COUNCIL

AGENDA

Meeting to be held

THURSDAY 6 OCTOBER 2016

8.30am

In the Manawatu District Council Chambers,
135 Manchester Street, Feilding

Dr Richard Templer
Chief Executive
MEMBERSHIP

Chairperson

Her Worship the Mayor, Mrs Margaret Kouvelis

Deputy Chairperson

Councillor Tony Jensen

Members

Councillor Steve Bielski
Councillor Barbara Cameron
Councillor Shane Casey
Councillor Wayne Ellery
Councillor Jo Heslop
Councillor Albert James
Councillor Andrew Quarrie
Councillor Alison Short
Councillor Howard Voss
ORDER OF BUSINESS

1. MEETING OPENING

Pastor Rodger Russ of the Lutheran Church will open the meeting in prayer.

2. APOLOGIES

3. REQUESTS FOR LEAVE OF ABSENCE

4. CONFIRMATION OF MINUTES

Draft resolution

That the minutes of the Council meeting held 15 September 2016 be adopted as a true and correct record.

5. DECLARATIONS OF INTEREST

Notification from elected members of:

5.1 Any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting; and

5.2 Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members’ Interests) Act 1968.

6. PUBLIC FORUM

6.1 QUOTABLE VALUE

Simon Willocks from Quotable Value will be in attendance to present to Council on the district revaluations.

7. NOTIFICATION OF LATE ITEMS

Where an item is not on the agenda for a meeting, that item may be dealt with at that meeting if:

7.1 The Council by resolution so decides; and

7.2 The Chairperson explains at the meeting at a time when it is open to the public the reason why the item is not on the agenda, and the reason why the discussion of the item cannot be delayed until a subsequent meeting.
8. **OFFICER REPORTS**

8.1 **ADOPTION OF ANNUAL REPORT FOR YEAR ENDING 30 JUNE 2016**

Report of the General Manager – Corporate and Regulatory dated 21 September 2016. Clint Ramoo from Audit New Zealand will be in attendance to present the Audit opinion on the Council’s Annual Report.

8.2 **EMERGENCY WORKS JUNE 2015 EVENT: CARRY OVER OF EXPENDITURE BUDGET**


8.3 **EFFLUENT STORAGE POND CONTRACT C4-16052**


8.4 **SUPPLY AND INSTALLATION OF IRRIGATORS CONTRACT C4-16025**


8.5 **CEDA ANNUAL REPORT**


8.6 **NON-DISCHARGE OF COMMITTEE**


9. **CONSIDERATION OF LATE ITEMS**

10. **PUBLIC EXCLUDED BUSINESS**

COUNCIL TO RESOLVE:

That the public be excluded from the following parts of the proceedings of this meeting, namely:

a) Confirmation of Minutes

That the general subject of each 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) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

<table>
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<tr>
<td>a) Confirmation of minutes re Approve and</td>
<td>Section 7(2)(i) Enable any local authority holding the</td>
<td>Section 48(1)(a) - the public conduct of the relevant part</td>
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<td>-------------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>Authorise Signing of CEDA Service Contract; Manfeild Park Trust Loan; and Central</td>
<td>information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) and</td>
<td>of the proceedings would be likely to result in a disclosure of information for which good reason for withholding that information would exist, under Section 7 of the Local Government Official Information and Meetings Act 1987.</td>
</tr>
<tr>
<td>Economic Development Agency Limited - Shareholder Resolution</td>
<td>Section 7(2)(h) Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities.</td>
<td></td>
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This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interests protected by Section 6 or Section 7 of the Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as specified above.

11. MEETING CLOSURE
Minutes of a meeting of the Council held on Thursday 18 August 2016, commencing at 8.32am in the Manawatū District Council Chambers, 135 Manchester Street, Feilding.

PRESENT: Mayor Margaret Kouvelis (Chairperson)
Cr Steve Bielski
Cr Barbara Cameron
Cr Shane Casey
Cr Wayne Ellery
Cr Jo Heslop
Cr Albert James
Cr Tony Jensen
Cr Andrew Quarrie
Cr Alison Short
Cr Howard Voss

IN ATTENDANCE: Richard Templer (Chief Executive)
Shayne Harris (General Manager – Corporate and Regulatory)
Brent Limmer (General Manager – Community and Strategy)
Hamish Waugh (General Manager – Infrastructure)
Frances Smorti (General Manager – People and Culture)
Tracey Hunt (Strategy Manager)
Janine Hawthorn (Community Development Officer)
Darryl Black (Corporate Projects Adviser)
Michael Hawker (Project Delivery Manager)
Paul Stein (Communications Adviser)
Doug Tate (Community Facilities Manager)
Colleen Morris (Chief Finance Officer)
Brent Holmes (Asset Engineer)
Stacey Bell (Economic Development Adviser)
Cynthia Ward (Senior Policy Planner)
Allie Dunn (Business Support Team Leader)

MDC 16/422 MEETING OPENING

Her Worship the Mayor opened the meeting in prayer.

MDC 16/423 APOLOGIES

There were no apologies.

MDC 16/424 REQUESTS FOR LEAVE OF ABSENCE

There were no requests for leave of absence.

MDC 16/425 CONFIRMATION OF MINUTES

RESOLVED

That the minutes of the Council meeting held 18 August 2016, be adopted as a true and correct record.

Moved by: Councillor Tony Jensen
Seconded by:  Councillor Jo Heslop

CARRIED

MDC 16/426 DECLARATIONS OF INTEREST

There were no declarations of interest.

MDC 16/427 PUBLIC FORUM – EMILY SHEARMAN

Emily Shearman, a recipient of a representative grant, spoke about her experience representing New Zealand at the Junior World Track Cycling Championships held in Aigle, Switzerland on 20 July 2016. She thanked Council for their financial support that helped get her to Switzerland. She gave a presentation showing highlights from the championships.

MDC 16/428 PUBLIC FORUM – TESSA WEBB

Tessa Webb, a recipient of a representative grant, spoke about her experience representing New Zealand at the Australian Cross Country Championships held in Canberra, Australia from 18 to 23 August 2016. She gave a presentation showing highlights from her attendance.

MDC 16/429 PUBLIC FORUM – NEON FUSION FEILDING HIGH SCHOOL JAZZ BAND

The Neon Fusion Feilding High School Jazz Band being recipients of a representative fund spoke about their experience at the 50th Anniversary Montreux Jazz Festival held in Switzerland. They gave a presentation showing highlights from their attendance at the festival.

MDC 16/430 PUBLIC FORUM – DEVEN RAI

Deven Rai and Gopal Poudyel from Bhutan spoke about the issues facing the Bhutanese community in the Manawatu district, which included:

- Housing and employment;
- Need for assistance with funding for renting a hall to use as a heart for social gatherings and a place of worship;
- Impact on the elderly people from their families being scattered across the world during resettlement;
- Provision of language classes to assist their elderly people express their grief and feelings.

They were in the process of bringing the documentary “In Search of Nation” to New Zealand. This movie would help share the realities of resettlement with New Zealanders so they could understand the situation they faced in refugee camps and the resettlement process.

MDC 16/431 OBITUARY – FORMER COUNCILLOR BRIAN MEADS

The Council acknowledged Brian Meads, a former Councillor of the Kiwitea County Council, who had recently passed away. It was noted that Mr Meads served three
The Council paid tribute with a minute's silence in respect of Mr Meads.

**MDC 16/432 NOTIFICATION OF LATE ITEMS**

There were no late items notified for consideration.

**MDC 16/433 DRAFT ECONOMIC DEVELOPMENT AGENCY**

Report of the General Manager – Community and Strategy dated 25 August 2016 presenting for consideration a recommendation to adopt the Economic Development Strategy. It was noted that with the progress with the Regional Growth Strategy, and the Central Economic Development Agency, it was asked that the draft strategy be referred back to officers for review.

The meeting adjourned at 9.54am and reconvened at 10.19am.

**RESOLVED**

1. That Council note the content of the draft Economic Development Strategy.

2. That Council refer the draft Economic Development Strategy back to officers, inclusive of comments made by Councillors, for the purpose of reviewing the document in light of the quickly evolving nature of regional economic development initiatives such as Accelerate 25 and Talent Central.

3. That the draft Economic Development Strategy be reconsidered by Council before 30 June 2017.

Moved by: Councillor Howard Voss

Seconded by: Councillor Shane Casey

CARRIED

**MDC 16/434 APPROVAL OF CONTRACT C4-1562 WELLINGTON STREET URBAN RECONSTRUCTION**

Report of the General Manager – Infrastructure dated 7 September 2016 to seek approval to award Contract 1562 for the urban reconstruction of Wellington Street, Feilding.

**RESOLVED**

1. That Contract 1562 for Wellington Street Urban Reconstruction, Feilding, Contract (East Street to Drake Street) be awarded to Higgins Contractors Ltd for the sum of Eight Hundred and Fifty Nine Thousand, Five Hundred Dollars and Five Cents excluding GST ($859,500.05 excl GST).

2. That the Council note that this amount includes a 10% contingency which can be utilised only upon the Engineer's approval.
Moved by: Councillor Howard Voss
Seconded by: Councillor Wayne Ellery
CARRIED

MDC 16/435 APPROVAL OF CONTRACT – ELECTRONIC DOCUMENT AND RECORDS MANAGEMENT SYSTEM

Report of the General Manager – Corporate and Regulatory dated 2 September 2016 to seek approval to award the contract for an electronic document and records management system to Information Leadership.

RESOLVED

That the contract for the Electronic Document and Records Management System be awarded to Information Leadership for the sum of $546,850 excl GST.

Moved by: Councillor Tony Jensen
Seconded by: Councillor Albert James
CARRIED

MDC 16/436 APPOINTMENT OF COMMISSIONERS FOR POST ELECTION PERIOD

Report of the General Manager – Corporate and Regulatory dated 18 August 2016 recommending that the Manawatu District Council have the ability to address Hearing Committee matters during the election period when the current Hearings Committee ceases on 8 October 2016. Councillors Voss, Jensen, Casey and Cameron, as members of the Hearings Committee, each declared an interest, took no part in the discussion and did not vote.

Councillors Voss, Jensen, Casey and Cameron left the meeting at 11.15am.

RESOLVED

That pursuant to Section 34A of the Resource Management Act 1991 (RMA) and Clause 32(5) of Schedule 7 of the Local Government Act 2002 (LGA) that Councillors Voss, Jensen, and Casey be appointed as Hearing Commissioners.

The Hearing Commissioners will have full delegated authority as specified for the Council Hearing Committee outlined in Council’s Delegation Manual Version 003.1/2016.

Moved by: Councillor Albert James
Seconded by: Councillor Wayne Ellery
CARRIED

Councillors Voss, Jensen, Casey and Cameron returned to the meeting at 11.17am.
MDC 16/437 ANNUAL REPORT – DELEGATION OF AUTHORITY TO SIGN


RESOLVED

That the Mayor and Chief Executive be delegated authority to sign the Annual Report for the year ending 30 June 2016.

Moved by: Councillor Howard Voss
Seconded by: Councillor Barbara Cameron

CARRIED

MDC 16/438 FOURTH QUARTER REPORT TO 30 JUNE 2016


RESOLVED

That the Council receives the Fourth Quarter Report to 30 June 2016.

Moved by: Councillor Jo Heslop
Seconded by: Councillor Albert James

CARRIED

MDC 16/439 APPLICATION OF THE COMMON SEAL

Report of the General Manager – Corporate and Regulatory dated 31 August 2016 that informed Council of documents that had been sealed under the Common Seal under delegation since the last schedule had been prepared.

RESOLVED

That the following schedule of Sealed Documents be received:

<table>
<thead>
<tr>
<th>Date</th>
<th>Document</th>
<th>Party to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/08/16</td>
<td>Warrant of authority for new Infrastructure officer: Elysia Butler</td>
<td>Warrant issued to officer</td>
</tr>
<tr>
<td>04/08/16</td>
<td>Warrant of authority for new Building Officer: Ian Culver</td>
<td>Warrant issued to officer</td>
</tr>
</tbody>
</table>
Moved by: Councillor Barbara Cameron
Seconded by: Councillor Howard Voss

CARRIED

MDC 16/440 CONSIDERATION OF LATE ITEMS

There were no late items for consideration.

MDC 16/441 PUBLIC EXCLUDED BUSINESS

RESOLVED

That the public be excluded from the following parts of the proceedings of this meeting, namely:

a) Confirmation of Minutes
b) Approve and Authorise Signing of CEDA Service Contract
c) Manfeild Park Trust Loan
d) Central Economic Development Agency Limited - Shareholder Resolution

That the general subject of each 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) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

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<td>Section 7(2)(a) - protect the privacy of natural persons, including that of deceased natural persons. Section 7(2)(b)(ii) 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 is the subject of the information. Section 7(2)(h) Enable any local authority holding the information to carry out, without</td>
<td>Section 48(1)(a) - the public conduct of the relevant part of the proceedings would be likely to result in a disclosure of information for which good reason for withholding that information would exist, under Section 7 of the Local Government Official Information and Meetings Act 1987.</td>
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<td>c) Manfeild Park Trust Loan</td>
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This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interests protected by Section 6 or Section 7 of the Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as specified above.

Moved by: Councillor Albert James

Seconded by: Councillor Howard Voss

CARRIED
The meeting went into public excluded session at 11.28am and returned to open session at 12.34pm. For items MDC 16/442 to MDC 16/447 refer to public excluded minutes.

MDC 16/448 MEETING CLOSURE

Her Worship the Mayor declared the meeting closed at 12.34pm.

Approved and adopted as a true and correct record:

<table>
<thead>
<tr>
<th>CHAIRPERSON</th>
<th>DATE</th>
</tr>
</thead>
</table>
Adoption of Annual Report for year ending 30 June 2016

Purpose

To adopt the Annual Report for the year ending 30 June 2016.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

That the Council adopts the Annual Report for the year ending 30 June 2016.

Report prepared by:
Colleen Morris
Chief Finance Officer

Approved for submission by:
Shayne Harris
General Manager - Corporate and Regulatory
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand

| Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga. | The Manawatu will attract and retain residents. | Manawatu district develops a broad economic base from its solid foundation in the primary sector. | Manawatu and its people are connected via quality infrastructure and technology. | Manawatu’s built environment is safe, reliable and attractive. | Manawatu District Council is an agile and efficient organisation. |

2 Background

2.1 Each year the Council is required to report against its key performance indicators, financial projections and projects set in the Annual Plan and the Long Term Plan.

2.2 The Annual Report for the year ending 30 June 2016 compares actual performance against year one of the 2015-2025 Long Term Plan.

3 Discussion and Options considered

3.1 The draft Annual Report was reviewed by Council’s Audit and Risk Committee at its 1 September 2016 meeting and by Council at its 15 September 2016 meeting. Prior to being considered for adoption by Council, the Annual Report was externally audited on behalf of the Auditor General against the statutory requirements of the Local Government Act 2002 and is therefore a key accountability document for the community.

3.2 The auditors will present their audit opinion to Council at its meeting on 6 October 2016.

3.3 The Annual Report contains a Statement of Compliance and Responsibility, that confirms that the Council and the management of the Manawatu District Council have complied with all the statutory requirements of section 98 of the Local Government Act 2002, and accepts responsibility for the preparation of the Financial Statements, the Statements of Service Performance and the judgements used in them.

3.4 At its meeting held 15 September 2016, the Council delegated authority to the Mayor and the Chief Executive to sign the Statement of Compliance and Responsibility that is contained within the Annual Report.

3.5 The final Annual Report, including the Auditor’s report, is now able to be formally adopted by Council.

3.6 Once the Annual Report has been adopted, the document will be formatted for electronic and hard copy publication and will be available to the public. A summary of the information contained in the Annual Report will also be publicly available.

4 Operational Implications

4.1 There are no capital or operating expenditure implications or maintenance costs associated with this paper.
5  **Financial implications**

5.1 There are no unbudgeted financial implications associated with this paper.

6  **Statutory Requirements**

6.1 Section 98 of the Local Government Act 2002 sets out the requirements for preparing and adopting the Annual Report.

6.2 The Annual Report (including the Audit opinion) must be completed and adopted, by resolution, within four months after the end of the financial year to which it relates (i.e. by 31 October 2016).

7  **Delegations**

7.1 Under Clause 32 of Schedule 7, the Council is not able to delegate the authority to adopt the Annual Report.

8  **Consultation**

8.1 There are no consultation requirements associated with adoption of the Annual Report.

9  **Cultural Considerations**

9.1 There are no cultural considerations associated with this matter.

10  **Conclusion**

10.1 The Annual Report to 30 June 2016, including the audit opinion, is now ready for formal adoption by Council.

11  **Attachments**

- None.
Emergency Works June 2015 Event: Carry Over of Expenditure Budget

Purpose

The purpose of this report is to obtain Council’s approval to carry forward the unspent Emergency Works budget from the 2015/16 financial year to the 2016/17 financial year.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

That $1,579,000 of the emergency works expenditure budget and associated funding for Roading be carried forward from the 2015/16 financial year to the 2016/17 financial year.

Report prepared by:
Jim Mestyanek
Senior Project Engineer - Roading

Approved for submission by:
Glenn Young
Acting General Manager - Infrastructure
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

*Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand*

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2 Background

2.1 In March 2016, Council approved an increase in emergency works funding to $6,082,646.

2.2 As part of the Annual Plan process Council approved the carry forward of $1,250,000 for the Arapata Road and Reu Reu Road bridge works.

2.3 At 30 June 2016, Council had spent $3,253,309 for emergency works reinstatement.

2.4 In the final quarter of 2015/16 we did not achieve the work expected. This was due to a holdup in the resource consent for the Nannestad Line bridge replacement and delays in appointing a suitable contractor for a small number of retaining walls.

3 Discussion and Options considered

3.1 This budget is required to be spent in order to reinstate our roading network to the original levels of service.

4 Operational Implications

4.1 The outstanding work has been programmed in line with the original approved budget.

5 Financial implications

5.1 The original budget was approved by NZTA and will attract the relevant financial assistance. The balance was intended to be funded from the roading separate fund. We request that this arrangement is also carried forward to the 2016/17 financial year.

6 Statutory Requirements

6.1 There are no statutory requirements associated with this report.

7 Delegations

7.1 The Chief Executive has delegation to approve budget carry overs of up to $500,000 per project. Council is required to approve carry overs exceeding this amount.
8 Consultation

8.1 No consultation is required.

9 Cultural Considerations

9.1 There are no cultural considerations associated with this report.

10 Conclusion

11 We recommend that Council approves a carry forward of the unspent Emergency Works expenditure budget and the associated funding from the 2015/16 financial year to the 2016/17 financial year. The value is $1,579,000.
Council

Meeting of 06 October 2016

Business Unit: Infrastructure
Date Created: 26 September 2016

**Effluent Storage Pond Contract C4/16052**

**Purpose**

To accept a tender for the construction of a second effluent storage pond at the Feilding Wastewater Treatment Plant.

**Significance of Decision**

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

**Recommendations**

That Contract C4/16052 be let to Stringfellows Ltd for $517,369.00 plus a contingency amount of $70,000 (exclusive of GST) to construct an effluent storage pond at the Feilding Wastewater Treatment Plant.

Report prepared by:
Chris Pepper
Senior Project Engineer

Approved for submission by:
Glenn Young
Acting General Manager - Infrastructure
1 Executive Summary

1.1 To meet the effluent storage requirement of 50,000 cubic metres an extra pond of 25,000 cubic metres capacity will need to be constructed.

1.2 The second pond was designed adjacent to the existing pond, sharing a common central bund. The pond was designed in-house with specialist advice used as required. The liner for the pond was specified to be installed by a specialist sub-contractor, to be nominated by tenderers.

1.3 A lowest price conforming tender methodology was used, with Council reserving the right to disqualify tenders based on attributes.

1.4 Four tenders were received and evaluated by a tender team of Council staff and a consultant, following advice received from the Internal Auditor following recent tender evaluations.

1.5 This process concluded that the lowest price tender received be recommended for acceptance.

2 Contribution to the Council Vision and Council Outcomes

2.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

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<tr>
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</tr>
</tbody>
</table>

3 Background

3.1 As part of Council’s submission supporting the application for resource consents to dispose of treated wastewater, Dr Steven Green of Plant and Food Research Ltd, a Crown Research Institute, presented expert evidence, based on his modelling undertaken to assess the discharge of wastewater to land at the Feilding WWTP.

3.2 Treated wastewater storage is a key element of the land application system as this minimises the number of discharges to the Oroua River, particularly when the river is in a low flow state.

3.3 A key element of the modelling was estimating the optimal storage volume. A range of storage volumes, from 25,000 to 100,000 cubic metres was modelled. The optimal volume of storage required was 50,000 cubic metres.

3.4 A 25,000 cubic metre pond was completed in August 2014. A duplicate pond is now proposed to increase the storage to 50,000 cubic metres.
3.5 The new pond shares a common wall with the existing pond. The first pond was acquired using a ‘design and build’ process, whereas the new pond has been largely designed in-house, with geotechnical support, and mimicking the existing pond as much as possible.

3.6 Given the certainty around the design, a lowest price conforming tender methodology was used. Attributes were included in the tender on a pass/fail basis to ensure that a contractor capable of undertaking the work was selected.

3.7 It is noted that the pipework to connect the ponds to the treatment plant and to the irrigation system have not been included in the contract and will be installed separately.

4 Discussion and Options considered

4.1 The tender process attracted four tenders.

4.2 The price of the tenders ranged from $478,805.00 to $825,902.93. The second highest tender was $636,925.00.

4.3 An arithmetical error was identified in the lowest tender, and the tenderer confirmed the tender price.

4.4 The tender evaluation team, consisting of four members, (including two from outside the project team), concluded that the lowest price tender was the best option.

4.5 It is also recommended that the gas extraction system proposed by the lining subcontractor be included in the amount of funding allocated for the contract. The cost of the gas system has been included in the tender submission at a value of $38,564.00. This gives a contract value of $517,369.00. A total contingency of $70,000 is recommended, to give an upper cost estimate of $590,000.

4.6 The Engineer’s Estimate for the works is $970,400, based on the rates for the previous pond. The lower costs are due to the following reasons:

(a) The cost to supply the liner is lower due to the high New Zealand dollar;

(b) The soil to form the bunds is being sourced directly from the pond site, eliminating a transport cost;

(c) The earthworks rates have not increased since the original pond was constructed as assumed in the estimate.

5 Operational Implications

5.1 There are no expected extra operating costs required for the new pond.

5.2 The depreciation on the pond is estimated as $10,000. This is the depreciation on the liner and of the inlet and outlet works.

5.3 The interest is estimated at $24,000 (4% of $600,000).

6 Financial implications

6.1 The budget for the pond in the 2016/17 Annual Plan is as follows:
### Feilding WWTP upgrade cost estimate as of September 2016

<table>
<thead>
<tr>
<th>Job Description</th>
<th>Annual Plan Budget</th>
<th>Estimated cost</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treatment</td>
<td>0</td>
<td>2,000</td>
<td></td>
</tr>
<tr>
<td>Reshaping aerobic ponds</td>
<td>0</td>
<td>1,000</td>
<td></td>
</tr>
<tr>
<td>Treatment</td>
<td>0</td>
<td>8,000</td>
<td></td>
</tr>
<tr>
<td>Treatment 1 Investigations &amp; Planning</td>
<td>0</td>
<td>50,000</td>
<td>Staff time</td>
</tr>
<tr>
<td>Treatment 2 New Control System</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Treatment 3 New Sucker Truck Dumping Site</td>
<td>0</td>
<td>40,000</td>
<td>Also asset renewal component</td>
</tr>
<tr>
<td>Treatment 5 High Flow Management &amp; Pipe Work</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Treatment 6 Aerobic Lagoons</td>
<td>0</td>
<td>150,000</td>
<td>Curtains Trial</td>
</tr>
<tr>
<td>Treatment 7 New Control System</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Second Effluent Storage Pond</td>
<td>1,579,500</td>
<td>50,000</td>
<td>Planning and design</td>
</tr>
<tr>
<td>Earthworks and liner</td>
<td></td>
<td>590,000</td>
<td>Tender price plus contingency</td>
</tr>
<tr>
<td>Ancillary works</td>
<td></td>
<td>300,000</td>
<td>Includes pipework and controls</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,579,500</strong></td>
<td><strong>$1,191,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

6.2 The above table indicates that the contract works can be completed within budget.

7 Statutory Requirements

7.1 There are no statutory requirements.

8 Delegations

8.1 This item has been brought directly to Council.

9 Consultation

9.1 There are no consultation requirements associated with this paper. Note that the requirement for this pond is the result of a resource consent consultation, and consultation on the Long Term Plan 2015-2025 and the Annual Plan.

10 Cultural Considerations

10.1 The installation of the pond will assist with maximising the discharge of treated wastewater to land.

11 Conclusion

11.1 The lowest price tender from Stringfellows Ltd, meets all the tender requirements and therefore should be accepted.

12 Attachments

Plan of proposed pond.
Fielding Waste Water Treatment Plant

Location Diagram - 1:2000

Proposed Pond Design

Surveying, planning and project management

Stephen Oldfield
m: 021 071 2381
e: stephen@cdsurveys.co.nz

David Smeaton
m: 021 088 77169
e: david@cdsurveys.co.nz

SCALE: 1:500

sheet 01

CDS 279

CDS/AERIAL

CLIENT

FILE LOCATION

FILE NAME

PROJECT No.

APPROVAL

DATE

Sheet

Check

Drawn

Designed

Surveyed

Title

Approved

Date

Scale

Size

Revision

Details

Central District Surveys

Surveying, planning and project management

Stephen Oldfield
m: 021 071 2381
e: stephen@cdsurveys.co.nz

David Smeaton
m: 021 088 77169
e: david@cdsurveys.co.nz

SCALE: 1:500

Sheet

Check

Drawn

Designed

Surveyed

Title

Approved

Date
Supply and Installation of Irrigators Contract C4-16025

Purpose

To accept a tender for the supply and installation of an irrigation system at the Feilding Wastewater Treatment Plant.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

That the Council accepts a tender for $1,426,852.97 from Waterforce Ltd, plus a $140,000 contingency amount (exclusive of GST), for the supply and installation of a centre-point irrigation system at the Feilding Wastewater Treatment Plant.

Report prepared by:
Chris Pepper
Senior Project Engineer

Approved for submission by:
Glenn Young
Acting General Manager - Infrastructure

1 Executive Summary

1.1 A Request for Proposals document was issued for the supply and installation of an irrigation system as required by the Resource consent conditions for the Feilding Wastewater Treatment Plant.

1.2 Six Proposals were received and evaluated by Council staff.

1.3 The proposals were independently reviewed by Dr Tony Davoren, an irrigation expert. Dr Davoren has an intimate knowledge of the irrigation requirements of Council due to his involvement as an expert during the consenting process.
1.4 The process was then audited by the Council’s Internal Auditor.

1.5 Both the evaluation of the staff and the independent evaluation undertaken by Dr Davoren resulted in a preferred tenderer, Waterforce Ltd, being identified. The key elements of Waterforce’s proposal were:

(a) A proven track record in irrigation of treated wastewater including operations.

(b) A proven robust irrigation and control systems that meet the site requirements.

(c) Demonstrated a clear understanding of the Council’s requirements, particularly resource consent conditions.

(d) Waterforce have a local service centre based in Palmerston North.

(e) The prices supplied was in the middle of the range of the prices supplied.

1.6 It is noted that a high priority was given to operability, robustness and reliability of the irrigation system and the suppliers in the light of the Environment Court’s comments around the operations at the wastewater treatment plant.

1.7 It is noted that the proposals received gave a range of ways in which coverage could be achieved, with varying degrees of sophistication.

1.8 Dr Davoren also provided advice on a preferred mix of options from those proposed by Waterforce. This advice was aimed to achieve the maximum amount of wastewater disposed of on the varying soil types, and the best way to control the irrigation.

1.9 Waterforce then supplied a formal tender based on the above advice.

1.10 This tender is now being presented to Council for approval.

2 Contribution to the Council Vision and Council Outcomes

2.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

| Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand |
|---|---|---|---|---|
| Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga. | The Manawatu will attract and retain residents. | Manawatu district develops a broad economic base from its solid foundation in the primary sector. | Manawatu and its people are connected via quality infrastructure and technology. | Manawatu’s built environment is safe, reliable and attractive. | Manawatu District Council is an agile and efficient organisation. |

3 Background

3.1 Council has taken several years to obtain consents to dispose of wastewater from the Feilding wastewater treatment plant. A key element of the consents is the requirement to dispose of wastewater to land by means of irrigation.

3.2 Considerable detail was produced and supplied by Council to the Consent Commissioners and subsequently to the Environment Court, with respect to how the irrigation would
work, and satisfy potentially affected parties, most notably residents who own properties adjacent to the site. This detail was developed and produced as supporting information for the consent application, was the subject of expert caucusing, and was finally reviewed for the Environment Court appeal.

3.3 The key points of the evidence can be summarised as follows:

(a) That 7400m$^3$/day of treated effluent could be disposed of on 100 hectares of land, 8500m$^3$/day on 125 ha, and 9500m$^3$/day on 150 ha (in conjunction with the storage).

(b) The modelling undertaken indicated that 50,000m$^3$ of storage is the optimal amount.

(c) A centre point irrigation system was determined by Council’s advisors as the most effective way to dispose of treated wastewater to land and therefore consent conditions were based on this.

(d) That a pasture based cut and carry operation is a suitable method to manage the irrigated land on-site.

3.4 The submissions received with regard to the effects of the irrigation system proposed were focused on spray drift, odour and groundwater impacts on the adjacent landowners and occupiers. These have been dealt with by the consent conditions which have been agreed to by Council.

4 Discussion and Options considered

4.1 From the conditions set around the irrigation, it was clear that some form of centre point irrigation system was the most likely irrigation system that would meet the conditions set. A detailed land survey of the site was undertaken to accurately determine the area that could be serviced by centre point irrigators, and the restrictions imposed with regard to separations from nearby dwellings overlaid onto the plan. This determined that an area of 115 hectares could be irrigated by 5 centre point irrigators.

4.2 In order to obtain the widest possible range of irrigation systems available, a Request for Proposal (RFP) methodology was used rather than a Request for Tender process. The advantage of an RFP is that it allows a greater range of alternatives to be evaluated, compared to a tender process which generally contain much more specific requirements. The RFP also allowed for more interaction with Proposers and to see how a Proposal has considered the Council’s needs.

4.3 Six proposals were received with three models of irrigator proposed. Various methods for controls and infill irrigation were also proposed, and one proposer suggested an option for buffer irrigation.

4.4 The Request for Proposal document included the resource consent conditions issued in January 2015. The proposals were intended to demonstrate how a supplier would best meet Council’s needs. This meant that a range of irrigators, and control systems could be proposed.

4.5 These were analysed by Council staff. The evaluation process undertaken by Council staff resulted in a score which resulted in Waterforce being identified as the preferred proposer.
4.6 The evaluation also resulted in the scope of the irrigation works being restricted to the centre point irrigators only as the proposals indicated that the initial needs of for the land based disposal of waste water could be met by the centre point irrigators only.

4.7 Copies of the proposals were then forwarded to Dr Davoren who reviewed the proposals independently from the Council staff. His recommendation was that Waterforce was the preferred proposer.

4.8 An internal Tender Evaluation memo for the approval of the General Manager (Infrastructure) was then produced. A request for the process to be reviewed was received, and commissioned, and the memo reviewed to include the outcome of this review.

4.9 The Internal Auditor reviewed the process, and has agreed with the process undertaken (with some recommendations about future improvements) and he endorsed the recommendation.

4.10 Copies of the Internal Auditor’s report and the independent evaluation are available upon request.

4.11 The Waterforce proposal was preferred for the following reasons:

(a) They supplied and operate the wastewater irrigation system for the Taupo District Council

(b) They have a local office in Palmerston North which makes procurement management and after-sales service much easier to facilitate from our perspective

(c) Their proposal was the most detailed and demonstrated a clear understanding of wastewater irrigation requirements and of local government requirements

(d) They demonstrated a clear willingness to work with Council on queries raised during the appraisal process

(e) The indicative costs provided were not the highest and indicated that an irrigation system can be procured within Council’s budget.

4.12 Waterforce were then requested to provide a formal tender.

4.13 Following the receipt of the tender a tender recommendation memo was produced, and approved.

4.14 The tender received has been expanded in scope from the original proposal to include the following:

- Larger delivery pipes to irrigator ‘C’ (the trial irrigator) to allow for the future disposal of treated effluent off-site if required.

- Provision of a pump station suction pit which was originally envisaged to be constructed outside of the contract.

- Connections from the suction pit to the pond outlet manholes which were originally envisaged to be constructed outside of the contract.
5 Operational Implications

5.1 The following annual operating costs are expected to be incurred as a result of this contract:

- Operational support during trial $7,500 (2016/17)
- Operational support during commissioning of balance of irrigators $158,000 ($79k per year for 2017/18 and 2018/19)
- Depreciation $40,000 – will be incurred from 2018/19 onwards
- Interest $56,000 (4% of $1.4m) – full cost will be incurred from 2017/18 onwards
- Operating of irrigators $79,000 ($6550 per month operating contract assumed from 2019/20 onwards)
- Electricity $40,000 (2x 45kW pumps operating for 120 days per year, costs staring this year say $10,000 for the trial)

5.2 It is noted that the above costs relate to the irrigation system only and there will be costs (and revenue) associated with the buffer zone management, and the baleage operation.

