

## Minutes of a meeting of the **Finance & Audit Committee – OPEN**

Time and date:	9.30am, Monday, 16 June 2008.
Venue:	No. 1 Committee Room, 1 <sup>st</sup> Floor, Council Building, Garden Place, Hamilton.
Committee Members:	Councillors M J Westphal (Chairperson) D L Bell P A Bos G Di Maio R E Hennebry D G Macpherson (Part only) G M Saunders
In Attendance:	Deputy Chief Executive, General Manager Communication & Marketing, General Manager Community Services, General Manager Organisational Development, General Manager Strategic, General Manager Works & Services, Acting General Manager Environmental Services, Finance Manager, Revenue Manager, Management Accountant and Group Accountants (3).
Committee Advisor:	Ms F M Yates
Apology:	Councillor Macpherson (for lateness)
Resolved:	(Crs Westphal/Bell) That the apology be accepted.

### **SECTION A: DECISIONS MADE UNDER DELEGATED AUTHORITY FOR NOTING BY THE COUNCIL**

#### **1. Confirming the Agenda**

The Committee to confirm the agenda.

**Resolved:** (Crs Di Maio/Saunders )  
That the agenda be confirmed.

#### **2. 13/16/18. Chairperson's Report**

The Committee to receive the above report.

**Resolved:** (Crs Westphal/Saunders)  
That the report as circulated be received.

#### Report to 30 April 2008

Report and recommendation from the Deputy Chief Executive

**Resolved:** (Crs Westphal/Saunders)  
That the report as circulated be received and the information noted.

Councillor Macpherson (9.40am) joined the meeting during consideration of the above item. He was present when the matter was voted on.

#### 4. 22/9/17. Third Forecast for 2007/2008

The Committee to consider a report and recommendation from the Deputy Chief Executive concerning the above.

**Resolved:** (Crs Di Maio/Bos)  
That:

- a) the report as circulated be received and the information noted, and
- b) the budget variances listed in Part A and Part B of the report before the Committee be included in the year end forecast figures.

#### 5. 13/16/18. Non Financial Key Performance Indicators & Key Projects Report

The Committee to consider a report and recommendation from the General Manager Strategic concerning the above.

**Resolved:** (Crs Di Maio/Bell)  
That the report as circulated be received.

The following item was taken out of order to accommodate the attendance of staff.

**Official Information and Meetings Act 1987**

**Resolved:** (Crs Wesphal/Saunders)

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

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:

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter.	Ground(s) under section 48 (1) for the passing of this resolution
1. Overdue Debtors Report to 31 May 2008	) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987 )	Section 48 (1) (a)

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

Item 1	To enable Council to carry out negotiations and protect the privacy of natural persons	Section 7 (2) (h) & Section 7 (2) (a)
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**The meeting returned to being open to members of the public at 10.50am.**

## Riverview Hotel Limited – Annual Report for the year ended

report and recommendation from the Deputy Chief Executive concerning the above.

Mr Mike Pohio, Chairman of Riverview Hotel Limited, was in attendance and addressed the Committee. He gave a brief presentation on Riverview Hotel Limited's financial accounts and then responded to questions from Councillors.

**Resolved:** (Crs Saunders/Di Maio)  
That:

- a) the report as circulated be received, and
- b) the Annual Report for Hamilton Riverview Hotel Limited for the year ended 31 December 2007 be received and the information noted.

### 8. 38/8/19. Treasury Report to 30 April 2008

The Committee to consider a report and recommendation from the Deputy Chief Executive concerning the above.

**Resolved:** (Crs Westphal/Macpherson)  
That the report as circulated be received and the information noted.

The following item was taken out of order to accommodate the attendance of representatives from Audit New Zealand.

### 9. 22/5/1. Planned Audit Approach for 30 June 2008

The Committee to consider a report and recommendation from the Deputy Chief Executive concerning the above.

Ms Karen McKenzie, Audit NZ Director, and Mr Kumaren Perumal, Audit Manager, were in attendance. Ms McKenzie addressed the Committee and then responded to questions from Councillors.

**Resolved:** (Crs Macpherson/Bell)  
That the report as circulated be received.

### 10. 1/1. Local Authority Shared Services Limited – Annual Report for the year ended 30 June 2007.

The Committee to consider a report and recommendation from the Deputy Chief Executive concerning the above.

**Resolved:** (Crs Bos/Di Maio)  
That:

- a) the report as circulated be received, and

Annual Report for Local Authority Shared Services for the year ended 30 June 2007 be received and the information noted.

**11. 39/2. Rates & Debtors Summary as at 31 May 2008**

The Committee to consider a report and recommendation from the Deputy Chief Executive concerning the above.

**Resolved:** (Crs Hennebry/Macpherson)  
That the report as circulated be received and the information noted.

**12. 22/6/3. Bad Debts Write Offs 2007-2008**

The Committee to consider a report and recommendation from the Deputy Chief Executive concerning the above.

**Resolved:** (Crs Macpherson/Saunders)  
That the report as circulated be received and the information noted.

**13. 13/16/27. Contracts Subcommittee**

The Committee to receive the minutes of meetings of the above Subcommittee as follows:

- a) 19 March 2008
- b) 10 April 2008
- c) 30 April 2008
- d) 8 May 2008
- e) 15 May 2008

**Resolved:** (Crs Westphal/Di Maio)  
That the minutes as circulated be received.

**14. 13/16/18. Standard & Poor's Credit Rating**

The Committee to consider a report and recommendation from the Deputy Chief Executive concerning the above.

**Resolved:** (Crs Saunders/Di Maio)  
That:

- a) the report as circulated be received and the information noted, and
- b) approval be given to engage Standard & Poor's Rating Services to provide a credit rating for Hamilton City Council.

**15. 39/2. Debt Collection Procedures for Development Contributions**

The Committee to consider a report and recommendation from the Deputy Chief Executive concerning the above.

**Resolved:** (Crs Saunders/Bos)  
That:

- a) the report as circulated be received and the information noted, and
- b) Council place a statutory land charge on property after all efforts by telephone and letters have been exhausted.

The meeting was declared closed at 12.25pm.



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# Subcommittee Minutes

The following minutes of the Subcommittee Meetings of the Finance & Audit Committee are attached:

Contracts Subcommittee	19 March 2008
Contracts Subcommittee	10 April 2008
Contracts Subcommittee	30 April 2008
Contracts Subcommittee	8 May 2008
Contracts Subcommittee	15 May 2008

## Minutes of a meeting of the **Contracts Subcommittee – OPEN**

Time and Date:	1.30pm, Wednesday, 19 March 2008.
Venue:	No. 1 Committee Room, 1 <sup>st</sup> Floor, Council Building, Garden Place, Hamilton.
Subcommittee Members:	Councillors M J Westphal (Chairperson) J R Gower K L H Gregory A R O'Leary Mr M G Redman, Chief Executive
In Attendance:	Councillor Di Maio General Manager Works & Services and Planning Manager, Water & Waste Services.
Committee Advisor:	Ms F M Yates

### **SECTION A: DECISION OF THE SUBCOMMITTEE MADE UNDER DELEGATED AUTHORITY FOR NOTING BY THE COUNCIL**

#### **1. 13/16/27. LIDAR Aerial Survey**

The Subcommittee to consider a report and recommendations from the General Manager Works & Services.

**Resolved:** (Crs Gower/O'Leary)  
That:

- a) the report as circulated be received,
- b) the tender/quote submitted by New Zealand Aerial Mapping for the sum of one hundred and ten thousand, two hundred and twenty four dollars, excluding GST, be approved for supply of LIDAR data, and
- c) the Approved Contract Sum be set at \$110,224 excluding GST.

**The meeting was declared closed at 1.40pm.**

## Minutes of a meeting of the **Contracts Subcommittee – OPEN**

Time and Date:	2.00pm, Thursday, 10 April 2008.
Venue:	No. 1 Committee Room, 1 <sup>st</sup> Floor, Council Building, Garden Place, Hamilton.
Subcommittee Members:	Councillors M J Westphal (Chairperson) J R Gower Mr M G Redman, Chief Executive
In Attendance:	Deputy Chief Executive, Property Manager, Property Portfolio Manager, Procurement Manager and Project Management Officer.
Committee Advisor:	Ms F M Yates
Apologies:	Councillors Gregory & O'Leary
Resolved:	(Crs Gower/Westphal) That the apologies be accepted.

### **SECTION A: DECISIONS OF THE SUBCOMMITTEE MADE UNDER DELEGATED AUTHORITY FOR NOTING BY THE COUNCIL**

**1. 13/16/27. Contract No. 07123 Name: SCA Warehouse Fire Protection Upgrade – New Sprinkler System**

The Subcommittee to consider a report and recommendations from the Deputy Chief Executive.

**Resolved:** (Crs Gower/Westphal)  
That:

- a) the report as circulated be received,
- b) the tender submitted by Argus Fire Protection for the sum of Five Hundred and Sixty One Thousand Two Hundred and Twenty Four Dollars (\$561,224), excluding GST, be approved for Contract No. 07123: SCA Warehouse Fire Protection Upgrade – New Sprinkler System,

Approved Contract Sum be set at \$594,224, excluding T, comprising of \$561,224 the tender amount, which includes \$40,000 contingency payment, if deemed necessary, and an additional contingency of \$33,000 to allow for increased cost for tank base foundation, and

- d) the cost is funded within the existing budget of \$910,000 for this project.

**2. 13/16/27. Contract No. 07111 for Cleaning Services to Hamilton City Council**

The Subcommittee to consider a report and recommendations from the Deputy Chief Executive & General Manager Community Services.

**Resolved:** (Crs Gower/Westphal)  
That:

- a) the report as circulated be received,
- b) ISS Facilities Services NZ Limited be approved for a three year term with a right of renewal for a further three years as the authorised supplier of Cleaning Services for Module B (Parks & Gardens) and Module C (Event Facilities) as stated in the report before the Subcommittee. Contract term to commence on 1 June 2008,
- c) Spotless Services Limited be approved for a three year term with a right of renewal for a further three years as the authorised supplier of Cleaning Services for Module A (Property Management) as stated in the report before the Subcommittee. Contract term to commence on 1 June 2008,
- d) OCS Limited be approved for a three year term with a right of renewal for a further three years as the authorised supplier of Cleaning Services for Module D (Community Services Facilities) as stated in the report before the Committee. Contract term to commence on 1 June 2008, and
- e) Council negotiate and finalise contracts with the above parties in line with their proposals and Council's standard contract terms and conditions noting that overall external spend is in line with the current external charges.

**The meeting was declared closed at 2.20pm.**

## Minutes of a meeting of the **Contracts Subcommittee – OPEN**

Time and Date:	8.40am, Wednesday, 30 April 2008.
Venue:	No. 1 Committee Room, 1 <sup>st</sup> Floor, Council Building, Garden Place, Hamilton.
Subcommittee Members:	Councillors M J Westphal (Chairperson) J R Gower A R O'Leary Mr M G Redman, Chief Executive
In Attendance:	General Manager Community Services & Leisure Facilities Manager.
Committee Advisor:	Ms F M Yates
Apology:	Councillor Gregory
Resolved:	(Crs O'Leary/Gower) That the apology be accepted.

### **SECTION A: DECISION OF THE SUBCOMMITTEE MADE UNDER DELEGATED AUTHORITY FOR NOTING BY THE FINANCE & AUDIT COMMITTEE**

#### **1. 13/16/27. Contract No. 08026 Design of Hydrotherapy Pool**

The Subcommittee to consider a report and recommendations from the General Manager Community Services.

- Resolved:** (Crs Gower/O'Leary)  
That:
- a) the report as circulated be received,
  - b) Council not go out to public tender for the Design of Hydrotherapy Pool,
  - c) Interpool Pacific Limited be approved for Contract 08026 for Design of Hydrotherapy Pool, and



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approved Contract Sum be set at \$160,000 dollars  
including GST.

**The meeting was declared closed at 8.45am.**

## Minutes of a meeting of the **Contracts Subcommittee – OPEN**

Time and Date:	2.00pm, Thursday, 8 May 2008.
Venue:	No. 1 Committee Room, 1 <sup>st</sup> Floor, Council Building, Garden Place, Hamilton.
Subcommittee Members:	Councillors M J Westphal (Chairperson) J R Gower K L H Gregory A R O'Leary Mr M G Redman, Chief Executive
In Attendance:	General Manager Works & Services and Water & Waste Services Manager.
Committee Advisor:	Ms F M Yates

### **SECTION A: DECISIONS OF THE SUBCOMMITTEE MADE UNDER DELEGATED AUTHORITY FOR NOTING BY THE FINANCE & AUDIT COMMITTEE**

- 1. 13/16/27. Contract No. 0528 Traffic Signal Maintenance**  
The Subcommittee to consider a report and recommendations from the General Manager Works & Services.

**Resolved:** (Crs Gower/O'Leary)  
That:

- a) the report as circulated be received, and
- b) Contract No. 0528 Traffic Signal Maintenance with Concord Technologies has the Approved Contract Sum raised to \$1,975,000 in accordance with the report before the Subcommittee.

- 2. 13/16/27. Contract No. 07117 Brymer Road Upgrade**  
The Subcommittee to consider a report and recommendations from the General Manager Works & Services.

**Resolved:** (Crs Gregory/O'Leary)  
That:

report as circulated be received,

tender submitted by Cambridge Construction Company Limited in the sum of five hundred and ninety thousand, eight hundred and ninety six dollars and forty five cents (\$590,896.45) excluding GST, be approved for Contract No. 07117 – Brymer Road Upgrade, and

- c) the Approved Contract sum be set at \$708,896.45 excluding GST, comprising of \$590,896.45, the tender amount, and \$118,000 for contingencies if deemed necessary.

### 3. 13/16/27. Horotiu Leachate Chamber Relining

The Subcommittee to consider a report and recommendations from the General Manager Works & Services.

**Resolved:** (Crs Gower/Gregory)  
That:

- a) the report as circulated be received,
- b) the quote submitted by Works Infrastructure and Diver Services for the sum of One Hundred and Eighty Thousand Dollars (\$180,000), excluding GST, be approved, and
- c) the Approved Sum be set at \$202,500 excluding GST, comprising of \$180,000, the quoted amount, and \$22,500 for contingencies if deemed necessary.

**The meeting was declared closed at 2.20pm.**

## Minutes of a meeting of the **Contracts Subcommittee – OPEN**

Time and Date:	2.05pm, Thursday, 15 May 2008.
Venue:	No. 1 Committee Room, 1 <sup>st</sup> Floor, Council Building, Garden Place, Hamilton.
Subcommittee Members:	Councillors M J Westphal (Chairperson) J R Gower K L H Gregory Mr M G Redman, Chief Executive
In Attendance:	Deputy Chief Executive, Procurement Manager, Finance Manager and Revenue Manager.
Committee Advisor:	Ms F M Yates
Apology:	Councillor O'Leary
Resolved:	(Crs Gregory/Gower) That the apology be accepted

### **SECTION A: DECISION OF THE SUBCOMMITTEE MADE UNDER DELEGATED AUTHORITY FOR NOTING BY THE FINANCE & AUDIT COMMITTEE**

**1. 13/16/27. Contract No. 08017 for Rating Valuation Services to Hamilton City Council**

The Subcommittee to consider a report and recommendations from the Deputy Chief Executive.

- Resolved:** (Crs Gower/Gregory)  
That:
- a) the report as circulated be received,
  - b) Quotable Value Limited be approved for a three year term as the authorised supplier of Rating Valuation Services with the contract commencing on 1 July 2008, and
  - c) Council finalise the contract with Quotable Value Limited in line with their tender and standard contract terms and conditions noting no need to increase the current budget to accommodate the new charges.

**The meeting was declared closed at 2.15pm.**



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of the Finance & Audit Committee before the Council.

(Saunders)

That the decisions in Section A be noted and the recommendations in Section B be adopted.