

Otago Regional Council meeting 11 February 2015

Attached is the agenda for the next meeting of the Otago Regional Council, which is to be held on Wednesday 11 February commencing at 10.00 am. The venue is the Council Chamber, 70 Stafford Street, Dunedin. Members of the public are welcome to attend. Copies of attachments are available from the Committee Secretary (see contact details below) or online at

<http://www.orc.govt.nz/Meetings-Consultations-and-Events/Council-meetings-and-Agendas/>.



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OTAGO REGIONAL COUNCIL

**Agenda for an Ordinary meeting of the Council to be held in the
Council Chamber, 70 Stafford Street, Dunedin on Wednesday
11 February 2015 commencing at 10.00 am**

Membership:

- Cr Stephen Woodhead (Chairperson)
- Cr Gretchen Robertson (Deputy Chairperson)
- Cr Graeme Bell
- Cr Doug Brown
- Cr Louise Croot MNZM
- Cr Michael Deaker
- Cr Gerrard Eckhoff
- Cr Gary Kelliher
- Cr Trevor Kempton
- Cr Sam Neill
- Cr Bryan Scott
- Cr David Shepherd

Apologies:

Leave of Absence: Cr Croot - Request for Leave of Absence

In attendance:

**Please note that there is an embargo on agenda items until 8.30 am on Monday
9 February.**

CONFIRMATION OF AGENDA

PUBLIC FORUM

MINUTES

Page Nos.

The minutes of the public portion of the meeting held on 10 December
2014, having been circulated, for adoption

5 - 13

Matters arising from the minutes

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PART A – CHAIRPERSON’S AND CHIEF EXECUTIVE’S REPORTS	
Item 1 2015/0738 Chairperson’s report. Chair, 5/2/15	14
Providing an overview of the Chairperson’s activities for the period to 5 February 2015.	
Item 2 2015/0736 Chief Executive’s Report. CE, 5/2/15	15
Providing an overview of the Chief Executive’s activities for the period to 5 February 2015.	
PART B – RECOMMENDATIONS	
Item 3 2015/0705 Low Flows in Otago Rivers. DEENH, 2/2/15	16 - 23
The lack of rain and high temperatures in recent months has resulted in very low flows in many of Otago’s Rivers. This report sets out the situation at present, the principles and approaches ORC staff have adopted in addressing this event, and actions taken to date.	
Item 4 2015/0741 Water Quality (Plan Change 6A) Implementation Strategy. DSE, 5/2/15	24 - 32
Presenting for information the Plan Change 6A Implementation Strategy.	
Item 5 2014/1833 Proposed Plan Change 3B (Pomahaka catchment minimum flow) to the Regional Plan: Water for Otago. DPPRM, 29/1/15	33 - 34
Presenting the recommendations of the Hearing Committee on Proposed Plan Change 3B (Pomahaka catchment minimum flow) to the Regional Plan: Water for Otago for Council’s decision, in accordance with Schedule 1 of the Resource Management Act 1991. The proposed Plan Change and maps are circulated separately with the agenda.	

	Page Nos.
Item 6 2015/0735 Financial Report. DCS, 5/2/15	35 - 40
Providing information in respect of overall Council finances for the six months to 31 December 2014.	
Item 7 2015/0730 Documents for Seal. DCS, 3/2/15	41
Listing documents signed under the Council's Seal.	
Item 8 Reports from Councillors	42
PART D – MINUTES OF MEETINGS	
Item 9 Recommendations of the Joint Otago/Southland Regional Transport Committee meeting held on 26 January 2015, for adoption	43 - 50
Item 10 Recommendations of the Communications Committee meeting held on 28 January 2015, for adoption	51 - 52
Item 11 Recommendations of the Policy Committee meeting held on 28 January 2015, for adoption	53 - 54
Item 12 Recommendations of the Regulatory Committee meeting held on 28 January 2015, for adoption	55 - 58
Item 13 Recommendations of the Technical Committee meeting held on 28 January 2015, for adoption	59 - 62

PART E – EXCLUSION OF PUBLIC

That the public be excluded from the following part of the proceedings of the meeting.

The general subject of the matters to be discussed while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under Section 48(1)(a) of the Local Government Information and Meetings Act 1987 for the passing of this resolution are as follows:

	General subjects to be considered	Reason under LGOIMA for passing this resolution	Grounds under S.48 for the passing of this resolution
Item 14	Minutes of the In Committee portion of the Council meeting held on 10 December 2014	To protect the privacy of natural persons (S7(2)(a))	S.48(1)(a)(i)

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 or Section 6 or Section 7 or Section 9 of the Official Information Act 1982 as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above with respect to each item.

OTAGO REGIONAL COUNCIL**Minutes of an Ordinary meeting of the Council held in the
Council Chamber, 70 Stafford Street, Dunedin on Wednesday
10 December 2014 commencing at 1.30 pm**

Present:

Cr Stephen Woodhead (Chairperson)
Cr Gretchen Robertson (Deputy Chairperson)
Cr Graeme Bell
Cr Doug Brown
Cr Louise Croot MNZM
Cr Michael Deaker
Cr Gerrard Eckhoff
Cr Gary Kelliher
Cr Trevor Kempton
Cr Sam Neill
Cr Bryan Scott
Cr David Shepherd

In attendance:

Peter Bodeker
Wayne Scott
Jeff Donaldson
Jane Leahy
Fraser McRae
Gavin Palmer
Janet Favel

CONFIRMATION OF AGENDA

There were no changes to the agenda.

MINUTES

- (a) The minutes of the meeting held on 30 October 2014 were adopted on the motion of Crs Croot and Bell.
- (b) The minutes of the special meeting held on 26 November 2014 were adopted on the motion of Crs Croot and Shepherd.

Matters arising from the minutes

There were no matters arising from the minutes.

PART A – CHAIRPERSON’S AND CHIEF EXECUTIVE’S REPORTS

Item 1

2014/2001 **Chairperson’s report.** Chair, 4/12/14

The Chairperson provided an overview of his activities for the period to 4 December 2014.

Cr Woodhead advised that he would circulate to Councillors the Performance Improvement Framework that had been confirmed by the Mayoral Forum.

Cr Woodhead and Cr Robertson had attended the Morgan Foundation-run NZ River Awards. Cr Woodhead explained that the Foundation identified entries for the awards using data from the LAWA site.

