
**MINUTES OF THE FARM & AERODROME COMMITTEE MEETING
OF THE STRATFORD DISTRICT COUNCIL HELD IN THE COUNCIL
CHAMBERS, STRATFORD DISTRICT COUNCIL ON TUESDAY 15
DECEMBER 2020 AT 11:00AM**

PRESENT

Councillors G W Boyde (the Chairman), P S Dalziel (via audio visual link), V Jones and Committee Members the Director Corporate Services – Mrs T Radich and the Property Officer – Mrs T Hinton.

IN ATTENDANCE

The District Mayor, N C Volzke, the Deputy Mayor A L Jamieson, Councillor W J Sandford, the Chief Executive – S Hanne (*part meeting*), the Director Assets – Mrs V Araba (*acting Chief Executive for part meeting*), the Director Environmental Services – Mr B Sutherland and the Executive Administration Officer – Mrs E Bishop.

1. WELCOME

The Chairman welcomed the Acting Chief Executive, the District Mayor, Councillors, staff to the meeting of the Farm and Aerodrome Committee.

He reminded those present to ensure they were familiar with the health and safety notice at the start of the agenda.

2. APOLOGIES

Apologies from the farms sharemilker Mr A Riddick and for lateness from the Chief Executive – Mr S Hanne were noted.

3. ANNOUNCEMENTS

There were no announcements.

4. DECLARATION OF MEMBERS INTEREST

There were no declarations of interest relating to the agenda items.

5. ATTENDANCE SCHEDULE

The attendance schedule for Farm & Aerodrome Committee meetings was attached.

6. CONFIRMATION OF MINUTES

- 6.1 Farm and Aerodrome Committee Meeting – 15 September 2020
D20/25069 (Pages 7-13)

RECOMMENDATION

THAT the minutes of the Farm and Aerodrome Committee Meeting, held on Tuesday 15 September 2020, be confirmed as a true and accurate record.

BOYDE/JONES
Carried
F&A/20/19

7. MATTERS OUTSTANDING

- D20/11504 (Page 14)

RECOMMENDATION

THAT the matters outstanding be received.

JONES/BOYDE
Carried
F&A/20/20

The Property Officer noted that she was aware the aerodrag representative was on a steering committee for the A&P Stratford Park Project. However further clarification of their plans had not been provided. It was requested that the Director – Assets contact the representative via email to highlight the information required by Council including a clear intent for the project moving forward.

8. PROGRAMME OF WORKS

- D20/28552 (Page 15)

RECOMMENDATION

THAT the programme of works be received.

BOYDE/JONES
Carried
F&A/20/21

9. **DECISION REPORT – CONCRETE PAD INSTALLATION**

D20/35464 (Pages 16-21)

RECOMMENDATIONS

1. THAT the report be received.

DALZIEL/BOYDE
Carried
F&A/20/22

2. THAT Council agrees to: *Option 3 of this report.*

DALZIE/JONES
Carried
F&A/20/23

Recommended Reason

A Council decision is required to address the silage issues on the farm.

The Property Officer noted the following points:

- The current concrete pad has been decommissioned due to a large crack allowing seepage that could contaminate the silage and if used would then contaminate the milk.
- It is envisioned that a large concrete pad be installed with metal around the edge to enable to store and access silage and maize. Lime chip may be added to the metal to help seal the access.
- This is a required project but when will need to be determined by the committee.

Questions/Points of clarification:

- It was clarified the feed would be loose within the pit to be fed out with a wagon.
- Councillor Boyde noted his support for the pit to reduce wastage through ground contamination and due to the environmental impact as a result of wrapping the bales in plastic.
- Councillor Jones noted he was in favour of improving infrastructure and the co-efficiencies around silage but wanted clarification in regards to putting the budget in the Long Term Plan or on the loan. Councillor Boyde noted that if this was put into the Long Term Plan it would be July before work could commence. By approving the budget to go onto the loan today it would allow the work to be undertaken before the end of the financial year. He noted the work needed to be done to allow for the maize to be harvested and stored in March.
- The District Mayor questioned if the budget for the yard upgrade which would be undertaken in May/June could be used to fund this project with the remaining costs of the yard upgrade being put into year 1 of the Long Term Plan. It was noted that the yard upgrade would be undertaken as soon as the cows had been dried off for calving. This would be done at the end of May/beginning of June and therefore would still be in this financial year with any invoices needing to be related back to the financial year the work was undertaken. Quotes have been obtained for the yard upgrade.
- As an asset this would be loan funded and would only affect the budgeted loan balance at the end of the financial year and impact slightly on the budgeted interest.

- The Property Officer noted her concern in the availability of contractors to undertake the work required for the concrete pad and noted there may be delays in the project being completed.
- Councillor Dalziel noted his support for Option 3. It is not a large amount for the work to be done and as it is capital it would not impact the cashflow for the remainder of the year.

10. **DECISION REPORT – COUNCIL FARM – COST-BENEFIT ANALYSIS OF IN-SHED FEEDING SYSTEM**

D20/35849

(Pages 22-31)

RECOMMENDATIONS

1. THAT the report be received.

BOYDE/VOLZKE

Carried
F&A/20/24

2. THAT the Council approves that the estimated cost of \$53,000 for an in-shed feeding system to be added to Year 1 of the Long Term Plan 2021-31 budget.

DALZIEL/BOYDE

Carried
F&A/20/25

Recommended Reason

The proposed feeding system will provide many benefits, financial and non-financial, to be detailed within this report.

The Director – Corporate Services noted the following points:

- As a result from a workshop this report has been brought to the committee to seek its endorsement that an in-shed feeding system be included in the Long Term Plan budget.
- This is an item that a lot of farms are moving towards, especially those who feed out in high proportion or buy in feed.
- It will generally help increase milk production and lowers feed wastage as well as other benefits that were noted in the report.
- The sharemilkers are keen to have this asset installed.
- The cost benefit analysis is based on an estimated cost of \$53,000. This would increase with a larger silo but be offset by a reduction in the amount of deliveries required.
- If the committee is supportive then this item will be added to the Long Term Plan discussion. It could be moved from Year 1 during these discussions at a later stage of the process.

Questions/Points of clarification:

- The Deputy Mayor questioned the reduction in cropping and the removal of the Stanley Road block for maize given the concrete block had been approved for storage of maize and silage. Councillor Boyde noted this would then be used for 500m³ of silage only. The in-shed feeding system would give the opportunity to reduce cropping feeds. Currently the feed utilisation is 75% but with the in-shed system it would increase to 90-95%.
- It was clarified that palm kernel is a by product of palm kernel oil and it is a common misconception that this feed is responsible for the rain forest destruction. Palm Kernels should only be used as a top up or to encourage the heifers into the shed by adding molasses to it. Minerals are much better for the in-shed feeding system and the total footprint for the farm is less and would significantly reduce the hours undertaken feeding out.

The Chief Executive joined the meeting at 11.30am

- It was noted that maize could be fed through the in-shed system and the lower requirements would be as a result of less wastage. The Stanley Road block could then be used for silage.
- It was noted that it was not the intention to feed less but readjust to ensure the best efficiencies including more high energy value feeds.
- Councillor Jones noted his concerns regarding the calculations reducing feed by 25% but increasing milk solids. He felt the benefits for this would be to the sharemilker but was unsure how it would be profitable for Council. However he noted his support for good infrastructure.
- It was clarified that the sharemilker was not increasing the herd size from 365 to 400 but that he was able to in terms of his contract.
- It was noted that this committee could recommend to include in Year 1 of the Long Term Plan but there would be opportunity for it to be removed or for the timing to be changed before the plan is adopted.
- The District Mayor noted his support of this installation provided it would not affect the \$50,000 rate mitigation. The Director – Corporate Services noted this would be loan funded and would ensure that this would not affect the rate mitigation before presenting final numbers to Council with the Long Term Plan budgets.
- Councillor Dalziel agreed that this arrangement should not jeopardise the \$50,000 rate mitigation but supported the addition to Year 1 of the Long Term Plan.

11. **INFORMATION – RISK REVIEW**

D20/34923 (Pages 32-40)

RECOMMENDATION

THAT this report be received.

BOYDE/DALZIEL
Carried
F&A/20/26

Recommended Reason

To provide an update to the Farm and Aerodrome Committee of any changes to the Farm Risk Register and advice the Committee of any incidents in relation to the Top Seven Risk on the Risk Register from the previous quarter.

The Property Officer noted that animal welfare had been identified and added as a risk under the reputational risk factor. The control for this will be to ensure there is good animal welfare practice on the farm and stated requirements (legislation, vet plans and Fonterra regulations) are adhered to.

12. **QUARTERLY REPORT – FARM AND AERODROME BUSINESS AND FINANCIAL REPORT**

D20/35247 (Pages 41-55)

RECOMMENDATION

THAT the report be received.

JONES/BOYDE
Carried
F&A/20/27

Recommended Reason

This report provides the third quarterly update to the Farm and Aerodrome Committee. It highlights the milk production from the current season at the farm and also reports on the key activities at the Aerodrome.

The Property Officer noted the following points:

- Current milk production at November was 67,606kg which was down slightly from last year and a result of the weather.
- The riparian planting is now complete and will just require maintenance or replacement planting in the future.
- The spring fertiliser has been applied and crops have been planted.
- The main focus of the sharemilker quarterly meeting as the relocation of the race. Work will start on the race this Friday and completion will be largely weather dependent.
- There have been two requests for new hangers at the Aerodrome and Officers are working with the committee regarding suitable locations for these.

- She noted the matter outstanding regarding the aerodrome numbers was correct. There was a big difference from 3,384 in 2019 to only 774 by November 2020. There has been an impact from COVID-19 and the weather as the runway is grassed and restricts landing when the ground is wet. The figures are collated by AIM and are not as accurate as a person counting all landings and also take into account radio coverage when Stratford is mentioned.

Questions/Points of clarification:

- It was agreed that a reserve be set up for any profit above the \$50,000 rate mitigation which would give the opportunity to offset lower profit years or provide an increased mitigation. The mitigation is currently very conservative as it is unknown what the milk price will do. It is currently difficult to amend the mitigation given that the profit is not known until the end of the financial year. It would be extremely important to ensure there were strict parameters and rules around this reserve to ensure it could only be used for this intent and not be reallocated to a different activity such as the aerodrome.
- Councillor Boyde noted the 10 year budget was realistic with the milk price of \$6.10 but felt the dividend of 25 cents was too high.
- Councillor Jones requested that any notes from the sharemilker meetings or aerodrome meetings be uploaded to the resource centre so the committee could be kept up to date.

13. **QUARTERLY REPORT – HEALTH AND SAFETY**

D20/35253 (Pages 56-58)

RECOMMENDATION

THAT the report be received.

BOYDE/JONES
Carried
F&A/20/28

The Property Officer noted the following points:

- It was noted the sharemilker had been injured when lifting a large calf. His shoulder had required surgery and would be unable to work for the next couple of months. There are two staff covering and a temp being taken on.
- Council's Health and Safety Advisor is working with the sharemilkers on the storage of chemicals and the fuel tank onsite.
- There were three near misses reported and all have been rectified.

14. **QUESTIONS**

- It was clarified that the District Mayor had ex-officio status and therefore could vote and move resolutions if required. The quorum for the committee was two members and was made up of three elected members and two members of staff.

The meeting closed at 11.56am.

G W Boyde
CHAIRMAN

Confirmed this 16th day of March 2021.

N Volzke
DISTRICT MAYOR