

Otago Regional Council meeting 10 August 2016

Attached is the agenda for the next Council meeting of the Otago Regional Council, which is to be held on Wednesday 10 August 2016, commencing at 9:00 am. The venue is the Council Chamber, 70 Stafford Street, Dunedin. Members of the public are welcome to attend. Copies of attachments are available from the Committee Secretary (see contact details below) or online at

<http://www.orc.govt.nz/Meetings-Consultations-and-Events/Council-meetings-and-Agendas/>.



Committee Secretary

Lauren McDonald

Committee Secretary

DDI 03 470 7433

Freephone 0800 474 082

Email lauren.mcdonald@orc.govt.nz

OTAGO REGIONAL COUNCIL

Agenda for an Ordinary meeting of the Council to be held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 10 August 2016 commencing at 9.00 am

Membership:

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
Cr David Shepherd

Apologies: **Cr David Shepherd**

In attendance:

Please note that there is an embargo on agenda items until 8.30 am on Monday 8 August.

CONFIRMATION OF AGENDA

CONFLICT OF INTEREST

PUBLIC FORUM

Representatives from the Pig Burn Water Users Group.

MINUTES

The minutes of the Ordinary meeting of Council held on 22 June 2016, having been circulated, for adoption

The minutes of the Extraordinary meeting of Council held on 20 July 2016, having been circulated for adoption

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Matters arising from the minutes

Page Nos.

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

- Item 1 20 - 21
2016/0 **Chairperson’s report.** Chair, 3/8/16

Providing an overview of the Chairperson’s activities for the period to 3 August 2016.

- Item 2 22 - 24
2016/0986 **Chief Executive’s Report.** CE, 4/8/16

Providing an overview of the Chief Executive’s activities for the period to 3 August 2016.

PART B– ITEMS FOR NOTING

- Item 3 25 - 29
2016/0968 Preliminary **Financial Report to 30 June 2016.** DCS, 4/8/16

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

- Item 4 30 - 33
2016/0984 **Preliminary Project Expenditure to 30 June 2016.** DCS, 4/8/16

The purpose of the report is to provide Council with preliminary financial results on our activities for the year ended 30 June 2016. It is noted that these financial results are not final and they have not yet been audited.

- Item 5 34 - 35
2016/0988 **South Dunedin Community Engagement Report..** DSHE, 3/8/16

The report outlines the approach management is taking to the community engagement as was verbally communicated at the Technical Committee meeting held on 20 July 2016 where 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.*"

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PART C – MINUTES OF MEETINGS

Item 7	Recommendations of the public portion of the Finance and Corporate Committee meeting held on 20 July 2016, for adoption	37 - 44
Item 8	Recommendations of the Technical Committee meeting held on 20 July 2016, for adoption	45 - 49
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Item 11	Recommendations of the Regulatory Committee meeting held on 20 July 2016, for adoption	56- 61

PART D - EXCLUSION OF PUBLIC

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) and 48(1)(d) 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 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 managment) to the Regional Plan: Water for Otago.	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. 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 LGOIMA ss48(1)(d) and 48(2)(a)(i)	S.48(1)(d)

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 of section 48(1)(d) of the Local Government Official Information and Meetings Act 1987.

OTAGO REGIONAL COUNCIL**Minutes of an Ordinary meeting of the Council held in the
Council Chamber, 70 Stafford Street, Dunedin on
Wednesday 22 June 2016 commencing at 9.01 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
Cr David Shepherd

Cr Woodhead welcomed staff and members of the public forum.

Cr Woodhead respectfully acknowledged the passing of Mr Ron Hore. Mr Hore had served four terms as an Otago Catchment Board member and also spent a term as the chairman. He was a long standing contributor to regional bodies.

Apologies: No apologies advised.

In attendance:

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

CONFIRMATION OF AGENDA

The agenda as circulated was accepted.

CONFLICT OF INTEREST

No Conflicts of Interest noted

PUBLIC FORUM

Cr Woodhead welcomed Mr Peter Dowden and Mr Alex King from Bus Go Dunedin and supporters for a presentation of a statement to Council on the proposed Dunedin Bus Hub.

Mr King thanked Council for the opportunity to speak and advised that consultation was sought with Council. He asked for consideration for bus users, as a group, many of whom did not actively engage and seek information on decisions made by Council, even though they were well documented from Council's perspective. He gave the example of the change of location of the Bus Hub, even though well consulted he estimated that 95% of the public/bus users were unaware of this change. He requested awareness by Council of their "audience" and for consideration on how consultation and the message communication could be managed.

Mr King advised the letter being presented to Council was developed from a meeting hosted by Bus Go Dunedin on 30 May, attended by approximately 12 members to discuss the proposed Bus Hub site location at Great King Street.

He advised he believed that it was incumbent on the Council to get the message out, making the public aware of the route changes affecting them. He confirmed Bus Go would be pleased to meet with staff for further discussions and was pleased with the process happening to date.

Mr Dowden asked that Council place signs on each bus to mention the consultation process so the information was easily visible for the public.

Cr Woodhead thanked Mr King and Mr Dowden for a comprehensive list of ideas and feedback together with the helpful information contained in their letter to Council. Cr Woodhead also thanked the Bus Go Dunedin supporters in attendance and encouraged them to be part of the process. He assured the public forum that Council would be doing everything to assure the community, in particular the bus users, of any changes being proposed and those changes occurring and that this was a key part of the work programmes.

Bus Go Dunedin representatives and members of the public left the meeting at 9:09am

MINUTES

Cr Kelliher requested that his comments made in regard to the Remuneration Authority report, prior to the motion being placed for vote, be recorded. He advised he had commented that some Committee Chairs, such as the Finance & Corporate Committee Chair, have a heavier workload than others and thought the motion as tabled was unfair and was the reason for his vote against the motion.

Cr Woodhead asked that the minutes with the addition of the comment made by Cr Kelliher around the Committee Chair workload be accepted.

Moved Cr Croot
Seconded Cr Kelliher

The minutes of the Ordinary meeting of Council held on 11 May 2016, having been circulated, be accepted with the inclusion of Cr Kelliher's comments.

Motion carried

Matters arising from the minutes

None

PART A – CHAIRPERSON'S AND CHIEF EXECUTIVE'S REPORTS

Item 1
2016/0

Chairperson's report. Chair,

The report provided an overview of the Chairperson's activities for the period to 3 June 2016.

Cr Woodhead summarised the content of his report and highlighted the Local Government Excellence Programme available for interested councils. The deadline for expressions of interest is 24 June. Mr Bodeker was requested to advise LGNZ of Council's interest "in principle" for the Excellence Programme by the deadline.

Regional Sector Group – The Ministry for the Environment is part way through a review of the implementation of the NPS for Freshwater management and that will also look at how councils are implementing.

A result of the meeting with Minister Guy in regard to the Velvetleaf response was an agreement to progress the agreement between regional councils and MPI which will provide a better framework for a smoother response to incursions in the future.

Land, Air, Water Aotearoa (LAWA) Cr Woodhead encouraged councillors to view the new module on the ORC site.

A question was raised in regard to discussion held at the Regional Sector Group meeting on whether a cap of the SuperGold card was to occur.

Cr Woodhead confirmed that there is to be a cap on the SuperGold card and that the Ministry of Transport and the NZTA had recently agreed that the same methodology used for the card in the current financial year will be used for the next financial year, effectively meaning the cap will be breached but the following year there could be problems.

Mr Bodeker was requested to provide Council with an update on the SuperGold card status for the next committee round.

A question was raised on the background to the formulating of a business plan for the Local Government Risk Agency.

Cr Woodhead advised that the plan would be across all local business and assets not specifically to civil defence and that the business plan was as a result of the Christchurch earthquake when it became clear that local government has variability around the knowledge of its assets, register of assets of their sites and also the difference between the value of the assets and what is covered by insurance. It was found that in many cases there was quite a large knowledge gap. The Crown has identified its exposure to local government risk and is currently reviewing the 60/40 agreement.

Cr Woodhead advised that the focus of the business plan was not around insurance but rather local government understanding of the infrastructure and risks and the making of informed decisions around this. The business plan will look for significant Crown support to allow the Local Government Risk Agency to run for three years which will allow for better understanding and risk management. Cr Woodhead concluded that this was an issue for regional councils especially around drainage schemes, natural hazards, landslides etc.

Item 2

2016/0861 **Chief Executive's Report.** CE, 3/6/16

The report provided an overview of the Chief Executive's activities for the period to June 2016.

Health & Safety - Mr Bodeker confirmed under the Health and Safety Act, particularly with regard to CDEM activities, that if an individual acted on their own, without instruction from the PCBU then it was their own self responsibility.

He confirmed that around the area of response that volunteer organisations were starting to question what their role is. The Red Cross will not be involved in the response activity but will be involved in welfare and to a lesser extent in recovery.

Mr Bodeker confirmed it was very pleasing to see staff were reporting near misses and that both office based and field staff were taking health and safety seriously. He advised the executive team reviewed the health and safety reports fortnightly and then this information was provided to Council. He and Mr MacLean will be visiting depots shortly, looking for specifically at health and safety preparedness.

Mr Bodeker was requested to consider the “top five” health and safety risk for Council and how this could be addressed and provide this as a discussion paper to Council.

Public warning systems – Mr Bodeker encouraged Councillors to check out and download the Red Cross hazards app to receive a wide range of hazard and disaster warnings. He commented that ORC needed to consider the data it collected and held, how to provide this to organisations such as Red Cross, especially as the app becomes more and more widely used and accessed.

Environmental Enhancement Fund - The executive team have considered 3 applications. The HALO project application was a result of the Annual Plan hearings. Mr Bodeker confirmed that the Environmental Enhancement Fund funding criteria was clear, in that funding is for capital items, not operational. Further discussion is to be held with the HALO project applicants to establish the further details required around capital items.

Mrs Rowe confirmed that the Stakeholder Engagement directorate will promote the two groups who have received the EEF funding once this released to the media.

Local Government Excellence Programme. Mr Bodeker confirmed that he has been part of the team developing the programme and that it was too earlier to commit ORC to this yet. He would register Council “in principle” with LGNZ by the 24 June deadline and then discuss further with Council at a workshop.

Biological rabbit control – Mr MacLean confirmed that there will be a comprehensive nationwide education programme for the release of the K5 virus in 2017. The programme will include meetings to ensure the specific requirements, e.g. for landholders to retrieve bait within a 24 hour period, are clearly understood to ensure a consistent approach. He agreed an education package was an absolutely critical part of the programme.

Moved Cr Deaker
Seconded Cr Bell

That the Chair and Chief Executive’s reports be received.

Motion carried

PART B – RECOMMENDATIONS

Item 3

2016/0874 **Proposed South Island Regional Transport Collaboration.** DPPRP, 13/6/16

The report outlined the key reasons for the Otago and Southland Regional Transport Committees collaboration since 2014 and sought Council agreement

for the continued collaboration with other regional councils, including the developing and implementing of shared work programmes.

Cr Kempton provided a summary of the report and advised there were good opportunities for learning across other regions. All areas of transport were reviewed rather than just road users. The purpose of the paper tabled was to seek Council permission for staff to communicate and collaborate with each other on a practical, useful level. He advised it was important that Council agrees to being involved in a South Island initiative and that regional transport planning needed to keep in mind as it is significant to the economic development of regions and a place Council can make a direct difference.

Moved Cr Kempton
Seconded Cr Deaker

That the Council:

1. *Agree that Council supports the Otago Regional Transport Committee participating in a South Island wide collaboration of Regional Transport Committees, which will develop and implement a shared programme of work.*
2. *Note that future updates will be presented to Council when a work programme is agreed*

Motion carried.

Cr Bell confirmed his attendance at the South Island Regional Transport Committee Chairs meeting and advised it was important that Environment Canterbury had agreed to administer this collaboration and that it would not be a cost to ORC.

Item 4

2016/0880 2016/17 **Annual Plan Adoption.** DCS, 13/6/16

The 2016/17 Annual Plan presented for adoption by Council.
The 2016/17 Annual Plan is circulated separately with the agenda.

Cr Shepherd advised that the report outlined the process and the revenue policy recommendations made through the Finance and Corporate Committee and the impact on the annual plan for those three recommendations.

Cr Shepherd as Committee Chair advised he was pleased to report the Annual Plan process had been successful, largely due to the staff work in producing a factual, concise consultation document.

Cr Deaker left the meeting at 10:23am

Cr Neill reinforced Cr Shepherd's comments that the Annual Plan process was mostly "harmonious" which was in no small part due to the staff and requested to be on record in thanking the staff involved.

Cr Bell commented that both CDC and CODC submitted to the Annual Plan in regards to funding of the maintenance of the STEDs and would like this matter to be considered at a Council workshop.

Moved Cr Shepherd
Seconded Cr Neill

That:

- 1. this report be received*
- 2. the Revenue Policy, incorporating the recommendations from the Finance and Corporate Committee be adopted.*
- 3. The 2016/17 Annual Plan, incorporating the recommendations from the Finance and Corporate Committee be adopted*

Motion carried

Cr Deaker returned to the meeting at 10:26am

Item 5

2016/0884 **Rating Report and Rating Resolution 2016-2017.** DCS, 16/6/16

The report provides details of each of the rates to be set, and to recommend that Council adopts the rates resolution for the 2016/17 year.

Moved Cr Shepherd
Seconded Cr Croot

That:

- 1. the report be received*
- 2. the attached Rating Resolution for the 2016/17 year be adopted*

Motion carried.

PART C – ITEMS FOR NOTING

Item 6

2016/0865 **Financial Report to 30 April 2016.** DCS, 10/6/16

The report provides information in respect of the overall Council finances for the 10 months ended 30 April 2016.

Mr Donnelly advised that the surplus profit and loss was running at variance to budget of \$3.4 million, with \$1.7m in surplus. The details of project expenditure will be reported to Council in the 12 month review at year end.

Moved Cr Shepherd

Seconded Cr Neill

That the report be received

Motion carried

Item 7

2016/0892 **ORC Head Office Accommodation Update.** DCS, 16/6/16

The report provides an update on the Council and staff workshops held to help inform the next stage of the project.

Cr Woodhead summarised the report and welcomed the Feldspar consultants (Mr Riley and Mr Booth) and Mr Collings to the meeting.

Mr Bodeker commented the established new building staff group have provided feedback that they would like consideration for staff parking.

Mr Bodeker advised nothing additional had been raised by the staff group and he was not aware of anything that had been overlooked. The executive team will report back to council for further discussion on the role of the Taieri facility e.g. the need for workshops, wet labs etc and where civil defence might be housed.

Cr Shepherd commented that the report accurately reflected the process to date and acknowledged it has been a "team effort" by governance and staff to find the most suitable accommodation for council in the future.

Cr Eckhoff expressed his concern not to repeat the costs of the preliminary work undertaken with the Birch/Kitchener St site and the costs involved in the preliminary investigations. He sought assurance that what has been decided on from the reports and information received is the Council's best option.

He queried if due process has been followed as there has been no plan that the public could access at this early stage, where changes could be made after taking notice of what the public have to say, albeit at this preliminary stage, as discussions have been held in workshop and not open to the public.

He requested financial probity around the engaging of consultants for the preliminary exercise in establishing a site for the new ORC office accommodation

Mr Bodeker advised that the recommendation made at Committee was for Council to agree to undertake a detailed investigation, including the level of accommodation required and then be able to indicate after this investigation, the likely cost. This report on the Dowling Street site will be provided back to Council, with the cost indication, to allow Council to be in a good position to consider what is being proposed is fiscally responsible and then go out to the consultation process.

Cr Kempton advised he understood the disquiet by Cr Eckhoff but that effectively the work is at the stage of finding out what the costs are and that he felt the project was advancing as it should, i.e. that a comprehensive consultation process will occur but needs something to consult on. The preliminary investigations were at a cost of less than 1% of the cost of the project to allow Council to have to effective consultation.

Cr Kelliher advised he saw the investigations were needed as the next step in process to be able to make an informed decision. He advised he supported the report and proceeding with the recommendation.

Moved Cr Shepherd
Seconded Cr Deaker

That the report be noted

Motion carried

Item 8
2016/0

Documents signed under Common Seal. DCS,

Informing the Council of delegations which have been exercised.

Moved Cr Croot
Seconded Cr Kelliher

That the report be noted

Motion carried

Item 9 **Reports from Councillors**

Cr Bell

Attended the South Island Regional Transport Committee Chairs meeting in Christchurch. He commented that the retiring CE of the Ministry of Transport, Mr Martyn Matthews, a speaker at the meeting, would be of value to speak to Council at a workshop re updating thinking for future transport networks.

Cr Croot

Attended the recent architects and design film festival and viewed a Swedish film entitled "Bikes v Cars" mainly set in Sao Palo, Brazil and a little in Los Angeles and Copenhagen which portrayed the gridlock caused by having more and more roads and the adding on of more and more lanes resulting in decreasing quality of life in urban areas because of this. Another film was based on Japan and related to the roads at different level set over suburban streets and the risk of collapse. She advised it was pleasing to see some ORC staff members there as well.

Cr Kelliher

Cr Kelliher advised that the previous meeting of the TBfree committee had been postponed with the next meeting set for 1 July and that he will provide an update council on this meeting.

PART E – MINUTES OF MEETINGS

- Item 10 **Recommendations of the Technical Committee meeting** held on 8 June 2016, for adoption

Moved Cr Scott
Seconded Cr Brown

That the recommendations of the Technical Committee meeting held on 8 June 2016 be adopted

Motion carried

- Item 11 **Recommendations of the Communications Committee meeting** held on 8 June 2016, for adoption

Moved Cr Kempton
Seconded Cr Croot

That the recommendations of the Communications Committee meeting held on 8 June 2016 be adopted

Motion carried

- Item 12 **Recommendations of the public portion of the Finance and Corporate meeting** held on 8 June 2016, for adoption

Moved Cr Shepherd
Seconded Cr Kelliher

That the recommendations of the public portion of the Finance and Corporate Committee meeting held on 8 June 2016 be adopted

Cr Eckhoff expressed his concern that not all comments had been captured in the minutes on discussion held at the Finance & Corporate Committee on 8 June. He advised he wanted Council not to show predetermination and to be flexible and able to “change our minds” on information that was still to come. He sought the opportunity for a joint venture or private/public partnership to be considered. He commented that he felt Council were duty bound to assess the merits of these opportunities.

Cr Eckhoff advised that he had written to the Auditor General to try to get a clearer picture of what the Regional Council's requirements were, and was awaiting a reply. He reiterated it was important that Council ensured the processes are absolutely impeccable because there will be challenges during the process. He confirmed he did support the recommendation but felt Council must approach this matter with an open mind.

Motion carried

- Item 13 **Recommendations of the Regulatory Committee meeting** held on 8 June 2016, for adoption

Moved Cr Eckhoff
Seconded Cr Croot

That the recommendations of the Regulatory Committee meeting held on 8 June 2016 be adopted

Motion carried

- Item 14 **Recommendations of the Policy Committee meeting** held on 8 June 2016, for adoption

Moved Cr Robertson
Seconded Cr Deaker

That the recommendations of the Policy Committee meeting held on 8 June 2016 be adopted

Motion carried

PART F - EXCLUSION OF PUBLIC

Cr Woodhead moved
Cr Robertson 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:

	<i>General subjects to be considered</i>	<i>Reason under LGOIMA for passing this resolution</i>	<i>Grounds under S.48 for the passing of this resolution</i>

Item 15	Recommendations of the In Committee portion of the Audit & Risk Subcommittee of 24 February reported to the Finance and Corporate Committee meeting held on 8 June 2016, for adoption	To enable council to carry out on commercial negotiations, without prejudice or disadvantage (LOGIMA S7(2)(i))	S.48(1)(a)(i)
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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.

Motion carried

Following the discussion of item 15

Cr Woodhead moved

Cr Croot seconded

That the meeting resume in open session

Motion carried

The meeting closed at 11:06am.

Chairperson

OTAGO REGIONAL COUNCIL**Minutes of an Extraordinary meeting of Council meeting held in the
Council Chamber, 70 Stafford Street, Dunedin on
Wednesday 20 July 2016 commencing at 8.45 am**

Membership: 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
Cr David Shepherd

Leave of Absence: Cr Sam Neill

In attendance: Peter Bodeker,
Nick Donnelly
Caroline Rowe

CONFIRMATION OF AGENDA

There were no changes to the agenda

CONFLICT OF INTEREST

No conflicts of interest

PUBLIC FORUM

No Public Forum

2016/0898 **Authorisation for Chief Executive to delegate under the Maritime Transport Act 1994.** DCS, 21/6/2016

The report made a recommendation to Council to authorise the Chief Executive to have delegation to appoint regional On Scene Commanders (OSC) and the power to remove or deal with wrecks in the Otago region under the Maritime Transport Act 1994.

A question was raised as to how this delegation would relate to a new Harbourmaster role.

Mr Bodeker advised that the delegations including the Harbourmaster rests with the Chief Executive as per the Act.
He also confirmed a new Harbourmaster will attend the MNZ OSC course.

Moved Cr Scott
Seconded Cr Kelliher

That the delegation to:

- 1. Appoint regional on-scene commanders under the Maritime Transport Act 1994; and*
- 2. The power to remove or deal with wrecks in the Otago region under the Maritime Transport Act 1994
be delegated to the Chief Executive.*

Motion Carried

Meeting closed at 8:52am

Chairperson

REPORT

Document Id: A924192

Report Number: 2016/0985

Prepared For: Council

Prepared By: Cr Woodhead - Chairperson

Date: 4 August 2016

Subject: **Chair's report – August 2016**

1. LGNZ conference:

A successful regional tour hosted by Environment Southland and conference hosted by Dunedin City Council. Cr's Croot and Kempton will report in more detail under Reports from Councillors.

2. Local Government Act amendment:

There was considerable discussion on this bill at conference; it is clear there is significant concern across the local government sector with aspects of this Bill. It is worth emphasising that we, ORC, are not against change and have heard the Government's message that we need to focus on ways to deliver services effectively and efficiently. Any opportunities or changes do need to be investigated, developed and led locally to ensure pragmatic and workable outcomes. We have asked to be heard in support of our submission.

3. Regional Sector:

A short meeting at conference had updates on water, environmental reporting and transport. Land and Water Forum has a new Chairman, he is Hugh Logan.

Land Air Water Aotearoa (LAWA) is getting ready for the annual refresh of water quality data later in September. The sector is arranging a stakeholder event in Wellington on the 20th September, focused on water management to coincide the LAWA refresh and acknowledge world rivers day, which is the last Sunday of September. Minister Smith attended to continue discussions around standards, monitoring and reporting of water quality.

4. Mayoral Forum, CDEM, Te Roopu Taioa:

I will give a verbal update following meetings held on 4th/5th August.

5. Queenstown Transport Governance Group:

Mr Bodeker, Gerard Collings, Jane Turnbull and I attended a further meeting of this group. Mr Collings was able to explain the progress and process we are working through to review the Queenstown Passenger Transport Plan.

6. Other meetings:

I attended, as Mr Palmer and Ms Hornblow presented the Natural Hazards of South Dunedin report to Dunedin City Councillors prior to our committee meetings.

I joined staff at briefings of the South Dunedin Hazards for local MPs David Clark, Michael Woodhouse and Clare Curran.

Iwi Leaders fresh water group briefing.

Cr Robertson and Mr Bodeker met with the new Australian High Commissioner, His Excellency Peter Woolcott and second secretary Anna Brown.

Crs Brown, Deaker, Kelliher, Scott, Shepherd, Mr McRae and I visited the Pan Pac sawmill at Milburn, we were able to see the plant working as well as hear about the expansion plans.

Stephen Woodhead
Chairperson

REPORT

Document Id: A924202

Report Number: 2016/0986

Prepared For: Council

Prepared By: Chief Executive

Date: 4 August 2016

Subject: **Chief Executive's Report – August 2016**

1. Health & Safety

Cromwell Site Visit

The importance of Health and Safety continues to feature in ORC's work. Recently Scott MacLean (Director Environmental Monitoring and Operations) and I visited the Cromwell Deport to discuss with staff whether ORC's Health & Safety requirements were considered adequate and how our procedures required to be undertaken by staff were impacting on their work.

From the meeting with Cromwell staff it was considered that ORC has workable procedures and on the whole staff feel safe at work.

Clutha Flood & Drainage Scheme

At a meeting with farmers from the Clutha area it was revealed that farmers are gaining access to ORC's flood and drainage pump sites and being actively involved in weed raking. This is of concern as they are not trained in this activity and there is no indication they follow ORC's Health & Safety procedures requiring staff undertaking these duties to be harnessed to the building.

ORC will advise staff not to allow farmers or members of the public who are not authorised to undertake duties at the pump stations and ORC will review security of the sites. Additionally, ORC will investigate mechanical means to divert weed from the screens or mechanical clearing.

2. **Federated Farmers**

I met with Otago Federated Farmers Chair, Phill Hunt in July. We had a wide ranging discussion which included monitoring and enforcement of rural water quality requirements, wilding pine control, biosecurity matters including rabbits, wallabies and velvetleaf and progress toward converting deemed permits to consents.

3. **Guardians of Lake Dunstan**

As requested from the Annual Plan hearings, Scott MacLean and I met with seven representatives with an interest in reducing lagarosiphon infestation in Lake Dunstan at a meeting in Cromwell.

The discussion canvassed various options for possible control of an estimated 70ha of valuable lake area, focussing on those parts of the lake used for recreational activity. The discussion canvassed who had responsibility for lagarosiphon control, various mitigation options and timing of such.

Mr MacLean will continue dialogue with the group with the intention of preparing a control plan to present to Council for the 2017/18 Annual Plan.

4. **Makarora Environmental Group**

As a result of the Environmental Enhancement Fund, I have met with a group who have an interest in an environmental project at Makarora. This project is in its infancy and as a result of our discussion over the terms and conditions of the Environmental Enhancement Fund that group may continue dialogue with ORC and possibly make an application.

5. **CDEM**

The Otago Council CEOs met to progress the proposed merging of all CDEM activity to a centralised management. Affected staff have been advised by way of an consultation document and the process facilitated by an independent HR consultant was reported to the CEO group. The CEOs remain committed to the process and further required HR work is being undertaken.

6. **South Island Regional Council CEO Meeting**

The South Island Regional Councils CEOs met in Christchurch in mid July.

6.1 *Harbourmaster Activity*

All regions spoke of the difficulty in attracting suitably qualified harbourmasters and the diversity of the role for this position. A role that ranges from harbour management, focussing of port operations to recreational safety on inland lakes requires a diverse set of skills. Further discussions of whether a shared service arrangement could be a more viable option between South Island regional councils is being considered.

6.2 *Wilding Trees*

A wide ranging discussion on the need for a long term strategy to be established between landholder, central and regional government, to consider all wilding tree species. While appreciative of the government contribution to wilding conifer control, the matter needs more strategic consideration.

6.3 *Hazards*

ORC led the discussion on improved co-ordination of the hazards work each regional council undertakes. There was discussion on how regional councils engage with TAs using the Milton 2060 and South Dunedin as examples. Combining some of the services by examining roles and responsibilities, collaboration opportunities and looking at regional research and communications are to be investigated further.

7. **Regional Economic Development**

At the Otago Councils CEO forum Geoff Henley reported on the progress on Regional Economic Development. Mr Henley has undertaken a gap analysis and this will be presented to the Mayoral Forum in the new triennium. The approach to reporting a gap analysis will allow any investment to fill the gap rather than taking a new or clean sheet approach. Mr Henley had undertaken the gap analysis by interviewing the territorial authority CEO's and in some cases mayors to determine the local economic development work.

8. Queenstown Transport Group

The Chair and I took part in the Queenstown Transport Governance Group meeting. This is an initiative where QLDC, ORC, NZTA and Queenstown Airport Ltd engage to oversee a combined approach to considering the transport needs of Queenstown. Assisted by Mr Gerard Collings and Dr Jane Turnbull, ORC outlined the work we are undertaking.

9. South Dunedin

As a result of the agreement between ORC and DCC, the combined working group has been established. led by an independent consultant, the group will take a planned approach to the future needs of South Dunedin including what investigation needs to occur, investigations of mitigation options and a co-ordinated communication approach.

10. Local Government NZ Excellence Programme

As requested I advised LGNZ of ORC's interest in participation in the Excellence Programme. However, the deadline required by LGNZ for confirmation precluded ORC having a discussion on the matter therefore resulting in ORC's application being withdrawn.

11. Shared Services

Officers from CODC and Otago Regional Council are in the process of finalizing a shared service arrangement with Central Otago District Council (CODC) for the provision of face-to-face customer service for us at the Alexandra office, along with receiving regional council payments at Cromwell, Ranfurly and Roxburgh service centre sites. We are anticipating this will be up and running by 1 September for the 2016-17 rating period. ORC staff will be providing training and ongoing support for CODC customer service staff as they provide this service. This is an exciting opportunity to provide a more 'one stop shop' for our shared ratepayers and show joined up local government in action.

Peter Bodeker
Chief Executive

REPORT

Document Id: A921894

Report Number: 2016/0968

Prepared For: Council

Prepared By: Finance Manager

Date: 4 August 2016

Subject: **Preliminary Financial Report to 30 June 2016**

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

1. Preliminary Statement of Comprehensive Revenue and Expense and Preliminary Statement of Financial Position

Otago Regional Council Preliminary Statement of Comprehensive Revenue and Expenses For the twelve months to 30 June 2016

	Note ref	Twelve Months to 30 June 2016		
		Budget \$000s	Actual \$000s	Variance * \$000s
Revenue:				
Rate revenue		14,446	14,424	(22)
Government subsidies	Note 1	8,259	4,802	(3,457)
Other revenue	Note 2	4,481	4,064	(417)
Dividend income from Port Otago Ltd	Note 3	7,300	7,250	(50)
Interest revenue	Note 4	2,086	1,574	(512)
Rental income		1,101	1,078	(23)
Gain in value of investment Property	Note 5	310	-	(310)
Other gains/(losses)	Note 6	-	1,201	1,201
Total Revenue		37,983	34,393	(3,590)
Less Expenses:				
Operating expenses	Note 7	26,690	19,440	7,250
Employee benefits expense	Note 8	12,041	11,757	284
Finance costs		1	-	1
Depreciation expense		1,751	1,698	53
Total Expenses		40,483	32,895	7,588
Surplus/(deficit)		(2,500)	1,498	3,998
Income tax benefit		116	98	(18)
Surplus/(deficit) after tax		(2,384)	1,596	3,980

Note *

In the above statement, bracketed variances indicate revenue less than the budgeted level, and expenditure in excess of the budgeted level.

Note 1 - Government Subsidies

The Council receives subsidies from Government agencies on eligible expenditure. The level of subsidy income is therefore directly related to the level of eligible expenditure.

The major source of subsidy income is from the NZ Transport Agency for the transport activity. Of the variance of \$3,457,000, the amount related to the transport activity is \$3,481,000.

The Transport subsidy level is lower than budgeted primarily due to the actual level of transport expenditure also being less than budgeted, particularly in respect of the electronic ticketing system replacement and other developmental costs including the bus hub.

Note 2 – Other Revenue

The Other Revenue variance comprises activities that are under-budget and others that are over-budget.

The significant under-budget variances are largely in the external contracts and regulatory projects. In these projects, the level of revenue is directly related to the level of expenditure, and both the expenditure and revenue levels are below budget.

Variances that are over-budget include bus fare income of \$564,000, received in respect of a bus contract that was budgeted on a net basis (where the operator retains the fare income) but is still operating on a gross basis (where the Council receives the fare income).

Note 3 – Dividend Income from Port Otago Limited

This variance reflects a change in the expected dividend profile where the portion of the 2015/2016 dividend that was expected to be declared and paid prior to 30 June 2016, has been decreased and added to the final dividend expected to be declared subsequent to year end. The effect is to reduce the amount of revenue permitted to be reported in the financial statements for the current year by \$50,000.

Note 4 - Interest Revenue

Interest revenue is down \$512,000 on the budgeted amount. The interest revenue budget was based on an estimated level of investments expected to be held and an assumed interest rate. During the twelve months to 30 June 2016, the average level of investments held was down on the estimated level, and the average interest rate earned on investments has steadily declined during the year being at lower levels than provided for in the budget.

Note 5 - Gain in the value of Investment Property

Investment property is revalued annually. An external revaluation as at 30 June 2016 is currently underway. The results of the revaluation will be reflected in the Council's Annual Report to be adopted by Council in September, with any revaluation increase/decrease being reflected in the Statement of Comprehensive Revenue and Expenses.

Note 6 - Other Gains/Losses

The gain of \$1,201,000 includes an increase in the fair value of the BNZ Managed Investment Portfolio for the period from 1 July 2015 to 30 June 2016 of \$1,051,000. Also included is a net gain of \$150,000 on the disposal of surplus Council assets.

Note 7 - Operating expenses

Operating expenses are down \$7,250,000 on the budgeted amount of \$26,690,000.

This variance primarily relates to expenditure on the Council's Activity Groups, which accounts for \$7,833,000 of the variance. A separate report has been prepared that reviews the preliminary financial results at an activity level.

Note 8 – Employee Benefits expense

The major factor contributing to the under-expenditure is the reduction in overall remuneration resulting from staffing changes, particularly in the operational directorates.

There have been some delays between staff member resignations and replacement staff members commencing employment, resulting in a reduction in overall remuneration. Operating expenses (in Note 7 above) includes additional expenditure of \$212,000 for the use of casual labour that covered periods where positions remained vacant while recruitment was undertaken.

Otago Regional Council
Preliminary Statement of Financial Position as at 30 June 2016

		30 June 2016 \$000's	30 June 2015 \$000's
Current Assets			
Cash and cash equivalents	Note 1	2,540	4,228
Other financial assets	Note 1	56,198	52,560
Receivables		2,934	3,461
Other current assets		143	162
Inventories – stock and property held for sale		1,258	2,430
		63,073	62,841
Non-Current Assets			
Operating assets		84,604	83,850
Intangible assets		1,801	1,553
Investment Property	Note 2	10,124	10,124
Deferred tax asset		101	98
Shares in Port Otago Ltd	Note 3	407,293	407,293
		503,923	502,918
Total Assets		566,996	565,759
Current Liabilities			
Trade payables and accrued charges		4,192	4,252
Employee entitlements		1,053	1,352
		5,245	5,604
Non-current Liabilities		-	-
Total Liabilities		5,245	5,604
Net Assets		561,751	560,155
Total Equity and Reserves			
Public equity		139,757	140,424
Reserves			
Available-for-sale revaluation reserve	Note 3	387,293	387,293
Asset revaluation reserve	Note 2	8,063	8,063
Building reserve		10,997	8,072
Asset replacement reserve		3,885	4,865
Emergency response reserve		3,891	3,739
Water management reserve		1,594	1,532
Kuriwao endowment reserve		6,721	6,167
		421,994	419,731
Total Equity and Reserves		561,751	560,155

Note 1 - Cash and Cash Equivalents and Other Financial Assets

Funds surplus to the Council's immediate and short term requirements are managed on Council's behalf by the BNZ. An Investment Portfolio and term deposits with durations of 4-12 months are included in the classification Other Financial Assets. Current bank balances and term deposits with durations of less than 4 months are included in Cash and Cash Equivalents.

Note 2 – Investment Property and Asset Revaluation Reserve

Investment property is revalued annually. An external revaluation as at 30 June 2016 is currently underway, and is expected to be available during August. The results of the revaluation will be reflected in the Council's Annual Report to be adopted by Council in September.

Investment Property is currently included in the Statement of Financial Position at the June 2015 valuation, and the asset revaluation reserve reflects the revaluation amount of the shares as at that date.

Note 3 – Shares in Port Otago Ltd and Available-for-Sale Revaluation Reserve

The Shares in Port Otago Ltd are revalued annually.

An external revaluation of the shares as at 30 June 2016 is currently underway. The results of the revaluation will be reflected in the Council's Annual Report to be adopted by Council in September.

The Shares in Port Otago Ltd are currently included in the Statement of Financial Position at the June 2015 valuation, and the available-for-sale revaluation reserve reflects the revaluation amount of the shares as at that date.

2. Recommendation

That this report be received.

Nick Donnelly
Director Corporate Services

REPORT

Document Id: A924075

Report Number: 2016/0984

Prepared For: Council

Prepared By: Manager Projects

Date: 4 August 2016

Subject: **Preliminary Project Expenditure to 30 June 2016**

1. Précis

The preparation of Council's Annual Report for the year ended 30 June 2016 is in progress. Part of that work includes reviewing our expenditure at an activity level, those activities being defined in Council's Long Term Plan.

The purpose of this report is to provide Council with preliminary financial results on our activities for the year ended 30 June 2016. Note is made that these financial results are not final and they have not yet been audited.

A full 12 month review is currently being prepared that will incorporate final figures, and this report and will be presented to the 7 September Finance and Corporate Committee meeting and included in the Annual Report.

2. Preliminary project expenditure

The first year of the 2015-25 Long Term Plan (LTP) includes the 2015/16 work programme. The table below shows the budgeted costs for 2015/16 in the LTP, our preliminary actual spend against those budgets, and what we had forecast the total expenditure would be for the full year when the 8 month report was completed.

Activities	Preliminary Actual to 30 June 16 \$000s	LTP Estimated to 30 June 2016 \$000s	Variance () = Over spend \$000s	Forecast Expenditure to 30 June 2016 \$000s	Forecast Variance To 30 June 2016 \$000s
Water	6,280	7,272	992	6,472	800
Air	431	440	9	440	0
Land	1,690	2,091	401	1,591	500
River management	1,638	1,811	173	1,736	75
Enviro. incident	1,346	979	(367)	1,379	(400)
Community	4,374	4,150	(224)	4,150	0
Regulatory	3,796	3,975	179	3,575	400
Flood protection	4,711	8,907	4,196	6,907	2,000

Safety & hazards	2,016	2,051	35	2,051	0
Transport	8,962	14,163	5,201	10,163	4,000
Total costs	35,244	45,839	10,595	38,464	7,375

In the “8 Month Review to 29 February 2016” report to council, we had forecast that total expenditure would be around \$38.5 million as shown above, compared to the \$45.8 million budgeted, a variance of \$7.3 million.

The preliminary year end results now show total expenditure to be \$35.2 million, being a variance of approximately \$10.6 million from that budgeted. Explanation of the variances to date is provided below.

Water

The under spend in this budget of \$992,000, made up of the following:

- Regional Plan: Water - is under spent by \$950,000. Time has been diverted to other general rate funded projects such as the Regional Policy Statement, and the Response to Issues project i.e., analysis and submissions on district plans. Some science work has been delayed due to adverse river flows, and so has been carried forward into the 2016/17 year. This is a general rates funded project.
- Rural water quality - under spend of \$99,000 relating primarily to research and development. This is funded from reserves.
- State of the Environment – over spend of \$515,000 includes the recent drought, and expanded monitoring network. This is funded by general rates.
- Water management groups – under spend of \$393,000, relating in part to the bulk rural water fund which is reserve funded, and budgeted capital not spent. This under spend is a mixture of general rates and reserves.
- Coastal matters – under spend of \$65,000 primarily for inventory work that has been deferred.

Land

This budget is under spent by approximately \$401,000, for the following reasons:

- Rabbit contracting work – under spend of \$220,000 as rabbit work declined, and has been completed for the year. This is funded by fees and charges.
- Biodiversity – under spend of \$300,000 relating mostly to the environmental enhancement fund (\$250,000) which is reserve funded. The projects that have been approved to date to receive funding, had not received payment at the end of the financial year. These costs will fall into the 2016/17 year.
- Pest management strategy – over spend of \$180,000, relating to unbudgeted work on wallabies, and the velvet leaf response.

River Management

This budget is under spent by \$173,000. Of this \$75,000 relates to contracted survey work being less than that budgeted. This work is funded by the river management schemes through targeted rates.

Environmental Incidents

This budget is over spent by \$367,000, of which \$152,000 relates to complaints being received and responded to, and approximately \$250,000 relates to prosecutions. This is a general rates funded project but note that the courts may award recoveries in respect of the prosecutions.

Community

The over spend in this activity includes costs incurred for the Castalia review.

Regulatory

This activity is under spent by approximately \$179,000, and includes the following:

- Policy – estimated to be over spent by \$369,000 relating to the Regional Policy Statement, funded by general rates.
- Consents – under spend of \$257,000, funded by fees and charges.
- Compliance monitoring – under spend of \$245,000 being a combination of fees and charges and general rates. More time has been spent on environmental incidents, than budgeted for, along with the velvet leaf response and wallabies.

Flood protection

This activity is under spent by approximately \$4.2 million as follows:

- Leith flood protection - \$2.8 million, being a saving of approximately \$2 million on the contract for construction works, funded by the scheme reserves. The remaining variance is due to timing of work that will now be completed in the 2016/17 year.
- Lower Taieri - \$498,000, includes the deferral of the weighting blanket construction works to 2016/17, improving drainage through the Cutoff bank, and reconstruction works on a section of the contour channel floodbank.
- Lower Clutha - \$376,000, includes Robson Lagoon work, renew/replacement work on Kaitangata channel drain bridges, and work on improving the Koau right floodbank at Factory Road.
- East Taieri - \$229,000, includes investigating options to improve the drainage of the upper pond including options to improve the effectiveness of the Silver Stream pump station.

These works are all being carried forward into the 2016/17 year, and all are funded by the relevant schemes.

Transport

This is under spent by \$5.2 million, relating to the bus hub and electronic ticketing system, the total mobility system, and some delays in contract renewals. These costs are funded by the transport reserve and grants from NZTA.

3. Funding

Of the budgeted underspend, we estimate that \$7.1 million would come from scheme and general reserves, \$2.7 million from grants and other income, \$170,000 from targeted rates, and approximately \$600,000 from fees and charges. General rates will have been fully spent, and the under spend on targeted rates will be carried forward in the appropriate scheme reserves.

4. Recommendation

That this report be received.

Nick Donnelly

Director Corporate Services

REPORT

Document Id: A924516

Report Number: 2016/0988

Prepared For: Council

Prepared By: Caroline Rowe, Director Stakeholder Engagement

Date: 4 August 2016

Subject: **South Dunedin Community Engagement Plan**

Précis

At the meeting of the Technical Committee on 20 July 2016 council received the report "The Natural Hazards of South Dunedin" and made the decision to *"endorse further community and stakeholder engagement within a timely manner."*

This paper is to outline the approach management is taking to the community engagement as was verbally communicated at the committee meeting.

Background

On 20 July 2016 Otago Regional Council released a report titled 'Natural Hazards of South Dunedin'. The report consolidated information and analysis gathered over the past seven years on the natural hazards facing the area, the predominant being increased likelihood of surface flooding associated with rising sea level.

South Dunedin is an integral part of the wider Dunedin community and there are many people and groups with an interest in how its risks will be managed.

Discussion

Otago Regional Council is undertaking a programme of community engagement as a result of the technical report's release. While this began prior to the 20 July committee reports with media and MP briefings its focus can now shift to more direct conversations with the community immediately in South Dunedin as well as the wider City.

The key objectives of this community engagement activity are to:

- Disseminate information on the natural hazards and groundwater behaviour of the area,
- Focus the discussion on South Dunedin on the changing nature of the environment and the need to plan for further change, and
- Empower residents and civic leaders through information to make informed decisions regarding the future of their community.

The key messages the technical report conveys that are central to the community engagement work are:

- South Dunedin was built on land reclaimed from a coastal wetland. Approximately 2700 homes lie less than 50cm above sea level.
- The low level of South Dunedin along with high groundwater levels makes it more vulnerable to future sea level rise
- Sea-level has risen over the past century and is expected to continue to rise.
- Planning for South Dunedin's future management must be coordinated between agencies and focus on the right issues, in the right sequence at the right time.

Planned activity

A range of communication and engagement activity is planned for August and September. This includes:

- Agency briefings in collaboration with DCC
 - Support service agencies
 - Disabled Person's Assembly
 - South Dunedin Business Community
 - Chamber of Commerce
 - Schools and Boards of Trustees
- Video series to be used on web and social media
- Summary of technical report insert into Star
- Drop-in public sessions in collaboration with the DCC
 - 1 September 1:30-7pm
 - 2 September 10-2:30pm
- Establishment of e-news database

The above outlines the immediate communications activity. Dialogue with the community will continue as we carry out ongoing groundwater and sea level monitoring as well as any additional technical work in respect to mitigation/adaptation option investigation.

Recommendation

That Council receive this report.

Caroline Rowe
Director Stakeholder Engagement

Report back from Councillors

OTAGO REGIONAL COUNCIL

Minutes of 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 9:02am

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

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 (Items 2,3,4)
 Dave Faulkner (Chair Port Otago Ltd) Item 1
 Geoff Plunket (CE, Port Otago Ltd) Item 1
 Emily Hong
 Cher Da Rin
 Mel Aicken.

Cr Shepherd welcomed staff members to the meeting and they were introduced to Councillors.

CONFIRMATION OF AGENDA

There were no changes to the agenda.

CONFLICT OF INTEREST

Nil

PUBLIC FORUM

No public forum

MINUTES

Minutes of the public portion of the meeting held on 8 June 2016, having been circulated, were adopted on the motion of Cr Shepherd and Cr Kelliher with the noting of a typing error on page 8.

Matters arising from minutes

There were no matters arising from the minutes.

PART A - RECOMMENDATIONS

Item 1

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

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

Cr Shepherd summarised the draft statement including the key activities.

A question was raised on progress on community consultation in regard to Te Raone Beach and if this would be included in 1.11 or 1.12 of the port operations section of the statement.

Mr Faulker advised that Te Raone Beach was still under consultation with the community group. A meeting was to be held on Monday 26 June as the next step to work towards an end result. He advised they were looking for a solution that will work however coastal engineering work is not the easiest and was taking time.

Cr Woodhead noted in regard to Chalmers Properties 1.18, the construction was for two office/warehouse buildings and in the development there is a mix of selling bare land as well developing of a couple of sites.

Mr Faulkner commented that the Hamilton site was originally going to be all ground leased but this was found not to be effective long term. It was now proposed to sell and develop sections as they were reasonably able. Chalmers Properties will be developing sites like the Steel and Tube office/warehouse development, retaining the leasehold to gain income in the future.

Cr Woodhead commented it was good to understand the activities outlined including the potential of the inland port detailed in the report.

Moved Cr Woodhead
Seconded Cr Croot

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

Motion Carried

Mr Faulkner and Mr Plunkett left the meeting at 9:16am

Item 2

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

The report provided 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 were circulated separately.

A concern was expressed that the options tabled only referenced gross cost and did not attempt to model potential income and that Council will only consult with the group affected – i.e. Concord / Green Island residents.

Mr Donnelly advised that any change would be implemented in February 2017 and consultation would occur prior to that. Under the Regional Passenger Transport Policy (RPTP) Council was only required to consult on the change being made rather than consulting on the whole RPTP. He confirmed that anyone is able to make a submission, not just those residents in the area directly affected by the change.

Regarding potential income Mr Donnelly noted comment has been made in the report on patronage and the likely impact on other services but to estimate income for each of the options was quite complex as it depended on patronage and impact across other services and was therefore difficult to quantify.

Cr Woodhead confirmed that when Unit 5 was put in place last year (2015), Council became aware of this issue for the South Dunedin, Concord, Green Island link. He commented that the South Dunedin connection is covered from 15 August with a free transfer within the zone. He advised that Council is endeavouring to consolidate the routes and make them more direct and timely, this being a key objective of the RPTP. He thanked staff for the report which provided a lot of analysis of various options.

A request was made that the information contained in the report be provided to the public who have an interest, so they can see the complicated mass of data and projections involved in making changes to public transport services.

Mr Donnelly confirmed there is public access to the information Council has received.

Moved Cr Woodhead
Seconded Cr Deaker

- 1) *That the 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.*

Motion carried

Item 3

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

The report provided 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.

Cr Shepherd confirmed that staff are in the process of informing the public of the Unit 4 changes effective from 15 August. He advised discussion on the Bus hub design was to be held in Council workshop.

Moved Cr Scott
Seconded Cr Croot

That the report be received.

Motion carried

Item 4

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

This report outlined the Council's insurance renewals for the period 30 June 2016 to 30 June 2017.

Mr Donnelly noted the overall cost of insurance is only slightly higher than last year due to the inclusion of Statutory and Employer's Liability cover. This has been added in response to the new Health & Safety legislation as defence costs could be significant and it was therefore deemed prudent to put this additional cover in place.

Moved Cr Kelliher
Seconded Cr Croot

That the report be received.

Motion carried

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.

Cr Shepherd confirmed that SOLGM have prepared a submission on the Bill.

Discussion

Cr Woodhead advised there is also some joint work being undertaken by SOLGM and LGNZ on this Bill and it was quite a complex amendment to the Act requiring a lot of work to pull all the information together and get clarity on what it means. He confirmed the Amendment Bill will be discussed at the LGNZ conference next week, with submissions closing on 28 July.

Cr Woodhead outlined his concerns including:

- the strengthening of the Local Government Commission's ability to put in place a Council Controlled Organisation (CCO)
- the lack of requirement or the ability for electors to petition for polls for support of both amalgamation or controls around CCOs.
- An existing clause around community support has been removed.
- Potential impact on ability for Council to meet needs and preferences of communities is potentially taken out.
- The proposal allows the Minister of Local Government to direct the Local Government Commission.
- It provides for very little discretion for multiple owned CCOs. Individual shareholder Council limited to levels of service and funding mechanisms. Things could be imposed on Council against the wishes of local communities.

Cr Woodhead suggested that ORC submit to this amendment in addition to supporting the SOLGM and LGNZ submissions to the Bill and moved that "ORC submit to the Local Government Act 2002" be added to the recommendation.

Cr Deaker seconded that motion and commented it was important for Council to submit on the amendment to provide a local region point of view.

A concern was raised that the Amendment Bill would increase the powers of the Minister of Local Government and restrict the ability "for local people to make local decisions".

Moved Cr Shepherd
Seconded Cr Deaker

That:

1. *the report be received.*
2. *ORC put forward a submission to the Local Government Act 2002 Amendment Bill (No. 2) by 28 July.*

Motion carried

Cr Woodhead confirmed he will undertake to circulate the submission to all councillors for comment.

Item 6

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

The report summarised 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.

Cr Shepherd confirmed this project first came to the attention of the Annual Plan panel as part of a presentation to the panel and the recommendation was made to apply to the Environmental Enhancement Fund (EEF). Subsequently Mr Bodeker has discussed the application with the HALO project team and the executive team have provided the recommendations in the report

Cr Robertson commented that the HALO project application was exactly the type of initiative she hoped would come forward to the Environmental Enhancement Fund as it had the key ingredient to successful biodiversity and that it should make a noticeable impact on native landscape and species. It also fitted with the Council's strategic direction and would fit with future strategies as well. She commented that there was a need to ensure big projects are monitored on their effectiveness to control pests, that pests are being tracked and that future funding is going to right places and targeting where it needs to be targeted.

Mr Bodeker advised that in terms of monitoring for projects Council fund through the EFF. Those projects in excess of \$50,000, are required to provide a 6 monthly report to Council, less than \$50,000 requires a 12 monthly report (including detail of pest destruction methods and progress).

Cr Woodhead suggested a further recommendation be added -
That the HALO project undertake annual independent monitoring of the success of their pest control.

He believed this would assist the HALO project by giving them formal information around their performance but also something tangible to report back to ORC.

Moved Cr Woodhead
Seconded Cr Deaker

- (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.*
- (4) *that the HALO project undertake an annual independent monitoring of the success of their pest control*

Motion carried

Mr MacLean advised monitoring progress is a sound approach but that it required a baseline to start with and that this needed to be done either at the end of the first 12 months, or at the early stages of the project. He confirmed that OSPRI undertake their own trap catch monitoring and that this data would be available to Council.

A question was raised in regard to discussion with management over the long term gain of the project.

Mr Bodeker advised he believed the project group proposal would engender local community involvement to continue on with work, i.e. moving the vision and passion for pest control further and further out into the communities as people see the results e.g. in Wellington the Karori wildlife sanctuary.

Item 7

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

The report described 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.

Moved Cr Shepherd
Seconded Cr Kelliher

That this report be received.

Motion Carried

Meeting closed at 10:29 am

Chairperson

OTAGO REGIONAL COUNCIL**Minutes of a meeting of the Technical Committee held
in the Council Chamber, 70 Stafford Street, Dunedin
on Wednesday 20 July 2016, commencing at 10:45am****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:

None

Leave of Absence:

Cr Sam Neill

In attendance:

Peter Bodeker
Nick Donnelly
Fraser McRae
Scott MacLean
Gavin Palmer
Caroline Rowe
Lauren McDonald
Jean Luc Payan
Bishnu Gautam
Lauren Hunter
Josh Cumberland
Ben Mackey
Dean Olsen (Item 2)
Sharon Hornblow Item (Item 2)
Chris Valentine
Karin Little (notetaker)
Janice Coldicott
Emily Hong
Mel Aiken
Marc Ettema
Charlotte Panton

Cr Scott extended a welcome to staff members in attendance as observers.

CONFIRMATION OF AGENDA

There were no changes to the agenda

CONFLICT OF INTEREST

No conflicts of interest noted

PUBLIC FORUM

No public forum

MINUTES

The minutes of the meeting held on 8 June 2016, having been circulated, were adopted on the motion of Cr Scott and Cr Robertson.

Matters arising from minutes

There were no matters arising from the 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 the natural hazards of South Dunedin and provides comment on further work and stakeholder engagement. The full report 'The Natural Hazards of South Dunedin – July 2016' was circulated separately with the agenda.

Cr Scott summarised the key points from the full technical report and confirmed that the intention of the report is to inform discussion on how the identified natural hazards risks should be managed.

Dr Palmer commented that the covering report summarised a comprehensive programme of work by ORC to improve the understanding of South Dunedin's natural hazards. The issues to be addressed were both physical and social.

Dr Palmer, Ms Hornblow and Mr Goldsmith were thanked for a timely, comprehensive, inclusive and quality report.

Cr Deaker commented that the report could be used to inform and assist with gaining wide spread community involvement in discussion on the way forward for South Dunedin. This could occur via neighbourhood meetings to enable discussion of their concerns and answers to their questions.

A comment was made that the report went beyond just one issue, such as sea level rise and was a lot broader and included the low risk/high

probability hazards and also the high risk but low probability issues such as tsunami and dune breakthrough.

Cr Robertson commented that Council needed to endorse further community and stakeholder engagement and moved this amendment to the second recommendation.

A question was raised whether further technical investigations were required. Dr Palmer advised that there was already a substantial body of knowledge held and further technical work was not required at this stage. He advised the next step was community engagement.

Mrs Rowe, Director Stakeholder engagement advised that:

- stakeholder engagement has commenced with the release of the Natural Hazards of South Dunedin report this week.
- A stakeholder briefing has been held with the University of Otago, key Government stakeholders and MPs.
- The ministerial offices of Paula Bennett, Nick Smith, Stephen Joyce and Bill English have all received a copy of the report.
- ORC are formally working alongside the DCC for direct communication with the community.
- Agency briefings were being prepared for school Board of Trustees, South Dunedin businesses, support agencies and other stakeholders.
- Staff are looking at ways to take the technical report in a summarised form to the community.
- A video on the three key areas: landscape, groundwater, and sea level rise is being developed and will be published on line and used in social media.
- A six page presentation summarising the key areas of the report would be distributed as an insert in the community star newspaper.
- Public sessions are planned for the end of August, early September in conjunction with the DCC. The intent is for these sessions to be more “one on one” conversations rather than a public forum.
- Community meetings will be advertised

Mr Bodeker advised that the DCC and ORC executive are co-ordinating a project team including technical investigations, communications and senior management. He agreed there was a role for someone with the respect of the community to be included in this group. He confirmed the communication plan is a combined communication with the DCC.

Moved Cr Robertson
Seconded Cr Deaker

That;

1. *This report and the report “The Natural Hazards of South Dunedin” are received and noted, and;*
2. *The committee endorse further community and stakeholder engagement within a timely manner.*

Item 2
2016/0910

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

The report provided 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”) presents hydrological information, instream values and assesses the ecological flow requirements for the Pig Burn.

Cr Scott advised he had received an email from the Pig Burn Water Users group in regard to a number of concerns they had with the report and he has responded to them as Chair of the Technical Committee. He commented that as the report was already public information, that the staff recommendation was for Council to receive the report. He confirmed ORC was open to working through the issues and to meet with the Pig Burn Water Users Group.

Dr Palmer advised that Dr Olsen was reviewing the list of concerns raised by the Pig Burn Water Users Group and will look at how best to address these with the group.

Mr Bodeker asked that the Committee receive and note the report and that the Committee had his assurance that Dr Palmer's team would engage with the community on the points raised by the group.

It was confirmed that holders of Deemed Permit in the catchment will be provided with these reports and engaged with for any issues (offer of engagement).

Dr Palmer advised that a report will be provided to Committees which outlines what the technical programme would be for minimum flow setting work.

Moved Cr Croot
Seconded Cr Kempton

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~~ discussed with the holders of deemed permits in these catchment areas.*

Motion carried.

PART B ITEMS FOR NOTING

Item 3
2016/00893 **Director's Report on Progress.** DEHS, 13/7/16

Topics covered in the report: 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.

Moved Cr Croot
Seconded Cr Deaker

That this report be received

Motion Carried

Meeting closed at 11:52am

Chairperson

OTAGO REGIONAL COUNCIL**Minutes of a meeting of the Communications Committee held in the
Council Chamber, 70 Stafford Street, Dunedin on
Wednesday 20 July 2016 commencing at 11:**

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

Leave of absence: Cr Sam Neill

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

Cr Kempton welcomed staff in attendance as observers:
Suzanne Watt, Eleanor Ross, Lisa Minhinick, Glenn Lambert and Charlotte Panton

CONFIRMATION OF AGENDA

There were no changes to the agenda.

CONFLICT OF INTEREST

No conflicts of interest noted

PUBLIC FORUM

No public forum

MINUTES

The minutes of the meeting held on 8 June 2016, having been circulated, were adopted on the motion of Cr Brown and Cr Kelliher

Matters arising from minutes

There were no matters arising from the 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

A comment was made that it was good to see the awareness of the ORC water plan rules had lifted from 78% to 91% with the highest level of increase with sheep and beef farmers. It was also noted that the wallaby incursion awareness promotional material has been well received.

Attendance of the priority group meetings (section 2.2 of the report) has been excellent with attendees having a positive attitude which was pleasing to see leading into the second round of communication and meetings.

A question was raised on the provision of print copy material for the upcoming Local Body Elections with the information only currently available online from the ORC website.

Mrs Rowe advised limited print copies have been produced and she would follow up on access and distribution of information to potential candidates.

Cr Scott commented that the forestry contractors forum held in Milton recently was a very well organised meeting and well attended by key companies and contractors.

Discussion was held on improving the awareness of rural water quality regulations towards 2020 and whether having a better understanding of what regular water sampling and testing was being undertaken by farmers and if it was appropriate to seek this information as this was not a legal requirement for them to provide this.

Mrs Rowe advised that water sampling was not a question currently in the survey to ask if farmers were undertaking testing but that this could be added to the questionnaire in the future. She commented that it may also be

worthwhile to ask groups when they were setting up their monitoring programme to gain an idea of the number of farmers who are actively sampling.

Cr Bell commented on the meeting he attended in Alexandra with professional agribusiness people and asked when staff would be able to provide feedback on the discussion held at the meeting.

Mrs Rowe noted that this meeting was held outside of the reporting period and that she would follow up to see this meeting is reported on for the next Committee round.

Moved Cr Robertson
Seconded Cr Scott

That the report be noted

Motion carried

Meeting closed at 12:14pm

Chairperson

OTAGO REGIONAL COUNCIL**Minutes of a meeting of the Policy Committee held in the
Council Chamber, 70 Stafford Street, Dunedin on
Wednesday 20 July 2016 commencing at 12:16pm**

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

Leave of absence: Cr Sam Neill

In attendance: Peter Bodeker
Nick Donnelly
Fraser McRae
Scott MacLean
Gavin Palmer
Caroline Rowe
Gerard Collings
Lauren McDonald
Karin Little

CONFIRMATION OF AGENDA

There were no changes to the agenda

CONFLICT OF INTEREST

No conflicts of interest advised

PUBLIC FORUM

No public forum

MINUTES

The minutes of the meeting held on 8 June 2016, having been circulated, were adopted on the motion of Cr Deaker and Cr Croot.

Matters arising from minutes

FOR NOTING

Item 1

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

The report provided an overview of significant activities undertaken by the Policy section since the last meeting of the Policy Committee on 8 June 2016.

Proposed National Policy Statement (NPS) on Urban Development Capacity
Discussion was held on the NPS on urban development pressures in the high population growth area of Queenstown which was unique to other NZ locations as a large section of the population were short term visitors.

Mr McRae outlined the historical issues from the 1980s with the failure in the fundamental model behind the RMA which resulted in zoning which created constraints on the housing market. A lot of the problem has been around what markets do maximise the returns, i.e. the market will hold on to pieces of land for this purpose and there is a need to get the planning industry to understand how these markets work and for the need for Council focus on infrastructure such as waste and water services.

Implementation Review of the NPS Freshwater management 2014

Mr McRae advised that ORC were doing relatively well in comparison to the rest of the country for compliance to the NPS and that the Ministry for the Environment were currently undertaking a review of how regional councils were implementing the NPS for Freshwater management.

A workshop to be held on the comprehensive water strategy once the urban water strategy has been completed.

Queenstown Transport business case planning

Mr Bodeker advised the multi agency meeting held on 18 July have agreed on terms of reference and this will be presented to the next Policy Committee round in September.

Cr Kempton commented that one of the topics for the Otago and Southland Regional Transport Committee cycle trail workshop being held on 30 July will be the development of the "slow tourism" concept.

Moved Cr Deaker

Seconded Cr Kelliher

That the report be noted

Motion carried

Meeting closed at 12:41pm

Chairperson

OTAGO REGIONAL COUNCIL

Minutes of a meeting of the Regulatory Committee held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 20 July 2016 commencing at 1:18pm

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

Leave of Absence: Cr Sam Neill

In attendance:

Peter Bodeker
 Nick Donnelly
 Fraser McRae
 Scott MacLean
 Gavin Palmer
 Caroline Rowe
 Gerard Collings
 Lauren McDonald
 Suzanne Watt
 Nineva Vaitupu
 Martin King (item 2-3)
 Lisa Minhinnick

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

CONFIRMATION OF AGENDA

There were no changes to the agenda

CONFLICT OF INTEREST

There were no conflicts of interest noted

PUBLIC FORUM

No public forum

MINUTES

The minutes of the meeting held on 8 June 2016, having been circulated, were adopted on the motion of Cr Bell and Cr Robertson.

Matters arising from minutes

There were no matters arising from the 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.

Wallabies - More detail was requested on the reported sighting by tourists of wallabies on the Rail Trail. Mr MacLean advised that Alexandra staff investigated but only observed a number of hares in the location of the sightings. An extensive search of the area did not find anything and it was thought the sighting was potentially of hares, not wallabies. Mr MacLean confirmed sightings have been advised this week in North Otago, including in the coastal area.

Mr Bodeker advised the committee that there may be the need to spend significantly more on operational response activity in this financial year and that budget costings were being prepared for the Finance and Corporate Committee

Cr Woodhead confirmed that Council was in the financial position to be able to fund some extra work, in this case, for operational response for wallabies. He did not believe Council should not take action because the funding was not in the Annual Plan and that committee would be in support of this stance. He advised good spatial awareness was being developed up on this pest and that it was better to incur some financial costs now, rather than every year, if this pest gets established.

A question was asked on the degree of the contact, relationship ORC held with the South Canterbury Council in identifying sites and co-ordinating with this Council before the wallabies get in our region.

Mr MacLean advised that ORC is in regular contact with ECan and working closely on wallabies sightings south of the Waitaki on the Canterbury side of the Hawkdun.

Velvetleaf – Mr MacLean confirmed that the 51 affected property owners have been contacted directly and of those people who can't make it to workshops will have a one-on-one visit.

Moved Cr Bell
Seconded Cr Kelliher

That the report be received

Motion Carried

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.

Mr MacLean advised that the report provided a summary of the detail reported through to the Regulatory Committee every six weeks. He confirmed not all dairy inspections were able to be completed for the year and this was due in majority to the staff resourcing required for the velvetleaf response.

Clarification was sought on the enforcement actions in that the pattern was historically less infringements and more prosecutions. In the last couple of years these have reversed so that there were more infringement actions and fewer prosecutions.

Mr MacLean advised it was just that way it "washed out" as each enforcement file must meet certain tests to see if it is up to a prosecution standard or if warrant other enforcement action.

At times it is useful to work with the landowner to ensure they are mitigating the situation rather than fine them.

The question was asked if ORC specifically asked when completing dairy farm surveys if lab testing in the waterways was occurring and if not, should we.

Mr King advised that this was not something ORC proactively asked but that this could be taken on board for next year and that he had noted the comment for action. He confirmed if a farmer asked about water sampling they would be advised.

It was confirmed that the prosecution protocol remained unchanged.

Moved Cr Woodhead
Seconded Cr Kelliher

That the report be noted

Motion carried

Item 3
2016/0926

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

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

A concern was expressed at that percentage of non-compliance grading at grade 4 and 5 levels.

Mr MacLean advised that grade 5 percentage figures related to performance monitoring not being provided or being provided late, i.e. until ORC receive the data they are given a grade 5. If water meters are not installed or installed incorrectly they also received the grading of 5 by default due to the potential environmental impact. He confirmed non-compliance with environment effects would go through the same enforcement process as any dairy farm.

Mr Bodeker commented that the area of resourcing of field work in Mr MacLean's directorate needs to be reviewed. The reason for this is for events such as the Velvetleaf incursion where there is a need to mobilise a group of people quickly which impacts on the Environmental Monitoring and Operations directorate particularly. This will be brought to Council to workshop for discussion to reflect that an increased level of service will have an effect on targeted rate etc.

A question was raised on where the cost for the monitoring lies– general rate or targeted rate.

Mr Bodeker advised that consent monitoring cost is with consent holder. Funding for dairy monitoring is not under the RMA and comes out of generalised targeted rate.

Moved Cr Brown
Seconded Cr Kelliher

That the report be noted.

Motion carried

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.

Moved Cr Croot
Seconded Cr Kelliher

That the report be noted.

Motion carried

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.

Moved Cr Croot
Seconded Cr Deaker

That the report be noted

Motion carried

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

Cr Scott left the room at 1:53pm

Cr Woodhead commented that it was good to see the progress being made, noting that some of the permits had lapsed or were not being used, which showed as a reduction in the total number.

Moved Cr Woodhead

Seconded Cr Croot

That the report be noted

Motion Carried

Meeting closed at 1:54pm

Chairperson