

**EXTRAORDINARY MEETING OF THE KAIKOURA DISTRICT COUNCIL
HELD AT 9.00AM ON WEDNESDAY 13 DECEMBER 2017 AT COUNCIL
CHAMBERS, KAIKOURA CIVIC BUILDING, 96 WEST END, KAIKOURA.**

AGENDA

1. *Apologies*
2. *Declarations of Interest*
3. *Open Forum – Session for members of the public wishing to comment on items included in this agenda.*

The meeting will adjourn following this item and resume following the Earthquake Recovery Committee Meeting.

4. *Matters of Importance to be raised as Urgent Business*
5. *Mayor’s report* *page 23*
6. *Three Year Plan* *page 24*
7. *Works and Services (BAU)* *page 28*
8. *Building Control Fees* *page 32*
9. *Trust Deed – Cycleway* *page 35*
10. *Urgent Business*

11. Council Public Excluded Session

Moved, seconded that the public be excluded from the following parts of the proceedings of this meeting, namely

- a. Insurance Strategy and Claim*
- b. Resourcing*
- c. Joint Government Management Committee*

The general subject 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) and 7(2)(i) of the Local Government Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each to be considered	Reason for passing this resolution in relation to each matter	Grounds of the Act under which this resolution is made
Insurance, Strategy and Claim, Resourcing, Joint Governance Management Committee.	The exclusion of the public from the whole or the relevant part of the proceedings of the meeting is necessary to enable the Local Authority to protect information where the making available of that information would likely unreasonably to prejudice the	Section 48(1)(a) and 7(2)(b)(ii)

	commercial position of the person who supplied the information or who is the subject of the information.	
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To:	Council
Date:	13 December 2017
Subject:	Mayor's report
Prepared by:	Winston Gray
Authorised by:	Angela Oosthuizen

The year 2017 will be remembered as possibly the most challenging in the history of our District. The scale of the Damage not just to our buildings but also the massive land damage that will have repercussions for some years to come and actually quantifying the extent of the damage will take time. The roading network alone is a long way from being back to normal, although there has been a huge amount of work done. Weather permitting we will have access opened up to the North by weeks end, this will lift confidence across the South Island and stimulate a much needed spend along our coastline from Marlborough through to the Hurunui.

Joanna Norris the Chief Executive of Christchurch New Zealand spoke to the Mayoral forum last week about the need for the Christchurch rebuild to be pushed on as it is vital to the wider region as visitors that come through Christchurch disperse out across the South Island and spend time and money.

Kaikoura is now recognised as a major drawcard for both international and domestic visitors to the South island. With the new Government talking regional development, we have a very good investment case to make with huge untapped potential here to grow the existing marine tourism and build new ventures like the coastal cycle trail and opportunities like the great walk proposition between Kaikoura and Hamner via Lake Macrae. These attractions have the potential to take us to another level altogether and actually see our population expand.

In the meantime there is still plenty to do to get our community back up and running and it has been a tough year for Councillors and staff.

Who would have thought that the new Council of 2016 would have been thrust into the situation that presented on the 14th November, it has been challenging for all. I would like to thank all Councillors and staff for your efforts on behalf of Kaikoura this past year and I hope you all get some Christmas respite.

To: Council

Date: 13 December 2017

Subject: Three Year Plan 2018–2021
Proposed Timetable

Prepared by: Paul Numan
Finance and Commercial Manager

Authorised by: Angela Oosthuizen
Chief Executive Officer

Purpose and origin:

The purpose of this report is to provide an outline of the proposed timetable for the Three Year Plan.

Recommendation:

That the Council receive this report for information and approval of the proposed Timetable.

Background:

At the Council meeting on 22 November the Council adopted a recommendation that requested an amendment to the existing legislative requirement to deliver a Kaikōura District Council Long-term Plan, covering at least ten consecutive financial years, by 1 July 2018 and replacing this with a three year plan covering the years 2018-2021.

A letter has been sent to the Minister of Local Government requesting an amendment to the legislative requirement to deliver a ten-year Long-term Plan 2018-2028 and endorsing the Council's recommendation for a three year plan for 2018-2021.

Confirmation is expected on the Order in Council by no later than March 2018.

In the interim the Council has commenced the development of the Three year plan and the supporting timetable at Appendix 1.

Purpose of the Three Year Plan:

The purpose of the three year plan is to—

- a) describe the activities of the local authority;
- b) describe the community outcomes of the local authority's district or region;
- c) provide integrated decision-making and co-ordination of the resources of the local authority;
- d) provide a focus for the decisions and activities of the local authority; and
- e) provide a basis for accountability of the local authority to the community.

Key Processes for the development of the Three Year Plan

Strategic Context and direction setting:

This represents setting high level parameters for the Three Year Plan, its basic direction and the key issues that the plan will need to deal with. The Council will consider the trends and issues the community faces. For our Council this will involve identifying our vision and key priorities, community issues and strategic projects for the next 3 years.

Policy Development

This is the “heart” of the Three Year Plan development and it includes:

- *Infrastructure Strategy:* Key aspects of the strategy must be included in the consultation document. The document must deal with the key infrastructural issues and challenges. The strategy must include the five groups of network infrastructure: roads and footpaths, drinking water, wastewater disposal, stormwater and solid waste. The infrastructure strategy links closely with the financial strategy.
- *Level of Service review:* The level of service review will identify the current state of service and then a consideration of potential options. The output is a recommendation to the elected members from the executive management team about service priorities. Decisions must correlate with the Asset Management Plans and financial forecasts.
- *Review Asset/ Asset Management Plans:* The main focus of this is to reflect the results of Council direction-setting and the level of service review. The AMP’s must take into account actual/ planned growth, new standards, changing modes of service delivery.
- *Financial Strategy:* This will set the overall direction for the financial management of the Council. The strategy sets out the desired state for the finances of Council while considering the financial constraints and service delivery implications. This is a core part of the content for the consultation document. The strategy must include quantified limits on rates, rates increases and debt together with the impact these have on levels of service. The strategy must also deal with the capital expenditure for the infrastructure services.
- *Economic Development Strategy* – Subject to Council endorsement the plan will include the KPIs, goals and funding in support of an Economic Development Strategy
- *Natural Hazards:* Subject to Council endorsement the plan will incorporate decisions around Policy options, Mitigation and Retreat options, District Plan changes and Special Policy relating to the earthquake that triggered natural hazards that elevated life risks and caused land damage to properties across the Kaikoura District.
- *Policy Review:* This refers to the policies required for inclusion in Three Year Plan (revenue and financing, rates remission, significance, treasury management).

Three Year Plan

- *Preparation of the financial forecasts and financial statements* - Consistent with infrastructure & financial strategy
- *Preparation of the Draft Plan Content includes* – financial projections for 3 years at activity and Council wide levels, non-financial performance indicators (KPIs), specified Council Policies, narrative text that describes Councils activities and plans.
- *Preparation of the Consultation Document and agreement on the approach to Consultation.*

Public Consultation

This task relates to the specific legislative requirements to publicly consult in the Draft Three Year Plan.

Deliberation

This covers the analysis of submissions, provision of advice and the elected member's consideration of submissions on the draft plan.

Final Plan Preparation and Adoption

Project Timetable:

At a high level the following timetable has been produced and is underway;

- *Review activity and agree LOS options* – November/December 2017
- *Review fees and charges and agree any changes* – November/December
- *Review Grants* - November/December
- *Distribute draft estimates for completion* – November/December
- *Consider targets and measures* – January 2018
- *Consolidate all into model* – January
- *Council Level of Service, Fees and Charges and Grants workshops* – Feb/March
- *Rating charges* – February
- *Financial strategy* – February
- *Infrastructure strategy* – February
- *Compile draft consultation document* – February
- *Compile three year plan* – February
- *Audit* – March
- *Adopt Draft* – April
- *Consultation* – April/May
- *Hearings and deliberations* – May/June
- *Adopt Final* – June 2018

Attached at Appendix A is a more detailed proposed Timetable for the development of the Three Year Plan – including a diagrammatic interrelationship of the strategies, plans and key stakeholders.

