



Our Ref A610586

Committee meetings Wednesday 20 July 2016

Following are the agendas for the Committee meetings to be held on Wednesday 20 July commencing at 9:00am. The venue is the Council Chamber, 70 Stafford Street, Dunedin, and members of the public are welcome to attend.

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

Committee agendas

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A handwritten signature in black ink that reads "Lauren McDonald". The signature is fluid and cursive.

Lauren McDonald
Committee Secretary

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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 20 July 2016, commencing at 9:00am**

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: Cr Sam Neill

In attendance:

Please note that there is an embargo on agenda items until 8.30 am on Monday 18 July.

CONFIRMATION OF AGENDA

CONFLICT OF INTEREST

PUBLIC FORUM

MINUTES

Minutes of the public portion of the meeting held on 8 June 2016, having been circulated, for adoption.

Matters arising from minutes

PART A - RECOMMENDATIONS

Item 1

2016/0935 **Port Otago Ltd – Draft Statement of Corporate Intent.** DCS, 8/7/16

This report sets out the Draft Statement of Corporate Intent for Port Otago Ltd and its subsidiaries for the three years to 30 June 2019.

Item 2

2016/854 **Unit 5 Southern Routes – Concord – South Dunedin Investigation.**
DCS, 7/7/16

This report provides information on the options investigated in regard to the Unit 5 Southern Routes service changes and the petition received by Council on 23 March 2016 to “extend the Brighton-Abbotsford-Green Island bus service to Dunedin via Concord, Corstorphine, Caversham and South Dunedin as a local service in addition to the present express bus service”.

Maps for the route options are circulated separately from the agenda.

Item 3

2016/0939 **Passenger Transport Update – July 2016.** MCS, 8/7/2016

This report provides an update on the new Unit 4 services and fare zone structure, community awareness campaign, update on the concept designs for the Dunedin Bus hub/interchange, Super Gold card funding and the new total mobility system.

Item 4

2016/0937 **Insurance Renewals 2016/17.** DCS, 7/7/16

This report outlines the Council’s insurance renewals for the period 30 June 2016 to 30 June 2017.

Item 5

2016/0938 **Local Government Act 2002 Amendment Bill (No. 2) 2016.** DCS, 8/7/16

This report outlines the key provisions of the Local Government Act 2002 Amendment Bill (No 2), introduced in June 2016.

The Bill’s purpose is to implement a set of reforms to enable improved service delivery and infrastructure provision arrangements at a local government level. It contributes to the delivery of key government

priorities to deliver better public services and build a more productive and competitive economy.

Item 6

2016/0937 **Halo Project application to the Environmental Enhancement Fund.**
DCS, 7/7/16

This report summaries the funding request by the LandCare Connections Trust to fund the capital contributions to the HALO project, which is part of a major initiative - “Beyond Orokonui” being undertaken by the Trust.

Item 7

2016/0932 **Executive report.** DCS, 8/7/16

The report describes significant activities carried out by the Finance and Corporate sections since the last meeting of the Committee, including the key dates for the local body elections and account payments.

OTAGO REGIONAL COUNCIL

Minutes of a meeting of the Finance and Corporate Committee held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 8 June 2016 commencing at 11:04am

Present:

- 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 Gretchen Robertson
- Cr Bryan Scott
- Cr Stephen Woodhead

Leave of Absence: Cr Sam Neill

In attendance:

- Peter Bodeker
- Nick Donnelly
- Fraser McRae
- Scott McLean
- Gavin Palmer
- Caroline Rowe
- Gerard Collings
- Lauren McDonald
- Gerard Collings
- Sharon Bodeker (Items 1 & 2)

Staff from the ORC Building Consultation Group and the Feldspar consultants, Mr Booth and Mr Riley in attendance for Item 3.

CONFIRMATION OF AGENDA

One change was made to the order of items on the agenda to facilitate the two Feldspar consultants in attendance and it was agreed to take Item 3 on the agenda as the first item of business.

CONFLICT OF INTEREST

No conflict of interest was declared

MINUTES

Minutes of the public portion of the meeting held on 20 April 2016, having been circulated, were adopted on the motion of Crs Kelliher and Shepherd

Matters arising from minutes

There were no matters arising from the minutes.

PART A – RECOMMENDATIONS

Item 2

2016/0841 **Section 17A Local Government Act 2002.** DCS, 23/5/16

The report provided information on the work completed to date to review Council's services and a proposed programme of work to come on Section 17A reviews for the Otago Regional Council.

Cr Shepherd summarised the report and advised that the Section 17A reviews by Council had received Otago Mayoral Forum support.

Cr Woodhead advised that Central Government was encouraging Local Councils to look at more efficient ways of delivering services. He commented that this review could provide significant opportunities for greater collaboration across councils in the region.

A concern was raised of the 'unintended consequence' of the aggregation of in-house services, and the procuring of services exponentially, and that Council need to consider the rate paying businesses operating in the region, i.e. considering small business inclusion.

Moved Cr Kelliher
Seconded Cr Deaker

1. *That this report be noted.*
2. *That the proposed programme of work be endorsed.*

Motion carried

Item 3

2016/0851 **ORC Head Office Accommodation – Site Options Evaluation.** DCS,
26/5/2016

This item was taken as Item 1 on the agenda.

The report presented the “Head Office Preliminary Options Report”, being the summary of Council's consultant (Feldspar) review of potential sites for Council's Head Office accommodation in Dunedin. The report sought Council approval to undertake further work on developing more detailed concept designs on one or more sites in order to allow detailed estimates to be prepared for Council consideration.

Areas of concern raised included - if enough information was held to commit to a particular site for further investigation work and which sites should be considered as the 'preferred options' going forward from the preliminary options report.

Moved Cr Scott
Seconded Cr Croot

That recommendation 2 be based upon the Dowling Street and Kitchener St sites.

A concern was raised in regard to car parking at the Dowling Street site and the suggestion was made for Council to consider negotiating the purchase of the whole site to allow for greater flexibility on the placement of a building and car parking on the site. It was also suggested for Council to consider a joint venture approach with the DCC for this site.

A request was made to consider the feasibility of development of a heritage building site and another request was made that a site on Dukes Road, Mosgiel also be considered.

An amendment to the motion for recommendation 2 of the report, that the Kitchener/Birch St site be replaced with the 291 Stuart Street site for further investigation.

Moved Cr Deaker
Seconded Cr Eckhoff

That recommendation 2 be for Council to confirm the Stuart Street and Dowling Street sites for development of concept designs

Advantages of the Dowling Street site were noted as having good public accessibility, near to the cycleway and public transport, good ability to manage Council's vehicle access.

Disadvantages noted for the Stuart Street site included accessibility by the public, consideration for the significant number of community organisations and private enterprises already based at the site and budget overrun concerns for development of a heritage site.

Reservations for the Kitchener/Birch St site included its isolation from the CBD and public transport and that the site was not suitable for an administrative building.

It was noted that the geotechnical and site information was already held for the Kitchener/Birch St site as the land was already owned by Council.

The amended motion was restated as

That Council replace the Kitchener/Birch St proposal with further investigation of the 291 Stuart Street and 15 Dowling Street sites for development of concept designs

The motion was declared lost

Moved Cr Brown

Seconded Cr Robertson

that Council confirm the Dowling Street site be investigated for the development of concept designs and construction estimates;

A division vote was called and the vote recorded as:

For

Cr Brown

Cr Deaker

Cr Eckhoff

Cr Kempton

Cr Robertson

Cr Shepherd

Cr Woodhead

Against

Cr Bell

Cr Croot

Cr Kelliher

Cr Scott

Vote recorded as 7 for and 4 against.

Motion carried

Cr Woodhead confirmed that once one a preferred site had been confirmed, the community consultation would occur.

Moved Cr Woodhead

Seconded Cr Kempton

That:

- 1) *Council confirm its preference to own its Head Office premises and land;*
- 2) *Council confirm the Dowling Street site be investigated for the development of concept designs and construction estimates;*
- 3) *The design criteria for the next stage be brought back to Council for endorsement prior to the engagement of design and engineering services;*
- 4) *The Chief Executive confirm as soon as practicable, for Council endorsement, the commercial terms and conditions of any land acquisition possibly required as a result of recommendation 2 (above) prior to the commencement of any detailed design and further investigation.*

Motion carried

PART B – ITEMS FOR NOTING

Item 4

2016/0848 **2016 Local Government Elections.** DCS, 25/5/16

The report summarised the role of the Electoral Officer, costs, timetable and matters to be considered by Council for the 2016 Local Authority triennial election to be held on 8 October 2016.

Moved Cr Robertson
Seconded Cr Deaker

That;

- a. this report be received;*
- b. that the appointment of Pamela Jordan as the Electoral Officer for the Otago Regional Council be reconfirmed.*
- c. that the names on the voting papers be printed in random order of surname*

Motion carried

Item 5

2016/0829 **Total Mobility – Update and Photo ID.** DCS, 26/5/16

The report provided an update on the Total Mobility Scheme in regard to the work being undertaken to implement the new Photo ID card based electronic system.

Moved Cr Woodhead
Seconded Cr Croot

That the report be received.

Motion carried

Item 6

2016/0849 **Executive report.** DCS, 25/5/16

The report described significant activities carried out by the Finance and Corporate sections since the last meeting of the Committee. This report includes updates on Elected Members' Remuneration, CDEM reporting, irrigation schemes rates updates, public transport update and account payments.

Cr Scott left the meeting at 12:27pm

Moved Cr Croot
Seconded Cr Woodhead

- a) *That this report be received;*
- b) *It is noted that Elected Members' Remuneration has been dealt with by Council at its meeting on 11 May 2016 and no further action is required by this Committee;*
- c) *That a 6 monthly update on Otago CDEM activities be presented to Council;*
- d) *That the payments and investments summarised in the table above and detailed in the payment schedule, totalling \$3,457,758.63, be endorsed.*

Motion carried

Item 7 **Minutes of the Audit & Risk Subcommittee.**

Recommendations of the public portion of the Audit and Risk Subcommittee meeting held on 24 February 2016, having been circulated, were accepted on the motion of Crs Woodhead and Croot

Motion carried.

Cr Scott returned to meeting at 12:28pm

PART C - EXCLUSION OF PUBLIC

Cr Woodhead moved
Cr Kelliher seconded

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

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

	General subjects to be considered	Reason under LGOIMA for passing this resolution	Grounds under S.48 for the passing of this resolution
Item 8	Recommendations of the Minutes of the In Committee portion of the Audit & Risk Committee meeting held on 24 February 2016	To maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to members or officers or employees.	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.

Following the discussion of item 8

Cr Croot moved
Cr Shepherd seconded

That the meeting resume in open session

Motion carried

Cr Shepherd adjourned the meeting at 12:30pm and them meeting of the Finance & Corporate Committee resumed at 1:03pm with Item 1

Item 1

2016/0835 **2016/17 Annual Plan - Recommendations from the Hearing Committee.**
DCS, 19/5/16

This report sets out the Hearing Committee's recommendations in respect of the Draft Annual Plan.

Cr Shepherd advised that 184 submissions were received with 33 submissions presented to the Hearing Committee and that the deliberations were held in public. A Consultation Document was distributed to all householders explaining the differences between year two of the Draft Annual Plan and LTP. Cr Shepherd commented that the draft Annual Plan process had received very good feedback and was a credit to the staff involved.

Cr Shepherd summarised the key issues included:

Wilding Pines. Submitter response had indicated preference for option 2. The Hearing Committee have recommended option 2 (targeted uniform rate across the region of \$1.07). It was noted in the panel's recommendation that the Wilding Pines issue is a very much a community and land owner issue and their involvement is needed.

Taieri and Lower Clutha flood and drainage schemes - The hearing panel recommended the Castalia recommendation be adopted as consulted on.

Rural Water Quality targeted rate imposed on 2-4 ha properties. The committee did acknowledge the anomalies of this rate with subdivision sizes but on balance believed there were activities commonly undertaken on these properties reflected the targeted rate.

Regional economic development – good support for this reserve funded proposal and the Hearing Panel recommended it stay in the plan.

Regional signs - There was a lot of opposition to regional signs and the Hearing Committee recommended the removal of this proposal from the annual plan.

Harbour matters – The panel considered issues submitted and agreed that some may need to be considered in the future once a Harbourmaster was in place, which would provide a conduit for concerns to the Council through this position. The panel noted that harbour matters needed to be given consideration in future plans.

STEDS – The panel recommended proceeding with construction of a new site, despite the continued opposition from CODC in particular, in relation to treatment of effluent. The use of the town capacity to dispose of effluent was not seen as having a great impact by the panel.

Discussion:

Mr Donnelly and his staff were thanked for a seamless process and for all the information that was efficiently put in front of panel.

Cr Shepherd advised the HALO project had sought information on applying to the ORC Environmental Enhancement Fund. Mr Bodeker confirmed he is now managing this enquiry by the HALO project.

The HALO project was seen as providing a huge opportunity for the wider Dunedin area to leverage off the possum work being done and was an excellent example of community effort.

Cr Woodhead commented that a number of issues and submissions had been received over the years for the harbour and suggested once a Harbourmaster was appointed work needed to be done around the harbour issues to provide clarity for the community of Council's role. The Harbourmaster would provide the community a contact point for Council.

STEDS. A suggestion was made for Council look at a user pays option for operators to cover the STED maintenance costs and also consider a regional rating options (as Environment Southland does).

Discussion was held on the challenges to encourage operators to use STEDS, in that it was not a legal requirement to hold and dispose of contents of a tank, and not currently illegal to spill on the roads. There is a need to work with other councils and the RTC to advocate for government to change the Transport Act to address stock effluent fouling of the roads.

Moved Cr Woodhead
Seconded Cr Kelliher

1. *That this report be received.*
2. *That the recommendations of the Hearing Committee within this report, and within the summary of submissions be endorsed.*
3. *That it is financially prudent to have an operating deficit in the 2016/17 financial year.*
4. *That the amendments to the Schedule of Fee and Charges be endorsed.*
5. *That the 2016/17 Annual Plan, incorporating the recommendations from the Hearing Committee be placed before the June Council meeting for adoption.*
6. *That the 2016/17 Rates Resolution be placed before the June Council meeting for adoption.*

Motion carried

The meeting closed at 1:50pm

Chairperson

REPORT

Document Id: A917097

Report Number: 2016/0935

Prepared For: Finance and Corporate Committee

Prepared By: Director Corporate Services

Date: 8 July 2016

Subject: **Port Otago Limited - Draft Statement of Corporate Intent**

1. Précis

A Draft Statement of Corporate Intent for Port Otago Limited, including its subsidiaries and associates, for the three year period to 30 June 2019 has been received from the company. Port Otago Limited is required each year to provide for the comment of Council as shareholder, a Draft Statement of Corporate Intent for a three year period. The Draft Statement for the period to June 2019 has now been received from the Board of Port Otago.

2. Draft Statement of Corporate Intent

The Draft Statement of Corporate Intent sets out the objectives of the group, and the intended nature and scope of activities for the three year period to 30 June 2019. The three year scenario covered by the Draft Statement is reviewed annually on a rolling basis. A copy of the Draft Statement received from Port Otago is attached. The Chief Executive of Port Otago Limited will be in attendance to answer any questions.

The Statement of Corporate Intent process is the formal opportunity for the Council, as 100% shareholder of the Port Otago Group, to have input into the intended activities of the companies.

Key aspects of the objectives include:

- a) Quality service.
- b) Continuous customer service improvement.
- c) Appropriate return on assets.
- d) Recognition of environmental sensitivity of the Otago harbour and impact on local communities.
- e) A safe and satisfying working environment.
- f) Good corporate citizenship.
- g) Communication.
- h) Active property management.

Specific activities for the year ending 30 June 2017 include:

- a) Actively review activities to focus on customer service and optimum utilisation of resources.
- b) Actively promote a positive and safe working environment with continuous improvement in health and safety performance.

- c) Actively seek shipping and port related business development opportunities.
- d) To cater for larger container ships, continue deepening the existing shipping channel to Port Chalmers to 14 metres by utilising our own dredge, the New Era.
- e) Continue with the Next Generation port development projects, including expansion of A shed, wharf sheet piling and planning for the multi-purpose wharf extension.
- f) Obtain the resource consents required to renew the existing consents for the maintenance of dredging disposal sites.
- g) Develop a long term plan for the Dunedin slipway including the appropriate location and work required to meet best practice operating procedures.
- h) Commence the upgrade of the yard and entrance at the South Freight container depot at Strathallan Street.
- i) Continue with the acoustic treatment programme within the Blue (60 dBA to 65 dBA) and Yellow (55 dBA to 60 dBA) noise zones at Port Chalmers. Actively progress, as approached by property owners, acoustic treatment applications for properties situated within the noise zones. Continue to measure and monitor noise and implement, where possible, new initiatives to minimise the effect of port noise on the community.
- j) Obtain the resource consents required to excavate and secure Flagstaff Hill prior to relaying the rail line.
- k) Continue the property acoustic treatment programme, and continue to measure and monitor noise and implement where possible, new initiatives to minimise the effect of port noise on the community.
- l) Work constructively with the community through the Port Environment/Liaison Committee. Maintain the landscaped areas at Flagstaff Hill, Black Beach and Boiler Point.
- m) Continue the ongoing programme of identifying business and environmental risks faced by the Group and review the effectiveness of policies and procedures in place to minimise and manage the risk.
- n) Continuation of dredging in the harbour to facilitate safe access of ships to berths.
- o) Continue to evaluate and take up opportunities for property investment, divestment and development to improve asset quality, values, rates of return and future portfolio growth potential.
- p) Consider sales opportunities of Dunedin leasehold land, where a sale advances economic development within Dunedin city.
- q) Complete the development of the Steel and Tube office/warehouse at Fryatt Street, Dunedin.
- r) Complete the second stage of the industrial land development of the Te Rapa Gateway property in Hamilton.
- s) Commence construction of two office/warehouse development projects within the Te Rapa Gateway industrial development.

4. Performance Targets

Performance targets in relation to trade, container terminal productivity, environmental, health and safety, and financial measurement and performance are also set out in the document.

5. Shareholders' Funds

The expected level of shareholders' funds as at June 2017 is \$411 million.

6. Recommendation

That the attached Draft Statement of Corporate Intent for Port Otago Limited and its subsidiaries and associates for the three years to 30 June 2019, be endorsed.

Nick Donnelly

Director Corporate Services

Encl: (1) Draft Statement of Corporate Intent for Port Otago Limited for the three years to 30 June 2019



Statement of Corporate Intent
for the three years to 30 June 2019

Port Otago Limited

Statement of Corporate Intent

This statement is presented by the Directors of Port Otago Limited in accordance with the requirements of Section 9 of the Port Companies Act 1988 and reflects the intentions of Port Otago Limited, its subsidiaries and associates ("the Group") for the three years of the Company's operations from July 2016 to June 2019.

(a) Objectives of the Group

1. To provide a quality service to cargo owners and shipping lines by way of a competitive choice in the supply chain.
2. To continue to review activities and services focusing on continuous customer service improvements and optimum utilisation of staff and resources to meet the demands of changing trade patterns.
3. To implement pricing and cost management strategies so that long term profits are earned to give shareholders an appropriate return on the port infrastructure and to provide funds for future development of the Group.
4. To recognise in all aspects of the Group's activities the environmental sensitivity of the Otago Harbour and the impact on local communities.
5. To provide staff with secure employment, a safe working environment, satisfying rewards and opportunities and training for increased responsibilities and advancement within the Group.
6. To conduct itself as a good corporate citizen consulting on matters of public interest.
7. To communicate the Company's plans and achievements to staff, shareholders and the wider community and to be receptive to constructive comment.
8. To manage the investment property portfolio through active acquisition, development and, at times, divestment to produce a diversified portfolio by property type and location. To manage investment property holdings to achieve the best long-term value gain while limiting exposure to undeveloped land.

(b) Nature and scope of activities

- (I) The activities of the Company, its subsidiaries and associates are to comprise generally:
1. The efficient operation and promotion of the Port of Otago.
 2. Provision of integrated container and cargo handling, warehousing and container depot services.
 3. Provide pilotage and towage services to facilitate the safe navigation of commercial shipping requiring pilotage within the Otago Harbour and Fjordland.

4. Grow the investment property portfolio, evaluate and take up new investment and development opportunities to improve asset values, and rates of return.
5. Sales of leasehold land will be considered where a sale advances development and employment opportunities in Dunedin.
6. Evaluate opportunities considered likely to add value to, or enhance the competitiveness of, the Company.
7. Such other actions that may be required to meet the objectives of the Company recorded under item (a) above.

(II) The following table details the company's trading subsidiaries and joint ventures:

Name	Percentage owned	Principal Activity
<i>Subsidiaries</i>		
Chalmers Properties Limited	100%	Property investment
Te Rapa Gateway Limited	100%	Property investment
Fiordland Pilot Services Limited	100%	Shipping services
South Freight Limited	100%	Transport investment
<i>Joint ventures and associates</i>		
HarbourCold Dunedin	50%	Cold store operation
Icon Logistics Limited	50%	Transport company
Hamilton Porter Joint Venture	66.6%	Property investment

(III) The specific activities of the Group for the three years under review to June 2019 are expected to include the following:

Year ending June 2017

Port Otago – port operations

- 1.1 Actively review activities to focus on customer service and optimum utilisation of staff and resources to meet the demands of changing trade patterns. Review pricing to ensure service charges provide an appropriate return on the port infrastructure.
- 1.2 Actively promote a positive and safe working environment for staff through a team focus, providing opportunities for career advancement and emphasising safety in all activities. Seek continuous improvement in health and safety performance.
- 1.3 Actively seek shipping and port related business development opportunities. Continue to evaluate opportunities to expand the Group's warehousing, transport and logistics services.
- 1.4 To cater for larger container ships, continue deepening the existing shipping channel to Port Chalmers to 14 metres by utilising our own dredge, the New Era.
- 1.5 Continue with the Next Generation port development projects, including expansion of A shed, wharf sheet piling and planning for the Multi-Purpose wharf extension.

- 1.6 Obtain the resource consents required to renew the existing consents for the maintenance dredging disposal sites.
- 1.7 Develop a long term plan for the Dunedin slipway including the appropriate location and work required to meet best practice operating procedures.
- 1.8 Commence the upgrade of the yard and entrance at the South Freight container depot at Strathallan Street.
- 1.9 Continue with the acoustic treatment programme within the Blue (60 dBA to 65 dBA) and Yellow (55 dBA to 60 dBA) noise zones at Port Chalmers. Actively progress, as approached by property owners, acoustic treatment applications for properties situated within the noise zones.

Continue to measure and monitor noise and implement, where possible, new initiatives to minimise the effect of port noise on the community.
- 1.10 Obtain the resource consents required to excavate and secure Flagstaff Hill prior to relaying the rail line.
- 1.11 Work constructively with the community through the Port Environment/Liaison Committee by continuing to update and implement the Port Environment Plans. Maintain the landscaped areas at Flagstaff Hill, Back Beach and Boiler Point.
- 1.12 Continue the ongoing programme of identifying business and environmental risks faced by the Group and review the effectiveness of policies and procedures in place to minimise and manage the risk.
- 1.13 Continuation of dredging in the harbour to facilitate safe access of ships to berths.

Chalmers Properties Limited, subsidiary and joint ventures

- 1.14 Continue to evaluate and take up opportunities for property investment, divestment and development thereby improving the asset quality, values, rates of return and future portfolio growth potential.
- 1.15 In line with the Port Otago Group investment strategy consider sales opportunities of Dunedin leasehold land, where a sale advances economic development within Dunedin city.
- 1.16 Complete the development of the Steel and Tube office/warehouse at Fryatt Street, Dunedin.
- 1.17 Complete the second stage of the industrial land development of the Te Rapa Gateway property in Hamilton.
- 1.18 Commence construction of two office/warehouse development projects within the Te Rapa Gateway industrial development.

Year ending June 2018

Port Otago – port operations

- 2.1 Review the port and port related activities to focus on customer service and optimum utilisation of resources to address changing trade patterns.
- 2.2 Continue to provide staff with a positive, safe and rewarding working environment.

- 2.3 Continue to seek new shipping opportunities and continue to evaluate opportunities to expand the Group's warehousing, transport and logistics services.
- 2.4 Complete deepening the shipping channel to Port Chalmers to 14 metres by 30 September 2017.
- 2.5 Continue with the Next Generation port development projects.
- 2.6 Commence the Boiler Point fishing wharf at Port Chalmers.
- 2.7 Take delivery of two new diesel electric straddle carriers.
- 2.8 Commence the development of the container hub site at Odlins Place, Mosgiel.
- 2.9 Commence the excavation works prior to realignment of the rail line to Back Beach below Flagstaff Hill.
- 2.10 Continue ongoing programme of identifying business and environmental risks faced by the Group and review the effectiveness of policies and procedures in place to minimise and manage the risk.
- 2.11 In consultation with the community review Environment Plans, and continue to monitor and implement the plans. Continue to review the Noise Management Plan and where possible achieve further improvements to noise abatement procedures. Continue to monitor total port noise.

Chalmers Properties Limited, subsidiary and joint ventures

- 2.12 Continue to implement the strategy for enhancement of the property portfolio.
- 2.13 Continue to implement strategies for the sale or redevelopment of leasehold land in Dunedin.
- 2.14 Continue with the development and realisation of the Te Rapa Gateway property development and the successful conclusion of the Joint Venture project.

Year ending June 2019

Port Otago – port operations

- 3.1 Continue to review the port, warehousing and related activities to focus on customer service and optimum utilisation of resources to address changing trade patterns.
- 3.2 Continue to provide staff with a positive, safe and rewarding working environment.
- 3.3 Continue to manage and monitor total port noise.
- 3.4 Complete the development of the container hub site at Odlins Place, Mosgiel.
- 3.5 Continue the redevelopment of the South Freight container depot at Strathallan Street, Dunedin.

- 3.6 Continue programme of business and environmental risk, evaluation and management.
- 3.7 In consultation with the community review Environment Plans, and continue to implement the plans.
- 3.8 Continuation of dredging in the harbour to facilitate the safe access of ships to berths.

Chalmers Properties Limited, subsidiary and joint ventures

- 3.9 Continue to implement an active property investment and management strategy.
- 3.10 Continue to implement strategies for the sale or redevelopment of leasehold land in Dunedin.
- 3.11 Continue with the development and realisation of the Te Rapa Gateway property development and the successful conclusion of the Joint Venture project.

(c) **Ratio of Consolidated Equity to Total Assets**

Financial Year ending 30 June	Actual or estimate	Consolidated Shareholders funds	Total assets	Ratio of Shareholders Funds to Total Assets
2015	Actual	\$375m	\$462m	81%
2016	Estimate	\$404m	\$493m	82%
2017	Estimate	\$411m	\$501m	82%
2018	Estimate	\$418m	\$510m	82%
2019	Estimate	\$425m	\$518m	82%

Equity comprises the issued and paid up capital together with retained earnings, the property revaluation reserve and any other reserves. Total assets represent all assets of the Group determined in accordance with the accounting policies as set out in the 2015 Annual Report.

The preferred range over time for the equity ratio is between 70% and 85%. The timing of capital expenditure, the income yields on Company investments and prevailing market conditions may mean it is prudent for the Company to operate outside the preferred equity ratio range for periods of time.

(d) **Accounting Policies**

The Company's accounting policies are detailed in the 2016 Annual Report which is available from the Company's website located at <http://www.portotago.co.nz>

(e) **Performance Targets**

The performance of the Company in relation to its objectives may be judged by comparing actual results with budgeted targets of the following nature:

Trade

Port Otago's 2017 financial year budgeted container throughput is 174,700 twenty foot equivalent units (TEU) and the budgeted conventional cargo throughput is 1.4 million tonnes.

The expected number of vessel arrivals in the year to 30 June 2017 is 496 vessels.

Container terminal productivity

The Company aims to achieve gross container crane productivity for the year ending 30 June 2017 of 28.6 lifts per crane hour, a 5% increase. This compares with a crane rate of 27.2 for the year to 30 June 2016.

Environmental

Incidents leading to pollution of Harbour
Full compliance with all resource consent conditions

Performance target

- Nil
- Nil breaches of resource consent conditions

Health & Safety

The Company has a Zero Harm strategy in place and it endeavours to be an industry leader in setting new standards of safety. With the involvement of every team member it is planned, through a process of continuous improvement, to progressively improve health and safety performance.

The performance measures to be used are:

- maintain Workplace Safety Management Practice (WSMP) tertiary status;
- maintain compliance with the Australian and New Zealand health and safety standard AS/NZS 4804:2001

The Total Injury Frequency Rate (TIFR) target for the year to June 2017 is 9 for every 1 million work hours. This compares to a TIFR of 12.2 for every 1 million work hours for the year to 30 June 2016.

Financial measurement and performance

The performance measures to be used are:

Earnings before interest and taxation (EBIT) return on average total assets.

- | | | |
|----------------------|---|--|
| Return on equity | - | Profit, including unrealised fair value movements, divided by average shareholders' equity. |
| Equity ratio | - | The percentage that shareholders' funds represent of total assets with the target range between 65% and 75%. |
| Debt servicing ratio | - | The number of times interest is covered by the profit before tax, interest, unrealised fair value movements and unrealised impairment charges. Unrealised fair value movements include investment property revaluations, changes in the value of interest rate swaps and changes in the value of foreign exchange contracts. |

The budgeted targets for Port Operations, Chalmers Properties Ltd (excluding property revaluations) and the Port Otago Group for the year ending 30 June 2017 are:

	Port Operations
EBIT return on assets	7%
Return on equity	8.4%
Equity ratio at 30 June 2017	82%
Debt servicing ratio	21 times

Chalmers Properties Ltd

EBIT return on assets	4.8%
Return on equity	3.5%
Equity ratio at 30 June 2017	80%
Debt servicing ratio (Property revaluations not included)	5 times

Port Otago Group

EBIT return on assets	5.6%
Return on equity	4.5%
Equity ratio at 30 June 2017	82%
Debt servicing ratio	8 times

(f) Dividend Policy

1. The return to the shareholders from shares held in Port Otago Limited will include dividends from trading profits earned.
2. The intention is to maintain ordinary dividends at least at \$7 million, increasing over time to within the range of 50% to 70% of the group's operating surplus after tax.
3. The company may pay special dividends if, after taking into account forecast levels of capital expenditure, the company will remain within the preferred range for the consolidated equity ratio.

(g) Information for Shareholders

Sufficient information will be made available to the Company's shareholders so that they may properly assess the value of their investment in the Company, in particular any change in value.

An Interim Report covering the six months to 31 December of each year shall be provided by 28 February. The report shall include a commentary on activities and unaudited financial statements for the period.

The Annual Report for each year ending 30 June shall be provided by 30 September of each year. The annual report shall include a commentary on activities, a comparison with performance targets set out in the Statement of Corporate Intent and audited financial statements for the year.

In conjunction with the Interim and Annual Reports the Company shall report to the shareholder on progress with implementing the Objectives and the Specific Activities set out in the Statement of Corporate Intent.

(h) Procedures for business acquisition

The Group will only invest in shares of another company or business if the acquisition will produce shareholder added value over the longer term.

If any Company within the Group intends to subscribe for or otherwise acquire a financial interest in any company or business where the cost of that interest or

acquisition exceeds 10% of Group shareholders funds it will have prior consultation with its shareholders.

(i) **Activities subject to Compensation**

The Company will provide the following services for the Otago Regional Council for which the company expects to be remunerated or reimbursed by the Regional Council:

- a) Assistance in matters of good navigation and safety on Otago Harbour.
- b) Provision of such services as may be requested by the Regional Council.

REPORT

Document Id: A907995

Report Number: 2016/0854

Prepared For: Finance and Corporate Committee

Prepared By: Manager Support Services

Date: 07/07/2016

Subject: **Unit 5 Southern Routes - Concord - South Dunedin - Investigation**

1. Précis

In response to community comment, staff have investigated options to extend the Unit 5 Southern Routes services (to/from Green Island) to Concord and South Dunedin. Staff considered seven options, including making no change to the services. It is recommended that Council reinstate a service connection between Green Island and Concord during the off peak, and that a consultation plan for an amendment to the Regional Public Transport Plan be prepared for the Committee's endorsement.

2. Background

In accordance with the Regional Public Transport Plan (RPTP), services for Unit 5 Southern Routes commenced operation on 1 July 2015. This was the first unit under the new Public Transport Operating Model (PTOM) and the first unit of the new network design. Unit 5 consists of the Mosgiel Loop Route, Mosgiel-Green Island-City, and the Brighton-Abbotsford-Green Island routes. The three routes have coordinated timetables designed to allow transfers at Mosgiel, Green Island, and the Central City. Unit 5 was a consolidation of 17 different route variations. Unit 5 has a first year gross cost value of \$1.15M.

At the time services commenced, Council received some negative feedback, most of which related to the following:

- Loss of direct services to South Dunedin;
- Loss of the connection between Concord and Green Island;
- The additional cost of transferring between services in the City
(note fares for transfers between the Mosgiel and the Brighton services are adjusted to remove the penalty of the transfer).

On 23 March 2016, Council was presented with a submission regarding the Southern Route services. The petition stated;

"We the undersigned residents of Brighton, Ocean View, Mosgiel, Abbotsford, Green Island, Concord, Corstorphine and Caversham request that the Otago Regional Council extend the Brighton-Abbotsford-Green Island bus service to Dunedin via Concord, Corstorphine, Caversham and South Dunedin, as a 'local' service in addition to the present express bus service."

Prior to receiving the petition, staff had already commenced investigations (with the operator of Unit 5) into the feasibility of providing a link between Green Island and Concord.

As a result of the petition, staff widened the investigation to include:

- i. The option requested in the petition;
- ii. Providing a link between Concord and Green Island using an extension of the Brighton Abbotsford service;
- iii. as per ii) above but linking with the Corstorphine service which with a free transfer would provide a connection to South Dunedin;
- iv. Extending the Corstorphine service to Concord;
- v. Extending the Corstorphine service into Green Island via Concord;
- vi. Extending the Concord Service to Green Island;
- vii. Retaining the status quo.

3. Key Considerations

In considering the options there are a number of key factors that need to be taken into account that may or may not affect Council's decision on whether or not to proceed with any change.

The impact on the coordinated timetables at Mosgiel, Brighton, Green Island, Central City, Corstorphine, St Clair Park, and other inter-related services.

Due to the coordinated nature of the network timetabling and the potential flow on effects of timetable changes at Mosgiel and the Central City, staff used the following controls in their investigation:

- Mosgiel-City timetable to remain unchanged;
- The Corstorphine/St Clair Park new network timetable scheduled for implementation early next year to remain unchanged;
- Coordination between the Brighton-Abbotsford-Green Island and the Mosgiel-Green Island-City service to be retained.

3.1 Regional Public Transport Plan

The changes being considered if adopted will require an amendment to the RPTP. That said, the level of consultation will depend on the extent of the community affected and will relate only to the specific change required. For example if Council adopt the staff recommendation, then consultation would be targeted at the Concord community. The level of consultation required will however affect the timing of any change and Council's final decision on any change.

3.2 Level of service/frequency

Any new service should have a return frequency that will encourage use and that is generally in line with the targeted peak and off peak frequencies.

3.3 Fare Box

The ability to generate additional fare revenue and patronage is a consideration.

3.4 Cost

The final cost of the new network will not be known until late August, early September, therefore at this stage staff are unable to advise what impact any change may have on budget and whether or not NZTA approval for additional funding for changes would be required.

4. Options reviewed

The following options have been considered by staff (route maps are attached as appendix 1) for each of the options staff have considered both all day services and off-peak only.

Option 1 - (as requested by the petition)

Brighton-Abbotsford-Green Island-Concord-South Dunedin-City Centre

Level of service/frequency = hourly

Note: This service would replace the existing Brighton-Green Island Service.

Option 1a - (as requested by the petition but only a limited number of off peak trips)

Brighton-Abbotsford-Green Island-Concord-South Dunedin-City Centre

Level of service/frequency = 4 off peak trips only (2 inward and 2 outward)

Option 2

Brighton-Abbotsford-Green Island-Concord

Level of service/frequency = hourly

Note: This service would replace the existing Brighton-Green Island Service.

Option 3

Brighton-Abbotsford-Green Island-Concord- Corstorphine

Level of service/frequency = hourly

Note: This service would replace the existing Brighton-Green Island Service and would provide a connection to South Dunedin via the existing Corstorphine.

Option 4

Concord-Corstorphine-South Dunedin-City Centre

Level of service/frequency = 30 min weekday

Note: This service extends the Corstorphine service into Concord. Two route alternatives have been assessed for this option; a *short loop* option and a *long loop* option. The higher frequency reflects the target frequency of Corstorphine for the new network.

Option 5

Green Island-Concord-Corstorphine-South Dunedin-City Centre

Level of service/frequency = 30 min weekday

Note: This service extends the Corstorphine service into Green Island via Concord. The higher frequency reflects the target frequency of the Corstorphine service for the new network.

Option 6

Green Island-Concord-Kaikorai Valley-City Centre

Level of service/frequency = 30 min weekday

Note: This service extends the Concord service into Green Island.

Option 7

No change – status quo.

5. Indicative Cost

Staff have calculated preliminary cost estimates for the options considered. The cost estimates provided are the estimated gross cost for the services. Note these costs are exclusive of GST and are indicative only. Due to the current changing nature of the network, new fare zone structure, free transfer, pending changes to Super Gold funding arrangements, and the interrelationship between services of some of the options, staff have not attempted to calculate the projected patronage and fare revenue change from each of the options at this stage. Staff have however, provided guidance on the potential impacts with regard to the options being considered. The estimates make no allowance for “out of service” standing time which will be a matter of direct negotiation with the operator and entitlement may vary between options:

Option 1 Brighton-Abbotsford-Green Island-Concord-South Dunedin-City Centre
Level of service/frequency = hourly

Estimated Costs	All Day		Off Peak	
	Units	Cost	Units	Cost
Additional Route Kms	90,000	\$160,000	37,000	\$65,000
Additional in service time per trip (hours)	5,500	\$165,000	2,200	\$65,000
Additional Peak Vehicle Requirement	2	\$100,000	0	\$0
Total cost per annum		\$425,000		\$130,000
Average number of trips per day	28		11	
Average cost per trip	\$56		\$32	

Option 1a Brighton-Abbotsford-Green Island-Concord-South Dunedin-City Centre
Level of service/frequency = 4 off peak trips only (2 inward and 2 outward)

Estimated Costs	Off Peak	
	Units	Cost
Additional Route Kms	13,100	\$23,000
Additional in service time per trip (hours)	780	\$23,000
Additional Peak Vehicle Requirement	0	\$0
Total cost per annum		\$46,000 *
Average number of trips per day	4	
Average cost per trip	\$32	

** note these costs assume no additional costs for out of service standing time which would be a matter of negotiation with the Operator.*

Option 2 Brighton-Abbotsford-Green Island-Concord
Level of service/frequency = hourly

Estimated Costs	All Day		Off Peak	
	Units	Cost	Units	Cost
Additional Route Kms	40,000	\$70,000	15,000	\$25,000
Additional in service time per trip (hours)	1,500	\$45,000	550	\$20,000
Additional Peak Vehicle Requirement	1	\$50,000	0	\$0
Total cost per annum		\$170,000		\$45,000
Average number of trips per day	28		10	
Average cost per trip	\$16		\$12	

Option 3 Brighton-Abbotsford-Green Island-Concord- Corstorphine
Level of service/frequency = hourly

Estimated Costs	All Day		Off Peak	
	Units	Cost	Units	Cost
Additional Route Kms	40,000	\$70,000	20,000	\$30,000
Additional in service time per trip (hours)	2,000	\$60,000	900	\$25,000
Additional Peak Vehicle Requirement	1	\$50,000	0	\$0
Total cost per annum		\$180,000		\$60,000
Average number of trips per day	28		12	
Average cost per trip	\$18		\$13	

Option 4 (Short loop) Concord-Corstorphine-South Dunedin-City Centre
Level of service/frequency = 30 min weekday

Estimated Costs	All Day		Off Peak	
	Units	Cost	Units	Cost
Additional Route Kms	70,000	\$125,000	25,000	\$45,000
Additional in service time per trip (hours)	2,500	\$70,000	900	\$25,000
Additional Peak Vehicle Requirement	0	\$0	0	\$0
Total cost per annum		\$200,000		\$75,000
Average number of trips per day	50		18	
Average cost per trip	\$11		\$11	

Option 4 (Long Loop) Concord-Corstorphine-South Dunedin-City Centre
Level of service/frequency = 30 min weekday

Estimated Costs	All Day		Off Peak	
	Units	Cost	Units	Cost
Additional Route Kms	125,000	\$220,000	45,000	\$80,000
Additional in service time per trip (hours)	3,500	\$110,000	1,500	\$40,000
Additional Peak Vehicle Requirement	0	\$0	0	\$0
Total cost per annum		\$330,000		\$120,000
Average number of trips per day	50		18	
Average cost per trip	\$18		\$18	

Option 5 Green Island-Concord-Corstorphine-South Dunedin-City Centre
Level of service/frequency = 30 min weekday

Estimated Costs	All Day		Off Peak	
	Units	Cost	Units	Cost
Additional Route Kms	140,000	\$250,000	50,000	\$90,000
Additional in service time per trip (hours)	6,500	\$200,000	2,500	\$75,000
Additional Peak Vehicle Requirement	2	\$100,000	0	\$0
Total cost per annum		\$550,000		\$165,000
Average number of trips per day	49		18	
Average cost per trip	\$31		\$25	

Option 6 Green Island-Concord-Kaikorai Valley-City Centre
Level of service/frequency = 30 min weekday

Estimated Costs	All Day		Off Peak	
	Units	Cost	Units	Cost
Additional Route Kms	55,000	\$100,000	25,000	\$40,000
Additional in service time per trip (hours)	1,400	\$50,000	600	\$25,000
Additional Peak Vehicle Requirement	1	\$50,000	0	\$0
Total		\$200,000		\$65,000
Average number of trips per day	46		20	
Average cost per trip	\$14		\$11	

Option 7
No change in cost

6. Summary of Options

The following table provides a high-level summary of the staff investigation. The contract cost range stated reflects the variance between providing the service off peak only and complete weekday and weekends.

Option	Connections		Comment
	Green Island-Concord	Green Island – South Dunedin	
Option 1	yes	yes	While this option provides the outcome sought by the community petition, the cost of implementing the change is significant at between 10-30% of the contract value. It is extremely unlikely that a corresponding increase in fare recovery or patronage growth would be experienced as a result of this change. This service would also then be in direct competition with other services through Caversham, which may result in a patronage shift from those services. This service will also provide some competition to, and may have a negative effect on, the existing Concord and Mosgiel Services. This route variation is considered contrary to the principles for the new network structure adopted in the Regional Public Transport Plan.
Option 1a	yes	yes	This option partially provides the outcome sought by the community petition. The cost of implementing the change is approximately 5% of the contract value. It is extremely unlikely that a corresponding increase in fare recovery or patronage growth would be experienced as a result of this change. As with option 1, this service would also be in direct competition with other services through Caversham, which may result in a patronage shift from those services. This service will also provide some competition to the existing Concord service. This route variation is considered contrary to the principles for the new network structure adopted in the Regional Public Transport Plan.

Option 2	yes	no	This option only provides a Concord-Green Island connection. It does however meet one of the expressed desires of reconnecting Concord with Green Island. This option represents an increase in cost of between 4-15%. We would expect some patronage growth especially in the off-peak. This route variation is not considered contrary to the principles for the new network structure adopted in the Regional Public Transport Plan. The service is unlikely to have a detrimental impact on the existing Concord service.
Option 3	yes	yes	While not relying on a direct connection with South Dunedin, this timetable will provide a good connection for weekdays, but will result in a 30 minute waiting time at Corstorphine on weekends and public holidays. The cost of this option ranges between 7-16%. We would expect some patronage growth from this option. This service will also provide some competition to, and may have a negative effect on, the existing Concord service. This route variation is not considered contrary to the principles for the new network structure adopted in the Regional Public Transport Plan.
Option 4 Short loop	no	no	This option only provides for a Concord connection to South Dunedin and therefore would have to be introduced with Option 2 to achieve the desired outcome. The combination would represent an increase in cost of between 9-44%. The additional running time introduced on the Corstorphine service is likely to have a negative impact on that service. This service will also provide some competition to, and may have a negative effect on, the existing Concord service. This route variation is not considered contrary to the principles for the new network structure adopted in the Regional Public Transport Plan.
Option 4 Long loop	no	no	This option only provides for a Concord connection to South Dunedin and therefore would have to be introduced with Option 2 to achieve the desired outcome. The combination would represent an increase in cost of between 9-44%. The additional running time introduced on the Corstorphine service is likely to have a negative impact on that service. This service will also provide some competition to, and may have a negative effect on, the existing Concord service. This route variation is not considered contrary to the principles for the new network structure adopted in the Regional Public Transport Plan.
Option 5	yes	yes	This option only provides for connection to South Dunedin and will achieve the desired outcome. The service represents an increase in cost of between 14-48%. The additional running time introduced on the Corstorphine service is likely to have a negative impact on that service. It is likely that this will also have a detrimental effect on revenue for Unit 5. This service will also provide some competition to, and may have a negative effect on, the existing Concord and Mosgiel service. This route variation is considered contrary to the principles for the new network structure adopted in the Regional Public Transport Plan.

Option 6	yes	no	This option provides for a Green Island-Concord connection only. The cost increase would be between 6-18%. The Concord service is not in Unit 5 and therefore this option would be in direct competition with that Unit. This route variation is not considered contrary to the principles for the new network structure adopted in the Regional Public Transport Plan.
Option 7	no	no	No connections achieved, no additional cost incurred.

7. Conclusion

Of the options considered, only option 1 and 1a provide an effective solution in response to the public submission, however, the staff view is that the cost of option 1 and the expected patronage gains do not justify the change. Staff are also of the view that the level of service offered through option 1a is unlikely to meet the expectations of the community.

Of the other options investigated, option 2 as an off peak service will meet the Concord community's desire to reinstate the community link between Concord and Green Island. While it does not provide for a direct South Dunedin link, the introduction of the new fare zone system and free same zone transfer will remove that issue (which had been raised by bus users when Unit 5 was first implemented). In providing an off peak service it will provide a link to facilities such as the medical and shopping centre. Limited consultation on the RPTP for this option would be required. If adopted, the service could be implemented with other network changes in February 2017.

8. Recommendation

- 1) *That this report be received.*
- 2) *Council confirm option 2 as its preferred option.*
- 3) *Staff to prepare a consultation plan for an amendment to the Regional Public Transport Plan for consideration at the next Finance and Corporate Committee meeting.*

Nick Donnelly
Director Corporate Services

Appendix 1 - Route Maps (attached)

REPORT

Document Id: A917333

Report No: 2016/0939

Prepared For: Finance and Corporate Committee

Prepared By: Manager Support Services

Date: 8 July 2016

Subject: Passenger Transport Update – July 2016

1 Précis.

The new Unit 4 services and fare zone structure are scheduled to commence on 15 August. A comprehensive community awareness campaign is underway along with the reprinting of a new timetable which will be distributed to Dunedin households.

Work on the concept designs for the Dunedin Bus hub/interchange is continuing.

Staff are working with operators and client agencies on the implementation of the new total mobility system which represents a significant business change for all stakeholders.

2 Unit 4 Service Commencement

Council's Regional Public Transport Plan adopted late in 2014 provided for changes to the Dunedin public transport network. The first of these changes were implemented on 1 July 2015 through the Unit 5 – Southern Routes contract.

As previously advised the next changes are scheduled for the Unit 4 contract which will commence on 15 August 2016. Unit 4 provides services to Belleknowes, Brockville, Halfway Bush, Ocean Grove, Ross Creek, St Kilda, and Waverley. The introduction of Unit 4 has resulted in the splitting of a number of the existing evening and weekend services. This has resulted in a number of other changes to existing contracts to align with the other network changes which are yet to be introduced. These include week day evening, Sunday, and public holiday services for Shiel Hill, Balaclava, and Concord (servicing Bradford) all of which will travel on the daytime routes.

The community awareness campaign commenced on 11 July and will continue through to 19 August. The campaign will include printed media, radio, web advertising and social media. Students are being employed for the week prior to, and following the changes, to provide assistance and information about the changes on bus.

Staff are providing briefing sessions on the changes to the Dunedin Bus Call Centre and ORC customer services staff.

The new timetable, along with the details of the changes, has been available on Council's website since 11 July. Copies of the printed timetable are scheduled to be delivered to households the week commencing 19 July. The Google Transit Planner is currently being updated.

Driver training for the new services has commenced with both operators and will continue through until the services commence.

3 Bus Hub/Interchange

Our consultants are progressing the concept design for the Dunedin Bus Hub/Interchange. A workshop was held with DCC and NZTA staff on 13 July, where appropriate feedback from that workshop will be incorporated into the concept design.

The modelling work to identify traffic behaviour changes resulting from the hub and route changes is being undertaken in consultation with DCC staff.

4 Fare Zones and same zone free transfer

The new fare zone structure is scheduled to be introduced at the same time as the Unit 4 changes (15 August 2016). Development of the ticketing system required for the new fare structure (which includes the same zone free transfer) is at the final pre-live testing stage. Driver training on the updated ticketing system is being undertaken in conjunction with the Unit 4 training. It should be noted that the free transfer is only available through GoCard which is consistent with the other concessions provided.

5 Super Gold – Off Peak

As previously advised the Crown have signalled a change to the way the Super Gold Free Off Peak scheme is to be funded. The Crown wish to move to a bulk funding arrangement with Councils, as opposed to the current system which provides for a reimbursement for each trip at 65% of the equivalent adult cash fare.

The bulk funding arrangement was scheduled to commence on 1 July 2016, however after significant lobbying by the Regional Sector Group through LGNZ, the Crown have agreed to retain the existing arrangement for this financial year to allow Councils and NZTA to work through an appropriate allocation method.

6 Total Mobility

The introduction of the new total mobility system is underway. The new system is a significant business process change for the operators, the client agencies, total mobility users and Council. Staff are currently working with the operators and the agencies on the implementation, which we expect to go live early in 2017.

Staff expect to be in a position to report back to the next Finance and Corporate Committee meeting on the feasibility of the above options, including possible timing for service changes if any.

7 Recommendation

That this report be received.

Nick Donnelly
Director Corporate Services

REPORT

Document Id: A917235

Report No: 2016/0937

Prepared for: Finance and Corporate Committee

Prepared by: Manager Support Services

Date: 07 July 2016

Subject: Insurance Renewals 2016/17

1. Précis

Council staff have finalised renewal of Council's insurance cover, with an overall premium increase of 1% primarily due to extending cover to include Statutory and Employer's Liability and defence. The cost of the new cover is predominantly offset by the reduction in premiums for the Material Damage premium due to the sale of surplus properties in the 2015/16 financial year.

2. Renewal Update

Staff have completed the renewal of Council's existing insurance policies for the period 4 pm 30 June 2016 to 4 pm 30 June 2017.

In addition to the cover currently held, and in light of recent changes to Health and Safety legislation, staff considered and extended cover to include Statutory Liability and Employer's Liability.

Key movements in cover relate to a reduction in the material damage cover. This is primarily a result of the sale of surplus properties in the 2015/16 financial year, and an increase in motor vehicle premiums which is relative to the increased value of the fleet due to vehicle replacements in the 2015/16 year.

3. Summary of existing cover

The insurance categories and a comparison of premiums between the 2015/16 and 2016/17 years are scheduled below:

Cover	Premium		
	Excess \$	2015/16 \$ excl. GST	2016/17 \$ excl. GST
Material Damage (property, contents)	See note i	72,478	63,862
Business Interruption	5,000	3,885	3,424
Motor Vehicle	1,000	27,421	30,740
Fidelity Guarantee	25,000	7,950	7,950
Personal Accident	Nil	4,128	4,128
Marine Hull	500	927	927
Professional Indemnity and Public Liability Insurance	5,000/10,000	29,400	29,400
Employers and Statutory Liability and Defence costs		-	7,865
Total		146,189	148,296

Notes:

- i) The excess of Material Damage claims are as follows:

Subsidence and Landslip:	\$50,000.
Natural Disasters (as defined in the policy):	5-10% of the Material Damage site. sum insured minimum \$5,000.
All other claims:	\$5,000 per claim.

- ii) Fidelity, the level of cover at \$2,000,000.
- iii) Public Liability and Professional Indemnity Limit \$200,000,000.
- iv) Harbourmasters' liability at \$25,000,000.
- v) Employer's and Statutory Liability at \$2,000,000.
- vi) Defence Costs associated and additional to v) above at \$1,000,000.

4. Recommendation

That this report be noted.

Nick Donnelly
Director Corporate Services

REPORT

Document Id: A917250

Report Number: 2016/0938

Prepared For: Finance and Corporate Committee

Prepared By: Manager Projects

Date: 8 July 2016

Subject: **Local Government Act 2002 Amendment Bill (No 2) 2016**

1. Précis

The Local Government Act 2002 Amendment Bill (No 2), ('the Bill') was introduced in June 2016. The Bill's purpose is to implement a set of reforms to enable improved service delivery and infrastructure provision arrangements at a local government level. It contributes to the delivery of key government priorities to deliver better public services and build a more productive and competitive economy.

Submissions on the Bill close on 28 July 2016. SOLGM has prepared a draft submission on the Bill, and is seeking feedback on its submission.

The purpose of this paper is to present to the Finance and Corporate Committee the key provisions of the Bill.

2. Key provisions of the Bill

The key provisions of the Bill relate primarily to reorganisations and the establishment of council controlled organisations for water services and transport services (relating to roading, public transport, or land transport planning). The provisions are presented below:

2.1 *Clause 7 – Transfer of responsibilities (Section 17 of LGA)*

If a council is proposing to transfer a responsibility or accept a transfer of responsibility, relating to delivery of water, waste water, storm water, or transport services, it must obtain the written agreement of the Local Government Commission before commencing the consultation required.

A new clause specifying matters that must be considered when assessing the benefits and negative impacts of a proposed transfer has been introduced.

2.2 *Clause 9 – Scope of local government reorganisation (replaces Section 14 of the LGA)*

The scope of local government reorganisations has been extended to include the following:

- The ability of a territorial authority to take on the responsibilities, duties and powers of a regional council, as a unitary authority.
- A local authority may take on responsibilities, duties and powers of a regional council for a region, and the responsibilities, duties and powers of a territorial authority for a district that constitutes a part only of that region.
- The establishment and disestablishment of council controlled organisations (CCO).
- Change in shareholding of a CCO.
- Establishment of 1 or more committees of a local authority and delegation of responsibilities, duties and powers to those committees.
- Establishment of 1 or more joint committees and the delegation of responsibilities, duties and powers to those committees.

The SOLGM draft submission notes that the committees and joint committees provisions is a significant intrusion into the internal governance of local authorities. SOLGM suggests that the wording be changed to include “but only where this is necessary to give effect to other reorganisation under this section”.

2.3 Clause 16 to 21 – Local Government Commission (‘the Commission’)

These clauses are around the role of the Commission including:

- the Minister’s expectations of the Commission,
- authorising the Minister to give written direction to the Commission, review the performance of the Commission,
- the requirement for the Commission to provide a statement of intent, work programme, and annual reports,
- the process to follow when disputes are referred to the Commission for resolution, and
- membership of the Commission.

SOLGM notes that in the provision for dealing with disputes, the Chair of a regional council needs to be included as receiving notice, if a regional council is party to a dispute.

2.4 Clause 22 to 31 – Council Controlled Organisations (CCO’s)

If planning to become a shareholder in a multiple owned CCO, a council must obtain written agreement from the Commission before commencing consultation.

There are new provisions for water services CCO’s and transport services CCO’s, and substantive CCO’s (the CCO owns or manages assets of \$10 million or more, and is a water services or transport services CCO). These provisions include:

- requirement to have a service delivery plan,
- requirement to have an infrastructure strategy, and
- local authorities must directly own their interests in any transport services CCO,
- a director of a substantive CCO cannot be a member of a governing body, local board or community board of a local authority,
- CCO’s have the right to comment on an LTP before it is consulted on.

SOLGM notes the lack of need for the CCO’s to consult on service delivery plans and infrastructure strategies, which should be a requirement. It also recommends that employees of a local authority should be precluded from being a director of a substantive CCO.

2.5 Clause 36 – Reorganisation of local authorities (Amendments to Schedule 3 of LGA)

This clause gives greater discretion to the Commission in responding to reorganisation requests, along with greater flexibility for processing each reorganisation investigation. It also gives the ability for Commission to undertake a reorganisation investigation of its own.

This clause provides for the establishment of water services and transport services CCO’s, with appropriate powers.

The clause allows one or more local authorities to themselves develop and consult on a reorganisation plan.

The requirement for electors to petition for polls on plans for major reorganisations has been removed. Extending polls to major transfers of functions (in some circumstances) has become mandatory.

