

# MACKENZIE DISTRICT COUNCIL

## MINUTES OF A MEETING OF THE PROJECTS AND STRATEGIES COMMITTEE HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY 12 APRIL 2011 AT 2.55 PM

### **PRESENT:**

Graeme Page (Chairman)  
Claire Barlow (Mayor)  
Crs John Bishop  
Peter Maxwell  
Annette Money  
Graham Smith  
Evan Williams

### **IN ATTENDANCE:**

Glen Innes (Chief Executive Officer)  
Bernie Haar (Asset Manager)  
Frank Ledingham (Manage – Roading) for part of the meeting  
John O'Connor (Utilities Engineer) for part of the meeting  
Rosemary Moran (Committee Clerk)

### **I APOLOGY:**

There were no apologies.

### **II DECLARATIONS OF INTEREST:**

There were no Declarations of Interest.

### **III MINUTES:**

Resolved that the Minutes of the meeting of the Projects and Strategies Committee held on 1 March 2010, including such parts as were taken with the Public Excluded be confirmed and adopted as the correct record of the meeting.

**Graham Smith/Annette Money**

Resolved that the Minutes of the meeting of the Solid Waste Subcommittee held on 29 March 2010, including such parts as were taken with the Public Excluded be received

**Claire Barlow /John Bishop**

### **IV REPORTS:**

#### **1. ASSET MANAGER'S MONTHLY REPORT:**

This report from the Asset Manager referred to Clayton Road Seal Widening, Twizel Water Supply, Fairlie Water Supply Trunk Main Replacement, Project Progress, Roading, Essential Services and Solid Waste.

Resolved that the report be received.

**Claire Barlow/Graham Smith**

**Twizel Water Supply:**

Power:

The Utilities Engineer referred to increased energy costs and on-going efforts to obtain a competitive quotation from energy suppliers.

Temporary Disinfection:

Cr Bishop noted that the Community Board wished to consult with the public regarding the temporary disinfection of the Twizel Water Supply and he undertook to liaise with the Community Board Chairman.

Resolved that the temporary disinfection of the Twizel Water Supply be highlighted as an issue of interest in the draft Annual Plan for 2011/2012.

**Annette Money/Claire Barlow**

The meeting was adjourned at 3.25 pm and reconvened at 3.30 pm.

Resolved:

1. That the awarding of the Seal Widening Contract 199 to Sicon Ltd for a price of \$103,045.00 be confirmed.
2. That the awarding of the Contract 1195 to Fulton Hogan Ltd for the replacement of the Lake Alexandrina Bridge for a price of \$53,690.80 be confirmed.

**Evan Williams/Graham Smith**

2. BRIDGE REPLACEMENT PROGRAMME:

This report from the Asset Manager provided an opportunity for the Committee to review the Bridge Replacement Strategy and determine if the various structures should be replaced, removed or handed back to the benefitting landowners.

Resolved that the report be received.

**Evan Williams/Claire Barlow**

Resolved that:

1. Bridge No 1 Otama Stream be replaced.
2. Bridge No 7 Long Gully Bridge be replaced.
3. Bridge No 9 Fraser Road #2 Bridge be replaced.
4. Bridge No 13 Coal Pit #2 Bridge be replaced.
5. Bridge No 19 Pioneer Park Bridge be replaced.
6. Bridge No 26 Goodmans Road not be replaced when it can no longer be maintained in a safe condition for light vehicles.
7. Bridge No 28 Oldfields Road Bridge be replaced.
8. The Council negotiate the handing back of Bridge No 3 Morris Road Bridge to the landowner on whose land it is placed.
9. Bridge No 41 Clayton Settlement Road Bridge be replaced when required.
10. Bridge No 58 Single Hill Bridge be replaced.
11. Bridge No 70 the Grampians Bridge not be replaced.

12. Bridge No 73 Stoney River Bridge be removed as soon as possible and not replaced – subject to consultation.
13. Bridge No 79 Lake Alexandrina Bridge be replaced.
14. Bridge No 78 Black Birch Stream Bridge be replaced.
15. Bridge No 89 Mowbray Stream Bridge be replaced when eventually required.
16. Bridge No 92 Stoney River Bridge be removed as soon as possible and not replaced.
17. Bridge No 93 Fox Peak Road be replaced.

**Evan Williams/Graham Smith**

The Chairman and the Asset Manager undertook to consult with the owners of the Morris Road Bridge.

Resolved that Bridge No 78 Cass River Bridge be replaced, subject to a substantial contribution from the landowner to the funding of the local share of the cost of replacement.

**Claire Barlow Annette Money**

Resolved that investigations be made into the legal implications of closing the top end of the Godley Road before the Cass River Bridge.

**Graeme Page/Evan Williams**

3. TWIZEL WATER SUPPLY:

This report from the Asset Manager was accompanied by the report from Opus Consultants Ltd *Twizel Water Supply - Options Update* dated February 2011.

Resolved that the report be received.

**Graham Smith/John Bishop**

Resolved that preliminary investigations be undertaken to confirm the viability of proposed new sources for the water supply for Twizel.

**John Bishop /Graham Smith**

**V GENERAL BUSINESS:**

1. CAPITAL WORKS PROGRAMME:

The Chairman referred to the desirability of completing the capital works programme in an appropriate annual time frame.

The Chief Executive Officer suggested it would be helpful to set clear, realistic milestones for capital works projects.

2. POLICY ON BANKING, DEPRECIATION AND PAYMENT OF LOANS:

The Chairman referred to the potential for unwelcome pressure on Council's financial reserves given the large capital works projects which were on the pipeline.

The Manager – Finance and Administration said one of the driving forces behind the legislation for the Long Term Planning process was to ensure that councils remained sustainable. To that end the Council would have the opportunity to adopt

a long term financial strategy which would consider the impact of the decisions made on capital expenditure projects undertaken, five, ten, twenty years out; the Council would need to paint a picture of how it would remain sustainable in the long term. This would require a raft of policy changes which would enable the intergenerational impact of decisions to be identified and considered.

He said it would no longer be appropriate to consider projects in isolation – they would have to be measured in terms of their impact not only on the relevant local community but also on the District as a whole.

The Mayor noted that the Long Term Plan process would require a large commitment from Councillors in terms of the time needed to develop the necessary policies and strategies. She suggested that it could be appropriate for that to happen outside of the normal committee and council meetings schedule. She acknowledged that long term plans needed to be able to adapt to changing circumstances, but noted that the Council was required in its planning to be thinking of the intergenerational impacts of its decisions.

The Manager – Finance and Administration said that changes to the Local Government Act required that the Council set a limit on its rates rises and borrowings and the Council would be compared against those standards in the three-yearly Pre-Election report. He advised that The Society of Local Government Managers had developed a Best Practice Guide which Audit NZ had adopted as a benchmark; therefore the days were gone when councils could merely change the dates in their plans and move projects forward.

### 3. REVIEW OF COUNCIL COST CENTRE CHARGES:

In response to the Chairman's desire for a review, the Chief Executive Officer advise that it could be beneficial to group all overheads in a separate cost centre which would focus attention more finely.

### 4. ESTABLISHMENT OF A ROADING SUBCOMMITTEE:

The Chairman asked for the Committee's opinion on his proposal that a roading subcommittee be established which he considered would relieve some of the burden on the Projects and Strategies Committee.

The Chief Executive Officer suggested that given the low level of discretionary funding in the roading budgets it was reasonable to assume that activity in roading would be related mainly to maintenance, apart from the minor improvements.

Cr Williams noted that much of the work in roading was done on the basis of it being reactive rather than proactive.

The Asset Manager was of the opinion that there would be little to be gained by removing a chunk of the Committee's business to another forum which would add a further set of meetings, reports etc. He suggested that if there was a problem with the status quo in about six months, then that problem could be addressed at that time.

**VI PUBLIC EXCLUDED:**

Resolved that the public be excluded from the following part of the proceedings of this meeting namely:

1. Waimate/Mackenzie Shared Service Meeting

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under Section 48(1) for the passing of this resolution</b>
Waimate/Mackenzie - Shared Services Meeting	Commercial Sensitivity	48(1)(a)(i)

This resolution is made in reliance on Section 48(1)(a)(i) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

*Waimate/Mackenzie Shared Services Meeting* Section 7(2)(b)(ii)

**Graham Smith/Claire Barlow**

**THERE BEING NO FURTHER BUSINESS  
THE CHAIRMAN DECLARED THE MEETING CLOSED AT 5.35 PM**

\_\_\_\_\_  
**CHAIRMAN**

\_\_\_\_\_  
**DATE**