

OTAGO REGIONAL COUNCIL

Minutes of a meeting of the Finance and Corporate Committee held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 22 March 2017, commencing at 1:00pm

Membership:

- Cr Doug Brown (Chairperson)
- Cr Andrew Noone (Deputy Chairperson)
- Cr Graeme Bell
- Cr Michael Deaker
- Cr Carmen Hope
- Cr Trevor Kempton
- Cr Michael Laws
- Cr Sam Neill
- Cr Gretchen Robertson
- Cr Bryan Scott
- Cr Stephen Woodhead

Apologies: Nil

In attendance:

- Peter Bodeker (CEO)
- Nick Donnelly
- Gavin Palmer
- Caroline Rowe
- Scott MacLean
- Lauren McDonald (Committee Secretary)
- Sean Geary
- Sharon Bodeker
- Michael Templeton
- Eleanor Ross

Cr Brown welcomed the public forum speakers and the Port Otago Ltd Chairman, Mr David Faulkner; Deputy Chairman Mr Paul Rea; current CEO, Mr Geoff Plunket; and CEO designate, Mr Kevin Winders.

CONFIRMATION OF AGENDA

Additional agenda item - Discussion of the By-Election for the Dunstan Ward to be held in public exclusion.

CONFLICT OF INTEREST

No conflicts of interest advised.

MINUTES

The minutes of the meeting held on 8 February 2017, having been circulated, were adopted on the motion of Crs Woodhead and Noone.

PUBLIC FORUM

Presentation of a petition to retain the Centre City New World bus stop for the Mosgiel bus services.

Mrs Lynne Hill read a prepared statement and outlined the concerns of a downgrade of the Mosgiel bus service due to the extra distance Mosgiel bus users would need to walk from the Bus Hub location (compared to the existing bus stop at Centre City New World) to the public hospital. She advised this would place additional stress on those with physical limitations to cover this extra distance from the bus hub location to the hospital. Mrs Hill presented the 180 signature petition from Mosgiel residents to the Chairperson seeking retention of the City Centre New World bus stop while the public hospital remains at the present site.

Mrs Hill responded to questions from Councillors and advised increased distance from the bus hub to the hospital to be approximately an additional 100 metres.

Cr Brown thanked Mrs Hill for taking the time to address the concerns of the petition to the Council and advised due consideration would be given to the petition request and a response would be sent to her.

Impact of the Port Otago Ltd operation on the Port Chalmers community and environment

Mary McFarlane, a Port Chalmers resident addressed Council on the impacts of the Port Otago Ltd operations on the harbour area. She acknowledged she had a constructive and continuing dialogue with Port Otago Ltd.

She questioned if the Council had given due consideration to the economic and lifestyle impact to the community and environment from the Port Otago Ltd operations. She advised the impacts included: operational noise; erosion of the Te Rauone and Back Beaches due to larger ships to the port, side channels silting up, heavy laden truck traffic impacting buildings in the heritage precinct due to road speed limits not being adhered to; cruise ship visitor numbers, and the visual impact of the port operations on local residents.

She advised she felt that the quality of life in the harbour area was being progressively eroded by the Port Otago Ltd commercial operations.

Ms McFarlane responded to questions from Councillors.

Cr Brown thanked Ms McFarlane for refreshing the issues with Council and confirmed a response would be sent to her in due course.

Public Forum concluded at 1:26pm

PART A – PRESENTATIONS

Item 1 Port Otago Ltd Interim Six Month report

In attendance Mr David Faulkner, Chairperson; Mr Kevin Winder, CEO designate; Deputy Chairperson, Paul Rea, and Geoff Plunket, outgoing CEO.

Mr Faulkner presented the Port Otago Ltd Six Month Interim Report, as tabled to the meeting.

Main points from the presentation included:

- Trade - Container volume up by 5%, log exports up 38%, a significant change. Vessel arrivals up from 213 to 226.
- Cruise vessels – 92 vessels booked for next year.
- Port development – extension to A shed, this is working well.
- New Generation work – looking to complete channel deepening to 14 metres by December 2017 - Wharf extension at Port Chalmers due for completion by December 2018.
- Chalmers Properties - Steel & Tube warehouse site fully occupied. Te Rapa site development proceeding well.

Mr Faulkner and Mr Plunket responded to questions from Councillors.

Port Otago Ltd members left the meeting at 1:54 pm.

PART B - RECOMMENDATIONS

Item 2

2017/0686 2017-18 Draft Annual Plan and Consultation Document. DCS, 06/03/17

The Draft Annual Plan (draft plan) was presented to the Finance and Corporate Committee for adoption and for it to be made available on the ORC website as supporting documentation to the consultation document.

The consultation document was also presented for consideration and adoption, so that it may be distributed to the Otago community, inviting comment on the Council proposed activities for the 2017/18 year.

The full *Draft Annual Plan 2017/18* and the *Draft Annual Plan 2017/18 consultation document* were circulated separately with the agenda. The full Castalia Ltd report entitled “*Economic Assessment of the Lower Waitaki River Control Scheme*” was circulated separately with the agenda.

Cr Brown advised the confirmed as Annual Plan hearing panel members as himself, Crs Woodhead Noone, Deaker, Kempton, Hope and Laws for the Draft Annual Plan for 2017/18. Cr Laws requested he be removed from membership of the hearing panel. Cr Bell was requested to replace Cr Laws, and accepted.

Moved Cr Laws

That \$100,000 is placed in the draft Annual Plan for the mitigation of lagarosiphon and management of lagarosiphon in the lakes in waterways of the Otago Regional Council.

No seconder, motion lapsed.

That the \$665,000 for the further development of the ORC Head Office building design be removed from the 2017/18 Annual Plan.

No seconder, motion lapsed.

That Port Otago Ltd dividend be increased from \$7.5million to \$10 million.

No seconder, motion lapsed.

Moved Cr Brown

Seconded Cr Woodhead

That the Draft Annual Plan be adopted as the information relied upon to support the consultation document, and that it be made available on council's web site.

- 1. That the consultation document be adopted for consultation purposes, subject to any minor editorial amendments.*
- 2. That changes to the Revenue Policy be adopted for consultation purposes.*
- 3. That it is financially prudent to have an operating deficit in the 2017/18 year.*
- 4. That submissions on the consultation document will close on 12 May 2017, and hearings will be held during the week commencing 22 May 2017.*
- 5. That a Hearing sub-committee be appointed.*

Motion carried

Crs Brown, Woodhead, Noone, Deaker, Kempton, Hope and Bell confirmed as the Hearing Panel members for the Draft Annual Plan for 2017/18.

Item 3

2017/0682 Leith Flood Protection Scheme, Union Street to Leith Footbridge Construction DES, 15/03/17

The report provided an update on the Union Street to Leith Footbridge stage of the Leith Flood Protection Scheme. Council approval was sought to award the contract for the construction of this stage to Downer New Zealand Limited (Downer) for the sum of \$2,497,034.74 (excluding GST).

Moved Cr Noone

Seconded Cr Deaker

1. *This report is received;*
2. *The award of a construction contract to Downer New Zealand Limited for the sum of \$2,497,034.74 (excluding GST) for construction of the Union Street to Leith Footbridge stage of the Leith Flood Protection Scheme is noted.*

Motion carried

Item 4

2017/0700 **Director's report – March 2017.** DCS, 09/03/17

The report outlined the Irrigation Scheme Rates and account payments for endorsement.

Moved Cr Woodhead

Seconded Cr Noone

- a) *That this report be received.*
- b) *That the payments and investments summarised in the table above and detailed in the payment schedule, totalling \$11,074,041.44, be endorsed.*

Motion carried.

PART C – FOR NOTING

Item 5

2017/0687 **Financial Report to 31 January 2017.** DCS, 06/03/17

The report provided information in respect of the overall Council finances for the seven months ended 31 January 2017.

Moved Cr Noone

Seconded Cr Hope

That the report be received.

Motion carried

PART D- RESOLUTION TO EXCLUDE THE PUBLIC

Moved Cr Woodhead

Seconded Cr Noone

That the public be excluded from the following parts of the proceedings of the meeting, namely:

Item 6

2017/0707 **Replacement Ticketing System – Update,** DCS, 10/03/17

Council's approval sought to participate in the implementation of the Regional Integrated Ticketing System (RITS) interim solution as part of the Transport Agency National

Ticketing Programme (NTP) with the preferred supplier identified through the collective procurement process, and to act as the lead agency for the implementation, and the operation of the new system.

Item 7

2017/0708 **Designation Notice of Requirement – Authority, DCS 10/03/17**

The report requested for Council to delegate to the Chief Executive authority to lodge a Notice of Requirement with the Dunedin City Council for the construction, implementation and ongoing operation of the Central City Bus Hub/Interchange in Great King Street between St Andrew Street and Moray Place.

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Item 6 – Replacement Ticketing System - Update	enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). <i>Section 7 (2)(i)</i>	Section 48 (1) (a) Section 7(2)(i)
Item 7 – Designation Notice of Requirement - Authority for the Central City Bus Hub	enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). <i>Section 7 (2)(i)</i>	Section 48(1)(a) Section 7(2)(i)

Also moved that staff be permitted to remain in this meeting, after the public has been excluded, because of their knowledge of the: Regional Integrated Ticketing System (RITS); Transport Agency National Ticketing Programme (NTP), and the Notice of Requirement with the Dunedin City Council.

Motion carried

At the conclusion of discussion of items 6 and 7, Crs Brown and Woodhead moved that the meeting resume in public session.

The meeting was declared closed at 2:48pm

Chairperson

