



Minutes of an ordinary meeting of Council held in the
Council Chamber on
Wednesday 24 June 2020 at 10:00 a.m.

Membership

Hon Marian Hobbs	<i>(Chairperson)</i>
Cr Michael Laws	<i>(Deputy Chairperson)</i>
Cr Hilary Calvert	
Cr Alexa Forbes	
Cr Michael Deaker	
Cr Carmen Hope	
Cr Gary Kelliher	
Cr Kevin Malcolm	
Cr Andrew Noone	
Cr Gretchen Robertson	
Cr Bryan Scott	
Cr Kate Wilson	

Welcome

Hon Cr Marian Hobbs welcomed Councillors, members of the public and staff to the meeting at 10:05 a.m.

For our future

1. APOLOGIES

No apologies were received.

2. ATTENDANCE

Sarah Gardner (Chief Executive)
Nick Donnelly (General Manager Corporate Services and CFO)
Gavin Palmer (General Manager Operations)
Sally Giddens (General Manager People, Culture and Communications)
Richard Saunders (General Manager Regulatory)
Gwyneth Elsum (General Manager Policy, Strategy and Science)
Amanda Vercoe (Executive Advisor)
Liz Spector (Committee Secretary)

Other staff present included Mike Roesler (Manager Corporate Planning), Lisa Hawkins (Team Leader RPS, Air and Coast), Robert Body (Manager IT), Joanna Gilroy (Manager Consents), Peter Kelliher (Legal Counsel), Shayde Bain (Comms and Engagement Advisor), Anita Dawe (Manager Policy and Planning), Eleanor Ross (Manager Comms Channels), and Ryan Tippet (Media Comms Lead).

3. CONFIRMATION OF AGENDA

Cr Hobbs said Chief Executive Sarah Gardner had requested a late paper to be added to the agenda related to a request from Cr Laws. She then asked for a motion to accept the late paper.

Resolution

That the Council accept the late paper, RPS Reference Group Membership, for consideration.

Moved: Cr Wilson
Seconded: Cr Hope
CARRIED

4. CONFLICT OF INTEREST

No conflicts of interest were advised.

5. PUBLIC FORUM

Mr Stephen Dickson spoke to the Council about rabbit and possum control. The Councillors asked Mr Dickson questions and thanked him for speaking.

Ms Leslie Van Gelder spoke about a consortium comprised of community groups and other stakeholders that is working to address a predator-free Central Otago region. The group has asked that ORC partner with them, the Department of Conservation and QLDC to create a predator-free sanctuary and suggested a contribution of \$11million over five years. The Councillors asked several questions and thanked Ms Van Gelder for her work.

A group of protesters interrupted the meeting and distributed a leaflet to the meeting members.

6. CONFIRMATION OF MINUTES

Resolution

That the minutes of the (public portion of the) Council meeting held on 27 May 2020 be received and confirmed as a true and accurate record, with or without corrections.

Moved: Cr Noone
Seconded: Cr Malcolm
CARRIED

7. ACTIONS (STATUS OF COUNCIL RESOLUTIONS)

The Councillors reviewed the outstanding actions.

8. CHAIRPERSON'S AND CHIEF EXECUTIVE'S REPORTS

8.1. Chairperson's Report and 8.2 Chief Executive's Report

A lengthy discussion was held about the Chairperson's Report followed by a discussion on the Chief Executive's Report.

A fire alarm was set off at 10:55 a.m. and the building was evacuated. The meeting resumed at 11:05 a.m.

Following further discussions on the Chairperson and Chief Executive reports, Cr Calvert moved they be received.

Resolution

That the Chairperson's and Chief Executive's reports be received.

Moved: Cr Calvert
Seconded: Cr Noone
CARRIED

Cr Malcolm then further moved:

Resolution

That the Chief Executive thank volunteers and staff who responded to requests from Central Government under urgency related to COVID-19 funding.

Moved: Cr Malcolm
Seconded: Cr Calvert
CARRIED

9. MATTERS FOR COUNCIL DECISION

9.1. Adoption of Annual Plan 2020-2021

Mike Roesler (Manager Corporate Planning) and Nick Donnelly (GM Corporate Services) were present to speak to the Annual Plan adoption paper. The Councillors thanked the team for incorporating the changes discussed at the two previous Finance Committee meetings, noting there was no increase to General Rates, and a 3.9% increase to targeted rates. Cr Kelliher asked

if staff thought anything critical had been eliminated from the annual plan. Chief Executive Sarah Gardner said she thought staff had put together a work program that responded to priorities of Council and its day to day demands. She said she would have liked to be able to do more, but fiscal responsibility is important especially noting the current uncertainties related to COVID-19.

Cr Hope requested a change to the Chair's foreword included in the Annual Plan to remove the word "hopes" from the fourth paragraph. Chairperson Hobbs said she was happy to make that change. Cr Calvert suggested the schedule of fees and charges should state "actual and reasonable" in the section about consultant expenses. Richard Saunders (GM Regulatory) said the actual and reasonable test applies to all costs under the RMA. He said a reference to actual and reasonable could be included rather than change the section. He offered to work with Mr Roesler to give effect to Cr Calvert's suggestion.

After further discussion, Chairperson Hobbs asked for a motion.

Resolution

That the Council:

- 1) **Receives** this report.
- 2) **Notes** the recommendations from the 3 June 2020 & 10 June 2020 Finance Committee meetings are reflected in the financial forecasts 2020-21 and associated work programme.
- 3) **Approves** the Revenue and Financing Policy.
- 4) **Adopts** the Otago Regional Council Annual Plan 2020-21 as circulated with this report, with changes as described.

Moved: Cr Noone
Seconded: Cr Wilson
CARRIED

9.2. Adoption of Rating Resolution 2020-2021

Nick Donnelly (GM Corporate Services) was present to answer questions about the Rating Resolution. After a general discussion, Cr Calvert made a motion.

Resolution

That the Council:

- 1) **Receives** this report.
- 2) **Adopts** the Rating Resolution for the 2020/2021 financial year

Moved: Cr Calvert
Seconded: Cr Forbes
CARRIED

9.3. Procurement Policy Update

Nick Donnelly (GM Corporate Services) was present to speak to the report which was provided to update the Councillors on the ORC Procurement Policy. A discussion was held about a "buy local" requirement in the policy and the Councillors asked to amend the recommendation 2(a)(i)

to say good and services. They also asked to add that the completed policy be circulated to the Council when finalised. Cr Calvert mentioned that language should be consistent throughout, such as the use of the words "will, must or might". Mr Donnelly said the updated policy will be circulated.

Resolution

That the Council:

- 1) **Receives** this report.
- 2) **Endorses** the following additions to the procurement principles included in the Procurement Policy:
 - a. *Emphasise the requirement to buy local and provide examples of the expectation of what is required to meet the principle of buying local including:*
 - i. *Require that a minimum of 50% of quotes used to procure goods and services above \$5,000 are from local suppliers (where practical).*
 - ii. *Include a local supplier component in the weighting of tender assessments.*
 - b. *To define "local supplier" to ensure that intention of council to keep funds in the local economy is being met*
- 3) **That** the completed policy be circulated to Councillors for information.

Moved: Cr Calvert

Seconded: Cr Hope

CARRIED

Cr Laws left the meeting at 11:55 am.

Cr Laws returned to the meeting at 11:57 am.

Cr Hope left the meeting at 11:58 am.

Cr Hope returned to the meeting at 12:03 pm.

Meeting adjourned at 12:20 until 1 p.m. for lunch.

The meeting was called back into session at 1 p.m.

9.4. Consolidated Otago Regional Council Delegations Manual

Peter Kelliher (ORC Legal Counsel), Joanna Gilroy (Manager Consents) and Richard Saunders (GM Regulatory) were present to speak to the report. Mr Kelliher noted a correction to one of the delegations as presented to Council in section 18.1 of the proposed Delegations Manual, sec 268A. A discussion was held about the proposed change, with the Councillors indicating a desire to retain the original language. After further consideration and input from staff, it was decided to change sec 268A to read "settle a dispute or issues at stake at mediation or other alternative dispute resolution sessions where the agreements made are not inconsistent with previous Council resolutions". This change would also be carried through to the delegation for Consent Memoranda, draft Consent Orders and side agreements.

A discussion was then held about the delegation for Sec 18.2 and 18.3 of the manual addressing High Court, Court of Appeal and Supreme Court actions. The Councillors determined to amend this delegation to the Chief Executive in consultation with the Chairperson. Cr Laws asked that the finalised Delegations Manual be uploaded to the ORC website for public access.

Cr Deaker left the meeting at 01:48 pm.

Cr Deaker returned to the meeting at 01:52 pm.

There were no further discussions and Chairperson Hobbs asked for a motion.

Resolution

That the Council:

- 1) **Notes** the contents of the report.
- 2) **Notes** the attached draft Otago Regional Council Delegations Manual (“the draft Manual”).
- 3) **Notes** the draft Manual has been prepared by staff, and the regulatory delegations have been independently reviewed.
- 4) **Notes** the draft Manual consolidates all Council delegations into one document.
- 5) **Approves** the delegation of powers, functions and duties under the Building Act 2004 to staff (see paragraph 11); and
- 6) **Approves** the delegations as provided in the draft Manual with amendments:
 - a. Change wording of Sec 268A delegations to read “...not inconsistent with previous Council Resolutions.”
 - b. Change delegation for High Court, Court of Appeals and Supreme Court appeals to: Chief Executive in consultation with the Chairperson.
- 7) **Notes** that should you require further information on the draft Manual, in the interim the current delegations will continue to be exercised.

Moved: Cr Scott

Seconded: Cr Forbes

CARRIED

After a query from staff, Cr Calvert submitted the following secondary motion:

Resolution

That all current matters before mediation continue under existing delegation.

Moved: Cr Calvert

Seconded: Cr Forbes

CARRIED

9.5. Transfer of Building Consent Authority to ECan

Joanna Gilroy (Manager Consents) and Richard Saunders (GM Regulatory) were present to answer questions about the report which was provided to consider a Statement of Proposal for consultation to transfer Building Consent Authority functions to Environment Canterbury. There were no questions and Cr Laws submitted a motion.

Resolution

That the Council:

- 1) **Approves** the proposed Statement of Proposal to transfer Otago Regional Council’s Building Consent Authority functions under the Building Act 2004 to Environment Canterbury.

Moved: Cr Laws

Seconded: Cr Wilson
CARRIED

10. MATTERS FOR NOTING

10.1. PWC Strategic Asset Review

Nick Donnelly (GM Corporate Services) was present to answer questions about the Strategic Asset Review that was undertaken by PWC. Cr Calvert asked to strike out the third recommendation which said the Council agreed to maintain the existing dividend policy as outlined in the Statement of Corporate Intent. Cr Noone said as the SCI wouldn't be adopted until September or October 2020, the existing policy would remain in place until that time. Cr Malcolm suggested that any questions of change in ownership percentage would form part of the Long Term Plan process. Mr Donnelly said any proposed changes to ownership would have to go through consultation. Cr Wilson said that Chalmers Properties was similar to a CCO and she indicated she may ask for a report to be provided to the Council on the pros and cons of such a designation. She later indicated she would withdraw her request for a report at this time.

Cr Laws queried if ORC should flag with the Port that the Council may be interested in having discussions about a potential separation of the Port operations and Chalmers Properties. Cr Malcolm said Port Otago Board Chair Paul Rea will meet with Council to explain the Port's current position, to talk about the SCI and to discuss ways forward. Cr Malcolm suggested to seek a review of structures before this discussion would not be beneficial. Cr Hope said she agreed with Cr Malcolm and asked that the entire Board of Directors come to the meeting. Cr Malcolm said he would arrange this. He then submitted a motion:

Resolution

That the Council congratulate the Port of Otago Board of Directors, their management, and staff for ensuring the strong financial position of the port and their ongoing support for the Otago Regional Council and the residents of Otago.

Moved: Cr Malcolm
Seconded: Cr Hope
CARRIED

Cr Malcolm then moved the following:

Resolution

That the Council:

- 1) **Receives** this report.
- 2) **Notes** the significant returns generated by Port Otago Limited over the last 30 years.
- 3) **Agrees** to maintain Council's existing 100% ownership structure for Port Otago Limited.
- 4) **Notes** that discussion is ongoing with the Board of Port Otago regarding Council's desired level of dividends and that this will continue as the Statement of Corporate Intent and Long-Term Plan 2021-31 are progressed and finalised.

Moved: Cr Malcolm
Seconded: Cr Deaker
CARRIED

10.2. COVID-19 Recovery - June 2020 Update

A general discussion was held about the COVID-19 Recovery update report and the Councillors thanked staff for the information. After the discussion, Chairperson Hobbs asked for a motion.

Resolution

That the Council:

- 1) **Receives** this report.
- 2) **Notes** the Otago Regional Council remains actively engaged in progressing work related to COVID-19 recovery for Otago.
- 3) **Notes** resourcing for the green jobs focused work is being considered and is likely to be able to be met from existing budget.
- 4) **Notes** that as already has been happening, we will continue to seek engagement from Councillors on priorities and opportunities as the work progresses.

Moved: Cr Hope

Seconded: Cr Forbes

CARRIED

10.3. ECO Fund reports

Shayde Bain (Communications and Engagement Advisor) was present to answer questions about the report. Cr Deaker thanked Ms Bain for her work with the ECO Fund and said the project has been valuable in promoting the work and image of the ORC. Cr Hope asked how the Council could further promote this good work. Cr Deaker said one of the conditions of accepting the grants was a requirement that each recipient must acknowledge ORC involvement in their projects.

Cr Scott noted the ECO Fund is strategic and enduring and asked when a review of the programme is due. Cr Deaker suggested it would be a good idea to do a formal Council review of the fund. Sally Giddens (GM People, Culture and Communications) said this would be a worthwhile conversation, but if the Council wants to move to a wider context of environmental activities and uptake of the fund, discussions would need to be conducted during Long Term Plan deliberations. Cr Forbes agreed with the idea of a review and said when moving into LTP work, ways to improve and learn from the previous two years would be crucial. Ms Bain said a survey will be submitted to each of this year's applicants which could become part of the review. Cr Robertson said a review should include looking at the Fund's criteria. She said the purpose of the fund is local government at its core, involving local people and the projects they are interested in. She noted the upcoming biodiversity report could help the ORC invest strategically. Cr Wilson reminded Council that not everyone is asking for money, some are asking for assistance or other kinds of help.

After the discussion was concluded, Chairperson Hobbs asked for a motion.

Resolution

That the Council:

- 1) **Receives** this report with thanks.

- 2) **Notes** the Otago Regional Council remains actively engaged in progressing work related to COVID-19 recovery for Otago.
- 3) **Notes** resourcing for the green jobs-focused work is being considered and is likely to be able to be met from existing budget.
- 4) **Notes** that as already has been happening, we will continue to seek engagement from Councillors on priorities and opportunities as the work progresses.

Moved: Cr Deaker
Seconded: Cr Forbes
CARRIED

10.4. Late Paper - RPS Reference Group Membership

A general discussion was held about the paper which was provided to inform the Council names of the applicants who had been appointed to the RPS Reference Groups along with the Councillor members. Anita Dawe (Manager Policy and Planning) and Lisa Hawkins (Team Leader RPS, Air and Coast) were available to answer questions. Cr Laws asked that Councillor names be added to the list and then the membership be published on the website. Ms Hawkins and Ms Dawe agreed to amend the attachment and circulate to the Councillors. Chairperson Hobbs then moved:

Resolution

That the Council:

- 1) **Notes** this report.

Moved: Cr Hobbs
Seconded: Cr Laws
CARRIED

11. RECOMMENDATIONS ADOPTED AT COMMITTEE MEETINGS

11.1 Recommendations of the Public Portion of the 3 June 2020 Finance Committee and 11.2 Recommendations of the Public Portion of the 10 June 2020 Finance Committee

Cr Wilson noted as part of a resolution made on 3 June to ensure community consultation on design, cost and intended outcomes for infrastructure schemes, her intent was flood and drainage, as opposed to just drainage. Staff and Councillors agreed this was understood.

Resolution

That recommendations of the public portion of the 3 June 2020 Finance Committee and 10 June 2020 Finance Committee are adopted.

Moved: Cr Noone
Seconded: Cr Malcolm
CARRIED

12. RESOLUTION TO EXCLUDE THE PUBLIC

Resolution

That the public be excluded from the following items:

1.1 Port Otago Board Appointment (LGOIMA 48(1)(a), 7(2)(a) and 7(2)(h))

1.2 Request increase to Chief Executive financial delegation in relation to construction of SH8 Tarras Stock Truck Effluent Disposal facility (LGOIMA 48(1)(a), 7(2)(h))

Moved: Cr Wilson


Seconded: Cr Hope

CARRIED

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.

13. CLOSURE

There was no further public business and Chairperson Hobbs declared the meeting closed at 03:12 pm.



Chairperson

22 July 2020
Date