

Minutes of the Council meeting to hear submissions to the Bay of Plenty Regional Council's Draft Annual Plan 2011/2012, and associated draft documents held on 16 and 17 May 2011

Day 1 – Monday 16 May 2011 held in Trinity One, 51 Dive Crescent, Tauranga commencing at 9 am

Present:

Chairman: Chairman J Cronin

Deputy Chairman: Councillor P Sherry

Councillors: R Bennett, T Marr, J Mansell, I Noble, N Oppatt, D Owens, P Thompson, and M Whitaker

In Attendance: M Macleod (Group Manager Strategic Development), E Grogan (Group Manager Land Management), S Hey (Strategic Support Manager), K McKenzie (Planner), T Stone (Planner), J Owens (Policy Administration Officer), and L Butt (Governance Team Leader)

Attendance in part - M McConway (Group Manager Technology and Economic Development), B Trott (Group Manager Corporate Services)

Apologies: Councillors T Eru, J Nees and L Thurston; and Councillor D Owens for lateness

1 Late submissions

Refer the agenda and tabled document number 1.

The Chairman announced that since the close of submissions six late submissions had been received of which five submitters wished to be heard. The six late submissions are listed as follows:

- 80 David Packman (wishing to be heard)
- 82 People's Choice Party (wishing to be heard)
- 83 Rotorua District Council (wishing to be heard)
- 85 Lake Rotoma/Rotoehu Ratepayers' and Residents Association (wishing to be heard)
- 86 Western Bay of Plenty District Council (wishing to be heard)
- 90 Manaaki Taha Moana Research Programme.

The Chairman recommended council receive and hear the late submissions.

Staff tabled an updated hearing schedule.

Resolved

That the Regional Council:

1 Agrees to receive and hear late submissions from:

- **Submitter Number 80, David Packman (wishing to be heard)**
- **Submitter Number 82, People's Choice Party (wishing to be heard)**
- **Submitter Number 83, Rotorua District Council (wishing to be heard)**
- **Submitter Number 85, Lake Rotoma/Rotoehu Ratepayers' and Residents Association (wishing to be heard)**
- **Submitter Number 86, Western Bay of Plenty District Council (wishing to be heard)**
- **Submitter Number 90, Manaaki Taha Moana Research Programme.**

**Cronin/Sherry
CARRIED**

2 Submissions

2.1 Submitter Number 52 - Becoming Age Friendly

Refer the original submission and pages 41-42 of the summary of submissions

Dorothy Stewart (Becoming Age Friendly) presented the submission (PowerPoint presentation) that requested the Regional Council engage in serious and informed dialogue on action to achieve a strategic approach to the adoption of an age friendly vision.

2.2 Submitter Number 63 – Bay of Plenty Federated Farmers

Refer the original submission and pages 66-68 of the summary of submissions

John Scrimgeour and Nigel Billings were in attendance to present Bay of Plenty Federated Farmers submission. They thanked the Regional Council for maintaining prudent management of its investments and urged Council to continue with its support to the Animal Health Board (AHB) towards Tb control in the Bay of Plenty. They noted the improvements being made to the roading network in the Bay of Plenty that benefited the entire community and requested Council assist in the role of monitoring roading network contracts. Bay of Plenty Federated Farmers submitted Council do more to maintain pumping stations in its flood protection schemes, and requested Council reduce the level of the water take consent share to 10%, with 90% recovered from general funds.

Attendance

Councillor Owens attended the meeting at 9.22 am.

Mr Billings and Scrimgeour answered questions of clarification noting their preference for a collaborative approach in the development of a targeted rates programme in the Rotorua Lakes area.

2.3 **Submitter Number 42 – Welcome Bay Catchment Care Group**

Refer original submission and page 28 of the summary of submissions

John Collie (PowerPoint presentation) presented the submission on behalf of the Welcome Bay Catchment Care Group. He submitted the Groups support for the care initiatives that are included in the Annual Plan, and expressed concern that the timeframes in respect of the contract for mechanical mangrove removal in the Welcome Bay area would not be met.

Mr Collie answered questions of clarification noting the Group supported doing away with the prohibition on removing mangroves, and supported the extension of the removal area in the Welcome Bay catchment.

2.4 **Submitter Number 50 – Whakamarama Community Inc.**

Refer original submission and pages 40 and 41 of the summary of submission

Anne Mackersey and Bob Cooper were in attendance to present the Whakamarama Community Inc. submission. They requested the Regional Council assist in funding the upgrade of the unformed road access from the end of Whakamarama Road to the Bulldozer Blade in the Kaimai Mamaku Forest Park, to allow access to Park users. She advised that the access is one kilometre in distance, and the first 500m is owned by Western Bay of Plenty District Council (WBOPDC), and the second 500m is owned by the Department of Conservation (DOC). Ms Mackersey advised that DOC has made a commitment to develop the road access they own, and to develop a car parking area at the Blade end of the road.

Ms Mackersey answered questions of clarification noting that WBOPDC had reported an indicative cost of \$150,000 to repair a slip on the road, and another \$65,000 to develop a 3.5m wide unsealed surface. It was noted that WBOPDC do not have the funds available to develop their part of the road, and it was this funding that was being sought from the Regional Council. It was also noted that WBOPDC had agreed to maintain their part of the road once it had been upgraded to an appropriate standard.

2.5 **Submitter Number 67 – Tauranga Environment Centre (TEC)**

Refer original submission and pages 73-75 of the summary of submissions and tabled document number 2.

Mary Dillon, Josie Schroader and Ian Crowder were in attendance to present the Centre's submission. Ms Dillon outlined the history of the Centre and advised the purpose of Tauranga Environment Centre's (TEC) submission was to seek a collaborative funding model between Ministry for the Environment (MfE), the Bay of Plenty Regional Council (BOPRC) and other TEC funders. She noted the Centre had restructured and had developed a new strategic plan.

Josie Schroader addressed Council noting they had received an initial positive response from MfE to be an 'operational funder'. She advised there are well-proven models for this approach, for example Sport BOP, Creative Tauranga, Tourism BOP and Priority One.

Ms Dillon concluded stating TEC's request for \$72,000 from the Regional Council was conditional upon delivery of year one of TEC's business plan.

