

THE WEST COAST REGIONAL COUNCIL

MINUTES OF THE MEETING OF THE COUNCIL HELD ON 7 NOVEMBER 2011, AT THE OFFICES OF THE WEST COAST REGIONAL COUNCIL, 388 MAIN SOUTH ROAD, GREYMOUTH, COMMENCING AT 11.15 A.M.

PRESENT:

R. Scarlett (Chairman), B. Chinn, A. Robb, T. Archer, D. Davidson, A. Birchfield, I. Cummings

IN ATTENDANCE:

C. Ingle (Chief Executive Officer), M. Meehan (Planning and Environmental Manager), C. Dall (Consents & Compliance Manager), T. Jellyman (Minutes Clerk)

1. APOLOGIES:

There were no apologies.

2. PUBLIC FORUM

There was no public forum.

3. CONFIRMATION OF MINUTES

Moved (Birchfield / Robb) *that the minutes of the Council Meeting dated 11 October 2011, be confirmed as correct.*

Carried

Matters arising

There were no matters arising.

REPORTS:

4.1 ENGINEERING OPERATIONS REPORT

M. Meehan spoke to his report advising that the new Whataroa Rating District was formed at the October Council meeting. He advised that the new rating district would undertake emergency works 1.5kms down from the State Highway Bridge. M. Meehan advised that the inaugural meeting was held on the 13th of October with both Crs Chinn and Davidson present. M. Meehan advised that a committee was formed at this meeting to oversee the works in consultation with Council's River Engineer. M. Meehan advised that the River Engineer has met with members of the rating district on site to discuss these works. M. Meehan advised that prior to the meeting Council invited tenders for the works so that once the decision from the rating district is to hand then works can proceed. M. Meehan advised that the successful tenderer was Westland Contracting Ltd. M. Meehan advised that the rating district has made some minor alterations to the proposed works with some capital works included and some excluded. M. Meehan reported that all rating district meetings were held during October.

M. Meehan advised that there are now reasonable volumes of rock in council quarries now with the emergency stockpile of rock in the Whataroa quarry inspected by Crs Chinn and Davidson during their visit to Whataroa for the rating district meeting.

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

Carried

4.1.2 SALTWATER CREEK NEW RIVER OPINION SURVEY RESULTS

M. Meehan spoke to this report advising that in December last year an intense rainfall event caused flooding in New River and Saltwater Creek. He stated that as a result of this flood an opinion survey was sent out to all potential ratepayers in this area. M. Meehan reported that five options were given in the opinion survey with the majority of respondents choosing option 1 to 4, which includes the clearing out the outlet of Saltwater Creek and New River at its current location. M. Meehan reported that there was little support for options 3 and 4, which were to construct a wall to protect the hotel, school and other properties. M. Meehan reported that option 5 was to let New River out down south, which attracted some support. M. Meehan advised that the response rate was 36%, which is a reasonable response from 600 ratepayers. 25% of respondents would like the bund at the mouth to be maintained. M. Meehan advised that there were a lot of comments made by respondents which are included in the report with some people stating that they felt they should not have to contribute to the scheme as they felt that there were no flooding impacts on their property. M. Meehan advised there were also comments around environmental concerns. M. Meehan advised there was concern with runoff from the subdivisions and some forms were returned with no option selected and these people felt that they shouldn't be paying extra rates and the money should be taken out of general rates or from Grey District Council contributions. M. Meehan advised there was also concern over Class A and Class B properties as some felt that Class B had little bearing on this single flood. M. Meehan explained the three recommendations to the meeting.

Cr Davidson stated this was not a yes / no opinion survey on whether or not the community wants a rating district. M. Meehan stated that there was no yes / no option as they were given five options to consider. C. Ingle advised that the need for a rating district was implied, as the letter title referred to forming a rating district, and in the letter a sheet was attached which explained how rating districts function. C. Ingle stated that Councillors need to consider whether or not this response rate is enough for Councillors to go on. C. Ingle stated that he, Crs Robb and Birchfield attended a meeting at Camerons where there were people asking some very good questions. C. Ingle advised that costs for option 1 will be fairly small for most ratepayers and he feels that this may well be the reason why there was not a huge response rate as people might have felt that the cost was not much at all. Cr Davidson drew attention to Council's policy where there is a percentage of support required prior to a rating district going ahead. It was noted that this is only a guideline and not a policy.

Cr Cummings stated that the wall needs to be maintained as it could cost \$300,000 to put it back in place. C. Ingle advised that the reason that the survey was done was to specifically separate the regular clearing of the mouth, from maintaining the bund. C. Ingle stated that the results for option 1 versus option 2 show that most people prefer option 1 and not maintaining the bund. M. Meehan stated that there is support to clear out the outlet but not to maintain the bund. M. Meehan advised that for option 1, for a \$300,000 property in Class B, the rate works out to be less than \$2.00 per year but options 2, 3 and 4 are a lot more expensive.

Cr Archer stated that in terms of the final analysis of the submissions his understanding is that options 1,2 and 3 have been added together and say that they support the periodic clearing of outlet of Saltwater Creek and New River, he asked does this mean that 44% under option 1 do not support maintaining the bund at the mouth. M. Meehan responded that the people who supported options 2,3 and 4 supported clearing out the outlet of Saltwater Creek and New River as well, at its current location, but they also elected to add additional things onto this such as the bund wall. M. Meehan stated that effectively there are 70% who support the clearing of the outlet and 25% who want to do additional things as well. Cr Archer stated that in terms of interpreting the submissions 44% of those in favour of clearing the outlet do not support maintaining the bund. C. Ingle and M. Meehan agreed with Cr Archer's comments. Cr Archer asked if the letter sent to the community talked about people who are discharging storm water are also contributing to the effects of flooding. C. Ingle responded that the Bob Reid report was not circulated to the community but he advised that letter did state that the proposed rating district A & B classifications were based on a beneficiary and exacerbating assessment. Cr Archer suggested that recommendation three is changed and that Paroa School is deleted and replaced with the Ministry of Education as the school property funding is at the whim of the Ministry.

Cr Archer asked if the agencies referred to in recommendation three elect not to contribute then what impact would this be likely to have on other ratepayers. C. Ingle responded that the figures circulated assume that Council would not get any contributions from anyone else. C. Ingle stated that if the agencies agreed to pay then the cost to ratepayers would come down. Cr Scarlett asked if the agencies concerned have been asked to contribute to a certain level. M. Meehan advised that NZTA do contribute to other rating districts, and the area of land around the school could be worked out and a suggestion for their contribution could be made as if it were a ratable property.

Cr Cummings stated that if the bund and sea wall were not maintained then they would be back to where they were last year. C. Ingle stated the maintenance of the wall and bund could be the topic of the first rating district meeting. He stated that at the moment the District Council maintains the wall and bund with an NZTA subsidy which is probably the most cost effective way in the short term. C. Ingle stated that after a period of time, once the structure has settled down then the rating district could be asked to take over the maintenance. C. Ingle advised that there needs to be further discussion on this matter but he feels that the open survey results do give mandate to make the decision to form a rating district and to keep the mouth open but that is all at this point. Cr Birchfield stated that a lot of people who responded to the opinion survey don't realise how important the bund is in keeping the mouth open. Cr Birchfield stated that it would be a waste of time doing anything unless the bund is maintained. Cr Birchfield stated that he supports maintaining the existing outlet where it is. Cr Scarlett suggested that a letter is written to the community advising them of the first rating district meeting to let them know that this is a very important meeting and that decisions will be made at this meeting. Cr Scarlett stated that there needs to be as many people as possible at the first meeting of the rating district so that whatever decision is made it can then be said that there was a fair representation. Cr Archer stated that timing is important in case the mouth should block or the bund needs attention. C. Ingle advised that in the interim Grey District Council are maintaining the mouth and the bund. C. Ingle stated that an important point in recommendation number 2 is that further consultation occurs through the Long Term Plan process, which will allow the community to have another chance to make a submission and come to the hearing and talk to Councillors about the implications of the new rating district.

Moved (Archer / Cummings)

- 1. That Council receives the results of the Saltwater Creek / New River proposed rating district opinion survey, and the comments made.*
- 2. That Council notes the preference of the community to retain the river mouth at its current location, and brings that preference forward into the Proposed Long Term Plan to be released for consultation in early 2012; by stating in the Long Term Plan the intention of Council to form a new Rating District to fund periodic river mouth clearance works.*
- 3. That Council writes to Grey District Council, New Zealand Transport Authority, Ministry of Education and the Department of Conservation seeking suitable annual financial contributions in lieu of rates, towards the proposed rating district mentioned above.*

Carried

4.2 CORPORATE SERVICES MANAGER'S REPORT

C. Ingle spoke to this report in R. Mallinson's absence. C. Ingle drew attention to the overall surplus of \$318,000 and noted that this is despite the portfolio losses over August and September. C. Ingle advised that R. Mallinson is hopeful that the portfolio losses will be recouped over October.

C. Ingle advised that Council is in positive budget variances in terms of general rate funded activities also.

C. Ingle advised that the replacement of core financial systems has been budgeted for and has gone well.

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

Carried

4.2.1 SETTING OF RATE FOR NEW WHATAROA RATING DISTRICT

C. Ingle spoke to this report and advised at the October council meeting council resolved to form the Whataroa special rating district. He advised that council was required to give 14 days notice in the newspapers of its intention to strike a rate for the emergency works. Cr Chinn stated that an interesting point arose in the process of forming the Whataroa rating district. He advised that because the rate is set based on capital value the capital value for those in the blue area (Class B) will grow faster than those in the red area (Class A) as those in the blue area are further away from the river. Cr Chinn stated

that it would be worthwhile noting this as the same situation could apply for the Saltwater Creek New River area.

Moved (Robb / Cummings)

That Council set a rate for the new Whataroa Special Rating Area for \$100,000 + GST for the 2011/12 rating year, as follows;

Classification	Estimated Rateable Capital Value	Factor per \$ of Capital Value (GST inclusive)	Estimated to yield
A	\$22,331,000	0.0026106	\$58,297
B	\$32,581,000	0.0017404	\$56,703
Total			\$115,000

That there be two instalments:

- The first instalment will be due on 15 November 2011 with a 10% penalty date of 20 December 2011 as per sections 57 and 58 of the LGRA 2002.*
- The second instalment will be due on 1 March 2012 with a 10% penalty date of 20 April 2012 as per sections 57 and 58 of the LGRA 2002.*
- A further 10% penalty will be charged on all accumulated rate arrears as at 1 July 2012.*

Carried

4.2.2 SCHEDULE OF MEETING DATES FOR 2012

Cr Scarlett asked if there are any problems with the dates for next year's meeting. Cr Archer would prefer the February meeting to be bought forward to the 7th of February and the September meeting to be bought forward to the 4th of September. C. Ingle advised that this would be the first Tuesday of the month for the February and September meeting. Cr Birchfield requested that the November meeting date be changed from the 13th of November to Monday the 12th of November.

Moved (Robb / Birchfield) *That Council adopt the 2012 Schedule of Meeting Dates with the above changes made.*

Carried

5.0 MEETING WITH THE AUDITOR GENERAL

Cr Scarlett spoke to this report and requested that it be deferred to the next meeting as some Councillors wish to research this further. Cr Scarlett stated that this report is as a result of a recent meeting with the Auditor General. Cr Scarlett advised that the Auditor General's report on prosecution states that prosecutions are to be free from actual perceived political bias. Cr Scarlett stated that most councils in New Zealand delegate prosecutions and it was with this in mind that this paper was put together. Cr Scarlett stated that he has had a look at the prosecution guidelines of Crown Law and they say, "that in practice in New Zealand the independence of the prosecution refers to freedom of political or public pressure. All Government agencies should ensure wherever it is reasonable practical to do so, that the initial prosecution decision by legal officers independent from the other branches of the agency in acting in accordance with these guidelines". Cr Scarlett read that Crown Law states, "that it is the expectation of the law offices that all government agencies with prosecution functions will create a minimum decision making structures to ensure that prosecution decisions and practice are in accordance with these guidelines". Cr Scarlett stated that with this in mind he would like to defer this matter until next month for further discussion. Cr Archer asked if there was a compelling and substantive reason for deferring. Cr Scarlett stated that this has information has only been out for about three weeks and people want to have a closer look at it.

Moved (Davidson / Cummings) *That Council defer the discussion on the agenda paper titled "Meeting with the Auditor General" until next month's Council meeting.*

6.0 CHIEF EXECUTIVES REPORT

C. Ingle spoke to his report. He advised that he attended a very useful Civil Defence Controllers meeting in Wellington recently. C. Ingle stated he was very pleased to see that controllers from all three of the West Coast's district councils also attended. He advised that discussion took place on how the Canterbury earthquakes were managed. C. Ingle advised that Ministry of Civil Defence personnel told him that the civil defence arrangements on the West Coast are very good and that we are very well organised. C. Ingle stated that this was very pleasing to hear.

C. Ingle advised that he and R. Mallinson have been working on Council's Long Term Plan with R. Mallinson working on the financial side and C. Ingle has been looking at the overview of this Plan. C. Ingle advised that one of the TAFM changes to the Local Government Act changes the definition of the words "community outcomes". He advised that this change means that Councils are no longer required to have community outcomes that don't relate to the things we do as part of council functions. C. Ingle advised that the current Long Term Plan has things like health and education and identity, he is recommending that these three community outcomes are taken out of the new Long Term Plan, but retaining economy, environment and safety. C. Ingle stated that the six community outcomes will come down to three, these changes will make council more focussed on the things that they actually have some influence on. C. Ingle advised that these matters would be discussed in depth at the workshop to be held later in the year. Cr Archer agreed with C. Ingle and stated that councils were consulting on matters that were not in their mandate to decide on anyway.

Cr Chinn asked C. Ingle what was discussed at the Chief Executive's Environmental Forum held recently in Wellington. C. Ingle responded that the Envirolink scheme that he is involved with was discussed in particular the presentation of the new regional council science strategy, which is trying to focus the spending of government money on science projects that are more related to the work that regional councils do such as environmental and hazards work. C. Ingle advised that this has been successful with presentations being made to chief executives of government departments and this has now filtered down to departmental deputy secretaries and departmental managers as well. C. Ingle advised that this forum is also preparing for changes with the new government that is coming in and briefings for incoming ministers are also being prepared. He advised that new National Environment Standards were also discussed as to how these are rolled out and if there are issues that regional councils need to tell government officials about so that these can be resolved. C. Ingle stated that this is a very useful forum.

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

Carried

7.0 CHAIRMANS REPORT (VERBAL)

Cr Scarlett reported that he met with the Auditor General on the 13th of October. He stated he was impressed with Mrs Provost. He stated that the audit of environmental matters was discussed at this meeting. Cr Scarlett advised that the purpose of these audits is to ascertain whether or not councils have done what they said they would do in their LTP and annual plans, including actions and outcomes relating to water quality. Cr Scarlett advised that her Office's views on the decisions around prosecutions. Cr Scarlett stated that this was a very good meeting and it is hoped that the Auditor General will visit all West Coast Councils once a year. Cr Scarlett stated that he and N. Costley attended the hearing on the Draft Canterbury Regional Land Transport Strategy. Cr Scarlett stated that they told the Hearing that they have been there three times before, they offered R Funding and stated that this council wants to alter the wording in their strategy to accommodate the fact that funding could be applied to support the realignment of State Highway 73 between Rough Creek and Mingha Bluff. Cr Scarlett stated that it was difficult to get a feel as to whether or not this funding would be approved. He stated that this council has been persistent and that we will keep chipping away until something is done about this stretch of highway.

Cr Scarlett reported that he attended the Zone 5 meeting on the 1st of November. He stated that there was a presentation made by Civic Assurance who are seeking a boost in capital of around \$6M to bring their balance sheet back up to \$17M. Cr Scarlett stated that New Zealand is a very small market and it is going to take a long time to recover. Cr Scarlett stated that it is very obvious that insurance rates are going to go up. Cr Birchfield commented that the visit from the Auditor General needs to be kept in perspective. He stated that the Auditor General is unelected and in another few years she will probably

have moved on and she does not have the interest at heart of the West Coast. Cr Birchfield stated that Councillors are elected to represent the people of the West Coast and their interests and council should not let themselves be bullied or pushed around by an unelected bureaucrat. Cr Birchfield stated that it is up to us how we look after the area and the environment and the people.

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

Carried

GENERAL BUSINESS

Cr Cummings asked if there would be a problem if people north of Saltwater Creek wanted to construct their own protection wall. C. Ingle advised that they could, but that a resource consent would be required. He noted that people at Camerons were concerned that such works might push the water their way, and this would need to be looked at. Cr Robb stated that it is an option in any rating district for people to do their own work but they need to abide by the rules.

There was no general business.

The meeting closed at 12.02 a.m.

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Chairman

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Date