

Minutes of an ordinary meeting of Council held in the
Council Chamber on
Wednesday 11 March 2020 at 1:00 pm

Membership

Hon Marian Hobbs

(Chairperson)

Cr Michael Laws

(Deputy Chairperson)

Cr Hilary Calvert

Cr Alexa Forbes

Cr Michael Deaker

Cr Carmen Hope

Cr Gary Kelliher

Cr Kevin Malcolm

Cr Andrew Noone

Cr Gretchen Robertson

Cr Bryan Scott

Cr Kate Wilson

Welcome

The Hon Cr Marian Hobbs welcomed Councillors, members of the public and staff to the meeting at 01:13 pm.

1. APOLOGIES

There were no apologies.

2. ATTENDANCE

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

Other staff present included: Anita Dawe (Acting Manager Policy), Anne Duncan (Manager Strategy), Peter Constantine (Consultant Planner), Simon Wilson (Manager Consents Systems and Administration), Rebecca Borland (Team Leader Communications and Engagement), Lisa Gloag (Manager Communications and Engagement), and Mike Roesler (Manager Corporate Planning).

3. CONFIRMATION OF AGENDA

Cr Wilson asked the Council to consider an urgent request to support a Central Otago District Council application to support the development of a fast charge network between Dunedin and Central Otago. Cr Hobbs agreed to add Council consideration of this request to the agenda.

4. CONFLICT OF INTEREST

No conflicts of interest were advised at this point of the meeting.

5. PUBLIC FORUM

Mr Lloyd McCall (Pomahaka Water Care Group) addressed the Councillors and spoke about the proposed changes to the Omnibus Plan. He expressed concern that there has been limited input from industry and landowners on the proposed changes. The Councillors had questions for Mr McCall. Cr Hobbs thanked Mr McCall for his information and for coming to the meeting.

6. CONFIRMATION OF MINUTES

Resolution

That the minutes of the (public portion of the) Council meeting held on 26 February 2020 be received and confirmed as a true and accurate record.

Moved: Cr Hope
Seconded: Cr Wilson
CARRIED

7. ACTIONS (STATUS OF COUNCIL RESOLUTIONS)

The Councillors were updated on outstanding actions of Council resolutions.

8. MATTERS FOR COUNCIL DECISION

After Cr Hobbs accepted the request to add consideration of an urgent item to the agenda, Cr Wilson moved:

Resolution

***That** the ORC supports a CODC application (supported by ChargeNet and the DCC) to the EECA Low Emissions Vehicle Fund (March round) to support the development of the fast charge network between Dunedin and Central Otago/Queenstown Lakes via SH87.*

Moved: Cr Wilson

Seconded: Cr Forbes

CARRIED

8.1. ORC's proposed submission on the draft National Policy Statement for Indigenous Biodiversity

Gwyneth Elsum (GM Strategy, Policy and Science), Anita Dawe (Acting Manager Policy) and Anne Duncan (Manager Strategy) were present to speak to the report. After questions and deliberations, Cr Noone moved to amend the recommendation by including a statement recognising the NPS may have an impact on extractive industries. Cr Malcolm seconded the amendment and it was put to a vote and carried. The motion was then added to the substantive motion.

Cr Deaker noted the requirement that TAs identify Significant Natural Areas and suggested that ORC could partner with them and/or mana whenua to create a regional park. The Councillors agreed to add this to the substantive motion as item 5. The recommendations were taken separately.

Resolution

That the Council:

- 1) **Receives** this report.

Moved: Cr Hope

Seconded: Cr Forbes

CARRIED

That the Council:

- 2) **Notes** the ORC staff position supports the NPSIB but records its limitations by excluding aquatic and coastal marine environments.

Moved: Cr Robertson

Seconded: Cr Forbes

CARRIED

That the Council:

- 3) **Approves** the Chief Executive on or before 5pm on 14 March 2020 to lodge the attached draft submission, with changes made today, under delegation from the Otago Regional Council.

Moved: Cr Hobbs
Seconded: Cr Wilson
CARRIED

That the Council:

- 4) **Recognises** in this submission the NPS may have an impact on extractive industries.

Moved: Cr Noone
Seconded: Cr Malcolm
CARRIED

That the Council:

- 5) **Includes** in the submission (after para 25) that: ORC notes that an area of significant indigenous biodiversity to Otago in the shape of a regional park may be identified and established by the Council, possibly in partnership with a TLA or mana whenua.

Moved: Cr Deaker
Seconded: Cr Forbes
CARRIED

Cr Laws left the meeting at 01:34 pm.
Cr Laws returned to the meeting at 01:42 pm.

8.2. Annual Plan 2020-21

Mike Roesler (Manager Corporate Planning) and Nick Donnelly (GM Corporate Services) were present to answer questions about the draft financial forecasts that were recommended to Council by the Finance Committee at its 26 February meeting. There was a general discussion of the report and Cr Noone noted that the 2020/2021 Annual Plan should be approved for consultation per the Finance Committee recommendation. Cr Laws noted his opposition to the consultation approach and Cr Hobbs reminded Council it had been approved by the Finance Committee at its previous meeting. After a discussion, Cr Noone moved the recommendation, with item 4 being considered separately upon Councillor Laws' request.

Resolution

That the Council:

- 1) **Approves** the draft 2020-21 financial forecasts and associated Council activity as recommended by the Finance Committee at its 26 February 2020 meeting.
- 2) **Approves** changes to the Council's Revenue and Financing Policy as defined in the 'Financial Considerations' section of this report.
- 3) **Agrees** that the changes to the Council's Revenue and Financing Policy as defined in 'Financial Considerations' section of this report are not material or significant.
- 4) **Notes** the consultation document as the basis for communicating the Council's expenditure and funding intentions for the 2020-21 financial year and as circulated separately to this report.

- 5) **Notes** that this report corrects the rating information under paragraph 30 of the 'Annual Plan 2020-21' report as provided to the 26 February 2020 Finance Committee.

Moved: Cr Noone
Seconded: Cr Kevin Malcolm
CARRIED

Resolution

That the Council:

- 4) **Approves** the consultation approach as recommended by the Finance Committee at its 26 February 2020 meeting.

Moved: Cr Noone
Seconded: Cr Deaker
CARRIED

9. MATTERS FOR NOTING

9.1. Port Otago Strategic Asset Review

Mr Carl Blanchard, PwC Partner and Mr Ben Ford, PwC Director were present to speak to the PwC strategic asset review of the Port Otago Asset. After a discussion of the review of the returns generated by the report and potential ownership options, Cr Noone moved an amendment to the recommendation.

Amendment:

- 1) That Council send the review to the Finance Committee to consider next steps of the review of the Port of Otago
- 2) That staff conduct a workshop for Council to work through consideration of dividend changes and other issues

Moved: Cr Noone
Seconded: Cr Kevin Malcolm
CARRIED

After further discussion of the report, Cr Calvert moved the recommendation.

Resolution

That the Council:

- 1) **Receives** this report.
- 2) Sends the review to the Finance Committee to consider next steps of the review of the Port of Otago
- 3) Requests staff to conduct a workshop for Council to work through consideration of dividend changes and other issues

Moved: Cr Calvert
Seconded: Cr Scott
CARRIED

Cr Laws left the meeting at 02:42 pm.

Cr Laws returned to the meeting at 02:51 pm.

10. RECOMMENDATIONS ADOPTED AT COMMITTEE MEETINGS HELD ON 26 FEBRUARY 2020

10.5. Recommendations of the Public Portion of the Finance Committee Resolution

That the Council:

***Adopts** the recommendations made at 26 February 2020 Finance Committee meeting*

Moved: Cr Wilson

Seconded: Cr Noone

CARRIED

11. RESOLUTION TO EXCLUDE THE PUBLIC

After a discussion, the Councillors decided to consider the previously public-excluded agenda item, 1.1 Water Permits Plan Change, publicly and asked staff to remove the legal advice that was included as an attachment to the report prior to making public. Cr Noone then moved:

Resolution

That the Council:

***Consider** the Water Permits Plan Change in public, subject to removal of any confidential legal advice from the public agenda.*

Moved: Cr Noone

Seconded: Cr Kevin Malcolm

CARRIED

Cr Hobbs then adjourned the meeting for 15 minutes prior to consideration of the Water Permits Plan Change item.

8.3. Water Permits Plan Change

Cr Hobbs called the meeting back into order at 3:30 p.m. Cr Gary Kelliher and Cr Kate Wilson declared a Conflict of Interest on the Water Permits Plan Change deliberations and removed themselves from consideration and left the meeting.

Cr Hobbs welcomed Peter Constantine (Consultant Planner), Anita Dawe (Acting Manager Policy) and Gwyneth Elsum (GM Strategy, Policy and Science) to the table. Cr Laws asked questions about the Sec 32 report. Mr Constantine noted that ORC did not want to encourage expenditure now on the part of a water user, when the use of that expenditure might be frustrated in five years through the Land and Water Plan Review. He said that will come out in the community consultation as well as through science.

Cr Malcolm asked how a water user with a current deemed permit that may not have been using the full allocation of water over the past three to five years for various reasons, could get the same allocation under the new regime. Mr Constantine said the consent holder would have to reapply under the alternative pathway. Ms Dawe noted the consent holder could get what they

used over that period. Chief Executive Gardner said if someone holds a water permit and took no water in five years against that permit, the permit lapses automatically under current rules.

Cr Noone noted key dates in the proposed policy and noted the cap of six years for the duration of short-term consents in the policy. He asked, based on the Land and Water Plan not being operative by 31 December 2025, what happens to the six-year cap. Mr Constantine said if a permit is granted today, it will be in effect for six years from today and if a permit is granted in two years, it will be in effect for six years from that date. He said this is an attempt to get water users inside the new plan regime in a fit for purpose plan, prior to the Land and Water Plan being due for its first review in 2025.

Cr Laws asked what would occur if a permitted user wants to change their land use, from raising lambs to starting a cherry orchard, for instance. Ms Dawe said that would not be permitted as a controlled activity under the new regime, but any user could apply for such a change as a non-complying activity on the basis that the adverse effects would be no more than minor.

There was further general discussion. After questions were completed, Cr Scott moved receipt of the report. Upon request from Cr Calvert, the recommendations were considered separately.

Resolution

That the Council:

- 1) **Receives** this report.

Moved: Cr Scott

Seconded: Cr Noone

CARRIED

That the Council:

- 2) **Adopts proposed Plan Change 7 (Water Permits Plan Change) to the Regional Plan: Water for Otago, and the Section 32 Evaluation Report.**

Moved: Cr Hobbs

Seconded: Cr Forbes

A Division was called:

For: Cr Deaker, Cr Forbes, Cr Hobbs, Cr Noone, Cr Robertson, Cr Scott

Against: Cr Calvert, Cr Hope, Cr Laws, Cr Malcolm

CARRIED: 6 – 4

That the Council:

- 3) **Approves proposed Plan Change 7 (Water Permits Plan Change) to the Regional Plan: Water for Otago and the Section 32 Evaluation Report for public notification on 18 March 2020.**

Moved: Cr Hobbs

Seconded: Cr Robertson

A Division was called:

For: Cr Deaker, Cr Forbes, Cr Hobbs, Cr Malcolm, Cr Noone, Cr Robertson, Cr Wilson

Against: Cr Calvert, Cr Hope, Cr Laws

CARRIED: 7 – 3

That the Council:

- 4) **Notes** that the rules contained in proposed Plan Change 7 will have immediate legal effect in accordance with Section 86B(3)(a) of the Resource Management Act 1991 from the date of public notification because those rules protect or relate to water.

Moved: Cr Hobbs

Seconded: Cr Robertson

CARRIED

12. CLOSURE

There was no further business and Cr Hobbs declared the meeting closed at 04:51 pm.



Chairperson

9 April 2020

Date