



Minutes of a meeting of the
Finance and Corporate Committee held in the
Council Chamber on Wednesday 11 September 2019,
commencing at 10:32 a.m.

Membership

Cr Doug Brown	<i>(Chairperson)</i>
Cr Andrew Noone	<i>(Deputy Chairperson)</i>
Cr Graeme Bell	
Cr Michael Deaker	
Cr Carmen Hope	
Cr Trevor Kempton	
Cr Michael Laws	
Cr Ella Lawton	
Cr Sam Neill	
Cr Gretchen Robertson	
Cr Bryan Scott	
Cr Stephen Woodhead	

Welcome

Cr Brown welcomed Councillors, members of the public and staff to the meeting at 10:32 am.

For our future

1. APOLOGIES

Resolution

That the apologies for Cr Bell be accepted.

Moved: Cr Brown

Seconded: Cr Hope

CARRIED

2. LEAVE OF ABSENCE

No leave of absence was requested.

3. ATTENDANCE

Sarah Gardner	<i>(Chief Executive)</i>
Nick Donnelly	<i>(General Manager Corporate Services and CFO)</i>
Gavin Palmer	<i>(General Manager Operations)</i>
Sally Giddens	<i>(General Manager People, Culture and Communications)</i>
Richard Saunders	<i>(General Manager Regulatory)</i>
Amanda Vercoe	<i>(Executive Advisor)</i>
Liz Spector	<i>(Committee Secretary)</i>

4. CONFIRMATION OF AGENDA

The agenda was confirmed as circulated.

5. CONFLICT OF INTEREST

No conflicts of interest were advised.

6. PUBLIC FORUM

Cr Brown invited Mrs Anne Marie Parsons, Dunedin, to address the Committee members. Mrs Parsons expressed her concerns regarding a lack of shelter for patrons of the regional bus system. It was noted that the ORC and Dunedin City Council were working together to address the issue, and a shelter had been installed at the site. Mrs Parsons said she felt the shelter did not provide for the number of patrons at any one time. The Councillors thanked Mrs Parsons for bringing her concerns to them.

Cr Scott left the meeting at 10:32 am.

Cr Scott returned to the meeting at 10:34 am.

7. PRESENTATIONS

Representatives of Port Otago Ltd presented the 2019 full year update to the Committee members. Present to speak to the report were Board Chairman David Faulkner, Chief Executive Kevin Winders and Chief Financial Officer Stephen Connolly. Mr Winders cited several highlights including an increase in the group's net profit after tax of 12%, an increase in bulk cargo volumes and cruise vessel visits, Te Rapa Gateway land sales of \$22.7 million,

completion of their Next Generation project and a 10.1% increase in return on average equity from the previous year.

Mr Winders noted the Port was investigating the possibility of deepening the harbour channel, which would allow larger ships into port. He also noted mitigation experts were engaged to remedy Rio class ship noise and a solution was expected soon. A general discussion was held about the port activities over the year. Councillor Laws noted that many of the Port's big strategic goals had been reached and asked what was next for the future. Mr Faulkner said the harbour channel deepening work would be a focus for the future as will growth for Chalmers Properties. Councillor Deaker noted the Council was looking at ways to mitigate its emissions profile and asked what the Port was doing to reduce emissions. Mr Faulkner noted from 1 January, low-sulphur fuel will be a requirement for ships, both trade and cruise, and the port had purchased two hybrid replacement vehicles. Mr Winders said they were exploring the possibility of purchasing hybrid straddle carriers as they would realise a 30% fuel savings over traditional diesel straddles. He noted the cost of the hybrid straddle was much higher. He also noted that deepening the channel would allow larger ships in the harbour, reducing the number of trucks driving from the port to Dunedin which would have a significant impact on emissions.

Councillor Woodhead noted the impending retirement of Board Chairman Faulkner and thanked him for his years of service to the Port. Cr Brown thanked the men for their presentation.

Resolution

That the Annual Report of Port Otago Ltd be received.

Moved: Cr Woodhead
Seconded: Cr Kempton
CARRIED

8. CONFIRMATION OF MINUTES

Resolution

That the minutes of the (public portion of the) meeting held on 1 August 2019 be received and confirmed as a true and accurate record.

Moved: Cr Noone
Seconded: Cr Neill
CARRIED

9. ACTIONS

Status report on the resolutions of the Finance & Corporate Committee

There are no outstanding actions from Finance and Corporate Committee resolutions.

10. MATTERS FOR COUNCIL DECISION

10.1. General Manager's Report

General Manager Corporate Services Nick Donnelly was present to answer questions about the General Manager's report. The report was taken as read and Cr Brown asked for a motion.

Resolution

That the Finance and Corporate Committee:

- a) **Receives** this report.
- b) **Endorses** the July 2019 payments summarised and detailed in the payments schedule, totalling \$10,057,530.12.

Moved: Cr Noone

Seconded: Cr Robertson

CARRIED

10.2. Annual Return of Inactive Subsidiaries 2019

General Manager Corporate Services Nick Donnelly was present to speak to the report. He said a requirement of Sec 214 of the Companies Act 1993 was filing of an annual report for each company registered by the ORC. He said the companies, Regional Services Limited, Regional Pest Services Limited and Regional Monitoring Services Limited, are inactive but continue to be held due to the significance of their name and the potential for linkage to ORC. He noted approval of the recommended resolutions meets the requirements under the Companies Act. After a general discussion, Cr Brown asked for a motion.

Resolution

- 1) *That it shall not be necessary for Regional Services Limited to hold an Annual General Meeting under section 120 of the Companies Act 1993.*
- 2) *That no auditors be appointed for Regional Services Limited under section 196 (2) of the Companies Act 1993.*
- 3) *That it shall not be necessary for Regional Pest Services Limited to hold an Annual General Meeting under section 120 of the Companies Act 1993.*
- 4) *That no auditors be appointed for Regional Pest Services Limited under section 196 (2) of the Companies Act 1993.*
- 5) *That it shall not be necessary for Regional Monitoring Services Limited to hold an Annual General Meeting under section 120 of the Companies Act 1993.*
- 6) *That no auditors be appointed for Regional Monitoring Services Limited under section 196 (2) of the Companies Act 1993.*

Moved: Cr Woodhead

Seconded: Cr Bell

CARRIED

11. MATTERS FOR NOTING

11.1. Reserves

General Manager Corporate Services Nick Donnelly was present to answer questions about the Reserves Report. He said the report gives an overview of Council's equity and reserves and a reconciliation of these to the assets Council holds in cash and financial investments. After a general discussion, Councillor Brown asked for a motion.

Resolution

That the Council:

- 1) ***Receives and notes this report.***

Moved: Cr Woodhead

Seconded: Cr Noone

CARRIED

Cr Hope left the meeting at 11:50 am.

Cr Hope returned to the meeting at 11:54 am.

Councillor Brown adjourned the meeting at 12:09 p.m. until 1 p.m.

Councillor Brown reconvened the meeting at 1:02 p.m.

Otago Rescue Helicopter Trust Chairman Martin Dippie, Trust Secretary Vivienne Seaton and helicopter pilot Graeme Gale presented the Committee members with the Trust's 2019 Annual Report. Mr Dippie provided some key statistics about their work, stating the patient retrievals were up 17% over the previous year. He also mentioned the addition of two new GPS routes, Oamaru and Dunstan, to the existing routes of Invercargill, Dunedin and Christchurch. Mr Gale gave details about a new piece of medical equipment they had purchased, an automatic compression machine, which allows CPR to continue on a patient during flight without needing an additional emergency worker to be onboard. Mr Dippie then thanked the Councillors for their continued support. After a general discussion, Councillor Brown thanked the group for their work.

12. CLOSURE

There was no further business and Councillor Brown declared the meeting closed at 01:45 pm.



Chairperson

03/10/2019

Date



Chief Executive

4.10.19

Date