



Unconfirmed

MINUTES OF A MEETING OF THE REGIONAL COUNCIL

Date: Wednesday 18 December 2019

Time: 9.00am

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

Present: R Graham - Chairman
R Barker
W Foley
N Kirton
H Ormsby
J van Beek
M Williams

In Attendance: J Palmer – Chief Executive
J Ellerm – Group Manager Corporate Services
P Munro – Te Pou Whakarae Māori Partnerships
I Maxwell – Group Manager Integrated Catchment Management
T Skerman – Group Manager Strategic Planning
E Lambert – Group Manager Regulation
J Lawrence – Group Manager Office of the CE & Chair
L Hooper – Principal Advisor Governance
T Dawson – Napier Port CE
A MacLeod – Napier Port Chairman
K Lie – Napier Port CFO

1. Welcome/ Apologies/Notices

The Chairman welcomed everyone to the meeting and Pieri Munro lead the offering of the karakia.

Resolution

RC113/19 That the apologies for absence from Councillors Craig Foss and Charles Lambert be accepted.

**Ormsby/Foley
CARRIED**

2. Conflict of Interest Declarations

There were no declarations of conflicts of interest with today's agenda items.

3. Confirmation of Minutes of the Regional Council Meeting Held on 27 November 2019

Secretarial note: Councillor Martin Williams noted his opposition specifically to the removal of the words "undermine Council policy" and not to the entire Code of Conduct.

RC114/19 Resolution

Minutes of the Regional Council Meeting held on Wednesday, 27 November 2019, a copy having been circulated prior to the meeting, were taken as read and confirmed as a true and correct record.

**Barker/van Beek
CARRIED**

The Chairman gave notice that he will report to councillors about a recent HBRIC board meeting during the public excluded session for items 15 and 16.

4. Follow-up Items from Previous Regional Council Meetings

The item was taken as read, with verbal confirmation that once all the documentation is gathered, Council's proposal for remuneration will be sent to the Remuneration Authority

RC115/19 Resolutions

That the Council receives and notes the "Follow-up Items from Previous Meetings" staff report.

**van Beek/Ormsby
CARRIED**

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

Recommendations

That Council accepts the following "Minor Items of Business Not on the Agenda" for discussion as Item 14.

Item	Topic	Raised by
1.	Gisborne to Napier Railway and opportunity for reporting to Council on PGF funding proposal	Cr Williams
2.	Name	Cr Barker
3.	Time	Cr Barker

6. HBRIC Ltd and Napier Port Holdings Ltd Director Appointments

This item should have been in Public Excluded, and Council resolved as follows.

RC116/19 Resolutions

1. That Council excludes the public from this section of the meeting, being Agenda Item 6. HBRIC Ltd and Napier Port Holdings Ltd Director Appointments 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:
 - 1.1 S7(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.
 - 1.2 s7(2)(i) 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 enable the local authority holding the information to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).
2. That Blair O’Keeffe, HBRIC Ltd Chief Executive, remains in attendance as subject matter expert and advisor.

**Ormsby/van Beek
CARRIED**

The meeting moved into Public Excluded session at 9.14am and out of Public Excluded session at 9.31am

Councillor Barker declared an interest in Item 6. and excused himself from the meeting at 9.14am.

7. Proxy for the HBRIC Ltd Annual General Meeting

Rex Graham introduced the item, advising that he is unable to attend and so is seeking an alternate to attend the HBRIC annual general meeting.

RC117/19 Resolutions

That Council:

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 have an interest in the decision.
2. Notes the date of the Hawke’s Bay Regional Investment Company Limited Annual General Meeting is 20 December 2019.
3. Agrees that the Deputy Chairman of Hawke’s Bay Regional Council, Rick Barker, be appointed as Council’s proxy at the Annual General Meeting of the Hawke’s Bay Regional Investment Company Limited to be held at 9.00am on Friday, 20 December 2019, and to vote as proxy holder on behalf of the Council, and that Councillor Neil Kirton act as alternate.

**Barker/van Beek
CARRIED**

8. 2019-22 Triennial Agreement

James Palmer introduced the item, outlining the process undertaken with the region’s Mayors and Chair to create the draft presented for feedback. Discussion and queries traversed:

- The sections ‘7. significant new activities proposed by regional council’ and ‘8. consultation in relation to the Regional Policy Statement’ are required by legislation
- Common practice in the region for consultation between councils while developing long term and annual plans to be documented in the agreement

- Dispute resolution process never used in HB however is included in the Agreement.

RC118/19 Resolutions

That Hawke's Bay Regional Council:

1. Receives and notes the "2019-22 Triennial Agreement" staff report.
2. Agrees that the decisions to be made relate to a legislative requirement and that Council can exercise its discretion and make these decisions without consulting directly with the community.
3. Provides agreed feedback for consideration of incorporation into the 2019-22 Triennial Agreement for consideration at the next available at the 27 January 2020 HB Leaders Forum meeting in preparation for adoption by Central Hawke's Bay District, Hastings District, Hawke's Bay Regional, Napier City, Wairoa District, Rangitikei District and Taupo District councils by 29 February 2020.

**Barker/Kirton
CARRIED**

9. Future Farming Trust - Trustee

James Palmer introduced the item, which is the result of Council's previous appointee having resigned from the appointment.

RC119/19 Resolutions

That Hawke's Bay Regional Council:

1. Receives and considers the "*Future Farming Charitable Trust Council Appointment*" staff report.
2. 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.
3. Notes the resignation of Mr Tom Belford as the current Council-appointed trustee.
4. Appoints Councillor Will Foley as the new Council-appointed trustee for Future Farming Charitable Trust under clause 7.3.1 of the Trust Deed.
5. Requests that staff communicate the name of the Council-appointed trustee to the other trustees.

**Graham/van Beek
CARRIED**

10. Affixing of Common Seal

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.

1.2	Staff Warrants		
	1.2.1 J. Byrne (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))	4367	25 November 2019

	1.2.2 S. Murphy (Delegations under Resource Management Act 1991; Civil Defence Act 1983 (s.60-64); Civil Defence Emergency Management Act 2002 (s.86-91) and Local Government Act 2002 (s.174))	4366	21 November 2019
	1.2.2 H. Meates B. Fahnle (Delegations under Biosecurity Act 1993; Civil Defence Act 1983 (s.60-64); Civil Defence Emergency Management Act 2002 (s.86-91) and Local Government Act 2002 (s.174))	4367 4369	21 November 2019 25 November 2019
1.3	Deed of Novation, Variation and Renewal between Hawke's Bay Regional Council, Kiwi Bee Medical Limited and Comvita New Zealand Limited	4370	5 December 2019
1.4	Deed of Lease between Hawke's Bay Regional Council and Napier Freshwater Anglers Club Inc. (Land that the Napier Freshwater Anglers Club Inc.'s hut is on at Lake Tutira)	4371	5 December 2019

RC120/19 Resolutions

That Council:

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted Significance and Engagement Policy 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.
2. Confirms the action to affix the Common Seal.

**Barker/Williams
CARRIED**

11. Māori Committee Terms of Reference

Pieri Munro introduced the item, outlining the process for appointments usually undertaken. Discussions traversed:

- Terms of Reference (ToR) and membership to be confirmed by the Māori Committee at its first meeting of the Triennium, scheduled in March 2020
- ToR states that three councillors will be appointed however four were appointed on 6 November, so the ToR will be updated to reflect that
- Processes used by taiwhenua to appoint their representatives to the Committee, including an explanation of the Te Taiwhenua o Te Whanganui-a-Orotū appointment process undertaken

RC121/19 Resolutions

That Hawke's Bay Regional Council:

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.

2. Confirms the Terms of Reference for proposal to the Māori Committee for confirmation at its first meeting of the Triennium on 11 March 2020.

**Barker/Ormsby
CARRIED**

12. Napier Port Shareholder Update

The Chairman introduced the update, including the Napier Port team of Todd Dawson, CE, Alasdair MacLeod, Chairman, and Kristen Lie, Chief Financial Officer. The presentation and discussion traversed:

- If information has not been notified to the market, that information cannot be shared with Council in a public meeting as restricted for publicly listed companies
- Napier Port is an asset with a very symbiotic relationship with the region and the region's economy
- Results reflect a good start since the IPO, which resulted in 9000+ new shareholders
- Overview and introduction to the business of Napier Port
- 6 wharf has been consented and HEB Construction contract signed with construction due to commence in late 2020
- New cargo volume records achieved including 5.5 million tonnes, up 7% on last year and log exports up 16.9%
- For 2019 financial year, 8.6% revenue growth and \$6.8 million net profit after tax
- Future focus on finalising and then implementing the Master Plan
- Culture of Port that "will never put profits before people" in relation to health and safety particularly
- Traffic issues relating to increased road traffic movements, noise and access including work with NZ Transport, Napier City Council, as well as shipping and trucking companies.
- Rail features strongly in terms of efforts to get more cargo off the roads and onto rail
- Biosecurity work with Biosecurity NZ, Customs, MPI and other government agencies in terms of potential incursion of marine and other pests through the Port.

RC122/19 Resolution

That the Regional Council Committee receives the verbal "*Napier Port Shareholder Update*" report.

**Barker/Foley
CARRIED**

13. HBRC Financials for Q1 2019-20

Jess Ellerm introduced the item, and Bronda Smith, recently appointed as Council's Chief Financial Officer, and provided an overview of financial results for the first quarter of the 2019-20 financial year. Queries and discussions traversed:

- Under recovery of Compliance costs
- Expenditure in Transport area will be brought to Council at the six month reporting point for further discussion
- Mercer investment strategy favourably impacted on investment returns
- SIPO to be reviewed annually, although not likely that significant amendments will be recommended

RC123/19 Resolution

That Hawke's Bay Regional Council receives and notes the "*HBRC Financials for Q1 2019-20*" staff report.

**Kirton/Barker
CARRIED**

The meeting adjourned at 11.05am and reconvened at 1120am

14. Discussion of Minor Items Not on the Agenda

Item	Topic	Raised by
1.	Gisborne to Napier Railway Cr Williams advises that he request an item on the PGF project to re-establish the rail line between Wairoa and Gisborne be on a future Council agenda for consideration	Cr Williams
2.	Name Through campaign noticed people did not know what the regional council does and suggests that Council should change its name to Environment Hawke's Bay	Cr Barker
3.	Time Suggests that Council meetings start at 10.30am and a councillors only briefing session be held prior, from 9-10am	Cr Barker

15. Long Term HBRC Staff Accommodation Options

RC124/19 Resolutions

1. That Council excludes the public from this section of the meeting, being Agenda Item 15 Long Term HBRC Staff Accommodation Options 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:

GENERAL SUBJECT OF THE ITEM TO BE CONSIDERED

Long Term HBRC Staff Accommodation Options

REASON FOR PASSING THIS RESOLUTION

s7(2)(i) 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 enable the local authority holding the information to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

GROUNDINGS UNDER SECTION 48(1) FOR THE PASSING OF THE RESOLUTION

The Council is specified, in the First Schedule to this Act, as a body to which the Act applies.

2. That Craig Sampson (Property Group) and Carola Rodney-Howard (Halcyon Project Management) remain in attendance for this item as subject matter experts and advisors.

**Barker/van Beek
CARRIED**

16. HB CDEM Office Building Lease Renewal

RC125/19 Resolutions

- That Council excludes the public from this section of the meeting, being Agenda Item 16 HB CDEM Office building lease renewal 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:

GENERAL SUBJECT OF THE ITEM TO BE CONSIDERED

HB CDEM Office building lease renewal

REASON FOR PASSING THIS RESOLUTION

s7(2)(i) 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 enable the local authority holding the information to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

FOUNDATIONS UNDER SECTION 48(1) FOR THE PASSING OF THE RESOLUTION

The Council is specified, in the First Schedule to this Act, as a body to which the Act applies.

That Richard Hooper and Raoul Oosterkemp from Hastings District Council remain in attendance for this item as subject matter experts and advisors.

**Barker/van Beek
CARRIED**

The meeting went into public excluded session at 11.25am and out of public excluded session at 12.48pm

Closure:

There being no further business the Chairman declared the meeting closed at 12.49pm on Wednesday, 18 December 2019.

Signed as a true and correct record.

DATE:

CHAIRMAN: