

Minutes of the Regional Council Meeting held in Mauao Rooms, Bay of Plenty Regional Council Building, 87 First Avenue, Tauranga on Thursday, 13 December 2018 commencing at 9.30 a.m.

Present:

Chairman: D Leeder

Deputy Chairman: J Nees

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

In Attendance: Fiona McTavish – Chief Executive, Mat Taylor – General Manager Corporate, Namouta Poutasi – General Manager Strategy & Science, Sarah Omundsen – General Manager Regulatory Services, Chris Ingle – General Manager Integrated Catchments, Yvonne Tatton – Governance Manager, Debbie Hyland – Finance and Corporate Planning Manager, Graeme Howard – Corporate Planning Lead, Nic Newman – Principal Advisor, Cheryl Lewis – Bay of Connections Portfolio Manager, Annabel Chappell – Te Tuara Manager, Sam Rossiter-Stead – Communications Manager, Tone Nerdrum-Smith – Committee Advisor

Apologies: A von Dadelszen and P Thompson (late arrival)

1 Karakia

A karakia was provided by Cr Marr.

2 Apologies

Resolved

That the Regional Council:

- 1 Accepts the apologies from Cr Thompson (late arrival) and Cr von Dadelszen tendered at the meeting.**

**Thurston/Love
CARRIED**

3 Public Forum

Nil

4 Acceptance of Late Items

Nil

5 **General Business**

Two items of general business would be raised in the Public Excluded section of the meeting:

- Rotorua Lakes Council Waste Prosecution
- Ngāi Te Rangī response to resource consent application/consenting update.

Reason for being in Public Excluded:

- To maintain legal professional privilege.

6 **Confidential Business to be Transferred into the Open**

Nil

7 **Declaration of Conflicts of Interest**

Cr Crosby – Quayside Holdings Ltd Quarterly Update (Public Excluded item).

8 **Previous Minutes**

8.1 **Regional Council Minutes - 01 November 2018**

Resolved

That the Regional Council:

1 Confirms the Regional Council Minutes - 01 November 2018

Staff Follow-up

- A presentation by Chris Battershill, Marine Research Facility – University of Waikato would be scheduled for early 2019.

**Leeder/Nees
CARRIED**

9 **Statutory Minutes**

9.1 **Civil Defence Emergency Management Group Joint Committee Minutes - 28 September 2018**

Resolved

That the Regional Council:

1 Receives the Civil Defence Emergency Management Group Joint Committee Minutes - 28 September 2018

**Love/Winters
CARRIED**

9.2 Rangitaiki River Forum Minutes - 08 June 2018

Resolved

That the Regional Council:

- 1 Receives the Rangitāiki River Forum Minutes - 08 June 2018

Love/Winters
CARRIED

9.3 Rangitaiki River Forum Minutes - 14 September 2018

Resolved

That the Regional Council:

- 1 Receives the Rangitāiki River Forum Minutes - 14 September 2018

Love/Winters
CARRIED

9.4 Regional Transport Committee Minutes - 14 September 2018

Resolved

That the Regional Council:

- 1 Receives the Regional Transport Committee Minutes - 14 September 2018

Love/Winters
CARRIED

9.5 Rotorua Te Arawa Lakes Strategy Group Minutes - 02 November 2018

Resolved

That the Regional Council:

- 1 Receives the Rotorua Te Arawa Lakes Strategy Group Minutes - 02 November 2018

Love/Winters
CARRIED

9.6 Te Maru o Kaituna River Authority Minutes - 24 August 2018

Resolved

That the Regional Council:

1 Receives the Te Maru o Kaituna River Authority Minutes - 24 August 2018

**Love/Winters
CARRIED**

9.7 Te Maru o Kaituna River Authority Minutes - 19 October 2018

Resolved

That the Regional Council:

1 Receives the Te Maru o Kaituna River Authority Minutes - 19 October 2018

**Love/Winters
CARRIED**

9.8 Tauranga Moana Advisory Group - 16 November 2018

Resolved

That the Regional Council:

1 Receives the Tauranga Moana Advisory Group Minutes - 16 November 2018

Staff Follow-up

- Ensure there was understanding between BOPRC, TCC and WBOPDC with regards to regulations for horses on the beaches.

**Love/Winters
CARRIED**

9.39 am Cr Tahana entered the meeting.

