

Minutes of the Regional Council Meeting held in Mauao Rooms, Bay of Plenty Regional Council Building, 87 First Avenue, Tauranga on Thursday, 29 March 2018 commencing at 9.30 a.m.

Present:

Chairman: D Leeder

Deputy Chairman: J Nees

Councillors: J Cronin, N Bruning, T Marr, L Thurston, W Clark, M McDonald, S Crosby, D Love, K Winters, A von Dadelszen

In Attendance: M Macleod (Chief Executive), M Taylor (General Manager Corporate Performance), J Graham (General Manager Corporate Solutions), F McTavish (General Manager Strategy & Science), C Ingle (General Manager Integrated Catchments), S Omundsen (General Manager Catchment Management), I Morton (Strategy & Science Manager), J Watts (Senior Planner Water Policy), D Hyland (Finance and Corporate Planning Manager), A Dixon (Management Accountant Team Leader), M Le Comte (Programme Manager Corporate Performance), M Townsend (Engineering Manager), B Crabbe (Rivers & Drainage Operations Manager), P Chapman (Project Manager), K Gosling (Community Engagement Team Leader), S Hey (Manager, Chief Executive's Office), Y Tatton (Governance Manager), S Rossiter (Communications Manager), D Llewellyn (In-House Legal Counsel), S Kameta (Committee Advisor)

Apologies: P Thompson, A Tahana

1 **Karakia**

Provided by Cr T Marr.

2 **Apologies**

Resolved

That the Regional Council:

- 1 **Accepts the apologies of Councillors: Paula Thompson and Arapeta Tahana tendered at the meeting.**

**Thurston/Clark
CARRIED**

3 **Acceptance of Late Items and General Business**

Nil.

4 **Confidential Business to be transferred into open**

Nil.

5 **Chairman's Announcement**

With the leave of Council, the Chairman advised there would be some reordering of agenda items to accommodate the arrival of presenters.

6 **Declaration of conflicts of interest**

No conflicts of interest were declared.

7 **Previous Minutes**

7.1 **Regional Council Draft Minutes - 15 February 2018**

Corrections

- Minute item 7.9, agenda page 20: For further clarity it was requested that Resolution 2 be amended to include "(GST inclusive)" after Tier 1 - \$775, Tier 2 - \$1,770 and Tier 3 - \$2,700.
- Agenda page 22: re Attendance - amend the time Councillor Winters' re-joined the meeting from 10.38am to 11.38am following the consideration of Public Excluded Agenda item 13.6, Chief Executive Recruitment.
- Agenda page 30: regarding the attendance of Councillor Winters and Councillor Bruning, it was requested that the reason for their departure, to attend a Lakes Rotorua Incentives Committee briefing, be recorded.

Resolved

That the Regional Council:

- 1 **Confirms the Regional Council Draft Minutes of 15 February 2018, as a true and correct record, with the foregoing corrections.**

**Leeder/Nees
CARRIED**

7.2 **Regional Transport Committee Minutes - 2 February 2018**

Resolved

That the Regional Council:

- 1 **Receives the Regional Transport Committee Draft Minutes of 2 February 2018.**

**Crosby/Nees
CARRIED**

7.3 Rotorua Te Arawa Lakes Strategy Group Draft Minutes – 9 March 2018

Resolved

That the Regional Council:

- 1 Receives the Rotorua Te Arawa Lakes Strategy Group Draft Minutes of 9 March 2018.**

**Winters/Thurston
CARRIED**

7.4 Te Maru o Kaituna River Authority minutes - 06 March 2018

Resolved

That the Regional Council:

- 1 Receives the Te Maru o Kaituna River Authority Draft Minutes of 6 March 2018.**

**McDonald/Nees
CARRIED**

8 Reports

8.1 Chairman's Report

The report updated Council on the Chairman's activities and highlighted matters of potential interest. Further to the report, the following matters were raised:

- Regarding the Long Term Plan consultation event held in Rotorua on 1 March, an omission was noted that Councillor Tahana had also attended.
- It was noted that Councillor Winters had attended the Central North Island Farm Awards on 15 March on behalf of the Chairman.
- In relation to the Bay of Connections update provided to the Triennial Meeting on 14 March, members were informed a report on tourism priorities was considered by the Eastern Bay of Plenty Joint Committee at its 28 March 2018 meeting. Eastern Bay of Plenty local authorities were requested to nominate two priority projects for application to the Ministry of Business, Innovation & Employment Provincial Growth Fund. It was noted that the report had been forwarded to BOC, who also had prospective projects with potential to be funded.

Resolved

That the Regional Council:

1 Receives the report, Chairman's Report.**Leeder/Cronin
CARRIED****8.2 Draft Regional Targets for Swimmable Rivers and Lakes**

Refer PowerPoint Presentation (Objective ID A2838825).

The report updated Council on work progressed towards setting draft regional and national targets for primary contact in rivers and lakes and sought Council approval to set draft regional targets and to make these publicly available by 31 March 2018.

Clarification was provided on the region's swimming categories, draft targets and MFE modelling limitations, with additional points raised as follows:

- Projected improvement for 2030 had not factored in NPS-FM local limit setting (Water Management Areas), but included the Sustainable Land Use Incentives (SLUI) programme and what could be achieved over the next 10 years with current provisions, noting that no further commitment had been given.
- The Minister for the Environment's expectation was for the national target to be met by some councils being over and/or under, which would likely require further debate and discussion.
- If Council approved the draft targets, staff would work with the national taskforce on final draft targets for reporting to Council in December 2018.
- A total of \$1.7M had been budgeted for SLUI in Council's Long Term Plan;

Councillors provided feedback that advised of the importance for point source discharges to be included and for future considerations to include estuaries. The status of differences in interpretation of statistical data analysis between the two national science institutes, NIWA and the Cawthorn Institute, was queried. Staff anticipated further information on this matter would be available in early April.

Resolved

That the Regional Council:

- 1 Receives the report, Draft Regional Targets for Swimmable Rivers and Lakes;**
- 2 Sets a draft regional target of 95.7% for rivers and 85% for lakes to be swimmable by 2030 for the Bay of Plenty as being our region's contribution towards the national target of 80% of rivers and lakes swimmable by 2030, and agrees to make this target publicly available by 31 March 2018.**
- 3 Agrees for staff to continue working with the national working group comprising MFE, LGNZ and other Regional Councils to progress work towards setting Bay of Plenty's final regional targets by 31 December 2018 and seek further direction from Council about next steps.**

**Love/Nees
CARRIED**

Order of Business

With the leave of Council, the Chairman advised there would be a change to the order of items to accommodate the arrival of external presenters. It is noted for the record that the following Public Excluded items were received next on the agenda:

- Agenda item 11.4, Regional Infrastructure Activity Update
- Agenda item 11.5, Quayside Holdings Limited Half Yearly Report 2017/18 and Draft Statement of Intent 2018/19
- Agenda item 11.6, Insurance Market Update
- Agenda item 11.2, Confidential Appendix 2 - Investment Performance Report 2017-18 Months 1-8 (July - February)
- Agenda item 11.3, Confidential Appendix 3 - Investment Fund Valuation Report February 2018
- Agenda item 11.1, Public Excluded Regional Council Draft Minutes - 15 February 2018

