

## OTAGO REGIONAL COUNCIL

### Minutes of an Ordinary meeting of the Council held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 10 August 2016 commencing at 9.00 am

**Present:**

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

**Apologies:**

- Cr David Shepherd

The apology was accepted on the motion of Crs Woodhead and Bell.

**In attendance:**

- Peter Bodeker
- Nick Donnelly
- FraserMcRae
- Scott MacLean
- Gavin Palmer
- Caroline Rowe
- Sharon Bodeker (Items 3 and 4)
- Janet Favel (Minutes taker)

#### CONFIRMATION OF AGENDA

Cr Woodhead advised that Plan Change 5A panel members had been invited to join the meeting at 11.30 am.

Cr Woodhead moved  
Cr Croot seconded

*That the meeting move into public excluded at 11.30 am, and if required, resume in public at the conclusion of the public excluded section.*

#### Motion carried

There were no other changes to the agenda.

## CONFLICT OF INTEREST

There were no conflicts of interest.

## PUBLIC FORUM

*Pig Burn Water Users Group* (Stewart Weir, Gerard Weir, Greg Kirkwood, Gavan Herlihy, Chris Mulholland, Matt Hickey, Sally Dicey)

Mr Kirkwood explained that Group members had historical permit rights. The Group had first met formally in December 2015, to discuss how to achieve the right outcomes for the catchment in line with the ORC water management policy. Expert reports had been commissioned, which they would provide to ORC if required. After meetings in February, March, and May, work on the draft application commenced in June. In July the Group became aware of the ORC report to the Technical Committee meeting, and on 19 July they advised ORC of their concern that the report was not fit for purpose. The report was approved at the 20 July Technical Committee meeting. On 8 August at a meeting to discuss the report, ORC management admitted that the report was not robust enough.

Mr Mulholland commented that the cost of refuting poor information and decisions fell on the community, costs which should be channelled into storage dams, power, and spray irrigation.

Mr Herlihy thanked staff for their time to discuss the report and appreciated their honest admission that the report fell short. The Group considered that the report should not have been accepted by Council, and requested that it be formally withdrawn. He stated that Dr Palmer had offered to rewrite the report for discussion with the Group, and ask them to await production of another report. Staff had explained that the results of the current investigation would inform decisions on Pig Burn water management, and people had to accept changes in water use. The Group requested that ORC gather a full set of information. Group water users would provide photos and information, and he commented that Iwi, Fish & Game and DoC should be included in the study.

Mr Weir commented that it was in the landholders' best interests to look after the resource from economic, environmental and social viewpoints for now and the future. Decisions in the years to 2021 would have real impact on landholders, and these decisions could only be made based on sound scientific facts. He also noted the complicated issues facing the transfer of deemed permits on the Pig Burn, including topographical and terrain challenges.

In response to a question about amending information in a report that had already been accepted by Council, Mr Herlihy commented that the naturalised seven day flow had been calculated at 79 l/s; the Group believed that was incorrect, and should be closer to 38 l/s.

In response to a question, Mr Herlihy commented that the Sow Burn and Pig Burn were different catchments yielding different flows, and there was no correlation between the two. He confirmed that there were eight water use permits in the Pig Burn catchment.

A question was raised as to why the Group declined the offer to discuss the report. Mr Herlihy explained that they were advised by Dr Palmer that the draft version would be available in the second week of June, and as he (Mr Herlihy) was going away, it was decided that the Group would review the final report once it became available.

*Pig Burn Water Users Group members left the meeting at 9.27 am.*

*BusGo Dunedin (Alex King, Peter Dowden, Liz Angelo, Telagi Papau, M Laufiso)*

Mr Dowden circulated papers relating to the Belleknowes bus route (No 19), and stated that the new route was not compliant with the Regional Public Transport Plan (RPTP). He noted that the Plan gave initial frequencies, showing 30 minutes on peak and 60 minutes off peak for the Waverley service and 30 minutes for the Belleknowes service, with no off peak service specified. He claimed that it was a staff decision to reduce the frequency level to the lower of the two, and that Councillors were not advised of this decision.

Mr Dowden noted the progressive gradual improvement to the bus service, and regretted this reduction in service. On behalf of BusGo he requested that Councillors reverse this decision. He commented that other parts of the bus timetable were not compliant with the RPTP, and requested that they be corrected. He noted that staff had been asked to draft a variation to the RPTP to incorporate changes to the Concord route, and considered that the same could be done for Belleknowes and that this should be discussed in an open consultative process.

Ms Angelo noted that she was a representative of the Arthur Street community, a bus user, and a SuperGold Card holder. She was surprised that the frequency for the period that Gold Cards could be used was to be reduced, and noted that she had requested in her submission that the frequency be retained at 30 minutes.

Mr King advised that BusGo held regular meetings, which the public were invited to attend. Group members would be available at the Octagon stops the week beginning 15 August to help people understand the new timetable, and to show them the online bus helpline and journey planner. He invited Councillors to join in this project.

Mr Dowden noted information provided to staff on buses, which showed the Belleknowes service running every half hour.

Cr Woodhead advised that the matter would be discussed in a Councillor workshop later in the day, and thanked the Group for their involvement in the process.

*BusGo members left the meeting at 9.44 am.*

## MINUTES

- (1) The minutes of the Ordinary meeting of Council held on 22 June 2016, having been circulated, were accepted on the motion of Crs Croot and Bell.

**Motion carried**

- (2) The minutes of an Extraordinary meeting of Council held on 20 July 2016, having been circulated, were accepted on the motion of Crs Croot and Bell.

**Motion carried**

### Matters arising from the minutes

There were no matters arising from the minutes.

## PART A – CHAIRPERSON’S AND CHIEF EXECUTIVE’S REPORTS

### Item 1

2016/0985 **Chairperson’s report.** Chair, 4/8/16

The report provided an overview of the Chairperson’s activities for the period to 4 August 2016.

Cr Woodhead spoke further on the following matters:

- Minister Nick Smith had advised that changes to the National Policy Statement on Freshwater Management (NPSFWM) would be consulted on in November.
- A LAWA stakeholder event was to be held in Wellington to discuss water management across regions.
- The Terms of Reference for the Queenstown Transport Governance Group would be on the the next Finance and Corporate Committee meeting agenda.

Meetings Mayoral Forum/CDEM/Te Roopu Taiao 4/5 August:

- Mayoral Forum - new ORC CDEM staff Tony Martin and Sarah Hexamer were introduced. An update was provided on the National Strategy which was due for completion in September 2017. The Strategy contained direct links to regional plans which Groups would have to deliver on.

- CEG – CEG Chair Peter Bodeker provided an update and informed the meeting that Nick Donnelly had been appointed Group Recovery Manager. Otago Controllers were Chris Hawker, Fraser McRae, and Scott MacLean.
- The new website being developed for Otago CDEM would provide consistency locally and with the national website.
- Mayoral forum – an update was provided on S17a review work. CEs were to bring back options in the new triennium, and Section A of the triennial agreement would be reviewed.
- Because of the weather on the day, Te Roopu Taiao and Mana to Mana meetings had not been held. A Mana to Mana meeting was to be held prior to the elections, and meetings of both groups were to take place early 2017.

Presentations of the Natural Hazards of South Dunedin report to DCC Councillors and MPs were noted. A question was raised as to whether there was any conflict between the ORC and DCC approaches, and between local MPs. Cr Woodhead advised that the briefings and presentation of the communications plan were given by ORC staff. The aim was to bring the parties up to date, and there was good unanimity across all groups in understanding the complexity of the situation. He noted that the aim was to provide an update, not a ‘where to from here’ discussion.

## Item 2

### 2016/0986 **Chief Executive’s Report.** CE, 4/8/16

The report provided an overview of the Chief Executive’s activities for the period to August 2016. Mr Bodeker commented further on the following points:

- Health and Safety – the recent staff Health and Safety Committee meeting discussed use of apps to assist with reporting and mitigation against identified hazards, and technologies that might assist in that process.
- Meeting with farmers in Clutha area – there was concern that landholders had access to pump stations. This was a significant hazard, and farmers had been advised that because they were not trained in health and safety matters, they were not to access the sites. ORC staff were undertaking the training, but they had no authorisation to ensure the public adhered to the training.
- Guardians of Lake Dunstan were testing options to eradicate lagarosiphon in the lake. Mr Bodeker had advised the group that ORC would work with them to put a funding application through the Annual Plan process. There was an expectation that funding would be available this coming summer.
- A shared ORC/CODC customer service arrangement at the CODC office would be up and running by 3 September.

In response to a question about farmers’ desire to clear pump station intakes, Mr Bodeker explained that some farmers considered that the facilities were not as clear of weed as they should be. The ORC had in place a process of daily inspection, mechanical cleaners were used, and contractors and staff were trained to do that work. This level of service was considered appropriate, although the

screens might not be weed free at all times. He would investigate opportunities to train some farmers.

A question was asked about responsibility for clearing lagarosiphon in Lake Dunstan. Mr Bodeker advised that the Guardians had identified a control method, and had been advised that an Annual Plan funding proposal would be put to Council for consideration. He explained that currently there was funding from LINZ and Contact Energy, and it was suggested that some undertakings be sought from these two organisations. The programme of works set out in the Regional Pest Plan was noted.

It was requested that Council be provided with an update on the Didymo situation.

In response to a question about the regional economic development gap analysis, Mr Bodeker advised that any recommendation from the Mayoral Forum to provide funding for this work would be presented to this Council for discussion.

A question was raised about the South Dunedin combined working group. Mr Bodeker explained that at the time of writing this report the contract had not been completed. He was now able to confirm that consultant Bruce Robertson had been appointed Project Leader and would work with DCC (5 staff) and ORC (2 staff). Dr Palmer and Mrs Rowe were the primary ORC contacts. Mr Robertson's strong links with Wellington were important for the project. The working group would identify requirements and areas then engage with politicians.

In response to a question about shared customer services in Alexandra, Mr Bodeker advised that in the lead up to 2021 the ORC would need to base more consents staff in Central Otago. The ORC and CODC customer services staff would be able to work for both councils.

A question was raised about the Queenstown office. Mr Bodeker commented that there had not been a lot of engagement with the ORC in Queenstown, and the lease on the previously occupied property had expired. If there was a demand for a physical presence in Queenstown, this would be reconsidered. He noted that once QLDC had resolved its accommodation issues, ORC would investigate establishing the same shared service there as in Alexandra.

Moved Cr Woodhead  
Seconded Cr Croot

*That the Chair's and Chief Executive's reports be received.*

**Motion carried**

## PART B – ITEMS FOR NOTING

### Item 3

2016/0968 **Preliminary Financial Report to 30 June 2016.** DCS, 4/8/16

The report provided information in respect of the overall Council finances for the twelve months ended 30 June 2016. The information was preliminary only, as various financial year-end processes were yet to be completed as certain financial and valuation information was yet to be received.

It was questioned why there was a tax impact in the surplus after tax. Mr Donnelly noted that the ORC did not pay tax on its operating activities, but there was a small portion of tax on some of Council's investments which could not be eliminated.

Mr Donnelly confirmed a report back would be provided to the next Finance & Corporate Committee meeting on the further take up of Kuriwao freehold land.

Moved Cr Croot  
Seconded Cr Kelliher

*That the report be received*

**Motion carried**

### Item 4

2016/0984 **Preliminary Project Expenditure to 30 June 2016.** DCS, 4/8/16

The report provided Council with preliminary financial results on activities for the year ended 30 June 2016. It was noted that these financial results were not final and had not yet been audited.

Mr Donnelly explained that the report showed both operational and capital expenditure and the variance to budget. Overall expenditure was \$10.6m under budget, being primarily in transport and flood protection activity. The bulk of underspend came from reserves, grants and other income, and general rate funded projects remained as forecasted in the 8 month review.

The water underspend was noted and a question was raised as to Plan Changes 1C and 6A implementation. Mr Donnelly explained that the largest portion of underspend was for bulk rural water funding, which was reserve funded. Water quality (6A) was slightly underspent because of research and development work. He noted that Regional Plan Water activity excluded Plan Changes 1C and 6A. Mr Bodeker explained that a staff group had been established to focus on minimum flow work required before 2021, and there would be additional cost in appointing a manager for that group. A Research and Development schedule would be presented to the next meeting of the Technical Committee detailing the science work on the various minimum/residual flow catchments.

Moved Cr Bell  
Seconded Cr Croot

*That the report be noted*

**Motion carried**

Item 5

2016/0988 **South Dunedin Community Engagement Report.** DSHE, 3/8/16

The report outlined the approach management was taking to the community engagement verbally communicated at the 20 July 2016 Technical Committee meeting. At that meeting Council received the report entitled “The Natural Hazards of South Dunedin” and made the decision to “*endorse further community and stakeholder engagement within a timely manner.*”

The Greater South Dunedin Community Trust would be included in the list of agency briefings. It was noted that the Trust had offered to provide the Council with a list of people affected so they could be invited to attend the drop-in sessions and receive information.

Cr Woodhead encouraged Councillors to attend the drop-in sessions to be held on 1 and 2 September.

Moved Cr Woodhead  
Seconded Cr Deaker

*That the report be noted*

**Motion carried**

Item 6 **Reports from Councillors**

- *Cr Croot – LGNZ Conference*  
Cr Croot’s report had been circulated with the agenda. The conference was well organised. There were good discussions and presentations, and there was interest in the ORC approach to water use and management. Cr Croot drew attention to ‘Planning for our future’, an eight point programme for a future focused resource management system. Feedback to Cr Woodhead was encouraged. She also noted the presentation ‘The New Zealand Initiative’, which found that centralising local government didn’t work. Cr Croot also attended the Regional Sector Group meeting, where unity was shown and the meeting was well chaired by Cr Woodhead.
- *Cr Kempton - Regional Sector Group*  
The tour started in Southland and Crs Woodhead and Kempton met the group in Otago. Cr Kempton noted the progress of Southland’s Economic



Development Strategy, which had structure and action teams led by a range of people, and encouraged and supported strong regional tourism. On the trip Rob Phillips, CE Environment Southland, talked about water and air in Southland, and Cr Kempton talked about PC 6A and 2021, and natural hazards and risks.

- *Cr Kempton – cycle ways*  
Cr Kempton noted the information from the 30 July Otago Southland Cycle Trails Workshop (circulated with the agenda). There was wide representation at the workshop, which discussed cycle ways and transport. It was noted that the community had to be convinced cycle trails were of value, and that they would be there for a long time. It was suggested an Otago/Southland strategy around cycling was needed, as was differentiation between the national network and regional development. It was noted that the map with the circulated material showed a cycle trail through the Haast Pass. Mr McRae explained that this was recognition by NZTA that cycling was a legitimate activity on State Highways, and provision needed to be made for it.
- *Cr Kelliher - OSPRI*  
Cr Kelliher's report on the work of the TBFree Committee was circulated with the agenda. Action on the TB infection on Mt Cargill was updated and the forward plan detailed. The new TB plan had been reviewed and became operational on 1 July. The goal of the Plan was to eradicate TB from New Zealand, through reducing annual expenditure by more strategic testing, and streamlining funding to 40% central government, 60% farmers. Cr Kelliher noted that there was now no regional funding, and asked if Council wished to continue its representation on the Committee, indicating that he was willing to continue in this role if Council wished. He also asked about voting and speaking rights. Cr Woodhead pointed out that the new Council would need to consider pest control and links with OSPRI, and also noted links with the Orokonui HALO project.
- *Cr Croot – Royal Society website*  
Cr Croot drew attention to the Royal Society website's pages '10 things you didn't know about climate change', including South Dunedin and other low lying areas in New Zealand.

## **PART E – MINUTES OF MEETINGS**

- Item 7      **Recommendations of the public portion of the Finance and Corporate meeting held on 20 July 2016, for adoption**

Moved Cr Woodhead  
Seconded Cr Kelliher

*That the recommendations of the public portion of the Finance & Corporate Committee meeting held on 20 July 2016 be adopted*

**Motion carried**

Item 8 **Recommendations of the Technical Committee meeting** held on 20 July 2016, for adoption

Moved Cr Scott  
Seconded Cr Brown

*That the recommendations of the Technical Committee meeting held on 20 July 2016 be adopted*

**Motion carried**

Item 9 **Recommendations of the Communications Committee meeting** held on 20 July 2016, for adoption

Moved Cr Kempton  
Seconded Cr Bell

*That the recommendations of the Communications Committee meeting held on 20 July 2016 be adopted*

**Motion carried**

Item 10 **Recommendations of the Policy Committee meeting** held on 20 July 2016, for adoption

Moved Cr Robertson  
Seconded Cr Deaker

*That the recommendations of the Policy Committee meeting held on 20 July 2016 be adopted*

**Motion carried**

Item 11 **Recommendations of the Regulatory Committee meeting** held on 20 July 2016, for adoption

Moved Cr Eckhoff  
Seconded Cr Croot

*That the recommendations of the Regulatory Committee meeting held on 20 July 2016 be adopted*

**Motion carried**

## PART F - EXCLUSION OF PUBLIC

Cr Woodhead moved

Cr Croot seconded

1. *That the public be excluded from the following part of the proceedings of the meeting.*
2. *That ORC staff and Panel PC5A Commissioners be able to be present during the exclusion of public part of the Council 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) and 48(1)(d) of the Local Government Information and Meetings Act 1987 for the passing of this resolution are as follows:*

	<b>General subjects to be considered</b>	<b>Reason under LGOIMA for passing this resolution</b>	<b>Grounds under S.48 for the passing of this resolution</b>
Item 12	Leith Flood Protection Scheme - Financial Delegation to the CE for contract payments	To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) LGOIMA s7(2)(i)	S.48(1)(a)(i)
Item 13	Report on mediation in ENV-2016-CHC-26. Te Runanga O Moeraki and Te Runanga O Ngai Tahu v Otago Regional Council and Borst Holdings Limited	To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— (i) would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied; or (ii) would be likely otherwise to damage the public interest  LGOIMA S7(2)(c)	S.48(1)(a)(i)

Item 14	Recommendations of the Hearing Committee on the Proposed Plan Change 5A (Lindis: Integrated water management) to the Regional Plan: Water for Otago.	<p>Section 48(1) (d): That the exclusion of the public from the whole or the relevant part of the proceedings of the meeting is necessary to enable the local authority to deliberate in private on its decision or recommendation in any proceedings to which this paragraph applies.</p> <p>Section 48(2) - Paragraph (d) of subsection (1) applies to—  (a) any proceedings before a local authority where—  (i) a right of appeal lies to any court or tribunal against the final decision of the local authority in those proceedings; or</p> <p>LGOIMA ss48(1)(d) and 48(2)(a)(i)</p>	S.48(1)(d)
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*In relation to items 12 and 13, 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.*

*In relation to item 14, this resolution is made in reliance on section 48(1)(d) of the Local Government Official Information and Meetings Act 1987.*

Cr Eckhoff referred to Item 13, Report on mediation in relation to Borst Holdings Ltd, and Item 14, Recommendations of the Hearing Committee on Proposed Plan Change 5A (Lindis: Integrated water management) to the Regional Plan: Water for Otago. He considered that both items should be discussed in public meeting.

Mr Donnelly noted that the relevant sections of LGOIMA for discussing these items with the public excluded were stated: Item 13 - related to confidentiality of information; Item 14, the decision was subject to appeal in the Environmental Court, and Council had the right to consider the matter with the public excluded. Mr Donnelly explained that the decision would remain in committee unless there was a recommendation that the Panel's recommendations be publicly notified.

Cr Eckhoff considered that Council could and should discuss the recommendations in public as PC5A was a matter of very high public interest,

and the public were entitled to a report on the debate. There was no commercial sensitivity, no impediment, and no impugning of any person, which only left legal and political reasons for considering the matter with the public excluded. All parties had a right of appeal should they disagree with the Panel's findings. He assumed Councillors would accept or decline the report, and the public should hear how Council came to its decision. Cr Eckhoff noted that the Panel had total delegated authority to make recommendations to Council based on the hearings and their discussion, but the item before Council included the Panel's report only. The final outcome would be affected by acceptance of the Panel's recommendations, by mediation, or by the Environment Court. He considered it was impossible for a Councillor to enter into this process if the public was excluded. Cr Eckhoff considered that the same issues applied to the Borst decision, noting that the process had been public all the way to this point, but was now to be discussed with the public excluded.

Cr Scott asked about the commercial sensitivity of Item 14. Mr Donnelly explained that it wasn't due to commercial sensitivity but because the decision could be subject to appeal in Court, and Council was entitled to debate it in private. It was common practice that these types of decisions were debated with the public excluded, to protect the integrity of the Council's process and ensure Council's position was not prejudiced should an appeal be lodged. The public would learn the decision when the Plan was publicly notified. Mr Bodeker pointed out that the hearings were public, and Cr Woodhead noted that the Panel report was public. This was best practice, and protected the integrity of Council's process.

**The motion was then put and carried**

Following the discussion of Items 12, 13 and 14

Cr Bell moved  
Cr Croot seconded

*That the meeting resume in open session.*

**Motion carried**

*Cr Woodhead re-entered the meeting following the conclusion of Item 14.*

The Chief Executive reminded Councillors that Plan Change 5A would be notified on Saturday 13 August, and Councillors could not talk about this meeting in public.

The meeting was declared closed at 12.52 pm.



**Chairperson**