Relevant Legislation:

The development of the Three Year Plan and the consultation requirements are governed by the Local Government Act 2002.

To:	Council
Date:	13 December 2017
Subject:	Works and Services (BAU)
Prepared by:	Chris Gregory Asset Manager
Authorised by:	Angela Oosthuizen Chief Executive

PURPOSE AND ORIGIN:

The purpose of this report is to provide the Mayor and Councillors with a monthly overview and status update on business as usual (BAU) activities.

Works and services includes:

- maintenance and operation of the local roading and footpath network and associated infrastructure (bridges, signs, street lights, road marking, barriers etc)
- maintenance and operation of 3 waters networks and schemes
- operation of recycling, waste minimisation and disposal
- maintenance of reserves, parks and toilets
- maintenance of community facilities
- maintenance of airport and harbour infrastructure

RECOMMENDATION:

That the Council receives this report.

ROADING:

3.1 Programme management

Several improvements have been made to the process for approving monthly roading programmes. The contractor is required to submit a three month rolling programme of upcoming works in the last week of each month for approval. This programme is derived from contractor road inspections, KDC engineering staff input and customer service requests. This is then jointly inspected with KDC staff before approval of the jobs to be undertaken prior to the 1st of each month. It should be noted that the programme is often constrained by overall budget limitations and the need to maintain an even ongoing programme of maintenance work.

3.2 Monthly Programme

The roading programme for December is focussed on:

- Rakanui Road – Edge break, shoulders and pavement faults
- Schoolhouse Road – Shoulders and pavement faults
- Mill Road – Pavement faults (NCTIR route)
- Red Swamp Road – Pavement faults (NCTIR route)
- General – Mowing Kaikoura flats

3.3 Mt Fyffe Road

There have been a number of complaints regarding dust nuisance on Mt Fyffe Road.

A 3km section of the work has been returned to unsealed to enable earthquake repairs to water and wastewater pipes. The road is also being used as a NCTIR haul route. The dry weather and increase in heavy traffic is aggravating the dust situation.

Watering is proving to be of very limited effect due to continuing dry and hot conditions. A more effective alternative is to apply a proprietary dust suppressant. This work requires grading, adding suppressant with a water cart and rolling. It will result in a surface that has substantially reduced dust for weeks rather than hours. Both the earthquake damaged section (Rebuild) and the section from Postmans Road to Topline Road will be treated with the suppressant until the rebuild section is sealed and the use by NCTIR as a haul road has substantially finished.

3.4 Car Parks

The main town centre car park will be remarked in the week closing 11 December 2017 to prepare for the coming summer influx. This is to align with the reinstatement of the charging regime after Christmas.

3.5 School Speed Zones

A project is underway to assess each school in order to prioritise the implementation of the school speed zone programme to the available funding. Traffic counts have been undertaken to support the need for each zone and to establish the appropriate treatment at each site. It is expected that the process for installation of the new zones for 2017/18 will commence in February 2018 with a regulatory paper to Council.

Temporary speed limits have been installed on Schoolhouse Road (Suburban) and Ludstone Road (High) to mitigate the increased use of these routes by heavy vehicles. The High School site is being supplemented by a barrier chicane to create side friction (perception of a narrow road) to slow vehicles.

3.6 Rebuild

A programme of rebuild minor works around Esplanade and Torquay Street area, whilst not BAU, will significantly improve the streetscape in these areas by finalising water/wastewater repairs that have damaged the carriageway and footpath.

THREE WATERS:

4.1 Water Supply

4.1.1 Boil Water Notices

Boil water notices remain in place for the Kaikoura Suburban and the East Coast (Clarence) Supply Schemes.

4.1.2 Water Safety Plans

The Water Safety Plan (WSP) for the Oaro Water Supply scheme has been approved by the Canterbury District Health Board. Water Safety Plans assess the scheme and the risks and demands associated with it. The plan makes recommendations regarding works required to comply with drinking water standards. This not only includes monitoring and testing regimes but also treatment upgrade recommendations.

The approved report has provided a good platform to proceed with draft WSPs for each scheme. This work is underway with a target completion for all schemes by 1 March 2018 as follows:

1 st December 2017	Ocean Ridge & Kaikoura Urban
31 st December 2017	Fernleigh
1 st February 2018	Kincaid & Kaikoura Suburban
1 st March 2018	Peketa & East Coast Rural

4.2 Wastewater System

4.2.1 General

The wastewater systems continue to operate with the support of temporary arrangements pending rebuild. No infringements of resource consent conditions have been experienced.

The current programme is limited to routine reactive response to problems and failures along with the normal preventative maintenance programme for pumping and treatment plant.

4.2.2 Wastewater Asset Information

Closed circuit television inspections undertaken for rebuild damage assessment have inspected and assessed around 30% of the networks. Generally, this assessment has shown that the BAU network (not part of the rebuild programme) is in reasonable condition.

4.3 Stormwater

The current programme is limited to routine reactive response to problems and failures. Most of the current issues are with damaged stormwater infrastructure that will be addressed by the rebuild programme.

PARKS AND RESERVES, BUILDING AND FACILITIES

5.1 Parks and Reserves

The routine mowing programme continues.

No significant issues have been reported and in general all parks and reserves are accessible and have been tidied up prior to summer. The RSA have undertaken a programme with volunteers to tidy and improve the memorial gardens this month.

Most of the current issues are with earthquake damaged buildings and toilets that will be addressed by the rebuild programme.

5.2 Buildings

Most of the current issues are with earthquake damaged buildings and toilets that will be addressed by the rebuild programme.

Those buildings that are open are functioning well and subject only to routine maintenance and operation with no on-going issues being reported.

5.2 Kaikoura Airport

Prices have been received to reseal the taxiway that access the Aero Club. This work is programmed for the new year, unless resources become available pre-Christmas. The work is being co-funded with the Aero Club.

The large stand of pine trees at the northern end of the runway have created a flying hazard for a number of years. A contract has been let to fell the seaward half of the trees that are owned by Council and cause the greatest hazard. This work commenced during November. The contractor will be removing the logs but the slash will need to remain to manage costs. Burning the slash is unlikely to be viable due to the fire hazard.

WASTE MINIMISATION

6.1 Waste and Recycling Centre

Work is underway to review the layout of the site to improve operations and address health and safety hazards that arise with machinery operating in public spaces. The first stage of this is to prepare a new layout plan which also considers the future need of the centre.

6.2 Waste Handling

Issues continue to be experienced with unsorted waste arriving at the depot both from recycling and demolition sources. Unsorted waste gives rise to increased cost in operating the facility. A further paper will be bought to Council with proposals to address the issue in the New Year.

Stage 2 of the WMINZ funding to assist with earthquake impacts is currently on-hold pending the finalisation of the new site layout plan as the Stage 2 funding included for fixed items such as storage containers and new kiosk.

CONTEXT:

Policy: n/a

Legislation: As required by Section 77 of the LGA the recommendation is the most appropriate.

Community Outcomes: Ensuring appropriate rebuild of the Council owned facilities and infrastructure to ensure ongoing Levels of Service are achieved.

To:	Council
Date:	13 th December 2017
Subject:	Building Control Fees – Online submission and accreditation fees
Prepared by:	Mark Mitchell Building/Regulatory Manager
Authorised by:	Angela Oosthuizen CEO

Purpose and Origin:

Council previously approved the implementation of online processing. A part of the development of this method of consent delivery was the implementation of an online portal to enable customers to submit consent applications online.

KDC have recently signed up with GoShift. We are the third South Island BCA to have done so. More than 20 Councils have signed up to GoShift. The project is led by Wellington City Council with the support of the Ministry of Business, Innovation and Employment (MBIE).

A series of workshops across central New Zealand Councils in the central part of New Zealand identified five key changes that would improve performance, consistency and level of service across the building consent system.

Since then, Councils have worked together to create a more aligned and collaborative way of working together.

- This paper is to consider increasing Building Consent application fees once the online portal for consent submissions goes live early next year or does the increase become effective at the start of the new financial period?
- With the above in mind, this paper will also consider how best we as a Council can cover increased costs now placed on Council for Accreditation.

Executive Summary:

The current cost to customers applying for a Building Consent at KDC



As well as the Building Consent fees, our customers have other costs to deal with long before they even make an application. They supply (or their Agent does) two copies of paper plans and supporting specifications together with the Building Consent application form.

Should Council upon review of the consent application find matters which do not comply with the Building Code/Building Act, we then generate a letter requesting further information. This may mean the customer having to make changes to plans and specifications and having to re print new sets of plans.

Using the GoShift portal as a means of lodging a building consent, this does away with hard copy plans and enables customers to send in revised plans in the same manner.

The cost of an online submission using GoShift for our customer is \$50.00. This cost has not yet been included in the current fees for a consent.

Accreditation fees increase.

On the 1st of July 2017, the Accreditation Regulations changed. The impact of these changes will see a rise in the cost of IANZ auditors conducting assessments at KDC. Previously IANZ determined costs based on the size of Council but under the new system, KDC will pay per hour which will include off-site preparation work and summary of findings. Dependant on the size of the IANZ team carrying out the audit will also have an impact on the final bill.

KDC have attempted to cover Accreditation costs in the current fees charges and called this Building Compliance Levy. Fees are calculated by a percentage of value based on work up to and over \$20,000.

Recommendation:

That Council:

- 1. Increase consent application charges to cover GoShift portal early next year when GoShift goes live.***
- 2. Rename fee current wording from Building Compliance Levy to Building Consent Accreditation (BCA) levy. Applies to all projects unless otherwise stated.***
- 3. Increase accreditation fees to \$0.80 per \$1,000 of estimated project value.***

Issues and Options:

- KDC could consider holding off increasing both fees described above until the start of the new financial year. The impact of this would be for Council to take on board the GoShift fee and increased costs of accreditation per Building Consent until the new financial period. Given the Councils current financial restraints, this may not be a favourable option.
- Increase fees at launch of GoShift next year. The fee increases for our customers out way the cost of printing costs.

What about customers who come to the front counter to hand in paper copy consents? We educate them by showing them how to use the online portal. Charge accordingly for loading the consent into the portal.

Community Views:

Our customers are affected by the increase on lodging a Building Consent but the cost is based on user pays per application.

A customer view-

I have spoken with one of Kaikoura's frequent user of our Building Consent Service M C Fearnley Design Ltd. He would welcome online lodgement of building consents and feels that the cost would not be an issue for his customers.

Financial Implications and Risks:

- GoShift portal-lodgement of consent=\$50.00
- Increase of Accreditation Levy = \$0.80 per \$1,000 of estimated project value.

What are the risks?

- May require some administration assistance for customers who apply at counter with hard copy consents.

Context:

The proposed increase in fees for online consents is part of the next step in what Council previously agreed on 21 March 2017, the digital processing of building consents.

With respect to increase in fees to cover accreditation, Council consider fees each year. The request is to approve any potential fee increase now.

Policy:

This paper with regard to online submissions is in keeping with previous decisions reached by Council.

Legislation:

Building Act 2004-

249A Fees and Audits

49 Grant of building consent

53 Building Levy

To:	Council
Date:	13 December 2017
Subject:	Trust Deed Cycleway
Prepared by:	Radich Law Solicitors
Authorised by:	Angela Oosthuizen Chief Executive Officer

Background

It was agreed to establish a trust for charitable purposes to be known as the Marlborough Kaikoura Trail Trust for the purpose of pursuing the objectives listed below.

Charitable Objectives of the Trust

- a) To develop, promote and construct a cycling, walking and recreational trail from the Marlborough Sounds to Kaikoura or in such other place or places as the Trustees shall determine.
- b) To maintain and manage all such trails.
- c) To establish, promote and manage events that support and fuel the purposes of the Trust.
- d) To obtain funding for the purposes of the Trust and to enter into funding arrangements with third parties for such purposes.
- e) To educate people by raising the awareness of the benefits of walking, cycling and recreation.
- f) To do everything else that may be incidental to or support of the purposes of the Trust.

Recommendation

That Council approve the Trust Deed and agree that Council appoint a representative to the Trust.