8.3 Public Excluded Section

Resolved

Resolution to exclude the public

THAT the public be excluded from the following parts of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General Subject of Matter to be Considered	Reason for passing this resolution in relation to this matter	Grounds under Section 48(1) LGOIMA 1987 for passing this resolution
11.4 Regional Infrastructure Activity Update	To carry out commercial and industrial negotiations	Good reason for withholding exists under Section 48(1)(a).
11.5 Quayside Holdings Limited Half Yearly Report 2017/18 and Draft Statement of Intent 2018/19	To prevent improper gain or advantage	Good reason for withholding exists under Section 48(1)(a).
11.6 Insurance Market Update	To protect a trade secret	Good reason for withholding exists under Section 48(1)(a).
11.2 Confidential Appendix 2 - Investment Performance Report 2017-18 Months 1-8 (July - February)	To carry out commercial and industrial negotiations	Good reason for withholding exists under Section 48(1)(a).
11.3 Confidential Appendix 3 - Investment Fund Valuation Report February 2018	To carry out commercial and industrial negotiations	Good reason for withholding exists under Section 48(1)(a).
11.1 Public Excluded Regional Council Draft Minutes - 15 February 2018	Please refer to the relevant clause in the open meeting minutes.	Good reason for withholding exists under Section 48(1)(a).

**Leeder/Love
CARRIED**

Attendance

Cr Cronin exited at 12:38pm.

8.4 April 2017 - Flood Recovery Project

Refer PowerPoint Presentation (Objective ID zA211421).

The report was presented by Flood Recovery Project Manager Paula Chapman, General Manager Integrated Catchment Chris Ingle and Rivers & Drainage Operations Manager Bruce Crabbe and updated Council on the Flood Recovery Project and sought approval of an approach to Central Government for Special Policy funding support. A presentation was provided that outlined Whakatane District Council's overall recovery framework and Council's infrastructure repair project, including resourcing, project delivery, risk mitigation and cost recoveries.

Councillors thanked staff for the report and arranging a project site visit for councillors, noting they were pleased with how the project was progressing. In response to questions, the following matters were clarified:

- The contract for salvage, removal and on-selling of red-stickered homes was the responsibility of the contractor, with no liability to Council. It was noted that asbestos testing and removal was a significant component within the salvage work.
- Whakatāne District Council was endeavouring to work with house owners of the 15 yellow-stickered homes where work to repair had not progressed and Navigator staff had been employed to assist with this work. Approximately 67% of families are back in their homes.
- Regarding the River Sustainability Project and consideration of the risk of loss of insurance cover, an economic assessment had been completed previously however; more work was being done to factor in this risk.

Resolved

That the Regional Council:

- 1 Receives the report, April 2017 - Flood Recovery Project;**
- 2 Notes that the Flood Recovery Work Programme total estimate of costs through to 2020/21 currently exceeds the existing budget;**
- 3 Approves an approach to Central Government for Special Policy funding support.**

**Thurston/Marr
CARRIED**

8.5 College Rd Stopbank Realignment - Update

The report updated Council on progress of the College Road Stopbank Realignment and was taken as read and received without further discussion.

Resolved

That the Regional Council:

- 1 Receives the report, College Rd Stopbank Realignment – Update.

Thurston/Marr
CARRIED

Adjournment

The meeting adjourned at 1:09 pm and reconvened at 1:35 pm.

Attendance

Cr Thurston left the meeting during the adjournment.

8.6 Council Performance Monitoring Report 2017/18 - July to February

The report provided Council with financial and non-financial performance information for all Council activities for the first eight months of the 2017/18 financial year and sought approval for an operating expenditure budget revision.

Members were informed the budget revision that was sought related to the timing of expenditure. Clarification was provided on key operating revenue and expenditure. It was noted that the delay in procurement of air monitoring equipment would be remedied in the following months and that a lack of farebox data related to accuracy issues of background work with the Transport Agency. In regard to progress of the Scion Innovation Centre, negotiations were still in progress.

Attendance

Chairman Leeder exited at 1:42pm and the Deputy Chair assumed the chair.

Resolved

That the Regional Council:

- 1 Receives the report, Council Performance Monitoring Report 2017/18 - July to February;
- 2 Notes the financial and non-financial performance monitoring information provided, including variations from the budget;
- 3 Approves a 2017/18 operating expenditure budget revision in the Regional Infrastructure Activity of \$919,000 (net) relating to higher than budgeted expenditure for the Tauranga Marine Precinct Project \$4 million, Tauranga Tertiary Campus Project \$1.2 million, and Te Puna West Sewerage \$150,000, and offset by lower than budgeted expenditure in relation to other approved Regional Infrastructure Fund projects \$4.43 million. This expenditure is funded from the infrastructure reserve. The increases and decreases in expenditure in the current financial year will be recognised through adjustments to the Long Term Plan estimates at Council deliberations in May 2018.

Crosby/Love
CARRIED

8.7 **Local Government Funding Agency (LGFA) Draft Statement of Intent 2018/19, and Half Yearly Report 2017/18**

The report provided the Local Government Funding Agency (LGFA) Draft Statement of Intent 2018/19 and Half Yearly Report 2017/18. General Manager Corporate Performance Mat Taylor noted Council's intention to borrow from the LGFA in 2018/19 however, highlighted the uncertainties of future borrowing levels from LGFA funding streams, as a result of Central Government capital project initiatives.

Resolved

That the Regional Council:

- 1 Receives the report, Local Government Funding Agency (LGFA) Draft Statement of Intent 2018/19, and Half Yearly Report 2017/18;**
- 2 Notes the draft Statement of Intent 2018/19 and the continuation of LGFA's performance targets and core mandate set out within it.**

**Winters/Love
CARRIED**

8.8 **Bay of Plenty Local Authority Shared Services (BOPLASS) Draft Statement of Intent 2018/19, and Half Yearly Report 2017/18**

The report provided the Bay of Plenty Local Authority Shared Services (BOPLASS) Draft Statement of Intent 2018/19 and Half Yearly Report 2017/18. General Manager Corporate Performance Mat Taylor and General Manager Corporate Solutions James Graham provided highlights from the report and work in progress, including potential for digital services to progress following evidence from councils highlighting this as a gap.

In response to discussion raised on BOPLASS's potential being hindered by a lengthy review process, the Chief Executive acknowledged the need for an independent reviewer and suggested that staff prepare a letter to BOPLASS for the Governance structure and strategic objectives to be included in the review. Councillors supported this course of action, seeking assurance and emphasis on the governance structure as a priority.

Attendance

Chairman Leeder entered at 1.50pm and assumed the chair.

Resolved

That the Regional Council:

- 1 Receives the report, Bay of Plenty Local Authority Shared Services (BOPLASS) Draft Statement of Intent 2018/19, and Half Yearly Report 2017/18;**
- 2 Notes the Half Year Report 2017/18, and the performance targets;**
- 3 Notes the draft Statement of Intent 2018/19 and the Objectives and performance targets set out within it.**
- 4 Requests that a letter be sent to BOPLASS seeking a review and focus of its Governance structure.**

**Cronin/Crosby
CARRIED**

8.9 **Indicative Council Consultation and Engagement 2018-2019 Calendar**

General Manager Strategy & Science Fiona McTavish and Community Engagement Team Leader Kerry Gosling provided the report on current and planned consultation and engagement processes. Key points highlighted a substantial level of consultation was occurring, constraints on staff capacity, the community wanted more engagement and that stakeholders had valued the various consultation on the Long Term Plan, which had been valuable and powerful. It was clarified that the indicative calendar (Appendix 1) accounted for statutory consultation requirements only and did not reflect business as usual, such as consultation on Rivers and Drainage and flood recovery work.

Attendance

Cr Cronin left the meeting at 1:57pm.

Council's consideration was sought on genuine and meaningful consultation with the wider community. Members provided feedback and suggestions for staff consideration to: combine and simplify consultation and engagement with the community, review and have more focus on Māori engagement, review costly, non-productive processes and areas where Council may be over-engaging; and consider the development of a consultation strategy with involvement from Māori Policy and Community Engagement staff.

Attendance

Cr Cronin re-entered at 2:10pm.

Staff acknowledged councillors' feedback and responded with the following comments:

- A senior Ministry official would present to the next Regional Direction & Delivery Committee meeting on Te Mana Whakahono, which would provide wider context on the complexity of consultation with Iwi;
- Internal processes and capacity to improve Māori engagement across Council was occurring with more effective alignment and utilisation. It was noted that *He Korowai Mātauranga* would assist to align work across Council;
- The Chief Executive advised that the organisation recognised Iwi consultation was significant, with expectations from Central Government and Iwi increasing;
- Council's community engagement policy was approximately 10 years old, with multiple policies and guidelines developed and tailored for various projects. Iwi management plans provided guidance only in specific areas of work.

Resolved

That the Regional Council:

- 1 Receives the report, Indicative Council Consultation and Engagement 2018-2019 Calendar.**

**Cronin/Crosby
CARRIED**

8.10 Decisions of the SmartGrowth Leadership Group on the Proposed Tauranga-Western Bay of Plenty Centre for Transport

The report informed Council of decisions made by the SmartGrowth Leadership Group on a Proposed Tauranga-Western Bay Centre for Transport with subsequent recommendations for Council to consider.

Councillors supported the recommendations, including support for an independent person to undertake the scoping, with subsequent decisions to come back to the councils. Members were advised that costs were yet to be decided and that investigations were getting underway to identify a suitable external specialist to under the work.

Resolved

That the Regional Council:

- 1 Receives the report, Decisions of the SmartGrowth Leadership Group on the Proposed Tauranga-Western Bay of Plenty Centre for Transport.
- 2 Notes the resolutions of the SmartGrowth Leadership Group on 21 March 2018 and their implications for Bay of Plenty Regional Council's transport functions including that additional resourcing may be required.
- 3 Supports the SmartGrowth Leadership Group's recommendation that the Future Development Strategy includes a sub-regional transport vision and strategy (in accordance with SLG resolution 4, 21 March 2018).
- 4 Agrees that an appropriate (independent) resource be recruited to prepare a project plan for the establishment of a Tauranga-Western Bay of Plenty Centre for Transport (in accordance with SLG resolution 7, 21 March 2018).

Leeder/Crosby
CARRIED

9 Public Excluded Section

Resolved

Resolution to exclude the public

THAT the public be excluded from the following parts of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General Subject of Matter to be Considered	Reason for passing this resolution in relation to this matter	Grounds under Section 48(1) LGOIMA 1987 for passing this resolution
Kaituna River Re-diversion and Te Awa o Ngatoroirangi / Maketu Estuary Enhancement Project -	To carry out commercial and industrial negotiations	Good reason for withholding exists under Section 48(1)(a).

Decision on how to proceed with main construction works contract		
Award of Western Bay of Plenty Bus Services Contracts	To carry out commercial and industrial negotiations	Good reason for withholding exists under Section 48(1)(a).
Regional Property Update	To protect the commercial position of an individual	Good reason for withholding exists under Section 48(1)(a).

**Leeder/Love
CARRIED**

10 Confidential business to be transferred into the open

10.1 Agenda Item 11.5 - Quayside Holdings Limited Half Yearly Report 2017/18 and Draft Statement of Intent 2018/19

Resolved

That the Regional Council:

- 1 Receives the report, Quayside Holdings Limited Half Yearly Report 2017/18 and Draft Statement of Intent 2018/19;**
- 2 Receives the presentation from Quayside Holdings Limited and notes the information provided relating to the Draft Statement of Intent;**
- 3 Agrees for the Chief Executive to release the report and above resolutions into the open part of the meeting.**

**Leeder/Cronin
CARRIED**

The meeting closed at 2:47 pm.

Confirmed

Chairman Bay of Plenty Regional Council

Date