An existing clause around the need for demonstrable community support for a reorganisation application has been removed.

Provisions have also been made around the timing of applications, where a reorganisation application has previously been made.

SOLGM notes that demonstrable community support should be required to be shown where there is a reorganisation proposal.

If the Commission undertakes its own investigation, there should be provision for the local authority to have the right to comment on the proposed matters.

Polls should be mandatory for the establishment of CCO's.

The timing of applications clause should be reworded, to allow reorganisation of different aspects of a local authority, e.g., establishment of a water services CCO, then a transport services CCO. Timing must allow for a newly implemented reorganisation to settle in and start reaping the benefits of the reorganisation (this can take a bit of time).

2.6 Clause 38 – Schedule 10 Amendments re Annual Plans, LTP's and Annual Reports

The ability to have regulations requiring disclosure of corporate accountability information in a LTP is proposed. This is defined as:

“...in relation to a local authority, means information relating to the corporate governance of the local authority and indicators of overall effectiveness of the local authority in performing its role, and includes the extent to which the local authority satisfies the expectations of citizens and customers”.

Clause 38 sets out the disclosure requirements, once the regulations are made.

Given the timing for submissions to be received, i.e., 28 July 2016, a submission from this Council has not been prepared. No issues have been identified in respect of the draft submission from SOLGM.

3. Recommendation

(1) *That this report be received.*

Nick Donnelly
Director Corporate Services

REPORT

Document Id: A917776

Report Number: 2016/0940

Prepared For: Finance and Corporate Committee

Prepared By: Chief Executive

Date: 11 July 2016

Subject: **HALO Project Application - Environmental Enhancement Fund**

1. Background

During the 2016/17 Annual Plan hearings the Landcare Connections Trust presented an application to fund the capital contributions to the HALO project. The HALO project is part of a major initiative being undertaken by the Landcare Connections Trust called 'Beyond Orokonui'. The HALO project involves pest control for invasive pests such as stoats, ferrets and rats. The initiative for the HALO project is to respond to the threats of these invasive pests in an initiative led by the Trust, but essentially to empower communities and landowners to manage a series of trapping activities to control the pests. The vision of the HALO project is to enhance the capability of the natural eco-system to sustain communities which include restoring indigenous biodiversity and to provide opportunities for employment, learning, training, eco-tourism and biodiversity.

In line with the objectives of the ORC's Environmental Enhancement Fund for the funding of capital items only, the Trust has prepared a detailed budget of capital items required which is essentially trapping equipment as well as motor vehicles. The group met with senior staff and discussed the proposal which is spread over three years. The first year the capital requirement is approximately \$212,000 of which \$134,000 covers the purchase of pest control equipment. ORC owns pest control equipment surplus to its requirement and will donate them once they have been reconciled against the HALO project's needs.

The senior management team evaluated the application and wish to recommend to Council to fund year one's capital costs of up to \$134,000. As indicated above, this amount is likely to be somewhat smaller depending on which of the surplus traps ORC can make available that are suitable for the needs of the project.

Note that as at 30 June 2016 the balance of funds held in the Environmental Enhancement Fund is \$213,000.

2. Recommendation

- (1) That Council receives this report.
- (2) That funding be made available from the Environmental Enhancement Fund to the value of up to \$134,000 plus GST to the Landcare Connections Trust for its work in the HALO project.
- (3) That the project report annually to Council on the progress of the effectiveness of pest control project.

Peter Bodeker
Chief Executive

Encl: Copy of HALO Project application (A918523)



**Otago Regional Council
 ORC Annual Plan Process
 C/- Chair Councillor David Shepherd; and,
 Director Corporate Services – Mr. Nick Donnelly**



Dear Councillors,

Thank you for the opportunity to present a verbal submission to the Annual Plan hearings panel. It was an excellent opportunity for the Landscape Connections Trust to present you with an overview of our priority focus, the Halo Project.

As requested, I have attached a comprehensive budget for the implementation of the Halo Project. This includes capital costs, ongoing annual operating costs, and budgeted in-kind labour and expertise contributions. I have also attached a community consultation document that we have recently used to update the communities within the Halo Project area.

As discussed yesterday, the capital costs are significant, but once in place will serve the Halo Project for a long time. Little additional funding will be needed for capital beyond this first tranche of capital. The annual operating costs are significant, and are budgeted to stay at this level for five years, before a reduction of project coordinator time is considered possible. We envisage there will always be a need for a part-time coordinator, but that by installing a community-wide culture of ongoing pest management which is built into people's everyday lives, that role can become less intensive over time.

We already have committed in-kind support from a number of agencies such as DOC, OSPRI and the Otago Natural History Trust (Orokonui ecosanctuary). These organisations have assisted us in the development of the Pest Management Plan that sits behind this project, and are committed to an ongoing contribution of expertise. We see this as essential to the success of what is a pioneering and very innovative project. As discussed yesterday, ONHT is contributing office space for the Project Coordinator, and ongoing meeting space for community meetings and workshops.

The ORC has also committed staff time to the development of the Pest Management Plan, and we would welcome that in-kind support continuing as the project begins to be implemented on the ground

Community support is enormous, and currently I am fielding several emails or phone calls every day from people wanting "to get stuck in". This is complemented by positive conversations with educational institutions such as the Otago Polytechnic, and groups such as Tramping Clubs, who would like their members to take responsibility for a specific patch - typically being open space public land. All of this enthusiasm requires coordination so as to ensure that people are working towards a collective goal, and using best practice methods for both pest management, monitoring and data collection, and safety.

The project is taking on a life of it's own. Being at that crucial transition point of turning strategy and consultation into action on the ground, we are currently embarking on a fund raising push.

We would be delighted if the ORC sought to support this project through the Environmental Enhancement Fund, particularly with regard to the purchase of the initial capital costs. Such an investment would see the ORC as the primary donor of the Halo Project, and would be recognised as such.

Again, thank you for the opportunity to present this to you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rhys Millar', with a long horizontal flourish extending to the right.

Rhys Millar
Project Manager
Beyond Orokonui Project

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m. 027 3877 866
e. rhysmillar@inspire.net.nz



THE LANDSCAPE CONNECTIONS TRUST

HALO PROJECT

Community Consultation Document



www.beyondorokonui.org.nz

Contact:
Rhys Millar
027 3877 866
landscapeconnectionstrust@gmail.com



THE HALO PROJECT

The Problem.

Invasive pests are threatening the vitality of the Beyond Orokonui area, of its plants, animals and people. Pests like stoats, ferrets, rats and possums prey on lizards, birds and eggs and chew through native foliage. Others, like rabbits, harm pasture.

These damaging impacts on native biodiversity and agriculture ripple through North Otago communities. Just as healthy environments support community wellbeing, prosperity and resilience, vulnerable ecosystems put them at risk.

The Halo Project

The Halo Project is a response to these threats, and seeks to enhance ecosystems, contribute to resilient agriculture and support the recovery of rare and threatened species. Led by the Landscape Connections Trust, the Halo Project is a community-run land management program that will form a key element of Beyond Orokonui Project activities.

By connecting communities through collaboration and shared targets, the Halo Project aims to foster a targeted network of volunteer teams in the Beyond Orokonui area to install and monitor traps and bait stations in their homes, streets and hinterlands.

This network of trappers, wildlife monitors and allies will give and gain skills and knowledge and contribute to what none could achieve on their own: unified, sustainable pest-control from the mountains to the sea.

What is the Halo Project vision?

1. To enhance the capacity of our natural ecosystems to sustain our communities.
2. To protect and restore our indigenous biodiversity.
3. To contribute to a resilient community through long-term landscape-scale pest control, by providing opportunities for employment, learning and training, ecotourism & biodiversity, agricultural productivity, and wellbeing.

Who is driving the Halo Project?

The Halo Project is a priority focus of the Beyond Orokonui Project, led by The Landscape Connections Trust. It has strong support from the Otago Natural History Trust, who administer Orokonui Sanctuary. It is also supported by other people and organisations, including:

- Kati Huirapa ki Puketeraki
- OSPRI
- Dunedin City Council
- Department of Conservation
- Otago Polytech and Malcam Trust
- University of Otago
- Otago Regional Council
- Individuals and landowners in the community

This document outlines the overarching goals of the parent project - Beyond Orokonui - then details specific priority activities for the Halo Project that were chosen to achieve biodiversity outcomes, sustain agricultural livelihoods and foster community engagement.



THE BIG PICTURE GOALS

What are the big picture goals of the Beyond Orokonui project?

Beyond Orokonui is a project coordinated by the Landscape Connections Trust that aims to restore and enhance landscape across a 55,000 ha project area.

The project extends from the north part of Dunedin and the Silver Stream valley to the Silverpeaks and Waikouaiti River catchments, and from Ravensbourne to Waikouaiti township in the North.

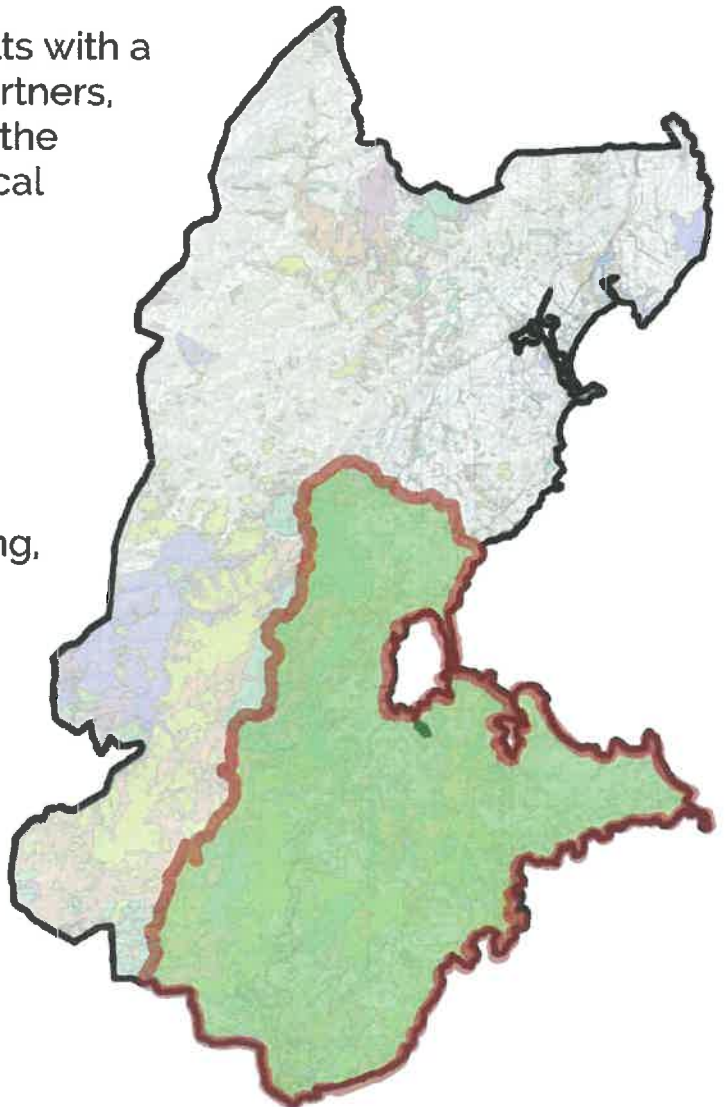
The trust is advised by and consults with a Community Advisory Group, its partners, relevant experts and members of the local community. Working with local communities and partners, the Beyond Orokonui project involves a range of activities, from habitat restoration of coastal forest ecosystems, restoration of seabird habitat sites, biodiversity surveys, wildlife monitoring and vegetation mapping, and this – the Halo Project.

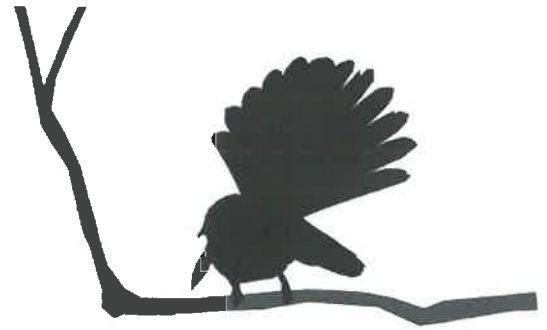
You can find out more about Beyond Orokonui by visiting: www.beyondorokonui.org.nz/

Beyond Orokonui area



The Halo Project area





What factors are crucial to the success and longevity of the Halo Project?

1. Do enough, and do it well:

Pest management will be done on a sufficient scale and with effective techniques to ensure sustainable, long-term pest control across the Halo Project area

2. Connect with the community:

Local people will have the information and support they require to be involved in pest management projects and training programmes, giving and gaining skills through their involvement

3. Build local skills:

Pest management sites will be geographically diverse, providing physical access to the wider community, and opportunities for training and career-development will support sustainable livelihoods

4. Work strategically:

Targeted implementation of efforts, funds and activities will make the best use of limited resources, and partnerships with existing initiatives and engaged community groups at sites with willing participants will maximise results

What outcomes do we hope the Halo Project will achieve?

- **Buffer Orokonui** from pest incursions and protect those birds that spill-over from the Ecosanctuary.
- **Enhance environments** by improving indigenous wildlife and vegetation health around Orokonui and in other areas where there is proactive community support.
- **Develop community capacity and create livelihoods**, with more local people trained and employed in pest control and conservation activities.
- **Protect agricultural livelihoods**, helping keep TB away from livestock.
- **Engage, enthuse and inform** community members to take action in their own back yards.
- **Identify, create and catalyse opportunities** for enterprise, community collaborations and training program development.





THE PEOPLE BEHIND THE PROJECT

Landscape Connections Trust Management Team

If we are able to secure funding for the Halo Project, the Landscape Connections Trust will employ one FTE person alongside existing part-time contracts. The roles will be defined as:

Project Manager (0.25 FTE): this existing contractor will lead the project as a part of coordinating Beyond Orokonui activities. The Project Manager is responsible for management of the Field Officer and Contractors and liaising with the Landscape Connections Trust Board and partnering institutions

Field Officer (1.0 FTE): this employee will act as the primary point of contact with the CCPS groups and trainees (detailed below), coordinating various activities, organising and delivering training sessions and fostering community engagement across the Beyond Orokonui project area.

Contractors: in response to specific needs, such as specialist pest eradication, contractors will be employed on a pro-rata basis.

Community Volunteer and Trainee Teams

The Halo Project cannot succeed without buy-in from communities within the Beyond Orokonui project area, and there are lots of opportunities for individual and group involvement, contribution and learning. Some of these are described below, and others can be organised with the Landscape Connections Team.

Community Controlled Pest Sites (CCPS): On the ground, the Halo Project will be carried out by CCPS groups, made up of community members who volunteer to defend a patch they care about. These areas could be in local neighbourhoods or in targeted areas further afield, and will become the responsibility of the CCPS group. Depending on the nature of the chosen site,

its pest control requirements and the skills and capacity of the team members, different tasks including data collection, monitoring, reporting, and trapping will be conducted in each CCPS.

Each CCPS group will have an elected Coordinator who will be the point of contact with the Field Officer. The Coordinator will track progress, seek support and organise training on behalf of the group, as well as providing updates on project activities.

Technical Support Group: A key component of community engagement will be asking subject professionals and skilled experts to deliver talks and training sessions on theoretical and practical pest management topics, to impart these skills to a wider audience.

The Project Manager and Field Officer will seek guidance from the Technical Support Group and identify beneficial subject areas to build community knowledge, skills and confidence. The Technical Support Group will also be responsible for guiding the technical direction of the project.

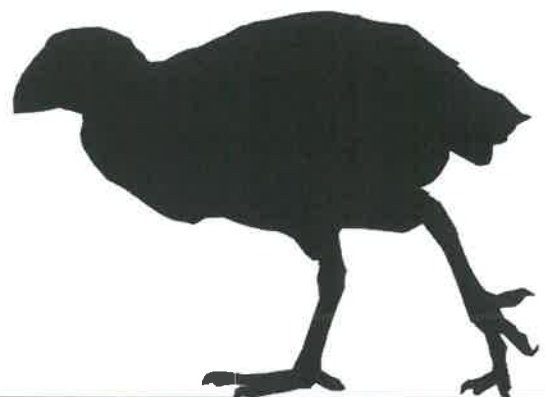
Trainees and interns: Building skills and providing opportunities in Beyond Orokonui communities is a key component of the Halo Project, and a trainee program will be central to achieving this.

Trainees will be given theoretical and practical training in running a variety of pest management programmes, health and safety management, monitoring pests and monitoring biodiversity outcomes.

Controlling invasive pests is no easy feat, and the success of the Halo Project depends on strong community engagement with a united set of goals. While the Landscape Connections Trust is leading this project, it belongs to you – the more people involved, the wider reaching its success.

If you would like to discuss any of the above roles with the Landscape Connections Trust, please get in touch:

Rhys Millar
027 3877 866
landscapeconnectionstrust@gmail.com





Connect with Your Community

How do you want to connect?

Giving input and feedback

Come along to a Landscape Connections Trust consultative meeting

On the ground

Join or found a Controlled Pest Management Site Community Cluster

Want to get involved?



Learn New Skills

Yes —————

Are you interested in a career in pest management?

Ask us about pest management internships, certificates, and training programs

Attend a Landscape Connections Trust training session on trapping, toxins and data collection

No





THE PRIORITIES FOR THE HALO PROJECT

Our community advisors, alongside pest management professionals, chose priorities based on their:

- i) alignment with project goals;
- ii) provision of the best biodiversity gains; and
- iii) achievability by a community.

Priority 1. Provide a buffer to Orokonui Ecosanctuary

Stoat, possum and rat incursions present a very real threat to Orokonui Ecosanctuary, with breaches in the perimeter boundary threatening bird populations and vegetation inside.

Strategically reducing predator numbers in the Inner Halo and Outer Halo areas will not only protect the sanctuary, but will also create a wildlife haven in the spill-over area around Orokonui. If the Halo Project is funded, a number of distinct phases will be undertaken:

Phase I: Intensive stoat control in the Inner Halo

Residents living within the Inner Halo area will be encouraged to explore trapping and baiting options on their properties, and Controlled Community Pest Site (CCPS) teams will install and maintain equipment along roads, tracks and streams.

Phase II: Inner Halo possum control

CCPS teams will install and maintain traps and bait stations in areas of possum habitat inside the Inner Halo.

Phase III: Landscape-scale stoat control in the Outer Halo

Geographically strategic stoat control will see traps installed along roads, tracks, beaches and streams in the North Harbour Peninsula, Urban Connections, and Blueskin Bay areas of the Outer Halo.

Phase IV: Controlling rat populations in the Inner Halo

To keep rats at a low density, a grid of traps and bait stations will be installed and maintained in the same Inner Halo areas targeted by Phase II.

Phase V: Protect cloud forests from possums

In conjunction with OSPRI's goal to remove tuberculosis-infected possums from the Mt Cargill area, cloud forest habitat in the Inner and Outer Halo will be controlled. This partnership will afford opportunities for trainees and interns to learn skills from and work alongside OSPRI contractors.

Engaging, educating and motivating the community will be central to the success of each phase, and will require coordinated efforts by the CCPS Coordinator and Field Officer to ensure all necessary support and guidance is accessible.

Priority 2. Support community groups

The Halo Project cannot succeed in any capacity without strong, sustained community involvement. Throughout the project area, there are a number of effective, vocal and committed groups contributing to pest eradication, yet funding, resources and skills shortages can mean they fall short of their goals.

The Field Officer and CCPS Coordinator will engage with communities to provide case-specific support, training and resources to equip individuals and groups with what they need to either join a priority project or adopt their own pest control programme.

Communities will be empowered to protect their local treasures, expanding the reach of the Halo Project beyond the core priorities.



THE PRIORITIES, ON THE MAP

Priority 1. Provide a buffer to Orokonui Ecosanctuary

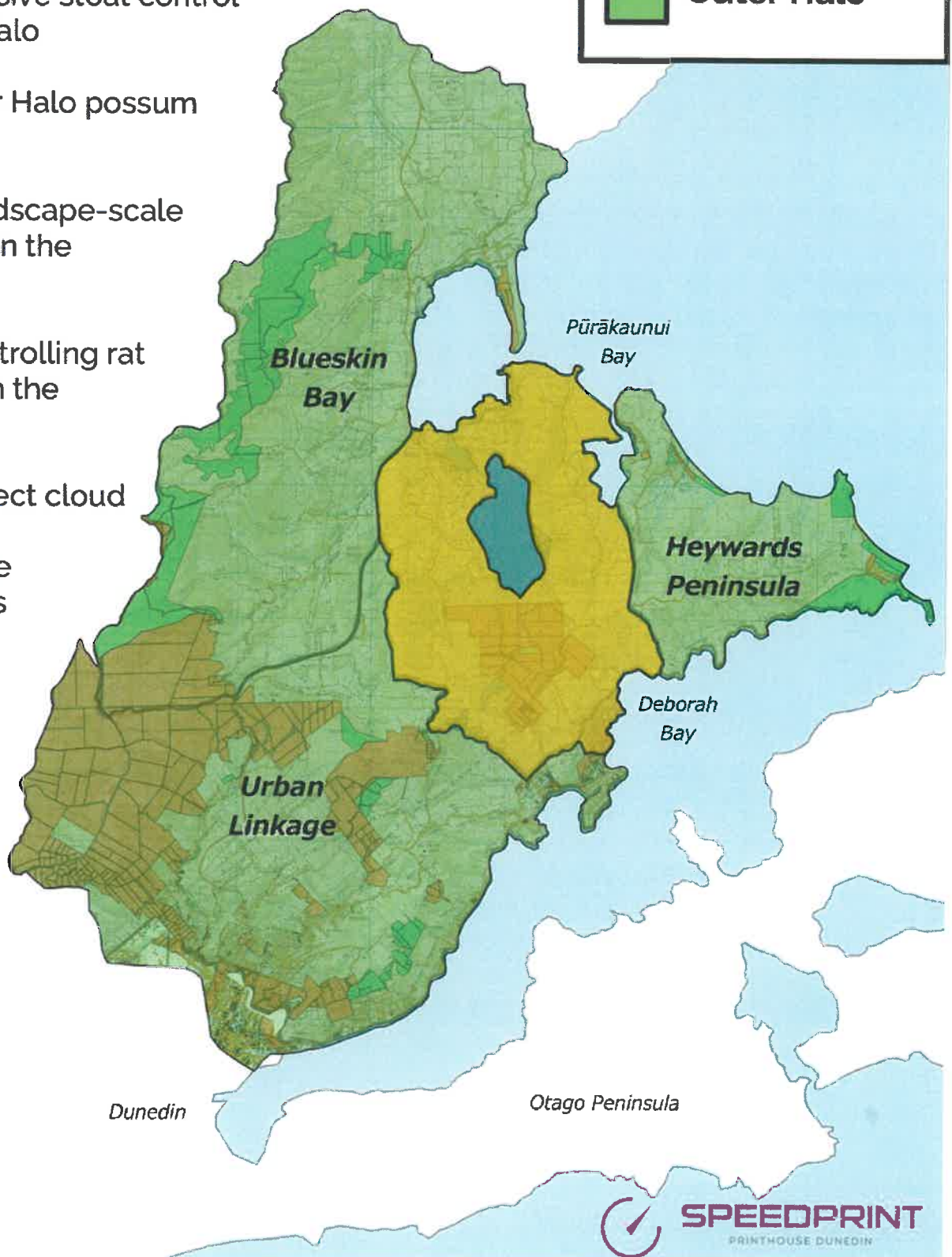
Phase I: Intensive stoat control
in the Inner Halo

Phase II: Inner Halo possum
control

Phase III: Landscape-scale
stoat control in the
Outer Halo

Phase IV: Controlling rat
populations in the
Inner Halo

Phase V: Protect cloud
forests in the
Urban Linkage
from possums



REPORT

Document Id: A917078

Report Number: 2016/0932

Prepared For: Finance and Corporate Committee

Prepared By: Director Corporate Services

Date: 8 July 2016

Subject: **Executive Report - July 2016**

1. Election Update

The 2016 local authority triennial elections will be held on Saturday 8 October 2016. Nominations open on 15 July 2016. Nomination forms and a candidate information booklet have been completed and are available at City/District Council offices and on ORC's website together with other information useful to potential candidates. A candidate information evening will be held at 7.00 pm on 20 July at the DCC Municipal Chambers. Council CEO Peter Bodeker will attend and present to candidates interested in standing.

The following table shows the key dates for the election:

Friday 15 July 2016	Nominations open Electoral Rolls open for inspection
Friday 12 August 2016	Nominations close (12 noon) Electoral Roll close
Friday 16 September 2016	Voting period commences
Saturday 8 October 2016	Election Day Voting closes 12 noon

2. Account Payments

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

Payment Category	May 2016	June 2016	Total
Trade and general payments	2,610,227.27	2,691,583.12	5,301,810.39
Payroll	615,008.32	654,731.57	1,269,739.89
Investments	-	3,000,000.00	3,000,000.00
Total	3,225,235.59	6,346,314.69	9,571,550.28

3. Recommendations

- 1) *That this report be received.*
- 2) *That the payments and investments summarised in the table above and detailed in the payment schedule, totalling \$9,571,550.28, be endorsed.*

Nick Donnelly
Director Corporate Services

OTAGO REGIONAL COUNCIL

**Agenda for a meeting of the Technical Committee to be held
in the Council Chamber, 70 Stafford Street, Dunedin
on Wednesday 20 July 2016, following the Finance & Corporate
Committee**

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: Cr Sam Neill

In attendance:

Please note that there is an embargo on agenda items until 8.30 am on Monday 18 July 2016

CONFIRMATION OF AGENDA

CONFLICT OF INTEREST

PUBLIC FORUM

MINUTES

The minutes of the meeting held on 8 June 2016, having been circulated, for adoption.

Matters arising from minutes**PART A RECOMMENDATIONS**

Item 1

2016/0909 **South Dunedin Natural Hazards.** DEHS 6/7/16

The report summarises ORC's work to date on South Dunedin's natural hazards and provides comment on further work and stakeholder engagement.

The full report 'The Natural Hazards of South Dunedin – July 2016' is circulated separately with the agenda.

Item 2

2016/0910 **Management flows for Aquatic Ecosystems of the Pig Burn.**
DEHS, 8/7/16

The report provides technical information on aquatic ecosystems to support future water management decisions in the Pig Burn catchment. A management flow report ("Management Flows for Aquatic Ecosystems in Pig Burn") has been prepared presenting hydrological information, instream values and assessing the ecological flow requirements for the Pig Burn.

The full report 'Management Flows for Aquatic Ecosystems in Pig Burn' is circulated separately with the agenda.

PART B ITEMS FOR NOTING

Item 3

2016/00893 **Director's Report on Progress.** DEHS, 13/7/16

Topics covered in the report are: Leith Flood Protection Scheme, Albert Town riverbank stability, Land Drainage Pump Stations Durability and Safety improvements, Historic and Future Climate Change, Weather radar for Otago, Dunedin City District Plan Natural Hazards Submissions, and Waikouaiti Estuary Modelling.

OTAGO REGIONAL COUNCIL

**Minutes of a meeting of the Technical Committee held
in the Council Chamber, 70 Stafford Street, Dunedin
on Wednesday 8 June 2016 commencing at 9:00am**

Present:

- 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 Gretchen Robertson
- Cr David Shepherd
- Cr Stephen Woodhead

Leave of Absence: Cr Sam Neill

In attendance:

- Peter Bodeker
- Gavin Palmer
- Fraser McRae
- Nick Donnelly
- Caroline Rowe
- Scott MacLean
- Lauren McDonald
- Deborah Mills
- Adam Uytendaal
- Sharon Hornblow
- Chris Valentine
- Dean Olsen
- Rachel Ozanne

CONFIRMATION OF AGENDA

There were no changes to the agenda.

CONFLICT OF INTEREST

Cr Scott advised that for Item 5, he declared he had an interest in a forestry holding and would pass the chairing of this item to Cr Brown.

MINUTES

The minutes of the meeting held on 20 April 2016, having been circulated, were adopted on the motion of Crs Scott and Croot.

**Moved
Matters arising from minutes**

There were no matters arising from the minutes.

PART A - RECOMMENDATIONS

Item 1

2016/0796 **Pomahaka River and Taieri River Morphology and Riparian Management Strategy.** DEHS 20/5/16

The report describes the morphology and riparian management strategies developed to help protect and enhance the recreational, cultural and ecological values associated with the Pomahaka riverbed and Taieri riverbed and their margins. The development of each strategy is part of the 2015/16 Annual Plan target RW1 - 3:

Cr Scott summarised the report including the strategies, principles, and objectives, community values and financial considerations for sustainable river management on the Taieri and Pomahaka rivers, noting that increased work would mean increased cost for river management activity.

