

OTAGO REGIONAL COUNCIL

Minutes of a meeting of the Council held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 26 March 2014 commencing at 1.35 pm

Present:

- Cr Stephen Woodhead (Chairperson)**
- Cr Gretchen Robertson (Deputy Chairperson)**
- Cr Graeme Bell**
- Cr Doug Brown**
- Cr Louise Croot MNZM**
- Cr Michael Deaker**
- Cr Gerrard Eckhoff**
- Cr Gary Kelliher**
- Cr Trevor Kempton**
- Cr Sam Neill**
- Cr Bryan Scott**
- Cr David Shepherd**

Leave of Absence: **Cr Kempton - request for leave of absence from
5 September to 5 October 2014.**
The request for leave of absence was approved on the
motion of Crs Woodhead and Neill.

In attendance:

- Peter Bodeker**
- Wayne Scott**
- Jeff Donaldson**
- Fraser McRae**
- Gavin Palmer**
- Janet Favel**

CONFIRMATION OF AGENDA

There were no changes to the agenda.

PUBLIC FORUM

Mr Alex Merrilees – Taieri drainage and flood protection targeted rates.
Mr Merrilees advised that he had owned his 35ha property in Dukes Road, Mosgiel, since 2008, and farmed sheep and beef. He was concerned about the ongoing increases in the drainage and targeted rates. Mr Merrilees noted the decision to spread the 72% rates rise for the proposed Leith Lindsay flood protection work over three years, but the Taieri 300% rates

rise took place over one year, which he considered was unfair. Mr Merrilees's property was beside Dukes Road drain, which was not full very often, and was serviced annually for weed spraying. The Upper Pond had water in it for quite long periods some times, and Mr Merrilees considered it should be rated appropriately, commenting that landowners "couldn't farm water". Those living higher up the drain lines benefited by having their land drained, but higher rates were paid by landowners further down the drain. Mr Merrilees also noted that the Silverstream, for which the ORC was responsible, leaked through the gravel banks, and put forward the view that ORC was supplying water that ratepayers paid to get rid of. Mr Merrilees queried the zero drainage rate in Mosgiel and queried where the town's stormwater went to. Mr Merrilees concluded by querying whether the ORC had considered the ethical and moral level of targeted rating in the Taieri area, and asked whether the ORC had the right to make small holdings not viable and almost unsellable.

MINUTES

The minutes of the public portion of the meeting held on 12 February 2014, having been circulated, were adopted on the motion of Crs Croot and Bell.

Matters arising from minutes

Cr Eckhoff referred to Item 3 of the minutes (Notice of Motion "That the Otago Regional Council endorse (in principle) the exploration for oil and gas off the Otago Coast"). He accepted the solicitor's advice that it was unlawful for the Council to debate matters of commercial enterprise that it could be required to consider at some stage in the future, and asked if it was therefore unlawful for the Council to discuss anything of a commercial nature, for example irrigation. Mr Bodeker explained that each issue would be discussed on its own merits. Cr Eckhoff emphasised that he wanted clarity about what could or could not be discussed by Council.

There were no other matters arising from the minutes.

PART A - REPORTS FROM CHAIRPERSON AND CHIEF EXECUTIVE

Item 1

2014/0737 **Chairperson's Report.** Chair, 20/3/14

The Chairperson provided an overview of his activities for the period to 20 March 2014.

Cr Woodhead further noted the following:

- He had signed the Wilding Tree Trust Deed on behalf of Council. ORC and Environment Southland were advisory members.

- The Triennial agreement had been signed.
- Both Te Roopu Taiao groups (Ōtākou and Murihiku) were reviewing their charters.
- He and the Chief Executive had been involved in meetings with the DCC and other parties about the AgResearch proposals.

Concern was expressed that a number of groups were campaigning to retain AgResearch presence at Invermay, but no clear decision seemed to have been made. Cr Woodhead advised that AgResearch had been asked to provide a timetable, but nothing had been received, and he noted that some Invermay staff had already left. He noted that farmers had expressed their concern about the loss of the genetics hub at Invermay. Meetings were held fortnightly with DCC and others, a meeting with local MPs had been arranged, and a petition was being circulated. Cr Woodhead commented that the full business case, which had only been received recently, did not show any clear case for the AgResearch proposal to drastically downsize staffing at Invermay.

