

## 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:

<u>For</u>	<u>Against</u>
Cr Brown	Cr Bell
Cr Deaker	Cr Croot
Cr Eckhoff	Cr Kelliher
Cr Kempton	Cr Scott
Cr Robertson	
Cr Shepherd	
Cr Woodhead	

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**