Discussion

A question was raised in regard to Council having a more active role in river management by holding a gravel extraction consent which would be able to be used by the community.

Dr Palmer advised that those were details that ORC needed to work through including the options of either full transfer of the consent to another party, as has been done for the Shotover Delta. In regard to the Leith, ORC hold the consent and the contractor was in effect operating under the ORC's consent in a contractual agreement. Dr Palmer advised that this was a common approach of other regional councils. In the case where there was not a commercial contractor with their own consent, ORC may hold the universal consent and provide for the small number of consents for gravel extraction, from time to time, where appropriate for river management.

A comment was made that the Council's responsibility needed to be clearly defined as to who has the legislative responsibility if anything goes wrong or if consent conditions were not adhered to.

A comment was made that a communications publication needed to be developed with clearly presented information (an example was given of the PC1C documents) explaining the three or four key points in regard to where the Council and landowner responsibilities and permissions sat, as commonly people don't tend to reference back quickly to a full comprehensive technical report. Mrs Rowe was requested to investigate the development of this type of communication.

Moved Cr Woodhead
 Seconded Cr Shepherd

That;

1. *these reports are received;*
2. *the Pomahaka River and Taieri River morphology and riparian management strategies are endorsed; and*
3. *the financial considerations associated with the strategies are noted.*

Motion carried

Item 2

2016/0793

Cardrona River Channel Morphology. DEHS, 20/5/16

The report described the changes in morphology that have occurred since the last comprehensive survey was undertaken in 2007, and places these more recent changes within the context of longer term trends. It fulfils the 2015/16 Annual Plan target.

Dr Palmer advised that this work was an Annual Plan target and would lead into the next strategy plan for the Cardrona River morphology and riparian management.

A question was raised in regard to the work currently being undertaken on setting the minimum flow for the Cardrona River and if there was a timing consideration of those two processes.

Dr Palmer advised that these would be aligned and the intention was not to have duplication, go over known information, or hold multiple meetings, but to deal with all the issues at the same time. He acknowledged the processes were 'separate but related' and a values assessment had already been completed on this catchment. Dr Palmer confirmed that the river management strategy did not rely on the minimum flow work being completed.

Mr McRae confirmed that interface with the community would occur at the same time for minimum flow setting and river morphology. Work has commenced on the Cardrona to look at other ways of managing water in that river. Mr McRae confirmed that the focus was on setting minimum flows on Otago's major rivers first and to have these in the Water Plan.

Moved Cr Deaker
 Seconded Cr Woodhead

That;

1. *this report be received and noted; and*
2. *this report is used to inform the Cardrona River morphology and riparian management strategy.*

Motion carried

Item 3
2016/0698

**Technology-based solutions for air quality management:
A Discussion Document. DEHS, 20/5/16**

The report summarised the factors behind the improvement in New Zealand's air quality over the last 10 years and discusses the various options available to assist with the reduction in particulate emissions from solid-fuel burners. This fulfils two targets in the 2015/16 Annual Plan.

Cr Scott summarised the report by Deborah Mills, Environmental Scientist including the considerations to reducing particulate emission, through a wide range technological solutions, such as ULEBs for domestic heating, residential community heating schemes and secondary controls.

Cr Scott commented that in the reduction of particulate concentrations, that no scheme was likely to succeed in reducing PM₁₀ concentrations to meet NES Air Quality levels (within reasonable energy input limits) and that the option of the greatest improvement would come through reducing "operator" intervention with domestic burners.

Dr Palmer advised that this work was part of the Annual Plan targets and supported other pieces of work which would inform the air quality management strategy.

Councillors thanked Ms Mills for a very interesting and thoroughly researched report which offered potential options to inform air quality management strategies.

In response to a question, Ms Mills advised that Canterbury, Nelson and the Bay of Plenty had trials of ULEBS underway and that Otago would review how these trials could contribute to the Otago air quality strategy.

Cr Woodhead commented, as had been reported to Council previously, that the Ministry for the Environment had signalled the review of the National Environmental Standard for Air Quality and completion was due for July/August with a discussion document from the Crown. He advised once this document was received, Council would then be in a position to review how this fits together and perhaps workshop this for Otago.

Mr Bodeker commented that residential community heating schemes would need to be partnered with TAs and sought Council's expectation on whether initial investigations with the TAs and developers should proceed to seek their interest on what could be done. Councillors encouraged establishing communication with the TAs and on opportunities.

Moved Cr Croot
Seconded Cr Bell

That;

1. *this report be received; and*
2. *this report be used to inform the Otago Air Strategy.*

Motion carried

Item 4
2016/0803

Natural Hazards on the Clutha Delta, Otago DEHS, 25/5/16

The intention of the report is to inform decisions relating to the Clutha Delta between Balclutha and the coast, including how to manage infrastructure that is part of ORC's Lower Clutha Flood Protection and Drainage Scheme. This report includes the 2015/16 Annual Plan target 12: Assess effects and implications of shoreline retreat and sea level rise.

It was commented about the need for communication and presentation of the report to the community to be well managed.

Cr Woodhead commented that he thought there was reasonable understanding in the Clutha Delta community of these challenges and that Coastal erosion data had been provided to this community in the past.

Moved Cr Woodhead
Seconded Cr Robertson

That;

1. *this report be received and noted; and*
2. *this report is presented to the Clutha District Council and the Clutha Delta Community.*

Motion carried

Cr Brown chaired item 5, due to the conflict of interest declared by Cr Scott

Item 5
2016/0847

Update on Glendhu Forestry (Plan Change 6A) Water Quality Monitoring Project. DEHS 24/6/16

The objective of the Glendhu catchment study is to measure the effects of a multi-year pine harvesting operation on water clarity, suspended sediment yield, stream sedimentation and potential effects on instream biota. This report meets the 2015/16 annual plan target to provide an update report to ‘summarise the results thus far of forest harvesting in the Glendhu Forest on stream health and water quality’.

Cr Brown advised that this project is a catchment project – one in tussock land and one in forestry and the report outlined the purpose of project to measure sediment load coming off those catchments through the cycle of the forestry project

Dr Palmer advised that this project was part of RWQ implementation programme.

In response to a question raised on the set back of trees to the stream, Dr Uytendaal advised that it was a positive of the study to be able to have a good close look at the mitigation efforts that have been put in place, including setback of trees amongst other factors would be considered.

Moved Cr Shepherd
Seconded Cr Robertson

That;

1. *this report be received and noted; and*
2. *Plan Change 6A mediation parties be updated on progress with the study.*

Motion carried

PART B ITEMS FOR NOTING

Item 4
2016/0809

Director’s Report on Progress. DEHS, 27/5/16

Topics covered in the report are: Leith Flood Protection Scheme, Water of Leith flood forecasting, Green Island sea level, Flood schemes Piping risk investigations, Seismic hazard information, and Modelling to inform minimum flow setting processes.

Dr Palmer advised that the Leith work was moving forward to substantial completion by mid June and there had been some delay due to weather. In regard to the Clutha bioenergetics modelling work, there has been some delay in completing the field work due to the flow situation which would now take the field work into summer, but that this would not affect the setting of the minimum flow.

Dr Palmer advised that the site is owned by NIWA and was going to be closed. DoC administer the island and Council pays for the maintenance of the site, which has value for the South Dunedin and Clutha Delta work.

Moved Cr Deaker
Seconded Cr Croot

That the report is noted.

Motion carried

The meeting closed at 10:30am

Chairperson

REPORT

Document Id: A914768

Report Number: 2016/0909

Prepared For: Technical Committee

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

Date: 15 July 2016

Subject: **South Dunedin Natural Hazards**

1. Précis

Otago Regional Council (ORC) is collaborating with Dunedin City Council (DCC) on the management of the risks associated with South Dunedin's natural hazards. As part of that collaboration, ORC has prepared the report "The Natural Hazards of South Dunedin" (**attached**). The report is intended to inform discussion on how the risks should be managed. The predominant natural hazard for South Dunedin is the increased likelihood of surface flooding associated with rising sea level.

This covering report summarises ORC's work to date on South Dunedin's natural hazards and provides comment on further work and stakeholder engagement.

Further technical work on South Dunedin's natural hazards and their effects must be guided by the nature of the decisions that are to be made about how the risks are to be managed. To be useful in this context the work must serve a management purpose. That is, it must assist decision-making on risk management actions rather than just be of scientific interest.

South Dunedin is an integral part of the wider Dunedin community and so there are many people and groups with an interest in how its risks will be managed. ORC has been providing DCC with information on South Dunedin's natural hazards over the past seven years, and making that information available to the public. The report on natural hazards that has been prepared by ORC provides a basis for direct engagement with the wider community and stakeholders. That engagement will include stakeholder briefings, public information meetings and the provision of web and print-based information.

2. Introduction

ORC is collaborating with DCC on the management of the risks associated with South Dunedin's natural hazards. This arises from the resolution made on 15 July 2014 "*that Council work collaboratively with DCC on the climate change adaption work programme with respect to the South Dunedin harbourside area*"¹. As part of that collaboration, ORC has prepared the report "The Natural Hazards of South Dunedin". The report is intended to inform discussion on how the risks should be managed. It is noted that most of that information is repackaging or refinement of existing knowledge and material previously published by ORC and others.

Dr Simon Cox and Mr David Barrell of the GNS Science Dunedin Research Centre peer reviewed the report whilst it was being prepared and recommended some changes and

improvements. Those changes and improvements have been incorporated into the final version of the report.

3. Summary of work to date

ORC initiated a formal programme of monitoring the interaction between sea level and groundwater levels in South Dunedin in 2008ⁱⁱ with the establishment of three permanent groundwater bores in 2009. Initial analysis and modelling was completed in 2011ⁱⁱⁱ and published in 2012^{iv}. A fourth permanent bore was established in 2014. Updated analysis of measured groundwater levels was presented in 2014^v and 2015, the latter as part of ORC's reporting on the coastal Otago flood event of June 2015^{vi}. The report published by the Parliamentary Commissioner for the Environment^{vii} in November 2015 reinforced what was already known in Otago at the time with respect to South Dunedin and the potential effects of future sea level on groundwater levels.

Other work undertaken by ORC for the purposes of improving the understanding of natural hazards affecting South Dunedin (and elsewhere) includes the following:

1. Funding the operation of the National Institute of Water and Atmospheric Research Ltd's Green Island sea level recorder and providing public access to the information in real-time on ORC's WaterInfo website^{viii}. In addition, ORC has engaged the School of Surveying at the University of Otago to undertake precise measurement of ground level at the recorder for the purposes of monitoring trends in absolute sea level^{ix}. Measurement will start in August 2016.
2. Commissioning of the modelling and reporting of tsunami hazard in 2007^x and storm surge hazard in 2008^{xi} and the assessment of community vulnerability to those hazards^{xii} for South Dunedin (and elsewhere) in 2012. ORC presented this information to the four coastal Dunedin City community boards in 2012.
3. The provision of public access to natural hazards information on South Dunedin (and elsewhere) through the online Otago Natural Hazards Database (from November 2012)^{xiii}. As previously advised to committee, ORC made a series of presentations to real estate agents, law firms, the Otago branch of the New Zealand Law Society, the Insurance Council of New Zealand and Otago's territorial authorities in 2014 on the database and how to use it. The database has recently been upgraded to improve its functionality^{xiv}. The report "The Natural Hazards of South Dunedin" will be accessible to the public through the database.
4. Facilitation and technical input to the Otago Civil Defence and Emergency Management Group's Lifelines Study^{xv} in 2013 and 2014. Otago's twenty-five lifelines organisations^{xvi} participated in the study, including all of the territorial authorities. The study was part-funded by the Ministry of Civil Defence and Emergency Management (MCDEM) Resilience Fund. ORC presented the study findings to the Group Joint Committee and the Group's Coordinating Executive Group in November 2014. The findings were also provided to MCDEM and presented at the National Lifelines Forum.

5. Commissioning an assessment of liquefaction hazard^{xvii} and preparation of a report summarising existing knowledge of coastal hazards for Dunedin City District^{xviii} in 2014, for the purposes of informing the Second Generation Dunedin City District Plan (“2GP”). Both reports included information pertaining to South Dunedin. They were made available to the public during the information sessions conducted by DCC in 2014 and 2015. ORC participated in those sessions^{xix}.
6. Preparation of the Proposed Regional Policy Statement for Otago (PRPSO) in consultation with the territorial authorities^{xx}. The PRPSO was publicly notified in May 2015 following extensive consultation with the territorial authorities and other stakeholders. It contains provisions on future sea level rise for Otago^{xxi} and on how ORC and the territorial authorities will work together on the management of natural hazards.
7. Continued monitoring of groundwater levels at the four permanent bores within South Dunedin with the presentation of measured groundwater levels in real-time on ORC’s WaterInfo website (Bathgate Park and Culling Park from June 2016, Tonga Park and Kennedy Street from August 2016)^{xxii}.

4. Further work

As previously advised to committee, further technical work on South Dunedin’s natural hazards must be guided by the nature of the decisions that are to be made about how the risks are to be managed^{xxiii}. To be useful in this context the work must serve a management purpose. That is, it must assist decision-making on risk management actions rather than just be of scientific interest.

As noted above, the PRPSO specifies the amount of future sea level rise that must be planned for in Otago. The three coastal territorial authorities requested this level of guidance during consultation on the PRPSO. A particular value and timeframe for planning for future sea level rise have therefore already been developed for management purposes within Otago.

When multiple agencies initiate technical work on hazards and potential management options then their activities must be coordinated so that they focus on the right issues, in the right sequence at the right time. Shared information systems can assist this coordination. For example, ORC has initiated discussion with local consulting engineering firms to facilitate the population of the New Zealand Geotechnical Database^{xxiv} with a focus on South Dunedin. ORC has also been liaising with the Centre for Sustainability at the University of Otago regarding the Centre’s interest in South Dunedin’s environmental and social issues.

5. Stakeholder engagement

The predominant natural hazard for South Dunedin is the increased likelihood of surface flooding associated with rising sea level. It is noted that ORC is dealing with this issue elsewhere in Otago too^{xxv}.

South Dunedin is an integral part of the wider Dunedin community and so there are many people and groups with an interest in how the risks will be managed. For example, there are 12 primary, intermediate and secondary schools on or close to the South Dunedin plain, with a combined roll of 4,098 pupils (as at July 2015). The owner of the school land and buildings (in most cases the Crown), the providers of the education services (the Boards and their staff) and the recipients of those services (the pupils and their families) all have an interest in this matter as do the suppliers of essential utility services to the schools (wastewater collection, electricity, etc). Decision-makers need to be well informed so that they have a common understanding of the issues and so that they address them in a complementary and timely way.

As described above, ORC has been providing DCC with information on South Dunedin's natural hazards over the past seven years, and making that information available to the public. The report on natural hazards that has been prepared by ORC provides a basis for direct engagement with the wider community and stakeholders. That engagement will include stakeholder briefings, public information meetings and the provision of web and print-based information.

6. Recommendations

That;

1. This report and the report "The Natural Hazards of South Dunedin" are received and noted, and;
2. The proposed further community and stakeholder engagement is noted.

Gavin Palmer

Director Engineering, Hazards and Science

ⁱ *Update on South Dunedin Groundwater Monitoring and Sea Level Rise*, Report 2014/0957, Prepared for Technical Committee, Otago Regional Council, 15 July 2014.

ⁱⁱ *Director's Report on Progress*, Report 2008/257, Report to Environmental Science Committee, Otago Regional Council, 23 May 2008.

ⁱⁱⁱ *Groundwater modelling investigation into the effect of sea level fluctuations on the South Dunedin urban area*, Report 2011/1128, Report to Natural Resources Committee, Otago Regional Council, 11 November 2011.

^{iv} *The South Dunedin Coastal Aquifer and Effect of Sea Level Fluctuations*, Otago Regional Council, October 2012, 25p.

^v *Update on South Dunedin Groundwater Monitoring and Sea Level Rise*, Report 2014/0957, Prepared for Technical Committee, Otago Regional Council, 15 July 2014.

^{vi} *Coastal Otago Flood Event: 3 June 2015*, Otago Regional Council, October 2015, 56p.

^{vii} *Preparing New Zealand for Rising Seas: Certainty and Uncertainty*, Parliamentary Commissioner for the Environment, November 2015, 92p.

^{viii} Sea level has been measured at Green Island from December 2002. Measurements can be accessed in real-time at <http://water.orc.govt.nz/WaterInfo>.

- ^{ix} *Director's Report on Progress*, Report 2016/0809, Report to Technical Committee, Otago Regional Council, 27 May 2016.
- ^x *Otago region hazards management investigation: tsunami modelling study*, Client Report CHC 2007-030, National Institute of Water and Atmospheric Research Ltd, 2007.
- ^{xi} *Otago Regional Council Storm surge modelling study*, Client Report CHC 2008-047, National Institute of Water and Atmospheric Research Ltd, 2008.
- ^{xii} *Community Vulnerability to Elevated Sea Level and Coastal Tsunami Events in Otago*, Otago Regional Council, July 2012, 104p.
- ^{xiii} <http://www.orc.govt.nz/Information-and-Services/Natural-Hazards/hazards/>.
- ^{xiv} *Director's Report on Progress*, Report 2015/1304, Report to Technical Committee, Otago Regional Council, 20 January 2016.
- ^{xv} *Otago Lifelines Project, A Vulnerability and Interdependency Assessment of Otago's Lifelines Infrastructure*, September 2014.
- ^{xvi} The Civil Defence Emergency Management Act 2002 defines which organisations are lifelines. They are specific entities named in the Act and entities carrying on certain businesses (e.g. an entity that distributes electricity through a network).
- ^{xvii} *Assessment of liquefaction hazards in the Dunedin City district*, GNS Science Consultancy Report 2014/068, May 2014, 66p.
- ^{xviii} *Coastal hazards of the Dunedin City District*, Otago Regional Council, June 2014, 122p.
- ^{xix} *Director's Report on Progress*, Report 2015/1238, Report to Technical Committee, Otago Regional Council, 18 November 2015.
- ^{xx} *Proposed Regional Policy Statement for Otago*, Otago Regional Council, 23 May 2015.
- ^{xxi} See Objective 3.3 and Policy 3.3.1.
- ^{xxii} <http://water.orc.govt.nz/WaterInfo/Catchment.aspx?r=Dunedin>.
- ^{xxiii} *Update on South Dunedin Groundwater Monitoring and Sea Level Rise*, Report 2014/0957, Prepared for Technical Committee, Otago Regional Council, 15 July 2014.
- ^{xxiv} The database is administered by the Ministry of Business, Innovation and Employment. Further details can be found at <https://www.nzgd.org.nz/Registration/Login.aspx?ReturnUrl=%2f>.
- ^{xxv} *Natural Hazards on the Clutha Delta, Otago*, Report 2016/0803, Report to Technical Committee, Otago Regional Council, 25 May 2016.

REPORT

Document Id: A914938

Report Number: 2016/0910
Prepared For: Technical Committee
Prepared By: Pete Ravenscroft, Environmental Resource Scientist - Freshwater
Lu Xiaofeng, Resource Scientist Hydrology

Date: 8 July 2016

Subject: **Management Flows for Aquatic Ecosystems of the Pig Burn**

1. Précis

The Pig Burn drains a catchment of 50.8 km², located approximately 6 km from the township of Patearoa. It enters the Taieri River 3 km downstream of the Ranfurly-Patearoa Road Bridge. The Pig Burn provides no recreational benefit to anglers but it may contribute to recruitment for the brown trout fishery of the upper Taieri River.

It is desirable to have technical information on aquatic ecosystems available to the public to support future water management decisions in the Pig Burn catchment. A management flow report (“Management Flows for Aquatic Ecosystems in Pig Burn”) has been prepared presenting hydrological information, instream values and assessing the ecological flow requirements for the Pig Burn. The assessment has been informed by work undertaken for ORC by Golder Associates, who carried out in-stream habitat modelling in the Pig Burn catchment in 2008.

The naturalised 7-d mean annual low flow¹ at the Pig Burn at Top Intake was estimated as 0.079 m³/s from two complete irrigation seasons². There are eight permitted water takes in the Pig Burn catchment with a combined maximum instantaneous rate of 0.455 m³/s. The data presented in this report does not provide information on surface water and groundwater interactions in the lower part of the Pig Burn.

Using habitat suitability curves derived from habitat modelling, flows to retain suitable levels of habitat during the irrigation season have been suggested for existing fish species in the Pig Burn in the table below:

¹ The average of the lowest seven-day low flow periods for every year of record.

² Naturalised flows in the Pig Burn at Top Intake were estimated from flows recorded in the Sow Burn at Carr’s Intake, using the combined ratio method. Flows in the Sow Burn at Carr’s Intake are very close to natural (with two permitted takes from small tributaries) and the Pig Burn and Sow Burn are very close, have similar catchment characteristics and flow regimes.

Assessment of instream habitat values at sites in the Pig Burn with recommended levels of habitat retention (based on the approach of Jowett & Hayes 2004).

Value	Significance	Habitat retention	Flow (m³/s)
Brown trout spawning	Regionally significant	70%	0.120
Brown trout fry -150 mm	Regionally significant	70%	0.046
Brown trout fry	Regionally significant	70%	0.025
Food producing	Life supporting capacity	70%	0.064

The results from the technical report should be used to inform decision making on future flow management in the Pig Burn catchment.

2. Recommendations

That;

1. This report and the technical report 'Management Flows for Aquatic Ecosystems in Pig Burn' are received and noted; and
2. These reports are provided to the holders of deemed permits in these catchments.

Gavin Palmer
Director Engineering, Hazards & Science

REPORT

Document Id: A912552

Report No: 2016/0893
Prepared For: Technical Committee
Prepared By: Dr Dean Olsen, Manager Resource Science
Dr Jean-Luc Payan, Manager Natural Hazards
Chris Valentine, Manager Engineering

Date: 13 July 2016

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

1. Leith Flood Protection Scheme

Construction continues on the Dundas Street to St David Street reach of the Leith Flood Protection Scheme (Figure 1). All works are forecast to be completed this month. Forecast costing at completion of construction of the works is within the contracts approved budget.

Preliminary design work for the flood protection works between Union Street and Leith Street Footbridge are progressing. Construction is programmed for this summer. A 1:25 scale physical model of this reach is being constructed by the University of Auckland School of Civil and Environmental Engineering. The model will be used to support decision-making on the nature and extent of the works to be undertaken in this reach. The results from the modelling will complement similar modelling undertaken in 2005.



Figure 1: Dundas Street to St David Street Reach of the Water of Leith, St David Street pathway (left) and Dundas Street switchback pathway (right), on 30 June 2016, showing civil works largely completed.

2. Albert Town riverbank stability

Geotechnical engineering consultants have advised staff of potential mitigation options relating to a landslide on the riverbank near Albert Town (right bank opposite the campground). The landslide was identified in 2014^{1,2}.

Staff are currently evaluating the benefits and feasibility of options for short term stabilisation and considering longer term options to incorporate in the 2017/18 Annual Plan. The objective of the landslide stabilisation measures would be to protect ORC-owned rockwork just downstream of the slip. It is proposed to increase baseline monitoring of the section of riverbank upstream of the SH6 Bridge to detect any future deformation.

3. Land Drainage Pump Stations Durability and Safety improvements

Investigation and design work has been undertaken for a number of durability and safety improvements at ORC's land drainage pumping stations. This is an Annual Plan target for 2015/16 and 2016/17.

Health and safety improvements mainly relate to edge protection and elimination of hazards. The solutions considered aim to eliminate the hazard such as removable barriers at intake screens which allow for safe access to manually clear the screen from weed and debris, but can also be removed to allow mechanical cleaning of the screen in high flow events by an excavator (Figure 2).

Pump durability improvements have been investigated and designed around systems to prevent ingress of moisture into the pump casing on submersible pumps. This is a novel approach to providing additional protection to eliminate water passing through the mechanical seals. The concept has been developed in-house. A trial of the technology is expected in the coming year.

Work is underway to determine what spares are required on a risk basis for each pump, the availability and cost/benefit for stocking parts, standardisation between stations, and identification of the spare parts that should be stocked on a preventative basis. It will also identify the most efficient source for ordering parts that are not stocked.

¹ *Director's Report on Progress*, Report 2014/0711, Report to Technical Committee, Otago Regional Council, 3 April 2014

² *Director's Report on Progress*, Report 2014/1448, Report to Technical Committee, Otago Regional Council, 2 October 2014



Figure 2: Weed raking trials at Waipori Pump Station (left). A gate arrangement to provide fall protection above an intake screen at a pump station in Waikato (right).

4. Historic and Future Climate Change

ORC recently commissioned Alexandra-based climate research company Bodeker Scientific to complete an assessment of historic precipitation trends in Otago, updating an earlier study part-funded by ORC³.

The assessment found eastern Otago had a trend of decreasing total precipitation, number of raindays, and precipitation intensity over the 65 year study period. Conversely western and central Otago have seen a trend of increasing total precipitation and precipitation intensity over the same timeframe.

The study also looked at rainfall trends over the coming century for a range of climate change scenarios, and found much of the region is projected to receive increased total annual precipitation by 2100, with changes in many key rainfall metrics. The work is currently being reviewed for ORC by a climate scientist from the University of Otago.

The work will complement work published by the Ministry for the Environment in June 2016 in a report titled *Climate Change Projections for New Zealand*. The report is an update of the climate projections for New Zealand following the release of the Intergovernmental Panel on Climate Change (IPCC)'s Fifth Assessment Report in 2014.

The projected overall changes for New Zealand are similar to those from the previous assessment published in 2008. The updated report not only includes predictions from interpreting global climate models but, for the first time, results from detailed New Zealand regional climate model runs produced by NIWA are included resulting in more robust results.

³ Mojzisek, J. (2005), *Rainfall Variability in the South Island of New Zealand*, Unpublished PhD Dissertation, Department of Geography, University of Otago.

Figure 3 illustrates the projected changes for the annual average temperature and rainfall by 2090 under a low greenhouse gases emission scenario (left) and a high emission scenario corresponding to the “business as usual” situation (right).

Annual average change in rainfall (%) by 2090 under RCP2.6 (left) and RCP8.5 (right)

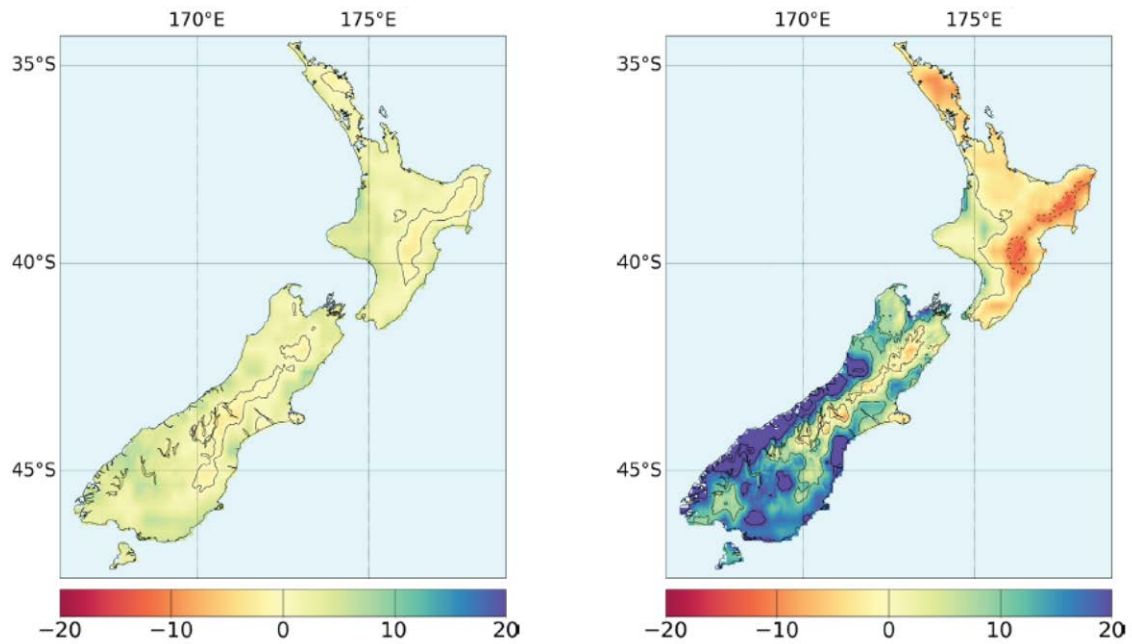


Figure 3. Projected annual average rainfall changes (%) by 2090 under the RCP2.6 low emissions scenario (left) and the RCP8.5 high emissions scenario (right), relative to the 1995 baseline (from *Climate Projections for New Zealand, Snapshot June 2016*, Ministry for the Environment)

The table below summarises the key findings of the report for the main meteorological parameters and provides regional interpretation.