Cr Robertson had represented ORC at the 28 November RSG meeting, and her report was circulated with the agenda. She had found it useful to attend the meeting and the river awards function. Her report discussed 3 Waters, Reputation Index, Biodiversity, Overseer, and LAWA, and a presentation by Audit NZ

The Local Government reputation index was noted, with local government calculated at 29/100. Cr Woodhead advised that the marketing campaign being developed was aimed at helping councils through existing marketing programs and providing new tools. The point was made that the data used to achieve the index for local government was influenced by people who didn’t use local government, and caution was expressed about spending a lot of money on improving a misleading result.

Comment was made with regard to the accuracy of the Overseer program. Mr Bodeker advised that the government investment in the program would continue, and that regional sector representatives were to meet with the Director General of Agriculture before Christmas.

The NZ River Award for Dunstan Creek was noted, and it was pointed out that the improvement in the river could be partly due to low returns from the fine wool sector in that area, and could change if the fine wool sector improved. It was also noted that there were few farms in that catchment. Mr Bodeker commented that the credibility of the awards had been discussed by the RSG Chief Executives, but it would not look good if the regional council sector pulled out of the awards. Comment was also made that awards were given to regional councils, but a lot of work by communities was not recognised.

Item 2
2014/1990 **Chief Executive's Report.** CE, 3/12/14

The Chief Executive provided an overview of his activities for the period to 3 December 2014.

The Health and Safety review was noted, and in response to a question Mr Bodeker advised that the review would be presented to the Audit and Risk Subcommittee, who would comment whether or not it should be workshopped. It was suggested that a report on the review be provided to Councillors.

Councillors suggested that they should be provided with the Civil Defence, Lifelines, and Health and Safety reviews.

Mr Bodeker's report noted the discussion at the previous Regulatory Committee meeting on the increase of non-compliance on dairy farms, and pointed out that this partly resulted from improvements in the inspection regime. He explained that TLAs were required to advise ORC if a breach of standards was identified, and enforcement action could only be taken where farmers were caught. Staff had records of potential and/or recorded regular breaches, and were investigating a monitoring regime that would allow better records to be kept of any problems.

Concern was expressed at the misconception that farming and urban breaches were treated differently, and it was considered that clarification through publicity was needed.

Mr Bodeker noted that Mr Scott had given notice of his intention to retire at Easter 2015 after 39 years with ORC, and his departure would be marked appropriately at that time.

Cr Woodhead moved
Cr Kelliher seconded

That the Chair's and Chief Executive's reports be received.

Motion carried

PART B – RECOMMENDATIONS

Item 3
2014/1917 **Recommendations of the Hearing Committee on Proposed Plan Change 4B (Groundwater allocation) to the Regional Plan: Water for Otago.** DPPRM, 10/12/14

The report presented the recommendations of the Hearing Committee on Proposed Plan Change 4B (Groundwater Allocation) to the Regional Plan:

Water for Otago, for adoption by Council. The Plan Change documentation was circulated separately with the agenda.

Cr Croot, chair of the hearing panel, noted that the main issues addressed in submissions related to clarification of objectives in the plan change, and included a request that water allocation status be available on line. One significant change was for an application to take from an aquifer which was/could be over allocated changed to be considered non complying, rather than prohibited. Better definitions of non consumptive and temporary takes were also requested.

Cr Croot moved
Cr Neill seconded

That Council:

1. *Adopt the recommendations of the Hearing Committee on Proposed Plan Change 4B (Groundwater allocation) as its decision;*
2. *Publicly notify its decisions on Proposed Plan Change 4B (Groundwater allocation) on Saturday 13 December 2014; and*
3. *Notify submitters of its decisions.*

Motion carried

Item 4

2014/1805 **Recommendations of the Hearing Committee on Proposed Plan Change 4C (Groundwater management: Cromwell Terrace Aquifer) to the Regional Plan: Water for Otago. DPPRM, 20/11/14**

The report presented the recommendations of the Hearing Committee on Proposed Plan Change 4C (Groundwater management: Cromwell Terrace Aquifer) to the Regional Plan: Water for Otago, for adoption by Council. The Plan Change documentation was circulated separately with the agenda.

Cr Scott noted that the recommendation was to increase the maximum allocation, and attention was drawn to information from former groundwater scientist, Jens Rekker, that there was more water in the aquifer than originally understood. Key points made by submitters included groundwater modelling showing that the aquifer was dynamic, and reliable information characterising the groundwater.

Cr Scott moved
Cr Neill seconded

That Council:

1. *Adopt the recommendations of the Hearing Committee on Proposed Plan Change 4C (Groundwater management: Cromwell Terrace Aquifer) as its decision;*
2. *Publicly notify its decisions on Proposed Plan Change 4C (Groundwater management: Cromwell Terrace Aquifer) on Saturday 13 December 2014; and*
3. *Notify submitters of its decisions.*

Motion carried

Item 5

2014/1946 **NZ Productivity Commission – using land for housing.** DPPRM, 1/12/14

The report presented for approval a submission on the report by the NZ Productivity Commission on ‘using land for housing’.

The draft submission considered that the Commission’s report addressed an Auckland problem, and the proposed measures would create problems in the rest of the country.

Question 12 suggested that plans should accommodate views of those who did not participate in the process. It was suggested that a paper be prepared on how to find out the views of those who don’t regularly engage with the Council.

Cr Deaker moved
Cr Robertson seconded

That this submission to the NZ Productivity Commission Report “Using land for housing” be approved.

Motion carried

PART C – ITEMS FOR NOTING

Item 6

2014/1986 **4 month review to 31 October 2014.** DCS, 5/12/14

The report explained that formal reviews of progress on all projects were undertaken at four, eight and 12 months, and reported to Council. These

reports formed part of each year's Annual Report. The attached full report summarised project progress for the four months to 31 October 2014.

Mr Scott noted that the report recommended changing some of the unrealistic targets.

Cr Deaker moved
Cr Croot seconded

That the report be received.

Motion carried

Item 7
2014/1834 **Financial Report.** DCS, 3/12/14

The report provided information in respect of overall Council finances for the four months to 31 October 2014.

Cr Shepherd moved
Cr Croot seconded

That the report be received.

Motion carried

Item 8 **Reports from Councillors**

Cr Robertson - Coastal Otago Conservation Awards

Cr Robertson reported that Sandfly Bay volunteers were the overall winners. Other nominees included Penguin Place, and work by the Palmer family on Taieri Island. Tahuna Intermediate won the school section for their work at the Tomahawk Lagoon. Cr Robertson stated that this was a great event which was well attended.

Cr Kelliher – TbFree Committee (OSPRI)

Cr Kelliher advised that at a recent OSPRI meeting, potential funding changes were discussed. Cr Woodhead and the Chief Executive were aware of OSPRI's funding review, and questions about the need for an ongoing regional share. Cr Kelliher reported that there was low incidence of bovine Tb in Otago, but stock movement could increase spread of the disease. Cr Woodhead commented that ORC'S ongoing involvement in OSPRI would be an LTP discussion item.

Cr Kempton – Otago/Southland Regional Land Transport Plan

Cr Kempton reported that a number of workshops and meetings had been held and Plan preparation was progressing well. He commended the

collaborative process, particularly at staff level. There would be a common baseline strategy, and six key projects with interregional significance would be highlighted.

The timetable was:

16 December	Draft programme presented to joint RTC meeting
26 January	Draft programme approved for consultation, appoint joint hearings panel
March	Public consultation
July	Plan operative

PART D – MINUTES OF MEETINGS

Item 9 **Recommendations of the Communications Committee meeting** held on 26 November 2014, for adoption

Cr Kempton moved
Cr Bell seconded

That the recommendations of the Communications Committee meeting held on 26 November 2014 be adopted.

Motion carried

Item 10 **Recommendations of the Finance and Corporate Committee meeting** held on 26 November 2014, for adoption

Cr Shepherd moved
Cr Kelliher seconded

That the recommendations of the Finance and Corporate Committee meeting held on 26 November 2014 be adopted.

Motion carried

Item 11 **Recommendations of the Policy Committee meeting** held on 26 November 2014, for adoption

Cr Robertson moved
Cr Deaker seconded

That the recommendations of the Policy Committee meeting held on 26 November 2014 be adopted.

Motion carried

Item 12 **Recommendations of the Regulatory Committee meeting** held on 26 November 2014, for adoption

Cr Eckhoff moved
Cr Croot seconded

That the recommendations of the Regulatory Committee meeting held on 26 November 2014 be adopted.

Motion carried

PART E – EXCLUSION OF PUBLIC

Cr Woodhead moved
Cr Bell seconded

That the public be excluded from the following part of the proceedings of the meeting.

The general subject of the matters to be discussed while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under Section 48(1)(a) of the Local Government Information and Meetings Act 1987 for the passing of this resolution are as follows:

	<i>General subjects to be considered</i>	<i>Reason under LGOIMA for passing this resolution</i>	<i>Grounds under S.48 for the passing of this resolution</i>
<i>Item 13</i>	<i>Port Otago Ltd Annual Shareholders Meeting</i>	<i>To protect the privacy of natural persons (S7(2)(a))</i>	<i>S.48(1)(a)(i)</i>

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 or Section 6 or Section 7 or Section 9 of the Official Information Act 1982 as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above with respect to each item.

Following discussion of Item 13,

Cr Woodhead moved
Cr Neill seconded

s

That the meeting resume in open session.

Motion carried

The meeting closed at 2.56 pm.

Chairperson

REPORT

Document Id: A731001

Report Number: 2015/0738
Prepared For: Council
Prepared By: Chairperson
Date: 5 February 2015

Subject: **Chairperson's Report February 2015**

Cr Kempton and I attended the Ngai Tahu Treaty Festival celebrations at Te Rau Aroha Marae in Bluff.

At the December National Council meeting I was appointed Chairman of the Environmental Policy Advisory Group, one of the four subcommittees of National Council. The inaugural meeting was held on 29 January. The main focus is the upcoming amendments to the RMA.

Mr Bodeker and I met with QLDC Mayor van Uden and CE Mr Feeley to discuss alignment of the transport planning and road controlling authority activities.

Mr Bodeker and I met with DCC Mayor Cull and CE Ms Bidrose to discuss operational aspects of public transport to assist preparation for a possible transfer to the DCC.

Upcoming meetings:

- The next Joint Zones 5 and 6 meeting is in Dunedin on 27 March.
- National Council visit to all councils to discuss the reputation survey and explain the initiatives under way is scheduled for 19 March, 12 noon to 2.00 pm, in our Council Chamber.

Stephen Woodhead
Chairperson

REPORT

Document Id: A730970

Report Number: 2015/0736

Prepared For: Council

Prepared By: Chief Executive

Date: 5 February 2014

Subject: **Chief Executive's Report - February 2015**

The period since Christmas has been dominated by the low flows in Otago rivers. Staff have been actively managing the situation with respect to river flows as they impact on the ecological values of the river. We have allowed low flows to be moderately breached in the Taieri catchment for a period up to the end of January, however it appeared the situation was not improving and a notice of water shortage direction was to be issued for the whole catchment for 4 February. However, due to reasonable rainfall in the catchment over the 2nd and 3rd of February, this order was not put in place apart from the reissuing of the order on four takes upstream of the Waipiata Bridge.

Senior staff will meet every morning for the foreseeable future to monitor the situation and to determine whether water shortage directions will be put in place or removed.

ORC is also monitoring other rivers in the catchment, particularly those without low flows, to assess the ecological impact of the current flows.

There have been active media and public meetings as a result of this water shortage event.

A technical paper is circulated separately with the agenda.

Peter Bodeker
Chief Executive

REPORT

Document Id: A728435

Report Number: 2015/0705

Prepared For: Council

Prepared By: Matt Hickey, Marian Weaver, Peter Kelliher

Date: 2 February 2015

Subject: Low Flows in Otago Rivers

1. Background

The lack of rain in recent months has resulted in very low flows in many of Otago's Rivers. This report sets out the situation at present, the principles and approaches ORC adopted in addressing this event and actions taken to date.

2. The Situation

The 3 month cumulative rainfall to the end of January and its deviation from 'normal' is provided in Figure 1. This has been compared to the last major drought for Otago that occurred in 1999.

Figure 1: Comparison of 3 month cumulative rainfall for 1999 compared to the end of January this year indicating the variation from "normal" rainfall.

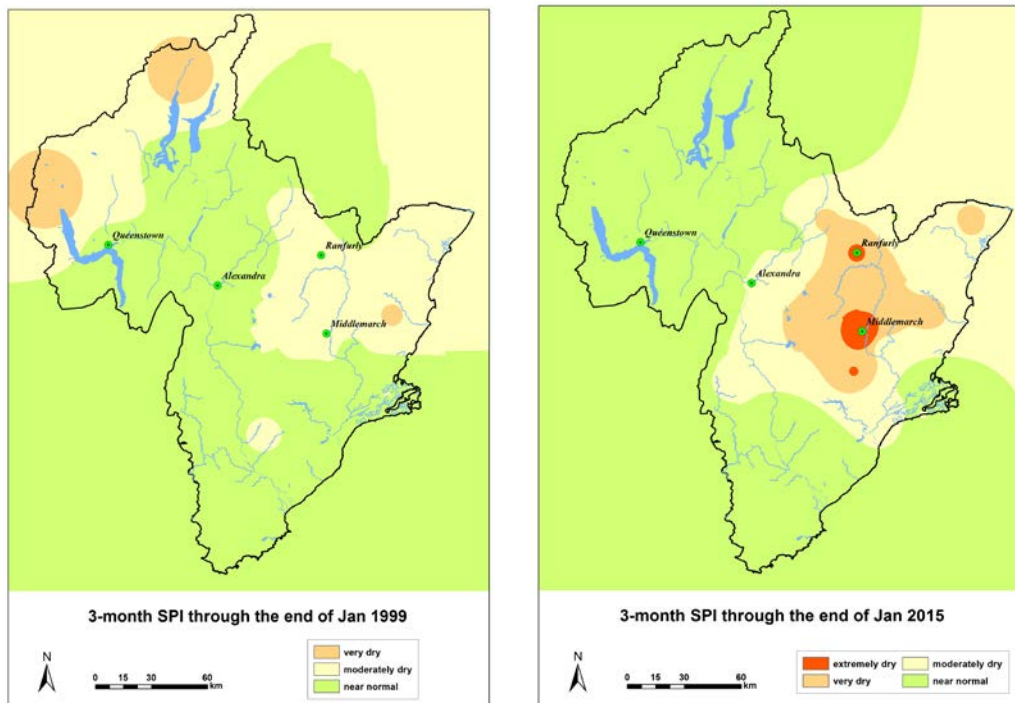


Figure 1 clearly shows that the low rainfall received in North Otago, the Strath Taieri and Maniototo is well below that recorded for the same period in 1999.

Given the worst effects in the 1999 drought occurred in the month of February the following rainfall map for 2015 is based on a scenario of median rainfall for February this year and compared to what happened in 1999.

Figure 2: Comparison of 3 month cumulative rainfall for 1999 compared to the end of February this year assuming median rainfall for the month of February. The maps are based on the variation from “normal” rainfall.

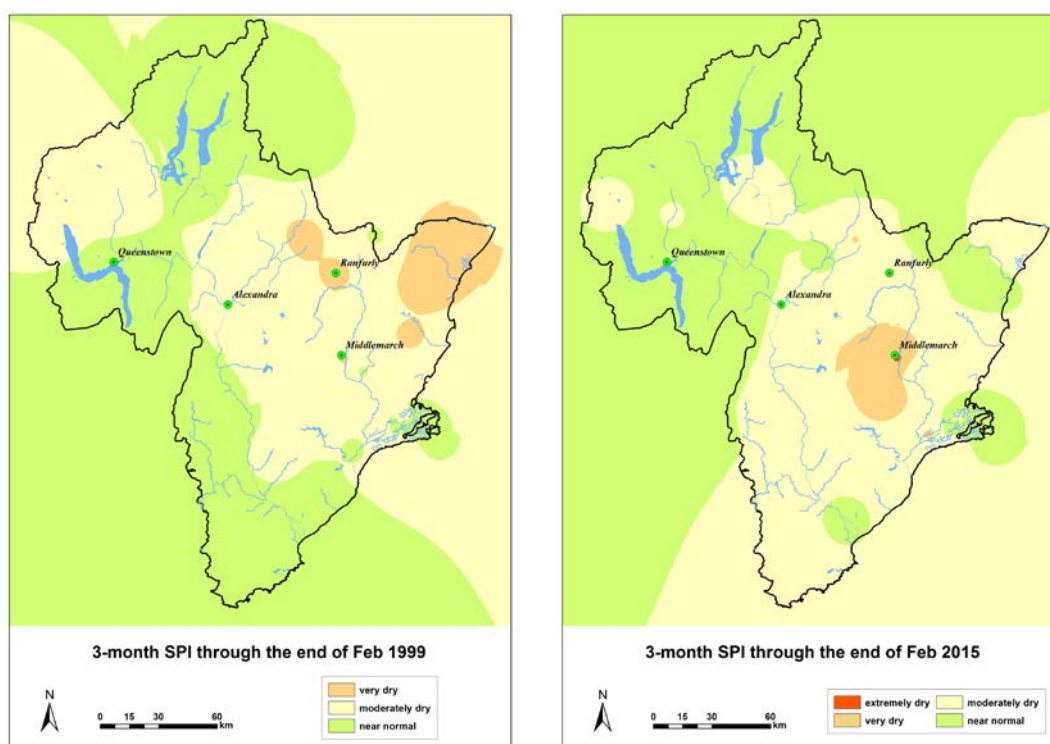


Figure 2 shows that with normal (median) February rainfall we can expect drier outcomes for rivers such as the Taieri and Shag than occurred in February 1999. Given over the last three months rainfall has been well below normal, the scenario shown in the 2015 map could be optimistic.

The Water Plan includes minimum flows from key sites on several rivers. The minimum flows define limits below which river values are threatened. Up until the end of January river flows were low relative to normal for the time of year and dropping to levels seen in the 1999 event (Table 1).

Table 1: Recorded flows on the 30th of January 2015 relative to the respective Regional Plan minimum flow and lowest recorded flow in 1999.

Flow site	Min flow (l/s)	flow (l/s) 30/01/2015	Lowest '99 flow (l/s)
Taieri at Canadian Flat	NA	566	473
Taieri at Waipiata	1,000	832	677
Kye Burn at Scotts Lane	NA	79	NA
Taieri at Tiroiti	1,100	925	755
Taieri at Sutton	1,250	982	789
Taieri at Outram	2,500	1,635	983

Kakanui at Clifton Falls	NA	424	291
Kakanui at Mill Dam	250	278	188
Kakanui at McCones	250	310	NA
Waianakarua at Browns Pump	200	112	NA
Shag at Craig Rd	150	68	19
Waikouaiti DS of Confluence	NA	171	NA
Dunstan Creek at Beattie Rd	NA	53	NA
Manuherikia at Ophir	820	2,064	718
Manuherikia at Campground	NA	1,008	NA
Waitahuna River at Tweeds Bridge	450	774	432
Pomahaka at Burkes Ford	NA	2,860	2,026

Figure 3: Representative flows sites from Otago comparing flows in 1999 to the current summer.

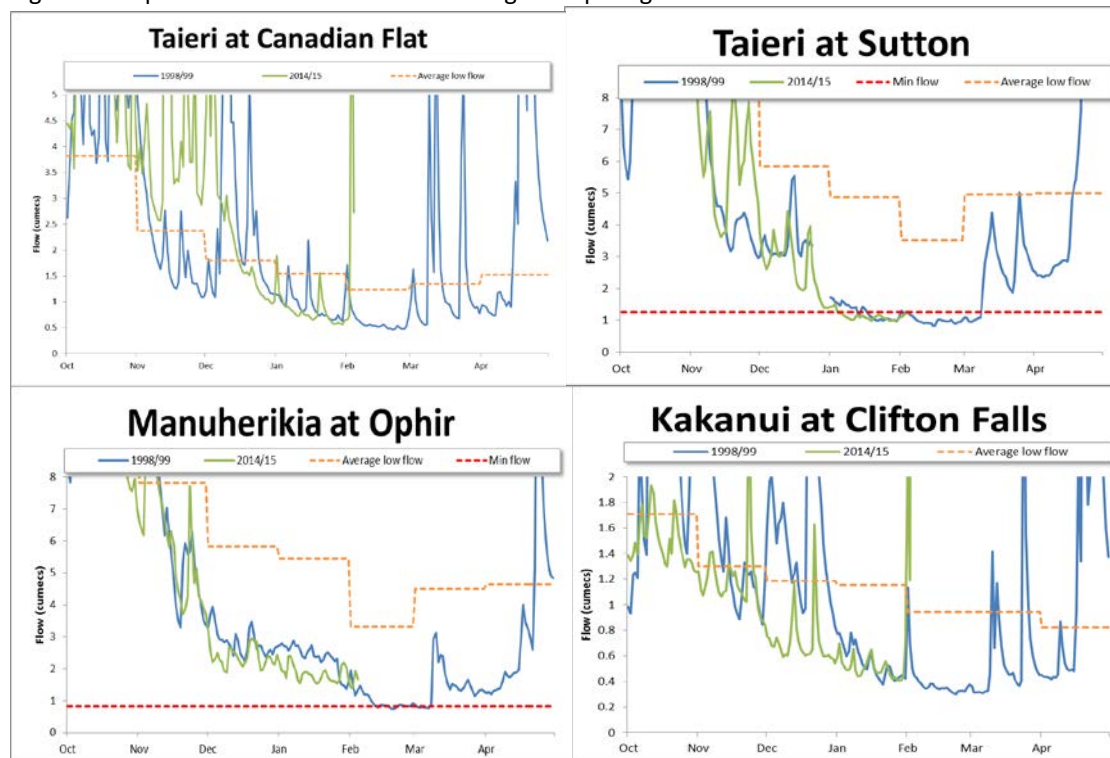


Figure 3 compares recent flows to the flows recorded in 1998/1999, during the irrigation season.

Between 30 January 2015 and 3 February 2015 rainfall between 9mm and 50mm was recorded in the Taieri catchment, and 7mm-54mm in North Otago and 13-18mm in Central Otago. This has resulted in the following river levels on 3 February (Table 2).

Table 2: Recorded flows on 3 February at 2pm relative to the respective Regional Plan minimum flow and lowest recorded flow in 1999.

Flow site	Min flow (l/s)	flow (l/s) at 2pm 3/02/2015	Lowest '99 flow (l/s)
Taieri at Canadian Flat	NA	20,220	473
Taieri at Waipiata	1,000	1,022	677
Kye Burn at Scotts Lane	NA	773	NA
Taieri at Tiroiti	1,100	1,143	755
Taieri at Sutton	1,250	1,218	789
Taieri at Outram	2,500	3,816	983
Kakanui at Clifton Falls	NA	11,540	291
Kakanui at Mill Dam	250	1,830	188
Kakanui at McCones	250	1,509	NA
Waianakarua at Browns Pump	200	4,104	NA
Shag at Craig Rd	150	188	19
Waikouaiti DS of Confluence	NA	1,953	NA
Dunstan Creek at Beattie Rd	NA	503	NA
Manuherikia at Ophir	820	2,151	718
Manuherikia at Campground	NA	574	NA
Waitahuna River at Tweeds Bridge	450	2,419	432
Pomahaka at Burkes Ford	NA	7,009	2,026

Table 2 shows rainfall has increased flows and at the time of this report these flows appear high relative to those in January. However drought events are on long timescales and although Table 2 shows better flows, it needs to be balanced with the preceding dry conditions shown in Figures 1 and 2 and likely future rainfall. As a result council is taking a longer term view of expected river flows.

Prior to the rain from the 30th January, many rivers and streams have been observed as dry due to abstraction or having drying reaches extended or prolonged due to abstraction.¹

As a result of the drying of river reaches fish kills will have occurred and observations so far this year and of similar events in the past support this. Historical observation in the past, especially 1999 and 2003/04 show that the Kye Burn would normally be dry at Scott lane and along most of the river length downstream resulting in major fish kills. This year flows appear to have been maintained through rationing of takes for irrigation. The Shag River was dry in places but this was not attributed to abstraction as it has naturally receded to well below its minimum flow and all water takes ceased before drying occurred.

Staff have met with Fish and Game to discuss a protocol for tracking ecological effects at low flows. Fish and Game were supportive of this and have offered to gather information in line with the protocol. Iwi are keen to be kept up to data and the science team intends to meet with DoC staff.

¹ Clutha Catchment, Quartz Creek, Cardrona River, Lindis River, Low Burn, Benger Burn, Manuherikia Catchment, Thompsons Creek, Ida Burn, Hills Creek, Taieri Catchment, Sow Burn, Pig Burn, Swin Burn, Strath Taieri Tributaries, Kakanui Catchment, Kauru River.