5.3 The operating budget in the current financial year does not contain a provision for the operational cost to run the trial.

6 Financial implications

6.1 The project budget in the Long Term Plan is $2,101,000, of which $1,803,000 is budgeted in this financial year. The current breakdown, including the cost of the irrigators is as follows:

<table>
<thead>
<tr>
<th>Feilding WWTP irrigation cost estimate as of September 2016</th>
<th>LTP Budget</th>
<th>Estimated cost</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Irrigation budget</td>
<td>2,101,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Irrigation System Design</td>
<td>0</td>
<td>50,000</td>
<td>Staff time</td>
</tr>
<tr>
<td>Irrigation 2 Buffer Planting</td>
<td>0</td>
<td>150,000</td>
<td></td>
</tr>
<tr>
<td>Irrigation 3 Install Cut-off Drains</td>
<td>0</td>
<td>25,000</td>
<td></td>
</tr>
<tr>
<td>Irrigation 4 Site Clearing</td>
<td>0</td>
<td>175,000</td>
<td></td>
</tr>
<tr>
<td>Irrigation 4 Soil Moisture Monitors &amp; Rain Gauges</td>
<td>0</td>
<td>50,000</td>
<td>in contract</td>
</tr>
<tr>
<td>Irrigation 5 Irrigation PS &amp; Piping</td>
<td>0</td>
<td>270,000</td>
<td></td>
</tr>
<tr>
<td>Irrigation 6 Trial Irrigator for Proof of Concept</td>
<td>0</td>
<td>580,000</td>
<td>Includes design and controls</td>
</tr>
<tr>
<td>Irrigation 7 Procurement of Irrigators</td>
<td>0</td>
<td>600,000</td>
<td>Y18 balance of irrigation system</td>
</tr>
<tr>
<td>Irrigation 8 New Control System</td>
<td>0</td>
<td>50,000</td>
<td>MDC portion</td>
</tr>
<tr>
<td>Project contingency</td>
<td>0</td>
<td>171,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2,101,000</strong></td>
<td><strong>$2,101,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

6.2 The value of the proposed irrigation contract is $1,427,000, which will be spread over the current and the 2017/18 financial years.
6.3 Therefore the $1,803,000 budget will be underspent in the current financial year. It is noted that the consent conditions allow for 3 years to fully commission the irrigation system.

7 Statutory Requirements
7.1 There are no statutory requirements.

8 Delegations
8.1 The value of the tender award requires the approval of the Council.

9 Consultation
9.1 There are no consultation requirements associated with this paper. However it is noted that a considerable amount of consultation was undertaken as part of the consent process.

10 Cultural Considerations
10.1 There are no cultural considerations associated with this paper. However it is noted that the cultural considerations have been part of the consent process.

11 Conclusion
11.1 The process undertaken has identified Waterforce Ltd as the preferred supplier of the irrigation system required at the Feilding WWTP. Therefore their tender for the installation of centre-point irrigators should be accepted.

12 Attachments
- Plan of irrigators
Notes

Horizontal datum: Geodetic datum 2000, Wanganui Circuit
Vertical datum: Wellington Vertical Datum 1953

Design based on 'Feilding Wastewater Treatment Plant Land: Application management Plan' document (19 August 2015 - Rev 3).

Legend

Pivot Irrigator sweep (112.3 ha)
Irrigator end spray gun extent (15m)
Buffer zones
Riparian
Northern
Southern
Powerline
Native trees

Northern buffer adjoins land owned by MDC. Buffer may be unnecessary, and irrigation may extend into adjoining MDC land.

Dwelling offsets
No irrigation permitted (150m)
No spray gun activity (300m)

Contour

Contour interval 5.0/1.0
Contours derived from LIDAR information supplied by Horizons Regional Council.
CEDA Annual Report 2016

Purpose

To present the Central Economic Development Agency Ltd (CEDA) Annual Report for 2016 to Council.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

That the Council receives for information the Central Economic Development Agency Ltd Annual Report for 2016.

Report prepared by:
Michael Hawker
Project Delivery Manager

Approved for submission by:
Brent Limmer
General Manager - Community and Strategy
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

*Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand*

<table>
<thead>
<tr>
<th>Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.</th>
<th>The Manawatu will attract and retain residents.</th>
<th>Manawatu district develops a broad economic base from its solid foundation in the primary sector.</th>
<th>Manawatu and its people are connected via quality infrastructure and technology.</th>
<th>Manawatu’s built environment is safe, reliable and attractive.</th>
<th>Manawatu District Council is an agile and efficient organisation.</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

2 Background

2.1 The Central Economic Development Agency Limited (CEDA) is a Council Controlled Organisation constituted as a limited liability company. Palmerston North City Council (PNCC) and Manawatu District Council (MDC) are the joint shareholders, having approved the formation of the company through each councils 2015/25 Long Term Plan process. The CEDA Company Constitution and Shareholders Agreement were subsequently approved on 31 August 2015.

2.2 The objectives of CEDA are set out in the company constitution. In particular, the key purpose of the company is to “...drive and facilitate the creation and growth of economic wealth for Manawatu and beyond.”

2.3 Since the establishment of the company, the Board of Directors have been appointed and the Chief Executive has been recruited and has commenced employment.

2.4 Since the appointment of the CEDA Chief Executive, negotiations between CEDA and the independent entities previously contracted to each council to provide economic development and visitor information services have been completed.

2.5 The service contract with Manawatu District Council, Palmerston North City Council and CEDA is being prepared.

3 Discussion and Options considered

3.1 This is the first Annual Report of CEDA. The Annual Report covers the achievements during the establishment of CEDA and their financial statements.

4 Operational Implications

4.1 There are no capital or operating expenditure implications or maintenance costs associated with this paper.

5 Financial implications

5.1 There are no unbudgeted financial implications associated with this matter.
6 Statutory Requirements

6.1 There are no statutory requirements associated with this matter.

7 Delegations

7.1 The Manawatu District and Palmerston North City Joint Strategic Planning Committee is delegated to receive the CEDA Annual Report. This committee is unable to receive this report due the 2016 Local Body elections and it is therefore referred to the Council meeting of Manawatu District Council.

8 Consultation

8.1 There are no community consultation requirements associated with this matter.

9 Cultural Considerations

9.1 There are no cultural considerations associated with this matter.

10 Conclusion

10.1 That the Central Economic Development Agency Ltd Annual Report 2016 be received by Council.

11 Attachments

• Attachment 1 – Central Economic Development Agency Ltd Annual Report 2016
Central Economic Development Agency Limited (CEDA)

Annual Report
for the 9 months ended 30 June 2016
<table>
<thead>
<tr>
<th>Contents</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Directory</td>
<td>3</td>
</tr>
<tr>
<td>Chair and Chief Executive Officer’s Joint Report</td>
<td>4</td>
</tr>
<tr>
<td>Corporate Report</td>
<td>5-7</td>
</tr>
<tr>
<td>Statement of Service Performance</td>
<td>8</td>
</tr>
<tr>
<td>Financial Statements including accounting policies and notes</td>
<td>9-17</td>
</tr>
<tr>
<td>Auditor’s Report</td>
<td>18</td>
</tr>
</tbody>
</table>
Company Directory

Central Economic Development Agency Limited

Directors
As at 30 June 2016
Malcolm Bailey (Chair)
Shamubeel Eaqub
John Fowke
Lucy Griffiths
Blair O’Keeffe
All directors were appointed on 18 December 2015

Management
William Samuel Chief Executive (from 11 July 2016)

Registered Office
Palmerston North City Council
32 The Square
Palmerston North

Bankers
Westpac New Zealand Ltd

Auditors
Audit New Zealand (on behalf of Auditor-General)

CEDA Annual report for year ended 30 June 2016
The Chair and Chief Executive Officer’s joint report

for the 9 months ended 30 June 2016

The past six months

The principal objective of the Central Economic Development Agency (CEDA) is to drive and facilitate the creation and growth of economic wealth for Manawatu and beyond.

CEDA came into existence in September 2015, with the current Board assuming control from the Interim Directors in December 2015 and first meeting on 26 January 2016. As outlined in our 2015/16 Statement of Intent, the focus since that time has been laying the platform for CEDA through:

• Recruitment and appointment of a Chief Executive (appointed in May 2016, started in July 2016).

• Developing a deeper understanding of current economic development along with engagement with shareholders, community and stakeholders.

• Working with existing organisations (Destination Manawatu and Vision Manawatu) to prepare the transition of services or contracts to CEDA (completed August 2016).

The Future

The coming year will see CEDA transition from an organisation that has just been created to one that develops a focused strategy for the future.

This strategy will be guided by market research so we can understand how we can make the most difference through our activities and resourcing. The outcome will be a fully developed Statement of Intent for the 2017/18 year.

In the interim we will continue “business as usual” activities, refocus as required and deliver some new initiatives.

We look forward to working with our shareholders, partner organisations and the business community to build the platform for a strong and resilient regional economy in the long term.

Malcolm Bailey
Chair

Will Samuel
Chief Executive Officer
Corporate Report for the year ended 30 June 2016

Ownership

Central Economic Development Agency Limited ("CEDA") was incorporated in New Zealand on 15 October 2015 under the Companies Act 1993 (NZBN 9429042001096). As the shareholders of CEDA are Palmerston North City Council (50%) and Manawatu District Council (50%) CEDA is a council-controlled organisation as defined in section 6 of the Local Government Act 2002.

CEDA’s Mission and Principal Activities

The primary objective of CEDA is to drive and facilitate the creation and growth of economic wealth for Manawatu and beyond.

CEDA’s principal activities during the part year to 30 June 2016 were to recruit a Chief Executive and to research the activities of the Vision Manawatu and Destination Manawatu Inc. as part of the establishment process to enable CEDA to deliver economic development and tourism services from 1 September 2016.

Company’s Affairs

The Directors regard the state of the Company’s affairs to be satisfactory. Details of the part year under review are included in the Joint Report of the Chair and Chief Executive Officer and the statutory financial statements of the Company published herewith.

Directors

Interim directors Patrick Clifford and Lorraine Vincent resigned on 18 December 2015 when the five new directors were formally appointed.

Director’s remuneration

Shareholders authorised payment of $155,000 per annum for directors’ fees. The amount of $83,020 was paid, or due and payable, to members of the Board for the part year to 30 June 2016 as follows:

<table>
<thead>
<tr>
<th>Gross Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malcolm Bailey</td>
</tr>
<tr>
<td>Shamubeel Eaqub</td>
</tr>
<tr>
<td>John Fowke</td>
</tr>
<tr>
<td>Lucy Griffiths</td>
</tr>
<tr>
<td>Blair O’Keeffe</td>
</tr>
<tr>
<td>83,020</td>
</tr>
</tbody>
</table>

No other remuneration or benefits other than re-imbursement of expenses has been paid or given to the directors.

Directors’ indemnity and insurance

The Company is responsible for the payment of directors’ indemnity insurance premiums.
Use of company information by directors

There were no notices from directors of the Company requesting to use Company information received in their capacity as directors that would not otherwise have been available to them.

Shareholding by directors

During the year there were no shareholding transactions involving directors.

Directors’ interests

During the course of the year to 30 June 2016, directors declared interest in the following entities:

<table>
<thead>
<tr>
<th>M G Bailey</th>
<th>Director/shareholder</th>
<th>Director/shareholder</th>
<th>Director/shareholder</th>
<th>Director</th>
<th>Director</th>
<th>Director/shareholder</th>
<th>Director/shareholder</th>
<th>Director/shareholder</th>
<th>Director/shareholder</th>
<th>Chairman</th>
<th>Chairman</th>
<th>Executive member</th>
<th>Trustee</th>
<th>Trustee</th>
<th>Shareholder</th>
<th>Shareholder</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>Supplier</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>

| S Eaqub    | Advisory Board member | Advisory Board member | Advisory Board member | Consultant |          | ADC Inc - microfinance charity | Auckland Radiology Group | NewGround Capital | Eaqub & Eaqub Ltd |          |          | None              | None   | None   | None       | Boutique consultancy, sometimes involved in economic development and matters of regional development |
|            |          |          |          |          |          |          |          |          |          |          |          |          |          |          |          |

<p>| J L Fowke  | Consultant |          | Toyota New Zealand Ltd, Legal Counsel, Motorsport Ambassador |          |          |          |          |          | None       |          |          |          |          |          |          |          |</p>
<table>
<thead>
<tr>
<th>Chair &amp; Trustee</th>
<th>Trustee/Director</th>
<th>Trustee</th>
<th>Chair &amp; Trustee</th>
<th>Council controlled organisation and Manawatu cultural facility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Justice of the Peace</td>
<td>Special Olympics New Zealand Foundation</td>
<td>Vision Manawatu</td>
<td>Manawatu Community Law Centre</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>MASH Trust (provider of services to people suffering from Intellectual and physical disabilities and dependencies)</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Body to be disbanded when CEDA becomes fully operational</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>None</td>
</tr>
<tr>
<td>L M J Griffiths</td>
<td>Trustee (Deputy Chair)</td>
<td>Independent Director</td>
<td>Director</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td>Owner/Director</td>
<td>Married to Simon Griffiths</td>
<td>Owner/Director</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>None</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Have done limited consultancy work in the Manawatu with a few clients</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>None</td>
</tr>
<tr>
<td>B A O’Keeffe</td>
<td>Director</td>
<td>Managing Director</td>
<td>Member Steering Committee</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>None</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>None</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>None</td>
</tr>
</tbody>
</table>

All directors are indemnified under the Directors and Officers Liability Insurance policy.

Details of related party transactions made during the year are shown in note 9 of the Notes to the Financial Statements.

Remuneration of employees

As at 30 June 2016 CEDA had no employees, who are not directors.

Auditors

As provided by section 70 of the Local Government Act 2002, Audit New Zealand, on behalf of the Auditor-General, is hereby re-appointed as auditor of the Company. Auditor’s remuneration of $8,170 (GST exclusive) for the 2016 annual audit is reflected in the financial statements as due and payable.
Statement of Service Performance for the year ended 30 June 2016

CEDA’s Statement of Intent (SOI) against which performance is judged is dated 10 June 2016. As CEDA’s Directors were appointed in December 2015, it did not meet the legislative requirement to prepare and submit a draft SOI to shareholders for 2015/16 by 1 March 2015. However the final SOI was adopted and presented to shareholders before 30 June 2016. The draft SOI for 2016/17 was not submitted to shareholders by 1 March 2016 but the final SOI was adopted before 30 June 2016.

CEDA's mission is to drive and facilitate the creation and growth of economic wealth for Manawatu and beyond.

The key objective for the 2015/16 year was to put in place the necessary infrastructure to establish CEDA. The SOI for 2015/16 outlined the initial development phase would focus on four areas:

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>Status</th>
<th>Commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO recruitment</td>
<td>Achieved</td>
<td>Appointed in May 2016 and started in July 2016 (post balance date)</td>
</tr>
</tbody>
</table>
| Developing a deep understanding of current economic development in Palmerston North and Manawatu | Achieved | Presentations received from:  
  - Vision Manawatu  
  - Destination Manawatu  
  - Feilding Promotion  
  - Spearhead Manawatu  
  - Accelerate25  
  - Chamber of Commerce  
  - BCC (Building Clever Companies)  
  - Food HQ |
| Community and stakeholder engagement | Achieved | |
| Dialogue with Vision Manawatu and Destination Manawatu to ensure continuity of existing services. | Achieved | Dialogue occurred in 2015/16 to enable the organisations to be transitioned into CEDA in September 2016 (post balance date) |

A Letter of Expectations was received from Palmerston North City Council and Manawatu District Council and it set out the broad framework for the establishment phase including their expectations of:

- Continuing to work with Vision Manawatu and Destination Manawatu Boards to transition any contracts, services, assets, intellectual property and sector knowledge
- Establishing relationships for sub-contracting services to Spearhead and Building Clever Companies (BCC)
- Appointment of a CEO.

Directors were appointed by the shareholders effective from 18 December 2015. The Board recruited a Chief Executive, Will Samuel, who has commenced since balance date on 11 July.
Central Economic Development Agency Limited  
Statement of Comprehensive Revenue & Expense  
for the 9 months ended 30 June 2016

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Notes</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Council funding</td>
<td>2</td>
<td>148,000</td>
</tr>
<tr>
<td>Interest, dividends and other investment revenue</td>
<td></td>
<td>640</td>
</tr>
<tr>
<td>Other revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total revenue</td>
<td></td>
<td>148,640</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Directors' fees</td>
<td></td>
<td>83,020</td>
</tr>
<tr>
<td>Other expenses</td>
<td>3</td>
<td>86,651</td>
</tr>
<tr>
<td>Total expenses</td>
<td></td>
<td>169,671</td>
</tr>
<tr>
<td>Surplus/(deficit) before tax</td>
<td></td>
<td>(21,031)</td>
</tr>
<tr>
<td>Income tax expense</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surplus/(deficit) after tax</td>
<td></td>
<td>(21,031)</td>
</tr>
</tbody>
</table>

Other comprehensive revenue and expense       |       | 0       |

Total comprehensive revenue and expense       |       | (21,031)|

Malcolm Bailey  
Chair  
Date: 27 September 2016

John Fowke  
Director  
Date: 27 September 2016

The accompanying notes form part of these financial statements
Central Economic Development Agency Limited
Statement of Financial Position as at 30 June 2016

<table>
<thead>
<tr>
<th>Notes</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>5</td>
</tr>
<tr>
<td>Prepayments</td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td>6</td>
</tr>
<tr>
<td>Total current assets</td>
<td></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
</tr>
<tr>
<td>Payables and deferred revenue</td>
<td>7</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td></td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Net assets (assets less liabilities)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Company capital</strong></td>
<td></td>
</tr>
<tr>
<td>Contributed capital</td>
<td></td>
</tr>
<tr>
<td>Accumulated deficits</td>
<td></td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>8</td>
</tr>
</tbody>
</table>

Central Economic Development Agency Limited
Statement of Changes in Equity for the 9 months ended 30 June 2016

<table>
<thead>
<tr>
<th>Notes</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 1 July</td>
<td>0</td>
</tr>
<tr>
<td>Contributed capital for the year</td>
<td></td>
</tr>
<tr>
<td>Total comprehensive revenue and expense for the year</td>
<td>(21,031)</td>
</tr>
<tr>
<td>Balance at 30 June</td>
<td></td>
</tr>
</tbody>
</table>

*Total comprehensive revenue and expense attributable to:*
- Palmerston North City Council             | (10,516) |
- Manawatu District Council                 | (10,516) |
- Total comprehensive revenue and expense  | (21,031)  |

The accompanying notes form part of these financial statements.
Central Economic Development Agency Limited
Statement of Cash Flows for the 9 months ended 30 June 2016

<table>
<thead>
<tr>
<th>Notes</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
</tr>
<tr>
<td>Receipts of council funding</td>
<td>148,000</td>
</tr>
<tr>
<td>Interest, dividends and other investment receipts</td>
<td>461</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(144,709)</td>
</tr>
<tr>
<td>GST (net)</td>
<td>(2,882)</td>
</tr>
<tr>
<td>Net cash flow from operating activities</td>
<td>870</td>
</tr>
<tr>
<td><strong>Cash flows from investing and financing activities</strong></td>
<td></td>
</tr>
<tr>
<td>Proceeds from capital contributions</td>
<td>1,000</td>
</tr>
<tr>
<td>Net cash flow from investing and financing activities</td>
<td>1,000</td>
</tr>
<tr>
<td>Net increase/(decrease) in cash and cash equivalents for the year</td>
<td>1,870</td>
</tr>
<tr>
<td>Cash, cash equivalents and bank overdraft at beginning of the year</td>
<td>0</td>
</tr>
<tr>
<td>Cash, cash equivalents and bank overdraft at end of the year</td>
<td>1,870</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements
1. Statement of Accounting Policies

REPORTING ENTITY

Central Economic Development Agency Limited ("CEDA") was incorporated in New Zealand on 15 October 2015 under the Companies Act 1993 (NZBN 9429042001096). As the shareholders of CEDA are Palmerston North City Council (50%) and Manawatu District Council (50%) CEDA is a council-controlled organisation as defined in section 6 of the Local Government Act 2002. CEDA has designated itself as a public benefit entity (PBE) for financial reporting purposes. The financial statements of CEDA are for the part year ended 30 June 2016. The financial statements were authorised for issue on 27 September 2016.

BASIS OF PREPARATION

The financial statements are prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period.

Statement of compliance

The financial statements of CEDA have been prepared in accordance with the requirements of the Local Government Act 2002, the Companies Act 1993 and the Financial Reporting Act 2013. This includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAPP).

These financial statements have been prepared in accordance with Tier 2 PBE accounting standards. The financial statements have been prepared on the basis that CEDA is a going concern. CEDA incurred a loss in its first nine months of operation of $21,030 due to the need to incur establishment costs and the mis-timing of funding from the shareholders to cover this. The directors are of the opinion that CEDA will produce a profit going forward. In addition, the shareholders (Palmerston North City Council and Manawatu District Council) have provided formal letters of support to CEDA in its endeavour to maintain financial viability. As a consequence the directors are of the opinion that it is appropriate to prepare the financial statements on the basis CEDA is a going concern.

CEDA is eligible and has elected to report in accordance with Tier 2 PBE standards on the basis it has no public accountability and in the following year is expected to have expenses > $2m and < $30m. These financial statements comply with PBE standards and are the first statements prepared in accordance with them.

Presentational currency

These financial statements are prepared in New Zealand dollars.
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue
Revenue is measured at fair value and the specific accounting policies for significant revenue items are explained below:

Grants
Grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Sale of goods
Revenue from the sale of goods is recognised when the goods are sold to the customer.

Sale of services
Revenue from the sale of services is recognised by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

Interest revenue
Interest revenue is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest method.

Income tax
Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

Receivables
Receivables are recorded at their face value, less any provision for impairment.

Other financial assets
Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets. After initial recognition, they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.
Impairment of financial assets
Financial assets are assessed for evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

Loans and receivables
Impairment is established when there is evidence CEDA will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation and default in payments are indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectable, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits or bonds are recognised directly against the instrument's carrying amount.

Payables
Short-term creditors and other payables are recorded at their face value.

Equity
Equity is the shareholders' interest in CEDA and is measured as the difference between total assets and total liabilities.

Goods and services tax
All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of related asset or expense.
The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.
The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as operating cash flow in the statement of cashflows.
Commitments and contingencies are disclosed exclusive of GST.
2 Council Funding

<table>
<thead>
<tr>
<th>Council</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Palmerston North City Council</td>
<td>74,000</td>
</tr>
<tr>
<td>Manawatu District Council</td>
<td>74,000</td>
</tr>
<tr>
<td><strong>Total Council Funding</strong></td>
<td><strong>148,000</strong></td>
</tr>
</tbody>
</table>

3 Other expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees to Audit New Zealand for the audit of the financial statements</td>
<td>8,170</td>
</tr>
<tr>
<td>Consultants and legal fees</td>
<td>68,829</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>9,652</td>
</tr>
<tr>
<td><strong>Total other expenses</strong></td>
<td><strong>86,651</strong></td>
</tr>
</tbody>
</table>

4 Tax

**Components of tax expense**

<table>
<thead>
<tr>
<th>Component</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current year</td>
<td>0</td>
</tr>
<tr>
<td>Adjustments to current tax in prior years</td>
<td>0</td>
</tr>
<tr>
<td>Deferred tax</td>
<td>0</td>
</tr>
<tr>
<td><strong>Tax expense</strong></td>
<td><strong>0</strong></td>
</tr>
</tbody>
</table>

**Relationship between tax expense and accounting surplus/(deficit)**

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net surplus/(deficit) before tax</td>
<td>(21,031)</td>
</tr>
<tr>
<td>Tax at 28%</td>
<td>(5,889)</td>
</tr>
<tr>
<td>Plus/(less) tax effects of:</td>
<td></td>
</tr>
<tr>
<td>- non-taxable revenue</td>
<td>0</td>
</tr>
<tr>
<td>- non-deductible expenses</td>
<td>0</td>
</tr>
<tr>
<td>- unused tax losses</td>
<td>5,889</td>
</tr>
<tr>
<td><strong>Tax expense</strong></td>
<td>0</td>
</tr>
</tbody>
</table>

Deferred tax asset not recognised of $5,889

5 Cash and cash equivalents

<table>
<thead>
<tr>
<th>Cash at bank or on hand</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,870</td>
</tr>
</tbody>
</table>

**Total cash and cash equivalents**

<table>
<thead>
<tr>
<th>Total cash and cash equivalents</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,870</td>
</tr>
</tbody>
</table>

6 Receivables

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross receivables</td>
<td>3,062</td>
</tr>
<tr>
<td>Provision for impairment</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total receivables</strong></td>
<td><strong>3,062</strong></td>
</tr>
</tbody>
</table>

**Total receivables comprise:**

| Receivables from non-exchange transactions (GST & income taxes receivable) | 3,062 |
| Receivables from exchange transactions                           | 0    |
7 Payables

Payables under exchange transactions
Trade payables and accrued expenses 25,966

Payables under non-exchange transactions
Income tax payable 0
Other taxes payable (eg GST and FBT) 0
Total payables 25,966

Payables are generally non-interest bearing and are normally settled on 30 day terms. Therefore the carrying value of payables approximates their fair value.

8 Equity

Contributed capital
Balance at 1 July 0
Capital contribution 1,000
Balance at 30 June 1,000

Accumulated surpluses
Balance at 1 July 0
Surplus/(deficit) for the year (21,031)
Balance at 30 June (21,031)
Total equity (20,031)

9 Related party transactions

Related party disclosures have not been made for transactions with related parties that are within a normal client/recipient relationship on terms and condition no more or less favourable than those it is reasonable to expect CEDA would have adopted in dealing with the party at arm's length in the same circumstances.

Related party disclosures required to be made
During the period CEDA received funding from the shareholders (Palmerston North City Council and Manawatu District Council) to cover establishment costs (see note 2)

Key personnel compensation

Directors
Remuneration 83,020
Full-time equivalent members 5

Due to the difficulty in determining the full-time equivalent for directors, the full-time equivalent figure is taken as the number of directors.
10 Events after balance date

On 11 July 2016 CEDA's Chief Executive Officer commenced his employment.

On 28 August 2016 CEDA entered sale and purchase agreements with Vision Manawatu and Destination Manawatu Inc for the purchase of their business operations. Under the arrangements CEDA obtained the assets at book value and the amount involved was forgiven by a Deed of Grant to CEDA from each entity.

From 1 September 2016 CEDA assumed all of the staff of Vision Manawatu and Destination Manawatu Inc.

11 Financial Instruments

The accounting policies for financial instruments have been applied to the items below:

<table>
<thead>
<tr>
<th>Financial Assets</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans and receivables</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,870</td>
</tr>
<tr>
<td>Receivables</td>
<td>3,061</td>
</tr>
</tbody>
</table>

Financial Liabilities

<table>
<thead>
<tr>
<th>Financial Liabilities at amortised cost</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Payables</td>
<td>25,966</td>
</tr>
</tbody>
</table>
Non-discharge of Committee - Election 2016

Purpose

To advise Council on the operation of the District Licensing Committee during the period following the election of the new Council and the establishment of Council’s committees for the 2016-19 triennium.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

1. That the Council notes that the District Licensing Committee is a committee established under the Sale and Supply of Alcohol Act 2012.

2. That the Council notes that Clause 30 (7) of Schedule 7 of the Local Government Act 2002 regarding discharge of committees on the coming into office of the newly elected Council does not apply to the District Licensing Committee.

3. That the Council notes that the members of the District Licensing Committee were appointed for a five year term, and remain as members of the committee until either their period of appointment ends, or they resign as members.

Report prepared by:
Allie Dunn
Business Support Team Leader - Corporate

Approved for submission by:
Shayne Harris
General Manager - Corporate and Regulatory
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

**Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand**

<table>
<thead>
<tr>
<th>Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.</th>
<th>The Manawatu will attract and retain residents.</th>
<th>Manawatu district develops a broad economic base from its solid foundation in the primary sector.</th>
<th>Manawatu and its people are connected via quality infrastructure and technology.</th>
<th>Manawatu’s built environment is safe, reliable and attractive.</th>
<th>Manawatu District Council is an agile and efficient organisation.</th>
</tr>
</thead>
</table>

2 Background

2.1 The Sale and Supply of Alcohol Act 2012 came into force in December 2013.

2.2 The District Licensing Committee is a committee appointed by Council, under section 186 of the Sale and Supply of Alcohol Act 2012, to deal with alcohol licensing matters within its district.

2.3 The composition of the Manawatu District Licensing Committee consists of:

- One Commissioner who is appointed by the Chief Executive on the recommendation of the Council as the Chairperson (refer section 193 Sale and Supply of Alcohol Act 2012);
- A Deputy Chairperson, appointed by Council, to act in place of the Chairperson if the Chairperson is unable to act (refer section 189 Sale and Supply of Alcohol Act 2012);
- List members appointed by the Council (refer section 192 Sale and Supply of Alcohol Act 2012) being persons with experience relevant to alcohol licensing matters.

2.4 The Commissioner and the list members were appointed for a period of five years. Commissioner Rod Titcombe’s term of appointment ends 19 November 2018, members Barbara Cameron, Tony Jensen and Jo Heslop’s term of appointment ends 19 December 2018 and members Clive Asplin and John Baxter’s term of appointment ends 20 March 2019.

2.5 The Deputy Chairperson, if appointed, must be an elected member of the Council.

3 Discussion and Options considered

3.1 The Council will be aware that under Schedule 7, Clause 30(7) of the Local Government Act 2002, all of the Council’s committees, subcommittees and other subordinate decision-making bodies are, unless the Council resolved otherwise, deemed to be discharged on the coming into office of the members of the newly elected Council following the election. This clause is applicable to the committees and subcommittees that are established by Council under provisions of the Local Government Act 2002. Where other legislation requires Council to establish a committee for decision-making purposes under that other particular legislation (e.g. Sale and Supply of Alcohol Act 2012, Civil Defence Emergency Management Act 2002), those committees remain in force.
3.2 The Council elections are being held on Saturday 8 October 2016. As mentioned above, the present Council remains in force until the new Council comes into office. The new Council comes into office on the day following the public notice of the final result of the election (refer sections 115 and 116 of the Local Electoral Act 2001).

3.3 The final result of the election is expected to be publicly notified on Thursday 13 October 2016.

3.4 This means that the current Council and its committees’ last day of office will be Thursday 13 October 2016, and the newly elected Council will come into office on Friday 14 October 2016.

3.5 The current District Licensing Committee is scheduled to meet on Thursday 13 October 2016. The members that will be part of the committee for that meeting are Commissioner Rod Titcombe, Barbara Cameron and Jo Heslop.

3.6 The status of elected members appointed to the District Licensing Committee’s list of members, post-election, should they not be successful in being returned to office, does not change. They will still be list members of the District Licensing Committee.

3.7 The only position in the District Licensing Committee that would be affected by the member not being re-elected is the current Deputy Chairperson. However that member would remain a list member, and the Council would need to consider appointing a new Deputy Chairperson from the elected members.

3.8 It is important to note that the Council does not have a general power to remove any member of a District Licensing Committee, or its Commissioner. The only time a Council may remove a member from the District Licensing Committee is for “inability to perform the functions of office, bankruptcy, neglect of duty, or misconduct, proved to the territorial authority’s satisfaction.” (Refer section 194 Sale and Supply of Alcohol Act 2012).

3.9 A member may choose to resign at any time.

3.10 At the end of each member’s five year term of office, the Council may choose to reappoint the member for one or more further periods of up to five years.

4 Operational Implications

4.1 There are no capital / operating expenditure implications or maintenance costs associated with this paper.

5 Financial implications

5.1 There are no financial implications associated with this paper.

6 Statutory Requirements

6.1 The establishment of a District Licensing Committee and the appointment of members to that committee are in accordance with provisions of the Sale and Supply of Alcohol Act 2012. Reference to the applicable sections are:

- Section 186 – Territorial authorities to appoint district licensing committees
• Section 189 – Composition of licensing committees
• Section 192 – Territorial authority to establish and maintain list of licensing committee’s members
• Section 193 – Appointment of Commissioners
• Section 194 – Resignation or removal

7 Delegations

7.1 The District Licensing Committee has all the powers conferred on it by or under the Sale and Supply of Alcohol Act 2012 or any other Act.

8 Consultation

8.1 There are no community consultation requirements associated with this paper.

9 Cultural Considerations

9.1 There are no cultural considerations to be taken into account as a result of this paper.

10 Conclusion

10.1 The District Licensing Committee will be continuing to hold meetings and carry out its business following the Council elections in October 2016. The Sale and Supply of Alcohol Act 2012 came into force in December 2013, so this is the first election since the establishment of the District Licensing Committee. This paper provides clarity about the status of the District Licensing Committee and its members and how it is different to other committees of Council that are discharged upon coming into office of the newly elected Council.

11 Attachments

• There are no attachments.