In response to a question about advisory membership of the Wilding Trust, Cr Woodhead explained that ORC would provide advice. It was the responsibility of the Board to source funding for the Trust's work.

Item 2

2014/0731 **Chief Executive's Report.** CE, 18/3/14

The Chief Executive provided an overview of his activities for the period to 18 March 2014.

Mr Bodeker commented that a visit to earthquake affected areas in Christchurch had reinforced the need for ORC to continue with its natural hazards work.

Further to the Chair's comments, Mr Bodeker commented that there were ongoing discussions with AgResearch relating to the availability of scientists and environmental management practitioners, and a decision had yet to be made on the make-up of the remaining staff group at Invermay. ORC relied on the environmental systems expertise that had been available, and the removal of key staff was of concern.

Cr Woodhead moved

Cr Croot seconded

That the Chair's and Chief Executives' reports be noted.

Motion carried

PART B – RECOMMENDATIONS

Item 3

2014/0734 **Plan Change 6A (Water Quality)**. DPPRM, 19/3/14

The report explained that Proposed Plan Change 6A to the Regional Plan: Water for Otago could now be approved as all appeals had been resolved. Council's seal needed to be affixed and a date set for making the plan change operative. The Consent Order, a full copy of Plan Change 6A, and a schedule of minor and consequential changes were circulated with the agenda.

Cr Woodhead commented that this was the culmination of a very long process, and noted that the appeals had been resolved without the need to go to the Environment Court. Mr McRae commented that amendments made during the mediation process did not alter the basic principles of the Plan Change. He also noted that the effects based approach was new to New Zealand.

In response to a question about the discretionary consenting regime, Mr McRae explained that two types of consent were possible. If time was required to adjust farm management to comply with permitted activity rules, a restricted discretionary consent with a five year limit could be granted; there was only one opportunity for a non notified consent to be granted. Otherwise, application could be made for a full discretionary consent which could run for a term of 35 years. That did not however mean that landowners could be well outside the standards set out in the Plan Change. The Plan Change would be reviewed as necessary to include future changes to technology that allowed the standards to be met.

Councillors commended the work by the hearing panel and by staff to achieve the final approval of the Plan Change.

Cr Shepherd acknowledged the significance of this moment for ORC, and particularly referred to the consultation and mediation work which had obviated the need to go to the Environment Court. He expressed thanks to staff, legal counsel, and hearing panel members Duncan Butcher and Clive Geddes.

Cr Woodhead noted that Mr Geddes was unable to attend this meeting. Mr Geddes had written that he appreciated the professional approach of ORC staff, and working with the other panel members. He considered that the collaborative and consultative process followed meant that the ORC did not incur the financial or time costs incurred by other councils going through a plan change process. The plan change gave effect to the NPS Freshwater Management, and also gave effect to the desires of the Otago community. The effects based approach was unique to Otago, and gave landowners freedom to decide how to operate their properties, but they had responsibility to meet the standards in the plan change. The community

needed to make the most of the transition times so that they could deliver on the intent of this plan change.

Cr Robertson commented that prior to the start of the Plan Change process in 2009, data collected showed that there was good water quality in some places and poor water quality in others. Wide ranging community consultation and water forums determined what the community wanted, and there was agreement on how to manage that. Cr Robertson considered that this milestone was the starting point for something enduring.

Cr Brown was pleased that water quality was now dealt with in the Plan. He was surprised how well the community had adapted to the changes, and improvements would be seen as the Plan Change came into effect.

Cr Eckhoff acknowledged the initiative and thought process shown by former Chief Executive Graeme Martin in bringing this Plan Change forward, and he expected that Plan Change 6B, urban streams, would follow.