3. Actions Taken to Date

The following principles have been agreed for managing the situation:

- I. ORC will take all practicable steps to mitigate impacts of low flows on river ecology
- II. ORC will manage water use to achieve minimum and residual flows
- III. Rivers flows will be managed to allow timely rebound as river conditions improve
- IV. ORC will permit the distribution of surplus water for irrigation purposes
- V. ORC will work with the local irrigators to determine how available water will be distributed
- VI. Water shortage directions do not apply to water held in storage

Senior council staff meet daily to assess the ongoing situation, and to develop strategies and protocols for dealing with issues in accordance with these principles. There have been various media releases about the dry conditions and low flows. Irrigation community leaders have been in phone contact regularly.

ORC staff increased the level of monitoring and planning during the first week of January.

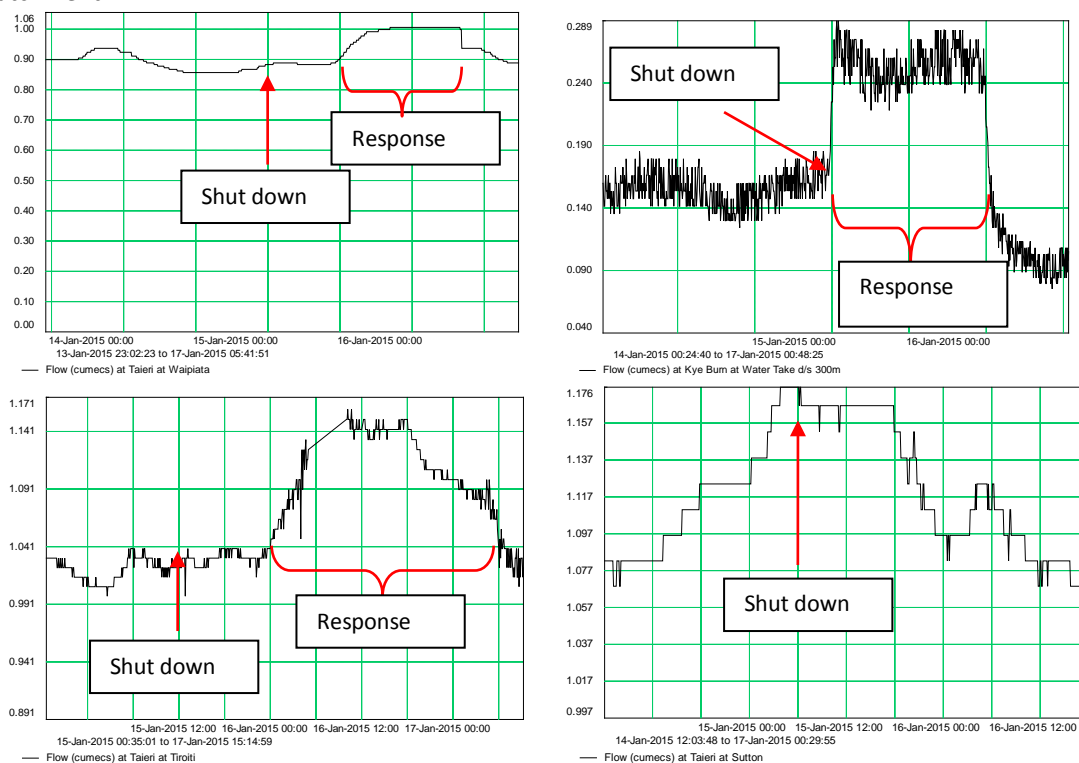
In the second week of January the Chief Executive, Council's legal counsel and selected managers met with water permit holders in the Taieri, Manuherikia and Kakanui catchments. The meetings were to gain information about what is happening with water in groups and on farms, and to listen to concerns in communities. Council's role in maintaining minimum flows and in stream environments was also explained, including the use of Water Shortage Directions. A meeting was also held with Doc, Iwi, Otago Fish & Game, MPI, Federated Farmers, and information continuing to be provided. Staff met with the Strath Taieri and Kye Burn communities and developed voluntary rosters.

Council requested a 24hr voluntary shut down of takes as a way of improving knowledge of the actual amount of water within the Taieri River. This got an excellent response from the community and occurred from 12pm Thursday the 15th of January and ended 12pm Friday the 16th of January. Voluntary restrictions took place on the Taieri mainstem from Paearau to Sutton, the Sow Burn, Pig Burn, Kye Burn and Strath Taieri tributaries.

Extra water level loggers were deployed in the Taieri River between Tiroiti and Sutton to aid in future refinement of rosters based on water travel times. Staff with irrigators between Paearau and Sutton trialled a 24hr shut down to assess travel times and bounce back of flows. The Waipiata, Kye Burn and Tiroiti flow sites all responded positively while there was no discernable increase in flows at Sutton or emitting from the Sow Burn, Pig Burn or the Strath Taieri side creeks.

The voluntary shut down resulted in significant lifts in flow measured at Waipiata where flows lifted above the minimum flow of 1000l/s. The Kye Burn at Scotts Lane site lifted approximately 100 l/s and Tiroiti lifted above the minimum flow of 1,100 l/s also. The Tiroiti site received two pulses of water, one from the Kye Burn and one from Waipiata hence this site had a more prolonged response to the shut down period due to different travel times from the upstream sites. No significant lift was measured at Sutton (Figure 4).

Figure 4: Flows recorded following the voluntary 24 hour shut down of irrigation takes in the Taieri catchment.



This shut down was valuable as it has allowed ORC to better understand the hydrology of the Taieri during periods of low flows and it has highlighted the significant time lags and attenuation in flows both in the Upper Taieri Scrolls and the large areas of alluvial gravel in the lower Kye Burn, Sow Burn and Pig Burn (Table 3). These long lag times require careful consideration of impacts of flow changes on river values.

Table 3 Travel time (hours) between flow sites in the Taieri based on the voluntary 24 hour shut down

Site	Waipiata	Tiroiti	Sutton
Canadian Flat	96*	106	133
Waipiata		9.5	37
Kye Burn at Scott's Lane		15	42
Tiroiti			27

* Best estimate

The Regional Plan: Water specifies minimum flows on the Taieri River at four sites: Waipiata, Tiroiti, Sutton and Outram. The Maniototo Irrigation Company permit for Loganburn Dam requires the release of water to assist with maintaining the minimum flow of 1000m³/s at Waipiata. In order to ensure this augmented water was not consumed upstream of Waipiata, three Water Shortage Directions were issued which took effect on Friday 23 January. The Water Shortage Directions required the three water users to (1) roster the restricted take of

water and (2) suspend the taking of water should the minimum flow at Waipiata not be achieved.

At the same time the Kyeburn and main stem users between Waipiata and Tiroiti (who have formed a group), were self rostering and restricting takes of water voluntarily in an attempt to maintain the minimum flow at Tiroiti.

Also, at the same time permit holders downstream of Tiroiti and north of Sutton were voluntarily restricting takes. Some permit holders in this reach are subject to the minimum flow at Sutton and they have not taken water for more than a month.

Letters were sent to all permit holders in each of the above two groups, commending their voluntary actions and asking them to adhere to a rostering regime.

On 30 January the decision was made to issue a Water Shortage Direction for the Taieri catchment downstream of Paerau and upstream of Outram, with exceptions for domestic and stockwater, firefighting, dairy shed cleaning, use of stored water and takes by territorial authorities for reticulated water supply. The direction was to take effect from midday Wednesday 4 February and remain in force until midday Wednesday 18 February. As mentioned above, due to rain arriving, the water shortage direction for this large part of the catchment was not issued.

On Monday 2 February three community meetings were held in the Taieri Catchment at Middlemarch, Ranfurly and Kyeburn. At these meetings, ORC presented a comparison between the current climatic conditions with those experienced in 1999. Advice was also given regarding the reasons for a Water Shortage Direction that was to be issued to the Taieri catchment from Paerau weir to Outram Bridge. On Tuesday the 3rd of February following rain in the Taieri no Water Shortage Direction was issued.

On 4 February a decision was made to renew the Water Shortage Directions for the three permits upstream of Waipiata subject to daily review, as the flow at Waipiata was less than the Regional Plan minimum flow (1000 l/s).

Note: Water is taken for irrigation under permits issued under the RMA and previous legislation (some having minimum flow conditions applied).

4. Ongoing Actions

Decisions on what action should be taken for rivers other than the Taieri that have low flows will be made as information is provided.

Protocols have been developed for extra monitoring of low flows, consent conditions that restrict flows, water shortage directions and complaints investigation while the low flows persist.

A staff roster is in place to ensure the WaterInfo website is operational, shows river flows, and other information. These checks also include the telemetered data being received on an hourly basis from some of the consent holders above the Waipiata flow site.

There has also been a roster put in place to ensure that compliance staff are available to monitor consent holders and attend any complaints that might arise.

Science staff are monitoring flows, in stream habitats, and presenting information about what is happening in relation to previous years.

A protocol to track the ecological effects across the region throughout this event focusses on the following:

- Electric fishing, macroinvertebrate and periphyton (algae) surveys.
- Photographic and observational information from across the region.
- Web based observation forms for the public and other organisations such as DoC, Iwi and Fish and Game.

5. Recommendation

That the report is noted.

Peter Bodeker
Chief Executive

REPORT

Document Id: A731100

Report Number: 2015/0741
Prepared For: Council
Prepared By: Director Stakeholder Engagement
Date: 5 February 2015

Subject: **Water Quality (Plan Change 6A) Implementation Strategy**

1. Précis

Plan Change 6A represents a significant milestone in how water quality in Otago is managed. The success of the plan depends on landholders applying innovative techniques to reduce contaminant discharges to water ways and on ORC measuring, monitoring, and regulating in a sustainable manner.

The attached Plan Change 6A Implementation Strategy outlines our approach under four goals and is presented to Council for information.

2. Recommendation

That the report be noted.

Jane Leahy
Director Stakeholder Engagement

Water Quality (Plan Change 6A) Implementation Strategy 2015 - 2020

5 February 2015

Introduction

Plan Change 6A (PC6A) represents a significant milestone in how water quality in Otago is managed.

PC6A takes an effects based approach that allows landholders to conduct activities on farm as they see fit, so long as the water leaving their property and entering rivers meets the nutrient, *E.coli* and sediment levels specified in PC6A.

The success of the plan depends on landholders applying innovative techniques to reduce contaminant discharges to water ways and on ORC measuring, monitoring, and regulating in a sustainable manner.

Real success will be achieved once landholders are managing water quality with the same diligence as they manage productivity and this will occur once there are established drivers for this. These may be fear of the consequences of not doing so and/or a belief that this is the right thing to do supported by an expectation of a reward for doing so.

This PC6A implementation will be delivered under the following four goals:-

1. **Compliance** – through landholder awareness and enforcement activity
2. **Measurement** – through technology solutions
3. **Social change** – through the application of a social marketing campaign
4. **Recognition** – through activities that celebrate and promote success and promote successful innovation.

PURPOSE: To provide direction for all planning and delivery for the implementation of Plan Change 6A (PC 6A)

Goal One

To achieve:
Compliance by landholders

Measurement

- 1.1 Landholders are aware of the new water quality rules
- 1.2 There is certainty about ORC's compliance approach
- 1.3 There is certainty about ORC's role
- 1.4 ORC has facilitated third parties as educators and advisers
- 1.5 Landholders are taking steps to ensure compliance

Goal Two

To achieve:
Innovative measurement and monitoring solutions

Measurement

- 2.1 Landholders are measuring their own water quality in time to take action
- 2.2 ORC is measuring schedule 15 and 16 water quality and adjusting implementation plans accordingly
- 2.3 Water quality is being monitored continuously in situ
- 2.4 Landholders and ORC are continuously monitoring and taking action accordingly

Goal Three

To achieve:
Social change in attitudes towards managing water quality

Measurement

- 3.1 ORC has established a plan identifying which behaviours and beliefs need to change to ensure social change in approaches to water quality
- 3.2 Implementation of the plan follows the initial awareness and enforcement focus
- 3.3 Our investment in technology has made the monitoring of water quality a routine part of farming practice.

Goal Four

To achieve:
Recognition for the success of Otago's innovative effects based approach

Measurement

- 4.1 The ORC stakeholder engagement plan includes opportunities to promote the innovative approach principle and milestones of success
- 4.2 There are opportunities for the Otago region to celebrate the improvement in water quality with ORC taking a regional leadership role in facilitating this

Delivery

We will focus our delivery of the strategy under four goals.

