

THE WEST COAST REGIONAL COUNCIL
MINUTES OF THE ANNUAL MEETING OF
THE WHATAROA RATING DISTRICT
HELD AT THE WHATAROA COMMUNITY HALL
ON 11 OCTOBER 2012, COMMENCING AT 12.32 PM

PRESENT

D Friend, P. Carroll, C. Hassall, A. Craig, F. Graham, B. Graham, K. Kelly, D. Routhan, P. Kennedy, J. Spencer, T. McBride, P. Carroll, D. Bowater, I & A. Bolton

IN ATTENDANCE

West Coast Regional Council
D. Davidson, B. Chinn (Councillors)
M. Meehan, W. Moen, T. Jellyman, P. Birchfield (Staff)

APOLOGIES

There were no apologies.

BUSINESS

Cr Davidson opened the meeting and welcomed those present. He introduced himself and the Council staff.

Moved: *"That the minutes of the inaugural Whataroa Rating District Meeting held on 13 October 2011, be adopted as a true and correct record of that meeting."*

D. Routhan / J. Spencer - Carried

MATTERS ARISING

C. Hassall stated that not everybody knew about the meeting to set up the rating district. He stated that everybody who was expected to pay in to the rating district should have been present.

FINANCIAL REPORT

M. Meehan spoke to this report. J. Spencer called a point of order as he wanted the information tabled on the staff costs as staff time cost the rating district \$16,570. M. Meehan distributed this information to the meeting. He stated that each rating district pays for the staff time and during the first year a rating district does take up a lot of staff time. M. Meehan advised that staff time is dependant on how much supervision a contract needs and how many visits staff need to make to the area. He stated that some rating districts have very little staff time charged to them as they do not require as many staff visits. M. Meehan stated that in future years the staff time for this rating district would decrease as there would only need to be maintenance to the works that are now in place. M. Meehan advised there was staff time spent on gaining resource consent, doing the work and liaising with the committee. He advised in this case affected party approval was required and this was difficult to get and in the end a limited notified consent was needed to get sign off. M. Meehan advised the meeting the consents costs were not a major part of staff time but the major costs was for visits to Whataroa to inspect the works. M. Meehan clarified to J. Spencer that the rating district would not have to go through another consent process for the maintenance of the scheme. K. Kelly asked what had happened to the original consent. M. Meehan responded that the original consent did not cover all the work required for the new works and there were works over and above what was originally applied for or if the structure is being extended by more that 10%. M. Meehan explained that there are clauses within the consent,

which will cover any emergency repairs works required to the current works. He advised that variations to the consent could be applied for without huge costs if a new deflector groyne was to be put in if there were to be damage further on. J. Spencer asked how come it is so complicated and that after the debacle with rock movement down at Waitangitaona a resource consent was gained in less than 48 hours through the Westland District Council. M. Meehan responded that this would have been because there was no problem getting affected party approval. Several people spoke at the same time. M. Meehan reminded the meeting that he is not part of the consents team. Cr Davidson encouraged the meeting to talk about the existing works on the Whataroa River. T. McBride stated that some people in the area feel pretty strongly about what happened. He told council to "shape up". T. McBride wants to know who is the River Engineer that is paid \$110 per hour. M. Meehan responded that nobody is paid \$110 an hour but charge out rates for staff are set out in the Annual Plan and \$110 is the charge out rate for the River Engineer. W. Moen stated that he is the River Engineer but he does not get paid \$110, his services are charged out at \$110. T. McBride asked if the \$110 is included in W. Moen's salary and if it changes no matter how many hours he costs out. T. McBride asked if it was correct that the rating district is charged \$110 per hour for staff to drive to Whataroa. It was noted that this is correct. M. Meehan explained to T. McBride how charge out rates work and that there are different levels for different positions. M. Meehan stated that anyone who has a consent will understand how this works as the Compliance Officer's time is set at a standard rate and it is the amount of time that they spend on site plus travel time. Cr Davidson stated that this matter could be dealt with at the Annual Plan hearing. J. Spencer argued that he had spent time on the river with W. Moen and it did not come close to five hours but he stated that it would take two hours to drive each way and then time would be spent on the river. M. Meehan advised the rating districts are a user pay system and the general ratepayer does not pay for works in the rating districts. He advised there is a rating district in Greymouth and there are 23 other rating districts and every rating district pays for staff time and the works in their rating district. M. Meehan advised that general ratepayer money funds staff at council but it does not fund the works and staff time in the rating districts. J. Spencer wants to know the process of how council gets to the figure of \$110 for staff time. M. Meehan advised that the annual plan is put out every year and staff charge out rates are put into the annual plan. M. Meehan advised that a recent review of charge out rates for councils on the West Coast has revealed that Westland District Council's is \$200 an hour for all staff and that compared to other regional councils around the country we are on a par. He stated that staff time is a recoverable cost and the general ratepayer is not charged for this. W. Moen advised that he usually tries to keep the costs down for rating districts by combining visits to other rating districts so costs can be shared but if there is an emergency situation then this can't be done.

Mr Hassall stated that he did not know about a meeting on the 14th of September 2011. M. Meehan advised that he would follow up on this. He advised that a lot of people attended this meeting as letters were sent out to everyone on the rates database. M. Meehan advised that a report was presented to the meeting outlining the works downstream that could be included in the rating district. M. Meehan stated that it was pretty much a unanimous decision by all present to simply maintain the works downstream of the bridge and that is what council has done. Mr Kelly stated charge out rates for vets are the same along lines charge out rates for accountants and lawyers.

