



MINUTES OF A MEETING OF THE REGIONAL COUNCIL

Date: Wednesday 25 July 2018

Time: 10.15am

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

Present: R Graham - Chairman
P Bailey
R Barker
P Beaven
T Belford
A J Dick
D Hewitt
N Kirton
F Wilson (*until 12.20pm*)

In Attendance: J Palmer – Chief Executive
T Skerman – Group Manager Strategic Planning
E Lambert – Group Manager Regulation
J Ellerm – Group Manager Corporate Services
I Maxwell – Group Manager Integrated Catchment Management
L Hooper – Principal Governance Advisor
TK Hawaikirangi – Project Manager Environmental Hotspots
A Roets – Governance Administration Assistant (*for item 7*)

1. Welcome/Prayer/Apologies/Notices

The Chairman welcomed everyone to the meeting and Mr Te Kaha Hawaikirangi offered a karakia to begin.

Resolution

RC90/18 That the apology from Mr Mike Mohi for absence and Cr Fenton Wilson for early departure be accepted.

**Graham/Wilson
CARRIED**

Councillor Neil Kirton sought and was granted leave for the period 30 July – 25 August 2018.

2. Conflict of Interest Declarations

There were no conflict of interest declarations.

3. Confirmation of Minutes of the Regional Council Meeting Held on 27 June 2018

RC91/18 Resolution

Minutes of the Regional Council Meeting held on Wednesday, 27 June 2018, a copy having been circulated prior to the meeting, were taken as read and confirmed as a true and correct record.

**Beaven/Wilson
CARRIED**

4. Follow-up Items from Previous Regional Council Meetings

Mr James Palmer advised that all follow-ups have been completed. Discussions covered:

- Mangapoike landslide and the lake resulting from the dam created
- Extend invitation to the Environment and Services Committee meeting to the members of the statutory Ahuriri Governance committee as well as NCC
- Chairman still to finalise letter to Fisheries Minister seeking rahui on commercial eel fishing in Hawke's Bay
- forestry slash management item to E&S will include discussion of potential consent conditions and TLA responsibilities

RC92/18 Resolution

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

**Kirton/Bailey
CARRIED**

5. Call for 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 12.

Item	Topic	Raised by
1.	Walnut tree issue	Cr Dick
2.	LGNZ conference	Crs Bailey & Hewitt
3.	NCC response to HBRC LTP submission	Cr Belford
4	Australian forestry extraction regulation	Cr Wilson

6. Presentation of "Protecting Existing Shallow Drinking Water Source for Residents of Ongaonga and Tikokino" Petition

The Chairman introduced Bill Stevenson and Catherine Hobbs-Turner, who presented the petition, explaining the history of the issues with groundwater levels in Tikokino and Ongaonga going back to 2003. Discussions covered:

- Seeking direction and long term solutions
- Recognise Tukituki Plan needs to be revisited post halt of Ruataniwha storage scheme which will take some time (2-3 years), so Council investigating short term solutions in the interim
- Assistance will potentially be provided through the Sustainable Homes programme in the form of loan or grant funding
- Water race for stock water existed in past, however no longer exists after being closed in 2001
- Tranche 2 water take resource consent applications must be considered by Council, with those on hold awaiting further information in relation to the augmentation of river flows required and further information on the potential wider effects of those takes
- Renewal and review of resource consents, including monitoring requirements, and prioritisation of water used for potable drinking water and stock water supply
- All issues of allocation were traversed by and contested through the Board of Inquiry process – now focus is to find short-term solutions in the interim while Council develops policy and provisions (supported by an electromagnetic survey of Ruataniwha aquifer) for a plan change process and to support potential infrastructure investment
- Iain Maxwell outlined the current scientific understanding of Ruataniwha groundwater flows, allocation and recharge.

RC93/18 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 and persons likely to be affected by or to have an interest in the decision.
2. Receives the "Protecting Existing Shallow Drinking Water Source for Residents of Ongaonga and Tikokino" petition.

**Hewitt/Wilson
CARRIED**

13. Confirmation of Public Excluded Minutes of the Regional Council Meeting Held on 27 June 2018

RC94/18 Resolution

That the Council excludes the public from this section of the meeting being Confirmation of Public Excluded Minutes Agenda Item 13 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	REASON FOR PASSING THIS RESOLUTION	GROUND UNDER SECTION 48(1) FOR THE PASSING OF THE RESOLUTION
Public Excluded Recommendations from the Corporate and Strategic Committee	7(2)(b)(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	The Council is specified, in the First Schedule to this Act, as a body to which the Act applies.

	to ensure a trade secret is not disclosed 7(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) 7(2)(j) 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 prevent the disclosure or use of official information for improper gain or improper advantage	
Sale of RWSS Assets	7(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)	The Council is specified, in the First Schedule to this Act, as a body to which the Act applies.

**Barker/Beaven
CARRIED**

14. Potential Port Transaction Approach

RC95/18

Resolutions

That Council:

1. Excludes the public from this section of the meeting, being Agenda Item 14 Potential Port Transaction Approach 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	REASON FOR PASSING THIS RESOLUTION	GROUND UNDER SECTION 48(1) FOR THE PASSING OF THE RESOLUTION
Potential Port Transaction Approach	<p>7(2)(b)(ii) That the public conduct of this agenda item would be likely to result in the disclosure of information where the withholding of that information is necessary to protect information which otherwise would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.</p> <p>7(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).</p> <p>7(2)(j) 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 prevent the disclosure or use of official information for improper gain or improper advantage.</p>	The Council is specified, in the First Schedule to this Act, as a body to which the Act applies.
<ol style="list-style-type: none"> 2. That Mr Blair O’Keeffe (HBRIC Ltd Chief Executive Officer) and Mr Todd Dawson (Napier Port Chief Executive) remain in attendance for this item as subject matter experts. 		

The meeting went into public excluded session at 11.10am and out of public excluded session at 1.10pm

The meeting adjourned at 1.10pm and reconvened at 1.40pm

7. Representation Review for the 2019 Local Government Elections

Leeanne Hooper introduced the item, with discussions covering:

- Option 2 for 11 elected representatives is presented because it better meets the legislated +/- 10% rule for fair and effective representation under section 19V(2)
- the constituency boundary changes for Ngaruroro and Hastings in line with Hastings District Council ward boundary changes
- view that status quo serves Council well and no need to change

RC96/18

Resolutions

That the Hawke's Bay Regional Council:

1. Receives and notes the "Representation Review for the 2019 Local Government Elections" staff report.
2. Acknowledges the consultation procedures required for Representation Reviews under the Local Electoral Act (sections 19M and 19N).
3. Agrees to retain five constituencies, as the identified communities of interest in Hawke's Bay, the proposed names and boundaries of each of the five being:
 - 3.1. **Central Hawke's Bay**; the constituency boundary being the same as that for the Central Hawke's Bay District Council area.
 - 3.2. **Hastings**; the constituency boundary being that area which encompasses the wards of Flaxmere, Hastings-Havelock North and most of Heretaunga within the Hastings District Council area.
 - 3.3. **Napier**; the constituency boundary being the same as that for the Napier City Council area.
 - 3.4. **Ngaruroro**; the constituency boundary being that area which encompasses the wards of Mohaka, Kahuranaki and parts of Heretaunga within the Hastings District Council area as well as meshblocks within the Regional boundary belonging to Rangitikei and Taupo District councils.
 - 3.5. **Wairoa**; the constituency boundary being the same as that for the Wairoa District Council area.
4. Agrees to include the following meshblocks from the Ngaruroro Constituency into the Hastings Constituency in order to align with Hastings District Council ward boundaries in accordance with LEA, and resulting in an increase in population in the Hastings Constituency (+350) and a decrease in population in the Ngaruroro Constituency (-350):
 - 4.1. 1465506 and 1465601 (100)
 - 4.2. 1466710 (250).
5. Agrees to retain the number of elected members at nine (9), those being:
 - 5.1. One (1) member elected by the Central Hawke's Bay Constituency
 - 5.2. Three (3) members elected by the Hastings Constituency
 - 5.3. Three (3) members elected by the Napier Constituency

- 5.4. One (1) member elected by the Ngaruroro Constituency
- 5.5. One (1) member elected by the Wairoa Constituency.
6. Notes that this proposal does not fully comply with the *Local Electoral Act 2001* section 19V(2), but that the proposal is considered the most appropriate solution for Hawke's Bay.
7. Applies to the Local Government Commission for approval to retain the Central Hawke's Bay, Napier, Ngaruroro and Wairoa constituencies as "communities of interest" with effective representation warranting non-compliance with the LEA, section 19V(2) +/-10% fair representation requirement, as shown in the table following, and with the reasons for the application being:
 - 7.1 compliance with s.19V(2) would limit effective representation of communities of interest by, in the cases of Central Hawke's Bay and Wairoa, require grouping together communities of interest with few commonalities of interest, and in Napier and Ngaruroro, would require dividing a community of interest.

Constituency Population Statistics

Constituency	Population	Reps	Population per Rep	Difference from average	Percentage difference
Central Hawke's Bay	13,850	1	13,850	-4,380	-24.03%
Hastings	59,150	3	19,700	+1,470	+8.06%
Napier	62,000	3	20,700	+2,470	+13.37%
Ngaruroro	20,850	1	20,850	+2,620	+14.4%
Wairoa	8,220	1	8,220	-10,010	-54.91%
Total	164,070	9	18,230		

* The populations used are the estimated resident population as at 30 June 2017 provided by Statistics NZ. The % difference column shows the calculation applied when determining whether an area complies with the +/-10% rule in section 19V(2) of the LEA. Where this difference falls outside the +/-10% range it is shown in **bold**.

8. Agrees to publicly notify the initial proposal on 4 August 2018 to comply with the *Local Electoral Act 2001*.

**Dick/Hewitt
CARRIED**

8. Report and Recommendations from the Environment and Services Committee

Councillor Belford introduced the item, as Committee Chair, providing an overview of discussions on the day and highlighting the committee's consideration of the Catchment Grants Policy for Council's \$30 Million Erosion Control Scheme, Council's management of its river berm land including a Ngaruroro Development Concept plan, and support for the LGNZ Zero Carbon Bill submission.

RC97/18 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 be affected by or to have an interest in the decision.

Catchment Grants Policy

2. Adopts the Erosion Control Scheme Policy as proposed, for administration of the \$30 million grant scheme adopted in the 2018 Long Term Plan.

Management of Council River Berm Land

3. Commits to considering provision in the next available Annual Plan and/or Long Term Plan round to fund a permanent ranger staff position to patrol HBRC open space areas and pathways.
4. Agrees that cattle grazing of river berm continues as the primary berm maintenance tool to manage vegetation growth until such time as affordable and viable alternatives are confirmed, and on the proviso that every precaution is taken to prevent cattle entering waterways.
5. Endorses developing the Ngaruroro Concept Development plan and pilot study area to identify, test and confirm affordable alternative berm maintenance technologies.

Zero Carbon Bill Consultation Document

6. Receives and notes the submission on the "Zero Carbon Bill Consultation Document" as lodged 19 July 2018.

Reports

7. Notes that the following reports were provided to the Environment and Services Committee.
 - 7.1. Pandora Pond Update (*received*)
 - 7.2. Tukituki Tranche 2 Groundwater (*received*)
 - 7.3. Tukituki Plan Implementation Update
 - 7.4. Management Options to protect Whitebait species
 - 7.5. Future Farming Initiative
 - 7.6. Biosecurity Operational Plans
 - 7.7. Enviroschools Update
 - 7.8. July 2018 Hot Spot/Freshwater Improvement Projects Update
 - 7.9. July 2018 Operational Activities update.

**Belford/Kirton
CARRIED**

9. Kahutia Memorandum of Understanding with Ngati Kahungunu

James Palmer introduced the item, setting out the rationale for presenting the deliberately non-binding MOU with Ngati Kahungunu for council's consideration. Discussions traversed:

- Skillsets and expertise required for staff working in the forestry and afforestation initiatives
- Suggestion to add "agreement is based on mutual trust and respect" statement to the MOU
- Intention that MOU sets up the framework
- Suggestion that preamble of MOU includes statement outlining Council's LGA obligations
- Returns expected to be achieved

Councillor Belford declared his interest in the item in relation to negotiations he is currently undertaking with NKII for forestry development on land he owns. Having declared his interest, Councillor Belford did not withdraw from the discussions, did participate in the debate and did vote on the item.

- Forestry plantings on highly erodible land will be prioritized

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 and persons likely to be affected by or to have an interest in the decision.
2. Receives and notes the "Kahutia Memorandum of Understanding with Ngati Kahungunu" staff report.
3. Authorises the Council Chairman to sign the attached memorandum of understanding, with minor amendments agreed, on behalf of the Council.
4. Requests staff report back to the Council's Environment and Services Committee on 5 September with an update on the programme of work that gives effect to the intent of the Kahutia Accord.

**Barker/Graham
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.

		Seal No.	Date
1.1	Leasehold Land Sales		
1.1.1	Lot 2 DP 12414 CT D3/341 - Agreement for Sale and Purchase - Transfer	4237 4244	19 June 2018 4 July 2018
1.1.2	Lots1 and 2 DP 16385 & 11873 CT J1/822 - Transfer	4238	26 June 2018
1.1.3	Lot 1 DP 14447 CT G2/650 - Transfer	4239	26 June 2018
1.1.4	Lot 12 DP 10600 CT m2/827 - Agreement for Sale and Purchase - Transfer	4240 4241	28 June 2018 28 June 2018
1.1.5	Lot 35 DP 4488 CT 55/136 - Transfer	4242	28 June 2018
1.1.6	Lot 194 DP 11967 CT D1/84 - Agreement for Sale and Purchase	4243	4 July 2018

1.1.7	Lot 96 DP 13055 CT E2/128 - Transfer	4245	5 July 2018
1.1.8	Lots 2 & 3 DP 4318 CT 54/229 - Agreement for Sale and Purchase	4246	6 July 2018
1.1.9	Lot 244 DP 6421 CT E2/1437 - Agreement for Sale and Purchase	4247	13 July 2018

RC99/18 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.

**Dick/Barker
CARRIED**

11. Significant HBRC Staff Projects and Activities Through August 2018

The item was taken as read ,with queries and discussions covering:

- Contract with Gisborne District Council for stopbank upgrades
- Environmental Hotspots video

RC100/18 Resolution

That Council receives and notes the ***Significant HBRC Staff Projects and Activities through August 2018*** report.

**Beaven/Bailey
CARRIED**

12. Discussion of Items Not on the Agenda

Item	Topic	Raised by
1.	Walnut tree issue James Palmer advised that, as part of the riparian planting and enhancement programme, Bostock staff met with HBRC staff onsite to discuss the Karamu planting plan and works to be undertaken, with two walnut trees on the river berm subsequently being pruned. View of Bostock staff that during walkabout the issue of pruning the trees was canvassed and HBRC staff gave permission, however HBRC staff disagree and advise that discussions took place but there was no such permission was granted.	Cr Dick
2.	LGNZ conference Paul, Debbie & Fenton attended the conference in Canterbury, which included visits to high country stations. Highlights were a	Crs Bailey & Hewitt

	visit to an aquifer recharge project, a regional sector meeting, discussions about government providing funding for stopbanks which provide protection for roads and bridges, visits to Clearvale farm & Glenthorn station, visited Ashley Dean research station at Lincoln University which conducts farm systems research to improve the profitability, environmental and welfare performance of dairy livestock farming, as well as seeing the progress with the Christchurch rebuild	
3.	NCC response to HBRC LTP submission Response includes statement advising NCC is working with Cape Sanctuary to develop a biodiversity strategy and confirmation sought of the \$50k contribution NCC agreed to make to the HB Biodiversity Trust and query what an independent strategy might be.	Cr Belford
4	Australian forestry regulation Not discussed as Cr Wilson not in attendance.	Cr Wilson

Closure:

There being no further business the Chairman declared the meeting closed at 2.40pm on Wednesday 25 July 2018.

Signed as a true and correct record.

DATE:

CHAIRMAN: