



Our Ref A610586

Committee meetings Wednesday 22 April 2015

Following are the agendas for the Committee meetings to be held on Wednesday 22 April commencing at 8.30 am. The venue is the Council Chamber, 70 Stafford Street, Dunedin, and members of the public are welcome to attend.

An Extraordinary meeting of Council will be held following the Committee meetings. The purpose of the meeting is to adopt the Otago Southland Regional Land Transport Plans. The agenda and Plan are available on the website separately.

Full detailed reports referred to in the agendas are available on the Council website, or by contacting the Committee Secretary – see contact details below.

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A handwritten signature in black ink that reads "Janet Favel".

Janet Favel
Committee Secretary

Phone: 03 470 7474 (DDI)
Freephone: 0800 474 082
Email: janet.favel@orc.govt.nz

OTAGO REGIONAL COUNCIL

**Agenda for a meeting of the Policy Committee to be held in the
Council Chamber, 70 Stafford Street, Dunedin on
Wednesday 22 April 2015 commencing at 8.30 am**

Membership:

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

Apologies:

Leave of absence:

In attendance:

**Please note that there is an embargo on agenda items until 8.30 am on Monday
20 April.**

CONFIRMATION OF AGENDA

PUBLIC FORUM

MINUTES

The minutes of the meeting held on 11 March 2015, having been
circulated, for adoption

Matters arising from minutes

FOR NOTING

Item 1

2015/0848 **Director's Report on Progress.** DPPRM, 2/4/15

The report gives an overview of significant activities undertaken by the Policy section.

OTAGO REGIONAL COUNCIL

Minutes of a meeting of the Policy Committee held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 11 March 2015 commencing at 12.05 pm

Present:

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

Apologies:

- Cr Gerrard Eckhoff

The apology was accepted on the motion of Crs Robertson and Croot.

In attendance:

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

CONFIRMATION OF AGENDA

There were no changes to the agenda.

MINUTES

The minutes of the meeting held on 28 January 2015, having been circulated, were adopted on the motion of Crs Deaker and Croot.

Matters arising from minutes

There were no matters arising from the minutes.

FOR NOTING

Item 1

2015/0784 **Director's Report on Progress.** DPPRM, 27/2/15

The report gave an overview of significant activities undertaken by the Policy section.

Cr Croot moved
Cr Scott seconded

That the report be noted.

Motion carried

The meeting closed at 12.07 pm.

Chairperson

REPORT

Document Id: A758276

Report Number: 2015/0858

Prepared For: Policy Committee

Prepared By: Ralph Henderson, Senior Policy Analyst

Date: 14 April 2015

Subject: **Notification of Proposed Regional Policy Statement for Otago**

1. Précis

This report presents the proposed Regional Policy Statement for Otago (RPS), and recommends the notification of the document for public consultation.

2. Background

The RPS has been developed through a collaborative process with the regions territorial authorities and included public consultation in early 2014. A stakeholder reference group was formed to guide consultation with Iwi and a separate meeting was held for Maori land owners who might not be represented by Kai Tahu. Additional consultation was undertaken with key government agencies and with stakeholder reference groups, such as Fish and Game, Forest and Bird and Federated Farmers, in late 2014.

3. Final input

The draft RPS was circulated to territorial authorities for comment in November 2014. Final input from territorial authorities has been provided in early 2015 through meetings with District and City Councils and from staff.

4. Amendments

As a consequence of final feedback from territorial authorities there have been a number of amendments to the proposed RPS that differ from the version last presented to Committee. As these have required a degree of restructuring they are best viewed in the context of the document as a whole, rather than a summary table.

The proposed RPS is still undergoing final legal review and may be subject to consequential changes

5. Section 32 evaluation report

Before a policy statement is notified, the Council must evaluate the alternatives, benefits and costs, as required by Section 32 of the RMA.

The proposed RPS is the preferred approach to achieve the purpose of the RMA in Otago by identifying regionally significant issues and policies and methods to achieve the integrated management of natural and physical resources of the region.

The Section 32 Evaluation Report has been amended as a result of the comments and feedback, and is attached as Appendix 2.

6. Conclusion

The proposed RPS is attached as Appendix 1. In accordance with s75(3)(b) District Plans are required to give effect to the operative RPS. However, from time of notification territorial authorities in Otago preparing or changing a district plan will also have to have regard for the proposed RPS.

7. Next steps

The timeline below sets out the next steps in the plan change process:

Action	Date
Notification Report and Documents to Committee	22 April
Notification Report and Documents to Council	6 May
Public notification	23 May
Brochure Distribution	Distribution 25-29 May
Submissions close	Friday 24 July (44 working days)

8. Recommendations

- a) That the Proposed Otago Regional Policy Statement and its accompanying Section 32 Evaluation Report be approved for notification in accordance with clause 5, Schedule 1 of the RMA.
- b) That Proposed Otago Regional Policy Statement be publicly notified on Saturday 23 May 2015.

Fraser McRae
Director Policy Planning & Resource Management

REPORT

Document Id: A757376

Report Number: 2015/0848
 Prepared For: Policy Committee
 Prepared By: Director Policy, Planning and Resource Management
 Date: 2 April 2015

Subject: **Director's Report on Progress**

1. Policy Responses

1.1 Responses: National Policies, Strategies and Plans

In the five week period ending 2 April 2015, the following were received:

Agency	Number Received	Details
WaterNZ	1	Discussion document on water legislation reform. WaterNZ is a non-government body representing water professionals and organisations.
Ministries for the Environment/Business, Innovation and Employment	1	Proposed amendments to the NES for Telecommunications Facilities. Will make some telco activities permitted under the NES but still subject to rules of district plans.
Heritage NZ	1	Draft statutory Policies: five general statements

1.2 Responses: Territorial Authority and Regional Authority Plan Changes and Resource Consent Applications

In the five weeks ending 2 April 2015, the following were received:

Agency	Number Received	Document
Queenstown Lakes District Council	5	Consent applications
Central Otago District Council	1	Consent application

The following responses were made over the five week period:

Proposal	Response Type	Issues
Glenorchy camping ground development (Pounamu Holdings 2014 Ltd)	Submission – oppose	Application has deficient level of natural hazard and risk assessment. Submission outlined hazard profile of Glenorchy and risks that need further assessment.

Snowmobile tours, Nevis Valley, Central Otago (Queenstown Snowmobiles Ltd)	Submission – oppose	Application had insufficient information to address how human waste on site would be managed. Advocated removal of waste off site. Supported volunteered conditions to keep activity away from regionally significant wetlands.
District Plan Review (QLDC)	Feedback	QLDC is currently reviewing chapters with proposed changes prior to notification. ORC has so far provided comment on the following chapters: Residential, Rural and Natural Hazards. Feedback to date is mainly framed around ensuring consistency with the direction of the Regional Policy Statement review.

1.3 Appeal: Clutha District Council Proposed Plan Change 28 (Natural Hazards)

Council has appealed Clutha District Council's (CDC) decision on Proposed Plan Change 28 (Natural Hazards) relating to provisions for dwellings and buildings that accommodate people in Area 4B: Tokomairiro Plain floodway corridors.

A meeting with CDC staff after the period for appeals closed identified a possible solution to the appeal. ORC will do further work to refine the mapped 4B floodway corridors.

This additional work is expected to be completed by mid-May 2015 after which formal mediation will commence. Two other parties have joined the appeal under s274 of the RMA, both parties opposing the relief sought under the ORC appeal.

2. ORC: Policy, Plans and Strategies

2.1 Progress of proposed Plan Changes

Proposed Plan Change 3B (Pomahaka catchment minimum flow)

The period for lodging appeals on Proposed Plan Change 3B Pomahaka catchment minimum flow has now ended, and no appeals have been received. The plan change now has full legal effect, and a report will be presented to the next Council meeting to make the plan change operative.

Proposed Plan Change 5A (Lindis catchment minimum flow)

A community meeting was held on 1 April 2015 in Tarras. As a result of this meeting members of the community have sought further work to:

- refine the workability of proposed transition provisions (deemed permits to resource consents);
- investigate additional low flow management tools to assist transition and deliver better outcomes.

This work will be undertaken between now and 14 June 2015.

2.2 Appeals on proposed plan changes

Proposed Plan Change 4B (Groundwater Allocation)

An appeal from Oceana Gold Limited has been received on Proposed Plan Change 4B (Groundwater allocation). Oceana Gold seeks to have mine pit dewatering excluded from the definition of consumptive takes of groundwater.

Three Section 274 interested parties have joined the appeal: Contact Energy Ltd, L&M Coal Kaitangata Ltd and Mintago Investments Ltd.

Court-assisted mediation is set for Tuesday 28 April.

Proposed Plan Change 4C (Groundwater Management: Cromwell Terrace Aquifer)

An appeal from Contact Energy Ltd has been received on Proposed Plan Change 4C (Groundwater management: Cromwell Terrace Aquifer). Contact Energy seeks to restrict irrigation takes from the aquifer over winter and some part of autumn and spring, as well as when Lake Hawea is low and inflows into the upper Clutha catchment are low.

Two section 274 interested parties have joined the appeal: Federated Farmers of New Zealand and Horticulture New Zealand.

Court-assisted mediation is set for Wednesday 29 April.

3. Recommendation

That this report is noted.

Fraser McRae

Director Policy Planning and Resource Management

OTAGO REGIONAL COUNCIL**Agenda for a meeting of the Regulatory Committee to be held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 22 April 2015 following the Policy Committee meeting**

Membership:

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

Apologies:

Leave of Absence:

In attendance:

Please note that there is an embargo on agenda items until 8.30 am on Monday 20 April.

CONFIRMATION OF AGENDA

PUBLIC FORUM

MINUTES

The minutes of the meeting held on 11 March 2015, having been circulated, for adoption

Matters arising from minutes

ITEMS FOR NOTING

Item 1

2015/0826 **Biosecurity and RMA Monitoring Report.** DEMO, 20/3/15

Reporting on water, air, pest, and contaminated site environmental monitoring and incidents for the period 6 February to 20 March 2015.

Item 2

2015/0859 **Consent processing, consent administration and Building Control Authority update.** DPPRM, 8/4/15

Detailing consent processing, consent administration and building control authority activity for the period 27 February to 3 April 2015.

Item 3

2015/0844 **RMA, Biosecurity Act and Building Act Enforcement Activities.**
DPPRM, 10/4/15

Detailing Resource Management Act 1991, Biosecurity Act 1993 and Building Act 2004 enforcement activities undertaken by the Otago Regional Council for the period 19 February to 31 March 2015.

Item 4

2015/0867 **Appointment of Plan Change Hearing Commissioners.**
DPPRM, 9/4/15

Listing hearing commissioners appointed for the period to 9 April 2015.

OTAGO REGIONAL COUNCIL

**Minutes of a meeting of the Regulatory Committee held in the
Council Chamber, 70 Stafford Street, Dunedin on
Wednesday 11 March 2015 commencing at 12.07 pm.**

Present:

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

Apologies:

Cr Gerrard Eckhoff
 The apology was accepted on the motion of Crs Neill and Bell.

In attendance:

Peter Bodeker
Wayne Scott
Jeff Donaldson
Jane Leahy
Fraser McRae
Gavin Palmer

CONFIRMATION OF AGENDA

There were no changes to the agenda.

MINUTES

The minutes of the meeting held on 28 January 2015, having been circulated, were adopted on the motion of Crs Robertson and Bell.

Matters arising from minutes

There were no matters arising from the minutes.

ITEMS FOR NOTING

Item 1

2015/0787 **Biosecurity and RMA Monitoring Report.** DEMO, 23/2/15

The report detailed water, air, pest, and contaminated site environmental monitoring and incidents for the period 1 January to 6 February 2015.

Cr Scott moved
Cr Kempton seconded

That the report be noted.

Motion carried

Item 2

2015/0795 **Consent processing, consent administration and Building Control Authority update.** DPPRM, 27/2/15

The report detailed consent processing, consent administration and building control authority activity for the period 12 January to 27 February 2015.

In response to a question Mr McRae explained that consent applications could be put on hold where more information was required. Sometimes the applications could be on hold for a long time, although the timeframes were not affected. Work was under way to finalise these applications.

Cr Kelliher moved
Cr Bell seconded

That the report be noted.

Motion carried

Item 3

2015/0778 **RMA, Biosecurity Act and Building Act Enforcement Activities.** DPPRM, 19/2/15

The report detailed Resource Management Act 1991, Biosecurity Act 1993 and Building Act 2004 enforcement activities undertaken by the Otago Regional Council for the period 9 January to 19 February 2015.

It was noted that six infringement notices had been issued, mostly relating to dairy infrastructure. Mr Bodeker explained that the initial responsibility was with the operator of the farm, not the owner, and the operator had to work with the infrastructure supplied.

Cr Croot moved
Cr Shepherd seconded

That the report be noted.

Motion carried

Item 4
2015/0794

Appointment of Plan Change Hearing Commissioners.
DPPRM, 27/2/15

The report noted that the Commissioner Appointment Subcommittee had recommended commissioners for upcoming plan change hearings, and Council's endorsement of the appointments was sought.

It was noted that provision had been made in the Councillor salary pool for payment for plan change hearing commissioners, but no policy had been drawn up. Mr Scott was to check whether the policy employed for payment of the PC6A commissioners was for 6A only or all plan change hearings.

Cr Croot moved
Cr Deaker seconded

- 1. That the plan change hearing commissioners as proposed by the Commissioner Appointment Subcommittee meeting of 5 February 2015 be confirmed.*
- 2. That the Chief Executive discuss with the Director Corporate Services a policy for payment for Councillors acting as commissioners for plan change hearings, as distinct from consent hearings.*

Motion carried

The meeting closed at 12.21 pm

Chairperson

REPORT

Document Id: A749813

Report Number: 2015/0826

Prepared For: Regulatory Committee

Prepared By: Director Environmental Monitoring and Operations

Date: 20 March 2015

Subject: **Biosecurity & RMA Report for the Period 6 February to 20 March 2015**

1. Water Quality and Quantity

1.1 Regional Plan: Water and Resource Consent Monitoring

1.1.1 Audit & Inspection Monitoring

Audits and inspections were conducted on 72 consents over the reporting period. The majority of consents were fully compliant. Some of the non-compliance grades were due to late reporting or failing to supply information to the Council. 8 consents did not receive a compliance grade as they were not being exercised.

1.1.2 Water Metering

There has been very little change in the water metering status for consent holders > 20 litres per second. Currently 86% of consent holders have installed water recording equipment or have advised the council who their installer is and are progressing with installations. 7% of takes are currently not in use and are being assessed for cancellation. Only 2% have failed to meet the requirements of their consent or the regulations and have either had enforcement action taken or are being assessed for enforcement action. There are a number of consents associated with irrigation schemes which are still in the process of installing equipment.

69% of consent holders who hold consents for between 10-20 litres per second are compliant or have contacted the Council and are making progress with their installation.

2. Pest Management Strategy Implementation and Biosecurity Compliance

2.1 Animal Pests

2.1.1 Rabbits

The biennial RHD immunity sampling was carried out in late February/early March on 10 properties covering coastal and Central Otago. Serum samples were taken from a total of 272 rabbits. Serum samples have been submitted to AgResearch with results pending.

2.2 Plant Pests

2.2.1 Nassella Tussock

Nassella Tussock found near Awamoko, North Otago late last year has been controlled.

2.2.2 Low incident plants

The Old Man's Beard inspection programme is underway in the Dunedin, Roxburgh, Queenstown and Wanaka areas. The majority of the sites are minor in nature with one 'Notice of Direction' being issued.

Favourable progress is being made with the annual Spartina control programme in the Pleasant River Estuary and the Waikouaiti / Karitane Estuary.

Spraying of known African Love Grass sites in Central Otago has occurred over the last week. Many of the sites have been showing a steady reduction in the amount of new seedlings and at some sites total eradication looks to have been achieved.

3. Environmental Incident Response

3.1 Contaminated Sites

Thirty-six enquiries regarding the land-use history or contamination status of specific properties were received.

Liaison with Territorial Authority planning managers has continued regarding the development of a shared register for contaminated land information. Nationally, it has also been proposed that a module for contaminated land data be developed as part of the Ministry for the Environment's Environmental Monitoring and Reporting project.

3.1.1 Investigations

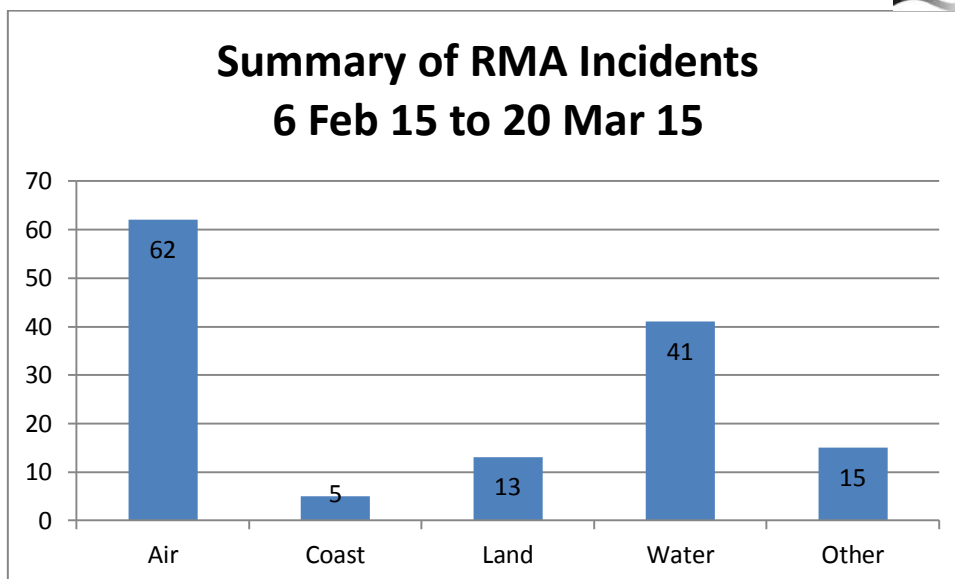
One underground petroleum storage system (UPSS) removal report was received during the reporting period. Work and investigation was carried out in accordance with industry best practice and ORC has no concerns about any environmental effects.

3.1.2 Landfills

Inspections of the Dunedin City Council landfills at Green Island and Waikouaiti showed that both landfills appeared to be well managed. The Waikouaiti site is largely operating as a transfer station, with consents for landfilling expiring in early 2016.

3.2 Environmental Incidents

A total of 136 incidents were reported for this period. The following is a summary of the incidents received by activity type.



The majority of the air incidents can be attributed to odour followed by domestic chimneys and back yard burnings. The coastal incidents were marine oil spill and marine pollution. The majority of land incidents were from land contamination. Concerns about fresh water pollution were the cause of the majority of water investigations. The other types of incidents were varied and included issues like pest plants and rubbish on private land.

4. Engineering Field Operations

Most in-channel works have been completed for the season, with the exception of debris dam removal which is an on-going as required activity. All work programmes are on track and up to date.

The flood protection and drainage scheme spray programmes have been completed and the last of the mechanical drain cleaning activities are nearing completion.

5. Pest Operations

Oat poisoning for rabbits in Central Otago has been successful this summer with population knockdowns of between 90% and 95% on those properties treated. This will become an increasingly important tool in the rabbit control toolbox particularly in those years that have mild winters limiting the traditional winter control operations. Essentially, summer oat poisoning extends the window of opportunity available to landowners needing to control rabbits.

One TBfreeNZ possum control project was completed this reporting period after passing at the first performance monitor. The last three possum control projects are due for completion 30 May.

An integrated pest control contract for Oceana Gold Ltd at their Macraes mine is nearing completion. This contract focussed on rabbit control, mustelid trapping and feral cat control.

6. Recommendation

That this report be noted

Jeff Donaldson

Director Environmental Monitoring and Operations

Summary of RMA Incident Complaints (General Location)

From 6 February 2015 to 20 March 2015

General Location		AIR							COAST					LAND					WATER					OTHER		
	Row Summary	Backyard burning	Burning	Domestic chimneys	Dust	Industrial air discharge	Odour	Spray Drift	Coastal structures	Marine oil spill	Marine pollution	Reclamation	Removal	Deposit	Disturbance	Land contaminati	Mining	Abstraction	Damming	Diversion	Fresh water pollution	Stormwater	Noise	Other	Staff performance	
Catlins	3	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	
Central Otago	13	2	1	0	0	0	2	0	0	0	0	0	0	0	0	0	0	1	0	0	5	0	0	2	0	
Clutha Plains	5	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	1	0	
Dn - Abbots/Green Is	5	0	0	1	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	
Dn - Coast North	3	1	0	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	
Dn - Coast South	2	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	
Dn - Inner City	39	4	2	10	0	1	15	0	0	0	0	0	0	0	0	0	0	0	0	0	3	1	0	3	0	
Dn - Mosgiel	4	0	1	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	1	0	0	0	0	
Dn - Otago Harbour	4	0	0	0	0	0	0	0	1	2	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Dn - Peninsula	3	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	
Dn - West Harbour	7	1	0	0	0	0	3	0	0	0	0	0	0	1	0	0	0	0	0	0	1	1	0	0	0	
East Otago Uplands	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	1	0	
Lakes	13	0	0	0	1	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	11	0	0	0	0	
Maniototo	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
North Otago	15	0	1	0	0	0	3	1	0	0	0	0	0	0	1	3	0	2	0	0	2	0	0	2	0	
Roxburgh	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	
South West Otago	5	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	3	0	0	1	0	
Strath	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Taieri Plains	11	0	1	1	0	0	0	2	0	0	0	0	0	0	1	1	0	0	0	0	3	0	1	1	0	
TOTALS	136	10	7	15	1	1	25	3	2	2	1	0	0	2	3	8	0	3	0	0	36	2	1	14	0	

REPORT

Document Id: A758830

Report Number: 2015/0859

Prepared For: Regulatory

Prepared By: Marian Weaver, Chris Shaw

Date: 08 April 2015

Subject: **Consent Processing and BCA Progress Report 27 Feb to 3 Apr 15**

1. Project E.1 – Resource Consent Application Processing

1.1 Consent applications where status has not changed since the last report are summarised in Appendix 1.

Notified Applications

1.2 Publicly Notified Applications

RM14.106 Southern Clams Limited

The application is to establish three aquaculture sites within Otago Harbour. At each location shellfish, including Bluff Oysters, Queen Scallops, Tuaki Clams and Paddle Crabs, will be held in cages for up to 8 weeks before being collected and sold commercially. The cages will be one metre long and stored up to three deep, and suspended by long lines and floats. Structures are to be located within the harbour over a 38 week season each year approximately from May to December. The application was publicly notified on 21 February and attracted 44 submissions: 8 in support, 4 neutral and 32 opposed. 15 submitters indicated that they wish to be heard. The applicant has requested a hearing in August to allow time to discuss concerns with submitters and make changes to the application that may be required as a result of further consultation.

RM13.215 - Queenstown Lakes District Council

The applications are for the discharge of odour to air, and treated effluent to the Shotover River, and then later to land from the Queenstown waste water treatment plant in the Shotover delta. QLDC already holds permits for these activities but wishes to change the timing and method of disposal to land. The applications were publicly notified on 1 June 2013. When submissions closed on 28 June there were four submissions; one in support and three opposed. A hearing was set down for 28/29 August 2013 but was postponed while the applicant continued to negotiate with submitters. The Hearing Panel did a site visit on 22 August 2013. Since then the applicant has amended its application slightly and reached agreement with all submitters. The application will be decided by Cr Shepherd who was one of the original hearing commissioners appointed for the hearing, on 24 April.

2. Appeals to Environment Court / Objections

RM14.026 Lakes Marina Projects Limited

The application is for the construction of a 195 berth marina in the Frankton Arm of Lake Wakatipu. This was a joint process with the ORC as lead agency. The application was heard by independent commissioners in December 2014 and January 2015. The decision was given to grant the applications subject to conditions on 23 February and there have been two appeals from owners of residential premises nearby. All parties have agreed to go to mediation and a mediation date is awaited.

3. Consent Statistics

Table 1. Consents Statistics Summary

Reporting Period	Lodged			Rejected	Decision Given		
	Consents	Variations			Consents	Variations	
		Regular	Water reporting date			Regular	Water reporting date
2013/14 Year total	450	30	42	13	410	53	72
1 July to 15 Aug 14	29	5	1	1	35	5	11
18 Aug to 26 Sept 14	45	8	1	2	50	4	1
27 Sept to 7 Nov 14	48	6	5	1	57	6	5
10 Nov 14 to 9 Jan 15	70	0	5	4	50	5	3
12 Jan to 27 Feb 15	54	4	3	1	51	7	1
28 Feb to 3 Apr 15	43	3	2	1	33	19	3
14/15 year total to date	291	26	17	10	276	46	23

4. Consent Administration

Table 2. Consent Administration Statistics

Reporting Period	Transfers Received	Transfers Issued	S417 Certs Received	S417 Certs Issued
2013/2014 Year Total	208	215	16	3
1 July 14 to 15 Aug 14	15	11	0	2
18 Aug to 26 Sept 14	25	17	0	2
27 Sept to 7 Nov 14	13	23	1	0
10 Nov 14 to 9 Jan 15	23	30	1	0
12 Jan to 27 Feb 15	9	8	0	2
28 Feb to 3 Apr 15	13	10	0	0
14/15 year to date	89	91	2	6

5. Building Consent Authority (BCA) Administration In Progress

Dam Building Consents	4
Code Compliance Certificates	2
PIM	0
Certificate of Acceptance	6

6. Public Enquiries

Appendix 2 shows that 323 enquiries were received by the Consents Unit during the reporting period.

Table 3. Public Enquiries Statistics

Period	Number of Enquiries
2013/2014 year	1490
1 July to 15 Aug 14	180
18 Aug to 26 Sept 14	148
27 Sept to 7 Nov 14	238
10 Nov 14 to 9 Jan 15	322
12 Jan to 27 Feb 15	375
28 Feb to 3 Apr 15	317
YTD 14/15	1580

7. Legislation

The last parts of the 2013 amendment to the RMA took effect on 3 March 2015. The most significant changes are

- That more information including an assessment of relevant statutory documents must now be included in an application. ORC's application forms are being updated to assist applicants with the new requirements.
- That a publicly notified application can be suspended at the applicant's request for up to 6 months. After that time the Council may return the application to the applicant. (subject to objection rights)
- The processing time for limited and publicly notified applications have changed; time being from the close of submissions to the close of a hearing. For limited notified applications time is 45 days (9 weeks) and for publicly notified 75 days (15 weeks). Any prehearing meetings and hearing adjournments must be completed within these time periods. Applicant and submitter evidence and s42A reports must be circulated before a hearing as well.

8. Recommendation

That this report is noted.

Fraser McRae

Director Policy Planning and Resource Management

Appendix 1: Summary of applications that have not changed since the last report to the Committee

RM12.066 – Environment Canterbury - erosion protection works in the Lower Waitaki River.

Environment Canterbury has applied for consents to allow them to undertake erosion protection works in the Lower Waitaki River. Numerous erosion protection measures are proposed over a 3 km stretch of river. DoC, Iwi, Fish and Game and owners of land on which the works are to take place are all considered to be affected parties. The applicant advised recently that they are currently working through a consultation process to determine whether or not the works applied for will continue to be undertaken.

They anticipate the outcome of this consultation on or before the 1st July 2015 as it is tied in with Annual Plan processes. Therefore the application continues to remain on hold until 1st July 2015.

Pending Applications of Interest

RM13.423 – Manuherikia Catchment Water Strategy Group (MCWSG)

A working party has been established comprising MCWSG, Golder Associates and ORC staff. The aim of the working party is to develop a consenting strategy giving regard to existing mining privileges, individual water takes and irrigation options within the Manuherikia catchment.

Appendix 2: Resource Consent Public Enquiry Report

For period from 28 February 2015 to 03 April 2015

Enquiry Type	No.	% of Total
Current Consents	137	43.2 %
Other	26	8.2 %
Permitted Activities	79	24.9 %
Pre-application	48	15.1 %
Property Enquiries	22	6.9 %
Students	1	0.3 %
TLA Enquiries	2	0.6 %
Transfers	2	0.6 %

Enquiry Location	No.	% of Total
Central Otago District Council	93	29.3 %
Clutha District Council	41	12.9 %
Dunedin City Council	57	18 %
Outside Otago	5	1.6 %
Queenstown Lakes District Council	39	12.3 %
Throughout Otago	6	1.9 %
Unspecified	46	14.5 %
Waitaki District Council	30	9.5 %

Enquiry Method	No.	% of Total
Counter	11	3.5 %
Email	164	51.7 %
Letter	3	0.9 %
Telephone	139	43.8 %

REPORT

Document Id: A756532

Report Number: 2015/0844

Prepared For: Regulatory Committee

Prepared By: Peter Kelliher, Legal Counsel

Date: 10/4/2015

Subject: **Resource Management Act 1991, Biosecurity Act 1993 and Building Act 2004
Enforcement Activities from 20 February 2015 to 31 March 2015**

1. Précis

This report details Resource Management Act 1991, Biosecurity Act 1993 and Building Act 2004 enforcement activities undertaken by the Otago Regional Council during the period 20 February 2015 to 31 March 2015.

2. Enforcement Action under the Resource Management Act 1991

a) Consent Auditing

No enforcement action taken.

b) Consent Performance Monitoring

Table 1. Abatement Notices

Details	Period – 20 February 2015 to 31 March 2015	Total – from 1 July 2014
To cease taking water in breach of water meter regulations	0	2
TOTAL	0	2

c) Permitted Activity Rules - Inspections

Table 2. Infringement Notices

Details	Period – 20 February 2015 to 31 March 2015	Total – from 1 July 2014
Discharge of contaminants to land in breach of a regional rule - effluent	2	10
TOTAL	2	10

Table 3. Authorised Legal Proceedings

Details	Period – 20 February 2015 to 31 March 2015	Total – from 1 July 2014
Discharge of contaminants to land in breach of a regional rule - effluent	4	5
TOTAL	4	5

d) Incidents**Table 4. Infringement Notices**

Details	Period – 20 February 2015 to 31 March 2015	Total – from 1 July 2014
Discharge of contaminants to air – outdoor burning	0	3
Discharge of contaminants to air – burning prohibited materials	0	2
Disturbing the bed of a river – pugging	1	1
TOTAL	1	6

Table 5. Authorised Legal Proceedings

Details	Period – 20 February 2015 to 31 March 2015	Total – from 1 July 2014
Discharge of contaminants to land in breach of a regional rule - effluent	1	2
Discharge of contaminants to air – burning prohibited materials	0	4
Disturbing the bed of a river – pugging	0	2
(1) Disturbing the bed of a river – pugging; and (2) Discharge of contaminants in breach of a regional rule - sediment	0	1
TOTAL	1	9

3. Biosecurity Act 1993

No enforcement action taken during the period.

4. Building Act 2004

Two notices to fix were issued with respect to earth embankment dams in the Otago region. The notices required the dam's owner to either remove the dam or undertake remedial works to ensure compliance with the Building Act 2004 and Regulations.

5. Recommendation
That this report be noted.

Fraser McRae
Director Policy Planning and Resource Management

REPORT

Document Id: A760534

Report Number: 2015/0867

Prepared For: Regulatory Committee

Prepared By: Director Policy, Planning and Resource Management

Date: 9 April 2015

Subject: **Commissioner Appointments to 9 April 2015**

1. Précis

An amendment to the Resource Management Act in 2005 means that consent hearing commissioners must be appointed by the Council. The Commissioner Appointment Subcommittee has this function and reports to the Regulatory Committee. The appointments made in this reporting period are set out in this report.

2. Meeting 24-25 March 2015 (by email)

Present	Crs Robertson, Woodhead and Croot and Mr Bodeker
Applicant	Southern Clams Ltd
Appn. No.	RM14.106
Activity	To occupy part of the coastal marine area within Otago Harbour for the purpose of aquaculture farming.
Motion	Moved Cr Robertson, seconded Cr Woodhead and agreed
Appointment	John Lumsden, Hugh Leersnyder

3. Recommendation

That the report be noted.

Fraser McRae
Director Policy, Planning and Resource Management

OTAGO REGIONAL COUNCIL**Agenda for a meeting of the Technical Committee to be held
in the Council Chamber, 70 Stafford Street, Dunedin
on Wednesday 22 April 2015 following the
Regulatory Committee meeting****Membership:**

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

Apologies:**Leave of Absence:****In attendance:**

Please note that there is an embargo on agenda items until 8.30 am on Monday 20 April.

CONFIRMATION OF AGENDA**PUBLIC FORUM****MINUTES**

The minutes of the meeting held on 28 January 2015, having been circulated, for adoption.

Matters arising from minutes

PART A – RECOMMENDATIONS

Item 1

2015/0863 **Lower Waitaki River Management Strategy.** DEHS, 9/4/15

The report presents for endorsement the management approach for the Lower Waitaki River Control Scheme.

PART B - ITEMS FOR NOTING

Item 2

2015/0810 **Spatial Variability of air quality in Alexandra and Cromwell.**
DEHS, 1/4/15

The report discusses spatial air quality studies completed in Alexandra and Cromwell during winter 2014, and notes that results from sampling indicate that Council's monitoring sites are located in appropriate locations in town.

Item 3

2015/0780 **Director's Report on Progress.** DEHS, 8/4/15

Topics covered in the report are: Leith Flood Protection Scheme, Shotover Delta Target Profile, and Low Flow Event.

OTAGO REGIONAL COUNCIL**Minutes of a meeting of the Technical Committee held
in the Council Chamber, 70 Stafford Street, Dunedin
on Wednesday 28 January 2015 commencing at 9.09 am**

Present:

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

Apologies:

Cr Gerrard Eckhoff
The apology was accepted on the motion of Crs Scott and Croot.

In attendance:

Peter Bodeker
Wayne Scott
Jeff Donaldson
Fraser McRae
Gavin Palmer
Peter Taylor
Matt Hickey
Janet Favel

CONFIRMATION OF AGENDA

There were no changes to the agenda.

MINUTES

The minutes of the meeting held on 15 October 2014, having been circulated, were adopted on the motion of Crs Scott and Robertson.

Matters arising from minutes

There were no matters arising from the minutes.

ITEMS FOR NOTING

Item 1

2014/1952 **Management Flows for Aquatic Ecosystems in Twelve Mile Creek.**
DEHS, 3/12/14

The report discussed the results of modelling carried out to determine the effect of river flow on fish habitat in Twelve Mile Creek. The full report *Management Flows for Aquatic Ecosystems in Twelve Mile Creek* was circulated separately with the agenda.

Comment was made that the report did not consider water quality nor the effects on the river of the nearby built environment. Dr Palmer replied that the report met an Annual Plan target, and advised that he and Mr McRae had discussed a more integrated approach for rivers including river form and water quality. In response to a question Mr Hickey advised that some one-off water sampling had been done which indicated good water quality, but regular monthly samples had not been taken.

Mr McRae explained in response to a question that the series of reports to inform minimum flow regimes for the change from mining privileges would be completed in 2017, and Council would then move into a broader water quality/quantity management regime. Dr Palmer advised that a summary report would be presented to a future meeting.

Cr Shepherd moved

Cr Croot seconded

That this report and the technical report 'Management flows for aquatic ecosystems in Twelve Mile Creek' be received and noted.

Motion carried

Item 2

2014/2006 **Director's Report on Progress.** DEHS, 13/1/15

Activities discussed in the report included: the current low flow situation, the Lakes Overseer validation project, MfE's national *Airshed Progress Report 2012*, work on the Leith Flood Protection Scheme, and Albert Town riverbank instability.

Low Flows

Dr Palmer noted that all irrigation on the Taieri was turned off for one day, and from this staff were able to determine the actual amount of water in the river, and water travel times. It was noted that the river was below its minimum flow at Waipiata Bridge. Mr Bodeker advised that the water shortage direction was a phased reduction. Dr Palmer

commented that river flows were reducing, and the flows measured on 21 January, as shown in Table 1 in his report, were now at half that level.

Cr Brown commended the proactive work and engagement with the North Otago community in relation to water levels. He explained that there had been a lot of change in landuse resulting in more demands on water, many people were now under stress, and there would be feed shortages. Cr Kelliher commented that with more efficient irrigation there was less recharge into waterways. If there was no substantial rain soon, there would be farms going into winter with little feed, and the number of places where stock could be sent for feed was diminishing. He pointed out that the community wanted efficiency in irrigation but the impact on farmers was massive. It was noted that the Rural Support Trust would continue to provide advice to farmers on support systems available.

Cr Woodhead noted that the minimum flows had been agreed through a public process, and the need for them was well accepted. He commended staff who had returned to work early because of the low flow situation, and was pleased to see that ORC was being proactive and backing the minimum flow regimes.

There was discussion about whether a public or a Councillor-only workshop should be held to discuss the low flow situation. It was pointed out that there was a high degree of stress in these situations, including emotional and commercial, and some degree of privacy was important. Comment was made that if the current situation continued and more takes needed to be cut off, there would be impacts on catchment relations.

Lakes Overseer validation project

In response to a question about suction cup lysimeters, Mr Hickey explained that the ceramic cups were used to measure Nitrogen loss, and the teflon to measure Phosphorus loss. These lysimeters were smaller than channel lysimeters such as at Omakau.

National air quality

Technical development in heating appliances was noted, and it was suggested that this be included in discussion at a future air quality workshop.

Leith Flood Protection Scheme

It was noted that practical completion of the St David Street to Union Street reach was expected on Friday 30 January, with just a few minor defects to be addressed. The Dundas Street to St David Street enabling works were expected to be completed in the next few weeks, ahead of schedule.

Cr Woodhead moved
Cr Shepherd seconded

That the report be noted.

Motion carried

The meeting closed at 9.55 am

Chairperson

REPORT

Document Id: A759498
Report No. 2015/0863
Prepared For: Technical Committee
Prepared By: Gavin Palmer, Director Engineering, Hazards and Science
Date: 9 April 2015

Subject: Lower Waitaki River Management Strategy

1. Introduction

The alluvial fan of the Lower Waitaki River lies partly in Otago and partly in Canterbury. Present and future land use on the fan, particularly that which occurs near active channels, relies on assured channel capacity and position.

Floods in April/May 2009, January 2011, February 2011 and January 2013 caused significant damage to Lower Waitaki River Control Scheme works and river margins (Figure 1). The consequential impact on scheme financial reserves and the targeted rating requirement (Table 1) raised questions about how best to sustainably manage the river and its margins.



(a)
Figure 1. Anchored tree protection being constructed on north bank on 4 March 2013
(a) in response to bank erosion observed 5 February 2013



(b)

Figure 1. Anchored tree protection being constructed on north bank on 4 March 2013 (a) in response to bank erosion observed 5 February 2013 (b). See Appendix for location.

Year	Budgeted total cost	Actual Cost	Actual Reserve Balance	Significant floods
2007/08	\$318,921	\$308,799	\$41,701	
2008/09	\$329,737	\$372,813	\$23,644	
2009/10	\$363,646	\$794,422	-\$116,732	May 2009 - 1,450m ³ /s (5yr Return Period)
2010/11	\$372,123	\$480,247	-\$117,183	
2011/12	\$886,137	\$884,507	-\$413,732	Jan 2011 - 1,600m ³ /s (20yr Return Period) Feb 2011 - 1,450m ³ /s (10yr Return Period)
2012/13	\$650,248	\$639,412	-\$464,313	
2013/14	\$477,370	\$593,093	-\$404,549	Jan 2013 - 950m ³ /s (2yr Return Period) 1,150m ³ /s (5yr Return Period)
2014/15	\$485,945	\$476,908 ¹	-\$240,628 ¹	

Table 1: Lower Waitaki River Control Scheme Costs 2007/08 to 2014/15

¹ as estimated by Environment Canterbury

The difficulties with managing a large and very active braided river have been exacerbated by damage to riparian margins caused by some landholders on both public and private land. Whereas the scheme objectives for the flood-carrying capacity of the fairway are quantified, those to do with controlling fairway position and remedying bank erosion are subjective and open to interpretation.

The recent scheme cost increases and large financial deficits have not been sustainable. Scheme-funded works need to be constrained to a level that is affordable and which recognises that the river is dynamic. As previously reported, this is not simply a matter of prioritising works in a way that eases cash flow, but a more fundamental issue of whether certain works, especially remedying flood damage to land, should be undertaken at all. Decisions on these matters need to be guided by principles and an overall management philosophy. Decisions at an operational level must conform to the agreed principles and philosophy. Scheme activity and scheme objectives must be aligned.

For reasons of administrative efficiency, Environment Canterbury oversees all of the scheme works and their identification, planning and prioritisation and ORC contributes its share of the costs². The Lower Waitaki River Liaison Group reviews and makes recommendations on annual works programmes and budgets. The Group comprises representatives of landholders, irrigation companies, Environment Canterbury, Meridian Energy Ltd and ORC (represented by Cr Brown).

The Group agreed in 2011 that a strategy for managing these matters should be prepared. Council resolved to work with Environment Canterbury to develop that strategy using the principles set out in NZS9401:2008³ as a guide⁴.

2. Proposed management approach

Staff of both councils have worked together and developed a strategy (management approach) based on the following principles adopted by Council in 2013⁵:

- Principle 1: Residual risks will be recognised;
- Principle 2: River form will be managed to a clearly defined scope and levels of service, and;
- Principle 3: Personal responsibility is a necessary part of managing residual risk.

² The scheme is funded by a 40% contribution from Meridian Energy Ltd, with the balance of costs apportioned between Environment Canterbury and ORC based on the ratios of capital values of the rateable areas within each region.

³ NZS9401:2008 Managing Flood Risk – A Process Standard, Standards New Zealand.

⁴ Lower Waitaki River Management Strategy; Report No. 2011/1234, Prepared for Engineering and Hazards Committee, 19 December 2011.

⁵ Lower Waitaki River Management Strategy – Progress Report, Report No. 2013/0773, Prepared for Engineering and Hazards Committee, 11 April 2013.

The management approach recommended by staff is described in Lower Waitaki River Control Scheme Review Options Report (March 2015). The approach is considered by staff to be an appropriate balance of the costs of publicly funded scheme works and residual flood and erosion risks. The report has been presented to the Liaison Group and local ratepayers.

The recommended management approach includes fairway maintenance, occasional channel alignment, targeted bank protection, tying and lopping of willows, selective buffer zone planting, and maintenance of key groynes.

The active bed vegetated margins (buffer zones) have varying levels of importance depending on whether they offer protection to some or all of settlements, utilities, large areas of farmland, or individual properties. Desirable buffer zone extents have been identified and prioritised by staff into Primary, Secondary and Tertiary categories depending on relative community benefit (Figure 2).

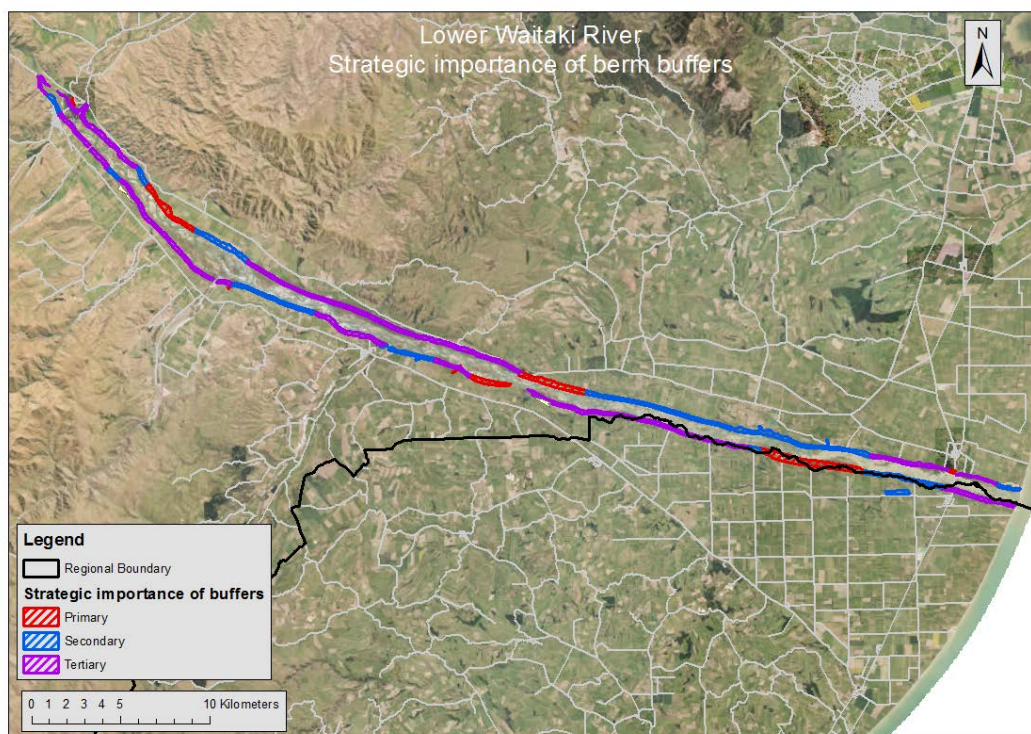


Figure 2 Assessed strategic importance of buffer zones

Grazing, vegetation clearance, and other farming practices would not be permitted within established buffer zones. Property holders would be required to fund buffer zone stock exclusion fencing and maintenance.

Where farming activities have already encroached into Primary and Secondary buffer zone areas, landowners would be expected to retire these areas and establish them in protective plantings.

It is recommended that the Primary buffer zones should be maintained and protected as they offer the highest level of community benefit. Erosion of the Primary buffer zones would typically increase the risk of flooding and/or course change for multiple landowners, settlements, and utilities. These works would be fully Scheme funded.

There is a lower level of community benefit for Secondary buffer zones. In this case a policy could be developed requiring the adjoining landowners to part-fund works costs.

Any Tertiary buffer zone protection work would need to be entirely funded by the adjoining landowner as the main beneficiary.

Utility owners would be expected to fund the whole cost of their protection works, regardless of location.

Environment Canterbury has prepared a scheme budget, which is summarised in Table 2. It is noted that, based on advice received earlier from Environment Canterbury, the draft 2015 – 2025 ORC Long Term Plan provides for a financial contribution of \$145,000 (and not \$166,282) in 2015/16. Further, the latest budget prepared by Environment Canterbury (summarised in Table 2) provides additional bank protection works that are not envisaged in the proposed management approach. Environment Canterbury has advised that those additional works will cost \$80,000.

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Revenue:											
ECan Contribution	248,949	200,543	200,543	166,060	143,508	155,809	155,809	155,809	164,011	172,211	180,412
Meridian contribution	231,100	202,500	202,500	202,500	190,000	190,000	190,000	190,000	200,000	210,000	220,000
ORC contribution	160,776	166,282	166,282	139,841	118,991	129,191	129,191	129,191	135,990	142,790	149,589
Other revenue	0	0	0	3,035	6,611	7,483	8,715	9,387	9,457	9,900	10,711
Total revenue	640,826	569,326	569,326	511,436	459,111	482,483	483,715	484,387	509,457	534,900	560,711
Total expenditure	476,908	408,977	415,374	424,637	437,949	452,591	467,398	482,693	498,698	515,225	532,291
Reserve balance	-240,628	-80,279	73,674	160,473	181,635	211,528	227,845	229,540	240,298	259,973	288,393

Table 2: Lower Waitaki proposed scheme budget as advised by Environment Canterbury on 9 April 2015

The ORC Flood Protection Bylaw 2012, and Canterbury Regional Council Flood Protection and Drainage Bylaw 2013, would be used to help protect existing scheme works such as protection plantings and groynes. Notwithstanding the two bylaws, landholders need to accept the importance of vegetated buffers and that not all parts of the floodplain should be used for agricultural production.

3. Implementation

Effective implementation of the proposed management approach will require actions that include:

1. Confirming the scope of works to be undertaken in 2015/16 and in subsequent years.
2. Revising the scheme performance measures and targets so that they are focussed on outcomes and outputs rather than inputs (i.e. what is achieved rather than what is done);
3. Initiating regular monitoring and reporting of channel flood-carrying capacity, informed by a programme of regular surveys of channel morphology (e.g. cross-sections or LiDAR);
4. Developing policy on part-funding of scheme works (Secondary buffer zones) including clarifying responsibilities (scheme or land owner) for undertaking maintenance and funding maintenance and renewal;
5. Establishing a process for recording and reporting the costs of works undertaken by landholders, irrigation companies and utilities so that the true cost of mitigating flood and erosion risk is known;
6. Working with the two District Councils to identify new or changed District Plan provisions that would support the achievement of scheme objectives and the mitigation of residual flood and erosion risks;
7. Working with the Department of Conservation so as to ensure that DoC administered land is used in a way that is consistent with scheme objectives;
8. Reviewing responsibilities and processes for enforcing the Otago Flood Protection Bylaw 2012 and for monitoring and reporting its effectiveness.

It is proposed that staff work with Environment Canterbury and other stakeholders to progress these actions.

4. Recommendations

That:

1. This report is received;
2. The management approach set out in Lower Waitaki River Control Scheme Review Options Report (March 2015) is endorsed;
3. Staff work with Environment Canterbury and other stakeholders to implement the proposed management approach.

Gavin Palmer
Director Engineering, Hazards and Science

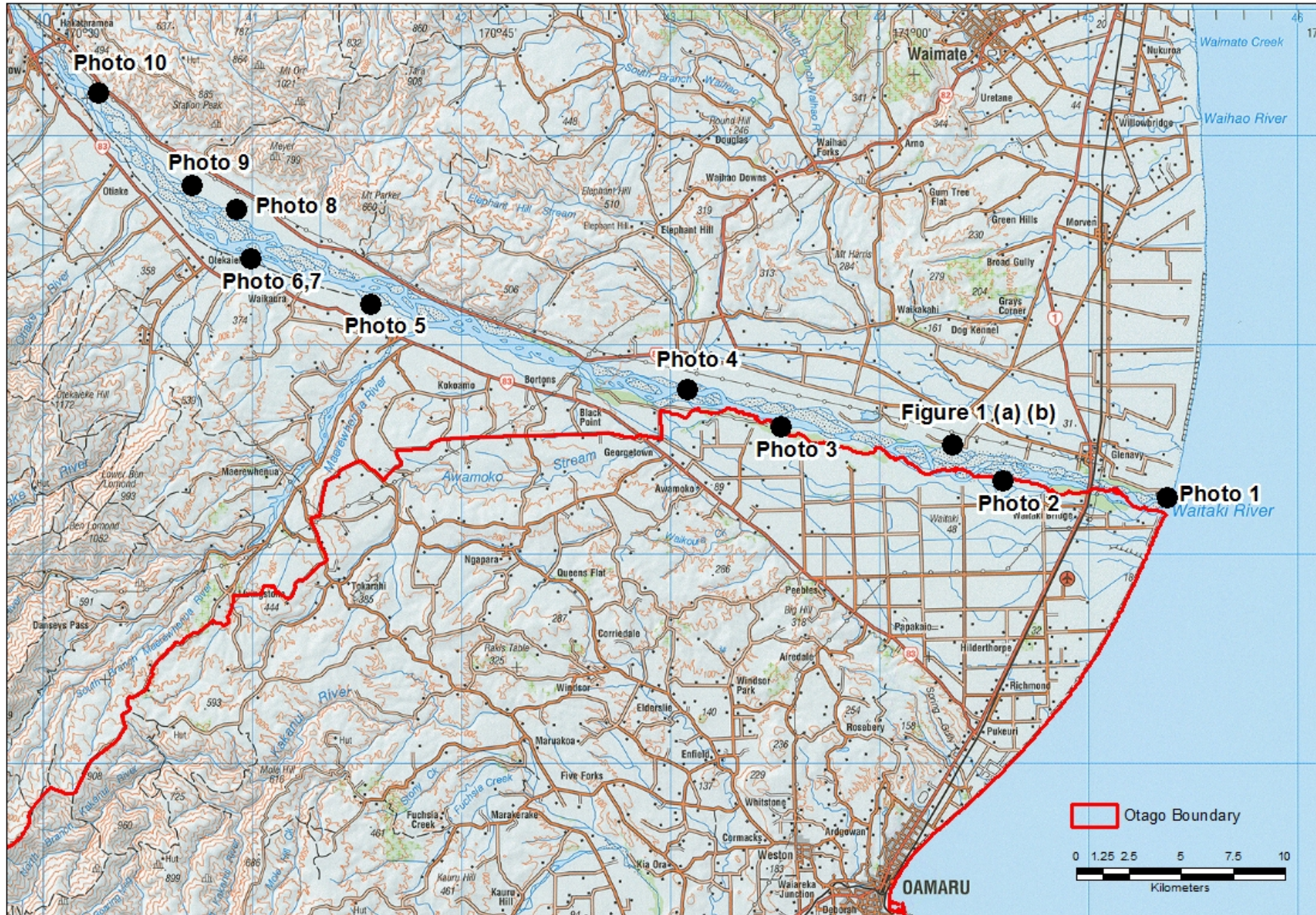


Figure 3. Location map for photographs.

**Appendix. Lower Waitaki River, 5 February 2013
(photographs courtesy of Environment Canterbury).**

Note: Photographs show only some of the locations at which erosion damage occurred in January 2013.



Photograph 1. Mouth of the Waitaki River.



Photograph 2. P Smith/Wait n Sea property, true-right bank (8.0km).



**Photograph 3. Strachan property, true-right bank (18.7km).
Scheme is restoring vegetation on freehold land from which vegetation had been cleared.**



Photograph 4. Green property, true-left bank (23.5km).



Photograph 5. Maerewhenua Irrigation Scheme intake, true-right bank (39.2km).



**Photograph 6. Looking south to Gibson property on true-right bank.
Note the single channel, the lack of vegetated margin on one side of river and the wide margin on the other side. See also Photograph 7.**



Photograph 7. Gibson property, true-right bank (42.7km). See also Photograph 6.



Photograph 8. Smith property, true-left bank (47.5km).



Photograph 9. R Smith property, true-left bank (50.0km).



Photograph 10. Groynes being constructed on Irving property, true-left bank (56.4km) to reduce erosion risk for Transpower pylons.

REPORT

Document Id: A745901

Report Number: 2015/0810

Prepared For: Technical Committee

Prepared By: Deborah Mills, Air Quality Scientist

Date: 1 April 2015

Subject: **Spatial Variability of air quality in Alexandra and Cromwell**

1. Précis

The National Environmental Standard for Air Quality (NESAQ) requires Councils to monitor PM₁₀¹ in their regions where exceedances of the NESAQ limit are expected to occur. As a secondary requirement, PM₁₀ should be monitored where levels are expected to be their highest and/or where the most people are affected.

Council's on-going spatial monitoring programme identifies and quantifies how PM₁₀ patterns vary by location (i.e. spatially) within selected cities and towns in real-time, providing information for decision-making by:

- identifying the 'worst' area of particle pollution in a town, and
- confirming the suitability of the location of existing monitors.

In a programmed rotation², spatial air quality studies were completed in Alexandra and Cromwell during winter 2014. Alexandra and Cromwell both have continuous air quality monitors. Results from sampling indicate that Council's monitoring sites are located in appropriate locations.

2. Introduction

Alexandra and Cromwell are designated as Air Zone 1 in the Otago Regional Plan: Air (Air Plan) as they both frequently exceed the NESAQ during winter months. Monitoring results from Alexandra are reported to the Ministry for the Environment annually and are used to assess compliance of the airshed with the national standards.

Continuous State of the Environment (SoE) year-round PM₁₀ monitoring began in Alexandra during June 2005. Monitoring is done using a MetOne beta attenuation monitor (BAM1020), considered by the US Environmental Protection Agency to be a standard equivalent-reference method.

In Cromwell, continuous seasonal (winter only) PM₁₀ monitoring began in 2008. Monitoring is done using a MetOne environmental beta attenuation monitor (EBAM) which is designed mainly for campaign monitoring, as opposed to NESAQ compliance monitoring.

Current plans are to maintain the existing monitoring regimes in Alexandra and Cromwell. The spatial monitoring done for this study supplements the site-specific information on PM₁₀ gathered at those sites.

¹ Particulate matter with an aerodynamic diameter less than 10 micrometres in diameter.

² Previous studies include: Dunedin and Mosgiel (2009); Balclutha and Milton (2010); Palmerston (2011); Queenstown and Lawrence (2012); Arrowtown and Wanaka (2013).

3. Spatial variation in PM₁₀

3.1 Sampling methodology

The objective of the spatial monitoring campaign is to provide a representative picture of ambient air quality across the area of interest. To do this, a network of sampling locations that will provide adequate spatial coverage is developed prior to sampling.

A DustTrak 8520 aerosol monitor is used to record real-time particulate levels. This monitor uses a light-scattering technology to estimate a mass concentration of particles. Since particle size can influence the calculated mass, a correction coefficient is applied to the raw data to provide PM₁₀ values. DustTrak results are not as scientifically robust as the permanent monitors used in Council's SoE monitoring network, but they do provide a relative indication of particulate levels useful for spatial studies.

With the DustTrak mounted to the roof of a car, the circuit of pre-determined sampling points is driven several times. At each sampling point, the car is stopped and the engine turned off. PM samples are taken in real-time and averaged over 10 seconds for approximately one minute. Data are logged and later downloaded for processing.

Winter sampling runs are typically performed at three times during a spatial monitoring campaign: morning (7-9am), wood burner start-up (4-6pm), and evening (8-10pm). Results from all runs are averaged to develop a representative picture of particulate concentrations across the town.

3.2 Alexandra

In Alexandra, 20 locations were chosen to provide representative spatial coverage of the town (Figure 1). Sampling was performed in early August 2014³. Measurements from the SoE monitoring site (location indicated by the red dot) taken during the spatial study indicate that average daily PM₁₀ values on those days were: 47, 47, and 19µg/m³ – all under the NESAQ threshold concentration of 50µg/m³.

Results of sampling (Figure 1) indicate that, on average, the central residential area of town experiences the highest PM₁₀ levels. These results corroborate the outcomes of earlier spatial work done in Alexandra by both the National Institute of Water and Atmospheric Research (NIWA)⁴ and Geological and Nuclear Sciences (GNS)⁵.

³ 4-6 August, 2014.

⁴ NIWA 2008. *The development of a mobile monitoring system to investigate the spatial variation of air pollution*, Prepared for Foundation for Research Science and Technology, Christchurch.

⁵ GNS 2013. *Particulate Matter Sources on an Hourly Time-Scale in a Rural Community During the Winter*, Lower Hutt.

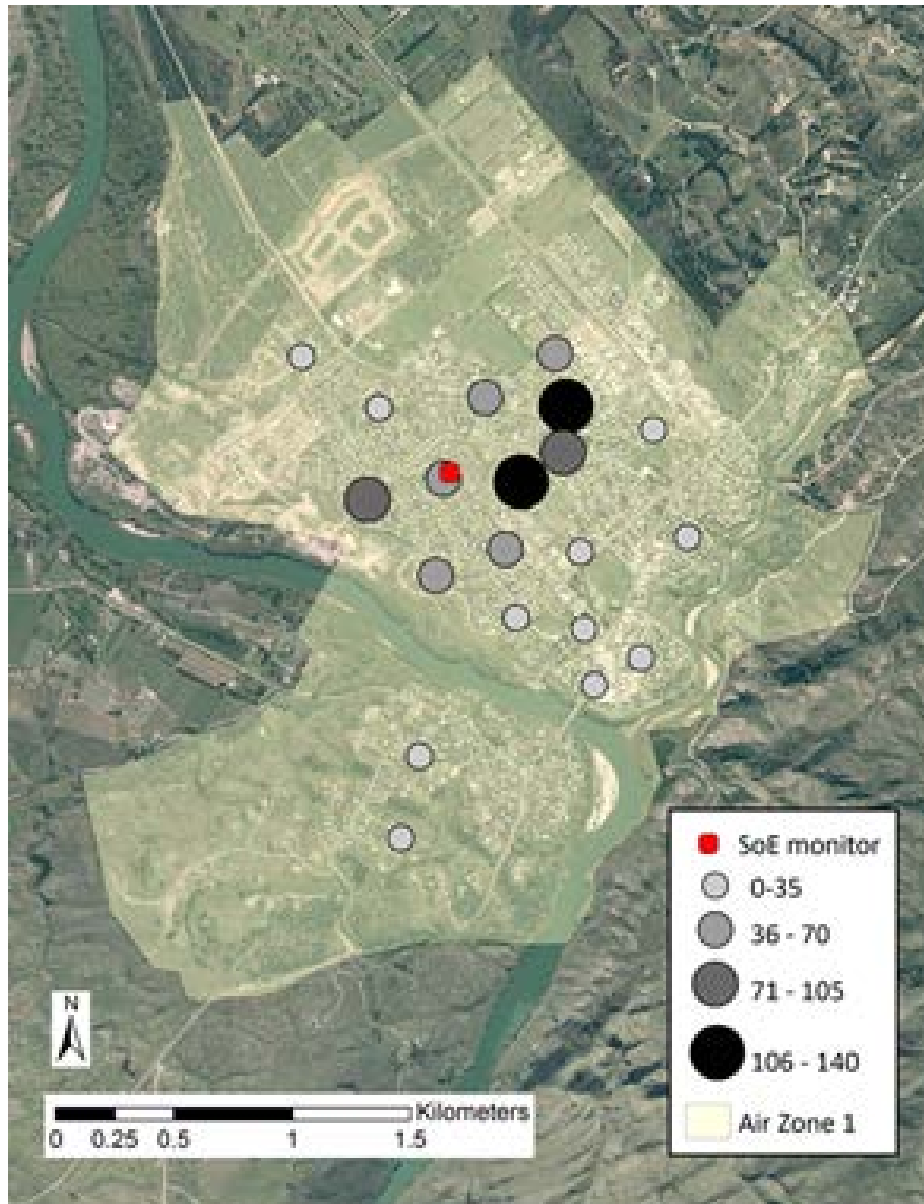


Figure 1. Overall average PM₁₀ results for Alexandra in August 2014. The highest PM₁₀ levels are shown with larger, darker circles. State of the Environment (SoE) monitor is shown with the red dot. Air Zone 1 is shown as lightly shaded.

3.3 *Cromwell*

Mobile PM₁₀ sampling was performed at 20 sites over two winter nights and mornings during 2014⁶ when weather conditions were calm, cold and clear.

The overall average result (Figure 2) indicates that the older section of town generally has higher PM than outlying areas. This is due, in part, to a higher density of older homes in the central portion of town. This area is shown within the red border.

⁶ 2-4 August, 2014.

Presumably, homes in the more outlying areas built since 2005, would have wood burners compliant with the Air Plan rules requiring an emission rate of no more than 0.7g/kg of fuel burnt with an efficiency rating not less than 65%.

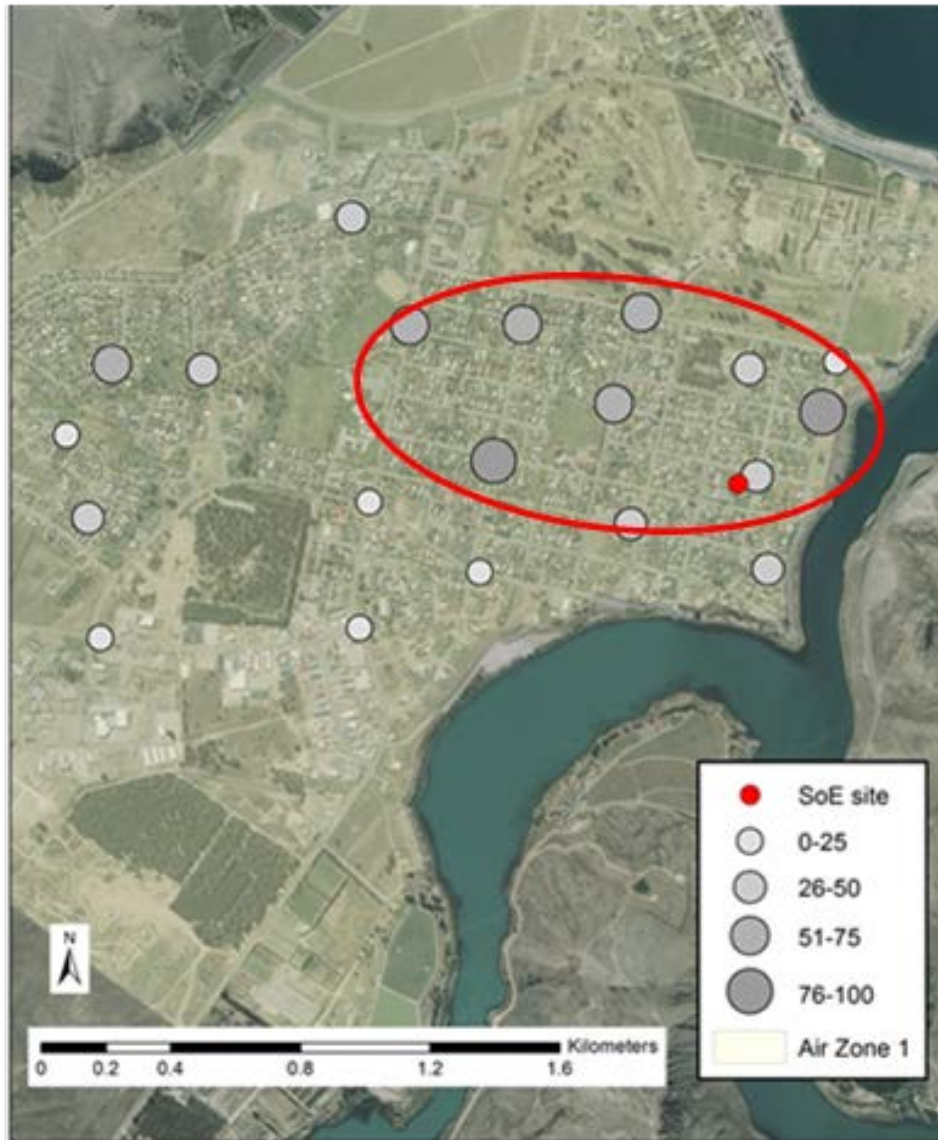


Figure 2. Overall average PM₁₀ for Cromwell. The area within the red border consistently had the highest PM levels.

One of the individual sampling runs was performed during a hard frost on the morning of 4 August. The measurements are reflective of the morning “start-up” of household fires. A strong temperature inversion was present with temperatures below freezing.

Figure 3 indicates that the central portion of town had the highest concentrations of PM₁₀, with the SoE monitor located in one of the most affected areas. Gentle nocturnal drainage winds likely add to the accumulation of particulates in areas of lower elevations.

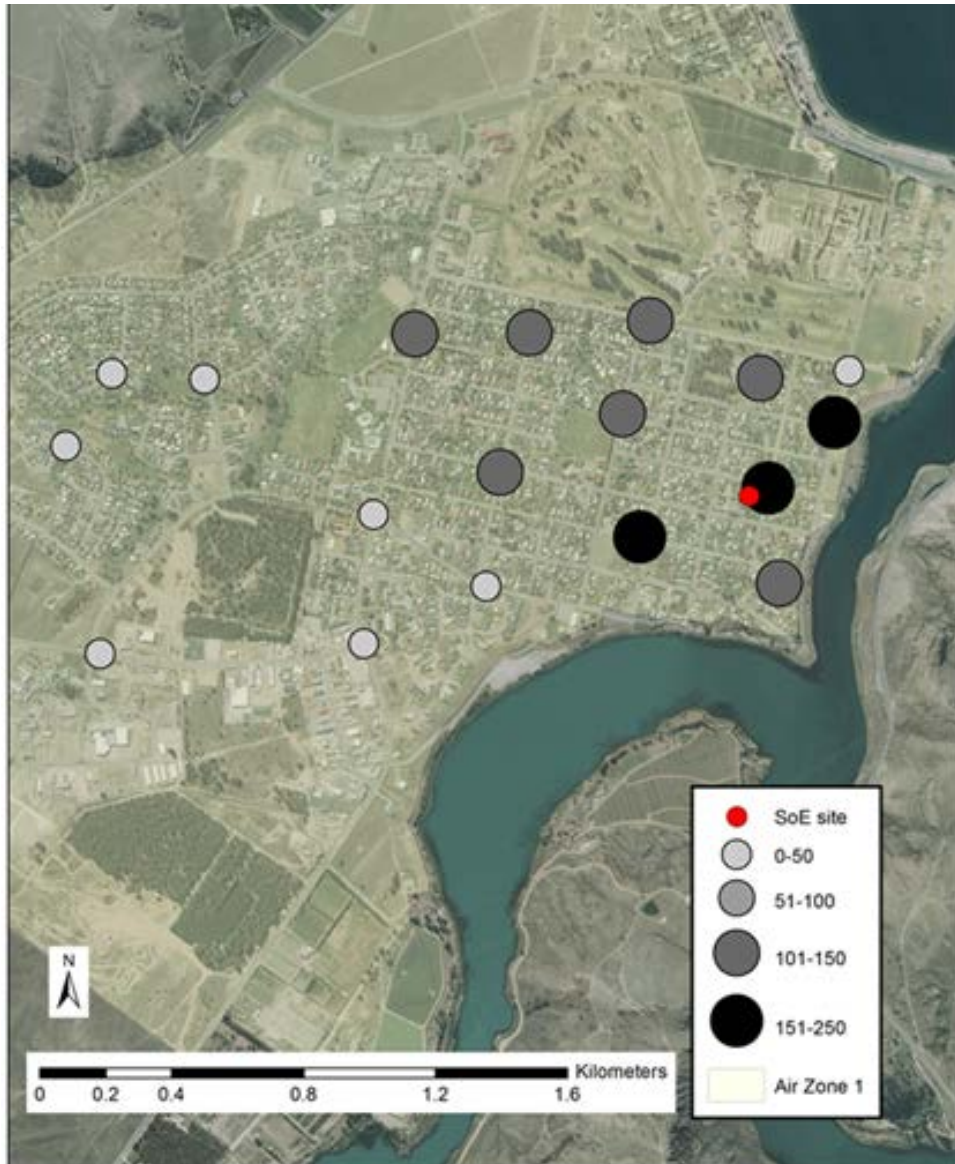


Figure 3. Sampling results from the morning of 4 August 2014.

4. Conclusions

The Alexandra and Cromwell PM₁₀ monitors are located appropriately and do generally reflect the higher levels of particulate in each town.

The highest particulate levels are found in areas with older housing where emissions will be densest.

5. Recommendations

1. That the results from this report be used to inform the monitoring component of any new air quality management strategy.
2. That this report be noted.

Gavin Palmer
Director Engineering, Hazards and Science

REPORT

Document Id: A736289

Report No: 2015/0780

Prepared For: Technical Committee

Prepared By: Gavin Palmer, Director Engineering, Hazards and Science

Date: 8 April 2015

Subject: Director's Report on progress

1. Leith Flood Protection Scheme

Enabling works (services relocation) in the Dundas Street to St David Street (Montgomery Avenue) reach have been completed. Details of the flood mitigation works in this reach are being finalised with those works to be undertaken during 2015/16.

2. Shotover Delta Target Profile

Arrangements have been made for Shotover Country Ltd (SCL) to utilise the consents held by ORC to extract gravel from the Shotover Delta. SCL intend extracting approximately 250,000 cubic metres of gravel by August, for the purposes of constructing building platforms within the Shotover Country subdivision to the east of the delta.

The extraction will help achieve the target profile for the delta and improve its sediment buffering characteristics. This is in keeping with the management approach previously agreed to by Council.¹



Figure 1: Shotover Delta view from Remarkables trig on 24 March 2015. (Photo courtesy of Dawn Palmer, Qtn)

¹ *Shotover Delta Training Works*, report to Otago Regional Council Engineering and Hazards Committee, Report No. 2008/411, August 2008.

3. Low Flow Event

Maps of the Standardised Precipitation Index (SPI) for the 3-month period to the end of April indicate that rainfall over this period has been at or above normal levels (Figure 2a). Similarly, a map of the 6-month SPI shows that rainfall in most areas was near normal over the 6-month period to the end of April, with some dry or very dry areas persisting in the Strath Taieri, upper Manuherikia and North Otago (Figure 2b).

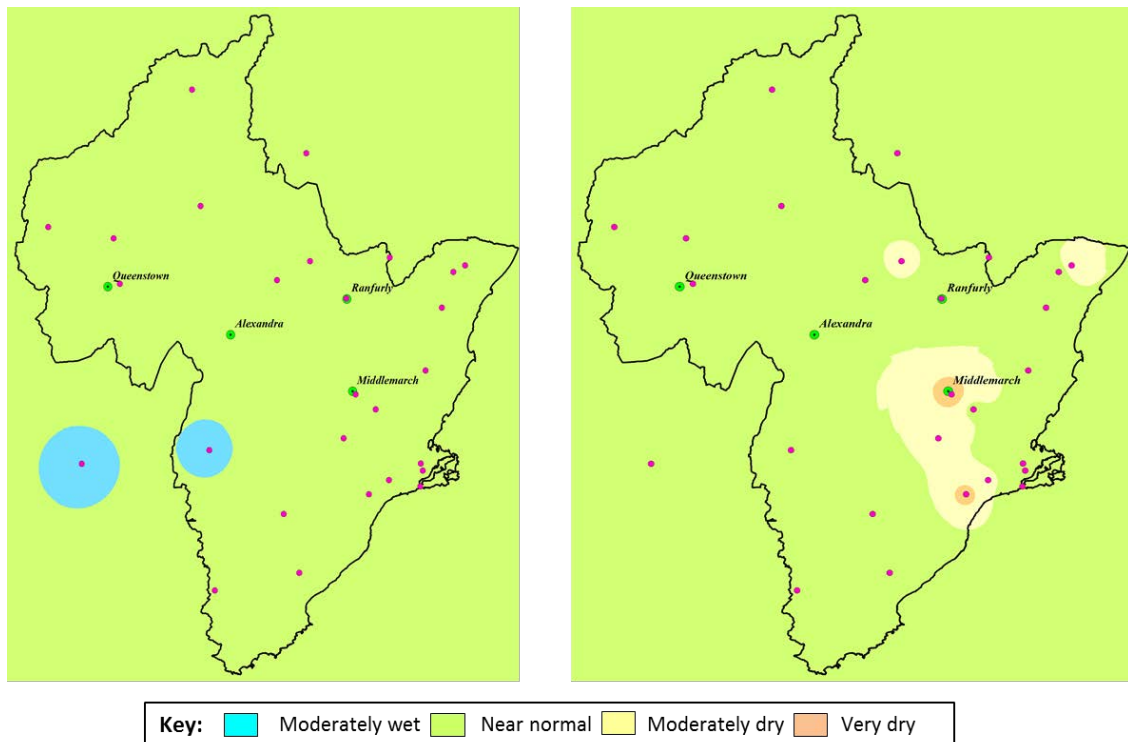


Figure 2 Standardised Precipitation Index for a) the 3-month period and b) the 6-month period to the end of April 2015

Ecological information gathered during the recent low flow event is being collated for future use. Some targeted observations are being made to improve knowledge of how Otago's river ecosystems respond to these types of events.

Measurements of water levels within the Kauru River near Kinimont Ford and sampling of algae within Falls Dam reservoir are continuing.

4. Recommendation

That this report is noted.

Gavin Palmer
Director Engineering, Hazards and Science

OTAGO REGIONAL COUNCIL**Agenda for a meeting of the Communications Committee to be held in
the Council Chamber, 70 Stafford Street, Dunedin on
Wednesday 22 April 2015 following the
Technical Committee meeting****Membership:**

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

Apologies:**Leave of absence:****In attendance:**

Please note that there is an embargo on agenda items until 8.30 am on Monday 20 April.

CONFIRMATION OF AGENDA**PUBLIC FORUM****MINUTES**

The minutes of the meeting held on 11 March 2015, having been circulated, for adoption

Matters arising from minutes

FOR NOTING

Item 1
2015/0828 **Stakeholder Engagement Report.** DSE,

Reporting on community, stakeholder and staff engagement activities carried out by Stakeholder Engagement directorate staff since the last meeting.

OTAGO REGIONAL COUNCIL**Minutes of a meeting of the Communications Committee held in the
Council Chamber, 70 Stafford Street, Dunedin on
Wednesday 11 March 2015 commencing at 12.22 pm**

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

Apologies: Cr Gerrard Eckhoff
The apology was accepted on the motion of Crs Shepherd
and Woodhead.

In attendance: Peter Bodeker
Wayne Scott
Jane Leahy
Fraser McRae
Gavin Palmer
Janet Favel

CONFIRMATION OF AGENDA

There were no changes to the agenda.

MINUTES

The minutes of the meeting held on 28 January 2015, having been circulated, were adopted on the motion of Crs Deaker and Bell.

Matters arising from minutes

There were no matters arising from the minutes.

FOR NOTING

Item 1

2015/0781 **Stakeholder Engagement Report.** DSE, 19/2/15

The report described community, stakeholder and staff engagement activities carried out by Stakeholder Engagement directorate staff since the last meeting.

It was noted that a recent survey showed that 78% of rural landholders were aware of water quality rule changes, and there was concern that 20% did not have this awareness. Mrs Leahy commented that the 78% was higher than expected, given that farm visits had not yet been carried out, and she noted the information provided in other media including Water Lines. The survey also showed how people have got their information.

The packs distributed at the recent forestry wokshop were commended and it was suggested these be circulated to Councillors.

Cr Shepherd moved
Cr Deaker seconded

That the report be noted.

The meeting closed at 12.33 pm.

Chairperson

REPORT

Document Id: A750221

Report Number: 2015/0828

Prepared For: Communications Committee

Prepared By: Director Stakeholder Engagement

Date: April 2015

Subject: **Communications Committee – Report April 2015**

This report records stakeholder engagement activity between 23 February and 31 March.

1. Water Quality

Implementation strategy

There has been some feedback regarding the water quality implementation strategy. An area receiving particular attention relates to who will provide education and advice to landholders. The executive team is reviewing the strategy and how it describes the roles of council and industry and will assess whether any changes in approach are required. We hope to have this completed in April.

Project management structure

Work has progressed on the development of an enhanced project management structure for all major cross-directorate projects in the Long Term Plan, including water quality implementation.

The water quality project structure will be implemented urgently over the next month with other projects to follow. In the meantime, staff are delivering water quality tasks as per the annual plan and the detailed implementation plan.

Implementation delivery

The most significant work over this period has been in supporting third-party advisers by attending their events and by responding to questions. As these industry adviser groups become more educated about the rules, we are seeing them more confidently taking the lead on, in turn, educating landholders.

Events that we have spoken at include:

- Central Otago dairy discussion group
- Sustainable Farming Fund dairy support project
- Ida Valley farm discussion group
- Last Chance Irrigation Company meeting
- North Otago A & P show
- North Otago efficient irrigation field day
- Dairy NZ enviroready days in Clinton and Clarendon

- Dairy NZ Overseer workshops in Balclutha and Mosgiel
- Dairy expo in Clydevale.

More than 200 landholders and industry representatives were spoken to during these events.

An additional 100 people attended the following events run by council:

- Forestry forum in partnership with Otago forestry companies
- Rural professionals workshops run for consultants wanting to be educated on the rules
- External technical liaison group meeting
- Meetings with North Otago Irrigation Company and Waitaki Irrigators Collective to develop implementation activities as per MOUs
- Establishment of an external technical Overseer® group
- Councillors' field trip.

The external technical liaison group is made up of manager representatives from Federated Farmers, Fonterra, Dairy NZ, Deer NZ, Beef and Lamb NZ, Abacus Bio, Waitaki Irrigators, and North Otago Irrigation Company. The group has met three times since PC6A became operative to discuss all aspects of implementation including questions and suggestions. The members of this group provide a key link to the wider group of third party staff who have regular farmer contact.

The Overseer® technical advisory group is comprised of representatives from Dairy NZ, the fertilizer companies, Beef and Lamb NZ, The Foundation for Arable Research, and Horticulture NZ. This group has been established to work on practical issues relating to the application of Overseer® within the water quality rules.

Field staff have received training in the water quality rules and the fact sheets were used as key resources for this training, which included getting alignment on defining what a river is.

All other non-field staff will have the chance to undertake training in water quality in April and May. The objective is that they will be able to confidently talk about the basics of the water quality rules informally with any external audience, whether whilst doing a farm awareness visit or attending a barbeque.

2. Water Quantity

Water shortages

The last advisory to the Taieri community on the low flow situation was sent in early March, ending over six weeks of regular email communication.

Plan Change 1C

Work is continuing on establishing an integrated council-wide approach to Plan Change 1C. This includes reviewing what we learnt during the water shortage event.

The 1C team is participating in a facilitated session using theory of constraints thinking methodology as part of developing more a robust plan for implementation.

3. Land, Biodiversity and Biosecurity

Nothing to report.

4. Air Quality

Nothing to report.

5. Hazard and Risk Mitigation

Flood protection and land drainage schemes

We have organised public information sessions as part of the draft Long Term Plan process on the flood protection and land drainage schemes on the Clutha at the Mosgiel War Memorial Hall (21 April), and Taieri at the Mosgiel Coronation Hall (23 April).

6. Regional Land Transport

We have done preliminary editing, layout and design of the Otago and Southland Regional Land Transport Plans, and of three interim reports summarising analysis of road safety statistics in Otago-Southland. These were due, at the time of writing, to be considered by the Otago and Southland Regional Land Transport committees at a meeting in Alexandra on April 13.

7. Statutory Responsibilities

The majority of the Long Term Plan communications strategy was implemented during this period including:

- Pre-consultation media releases
- Consultation document design
- Website with online submission
- Launch meetings to invited stakeholders

We are reviewing progress throughout the consultation period so adjustments to the plan can be made. However, there will be a full review done at the completion of the LTP process where we will capture areas for improvement.

8. Customers and Stakeholders

External engagement

Our ability to communicate with Otago people and engage them in providing input and feedback, so that they have an increased participation in decision making, is dependent on our ability to be able to reach them.

Email contact is one method of doing this, which is fast and cost effective and a good fit for seeking feedback on some issues.

However, we have not had a system in place for collecting emails in a way that complies with the Privacy Act. We are now actively including a consent process so that we will build a data base of email addresses of people who have given their consent to receive information from us.

We have used the new rates email application form and the online Long Term Plan submission form to ask people to indicate if they would like to receive other communication from us via email.

Internal engagement

Managers and directors attended an off-site workshop designed to achieve an understanding of:

- Otago Regional Council direction
- Our values (from the strategic plan), what they mean and their role in influencing how we work
- Our enabling functions.

We requested feedback from attendees and the executive team will review this and other outputs before deciding what follow-up action will occur.

9. Public Communications

Media activity

ORC received 69 print media mentions and seven broadcast media mentions over the period from 24 February to 31 March. Topics covered included the Draft Long Term Plan, the Otago/Southland Regional Transport Plan, Wallaby control, drought, and water quality.

Seven media releases, nine water shortage advisories, and three bus service advisories were issued over this report period.

Four replies were sent to Letters to the Editor (ODT), including: two by the manager support services (Dunedin bus hub, and child bus fare IDs); one by the director environmental monitoring and operations (lagarosiphon control in Lake Dunstan); and one by the chief executive (land use intensification and ORC's role).

Social media

We made 16 posts on Facebook, and 16 Tweets on Twitter.

Subjects covered or posted on council's social media accounts included: Long Term Plan, bus service updates, Queensland fruit fly eradication, water management, RLTP submissions, Maniototo Irrigation Company anniversary, and Waterlines.

Web development and traffic summary

Updates are made daily to the ORC website. Altogether, 128 changes were made during this period.

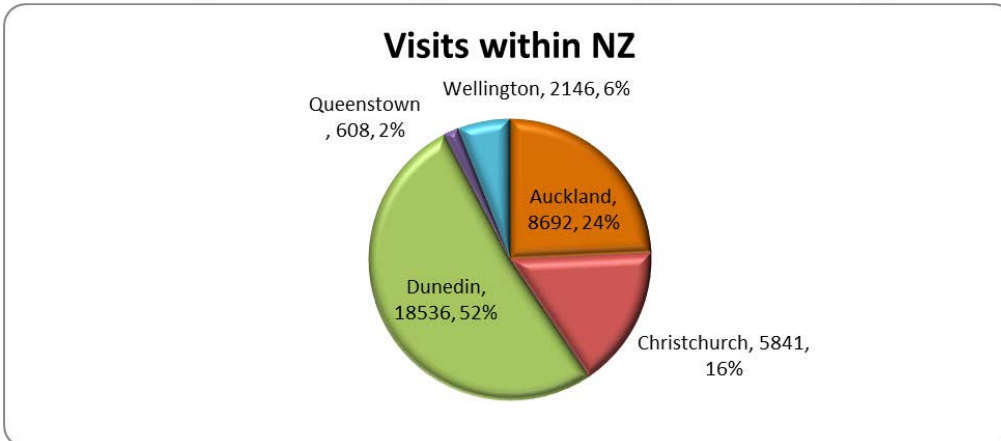
A number of updates have also been made during the period to the LAWA website. ORC now regularly updates the data for five coastal sites and six freshwater sites. We are also recording our weekly rainfall and river flow data as well as any water-related media releases and news.

With the Long Term Plan microsite up and running we have a number of ways to link to this from our ORC website – links from four different locations within our website have been established.

The draft Otago Southland Regional Land Transport Plan 2015-2021 submissions closed on Friday 6 March. We have added the 217 submissions onto the website for people to view. Along with the submissions, we have also added a small news video clip which features an interview on the panel's deliberations.

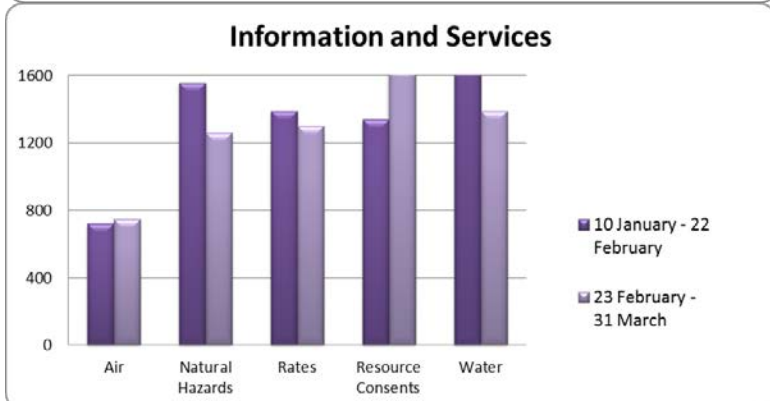
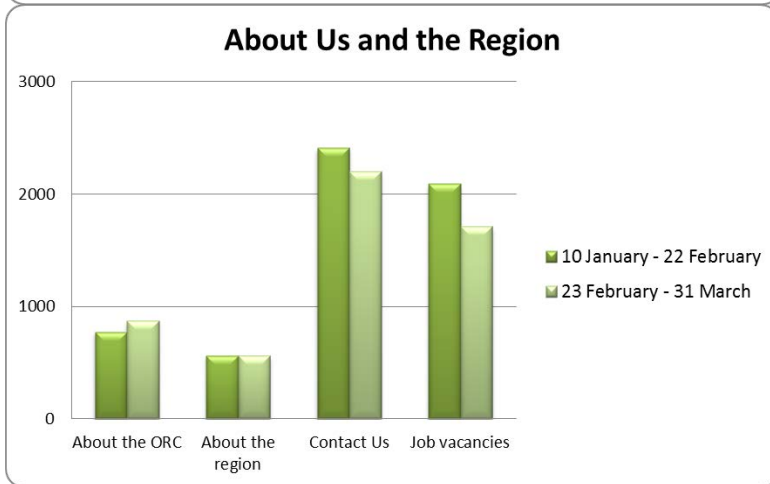
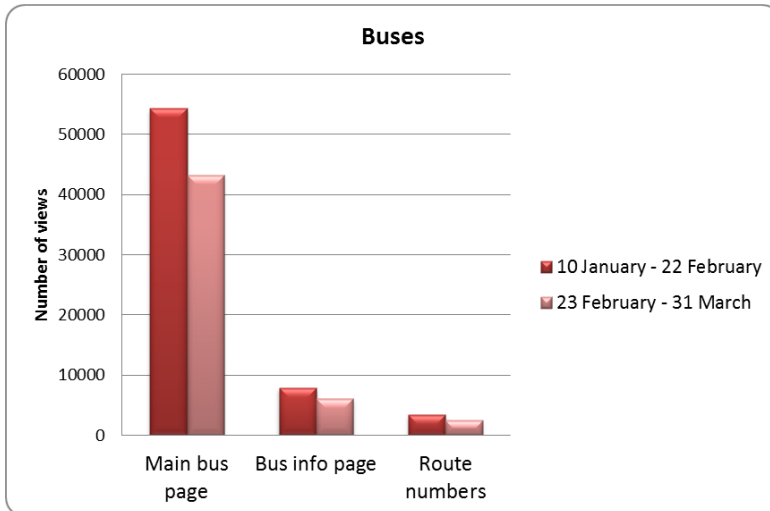
Daily visits to the ORC Website

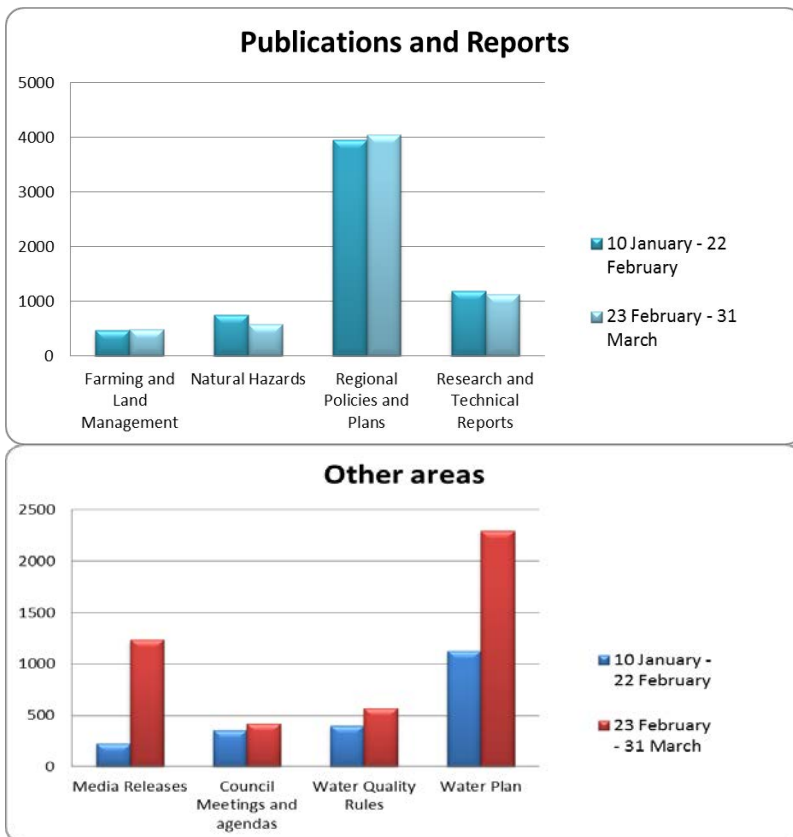
During this period there were 38,800 visits to the ORC website from New Zealand, 723 from Australia, and 515 from the United States.



Average number of page views per visit was 3.09 and the top two downloads were the new bus timetable (2,966) and Job Vacancy PDF for an Environmental Officer (234).

Analysis of webpages viewed





10. Recommendation

That this report is noted.

Jane Leahy
Director Stakeholder Engagement

OTAGO REGIONAL COUNCIL**Agenda for a meeting of the Finance and Corporate Committee
to be held in the Council Chamber, 70 Stafford Street, Dunedin
on Wednesday 22 April 2015 following the
Communications Committee meeting**

Membership:

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

Apologies:

Leave of absence:

In attendance:

Please note that there is an embargo on agenda items until 8.30 am on Monday 20 April.

CONFIRMATION OF AGENDA

PUBLIC FORUM

MINUTES

The minutes of the meeting held on 11 March 2015, having been circulated, for adoption.

Matters arising from minutes

PART A - RECOMMENDATIONS

Item 1

2015/0875 **Elected Member Remuneration.** DCS, 14/4/15

The report notes that the Remuneration Authority has undertaken its review of elected member remuneration for the 2015/16 period and has requested confirmation of the Council's information.

Item 2

2015/0871 **8 Month review to 28 February 2015.** DCS, 13/4/15

The report summarises the project progress for the eight months to 28 February 2015. The full report is circulated separately with the agenda.

Item 3

2015/0877 **Director's report.** DCS, 14/4/15

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

PART B EXCLUSION OF PUBLIC

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:

	General subjects to be considered	Reason under LGOIMA for passing this resolution	Grounds under S.48 for the passing of this resolution
Item 4	RFT2015-1 Unit 5 - Southern Routes Tender delegated approval	To enable the body holding the information to carry on, without prejudice or disadvantage, negotiations	S.48(1)(a)(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.

OTAGO REGIONAL COUNCIL**Minutes of a meeting of the Finance and Corporate Committee
held in the Council Chamber, 70 Stafford Street, Dunedin
on Wednesday 11 March 2015 commencing at 10.00 am**

Present:

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

Apologies:

Cr Gerrard Eckhoff
The apology was accepted on the motion of Crs Kelliher and Bell.

In attendance:

Peter Bodeker
Wayne Scott
Jeff Donaldson (to end Item 5)
Jane Leahy
Fraser McRae
Gavin Palmer
Janet Favel

CONFIRMATION OF AGENDA

There were no changes to the agenda.

MINUTES

The minutes of the meeting held on 26 November 2014, having been circulated, were adopted on the motion of Crs Croot and Deaker.

It was suggested that the Chair write to ORC's former ODT reporter Rebecca Fox thanking her for her thoroughness, accuracy, and professional approach. Cr Woodhead undertook to write accordingly.

Matters arising from minutes

There were no matters arising from the minutes.

PART A - PRESENTATION

Item 1 **Port Otago Limited Interim Report for the six months ended 31 December 2014.**

Port Otago Ltd Chairman Dave Faulkner and Chief Executive Geoff Plunket presented the group's interim report for the six months to 31 December 2014. The report was circulated to Councillors. Mr Faulkner further explained the six months' activities:

- Group tax paid profit of \$22m.
- Underlying operating profit up 27% to \$8.2m.
- After tax profit of \$13.8m from the sale of LPC.
- Equity ratio increased to 80%.
- Interim dividend of \$3.25m paid February 2015.
- H&S – 1 LTI, increase in MTI frequency rate. LTI freq rate is trending down.
- Revenue up 11%, operating profit up 7%, EBITDA increase 4%, profit from sale of LPC shares \$14.2m, profit for period 286%.
- Trade – export/import similar to previous year; container volume -4%; conventional cargo increase 8%; log exports up 6%, vessel arrivals up by 2 to 235.
- Cruise ships – 30 vessels to 31 December (25 last year). 80 cruise vessels booked for season. Same number of vessels next season, increase of 15% in passenger numbers.
- Staff – 296 permanent staff, 3 year collective agreement signed, continued high level of staff engagement to improve H&S and higher productivity.
- Port development – capex \$3.2m – final tug payment, paving of Fryatt Street log storage yard. Two older tugs (40 years old) sold.
- Channel deepening – final decision expected shortly; range of channel deepening associated projects, including berth deepening and extension of the multi-purpose wharf.
- Chalmers Properties – 96% occupancy rate across Auckland and Dunedin portfolio.
 - Dunedin - CHEP industrial development (\$3.5m) completed at Sturdee Street, Dunedin. New building in an old area, may encourage more development in the area.
 - Auckland - property near Manukau Mall, and a café in the mall carpark. Sale of Dalgety Drive, Auckland – didn't fit investment profile.
 - Hamilton – completed partition agreement with JV partner in Hamilton to consolidate land holdings; CPL has control of the industrial land east of the motorway; obtaining consents for the full development.
- Group financial position – total assets \$455m and debt reduced, both affected by sale of LPC shares.
- Outlook – continued good performance from diverse Port Otago Group; key decisions on channel deepening to be made over next month (important to have deep port to service needs of shipping lines); focus on progressing Hamilton land development.

Councillors commended the Board on very good financial results, a human approach to management, and a good relationship with the Port community. In response to a question about investment subsequent to the completion of the Hamilton land development, Mr Faulkner advised that the Board was constantly on the lookout for the right opportunity for investment.

Comment was made on the value to the Port and Otago of strategic development. Mr Faulkner commented that currently the company's main focus was on the channel deepening work, which was of importance to the Region. There would be consideration of further development once that work was nearing completion.

In response to a question Mr Faulkner advised that there had not been a significant impact from the Kotahi Maersk deal, and he confirmed that Port Otago was still transporting freight by train from South Canterbury.

Mr Faulkner explained in response to a question that the overall debt reduction strategy would be discussed at the Board's next meeting. The completing of the consenting work for the Hamilton land would provide a better cash flow.

Mr Faulkner and Mr Plunket left the meeting.

PART B - RECOMMENDATIONS

Item 2

2015/0798 **Report of the Audit and Risk Subcommittee.** DCS, 2/3/15

The report summarised the 25 February meeting of the Audit and Risk Subcommittee and submitted the Subcommittee's recommendations for endorsement. The full Health and Safety Review was circulated separately with the agenda.

Mr Scott explained that the draft risk management strategy discussed at the Subcommittee meeting would formalise the Council's risk management. Once the strategy was endorsed, it would be populated in terms of Council's risk. Comment was made that the biggest single risk was losing the revenue stream from Port Otago Ltd. Mr Scott advised that that issue had been discussed at the meeting, and he noted the Port had in its favour diversification of risk, and a strong balance sheet.

The role of the Audit and Risk Subcommittee in recommending the adoption of strategies was queried. Mr Scott advised that the Subcommittee Chair had noted the recommendation that the strategy be endorsed, but considered that this should be strengthened to 'recommend for adoption'. Attention was drawn to the agreed Terms of Reference for the Subcommittee, and it was noted that any Councillors could attend meetings of the Audit and Risk Subcommittee.

The full report on the Health and Safety Review was noted and the Council's procedures to ensure safety of staff were commended. A question was raised as to whether Council had H&S responsibilities for bus service employees. Mr Scott advised that bus companies were being contacted to ensure access to toilet facilities was available for drivers, and noted that the proposed new bus hub planning included toilet facilities.

It was noted that the consultant who had carried out the review considered that the ORC had a good H&S culture. It was pointed out that the Council needed to be conscious of pressures that would come on the CE in terms of his exposure to H&S through the new legislation. It was important that Council had documentation relating to H&S procedures and equipment.

The point was made that Council's first priority should be safety, followed by cost and legislative compliance. It was considered that the Audit and Risk Subcommittee should demonstrate that there were high levels of compliance, rather than counting accidents. Near misses and the trend of near misses should also be reported. A query was raised about personal responsibility, and it was pointed out that this should be covered in individual conditions of employment.

It was noted that a significant amount of work was needed to be able to show that the H&S plan was being implemented and that procedures were in place to ensure the safety of staff. The Chief Executive advised that there was provision in the LTP for a part-time H&S staff member, who would be responsible for training, monitoring and reporting. He also noted that under the new legislation, elected members had no liability.

A concern was expressed about the physical environment for staff, including lighting, air conditioning, heating and space.

Mr Bodeker advised in response to a question that staff were investigating procedures for double teaming for field work.

It was suggested that the minutes of Audit and Risk Subcommittee meetings be presented to the Finance and Corporate Committee for noting. Mr Scott explained that timing constraints meant this had not been possible on this occasion.

Cr Woodhead moved
Cr Kempton seconded

- (1) *That the report of the Audit and Risk Subcommittee be received.*
- (2) *That the Draft Financial Strategy be adopted.*
- (3) *That the Draft Infrastructure Strategy be adopted.*

Motion carried

Item 3

2015/0802 **Financial and Infrastructure Strategies.** DCS, 3/3/15

The report explained that the Local Government Act required Council to prepare and adopt, as part of its Long Term Plan, a Financial Strategy and an Infrastructure Strategy, and both strategies were presented for adoption. The strategies were circulated with the agenda.

The funding sources were noted (reserves, investment income, fees and charges, grants, targeted rates, and general rates), and it was felt this mix was fair and reasonable. It was felt that the proposed increases in targeted and general rates were appropriate.

Mr Scott pointed out that in some cases reserves that had been accumulated for specific purposes were to be used for those purposes. He also noted that the ten year strategy had to be inflation adjusted, so a lot of movement was inflation, not changes in activity levels.

It was suggested that the targeted rate be split to show new and existing activities.

It was suggested that ratepayers should be made aware that the general rate supported only 15% of the Council's activities, and that there were risks as well as benefits in the ownership of Port Otago Ltd. Attention was drawn to the fact that 59% of revenue came from sources other than rates, and the Port's strong balance sheet and diversification were noted.

Comment was made that while the ORC was exposed to risk from POL, the POL Board and staff worked very well, and the operation was a relatively low risk compared to other industries.

Cr Brown moved

Cr Kempton seconded

- 1. That the Financial Strategy be adopted for consultation purposes.*
- 2. That the Infrastructure Strategy be adopted for consultation purposes.*

Motion carried

Item 4

2015/0797 **2015-25 Long Term Plan Consultation Document.** DCS, 2/3/15

The report explained that changes to the Local Government Act meant that Council no longer prepared a draft Long Term Plan (LTP) for consultation purposes, but instead prepared a consultation document. Following the consultation process, an LTP would be presented to council for adoption in June. A consultation document had been prepared and was circulated with the report, for consideration and approval by the Finance and Corporate Committee.

Mr Scott circulated two documents: a list of key changes to the consultation document since it was distributed to Councillors, including a map showing a new proposal for dairy monitoring targeted rates; and the draft layout of the consultation document. He advised that audit clearance had been given for the consultation document. Mr Scott acknowledged the work by Sharon de Vries, corporate Analyst, in preparing the consultation document and the report to the Committee.

Cr Deaker moved

Cr Croot seconded

1. That the significant changes to the Revenue Policy be adopted for consultation purposes.

Motion carried

In response to a question about the dairy farm inspection targeted rate, Mr Scott explained that there were legislative difficulties in applying the initial proposal so a different model had been applied. It was possible that a rebate system could be introduced in the future.

In response to a further question about the dairy farm inspection targeted rate, the Chief Executive confirmed that the implementation programme was based on mediation outcomes. He explained that mediation did not discuss how the outcomes were to be implemented, this was based on decisions of Council.

A concern was raised at the statement in the document that mining privileges allowed landholders “to take unlimited water”, and comment was made that this statement was misleading and farmers took accurately measured volumes of water. Mr Scott explained that the statement meant their right, not their practice, and the item would be amended for clarity. This change could be made without requiring further discussion with auditors.

It was noted that there was concern among farmers about working with industry stakeholders to meet the 6A requirements.

In response to a question Mr Bodeker advised that a consultation plan had been drawn up, and there would be a microsite on the ORC website relating to the consultation document only. This would include a facility for people to find out their proposed rates.

The use of the word ‘contamination’ in relation to air was noted, and it was suggested that the term ‘pollution’ (as used by the ORC) or ‘air quality’ (as in the PCE’s report) be used.

It was noted that the submission form should refer to the LTP consultation document.

Mr Woodhead moved
Cr Deaker seconded

2. *That the consultation document be adopted for consultation purposes, subject to any minor editorial amendments.*
3. *That it is financially prudent to have operating deficits for the first two years of the LTP.*
4. *That submissions on the consultation document close on 4 May 2015, and that hearings will be held during the week commencing 11 May 2015.*

Motion carried

A hearing subcommittee comprising Crs Woodhead, Shepherd, Croot, Kempton, Neill, Bell and Brown was suggested, with Crs Deaker and Scott as reserves. Cr Neill advised that he was not available the week of 11 May, and considered that LTP hearings should be included in the schedule of meetings for the year. Cr Deaker was nominated in his place.

Cr Woodhead moved
Cr Shepherd seconded

5. *That a hearing subcommittee be appointed comprising Crs Woodhead, Shepherd, Croot, Kempton, Deaker, Bell and Brown, with Cr Scott as reserve.*

Motion carried

PART C – ITEMS FOR NOTING

Item 5
2015/0800 **Public Transport.** DCS, 2/3/15

The report provided an update on various work streams being undertaken in relation to the public transport networks in Dunedin and the Wakatipu Basin.

Comment was made that the route number and destination on some of the older buses was hard to read.

There was favourable comment on progress on the central city bus hub, and it was hoped consideration would also be given to an Intercity service component.

Cr Kempton moved
Cr Deaker seconded

That this report be received.

Motion carried

Item 6
2015/0799 **Director's report.** DCS, 2/3/15

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

Cr Croot moved
Cr Neill seconded

(1) *That this report be received.*

(2) *That the payments and investments summarised in the table above and detailed in the tabled schedule totalling \$17,529,316.13 be endorsed.*

Motion carried

Cr Shepherd acknowledged the work of Mr Scott and staff on the LTP and the strategies presented to this meeting.

The meeting closed at 12.02 pm.

Chairperson

REPORT

Document Id: A765254

Report Number: 2015/0875

Prepared For: Finance and Corporate

Prepared By: Director Corporate Services

Date: 14/4/2015

Subject: **Elected Member Remuneration**

1. Précis

The Remuneration Authority has undertaken its review of elected member remuneration for the 2015/16 period and has requested confirmation of the Council's information.

2. Background

The Remuneration Authority has advised it has reviewed the remuneration to elected members, with a view to issuing a determination in June for the 2015/16 year.

The Authority provides for the remuneration level to be supplemented by up to 1.5 times a base councillor remuneration to provide for recognition of roles carrying additional responsibilities. The current Council structure will be automatically confirmed by the Authority unless the Council wishes to amend the current arrangements, in which case an application for change, supported with full work descriptions, is received prior to 30 April 2015.

3. Process for Adjustment

The Remuneration Authority has advised that the remuneration levels arrived at for 2015/16 have been established by:

- Reassessing each Council's size index;
- Applying the adopted relationship between size indexes and remuneration with an allowance for general levels of wage growth;
- Addressing any large increases/decreases;
- Ensuring no reductions from present levels.

4. Remuneration Assessment

The Remuneration Authority has advised of its assessment as follows:

	Factor	2015/16	2014/15	% Change
Chairperson		122,300	119,200	
Value of vehicle private use		5,124	5,124	
Net Salary		117,176	114,076	2.7
Deputy Chairperson	1.4	65,240	62,020	5.2
Committee Chairperson	1.2	55,920	53,160	5.2
Councillor	1.0	46,600	44,300	5.2
Regional Plan Review meetings		13,980	13,290	

5. Remuneration 2016 Onwards

The Authority has advised of a review of the components of the remuneration setting for elected members for the 2016 elections.

6. Expenses and Allowances

There is no requirement for Councils to reconsider the approved expenses and allowances policy.

7. Recommendation

- (1) That this report be received.
- (2) That the Council's remuneration structure be confirmed.
- (3) That the Director Corporate Services provide the appropriate documentation to the Remuneration Authority.

Wayne Scott
Director Corporate Services

REPORT

Document Id: A764785

Report Number: 2015/0871
 Prepared For: Finance and Corporate
 Prepared By: Projects Manager
 Date: 13 April 2015

Subject: **8 Month review to 28 February 2015**

1. Précis

Formal reviews of progress on all projects are undertaken at four, eight and 12 months, and reported to Council. These reports form part of each year's Annual Report. This report summarises the project progress for the eight months to 28 February 2015.

2. Background

Council's Annual Plans and Long Term Plan's include levels of service to be met for the significant activities undertaken by Council, and the "key" performance targets for each of those projects within each significant activity. Progress in achieving those targets is reported against in each year's Annual Report.

The full report showing financial and non-financial results compared with the Annual Plan levels of service, key performance targets and budgets for the eight months to 28 February 2015 is circulated with the agenda.

3. Financial Information

Individual financial information for each project is included in the separate report. A summary of the outcome group activity information compared with estimates is scheduled below:

Expenditure

	Actual to 28 Feb \$000s	Budget to 28 Feb \$000s	Variance () = unfavourable	Budget to 30 June 15
Air Quality ¹	293	501	208	753
Emergency Management	163	276	113	415
Environmental Incident Resp.	679	636	(43)	961
Flood Protection & Control ²	4,798	6,201	1,403	7,983
Governance & Community	2,317	2,411	94	3,618
Land ³	1,189	1,699	510	2,514
Natural Hazards	564	690	126	1,040
Policy ⁴	721	598	(123)	899
Regulatory ⁵	1,590	2,065	475	3,115
Rivers & Waterway Mgmt ⁶	781	659	(122)	986
Transport ⁷	6,129	7,067	938	11,119
Water ⁸	3,244	3,441	197	5,187
Total	22,468	26,244	3,776	38,590

Revenue (excluding rates)

	Actual to 28 Feb \$000s	Budget to 28 Feb \$000s	Variance () = unfavourable	Budget to 30 June 15
Air Quality	0	33	(33)	50
Emergency Management	55	0	55	0
Environmental Incident Resp.	107	262	(155)	393
Flood Protection & Control ²	638	234	404	351
Governance & Community	69	87	(18)	131
Land ³	653	1,186	(533)	1,780
Regulatory ⁵	753	1,238	(485)	1,857
Transport ⁷	3,566	4,176	(610)	6,264
Water	313	311	2	467
Total	6,154	7,527	(1,373)	11,293

Note 1 – Air Quality

The air quality project is under spent by approximately \$208,000. Of this amount \$116,000 relates to the Clean Heat Clean Air project. For the eight month period, 48 installations were made out of an annual budget of 160 installations.

Regional Plan Air changes for Lawrence and Milton have been deferred, and strategy work has also been deferred pending the development of an Air Strategy for Otago, commencing in 2015/16.

Note 2 – Flood Protection and Control

This activity is under spent by approximately \$1.4 million. Of this amount, \$1 million relates to the Leith Flood Protection Scheme. At the end of the last financial year, the St David Street to Union Street stage of works was around 60% complete, although the budget assumed it would be completed in that financial year. Approximately \$1.8 million has been spent in the current year in respect of the completion of those works. However, works scheduled to be completed during this financial year have been deferred to the 2015/16 financial year, resulting in an overall under spend in budget for the period to date.

The Lower Taieri scheme is under spent by approximately \$176,000, due to timing issues. Planned works are expected to be completed by the year end.

The Lower Clutha flood and drainage scheme is under spent by approximately \$245,000. The target to construct a new outfall for the Paretai drainage network has been deferred, and is included in the draft Long Term Plan.

The additional revenue for flood protection and control works relates to an amount of \$355,000 which is to be recovered from the Otago University for Leith scheme enhancement works around the University area.

Note 3 - Land

The Land activity is under spent by approximately \$510,000. Regional Services contracting was under spent by approximately \$360,000 and is due to fewer contracts being entered into than was budgeted for. A decision has been made to cease undertaking TB possum contracts as there are a number of suppliers in the market. Rabbit contracts are continuing. In line with the reduction in expenditure, the revenue received on contracts is also lower than budget by \$480,000.

Note 4 – Policy

The policy activity is overspent by approximately \$123,000, and relates to time on the Regional Policy Statement. There is a corresponding under spend on the Regional Plan Water, which is underspent by approximately \$138,000.

Note 5 - Regulatory

The regulatory activity is under spent by approximately \$475,000. Of this, consent processing is under spent by approximately \$193,000, and this is due to fewer consent applications being received than budgeted for. This is also reflected in the revenue received from this activity of \$538,000 which is less than the \$741,000 budgeted for.

Compliance monitoring is under spent by approximately \$135,000, and is due in part to time being spent on the drought.

Dam safety is under spent by approximately \$88,000, and is due in part to fewer building applications being received than budgeted for, and the fact that the Building Regulations have not yet been promulgated. The estimates assumed this would have happened at the commencement of this financial year, resulting in more work being required to be undertaken by council staff.

Note 6- Rivers & Waterway Management

This activity is over spent by approximately \$123,000. Of this amount, \$100,000 relates to the Waitaki special rating district, and is primarily for a Kakanui River Management Plan. A commitment was made to the community to complete this unbudgeted work.

Note 7 - Transport

The transport activity is under spent by approximately \$938,000.

Public passenger transport is under spent by approximately \$612,000 partly due to timing issues. A number of initiatives have been delayed due to the procurement and implementation of a new ticketing system planned for in the 2015/16 financial year. There is a corresponding decrease in the level of grant revenue received.

The stock truck effluent disposal sites (STEDs) budget is under spent by \$306,000. The plan provided for two additional effluent sites to be constructed, but this target has since been withdrawn. Revenue for STEDs is also below budget by \$306,000.

Note 8 - Water

The water activity is under spent by approximately \$197,000. Included in this activity is the project to implement the provisions of Plan Change 1C, relating to water quantity, and this project is under spent by approximately \$449,000. The Plan Change 1C project is behind in its implementation due to a lack of priority, and with staff giving greater focus to the implementation of Plan Change 6A, which is over spent by around \$155,000.

The Regional Plan: Water project is under spent by approximately \$138,000. Work on some of the proposed plan changes in respect of minimum flows and allocation regimes has been deferred, for reasons including the need for more science work on some of the aquifers. Further, work has been deferred in respect of the Manuherikia catchment and aquifers, while the water strategy group for this catchment continues to develop its strategy.

State of the Environment (SOE) monitoring is overspent by approximately \$236,000, and is due in part to monitoring work undertaken on the drought over the summer months. The SOE network has grown and so further resource has been allocated to this work.

4. Recommendation

1. That this report be received.

Wayne Scott
Director Corporate Services

REPORT

Document Id: A766207

Report Number: 2015/0877

Prepared For: Finance and Corporate

Prepared By: Director Corporate Services

Date: 14 April 2015

Subject: **Executive Report - April 2015**

1. Long Term Plan

The Long Term Plan Consultation Document is presently in the public consultation process, with submissions closing on 4 May. Submissions will be heard and considered in the week commencing 11 May.

As well as the communications associated with the Consultation Document, individual letters were sent to all rural land use category ratepayers explaining the proposed rural water quality and dairy inspection targeted rates.

2. Managed Fund

As part of its investment strategy, the Council has a 'managed fund' which incorporates asset group allocations of cash, fixed interest, property, equities (shares) and alternative asset classes. The managed fund balance currently stands at \$18.4 million.

The fund is managed in accordance with a Council adopted "Statement of Investment Policy and Objectives" (SIPO), which sets out the asset group allocation, risk tolerance and management guideline.

The Fund Manager is BNZ Private Bank.

The SIPO provides for an annual review of the stated investment objectives and asset allocations. Preliminary discussions have been undertaken with the Fund Manager in relation to the nature of the review, and timelines. The review will be undertaken through the Finance and Corporate Committee.

The Council's auditors have recommended that Council should explore the use of an independent expert to assist with monitoring the position with the fund manager throughout the year. Contact has been made with a recommended resource, and it is intended to extend the brief to include advice on the SIPO review.

3. Accounts Payments

Schedules of payments are referred to the Finance and Corporate Committee for endorsement. The financial commitments and payment authorisations are made in accordance with Council's financial delegations and internal control procedures.

Payment Categories	February 2015	March 2015	Total
Trade and general payments	2,190,943.86	1,948,093.76	4,139,037.62
Payroll	617,467.25	928,392.34	1,545,859.59
Investments	2,500,000.00	-	2,500,000.00
Total	\$5,308,411.11	\$2,876,486.10	\$8,184,897.21

4. Recommendations

- (1) That this report be received.
- (2) That the payments and investments summarised in the table above and detailed in the tabled schedule totalling \$8,184,897.21 be endorsed.

Wayne Scott
Director Corporate Services