

Council MINUTES

Minutes of an ordinary meeting of the Otago Regional Council held in the Council Chamber, Level 2 Philip Laing House, 144 Rattray Street, Dunedin on Wednesday 13 December 2023, commencing at 1:00 PM.

PRESENT

Cr Gretchen Robertson *(Chairperson)*
Cr Lloyd McCall *(Deputy Chairperson)*
Cr Alexa Forbes (online)
Cr Gary Kelliher
Cr Michael Laws (online)
Cr Kevin Malcolm
Cr Tim Mepham
Cr Andrew Noone
Cr Bryan Scott
Cr Alan Somerville (online)
Cr Elliot Weir
Cr Kate Wilson

1. WELCOME

Chairperson Robertson welcomed Councillors, members of the public and staff to the meeting at 1:00 pm and opened with a karakia. Staff present included Richard Saunders (Chief Executive), Pim Borren (GM Transport), Nick Donnelly (GM Corporate Services), Anita Dawe (GM Policy and Science), Gavin Palmer (GM Operations), Joanna Gilroy (Acting GM Regulatory), Amanda Vercoe (GM Governance, Culture and Customer), Lorraine Cheyne (Manager Transport), Hilary Lennox (Manager Strategy) and Trudi McLaren (Governance Support)

2. APOLOGIES

No apologies were received prior to the meeting.

3. PUBLIC FORUM

There were no requests to speak at public forum at the time of agenda publication.

4. CONFIRMATION OF AGENDA

The agenda was confirmed as published.

5. DECLARATIONS OF INTERESTS

No changes to Councillor Declarations of Interests were noted, Councillors were reminded to stand aside if any arise.

6. MATTERS FOR CONSIDERATION

6.1. LTP: Financial Strategy and Revenue and Financing Policy Considerations

The purpose of this paper was to consider options for changes to Council's Financial Strategy and Revenue and Financing Policy for inclusion in the Long-term Plan 2024-34.

Nick Donnelly GM Corporate Services and CFO was present to speak to the paper and answer questions.

The paper was moved and seconded as one motion, however the Council addressed the resolution by individual item number. Resolutions 1-14 were considered at the scheduled meeting on Wednesday 13 December, and the remaining resolutions were considered at the reconvened meeting on Thursday 14 December.

Resolution CM23-255: Cr Malcolm Moved, Cr Wilson Seconded

That the Council:

- 1) Notes this report.**

MOTION CARRIED

- 2) Notes that the following resolutions will inform the development of the draft Financial Strategy for the purposes of Long-Term Plan consultation:**

MOTION CARRIED

- 3) **Approves** for inclusion in the draft Financial Strategy that new Infrastructure capital repayment will occur over 20 years.

MOTION CARRIED

- 4) **Approves** for inclusion in the draft Financial Strategy that Transport operating expenditure will be fully funded in the year it occurs (balanced budget for that activity).

MOTION CARRIED

- 5) **Approves** for inclusion in the draft Financial Strategy that Existing transport deficits will be ringfenced – with funding for those to be considered separately in the Financial Strategy.

MOTION CARRIED

- 6) **Notes** that the following resolutions will inform the development of the draft Revenue and Financing Policy for the purposes of Long-Term Plan consultation:

MOTION CARRIED

- 7) **Approves the establishment a new Catchment Management Rate** to fund biodiversity implementation, Ecofund, land and water implementation and environmental management activities. The new rate will be regional based on capital value.

MOTION CARRIED (Against: Cr Kelliher)

- 8) **Approves** discontinuing of the Rural Water Quality Rate (assumes establishment of Catchment Management Rate above).

MOTION CARRIED

- 9) **Approves** discontinuing the Wilding Tree Rate and fund this activity through the Biosecurity Rate.

For:	Cr Malcolm, Cr Laws, Cr McCall, Cr Noone, Cr Wilson, Cr Robertson
Against:	Cr Kelliher, Cr Forbes, Cr Mepham, Cr Scott, Cr Somerville
Abstained:	Cr Weir

MOTION CARRIED

- 10) **Approves** establishing a new Navigational Safety Management Rate to replace rating for this activity on a general rate – sub regional basis on a district basis (excluding QLDC) and a uniform basis.

MOTION CARRIED (Against: Cr Somerville, Cr Weir)

- 11) **Approves establishing a new Farm Plan Rate** to fund Council's requirement to administer the freshwater farm plan process. Rate will be uniform and based on land use and size (in line with farm plan requirements). Note – it is envisaged this rate will be introduced in year 2 of the LTP.

MOTION CARRIED

- 12) **Approves discontinuing the Dairy Rate** (assumes establishment of Farm Plan Rate above and will occur at the same time that rate is introduced).

MOTION CARRIED

Cr Weir left the meeting at 2:33pm and returned at 2:37pm

- 13) **Approves establishing a new River and Waterway Management – Queenstown Lakes Rate** which amalgamates River and Waterway Management – Whakatipu and River and Waterway Management – Wanaka into a single district wide rate.

MOTION CARRIED (Against: Cr Kelliher, Cr Wilson)

- 14) **Approves establishing a new Alexandra Flood Targeted Rate** based on a defined area (to be determined) and capital value.

MOTION CARRIED (Against: Cr Kelliher)

Resolution: Cr Robertson Moved, Cr Noone Seconded

That the meeting be adjourned at 2:55pm for 5 minutes, to return at 3:00pm

MOTION CARRIED

Resolution: Cr Robertson Moved, Cr Kelliher Seconded

That the item being discussed should be adjourned to 8.30am on Thursday 14 December 2023 and not be further discussed at this meeting.

MOTION CARRIED

NOTE: The remainder of this item was taken after Item 6.8 on the agenda, when the meeting was reconvened at 8.30am the following day. Councillor Somerville left the meeting.

- 15) **Approves amending all flood schemes and Tokomairiro Drainage** to a 20% general rate allocation.

MOTION CARRIED (Against: Cr Kelliher, Cr Malcolm)

- 16) **Approves amending all drainage schemes** to a 10% general rate allocation (Lower Clutha, East Taieri, West Taieri).

MOTION CARRIED

- 17) **Approves** amending all flood and drainage general rate allocations to General Rate – Regional.

MOTION CARRIED

- 18) **Approves** reducing the number of flood and drainage benefit zones to one or two zones per scheme (Lower Clutha, Lower Taieri, East Taieri, West Taieri, Tokomairiro).

MOTION CARRIED

- 19) **Approves** that two zone apportionment will be based on current allocation % and remove WF3, WF4, WF6, WF7, WF8 and WF9 from the calculation for Lower Taieri Flood.

MOTION CARRIED

- 20) **Approves** amending the Leith Flood Indirect zone to be all of Dunedin district.

MOTION CARRIED

- 21) **Approves** amending Lower Waitaki River Control to be 100% funded by River and Waterway Management – Waitaki.

MOTION CARRIED

- 22) **Approves** amending Transport Targeted Rate areas to be all of Dunedin and Queenstown districts (with Dunedin including the existing mapped Palmerston area).

MOTION CARRIED (Against: Cr Kelliher, Cr Laws)

- 23) **Approves** introducing a new General Rate – Regional allocation of 40% of the total Transport Rate requirement (Dunedin and Queenstown).
Options (if above not approved):
- a. *Status quo – remain with current rate allocation (100% targeted).*
 - b. *Include a General Rate – Regional allocation at a different %.*
 - c. *Include a General Rate – District allocation at a different %.*

For:	Cr Forbes, Cr Noone, Cr Weir, Cr Wilson, Cr Robertson
Against:	Cr Kelliher, Cr Laws, Cr Malcolm, Cr McCall, Cr Mepham, Cr Scott
Abstained:	None

MOTION FAILED

The motion was put with option 'b.' at a Regional allocation of 20%

- 23) **Approves** introducing a new General Rate – Regional allocation of 20% of the total Transport Rate requirement (Dunedin and Queenstown).

For:	Cr Forbes, Cr Noone, Cr Scott, Cr Weir, Cr Wilson, Cr Robertson
Against:	Cr Kelliher, Cr Laws, Cr Malcolm, Cr McCall, Cr Mepham

Abstained:	None
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MOTION CARRIED

24) **Approves** amending Transport Targeted Rates to be charged on a uniform basis.

MOTION CARRIED (Against: Cr Forbes, Cr Scott, Cr Weir)

25) **Approves** removing the current Transport Targeted Rate differentials.

For:	Cr Forbes, Cr McCall, Cr Noone, Cr Wilson, Cr Robertson
Against:	Cr Kelliher, Cr Scott
Abstained:	Cr Malcolm, Cr Mephram, Cr Weir

MOTION CARRIED

26) **Notes** there are still further Financial Strategy and Revenue and Financing Policy matters that will be considered once the overall funding requirement is determined via the Long-term Plan budget / estimate process.

MOTION CARRIED

Resolution: Cr Wilson Moved, Cr Noone Seconded

That the meeting be adjourned for discussion prior to closure at 10:35am on Thursday 14 December 2023.

MOTION CARRIED

6.2. Final draft of the Strategic Directions document

The purpose of this paper was to present the draft 2024 – 2034 Strategic Directions document (attached) for endorsement so that its details may be included in the draft 2024 – 2034 Long Term Plan (LTP) and made available for public feedback as part of the 2024 – 2034 LTP consultation process.

Amanda Vercoe (GM Governance Culture and Customer) and Hilary Lennox (Manager Strategy) were present to speak to the item and respond to questions.

Resolution CM23-256: Cr Weir Moved, Cr Scott Seconded

That the Council:

- 1) **Notes** this report.
- 2) **Notes** that the final version will be brought to Council for formal adoption alongside the Long-term Plan in mid-2024.

MOTION CARRIED

6.3. Long-Term Plan 2024-34 Communications and Marketing Plan

The purpose of this paper was to inform Council on the proposed communications approach to be implemented for consultation of the Council's Long-Term Plan 2024-34.

Jo Galer (Manager Communications and Marketing) and Sarah Bedford (Team Leader Media and Communications) were present to speak to the paper and respond to questions.

Resolution CM23-257: Cr Wilson Moved, Cr Weir Seconded

That the Council:

- 1) **Approves** the draft Communications and Marketing Plan Long-term Plan 2024-34 provided as attachment 1 to this report.
- 2) **Notes** that the Communications and Marketing Plan Long-term Plan 2024-34 will be updated to reflect Council's preferred options for consultation.

MOTION CARRIED

6.4. Proposed Large Scale Environmental Funding LTP Consultation Topic

The purpose of this paper was to provide options for large scale environmental funding, which was proposed to be included as a consultation topic in Otago Regional Council's Long-Term Plan (LTP) 2024-34. A draft of the consultation topic was attached in Annex 1.

Gavin Palmer, General Manager Operations and Libby Caldwell, Manager Environmental Implementation were present to speak to the paper and respond to questions.

Cr Forbes left the meeting at 3.50pm

Resolution CM23-258: Cr McCall Moved, Cr Scott Seconded

That the Council:

- 1) **Note** there is a need for funding to deliver positive environmental outcomes in the Otago region;
- 2) **Note** further work is required to develop and implement large scale environmental funding, which will be informed by feedback received through consultation.
- 3) **Agree** to consult with the community on creating a new stand alone external fund for large scale environmental projects, which would start in Year 2 (2025/26) of the LTP;
- 4) **Agree** to consult with the community on providing a minimum of \$500,000 funding in Year 1 (2024/25) of the LTP ahead of the creation of any new fund.

MOTION CARRIED (Against: Cr Kelliher, Cr Malcolm)

Resolution: Cr Robertson Moved, Cr Kelliher Seconded

To adjourn the meeting at 4.00pm, to reconvene at 4.10pm

MOTION CARRIED

6.5. Dunedin Public Transport Consultation Topic

The purpose of this paper was to provide information about Dunedin Public Transport, which was proposed to be included as a consultation topic in Otago Regional Council's Long-Term Plan (LTP) 2024-31.

Pim Borren (GM Transport) and Lorraine Cheyne (Manager Transport) were present to speak to the paper and respond to questions.

Resolution CM23-259: Cr Noone Moved, Cr Wilson Seconded

That the Council:

- 1) **Notes** this report.
- 2) **Approves** for the purposes of consultation in the Draft Long Term Plan the following option:

Option D (staff recommendation) – the Fares & Frequencies Business Case – Preferred Option of increased service frequencies and operating hours, and \$2.00 Adult Bee Card fare (other fare products retaining present relativities) and being a \$461.74M Dunedin PT investment programme over 10 years; with a total impact on Targeted Rate of \$214.677M;

- 3) **Notes** that the decision on the preferred funding model was made as part of a separate paper and that the preferred model will be applied to Public Transport costs for the purpose of consultation.

MOTION CARRIED (Against: Cr Weir)

6.6. Queenstown Public Transport Consultation Topic

The purpose of this paper was to provide information about Queenstown Public Transport, which was proposed to be included as a consultation topic in Otago Regional Council's Long Term Plan (LTP) 2024-34.

Pim Borren (GM Transport) and Lorraine Cheyne (Manager Transport) were present to speak to the paper and respond to feedback.

Resolution CM23-260: Cr Noone Moved, Cr Weir Seconded

That the Council:

- 1) **Notes** this report.
- 2) **Approves** for the purposes of consultation in the draft Long Term Plan Option B – The Queenstown Public Transport Services Business Case Emerging Preferred “Composite” Option future network services option at a total cost of \$28.511M in years 2024 to 27, and a total 10-year investment package of \$172.859M (cf \$114.063).
- 3) **Notes** the inclusion of \$2m of funding in years 1-3 of the draft Long Term Plan for targeted network improvements ahead of the implementation of the preferred option.

- 4) **Notes** that the decision on the preferred funding model was made as part of a separate paper and that the preferred model will be applied to Public Transport costs for the purpose of consultation.

MOTION CARRIED (Against: Cr Kelliher, Cr Laws)

6.7. Local & Intra-regional Transport Consultation Topic

The purpose of this paper was to provide information about Public Transport Local and Intra-regional Services which are proposed to be included as a consultation topic in Otago Regional Council's Long Term Plan (LTP) 2024-31.

Pim Borren (GM Transport) and Lorraine Cheyne (Manager Transport) were present to speak to the paper and respond to questions.

Cr Forbes returned to the meeting at 5:00pm

Resolution CM23-261: Cr Wilson Moved, Cr Noone Seconded

That the Council:

- 1) **Notes** this report.
- 2) **Approves** for the purposes of consultation \$3.7M for inclusion in the LTP 2024 – 2034 for public or shared transport feasibility investigations and/or trials of the following local and intra-regional services:
 - An Oamaru on-demand service
 - An Alexandra, Clyde, Cromwell to Queenstown bus service
 - A Balclutha to Dunedin, including Airport, bus service, and
 - A Wānaka Public Transport trial
- 3) **Approves** for the purposes of consultation, funding the initial feasibility studies and trial services as follows:
 - a. Oamaru on-demand (Targeted Rate)
 - b. Alexandra, Clyde, Cromwell to Queenstown (General Rate)
 - c. Balclutha to Dunedin including Airport (General Rate)
 - d. Wanaka (Targeted Rate)
- 4) **Notes** that the final impact on rates will be calculated following Council's endorsement of a preferred rating model for consultation.

MOTION CARRIED

6.8. ORC Transport Activities Procurement Strategy

The purpose of this report was to receive early input into the 2024-27 Procurement Strategy for transport activities.

Pim Borren (GM Transport) and Lorraine Cheyne (Manager Transport) were present to speak to the paper and respond to questions.

Resolution CM23-262: Cr Weir Moved, Cr Noone Seconded

That the Council:

- 1) **Notes** this report, and
- 2) **Supports** capital investment in depot/vehicle assets as a possible strategy for ensuring best value for money and competitive markets for public transport contracts.

For:	Cr Forbes, Cr McCall, Cr Noone, Cr Somerville, Cr Weir, Cr Wilson
Against:	Cr Kelliher, Cr Laws, Cr Malcolm, Cr Mepham, Cr Scott
Abstained:	None

MOTION CARRIED

7. CLOSURE

Cr Robertson formally thanked Pim Borren (GM Transport) for his service and his experience as this was his final council meeting and wished him all the very best for the future.

Pim responded by thanking the Councillors, Richard Saunders (Chief Executive) for allowing him the involvement in transport and to Lorraine Cheyne (Manager Transport) for her support and hard work.

The meeting was adjourned for completion of item 6.1 to Thursday 14 December 2023, at 5.40pm on Wednesday 13 December 2023 with a karakia.

Cr Robertson thanked Richard Saunders and his staff.

Cr McCall and Cr Noone thanked Cr Robertson for her leadership as Chairperson.

The meeting closed at 10:35am on Thursday 14 December 2023 with a karakia.



Chairperson

21 February 2024

Date