forming of partnerships with other regional and national organisations focused on social and cultural wellbeing.*

- *Parks and Reserves*
  - *Provide the linkage between Council's strategic goals for parks and reserves and the current levels of service of service*
  - *Identify opportunities for improvement and implications of those improvements*

### **FOUR WELL-BEINGS**

The Te Aroha Mountain is a major feature in our district, and by ensuring tracks are available to the public we are contributing to community well-beings. Positive effects on well-beings include:

- Allows for physical activity and development
- Assists with improving health
- Increased visitors due to district attractions

### **COMMUNITY OUTCOMES**

- Belonging to our Community
- Economic Development: Prosperity
- Healthy Air, Water, Land: Healthy People
- Heritage: Our past
- Planning and Development

### **SIGNIFICANCE POLICY**

This issue is not considered significant in terms of Council's Significance Policy.

**FINANCIAL IMPLICATIONS**

A six monthly work programme is to be included in the proposed Memorandum of Understanding. Resources required will be determined as part of this process. It is estimated that through existing budgets approximately \$4,000 could be spent per annum.

Part of this money could be used to provide a storage site for tools; this site would be shared by other community groups such as the Te Aroha Mountain Biking Club.

**OFFICER RECOMMENDATION/COMMITTEE RESOLUTION**

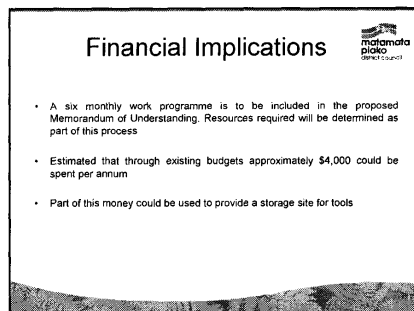
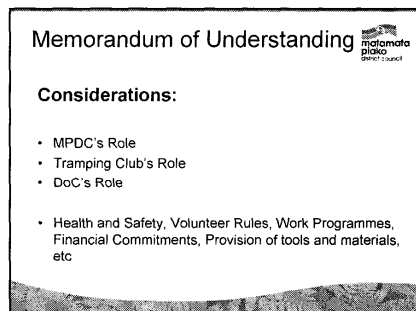
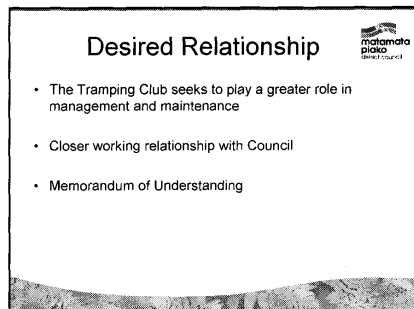
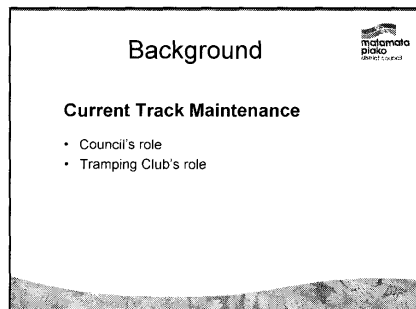
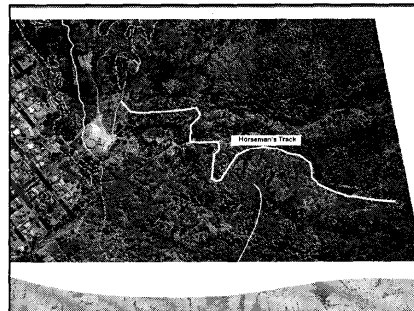
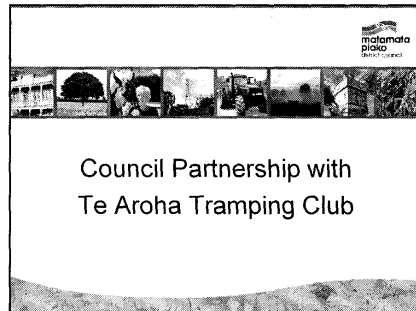
**That the attached Memorandum of Understanding between the Te Aroha Tramping Club, the Department of Conservation and Council is approved.**


**Moved by: Cr J W Harris**

**Seconded by: Cr T J M Johnston**

**CARRIED**


Item 6.2 was taken out of order and considered after Item 6.3.



**Officer Recommendation** 

That:

the "Memorandum of Understanding" between the Te Aroha Tramping Club, the Department of Conservation and Council is approved.



