

Minutes of the fifth meeting of the eleventh triennium of Horizons Regional Council (Live Streamed) held at 10.00am on Tuesday 25 February 2020, in the Tararua Room, Horizons Regional Council, 11-15 Victoria Avenue, Palmerston North.

PRESENT Crs RJ Keedwell (Chair), AL Benbow, EM Clarke, DB Cotton (via audio visual link), SD Ferguson, EB Gordon, FJT Gordon, WM Kirton, JM Naylor, NJ Patrick, and GJ Turkington.

IN ATTENDANCE

Chief Executive	Mr MJ McCartney
Acting Group Manager	
Corporate and Governance	Mr D Neil
Committee Secretary	Mrs JA Kennedy

ALSO PRESENT At various times during the meeting:

Dr N Peet (Group Manager Strategy & Regulation), Dr J Roygard (Group Manager Natural Resources & Partnerships), Mr R Strong (Group Manager River Management), Mr G Shirley (Group Manager Regional Services & Information), Ms C Morrison (Media & Communications Manager), Mrs R Tayler (Manager Policy & Strategy) Mr F Campbell (Policy Analyst), Mr O Hartley (Graduate Policy Analyst), Ms G Tyree (Graduate Policy Analyst), Mr A Smith (Chief Financial Officer), Mr S Mancer (Management Accountant), Mr G Twomey (Senior Policy Analyst Iwi), Mr D Emery and supporters (Ngati Kauwhata), and a member of the Press.

WELCOME
The Chair welcomed everyone to the meeting.

APOLOGIES

20-51 **Moved** **Naylor/Patrick**
That an apology be received from Cr Te Awe Awe.
CARRIED

PUBLIC FORUMS / DEPUTATIONS / PETITIONS
There were no requests for public speaking rights.

SUPPLEMENTARY ITEMS

The following items were noted as Supplementary:

- 9.3 Report of Passenger Transport Committee, 18 February 2020;
- PX2 Report of Public Excluded Passenger Transport Committee, 18 February 2020; and
- PX9 Report PX20-25 Additional Loan Funding.

MEMBERS' CONFLICTS OF INTEREST
There were no conflicts of interest declared.

CONFIRMATION OF MINUTES

20-52 **Moved** **Naylor/Ferguson**

That the minutes of the Regional Council meeting held on 17 December 2019 as circulated, be confirmed as a correct record.

CARRIED

ENHANCING THE HEALTH AND WELLBEING OF THE MANGAKINO (MĀKINO) STREAM - THE USE OF FINE FUNDS

Report No 20-12

This item sought Members' consideration of the use of remaining funds from the prosecution of PGG Wrightson Limited and Carrfields Livestock Limited. Dr Peet (Group Manager Strategy & Regulation) outlined the precedent for the use of fine monies, summarised the involvement of Ngati Kauwhata in the prosecution which included a victim impact statement, and commented on the potential use of the fine funds. Mr Dennis Emery spoke of the hurt and damage suffered as a result of the illegal discharge into the Mangakino (Mākinō) stream and outlined his support for recommendation d.ii.

20-53 **Moved** **Turkington/F Gordon**

It is recommended that Council:

- a. receives the information contained in Report No. 20-12;*
- b. notes that Horizons Regional Council received \$131,000 in fine monies following the prosecution of two parties for an illegal discharge of animal effluent into the Mangakino (Mākinō) stream;*
- c. notes that after covering the costs to ratepayers of taking the prosecution, \$76,165 remains;*
- d.ii agrees that, subject to a formal agreement, \$76,165 be expended on a series of projects to benefit the health and wellbeing of the Mangakino (Mākinō) stream as detailed in this report.*

CARRIED

CHIEF EXECUTIVE'S REPORT

The Chief Executive (CE) presented his report and clarified Members' questions.

20-54 **Moved** **Naylor/Ferguson**

That the Chief Executive's report be received.

CARRIED

CREATION OF NEW WATER REGULATOR: TAUMATA AROWAI BILL - DRAFT SUBMISSION*Report No 20-11*

This report provided Members with an overview of the Taumata Arowai - the Water Services Regulator Bill, and sought approval for the draft submission to be provided to Parliament's Health and Select Committee. Mrs Tayler (Manager Policy & Strategy) introduced Ms Tyree (Graduate Policy Analyst) who summarised the contents of the Bill and responded to questions of clarification.

20-55 **Moved** **Naylor/Ferguson**

It is recommended that Council:

- a. *receives the information contained in Report No. 20-11 and Annex A;*
- b. *notes that the Taumata Arowai – the Water Services Regulator Bill would establish a new regulatory body responsible for overseeing management and monitoring of drinking-water, stormwater, and wastewater networks;*
- c. *approves the draft submission on the Taumata Arowai – the Water Services Regulator Bill to be provided to Parliament's Health Committee.*

CARRIED

INFRASTRUCTURE FINANCING*Report No 20-13*

This report provided Members with an overview of urban development-related bills recently being consulted on by Government, and sought approval of the attached draft submission on the Infrastructure Funding and Financing Bill (the Infrastructure Bill) to Parliament's Transport and Infrastructure Select Committee. Mr Campbell (Policy Analyst) summarised the Bill. Questions around Council's role and the impacts of spatial planning were responded to.

20-56 **Moved** **Benbow/Ferguson**

It is recommended that Council:

- a. *receives the information contained in Report No. 20-13 and Annexes.*
- b. *approves the draft submission on the Infrastructure Funding and Financing Bill to be provided to Parliament's Transport and Infrastructure Committee.*

CARRIED

LOCAL GOVERNANCE STATEMENT - MANAWATŪ-WHANGANUI REGIONAL COUNCIL*Report No 20-14*

This item presented for Council's consideration, the current Local Governance Statement (LGS) for the Manawatū-Whanganui Regional Council (trading as Horizons Regional Council) which had been revised as a result of legislative and organisational changes. Mr Neal (Acting Group Manager Corporate & Governance) introduced the item and noted that the (LGS) was a collection of information which described the Regional Council's role, the processes it used to engage with the community, and outlined how Council made decisions. Members discussed the LGS, noted typographical amendments, and provided a number of suggestions to give consistency and improve wording in the document. The Chair noted that Councillors suggestions would be flagged for discussion at the next Strategy Session, and if warranted, amended following the adoption of the Long-term Plan 2021-2031.

20-57 **Moved** **Clarke/F Gordon**

It is recommended that Council:

- a. *receives the information contained in Report No. 20-14 and Annex;*
- b. *acknowledges the legislative requirements to update its Local Governance Statement; and*
- c. *receives the revised Local Governance Statement for the Manawatū-Whanganui Regional Council (trading as Horizons Regional Council) at Annex A together with typographical amendments.*

CARRIED

COUNCILLORS' WORKSHOP ATTENDANCE - 11 DECEMBER 2019 TO 18 FEBRUARY 2020

Report No 20-15

This item noted the Councillors' Workshop Attendance from 11 December 2019 to 18 February 2020.

20-58 **Moved** **Naylor/Turkington**

It is recommended that Council:

- a. *receives the information contained in Report No. 20-15 and Annex.*

CARRIED

AFFIXING OF THE COMMON SEAL

Report No 20-16

This paper reported on documents to which Horizons Regional Council's Common Seal had been affixed.

20-59 **Moved** **Naylor/Turkington**

That the Council:

- a. *acknowledges the affixing of the Common Seal to the below mentioned documents.*

Under Chief Executive's Delegated Authority:

- *Warrant Card
Honorary Enforcement Officer
for Manawatu River and Tributaries Navigation and Safety Bylaw 2010
1 December 2019 to 1 December 2022
- Maurice Reid
- Keith Eveleigh
- Ian Halliday Taylor
- Ian John Pedersen
- Bruce Edward Culley*
- *Warrant Card
Enforcement Officer
Megan Wilson*
- *Warrant Card
Enforcement Officer
Shelley Gunning*

CARRIED

RECEIPT AND ADOPTION OF COMMITTEE RESOLUTIONS AND RECOMMENDATIONS

REPORT OF STRATEGY & POLICY COMMITTEE MEETING - RECEIVE AND ADOPT RESOLUTIONS AND RECOMMENDATIONS - 11 FEBRUARY 2020

20-60 **Moved** **Naylor/Patrick**
That the Council receives and adopts the resolutions and recommendations of the Strategy & Policy Committee meeting held on 11 February 2020.
CARRIED

REPORT OF ENVIRONMENT COMMITTEE MEETING - RECEIVE AND ADOPT RESOLUTIONS AND RECOMMENDATIONS - 12 FEBRUARY 2020

20-61 **Moved** **Patrick/F Gordon**
That the Council receives and adopts the resolutions and recommendations of the Environment Committee meeting held on 12 February 2020.
CARRIED

REPORT OF PASSENGER TRANSPORT COMMITTEE MEETING - RECEIVE AND ADOPT RESOLUTIONS AND RECOMMENDATIONS - 18 FEBRUARY 2020

20-62 **Moved** **Ferguson/Kirton**
That the Council receives and adopts the resolutions and recommendations of the Passenger Transport Committee meeting held on 18 February 2020.
CARRIED

Discussion on Public Excluded Items

Members discussed and commented on the public excluded items of the agenda and provided their views on whether it was appropriate for any items to be moved into the public domain. Ultimately the Chair put a motion to discuss Items PX1-8 in public excluded session of the meeting.

PUBLIC EXCLUDED ITEMS PX1-8

20-63 **Moved** **Keedwell/Naylor**
That the Council resolves to discuss Items PX1-8 in the public excluded session of the meeting.
CARRIED

PUBLIC EXCLUDED ITEM PX9

Moved **Keedwell/Naylor**
That the Council resolves to discuss supplementary item PX9, Report No. PX20-25, Additional Loan Funding in the public excluded session of the meeting.
LOST

20-64**Moved****Naylor/Clarke**

That the Council resolves to discuss supplementary item PX9, Report No. PX20-25, Additional Loan Funding in the public session of the meeting, prior to moving in to public excluded.

CARRIED**ADDITIONAL LOAN FUNDING***Report No PX20-25*

This report requested Council to approve additional loan funding from the Local Government Funding Agency (LGFA), due to Horizons Regional Council (HRC) suffering a potential cash shortage. Mr Smith (Chief Financial Officer) summarised the need for the additional loan and he and the Chief Executive clarified Members' questions. Members provided their views around the loan request and sought clarification. During discussion there was a suggestion to reduce the loan amount to \$5,000,000, with disappointment expressed at the lack of information associated with the request. Ultimately, the recommendations were separated out with an amendment to recommendation b. to include the words 'up to \$15,000,000'.

20-65**Moved****Benbow/Naylor**

It is recommended that Council:

- a. *receives the information contained in Report No. PX20-25;*

CARRIED

- b. *authorises the Chief Executive to draw additional debt up to \$15,000,000;*

Against: Crs Ferguson & Turkington

CARRIED

- c. *authorises the Chief Executive to utilise external funding in the future plans rather than internal funding arrangements*

CARRIED**PROCEDURAL MOTION TO EXCLUDE THE PUBLIC****20-66****Moved****Keedwell/Naylor**

THAT the public be excluded from the following part(s) 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 follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 and section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

CARRIED

General subject of each matter to be considered	Reason for passing this resolution	Ground(s) under section 48(1) for the passing of this resolution
PX1 Confirmation of Public Excluded Meeting held on 17 December 2019	s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX2 Report of Passenger Transport Committee Meeting - Receive and Adopt Resolutions and Recommendations – 18 February 2020	s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX3 Earthquake Damage Assessment, River Management Assets	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. Any contractual arrangement between Horizons and GNS Science will effectively be a consultancy services agreement and accordingly it would not be appropriate to divulge the detail of that arrangement. It also contains some frank views around previous technical work undertaken that would not produce a productive discussion in a public arena.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX4 Horizons River Management Submission on Horowhenua District Council Fairfield Road Stormwater Discharge Consent Application	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege. Negotiations with the Horowhenua District Council on this matter are at an early stage and public disclosure of this information will almost certainly negatively impact those negotiations. s7(2)(i) - the withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

	<p>Negotiations with the Horowhenua District Council on this matter are at an early stage and public disclosure of this information will almost certainly negatively impact those negotiations.</p>	
PX5 Carry Forwards	<p>s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>The Financial Reports have not been audited and are subject to a number of year end adjustments and audit review before being released to the public.</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>
PX6 MWRC Holdings Limited (MWRCH) 2021-23 Draft Statement of Intent	<p>s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>These performance measures are draft and subject to change post feedback to MWRCH Board by Council. The final measures will be included in the Statement of Intent and therefore be available to the public at that time.</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>
PX7 Regional Software Holdings Limited 2020-23 Draft Statement of Intent	<p>s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>These performance measures are draft and subject to change post feedback to RSHL by Council. The final measures will be included in the Statement of Intent and therefore be available to the public at that time.</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>
PX8 Chief Executive Performance Review Process	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.</p> <p>The report should remain confidential because it includes information about the performance and employment terms of an identifiable individual.</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>

<p>PX9 Additional Loan Funding (This item was moved and discussed in the public domain)</p>	<p>s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>The Financial Reports have not been audited and are subject to a number of year end adjustments and audit review before being released.</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>
<p>PX10 Council / Committee to consider whether any item in the Public Excluded minutes can be moved into the public domain and define the extent of the release</p>		

The meeting adjourned to the Public Excluded part of the meeting at 11.35am and resumed at 2.03pm.

During the public excluded part of the meeting, Resolution PX 20-15 agreed that the following public excluded items could be made available in the public domain:

- PX4, Report No. PX20-18, Horizons River Management Submission on Horowhenua District Council Fairfield Road Stormwater Discharge Consent Application;
- PX5, Report No. PX20-19, Carry Forwards;
- PX6, Report No. PX20-20, MWRC Holdings Limited (MWRCH) 2021-23 Draft Statement of Intent;
- PX7, Report No. PX20-21, Regional Software Holdings Limited 2020-23 Draft Statement of Intent.

The meeting closed at 2.04pm.

Confirmed

CHIEF EXECUTIVE

CHAIR