

Regional Council

Open Minutes

Commencing: Thursday 30 September 2021, 9.30 am

Venue: via Zoom (Audio Visual Meeting)

Chairperson: Chairman Doug Leeder

Deputy Chairperson: Deputy Chairperson Jane Nees

Members: Cr Bill Clark
Cr Stuart Crosby
Cr Toi Kai Rākau Iti
Cr David Love
Cr Matemoana McDonald
Cr Paula Thompson
Cr Lyall Thurston
Cr Andrew von Dadelszen
Cr Te Taru White
Cr Kevin Winters

In Attendance: Bay of Plenty Regional Council: 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; Karen Aspey - Director, People & Leadership, Debbie Hyland - Finance and Transport Operations Manager, Kirsty Brown - Rivers and Drainage Assets Manager, Pim de Monchy - Coastal Catchments Manager, Tone Nerdrum Smith - Committee Advisor

Quayside Holdings Ltd: Scott Hamilton, Chief Executive, Sir Rob McLeod, Chair, Keiran Reid, Independent Director

Local Government Funding Agency: Andrew Michl

Apologies: Cr Norm Bruning and Cr Stacey Rose

Recording of meeting: <https://www.youtube.com/watch?v=T2O0pcocDZw>

1. Opening Karakia

A karakia was provided by Cr Iti.

2. Apologies

Resolved

That the Regional Council:

- 1 Accepts the apologies from Cr Norm Bruning and Cr Stacey Rose tendered at the meeting.**

**Leeder/Winters
CARRIED**

3. Declaration of Conflicts of Interest

Cr Crosby and Cr White - Quayside Holdings Ltd Annual Report for the Year Ended 30 June 2021 (Quayside Board Directors).

Cr von Dadelszen - Focus Catchments: Kopurererua Stream Re-alignment Project (Chair of Rotary Club Tauranga).

4. Minutes

Minutes to be Confirmed

4.1 Regional Council Minutes - 12 August 2021

Resolved

That the Regional Council:

- 1 Confirms the Regional Council Minutes - 12 August 2021 as a true and correct record, subject to the following amendments:**

Item 7.1 - Chairperson's Report, Key Points, Second bullet: change 'Te Rangī' to 'Ngāi Te Rangī'.

**Leeder/Winters
CARRIED**

4.2 Regional Council Minutes - 16 September 2021

Resolved

That the Regional Council:

- 1 Confirms the Regional Council Minutes - 16 September 2021 as a true and correct record.**

**Leeder/Thurston
CARRIED**

Minutes to be Received

4.3 Rangitāiki River Forum Minutes - 4 June 2021

Resolved

That the Regional Council:

- 1 Receives the Rangitāiki River Forum Minutes - 4 June 2021.**

- 2 Recommends the following amendment: **Item 7.1, Change in Members and Appointment of a Deputy Chairperson: All Bay of Plenty Regional Councillors on the Forum abstained** from voting.

Winters/Clark
CARRIED

4.4 Regional Transport Committee Minutes - 9 June 2021

Resolved

That the Regional Council:

- 1 Receives the Regional Transport Committee Minutes - 9 June 2021.

Thurston/Nees
CARRIED

4.5 Tauranga Moana Advisory Group Minutes - 11 June 2021

Resolved

That the Regional Council:

- 1 Receives the Tauranga Moana Advisory Group Minutes - 11 June 2021.

McDonald/Nees
CARRIED

5. Reports

5.1 Chairperson's Report

Key Points - Members:

- Noted that the Water Services Bill (omnibus bill to implement the three waters reforms) had been through its third reading on 28 September 2021.

Resolved

That the Regional Council:

- 1 Receives the report, Chairperson's Report.

Leeder/Winters
CARRIED

Decisions Required

5.2 Resetting Minor Rivers and Drainage Schemes Rates 2021/22

Presented by: Mat Taylor – General Manager Corporate

Key Points:

- Noted that this was the final step in the rates resetting process.

