



MINUTES OF A MEETING OF THE REGIONAL COUNCIL

Date: Wednesday 29 October 2014

Time: 9.00am

Venue: Council Chamber
Hawke's Bay Regional Council
159 Dalton Street
NAPIER

Present: F Wilson - Chairman
R Barker
P Beaven
T Belford
A J Dick
R Graham
D Hewitt
D Pipe
C Scott

In Attendance: M Mohi – Chairman – Maori Committee
E Lambert – Chief Executive
P Drury – Group Manager Corporate Services
L Hooper – Governance & Corporate Administration Manager
M Adye – Group Manager Asset Management

1. Welcome/Prayer/Apologies/Notices

The Chairman welcomed everyone to the meeting and Councillor Hewitt offered the prayer.

Resolution

RC3/14 That the apology for lateness from Mr Mike Mohi be accepted.

**Barker/Pipe
CARRIED**

Mrs Lambert advised that the Audit and Risk workshop originally scheduled to follow today's meeting is going to be held tomorrow at 2pm.

2. Conflict of Interest Declarations

There were no conflict of interest declarations.

8. Receipt of Petition from Mr M Little

The petition (signed by 880 Wairoa residents) states "petition to Hawke's Bay Regional Council to desist weed spraying the verges of creeks, streams and drains listed: Awatere, Hurumua, Mangapoike, Paeroa Stock Rd, Waikatuku".

Mr Bruce Ross and Mr Michael Little presented their petition, which seeks cessation of weed spraying along streams and drains in the Wairoa area due to concerns that it is killing fish and birds and destroying aquatic habitats.

Recommends Dairy NZ good practice management of stream and drain margins be considered for use by Council.

RC4/14 Resolution

1. That Council formally receives the petition.

**Graham/Barker
CARRIED**

13. Hawke's Bay Tourism Quarterly Report

Mr George Hickton (Chairman) and Ms Annie Dundas (General Manager) provided an update on the results for HB Tourism for the fourth quarter of the 2013-14 financial year, as well as activities currently under way.

RC5/14 Resolution

1. That Council receives the Hawke's Bay Tourism Quarterly Update report.

**Scott/Graham
CARRIED**

3. Confirmation of Minutes of the Regional Council Meeting Held on 24 September 2014

RC6/14 Resolution

Minutes of the Regional Council Meeting held on Wednesday, 24 September 2014, a copy having been circulated prior to the meeting, were taken as read and confirmed as a true and accurate record as amended.

**Hewitt/Beaven
CARRIED**

4. Matters Arising From Minutes of the Regional Council Meeting Held on 24 September 2014

There were no matters arising from the minutes.

6. Follow-ups From Previous Council Meetings

Mrs Lambert advised that the item relating to the updated Napier Port constitution is addressed by item 12 on today's agenda.

There was some discussion about the increased number of LGOIMA requests being received and ensuring sufficient resourcing is provided in the LTP for responding to those requests.

RC7/14

Resolution

1. That Council receives the report "Follow-ups from Previous Council Meetings".

**Scott/Graham
CARRIED**

7. Call for Any Minor Items Not on the Agenda

The following items not on the agenda, will be discussed as item 18:

1. Simon Lusk and innuendo (Cr Wilson)
2. CHB Pathway opening (Cr Hewitt)

9. Affixing of Common Seal

1. The Common Seal of the Council has been affixed to the following documents and signed by the Chairman or Deputy Chairman and Chief Executive or a Group Manager.

		Seal No.	Date
1.1	Leasehold Land Sales		
1.1.1	Lot 1 DP 4426 CT 55/97 - Transfer	3805	20 September 2014
1.1.2	Lot 49 DP 13039 CT E1/1227 - Agreement for Sale and Purchase	3805a	22 September 2014
1.1.3	Lot 14 DP 13691 CT F2/1251 - Agreement for Sale and Purchase	3807	30 September 2014
1.1.4	Lot 16 DP 4488 CT 56/27 - Agreement for Sale and Purchase	3809	2 October 2014
1.1.5	Lot 14 DP 13691 CT F2/1251 - Transfer	3810	9 October 2104

1.1.6	Lot 23 DP 6391 CT D4/1433 - Agreement for Sale and Purchase	3811	15 October 2014
1.1.7	Lot 142 DP 13111 CT E3/562 - Agreement for Sale and Purchase	3812	15 October 2014
1.1.8	Lot 587 DP 2497 CT 55/132 - Transfer	3813	15 October 2014
1.1.9	Lot 16 DP 4488 CT 56/27 - Transfer	3814	21 October 2014
1.2	Memorandum of Agreement 180 Ferry Road, Clive CT 91/34 (Boundary adjustment)	3803	19 September 2014
1.3	Esplanade Strip Lake Runanga M1/1056	3804	19 September 2014
1.4	Staff Warrants 1.2.1 J. Ellmers <i>(Delegations under Resource Management Act 1991; Soil Conservation and Rivers Control Act 1941; Land Drainage Act 1908 and Civil Defence Act 1983 (s.60-64); Civil Defence Emergency Management Act 2002 (s.86-91) and Local Government Act 2002 (s.174)</i>	3806	25 September 2014
1.5	Proxy Hawke's Bay Regional Investment Co Ltd	3808	30 September 2014

RC8/14

Resolutions

That Council:

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted policy on significance and that Council can exercise its discretion under Sections 79(1)(a) and 82(3) of the Local Government Act 2002 and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision due to the nature and significance of the issue to be considered and decided.
2. Confirms the action to affix the Common Seal.

**Scott/Graham
CARRIED**

10.

Recommendations from the Environment and Services Committee

Cr Graham as Chairman of the E&S Committee provided an overview of discussions at the meeting, highlighting the draft Biodiversity Strategy presentation, presentation of the Open Spaces, Nature Central and Biosecurity reports.

Mr Mohi arrived at 10.15am

Resolutions

That Council:

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted policy on significance and that Council can exercise its discretion under Sections 79(1)(a) and 82(3) of the Local Government Act 2002 and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision due to the nature and significance of the issue to be considered and decided.

Waipukurau Forestry Block

2. Agrees to allow the development of a bike park, for use by the general public, by the Rotary Rivers Pathway Trust on the HBRC Waipukurau forestry block on Mangatarata Road.
3. Authorises the Interim Chief Executive to negotiate a legal agreement between the Rotary Rivers Pathway Trust and HBRC for an initial period of 20 years which allows the Trust to develop and administer a bike park on the Waipukurau forestry block, with the Heads of Agreement referred back to Council for ratification.

Biodiversity Strategy Report

4. Endorses the Draft Hawke's Bay Biodiversity Strategy.
5. Endorses the proposed community engagement on the Strategy via a public symposium with written comments due by 16 December.
6. Instructs staff to present a summary of the comments to the Environment and Services Committee for its consideration and further feedback.
7. Endorses the Steering Group's consideration of any written comments and the subsequent finalisation of the Strategy.

Reports Received

8. Notes that the following reports were received at the Environment and Services Committee meeting.
 - 8.1. Follow-ups from Previous Committee Meetings
 - 8.2. Nature Central
 - 8.3. 2013-14 Open Spaces Report
 - 8.4. 2013-14 Biosecurity Annual Report - Pest Animals and Plants
 - 8.5. 2013-14 Flood & Drainage Operational Reports
 - 8.6. Recreational Water Quality Report: Review of the 2013-14 Season
 - 8.7. Update on PM₁₀ Monitoring
 - 8.8. 2014-15 Operational Report – Science
 - 8.9. 2014-15 Operational Report - Client Services
 - 8.10. 2014-15 Operational Report - Compliance and Consents
 - 8.11. Statutory Advocacy Update

**Graham/Scott
CARRIED**

5. Maori Committee Meeting Held 28 October 2014

Mr Mike Mohi, Chairman of the Maori Committee provided an overview of the discussions traversed at the meeting yesterday, including the future of the regional parks and CHB wastewater discharges.