Cr Shepherd moved
Cr Deaker seconded

That the Council:

- (i) Approve minor changes made to Proposed Plan Change 6A under Clause 16(2) of the First Schedule of the Resource Management Act 1991, attached to this report as Appendix 2; and*
- (ii) Approve Plan Change 6A (Water Quality) to the Regional Plan: Water for Otago, attached to this report as Appendix 3; and*
- (iii) Affix Council's seal to Plan Change 6A (Water Quality) to the Regional Plan: Water for Otago; and*
- (iv) Make Plan Change 6A (Water Quality) to the Regional Plan: Water for Otago operative on Thursday, 1 May 2014 and publicly notify that date on Saturday, 19 April 2014.*

Motion carried

Cr Woodhead congratulated staff and the hearings panel on the very satisfactory culmination of a long process.

Item 4

2014/0735 **Audit and Risk Subcommittee.** CE, 20/3/14

The report sought Council approval for the establishment of an Audit and Risk Subcommittee, and presented the Terms of Reference for adoption. The Subcommittee would report to the Finance and Corporate Committee. Mr Bodeker commented that the Subcommittee had responsibility beyond financial matters. It was noted that the Terms of Reference could be

amended if necessary, and would be reviewed at the beginning of each triennium.

Councillors supported the establishment of the Audit and Risk Subcommittee, and the appointment of an independent chair. Comment was also made that the Subcommittee was important in ensuring protection for the Council.

The inclusion of Health and Safety responsibilities in the Terms of Reference was noted. Comment was made that the ORC dealt with a work environment which included use of poisons, firearms, helicopters, boats, and cars, and it was recommended that a separate Health and Safety committee be established.

Cr Deaker moved
Cr Croot seconded

1. *That the Audit and Risk Subcommittee of Finance and Corporate Committee be established.*
2. *That the Terms of Reference as appended be adopted for the subcommittee.*

Motion carried

Cr Brown left the meeting at 2.54 pm

Item 5

2014/0733 **Delegations under the Resource Management Act 1991.**
DPPRM, 19/3/14

The report recommended altering delegations relating to consent processing provisions under the Resource Management Act.

Cr Croot moved
Cr Neill seconded

That Council approve the amendment of delegations under the Resource Management Act to include the Principal Consent Officer into the pool under Sections 37(1), 37(2), 42A, 42A(5), 43A, 92(2), 95, 95A-C, 95F, 99 [deciding who to attend prehearing], 99A, 100, 102, 103, 104, 104A-D, 104F, 105, 107, 108, 108A, 109, 110, 124, 127, 128, 130, 131, 132, 136(1), 136(2)(a), 136(2)(b), 136(4), 137(3)-(7), 138, 357, 357A, 357B, and 417.

Motion carried

PART C – ITEMS FOR NOTING

Item 6

2014/0736 **Otago Marine Protection Planning Forum.** DPPRM, 20/3/14

The report noted that Council had nominated the Director Policy Planning and Resource Management for membership of the Otago Marine Planning Forum. Advice had been received from the Department of Conservation that this nomination was unsuccessful, but it was suggested that Council participate in the Officials Group. The Chief Executive was to consider an appropriate staff appointment to the Group.

Cr Woodhead moved
Cr Croot seconded

That the report be noted.

Motion carried

Item 7

2014/0707 **Financial Report.** DCS, 20/3/14

The report provided information in respect of overall Council finances for the eight months to 28 February 2014.

Cr Shepherd moved
Cr Kempton seconded

That the report be received.

Motion carried

Item 8

2014/0738 **Documents signed under Council's Seal.** DCS, 20/3/14

The report listed documents signed under the Council's Seal.

Cr Croot moved
Cr Kelliher seconded

That the report be noted.

Motion carried

Item 9 **Reports from Councillors**

- (a) *Cr Kempton – Regional Transport Committee*
Cr Kempton reported on the inaugural meeting of the Committee held on 13 February, the LGNZ Transport summit in Wellington on 13 March, and the workshop on ONRC and road safety on 17 March.
- (b) *Cr Deaker – Tertiary Precinct Planning Group*
Cr Deaker reported on a meeting of the TPPG held on 17 March. He advised that, in light of the apparent good uptake of bus concessions by students, the University had surveyed students on their mode of travel to campus, and noted that the University wanted an update on the number of students using public transport. Cr Deaker had provided an update on the St David Street to Union Street flood protection works, and the University had expressed satisfaction with the progress of the works.
- (c) *Cr Croot - Otago Anniversary Day Dinner*
Cr Croot had represented the Council Chairperson at the Anniversary Day dinner and had proposed the toast to new settlers. She commented on DCC Cr Neville Peat’s encouragement to the the gathering to fly the Regional flag which had been selected from 200 entries in a competition held in 2004.
- (d) *Cr Eckhoff - Cromwell Terrace and Earnscliffe Terrace aquifers*
Cr Eckhoff had attended community meetings in Alexandra held to discuss water quantity in the Cromwell Terrace and Earnscliffe Terrace aquifers. The meetings were reasonably well attended and there was a good exchange of views. There was wide acceptance of the need to manage the aquifers. Cr Eckhoff commended the good presentations given by staff.

PART D - MINUTES OF MEETINGS

- Item 10 **Recommendations of the Communications Committee meeting** held on 13 March 2014, for adoption

Cr Deaker moved
Cr Croot seconded

That the recommendations of the Communications Committee meeting held on 13 March 2014 be adopted.

Motion carried

- Item 11 **Recommendations of the public portion of the Finance and Corporate Committee meeting** held on 13 March 2014, for adoption

Cr Shepherd moved
Cr Kelliher seconded

That the recommendations of the public portion of the Finance and Corporate Committee meeting held on 13 March 2014 be adopted.

Motion carried

- Item 12 **Recommendations of the Policy Committee meeting** held on 13 March 2014, for adoption

Cr Robertson moved
Cr Deaker seconded

That the recommendations of the Policy Committee meeting held on 13 March 2014 be adopted.

Motion carried

- Item 13 **Recommendations of the Regulatory Committee meeting** held on 13 March 2014, for adoption

Cr Neill moved
Cr Eckhoff seconded

That the recommendations of the Regulatory Committee meeting held on 13 March 2014 be adopted.

Motion carried

- Item 14 **Recommendations of the Technical Committee meeting** held on 13 March 2014, for adoption

Cr Scott moved
Cr Deaker seconded

That the recommendations of the Technical Committee meeting held on 13 March 2014 be adopted.

Motion carried

EXCLUSION OF PUBLIC

Cr Woodhead moved

Cr Bell seconded

That the public be excluded from the following part of the proceedings of the meeting.

The general subject of the matters to be discussed while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under Section 48(1)(a) of the Local Government Information and Meetings Act 1987 for the passing of this resolution are as follows:

	<i>General subjects to be considered</i>	<i>Reason under LGOIMA for passing this resolution</i>	<i>Grounds under S.48 for the passing of this resolution</i>
<i>Item 15</i>	<i>Minutes of the non public portion of the Council meeting held on 12 February 2014, for adoption</i>	<i>To protect the privacy of natural persons. (S7(2)(a)), and To enable the Council to carry out commercial activities without prejudice or disadvantage. (S7(2)(h))</i>	<i>S.48(1)(a)(i)</i>
<i>Item 16</i>	<i>Minutes of the non public portion of the Finance and Corporate Committee meeting held on 13 March 2014, for adoption</i>	<i>To enable any local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations. (S7(2)(i))</i>	<i>S.48(1)(a)(i)</i>
<i>Item 17</i>	<i>Contractual Issues</i>	<i>To enable the Council to carry out commercial activities without prejudice or disadvantage. (S7(2)(h))</i>	<i>S.48(1)(a)(i)</i>

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 or Section 6 or Section 7 or Section 9 of the Official Information Act 1982 as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above with respect to each item.

Following discussion of Items 15, 16 and 17,

Cr Woodhead moved

Cr Bell seconded

That the meeting resume in open session.

Motion carried

The meeting closed at 3.23 pm.



Chairperson