2.6 **Submitter Number 55 - Ngati Tuwharetoa (BOP) Settlement Trust**

Refer original submission and pages 45-51 of the summary of submissions

Anthony Olsen presented the submission on behalf of the Trust that was largely supportive of many of the Regional Council's actions outlined in its draft annual plan. However the Trust did submit that the Regional Council do the following: not reduce its passenger service budget, outline the route security framework for the Eastern Bay of Plenty, not remove the Hazmobile service (and collect twice a year), split the funding for the Lake Rotoiti Sewage Scheme between reserves and general rates, provide for a general harbour science coordinator role for all harbours in the region, provide for SmartGrowth style initiatives in other parts of the region, develop an equitable rate for Rotorua Lakes, complete a feasibility study on incorporating the former Rangitāiki River channel from Okorero to Te Awaateatua into the floodway protection framework and consider joint waste initiatives to divert a minimum of 80% of waste going to landfill noting the Trust was opposed to Whakatāne District investing in another landfill in the Eastern Bay.

In respect of tangata whenua issues, the Trust submitted that the Regional Council do the following: integrate iwi/hapū management plans into consent decision making and introduce Māori consent officers to deal with Māori cultural landscape issues, better understand matauranga māori, include tangata whenua in the development of key projects under the Sustainable Water Management activity, monitor its compliance with Iwi/Hapū management plans, ensure the resource consent process gives effect to cultural values of tangata whenua and ensure there are no barriers to Māori participation in economic development initiatives.

Mr Olsen answered questions of clarification noting the Trust was generally supportive of the principle of targeted rates but wanted the Regional Council to review how this is balanced with the general rate.

2.7 **Submitter Number 86 - Western Bay of Plenty District Council (WBOPDC)**

Refer original submission and pages 93-94 of the summary of submissions and tabled document number 3

Mayor Paterson and Kelvin Hill (Utilities Manager) were in attendance to present the Western Bay of Plenty District Council's submission. The submission sought additional funding of \$290,000 for the Maketū Little Waihi Waste Water Scheme. Mr Hill advised that 20 properties had been excluded from the scheme plans, and the additional funding is to enable these 20 properties to be connected.

Mayor Paterson also highlighted the Western Bay of Plenty District Council's submission points that requested the Regional Council: provide more funds to implement the Kaituna River Strategy, continue to work with Western Bay of Plenty District Council in developing the Northern Harbour Recreation Study, and support Western Bay of Plenty District Council's resource consent to dispose of dredgings from the Ōmokoroa channel by providing \$27,000 for professional services.

The submitters answered questions of clarification noting that the additional 20 properties would be encompassed in the government subsidy programme.

The hearing adjourned for morning tea at 10.50am and reconvened at 11.13 am.

2.8 **Submitter Number 2 Surf Life Saving New Zealand**

Refer original submission and pages 1-2 summary of submissions

Sarah Lockwood (Business Manager, Eastern Region Surf Life Saving New Zealand) presented the submission that requested the Regional Council provide it a grant of \$10,000. Ms Lockwood explained the structure of her organisation and explained how it contributed to achieving community outcomes, noting it provided regional benefits for small cost.

2.9 **Submitter Number 73 – Fonterra Cooperative Group Ltd**

Refer original submission and page 78-79 of the summary of submissions

Philippa Barriball (Manager Local Government and Community Relations, Fonterra Group) presented the submission on behalf of the Fonterra Group that supported of the Regional Council initiatives in respect of managing the region's water resource and the on going development of catchment action plans. Ms Barriball submitted the Groups offer to work collaboratively with the Regional Council to ensure the sustainable management of the regions natural resources. In conclusion the submission requested the Regional Council identify Fonterra Group a civil defence lifeline utility.

2.10 **Submitter Number 47 – Independence NZ Inc**

Refer original submission and pages 35-36 of the summary of submissions

Robert Codre and Mary McTavish presented the submission that requested the Regional Council implement a volunteer driver scheme and incorporate the cost into the current Total Mobility scheme. Mr Codre submitted that this request was consistent with the objectives of the Land Transport Management Act 2003, and would provide people with impairments an affordable way to get out into their community.

2.11 **Submitter Number 38 – Priority One**

Refer original submission and pages 22-23 of the summary of submissions

Andrew Coker (Chief Executive, Priority One) presented the submission that supported the Regional Council's funding of the University of Waikato Chair in Coastal Science and endorsed the Regional Council's continuing role in economic development and the development of an ICT strategy for the Bay of Plenty.

2.12 **Submitter Number 33 – Energy Efficiency and Conservation Authority (EECA)**

Refer original submission, pages 16-17 of the summary of submissions and tabled document no. 4

Ben Dunbar-Smith and Robert Linterman presented the submission that asked Council to consider expanding its Rotorua targeted rate scheme to include insulation. The submission expressed concern about the inefficiency of heating homes that are not insulated, and explained the mechanics for how an expanded scheme might operate.

2.13 **Submitter Numbers 77– Northern Tauranga Recreational Harbour Users Forum and Number 76 - Bowentown Boating and Sport Fishing Club Inc.**

Refer original submission, pages 16-17 of the summary of submissions and tabled document number 5

Selwyn Hill (Chairman Northern Tauranga Recreational Harbour Users Forum and Rear Commodore Bowentown Boating and Sport Fishing Club Inc.) presented the submission on behalf of the Bowentown Boating and Sport Fishing Club Inc. and the Northern Tauranga Recreational Harbour Users Forum.

On behalf of the Forum Mr Hill submitted the Regional Council provides funding to re-establish harbour access from Bridgeman Lane, and remove mangroves and restore the area from the Lane to Tanners Point.

On behalf of the Fishing Club, Mr Hill submitted the Regional Council provide funding to the Club to develop a long term plan for the Northern Harbour.

The meeting adjourned for lunch at 12.20 pm and reconvened at 1.08 pm

Attendance

Councillor Owens left the meeting at 1.08 pm.

2.14 **Submitter Number 81 – Tauranga Harbourwatch**

Refer original submission, pages 16-17 of the summary of submissions and tabled document number 6

Hylton Rhodes presented the submission that highlighted Harbourwatch's opposition to the Tauranga Bridge Marina Company's application to the Regional Council to build a 245 metre breakwater, and asked the Regional Council to decline the application. Mr Rhodes also submitted the Regional Council apply for a new resource consent to continue mangrove removal in the Tauranga Harbour, and requested the Council better monitor developer sediment holding ponds as well as monitor the Waimapu Estuary after heavy rain.

