

**MINUTES OF AN ORDINARY MEETING OF THE
SELWYN DISTRICT COUNCIL
HELD VIA ZOOM
ON WEDNESDAY 8 APRIL 2020 COMMENCING AT 1PM**

Due to the current COVID-19 situation Councillors linked into the meeting via Zoom.

PRESENT

Mayor (S T Broughton), Councillors, M A Alexander, J B Bland, S Epiha, J A Gallagher, D Hasson, M P Lemon, M B Lyall, S G McInnes, G S F Miller, R H Mugford and N C Reid

IN ATTENDANCE

Messrs. D Ward (Chief Executive), D Marshall (Group Manager Property), M Washington (Group Manager Infrastructure), T Harris (Group Manager Environmental and Regulatory Services), G Bell (Group Manager Corporate Services), M Rykers (Manager Open Space and Strategy), S Hill (Group Manager Communication and Customers), S Tully (Advisor), M England (Asset Manager Water Services), B Charlton (Regulatory Manager), A Lawn (Civil Defence Manager), C Robinson (Projects Accountant), R Raymond (Communications Advisor), Mesdames. D Kidd (Group Manager Community Services and Facilities), E McLaren (Water Services Delivery Manager), N Smith (Executive Assistant), Ms S Murphy (Communications Assistant) and Ms T Davel (Governance Coordinator)

APOLOGIES

None.

IDENTIFICATION OF ANY EXTRAORDINARY BUSINESS

None.

CONFLICTS OF INTEREST

None.

PUBLIC FORUM

None.

The Mayor welcomed everyone to the meeting especially those watching the livestream via Council's Facebook page. Council decided that future meetings during the lock down period will commence at 2pm to provide for the daily 1pm Government update.

CONFIRMATION OF MINUTES

1. Minutes of an Ordinary meeting of the Selwyn District Council held in the Council Chambers and via Zoom on Wednesday 25 March 2020

Councillors Alexander and Hasson noted they had sent through minor amendments which were confirmed to be part of the final approved minutes.

Moved – Councillor Lyall / **Seconded** – Councillor Bland

'That the Council confirms the minutes of the ordinary meeting of the Selwyn District Council held on Wednesday 25 March 2020.'

CARRIED

2. Minutes of an Executive Committee meeting of the Selwyn District Council held via Zoom on Wednesday 1 April 2020

Councillor Alexander said he had asked a question on the continued low level of chlorination which was not reported and the Chief Executive referred him to an email response in this regard. With the Asset Manager Water Services in the meeting he may provide an update during his item later in the meeting.

Moved – Councillor Lemon / **Seconded** – Councillor Mugford

'That the Council confirms the minutes of the Executive Committee meeting of the Selwyn District Council held on Wednesday 1 April 2020.'

CARRIED

CURRENT MATTERS REQUIRING ATTENTION

Item	Meeting referred from	Action required	Report Date / Action
Implementation of District Wide Rates for community centres, halls and reserves and the introduction of online centralized bookings	11 September 2019	Review effectiveness post-implementation	<i>On hold.</i>

REPORTS

1. District Licensing Committee

Joint District Licensing Committee and Licensing Inspectors' Monthly report for the period 1 February 2020 – 29 February 2020

Councillor Hasson, having declared a conflict, did not participate in the discussion nor the voting.

Moved – Councillor Alexander / **Seconded** – Councillor Lyall

'That the Council receives the report on the activities of the District Licensing Committee and the Chief Licensing Inspector for February 2020.'

CARRIED

2. Mayor

Mayor's (Verbal) Report on COVID-19

The Mayor provided an update and said he had nothing but praised and thanks for what is being done so far. He said Council were doing what it could to keep its communities safe. The current focus was on the near future and Council was in a strong financial position, able to implement short-term solutions without a long-term impact.

The Mayor's speaking notes are captured in full below, for ease of reference:

As we approach week three of lockdown I have nothing but praise and thanks to offer our community for the way they have risen to the challenges presented in these exceptional times. Each day I hear more stories of how individuals, community groups, emergency services, supermarkets and many others are pulling out all the stops with numerous acts of generosity and resilience.

We are doing everything within our power to keep the community safe and to keep the essential services that we rely on in place. Our Emergency Operations Centre is fully operational and our council staff have now settled into a working from home routine. I'm spending countless hours in meetings with yourselves and other colleagues via video conferencing and working from home certainly has up and downsides.

Our current focus is on the near future and through today's agenda we will be discussing a 0% rates increase for next year as well as options to assist families and businesses to delay the payment of their rates bills. We need to make these decisions to support our community through the next period of uncertainty to ensure that Life in Selwyn can pick up again once the lockdown is over.

Our council is in a very strong financial position, as we have continually reminded ourselves, so we are able to implement these relatively short term but necessary decisions without long lasting financial burden. We need to take responsibility for the decisions today by ensuring we balance it out through the Long Term Plan that we will be developing over the next 12 months with hopefully far more certainty than we have now.

A Selwyn Recovery Plan is necessary and many of us are thinking about that now. The plan needs to be driven from the ground up and reflect the spread of our community. In developing the plan we need community, Runanga, business, NGO and neighbour council input. We have strong relationships with all these groups which is the basis of any discussion. We don't have to rush the plan or start major discussion, formation or implementation now, however we will need all our partners involved if we are to make the most of the opportunity that Covid 19 is presenting us for our future. This work with everyone will inform planning and funding for our Long Term Plan. And although today's focus is on the Annual Plan I want to signal that our Long Term Plan year 1 will likely look very different to the current LTP year 4. With that in mind and assuming that our large capital projects will be completed over the next 12 months I will be working with staff and councillors to understand other approaches to the development of LTPs. Looking at what other councils do, and ensuring that we start by asking questions rather than starting at status quo.

As chair of the Canterbury Mayoral Forum I am working with the other mayors with an eye on the longer term. Working together with our neighbours and partners is the best way to respond to the inevitable challenges that will face our hard pressed local businesses. We are looking at how the lack of international travel will affect tourism and the many farmers who rely heavily on overseas workers to support their industry.

Yesterday I met with some of our tourism providers and key staff to hear how they were faring. There are certainly challenges ahead but like most people I talk with, while there is immediate uncertainty there is long term hope. Our tourism operators will change and evolve to meet the needs of New Zealanders traveling the country and visiting our towns. Last year there were 20million separate visits to TA's of the South Island. 18 Million of them were New Zealanders putting pressure on roads and public toilets. Once lock down is over there will still be a lot of activity around our Island even without International visitors for a while. The hard part is that the International visitors accounted for 45% of total visitor spend. So operators will need to find ways to provide extra value to kiwis traveling around.

There were areas of the international tourism industry that were unhealthy and we need to ensure that what we pick back up is high value not high volume, that our communities see the benefit of visitors and invite the activity, that our Island as a whole benefits, and that we can smooth the current seasonality which varies wildly between January and July for most places.

The Mayoral forum had been advocating to the government to clarify essential services for food business. In Selwyn and particularly in Leeston and Darfield there was a lot of pressure on a single small/medium sized supermarket. That business continuing is extremely important and the recent announcement by the Prime Minister that butchers and greengrocers can deliver, following best practice social distancing rules, is very welcome and helps share the load. It also means that the food being grown can make it to market rather than going to waste.

We are asking the government about weekly newspapers who are currently unable to work as essential services but who share most of the local news across Selwyn. The Selwyn App and Selwyn Times usually attend all our meetings and report the discussion to the community. Some of these papers have an online version although online does not work for all our community. The Selwyn App is all online and you are able to see updates on local news and other events there.

On Monday this week I met ‘virtually’ with leaders from over 40 community organisations to understand their needs and communicate what our council are doing. We confirmed with them that funds they had received from council for the current financial year would be held and could be spent into next year. That the review of committee structure is on hold from councils workstream however now would be a good time for them to consider how they meet, how regularly, and if there are further local committees that could meet together as some towns already have their hall, reserve and community committees meeting as one.

We put on hold the reserve charging work that our reserves team has been looking at. These workstreams will come back online once we get through the current crisis. The feedback from the group was that they appreciated the opportunity to gather, for many it was their first taste of online meetings. We plan to hold these catch ups monthly although some feedback suggested a shorter time frame which we are considering.

Like you, I am in my bubble which includes my family and will be staying in and staying local this Easter and I encourage you to do the same. If you know somebody who is alone through this please reach out to them in a safe way.

We are not out of the woods yet, but we are in this together. Please stay safe, listen to the advice and be kind.

In response to a question from Councillor Alexander as to whether community committees can continue with triennial meetings, the Chief Executive said staff will provide advice to those committees.

The Mayor next asked Council's Civil Defence Manager, Mr Al Lawn to update Council as to where they were at and what they were facing at the moment. The Civil Defence Manager said the EOC has set up at the Lincoln Country Club as it was isolated and kept everyone away from others. He said only a few staff work from there, the rest were either working from home or via the D4H platform. He told Council there were three back-up controllers to ensure the EOC was able to continue in the event someone got sick. Referring to the 35 community response teams, which were local people doing local things, Mr Lawn said this was a blueprint for New Zealand. These were the people doing the majority of responses in their communities. It worked so efficiently that they had only received 10 calls so far to the new 0800 number. This was a good indication that communities are looking out for themselves.

Mr Lawn added that while they worked under the Canterbury Group and National Controller they do have the autonomy to find local solutions. He assured Council that in the event of the Alpine Fault or flooding, there are contingencies built into the plan.

For ease of reference the numbers are 0800SELWYN (0800735996) for local contact and 0800 2424 11 for Regional contact.

Moved – Mayor Broughton / **Seconded** – Councillor Reid

‘That Council receives the Mayor’s (Verbal) Report on COVID-19, for information.’

CARRIED

3. Chief Executive

Chief Executive's (Verbal) Report on COVID-19

The Chief Executive updated Council regarding the Business Continuity Plan and the teams in place to help with the response. He said the teams met twice a day and were considering huge volumes of information daily. The aim was to get the facilities open and operational as soon as possible after lock down and when appropriate to do so.

The Chief Executive said he would also review the list of capex projects to maximise opportunities for commencing work for the benefit of the wider District after lock down ended. Council had a huge role to play in reigniting the economy and he said he was incredibly proud of the response of all his staff who continued to provide a wide range of services.

He said he wanted to remind any public listening to the meeting that Council was open for business and urged people to continue doing what they would normally do. The Chief Executive added he was in contact with staff daily and told Council about a recently established staff Facebook page which was working very well, keeping staff connected.

Moved – Councillor Lyall / **Seconded** – Councillor Bland

'That Council receives the Chief Executive's (Verbal) Report on COVID-19, for information.'

CARRIED

4. Management Accountant

Financial Report to 29 February 2020

The Chief Executive noted that this report would normally go to the Audit and Risk Subcommittee before coming before Council. The Group Manager Corporate Services said payments to staff were underspent, mainly due to vacancies. In terms of general payments there was an overall overspend, some relating to suppliers and roading maintenance, but also the cost of processing building consents.

Capital funding was slightly ahead of budget with capital expenditure slightly behind. This was due to some of the larger capital projects now stalled for the time being.

The Group Manager Corporate Services assured Council it was in good liquidity with almost \$60m available in cash. Operating costs were down and capital cash flow would be in a strong position as Council was not able to spend too much at the moment.

In response to a question from Councillor Lemon about what percentage of income was presented by the rates, the Group Manager noted around two thirds. The balance of Council's income was made up of fees and charges, dividends, lease revenue and interest.

In relation to reporting on the Izone he noted it would likely not be continued in the new Financial Year as there will not be much to report.

There was a brief comment about contractor KPI's noting some of the historic KPI's will not be maintained. The Mayor noted it was good to see that contractors were performing as Council expected from them.

Moved – Councillor Gallagher / **Seconded** – Councillor Epiha

'That the Council receives the financial report for the period ending 29 February 2020, for information.'

CARRIED

5. Asset Manager Open Space and Strategy

Update on Council Forestry Holdings

The Asset Manager Open Spaces and Strategy noted this was an updated report. He confirmed that the Coalgate Reserve is not on this list as it was treated more as part of a Recreation Reserve and asset.

Councillor Bland asked about the forestry holdings and why staff did not consider planting these out in native trees to encourage native birds to come into the District. The Asset Manager noted they are considering such options but it was not always possible to plant to the required coverage to prevent paying the ETS credit. Staff have identified the Lakeside site which will be planted in native species. He said those reserves or blocks which appear suitable will be planted out with natives. Councillor Bland said it was a good opportunity not only to focus on the ETS but consider asking a local nursery to tend to the site. Councillor Hasson added that the Selwyn Waihora Zone Committee, Christchurch West Melton Zone Committee and other were undertaking planting specific native plants e.g. kowai. Councillor Hasson said an option would be to keep the forestry site as is but plant natives around the outside. Staff agreed they would look into this.

Moved – Councillor Lemon / **Seconded** – Councillor Hasson

'That the Council receives the report 'Update on Council Forestry Holdings' for information.'

CARRIED

6. Group Manager Environmental and Regulatory Services

Risk Management

The Group Manager Environmental and Regulatory Services said this report would also normally be presented to the Audit and Risk Subcommittee. Two changes were made to the risk register. The first in relation to having received full accreditation and he took the opportunity to congratulate the team for that. The second was in relation to COVID-19 pandemic issue. The risk was included as a possible outcome on the 10th of March and a mere two weeks later there was lock down. The risk will now be upgraded to reflect its impact on activities. Councillor Lemon asked whether a monthly report could be prepared, especially in view of the COVID-19 threat. Staff agreed and added a separate page focusing on the virus will be included in the risk register monthly update.

Moved – Councillor Lemon / **Seconded** – Councillor Mugford

‘That the Council receives the report on the risk register for its information.’

CARRIED

7. Asset Manager Water Services and Water Service Delivery Manager
Water Services Monthly Update

It was noted this was an update on the last month’s report, red font indicated changes from the previous report. The new Water Service Delivery Manager, Ms Elaine McLaren was introduced to Council. The Asset Manager Water Services lead Council through the report.

He said staff had written to the Drinking Water Assessor to request the formal extension of 23 Water Safety Plan submission deadlines due to COVID-19, the request has since been declined. Staff are working to meet deadlines.

In terms of demand management he added that, with the lock down, it was clear that people’s habits had already changed. Due to cooler weather, water demand was down to winter levels already.

All capital projects were on hold due to COVID-19.

A special mention of Councils water services contractor Sicon was made. Sicon had done well to reduce staff contact well before the actual shut down and was doing an outstanding job keeping essential water services going.

In response to a question from Councillor Alexander it was confirmed the level of testing would continue as required by the Drinking Water standards in Kirwee. Chlorination of the Kirwee supply would continue until the source of total coliforms was identified and eliminate. This was likely to occur after we move out of level 4 lockdown.

There was a brief discussion about shovel ready projects. In terms of the three water review, two Council groups, North Canterbury (Selwyn north) and Aoraki (Ashburton south), are working collegially to determine what collaboration opportunities would best suit the region’s needs.

Staff confirmed that they will be working with Federated Farmers looking at which water races could be closed, strategic water races need to be protected. All water race closures will go through Council for approval before closure.

Moved – Councillor Reid / **Seconded** – Councillor McInnes

‘That the Council receives the report ‘Water Services Monthly Update’ for information.’

CARRIED

8. Projects Accountant

Major Projects Financial Update – February 2020

The Project Accountant went through his report, noting additional comments were added in red font. He added that in more than one project the main risk was supply of componentry. It was also possible that the machinery coming in from Germany in relation to the solar drying hall, would require German engineers to come to New Zealand to assist. This will be addressed when the time comes.

Moved – Councillor Lemon / **Seconded** – Councillor Alexander

‘That the major projects financial report to 29 February 2020 be received for information.’

CARRIED

9. Chief Executive

Consideration of the content of Council’s Draft Annual Plan 2020/2021

The Chief Executive said his report focused on three key areas i.e. Review of Key Projects; Consideration of Rating Increase Options; and Ratepayer Assistance Options.

The plan will go out for consultation at the end of April.

In terms of key projects, he said they needed to consider whether key projects are still priority and whether there was capacity to proceed, both internally and externally and what the impact of deferral might be on Council and the community. There are a number of projects already underway and these needed to be committed to for completion. One example was the Rolleston Town Central Retail project. If this was put on hold staff might be able to focus further on some of the other projects.

Regarding rate increase options the Chief Executive said Council should remind itself that the draft plan proposed an increase of 3.5% which is below what the Long Term Plan proposed. \$2.4m in revenue is to be gained by the increase. However, staff also looked at options for rating increases, but the list was not exclusive. The Chief Executive said he would review savings over the next couple of weeks and also look at how low or zero rate increases may impact on future rate increases.

The Chief Executive said three packages are suggested to provide assistance to individuals and businesses impacted by COVID-19 and referred to these as per his report.

The Mayor reminded Council this was still a draft for consultation and that the outcomes were not being decided at today’s meeting. He said the purpose was to clarify for Council what the options were, in order that staff can bring a final document for adoption.

The Mayor said projects halfway through completion should be finalised. He said having the opportunity for everyone to take a deep breath and make the right decisions as to what they want to do, was still the right thing. The Mayor said there will be a future cost if Council adopted a 0% rate. He spoke about projects which could be brought forward.

Councillor Bland said that Council should consider work and business before considering rates. People without work and out of business can't pay rates. He added Council need to change its philosophy in terms of procurement policies. He clarified that Council should consider utilising local tradespeople and business when there is work to be done at Council facilities, e.g. painting, electrical work etc.

Councillor Alexander said the average increase, for urban ratepayers, was less than \$2.50 per week. He noted his intention to foreshadow an amendment to recommendation (e). He also asked questions about recommendation (h). Councillor Alexander said while he agreed the physical works of the Rolleston Town Centre may be stalled, the planning for it should not stop. He added that he didn't think the Darfield Waste Water project was a shovel ready project as further consultation will be required. He added deferment of water quality improvement was not prudent. Appendix Two, option 6 should be considered to be added to the recommendations.

Councillor Lemon reminded Council this was not a final document and said Council would ultimately hear from its communities about whether or not they wish to defer costs, or would be agreeable to retain their rates. Councillor Hasson agreed that there was enough information to obtain comments from communities and she added that when it came time for deliberations this may change again.

Councillor Reid said it was good to look at different packages and Council would now need to think broadly about how it goes forward.

Moved – Mayor Broughton / **Seconded** – Councillor Lyall

'That Council continue with the meeting beyond its maximum two hour meeting time as per Standing Order.'

CARRIED

Councillor McInnes thanked staff for the paper and said libraries are definitely something to continue. It will in future become a must-have rather than a nice-to-have. Councillor Reid agreed, noting the wellbeing factor of libraries. She also said in terms of appointing local businesses, it needed to be remembered that some people who live locally, work elsewhere.

Councillor Miller said he applauded Councillor Alexander for raising the difficult issues. He said it would be superficial to talk about a 0% rate increase because someone does pay if someone else doesn't. He added that people might apply to have their rates paid as per a loan and pay back only the interest on that. This could be done over a 3 year term, and if not paid during that time, they can go onto a payment plan.

Councillor Miller added that in terms of the Rolleston Town centre, while the building might be deferred, the base infrastructure could go ahead.

Councillors voted on each recommendation separately and all voted in favour, subject to the wording change in recommendation (e) and (h) as indicated below and the addition of a statement around Appendix Two, Item 6.

The Group Manager Corporate Services said a Postponement Policy would be challenging and complex to develop. This will take a couple of weeks before it comes back to Council.

Moved (as amended) – Councillor Alexander / Seconded – Mayor Broughton

‘That Council:

- (a) receives this report for information;*
- (b) agrees to place on hold the consultation on the previously adopted Draft Consultation document pending this review;*
- (c) defers major investment in the Rolleston Town Centre retail project to the 2021-2031 Long Term Plan;*
- (d) continues with all other spending plans identified in the adopted 2020/2021 Draft Annual Plan;*
- (e) considers freezing rates at the 2019/2020 level and requests the Chief Executive to explore saving and efficiency options;*
- (f) reviews the draft 2021/2021 Draft Annual Plan consultation document in line with today’s decisions (8 April 2020) for distribution to the community for consultation;*
- (g) receives amended content to its 2020/2021 Draft Annual Plan for adoption at its meeting of 15 April 2020; and*
- (h) approves the development of support packages for ratepayers as follows:*
 - i. a commitment to reduce the penalty for late payment of rates from the previous 10% down to 3% for the 2020/21 financial year with this change to be formalised as part of the rates resolution for the year 1 July 2020 to 30 June 2021*
 - ii. an extended payment period to 15 December 2020 without penalty for all ratepayers that enter into an agreed Direct Debit payment plan for this period*
 - iii. an extended payment period to 15 December 2022 without penalty for business ratepayers that have received the wage subsidy and other ratepayers that have lost their jobs or lost 20% or more of their income from all sources that enter into an agreed Direct Debit payment plan for this period (with application for this option to be available from 1 May 2020); and*
 - iv. Rates Postponement be considered as option.’*

CARRIED

EXTRAORDINARY BUSINESS

None.

RESOLUTION TO EXCLUDE THE PUBLIC

Moved – Councillor Lyall / **Seconded** – Councillor Gallagher

‘That the public be excluded from the following proceedings of this meeting. The general subject matter to be considered while the public is excluded, the reason of passing this resolution in relation to the 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		Reasons for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution	Date report can be released
1.	Public Excluded Minutes	<i>Good reason to withhold exists under Section 7</i>	<i>Section 48(1)(a)</i>	
2.	COVID-19 Update			
3.	Parks and Reserve Contract Renewal			<i>Upon approval at today's Council meeting</i>
4.	Chief Executive Report re Lockdown Period			

This resolution is made in reliance on Section 48(1)(a) 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 or Section 6 or Section 7 or Section 9 of the Official Information Act 1982, as the case may require, 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:

1 - 3	Enable the local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or	Section 7(2)(h)
1 - 3	Enable the local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or	Section 7(2)(i)
4.	Protect the privacy of natural persons, including that of deceased natural persons	Section 7(2)(a)

2. *that appropriate officers remain to provide advice to the Committee.'*

CARRIED

The meeting moved into Public Excluded at 3.51pm and resumed in open meeting at 4.10pm, allowing for a 20 minute break.

RESOLUTION TO RELEASE DECISION INTO PUBLIC DOMAIN

During the public excluded meeting the following resolution was agreed to be released into the public domain:

1. Group Manager Property

Parks and Reserves Contract Renewal

Moved – Councillor Lemon / **Seconded** – Councillor Hasson

‘That Council:

- (a) approves the award of the Parks & Reserves Operations and Maintenance Contract to SICON Limited for the value of \$\$4,318,596.41 plus GST per annum plus GST, commencing 1st July 2020; noting that an additional budget for provisional sums of \$617,000 plus GST exists,*
- (b) approves a contract term of agreement up to a contract term of a five year period from 1 July 2020 with a right of renewal for a further five years, subject to satisfactory performance measured formally on an annual basis,*
- (c) Approves Council staff to complete the new contract document with delegation of Engineer to the Contract to the Group Manager Property,*
- (d) Asks council property staff and SICON to continually review opportunities for cost/price reduction*
- (e) That upon approval of the resolution the decision shall be moved to public.’*

CARRIED

The meeting closed at 5.24pm

DATED this 15th day of April 2020



MAYOR