
MINUTES
of the
FULL COUNCIL MEETING
held
9.30am, Thursday, 27 July 2017
at
Tasman Council Chamber, 189 Queen Street, Richmond

Present: Mayor R Kempthorne, Councillors T King, S Bryant, P Canton, M Greening, K Maling, D Wensley, D McNamara, A Turley, S Brown, D Ogilvie, T A Tuffnell, P Hawkes, P Sangster

In Attendance: Chief Executive (L McKenzie), Executive Assistant (H Simpson)

Part Attendance: Engineering Services Manager (R Kirby), Utilities Manager (M Schruer), Development Engineer (D Ley), Policy Planner (J Deans), Environment and Planning Manager (D Bush-King), Corporate Services Manager (M Drummond)

1 OPENING, WELCOME

Mayor Kempthorne welcomed those present to the meeting and invited Golden Bay Community Board Chair Abbie Langford to join Councillors at the table.

2 APOLOGIES AND LEAVE OF ABSENCE

Nil.

3 PUBLIC FORUM

Maxwell Clarke spoke during public forum about item 8.5. Maxwell talked about water quality in the region and about the Waimea Community Dam project. He also talked about current water schemes, leakage rates and water rate charges. Maxwell tabled an excerpt from Proposed Plan Changes 45-48 – Waimea Water Management and Augmentation.

Maxwell said that he felt it was important for Elected Members to declare when they had a conflict of interest in an item due to be considered by Council.

Grant Knowles spoke about the Nelson Regional Development Agency (NRDA) and asked councillors to consider matching the financial contributions made to the organisation by Nelson

City Council. He said that he thought the region could benefit more from increased investment in tourism and visitors and that he would like to see council invest in either NRDA or visitor centres in the region.

Penny Griffith (accompanied by Grant Knowles) addressed the meeting on behalf of First Encounter 375 Planning Group. Penny told Councillors that the group were planning a commemorative event to mark the anniversary of the first European encounter in Aotearoa. Penny said that the group had made an application to community grants and hoped that any request for financial support could be considered favourably by the Council.

Alan Blackie spoke about the Golden Bay Bridge Club. Alan said that he supported the removal of the Grandstand. He told Councillors that he felt the club had agreed to move to the new Golden Bay Shared Recreational Facility on the understanding that there would be sufficient facilities available to their members. Alan said that of particular concern was the uncertainty around parking facilities. He said that many of the club members were elderly and required parking close to the building. He said that the current situation with parking was not adequate for their members and that other user groups of the facilities had similar concerns.

Dave Gowland spoke in support of retaining the Takaka Grandstand. Dave said that he thought the Grandstand should be gifted back to the community through the Golden Bay Grandstand Community Trust. He spoke in support of the Trust's ability to meet the conditions of their proposal to retain the Grandstand.

Roger Gibbons spoke about the Takaka Grandstand. He said that it was unfortunate to see the division created by this situation among the Golden Bay community. He said that the standard of the new recreational facility was very high and that the Grandstand in its current condition was unsafe for public use.

Noel Baigent spoke on behalf of Heritage Golden Bay. Noel acknowledged that Heritage New Zealand had made its decision. He said that Heritage Golden Bay supported the proposal made by the Golden Bay Grandstand Community Trust (the Trust). Noel talked about the decision of the Environment Court and made reference to item 8.1 Golden Bay Recreation Park Grandstand report. He concluded by asking Council to consider favourably the proposal made by the Trust to retain the Grandstand.

Malcolm Saunders spoke in support of the Waimea Community Dam Project. Malcolm said that it was important for Council to ensure the continuation of an adequate water supply for the expanding Tasman and Nelson region.

Murray Dawson spoke about the Waimea Community Dam project. Murray talked about the presentation by Richard Kirby attached to item 8.7 Waimea Community Dam – Project Report, which explored alternative urban water supply options to the Waimea Community Dam. Murray highlighted what he felt were discrepancies with some of the figures stated within the presentation. Murray also made reference to the Tonkin & Taylor report from 2005 entitled Assessment of Water Storage Options – Waimea Catchment.

