



Minutes of the sixteenth meeting of the seventh triennium of Horizons Regional Council held at 10.00am on Tuesday, 3 February 2009, in the Tararua Room, Regional House, 11-15 Victoria Avenue, Palmerston North.

PRESENT Crs G P Murfitt (Chair), L Bailey, L R Burnell (from 1.05pm), V J F Chettleburgh QSM ED, E B Gordon, M C Guy, A K Main, D B Meads, M W Plowman, P W Rieger QSO, R G Walker JP, and J White.

IN ATTENDANCE

Chief Executive	Mr M McCartney (to 10.30am from 10.44am to 11.35am, from 11.57am to 12.25pm, from 1.12pm to 2.30pm)
Group Manager Corporate & Governance	Mr C Grant (to 10.50am, from 11.07am to 11.22am, from 1.05pm to 2.30pm)
Committee Secretary	Ms K Booth

ALSO PRESENT Mr G Carlyon (Group Manager Regional Planning and Regulatory, to 10.23am, from 11.30am to 12.04pm, from 1.28pm to 1.35pm, from 2.11pm to 2.30pm), Mr A Cook (Group Manager Operations, to 2.16pm), Mr G Shirley (Group Manager Regional Services and Information, from 10.10am to 11.21am, from 12.05pm to 12.25pm, from 1.08pm to 2.30pm), Ms C Webb (Media Liaison Advisor to 12.23pm, from 1.05pm to 2.17pm), Mrs C Atkinson (from 10.12am to 10.52am, from 11.12am to 11.37am), Ms K Standish (Personal Assistant, to 12.25pm), Mr J Philpott, Consultant (to 2.16pm), Mr C Mitchell (Group Manager Environmental Management, from 2.12pm to 2.30pm), members of the public to 2.17pm, and a member of the Press to 1.15pm.

APOLOGIES

There were no apologies. It was noted that Cr Burnell was not present for the morning part of the meeting.

PUBLIC SPEAKING RIGHTS

No requests for public speaking rights had been notified.

LATE ITEMS

There were no Late Items advised until Council moved into Public Excluded at 2.30pm.

The Chairman notified Members there would be a 'Councillor Only' session in Public Excluded at the end of the meeting.

The Chairman advised that CentrePort Ltd would hold its Board meeting at Horizons Regional Council on 26 February, preceded by a confidential financial briefing for interested Councillors. They would also hold a social function on the evening of 25 February, to which interested Councillors were invited.

The Chairman referred to the scheduling of 'possible' workshops in the Bulletin and said these would either be confirmed or cancelled, three weeks prior to the proposed date, where possible. He noted that at some time during the day, outside of the meeting, a short Councillors' workshop on Totara Reserve would be held.

could be made through the Draft Long-term Council Community Plan consultation process. The GMO clarified that if errors were found when ratepayers challenged their rates, then adjustments would be made.

There was considerable discussion on recommendation (xviii) which was the proposal to extend the loan term from 20 to 30 years, to recognise the rating impact under difficult economic circumstances. Members said they would like the flexibility to take advantage of changing interest rates over the loan term, and be able to review the term on an annual basis. Members of the Hearing Committee advised, among other things, they had taken into consideration the life of the assets, the reduction in the level of aggradation through the Sustainable Land Use Initiative (SLUI), the financial effect on the ratepayers, the level of interest on a 30 year loan, the intergenerational benefit from the assets, and the effect of climate change. They noted they would be guided by the ratepayers themselves. The wording of recommendation (xviii) was therefore amended to allow advantage to be taken of any economic changes in the future.

Members asked questions of clarification in regard to: contributor rating from those ratepayers on the eastern side of the Manawatu Gorge; indirect benefit rating and the different categories; Quotable Value Roll Groups; the inclusion of H4 in the flood protection rural house rating category; inclusion of 41 houses between Kopane spillway and Mangawhata in the Flood Protection Rural House rating category; pursuing an increased contribution from the New Zealand Transport Agency towards the replacement of the Kopane Bridge; the proposed contribution by ratepayers in Palmerston North; the impact of proposed changes to the Indirect Benefit rating category in Table 3; social versus economic impact of the Uniform Annual Charge (UAC); cost benefits of stopbanks over dredging at this stage.

In regard to a comment on the views of the 'silent majority', the Chair of the Hearing Committee advised that the Committee had given consideration to the submissions from the district councils, on their behalf.

The meeting adjourned at 12.25pm.

The meeting resumed at 1.05pm.

The Chairman welcomed **Cr Burnell** to the meeting.

The recommendations were discussed and it was agreed to make the following amendments:

- § include a new resolution (xvii) with the main body of recommendations
- § withdraw (vi), amend by including an explanation to affected property owners, and put as a new recommendation
- § put forward a new recommendation, (iiia)

09-311

Moved

Rieger/Guy

that the Council:

- a. ***receives*** the minutes of the hearings and deliberations meetings held by the Special Hearing Committee established to hear and consider submissions to the Lower Manawatu Scheme flood protection upgrade and targeted rating system proposals;
- b. ***adopts*** the Lower Manawatu Scheme – Rural Flood Protection and Targeted Rating System proposals, amended in accordance with the Hearing Committee recommendations set out below:
 - (i) *That the proportion of the total Lower Manawatu Scheme Rate to be collected by way of the Contributor rating categories be reduced from 16% to 10.5% and the differentials for the CL, CW and CE be changed from 100%, 75% and 68% to 100%, 50% and 29.3% respectively;*
 - (ii) *That the proportion of the total rate to be collected by way of Indirect Benefit be reduced from 23.94% to 17.97%;*

- (iii) *That additional Indirect Benefit rating categories be established to recognise the relatively lower level of Indirect Benefit received from the landowners in the outer areas of the Tararua District and in the southern areas of the Horowhenua District;*
- (iv) *That the differential factor for category F5 be increased to 5%, the factors for categories F1 to F4 be adjusted accordingly; and the flow on effect of changes to other rating differentials be noted;*
- (v) *That there be only one Flood Control Rural Houses rating category, with houses in the H1 to H4 categories being included in a new HF category;*
- (vii) *That houses on the fringes of the flood control benefit area be reassessed and excluded from the HF category where it can be reasonably concluded that they received no flood control benefit;*
- (viii) *That houses located in areas affected by the flooding from the Mangaone Stream spillways be excluded from the Flood Control Rural Houses rating category;*
- (ix) *That the particular property on the Lower Oroua River, where concern has been expressed in relation to the benefit received from the channel management activity, be reassessed on its merits and changes made if justified;*
- (x) *That where the area included within the Channel Management rating category was more than 10% higher than the area if measured parallel to the river, the area included with the Channel Management category be adjusted to reflect the true area;*
- (xi) *That the proposed Urban/Rural Direct Benefit rating relationship be confirmed;*
- (xii) *That the replacement of the Kopane Bridge continues to form an integral part of the Scheme upgrade and that officers be instructed to vigorously pursue an increased contribution from New Zealand Transport Agency in respect of non flood control benefits;*
- (xiii) *That the Direct Benefit portion of costs for the Foxton Beach Storm Surge protection works be funded by Foxton Beach ratepayers;*
- (xiv) *That the banks down analysis be confirmed as the appropriate means of determining relative flood protection benefits;*
- (xv) *That consultation with the Taonui Basin ratepayers in relation to proposed gravity drainage improvements be accorded top priority;*
- (xvi) *That the priority of stopbank upgrading and new stopbank construction upstream of Karere Road be reconsidered;*
- (xvii) *That the proposed common protection standard for the upgrade project (1% Annual Exceedence Probability) and scope of upgrade works (total estimated cost \$40 million) be confirmed;*
- (xviii) *That the loan term for the upgrade project be a maximum of 30 years, with shorter terms reviewable annually, taking account of interest rate movements and other circumstances;*
- (xiv) *that the submission from Kitchener Park restoration committee be acknowledged and that investigations be undertaken to determine the standard of Makino Stream stopbanks below Feilding and that any works required to achieve one percent AEP standard be accommodated within the approved programme and budget.*

CARRIED

Members recognised that (c), (d), (e) and (f) (in the recommendations in the Report) had been omitted from the previous resolution.

