

THE WEST COAST REGIONAL COUNCIL

MINUTES OF THE MEETING OF THE COUNCIL HELD ON 9 FEBRUARY 2010, AT THE OFFICES OF THE WEST COAST REGIONAL COUNCIL, 388 MAIN SOUTH ROAD, GREYMOOUTH, COMMENCING AT 11.09 A.M.

PRESENT:

R. Scarlett (Chairman), P. Ewen, A. Robb, T. Archer, D. Davidson, B. Chinn, A. Birchfield

IN ATTENDANCE:

C. Ingle (Chief Executive Officer), R. Mallinson (Corporate Services Manager), C. Dall (Consents and Compliance Manager), S. Moran (Planning and Environmental Manager), T. Jellyman (Minutes Clerk), The Media

1. APOLOGIES:

There were no apologies.

2. PUBLIC FORUM

There was no presentation.

3. CONFIRMATION OF MINUTES

Moved (Archer / Birchfield) *that the minutes of the Council Meeting dated 8 December 2009, be confirmed as correct.*

Carried

Matters arising

There were no matters arising.

REPORTS:

4.1 PLANNING AND ENVIRONMENTAL MANAGER'S REPORT ON ENGINEERING OPERATIONS

S. Moran reported that there has been quite a lot of emergency and short notice work arising from flood events earlier in the year.

S. Moran reported that MBD Contracting have been awarded the tender for the Upgrade of the Greymouth Floodwall. He stated he is very pleased with the tender price and work is to commence towards the end of this week with the first panels due to be placed late next week in the vicinity of Fisherman's Wharf.

S. Moran reported that a considerable amount of rock has gone out of the Whataroa Quarry for repair works. Cr Davidson asked why wasn't rock used from the Wanganui Quarry at Harihari. S. Moran responded that the Wanganui Quarry has been cleaned out of rock and the closest available source of rock is Whataroa. Stockpiled rock had been used and needed to be replaced quickly. Cr Davidson asked if there was a major difference in costs by taking rock from Whataroa to Harihari. S. Moran responded that the costs were similar in view of the amount of work that would have been required to move overburden within the Wanganui quarry therefore this made the price competitive.

Cr Archer asked if there has been any progress with the sale of Council's drilling rig. S. Moran responded that the drilling rig has been hired out for the past three weeks and has been operating down south. S. Moran agreed to report back further on the drilling rig at next month's

council meeting. S. Moran advised that Gary Hilton has resigned. A new Planner will commence employment on Monday.

Moved (Archer / Birchfield) *that the report be received.*

Carried

4.1.2 ADOPTION OF MINUTES FOR INCHBONNIE AND TARAMAKAU RATING DISTRICT ANNUAL MEETINGS

S. Moran spoke to this report. He reported that there was a recommendation from the Wanganui Rating District's Annual Meeting requesting that the \$30,000 S. Moran is holding goes toward the paying off of the road. He advised that the Wanganui Rating District feels that the Wanganui Quarry is a council quarry and therefore the Council should pay for any restoration costs.

S. Moran advised the rating district that if they want the \$30,000 to pay off the road now then they need to agree to pay for the restoration costs if they are not going to take any more rock from that quarry. S. Moran advised that the positive balance in the rating district account needs to be there to pay for the restoration. Cr Davidson is mindful that this could give people a mistrust in the Council as the quarries are the ratepayers quarries. He stated that there is ratepayer money from the general rate going into quarries and Cr Davidson feels that this money should be used for restoration. S. Moran advised that Council ring-fenced the quarries and said that they had to pay their own way and this is why the adjustments to rock prices from these quarries have reflected the actual cost of winning rock for rating district work. S. Moran advised that the Wanganui Quarry has been running at a loss and has been previously subsidised by the general ratepayer. He advised that the decision from Council was that the quarry needed to stand on its own to build up their account over time in order to pay for the restoration of the quarry. S. Moran stated that the Wanganui Quarry is in a slightly different position as there is no rock left in the quarry. Therefore the rating district has been paying \$2.50 per tonne towards paying off the road up until now but with no more rock in the quarry this cannot continue.

S. Moran advised that the rating district at the time choose the option of putting in the road to maintain access to the quarry, this was the rating district's decision and they agreed to pay for it. S. Moran stated that money is now required to restore the quarry as well as to finish paying off the road. He stated that the rating district is the only user of the quarry's river protection rock. There is also a minor amount of decorative stone (rubble) taken. S. Moran advised that the quarry is in surplus to the tune of \$30,000 and this money is being kept in the rating district account because the quarry is at the end of its life. S. Moran clarified that the road is still yet to be paid off and that there is still approximately \$30,000 owed on the road. Cr Chinn asked if the quarry is closed and it costs \$10,000 to restore the quarry then the other \$20,000 could go towards paying off the road. S. Moran agreed with this. Cr Chinn feels that a meeting needs to be held with the rating district as to whether they are going to carry on with the quarry. S. Moran advised that this was discussed at a meeting last week but it is yet to be put to the rating district itself, those at the meeting felt that the quarry has come to the end of its life.

Cr Scarlett put the motion. Cr Davidson requested that the second part of the recommendation be removed. Cr Archer advised that an amendment to the recommendation could be made but it cannot be completely removed as that is totally against the recommendation and is against the motion. There was no seconder for Cr Davidson's motion therefore the motion lapsed. Cr Scarlett put the original motion.

Moved (Robb / Archer)

1. *That the minutes of the 2009 Annual Meeting of the Inchbonnie and Taramakau Rating Districts be received.*
2. *That the Council does not endorse the following recommendation of the Wanganui Rating District – "That the \$30,000 S. Moran is holding goes toward the paying off of the road".*

Carried

5.1 CORPORATE SERVICE MANAGER'S REPORT

R. Mallinson spoke to his report advising that this is the six month financial report to 31 December 2009. He stated that the investment portfolio has performed strongly but he expects it to ease back in January or February due to the downturn in international markets.

R. Mallinson reported that the expenditure associated with the Upgrade of the Greymouth Floodwall would follow through as above the line operating expenditure because Council does not own the asset therefore this is operating expenditure and not capital expenditure. He advised this will throw the financial result into substantial deficit but this is as expected. He advised that the loan drawdown would be approximately \$2.65M. R. Mallinson advised that \$800,000 is to be withdrawn from the Investment Portfolio as stated in the LTCCP which represents existing Greymouth Floodwall credit balances. Cr Scarlett clarified that Council is giving back the money that it has taken originally in rates for the Greymouth Floodwall. C. Ingle advised that while this money has been invested in the investment portfolio the interest on this money has been going back into the rating district account. R. Mallinson further clarified that there is no general ratepayer subsidy going towards the upgrade of the Greymouth Flood, the ratepayers in the Greymouth Floodwall Rating District are funding it. Cr Chinn stated that he is aware of this but feels that the general public should be informed. Cr Scarlett offered to add this information to the next rates newsletter. Cr Scarlett stated that he is impressed with the fact that costs have been kept in check in all areas.

Moved (Archer / Robb) *that this report be received.*

Carried

6.0 CHIEF EXECUTIVES REPORT

C. Ingle spoke to his report. He advised that he attended a number of meetings during the reporting period with most of them being related to the Wetlands hearing and follow up mediation. He advised that mediation has been quite successful with a few compromises having been made. C. Ingle reported that he attended the Futures Planning forum at Shantytown recently. He advised that Development West Coast have appointed a new facilitator for this project and it is progressing well.

C. Ingle reported that he has received a letter from Biosecurity NZ acknowledging our submission on the Tb Strategy. He advised that a decision is awaited as to whether or not a hearing will be held and if a Board of Inquiry will be formed to hear the submissions. C. Ingle noted that Council is very keen to be heard on this matter.

C. Ingle reported that the Wetlands mediation has been taking up a lot of his time. He stated that the Environment Court very much listened to the ecological experts of which DoC had four, Council had one and there was one from Solid Energy and also one from Forest and Bird. C. Ingle reported that a Heads of Agreement has now been signed by all parties. This states that a second schedule of wetland areas will be included in the plan but that these wetlands may or may not be significant. He advised that included in the Heads of Agreement is the requirement for site visits which DoC have to pay for much of the cost of. C. Ingle advised that this matter could potentially go back to court but he is hopeful that it won't as there is a strong commitment from DoC, WCRC and Solid Energy to progress this. He feels that we are now 90% of the way there, the mediator that has been involved will try to avoid a return to court and he hopes this matter will be finished with by mid year.

C. Ingle reported that he will be attending the Freshwater Management forum / conference in Wellington next week. He stated that there is an interesting agenda with discussion on the role of the new Environmental Protection Agency and the possibility of water management functions currently managed by regional councils being taken off regional councils. C. Ingle stated he feels that water management functions on the West Coast are well managed and there is no need for an Environment Protection Agency to take over this function. He advised that CEO's from Hawkes Bay, Ecan and Otago will be attending and he is hopeful that it will be a reasonably well balanced session.

C. Ingle advised that staff are currently busy with the council newsletter that will be coming out with the rates demand.

Cr Birchfield asked if it is correct that DoC are to visit all the private land holdings to mark out areas that they think should be "locked up". C. Ingle clarified that the evidence from Mr Phil Knightsbridge, Lead Ecologist for DoC, contained maps and a list of wetlands that he thought

were significant and met the ecologist's caucusing criteria on private and public land. C. Ingle stated that we challenged this in the court process and gave the example of a wetland that went straight across State Highway 73 at Kumara and asked if the Ecologist considered this part of the highway to be a significant wetland. C. Ingle stated this is an example of how broad and inaccurate the mapping is. He advised that the Heads of Agreement required that these maps would be used as the basis for the second list of wetlands with the aim of verifying the maps and taking out the mistakes. Cr Birchfield asked if there has been mention of compensation for farmers who have land taken from them. C. Ingle responded that there is no compensation, land is not being taken, but a resource consent would be needed for land drainage activities. The implication on private landowners will not be that they cannot do anything on their land but before they do any land drainage they need to get a resource consent for which there will be a cost and the cost might involve getting a report from an ecologist. Cr Birchfield asked if DoC has compensation planned for private landowners. C. Ingle responded that there are land swap and land exchange negotiations underway but compensation will not be made to those needing consent. Cr Birchfield stated that there is now 86% of the West Coast locked up and now they are now starting on the bit that is left. C. Ingle stated that they argued this in court and things did not go well at that time. Cr Birchfield stated that it comes down to whether or not the landowner can get a consent for a schedule 2 wetland. He asked if DoC would have any input. C. Ingle responded that DoC would probably be an affected party. Cr Birchfield stated that DoC could carry a case through to the Environment Court, the landowner would then need to question whether or not it is worth it. C. Ingle said the encouraging thing is the Ecologist caucusing and we have our consultant Ecologist saying that it is not right to just include every "good example" of a wetland on the West Coast just because there are few left elsewhere in New Zealand. He stated that Section 6C of the Act requires areas to be 'significant' which means out of the ordinary, better than normal. C. Ingle advised that the ecologists are testing the pakihi wetlands that DoC mapped and are looking at the top 30% of "good examples". He is hoping we end up with a smaller schedule 2 than what we have at the moment. C. Ingle advised the he and DoC are to appoint a person to carry out inspections of the schedule 2 sites. Cr Birchfield feels that some huge pakihi areas of land on the West Coast that could be developed into dairying may not be developed if they are classified as a wetland. Cr Chinn asked if a landowner could upgrade their wetland to schedule 1 and sell it. C. Ingle advised that landowners could approach Council and ask for the wetland to be included in schedule 1 instead of schedule 2. Cr Scarlett stated that a rare or endangered species would need to be found to enable the wetland to be included in the schedule. Cr Chinn gave the example of the horses found on St James Station. Cr Scarlett feels that schedule 1 would not be changed on the motivation of a sale but would need to be changed for ecological reasons. C. Ingle advised that he was interested to find out during the course of the hearing that the Friends of Shearer Swamp are funded entirely by the Ministry for the Environment fund for legal aid, he stated this clearly is a case where the taxpayer is paying to take the ratepayer to court. Cr Chinn would like to stop proceedings now and get some answers to questions. Cr Birchfield stated that this is a land grab. Cr Davidson feels Council needs to bide for time. Cr Scarlett feels it is more about going to government and seeking a policy change. Cr Scarlett feels that the question needs to be asked as to whether or not this is fair. Cr Scarlett suggested sending a delegation to the appropriate minister to discuss this matter further.

Moved (Davidson / Chinn) *that Council send a delegation to Wellington to discuss compensation for landowners of wetlands on the West Coast with the Minister.*

Carried

Cr Scarlett stated that in the meantime we are locked into proceedings. C. Ingle concurred with this. He advised he is now essentially working for the Court and not Council regarding wetlands as he is an Expert Witness and is bound by the rules of the court.

Discussion took place on the function of the new Environmental Protection Agency. C. Dall explained its function to the meeting.

Moved (Davidson / Archer) *that this report be received.*

Carried

7.0 CHAIRMANS REPORT (VERBAL)

The Chairman reported that he attended the opening of the Arahura Bridge on the 11th of December with C. Ingle.

Cr Scarlett attended the Mayors and Chairs forum on the 14th of December.

Cr Scarlett reported that he contacted Mike Slater from DoC and MP Chris Auchinvole in December, prior to the wetlands hearing. Cr Scarlett was hopeful of finding resolution without going to court. He stated that we have now moved into a more conciliatory role, out of the court setting and into mediation. Cr Scarlett advised that MP Auchinvole had contacted Mr Al Morrison from DoC regarding the letter Council received from Mr Morrison.

Cr Scarlett spoke of a letter he received from Peter Buckley, Chair of Environment Waikato regarding the opportunity to progress the sustainable beech industry. Cr Scarlett stated that he will respond to Mr Buckley's letter and will arrange a meeting to gauge interest in this matter. Cr Scarlett feels this matter will be a hard ask in view of conservation issues around the cutting down of native trees. He is mindful of the interest Mr Jim O'Regan has in this area. Cr Scarlett feels that there is an opportunity but is mindful of the public perception issue around the felling of native trees. C. Ingle advised that following Mr O'Regan's presentation to this Council and the three district councils, Grey District Council wrote to the Minister Gerry Brownlee suggesting that government support this initiative. C. Ingle advised that Grey District Council are yet to receive a response from the Minister. Cr Scarlett stated that he outlined in his letter to Mr Buckley that he will progress this matter at the next Regional Affairs Committee meeting.

Cr Scarlett reported that he attended the meeting with the farmers in the Lake Brunner area to discuss fertiliser and effluent management.

Moved (Scarlett / Chinn) *that this report be received.*

Carried

GENERAL BUSINESS

There was no general business.

The meeting closed at 12.06 a.m.

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Chairman

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Date