Table 1. Main features of New Zealand climate change projections (adapted from *Climate Projections for New Zealand, Snapshot June 2016*, Ministry for the Environment)

Climate variable	Direction of change	Spatial & seasonal variation
Average temperature	Progressive increase with concentration. Only for RCP2.6 does warming trend peak and then decline.	Warming greatest at higher elevations. Warming greatest summer/autumn & least winter/spring.
Minimum and maximum temperatures	As average temperature.	Higher elevation warming particularly marked for maximum temperature.
Daily temperature extremes: frosts	Decrease in cold nights (minimum temperature of 0°C or lower).	Percentage changes similar everywhere, but number of days of frost decrease (hot day increase) greatest in the coldest (hottest) regions.
Daily temperature extremes: hot days	Increase in hot days (maximum temperature of 25°C or higher).	
Average rainfall	Varies around the country and with season. Annual pattern of increases in west and south of New Zealand, and decreases in north and east.	Winter decreases: Waikato, Gisborne, Hawkes Bay and Canterbury. Winter increases: Nelson, West Coast, Otago and Southland. Spring decreases: Auckland, Northland and Bay of Plenty.

Daily rainfall extremes: dry days	More dry days throughout North Island, and inland South Island.	Increased dry days most marked in north and east of North Island, in winter and spring.
Daily rainfall extremes: very wet days	Increased extreme daily rainfall, especially where mean rainfall increases.	Increase in western regions, and in south of South Island. Decrease in extremes in parts of north and east of North Island.
Snow	Decrease.	Large decreases confined to high altitude or southern regions of the South Island.
Drought	Increase in severity and frequency.	Increases most marked in already dry areas.
Circulation	Varies with season.	More northeasterly airflow in summer. Strengthened westerlies in winter.
Extreme wind speeds	Increase.	Most robust increases occur in southern half of North Island and throughout the South Island.
Storms	Likely poleward shift of mid-latitude cyclones and possibly also a small reduction in frequency.	(See section 3.7 of full report).
Solar radiation	Varies around the country and with season.	By 2090 [RCP8.5], West Coast shows the largest changes: summer increase (~5%) and winter decrease (5%).
Relative humidity	Decrease.	Largest decreases in South Island in spring and summer.

5. Weather radar for Otago

As previously advised to committee MetService will be installing a weather radar to help improve rainfall measurement and forecasting in Otago⁴. MetService have identified a preferred general area for the radar and are investigating how practical it would be to locate it at a number of sites within that area. They advise that 2018/19 is the most likely period for installation.

⁴ *Director's Report on Progress*, Report 2015/0999, Report to Technical Committee, Otago Regional Council, 9 July 2015.

6. Dunedin City District Plan Natural Hazards Submissions

Staff are continuing to work with Dunedin City Council on addressing and advising on the technical aspects of the submissions related to natural hazards made during the preparation of the second generation District Plan (2GP). Part of this work is to verify and amend, if justified, the proposed natural hazards maps (land stability, flood, alluvial fan and coastal) based on information provided in the submissions.

7. Waikouaiti Estuary Modelling

The Waikouaiti Estuary modelling project to assess the influence of summer low flows on the physical and chemical condition of the estuary is continuing. The project is a target within the 2015/16 and 2016/17 Annual Plans. Stage 1 (determination of estuary bathymetry) is complete and the modelling report (Stage 2) is due by the end of next month.

The open source model SCHISM⁵ is being used for high resolution 3D modelling of the tidal and river discharge hydrodynamics. The advantage of using an open source model is that it allows other consultants and researchers to replicate or enhance any previous modelling efforts for the given environment. The model is built on a triangular mesh as shown in Figure 4.

Model domain

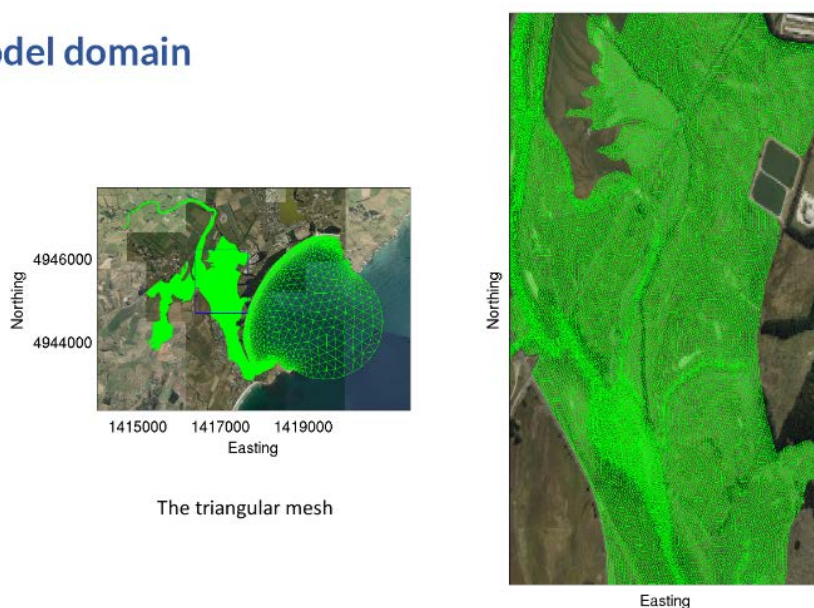


Figure 4 The model domain showing triangular mesh.

An example of modelled sedimentation mobilisation is shown in Figure 5. SCHISM can model at different flow rates to show changes in salinity, velocity, sediment, nutrients, temperature, wetted area etc.

⁵ Semi-implicit Cross-scale Hydroscience Integrated System Model. See <http://ccrm.vims.edu/schismweb/>.

Interim results

Percentage of time that 100 um sediment (fine sand) can be mobilised on the flood tide.



Percentage of time that 100 um sediment (fine sand) can be mobilised on the ebb tide.



Figure 5 Example of modelling showing sediment mobilisation.

Stage 3 (assessing the influence of changes in physical and chemical conditions of the estuary as a result of low flows on the ecology of the estuary) is a target for the 2016/17 year and will use the model to inform various scenarios.

MetOcean demonstrated the model to the East Otago Taiapure on 12 July. It is anticipated that by mid-August ORC and Taiapure members with the University of Otago will meet to finalise ecological monitoring for this financial year (to be undertaken over summer).

8. 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 20 July 2016 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: Cr Sam Neill

In attendance:

Please note that there is an embargo on agenda items until 8.30 am on Monday 18 July 2016.

CONFIRMATION OF AGENDA

CONFLICT OF INTEREST

PUBLIC FORUM

MINUTES

The minutes of the meeting held on 8 June 2016, having been circulated, for adoption

Matters arising from minutes

FOR NOTING

Item 1

2016/0891 **Stakeholder Engagement Report.** DSE, 12/7/16

Reporting on community, stakeholder and staff engagement activities carried out by Stakeholder Engagement directorate staff for the period 21 May and 1 July 2016

OTAGO REGIONAL COUNCIL

**Minutes of a meeting of the Communications Committee held in the
Council Chamber, 70 Stafford Street, Dunedin on
Wednesday 8 June 2016 commencing at 10:46am**

Present:

- 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 Gretchen Robertson**
- Cr Bryan Scott**
- Cr David Shepherd**
- Cr Stephen Woodhead**

Leave of Absence: **Cr Sam Neill**

In attendance:

- Peter Bodeker**
- Nick Donnelly**
- Fraser McRae**
- Gavin Palmer**
- Scott MacLean**
- Caroline Rowe**
- Lauren McDonald**

CONFIRMATION OF AGENDA

There were no changes to the agenda.

CONFLICT OF INTEREST

There were no conflicts of interest noted.

MINUTES

The minutes of the meeting held on 20 April 2016, having been circulated, were adopted on the motion of Crs Croot and Bell.

Matters arising from minutes

There were no matters arising from the minutes.

FOR NOTING**Item 1****2016/0810 Stakeholder Engagement Report. DSE, 31/5/16.**

The report provided an update on community, stakeholder and staff engagement activities carried out by Stakeholders Engagement directorate staff between 1 April and 20 May 2016.

Councillors acknowledged the letter sent to watertakers thanking them for their efforts during the recent low flow season, was a good initiative and provided another point of engagement for Council.

A question was raised whether the use of Facebook was reaching more ratepayers than traditional media, such as the ORC publication 'Waterlines'.

Mrs Rowe advised that both media approaches were necessary and that the Waterlines publication was targeted to the rural landholder and that Facebook targetted a younger demographic and was more urban. Mrs Rowe confirmed social media was being used to communicate stories such as the wallaby pest problem, clean heat burners and public transport out in different ways and the nature of Facebook allowed for increased advertising for a very small cost but that social media and would be supported by traditional media print.

In response to a question Mrs Rowe explained the definition of "reaching" people via Facebook meant that the ORC post had appeared on the Facebook user's newsfeed and acknowledged this would mean that proportionally less people would have read the information. The method of measuring the "reach" was still primitive.

Mrs Rowe confirmed the attendance at the Water Quality meetings had, in the majority, been strong and that the feedback from staff on the response had been positive for the majority of these meetings.

Cr Woodhead advised he represented Council at the Southern Wood Council Forestry Awards 2016 on 20 May at which there were three entrants from Otago. The evening was a professionally run with good coverage from an ORC perspective and provided an opportunity to lift Council profile in regard to the implementation of PC6A.

Mrs Rowe was requested to investigate and report back to Council on the award programmes Council currently supported, or had previously supported, and any recommendations in regard to recommencing as part of an intergrated engagement strategy.

A question was raised in regard to the appointment of a staff member for the regional co-ordinator role for EnviroSchools.

Mrs Rowe advised that the recruitment for a regional co-ordinator was underway. This position will be 0.6 EFT based at the Otago Regional Council as the DCC co-ordinator has left the role but that the DCC would provide training support.

Moved Cr Bell
Seconded Cr Deaker

That the report be noted

Motion carried

Item 2
2016/0784

Rural Water Quality Advisory Group – Terms of Reference
DSE, 22/4/16

This item sought Council endorsement of the Terms of Reference for the Rural Water Quality Advisory Group.

Moved Cr Deaker
Seconded Cr Woodhead

That;

- 1. this report be received, and*
- 2. the Terms of Reference for the Rural Water Quality Advisory Group is endorsed.*

Motion carried

Meeting closed 11:03am

Chairperson

REPORT

Document Id: A912488

Report Number: 2016/0891

Prepared For: Communications Committee

Prepared By: Director Stakeholder Engagement

Date: 12 July 2016

Subject: **Communications Committee – Report July 2016**

This report records stakeholder engagement activity between 21 May and 1 July 2016.

1. Water Quality

Engagement Activities and events under the council's rural water quality implementation programme (6A) have been undertaken during this period with a range of stakeholders. These are summarised below:

1.1. Field days, workshops, and presentations

- 1.1.1 Liaison staff attended the Beef and Lamb winter grazing field day at Waikoikoi. There was a good turn out with presentations from local vets, AgResearch staff, and council staff followed by an on farm visit to look at winter feeding regimes.
- 1.1.2 On 29 June, staff attended a workshop in Tapanui run by the Pathway for the Pomahaka group with Ravensdown presenting. The day's focus was on nutrient budgets and the information required for Overseer. ORC liaison staff also presented on the requirements in the Water Plan for nutrient leaching. The Ballance nutrient budgeting field day has been postponed from June until a date to be confirmed later this year.
- 1.1.3 On 29 June, liaison staff presented at an Ara Institute primary industry course, with an emphasis on sustainability and farming. The course is run through both the Timaru and Oamaru Ara Institute campuses. This was the second time staff had presented at this course and the feedback from staff and students was positive. Particular interest was shown in the Otago effects-based Water Plan and minimum flow regimes. This is a worthwhile opportunity to communicate the importance of best practice from an environment point of view to the next generation of farm managers/workers as they start their careers.
- 1.1.4 Liaison staff attended and presented at a Beef and Lamb Land Environment Plan (LEP) workshop held at the Maheno Hall on 31 May. The workshop was also promoted by the Kakanui Community Catchment Project (KCCP). There were several new faces among the 20 landowners at the workshop, which was good to see.



Photo: Kakanui catchment landowners participate in a Beef and Lamb Land Environment Plan workshop at Maheno Hall on Monday 31 May.

1.2. Dairy

On 9 June, the South Otago dairy working group met in Balclutha for the last meeting of the dairy season. The meeting outlined a summary of the number of dairy inspections completed from the season as well as an indicator of the degree of non-compliance. The next meeting is scheduled for the beginning of August and we are looking to formalise our engagement process with this group and explore opportunities to combine meetings where there is a significant cross-over of attendees.

1.3. Forestry

1.3.1 Council staff and forestry companies met on 31 May to discuss the ORC forestry compliance programme. The companies have been asked for feedback on the programme, especially around the health and safety aspects of council staff being on site while forestry harvesting is taking place. A protocol is being developed around this aspect of the programme that includes joint site inspections. A good working relationship is developing with the companies.

1.3.2 A forestry contractor's workshop was developed during this period for delivery on 6 July. The focus covered why waterways are important, what the Water Plan says, industry best practice and innovation as well as what to do if things go wrong.

1.4. Lakes catchment project

On 9 June, three staff attended a field day at Glendhu Bay. The event was hosted by Beef and Lamb with support from Aspiring Environmental Limited. The use of the Overseer model in a high rainfall environment was discussed and examples given of how different land use practices could affect nitrogen leaching rates in the area. This was in direct relation to the ORC Science study being undertaken in the Matukituki Valley.

The meeting attracted more than 30 people from around the community. Two more workshops are scheduled for August and September for the Lakes catchment project and ORC staff are working with the organisers to actively participate in these events.

1.5. Other South Otago activity

- 1.5.1 The Clutha Development Trust Project group held their annual meeting on 28 June. The group now has 125 farms involved in their water sampling project, and held catchment group meetings at the end of June to discuss the test results with the farmers involved.
- 1.5.2 End of year results for the Waipahi and Pomahaka Schedule 15 water sampling projects run under the umbrella of the Pathway for the Pomahaka project were presented by Terry Broad at well-attended meetings.
- 1.5.3 Two Beef and Lamb Land Environment Plan (LEP) workshops are coming up in the next month – a Level 1 in Clinton on 4 July and a Level 2 in Tapanui on 5 July.

1.6. Other North Otago activity

- 1.6.1 On 23 and 24 May three meetings were held at Maheno to inform the Kakanui Catchment community of ORC's upcoming request of Overseer data. The meetings were well attended with more than 100 landowners attending. ORC's messages were generally well received by the community. A number of Certified Nutrient Management Advisors also attended and made themselves known to landowners. ORC staff have since been planning and implementing the next phase of the programme which involves working with farmers mainly over the aquifer to undertake nutrient management plans with certified nutrient management advisers to complement the science work underway on the ground and surface water interaction.



Photo: ORC Director of Policy Planning and Resource Management Fraser McRae presents to the Kakanui catchment community at a meeting at Maheno Hall on Monday 23 May.

- 1.6.2 Liaison staff attended a North Otago Sustainable Land Management Society (NOSLaM) meeting on 13 June. The meeting doubled as an AGM and a general meeting. The future direction of NOSLaM was discussed, with the outcome that NOSLaM will begin to position itself as an entity to take over from the Kakanui Community Catchment Project (KCCP) which finishes at the end of this year.

It was recognised by NOSLaM that the KCCP has progressed well despite a limited mandate, with a heightened focus on community collaboration. A key strength has been having a capable facilitator who has been a pro-active co-ordinator and communicator with members and the community.

The collaboration of those involved in KCCP was acknowledged and there was a desire expressed to further develop the group and maintain the momentum. ORC will consider what role it may play in continuing to support this initiative moving forward.

1.7. Other region-wide activity

An annual plan target to measure the awareness of the rural water quality regulations is now complete for the 2015/16 year. Given the short period of time between surveys (February 2015-May 2016) this year's survey focused on two major industry groups, sheep & beef and dairy.

In the 15 months since the last survey, there has been an increase in the awareness of the rural water regulations, with a lift from 78% to 91% of those surveyed. The biggest lift in awareness has been among the sheep and beef farming community. There has also been an increase in farmers who have indicated they've made most or all of the changes from 35% in 2015 to 50% in 2016.

2. Water Quantity

- 2.1 1C Presentations have been delivered to priority catchment groups in Central Otago and Upper Clutha with reference to the water users handbook. The presentation has been separated into three sections:

- Section 1 is an overview of information set out in the handbook
- Section 2 discusses the need to include river flow and aquatic information in the application
- Section 3 outlines the principles of group-managed water, when river flows are less than what is consented, along with potential sharing of resource consents.

2.2 Meeting with priority groups

Meetings that have been held with priority water management groups during the reporting period are:

Groups	Date
Elbow	1 June
Ettrick	1 June
Roxburgh	2 June
South Roxburgh	2 June
Styx	8 June
Poolburn	9 June
Wetherburn	13 June
Eweburn	13 June
Edenburn	13 June
Arrow	14 June
Gibbston	15 June
Land Pro	20 June
Opus	22 June
Grape growers	24 June

2.3 Seven catchment groups have indicated they want to meet a combined group of potentially affected stakeholders between August and December, with the first meeting to be held in Bannockburn. The meetings, attended by ORC staff, will provide an opportunity to discuss aquatic ecosystem values and how safeguards such as residual flows for tributaries can help protect fish populations. It is also an opportunity for the water take holders to provide information to the stakeholder groups on stream characteristics.

3. Communications water quality and quantity activity

The winter edition of Waterlines has been published and distributed throughout the region. This covers topics related to both water quality and quantity issues.

A four-page feature in Irrigation New Zealand News's winter edition focusing on water quality and quantity messages was recently published. A storylist has been developed for the next Spring issue.

The video animation of the deemed permit to RMA consent process is now live and has to date received over 1,400 views.

A short video profile of the Southern Wood Council award winners – Greg Hart and Paul Kendall has been developed for use at the forestry workshop as well as in other communication channels. We plan to develop this concept to tell similar success stories across other industries.

4. Pest Management

A campaign to increase awareness of the incursion of wallabies from South Canterbury was initiated on 27 May. A range of channels were used for this campaign the reach of which are reported below.

4.1 Media circulation

A media release highlighting the potential damage wallabies could cause to the Otago environment and economy resulted in coverage in the following media with a combined circulation of 218,000:

- nzfarmer.co.nz
- The Star
- The Press
- Otago Daily Times
- tvnz.co.nz
- Lakes District & Central Otago News
- Wanaka Sun
- Rural News
- Countrywide

4.2 Advertising

Online advertising had a reach of 60,000 with 200 people clicking through to our website.

Facebook advertising had a reach of 11,707 people to date.

In addition, posters have been created and our environmental monitoring officers are distributing to hunting/outdoors stores in Waitaki/Central Otago for display.

Print media adverts have run in Oamaru Mail and The News reaching 4,000 and a flyer was delivered to 14,000 homes in the Waitaki and Central Otago areas.

Example of wallaby promotional material:



5. Air Quality

5.1 Following on from the June committee meetings, several media outlets have shown interest in the Bodeker Scientific Report into interventions for PM10. Communication and Science staff have responded to several regional and national media enquiries on this topic in the past 6 weeks.

5.2 A clean burning awareness campaign 'don't burn wet wood' was developed and began its implementation at the beginning of July. This campaign will run across a range of channels including radio, online and social media with some printed resources also available.

6. Land, Air, Water, Aotearoa

6.1 The air module of the Land, Air, Water Aotearoa (www.lawa.org.nz) went live on the 16th of June. The module features real time air quality monitoring data from regional/unitary council air monitoring sites around New Zealand, including Otago. Long-term state and trend data on air quality and air pollution sources are also presented on the site. This is an excellent resource for the public to view air quality near them and understand what contributes to poor air quality and what they can do to help improve it.

6.2 Work is now underway on the annual update of the water quality and quantity data due to go live on LAWA in September.

7. Civil Defence and Emergency Management

A redevelopment of the Otago Civil Defence and Emergency Management (CDEM) website is well underway with a test site presented to the region's CDEM staff in late June. It is now being populated with district/city specific content prior to being launched. It is anticipated that the site will stay in test mode for the national civil defence exercise 'Tangaroa' in August to allow staff to trial the site. A launch of the new site will follow shortly after this exercise.

8. Passenger Transport

Communication staff have been working closely with the passenger transport team on the Unit 4 changes to the Dunedin bus service. The communications activity on these changes will commence in July in the lead up to the changes in mid-August.

9. Media Monitoring Summary

Over the report period, there were 103 mentions of the Otago Regional Council in the print, of these 24 were on transport related issues, nine were on a new council building, and seven were on pest management (primarily wallaby control), and five were on ORC's support of regional economic development. In addition there were eight broadcast media mentions which included three on hazard management, two on water quality, and one on air quality and another on Queenstown transport.

10. Web developments and traffic summary

There have been 40,460 visits to our website during this period. This is down 28% on same time last year, noting flooding events in June 2015 caused a spike in web traffic.

11. Social media

We have 1,201 page likes to date on our Facebook account. There were 37 new posts or post shares during this reporting period. The reach during June was 27,850, up 103% on May.

We have 596 followers on Twitter. There were 37 tweets or retweets during this period.

12. Recommendation

That this report is noted.

Caroline Rowe

Director Stakeholder Engagement

OTAGO REGIONAL COUNCIL**Agenda for a meeting of the Policy Committee to be held in the
Council Chamber, 70 Stafford Street, Dunedin on
Wednesday 20 July 2016
following the Communications Committee meeting**

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: **Cr Sam Neill**

In attendance:

Please note that there is an embargo on agenda items until 8.30 am on Monday 18 July.

CONFIRMATION OF AGENDA

CONFLICT OF INTEREST

PUBLIC FORUM

MINUTES

The minutes of the meeting held on 8 June 2016, having been circulated, for adoption.

Matters arising from minutes

FOR NOTING

Item 1

2016/0907 **Director's Report on Progress.** DPPRM, 8/7/16

The report gives an overview of significant activities undertaken by the Policy section since the last meeting of the Policy Committee.

OTAGO REGIONAL COUNCIL**Minutes of a meeting of the Policy Committee held in the
Council Chamber, 70 Stafford Street, Dunedin on
Wednesday 8 June 2016 commencing at 2:18pm**

Present: 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 Bryan Scott
Cr David Shepherd
Cr Stephen Woodhead

Leave of Absence: Cr Sam Neill

In attendance: Peter Bodeker
Nick Donnelly
Fraser McRae
Scott McLean
Gavin Palmer
Caroline Rowe
Lauren McDonald

CONFIRMATION OF AGENDA

There were no changes to the agenda.

CONFLICT OF INTEREST

There were no conflicts of interest noted

MINUTES

The minutes of the meeting held on 20 April 2016, having been circulated, were adopted on the motion of Crs Bell/ Croot with one correction being the removal of the comment on the attendance of Councillors to the University of Third Age meetings, as the comment was incorrectly noted.

Matters arising from minutes

There were no matters arising from the minutes.

FOR NOTING

Item 1

2016/0748 **Director's Report on Progress.** DPPRM, 6/4/16

The report gives an overview of significant activities undertaken by the Policy section since the last meeting of the Policy Committee.

The report was taken as read.

Moved Cr Shepherd
Seconded Cr Eckhoff

That the report be noted.

Motion carried

Meeting closed at 2:21pm

Chairperson

REPORT

Document Id: A914601

Report Number: 2016/0907

Prepared For: Policy Committee

Prepared By: Director Policy, Planning and Resource Management

Date: 8 July 2016

Subject: **Report on Policy Progress****1. Policy Responses****1.1 National Policies, Strategies and Plans**

The following were received over the seven week period to 8 July 2016:

Agency	Number	Document
Ministry for the Environment	4	National Policy Statement for Freshwater Management – Implementation Review Coastal Hazard and Climate Change guidance manual Proposed National Policy Statement on Urban Development Capacity Proposed National Policy Statement on Urban Development Capacity, refer to 1.2 below
Heritage New Zealand	1	Oamaru Historic Area review

The following responses were made over the seven week period:

Proposal	Response Type	Issues
Streamlining regulatory regime for pest control consultation document(MfE)	Submission	General support for the document, advocate that ORC approach to pest control in Otago is in line with document. ORC supports ensuring land owners and professional operators can undertake pest control effectively and efficiently by avoiding regulatory duplication. Suggested provisions so ORC only involved where there is risk to waterbodies with identified regional significant values.

1.2 Proposed National Policy Statement on Urban Development Capacity

The Proposed NPS Urban Development Capacity: Consultation Document sets out how the government intends to address three critical matters:

1. Sufficient development capacity to meet long term demand, both dwellings and business spaces.
2. Planning to better understand the property market and enable it to provide what is commercially feasible, and promote competitive land and development markets.
3. Development capacity provided in plans with integration and coordination between land use and infrastructure planning.

High growth areas are identified, including Queenstown, where projected population growth exceeds 10% for the period 2013 – 2023. The consequence is that ORC and QLDC must work together to assess growth needs and ensure sufficient urban land is available to meet demand for that growth.

Staff are liaising with their counterparts in QLDC to ensure there is consistency in our response relating to the proposed NPS and how the two councils would work together.

1.3 Implementation Review of the NPS Freshwater Management 2014

The Ministry for the Environment is undertaking a review of how regional councils are implementing the NPS for Freshwater Management, with the purpose of understanding how much of the NPS has been implemented and how much more needs to be done across the country. The review team are focussing on selected catchments within the region. They are scheduled to meet ORC on Monday 1 August 2016 at 9:30 am.

1.4 Territorial Authority and Regional Authority Plan Changes and Resource Consent Applications

The following were received over the seven week period to 8 July 2016:

Agency	Number Received	Document
DCC	2	Resource Consent
QLDC	2	Resource Consent
QLDC	1	Special Housing Area Proposal

The following responses were made over the seven week period:

Proposal	Response Type	Issues
Prattley – South Dunedin two dwelling development	Submission	Oppose further intensification of South Dunedin
Mainland Property - subdivision (DCC)	Submission	Oppose further hazard work (land stability) required
Sebelin –Subdivision (DCC)	Submission	Oppose rural land fragmentation and contrary to 2GP policies and rules (risk to plan integrity).

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

Final details for resolution are being checked by ORC staff.

2. ORC: Policy, Plans and Strategies

2.1 Review of Regional Policy Statement

Deliberations are continuing. The panel intends to make its recommendations by September 2016.

2.2 Proposed Plan Change 5A Lindis: Integrated water management

Deliberations are continuing. The panel intends to make its recommendation to Council in August.

2.3 Comprehensive Water Quality Strategy

Information is currently being gathered on urban and coastal water quality issues.

An online community survey has been commissioned to gain a better understanding of how people within Otago use and value their waterways, especially with regards to what this may mean for water quality. Results from this survey will also contribute towards improving how the Water Plan gives effect to the National Policy Statement on Freshwater Management including protecting values as well as for setting minimum flow and allocation regimes for particular catchments.

2.4 Air Strategy

Information is currently being gathered to inform development of the Air Strategy. An Air Emissions Survey has been commissioned to assess the current nature of emissions within key urban air sheds. A telephone survey is also being undertaken, updating the 2006 Central Otago Home Heating and Air Pollution Survey and seeking further information on current home heating practices and what influences householders to choose cleaner domestic heating systems.

3. Regional Transport

Regional Transport Committees

The Otago and Southland Regional Transport Committees have planned a cycle trails workshop for 30 July, at ORC.

Road safety

Staff participation in the Southern Road Safety Influencing Group continues. The group has established the case for change and a partnering charter, and are now developing a work programme.

Queenstown Transport business case planning

Participation in the preparation of a multi-party integrated transport business case for Queenstown continues. The multi-agency steering group (QLDC, ORC, NZTA and Queenstown Airport Corporation) meets on 18 July to set Terms of Reference.

State Highway 1

Staff are also participating in the development of a business case for State highway 1 between Dunedin and the Waitaki River.

4. 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
20 July 2016 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: **Cr Sam Neill**

In attendance:

Please note that there is an embargo on agenda items until 8.30 am on Monday 18 July

CONFIRMATION OF AGENDA

CONFLICT OF INTEREST

PUBLIC FORUM

MINUTES

The minutes of the meeting held on 8 June 2016, having been circulated, for adoption

Matters arising from minutes

PART A – ITEMS FOR NOTING

Item 1

2016/0887 **Biosecurity and RMA Monitoring Report. DEMO, 1/7/16**

Reporting on water, air, pest, and contaminated site environmental monitoring and incidents for the period 21 May to 1 July 2016.