09-312 **Moved** **Rieger/Guy**

that the Council agrees to consider the following as part of the previous resolution 09-311:

- c. **instructs** the Chief Executive to include the proposals in the Draft Long-term Council Community Plan for 2009-19;*
- d. **instructs** the Chief Executive to make appropriate funding provision for the proposals by inclusion of the new rating system in the Funding Impact Statement for 2009-10;*
- e. **instructs** the Chief Executive to advise all submitters of the outcome of the submissions Hearing process; and*
- f. **instructs** the Chief Executive to communicate to interest groups the outcome of the submissions hearing process and the opportunity for further input through the Long-term Council Community Plan submissions and Hearing process to follow.*

CARRIED

09-313 **Moved** **Rieger/Gordon**

That the Council agrees:

- (iiia) that the indirect benefit rating category in full be collected as a Uniform Annual Charge as per Table 3 of Report No. 09-03.*

CARRIED

Against: Crs White, Bailey

09-314 **Moved** **Bailey/Walker**

That the Council agrees:

- (vi) That houses in the area adjacent to the Oroua River between Kopane and Mangawhata not previously included in the Flood protection Rural Houses rating category now be included in the Flood protection Rural Houses HF rating category and that the reasons for the change be clearly explained to the affected property owners.*

CARRIED

09-315 **Moved** **Chettleburgh/Murfitt**

That this Council wishes to express its thanks to all those involved in this process.

CARRIED

LOWER MANAWATU SCHEME – CITY REACH PROJECT RIVER DIVERSION AT ANZAC PARK CLIFFS

Report No. 09-04

The purpose of this report was to update Council on issues and discussions concerning the realignment of the Manawatu River adjacent to Anzac Park Cliffs and sought approval for additional project funding through the 2009-19 Long-term Council Community Plan (LTCCP).

The GMO advised that as requested by Council, officers had discussed the options further with the City Reach Working Party and the developer. The report explained the steps taken and recommended that Option B be incorporated in the LTCCP for consultation. Members discussed the recommendations, amended (b) and (d) and included a new (f).

09-316 **Moved** **Rieger/Burnell**

that the Council:

- a. **receives** and notes the contents of Report No. 09-04;
- b. **notes** the support of the Lower Manawatu Scheme City Reach Working Party for Option B works to be included in the Draft 2009-19 Long-term Council Community Plan, with the intention the works commence in 2010;
- c. **agrees** to make provision in the Draft 2009-19 Long-term Council Community Plan for an increase in the total budget for the Lower Manawatu Scheme City Reach Project from \$11.5 million to \$12.4 million, to facilitate realignment of the Manawatu River at Anzac Park Cliffs;
- d. **notes** that the developer's contribution to the realignment project will only proceed if the developer achieves the desired Plan Change and consents; and
- e. **requests** that meetings of the City Reach Working Party be arranged as necessary to keep members apprised of developments.
- f. **agrees** that in the event that the developer is unable to contribute to the project, Council will reassess whether or not it should proceed with realignment works.

CARRIED

SUSTAINABLE LAND USE INITIATIVE

Report No. 09-05

The purpose of the report was to confirm the Regional Council position in relation to the voluntary nature of the Sustainable Land Use Initiative (SLUI). The Chairman said he had asked for the paper to be brought to Council to reiterate that SLUI was voluntary.

The Group Manager Regional Planning and Regulatory (GMRPR) referred to the explanatory information in the Report. He and other Councillors addressed Cr Plowman's concerns and clarified that SLUI was voluntary and not compulsory.

09-317 **Moved** **Murfitt/White**

that the Council:

- a. **reconfirms** its existing position that the Sustainable Land Use Initiative is a voluntary programme.

- b. **reconfirms** its direction to the Chief Executive that public funds expended in the implementation of the Sustainable Land Use Initiative are properly documented and monitored; and
- c. **acknowledges** that on a number of occasions this is achieved through the development of legal instruments (eg contracts) to represent agreements made.

CARRIED Unanimously

MEMBERS' QUESTIONS

Cr Plowman asked if the content of the Green RIG had been modified and when would Members have an opportunity to inspect it. The Chief Executive and Chairman replied that the modification or 're-theming' of the Green RIG would take place in the next financial year, but in the meantime the items causing concern had been removed.

In response to questions about the content of the Government's Resource Management Act paper, Members were advised that officers would bring an item to the meeting on 10 February 2009.

09-318

Moved

Murfitt/Rieger

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 16 December 2009	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.
Late Item from the Chief Executive	As disclosure would not be in the public interest because of the greater need to protect the privacy of individuals.	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.

CARRIED

The meeting adjourned to the Public Excluded part of the meeting at 2.30pm and resumed at 3.29pm.

The Chairman suspended the 'Councillor Only' session to another day.

The meeting closed at 3.30pm.

Confirmed.

CHIEF EXECUTIVE

CHAIRMAN