



## MINUTES OF A MEETING OF THE ENVIRONMENT AND SERVICES COMMITTEE

**Date:** Wednesday 12 July 2017

**Time:** 9.00am

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

**Present:** T Belford - Chairman  
P Bailey  
R Barker  
P Beaven  
A J Dick  
D Hewitt  
N Kirton  
F Wilson  
B Gregory

**In Attendance:** M Mohi – Maori Committee Chairman  
J Palmer – Chief Executive  
G Hansen – Group Manager Asset Management  
I Maxwell – Group Manager Resource Management  
L Hooper – Governance Manager  
M Miller – Manager Consents  
C Leckie – Manager Land Services  
N Heath – Acting Manager, Land Management  
S Weaver – Consultant, Ekos  
A Madarasz-Smith – Senior Scientist, Coastal Quality  
S Cave – Asset Manager Open Spaces  
A Hicks – Team Leader, Water Quality and Ecology  
N McHaffie – Senior Land Management Advisor

## 1. Welcome/Apologies/Notices

The Chairman welcomed everyone to the meeting.

### ESC28/17 Resolution

That the apologies for absence on leave from Councillor Rex Graham and for lateness from Cr Debbie Hewitt be accepted.

**Kirton/Barker  
CARRIED**

The Chairman advised that item 9. Environment Court Declaration has been withdrawn from the Agenda as the Environmental Defence Society has advised they will not pursue a Declaration at this time.

*Councillor Debbie Hewitt arrived at 9.03am*

### Late Item of Business

The Chairman sought the Committee's acceptance, by way of resolution, of the late item of business *24 Ruataniwha Water Storage Scheme – HBRC Work Programmes* for consideration today, and further to hear the item immediately following morning tea.

### Recommendation

ESC29/17 That the late item of business, *24 Ruataniwha Water Storage Scheme – HBRC Work Programmes* is accepted for consideration at this meeting, in accordance with Standing Order 9.12, as this issue cannot be delayed due to the need to provide certainty to Council's and HBRIC Ltd's stakeholders and investors, and the Capital Structure Review Panel by signalling Council's intentions regarding the Ruataniwha Water Storage Scheme.

**Belford/Beaven  
CARRIED**

Mr Mike Mohi brought to the Committee's attention, that a Regional Planning Committee tangata whenua representative is still to be appointed to this Committee and that he is an Ex Officio member as Chairman of the Maori Committee.

Councillor Wilson advised that he would need to be excused early to attend an appointment at 2.30pm.

## 2. Conflict of Interest Declarations

There were no conflict of interest declarations.

## 3. Confirmation of Minutes of the Environment and Services Committee meeting held on 17 May 2017

### ESC30/17 Resolution

Minutes of the Environment and Services Committee held on Wednesday, 17 May 2017, a copy having been circulated prior to the meeting, were taken as read and confirmed as a true and correct record.

**Bailey/Kirton  
CARRIED**

## 4. Follow-ups from Previous Environment & Services Committee Meetings

Mr Graeme Hansen introduced the item, which adequately explained the status of those items. Mr James Palmer advised he had heard from Professor Hughey at Lincoln University, and he is keen to build a Hawke's Bay component into next year's survey.

Mr Malcolm Miller spoke to the follow-up relating to feedlot rules and policies in the Regional Resource Management Plan including responding to queries in relation to the PC6 implications for operators now meeting Farm Environmental Management

Plans in the Tukituki catchment and the options for making catchment specific rules and/or policies for other catchments.

ESC31/17 **Resolution**

That the Environment and Services Committee receives and notes the report ***Follow-up Items from Previous Environment & Services Committee Meetings.***

**Beaven/Bailey  
CARRIED**

**5. Call for Items of Business Not on the Agenda**

**Recommendations**

That the Environment and Services Committee accepts the following “Items of Business Not on the Agenda” for discussion as Item 22

**Minor** items for discussion **only**

| Item | Topic   | Councillor  |
|------|---|-------------|
| 1.   | Manawatu Gorge closure                          | Cr R Barker |
| 2.   | Riparian Strips                                 | Cr P Beaven |
| 3.   | Visit by associate Minister for the Environment | Cr N Kirton |

**6. Business Investment in Biodiversity in Hawke's Bay**

Mr Campbell Leckie introduced the item, providing an overview of the approach made by OMV NZ Ltd (petrochemical exploration company) and discussions he has had with OMV staff about their expectations of a potential partnership, and seeking the Committee’s guidance on whether to progress discussions with OMV.

Discussions and queries traversed:

- Biodiversity Trust will be the body that manages these types of partnerships in future
- OMV has no active land based exploration activities in the Hawke’s Bay region staff are aware of, however is party to permit 57073 for off-shore exploration including an area of the HB coastal marine area in southern HB
- Council’s investment policy and whether that policy is or should be applicable to partnership arrangements
- Upcoming LTP will investigate the inclusion of an ‘ethical investment’ policy in the Financial Strategy
- The Whangawehi Catchment Management Group project and the selection of the Predator Free Mahia project to be the beneficiary of the partnership funding offered due to alignment with national goals for this type of funding, there is a very successful catchment group in existence to provide leadership in ecological restoration, and that a peninsula is geographically very good for pest eradication
- Proposed conditions of this 4 year partnership arrangement include a sound plan for how the money will be used wisely, that there’s a report-back on how the money is being used and that staff are able to attend and participate in activities from time to time
- Suggestion of possible conflict of interest with Council’s proposed plan change in relation to an Oil & Gas exploration moratorium for the region
- implications or conflicts with Council’s regulatory functions related to oil and gas exploration or any other activities are prevented through Council’s adherence to Local Government Act requirements that the regulatory and other functions of council are kept separated
- The Role of the Biodiversity Strategy Implementation Forum and the ‘trust’ which

is to be established will decide the Biodiversity priorities and processes including aligning resources across the region

#### ESC32/17 **Resolutions**

1. The Environment and Services Committee receives and notes the “Business Investment in Biodiversity in Hawke's Bay” staff report.
2. The Environment and Services Committee recommends that Council:
  - 2.1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted Significance and Engagement Policy, and that Council can exercise its discretion 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.
  - 2.2. Agrees that the Hawke's Bay Regional Council will partner an investment with OMV New Zealand Ltd with an initial investment of \$50,000 pa for up to four years, provided from existing biosecurity budgets.
  - 2.3. Seeks additional leveraged funding from Predator Free NZ 2050.
  - 2.4. Agrees that these resources are to support a community partnership directed towards achieving the vision of a predator free Mahia.

**Dick/Wilson**

**For: Dick, Hewitt, Gregory, Wilson, Beaven, Barker**

**Against: Bailey, Kirton, Belford**

**CARRIED**

#### 7. **Staff Policy and Protocol for LGOIMA Requests Made for Councillor Communications**

Mr Palmer introduced the item, explaining the purpose of bringing it to this meeting is in order to meet the requirements advised by the Ombudsman in relation to two complaints that office is investigating currently; being that Council will revisit those two decisions for requests received from Victoria White of HB Today and Simon Hendery of NZ Herald, and must advise the requestors by 21 July. Queries traversed:

- Whether there is a way for councillors to recover time spent responding to requests for information
- Suggests more extensive definition of what constitutes official information, legal responsibilities under the Act, and the LGOIMA decision making considerations that are assessed
- The need for the Act to be updated with the advances in methods of communication and the use of technology.

#### ESC33/17 **Resolutions**

That the Environment and Services Committee:

1. Receives and notes the “Staff Policy and Protocol for LGOIMA Requests Made for Councillor Communications” staff report.
2. Refers the matter to the 26 July Regional Council meeting for reconsideration and decision.