10 Joint Minutes

10.1 SmartGrowth Leadership Group - 7 September 2018

Resolved

That the Regional Council:

1 Receives the SmartGrowth Leadership Group Minutes- 7 September 2018

**Crosby/Thurston
CARRIED**

10.2 SmartGrowth Leadership Group - 19 September 2018

Resolved

That the Regional Council:

1 Receives the SmartGrowth Leadership Group Minutes - 19 September 2018

**Crosby/Thurston
CARRIED**

10.3 Eastern Bay of Plenty Joint Committee - 12 November 2018

Resolved

That the Regional Council:

1 Receives the Eastern Bay of Plenty Joint Committee Minutes - 12 November 2018

**Crosby/Thurston
CARRIED**

10.4 Ohiwa Harbour Implementation Forum Minutes - 25 September 2018

Resolved

That the Regional Council:

1 Receives the Ohiwa Harbour Implementation Forum Minutes - 25 September 2018

**Crosby/Thurston
CARRIED**

11 Reports

11.1 Chairman's Report

Key Points

- Noted the Cawthron Foundation NZ River Award 2018 that had been presented to BOPRC for the Tarawera River Accord
- A letter was being prepared for Minister for the Environment, David Parker regarding funding towards co-governance forums.

9.45 am Cr Thompson **entered** the meeting.

Staff Follow-up

- Provide Councillors with a link to the Minister for the Environment's report regarding the Government's commitment to reduce the use of Hydrofluorocarbons (HFCs).

Resolved

That the Regional Council:

1 Receives the report, Chairman's Report.

**Leeder/Love
CARRIED**

11.2 Chief Executive's Report

In Response to Questions

- Staff were investigating the recent air discharge by the Tauranga Harbour Bridge and the possible impact on Whareroa Marae
- There had been no reports of any detrimental health impacts
- Staff was working with Port of Tauranga and Ballance Agri-Nutrient as potential sources of the discharge.

Resolved

That the Regional Council:

- 1 Receives the report, Chief Executive's Report.**

**Leeder/Winters
CARRIED**

11.3 Amendments to Rotorua Te Arawa Lakes Strategy Group Agreement and Terms of Reference

Yvonne Tatton – Governance Manager and Chris Ingle – General Manager Integrated Catchments presented this item.

Key Points

- The proposed changes to the Terms of Reference had been amended by the Te Arawa Lakes Strategy Group to incorporate views expressed by Elected Members at the previous Council meeting.

Resolved

That the Regional Council:

- 1 Receives the report, Amendments to Rotorua Te Arawa Lakes Strategy Group Agreement and Terms of Reference;**
- 2. Approves the following amendment to the Rotorua Te Arawa Strategy Group Agreement:**
 - 2. Membership:**

The membership of the Group shall comprise of six members:

- 2.1 Two members of the Te Arawa Lakes Trust Entity appointed by that entity one of whom is a governance member and one of whom is a senior executive; and**

- 2.2 **Two members of the Bay of Plenty Regional Council appointed by that Council one of whom is the Chairperson of that Council; and**
- 2.3 **Two members of the Rotorua Lakes Council appointed by that Council one of whom is the Mayor of that Council.**
- 2.4 **Plus one non-voting Pou Takiwaiora (Chairperson), appointed by the Strategy Group members for a three year term in alignment with the Local Government triennium.**
3. **Approves the additional amendments to the Rotorua Te Arawa Strategy Group's Terms of Reference.**

Winters/Thurston
CARRIED

11.4 **University of Waikato Science Chairs - Renewal of the Memorandum of Agreement**

Namouta Poutasi – General Manager Strategy & Science presented this item.

Key Points

- The Chairs would provide regular updates to Council.

Resolved

That the Regional Council:

- 1 **Receives the report, University of Waikato Science Chairs - Renewal of the Memorandum of Agreement;**
- 2 **Notes that the value of the Memorandum of Agreement is \$660,000 per annum for six years with a total value of approximately \$4,000,000. This exceeds the Chief Executive's delegation limit of \$400,000 as defined in the Council's Chief Executive Delegations Manual;**
- 3 **Approves the Memorandum of Agreement as presented in Appendix 1;**
- 4 **Provides the Chief Executive with the delegated authority to approve the final Memorandum of Agreement.**

Cronin/Thompson
CARRIED

11.5 **Annual Plan 2019/20 – Confirmation of Direction Given at 22 November 2018 Council Workshop**

PowerPoint presentation – Reference A3082303

Debbie Hyland – Finance and Corporate Planning Manager and Graeme Howard – Corporate Planning Lead presented this item

Key Points of Presentation

- Financial Overview
- Key Issues – Financial Implications
- Community Engagement
- Potential Consultation Questions
- Potential Consultation Information
- Next Steps – Annual Plan 2019-20 Workshop 3 – 1 February 2019
- Next Steps – Annual Plan 2019-20 Timeline.

In Response to Questions

- Council would actively pursue cost recovery options to minimise or eliminate the need for targeted rates funding for the free bus trial
- The level of funding/targeted rates towards emergency services was yet to be determined.

Key Points – Members

- Targeted rates for the free school bus trial in 2020 should be subject to public consultation
- The free bus trial was intended to reduce the pressure on roading infrastructure rather than being a 'social' initiative
- Consultation fatigue was a concern and opportunities for joint consultations between the various authorities should be explored
- The current Murupara bus service did not support young residents in need of public transport for tertiary education
- The analysis of the Welcome Bay free bus trial would be prioritised for the purposes of the 2020-21 Annual Plan.

Resolved**That the Regional Council:**

- 1 Receives the report, Annual Plan 2019/20 - Confirmation of direction given at 22 November 2018 Council Workshop;**
- 2 Agrees to include an additional \$3.8 million of expenditure in the draft budget for Annual Plan 2019/20, in line with the direction from the Council workshop on 22 November 2018 and the list of budgeted expenditure requests provided in Table 1 and the financial implications detailed in Appendix 1 of this report;**
- 3 Agrees not to include any operating grants in the draft Annual Plan 2019/20 budget for the Ōpōtiki Harbour project, but to include an operating grant of \$20 million in 2021/22 of the 10 year rolling budget model for treasury purposes;**
- 4 Approves the draft budget for Annual Plan 2019/20 of:**
 - a. Total operating revenue of \$134.0 million which is \$2.5 million more than the forecast for Year 2 of the LTP 2018-2028 of \$131.5 million.**
 - b. Total operating expenditure of \$137.1 million which is \$2.5 million more than the forecast for Year 2 of the LTP 2018-2028 of \$134.6 million.**

- c. **Total capital expenditure of \$52.6 million which is \$0.2 million more than the forecast for Year 2 of the LTP 2018-2028 of \$52.4 million.**
 - d. **Total borrowings for capital expenditure of \$47.4 million which is \$0.2 million more than the forecast for Year 2 of the LTP 2018-2028 of \$47.2 million.**
- 5 Notes the following draft real rates revenue increases:**
 - a. **Forecast total real rates revenue increase of 10.9%, up from 5.3% (approximately \$27 per household, up from \$14).**
 - b. **Forecast real general rates increase of 5.0%, up from 2.8% (approximately \$16 per household, up from \$10).**
 - c. **Forecast real targeted rates increase of 17.0%, up from 7.9%, with possible reduction through contribution by other funders.**
- 6 Notes the draft budget for Annual Plan 2019/20 is unbalanced mainly due to operating grants for infrastructure projects which are funded from reserves, and that an unbalanced budget is prudent.**
- 7 Notes there are financial risk exposures which are discussed in Section 2.4 of this report, that staff will continue to monitor and provide updates to Council on, and that these exposures may impact on the forecasts for the draft budget for Annual Plan 2019/20.**
- 8 Agrees that pursuant to section 95 2A of the Local Government Act (2002), these variances are not considered to be significant or material enough to require a full special consultative procedure (SCP).**
- 9 Agrees that Council will follow a formal consultation process focused around 'Have Your Say' engagement events (not hearings).**
- 10 Directs staff to prepare a consultation document for the Annual Plan 2019/20 to address the following consultation questions:**
 - a. **A free Tauranga city-wide school student bus fare trial in 2020 to reduce pressure on road infrastructure, funded through targeted rates.**
 - b. **Trial a tertiary student transport service to support access to tertiary education in Tauranga and Rotorua.**
 - c. **How regional Emergency Services could be funded in the Bay of Plenty region, including establishing a region wide differential rate.**
 - d. **Amendments to Revenue & Financing Policy – changes to rating tools to facilitate targeted rating for third party infrastructure funding and Emergency Services funding.**
- 11 Agrees that Resource Management Act Section 36 Fees and Charges will be fixed following a special consultative procedure separate from the Annual Plan 2019/20 process.**
- 12 Confirms that the decision has a low level of significance.**

Thompson/Thurston
CARRIED

10.25 am The meeting **adjourned**.

10.40 am The meeting **reconvened**.

12 Public Excluded Section

Resolved

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
Quayside Holdings Limited Quarterly Update	To protect the commercial position of an individual	Good reason for withholding exists under Section 48(1)(a)

Leeder/Love
CARRIED

13 Open Section - *Continued*

13.1 River Scheme Governance

Chris Ingle – General Manager Integrated Catchments and Nic Newman – Principal Advisor presented this item.

Resolved

That the Regional Council:

- 1 Receives the report, River Scheme Governance;**
- 2 Resolves to:**
 - a. Retain the advisory group model;**
 - b. Endorse the enhancements to advisory group operations detailed in section 2.3;**
 - c. Pay attention to the wider context of river scheme affordability, increasing demands on schemes, and potential new models in water infrastructure governance.**

Clark/Bruning
CARRIED

13.2 Hot Swap Service Provider Contracts

Namouta Poutasi – General Manager Strategy & Sciences presented this item.

Key Points

- This was the fifth and final contract
- Recognised the ongoing challenges in achieving community buy-in for this initiative and the final target had accordingly been amended.

Resolved

That the Regional Council:

- 1 **Receives the report, Hot Swap Service Provider Contracts;**
- 2 **Approves the tendering for Rotorua Hot Swap heating and insulation service providers;**
- 3 **Approves the following recommended approach for the next Hot Swap service provider contracts:**
 - (i) **Each heating service provider's contract will permit them to install up to 325 Hot Swap loans per annum to an annual (collective) Maximum Contract Value of \$1,560,000 exclusive GST.**
 - (i) **Each insulation service provider's contract will permit them to install up to 135 Hot Swap loans per annum to an annual (collective) Maximum Contract Value of \$540,000 exclusive GST.**
 - (ii) **If collectively, the number of Hot Swap loans reaches the budgeted number of Hot Swap loans, all service providers will be notified their contracts will be stopped.**
 - (iii) **If an individual service provider's contract comes within \$60,000 (approximately 12 loans) of their Maximum Contract Value they will be notified their contract is about to be stopped.**
 - (iv) **Financial years 2019/20 and 2020/21 will become a Variation to Contract and subject to Council's Annual Plan processes.**
- 4 **Notes that service provider contracts have a duration of two and a half years and span over three financial years and winters.**
- 5 **Delegates authority to the Chief Executive to sign the Hot Swap Service Provider contracts when they are negotiated and subsequent Variations to Contracts.**
- 6 **Notes that the Hot Swap Scheme funding is approved in Years 1, 2 and 3 of the Long Term Plan 2018-2028.**

Thurston/Winters

CARRIED**13.3 Bay of Plenty Regional Council Representation on the Eastern Bay of Plenty Delegation to Jiangxi China**

Yvonne Tatton – Governance Manager presented this item.

Staff Follow-up

- Chief Executive to determine whether including a third BOPRC delegate was appropriate to the size of the delegation and if so approve Councillor Marr's inclusion accordingly.

Resolved

That the Regional Council:

- 1 Receives the report, Bay of Plenty Regional Council Representation on the Eastern Bay of Plenty Delegation to Jiangxi China;**
- 2 Appoints Cr Clark and Cr Love as the Bay of Plenty Regional Council representatives on the Eastern Bay of Plenty Mayoral Delegation to Jiangxi China in April 2019.**

**Thompson/Thurston
CARRIED**

13.4 Bay of Connections Review Update: A Fresh Start

Cheryl Lewis - Bay of Connections Portfolio Manager and Namouta Poutasi – General Manager Strategy & Science presented this item.

Key Points

- This was the first review undertaken in 10 years
- Rapid growth had resulted in a more wide reaching review than what was originally expected
- The recommendations presented were based on the Bay of Connections Governance Group's recommendations from 16 November 2018
- The composition of the Governance Group should be based on strong leadership and merit rather than representation
- The working group (Recommendation 7) had been informally setup to prepare for the next stage of the review
- BOPRC had the opportunity to take a lead role in the future Bay of Connections.

Key Points – Members

- Recognised the success of the Bay of Connections in economic development and the contribution by the Bay of Connections staff as part of the review.

Resolved

That the Regional Council:

- 1 **Receives the report, Bay of Connections Review Update: A Fresh Start;**
- 2 **Notes the feedback and recommendations from the Bay of Connections Governance Group (appendix attached to agenda);**
- 3 **Agrees that a new operating model for supporting regional economic developed is needed;**
- 4 **Agrees to dis-establish the Bay of Connections Governance Group;**
- 5 **Agrees to establish a new regional leadership group;**
- 6 **Agrees that a draft framework is developed for engagement with community and business leaders across the region, (including the potential focus on five key areas identified by Governance Group – Workforce, Maori Economic Development, Infrastructure, Land and Water, Decarbonisation);**
- 7 **Agrees that staff establish a small working group (initially consisting of a sub-set of Governance Group members) to progress the recommendations.**

**Cronin/Leeder
CARRIED**

13.5 **Acting Chief Executive**

Resolved

That the Regional Council:

- 1 **Receives the report, Acting Chief Executive ;**
- 2 **Appoints Mr Christopher Ingle, General Manager Integrated Catchments, as Acting Chief Executive for the period 7 to 13 January 2019 during a period of leave for the Chief Executive**

**Leeder/Thurston
CARRIED**

13.6 **Bay of Plenty Local Authority Shared Services (BoPLASS) Annual Report 2017/18**

Mat Taylor – General Manager Corporate and Annabel Chappell – Te Tuara Manager presented this item.

Key Points

- BOPLASS had commenced the initial stages of a review of waste disposal options.

Key Points – Members

- Noted that the Mayors of the Bay of Plenty region had, at the recent Triennial meeting, agreed that a review of BOPLASS as previously suggested was not required, as BOPLASS provided effective procurement services to its partners.

Resolved

That the Regional Council:

- 1 Receives the report, Bay of Plenty Local Authority Shared Services (BoPLASS) Annual Report 2017/18;
- 2 Notes the BoPLASS Annual Report 2017/18 and the performance information set out within it

Tahana/Marr
CARRIED

13.7 Local Government Funding Agency (LGFA) Limited - Annual Report 30 June 2018

Resolved

That the Regional Council:

- 1 Receives the report, Local Government Funding Agency (LGFA) Limited - Annual Report 30 June 2018;
- 2 Notes the Annual Report 2017/18 and supporting material.

Crosby/Cronin
CARRIED

13.8 Residents Survey Indicative Results and Response

PowerPoint presentation – Reference A3086391

Mat Taylor – General Manager Corporate and Sam Rossiter-Stead – Communications Manager presented this item.

Key Points of Presentation

- Who did we survey
- How did we survey
- What did we ask them
- What did they say
- Quality of service received compared to service expectation
- Reasons for dissatisfaction (mistaken identity)
- Reasons for dissatisfaction (BOPRC)
- Action.

In Response to Questions

- A lack of knowledge in the community regarding BOPRC' s role and responsibilities meant negative feedback could relate to interactions with other authorities
- The final report would disregard responses identified as not relating to BOPRC
- An action plan was in place to address the outcomes of the survey

- A residents/citizens panel had proven successful in addressing concerns and complaints in other areas in New Zealand.

Key Points – Members

- Increased understanding by the community depended on who Council interacted with, i.e. rural customers would generally have better knowledge than less affected urban residents.

Resolved

That the Regional Council:

- 1 Receives the report, Residents survey indicative results and response;**
- 2 Notes the summary information in this report;**
- 3 Instructs the Chief Executive to prepare a detailed action plan to respond to survey results.**

**Nees/Crosby
CARRIED**

13.9 Commercialisation of Trout

Cheryl Lewis – Bay of Connections Portfolio Manager presented this item.

Key Points

- The Select Committee was currently considering legalisation for the commercialisation of trout
- Trout could be farmed in warmer environments than salmon, which was a factor with rising sea temperatures.

Resolved

That the Regional Council:

- 1 Receives the report, Commercialisation of Trout;**
- 2 Notes that BOPRC is not involved in activities related to commercialisation of Trout;**
- 3 Confirms that it continues to hold no position on the commercialisation of Trout.**

**Winters/Crosby
CARRIED**

13.10 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
Capital works funding for the Waitangi Stream protection	To protect the commercial position of an individual	Good reason for withholding exists under Section 48(1)(a)
Lake Okareka/Lake Rotorua Land Use Change Proposal	To protect the privacy of an individual	Good reason for withholding exists under Section 48(1)(a)
Rangitaiki Floodway Proposed Consent Changes	To carry out commercial and industrial negotiations	Good reason for withholding exists under Section 48(1)(a)
Regional House Vodafone Lease	To carry out commercial activities	Good reason for withholding exists under Section 48(1)(a)
Urban Form and Transport Initiative Terms of Reference	To protect this information so it does not damage public interest	Good reason for withholding exists under Section 48(1)(a)
Kopeopeo Remediation Project	To carry out commercial and industrial negotiations	Good reason for withholding exists under Section 48(1)(a)
General Business <ul style="list-style-type: none"> • Rotorua Lakes Council prosecution • Ngāi te Rangi response to resource consent 	To maintain legal professional privilege.	Good reason for withholding exists under Section 48(1)(a)

**Leeder/Nees
CARRIED**

The meeting closed at 2.10 pm

Confirmed DATE

Chairman Doug Leeder
Bay of Plenty Regional Council