



Minutes of the sixth meeting of the eighth triennium of Horizons Regional Council held at 10.01am on Tuesday, 22 March 2011, in the Tararua Room, Regional House, 11-15 Victoria Avenue, Palmerston North.

PRESENT Crs EB Gordon (Chairman), JJ Barrow, LR Burnell (from 10.03am to 3.15pm), VJF Chettleburgh QSM ED, GL Cox, MC Guy, GM McKellar, MW Plowman, PW Rieger QSO JP, CI Sheldon, RG Walker, and JJ White.

IN ATTENDANCE Chief Executive Mr MJ McCartney
Group Manager Corporate and Governance Mr CA Grant
Committee Secretary Ms K Booth

ALSO PRESENT At various times during the meeting:
Mr A Cook (Group Manager Operations), Mr C Mitchell (Group Manager Environmental Management), Mr G Shirley (Group Manager Regional Services and Information), Mr G Carlyon (Group Manager Regional Planning and Regulatory), Mr Collé (Chief Financial Officer), Mrs C Rowe (Media and Communications Manager), Ms L Jackson (Communications Advisor), Mr J Watson (Manager Catchment Data), Mr G Murfitt, and two Members of the Press.

APOLOGIES

There were no apologies.

PUBLIC SPEAKING RIGHTS

There were no requests for public speaking rights.

LATE ITEMS

The Chairman advised there were no Late Items but drew Members' attention to the items that had been distributed to Members. These included: written request for deputation from Mr Rusty Kane, notes from Cr Plowman, Public Excluded Report No. 11-46 (IRIS), Questions from Cr Chettleburgh, and notes on Councillors' Training/Conferences.

MEMBERS' CONFLICTS OF INTEREST

There were no conflicts of interest noted.

PETITIONS / DEPUTATIONS

There was a deputation from Mr Rusty Kane who explained he was the Leader of People's Choice which was a political lobby group. He spoke about issues with nitrate leaching into the waterways and believed the problem could be stopped. He asked that when Councillors were talking to farmers, they encouraged them to use natural processes on the land. He acknowledged that organisations such as Fonterra and regional council were already working on the issue but wanted to see the process sped up. Members asked questions of clarification. The Chairman thanked Mr Kane for his deputation.

CONFIRMATION OF MINUTES

11-88 **Moved** **Guy/Cox**

That the minutes of the meeting held on 21 February 2011, as circulated, be confirmed as a correct record.

CARRIED

There was a query whether the people referred to in resolution 11-79 as receiving Warrant Cards, had undergone a Fit and Proper ~~Purpose~~ **Person** status process. The Chief Executive advised that checks were undertaken on staff when they were employed and if inaccurate information was provided, then the appropriate action was taken. He asked Members to let him know if there were any incidents involving people holding warrant cards.

The Chairman said he would amalgamate discussion on the next two reports: 'Draft Annual Plan 2011-12', and 'Proposed Changes to Funding and Operation of Green RIG'.

PROPOSED CHANGES TO FUNDING AND OPERATION OF GREEN RIG

Report No. 11-43

This report responded to Members' questions regarding the proposed reduction in funding for the Green RIG (RIG) as signalled in the Draft 2011-12 Annual Plan. The Group Manager Environmental Management (GMEM) spoke to the report and referred Members to paragraph 9 of the Report which stated the decision of Council to stop funding for the RIG in the Draft Annual Plan 2011-12. There was discussion around the possible reduction in services to the community through the RIG no longer being available for environmental education. There was a variety of opinion expressed around whether the RIG was, or was not, an important environmental educational 'tool' for the Council. The GMEM clarified that Trees for Survival, Enviroschools and Waiora programmes were ongoing educational programmes.

The GMEM clarified that under the Genesis contractual arrangement, Horizons provided the RIG for two annual events of Genesis' choice, but only met costs for the driver, diesel and Horizons' staff time. All other costs were borne by Genesis.

11-89 **Moved** **Rieger/White**

That the Council:

- a. **receives and notes** the contents of Report No. 11-43.

Against: Crs Walker, Barrow

CARRIED

DRAFT ANNUAL PLAN 2011-12

Report No. 11-45

This report provided the background for the adoption of the Draft Annual Plan 2011-12 (DAP) for public consultation. The Chief Executive advised the DAP had been received back from Audit NZ with a 'clean tick'. Mr Collé (Chief Financial Officer) noted an alteration to paragraph 2 of the Report and to the Rates paragraph in the Summary. He asked Members to amend 2.2% to 2.22% (GST increase) and 5.98% to 6.00% (total rates increase). Mr Collé summarised the contents of the Report, explained the bullet points, and referred Members to the rates invoice examples (urban and rural) at Annexes C.

The Chairman clarified that if Members wished to debate any matters relating to the Draft Annual Plan 2011-12, it was appropriate to do so during the current discussion of the report. Members then discussed the Summary of Proposal and offered suggestions for amendments to the document. Members asked for consistency between the data in the report and the Summary of Proposal. It was clarified that there was summarised wording in the Draft Annual Plan to explain the costs referred to in the Summary of Proposal.

Members asked for clarification around the Animal Health Board (AHB) funding and targeted rating, and noted that Horizons moved into areas when the AHB moved out. They also sought clarification on the impact on the rates with the inclusion of GST, increase in water monitoring costs and where the costs lay, reasons for debt funding, whether there was funding for Totara Reserve by Manawatu District Council in its Draft Annual Plan, and progress with the National Policy Statement on biodiversity. The Chairman reminded Members that there would be consultation with the community in regard to the contents of the Draft Annual Plan.

After discussion on the wording in the Summary of Proposal around environmental education, a motion was proposed to provide alternative wording to the 2nd paragraph of the 'Information and Community Engagement' section of the Summary. The GMEM confirmed that support would continue for the current Enviroschools, Trees for Survival, and Waiora programmes, but there would be no room for expansion.

Moved

Sheldon/Plowman

That the Summary of Proposal be amended by inserting the words "This year the Council is proposing that the level of service for environmental education will be reduced. By discontinuing the use of the Green RIG this will result in a saving of \$104,000 or 95 cents per ratepayer, however the remaining environmental education programme will continue".

An amendment to that motion was then proposed. When putting the amendment, the Chairman asked for a show of hands.

11-90

Moved

Guy/Chettleburgh

That the Summary of Proposal be amended by inserting the words "This year the Council is proposing that the level of service for environmental education for community and schools will be reduced. By discontinuing the use of the Green RIG this will result in a saving of \$104,000 or 95 cents per ratepayer, however the remaining environmental education programme will continue".

For: 6 votes

Against: 6 votes

Casting Vote by Chairman in favour of the amendment

CARRIED

The amendment then became the substantive motion and was put to the meeting. The Chairman asked for a show of hands.

11-91 Moved Guy/Chettleburgh

That the Summary of Proposal be amended by inserting the words "This year the Council is proposing that the level of service for environmental education for community and schools will be reduced. By discontinuing the use of the Green RIG this will result in a saving of \$104,000 or 95 cents per ratepayer, however the remaining environmental education programme will continue".

For: 6 votes

Against: 6 votes

Casting Vote by Chairman in favour of the substantive motion.

CARRIED

The meeting adjourned at 11.55am.

The meeting resumed at 12.45pm.

Members continued to discuss the contents of the Draft Annual Plan and the Report and annexes, requested amendments, and asked for modifications to enable the ratepayer to clearly understand the meanings of 'targeted rate' and 'general rate'.

11-92 Moved Gordon/White

That the Council:

- a. **receives** Report No. 11-45.

CARRIED

11-93 Moved Burnell/Rieger

There was discussion around the removal of funding for the Green RIG however there was no amendment made to the motion. The Chairman was asked to split the motion into (b) and (c).

That the Council:

- b. **adopts** the Statement of Proposal for the Draft Annual Plan 2011-12 for public consultation with the Community as amended at the meeting.

CARRIED

11-94 Moved Burnell/Rieger

That the Council:

- c. **adopts** the Summary of Proposal for the Draft Annual Plan 2011-12, as amended at the meeting

Against. Cr Plowman

CARRIED

KAHUTERAWA STREAM INVESTIGATION SPECIAL HEARING COMMITTEE MEMBERSHIP

Report No. 11-41

This item sought Council's confirmation of the membership of a Special Hearing Committee required to consider any submissions received in relation to a Draft Stream Management Plan for the Kahuterawa Stream.

11-95

Moved

Burnell/White

That the Council:

- a. **receives** the information contained in Report No. 11-41; and
- b. **endorses** the composition of the Kahuterawa Hearing Committee, Crs Guy (Chair), Barrow and Chettleburgh, as proposed by the Chairman.