**Dick/Barker**

**CARRIED**

*The meeting adjourned at 10.44 and reconvened at 11am*

#### 24. **Ruataniwha Water Storage Scheme – HBRC Work Programmes**

Mr James Palmer introduced the item, in relation to the staff work programmes relating to the RWSS, given the Supreme Court decision last week. Queries and

discussions traversed:

- probable timeframes for legislative change signalled by the Prime Minister in relation to the land swap
- Options for seeking Declaration(s) in relation to Plan Change 6 excluding RWSS consents provisions included in the Declaration sought jointly with EDS and Fish & Game
- River First project work was initiated by HBRIC Ltd will be continued by staff as relates directly to PC6 rather than the RWSS conditions precedent
- Decision making timelines around Strategic Plan and Long Term Plan development
- Intent of conditions precedent for the RWSS, option of using the Public Works Act to obtain the DoC land for the RWSS reservoir
- Future water storage projects will be considered by the Capital Structure Review Panel
- HBRIC Ltd cessation of any further expenditure on RWSS and the Rivers First initiative

## ESC34/17 Resolutions

1. That the Environment and Services Committee receives and notes the "Ruataniwha Water Storage Scheme – HBRC Work Programmes" staff report.
2. The Environment and Services Committee recommends that Council:
  - 2.1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted Significance and Engagement Policy, and that Council can exercise its discretion 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.
  - 2.2. Agrees that staff should suspend work on the joint declaration to the Environment Court with Environmental Defence Society, Fish and Game New Zealand and HBRIC Ltd.
  - 2.3. In noting that staff will be providing advice to the Regional Planning Committee on 2 August 2017 on matters relating to HBRC's ongoing and stand-alone work programmes for Tukituki Plan Change 6 implementation, agrees that staff should suspend work with HBRIC Ltd on the "River First" Ruataniwha Water Storage Scheme environmental condition precedent.
  - 2.4. Requests that HBRIC Ltd advises Council, as soon as practicable, on the merits or otherwise of further investment in the Ruataniwha Water Storage Scheme by HBRIC Ltd, and any steps, if any exist, it considers remain available to progress the Ruataniwha Water Storage Scheme in light of the recent Supreme Court Decision.
  - 2.5. Requests that HBRIC Ltd reports to Council, as soon as practicable, on the revisions it considers are required, and implications thereof, to amend the HBRIC Ltd Statement of Intent for the year ending 30 June 2018, should Council, as shareholder, resolve to direct HBRIC Ltd to shelve the Ruataniwha Water Storage Scheme indefinitely.
  - 2.6. Confirms the view that HBRC would not support obtaining the DoC land through compulsory acquisition under the Public Works Act.

**Kirton/Beaven  
CARRIED**

**Kirton/Beaven  
For: Bailey, Beaven, Barker, Kirton, Belford  
Against: Dick, Hewitt, Wilson  
CARRIED**

## 10. **Climate Change Adaptation**

Mr Nathan Heath introduced Dr Sean Weaver (Environmental Financing Consultant, Ekos) who provided a presentation of preliminary work bringing together the Climate Change threads across Council into a cohesive Climate Change (adaptation and mitigation) Framework for the 2018-28 Long Term Plan. Discussions traversed:

- Structure of developing the framework has begun with determining regional response measures required, developing performance measurement criteria and carrying out a stock-take of existing activities and gap analysis
- The framework will provide an Agenda for action and a Strategy for implementation including associated costs
- Issue is to Balance emissions with mitigations and/or off-sets
- Concentric Climate Change approach with centre circle representing the Council first addressing its own carbon footprint for Dalton Street, then extending to the wider HBRC 'business' and areas of direct influence before extending its leadership into the community, to the rest of the region
- Themes within the framework for adapting to a changing climate (warmer, drier, stormier, sea level rise) include investing in engineering (coastal protection works) and ecological (water supply & quality, drought mitigation) infrastructure as well as policy and planning for adaptive change (Climate Change in LTP, supporting agricultural community managing and adapting to pest & weed changes) to reduce risk exposure
- Themes for reducing GHG emissions include maximising carbon credit exports from HB reforestation through Napier Port, enhanced energy efficiency programmes for Council's activities, enhanced transit-oriented planning, management of HBRC's fleet and Carbon neutrality leadership & support
- Achieving carbon neutrality through purchasing carbon credits, or offsetting/insetting (trading credits within business allowing both mitigation and adaptation simultaneously)
- will use case studies to develop a decision making framework around climate change risks and adaption/mitigation options and implications

### ESC35/17 **Resolution**

That the Environment and Services Committee receives and notes the "Climate Change Adaptation" staff report.

**Bailey/Barker  
CARRIED**

*The meeting adjourned at 12.30pm and reconvened at 1.00pm*

## 12. **Freshwater Improvement Fund Update**

### **& 23 Update on Tukituki and Ahuriri Freshwater Improvement Fund Applications**

Mr Iain Maxwell introduced the item, explaining that Council expects to hear about whether their applications to the Freshwater Improvement Fund for the first round of applications have been granted before the end of July.

Ahuriri Estuary – Anna Madarasz-Smith, Project Leader, provided a presentation of the Te Whanganui a Orotu Ahuriri Estuary integrated catchment plan advising:

- FIF application lodged jointly with Mana Ahuriri, Hohepa, Department of Conservation and Napier City Council
- Most significant wetland along the entire East Coast
- 10 critically focused sediment plans for the catchment to achieve 60% reduction
- Total cost for the project estimated to be \$5,717,900 over 5 years
- NCC (including Lagoon Farm), Airport and Landcorp stormwater discharges currently consented and/or with consent applications in the process
- Problems today are the culmination of years of discharges of stormwater and

sediment

Lake Tūtira – Steve Cave provided an overview of the application submitted jointly with Te Maungaharuru Tangitu Trust to address the problems of too much sediment, phosphorous and nitrogen in the Lakes – both Tūtira and Waikopiro – including:

- Goal for lakes to be swimmable by 2020
- Integrated catchment management plan to reduce issues on land so that 'engineering fixes' don't need to be relied upon in future
- Native plantings and riparian planting for biodiversity
- Bubblers to keep the lakes mixed
- Southern outlet to Lake Orakai viewed as a significant outcome for the community with significant work still to be done on options and costs
- Hydrilla response is managed by the Ministry for Primary Industry and Biosecurity NZ, as it is a significant aquatic pest and needs to be eradicated to prevent it spreading to the likes of Waikaremoana
- Goal is to improve the mauri of the Lakes, not necessarily removing the nutrients from the lakes.

Tukituki and Lake Whatuma – Nicola McCaffey outlined the plan to boost action on the ground in the catchment, including:

- Priority catchment projects, and first of catchments in HB to "give effect" to the NPSFM
- Opportunity to double the funds available for catchment improvement projects, leveraging HBRC money with \$2.86 from MfE and landowners
- Lake Whatuma issues associated with getting agreement of private landowner, although now 50% of the lake perimeter owned by 1 entity

Whakiki – Dr Andy Hicks outlined the issues the project is seeking to fix, as a coastal lagoon formed behind a beach dune barrier where more sediment builds up the beach than is being flushed down the river.

- Used to flush directly to the sea, 20 years ago, and the lake's ecosystem was healthy
- No vegetation when the last survey was undertaken
- Lake level one of the key issues for landowners
- Listed in the RRMP as a regionally significant wetland
- Potential for conversion of flood-prone land to Manuka plantations of alternatives compatible with seasonal inundation
- Recirculating wetlands system

*Councillor Fenton Wilson was excused at 2.08pm*

There was further discussion around:

- the FIF project is lake focused, with a catchment workstream also being developed
- how a 'capital investment' by Council in projects such as manuka plantings or carbon might work

#### ESC36/17 **Resolution**

That the Environment and Services Committee receives and notes the "Freshwater Improvement Fund update" staff report.

**Beaven/Bailey  
CARRIED**

*Councillor Kirton was excused at 2.10pm*

#### **8. Havelock North Government Inquiry Stage 2**

Mr Iain Maxwell introduced the item, updating the Committee on recent activities and the development of a Joint Submission by the collaborative drinking water group and advising the next steps of the Government Inquiry process.

Collective CEs of the region have agreed to establish a Joint Committee under the LGA to oversee all of the 'drinking water' work in the region.

**ESC37/17 Resolution**

That the Environment and Services Committee receives and notes the "Havelock North Government Inquiry Stage 2" staff report.

**Dick/Bailey  
CARRIED**

**9. ~~Environment Court Declaration Withdrawn~~**

Item - 10. Climate Change Adaptation - was considered immediately following conclusion of the Decision Items.

**11. Catchment Management White Paper**

Mr Iain Maxwell introduced the item, providing a presentation outlining the 'integrated catchment management' approach to carrying out the Council's work.

- A process that recognises the catchment as the appropriate organising unit for 'how' the Council works
- Outcomes require input or action across many parts of Council and/or agencies outside Council - transdisciplinary
- Benefits include greater output and efficiencies, stronger connections with Maori and their world view, deeper stakeholder/partner engagement and understanding of Council's work
- Happens already in HBRC, with multidisciplinary teams working on projects but not hard wired into the Council's structure, functions or reporting
- Retain functional accountability, but significant shifts in the way we think, work and report – being more focused on the outcomes rather than just the process
- Waikato and Bay of Plenty are working in this way, so opportunities to learn from them
- Option of carrying out a trial to begin shifting to ICM

**ESC38/17 Resolution**

That the Environment and Services Committee receives and notes the "Catchment Management White Paper" staff report; and encourages staff to further develop the concept.

**Dick/Bailey  
CARRIED**

Item - 12. Freshwater Improvement Fund Update - was considered immediately upon the meeting reconvening at 1pm.

**13. Stormwater Update**

Mr Malcolm Miller introduced the item, outlining resource consent requirements for stormwater discharges.

Mr Wayne Wright spoke to the 'relationships' between TLAs and HBRC compliance staff, advising that those relationships have improved by addressing, with staff on both sides, collaboration and provision of information and initiatives to ensure that information is being provided appropriately.

*Mr Mike Mohi was excused at 3.00pm*

Further discussions traversed:

- Napier City Council and CHB have resource consents for stormwater discharges in the application stages of the process



- Regional stormwater plan change previously signalled is being included in the TANK plan change and will then roll-out progressively through catchment-based plan changes.

ESC39/17 **Resolution**

That the Environment and Services Committee receives and notes the “Stormwater Update” staff report.

**Beaven/Barker  
CARRIED**

**14. Electric Vehicle Working Group Update**

The item was taken as read, with the exception of a query in relation to the HBRC vehicle fleet to which the Transport Manager responded that Council has recently instituted a policy of considering EVs first when purchasing new vehicles and that the most recent purchase was an EV for the Chief Executive. Other initiatives around increasing electric vehicle ownership will continue to be investigated.

ESC40/17 **Resolution**

That the Environment and Services Committee receives and notes the “Electric Vehicle Working Group Update” staff report.

**Beaven/Barker  
CARRIED**

**15. July 2017 Public Transport Update**

The item was taken as read, with Anne Redgrave advising that patronage figures are improving.

ESC41/17 **Resolution**

That the Environment and Services Committee receives and notes the “**July 2017 Public Transport Update**” report.

**Bailey/Beaven  
CARRIED**

**16. Land Management Operational Outcomes**

The item was taken as read, with Nathan Heath highlighting the key achievements by the team including:

- Focus on priority sub-catchments in the Tukituki catchment for FEMPs resulted in receipt of 30% of the catchments (close to 220 FEMPs done this year)
- Working on protocols for how to deal with FEMPs for small farms
- 24 events (1,150 people) alternative fodder trees, winter cropping, P management, afforestation of steepplands
- 40% staff turnover
- Soil conservation review and investigation into Hawea and Makara catchments
- some Beef & Lamb FEMPs submitted were of poor quality however liaison with providers of FEMPs is working through the issues in efforts to ‘raise’ the quality to an acceptable level

ESC42/17 **Resolution**

That the Environment and Services Committee receives and notes the “Land Management Operational Outcomes” staff report.

**Beaven/Barker  
CARRIED**

**17. Myrtle Rust**

The item was taken as read. Suggested that pamphlets with pictures showing myrtle rust be widely distributed so that members of the public can easily identify the disease when they find it.

ESC43/17 **Resolution**

That the Environment and Services Committee receives and notes the "Myrtle Rust" staff report.

**Beaven/Barker  
CARRIED**

**18. Regulation and Operational Update**

The item was taken as read.

ESC44/17 **Resolution**

That the Environment and Services Committee receives the "Regulation and Operational Update" staff report.

**Barker/Beaven  
CARRIED**

**19. Clive River Dredging**

The item was taken as read, with the exception of a discussion of options to fund the budget shortfalls, which will be discussed through the LTP process.

ESC45/17 **Resolution**

That the Environment and Services Committee receives and notes the "**Clive River Dredging**" staff report.

**Dick/Beaven  
CARRIED**

**20. Verbal Gravel Management Update**

Mr Gary Clode introduced the item, updating the Committee on the progress on the Gravel Management Plan and Code of Practice through the special consultative process including the late involvement of Forest & Bird in the process.

ESC46/17 **Resolution**

That the Environment and Services Committee receives and notes the "Gravel Management Update" report.

**Beaven/Barker  
CARRIED**

**21. Verbal - HBRC Disposal Sites**

Graeme Hansen provided follow-up to submitter ER Taylor's video showing dumping alongside the lower Tukituki River, advising that the Operations Group has a resource consent to dispose of material excavated from Council drains in accordance with conditions relating to where it is allowed to be deposited and management of those deposits.

*Councillor Fenton Wilson re-joined the meeting at 4pm.*

Heightened sensitivity along Lower Tukituki with higher profile due to use of adjacent cycleways. There are issues with public illegally dumping rubbish in areas they are not allowed to be in when gates are left open for Operations to carry out their work.

*Councillor Alan Dick was excused from the meeting at 4.10pm*

Further discussions traversed:

- Stock grazing Council owned riparian strips along the Karamu where it appears sheep have been 'trapped' in areas they cannot get out of due to the steep banks
- Maintenance of stopbanks for flood protection and options/costs part of a review currently under way

ESC47/17 **Resolutions**

That the Environment and Services Committee receives the verbal "HBRC Disposal Sites" report.

**Bailey/Barker  
CARRIED**

**22. Discussion of Items Not on the Agenda**

*Minor items (for discussion only)*

| Item | Topic  | Councillor / Staff |
|------|--|--------------------|
| 1.   | Manawatu Gorge closure - suggesting it is time for a meeting of regional Mayors and CEs to discuss the implications of the long term closure of the gorge                | Cr Rick Barker     |
| 2.   | Riparian Strips – issues raised by residents adjacent to Oak Avenue river accessway including break-ins, stolen stock, drug dealing, and want a lockable gate installed. | Cr Peter Beaven    |
| 3.   | Visit by associate Minister for Environment<br>Cr Kirton was not present to speak to the item.   | Cr Neil Kirton     |

Item - 23. Update on Tukituki and Ahuriri Freshwater Improvement Fund Applications - was considered combined with item 12 Freshwater Improvement Fund Update.

**Closure:**

There being no further business the Chairman declared the meeting closed at 4.14pm on Wednesday 12 July 2017.

Signed as a true and correct record.

**DATE:** .....

**CHAIRMAN:** .....