

## **Timaru District Council**

### **Minutes of a Meeting of the Timaru District Council Held in the Council Chamber, District Council Building, King George Place, Timaru on 2 April 2019 at 3pm**

<b>Present</b>	Mayor Damon Odey (Chairperson), Cllrs Peter Burt, Nigel Bowen, Andrea Leslie, Richard Lyon, Paddy O'Reilly, Sally Parker, Kerry Stevens and Steve Wills
<b>Apologies</b>	Clr David Jack Charles Scarsbrook – Temuka Community Board Karalyn Reid – Pleasant Point Community Board
<b>In Attendance</b>	Aoraki Development Chief Executive – Nigel Davenport (for items 10 & 12) Wayne O'Donnell - Geraldine Community Board (for public part of meeting) Chief Executive (Bede Carran), Group Manager Infrastructure (Ashley Harper), Group Manager Environmental Services (Tracy Tierney), Group Manager Community Services (Sharon Taylor)(part meeting), Group Manager Commercial and Strategy (Donna Cross), Acting Group Manager Commercial and Strategy (Stephen Halliwell)(for items 12 & 13), Group Manager People and Digital (Symon Leggett), Communications Manager (Stephen Doran), Strategy and Corporate Planning Manager/Electoral Officer (Mark Low), Chief Financial Officer (David Codyre)(for item 13), Business Development Manager (Frazer Munro), Policy Analyst (Fabia Fox)(for item 10) and Council Secretary (Joanne Brownie)
<b>Opening Prayer</b>	David Whittaker of Equippers Church offered a prayer for the work of the Council
<b>Karakia</b>	The Mayor opened the meeting with a karakia

#### **1. Identification of Urgent Business**

Proposed Cllr Wills  
Seconded Cllr Stevens

“That a request from a Community Group be considered as urgent business at this meeting, with the public excluded.”

Motion carried

2. **Declaration of Conflicts of Interest**

The Mayor declared a conflict of interest in regard to the TDHL governance structure and remuneration of directors item.

Clr Stevens and Clr Lyon declared a conflict of interest in the remuneration section of the TDHL report.

3. **Confirmation of Minutes Council Meeting 12 February 2019**

Proposed Clr Wills  
Seconded Clr Parker

“That the minutes of the Council meeting held on 12 February 2019, excluding the public excluded section, be confirmed as a true and correct record.”

Motion Carried

4. **Confirmation of Minutes Council Annual Plan/Budget Meeting 18 March 2019**

Proposed Clr Stevens  
Seconded Clr O'Reilly

“That the minutes of the Council Annual Plan/Budget meeting held on 18 March 2019, be confirmed as a true and correct record.”

Motion Carried

5. **Schedule of Functions Attended by the Mayor and Deputy Mayor for the Period 1 February to 22 March 2019**

Proposed Clr Bowen  
Seconded Clr Stevens

“That the schedule of duties and functions attended by the Mayor and Deputy Mayor be received and noted.”

Motion Carried

6. **Schedule of Functions Attended by the Chief Executive for the Period 1 February to 22 March 2019**

Proposed Clr Wills  
Seconded Clr Leslie

“That the schedule of duties and functions attended by the Chief Executive be received and noted.”

Motion Carried

7. **Affixing of the Common Seal**

Proposed Clr O'Reilly  
Seconded Clr Stevens

"That the affixing of the Common Seal to the following document be noted:

Date	Document
12 February 2019	Loan Raising Programme."

Motion Carried

8. **Contract Let by the Chief Executive**

Proposed Clr Wills  
Seconded Clr Burt

"That the following information on a contract let by the Chief Executive under delegated authority, be received -

Contract Description	Number of Tenders	Price Range	Successful Tenderer and Price
Contract 2384 -Craigie Avenue Gymnasium Roof Replacement	3	\$164,952.00 to \$319,260.00	Menzies Group \$210,542.00
Tenders were evaluated using the Weighted Attribute Method."			

Motion carried

9. **Local Authority Elections 2019 – Order of Candidate Names (Timaru District Council)**

The Council considered a report by the Electoral Officer regarding the order in which the candidates' names are to be shown on the voting documents for the 2019 Local Authority Elections. The meeting was informed that the District Health Board has since resolved to adopt random order for its voting documents.

Proposed Clr Burt  
Seconded Clr Parker

"That the Council resolves that the names of the candidates for the Timaru District Council elections on 12 October 2019 are to be arranged on the voting papers in random order."

Motion carried

**10. Ministry of Education Reform of Vocational Education – Timaru District Council Submission**

The Council considered a report by the Policy Analyst presenting a draft submission to the Ministry of Education's Reform of Vocational Education for Council approval. Aoraki Development's Chief Executive and the Policy Analyst spoke to the report, noting that the submission is based on the best possible outcome for the district as a whole. In the preparation of the submission, consultation was undertaken across a number of organisations. The main concerns regarding the reform are with the speed of the intended changes, and the lack of detail in the reform proposal.

Councillors commented that the draft submission is detailed and comprehensive, but requested a check be made on the focus on a national platform possibly not aligning with programme delivery and assessments being done at a regional level.

Proposed Clr Stevens  
Seconded Clr Burt

"That Council approves the joint submission to the Ministry of Education's Reform of Vocational Education."

Motion carried

**11. Climate Change Declaration**

The Council considered a report by the Mayor recommending Timaru District Council supports the Local Government Leaders' Climate Change Declaration. Comment was made that Timaru District Council already has a focus on sustainability and a lot of work is being done in the background. Also of importance is the current District Plan review as it relates to future climate change threats.

Proposed Clr Parker  
Seconded Clr Stevens

"That Council signs the Local Government Leaders' Climate Change Declaration."

Motion carried

**12. Aoraki Development Draft 2019/20 Statement of Intent and Budget**

The Council considered the draft 2019/20 Aoraki Development Statement of Intent and Budget. Aoraki Development's Chief Executive thanked the Council for its support.

Proposed Clr Wills  
Seconded Clr Burt

"That the Aoraki Development draft 2019/20 Statement of Intent and Budget is supported and Aoraki Development and Promotions Ltd is advised accordingly."

Motion carried

13. **2018/19 Annual Plan Progress report for the Eight Months Ended 28 February 2019**

The Council considered a report by the Acting Group Manager Commercial and Strategy, the Chief Financial Officer and the Strategy and Corporate Planning Manager presenting progress against Council's 2018/19 Annual Plan.

Proposed Clr Bowen

Seconded Clr Lyon

- a "That the summary financial results to 28 February 2019 is received and noted.
- b That the non-financial performance indicators and project work programme results to 28 February 2019 is received and noted."

Motion carried

14. **Timaru District Holdings Limited Governance Structure and Remuneration of Directors**

The Mayor declared an interest in the entire TDHL governance structure and remuneration of directors item and retired from the meeting. Deputy Mayor Clr Lyon, assumed the chairmanship for the governance structure portion of the report.

**Governance Structure**

A lengthy discussion took place on the structure of Timaru District Holdings Ltd and whether a review is necessary, in light of some concerns raised during the public consultation at the end of 2018 on the proposal to sell TDHL's interest in Alpine Energy Ltd.

Rather than an internal governance review, an independent review using external assistance was supported. An external review would help to take away any perceived issues around the timing of the review and views expressed around the council table between now and the local authority elections in October 2019. A review needs to look at the role and performance of TDHL and increase the understanding of its purpose and function.

It was pointed out that TDHL has been in existence with the Mayor as chairperson for over 15 years, with the company's role and portfolio expanding during that time from a utilities focus to a wider commercial and property portfolio, but also with a community good component. Having external directors on the board is important for commercial expertise and experience but councillor directors on the board supports the community good component.

The issue of director remuneration and whether it should be part of the review was raised by Clr Wills. At that point Clr Lyon and Clr Stevens withdrew from the chamber due to discussion on an independent review possibly including the remuneration of TDHL directors.

### **Appointment of Chairperson**

The Chief Executive called for nominations for the position of Chairperson for the portion of the meeting when the Mayor (as Chairperson) and Deputy Mayor Clr Lyon (Deputy Chairperson) were absent due to declaring a potential conflict of interest.

Proposed Clr Wills  
Seconded Clr O'Reilly

"That Clr Bowen be appointed acting chairperson for the portion of the meeting when the Mayor and Deputy Mayor are absent."

Motion carried

### **Remuneration**

While the directors' remuneration will be part of the review, councillors expressed some initial views supporting TDHL remuneration being appropriate for the liability, responsibility and time commitment associated with the role and the need to attract suitably qualified, experienced directors.

### **Independent Review**

Proposed Clr Wills  
Seconded Clr O'Reilly

- a "That an interim independent chairperson be appointed within the current TDHL structure.
- b That an independent review of TDHL be undertaken.
- c That the scope and who carries out the review are to be determined.
- d That a draft Terms of Reference be presented to the next Council meeting."

Motion carried unanimously

### **Interim Independent Chairperson**

Proposed Clr Burt  
Seconded Clr O'Reilly

- a "That the current deputy Chairperson of TDHL be invited to be the interim independent TDHL chairperson.
- b That internal councillor director Richard Lyon be invited to be the interim deputy chairperson of TDHL.
- c That in the meantime the current TDHL remuneration remains the same."

Motion carried

The Mayor and Clrs Lyon and Stevens returned to the meeting. The Mayor resumed the chair.

**15. Exclusion of the Public**

Proposed Clr Wills  
Seconded Clr Burt

“That the Council resolves to exclude the public on the grounds contained in Section 48(1) of the Local Government Official Information and Meetings Act:

**Community Group Request**

Clause	LGOIMA wording	Plain English reason
Section 7(2)(b)(ii)	To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied, or who was the subject of, the information.	Commercial sensitivity
Section 7(2)(i)	The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	To enable commercial or industrial negotiations.”

**16. Readmittance of the Public**

Proposed the Mayor  
Seconded Clr Bowen

“That the public be readmitted to the meeting.”

Motion carried

The meeting concluded at 5pm.

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Chairperson