CARRIED

AFFIXING OF THE COMMON SEAL

Report No. 11-44

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

11-96

Moved

Guy/McKellar

*That the Council **acknowledges** the affixing of the common Seal to the following documents:*

- Warrant Card Enforcement Officer
Harold Ivan Barnett
Position: Environmental Scientist
Group: Regional Planning and Regulatory
- Warrant Card Enforcement Officer
Blair Edward Sowman
Position: Hydrology Technician
Group: Regional Services
- Warrant Card Enforcement Officer
Brent Stephen Fanning
Position: Principal Rural Fire Officer
Group: Regional Services Emergency Management
- Warrant Card Enforcement Officer
Carol Anne Nicholson
Position: Environmental Scientist – Aquatic
Group: Regional Planning and Regulatory
- Warrant Card Enforcement Officer
Evan Martin Lloyd
Position: Risk Management Coordinator
Group: Regional Services Emergency Management
- Warrant Card Enforcement Officer
Jacob Ron Channon
Position: Hydrologist
Group: Regional Services

- Warrant Card Enforcement Officer
Logan Arthur Brown
Position: Environmental Scientist – Water Quality
Group: Regional Planning and Regulatory
- Warrant Card Enforcement Officer
Paul Raymond Peters
Position: Senior Catchment Data Coordinator
Group: Regional Services
- Warrant Card Enforcement Officer
Michael Shane Bayley
Position: Manager Emergency Management Officer
Group: Regional Services Emergency Management
- Horizons Regional Council
Bridge Replacement works - Kopane
Bridge Replacement – Sexton Agreement
PRD 71017 #01471

CARRIED

WORKSHOP ATTENDANCE

11-97 Moved Sheldon/Walker

*That the Council **notes** the Workshop attendances 15 February 2011 – 16 March 2011.*

CARRIED

ENDORSEMENT AND ADOPTION OF COMMITTEE RESOLUTIONS AND RECOMMENDATIONS

REGIONAL TRANSPORT COMMITTEE

The Chairman referred to the proposed Woodville stock effluent disposal site, and advised an update from a recent meeting would be available shortly.

11-98 Moved Gordon/Chettleburgh

*That the Council **endorses and adopts** the resolutions and recommendations of the Regional Transport Committee meeting held on 1 March 2011.*

CARRIED

STRATEGY AND POLICY COMMITTEE

The Chairman asked Members to consider setting aside resolution SP 11-17, at this stage of the meeting (Conference/Training Opportunities for Elected Members) for discussion later in the meeting, and he asked for the rest of the resolutions and recommendations to be adopted.

11-99 **Moved** **Gordon/Guy**

*That the Council **endorses and adopts** the resolutions and recommendations of the Strategy and Policy Committee meeting held on 8 March 2011, with the exception of resolution SP 11-17.*

CARRIED

ENVIRONMENT COMMITTEE

Cr White referred to page 55 and the note about a notice of motion to change the date of the July Environment Committee meeting. She explained the notice of motion was put and withdrawn at the request of the Chairman. The Chairman then advised Members that the July Environment Committee would be held on Tuesday 26 July 2011, and the Council meeting would be held on Wednesday 27 July. Members would be sent an email clarifying the dates.

11-100 **Moved** **White/Sheldon**

*That the Council **endorses and adopts** the resolutions and recommendations of the Environment Committee meeting held on 9 March 2011.*

CARRIED

PASSENGER TRANSPORT COMMITTEE

The Chairman advised that the report of the meeting had been distributed to Members at the beginning of the meeting. Cr Chettleburgh clarified questions in regard to the Levin bus service.

11-101 **Moved** **Chettleburgh/Sheldon**

*That the Council **endorses and adopts** the resolutions and recommendations of the Passenger Transport Committee meeting held on 17 March 2011.*

CARRIED

The Chairman then referred Members to the paper distributed to Members about Training and Conferences for Members. He noted the comparison of Horizons' training budget for Councillors with the budgets of several other local authorities, and commented that the cost of RMA (Resource Management Act) certification was a significant component of the Horizons' budget in this financial year. He and the Chief Executive suggested there were several alternatives for Members to consider, including whether RMA training/certification should form part of the Councillors' training budget, whether those qualified as Hearing Commissioners pay the re-certification costs, or whether there should be a separate RMA budget requested through a staff submission to the Draft Annual Plan process. There was full discussion by Members about funding for RMA training. It was identified that seven Members held RMA certification.

11-102 **Moved** **Gordon/Rieger**

*That the Council **agrees** that a new budget of \$5,000 be created for Resource Management Act certification training.*

CARRIED

The Chairman reminded Members that the Local Government New Zealand (LGNZ) annual conference was being held in Wellington in July and Horizons was sharing the hosting. He commented that the costs for Members to attend would be less than in other years when it would be at a location which would require extra travel costs. He asked Members if they wished to overspend the budget to allow more than one Councillor to attend. Comment was made that each Member should have an opportunity to attend an LGNZ annual conference during the triennium.

Moved

Plowman/Burnell

*That the Council **agrees** that the Chair and three Councillors attend each annual Local Government New Zealand conference within budget.*

Following discussion about the number of Councillors able to attend over a three year period, and the need to keep within budget, an amendment was proposed to the motion.

11-103

Moved

White/Sheldon

*That the Council **agrees** that the Chair and up to three Councillors attend each annual Local Government New Zealand conference within budget.*

Against: Cr Plowman
CARRIED

The amendment then became the substantive motion and was put to the meeting.

11-104

Moved

White/Sheldon

*That the Council **agrees** that the Chair and up to three Councillors attend each annual Local Government New Zealand conference within budget.*

Against: Cr Plowman
CARRIED

There was discussion about whether the amount in the training budget should be increased, but no change was agreed.

The Chairman referred to resolution SP 11-17 which had been set aside when the resolutions and recommendations of the Strategy and Policy Committee meeting held on 8 March, had been endorsed and adopted earlier in the meeting. He noted that Council's current policy was for a decision on attendance by Members at conferences and/or training to be made by the Chairman and it was recommended that this practice be continued. He also recommended that the Chair of the Audit, Risk and Investment Committee decided on his (Chairman's) attendance at any conferences and/or training.

11-105

Moved

Gordon/Chettleburgh

That the Council:

- a. **agrees** that the Chair considers and approves/declines requests by Members to attend training and/or conference opportunities;
- b. **agrees** that the Chair of Audit, Risk and Investment Committee considers and approves/declines requests by the Chairman to attend training and/or conference opportunities;

- c. **agrees** that the Councillor attending a conference must supply a written report to Council at the next appropriate Council meeting.

CARRIED

The Chairman advised the meeting would move into public excluded to receive a presentation from Mr Derek Postlewaight on the IRIS (Integrated Regional Council Information System) project. Cr Cox asked why there was a need to discuss the IRIS (Integrated Regional Council Information System) project in public excluded. The Chief Executive explained it was because of commercial sensitivity; that the contracted provider had been chosen through a tendering process.

11-106

Moved

Cox/Burnell

that the public is to be excluded from this portion of the Council meeting as the general subject matter to be considered while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for passing of this resolution is as follows:

General subject of each matter to be considered	Reason for passing this resolution	Grounds under section 48 (1) for passing this resolution
PX1 Confirmation of Minutes of 21 February 2011	As disclosure would not be in the public interest because of the greater need to enable Council to carry on without prejudice or disadvantage commercial negotiations.	That the exclusion of the public from that part of the meeting is necessary to prevent the disclosure of information for which good reasons for withholding exist.
PX2 Endorsement and adoption of the Regional Transport Committee resolutions and recommendations of 1 March 2011	As disclosure would not be in the public interest because of the greater need to enable Council to carry on without prejudice or disadvantage commercial negotiations.	That the exclusion of the public from that part of the meeting is necessary to prevent the disclosure of information for which good reasons for withholding exist.
PX3 Report from the Appeals Advisory Group <i>Report No. 11-42</i>	As disclosure would not be in the public interest because of the greater need to enable Council to carry on without prejudice or disadvantage commercial negotiations.	That the exclusion of the public from that part of the meeting is necessary to prevent the disclosure of information for which good reasons for withholding exist.
PX4 Verbal report from Mr Derek Postlewaight on the IRIS Project, and <i>Report No. 11-46 (tabled at the meeting)</i>	As disclosure would not be in the public interest because of the greater need to enable Council to carry on without prejudice or disadvantage commercial negotiations.	That the exclusion of the public from that part of the meeting is necessary to prevent the disclosure of information for which good reasons for withholding exist.
PX5 Council to consider whether any item in the Public Excluded minutes can be moved into the public domain, and define the extent of the release.		

CARRIED

The meeting adjourned to the Public Excluded part of the meeting at 1.55pm and resumed at 3.08pm.

CHAIRMAN'S REPORT

11-107 **Moved**

Gordon/Chettleburgh

That the Chairman's report be received.

CARRIED

CHIEF EXECUTIVE'S REPORT

The Chief Executive (CE) referred Members to the annexed 'regional roundup' and then introduced a short video which Mrs Rowe (Media and Communications Manager) had arranged to be taken at the Horizons' site at the Central District Field Days. In reference to paragraph 19 of his report, the CE explained that Dr Roygard (Manager Science) was presenting to the conference and that papers could be made available to interested councillors. The Chairman and CE clarified further questions.

11-108 **Moved**

Gordon/White

That the Chief Executive's report be received.

CARRIED

Cr Burnell left the meeting at 3.15pm.

MEMBERS' REPORTS

Cr White attended an IFS (Integrated Freshwater Solutions) Workshop, and a walk through of the Te Awa exhibition at Te Manawa, was rostered for three shifts on the Canterbury Earthquake Call Centre, attended the launch of 'Plant Me Instead', the Kahuterawa proposed scheme meeting, spoke to some members of the Audit team on water quality management together with a helicopter flight over the Manawatu River and surrounding areas.

Cr Walker had nothing to report.

Cr Sheldon attended a Levin public transport meeting at Horowhenua with Mayor Duffy and Mr Clapperton, Te Manawa to see the upcoming Te Awa exhibition, Waiterere Beach Progressive Association meeting, Zone 3 meeting, usual Horizons' meetings, Sustainable Manawatu function, met with Darren Hughes (MP for Otaki), attended a tour of Lake Horowhenua, and the Ballance Farm Awards.

Cr Rieger had nothing to report other than attending the usual Horizons' meetings and workshops.

Cr Plowman attended a Ruapehu District Council meeting and most of the Horizons' meetings and workshops.

The Chairman thanked Cr McKellar for making the presentation at the Ballance Farm Awards on his behalf.

Cr McKellar attended the usual Horizons' meetings and workshops, a meeting with Federated Farmers with the Chief Executive, the Ballance Farm Awards, and advised the winning farm would be holding an Open Day, noted that some Councillors did not receive invitations to the Ballance Farm Awards and would provide brochures for the next year. He also had received concerned calls from ratepayers in regard to charges etc.

Cr Guy attended the usual Horizons' meetings and workshops, facilitated a meeting at Aokautere, attended the Kahuterawa proposed scheme meeting with Crs White, Barrow and Chettleburgh, a briefing from CentrePort to the Holding Company, and a MAF review panel meeting on forestry incentives grants where Horizons presented a submission.

Cr Cox attended a meeting in Wanganui (nothing to do with Horizons) at the request of some residents and was able to pass on information from the Group Manager Operations which was appreciated, attended most Horizons' meetings and workshops, and a Financial Governance 101 workshop in Wellington with Mr Collé (Chief Financial Officer).

Cr Chettleburgh attended the Kahuterawa proposed scheme meeting, usual Horizons' meetings and workshops, Heritage Park meeting, and commented about invitations to the Ballance Farm Awards not being sent to all Councillors. The Chairman advised the Chief Executive had spoken to the organiser about this.

Cr Barrow attended some Scheme meetings in the Tararua district, the Kahuterawa proposed scheme meeting which he found interesting, the Federated Farmers meeting with the Chairman and Chief Executive, met with the Mayor and local farmers over various issues, including the issue over the main rail bridge between Woodville and Pahiatua.

MEMBERS' QUESTIONS

Cr Walker asked about the lack of invitations to the Ballance Farm Awards. The Chief Executive explained the organiser had only sent invitations to the newly elected members, and he had spoken to the organiser as Horizons was a considerable contributor to the Awards.

Cr McKellar asked whether meetings and workshops could be coordinated to fill a whole day. The Chairman noted the point and said he would organise this where possible.

Cr Plowman asked if the One Plan pre-hearings process was being held in Auckland, and if so what was the cost to Horizons. The Chief Executive explained that several members of the One Plan team had travelled to mutually agreed locations to meet with appellants, however the Courts would decide on locations for mediation and hearings. The Chairman asked for questions such as these to be forwarded to him in writing prior to the meeting.

Cr Plowman asked about costs in regard to the fencing proposal for Tararua. These were clarified.

Cr Plowman asked about reimbursement to Councillors for travel costs for attending the Ballance Farm Awards. The Chairman clarified that if a councillor was requested by Horizons to attend, then the mileage would be reimbursed but not otherwise.

Cr Plowman then addressed the paper he had distributed to Councillors headed up '*Roles and Functions Regional Council*' as the result of a request at the February Council meeting. He said his paper contained sections from the Local Government Act and the Resource Management Act. Cr Plowman said he believed the Council was acting unlawfully in regard to the One Plan and it was all explained in his paper.

Cr Rieger suggested that Cr Plowman's document be forwarded to the Council's solicitor for comment and for advice as to how unlawful he/Council had been. He put forward a motion.

11-109

Moved

Rieger/Barrow

That the document received from Cr Plowman be forwarded to the Council's Solicitor for comment.

CARRIED

At the public excluded part of the Council meeting held on 22 March 2011, the Council recommended that the part of the Public Excluded minutes of the Council meeting held on 21 February 2011 relating to the Draft Annual Plan (PX Report No. 11-27, resolutions PX 11-13 to PX 11-57 inclusive), be moved to the public part of the meeting. These are detailed below:

PX 11-66

Moved

Gordon/Walker

*that the Council **agrees** that the discussions on the Draft Annual Plan be moved to the public part of the meeting.*

CARRIED

DRAFT ANNUAL PLAN 2011-12

Report No. 11-27

This report provided the background for the adoption of the Draft Annual Plan (DAP) 2011-12 for Audit Review. The Chief Executive (CE) said the report provided various options put forward at Council workshops recently.

Crs McKellar and Plowman advised they had not received their copy of the DAP. As it was an important issue for discussion they believed Councillors required more time in order to read and vote on the information. Mr Collé (Chief Financial Officer) apologised for the delay in receiving the information. The Chairman clarified that the document to be discussed was Report No. 11-27 which all Councillors had received by email. Mr Collé advised a number of changes had been made to the emailed report, and an updated Report No. 11-27 was distributed for discussion.

Mr Collé clarified to Council that the decisions made at this meeting would give approval for the DAP to be released for Audit. The audited DAP would then be presented to Council for adoption. Once Members adopted the DAP for consultation, members of the public could then make submissions to the document.

The Chairman said each recommendation would be considered individually.

Mr Collé made it clear to Members that the document was extremely confidential as it included suggestions for cost reductions and if eventually adopted could result in some Council positions being disestablished. Mr Collé briefly outlined the financial impact, the changes suggested by Council through discussions held at Council workshops, and discussions held with Audit New Zealand about auditing requirements. Members asked questions of clarification, especially in regard to the levels of service provided by Council to the Community and potential reduction in staff levels.

The Group Manager Environmental Management (GMEM) spoke to recommendations pertaining to his area. There was considerable discussion about options identified relating to funding of the Rangitikei Environment Group (REG). Ultimately, out of the four options presented, the following variation to one of the options was recommended.

PX 11-13

Moved

White/Burnell

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** to continue a targeted rate/weed plan approach to funding of the Rangitikei Environment Group (REG) for the 2011-12 year only, **noting** the current inconsistency of this approach relative to Council resolution SP 10-02 (a-c) but intending this year that Council and REG work together to ensure consistency with the aforesaid resolution.

CARRIED

The meeting adjourned at 12.20pm

The meeting resumed at 1.00pm

The Group Manager Environmental Management (GMEM) continued and clarified the change in funding type of the Whanganui Catchment Strategy project from a Uniform Annual Charge (UAC) to a general rate. After discussion and questions of clarification it was suggested that funding for the Whanganui Catchment Strategy revert back to a UAC charge of \$0.95 cents.

PX 11-14

Moved

Guy/McKellar

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **reverts** back to a Uniform Annual Charge of \$0.95 cents for funding of the Whanganui Catchment Strategy.

CARRIED

PX 11-15

Moved

Plowman/White

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the transfer of Environmental Grants (EGrants) from the Native Habitat Activity Group to the Water and Land Activity Groups **noting** this recommendation has (i) no financial impact on the organisation and (ii) has been recommended to provide additional transparency to Council's EGrant process.

CARRIED

There was debate about future funding for the Green Rig and Members provided their views about the benefits and use of the Green Rig as an environmental education and community engagement tool.

Moved

White/Guy

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the transfer of the Environmental Education project (including the Green Rig) from its current GEM Group into the Communications and Promotions Group **noting** this change has (i) no financial impact on the organisation, (ii) there is no net funding increase proposed (iii) there is a reduction in the levels of service relating to environmental education targets and (iv) there is a potential net reduction in staffing levels.

LOST

A new recommendation about future funding for the Green Rig was proposed for consideration.

PX 11-16

Moved

Cox/Walker

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **removes** any future funding for the Green Rig from the 2011-12 Annual Plan.

CARRIED

Cr Barrow left the meeting at 1.50pm.

There was considerable discussion and questions of clarification about the significant reduction in funding for biodiversity. The Group Manager Environmental Management confirmed that it was a reduction in funding, levels of service, and staff numbers.

PX 11-17 **Moved** **Cox/Walker**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the reduction in funding for all Environmental Grants (EGrant) projects by a total amount of \$145,000 **noting** (i) a reduction in the levels of service and (ii) financial reductions equating to EGrants (Water) - \$50,000 reduction, EGrants (Land) - \$50,000 reduction and EGrants (Biodiversity) - \$45,000 reduction.

CARRIED

The Group Manager Environmental Management continued and clarified questions about the following recommendations.

PX 11-18 **Moved** **Burnell/Cox**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the reduction in funding by Horizons for the He Tini Awa Trust of \$13,000 **noting** (i) the proposed budget would therefore stand at \$12,000 per annum, which reflects current administration costs to the Trust. Note this change will add \$12,000 to the rates as contained in the Draft Annual Plan.

CARRIED

PX 11-19 **Moved** **White/Plowman**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the reduction of funding for the Kia Wharite Projects by \$75,000 and that the Chief Executive reports back on how the remaining funds of \$125,000 would be reallocated.

CARRIED

There was concern expressed by some Members about the proposal to reduce the level of funding for the provision of biodiversity which was considered to be a core element in the work undertaken by a regional council.

PX 11-20 **Moved** **Cox/Walker**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the reduction in overall funding (in addition to Environmental Grant reductions already highlighted in PX 11-17 above) of the Biodiversity and Site Led Management and Control Project Group by \$145,000 **noting** (i) a reduction in the level of service, (ii) funding reductions amounting to (\$90,000) within Horizons Top 100, 200 Biodiversity Programmes, (iii) a potential reduction in staff at a cost of (\$55,000) but also **noting** a potential one off cost of approximately \$30,000.

CARRIED

Members fully discussed the possible impact should the operating budget for Biodiversity monitoring and research be reduced. Ultimately the recommendation was amended in favour of retaining the operating budget for Biodiversity monitoring and research.

PX 11-21 **Moved** **White/Burnell**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **retains** the operating budget for Biodiversity monitoring and research.

CARRIED

PX 11-22 **Moved** **White/Sheldon**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the additional, new funding for the Manawatu River Accord for \$400,000 **noting** the proposal to fund this project as a targeted catchment Uniform Annual Charge of approximately \$8.10 inclusive of GST.

CARRIED

PX 11-23 **Moved** **McKellar/Walker**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the proposed increased level of service signalled in the Long-term Council Community Plan (LTCCP) for Possum Control Operations (PCO) and **approves** a funding increase of \$88,000 **noting** that additional funding required to maintain this level of service (approx. \$150,000) will be funded from targeted rate reserves built up over the past five years.

CARRIED

PX 11-24 **Moved** **Sheldon/White**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the allocation of existing Water Quality Funds to Riparian and Clean Streams Grants within the Water Quality Activity Group **noting** that this proposal has (i) no financial impact on the organisation and (ii) is funded 50% from an Environmental Uniform Annual Charge and 50% from the general rate.

CARRIED

The Group Manager Environmental Management answered questions of clarification about the new additional funding for Community Grants. Members said consideration was needed as to how the project would be administered.

PX 11-25 **Moved** **White/Rieger**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the additional, new funding for "Community Grants" of \$20,000 per annum **noting** (i) the intention to fund this from a 50% Environmental Uniform Annual Charge and 50% from the general rate.

CARRIED

The Group Manager Environmental Management said it was intended the funding would be fully sourced from a targeted rate from the Waitarere Community only.

PX 11-26 **Moved** **Sheldon/Burnell**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the additional, new funding for the Waitarere Community Biodiversity Project of \$25,000 **noting** the intention to fund this fully as a Uniform Annual Charge on the Waitarere Beach Community only.

CARRIED

Members fully discussed the proposed Animal Health Board levy and expressed their views.

PX 11-27 **Moved** **Guy/Cox**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the inclusion of a levy to be collected on behalf of the Animal Health Board (AHB) **for** TB Vector Control and Management within the Region of \$550,000 **noting** (i) the proposal to fund this levy from a per hectare levy on all properties over 4 ha (approximately \$0.338 cents per hectare plus GST) (ii) the caveats placed on this funding by Council (being a “on completion” payment schedule and Operational Plan requirements), (iii) the inconsistencies in this funding policy at national and regional level, and (iv) the time frames proposed (currently one more year) as well as **endorsing** management’s proposal to supplement this funding with the proposed \$100,000 surplus from 2010-11 funds while **noting** the risk to this approach if (i) these funds not eventuating (should AHB complete their 2010-11 programme in full) or (ii) if next year’s funding also meets targets and (iii) AHB current request for \$750,000 in funding.

Against: Crs White and Walker

CARRIED

The Group Manager Regional Planning and Regulatory provided a memorandum outlining the estimated costs for the proposed One Plan appeal process. Members fully discussed and expressed their views about funding options for the estimated costs.

PX 11-28 **Moved** **Guy/White**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the budget cost of One Plan appeals to be debt funded **noting** a cash cost of \$2 million to be funded \$1.5 million in 2011-12 and \$0.5 million in 2012-13.

CARRIED

Mr Collé (Chief Financial Officer) expanded on the spreadsheet provided, outlining three scenarios for One Plan loan repayments. Members fully discussed the three scenarios and asked questions of clarification.

*The meeting adjourned at 3.30pm
Cr Walker left the meeting at 3.30pm
The meeting reconvened at 3.45pm
Cr Barrow returned to the meeting at 3.45pm*

PX 11-29 Moved

Gordon/Rieger

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** Scenario Two – Stepped Principle.

Scenario 2 - Stepped Principle

Interest	257,000	342,810	428,680	489,300	465,782
Principle	0	100,000	200,000	313,571	337,089
Operational Costs (Ex Int)	201,649	216,549	207,974	439,919	450,121
Total General Rate	458,649	659,359	836,654	1,242,790	1,252,992
Rate Increase		200,710	177,295	406,136	10,202
Increase on Draft Plan		96,750	89,250	-222,919	0

Percentage of General rate 0.77%

Total Interest 11/12 to 2025/26 4,684,811

Change from Draft Plan -197,200

CARRIED

Mr Munneke, Manager Policy was available to answer questions of clarification about the Consents and Compliance activity and the staffing levels required to provide an acceptable level of service.

PX 11-30 Moved

Rieger/Plowman

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** to maintain the region-wide State of the Environment programme at its current level to meet national best practice.

CARRIED

PX 11-31 Moved

White/Gordon

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** to maintain regulatory programmes (Consents and Compliance) at status quo **noting** an administration saving of approximately \$30,000, and an increase in compliance revenue of \$90,000 to offset an increase in costs.

CARRIED

PX 11-32 Moved

Rieger/Sheldon

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the reduction of funding for Policy in Emerging Issues, noting the removal of external funding and the potential restructure of staff time and staffing.

CARRIED

The Group Manager Regional Services and Information explained the overall cost increases for operating the monitoring and telemetry network. Discussion ensued and Members asked questions of clarification about the level of funding required to provide an acceptable level of service.

PX 11-33 **Moved** **White/Barrow**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the overall \$292,593 cost increase of operating the monitoring and telemetry network.

CARRIED

PX 11-34 **Moved** **White/Barrow**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** an overall \$60,000 cost increase of Emergency Management **noting** the increased monitoring costs to maintain regional network.

CARRIED

PX 11-35 **Moved** **White/Barrow**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the cancellation of the remainder of the Flood Plain mapping programme for Feilding, Upper Gorge, and Lidar for Matarawa **noting** the \$317,000 saving in Capex costs.

CARRIED

Cr Rieger excused himself from the meeting at 4.30pm.

The Group Manager Regional Services and Information expanded on this recommendation and after further consideration Members agreed to allocate \$10,000 for improved water safety initiatives for the Lower Whanganui River and Lake Whiritoa.

PX 11-36 **Moved** **White/Barrow**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** to allocate \$10,000 for improved water safety initiatives for the lower Whanganui River and Lake Whiritoa.

CARRIED

PX 11-37 **Moved** **White/Barrow**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** to cease the data management project, **noting** the \$87,000 cost saving.

CARRIED

PX 11-38 **Moved** **White/Barrow**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the potential reduction in level of service for the survey team **noting** a potential cost saving.

CARRIED

PX 11-51 **Moved** **Guy/White**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the funding of more Scheme Capex from loans over rates for the remaining life of the Long-term Plan. This will increase scheme debt by \$6.35M to \$40.99M in 2017-18 and extends Council's external debt by a similar amount. The increase in scheme debt levels will mean projected loan servicing costs for schemes will increase from \$4.5M to \$5.2M from 2018-19 onwards.

Against: Plowman

CARRIED

The Group Manager Corporate and Governance provided clarification about Corporate budgets. Members asked questions of clarification.

PX 11-52 **Moved** **Guy/Sheldon**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** an overall increase in Corporate support totalling \$8,950, **noting** the decrease in Human Resource services of \$30,000 being a reduction to recruitment costs and further reductions to staff development, an increase in finance costs with the inclusion of \$72,000 of printing costs and \$40,000 to depreciation from the new finance system (implemented 2009), and \$100,000 Capex for development of the finance system

CARRIED

PX 11-53 **Moved** **Guy/Sheldon**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** a \$94,253 reduction in representation, **noting** the removal of election costs being offset with additional staff time to reflect true cost of management time spent on governance matters.

CARRIED

PX 11-54 **Moved** **Guy/Sheldon**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** a \$106,563 increase in Annual Planning costs due to the 2012-22 Long-term Plan programme, **noting** the \$350,000 total cost has no allowance for additional community engagement other than the normal consultation process.

CARRIED

PX 11-55 **Moved** **Gordon/Barrow**

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves**, subject to changes resolved today, the Draft Annual Plan 2011-12 for release to Audit New Zealand for legislative compliance review.

CARRIED

PX 11-56

Moved

White/Gordon

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the establishment of a new "Community Partnerships" project group within or feeding into the overarching "Native Habitat" Activity Group **noting** this recommendation has no financial impact on the organisation.

CARRIED

PX 11-57

Moved

White/Gordon

that the Council includes the following in the Draft Annual Plan 2011-12

- a. **approves** the establishment of three (3) new projects within the "Community Partnerships" project group **noting** that these projects are fully funded from existing funding and have no financial impact on the organisation. For clarity these projects (Weedbusters, The Gorge, Mt Bruce) were formally funded from Site led biodiversity and / or the existing Community Projects budgets which have reduced proportionately to reflect these changes.

CARRIED

The meeting closed at 3.47pm.

Confirmed

CHIEF EXECUTIVE

CHAIRMAN