RC10/14 Resolution

1. That Mr Mohi's verbal update on the 28 October 2014 Maori Committee meeting be received.

**Scott/Graham
CARRIED**

The meeting adjourned at 10.26am and reconvened at 10.45am

11. Ahuriri Estuary Committee

Mrs Lambert provided an overview of the key points of the terms of reference for the Committee as provided, which will be legislated as part of the Ahuriri Hapu Settlement Legislation – expected to be signed early in 2016.

Mrs Lambert also advised that the first reading of the Hawke's Bay Regional Planning Committee Bill is scheduled for the morning of Wednesday 5 November.

There was clarification of the different levels of consideration of issues through Plan development processes; including 'give effect to' and 'have regard to'.

There was further discussion about how the various groups, e.g. TANK and te Komiti, will engage with each other and with other stakeholder groups to consider the issues and values related to RMA policy and plan processes.

Discussions also traversed cost allocations for Komiti operations, and development and preparation of Te Muriwai o Te Whanga (similar to a hapu or catchment management plan) as well as involving Councillors earlier in the negotiation/legislation process so that any concerns can be considered at the outset. There was a request that a clear process of engagement with other relevant community groups be negotiated to assuage the concerns of interested parties.

RC11/14 Resolutions

That Council:

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted policy on significance and that Council can exercise its discretion under Sections 79(1)(a) and 82(3) of the Local Government Act 2002 and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision due to the nature and significance of the issue to be considered and decided.
2. Approves the Draft Clauses for the Establishment and Operation of Te Komiti Muriwai O Te Whanga and advises the Office of Treaty Settlements of this approval subject to matters for negotiation identified by Council.
3. Authorizes the Interim Chief Executive to represent the Council in negotiations on the final details for setting up the Te Komiti Muriwai o Te Whanga.
4. Notes that the appointment of a councillor to represent the Hawke's Bay Regional Council on the Komiti will be made once the Komiti is formally established, and further notes that an appointment may be needed for the interim operation of the Komiti.

**Scott/Beaven
CARRIED**

12. Napier Port Amended Constitution

While Council received the updated constitution at the 24 September meeting, HBRIC Ltd is seeking Council's endorsement of the constitution having provided clarification of issues raised by councillors at the September meeting.

RC12/14 **Resolutions**

That Council:

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted policy on significance and that Council can exercise its discretion under Sections 79(1)(a) and 82(3) of the Local Government Act 2002 and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision due to the nature and significance of the issue to be considered and decided.
2. Endorses the updated Port of Napier Limited Constitution.

**Barker/Graham
CARRIED**

14. Annual Plan Progress Report for the First Three Months of the 2014-15 Financial Year

Mr Paul Drury introduced the report, which provides budgets on a 'true' pro-rata basis for the first time as requested by councillors. In addition, some re-forecasting has been carried out in an effort to proactively address two major changes: to the RWSS financial close date and the OCR set by the Reserve Bank.

There were queries in relation to funds held in reserve for the RWSS and conditions on the drawdown of those funds, as well as leasehold land cashflows.

Mr Manton Collings responded to queries about the balance sheet figures relating to changes to the figures provided at the end of June required by Audit and Infrastructure Assets movement due to re-valuation of those assets having recently been carried out.

RC13/14 **Resolution**

1. That Council receives the Annual Plan Progress Report for the first three months of 2014-15 financial year.

**Dick/Scott
CARRIED**

16. Monthly Work Plan Looking Forward Through November 2014

There was discussion about the Twyford Irrigators global consent trial and interest from other parties within the region, applicability to the Tukituki catchment, and nationally by MfE and the Compliance and Enforcement Special Interest Group, which is also considering the practical technical issues associated with implementing consents of this type.

Discussion also traversed consent applications on hold, Wairoa primary sector opportunities, the analysis and justification for Council's involvement in pest management programmes, the Plan Change 5 appeal by NKII and NZTA financial assistance rates.

Cr Hewitt noted the opening of the CHB rotary pathway is scheduled on 30 November at 10am and advised councillors that she would provide their email addresses to enable formal invitations to be sent to them all.

RC14/14 **Resolution**

1. That Council receives the Monthly Work Plan Looking Forward Through November 2014 report.

**Beaven/Graham
CARRIED**

17. Chairman's Monthly Report

The Chairman highlighted his attendance at the RMLA conference, a farewell function for a long term WDC employee, discussions with OSPRI and a meeting to discuss the challenges of spray control in flood protection schemes.

RC15/14 **Resolution**

- That the *Chairman's monthly report for October 2014* be received.

**Graham/Beaven
CARRIED**

The meeting adjourned at 12.33pm and reconvened at 1.05pm

15. HBRIC Ltd Update

Dr Andy Pearce, Chairman, outlined the process the Board is proposing for development of the HBRIC Ltd strategic plan and sought feedback on the principles provided as a 'first cut'. Councillors expressed general support for the principles as written, with suggestions relating to 'neutralising' #3 by amending the wording to "evaluate the benefits and risks to Council" from "Reduce risk" and adding a principle around having discussions with other major infrastructure asset owners about possible 'grouping' assets for regional benefits.

Mr Andrew Newman provided clarification details in relation to questions raised about the Water User Agreements and the conditions of those. These conditions relate to the scheme actually proceeding; LUC leaching rates, nutrient budgeting and FEMPs; and water delivery.

In relation to the 'contracting parties' and the security of the agreements, a 'Letter of Credit' instrument (for 2 years of water user charges) between the purchaser and their bank, is used in the Water User Agreement. Use of this 'instrument' was tested with Legal advisers and the banking industry.

In relation to the Ruataniwha Water Users Group, Mr Newman advised that about 80% of the current water users in the catchment belong to the Group and the MoU is around the framing of the consent application for the tranche 2 water.

Mr Heath Caldwell provided a summary of the financial results and actual costs incurred for the year to date.

It was noted that Stuart Webster would provide Council with his legal review of the Water User Agreement by the end of November.

RC16/14 **Resolution**

1. That Council receives the "*HBRIC Ltd October 2014 Update*" report.

**Dick/Belford
CARRIED**

18. Minor Items Not on the Agenda

ITEM	TOPIC	COUNCILLOR / STAFF
1.	Simon Lusk and innuendo Chairman tired of reading about unidentified Councillors' dealings with Mr Lusk and requests that anyone who is dealing with him makes themselves known to media.	Cr Wilson
2.	CHB pathway opening Dealt with as part of item 16	Cr Hewitt

19. PONL Board of Directors Chairman Appointment

RC17/14

Resolutions

1. That Council excludes the public from this section of the meeting, being Agenda Item 19 PONL Board of Directors Chairman Appointment with the general subject of the item to be considered while the public is excluded; the reasons for passing the resolution and the specific grounds under Section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution being as follows:

GENERAL SUBJECT OF THE ITEM TO BE CONSIDERED	REASON FOR PASSING THIS RESOLUTION	GROUNDS UNDER SECTION 48(1) FOR THE PASSING OF THE RESOLUTION
PONL Board of Directors Chairman Appointment	7(2)(a) That the public conduct of this agenda item would be likely to result in the disclosure of information where the withholding of the information is necessary to protect the privacy of natural persons.	The Council is specified, in the First Schedule to this Act, as a body to which the Act applies.

2. That Dr Andy Pearce, HBRIC Ltd Chairman, be present for this item as the representative of the Board of Directors making the subject recommendation.
3. That Mr Andrew Newman, HBRIC Ltd Chief Executive, be present for this item to respond to any queries relating to his role in relation to this process.

**Beaven/Scott
CARRIED**

The meeting went into public excluded session at 2.20pm and out of public excluded session at 2.40pm

Closure:

There being no further business the Chairman declared the meeting closed at 2.40pm on Wednesday 29 October 2014.

Signed as a true and correct record.

DATE:

CHAIRMAN: