

THE WEST COAST REGIONAL COUNCIL

MINUTES OF THE MEETING OF THE COUNCIL HELD ON 8 FEBRUARY 2011, AT THE OFFICES OF THE WEST COAST REGIONAL COUNCIL, 388 MAIN SOUTH ROAD, GREYMOUTH, COMMENCING AT 11.32 A.M.

PRESENT:

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

IN ATTENDANCE:

C. Ingle (Chief Executive Officer), R. Mallinson (Corporate Services Manager), M. Meehan (Planning and Environmental Manager), C. Dall (Consents & Compliance Manager), T. Jellyman (Minutes Clerk)

1. APOLOGIES:

There were no apologies.

2. PUBLIC FORUM

There was no public forum.

3. CONFIRMATION OF MINUTES

Moved (Archer / Davidson) *that the minutes of the Council Meeting dated 14 December 2010, be confirmed as correct.*

Carried

Matters arising

There were no matters arising.

REPORTS:

4.1 ENGINEERING OPERATIONS REPORT

M. Meehan spoke to his report advising that there was substantial damage sustained at the Taramakau Rating District as a result of the heavy rainfall event on the 28th of December. M. Meehan reported that once costs are to hand for the repair work an application would be made to the LAPP fund for consideration for financial assistance. M. Meehan reported that works were carried out in the Wanganui and Punakaiki rating districts as well. M. Meehan drew attention to the list of future potential works in his report.

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

Carried

4.1.2 FRANZ JOSEF FLOODWALL UPGRADE: SURVEY RESULTS

M. Meehan spoke to this report. He advised that council surveyed the ratepayers of the Franz Josef Rating District and held a public meeting which Crs Davidson and Chinn attended to discuss the floodwall upgrade. M. Meehan reported that an 86% response rate in favour of the upgrade was received with 25 ratepayers in favour of the upgrade, four against and one respondent did not indicate either way. M. Meehan stated that only 37% of the rating district responded to the survey this is still relatively high for this type of survey. Cr Chinn stated that he would like the decision deferred for a month so that he can go to Franz Josef and speak to those that are objecting to the upgrade to hear their concerns. Cr

Scarlett suggested that Cr Chinn visit some of the ratepayers who didn't respond to the survey. M. Meehan advised that some of the ratepayers that were against the upgrade stated that there was not an option for a 1 in 50 year event and some comments were based on the river being an aggrading river and they would like to see potential options on clearing out the river rather than building up the stopbanks. C. Ingle advised that these decisions are usually made at the annual rating district meeting and then endorsed by this council but lately the rating district meetings have only attracted three or four people. He stated that at the September rating district it was recommended that a survey be sent out to get a broader indication of whether ratepayers wanted the upgrade. C. Ingle advised that this decision could go back to the rating district for a final decision. It was noted that the rating district's preference was to use money from the existing fund to pay for the upgrade and not to raise a loan. Further discussion took place on the response to the survey. Cr Robb stated that rating districts make their own decisions on what work is to be carried out. Cr Robb spoke of his previous involvement in the Taramakau rating district. Cr Robb asked that based on the results of the survey does this mean that the Franz Josef rating district makes the final decision on the floodwall upgrade or does this council make the decision on their behalf. Cr Archer stated that this Council makes the decision on behalf of the Franz Josef rating district as it is the council's rating district but the ratepayers in that community are the voice of the rating district and the payers. Cr Archer stated that in the past this Council has overturned some decisions made by rating districts in the past. Cr Scarlett stated that ultimately the council is responsible. Cr Robb stated that the same applies to the setting of rates if a rate isn't set high enough to maintain their infrastructure then council can enforce the setting of a higher rate. Cr Cummings expressed his surprise at the low response rate in view of the type of river the Waiho is. Cr Chinn asked if the helipad stopbank is up to a high enough standard to be included in the rating district. M. Meehan stated that it not up to the required standard and therefore it wouldn't be included in the rating district. Cr Chinn stated that in view of this information he is happy now happy to move the recommendation.

Moved (Chinn / Archer) *That the Council note the survey response and approve the commencement of the upgrade.*

Carried

4.1.3 LOWER WAIHO RATING DISTRICT RE-CLASSIFICATION REPORT

M. Meehan spoke to this report advising that Council commissioned a report by Mr Robert Reid regarding the reclassification of the Lower Waiho Rating District. M. Meehan reported that this report was requested by Lower Waiho Rating District at their annual meeting. Concerns have been raised over the boundaries for the rating district. M. Meehan advised that the Canavans Knob rating district which is adjacent to the Lower Waiho Rating District is now in abeyance as the NZTA has enhanced the structure that provides protection for these properties. M. Meehan advised that a public meeting was held on the same day as the Franz Josef Rating District meeting, Crs Chinn and Davidson attended this meeting as well. M. Meehan reported that there was a good attendance at the meeting. M. Meehan reported that eight submissions have been received and are attached to his report. C. Ingle advised that it is only the Lower Waiho Rating District that is recommended for reclassification and Canavans Knob is not included in this reclassification.

Mr Reid was welcomed to the meeting. He confirmed that he has seen the objections to the reclassification. Mr Reid advised that two of the eight submissions are in relation to the same property. Mr Reid advised that the submission from Franz Dairies does not indicate whether or not they are in favour of the reclassification but it does clearly express that they are not happy with the current situation. Mr Reid advised that four of the submitters that are not happy with the proposal with three of the four living in one small area along the Waiho Flats Road. He illustrated areas and boundaries of landowners and submitters on his PowerPoint presentation and the areas and boundaries included the Lower Waiho Rating District, Canavans Knob area, three residential properties, Milton and Others Bank and the Rata Knoll area. Mr Reid stated that in preparing his report he carefully looked at the idea of implementing a differential rating district but advised this river is a very mobile, strong and very unpredictable river and it is unknown in the future where the pressure areas will be in this river. Mr Reid stated that in view of these facts the fairest way of setting a rate would be to set a uniform rate. Cr Archer asked Mr Reid if the rate likely rate to be struck for the very small residential properties is justified. Mr Reid responded that the small residential properties are a significant issue and a differential rate applying to them could be a possibility and it would have the effect of transferring the load onto the balance of the rating district. Mr Reid advised that if the rating district were looking to raise \$100,000 then the annual rates for the residential properties would be between \$1,000 and \$3,000 annually. The highest rating level on the largest dairy farm would be approximately \$30,000 per year. Mr Reid spoke

of the history of the rating district and also of the history of the Canavans Knob rating district. Mr Reid stated that he is quite comfortable with the idea of putting a differential class in for the three residential areas to lower the cost for these three properties. Cr Scarlett stated that the test is, is it fair rating system. Mr Reid responded that the answer to "is it fair" relates to what is the earning capacity of a property and in the case of residential properties they do not have an earning capacity. Mr Reid stated that if he'd had the submissions prior to writing the report he would have been happy to put a differential rating classification on the residential properties.

Cr Chinn asked if the funds from the Canavans Knob rating district would now go into the Lower Waiho rating district account as NZTA is now maintaining the Canavans Knob stopbank. Mr Reid stated that the Canavans Knob rating district is held in abeyance and is not being rated. Cr Chinn advised that one submitter stated that she had paid into the Canavans Knob rating district, her money is still in that account and now she is going to be included in the Lower Waiho rating district. Mr Reid confirmed this is correct but his recommendation is that these properties are included in the Lower Waiho rating district.

Cr Archer asked if Mr Reid was able to quantify what the differential rates would be and how would the rate be struck. R. Mallinson advised that this report could be seen as the preliminary consultation and the information will still need to be fed into the annual plan process with detailed maps to be included as per Section 83 of the Local Government Act. C. Ingle suggested a 50% discount for the three residential ratepayers. C. Ingle asked Mr Reid if it is clear to the rating district community that there are only three residential properties in the Lower Waiho rating district. Mr Reid stated that these properties would be marked on the map. Cr Chinn would like this decision deferred for a month so that he can visit ratepayers in the Lower Waiho rating district to clarify matters further. C. Ingle confirmed that a one month delay would not be a problem. Cr Scarlett thanked Mr Reid for his report and presentation.

Moved (Davidson / Chinn)

1. *That this report and the eight submissions be received by Council.*
2. *That following consideration of the submissions and the report recommendations that it is Council's intends to formally resolve to re-classify the Lower Waiho Rating District as per the attached Robert Reid report, as amended with 50% discount for the three residential properties.*

Carried

5.1 CORPORATE SERVICES MANAGER'S REPORT

R. Mallinson spoke to his report advising that this is the six month financial report until the end of December with a surplus for the six months of just under \$1.5M. He reported that our investment returns are better than budgeted with net positive budget variances of approximately \$63,000 in the general rate funded activities. R. Mallinson requested that a date be set for the budget workshop. He asked if 1 March which is the date of the March council meeting is suitable to Councillors. Councillors agreed on this date.

Moved (Archer / Robb)

1. *That this report be received.*
2. *That the date of 1 March be set for the 2011 / 12 Annual Plan budget workshop be agreed.*

Carried

6.0 CHIEF EXECUTIVES REPORT

C. Ingle spoke to his report noting the meetings he attended including the Karamea rating district meeting. C. Ingle reported that Cr Archer chaired this meeting, there was a very good turnout from locals with Graeme Smart from NIWA taking the meeting through his flood modelling report. C. Ingle reported that there is more work going on with the mapping of the overflow flood paths and how to deal with these in an affordable way for the community. C. Ingle advised that he is waiting for the report from Civil Defence regarding monitoring and evaluation work that he was involved in.

C. Ingle advised that he attended the Society of Local Government Managers retreat which is held every second year in Blenheim. He stated that this was a very useful event. C. Ingle reported that he met with officials from the Ministry for the Environment regarding the Proposed Biodiversity National Policy Statement which has just been released. C. Ingle advised that we have yet to go through this, he advised that MfE are looking at setting a bottom line for mainly district plans to ensure that district plans

map out areas that are significant areas and that they identify the top 20% for different ecosystem types that are not well represented in the DoC estate. C. Ingle advised that the work that Grey District Council has been doing over the last few years is in excess of what it required under the NPS but where there will be problems for the West Coast is with wetlands. C. Ingle advised that this is because a percentage figure has not been applied and they have said that all wetlands are automatically significant. He advised that this will be a serious problem for the West Coast. C. Ingle reported that he has expressed his strong disappointment to MFE that they did not consult with us prior to starting this process. C. Ingle advised that Proposed NPS's do not have any weight until they are actually operative unlike proposed regional and district plans. C. Ingle advised that there is a chance for this council to make submissions by May on this matter. C. Ingle advised that the Minister is not going to appoint a Board of Inquiry and is going to consider the submissions himself. C. Ingle advised that the Hon Nick Smith, Minister for the Environment, is keen to visit the West Coast and is expected here in a couple of months time. Cr Archer stated that the previous government tried to tackle the Proposed NPS for Biodiversity and it was abandoned as it was simply too hard and the impact on private landowners was huge as there is such a large area of land held in conservation estate and it seems likely that private landowners will be affected again just because they have a native tree on their land. Cr Archer stated that in his view, there is already 86% of land that is being reserved and protected and surely that is enough. He feels that this is the message that needs to be sent to the Minister. C. Ingle feels that this matter is not going to affect the district councils as much as it will affect the regional council as this council has taken on the wetlands issue and this draft NPS has dealt with wetlands in a way that has not been well thought through and they have failed to realise that some regions have plenty of wetlands. Cr Archer stated that as far as he is aware none of the district councils have adopted those areas of significance in their plans. C. Ingle feels that the Minister wants all districts plans to have mapped SNA areas. Cr Archer stated that the big issue is that landowners will miss the opportunity to develop their land and there is hardly any land left on the West Coast to provide an economic living. Cr Scarlett feels there is a matter of equity here and if they want the land then they pay for it. Cr Birchfield feels the same way, that landowners should be compensated. Cr Cummings stated that once land comes out of the rating area and goes to DoC then the land is no longer rated and this is making it harder and harder for councils.

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

Carried

7.0 CHAIRMANS REPORT (VERBAL)

Cr Scarlett stated that January was a reasonably quiet month. He attended the RAC meeting in Wellington where the profile of regional councils was discussed. Cr Scarlett stated that the feeling was that regional councils need to have a higher profile and think about their branding. He advised that some regional councils are called "Horizons" or Ecan and the public does not realise that they are regional councils. He stated that some have gone back to being called regional councils. Cr Scarlett that there is now being a more of economic approach and a focus on economic development within regional councils. Cr Scarlett spoke of the new regional council website that is up and running called Land and Water NZ but most people do not realise that this is a regional council website because of the name that it has been given. Cr Scarlett spoke of the wealth of knowledge in regional councils that needs to be shared. Cr Scarlett feels once the coordination of common goals and work is improved then good progress will be made.

Cr Scarlett advised that he attended the Regional Transport Committee meeting where the draft Regional Land Transport Strategy was approved. Cr Scarlett stated this is a very good document and will now go forward to notified for public consultation.

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

Carried

R. Mallinson asked if Councillors would have any objection if he did not prepare a full financial report for the March meeting as this would enable him to give full priority to annual plan budget work. All Councillors agreed with this request.

GENERAL BUSINESS

Cr Davidson expressed his concern with the direction that Development West Coast is taking. He feels it is going from a development trust to a charitable trust when it was initially set up for the economic development of the West Coast. Cr Davidson gave examples of recent events where Development West Coast have given large donations to the Canterbury earthquake fund and the Pike River Mine disaster but gave nothing at all to the people of Fox Glacier following the recent plane crash. Cr Davidson requested that a meeting be held between the Chairman's and Chief Executives of both organisations to discuss this further. Cr Scarlett suggested that Cr Davidson writes to the Chairman of Development West Coast expressing his concerns. Cr Davidson stated that Canterbury does very well out of the West Coast with the port exporting coal and milk powder that they benefit from. C. Ingle advised that the Chairman of Development West Coast usually comes to the quarterly meetings of the Mayors and Chairs Forum. He is aware that the Trust speaks to the district councils at regular intervals but does not visit this council regularly. Cr Cummings confirmed that the Trust presentations at district councils are requested by those councils. Cr Birchfield stated that he is just written to the Chairman of Development West Coast along a similar line of what Cr Davidson is speaking about. Cr Birchfield stated that everyone has differing views on Development West Coast and he feels that an individual approach is better.

The meeting closed at 12.28 a.m.

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Chairman

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Date