7 PRESENTATIONS

Golden Bay Shared Recreation Facility

Dean Lund introduced himself and the members of the Golden Bay Shared Recreation Facility (GBSRF) who were present. These were Roger Tait, Philip Woolf, Sara Chapman and Peter Blasdale. A flyer showing details of the recreation centre facilities was tabled. Dean summarised the history of the Golden Bay Shared Recreation Facility project to date.

He said that the GBSRF wanted to see the project completed with a fit for purpose facility that could be used by the entire community. He said that the group wanted to work with the Golden Bay Grandstand Community Trust towards this shared purpose. He urged the Council to keep with their original resolution to demolish the Grandstand to enable completion of the new shared facility as planned.

The meeting then viewed a slideshow presentation prepared by the GBSRF.

In response to a question around previous usage figures for the Grandstand, Dean said that there was little usage observed outside the one day a year of the A&P show.

Councillors asked if there would have been any part of the new facility unable to be constructed to meet the costs of retaining the Grandstand, to which Dean responded that construction of at least the stadium would not have been affordable. Dean also said that the new kitchen, bar and clubroom facilities were shut and unable to be used while the Grandstand was in its current state. In response to a further question, Dean said that due to these facilities being closed the venue had been unable to book two weddings and a fire brigade anniversary event which he estimated was a total loss of \$10-15,000 in income.

Parking was discussed. In response to a question from Councillors about the configuration of and number of parks, Philip Woolf said that compliance requirements for parking were set out by the plan. He said that it was not just the number of parks provided that needed to be considered. The position of the car parks in the current plan took in to consideration stormwater catchment design and enabled a location where the parks could be sealed, marked and lit.

The group thanked Councillors for their time and for the opportunity to present.

Golden Bay Grandstand Community Trust

Presenting on behalf of the Golden Bay Grandstand Community Trust (the Trust) were Paul Crockford, Jill Pearson, Averill Grant and Hika Rountree.

The Trust tabled a document summarising their suggestion of the current problems with retaining the Grandstand and their proposed solutions. They also tabled a copy of the building footprint and documents which confirmed the receipt of a recent deposit of \$50,000 to the Trust's account. They said that this brought the Trust's total available funds to \$100,000.

The Trust asked Councillors to note that their proposal had been put together before they had seen the Chief Executive's report (RCN17-07-01 Golden Bay Recreation Park Grandstand) to this meeting.

The Trust said that they would like to see both the new facility and the Grandstand available for use by the community. They said in the past the grandstand had been widely used for community events such as rugby and was still used for other events besides the A&P show.

In response to a question, Avril confirmed that both of the large deposits received (totalling \$100,000) were interest free loans. She said that these loans were given without terms having been set for repayment and without conditions on use, but that they were not donations.

The Trust asked Council to consider a staged approach to demolition of the Grandstand to allow them time to gather the information they were being asked to provide in relation to a plan to retain the Grandstand and ensure it was fit for public use.

Councillors asked whether the Trust anticipated the current funds would be used to cover future or previous legal costs, to which the Trust answered future costs. Councillors asked who the Trust

proposed would pay for demolition of the squash courts and Jill responded that the Trust would cover these costs.

Councillors said that they had received multiple emails from members of the community about the use of the Grandstand. They asked the Trust to confirm what parts of the Grandstand they wished to retain and for what purpose. The Trust said that there were no solid plans at this stage and that they were asking the Council for time to consult with the community about what they wanted to use the Grandstand for. When Councillors asked whether the Trust envisaged there was a risk of creating a competitive situation between the Grandstand and the Shared Recreation Facility, the Trust said that there was no desire to be in competition with the new facility. They also confirmed that the kitchen facilities had already been removed from the Grandstand.

Councillors sought confirmation from the Trust that they had a good grasp of challenges of amending and modifying a building such as the Grandstand under the current building act to make it fit for public use. The Trust confirmed they were aware of the potential costs to complete the necessary work.

In response to a question, the Trust said that they were prepared to meet the cost of demolishing the 'add-ons' and whatever the costs were of funding retention of the Grandstand and that they did commit to not asking for ratepayers money. The Trust said that they were prepared to work constructively with Shared Recreation Facility and Council.

Reasons that the funds received so far were loans and not gifts were discussed. The Trust said it would be easier for people to make a donation if they were a charitable trust, but that they could not get charitable trust status if they did not own the building.

When asked how they envisaged addressing the parking issue to enable use of the new facility if the Council opted for a staged approach to demolition, the Trust said that removal of the squash courts would free up space for parking, but agreed that would require a redesign of the existing carpark plan.

The Trust confirmed that they are able and prepared to pay the insurance and warrant of fitness costs for public use of the building.

The meeting broke for morning tea at 11.20am and reconvened at 11.35am.

4 DECLARATIONS OF INTEREST

Cr Maling declared that he owned a lifestyle property on the Waimea Plains.

5 LATE ITEMS

Nil.

6 CONFIRMATION OF MINUTES

**Moved Cr Tuffnell/Cr Hawkes
CN17-07-1**

That the minutes of the Full Council meeting held on Thursday, 22 June 2017, be confirmed as a true and correct record of the meeting.

CARRIED

8 REPORTS

8.1 Golden Bay Recreation Park Grandstand

Chief Executive, Lindsay McKenzie spoke to this report. He clarified that the reason why he was playing down the parking issue was because it is only an issue if the Grandstand remains. He suggested that councillors should focus on the suitability of the Trust's proposal to retain the Grandstand.

The balance of the report was taken as read.

In response to a question, Mr McKenzie said that there was an obligation on Council to re-consult should they decide to retain the Grandstand. In relation to the Health and Safety Act, Mr McKenzie confirmed that the Council would continue to be the Person Controlling a Business or Undertaking (PCBU) until ownership of the Grandstand was transferred. He clarified that if ownership of the building was transferred, as the Council owned the land they would effectively become the landlord, but in relation to their obligation as the PCBU, that would be concluded.

Councillors discussed the structural integrity of the Grandstand and specifically the two seismic assessments previously undertaken. Mr McKenzie confirmed that the assessment was likely to be lower with the squash courts and the lean-to removed and that the Trust's proposal made provision for the removal of these two appendages.

Expectations on the Trust were discussed and whether these should include looking at relocation of the Grandstand. The heritage value of the building in relation to community use was also discussed and whether retention was sought on an amenity or heritage basis. Councillors agreed that the Trust's objective is recognition of heritage aspects and that if debate was to shift to focus on covered seating, there are more cost effective alternatives.

The Chief Executive confirmed that if an additional 3 months was given to the Trust from after the ad-ons were removed it would be 6 months before Council decided on a proposal.

In response to a question from Councillors, Mr McKenzie clarified that what was being discussed at the meeting was different to the proposal tabled by the Trust. To avoid doubt he confirmed the proposal tabled by the Trust is not the one being agreed to and that Councillors were being asked to consider endorsing a future proposal by the Trust, following 3 months of additional investigation at which point the Trust would submit a refined proposal.

Councillors discussed impacts on the ability to use the new facility to its full potential while debate around retention of the Grandstand is ongoing. They heard that parking will continue to be an issue.

Councillors also discussed relocation of Grandstand.

Moved Cr Sangster/Cr Ogilvie

That the Full Council

1. receives the Golden Bay Recreation Park Grandstand report, RCN17-07-01; and
2. notes the Environment Court Decision 2017 NZEnvC92 on the Golden Bay Recreation Park Grandstand; and
3. notes that unbudgeted expenditure of approximately \$150,000 has been incurred on legal and consultant fees to defend the proceedings and provide related support in response to

the action taken by the Golden Bay Grandstand Community Trust in the Environment Court;
and

4. notes but does not agree to the Golden Bay Grandstand Community Trust's 19 July 2017 proposal;
5. authorises staff to arrange, at the Council's cost, the demolition of the squash courts, the rear lean-to extension and that part of the front extension that can be removed without the risk of the roof collapsing;
6. notes that an estimate of between \$40 – 60,000 has been obtained for this work;
7. gives the Golden Bay Grandstand Community Trust 3 months from the date on which the demolition work in resolution 5 is completed to the satisfaction of the Council's Chief Executive, to present a preservation and restoration programme for the remaining grandstand structure that includes but is not limited to;
 - a. an engineer's assessment of the preservation and restoration works including costings and a timeline for completion;
 - b. a Conservation Plan should one be required;
 - c. a plan to raise the requisite funds;
 - d. an application for the necessary building consents for the restoration work and its future use and a commitment to meet the consent conditions;
 - e. a proposal to take ownership of the building and a lease of its footprint;
8. agrees that the Council's funding is to be limited to the demolition contract cost;
9. requires that the Golden Bay Grandstand Community Trust is to make the remaining grandstand safe and secure during the 3 month period noting that;
 - a. the remaining grandstand is not to be used for any purpose during this 3 month period;
 - b. any work to make the remaining grandstand safe and secure is to be carried out by appropriately qualified and experienced persons;
 - c. the operation of the Shared Recreation Facility is not to be impeded in any way; and
 - d. the Council's Chief Executive or his delegate may require the Trust to take such further steps to ensure that the Council's interests as owner of the remaining grandstand and the Shared Recreation Facility are protected.
10. requests that a formal agreement be entered into with the Golden Bay Community Trust in respect of the matters in these resolutions; and
11. requests a report back for further decision of Council in the event that the outcomes these resolutions seek cannot be achieved; and
12. agrees to consult the interested and affected people, groups and communities in the event that the Trust's proposal to restore and protect the grandstand is supported by Council.

The meeting broke for lunch at 12.30pm and reconvened at 1.00pm.

**Moved Cr Greening/Cr Sangster
CN17-07-2**

That resolution number 4 be amended to allow the Trust the opportunity to refine their proposal.

CARRIED

Councillors discussed the current contract for demolition, which the Chief Executive advised the Council holds. He said that staged demolition would need to be agreed as an amendment to the current contract.

**Moved Cr Canton/Cr McNamara
CN17-07-3**

That resolution number 5 be amended to reflect the Trust's offer to cover the costs of the staged demolition.

By a show of hands the motion was **CARRIED**

**Moved Mayor Kempthorne/Cr Hawkes
CN17-07-4**

That resolution number 7 be amended to reflect the 3 month period from the date of this meeting.

CARRIED

**Moved Cr Canton/Cr Brown
CN17-07-5**

That resolution number 7(a) be amendment to allow for restoration or relocation of the Grandstand.

CARRIED

**Moved Cr Wensley/Cr Brown
CN17-07-6**

That resolution 7(b) be amended to reflect that priority be given to heritage values.

CARRIED

**Moved Cr McNamara/Cr Greening
CN17-07-7**

That draft resolution number 8 be removed.

CARRIED

Councillors asked for the agreement to be noted that the Council would not incur any further costs to do with restoration, relocation or demolition of the Grandstand.

**Moved Cr Ogilvie/Cr Canton
CN17-07-8**

That a new resolution be added to require the Trust to report back to Council.

CARRIED

**Moved Cr Ogilvie/Cr Turley
CN17-07-9**

That a new resolution be added to confirm Council's liaison person with the Trust.

CARRIED

Councillors discussed the concerns raised by the Golden Bay community about the cost to ratepayers for the legal expenses incurred as a result of the Grandstand Trust's legal challenges to Council. It was suggested the Trust should agree to no further legal action.

Councillors noted the need for a commitment between all parties to work constructively towards the best outcome for the community.

**Moved Cr Sangster/Cr Hawkes
CN17-07-10**

That the Full Council

- 1. receives the Golden Bay Recreation Park Grandstand report, RCN17-07-01; and**
- 2. notes the Environment Court Decision 2017 NZEnvC92 on the Golden Bay Recreation Park Grandstand; and**
- 3. notes that unbudgeted expenditure of approximately \$150,000 has been incurred on legal and consultant fees to defend the proceedings and provide related support in response to the action taken by the Golden Bay Grandstand Community Trust in the Environment Court; and**
- 4. gives the Golden Bay Grandstand Community Trust the opportunity to refine their 19 July 2017 proposal; and**
- 5. authorises staff to arrange, at the Golden Bay Grandstand Community Trust's cost, the demolition of the squash courts, the rear lean-to extension and that part of the front extension that can be removed without the risk of the roof collapsing; and**
- 6. notes that an estimate of between \$40 – 60,000 has been obtained for this work;**
- 7. gives the Golden Bay Grandstand Community Trust 3 months from the date of this meeting to complete to the satisfaction of the Council a preservation and restoration programme for the remaining grandstand structure, that includes but is not limited to;**
 - a. an engineer's assessment of the preservation and restoration works including costings and a timeline for restoration or relocation;**
 - b. a Conservation Plan giving precedence to heritage values over community use;**
 - c. a plan to raise the requisite funds;**
 - d. an application for the necessary building consents for the restoration work and its future use and a commitment to meet the consent conditions;**
 - e. a proposal to take ownership of the building and a lease of its footprint;**
- 8. requires that the Golden Bay Grandstand Community Trust is to make the remaining grandstand safe and secure during the 3 month period noting that;**

- a. the remaining grandstand is not to be used for any purpose during this 3 month period;
 - b. any work to make the remaining grandstand safe and secure is to be carried out by appropriately qualified and experienced persons;
 - c. the operation of the Shared Recreation Facility is not to be impeded in any way; and
 - d. the Council's Chief Executive or his delegate may require the Trust to take such further steps to ensure that the Council's interests as owner of the remaining grandstand and the Shared Recreation Facility are protected.
9. requests that a formal agreement be entered into with the Golden Bay Grandstand Community Trust in respect of the matters in these resolutions; and
 10. requests a report back for further decision of Council in the event that the outcomes these resolutions seek cannot be achieved; and
 11. agrees to consult the interested and affected people, groups and communities in the event that the Trust's proposal to restore and protect the grandstand is supported by Council; and
 12. requires that the trust reports back to the Council at the end of each month; and
 13. requests that Cr Sangster be the Council's liaison representative with the Trust.

CARRIED

Golden Bay Community Board Chair Abbie Langford left the meeting at 1.30pm and did not return.

8.2 Harry Rankin Street Stormwater Upgrade

This report was taken as read. There were no questions from Councillors.

**Moved Cr Ogilvie/Cr Hawkes
CN17-07-11**

That the Full Council

1. receives the Harry Rankin Street Stormwater Upgrade report RCN17-07-02; and
2. agrees to upgrade the stormwater network in Harry Rankin Street at an estimated cost of \$150,000, to be funded from the Secondary Flow Management Initiatives in the 2017/2018 financial year.

CARRIED

8.3 Referral Report - Poole Street, Motueka - Stormwater Upgrade

This report was taken as read and there were no questions from Councillors.

**Moved Cr Ogilvie/Cr Hawkes
CN17-07-12**

That the Full Council

- 1. receives the Poole Street, Motueka - Stormwater Upgrade report RCN17-07-03; and**
- 2. agrees to bring forward the Poole Street stormwater upgrade construction works at an estimated cost of \$600,000 to the 2017/2018 financial year.**

CARRIED

8.4 Referral Report - Mapua Water and Wastewater Business Case

This report was taken as read with no questions from Councillors.

**Moved Cr Hawkes/Cr Turley
CN17-07-13**

That the Full Council

- 1. receives the Mapua Water and Wastewater Business Case report, RCN17-07-04; and**
- 2. approves capital budgets in 2017/2018 of \$200,000 for water, and \$560,000 for wastewater to undertake design and land acquisition needed to enable the renewal of the Mapua water and wastewater network; and**
- 3. that the budget sought in Resolution 2 for water be funded by:**
 - a. offsetting \$80,978 against the budget for the Church Street Water Main Replacement project and \$80,000 against the budget for the McGlashen Avenue Re-Zoning project; and**
 - b. reallocating \$15,949 from Mapua Growth Facilitation Works and \$23,073 from the Waimea Water Treatment Plant Upgrade; and**
- 4. that the budget sought in Resolution 2 for wastewater be funded by:**
 - a. offsetting \$106,000 against the Growth Allowance for Pipeline Upgrades budget; and**
 - b. granting additional capital funds of \$454,000; and**
- 5. that consultation on the above changes is not needed.**

CARRIED

8.5 Havelock North Water Supply - Stage 1 Enquiry

Utilities Manager, Mike Schruer was present to speak to this report. Mr Schruer asked Councillors to note that a submission had been made to the enquiry on behalf of the Council by the (acting) Mayor and Chief Executive. The balance of the report was taken as read.

In response to a question about the associated costs to undertake a risk assessment, Mr Schruer told Councillors that costs had not yet been determined and would be dealt with as part of the Long Term Plan 2018-2028 process. Councillors discussed the necessity of undertaking

this assessment. Engineering Services Manager, Richard Kirby confirmed that staff perceived this as a low risk, but that their duty as officers was to highlight any potential risk to Councillors.

Councillors discussed how the risk assessment might be undertaken in a way that was appropriate and how assurance of this could be given to the community. Mr Schruer suggested that staff look into the options and report back to Council on these through the Long Term Plan 2018-2028 process.

In response to a question, Environment and Planning Manager, Dennis Bush-King advised Councillors that there was already a programme in place for nitrate checks.

**Moved Cr Tuffnell/Cr Maling
CN17-07-14**

That the Full Council

- 1. receives the Havelock North Water Supply - Stage 1 Enquiry report, RCN17-07-05; and**
- 2. proceeds with its intention to install emergency chlorine dosing in all future water treatment plant upgrades; and**
- 3. considers upgrading the remaining non-compliant water treatment plants to meet the Drinking Water Standards in the development of its Long Term Plan 2018-2028; and**
- 4. assesses and consults with users on water treatment options as required for rural agricultural water supplies; and**
- 5. notes that the security of all Council-owned water bores and reservoirs has been checked; and**
- 6. reviews and upgrades Council processes, systems and data to ensure appropriate monitoring, recording and accessibility is implemented; and**
- 7. undertake a risk assessment of the private water bores in Motueka regarding the potential contamination of aquifers and the corresponding implications to community water supplies. The assessment should include recommendations to ensure a secure urban water supply for Motueka; and**
- 8. review the permitted activity rules for bores/wells in regard to potential contamination; and**
- 9. note that staff intend to report routinely on compliance with Drinking Water Standards across the district.**

CARRIED

8.6 Trunk Main for Growth - Richmond South

This report was taken as read with no questions raised by Councillors.

**Moved Mayor Kempthorne/Cr Tuffnell
CN17-07-15**

That the Full Council

- 1. receives the Trunk Main for Growth - Richmond South report, RCN17-07-06; and**

2. **approves additional funding of \$370,000 in 2017/2018 to enable early construction of the Richmond south trunk main in Richmond South; and**
3. **agrees that the funding above does not require public consultation.**

CARRIED

8.13 Machinery Resolutions Report

This report was taken as read and there were no questions from Councillors.

**Moved Cr Bryant/Cr Greening
CN17-07-16**

That the Tasman District Council

1. **receives the Machinery Resolutions report RCN17-07-13 be received; and**
2. **that the execution of the following documents under the Seal of Council be confirmed:**
 - a) **Deed of Renewal – Higgins– Deed of renewal – Higgins (Lease with rights of renewal - Appleby gravel crushing).**
 - b) **Deed of Renewal - Fulton Hogan (Lease with Rights of renewal - Murchison Depot).**
 - c) **Uplift of Deferment - D.T King & Co Ltd – Uplift of deferment at 551 Lower Queen Street.**
 - d) **Easement in Gross – WAHANGA Ltd – Easements in gross – Puketutu and surrender of establishments in gross.**
 - e) **Covenant under S200 RMA – Riverside - To hold together productive titles in exchange for small allotments as approved under consent.**
 - f) **Easement in – WAHANGA Ltd – To surrender easement and establish over balance area to allow road to vest within subdivision stage 2.**
 - g) **Easement for Access – PM Holdaway – Easement in gross for TDC to access – esplanade reserves across stream.**
 - h) **Plan Change approval certificate under RMA 1991 – Tasman District Council – Approval and commencement of Change 52 (Upper Motueka Water Management Review) to the Tasman Resource Management Plan) and Change 58 (Wakefield Strategic Review).**

CARRIED

8.11 Appointment of Adviser to the Tasman Regional Transport Committee

This report was taken as read with no questions from Councillors.

**Moved Cr Bryant/Cr Ogilvie
CN17-07-17**

That the Full Council

1. receives the Appointment of Adviser to the Tasman Regional Transport Committee report RCN17-07-11; and
2. approves the appointment of Ms Jane Murray as a non-voting advisory member of the Tasman Regional Transport Committee for the current triennium.

CARRIED

8.12 Chief Executive's Activity Report

Chief Executive, Lindsay McKenzie spoke to this report.

In relation to the overseas study tour proposed for Community Development Manager Susan Edwards, Councillors asked whether it was necessary and normal that staff contribute part of their annual leave towards the trip. Mr McKenzie advised Councillors that while not necessary, this was normal practice and was an indication of the commitment from the employee concerned.

Cr Maling left the meeting at 1.40pm.

Mr McKenzie gave Councillors a preliminary heads up on the draft June 2017 financial results, which he said indicated an operating surplus around the \$12m mark. He said the result was now likely to be a \$13.9m surplus. He also said that first cut figures suggests a draft accounting surplus \$25.5m ahead of budget. He said this presents an opportunity for Council to consider its approach to the allocation of surpluses, including an opportunity to retire more debt. Further reporting on these numbers will come to Council in due course.

Mr McKenzie told Councillors that along with the Mayor and Deputy Mayor he recently attended the 2017 Local Government Conference (LGNZ). Mr McKenzie spoke to some of the highlights of the pre-conference tour. He advised Councillors that the newly elected LGNZ President was Mayor Dave Cull. He also gave an account of the conference programme. He said that one of the highlight speakers had talked about the increasing effects of social media and the shift in the speed of communication to decision making. The speaker had said that people are looking for quick decisions and had talked about the challenge this posed for local government.

Councillors asked for a copy of the *Biodiversity and the Role of Regional Councils* report referenced in item 4.1 of the Chief Executive's report.

Councillors discussed the potential prohibition on any new resource consents arising from the water conservation order application lodged with the Ministry for the Environment and discussed what proposal / hearings process might be going forward.

**Moved Cr Bryant/Cr Canton
CN17-07-18**

That the Full Council

1. receives the Chief Executive's Activity Report RCN17-07-12; and
2. notes the updates to the Council Action Sheet; and
3. approves Susan Edwards joining the Society of Local Government Manager's study tour to the United Kingdom in late October/early November 2017.

CARRIED

Cr Maling re-joined the meeting at 1.55pm.

8.8 Nelson-Tasman Monitoring Report under the National Policy Statement on Urban Development Capacity (January-March 2017)

This report was taken as read. Policy Planner, Jacquie Deans noted an amendment to the resolution, which was that the report be published specifically on Council's website.

Councillors noted the rate of growth in the region was above projection. In response to a question, Ms Deans advised that regular monitoring should enable Council to keep up with growth.

**Moved Cr Canton/Cr Hawkes
CN17-07-19**

That the Full Council

- 1. receives the Nelson-Tasman Monitoring Report under the National Policy Statement on Urban Development Capacity (January-March 2017) report, RCN17-07-08; and**
- 2. approves the Nelson-Tasman Monitoring Report; and**
- 3. approves that the Nelson-Tasman Monitoring Report can be published on the Council website.**

CARRIED

8.7 Waimea Community Dam - Project Report

Engineering Services Manager, Richard Kirby spoke to some of the slides contained in attachment one to this report. He said that in essence, plan B was the most cost effective option.

In response to a question, Mr Kirby told Councillors that water conservation figures had been included in the 100 year water demand growth vs permitted water takes for urban areas.

Councillors asked whether deep bores in Moutere could be explored as an option. Mr Kirby responded that the costings would be similar to the Motueka aquifer option. Mr Bush-King also said that this option had been previously assessed and that the aquifer would not give sufficient yield at a necessary flow rate. He said that no new water permits had been issued for the Waimea zone since the 1980s.

Councillors noted the Waimea Community Dam as the best option available in terms of being the most cost effective option for irrigation on the Waimea plains. They noted their concerns about how this project would be paid for.

Councillors asked the Chief Executive for an update on negotiations. Mr McKenzie advised Councillors that he would share as much information as he could in the open meeting, but that a full discussion on this subject would need to be taken in committee. He said that 3 of the private landowners on whom notices had been served under the Public Works Act have objected to the issue of those notices to the Environment Court. He said that mediation was likely to be later this month and certainly before the next opportunity Council has to meet and consider its position. Mr McKenzie said that it was positive that landowners had willingly come to negotiations to try to settle.

In response to a question, Mr McKenzie advised Councillors that Etc Communications had been engaged to the role of Communications Advisor to the overall project. Responding to a further question, Mr McKenzie confirmed that if money had been set aside for communications this was being utilised for Etc Communications. He said that he did not recall money being set aside for a staff resource.

When asked to clarify draft resolution 2, Mr McKenzie explained that 'best solution' is in specific reference to Councils obligation under Section 10 of the Local Government Act to provide good quality infrastructure at least cost to households and businesses. He said that the draft resolution as a whole had been worded to avoid pre-empting an outcome on a revenue and financing policy prior to any necessary Special Consultative Process and subsequent advice from staff. Mr McKenzie counselled against making any explicit formed view of what a revenue and finance policy response to the project might be.

Councillors discussed postponing any further work with the project until assurances of commitment were received from Nelson City Council, Ministry for the Environment and Waimea Irrigators Limited. The Chief Executive said that the degree of uncertainty from other agencies to commit to the project was costly to the Council, but that further delays to the project would prove to be more so. He advised that the best option was to continue to incrementally work on the project.

Mr Bush-King advised Councillors that Tasman Resource Management Plan provisions were written in such a way that new consents for Waimea plains extractive users must be issued by 1 November 2018. If Council signal there will be no dam, Mr Bush-King said that staff had no cause to delay decisions on consent applications and these would be given on the assumption of a no dam basis.

Councillors discussed affordability of the project and noted their concerns about the impact of the project to rates and water charges. They discussed the increase in costs from original estimates at the beginning of the project and noted that these were significantly higher in large part due to the time elapsed. Councillors agreed that there was no zero cost option.

Costs of constructing the dam were discussed in proportion to the overall budgeted costs for growth in the district. Councillors also discussed the commitment made by Council to have a proposal ready for public consultation by November 2017.

In response to a question about the bona fide review, Mr Bush-King advised that letters to permit holders will start to go out today notifying users what their new allocation will be if the dam does not go ahead. He said that these letters provided an indication of what the new allocation would be, but did not constitute a decision on the allocation.

Councillors discussed who was meant by the term direct beneficiaries.

**Moved Cr Brown/Cr King
CN17-07-20**

That the Full Council

- 1. receives the Waimea Community Dam - Project Report RCN17-07-07; and**
- 2. confirms, having sought and considered further advice about the alternative urban water supply augmentation options, that the proposed Waimea Community Dam in the Lee Valley is the best solution for meeting the community's need for good quality local water supply infrastructure; and**

3. notes an earlier request from Waimea Irrigators Ltd for Council to increase its capital and operating cost contributions and to provide credit support to the Project; and
4. requests that the staff who are working on the request from Waimea Irrigators Ltd note the Council's expectation that the revenue and financing policy review will provide mechanisms for the allocation of the additional costs to be attributed to beneficiaries; and
5. notes that as a consequence of 4 above, Council anticipates that the cost apportionment to general ratepayers beyond the area of most benefit will not exceed that provided for in the Long Term Plan 2015-2025.

Crs Turley, Wensley, Greening and McNamara asked that their votes AGAINST be recorded.

CARRIED

Councillors asked what costs to date Waimea Irrigators Limited had contributed. Mr Drummond said he did not have that figure to hand but advised that Council's costs to date totalled \$2.37 million.

The meeting broke for afternoon tea at 3.10pm and reconvened at 3.30pm. Cr Bryant did not re-join the meeting.

9 CONFIDENTIAL SESSION

9.1 Procedural motion to exclude the public

Moved Cr Sangster/Cr King
CN17-07-21

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 or 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:

8.7 Waimea Community Dam – Project Report

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
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.	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.

CARRIED

The meeting resumed in open session at 4.20pm.

8.9 s.17A assessment, Nelson Regional Development Agency

This report was taken as read and there were no questions from Councillors.

Moved Cr Greening/Cr Canton
CN17-07-22

That the Full Council

1. receives the s.17A assessment, Nelson Regional Development Agency report RCN17-07-09; and
2. approves the s.17A Local Government Act 2002 assessment for services provided by the Nelson Regional Development Agency contained in the attachment to report RCN17-07-09.

CARRIED

8.10 Referral Report - Treasury Management Policy

Corporate Services Manager, Mike Drummond asked Councillors to note a minor amendment to policy to include a definition of the word 'swaptions', which is an option to make a swap.

Moved Cr Ogilvie/Cr King
CN17-07-23

That the Full Council

- 1. receives the Referral Report - Treasury Management Policy report RCN17-07-10; and**
- 2. adopts the Treasury Risk Management Policy.**

CARRIED

The meeting was concluded at 4.25pm.

Date Confirmed:

Chair: