

THE WEST COAST REGIONAL COUNCIL

MINUTES OF THE MEETING OF THE COUNCIL HELD ON 10 DECEMBER 2013, AT THE OFFICES OF THE WEST COAST REGIONAL COUNCIL, 388 MAIN SOUTH ROAD, GREYMOUTH, COMMENCING AT 11.01 A.M.

PRESENT:

A. Robb (Chairman), A. Birchfield, P. Ewen, P. McDonnell, S. Challenger, N. Clementson, T. Archer.

IN ATTENDANCE:

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

1. APOLOGIES:

There were no apologies.

2. PUBLIC FORUM

There was no public forum.

3. CONFIRMATION OF MINUTES

Moved (Clementson / Challenger) *that the minutes of the Council Meeting dated 11 November 2013, be confirmed as correct.*

Carried

Matters arising

There were no matters arising.

REPORTS:

4.1 ENGINEERING OPERATIONS REPORT

M. Meehan spoke to this report and advised work has been completed in the Taramakau, Wanganui and Lower Waiho rating districts. He advised that the \$97,590 worth of work in the Lower Waiho rating district was for the raising of the Rubbish Dump Stopbank.

M. Meehan advised that the Hokitika Seawall is almost complete. He advised a meeting of the Hokitika Seawall committee was held on the 14th of November with the committee electing to go ahead with the tidying up of the site and grassing the areas that require grass. M. Meehan advised that it has now been agreed that the access to the seawall at this stage will be two sloped gravel pathways to the beach. He advised the pathways will be constructed prior to Christmas. M. Meehan advised that contractors are on track to finish all work by Christmas but there may be some minor work done in the New Year.

M. Meehan reported that there is still a lot of work being done in the Camelback Quarry. He stated this work is going well and once rock has finished being supplied for the Hokitika Seawall work will commence in the Whataroa quarry.

Cr Archer asked M. Meehan if work is likely to continue north of the Hokitika seawall where there was further erosion. M. Meehan advised that at the recent meeting of the Hokitika Seawall committee it was agreed that the seawall would not be extended to the north to Hampden Street. He stated that good information has been provided by OCEL Consultants and a careful eye will be kept on this area. M. Meehan advised that the beach is stabilizing and the beach may build up over the summer months.

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

Carried

4.1.2 COAL CREEK RATING DISTRICT REPORT

M. Meehan spoke to this report and advised that the Coal Creek rating district's main asset is a large stopbank. This stopbank runs the length of the river, opposite the Golf Club. M. Meehan advised that following the December 2010 floods the stopbank was overtopped and council made the decision to raise the stopbank at a cost of \$135,000. M. Meehan advised that this left the rating district with very little money in its account and at last year's meeting the proposed rate take was discussed to accommodate this work. M. Meehan advised that the rate take of \$7,500 per annum was too little to enable a prudent reserve to be built up. M. Meehan advised that at this meeting the rating district wanted \$10,000 but this was increased to \$15,000. M. Meehan stated that the reason for increasing the rate strike to \$15,000 was to build up the account up to an amount where the rating district would be able to respond if there was any damage to the newly constructed stopbank. M. Meehan advised that following the December 2010 floods, council applied to Civil Defence for funding to fund works that were done in response to this flood event. M. Meehan advised that over \$500,000 was obtained from Civil Defence and out of this amount the Coal Creek rating district received \$69,000. This amount covered 60% of the cost of raising the stopbank. M. Meehan advised that with this injection of government financial assistance it takes the rating district account balance to approximately \$90,000. M. Meehan advised that Council set a prudent reserve for Coal Creek of \$150,000. M. Meehan advised that he has recently met with members of the rating district and the doubling of the rate is impacting of some members of this rating district. M. Meehan advised that the financial situation for Coal Creek has now changed and he feels that the rate take for this current financial year can now be reduced from \$15,000 to \$10,000. Cr Archer expressed his concern that a decision to rescind or reduce a rate could have a long term impact. M. Meehan responded that this will not impact on the rating district as their account balance will be sitting at around \$95,000 which is enough to undertake maintenance works and they are now building up nicely towards the prudent reserve. Cr Birchfield stated feels the rate strike should stay at \$15,000 but he will vote in favour of a reduction. Cr Archer would like the recommendation to be amended to accommodate Standing Orders. Cr Ewen stated that the rating district will have close to \$100,000 in its account soon and that it is only \$50,000 short of their prudent reserve. Cr Ewen feels this is a fair compromise. Cr Robb stated that had the extra money not be obtained from Civil Defence then the original rate strike of \$15,000 would have stayed in place. Cr Robb feels that the rating district has put a reasonable case forward and he is happy to support the recommendation.

Moved (Archer / Birchfield)

1. *That this report be received.*
2. *That Council rescinds its previous decision and reduces the Coal Creek Rating District rate for the 2013 / 14 year from \$15,000 to \$10,000.*

Carried

4.1.3 LOWER WAIHO RATING DISTRICT CAPITAL WORKS REPORT

M. Meehan spoke to this report and advised that the raising of the Rubbish Dump stopbank was discussed in his earlier report. He stated that the Lower Waiho Rating District has two main assets, the Rubbish Dump Stopbank and the Milton and Others stopbank. M. Meehan advised that these two stop banks protect properties in the rating district from the Lower Waiho River which is a hugely dynamic river which causes a lot of problems. M. Meehan advised that at the moment gravel accretion in the river is significant. He stated that a careful eye is being kept on this with the cross section analysis. M. Meehan

advised that the Rubbish Dump Stopbank was being overtopped in ordinary annual floods and the committee agreed to raise this bank. M. Meehan advised that at the recent annual meeting the rating district discussed two capital works projects. The first one was the Rubbish Dump Stopbank which has been done and the second project is to construct a new compacted gravel stopbank to join the two existing stop banks together. M. Meehan advised that when these works were discussed the rating district was not in a good financial position therefore they elected to proceed with the raising of the Rubbish Dump stopbank and to see what the price would be for the new bank, and for the tender prices to be reported back to them so that a decision could be made as to whether or not to proceed with this. M. Meehan advised that the price has come back up just over \$90,000 for a gravel compacted stopbank. M. Meehan advised that the rating district would need to take out a loan for this work and they would need to make a loan repayment each year in addition to the current maintenance rate that they already pay. M. Meehan advised that in the past the rating district has paid \$100,000 per year into its account but in recent times Council has allowed them to take this down to \$50,000. M. Meehan advised that loan options were presented to the rating district committee on the 19th of November. He stated that the rating district voted 4 / 3 in favour of proceeding with both options. M. Meehan advised that the voting represents three properties to two properties. M. Meehan advised that the votes in favour represent approximately 45% of the rate take and the votes against represent approximately 36% of the rate take. M. Meehan advised that Cr Challenger and Cr McDonnell visited the site last week and met with the rating district spokesperson to discuss this. Two of the main property owners are in favour of raising the stopbank; they see the risk of the river going through their farms. One of the farmers against the project is not worried if the river goes through his property and the other landowner believes that their personal insurance will cover losses if the river does go through their farm. Cr McDonnell stated the rating district spokesman is in favour of the works going ahead. Cr Challenger stated that there are two options, either accept that it is going to flood and do nothing; or put up a stopbank. Cr Challenger stated that the gravel stopbank will require maintenance and there needs to be enough money to maintain it. M. Meehan advised that the rating district is currently rated \$50,000 per year for maintenance. He stated most of this money has gone into topping up the Rubbish Dump stopbank. M. Meehan is hoping that with the stopbank now being more stable not as much maintenance will be required. M. Meehan advised that the preferred option would be to use rock instead of compacted gravel but this price was completely out of the ball park for the rating district. Further discussion ensued. Both of the Westland Councillors agreed with the recommendation.

Moved (Birchfield / Challenger)

1. *That the report is received.*
2. *That Council secures a loan of \$260,000 on behalf of the Lower Waiho Rating District to fund the raising of the Rubbish Dump Stopbank and construction of a compacted gravel stopbank between the Rubbish Dump and the Milton and Others Stopbanks.*
3. *That the term of the loan be 10 years.*

Carried

4.2 CORPORATE SERVICES MANAGER'S REPORT

R. Mallinson spoke to his report advising that this is for the four months to the end of October. R. Mallinson stated that this is a modest surplus compared to budget, with the main reason for this being the amount of work that has been done in the Camelback Quarry. He advised that around \$650,000 has been spent in this quarry. R. Mallinson advised that some of this work will be capitalised. R. Mallinson advised that he has investigated that shortfall in revenue in the Consents & Compliance regulatory area. He stated that consent processing revenues were considerably lower than expected and budgeted for. R. Mallinson advised that there is a low volume of consent applications coming in at the moment which is causing a lull. R. Mallinson advised that once the processing for Westland District mining consents come on stream this will help.

R. Mallinson advised that the Quarries deficit will not be cleared over the whole of the financial year. R. Mallinson advised that previous year's surpluses from quarries have been carried forward and these

surpluses are in excess of \$300,000. R. Mallinson advised that the substantial amount of money that has been spent at Camelback quarry will benefit this quarry over the coming years. C. Ingle advised that this year is not going to be a great year for quarries but quarry finances have always been ring fenced and positive balances are in place from good years in the past. C. Ingle advised that work had to be done in the Camelback quarry so that rock could be supplied for the Hokitika seawall.

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

Carried

4.2.1 FOUR MONTH REVIEW 1 JULY 2013 – 31 OCTOBER 2013

C. Ingle spoke to this report and advised that this is the standard way of tracking progress with the Annual Plan targets. He advised that this is the first of the three reports that are produced every year. C. Ingle advised that at this time of the year many of the performance targets are in progress rather than fully achieved. Discussion ensued regarding the work being done in the Lake Brunner catchment. It was noted that some of the work being done in this area will not show significant results for a couple of years. Cr Archer asked if there has been any discussion with the Mokihinui community regarding the installation of a new flood warning system on the Mokihinui River. M. Meehan advised that the sites have been assessed. He advised that he will bring a report to council in the New Year on this matter.

Moved (Birchfield / Challenger) *that this report be received.*

Carried

4.2.2 TRIENNIAL AGREEMENT

C. Ingle spoke to this report and advised that it is a requirement of the Local Government Act every third year. C. Ingle advised that Grey District Council has already adopted the Triennial Agreement, it will soon be adopted by Westland and Buller District Councils. C. Ingle advised that essentially it is the same agreement as for the past nine years. C. Ingle advised that this agreement is a commitment from each council to meet four times a year, as the Mayors and Chairs forum and to work collaboratively together and explore potential shared services. Cr Birchfield stated that he feels one hearing commissioner for consent hearings is enough. He feels that doubling up is a waste of time. Cr Archer stated that it would be suitable for some hearings but he would not support a lock in of one commissioner only. J. Adams advised that where possible only one commissioner is used but each consent hearing is discussed on a case by case basis. C. Ingle advised that the Mokihinui Dam proposal was very complex and more than one commissioner was required for this. C. Ingle stated that in the future he expects that these types of consent applications will be called in by the EPA for decision making. Cr Birchfield stated that he is talking about small scale consent applications. It was agreed that this matter would be discussed at the next Mayors and Chairs Forum.

Cr McDonnell stated that it was agreed at the Economic Summit on Friday that collaboration is a good idea. Cr McDonnell said this is an area he would like to see some good progress made.

Moved (Birchfield / McDonnell) *that Council formally adopt the attached Triennial agreement, for the three year term of the new Council.*

Carried

6.0 CHAIRMANS REPORT

The Chairman spoke to his report. He stated that Lawrence Yule, President of LGNZ spoke at the recent Regional Sector Group meeting. Mr Yule stated that the regions are being left out and the big focus is on Auckland. Mr Yule is concerned that growth is being focused on the main centres and he would like LGNZ to have a joint plan with central government so that regional growth can be improved. Cr Robb advised that Civil Defence matters were discussed at yesterday's Mayors and Chairs forum.

Cr Robb passed on his congratulations to C. Ingle and staff for their input into the Regional Policy Statement review. He stated that staff have put in a massive amount of work into this. Cr Robb stated

that the feedback from the public regarding this matter has been extremely positive. Cr Robb stated that the Economic Summit was very well received. He said it would be great to see some action points and progress come out of this. Cr Robb stated that as a result of the Economic Summit the Mayors and Chairs have decided to meet six times a year rather than four. C. Ingle stated that Civil Defence have decided to review that structure, to establish a shared service, and the Southland model will be followed. C. Ingle advised that the Mayors and Chair have asked the CEO's to come up with a draft economic development strategy for the region. This will follow on from the DWC one which expires this year. Cr Robb advised that at the RSG meeting Malcolm Alexander from LGNZ highlighted the need to elected members to get some training as bad governance has an impact on the reputation of all sectors. Cr Robb stated that the example of the Kaipara District Council's governance problems is an example of this type of thing. Cr Robb stated that this council needs to be assured that it is managing itself well and not to rely on Audit NZ for this. C. Ingle advised that the need for audit committees was discussed and it was noted that only about half of councils have an audit committee. C. Ingle advised that as we do not have an audit committee it may be time to discuss this again to see whether or not there is merit in this area. Cr Archer stated that Audit NZ is the statutory authority for audit and there is no going away from this. Cr Clementson stated that if Councillors are reading audit reports and asking tough questions if necessary then this is self-auditing. Cr Robb stated that he feels there are no problems in this area and council has good processes in place.

Cr Robb advised that he and C. Ingle attended the inaugural Morgan Foundation New Zealand River Awards. Cr Robb advised that council received a regional award for the improvements made to Harris Creek at Kowhitirangi, the second most improved river in New Zealand. Cr Robb advised that the Harris Creek project was a joint partnership between the farmers in the area, Westland Milk Products, Landcare Trust and council. Cr Robb reported that over the measuring time Harris Creek has improved by 13% and while the Shag River in North Otago won the award, it has improved by 13.1% during the measuring period (only 0.1% more than Harris Creek). Cr Archer stated that this was a good news story and congratulated council on this. C. Ingle spoke of the history of the Harris Creek project and advised that funding was received from MfE around eight years ago. He stated that farm plans were first done in Lake Brunner as this catchment was recognised early on as an area that needed some work. Then other catchments were looked at including Orowaiti in the Buller area and then Harris Creek. C. Ingle advised that Harris Creek is a 100% dairy area, is spring fed and is right in the heart of the Kokatahi Kowhitirangi valley. C. Ingle stated that Harris Creek was picked because it needed some improvement. It was agreed that the award would be presented to the community in the New Year.

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

Carried

5.0 CHIEF EXECUTIVE'S REPORT

C. Ingle spoke to his report and advised that his report is very similar to the Chairman's but there are a few meetings that he attended on his own. C. Ingle reported that he is now the Chair of the Planning and Accountability Working Party of SOLGM.

C. Ingle reported that he attended Zone 5 & 6 meeting in Christchurch. C. Ingle stated that the Amethyst Hydro opening was very significant and this scheme now has the capacity to power all of South Westland and if the Waitaha scheme goes ahead then this will meet the normal demand of up to two thirds of the whole of the West Coast. C. Ingle stated that the local hydro generations are now starting to meet the demand of the community which is very positive in terms of local electricity generation. C. Ingle stated that should there be a major earthquake and the power cables that go through the alpine passes go out then at least there is local modern hydroelectricity that can maintain function for the West Coast.

C. Ingle advised that staff have put in some big hours publicising the Regional Policy Statement Review, a lot of this work has been done on weekends in order to contact the public at various locations. C. Ingle stated that there has been a strong response to this and the media response has also been very positive. C. Ingle stated that he felt that Friday's Economic Summit was a great day and follow up on this took place at yesterday's Mayors and Chairs Forum. C. Ingle advised that the economic strategy for the West Coast will be collaboration between the four councils and Development West Coast. He stated that there are still some questions to be worked through as to how to progress this.

Cr Archer commented that it would be great to see if there is a possibility of creating hydro schemes as a controlled activity subject to limited parameters into the future. He feels that this would show communities that it is possible to be self-sustainable in terms of hydro generation. Cr Robb stated that at the Amethyst opening he was advised that if the Waitaha scheme gets up and running this will enable the entire West Coast to be self-sufficient at times.

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

Carried

7.0 GENERAL BUSINESS

There was no general business.

The meeting closed at 12.06 p.m.

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Chairman

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Date