**Questions**

### 6.3 CLOCK TOWER SEATING

<b>File No:</b>	<b>CFA180803</b>
<b>Attachments:</b>	<a href="#">TA Clock Tower surrounds upgrade Concept Plan</a>
<b>Responsible Officer:</b>	<b>G Ridley</b> <b>Infrastructure Manager</b>
<b>Author:</b>	<b>R Blackstock</b> <b>Infrastructure Support Officer</b>

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#### EXECUTIVE SUMMARY

This report seeks to gain Councillors approval to have the “S” shaped seating and the paving behind the clock tower situated at the upper end of Kenrick Street, Te Aroha removed.

#### BACKGROUND

The “S” shaped seating was originally installed in the late 70’s/early 80’s. In 1996 it was proposed as part of Stage III of the Te Aroha Streetscape development to have them removed. However due to financial constraints this was never realised. Funding has now been approved as part of the 2008/09 budget to have the area behind the town clock upgraded.

#### ISSUES

The state of repair of the “S” shaped seats has been raised by the public as an area of some concern. These seats have also been pinpointed as the focal point of antisocial behaviour within the town.

Discussions with members of the Returned Services Association highlighted the lack of flat seating space surrounding the area.

To this end we make the following proposals:

- That Council staff have the “S” shaped seating and the paving around the seats removed. The paving is in poor condition and will need to be destroyed to enable the removal of the brick structured seating.
- That Council staff have the entire area regrassed.
- That Council staff have two standard park benches on concrete pads installed. These benches would be able to be removed thus enabling the entire site to be cleared of obstruction for any civic event. The attached concept plan outlines the proposal.

The Te Aroha Mountain Lions Club have also expressed an interest in becoming involved in the project, specifically providing labour to dismantle the “S” shaped seats and to lift the paving.

#### CONSULTATION

Consultation has taken place with the businesses directly affected with the area in question. Written consultation and telephone confirmation has been made with the

Returned Services Association. All are in favour of having the seats and wall removed.

## **POLICY AND BYLAW ISSUES**

There are no policy or bylaw issues.

## **LONG TERM COUNCIL COMMUNITY PLAN**

### **COUNCIL ACTIVITIES**

#### ***Community Facilities***

*Community Facilities are Council activities focused on recreational and cultural opportunities in the district. Previously, much of the work we have done in this area has been around the provision of services and assets, such as the libraries, swimming pools, parks and reserves and other public amenities. In the future, Council will be looking to see how it can enhance the provision of these services to the community through the forming of partnerships with other regional and national organisations focused on social and cultural wellbeing.*

- *Recreation and Culture*
  - *Identify opportunities for improvement and subsequent implications of those improvements*

### **COMMUNITY OUTCOMES**

- Community Safety and Support: Looking after People
- Our Social Infrastructure

### **SIGNIFICANCE POLICY**

This issue is not considered significant in terms of Council's Significance Policy.

### **FINANCIAL IMPLICATIONS**

Resource requirements are in accordance with existing budgetary allocation of \$6000.00. Kaimai Valley Services have estimated the cost to be about \$4,100.00 for doing the work exclusive of any seating. If seats are to be provided this will be an extra cost but the total cost will still be within budget.

### **OFFICER RECOMMENDATION/COMMITTEE RESOLUTION**

**That:**

**Council staff carries out the following work behind the Te Aroha clock tower:**

- 1. Remove the "S" shaped seating and the paving around the seats.**
- 2. Re-grass the entire area.**
- 3. Install two standard park benches on concrete pads.**

**Moved by: Cr S D Gillard**

**Seconded by: Cr T J M Johnston**

**CARRIED**

Item 6.3 was taken out of order and considered after Item 6.6.

## 6.4 SEAL EXTENSION PROGRAMME

**File No:** RSB521604  
**Responsible Officer:** G Ridley  
Infrastructure Manager  
**Author:** S Frischknecht  
Acting Roading Manager

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### EXECUTIVE SUMMARY

This report summarises the findings of the seal extensions programme report undertaken for Council. It contains the prioritisation programme for selected unsealed roads in the Matamata-Piako District and seeks a decision whether seal extensions shall be undertaken in the future by Council.

### BACKGROUND

In August 2007 a report was compiled as a result of a request from the Matamata-Piako District Council to carry out a review of the unsealed rural roads within the District. The aim was to develop a programme for the prioritisation of seal extension projects. The report was prepared in two stages, being:

Stage I – preparation of base data indicating lengths, development, topography, use, etc, in order for Council to define whether to include all unsealed rural roads in the programme or decide that some roads should never be sealed.

Stage II – preparation of detailed costs and recommended priorities for the selected unsealed roads. This method also allowed Council to provide accurate and consistent information to ratepayers.

Stage I was presented to Council previously, resulting to the undertaking of Stage II being the further investigation of the selected unsealed Roads.

### ISSUES

Maintenance costs on sealed roads are generally greater than metal roads, but metal roads have an impact on costs for both the road user and adjacent landowners, generally as a result of roughness of the road surface and environmental effects, particularly dust on agriculture and houses. While traffic volumes are a significant factor in prioritising road improvements, there are other factors which should also be taken into consideration; these include growth, dust, maintenance costs and impact on earnings.

John Harris Consulting was engaged to undertake an investigation of the various unsealed roads in the Matamata-Piako District Council, giving a priority order and costing for each road. Due to considerable work being undertaken (e.g. metal overlays and drainage) recently on some of the selected roads, the associated project costs have been updated.

The method used for the prioritisation weighting was taken from the Far District Council Road Improvement Strategy Report and the Simplified Benefit Cost Ratios (BCR) used in the priority weightings as a comparison between the individual roads

only. The BCR values calculated are indicative only, based on very rough assumptions and excluding crash reduction costs, possible land purchase, and legalisation costs. The categories for assessment are Safety, Strategic Link Improvements, Dust – Dwellings and Public Facilities, Traffic volume, Traffic Type and percentage of Heavy Vehicle Traffic, Environmental/Drainage/Water Quality and Holiday Traffic.

Taking the prioritisation from the report, the following order has been established:

Road	Seal Extension length (km)	Estimate	Land Purchase	Weighting	Benefit Cost Ratio	Possible Ranking
Woodlands Road	2.40	\$365,000	No	9.55	0.63	1
Mangawara Road	0.90	\$180,000	Yes	8.60	0.43	2
Wairakau Road	1.10	\$170,000	No	7.10	0.22	3
Waterworks Road	1.254	\$205,000	Yes	7.75	0.33	4
Mountain Road	1.10	\$163,000	No	7.10	0.25	5

Currently all of the designated roads are local except for Woodlands Road and Waterworks Road which have the potential to become more important interconnecting routes with neighbouring Districts and the impact on the adjacent District must be taken into consideration before improvements are carried out.

\*In the case of Waterworks Road, the boundary between Matamata-Piako District Council and Waipa District Council is found to be running along the centreline of the Road for a distance of 540m. It is therefore appropriate to seek 50% of the funding from Waipa District Council for this portion of road to be sealed.

A short summary of the issues identified for each selected road are as follows:

- Woodlands Road  
Impact on the surrounding network i.e. Piako, Tauhei and Hangawera Roads and high maintenance costs of sealed roads on peat subgrade. A total seal width of 6m is proposed.
- Mangawara Road  
Increased potential for life style block developments and possible impact of logging operations on the sealed road. Possible land take for corner easement and legalisation of incorrect road boundary. A total seal width of 5.5m is proposed.
- Waterworks Road  
Impact on surrounding network and logging operations as well as the confusion over the actual location of the District boundary. Clarification of road boundary and possible land take for corner easements. A total seal width of 6m is proposed.
- Wairakau Road

Impact of logging operations on the sealed road. A total seal width of 6m is proposed.

- Mountain Road  
Due to the impact of Tui Mines remedial works, this project will not be considered until restoration works have been completed.

A meeting was held at Hoe-O-Tainui Hall, Mangawara Road on the 7 July 2009 to listen to local residents concerns. At this meeting, residents reported that prior to the amalgamation Piako County had plans to seal part of this road.

### **OPTIONS**

The following three options need to be considered with regards to seal extensions in the Matamata-Piako District:

- Council does not carry out any seal extensions in the district; or
- Council has a seal extension programme to seal the remaining unsealed roads in the district; or
- Council only seals certain roads in accordance with a priority order.

### **FINANCIALS**

As no seal extension works have been completed for some years, the carry forward amount has accumulated to \$630,000. These funds could have been used for seal widening projects. However, with a new 'associated works' funding category available, we can utilise subsidy funding for some of the seal widening projects.

Detailed costs have been completed for the selected unsealed projects and are listed above.