Item 2

2016/0925 **Summary of Dairy Farm Inspections for 2015/16. DEMO, 27/6/16**

This report describes the findings of the 2015/16 annual inspection of dairy farms in the Otago region.

Item 3

2016/0926 **Consents Compliance Monitoring and Incident Summary Report for the year 2015/16 year. DEMO, 5/7/16**

This report summarises the compliance activities and consent conditions for the 2015/16 year for all major consent holders and prohibited activities.

Item 4

2016/0928 **Consent processing, consent administration and Building Control Authority update. DPPRM, 6/7/16**

Detailing consent processing, consent administration and building control authority activity for the period 23 May to 30 June 2016.

Item 5

2016/0920 **RMA, Biosecurity Act and Building Act Enforcement Activities. DPPRM, 4/7/16**

Detailing Resource Management Act 1991, Biosecurity Act 1993 and Building Act 2004 enforcement activities undertaken by the Otago Regional Council for the period 21 May to 30 June 2016.

Item 6

2016/0929 **Progress Report 1C Deemed Permit Replacement Project. DPPRM, 6/7/16**

This report notes progress on Project 1C implementation of the RPW policies

OTAGO REGIONAL COUNCIL**Minutes of the Regulatory Committee held in the
Council Chamber, 70 Stafford Street, Dunedin on
Wednesday 8 June 2016 commencing at 1:53pm**

Present: 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

Leave of Absence: Cr Sam Neill

In attendance: Peter Bodeker
Nick Donnelly
Fraser McRae
Gavin Palmer
Scott MacLean
Caroline Rowe
Marian Weaver
Lauren McDonald

Cr Eckhoff chaired the meeting in Cr Neill's absence.

CONFIRMATION OF AGENDA

There were no changes to the agenda.

CONFLICT OF INTEREST**MINUTES**

The minutes of the meeting held on 20 April 2016, having been circulated, were adopted on the motion of Crs Croot and Cr Eckhoff

Motion carried

Matters arising from minutes

There were no matters arising from the minutes.

ITEMS FOR NOTING

Item 1

2016/081 **Biosecurity and RMA Monitoring Report. DEMO, 21/5/16**

Reporting on water, air, pest, and contaminated site environmental monitoring and incidents for the period 2 April to 20 May 2016.

Mr Bodeker advised that he and Mr MacLean were to meet with the Guardians of Lake Dunstan as a follow-up to their Annual Plan submission.

Concern was expressed on the increasing number of wallaby sightings and that resourcing needed to be in place to eradicate this very destructive pest.

Mr MacLean advised that the initial trial, underway with Landcare and Environment Canterbury, which is part funded by Sustainable Farming Fund (SFF), may have limitations on use of a “search and destroy” approach to wallabies during helicopter surveillance of areas. He confirmed that if the infrared technology used during a helicopter fly-over identified wallabies, he would be wanting to follow-up with an armed person in a helicopter to those areas identified.

Mr MacLean stated there had been a couple of reliable sightings in locations where wallabies would not have not been released for hunting, i.e urban. In regard to the question whether these animals had been released or transported intentionally, was unknown.

Moved Cr Deaker
Seconded Cr Kelliher

That the report be noted.

Motion carried

Item 2

2016/0742

Consent processing, consent administration and Building Control Authority update.
DPPRM, 24/5/16

Details of consent processing, consent administration and building control authority activity for the period 4 April to 20 May 2016.

A question was raised in regard to the Mt Campbell Station Ltd appeal as to a timeline for a decision.

Mrs Weaver advised that mediation was adjourned while the applicants considered their options, and a report back to Court was requested for the end of July.

Moved Cr Croot
Seconded Cr Woodhead

That the report be noted.

Motion carried

Item 3
2016/0828

RMA, Biosecurity Act and Building Act Enforcement Activities.
DPPRM, 23/5/16

Details of Resource Management Act 1991, Biosecurity Act 1993 and Building Act 2004 enforcement activities undertaken by the Otago Regional Council for the period 2 April to 20 May 2016.

Moved Cr Croot
Seconded Cr Shepherd

That this report be noted.

Motion carried

Item 4
2016/084

Progress Report on Implementation of RPW Water Quantity (Plan Change 1C). DPPRM, 24/5/16

This report noted the progress made on implementation of the Regional Plan Water Quantity policies and the promotion of the requirement for deemed permit replacement.

A request was made for an update on progress of collaboration of individual permit holders into groups.

Mr McRae advised a high level of work was underway to assist individuals work together as a group and that there has been a good level of enquiry

around group formation. He confirmed that there has been good response to material provided, including relating to form and function of groups.

Moved Cr Woodhead
Seconded Cr Scott

That the report be noted.

Motion carried

Item 5
2016/0855

Appointment of Hearing Commissioners to June 2016
DPPRM, 26/5/16

The report detailed the appointments made in this reporting period to June 2016.

Cr Croot confirmed that the appointment of independent commissioners was completed by electronic meeting for a joint hearing with CODC

Moved Cr Croot
Seconded Cr Woodhead

That the report be noted.

Motion carried

Meeting closed at 2:16pm

Chairperson

REPORT

Document Id: A911612

Report Number: 2016/0887

Prepared For: Regulatory Committee

Prepared By: Director Environmental Monitoring and Operations

Date: 1 July 2016

Subject: **Biosecurity & RMA Monitoring Report 21 May to 1 July 2016**

Précis

This report describes the Regulatory activity for the reporting period 21 May to 1 July 2016.

1. Water Quality and Quantity**1.1 Regional Plan: Water and Resource Consent Monitoring****1.1.1 Audit & Inspection Monitoring**

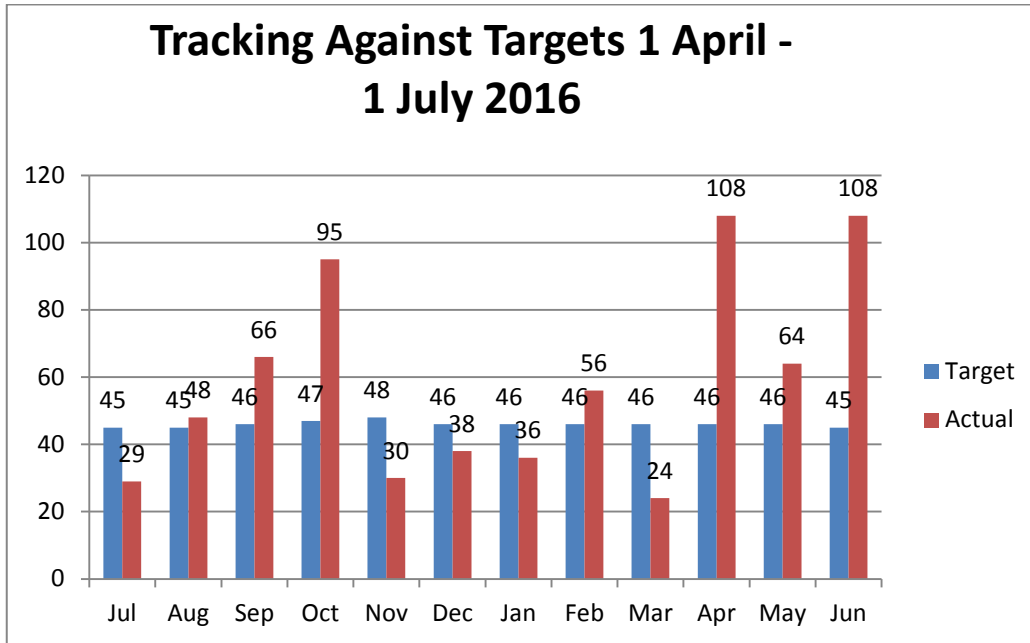
Over this reporting period 134 consent related inspections were carried out, 124 of which were full consent audits with the remainder being structure and bore inspections.

Total Audits/Inspections

Inspection Type	0 No Compliance Grade	1 Compliant	2 NC Minor no effects	3 NC Significant no effects	4 NC Minor act. effects	5 NC Significant act. effects	Grand Total
RMA 200 STRUCTURE INSPECTION		1	2				3
RMA 300 BORE INSPECTION	2	1	1	1	2		7
RMA 99 AUDIT	4	57	36	4	14	9	124
Grand Total	6	59	39	5	16	9	134

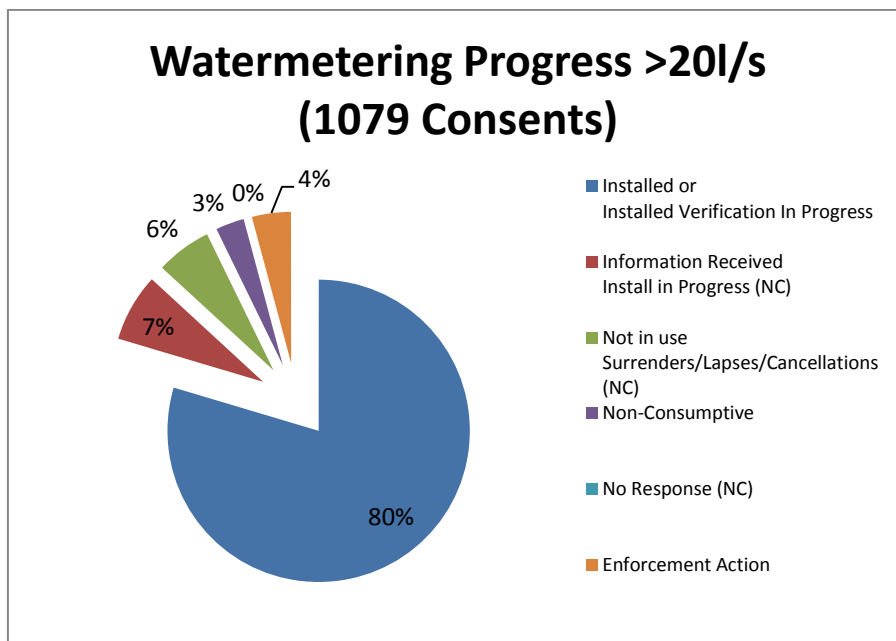
An explanation of the gradings are:

- **Grade 1** – fully compliant with the conditions of the consent including providing information on time;
- **Grade 2** – compliant with the parameters of the consent that they are required to stay within but some information was provided late;
- **Grade 3** – hasn't provided information so no assessment of effects has occurred;
- **Grade 4** – are non-compliant with some parameters of the consent but not having a significant environmental effect. *An example would be e-coli is required to be no higher than 10 but results show it is 500.*
- **Grade 5** – are non-compliant with some parameters of the consent but are having a significant environmental effect. *An example would be e-coli is required to be no higher than 10 but results show it is 20,000.*

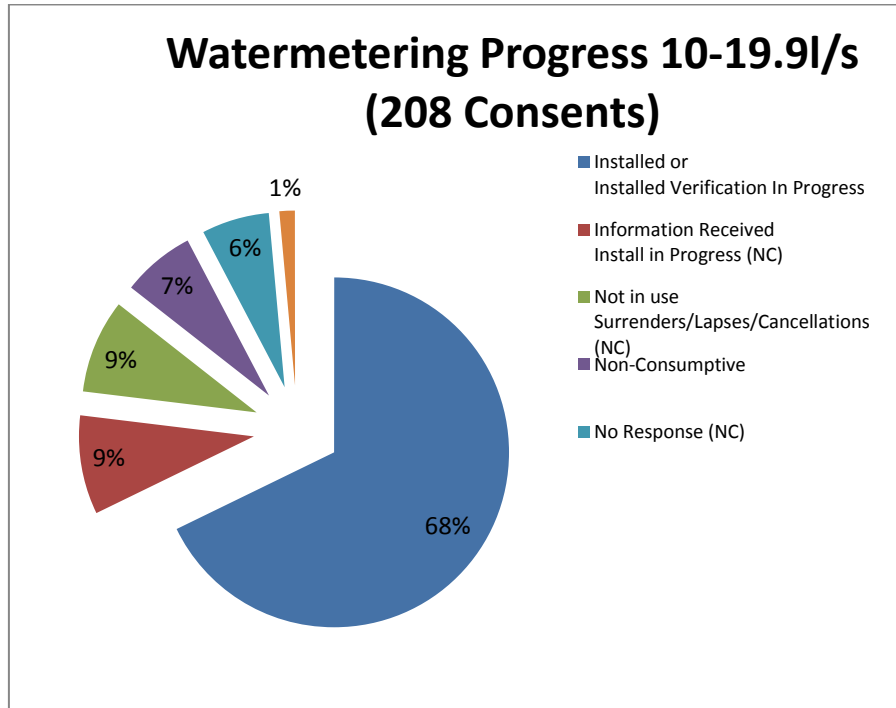


1.1.2 Water Metering – RMA Regulations

The installation of water measuring equipment continues with 80% of consent holders with takes over 20l/s having installed the required equipment or are currently installing. There is still a shortage of service providers available in Otago for the installation of open channel measuring equipment, however most consent holders are keeping the Council informed on the progress of their installation.



68% of consent holders with takes between 10-19l/s have the required water measuring and recording equipment installed. 6% of consent holders are yet to confirm with the Council what their situation is with respect to water metering. Staff are actively following up with these consent holders.



1.2 Rural Water Quality

1.2.1 Forestry contractor forums

Council staff and Forestry companies met on 31 May 2016, to discuss the Council forestry compliance program. Comment has been sought from the companies on the program, especially around the Health and Safety aspects of Council staff being on site while forestry harvesting is taking place. A protocol is being developed in collaboration with the forestry companies around this aspect of the program. It is likely that it will include joint site inspections.

ORC staff and representatives from PF Olsen, City Forests, Blakely Pacific, Ernslaw1, Wenita Forests, and Rayonier are working together to host a forum for forestry contractors. More information about this can be found in the Communications Committee report.

1.2.1 Schedule 16 monitoring

The 2015/16 monitoring programme is now complete and staff are preparing the summary report of findings as well as writing to inform landholders who had samples taken from their property.

1.2.1.1 Kakanui Overseer Request

The request for Overseer data from properties over the Kakanui-Kauru Alluvial Aquifer occurred this month, with a letter of request going out to those landholders affected. The letter outlines the need to ensure data collection is occurring from 1 July 2016 – 30 June 2017 in advance of the formal request for data which is to occur after 30 June 2017. The outputs may be used to inform a review of the plan limits as agreed in 6A mediation. This request also supports the surface and groundwater interaction and modelling study which is currently in its data collection phase.

2. Pest Management Strategy Implementation and Biosecurity Compliance

2.1 Animal Pests

2.1.1 Rabbits

Rabbit inspections have continued along with the implementation of approved rabbit control property management programmes, resulting in a number poisoning operations which are now underway in Central Otago.

4 Notice of Directions have been recommended this reporting period.

2.1.2 Wallabies

A number of wallaby sightings have been reported during this period.

This includes;

- One dead washed up on beach at Kakanui Beach
- One confirmed kill on a property at Trotters Gorge
- Four wallabies in a paddock north of Oamaru
- Three wallabies seen on Rail Trail near Alexandra
- One reported as shot near Macares Flat
- One dead on side of road on S/H 1 near Moeraki

All sightings and reports have been actively followed up. The sharp increase in reported sightings is most likely linked to the successful, targeted awareness campaign designed by the Stakeholder Engagement team, aimed at encouraging reporting of all sightings and confirmed kills. All reported sightings and confirmed kills are being mapped to give spatial awareness of locations and trends and to better inform operational response activity.

2.2 Plant Pests

2.2.1 Old Mans Beard

There have been several inspections carried out for Old Mans Beard, as a result of complaints. 13 properties have been found to be non-compliant and 5 being compliant. Notices of Direction will be issued to the occupiers to undertake control work. A further 17 sites have also been identified on Dunedin City Council land and they have been informed of the findings.

2.2.2 Low Incident Plants

Bomarea:

5 non-compliant properties have been identified and the occupiers have been informed to undertake control work. A further 25 sites have also been identified on Dunedin City Council land and they have also been notified.

Cape Ivy:

8 non-compliant properties have been identified. Some were controlled at time of inspection, with the remaining to be controlled by occupiers in July.

Boneseed:

Several plants have been found on historical sites in Andersons Bay and along Aramoana Road, as well as plants found at new sites at Harwood and Taieri Mouth. The monitoring found:

- Taieri Mouth – 2 non-compliant properties
- Andersons Bay – 4 non-compliant private properties and several plants also found on Dunedin City Council land
- Aramoana Road – 9 non-compliant and 2 compliant properties
- Harwood – 3 non-compliant and 7 compliant properties

Where non-compliance has been found either control work was quickly undertaken while on site, or occupiers have been informed requesting control work to be undertaken.

Spiny Broom:

Plants have been identified at 3 historical sites. All plants were destroyed at time of inspection

2.2.3 Velvet Leaf

With field inspections complete MPI are now, in conjunction with Council and other parties, arranging Velvet Leaf awareness and support workshops at a national level. It is anticipated workshops will be held in Oamaru and Ranfurly in early August.

The workshops will consist of an open forum in the morning where any interested individual or party can attend, and a one-on-one with affected property owners in the afternoon to develop personalised property management programmes. It is anticipated that if an affected property owner is unable to attend, a one on one meeting will take place.

In addition Velvet Leaf Ute packs have been produced and are now available.

It is envisaged that for those properties where Velvetleaf was identified during the 15/16 growing season, any future response and control will be farmer-led. The personalised property management programmes will detail land management and surveillance options for the farmer for the upcoming planting and growing seasons.

2.2.4 Marine Pests

The final 15/16 year survey for marine pests was recently undertaken in the Otago Harbour by the Ministry for Primary Industries. The surveys are part of a national surveillance programme that searches for non-native marine organisms that could threaten our marine environment.

The marine pests that were detected were species that have previously been detected in the Otago Harbour during surveillance operations. These include *Styela clava* (Clubbed Tunicate) which is increasing its distribution and abundance in the harbour basin.

No “new” marine pests were discovered during the 15/16 surveys.

3. Environmental Incident Response

3.1 Contaminated Sites

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

3.1.1 Remediation Projects

The Contaminated Sites Remediation Fund (CSRF) project to assist the Dunedin City Council with remediation planning for the former Dunedin City Gasworks was approved by the Ministry for the Environment. Final sign-off of the funding agreement is expected to be completed by the Ministry this week, with the project due to commence in the 2016-2017 financial year.

3.1.2 Investigations

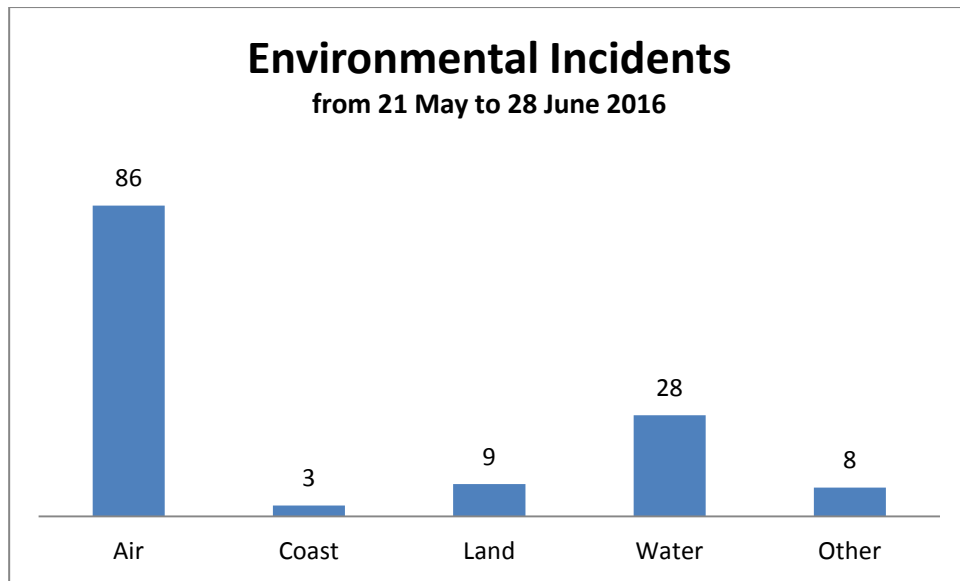
Four contaminated land investigation reports were received and assessed during the reporting period. The reports were found to have been prepared in accordance with Ministry for the Environment guidelines. At one site, a former orchard, elevated concentrations of arsenic were identified. The relevant territorial authorities have been advised, and the contaminated land register has been updated accordingly.

3.1.2 Data Management

A full audit of contaminated land data has been completed. All of the 1360 pre-existing site records have been reviewed and updated in accordance with current best practice. Of these, 18 were found to remain with a status of contaminated. Progress is being made by land owners to remediate or manage a number of these sites. Owners of the remaining properties have been contacted to ensure that we have up to date information, and to determine whether any remedial action is intended.

Information is now managed through a geospatial database, with direct access to this information to be provided to territorial authorities.

3.2 Environmental Incidents



134 incidents were reported to Council during this reporting period. The majority of the air incidents can be attributed to rural burnings and odour. The coastal incidents were mostly to do with 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 however most of them were in regards to the effects of storm events and how they caused issues that were outside the scope of what Council gets involved with.

4. Recommendation

That this report be received.

Scott MacLean
Director Environmental Monitoring and Operations

Summary of RMA Incident Complaints (General Location)

From 20 February to 29 March 2016

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 contamination	Mining	Abstraction	Damming	Diversion	Fresh water pollution	Stormwater	Noise	Other	Staff performance	
Catlins	2	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	0	0	0	0	0	
Central Otago	13	2	5	4	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	1	0	0	0	0	
Clutha Plains	6	0	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	4	0	0	0	0	
Dn - Abbots/Green Is	3	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	
Dn - Coast North	2	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Dn - Coast South	3	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	1	0	
Dn - Inner City	29	3	0	9	0	4	0	0	0	0	1	0	0	1	0	0	0	1	0	0	6	0	0	4	0	
Dn - Mosgiel	18	2	0	0	0	0	13	0	0	0	0	0	0	0	1	1	0	0	0	0	1	0	0	0	0	
Dn - Otago Harbour	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	
Dn - Peninsula	3	0	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	1	0	0	0	0	
Dn - West Harbour	4	1	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	
East Otago Uplands	16	0	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Lakes	10	1	2	1	0	0	3	0	0	0	0	0	0	0	1	0	0	0	0	0	2	0	0	0	0	
Maniototo	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	
North Otago	11	2	3	0	0	0	2	0	0	0	0	0	0	1	0	0	0	0	0	0	3	0	0	0	0	
Roxburgh	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
South West Otago	5	0	1	0	0	0	0	0	0	0	0	0	0	0	1	0	1	0	0	1	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	7	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4	1	0	0	0		
TOTALS	134	12	32	15	0	6	20	1	0	1	2	0	0	2	4	3	0	3	0	1	23	1	0	8	0	

REPORT

File: A916225

Report No.: 2016/0925
Prepared For: Regulatory Committee
Prepared by: Director Environmental Monitoring and Operations

Date: 27 June 2016

Subject: Summary of Dairy Farm Inspections for 2015/2016

1. Précis

This report describes the findings of the 2015/2016 annual inspection of dairy farms in the Otago Region.

2. Introduction

There are currently 465 operating dairy sheds in Otago. As farm dairy effluent discharges have the potential to adversely affect water quality when managed poorly, all farms have been inspected annually since 2001. These inspections are in addition to investigations from any complaints that may be received about discharges from farms.

The purpose of the annual inspections is to determine whether farms were meeting the prohibited activity rules for the discharge from animal waste collection systems. The prohibited activity rule conditions that are assessed include:

Rule 12 C.0.2

The discharge of any contaminant from an animal waste system, silage storage or a composting process:

- (i) To any lake, river or Regionally Significant Wetland; or
- (ii) To any drain or water race that goes to a lake, river, Regionally Significant Wetland or coastal marine area; or
- (iii) To the bed of any lake, river or Regionally Significant Wetland; or
- (iv) To any bore or soak hole; or
- (v) To land in a manner that results in overland flow entering any:
 - (a) Lake, river, Regionally Significant Wetland or coastal marine area that is not permitted under Rule 12.C.1.1 or 12.C.1.1A; or
 - (b) Drain or water race that goes to any lake, river, Regionally Significant Wetland or coastal marine area that is not permitted under Rule 12.C.1.1 or 12.C.1.1A; or

- (vi) To land within 50 metres of:
 - (a) Any lake, river or Regionally Significant Wetland; or
 - (b) Any bore or soak hole; or
- (vii) To saturated land; or
- (viii) That results in ponding,
is a *prohibited* activity.

The 2015/2016 dairy inspections and any follow up visits were carried out between September 2015 and April 2016 by RMA warranted Council staff.

It should be noted that this year, Council only monitored 373 of the dairy farms in the Region. The 2015/16 dry weather event and response to the velvet leaf incursion impacted significantly on staff time and ability to achieve the full dairy audit this year..

During the visit the farm is visually inspected for compliance with the above conditions, the irrigation system assessed and a series of questions asked of the farm owner, manager or share-milker.

Any identified breaches of the rules are noted, with photographic evidence taken of any serious ponding or discharges to water. If there is evidence of discharge to water, water samples may be taken for laboratory analysis of faecal coliforms and nutrients. Where problems have been identified, a follow-up visit is arranged with the farmer to ensure that remedial measures have been put in place.

Where non-compliance is identified, the Enforcement Decision Group determines whether enforcement action is taken.

The annual dairy inspection is also an excellent opportunity for the land managers to seek advice and education from the environmental officer on aspects of their operations that relate to compliance with the Regional Plan: Water or any other Regional Plan as the case may be.

3. Results of the 2015/2016 Annual Dairy Inspections

A total of 373 dairy sheds (out of 465 in the Region) were monitored during the season. During the summer milking season it was found that 348 (representing 93.3%) of the farms were compliant with the prohibited rules.

A total of 25 dairy farms (6.7%) were found to have one or more breaches of the rules that were considered to have the potential to result in adverse effects on the environment. A total of 10 out of the 25 non-compliant dairy farms were identified to have serious non-compliance with the rules. This resulted in the Council authorising 2 prosecutions and the issuing of 13 infringement notices.

Reasons for the non-compliance can be attributed to:

- Stalled and failed travelling irrigators;
- Discharges on saturated soils;
- Overflowing ponds and sumps;
- Ponding; and
- Discharge to a river.

Failure of infrastructure is not limited to old infrastructure, it relates to all types of infrastructure. Unfortunately, the common element with most of the failures was related to human intervention, or the lack of it. All too often, when warranted staff enter a property they find non-compliance within 10 minutes of their inspection taking place. While it is pleasing to see an increase in the numbers of owners taking a pro-active staff management/training role on effluent disposal, and the importance of maintaining their equipment, it is still not the norm. This issue needs to be at the forefront of all dairy owners and sharemilkers responsibilities.

A summary of the prosecution cases can be found in Table 1.

Table 1. Prosecutions for 2015/16 by Area

Location	Offence
Sth Otago	Ponding of effluent and discharge to water
Sth Otago	Ponding of effluent

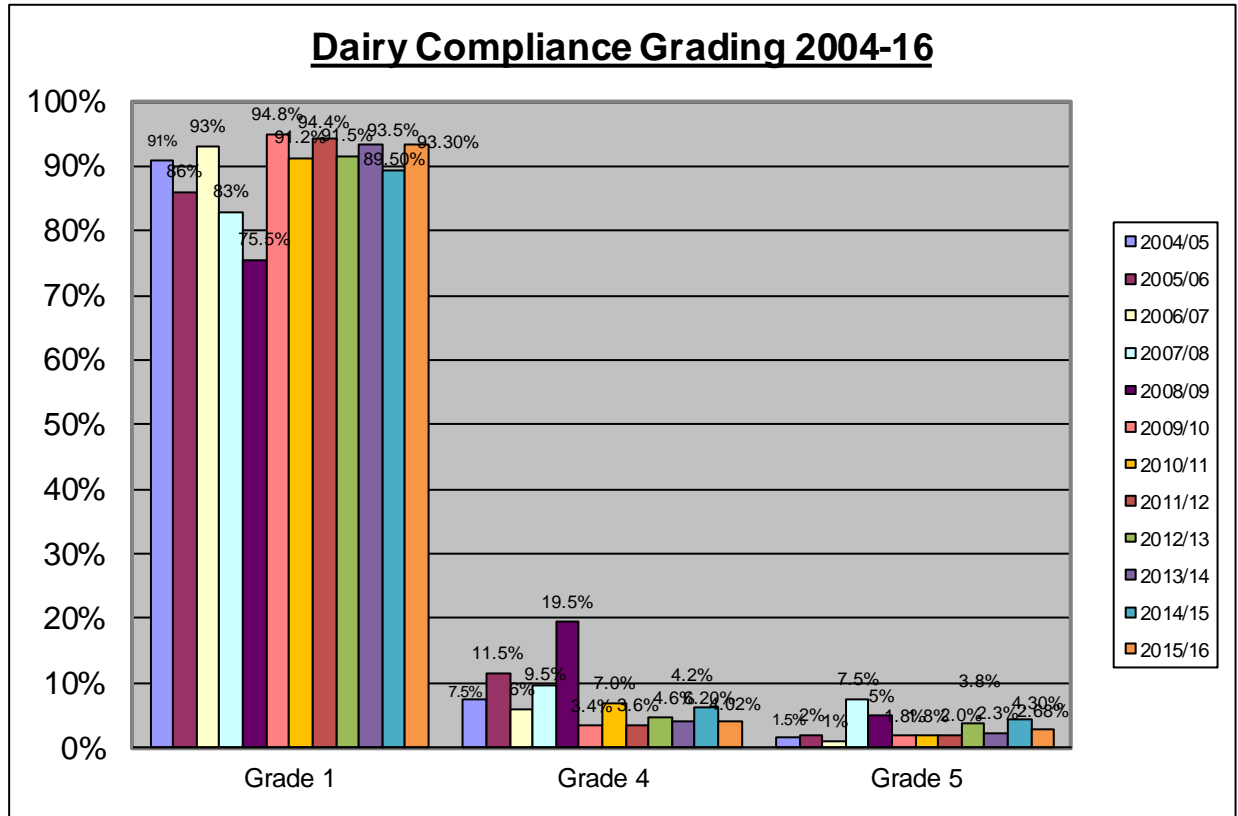
3.1 Comparison with Previous Inspections

A total of 451 dairy farms were milking during the 2014/15 season and involved 471 inspections. During the summer milking season it was found that 423 (representing 89.8%) inspections were compliant with the rules.

A total of 48 inspections (10.2%) were found to have one or more breaches of the permitted activity rule that were considered to have the potential to result in adverse effects on the environment. A total of 20 out of the 48 non-compliant inspections were identified to have serious non-compliance with the rules. This resulted in the Council authorising eight prosecutions and the issuing of 20 infringement notices for the 14/15 year.

Figure 1 shows a breakdown in dairy farm compliance since 2004

Figure 1. Dairy compliance by grade since 2004/05



The Council operates a grading system that is consistent with national reporting standards for dairy farming in New Zealand. The grading system is:

- Grade 1** Full compliance found.
- Grade 4** Non-compliance and minor adverse environmental effects observed (e.g. minor ponding around the sump, minor ponding found around the travelling irrigator).
- Grade 5** Non-compliance and significant adverse environmental effects observed (e.g. discharges to water, significant ponding from the travelling irrigator on land, irrigation on saturated soils).

Since 2003 a total of 100 infringement fines have been issued and 100 prosecutions initiated (98 since 2007/08). Table 2 provides a breakdown of enforcement actions since 2003.

Table 2. Enforcement Actions Since 2003

Year	Infringements	Prosecutions
2003/04	13	1
2004/05	5	1
2005/06	2	
2006/07	5	
2007/08	18	25
2008/09	4	21
2009/10	1	11
2010/11	4	5
2011/12	7	10
2012/13	4	8
2013/14	4	8
2014/15	20	8
2015/16	13	2
Totals	100	100

4 Compliance Monitoring Methodologies

Council undertake a pro-active and reactive approach when it comes to animal waste collection systems rule implementation.

Since 2007/8 Council has undertaken a pro-active and strong stance on monitoring and enforcement of dairy effluent discharges. Council approach has been to “cold call” on farms for the purpose of inspection. While on farm every attempt is made to contact the manager/sharemilker or a staff member to inform of the inspection. If no-one is present, staff carry out the inspection and leave an inspection form in a prominent place.

Often during these visits discussions are held with sharemilkers/owners on a variety of matters including, 6A water quality, infrastructure best practice, effluent risks, consenting issues around rivers etc. Direct advice is never given however, a variety of options may be provided, depending on the topic, and guidance on rules and interpretation of rules is often discussed.

Staff also respond to complaints about alleged environmental incidents from a dairy farm. These alleged environmental incidents are responded to in accordance with Council standard practice. Warranted Council staff will firstly go to the site where the alleged incident was observed. If the incident is confirmed, staff will investigate fully and enter property where required. If the person responsible for the discharge can be located, staff will instruct that person to cease the discharge. At the conclusion of the investigation, staff may recommend enforcement action be considered.

- 5 Recommendations**
That this report be noted.

Scott Maclean
Director Environmental Monitoring and Operations

REPORT

File: A916421

Report No.: 2016/0926
Prepared for: Regulatory Committee
Prepared by: Martin King
Manager Environmental Services

Date: 5 July 2016

Subject: **Consents Compliance Monitoring and Incident Summary Report for the 2015/16 Year**

1. Précis

This report summarises the compliance activities and consent conditions for the 2015/16 year for all major consent holders and prohibited activities. The Council undertook a total of 1150 audits/inspections relating to 855 activities and reviewed 4281 consent conditions for performance monitoring during the year, which related to 1447 consents.

2. Background

Consent compliance monitoring involves performance monitoring and auditing of consents and is carried out by the Data Management and Environmental Monitoring staff of Council.

Performance Monitoring

This is reporting provided by the consent holder to Council. Depending on the activity, reporting requirements in consents range from supply of information (e.g. bore logs, site photographs or operation manuals) through to periodic supply of data (e.g. water take amounts, biological studies, water quality data relating to discharges and upstream and downstream receiving waters).

The frequency and complexity of the reporting varies widely depending on the activity and the potential impacts of the activity on the receiving environment. When reporting is received it is reviewed by Data and/or Environmental Officers against the consent conditions and a grade awarded.

Auditing

For many consents it is considered relevant for there to be periodic and active audit inspections by Council staff. The purpose of the audit inspection is to undertake a detailed assessment of compliance against all conditions of the consent. The audit monitoring involves a site inspection, sampling where necessary, assessment of consent holder technical reports, and a discussion of the consent requirements with the consent holder.

Once all data and photographs relating to the audit are collated, an audit report is prepared and an overall compliance grade is awarded. The frequency of auditing varies depending on the intensity of the activity and the potential environmental risk.

The grades that may be awarded include:

- Grade I Compliant
- Grade II Non Compliant - Minor (no actual or potential adverse effects)
- Grade III Non Compliant - Significant (no actual or potential adverse effects)
- Grade IV Non Compliant - Minor (actual or potential adverse effects)
- Grade V Non Compliant - Significant (actual or potential adverse effects more than minor)

The key consent holders are the Territorial Local Authorities (TLAs) (primarily for water, wastewater and landfills), and major industrial sites including contaminated sites with consents.

3. Summary of Compliance

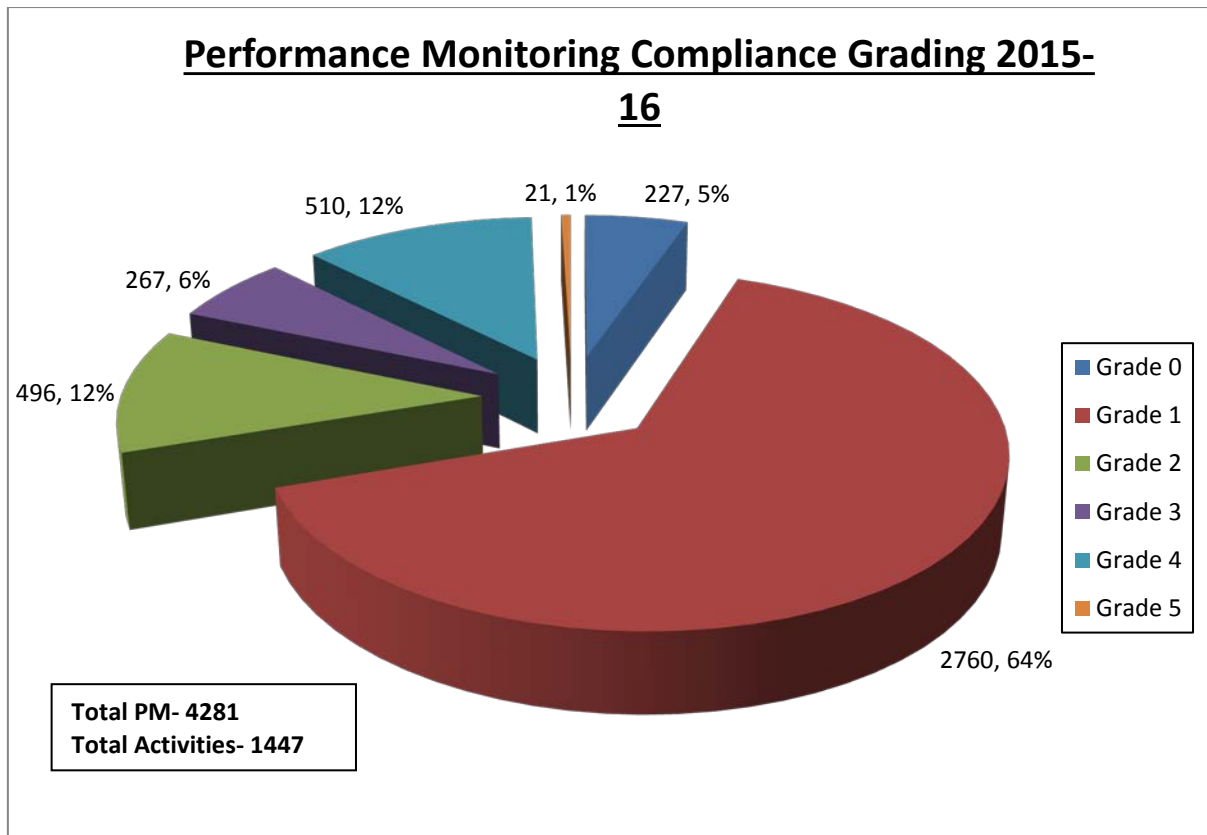
3.1 Performance Monitoring

During the 2015/16 year performance monitoring information relating to 4281 conditions (1447 consented activities) was received. This is the highest amount of information the Council has ever received from consent holders. Of these, 2760 (64%) were fully compliant and awarded grade 1. A further 763 (18%) had non-compliances, but were not expected to have any actual environmental effects as the non-compliance related to return data not being received on time or some data was missing (grade 2 and 3).

There were 510 (12%) occurrences of non-compliance where minor environmental effects were encountered (grade 4) and 21 (1%) occurrences where grade 5 was given, where effects on the environment had the potential to be significant.

A further 227 consents (5%) did not receive a compliance grade as the consents were not operative during the year (eg gravel returns showing a nil extraction, water takes not in use and bores not yet drilled). Figure 1 outlines the overall compliance grading for self-monitoring return data.

Figure 1. Breakdown of Performance Monitoring Compliance Grading 20015/16



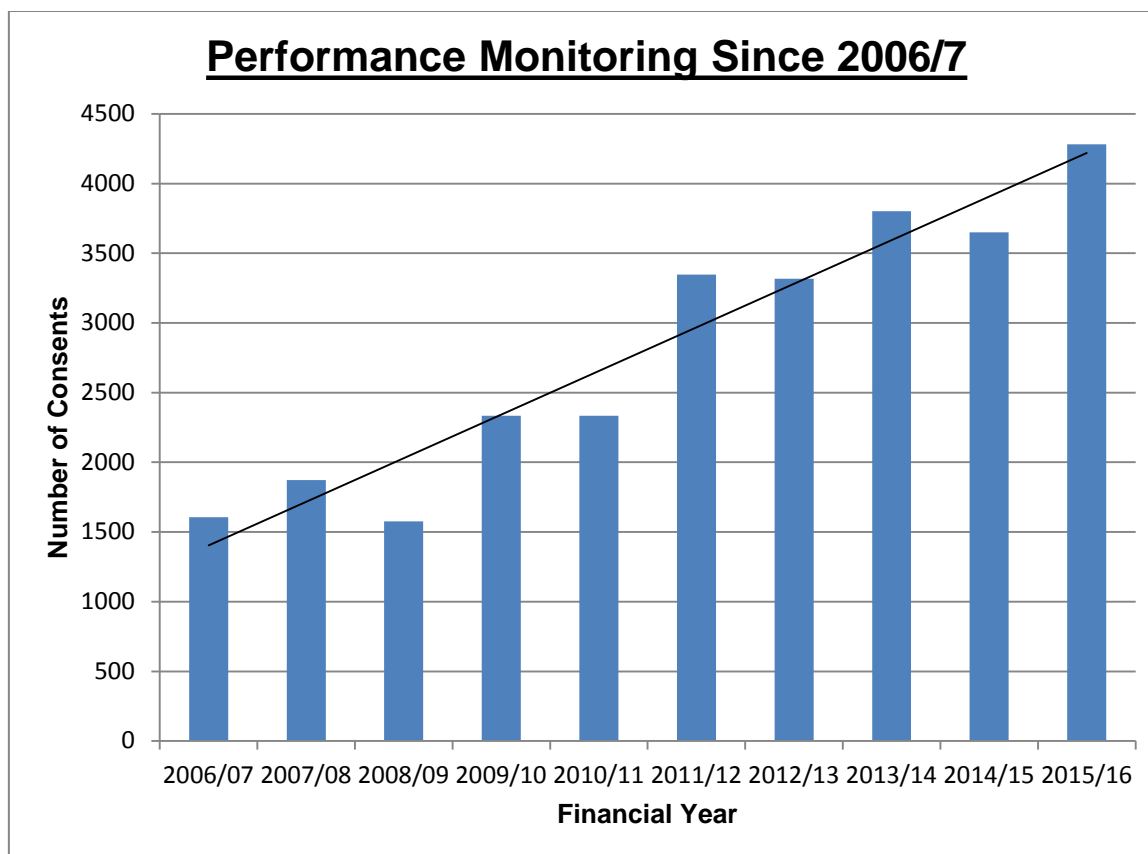
Where grade 4 and 5 non-compliance has been found, staff in the first instance have required written explanations from the consent holder explaining the breach of consent conditions, including how they propose to comply in the future or has requested that an Environmental Officer either review the information or undertake a full audit of the consent.

The level of compliance and compliance percentage (excluding Grade 0) was variable compared to the previous year. Table 1 shows a breakdown of compliance history. Of note is the decrease in grade 2 and 3 non-compliance for the late return of performance monitoring information. However, there was a significant increase in grade 4 minor non-compliance where environmental effects may be observed. Staff follow-up with the consent holder requesting an explanation, or the information is passed to an Environmental Officer to review or undertake an audit of the consent.

Table 1. Performance Monitoring History

Year	Grade 1		Grade 2		Grade 3		Grade 4		Grade 5	
2006/07	1067	67%	416	26%	51	3%	54	3%	18	1%
2007/08	1286	68%	384	21%	65	3%	88	5%	49	3%
2008/09	1012	64%	380	24%	50	3%	93	6%	42	3%
2009/10	1496	64%	701	30%	111	5%	23	1%	2	0%
2010/11	1723	74%	404	17%	176	8%	27	1%	5	0%
2011/12	1831	55%	791	24%	278	8%	436	13%	10	0%
2012/13	2149	65%	604	18%	210	6%	332	10%	22	1%
2013/14	2657	70%	627	16%	271	7%	228	6%	19	1%
2014/15	2416	66%	560	16%	523	14%	117	3%	34	1%
2015/16	2760	64%	496	12%	267	6%	510	12%	21	1%

More significantly it should be noted that performance monitoring returns to Council has nearly trebled since the 2006/7 year (see Figure 2). Part of this can be attributed to having a dedicated Environmental Monitoring data team processing, and following up on the performance monitoring returns, water metering regulations that require a mandatory metering of water takes, and staff undertaking a program of auditing of resource consents. It is anticipated that performance monitoring returns will continue to increase over time.

Figure 2. Trends in Performance Monitoring since 2007/08

3.2 Auditing

Auditing of sites has been prioritised, based on environmental risk and LTCCP objectives, and organised as a project management structure.

Over the 2015/16 year, a total of 855 activities, involving 1150 consents and prohibited activities (relating to animal waste collection systems), were audited, compared to 776 activities involving 961 consents/prohibited activities in 2014/15. Of these, 698 consents/prohibited activities (61%) were awarded with grade 1, fully compliant. A further 148 consents/prohibited activities (12%) were awarded grades 2 and 3 due to performance monitoring being late, or not received at all and/or requests for information were not received on time.

A total of 133 consents/prohibited activities (12%) were graded 4, and minor effects were either noted, or had the potential to have adverse effects on the receiving environment. A further 81 consents/prohibited activities (7%) were graded 5 due to significant non-compliance with consent or permitted activity conditions. A further 90 consents audited did not receive a compliance grade as the consents were not operative (eg water takes during the dry season, structures not installed).

Where grade 5 has been awarded, Council staff in the first instance have contacted the consent holder advising them of the non-compliance. Many discussions have been held with consent holders to work through the issue and explanations have been sought for the non-compliance. In these instances, compliance staff have formally written to consent holders requiring compliance by a due date.

Figure 3 outlines the overall audit grades awarded and Figure 4 details auditing by activity type.

Figure 3. Breakdown of Total Audit Monitoring Compliance Grades 2015/16

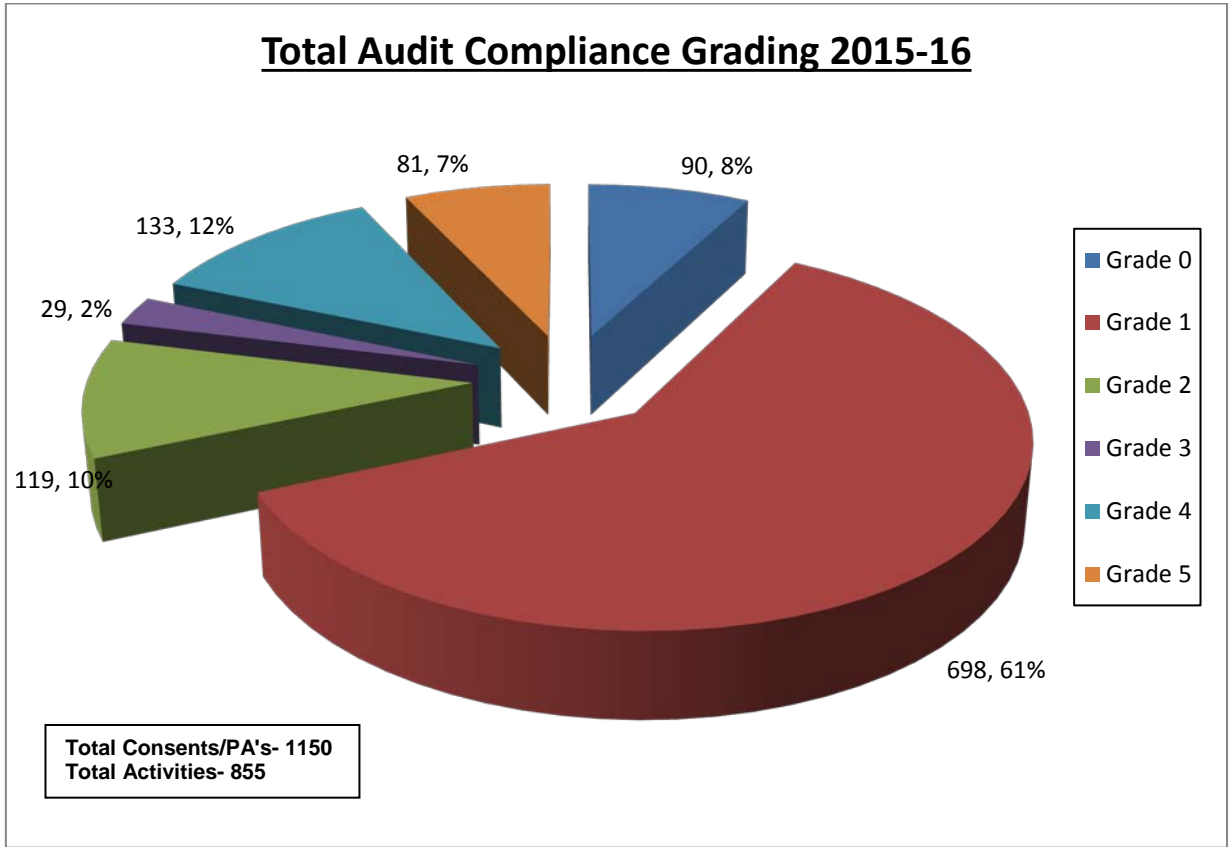


Figure 4. Breakdown by Audit Type

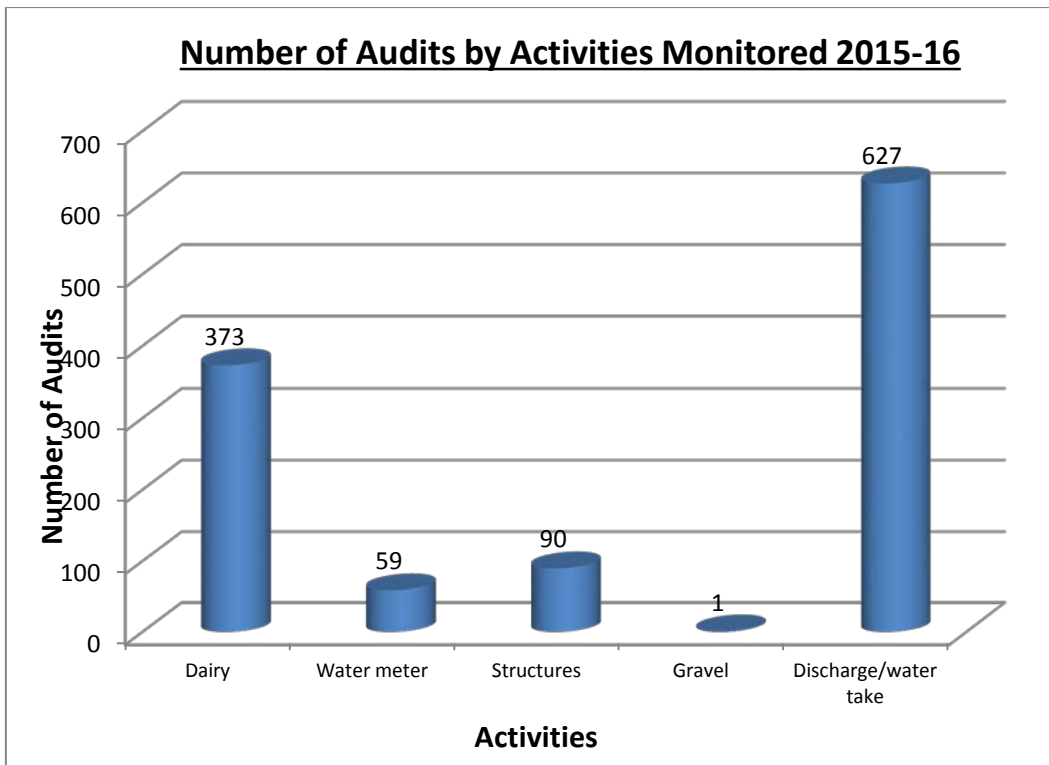


Table 2 shows that grade 4 and 5 non-compliance is relatively steady (and consistent with previous years) at 19% for 2015/16 year compared to 16% the previous year.

Table 2 shows the breakdown of compliance grading and percentage.

Table 2. Audit Monitoring History

Year	Grade 1		Grade 2		Grade 3		Grade 4		Grade 5	
2006/07	957	72%	32	2%	20	1%	181	14%	150	11%
2007/08	747	74%	51	5%	13	1%	126	12%	82	8%
2008/09	668	71%	45	5%	22	2%	140	15%	65	7%
2009/10	752	70%	62	6%	81	7%	147	14%	33	3%
2010/11	544	67%	79	10%	59	7%	109	14%	19	2%
2011/12	856	67%	114	9%	69	6%	193	15%	43	3%
2012/13	756	62%	181	15%	42	3%	113	9%	133	11%
2013/14	652	72%	112	12%	28	3%	64	7%	53	6%
2014/15	669	70%	102	10%	35	4%	106	11%	49	5%
2015/16	698	61%	119	10%	29	2%	133	12%	81	7%

3.3 Summary of Audit Compliance by Activity

Figure 5 shows a summary of compliance grading for the dairy permitted activity monitoring. This has been reported to Council in a separate report.

Figure 5. Dairy Farm Compliance Grading

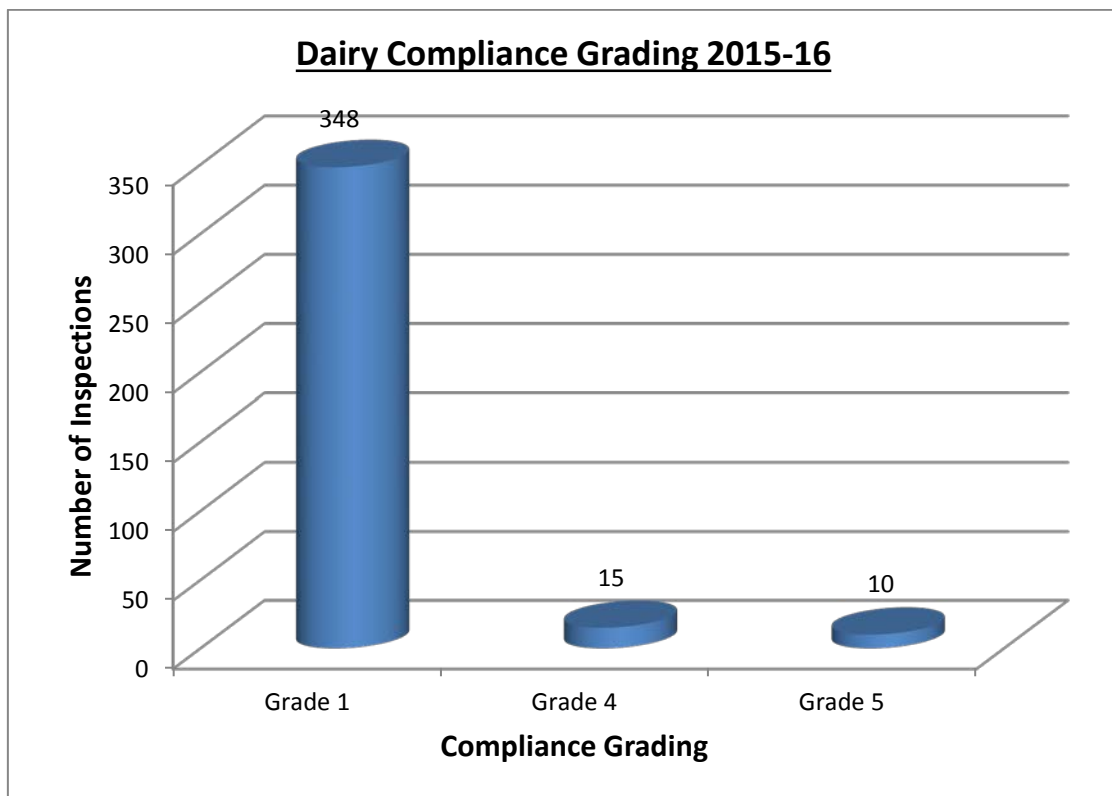


Figure 6 and 7 show the compliance levels found for our water metering installation and structures monitoring programme. It was of some concern that staff found that some meters had not been installed correctly therefore they had the potential to record the volume of water taken incorrectly, or in the wrong location, and a number of consent holders did not send in their water metering installation certification on time. The consent holders were advised of the findings and asked to rectify the matter with their installer.

A variable level of compliance has been found with the structures monitoring project. Structures include bridges, culverts, bores, etc. On 26 occasions non-compliance was observed as a result of very late performance monitoring being received. On 8 occasions non-compliance with minor environmental effect was observed. These relate to 4 bores being drilled in the wrong area and required maintenance has not been carried out on coastal structures.

Figure 6. Water Meter Installation Compliance Grading

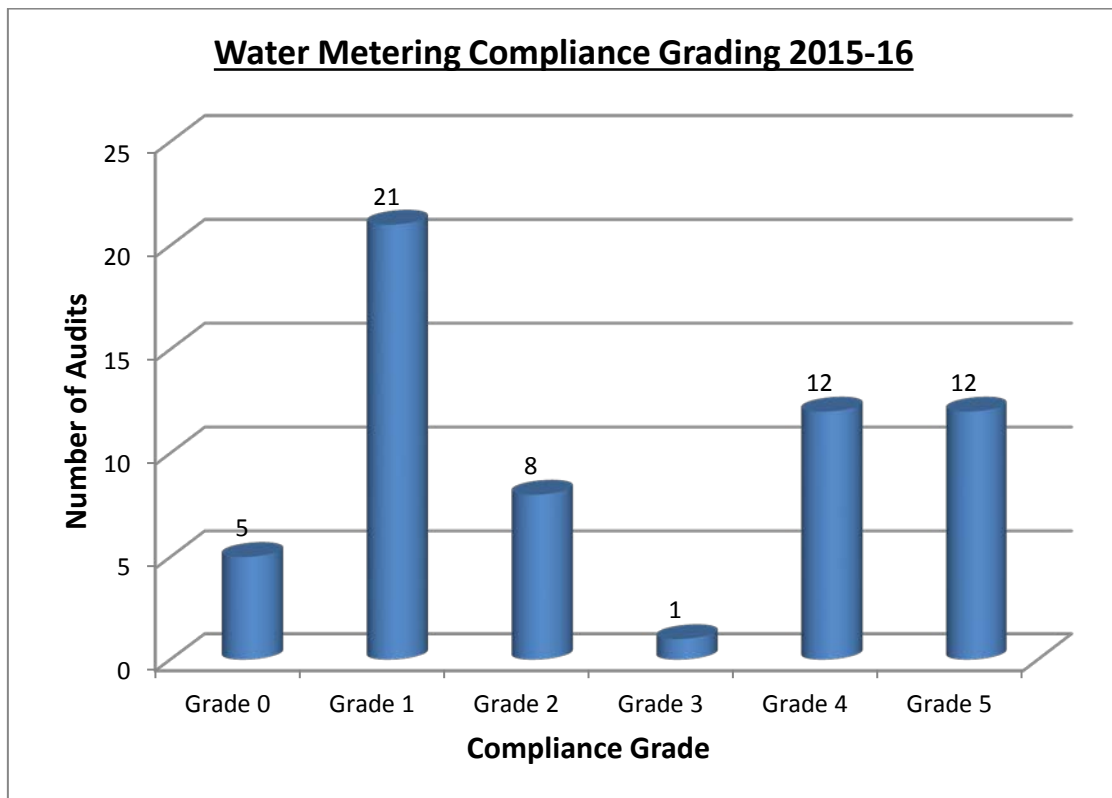


Figure 7. Structures Compliance Grading

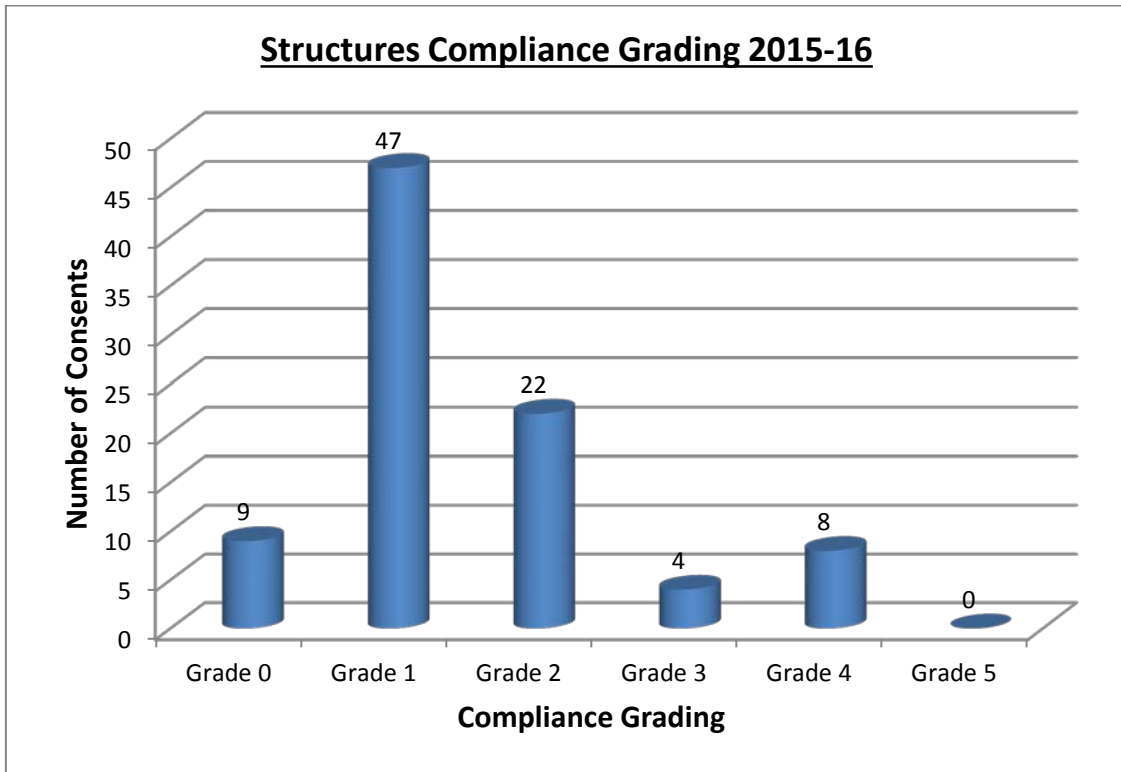


Figure 8. Gravel Inspection Compliance Grading

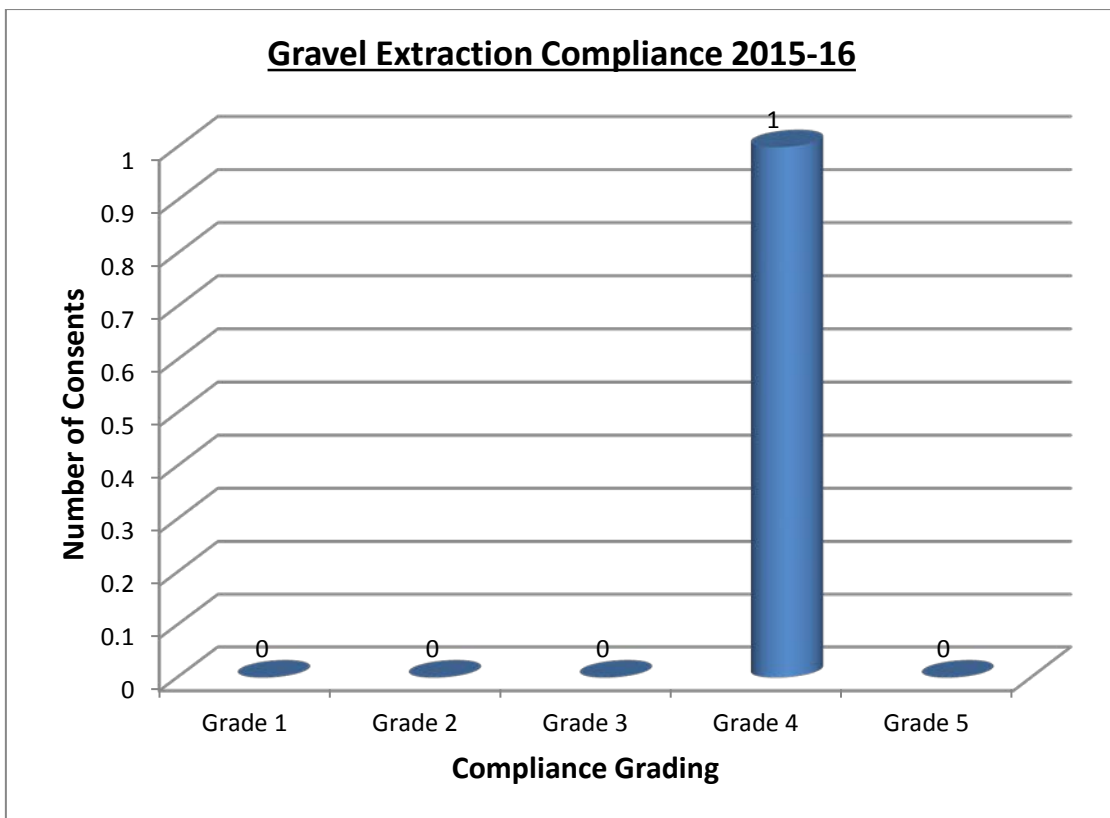


Figure 8 shows gravel inspection compliance observed during the year. 1 inspection was carried out and received grade 4 non-compliance for extracting outside of the consented boundary.

Figure 9. Discharge and Water Take Compliance Grading

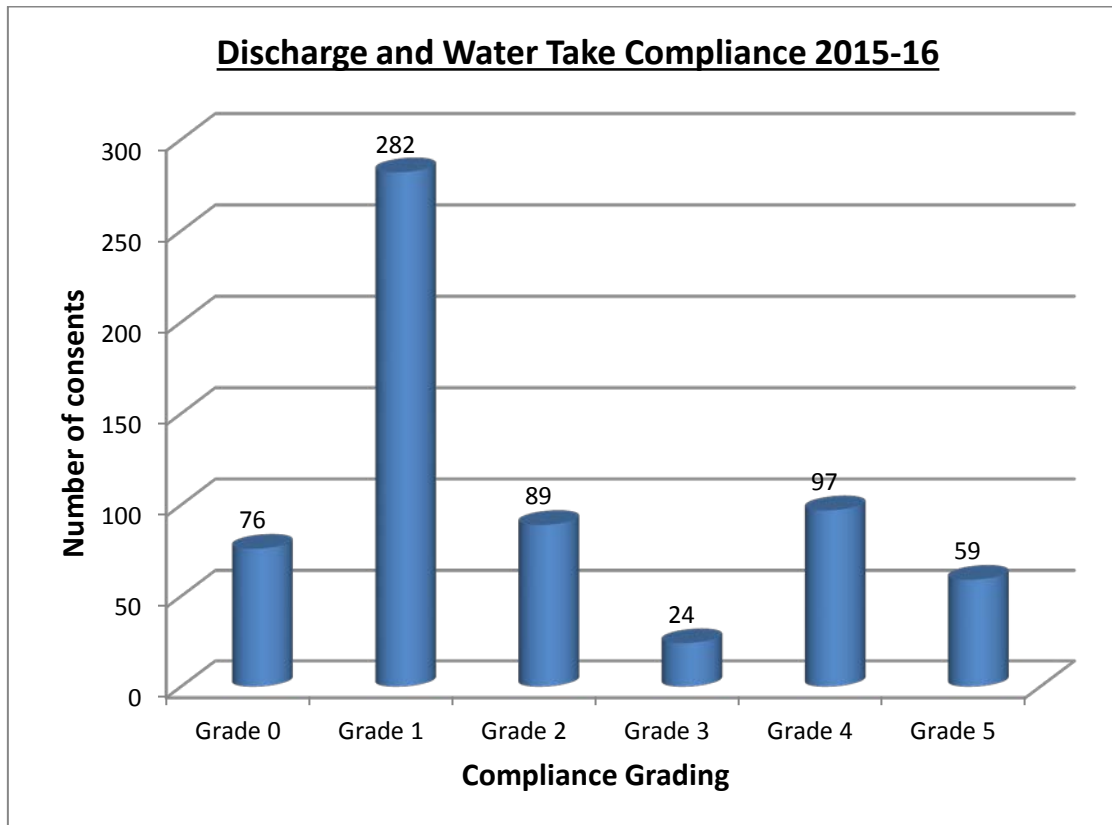


Figure 9 shows the compliance levels found for activities that relate to discharges and water takes. Discharge activities include discharges to land, air and water, including private septic tanks to large industrial type activities.

A total of 627 (compared to 420 in 2014/15) consents were monitored and the level of full compliance found was 45%, or 282 consents. A total of 113 (18%) consents were awarded either grade 2 or 3 due to performance monitoring information being sent into the Council late. A total of 156 consents (25%) received grade 4 and 5 non-compliance and environmental effects observed.. The majority of the 76 consents (12%) that did not receive a compliance grade related to the dry weather event monitoring where it was found water takes were not being used.

Non-compliance observed in the field related to:

- Poor performance of effluent systems e.g. disposal bed failures
- Poor effluent quality from commercial wastewater system
- Poor effluent quality into the receiving environment from Industrial discharges
- Air discharge quality parameters not being met
- Offensive and objectionable odour beyond the boundary

- Water take data not being received and devices not installed correctly
- Residual flows not being complied with
- Minor non-compliance with taking water during minimum low flows

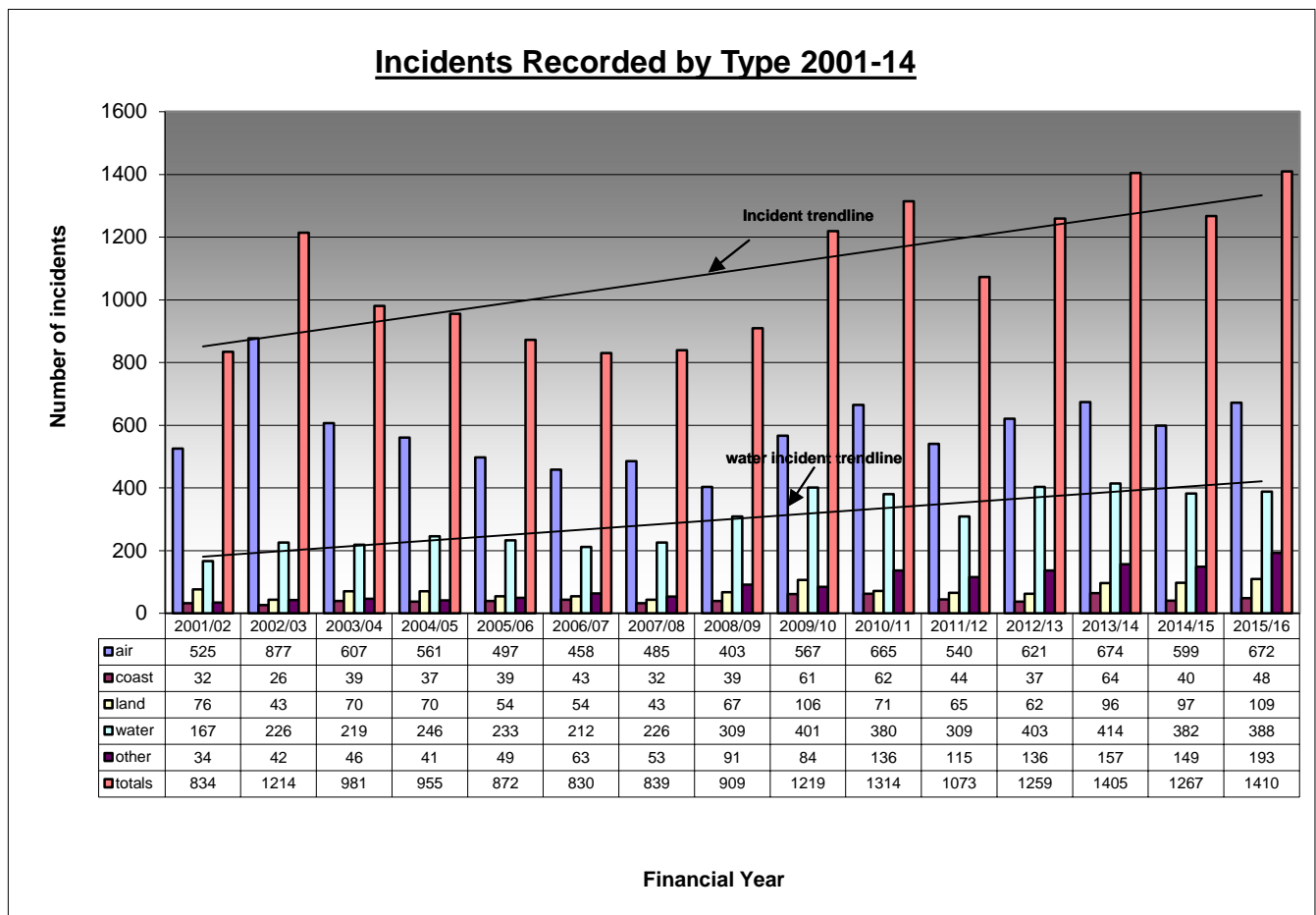
In all situations where grades 4 and 5 have been awarded either written explanations or phone conversations have been sought from the consent holder, including remedial action plans where appropriate.

4. Summary of Environmental Incidents

For the 2015/16 year, the Council received a record total of 1410 incidents. Approximately 47.6% of the incidents related to air issues (odour 151 incidents, domestic heat systems 159 incidents, and rural burning/backyard burning 257 incidents featuring strongly) and 27.5% relating to water issues (290 fresh water pollution, the majority of incidents).

Figure 10 provides a trend analysis of the incidents that Council received during the period 1 July 2001 to 30 June 2016.

Figure 10. Environmental Incidents between 1 July 2001 and 30 June 2015



Incident response over recent years has remained at an elevated level. Increased environmental awareness and an appreciation from members of the public (and environmental organisations) that any perceived environmental harm is no longer acceptable will be contributing to a steady increase in the incident response activity.

5. Recommendations

That this report be noted.

Scott Maclean

Director Environmental Monitoring and Operations

REPORT

Document Id: A916728

Report Number: 2016/0928
Prepared For: Regulatory Committee
Prepared By: Marian Weaver, Resource Manager Procedures & Protocols

Date: 06 July 2016

Subject: **Consents and Building Act Report 23 May to 30 June 2016**

1. Consent Processes

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

1.2 Notified Applications**RM15.361 Kokiri Lime Company Ltd**

Consents are sought for establishing and operating an open pit alluvial gold mine and associated activities, covering 163 hectares from the south of Coal Creek to the north of Roxburgh adjacent to and including an area of the Fruitlands - Roxburgh Road (SH8). The applications were publicly notified on 6 February and there were 10 submissions received; 3 neutral, 6 opposed and 1 in support. The submissions were heard jointly by CODC and ORC on 16 & 17 June in Alexandra. The decision is pending.

RM16.076 Clutha District Council

Consents for coastal erosion protection works near Pounaweia. The application was notified on 7 May and there were 6 submissions received in support. The applicant is providing more information at present. A hearing panel of two Councillors has been appointed who will determine the application once the applicant is ready.

1.3 Limited Notified Applications

There were no applications that were limited notified during the period. One consent with limited notification was granted during the period.

1.4 Not Yet Notified**RM16.138 Oceana Gold Limited.**

These applications are for a new pit, waste rock stack and water dam near the location of the existing Coronation site. This is a joint process with consents also required from Waitaki District Council and Dunedin City Council. Further information is being sought and applications will be notified once information is received.

RM16.179 Port Otago Limited

These applications received on 30 June are to renew the consents for the three near shore maintenance dredging dumping sites at Heyward Point, Aramoana Spit and Shelly Beach. They are being assessed for information requirements and will be notified soon.

2. Appeals**RM14.206 Mt Campbell Station Ltd**

The application is for the construction of two dams in a tributary of Bickerstaff Creek and Mt Campbell Creek near Alexandra. The hearing was in Alexandra on 30 November and the decision was given to grant consents for both dams. The decision has been appealed by the Department of Conservation. Court assisted mediation took place on 26 April in Alexandra. The mediation was adjourned to enable the applicant to consider its options. A report back to the Court and other parties is required by 22 July.

RM15.202 Borst Holdings Limited

The application is for leaching of nitrogen at three farms near the Kakanui River. The application had limited notification. Independent commissioners granted the permit for a 15 year term that commences in 2020. Iwi have appealed the conditions and duration of the permits. Court assisted mediation was held on 5 July and some follow up actions are being explored to resolve issues. All parties to report back to the Court on 2 September.

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
14/15 year	348	33	24	10	356	54	31
1 Jul – 14 Aug 15	47	5	4	0	44	3	4
16 Aug – 25 Sept 15	51	2	0	2	40	6	0
28 Sept – 6 Nov 15	36	6	1	2	36	4	1
9 Nov 15- 8 Jan 16	68	5	0	1	52	9	0
11 Jan – 19 Feb 16	37	3	0	0	55	7	0
20 Feb-1 Apr	54	0	2	0	45	1	2
4 Apr – 20 May	53	4	2	1	43	5	2
23 May – 31 Jun 16	69	15	2	0	38	11	2
15/16 full year	415	40	11	6	353	46	11

All decisions on consents were given within RMA allowed timeframes.

4. Consent Administration

Table 2. Consent Administration Statistics

Reporting Period	Transfers Received	Transfers Issued	S417 Certs Received	S417 Certs Issued
14/15	89	91	2	6
1 Jul – 14 Aug 15	30	29	0	0
16 Aug – 25 Sept 15	25	17	0	0
28 Sept – 6 Nov 15	23	26	0	0
8 Nov 15 – 9 Jan 16	18	20	1	1
11 Jan – 19 Feb 16	8	10	2	0
20 Feb – 1 April 16	10	8	0	0
4 Apr – 20 May 16	11	15	1	0
23 May – 30 June 16	13	8		0
15/16 Full year	125	125	4	1

5. Building Consent Authority (BCA) Administration

During the period:

ORC retained its IANZ accreditation subject to some corrective actions that have been signed off.

There were no new BCA applications in the reporting period and one building consent and one code compliance certificate were issued.

Table 3. For the 15/16 year:

	Building Permits	Certificate of Acceptance	Code Compliance Certificate
Received	6	2	2
Issued	6	10	4

6. Public Enquiries

Appendix 2 shows that 269 enquiries were received during the reporting period.

Table 4. Public Enquiries Statistics

Period	Number of Enquiries
14/15 year	2259
1 Jul - 14 Aug 15	366
16 Aug - 25 Sept 15	264
28 Sept – 6 Nov 15	289
8 Nov 15 – 9 Jan 2016	367
11 Jan – 19 Feb 16	297
20 Feb to 1 April 16	234
4 Apr – 20 May 16	409
23 May to 30 June 16	269
15/16 full year	2495

7. 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 it 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. Staff are working with the applicant to move this application.

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. A decision on the viability of the upgraded scheme was expected in the first half of 2016.

Appendix 2

Resource Consent Public Enquiry Report For period
from 23 May to 30 June 2016

Total Number of Enquiries **269**

Enquiry Type	No.	% of Total
Current Consents	114	42.4 %
Mining Privileges	4	1.5 %
Other	31	11.5 %
Permitted Activities	65	24.2 %
Pre-application	17	6.3 %
Property Enquiries	35	13 %
Transfers	3	1.1 %

Enquiry Location	No.	% of Total
Central Otago District Council	97	36.1 %
Clutha District Council	10	3.7 %
Dunedin City Council	30	11.2 %
Outside Otago	11	4.1 %
Queenstown Lakes District Council	50	18.6 %
Throughout Otago	8	3 %
Unspecified	49	18.2 %
Waitaki District Council	14	5.2 %

Enquiry Method	No.	% of Total
Counter	2	0.7 %
Email	176	65.4 %
Fax	1	0.4 %
Internet	1	0.4 %
Letter	3	1.1 %
Telephone	86	32 %

REPORT

Document Id: A915645

Report Number: 2016/0920

Prepared For: Regulatory Committee

Prepared By: Peter Kelliher, Legal Counsel

Date: 4/7/2016

Subject: **Resource Management Act 1991, Biosecurity Act 1993 and Building Act 2004 Enforcement Activities from 21 May 2016 to 30 June 2016**

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 21 May 2016 to 30 June 2016.

2. Resource Management Act 1991**a) Permitted Activity Rules - Inspections****Table 1. Infringement Notices**

Details	Period – 21 May 2016 to 30 June 2016	Total – from 1 July 2015
Discharge of contaminants to land in breach of a regional rule – effluent	0	13
Discharge of contaminants to land in breach of a regional rule – silage	0	1
TOTAL	0	14

Table 2. Authorised Legal Proceedings

Details	Period – 21 May 2016 to 30 June 2016	Total – from 1 July 2015
Discharge of contaminants to land in breach of a regional rule – effluent	0	2
Disturbing the bed of a river - pugging	0	1
TOTAL	0	3

b) Complaint Response

Table 3. Infringement Notices

Details	Period – 21 May 2016 to 30 June 2016	Total – from 1 July 2015
Discharge of contaminants to air – outdoor burning	1	7
Discharge of contaminants to land in breach of a regional rule – effluent	0	1
Discharge of contaminants to water – carcasses	0	1
Discharge of contaminants to water – domestic waste	1	1
Disturbing the bed of a river - pugging	0	2
Diverting water in breach of a regional rule	0	1
Disturbing the bed of a river – mechanical excavation	1	4
TOTAL	3	17

Table 4. Authorised Legal Proceedings

Details	Period – 21 May 2016 to 30 June 2016	Total – from 1 July 2015
Discharge of contaminants to land in breach of a regional rule – effluent	0	2
Disturbing the bed of a river – mechanical excavation	0	1
TOTAL	0	3

Table 5. Abatement Notices

Details	Period – 21 May 2016 to 30 June 2016	Total – from 1 July 2015
To cease damming water within a river in breach of a regional rule	0	3
To cease discharging a contaminant in breach of a regional rule– septic tank	0	1
To cease discharging a contaminant in breach of a regional rule - sediment	0	1
To cease discharging contaminants from a landfill	1	1
TOTAL	1	6

**3. Total Infringements issued and Authorised Legal Proceedings –
1 July 2015 – 30 June 2016**

Table 6. Total Infringements Issued (Inspections and Compliant Response)

Details	Total – from 1 July 2015
DAIRY EFFLUENT	
Discharge of contaminants to land in breach of a regional rule – effluent	14
OTHER	
Discharge of contaminants to land in breach of a regional rule – silage	1
Discharge of contaminants to air – outdoor burning	7
Discharge of contaminants to water – carcasses	1
Discharge of contaminants to water – domestic waste	1
Disturbing the bed of a river - pugging	2
Diverting water in breach of a regional rule	1
Disturbing the bed of a river – mechanical excavation	4
TOTAL	31

Table 7. Total Authorised Legal Proceedings (Inspections and Compliant Response)

Details	Total – from 1 July 2015
DAIRY EFFLUENT	
Discharge of contaminants to land in breach of a regional rule – effluent	4
OTHER	
Disturbing the bed of a river - pugging	1
Disturbing the bed of a river – mechanical excavation	1
TOTAL	6

4. Recommendation

That this report be noted.

Fraser McRae
Director Policy Planning and Resource Management

REPORT

Document Id: A916929

Report Number: 2016/0929
Prepared For: Regulatory Committee
Prepared By: Marian Weaver, Resource Manager Procedures & Protocols

Date: 6 July 2016

Subject: **Progress Report Deemed Permit Replacement Project**

1. Background

The Water Plan promotes the replacement of deemed permits and other water permits that expire in 2021 to be held and implementation by water management groups. This project implements the Plan policies and this report notes progress.

2. Promotion of Group Formation

Twelve meetings with groups of water permit holders were held in priority catchments in late May and during June. The response to invitations to attend the meetings has been good, and many questions and discussions arise after the meetings.

3. Liaison with Stakeholders.

Meetings with parties who may become affected parties to deemed permit renewal applications have been held, plus meetings with consultants who may be preparing consent applications, and rural professionals who have an interest in water management.

4. Communications

The Water Users Manual and the doodle script that is a summary of the manual are now on the ORC website. Some of the information from these items appears in the latest edition of Waterlines.

Information about flows in creeks and rivers, and descriptions of the instream values that ORC holds, has been summarised and this together with information about consents and historic water use is being prepared so that such information can be accessed on our website. A new search facility, that will be operated like the existing Hazards database, preparatory work is underway.

5. Objectives

Performance Measure 1:

Water taken under deemed permits are replaced by resource permits (water permits) by 2021, less any permits cancelled or surrendered.

Performance Target 2:

50% of the volume of water taken in Otago under consents is being managed by groups at 1 October 2021; 50% of water permits are managed through groups or water allocation committees.

All deemed permits are replaced or have applications lodged by 31 March 2021.

Progress on Objectives:

For reporting purposes a “group” includes existing irrigation companies and Territorial Authorities.

Table 1. Allocated Surface Water

	Total	Groups	TLA	Other	%Held by Groups & TAs
l/sec	322,154	69,508	5,685	246,961	23.3%
No. Permits	1,152	131	71	950	17.5%

No change since last report.

Due to the impact of the water measuring regulations, (some cancellations and surrenders and consent replacement) the number of deemed permits is slowly decreasing. In April 2014 there were 458 current deemed water permits and on 6 July 2016 there were 404 current deemed water permits.

6. Recommendation

That this report is noted

Fraser McRae
Director Policy Planning & Resource Management