

THE WEST COAST REGIONAL COUNCIL

MINUTES OF THE MEETING OF THE COUNCIL HELD ON 9 JULY 2019, AT THE OFFICES OF THE WEST COAST REGIONAL COUNCIL, 388 MAIN SOUTH ROAD, GREYMOUTH, COMMENCING AT 11.27 A.M.

PRESENT:

N. Clementson (Chairman), T. Archer, P. Ewen, P. McDonnell, A. Birchfield, S. Challenger

IN ATTENDANCE:

M. Meehan (Chief Executive Officer), R. Mallinson (Corporate Services Manager), H. McKay (Consents & Compliance Manager), H. Mills (Planning, Science & Innovation Manager), R. Beal (Operations Director), N. Costley (Strategy & Communications Manager), T. Jellyman (Minutes Clerk).

1. APOLOGY:

Moved (Clementson / Birchfield) *That the apology from Cr Robb be accepted.*

Carried

2. PUBLIC FORUM

There was no public forum.

3.1 CONFIRMATION OF MINUTES

The Chairman asked the meeting if there were any changes to the minutes of the previous meeting. There were no changes requested.

Moved (Archer / Challenger) *that the minutes of the Council meeting dated 11 June 2019, be confirmed as correct.*

Carried

Matters arising

M. Meehan stated that he has been corresponding with Cr Ewen regarding the matter of fuel storage for the West Coast following a civil defence disaster. It was agreed that a letter would be drafted to the Minister of Civil Defence outlining Council's concern.

3.1.1 CONFIRMATION OF MINUTES OF SPECIAL COUNCIL MEETING 21 JUNE 2019

The Chairman asked the meeting if there were any changes to the minutes. There were no changes requested. Cr Archer stated he has no changes to the minutes but he is concerned that Council might have a failing in communicating with ratepayers as to what can be included as submissions to the Annual Plan and what cannot be actually acted upon. He stated that there is an expectation by these submitters that Council is going to give their funding requests consideration. Cr Archer is concerned that there are people in the community who think the appropriate time to make requests for funding is via a submission to the Annual Plan. He stated that there is no mechanism to deal with this. M. Meehan advised that this is a case by case situation as Council approved expenditure for the GNS study into geothermal work during the year, and there was no consultation on this. M. Meehan advised that the point the Auditor General made around the UAGC was that they said that Council could not make such a change to the funding via a submission and recommended going out for further consultation. M. Meehan stated that

Council's response to a submission on the fairness of the UAGC was a difference in opinion. M. Meehan asked R. Mallinson for his advice on this matter. R. Mallinson advised that the legislation channels councils to identify matters for consultation, but Council would always accept a submission even if the submission wasn't identified in the consultation document as this is basic democracy. R. Mallinson advised that Council would always receive and consider the submission but may not necessarily act on it. M. Meehan stated that advice would be sought if a submission was likely to have a major impact on a community and could consult on this in future Annual Plans. He stated that would still be a case by case situation. Cr Archer used the example of the request for \$100,000 from the Westport 2100 Working Group. He stated there is a potential for a councillor conflict of interest in this type of situation as both Crs Archer and Clementson have been part of this working group. Cr Archer spoke at length about the submission from Westport 2100. Cr Archer also spoke of the submission process in general and stated that because Council does not ask questions, it becomes quite a daunting process for submitters, and he feels that Council only listens and does not contribute. Cr McDonnell stated that he did ask Mr Coll from the Westport 2100 how much he funding he was seeking. Cr Archer stated that Council never would have considered \$100,000 and then have to rate the community for this when they have had no input into it.

Moved (Birchfield / Ewen) that *the minutes of the Special Council meeting dated 21 June 2019, be confirmed as correct.*

Carried

Matters arising

There were no matters arising.

3.1.2 CONFIRMATION OF MINUTES OF SPECIAL COUNCIL MEETING 28 JUNE 2019

An amended version of the minutes of the meeting of 28 June were tabled. These had previously been emailed to Councillors.

The Chairman asked the meeting if there were any changes to the minutes of the previous meeting. There were no changes requested.

Moved (Birchfield / Archer) that *the minutes of the Special Council meeting dated 28 June 2019, be confirmed as correct.*

Carried

Matters arising

Cr Archer drew attention to the second line in item 2 which says that "Councillors now have legal advice from the Local Government Commission (LGC) on the One District Plan". Cr Archer queried if this was legal advice. R. Mallinson confirmed that the LGC provided a summary of the legal advice they had received.

REPORTS:

4.1 OPERATIONS REPORT

R. Beal spoke to his report and advised that the future works listed are all related to the March weather event and will be part of the insurance claims. He stated that contractor capacity is almost at full capacity.

R. Beal reported that just over 30,000 tonne of rock has been recovered for the work in the Lower Waiho rating district (LWRD). He advised that the likely time of completion for this project is early September, providing rock recovery continues to progress well. Cr McDonnell spoke of concerns from the LWRD at the prospect of a large loan of around \$500,000 and their concerns with insurance and being able to get the stopbank back in place. R. Beal advised that the insurance will not cover 100% of the rebuild, Council is well committed to the rebuild and cannot stop it now as this would impact on insurance. R. Beal stated that costs are ongoing and have been communicated consistently to the LWRD, they have also been advised that Council is unsure how much the insurance pay out will be. M. Meehan advised

that staff are in constant communication with the Ministry of Civil Defence. R. Mallinson advised that he has also been in constant contact with the Ministry on behalf of the Crown, and the insurers. He stated that the assessor will be making a second visit to the site in early August and will be accompanied by Council's engineer. R. Mallinson advised the he and Council's engineer met with the representative from the Crown a couple of weeks ago at the site. R. Beal reconfirmed that the best case scenario is a cost of \$2.2 - \$2.4M if rock recovery prices are at \$21.00 per tonne. Discussion took place on the possibility of a shortfall of around \$500,000. M. Meehan advised that the original report which went to Council was that any costs that weren't recovered by insurance, or the Ministry, would be a loan on behalf of the rating district. This has been the approach which has been communicated to the LWRD from the start. Cr Birchfield commented that the original stopbank had lasted for 37 years. Discussion took place. Cr McDonnell commented that the LWRD is feeling disappointed as they thought they had an insured asset and this is not going to be replaced without costing them something. M. Meehan stated that this is a difficult situation, weekly meetings are being held, and Council's engineer is ensuring that as much rock as possible is being recovered from the river. R. Beal confirmed the Council's engineer is doing an excellent job at keeping the end costs down, with early quotes for the rebuild being at \$3.4M. It was agreed that work and communication would continue with the insurer and the community.

Moved (Birchfield / Challenger)

1. *That the report is received.*
2. *That the rebuild budget of \$2,600,000 + /- 10% for the Milton & Others Stopbank is approved.*

Carried

4.1.2 VARIATION 6 TO THE WEST COAST REGIONAL LAND TRANSPORT PLAN 2015 – 21

M. Meehan spoke to this report and advised that both the Chairman and Deputy Chairman are council representatives on the West Coast Regional Transport Committee (RTC). M. Meehan stated that this matter has been discussed at the RTC and these recommendations have come through from the RTC for Council to approve. Cr Ewen expressed concern that the Minister could be considering dropping the speed limit to 80 km per hour on our roads. He stated if that is the case this could be a handbrake on the whole West Coast economy. Cr Ewen stated that he does not support this. Cr Clementson stated that this sentiment was strongly reflected at the RTC meeting. Cr Clementson stated that the RTC was assured that this is not the intention. Cr Birchfield agreed with Cr Ewen and stated that this is the green agenda and it is about getting everyone on bikes or walking to slow the road system down. Cr Birchfield believes this is all part of climate change as they don't like fuel being used. Cr Birchfield is against this. M. Meehan stated that he is unsure of where Council stands if Council rejects the recommendations from the RTC. Extensive discussion ensued and it was agreed that Council would defer the consideration of this report until the August Council meeting as Councillors would like more information, especially on the 80 km per hour issue.

Moved (Archer / Ewen)

That a decision on Variation 6 to the Regional Land Transport Plan 2015 -21 will be deferred until the August 2019 Council meeting.

Carried

4.2 CORPORATE SERVICES MANAGER'S MONTHLY REPORT

R. Mallinson spoke to his report and asked Councillors to disregard the two tables on page 15 of his report as he would like to do further work and he will then recirculate the tables. R. Mallinson advised that the deficit has increased with the main contributors being investment income being \$366,000 below that budgeted for the year to date. He stated that the VCS surplus is also less than what was budgeted but is expected to improve. R. Mallinson reported that quarries have been trading well due to the heavy demand for rock.

R. Mallinson spoke to the rest of his report and advised that \$613,000 has been spent to date on the rebuild of the Milton & Other Stopbank at Franz Josef.

R. Mallinson drew attention to the omission of a formal recommendation being included in the staff report for the submission in relation to the Westport 2100 working group, which is now included in the recommendations of this report.

Cr Archer suggested that an addition to the third recommendation and it include the words, "*or a special rating district be created*". M. Meehan advised that under the Rating Act, to form a rating district outside of an annual plan process, good reason is required. R. Mallinson confirmed that it would need to be an emergency that could not have been foreseen under Section 23 of the Rating Act. He provided further information on the setting up of rating districts.

Cr Ewen asked if Council is covered should an event occur now and take out the Milton & Others Stopbank before it is completed. R. Mallinson stated that this would be a separate event but Council's insurance cover would still come in to play, and there would be further excess to pay.

Cr McDonnell asked if the shortfall in the budget variances is attributed to any one thing. R. Mallinson stated that he still needs to confirm if this figure is accurate but stated it has been challenging to generate the cost recovery in the resource management area that was hoped for. Discussion took place on contributing factors to the budget variances.

Moved (Ewen / Birchfield)

1. *That the report is received.*
2. *That Councillors note the liquidation of the Catastrophe Fund Portfolio, to be rebuilt once all Insurance and Crown funds are to hand, and any long term borrowing is undertaken.*
3. *That the Westport 2100 Committee be advised that any actual works required flowing from the Group recommendations will need to be considered as part of future Annual / Long Term Plan processes. Re-purposing of existing Council budgets will be considered as appropriate.*

Carried

4.4 LEAVE OF ABSENCE – 13 AUGUST 2019 COUNCIL MEETING

This report was taken as read.

Moved (Ewen / McDonnell)

That Council grants Cr Archer a Leave of Absence from attending the 13 August 2019 scheduled Council meeting.

Carried

Moved (Archer / McDonnell)

That Council grants Cr Challenger a Leave of Absence from attending the 13 August 2019 scheduled Council meeting.

Carried

5.0 CHAIRMANS REPORT

The Chairman's report was taken as read.

Moved (Clementson / Birchfield) *that this report is received.*

Carried

GENERAL BUSINESS

Cr Archer asked if there has been any progress with the list of closed landfill sites that was requested. H. McKay advised that the recommendation was that Envirolink fund be sought. H. Mills advised that it was ascertained that Envirolink funding was not appropriate but her staff have now put a list together and could be brought to the next meeting. M. Meehan advised that ECAN are leading work in this area. He stated that risk assessments are being done at a national level and work is being done on what

constitutes a landfill. M. Meehan stated that the main issue is historic landfills that aren't covered by the RMA, landfills that are closed, old sites and sites that are not known about.

The meeting closed at 12.18 p.m.

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Chairman

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Date