Resolved

That the Regional Council:

- 1 **Receives the report, Resetting Minor Rivers and Drainage Schemes Rates 2021/22.**
- 2 **Agrees that Council has completed the requirements of the Local Government (Rating) Act 2002 and Council Standing Orders to enable Council to re-set the Minor Rivers and Drainage Schemes Rates.**
- 3 **Approves the alterations to Rates Setting 2021/22 resolution 18 adopted on 24 June 2021 for the Waiotahi River District targeted rates, Huntress Creek Drainage District targeted rates and Waiotahi Drainage District differential targeted rates set out in section 2 of this report, noting that all alterations result in lower rates being set.**
- 4 **Adopts the altered Rates Setting 2021/22 resolution 18 as follows:**
 - (i) **18 Sets targeted rates for the Minor Rivers and Drainage Schemes. The rates are set differentially for all rateable land situated in the defined communal pumped drainage and defined minor rivers and drainage schemes areas.**
 - **The Council sets one targeted rate for each scheme as follows;**
 - (ii) **Where the land is situated and calculated using the area of land within the rating unit.**

Waiotahi River District targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A	51.32	5,574
B	41.06	6,675
C	30.79	5,887
D	17.11	930
E	10.26	779
F	5.13	969
Total		20,814

Huntress Creek Drainage District targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A	70.18	14,792
B	53.81	4,269
C	35.09	2,547
D	23.39	1,247
E	16.38	536
F	7.02	2,370
Total		25,761

Waiotahi Drainage District targeted rates		
Category	Rate per hectare	Revenue sought
	\$	\$
A	19.65	1,678
B	16.37	3,401
C	13.10	827
D	9.82	441
E	6.55	28
F	3.27	754
Total		7,129

Awaiti West Pumped Drainage Scheme targeted rate

Category	Rate per hectare	Revenue sought
	\$	\$
A	97.83	1,233
B	45.00	6,624
C	19.57	3,861
D	9.78	472
Total		12,190

Omeheu Adjunct Communal Pumped Drainage Scheme targeted rates

Category	Rate per hectare	Revenue sought
	\$	\$
A	58.77	604
B	44.08	3,533
C	32.32	1,800
D	17.63	1,540
E	8.82	478
F	2.94	69
URBAN	155.74	6,696
Total		14,720

Murray's Communal Pumped Drainage Scheme rates

Category	Rate per hectare	Revenue sought
	\$	\$
A	38.56	4,795
B	27.76	329
C	24.68	1,008
D	10.80	423
Total		6,555

- 5 Approves the alterations to Rates Setting 2021/22 resolution 20 adopted on 24 June 2021 for the Minor Drainage Scheme uniform targeted rate for Omeheu East set out in section 2 of this report, noting that this results in a lower rate being set.
- 6 Adopts the altered Rates Setting 2021/22 resolution 20 as follows:

- (i) 20 Sets targeted rates uniformly for all rateable land situated in the defined drainage and defined Minor River and Drainage Schemes areas.
- The rates are set as follows;
- (ii) Where the land is situated and calculated using the land area within the rating unit.

Minor Drainage Schemes targeted uniform rates		
Category	Rate per hectare \$	Revenue sought \$
Awakeri	64.46	18,400
Baird-Miller	125.35	17,250
Foubister	142.46	14,950
Greigs Road	33.84	24,150
Hyland-Ballie	51.19	12,075
Kuhanui	126.14	10,465
Longview-Richlands	64.48	7,475
Martin	29.25	3,910
Massey	59.31	25,300
Mexted-Withy	68.21	18,975
Noord-Vierboon	23.61	2,760
Omeheue East	42.70	17,595
Pedersen - Topp	30.18	3,450
Platts	38.39	14,145
Reynolds	278.25	35,650
Robins Road	92.29	17,250
Robinsons	172.27	12,650
Thompson-Ernest	36.03	19,550
Travurzas	13.36	2,645
Wylde	25.71	4,830
Awaiti East	262.27	37,375
Total		320,850

- 7 Notes that all other parts of the Rates Setting 2021/22 resolutions as set on 24 June 2021 and amended on 12 August 2021 remain unchanged.

Leeder/Iti
CARRIED

5.3 Focus Catchments: Kopurererua Stream Re-alignment Project

Presentation - Kopurererua Stream Re-alignment Project - PDF: Objective ID A3944730

Presented by: Paul Greenshields – Land Management Officer and Pim de Monchy - Coastal Catchments Manager

Cr von Dadelszen declared a **conflict of interest** in this item as the Chair of Rotary Club Tauranga that was involved in the K-valley development, and **abstained** from discussion and voting.

Key Points of Presentation:

- Kopurererua Stream Re-alignment Project

- Focus Catchment Matters
- Lower Catchment Action Plan
- The Project.

Key Points - Members:

- Recognised the importance of this project
- Sought a matrix to measure how Council managed sediment; water control etc.
- Suggested that the Tauranga Ward Councillors be provided with more details regarding the operational aspects of the project
- Suggested the development of story boards on the K-valley walkways to share information regarding the valuable impact of the project
- Noted that erecting story boards fell within the responsibility of Tauranga City Council, i.e. Regional Council did not have the authority to do this, and that TCC had been approached by volunteer organisations regarding this for some time

Key Points - Staff:

- Provided an outline of the management of methane emission and how the establishment of fresh wetlands could influence emission profiles due to the anaerobic nature of the soils
- Noted the comments with regards to Regional Council's clear expectations around project delivery and that any cost overruns would be covered by the lead contractor, Tauranga City Council.

Resolved

That the Regional Council:

- 1 Receives the report, Focus Catchments: Kopurererua Stream Re-alignment Project.**
- 2 Approves the attached Funding Agreement with Tauranga City Council to implement the project, noting that it commits Council to \$1,300,000 in contributions over 3 years (already provided for in the LTP) towards the \$4,045,000 total project cost.**
- 3 Delegates authority to the Chief Executive to execute the Agreement and approve the associated payments.**

**Winters/Crosby
CARRIED**

5.4 Review of Rivers Scheme Advisory Groups' Term of Reference

Chris Ingle – General Manager Integrated Catchments provided an outline of the report.

Key Points - Members:

- Noted the growing role of co-governance forums in the current political environment
- Recognised the importance of hapū having an input into the representation on the co-governance forums
- Important to work together in a wider context, i.e. hapū, iwi, landowners etc. to achieve

- Active community participation in the river schemes was valuable and important to achieve positive and agreed-to outcomes

Key Points - Staff:

- A relatively small and focussed working group comprising staff and Councillors would aim to formulate recommendations to Council prior to the end of 2021.

Items for Staff Follow Up:

- Establish a working group for the purposes of the review and to provide guidance before any recommendations was brought back to Council for considerations.

Resolved

That the Regional Council:

- 1 Receives the report, Review of Rivers Scheme Advisory Groups' Term of Reference.**
- 2 Agrees that a review of the River Scheme Advisory Groups is undertaken.**

**Winters/Iti
CARRIED**

5.5 Procurement for Mangrove Seedling Management Services in Tauranga Moana (hand held tools only)

Chris Ingle – General Manager Integrated Catchments, Pim de Monchy - Coastal Catchments Manager and Jackson Efford – Principal Advisor (Land and Water).

Key Points:

- The current mangrove management contractor to Council was retiring, hence the need to commence the process of appointing a new provider
- The contractor would cover mangrove areas that were too challenging/hazardous for volunteers to manage
- Hand held tools were effective in the management of mangroves.

Resolved

That the Regional Council:

- 1 Receives the report, Procurement for Mangrove Seedling Management Services in Tauranga Moana (hand held tools only).**
- 2 Approves the Procurement Plan for mangrove seedling management services in Tauranga Moana.**
- 3 Approves going to market to invite proposals/quotes.**
- 4 Delegates financial authority to the CEO to approve contracts and supplier selections up to \$1,185,035 (being the funding for this work allocated in the LTP 2021-31 for the next six years), including contract variations and renewals, and appointing additional suppliers if required.**

**Leeder/Nees
CARRIED**

5.6 Procurement Plan for Rivers and Drainage Capital Works 2021/22

Presented by: Chris Ingle – General Manager Integrated Catchments.

Key Points:

- The budget was comprised of a mix of targeted and general rates.

Resolved

That the Regional Council:

- 1 Receives the report, Procurement Plan for Rivers and Drainage Capital Works 2021/22;**
- 2 Approves the attached Procurement Plan for Rivers and Drainage Capital Works 2021/22;**
- 3 Approves going to market to invite tenders for the capital works projects as set out in the attached Procurement Plan;**
- 4 Delegates to the Chief Executive the authority to award the contracts for each capital project, providing the tender price is within the approved capital project budgets as set out in the Long Term Plan 2021-2031;**
- 5 Agrees to additional capital expenditure budget of \$105,000 in 2021/22 which results in higher budgeted borrowings, to complete the Lake Ōkāreka Pipeline Replacement project.**

**Winters/Thurston
CARRIED**

5.7 Appointment of Regional On-Scene Commander and Alternative On-Scene Commander

Presented by: Sarah Omundsen – General Manager Regulatory Services.

Key Points:

- Provided an outline of the report and the responsibilities of the on-scene commander.

Resolved

That the Regional Council:

- 1 Receives the report, Appointment of Regional On-Scene Commander and Alternative On-Scene Commander.**
- 2 Appoints Scott Robinson as Regional On-Scene Commander and Derek Hartley as Alternative On-Scene Commander for the Bay of Plenty.**

**Winters/Love
CARRIED**

5.8 Local Government Funding Agency Annual Report 2020/21

Presentation - LGFA Annual Report 2020-21 - PDF: Objective ID A3944732

Presented by: Debbie Hyland – Finance and Transport Operations Manager and
Andrew Michl – Local Government Funding Agency (LGFA)

Key Points - Presentation:

- LGFA Overview
- 2021-22 Statement of Intent

10.17 am – Cr White **entered** the meeting.

- Financial Statements: 12 months to June 2021
- Historic & Forecast Financial Performance
- LGFA Credit Rating
- Council Headroom: 2021 to 2031 LTP
- Yield Curves – NZGB and LGFA
- LGFA Members as at 31 August 2021
- LGFA Financial Covenants – Member Council Outcomes for June 2020 Year
- Net Debt to Revenue Covenant - Average Member Council Outcomes
- Council Headroom: 2021 to 2031 LTP.

Key Points – Andrew Michl LGFA:

- LGFA did not provide advice to councils with regards to opting in or out in the Three Waters reforms
- Discussions between LGFA, DIA and Treasury regarding Three Waters were at high level only at this stage
- LGFA would currently not be able to lend to the three water entities as such lending would require permission from the shareholder councils
- Auckland Council funded 67% of its own investments
- The water entities would not be established as CCOs, rather the entity structure would be a unique mix of central government, local government and iwi
- Expected the Reserve Bank to increase interest rates by a .25% from October 2021 and that the Official Cash Rate would incrementally increase to 2%, which was still low in a historical sense.

Key Points - Staff:

- Shareholder councils were attempting to quantify possible risks of the three waters reform through scenarios and assessment of risks associated with each scenario.

Resolved

That the Regional Council:

- 1 Receives the report, Local Government Funding Agency Annual Report 2020/21.**
- 2 Notes the Local Government Funding Agency Annual Report 2020/21**

**Winters/Love
CARRIED**

5.9 COVID-19 Alert Level Changes: Implications for Performance Against LTP Goals

Fiona McTavish – Chief Executive provided an outline of the report.

Key Points:

- LTP goals currently at risk due to Covid-19 included:
 - Monitoring of consents
 - Processing of non-notified consents
 - Visitor number to regional parks
- Public transport patronage.

Resolved

That the Regional Council:

- 1 Receives the report, COVID-19 Alert Level Changes: Implications for Performance Against LTP Goals.**

**Winters/Leeder
CARRIED**

5.10 Toi Moana Trust Annual Report for the year ended 30 June 2021

Presented by: Scott Hamilton – Chief Executive, Quayside Holdings Ltd.

Key Points:

- An unmodified audit opinion had been provided within the required timeframe by Audit NZ
- Dividend payment of \$2.4m was from the previous financial year, which meant there was still a dividend payment in arrears to be distributed
- Clarified the remuneration pool available for Quayside/Subsidiaries Directors which was proposed to be set at \$230k p.a.

Key Points - Members:

- Suggested that the wording pertaining to the Quayside Directors' remuneration pool be amended to show the proposed amount represented an overall increase in the pool.

Resolved

That the Regional Council:

- 1 Receives the report, Toi Moana Trust Annual Report for the year ended 30 June 2021.**

**Leeder/Nees
CARRIED**

10.45 am – the meeting **adjourned**.

11.30 am – the meeting **reconvened**.

5.11 Quayside Holdings Limited Annual Report for the year ended 30 June 2021

Presentation - Quayside Holdings Ltd Annual Report 2020-21 PDF: Objective ID A3944734

Cr Stuart Crosby and Cr Te Taru White **declared an interest** in this item as Quayside Holdings Ltd Directors and **abstained** from discussion and voting.

Presented by: Scott Hamilton - Chief Executive Quayside Holdings Ltd, Sir Rob McLeod – Chairman, Quayside Board, and Keiran Horne – Independent Director, Quayside Board.

Key Points - Presentation:

- Operating Environment
- 2021 Financials
- Port of Tauranga
 - Financial Results
 - Beyond the Numbers
- Quayside Group Results
- Investments
 - Listed Assets
 - Private Equity
 - Highlights
- Tax Changes
- Statement of Intent FY 2021
- 2021 Audit Process
 - Key Messages
- Rangiuru Business Park.

Key Points - Members:

- Noted that the lack of resourcing at Audit NZ negatively impacted on Quayside's ability to meet its statutory audit requirements.

In Response to Questions:

- The application to 'fast forward' the extension at the Port of Tauranga had been unsuccessful
- Port of Tauranga supported and encouraged various modes of transport, e.g. rail/shipping/air
- Significant work had been undertaken with regards to an internal value proposition for the Quayside organisation, which was clearly defined in the Annual Report
- First cut modelling on stormwater catchment/management had been undertaken for Rangiuru Business Park
- Noted the Climate Change Disclosure Requirement Bill that was currently progressing through select committee readings and the impact on Quayside, mainly in the requirements for more robust reporting
- The Auditor General directed who audited Quayside, however a dialogue regarding this could be initiated.

Resolved

That the Regional Council:

- 1 Receives the report, Quayside Holdings Limited Annual Report for the year ended 30 June 2021.**
- 2 Reappoints the Office of the Auditor-General, as the Auditors of the Company, and authorise the Directors of Quayside Holdings Limited to negotiate with the Office of the Auditor-General pursuant to the Public Audit Act 2001 to fix the Auditor's remuneration for the ensuing year;**
- 3 Agrees that, on the basis of six directors, the aggregate remuneration pool for Quayside Holdings Limited directors is set as \$230,000 (plus GST if any), and that it be noted that Quayside Holdings Limited intends to approve an equivalent limit to be divided between directors of Quayside Holdings Limited's subsidiaries - Quayside Securities Limited and Quayside Properties Limited;**
- 4 Notes that the aggregate remuneration pool of \$230,000 (plus GST, if any) represents an increase in the current Quayside Holdings Ltd Directors; fees.**

**Thompson/Thurston
CARRIED**

6. Public Excluded Section**Resolved**

Resolution to exclude the public

- 1 Excludes the public from the following parts of the proceedings of this meeting as set out below:**

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:

Item No.	Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Grounds under Section 48(1) for the passing of this resolution	When the item can be released into the public
6.1	Public Excluded Regional Council Minutes - 12 August 2021	As noted in the relevant Minutes.	As noted in the relevant Minutes.	To remain in public excluded.
6.2	Public Excluded Regional Council Minutes - 16 September 2021	As noted in the relevant Minutes.	As noted in the relevant Minutes.	To remain in public excluded.

**Leeder/von Dadelszen
CARRIED**

7. Closing Karakia

A karakia was provided by Cr Te Taru White.

12.24 pm - the meeting closed.

CONFIRMED

Chairman Doug Leeder
Chairperson, Regional Council