

OTAGO REGIONAL COUNCIL

Minutes of a meeting of the Finance and Corporate Committee held in the Council Chamber, 70 Stafford Street, Dunedin on Thursday 13 March 2014 commencing at 9.00 am

Present:

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

Apologies:

- Cr Graeme Bell**
- Cr Trevor Kempton**

The apologies were accepted on the motion of Crs Neill and Croot.

In attendance:

- Peter Bodeker**
- Wayne Scott**
- Jeff Donaldson**
- Fraser McRae**
- Gavin Palmer**
- Jane Turnbull, Suzanne Watt** (for Item 1)
- Gerard Collings** (for Items 1 and 4)
- Janet Favel**

CONFIRMATION OF AGENDA

There were no changes to the agenda.

PUBLIC FORUM

Judith Hewitt - Corstorphine resident

Ms Hewitt requested that the Corstorphine bus service be changed back to the pre-July 2013 route. Corstorphine residents had to get two buses, and pay two bus fares, to get into The Octagon. She wanted the service via Wakari and Moana Pool to be reinstated.

Peter Dowden – Bus Go Dunedin

Mr Dowden explained that Bus Go was set up to promote public transport in Dunedin. Corstorphine residents were unanimous in wanting to revert to the pre-July 2013 route. He acknowledged that the improvements that the ORC had introduced last year were done in good faith and also acknowledged Council's willingness to see where they had gone wrong. Mr Dowden noted that research by Lynley Hood showed a drop-off in the number of passengers and an increase in the number of complaints with the changed route. He believed the original route was efficient but the alternative routes added in July 2013 were inefficient and confusing. Mr Dowden also commented that arterial roads were strong enough for heavy traffic, eg buses, but residential streets were not. He considered it would be practical to combine roading and public transport responsibilities in one council department.

Mr Dowden considered that The Octagon was no longer a meaningful terminus and requested that consideration be given to extending the route to finish closer to the inner city supermarkets, university and hospital.

Cr Scott noted the three options in the report to Council which all included returning the Corstorphine service to the pre-July 2013 route. Mr Dowden stated that he would be happy with that if the terminus was moved to the city centre, and the same level of resources was provided.

MINUTES

The minutes of the meeting held on 29 January 2014, having been circulated, were adopted on the motion of Crs Woodhead and Croot.

Matters arising from minutes

There were no matters arising from the minutes.

PART A - RECOMMENDATIONS

Item 1

2014/0688 Expiring Contracts and Corstorphine Services. DCS, 26/2/14

The report noted that in order to ensure continuity of services and to obtain the necessary NZTA approval for changes to two Corstorphine bus services, Council needed to decide whether or not to proceed with any or all of the service improvements proposed. Options were included in the report, and it was noted that NZTA approval was required for whichever option was adopted. The meeting noted the presentations during the Public Forum which requested that the Corstorphine pre-July 2013 service be reinstated.

All three options presented in the report included changes to the Corstorphine services. There was general agreement that Option A was

ideal but too expensive. Option C (changes to Corstorphine, Waverley, Garden Village, and Roslyn services) was favoured, but it was noted that there would be a 12 month delay in implementing the changes to the Garden Village and Port Chalmers services. Attention was drawn to the upcoming strategic review of transport, and the Council's responsibilities regarding its rating obligations.

It was noted that following the ORC presence at Orientation Week, student public transport patronage had increased, and care should be taken that contract variations did not impact adversely on this change in patronage.

Comment was made that some of the proposed changes were interim solutions, and that the review required by NZTA still had to be undertaken. The concept of hubbing should also be addressed.

Cr Scott moved

Cr Deaker seconded

- (1) *That the report be received.*
- (2) *That the Council negotiate extensions and variations to the contracts expiring 30 June 2014 including the variations to the Waverley, Garden Village, and Roslyn services and the variations to the Corstorphine contract as presented to the Council workshop on 29 January 2014 – option (c).*

Motion carried

Cr Woodhead advised that a request had been received from the Chair of the Peninsula Community Board to speak at the Public Forum about Peninsula routes. It had been suggested that Mr Bodeker and Councillors meet with the Community Board to discuss the decision made today and plans for public transport in the Peninsula area. Comment was also made that submissions could be made through the Annual Plan process.

Item 2
2014/0677 **2014/15 Draft Annual Plan.** DCS, 24/2/14

The proposed 2014/15 Draft Annual Plan was submitted for consideration and approval for consultation. The Draft Plan was circulated with the agenda. A Summary of Proposal representing the key items from the full document had also been prepared.

Councillors were pleased to note that the general rate increase had been kept to 2.49%. It was pointed out that targeted rates provided a significant portion of rate income. The meeting was also pleased to note that the loan repayment on the Council's stadium contribution would be made in the 2014/15 year.

Councillors thanked Mr Scott and his staff for their work in preparing the Draft Annual Plan document.

A query was raised about the inclusion of biodiversity work, and it was suggested that a stocktake be undertaken of biodiversity projects previously approved by Council. Gaps in earlier work including a regional overview of ecosystems and estuaries could also be identified.

The final repayment of the stadium loan was noted. Mr Scott explained that there was a considerable interest saving by reducing the initial loan term from 15 to seven years, made possible in part by the tax saving.

Councillors commented favourably on the fact that less than one-third of all Council's costs was funded directly by ratepayers. However it was noted that other revenue sources and funding for contingencies and disaster management needed to be secure.

Cr Woodhead moved
Cr Neill seconded

1. *That the 2014/15 Draft Annual Plan be approved for public consultation subject to any minor editorial amendments.*
2. *That public submissions be open until 2 May 2014.*
3. *That hearings be held during the week beginning 12 May 2014.*

Cr Woodhead suggested that the Annual Plan Hearing subcommittee comprise Crs Shepherd, Kelliher, Robertson and Woodhead. Cr Croot advised that she was unavailable for the hearings week. Cr Woodhead was to approach Cr Bell and Cr Eckhoff advised that he could be available if necessary.

Cr Woodhead moved
Cr Neill seconded

4. *That a hearing subcommittee comprising Crs Shepherd, Kelliher, Robertson, Woodhead and either Cr Bell or Cr Eckhoff consider all submissions received, and make recommendations.*

Motion carried

PART B – ITEMS FOR NOTING

Item 3

2014/0689 **Executive Report on Progress.** DCS, 26/2/14

The report described significant activities carried out by the Finance and Corporate sections since the last meeting of the Committee.

It was noted that a new rating system, 'Pathway', would replace the previous system. This system was also used by Dunedin City and Clutha District Councils.

In response to a question Mr Scott advised that the Cromwell depot was an operational depot which provided for the storage of vehicles and poisons, and had office space in one room, which meant it was not feasible to rent out part of the facility to other users. There was some provision for expansion of staffing.

Cr Croot moved
Cr Eckhoff seconded

1. *That the report be received.*
2. *That the payments and investments summarised in the table above and detailed in the tabled schedule, totalling \$2,548,242.99, be endorsed.*

Motion carried

PART C - EXCLUSION OF PUBLIC

Cr Shepherd moved
Cr Woodhead 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 4</i> | <i>Passenger Transport Operational Matters</i> | <i>To enable any local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations. LGOIMA S7(2)(i)</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 Item 4,

Cr Shepherd moved
Cr Kelliher seconded

That the meeting resume in open session.

Motion carried

The meeting closed at 10.15 am.



Chairperson