Extensive discussion went on about charge out rates with Mr Spencer having a lot to say on this matter. M. Meehan stated that the user pays system is the fairest system that council has and if the rating district would like charge out rates reviewed then they can submit on the Annual Plan and ask that charge out rates be reduced. Mr Kelly stated that he does not have a problem with user pays but he has a problem with users that don't pay and everyone should pay that uses the service. Mr Kelly stated that if a user doesn't want something then they don't pay. Mr Kelly feels that if the river works needs further maintenance then the committee should make the decisions and supervise the works. M. Meehan advised that in other rating districts the committee is sometimes used to do supervision. He advised that W. Moen can liaise with the committee over future minor works at the end of the day this is a council asset and it needs to be done right. W. Moen would then give the final sign off to the works. Extensive discussion took place on who is and isn't an expert on river structures.

M. Meehan advised that the closing balance as of 30 June 2012 is \$10,482.93 in deficit.

Moved: *"That the financial report for the 2011 / 2012 year be adopted".*

*D. Routhan / B. Graham
J. Spencer, P. Carroll, D. Friend, C. Hassall were against
Some members abstained from voting*

WORKS REPORT

W. Moen reported that \$89,928 worth of works were carried out between 1 July 2011 and 30 June 2012. W. Moen advised that he carried out an inspection on 10 July 2012 and \$69,900 worth of future maintenance works were identified but this figure includes \$30,000 for unforeseen maintenance. It was requested that the committee discuss the proposed works prior to the works being started. W. Moen advised that the final costs would not be to hand until the work has been tendered out and tender prices are in. W. Moen advised that he is getting very good tender prices from contractors at the moment.

J. Spencer stated that the contractor did a very good job of the new works. A speaker stated that he is not sure if this is the right time to be putting \$30,000 away when a lot of farmers are struggling financially. Discussion took place on how emergency works are put in place. M. Meehan advised that generally council requires rating districts to have enough money in their accounts to cover maintenance during the year. He explained the situation at Taramakau rating district where ratepayers each pay their own share once they receive an invoice from council, if major works are required council raises a loan on behalf of the rating district. P. Carroll feels that it is pointless having money in the account "just in case". Various examples of other rating districts were given. W. Moen stated that he always advises rating districts to build up funds in their accounts in case of emergency works. D. Routhan stated that at the recent meeting where the new works were discussed, he understood that they were only rating for this work and not for the kitty. He is concerned that people are already struggling and if there was an emergency then the government should have money to cover this. Cr Davidson reminded the meeting that they need to adopt the works report. D. Routhan stated that it's a job well done but it wasn't completed and it needs to be completed. The meeting was not in favour of the \$30,000 for unforeseen maintenance.

RECOMMENDATION

- 1. That the Works Report covering the 2011 / 2012 financial year be adopted.*
- 2. That the 2012 / 2013 maintenance works proposals be approved but minus the \$30,000 for unforeseen maintenance.*

C. Hassall / K. Kelly – Carried

RATES 2011 / 2012

W. Moen advised that with the proposed works and the rate of \$38,000 (G.S.T. Exclusive) previously struck for the 2012 / 2013 financial year, the balance in the rating district account at the beginning of the 2013 / 2014 financial year is likely to be approximately \$ 44,000 (G.S.T. Exclusive) in deficit. Extensive discussion took place on the rate strike. It was agreed that the rate strike would be \$42,000. The meeting was warned that council might overturn this decision. Cr Chinn explained to the meeting how the loan system works. He gave the example of the Punakaiki rating district.

RECOMMENDATION:

- 1. That the rate strike for the 2013 / 2014 financial year is \$42,000 (GST. Excl).*

*D. Routhan / K. Kelly
J. Spencer against
– Carried*

The rating reclassification was extensively discussed along with the Bob Reid reclassification report. P. Carroll stated he feels that some people paying into the rating district do not get enough direct benefit. He does not agree with some of the classifications. M. Meehan advised that this report has been discussed with the committee.

2. *That the Bob Reid rating reclassification report be adopted and the 2012 / 2013 onwards rates be rated accordingly.*

*J. Spencer / C. Hassall
P. Carroll against
– Carried*

ELECTION OF OFFICERS

T. Jellyman read out the names of the current committee who are:

John Spencer, Des Routhan, Mary Anne Potae, Keith Kelly, Dale Bowater, Terry McBride and Dave Friend.

It was agreed that M. Potae be replaced by P. Carroll. D. Friend nominated P. Carroll; K. Kelly seconded the nomination.

D. Routhan stated that he would like to come off the committee, as he does not want to fight with his neighbours. P. Kennedy stated that he would like to see D. Routhan stay on this committee as he has a lot of experience and history of the Whataroa River. D. Routhan responded that he has farmed this area for years and years and he has seen what the river can do. He stated that the late Steve Nolan had a lot of wisdom regarding the risks of farming on river flats and he feels that younger people and those new to the area do not have this sort of wisdom. D. Routhan agreed to stay on the committee. P. Kennedy stated that the Whataroa River was the reason why he sold his farm as he stated what the river could do was "doing his head in".

B. Graham stated that the whole river flat area is benefitting from the recent works and everyone should pay the same amount.

Moved: *"That J. Spencer, K. Kelly, D. Bowater, T. McBride, D. Friend and D. Routhan be the committee for the 2012 / 2012 financial year.*

D. Friend / K. Kelly – Carried

Moved: *"That J. Spencer be elected as the Spokesperson for the 2012 / 2013 financial year."*

P. Kennedy / D. Routhan - Carried

GENERAL BUSINESS

There was no general business.

There being no further business, the meeting closed at 1.50 p.m.

There were no action points for follow up