2.15 **Submitter Number 64 – Waihi Beach Community Board**

Refer original submission, pages 69-70 of the summary of submissions

Murray Craig presented the Boards submission that requested a zero rate increase. The Board also submitted that the Regional Council identify natural hazards on a priority basis, and partner with the Western Bay of Plenty District Council to find a long term solution for coastal erosion at Waihi Beach. Mr Craig submitted the Regional Council implement action plans to improve the water quality of Two and Three Mile Creeks.

Mr Craig answered questions of clarification, noting that the approximate average Regional Council rate at Waihi was \$200.

2.16 Submitter Number 37 – New Zealand Coastguard Eastern Region

Refer original submission and page 21 of the summary of submissions

Baz Kirk presented the submission that requested the Regional Council provide support funding of \$47,500. Mr Kirk advised the Bay of Plenty had the largest boating population in New Zealand, and noted coastguard services contributed and benefited the Bay of Plenty community. He advised the funding sought would be targeted to maintain and improve Coastguard communication services.

2.17 Submitter Number 11 – Papamoa Progressive Association Inc

Refer original submission and page 8 of the summary of submissions

Steve Morris presented the submission that was focussed on the provision of civil defence warning systems at Papamoa. The submission requested the Regional Council act to reduce the vulnerability of the population of Pāpāmoa to tsunami events through education, the development of evacuation routes, advocacy and funding of a regional off-shore early warning system and tsunami alerting systems.

2.18 Submitter Number 9 – Ultrafast Fibre Ltd

Refer original submission and pages 6-7 of the summary of submissions

Jack Innes presented the submission that requested the Regional Council appoint a regional Information and Communications Technology (ICT) Advisory Group and make funding available to develop a regional ICT strategy.

2.19 Submitter Number 76 – Bowentown Boating and Sport Fishing Club Inc.

Refer original submission and page 81 the summary of submissions

George Vandyke spoke on behalf of the Club noting concern about siltation of the Tauranga Harbour.

Attendance

Councillor Owens re-joined the meeting 2.14 pm.

2.20 Submitter Number 58 – Brian Anderson

Refer original submission and page 21 of the summary of submissions and tabled document number 7

Mr Anderson presented his submission that requested Council include, and fund, catchment economics into its regional economic development research. He also submitted that Council form a combined committee that includes Tauranga City Council, Western Bay of Plenty District Council and the Bay of Plenty Regional Council to coordinate all research and planning in the coastal and harbour margins (as indicated in the draft Regional Policy Statement maps). Mr Anderson's third and final submission point requested Council fund and review the adequacy of the current design levels in relation to flood protection to river and drainage scheme areas, noting in particular the areas between the Haiku Walkway stopbank and Binney Road below the Uretara Bridge.

2.21 **Submitter Number 44 – Hugh Hughes**

Refer original submission and page 29 the summary of submissions

Mr Hughes presented his submission that noted his concern about the deteriorating trend in social issues in New Zealand, and requested the Regional Council become more involved in the “people resource” of the Bay of Plenty by providing leadership to City and District Council’s to strengthen and unite citizens by developing their human social potentials.

2.22 **Submitter Number 43 – Colours of Life**

Refer original submission and pages 28-29 of the summary of submissions

Daniel Hancock presented the submission that asked the Regional Council to support, and fund, a joint project with Tauranga City Council to establish an Environmental and Heritage Educational Resource at Sydenham Botanical Park in Brookfield, Tauranga.

Mr Hancock answered questions of clarification and confirmed 150 people attended a recent public meeting in support of the park and 60 people had registered as volunteers to help with future work at the park.

2.23 **Submitter Number 41 – Mike Williams**

Refer original submission and page 8 of the summary of submissions

Mr Williams presented his submission that requested much higher priority and greater funding to tackle the regions land management issues. He considered the Regional Council’s current funding allocation for lakes water quality issues (\$14m) and Tauranga Harbour water quality issues (\$2.4m) was inequitable. He submitted the Regional Council implement a district wide catchment restoration scheme, initially focused on the Tauranga Harbour, and that this could be achieved by charging a district wide tax.

The meeting adjourned for afternoon tea at 2.44 pm and reconvened at

2.24 **Submitter Number 36 – Home of Cycling Trust**

Refer original submission and pages 20 of the summary of submissions

Tonia Cawood, Rob Waddell, Simon Perry, Stephen Murray and Wayne Werde were in attendance to present the submission, and also on behalf of submitters 87, 22 17 and 29.

The Trust requested the Regional Council support and co-ordinate funding from local government authorities in the Bay of Plenty for \$4 million towards the Home of Cycling project.

Ms Cawood gave a presentation that explained the proposal, outlined the architectural plan and operating model, and discussed the economic impact assessment that had been drafted in support of the National Cycling Centre.

Rob Waddell addressed the Council noting approximately 70% of the facility use will be focused on promoting and developing cycling across the region and the country, and 30% of the facility use will be dedicated to support BikeNZ’s high performance programme.

The submitters answered questions of clarification.

Day 1 of the meeting adjourned at 3.52 pm.

2.25 Chairman's Announcement

The Chairman announced that Day 2 of the hearing (Tuesday 17 May 2011) would comprise two sessions, the first starting at 9.30 am in Rotorua and the second continuing at 2 pm in Whakatane.

Day 2 Session 1 - Tuesday, 17 May 2011 held in the Baycrest Room, Sudima Hotel, 1000 Eruera Street, Rotorua commencing at 9.30 am**Present:****Chairman:** Chairman J Cronin**Deputy Chairman:** Councillor P Sherry**Councillors:** R Bennett, T Eru, T Marr, J Mansell, I Noble, N Oppatt, P Thompson, and M Whitaker**In Attendance:** B Trott (Group Manager Corporate Services), E Grogan (Group Manager Water Management), S Hey (Strategic Support Manager), K McKenzie (Planner), J Owens (Policy Administration Officer), T Stone (Planner) and L Butt (Governance Team Leader)**Apologies:** Councillors J Nees; and R Bennett, D Owens and Chairman Cronin for lateness**2.26 Announcement**

Council was advised that Chairman Cronin was running late and therefore Deputy Chairman Sherry assumed the Chair. Deputy Chairman Sherry declared the meeting reconvened at 9.30 am, and invited the first submitter to make their presentation.

2.27 Submitter Number 40 – Rotorua Lakes Community Board

Brentleigh Bond and Geoff Palmer (Deputy Chair Rotorua Lakes Community Board) were in attendance to present the Board's submission that expanded on the following submission points:

- Progress the replacement of the Lake Ōkāreka outlet structure sooner rather than later;
- Withdraw the targeted rate for the Rotorua Lakes Programme and fund from general rates;
- Address land use change for the Lake Rotorua catchment at the earliest possible opportunity;
- Support lake weed control.

Mr Bond answered questions of clarification noting that a priority for land use change would be to achieve the targets already set by the Regional Council and to have a clear understanding about how this will be done, retire intensive farmland, and have a vision for 25-50 years ahead to understand the impact of land use change and how to achieve a clean lake.

Attendance

Chairman Cronin attended the meeting at 9.38 am and assumed the Chair. Councillor Bennett attended the meeting at 9.40 am.

2.28 **Submitter Number 66 – Lake Rotoiti Community Association**

Refer original submission and pages 72-73 of the summary of submissions

Jim Stanton presented the Association's submission that was focused on their concern that the cost of upgrading septic tanks in the Lake Rotoiti area is prohibitive at \$15,000 to \$20,000 per household. Concern was also submitted that funding of the Rotorua Lakes restoration programme was inequitable and that unfair burden was being placed on residential ratepayers, whilst the farm rate was set at zero. In conclusion Mr Stanton requested the Regional Council work with the district to mitigate the cost to reticulate, and to rectify sewage leaching problems.

Mr Stanton answered questions of clarification.

2.29 **Submitter Number 75 – Lakes Water Quality Society**

Refer original submission and pages 80-81 of the summary of submissions and tabled document number 8

John Green and Ian Maclean presented the Society's submission that was focused on two points that:

- Requested the Regional Council set the policy framework to implement land use change actions;
- Urged the Regional Council to establish an Independent Trust to manage changes in land use that supports an incentives approach.

The Society noted that land use change issues were difficult and complex. In conclusion the Society recommended the Regional Council adopt a policy that identifies iconic areas in the region, to celebrate and protect these natural resources.

2.30 **Submitter Number 85 – Lake Rotoma/Rotoehu Ratepayers and Residents Association**

Refer original submission and pages 91-93 of the summary of submissions

Bernard Commons presented the submission on behalf of the Lake Rotomā/Rotoehu Ratepayers and Residents Association that supports the proposed reticulation scheme, but noted concern at the cost to residents. Mr Common's also expressed concern as to the proposed treatment plant returning 65% of the effluent back into the Lake. In conclusion Mr Common's submitted that the proposed targeted rates for lakes was inequitable and that the funding of the lakes programme needed to be reviewed and improved.

Mr Common's answered questions of clarification noting that the cost to connect to the reticulated system was approximately \$18,000 per household for Rotoehu residents, and approximately \$9,000 per household for Rotomā residents.

2.31 Submitter Number 5 – Timberland Limited

Refer original submission and page 4 of the summary of submissions

Trish Fordyce presented the submission for Timberland Limited noting her extreme disappointment that she had presented the same submission issues to the Regional Council since its proposal to introduce a targeted rate for Rotorua rural land owners began several years ago. Ms Fordyce submitted that existing forestry was being targeted at the same rate as dairy and considered this was unfair because forestry is not an exacerbator to the nutrient issue. She requested the Regional Council establish a differential rate for land that is currently planted in forestry and that a work programme is developed to properly assess a targeted rate from a forestry perspective, and not just a dairy perspective. Ms Fordyce submitted the Lakes programme must take into account the impacts of what is happening to the trees within the Whaka spray irrigation field.

2.32 Submitter Number 72 – Body Corporate S92316 at Marama Point Rotorua

Refer original submission and page 77 of the summary of submissions

Catherine Henderson presented the submission on behalf of Marama Point that requested the water take consent charges that impact on the Body Corporate are not increased.

2.33 Submitter Number 82 – The People’s Choice Party

Refer original submission, pages 86-87 of the summary of submissions

Rusty Kane presented the submission on behalf of the People’s Choice Party that requested the Regional Council expand rule 11 (Regional Water and Land Plan) to all waterways, and that farms located near waterways and lakes are encouraged to use environmentally friendly farm practices, such as natural fertiliser. Mr Kane submitted the Party supported less regulation and more collaboration and discussion.

Mr Kane answered questions of clarification noting Massey University was undertaking studies on natural farming systems for dairy farms, and considered New Zealand companies were already equipped to operate natural dairy farming systems.

The meeting adjourned for morning tea at 10.30 am and reconvened at 10.51 am

2.34 Submitter Number 71 – Animal Health Board

Refer original submission, page 77 of the summary of submissions

Matthew Hall and Henry Sampson presented the submission that supported the Regional Council’s on going support to the Animal Health Board’s Tb free programme in the Bay of Plenty. Council was advised that there are no infected herds in the Bay of Plenty.

2.35 Submitter Number 70 – Energy Options Charitable Trust Company Ltd

Refer original submission, pages 76-77 of the summary of submissions

Jo Hunt presented the submission on behalf of the Energy Options Charitable Trust that supported the Regional Council’s clean heat programme. The Trust submitted the

Regional Council maximise existing opportunities by making direct contributions to the healthy homes insulation programme, and fund further community research and education into appliance use and good use of energy sources and fuel. In conclusion Ms Hunt considered that given the success of the voluntary targeted rate, the Regional Council extends it across the region.

Ms Hunt answered questions of clarification that explained the Trusts relationship with ECCA and noted an extension to a fully funded programme would cost approximately an additional \$100,000.

2.36 **Submitter Number 83 – Rotorua District Council**

Refer original submission, pages 87-90 of the summary of submissions

Peter Guerin (Chief Executive) presented the Council's submission that supported the Regional Council's work in Rotorua in respect of water quality, the development of a targeted rates programme, and commended its proposed minimal rates increase. Rotorua District thanked the Regional Council for its leadership in providing analysis on the Auckland Unleashed proposal.

Mr Guerin highlighted the District Council's submission points that requested the Regional Council accelerate the geothermal policy programme and provide financial assistance to the Paradise Valley sewage scheme.

In conclusion the District Council submitted its support for a review of the regional infrastructure fund rules to be kept as simple as possible, and noted the Rotorua Regional Airport is a key component of regional infrastructure, and contributes to the region's sustainable development.

The first session of Day 2 of the hearing adjourned at 11.27 am.

Day 2 Session 2 - Tuesday, 17 May 2011 held in Council Meeting Room One, 5 Quay Street, Bay of Plenty Regional Council offices Whakatane commencing at 2 pm

Present:

Chairman: Chairman J Cronin

Deputy Chairman: Councillor P Sherry

Councillors: T Marr, J Mansell, I Noble, N Oppatt, P Thompson, L Thurston, and M Whitaker

In Attendance: B Trott (Group Manager Corporate Services), M McConway (Group Manager Technology and Economic Development), E Grogan (Group Manager Land Management), K McKenzie (Planner), J Owens (Policy Administration Officer), T Stone (Planner), L Hastie (Management Accountant), B Crabbe (Operations Manager - Rivers and Drainage) and L Butt (Governance Team Leader)

Apologies: Councillors Nees, Bennett and Eru; and Councillor Thompson for lateness

2.37 Submitter Number 46 – Opotiki District Council

Refer original submission and pages 31-35 of the summary of submissions and tabled documents numbers 9 and 9.1

Mayor John Forbes, Aileen Lawrie (Chief Executive), Jim Finlay (Engineering and Services Manager), Mark Lester (Finance and Corporate Services Manager) were in attendance to support the presentation of Ōpōtiki District Council's submission.

Mayor Forbes presented the submission that advised Ōpōtiki District Council's support for the regional infrastructure fund noting it would be asking the Regional Council to part fund its harbour entrance in year two of the Ten Year Plan. Mayor Forbes advised Council of the on going adverse impacts and increased size of flood events to the Opotiki district, in particular the damage to the state highway network and the subsequent isolation of the affected coast community. He noted the hardships faced by these communities after a flood event, and the inability for these low decile communities to fund repairs. He acknowledged it was generally accepted that an increase in river scheme rates was required to meet the increased cost of flood damage repairs, and requested that that this be done equitably across the region.

Attendance

Councillor Thompson attended the meeting at 2.15 pm.

2.38 **Submitter Number 61 – Whakatane District Council**

Refer original submission and pages 57-62 of the summary of submission

Mayor Tony Bonne and Diane Turner (Chief Executive) were in attendance to present Whakatāne District Council's submission. Mayor Bonne submitted the District Council agreed that increased costs were needed to improve flood protection in the district to cope with the increase in flood events. The Mayor highlighted the following submission points that requested the Regional Council; increase its contribution to ToiEDA, fund route security in the Eastern Bay, allocate subsidy funding of \$3.3m to the Matatā/Edgecumbe Wastewater Project, include investigations into the management of forestry harvesting and the potential impact of flooding as part of the Whakatāne Ōhope Stormwater Catchment Investigation, and work with the District on joint waste initiatives.

Mayor Bonne concluded by saying the new Council at Whakatāne District was looking forward to working with the Regional Council.

The Mayor answered questions of clarification in respect of the Matatā/Edgecumbe Wastewater Project and explained that the original funding application had been approved by the Ministry of Health; however this was currently on hold as the subsidy had been reviewed, and this review has resulted in more subsidy funding being allocated. He advised that details about the increased funding are still to be confirmed, and once available, the community will be consulted as to its options.

2.39 **Submitter Number 49 – Tauranga City Council**

Refer original submission, pages 37-40 of the summary of submissions

Mayor Stuart Crosby presented Tauranga City Council's submission that requested the Regional Council allocate \$6m from the regional infrastructure fund in 2011/12 as a contribution to the ratepayer funded share of the Southern Pipeline project, so that the City Council can release these funds into a 'TCC Infrastructure Fund' for funding related to significant infrastructure projects like, Route K. He noted that Tauranga City comprises 42% of the regions rating base. Mayor Crosby also highlighted the submission points that; requested Quayside Group modifies its statement of intent to include 'public good' elements, and supports the Home of Cycling Trust request to the Regional Council to fund the Home of Cycling in Hamilton.

Mayor Crosby advised the City was carrying a significant level of debt and its fiscal position was serious enough that it was restricted in its ability to progress protection works post the 2005 floods.

Mayor Crosby answered questions of clarification noting that the City was in discussion with NZTA to transfer Route K ownership and remove this debt from the City's balance sheet.

2.40 **Submitter Number 53 – Eastern Bay of Plenty Chamber of Commerce**

Refer original submission, pages 42-44 of the summary of submissions

Gerard Casey presented the submission that thanked the Regional Council for its support and on going involvement in regional economic development, and requested the Regional Council provide core funding for the development of a Regional Economic Capability Strategy. Mr Casey advised the proposed Capability Strategy will include research to verify business capability issues and gaps (services and labour resources) in the Bay of Plenty, and will involve engagement with stakeholders to build business capability.

Mr Casey answered questions of clarification noting the Strategy will apply to over 50 year olds.

2.41 **Submitter Number 13 - Bay of Plenty Tertiary Partnership**

Refer original submission and page 9 of the summary of submissions

The following representatives were in attendance: Professor Graham Smith (CEO, Vice Chancellor Te Whare Wananga o Awanuiarangi), Alan Hampton (Chief Executive, Bay of Plenty Polytechnic), Ian Turner (Chair, Bay of Plenty Polytechnic), Dr Paul Kayes (Academic Registrar and Director of Te Whare Taiao – Institute of Indigenous Science, Te Whare Wananga o Awanuiarangi), Professor Alastair Jones (Dean of Education, Waikato University), Jane Jamison (University of Waikato Council Member)

Professor Smith lead the delegation on behalf of the Bay of Plenty Tertiary Partnership who submitted a request to the Regional Council to adopt a strategy of including specific regional infrastructure projects in the Ten Year Plan so that the Tertiary Partnership initiative can be assessed, and thereby enable the Partnership to apply to the Regional Council for \$40m in funding to create a new university campus in Tauranga.

2.42 **Submitter Number 74 - Joint River Scheme Liaison Group**

Refer original submission, and page 79 of the summary of submissions

Haydn Read and Paki Nikora were in attendance to present the Group's submission. Mr Read advised the increase in flood events in the Eastern Bay was an unusual set of circumstances that meant it was not possible for the Group to operate as 'business as usual'. He submitted that in the future the schemes are committed to undertaking risk analysis to address the long term sustainability of the schemes and to explore alternate funding mechanisms.

Mr Nikora addressed the Council advising the social impacts of these frequent flood events on local Māori communities were huge. He said the cumulative damaging effects of continued saturation and erosion was having drastic impacts on resident's homes and properties. He said these rural communities could not afford new loans to repair and maintain the flood damage, and asked Council to treat all communities equally when considering setting its river scheme rates.

Mr Read concluded the Group's presentation requesting the Regional Council provide a \$9.4m disaster relief grant to meet operations expenses to repair damage to the existing flood and erosion protection infrastructure, and to cover new infrastructure required to continue flood protection. He recommended the Regional Council undertake investigations as to the public benefit of scheme rating models, a reassessment of the economic benefit of the schemes and alternate funding mechanisms.

Mr Read answered questions of clarification noting that he was not aware of anywhere else in the world where analysis has been done to determine the link between the economic benefit of flood and erosion protection schemes.

The hearing adjourned at 3.47 pm.

2.43 **Chairman's announcement**

The Chairman advised the hearing would reconvene to deliberate on Tuesday 7 June 2011.

Minutes of the Regional Council Meeting to deliberate on the Annual Plan 2011/12 and Other Statements of Proposal held in Council Meeting Room One, Bay of Plenty Regional Council, 5 Quay Street, Whakatane on Tuesday, 7 June 2011 commencing at 9.30 a.m.

Present:

Chairman: Chairman J Cronin

Deputy Chairman: P Sherry

Councillors: R Bennett, T Eru, J Mansell, T Marr, I Noble, N Oppatt, P Thompson, L Thurston, M Whitaker

In Attendance: M Macleod (Acting Chief Executive), E Grogan (Group Manager Water Management), M McConway (Group Manager Technology & Economic Development), G Maloney (Acting Group Manager Strategic Development), W Murray (Group Manager Land Management), K Tarboton (Group Manager Environmental Hazards), B Trott (Group Manager Finance & Corporate), B Crabbe (Operations Manager Rivers & Drainage), B Campbell (Community Relations Manager), L Hastie (Management Accountant), S Hey (Strategic Support Manager), K MacKenzie and T Stone (Planners), S Cubbon (Committee Administration)

Apologies: Councillors J Nees and D Owens. Councillor Bennett (to leave at 12.00 p.m.)

1 Chairman's Opening Remarks

Chairman Cronin noted the submissions received to Council's draft Annual Plan for the upcoming financial year were important matters for deliberation. Of 69 submissions, 40 had been presented in person on 16 and 17 May and while there were a number of requests for funding assistance, the majority were in support of Council's direction. The Chairman acknowledged some matters would need to be set aside for the Ten Year Plan process because they required policy change or had long term implications.

2 Acting Chief Executive's Opening Remarks

Acting Chief Executive, Mary-Anne Macleod referred to the agenda paper that included a number of recommendations from staff on the major issues raised in submissions. A summary of the financial figures included in the agenda had been based on these recommendations. Ms Macleod advised that once deliberations were concluded Council would meet to adopt the Annual Plan on 23 June 2011.

For clarity, staff suggested decisions be taken under the following headings:

- Non-infrastructure funding requests
- Infrastructure funding requests
- Other requests
- Section 36 Charges and other Statements of Proposal
- Scheme Matters
- Cost Savings
- Staff recommendations on remaining submission points.

3 **Annual Plan Deliberations**

Refer Tabled Documents 1, 2, and 3

Members shared opinions on a number of recommendations outlined in the reports.

Resolved

That the Regional Council:

- 1 **Receives the report, Annual Plan 2011/12 and Other Statements of Proposal – Deliberations Position Paper on Submissions Received.**
- 2 **Confirms the significance of the decision has been assessed as MEDIUM, and under Section 79 of the Local Government Act 2002 (LGA) confirms the written record of the manner in which section 77 and section 78 matters have been addressed.**

**Cronin/Sherry
CARRIED**

3.1 **Non Infrastructure Funding Requests**

Staff recommendations were discussed by members who agreed with the proposals that several requests be declined. The request from Manaaki Taha Moana was accepted in part. Council agreed to provide funding for two students to undertake study of the biological resources of Tauranga Harbour for the 2011/12 summer. This was seen as an efficient way to gather necessary information.

That the Regional Council:

- 1 **Allocates an additional \$20,000 to the Natural Environment Regional Monitoring Programme (p.81) to provide for two (2) 2011/12 summer students to process and analyse samples from Tauranga moana to help quantify the biological health of the harbour.**

**Cronin/Oppatt
CARRIED**

Adjournment

The meeting was adjourned for morning tea at 10.35 a.m. and reconvened at 10.55 a.m.

3.2 Infrastructure Funding Requests

Group Manager Finance & Corporate, Brian Trott gave background information to the requests falling into this category and the resulting funding implications. Members noted that accepting the staff recommendations would mean a draw-down of a further \$4.16M from reserves from that proposed in the Draft Annual Plan 2011/12.

Discussion amongst Councillors surrounded the lack of policy to support infrastructure funding requests, however it was acknowledged that councils had always been able to come to Regional Council to ask for funds and it was not the fault of the TLA's that a policy was not in place.

Funding contributions were approved, in some cases with conditions, to Tauranga City Council for the Southern Pipeline Judea Link Package, Western Bay of Plenty District Council for the Maketu-Little Waihi sewerage scheme and Rotorua District Council for the Paradise Valley sewerage scheme.

Resolved

That the Regional Council:

- 1 **Allocates an additional \$4.28M from reserves to the Regional Infrastructure Fund programme budget (p.89) and adds to the list of projects in the Annual Plan that will receive direct funding in 2011/12.**

**Cronin/Thompson
CARRIED**

- 2 **Provides \$1.8M to Tauranga City Council from reserves to contribute to the rates funded component of the Southern Pipeline subject to the Operations, Monitoring & Regulation Committee receiving a presentation from Tauranga City Council on the Judea link package and being satisfied on the environmental outcomes that will be achieved.**

**Cronin/Oppatt
CARRIED**

- 3 **Agrees to carry forward its \$2.1M grant for Maketu/Little Waihi sewerage scheme from 2010/11 to 2011/12.**

- 4 **Agrees to provide up to an additional \$116,000 grant funding for the Maketu/Little Waihi sewerage scheme, subject to the Finance and Corporate Committee being satisfied on the costs of the scheme.**

**Cronin/Bennett
CARRIED**

- 5 **Provides \$60,000 to Rotorua District Council from reserves to contribute to the cost of the Paradise Valley Sewerage scheme.**

**Thurston/Cronin
CARRIED**

Group Manager Environmental Hazards, Ken Tarboton declared his conflict of interest as a submitter with the Joint River Scheme Liaison Group request for funding. For this reason Brian Trott provided information that supported the staff recommendations (*Refer Tabled Document No. 1 – Indicative Rates: Draft Annual Plan Budget 2011/2012 incl River Scheme Target Rates on Flood Damage Loan Advance plus Reserve Replenishment*). Members discussed the need for protection of property and lives from flooding and the significant increase in insurance costs.

Attendance

Councillor Bennett left the meeting at 12.00 p.m.

Extensive discussion continued around options for funding the river schemes and LAPP insurance issues and the Chairman asked members to consider the suggested options during the luncheon adjournment.

Adjournment

Deliberations were adjourned at 12.35 p.m. and reconvened at 1.15 p.m.

Mr Trott was asked to furnish a revised Indicative Rates Comparison incorporating suggested scenarios. Members agreed to defer decision making on Items 3.2.2 and 3.5.1 until this information was received later in the day.

3.3 Other Requests

Resolved

That the Regional Council:

- 1 Continues to monitor the implementation of the Navigation Safety Bylaw in 2011/12 and uses the Bylaw suspension mechanism to address the operational matters in the Rotorua Lakes.**

**Cronin/Mansell
CARRIED**

- 2 Declines EECA's submission in terms of the Annual Plan but notes to EECA that it will be considering this matter as part of the 2012 Ten Year Plan.**

**Cronin /Whitaker
CARRIED**

- 3 Increases the Non-Statutory Policy, Strategies and Plans programme budget (p.46) by \$100,000 to cover the cost of additional spatial planning work in the region, including the review of the SmartGrowth Strategy in 2012 and investigating integrated planning across the wider region; and**

Adds a new Key Project to the Strategic Policy Activity (p.43): 'Review the SmartGrowth Strategy and investigate integrated planning across the wider region'.

**Cronin/Sherry
CARRIED**

Councillors discussed the provision and funding of a pilot iwi secondment initiative that was considered something that would benefit the whole region. The request called for a one-off budget of \$100,000 to sponsor salaries and staff time to sponsor short term secondments of two to three months.

MOTION

Move: Chairman Cronin Second: Cr Marr

That the Regional Council increases the operational budget of the Maori Engagement programme (p.52) by \$100,000 to support a pilot secondment initiative.

Members debated the motion.

AMENDMENT

Move: Cr Thompson Second: Cr Whitaker

That the Regional Council increases the operational budget of the Maori Engagement programme (p.52) by \$75,000 to support a pilot secondment initiative.

The amendment was debated. It was PUT and a show of hands was requested and is recorded below:

SHOW OF HANDS

For	Against
4	6

The amendment was LOST.

Resolved

That the Regional Council:

- 4 Increases the operational budget of the Maori Engagement programme (p.52) by \$100,000 to support a pilot secondment initiative; and**

**Adds a new Key Project to the Sustainable Communities Activity (p.49):
'Pilot an iwi secondment initiative'.**

**Cronin/Marr
CARRIED**

3.4 Section 36 Charges, and other Statements of Proposal

Resolved

That the Regional Council:

- 1 Prepares the section 36 charges for adoption as proposed, with no change to the Regional/Impact Monitoring Charges for surface and groundwater takes.**

**Cronin/Sherry
CARRIED**

- 2 Prepares the new Policy on Remission and Postponement of Rates for adoption as proposed, without change; and**

Prepares the Draft Port Changes for adoption as proposed, without change.

**Cronin/Mansell
CARRIED**

3.5 Cost Savings

The reasons for the following recommended decreases to budgets were outlined and approved.

Resolved

That the Regional Council:

- 1 Decreases the Corporate Services operating budget (p.101) by \$100,000 due to fuel efficiencies; and**

Decreases the Organisational Planning and Reporting programme operating budget (p.41) by \$150,000; and

Decreases the Information Technology capital budget (p.103) by \$150,000 by implementing the thin client strategy.

**Cronin/Whitaker
CARRIED**

3.6 Further recommendations

Members sought and received clarification on further staff recommendations. They indicated their wish to decline submission points 3-1, 40-13, 85-1, and 86-5 while requesting that the wording of responses be softened.

Submission 50-1 was supported, Councillors recommending that \$65,000 be provided in the Recreation and Open Space Programme budget, funded from reserves, to upgrade road access from the end of Whakamarama Road to the Bulldozer Blade, subject to Council being satisfied that Western Bay of Plenty District Council would maintain the access once formed and also subject to a satisfactory funding agreement being reached with Western Bay of Plenty Regional Council and Department of Conservation.

Councillors concurred with all other staff recommendations.

Resolved

That the Regional Council:

- 1 Accepts the recommendations set out in the appended Staff Recommendations Report subject to changes made at this meeting.**

Cronin/Sherry

CARRIED

3.7 **Submission points relating to the 2012 Ten Year Plan**

A number of submissions related to, and would be considered at, the upcoming Ten Year Plan. These included the Home of Cycling Trust submission and in some cases involved changes or additions to policy.

Resolved

That the Regional Council:

- 1 Declines the Home of Cycling Trust's request for \$4M at this time.**

**Cronin/Sherry
CARRIED**

3.8 **River Schemes and LAPP issues**

Brian Trott provided revised submission adjusted budget and Indicative Rural: River Scheme Rates Comparison (*Refer Tabled Documents 2 and 3*). He noted that Council was unable to make a change to the UAGC. This was something that could be addressed in the Ten Year Plan but could not be done legally at this time. As Group Manager Finance & Corporate, Mr Trott recommended Option 1 in the revised documentation, and suggested LAPP insurance might come out of reserves as a one-off assistance to the river schemes for this year.

Concern was noted as to the prudence of having little left in reserves whilst Council looked at River Schemes as a whole.

Resolved

That the Regional Council:

- 1 Provides an additional loan of \$2.3M for capital works to the Major River Schemes; and**

Includes an additional \$600,000 from reserves to cover the additional cost of insurance premiums in 2011/12 while alternate insurance options for the future are investigated, and that scheme flood reserves contributions are retained at their 2010/2011 levels.

- 2 Increases the general rate to collect a further \$2,100 for loan repayments for the Whakatane-Waimana River Scheme (p.97); and**

Increases targeted rates for the Whakatane-Waimana River Scheme (p.27) to collect a further \$8,500 bringing the total collected for this scheme to \$1,234,979 (from the proposed \$1,226,479).

**Cronin/Sherry
CARRIED**

Councillor Noble requested that his vote **AGAINST** the motion be recorded.

For ease of reference the entire suite of resolutions was as follows:

Resolved

That the Regional Council:

- 1** Receives the report, Annual Plan 2011/12 and Other Statements of Proposal – Deliberations Position Paper on Submissions Received.
- 2** Confirms that the significance of the decision has been assessed as **MEDIUM**, and under Section 79 of the Local Government Act 2002 (LGA) confirms the written record of the manner in which section 77 and section 78 matters have been addressed.
- 3** Notes it has considered all submissions received to its Draft Annual Plan 2011/12 and other Statements of Proposal.

**Cronin/Sherry
CARRIED**

- 4** Allocates an additional \$20,000 to the Natural Environment Regional Monitoring Programme (p.81) to provide for two (2) 2011/12 summer students to process and analyse samples from Tauranga moana to help quantify the biological health of the harbour.

**Cronin/Oppatt
CARRIED**

- 5** Allocates an additional \$4.28M from reserves to the Regional Infrastructure Fund programme budget (p.89) and adds to the list of projects in the Annual Plan that will receive direct funding in 2011/12.

**Cronin/Thompson
CARRIED**

- 6** Provides \$1.8M to Tauranga City Council from reserves to contribute to the rates funded component of the Southern Pipeline subject to the Operations, Monitoring & Regulation Committee receiving a presentation from Tauranga City Council on the Judea link package and being satisfied on the environmental outcomes that will be achieved.

**Cronin/Oppatt
CARRIED**

- 7** Agrees to carry forward its \$2.1M grant for Maketu/Little Waihi sewerage scheme from 2010/11 to 2011/12.

- 8** Agrees to provide up to an additional \$116,000 grant funding for the Maketu/Little Waihi sewerage scheme, subject to the Finance and Corporate Committee being satisfied on the costs of the scheme.

**Cronin/Bennett
CARRIED**

- 9** Continues to monitor the implementation of the Navigation Safety Bylaw in 2011/12 and uses the Bylaw suspension mechanism to address the operational matters in the Rotorua Lakes.

**Cronin/Mansell
CARRIED**

- 10 Provides \$60,000 to Rotorua District Council from reserves to contribute to the cost of the Paradise Valley Sewerage scheme.**
- Thurston/Cronin
CARRIED**
- 11 Declines EECA's submission in terms of the Annual Plan but notes to EECA that it will be considering this matter as part of the 2012 Ten Year Plan.**
- Cronin /Whitaker
CARRIED**
- 12 Increases the Non-Statutory Policy, Strategies and Plans programme budget (p.46) by \$100,000 to cover the cost of additional spatial planning work in the region, including the review of the SmartGrowth Strategy in 2012 and investigating integrated planning across the wider region; and**
- Adds a new Key Project to the Strategic Policy Activity (p.43): 'Review the SmartGrowth Strategy and investigate integrated planning across the wider region'.**
- Cronin/Sherry
CARRIED**
- 13 Increases the operational budget of the Maori Engagement programme (p.52) by \$100,000 to support a pilot secondment initiative; and**
- Adds a new Key Project to the Sustainable Communities Activity (p.49): 'Pilot an iwi secondment initiative'.**
- Cronin/Marr
CARRIED**
- 14 Prepares the section 36 charges for adoption as proposed, with no change to the Regional/Impact Monitoring Charges for surface and groundwater takes.**
- Cronin/Sherry
CARRIED**
- 15 Prepares the new Policy on Remission and Postponement of Rates for adoption as proposed, without change; and**
- Prepares the Draft Port Changes for adoption as proposed, without change.**
- Cronin/Mansell
CARRIED**
- 16 Decreases the Corporate Services operating budget (p.101) by \$100,000 due to fuel efficiencies; and**
- Decreases the Organisational Planning and Reporting programme operating budget (p.41) by \$150,000; and**
- Decreases the Information Technology capital budget (p.103) by \$150,000 by implementing the thin client strategy.**
- Cronin/Whitaker
CARRIED**

17 Accepts the recommendations set out in the appended Staff Recommendations Report subject to changes made at this meeting.

18 Declines the Home of Cycling Trust's request for \$4M at this time.

19 Provides an additional loan of \$2.3M for capital works to the Major River Schemes; and

Includes an additional \$600,000 from reserves to cover the additional cost of insurance premiums in 2011/12 while alternate insurance options for the future are investigated, and that scheme flood reserves contributions are retained at their 2010/2011 levels.

**Cronin/Sherry
CARRIED**

20 Increases the general rate to collect a further \$2,100 for loan repayments for the Whakatane-Waimana River Scheme (p.97); and

Increases targeted rates for the Whakatane-Waimana River Scheme (p.27) to collect a further \$8,500 bringing the total collected for this scheme to \$1,234,979 (from the proposed \$1,226,479).

**Noble/Mansell
CARRIED**

4 Capital carry forward requests to 2011/2012

As part of Council's management control framework, Council approval was sought to carry forward unspent capital expenditure from the 2010/2011 financial year (year two of the 2009/2019 Ten Year Plan) to the 2011/2012 Annual Plan. The capital expenditure to be transferred was adopted as part of the 2009/2019 Ten Year Plan process. In forecasting total capital expenditure for the year ended 30 June 2011, it was identified that the capital projects in this report will not be completed by 30 June 2011.

Resolved

That the Regional Council:

- 1 Receives the report, Capital carry forward requests to 2011/2012.**
- 2 Approve the capital carry forwards from the 2010/2011 year as detailed in this report, for inclusion in the 2011/2012 Annual Plan.**
- 3 Approve the capital expenditure brought forward from the 2010/2011 year, as detailed in this report, for inclusion in the 2011/12 Annual Plan.**
- 4 Confirms that the significance of the decision has been assessed as LOW, and under Section 79 of the Local Government Act 2002 (LGA) confirms that in light of the level of significance of the decision it does not require: (a) Further identification and assessment of different options under section 77 LGA; (b) Further investigation or consideration of community views under section 78 LGA; (c) Any further written record of the manner in which section 77 and section 78 matters have been addressed.**

**Cronin/Thurston
CARRIED**

The meeting closed at 3.25 p.m.

Confirmed

Chairman Bay of Plenty Regional Council

Date