### **OFFICER RECOMMENDATION**

**That:**

- 1 **Council resolve to carry out the seal extension works**
- 2 **the priority order for undertaking these works be as follows:**
  - a) **Woodlands Road** Proposed length of 2.40km  
(estimated cost \$380,000)
  - b) **Mangawara Road** Proposed length of 0.90km  
(estimated cost \$190,000)
  - c) **Wairakau Road** Proposed length of 1.10km  
(estimated cost \$150,000)
  - d) **Waterworks Road** Proposed length of 0.50km  
(estimated cost \$123,000)

### **COMMITTEE RESOLUTION**

**That the Seal Extension Programme be deferred to allow for further information to be obtained prior to Council re-addressing the matter.**

**Moved by: Cr T J M Johnston**

**Seconded by: Cr L M Tisch**

**CARRIED**

Cr Harris declared an interest in Item 6.4 and took no part in the vote.

## 6.5 PIAKO GROUP - BUILDING OVER A SEWER LINE

**File No:** SEW520401  
**Attachments:** [Wastewater Bylaw - 2008.doc](#)  
[Piako Group Charleston St.pdf](#)  
**Responsible Officer:** G Ridley  
Infrastructure Manager  
**Author:** G Ridley  
Infrastructure Manager

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### EXECUTIVE SUMMARY

This report is asking Council to consider a request from the Piako Group to build over a trunk sewer pipeline. As it is not permitted to build over a trunk sewer under Council Wastewater Bylaw, only Council have the discretion to grant this request. If the request is granted it should be subject to specific conditions.

### BACKGROUND

Discussions have been held with representatives of the Piako Group and their consultants regarding a proposal to extend their existing industrial building on Thames Street, Morrinsville. The proposal is to include a new workshop and additional offices.

### ISSUES

The main issue is that the proposed extensions is planned to be built over a trunk sewer. Under Council Wastewater Bylaw 2008 "*No building shall be built over a rising main or trunk sewer.*" (See attachment for extract from bylaw). Only Council can give approval to override a bylaw.

Piako Group cannot amend a proposal to avoid building over the sewer as the line is only about 2.0 metres away and parallel to the existing building. Conversely, the sewer cannot be relocated as the existing gradients are already very flat.

An additional problem is the proposed building will be over a stormwater pipeline as well. Piako Group was not originally aware of the location of this stormwater line. In discussions with the designers the stormwater can be diverted around the building and include the yard runoff in the process.

The proposal is to utilise the adjacent lot owned by the Piako Group and it is logical to connect to the existing building rather than have separate buildings and have unusable land between the buildings. If approval is not granted, there is no viable alternative for the Piako Group.

### POLICY AND BYLAW ISSUES

There are no policy issues.

Sewerage – Buildings on Sewer Lines is a bylaw issue.

## LONG TERM COUNCIL COMMUNITY PLAN

### COUNCIL ACTIVITIES

#### ***Community Infrastructure***

*Community Infrastructure represents many of the responsibilities that Council has historically managed: maintenance and development of roads, stormwater, wastewater, water supply and waste (solid).*

- *Wastewater*

### COMMUNITY OUTCOMES

- Our Social Infrastructure
- Planning and Development

### SIGNIFICANCE POLICY

This issue is not considered significant in terms of Council's Significance Policy.

### FINANCIAL IMPLICATIONS

All costs of renewal of the sewer line and additional manholes are to be met by the Piako Group. The stormwater pipe work within the Piako Group property is to be met by the owner.

### OPTIONS

Council can decide not to allow the building extensions to be built over the trunk sewer or to allow the building proposal to proceed subject to certain conditions.

If the approval is granted it would be appropriate to place certain conditions on the proposal to minimise the effects of building over the sewer. The conditions would be that:

- Two new manholes be constructed as close as practical to the proposed building.
- The existing sewer line between the new manholes be renewed.
- Foundations be plied each side of the sewer line to ensure that no building loads are transferred to the sewer.
- Agreement to register the sewer by Encumbrance Instrument and Deed of Covenant against the Certificate of Title by the Council.
- Carrying out all work on and around the sewer in accordance with Council engineering standards.

### OFFICER RECOMMENDATION/COMMITTEE RESOLUTION

**That:**

**Council approves Piako Group building over the sewer subject to the following conditions:**

- 1 Two new manholes be constructed as close as practical to the proposed building.**

- 2 The existing sewer line between the new manholes be renewed.
- 3 Foundations be plied to each side of the sewer line to ensure that no building loads are transferred to the sewer.
- 4 Agreement to register the sewer by Encumbrance Instrument and Deed of Covenant against the Certificate of Title by the Council.

Moved by: Cr T J M Johnston

Seconded by: Cr C L Greenville

**CARRIED**

**6.6 SUMMARY OF RESOURCE CONSENTS RECEIVED**

**File No:** DEM0208R01  
**Attachments:** [Consents Received - June - July 2009](#)  
[Notified Consents - June - July 2009](#)  
**Responsible Officer:** D Bellamy  
Environmental Services Manager  
**Author:** K Rogers  
Planning Administration Assistant

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**EXECUTIVE SUMMARY**

A summary of the resource consent applications received for the month of June and July 2009 was attached.

A summary of the applications that were notified during June and July 2009 was also attached.

**POLICY AND BYLAW ISSUES**

There are no other Policy or Bylaw issues in relation to this matter.

**OFFICER RECOMMENDATION/COMMITTEE RESOLUTION**

**That the information on the Summary of Consents for June and July 2009 be received.**

**Moved by:** Cr L M Tisch  
**Seconded by:** Cr T J M Johnston

**CARRIED**

Item 6.6 was taken out of order and considered after Item 6.1.

## 6.7 PNZ INVESTMENT - RETURN OF OVERSEAS SHARE PORTFOLIO TO NEW ZEALAND

**File No:** SUP561206  
**Attachments:** [MCARealisationOfSharePortfolio13082009.pdf](#)  
**Responsible Officer:** M Te Wiata  
Community and Support Services Manager  
**Author:** M Te Wiata  
Community and Support Services Manager

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### EXECUTIVE SUMMARY

Council identified in the 2009–2019 Community Plan that the PNZ overseas share portfolio would be returned to New Zealand.

Council would then use the proceeds as an alternative source of borrowing (internal) for Council capital projects.

Council stated that it would take appropriate advice on how the return of the investment would be transacted.

Council's advisor on investment policy and strategy for the PNZ investment is MCA New Zealand Limited (MCA).

Michael Chamberlain of MCA gave Council a briefing on relevant issues on 12 August 2009.

The information and recommendations from that briefing are now attached for Council to formally consider.

The key aspects of the recommendation are:

- Council to determine if the investment is required as a short-term source of capital funding
- If the funds are not required in the short-term, Council to return the investment over a period of time once the investment reaches a certain value
- Council to recommence hedging the investment against movements in the New Zealand dollar

### BACKGROUND

Council included the PNZ investment issue as one of the main topics in the pre-draft Community Plan consultation (i.e. Right Debate).

Council subsequently included the return of the overseas shares in the draft plan.

We reflected this decision in the plan in what we believed was a conservative manner:

- A withdrawal of one third of the investment each year from 2010/2011 (i.e. 100% of the investment would be returned by 30 June 2013).
- Utilization of the returned capital each year for internal borrowing (i.e. reducing our need for external borrowing).

## **ISSUES**

### **Prudent Financial management**

Council has ensured that it has prudently managed the investment by making decisions after taking advice from appropriately qualified advisors (MCA).

The decision to return the investment to New Zealand is a philosophical decision which has been influenced by a number of factors;

- the fluctuating investment performance in recent years
- community expectations and risk tolerance arising from this performance

The decision was not driven purely on expected investment returns.

Council has consulted the community and has reflected the decision in the Community Plan.

Council has again acted prudently and taken advice on the appropriate actions to implement this decision.

Council would need to satisfy itself that any decision to act outside the recommendations is prudent.

## **STATUTORY ISSUES**

There are no legal restrictions to Council adopting the MCA recommendations.

## **POLICY AND BYLAW ISSUES**

The management of the PNZ investment is covered by the Investment Policy and PNZ Statement of Policies and Objectives.

The Investment policy provides that changes in the investment asset allocation can be made at an annual investment review. The recommendations do not require any immediate change to the allocations.

## **DELEGATED AUTHORITY**

MCA is recommending that we recommence hedging the investment and that we negotiate with an appropriate provider.

The Chief Executive Officer has delegated authority to implement the provisions of the policy.

## LONG TERM COUNCIL COMMUNITY PLAN

### COUNCIL ACTIVITIES

#### *Community Development*

*Community Development has a focus on economic, social, environmental and cultural well being and includes activities such as Democracy, District Plan, the Long Term Council Community Plan and generally increasing community input into Council decision making. Improving representation in Council's decision making and finding other ways to improve the process of democracy in our district is important.*

- *Democracy*
  - *To ensure that the community is well informed about Council plans, policies and strategies.*

As noted earlier, Council has consulted on the decision to return the PNZ investment to New Zealand.

### SIGNIFICANCE POLICY

Council considered the decision to return the investment as significant enough to warrant consultation as part of the Community Plan.

The only issue of significance that arises is if Council decides to reverse that decision.

The recommendations in this report differ from the repatriation scenario included in the Community Plan.

Council did state that it would take appropriate advice on how the decision would be implemented.

The fundamental decision to return the investment has not changed and therefore the variation from the plan is not significant.

### FINANCIAL IMPLICATIONS

We made provision in the Community Plan for the PNZ investment to be returned over 3 years from 2010/2011.

Any variation from this approach will impact on our financing requirements.

This is not an issue for 2009/2010 and we do not envisage that there will be any major impact in 2010/2011.

Council can consider any further implications at the next annual review.

### OPTIONS

Council can adopt the MCA recommendations or identify an alternative strategy.

Council should take appropriate advice if it decides on any alternative action to ensure that it is acting prudently.

**OFFICER RECOMMENDATION**

That Council adopt the recommendations from MCA New Zealand Limited.

**COMMITTEE RESOLUTION**

That:

1. Council start to realise the shares when the market value achieves its 1 July 2007 value.
2. Council realise the overseas shares in full if the value increases to above 100% of the 1 July 2007 value.
3. Council review the intended realisation processes in 18 months with a view of realising the portfolio sooner (or later) depending on the market conditions at the time.
4. Council put in place a currency hedge under the current currency management policy using the services of the BNZ bank.

Moved by: Cr G R Stanley

Seconded by: Cr L M Tisch

**CARRIED**

Crs Harris, Johnston and Steffert recorded their vote against the Resolution.

## **6.8 TE AROHA MINERAL SPA - COMPLIANCE WITH RECOMMENDED GUIDELINES FOR SOLO BATHING**

**File No:** 05311/345.00  
**Responsible Officer:** M Te Wiata  
Community and Support Services Manager  
**Author:** M Te Wiata  
Community and Support Services Manager

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### **EXECUTIVE SUMMARY**

Staff have become aware of a guideline for thermal pools recommending a minimum of two bathers for unsupervised private pools.

Staff have implemented this standard.

The level of service provided at Council facilities is ultimately a Council decision.

Solo bathers comprise approximately 8% of the Spas business (by value).

We anticipated some negative reaction from our regular customers. We have identified promotional activities to try and retain this customer (e.g. a two for one promotion).

The Facilities Operations Manager and Health and Safety Manager will make a presentation to Council to provide further information for Council to review.

### **OFFICER RECOMMENDATION**

**That the information be received.**

### **COMMITTEE RESOLUTION**

**That:**

**Staff be asked to consider the following actions:**

- **Regulate the temperature of the pools so a “reasonable” maximum temperature can be achieved.**
- **Changing one tub to reticulated water so that the temperature can be controlled the same as any private household spa.**
- **Replacing some tubs with “Slipper Baths” for those who want to bathe solo.**
- **Restrict the length of bathing time to a maximum of 30 minutes.**
- **Solo bathing patrons to sign a disclaimer – similar to when you bungy jump or sky dive. You are acknowledging that you are aware of the risks of the activity and accept these.**
- **Provide translations of all signage, wellness checks etc in various languages but particularly Korean, Japanese, Chinese and German.**
- **An intercom or similar call system between the patron and staff to regularly check on the solo bather with the objective of providing safe bathing for all customers.**

**Moved by:** Cr T J M Johnston

**Seconded by: Mayor G W H Vercoe**

**CARRIED**

**7 URGENT ADDITIONAL BUSINESS**

There were no items of urgent additional business.

**8 CLOSURE**

The meeting closed at 12.10 pm.

**CONFIRMATION:** 30 September 2009

**SIGNED:**

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Cr J E Barnes

<b>NAME</b>	<b>TIME IN</b>	<b>TIME OUT</b>
Steve Edwards	9.30 am	12.07 pm
Steve Fabish	10.09 am	10.25 am
Colin Hallett	10.09 am	10.25 am
George Ridley	10.10 am	11.34 am
Manaia Te Wiata	11.17 am	12.05 pm
Sandy Barnes	11.34 am	12.05 pm
Bruce Langlands	11.38 am	12.05 pm

The meeting adjourned for morning tea at 10.25 am and reconvened at 10.45 am.