1. Compliance by landholders

Context

- Because historically ORC has not always adopted a strong regulatory stance, landholders are unlikely to be certain about how we will enforce the new rules.
- The community liaison work has evolved from working with individual farmers to facilitating the establishment of groups at field days and meetings.
- Our past actions have potentially created an environment where farmers are used to ORC stepping in to help them.

The opportunity

- To provide clarity about our enforcement approach and ensure everyone is aware of the new rules and their responsibilities under them.
- To support third parties in providing advice and mitigation solutions by providing certainty to the market that we will not be doing this.

Approach

- Use farm visits to ensure all farmers are aware of the new rules.
- Develop customer services as a resource to handle enquiries resulting from increased awareness.
- Concentrate resources on monitoring and enforcement of prohibited and permitted activities in 2015/16 to increase compliance.
- Facilitate third parties as the ones who will identify, promote, and educate farmers in system changes that will help them meet the rules.
- Limit science on monitoring and mitigation methods whilst signalling market opportunities for interested research-based organisations.
- Give certainty to farmers on how ORC will enforce the new rules.

Outcome

- That landholders will take action and be compliant with PC6A.

Resources required

- Regulatory field staff in 2015/16.
- Staff resource for visits and enquiry.

2. Innovative measurement and monitoring solutions (improving farmer knowledge by offering incentives for sampling)

Context

- Farmers are not required to be compliant with Schedule 16 until 2020.
- The compliance of surface water quality with Schedule 16 levels currently requires landholders and ORC to physically take samples and package them up to keep cool for despatch to a laboratory from which a full set of results will be available within several days, at an approximate cost of \$120.
- Testing for nutrients involves chemical assessment and can be done without temperature control and shelf life issues.
- However, testing for *E.coli* involves a biological test where the quantity of organisms present will be altered if the correct temperature and time are not adhered to.
- Knowing the right location to take samples from is not obvious as defining what is a river (schedule 15) and what feeds into a river (schedule 16) can be challenging and can change according to changing weather and seasonal patterns.
- The laboratory reports based on sampling may require some interpretation.
- In short, field (in situ) real time testing of water quality is still an evolving technology, there is no regulatory requirement for landholders to test their water until close to 2020 and, combined with the process for sampling, testing and interpreting results; farmers will be unlikely to treat this as a priority.
- The compliance of groundwater quality with nutrient loss levels is determined by having a nutrient assessment calculated through the modelling software, Overseer[®].
- Telemetry, which is the wireless transmission and reception of measured quantities for the purpose of remotely monitoring environmental conditions, is currently used by ORC to monitor water takes, flows and turbidity.

The opportunity

- To make the sampling and testing of water quality a seamless process that becomes a routine part of farm management.
- To move the laboratory to the field so water quality monitoring is a continuous process enabled by technology.

Approach

- Promote the idea that landholders will be rewarded and recognised for making sampling their water a priority well before 2020.
- Give them certainty around what, when, where and how ORC will measure their water in 2020.
- ORC to annually conduct analysis of Schedule 16 compliance based on taking a representative sample across Otago to track progress and identify areas requiring focus.
- Invest in the acceleration of technology solutions that will allow sampling and indicative testing (red/amber/green) of surface water nutrients and E.coli for both Schedule 15 and 16 in situ linked to telemetry.
- Establish technology so ORC can fully control and monitor instrumentation and samplers from any internet-based PC.
- Establish processes so ORC can trigger work to undertake high-accuracy laboratory analysis if any of the live readings are unusual or over specified thresholds.

Outcome

- That measurement will be a valuable tool enabling landholders to know their water quality and improve it so they achieve compliance before 2020.
- That ORC will have data to gauge progress towards achieving Schedule 16 and 15 compliance well before enforcement deadlines are triggered.
- That technology solutions will provide broad coverage and facilitate sustainable solutions to water quality monitoring issues that will negate the need for additional field resources, and give certainty to landholders that any non-compliance will be seen by us and acted upon.

Resources required

- Investment in sampling, testing, and monitoring technology.
- Campaign to promote water sampling.
- Annual Schedule 16 sampling regime.

3. Social change in attitudes so managing water quality becomes a KPI for landholders

Context

- ORC has been using a participatory approach aimed at changing behaviour that has mainly relied upon working with groups of farmers, either at field days or other events.
- Working with groups, whilst anecdotally achieving some success, is resource-hungry and tends to attract those already wanting to change.
- Research on behavioural change shows that social pressure delivers good results but, for social pressure to occur, a wide-ranging approach is more likely to bring social pressure from multiple areas.
- Whilst this has a PC6A focus, we need to consider the social change required across the whole water plan, including water quantity and urban water quality.

The opportunity

- To use specialist social marketing tools aimed at delivering long-term social change across Otago based on individuals taking responsibility for water quality.

Approach

- Use social marketing expertise to analyse the social marketing environment, and research and target the adopter population, which may or may not be individual farmers.
- Research the specific needs, desires, beliefs, and attitudes of target adopters and the specific characteristics of social change needed to improve water quality.
- Develop, manage and evaluate the programme.

Outcome

- Individuals choosing to make the right decisions in relation to water quality regardless of the regulatory environment.

Resource requirement

- Social marketing expertise.

4. Recognition for the success of Otago' s innovative effects- based approach

Context

- Otago people have contributed to a courageous and innovative approach to water quality management being developed and incorporated into the final version of PC6A.
- The attendance at the launch and subsequent road shows indicated a high level of engagement and interest in PC6A by members of the rural community.
- However, our customer awareness results and anecdotal feedback suggest that, outside of the Otago rural community and other councils, there is little understanding of the boldness and intended benefits of PC6A.
- The delivery of PC6A will occur over five years and there will be milestones of success reached and, potentially, surprises, that may require changes to the plan.
-

The opportunity

- To take a regional leadership role in facilitating a sense of pride by Otago people as we achieve milestones in the implementation of PC6A.

Approach

- Develop a plan for communicating significant water quality milestones.
- Promote nationally.

Outcome

- National awareness of the successes of water quality initiatives and improvements across Otago and a region revered for its water quality.

Resources required

- Public relations expertise.

REPORT

Document Id: A696054

Report Number: 2014/1833

Prepared For: Council

Prepared By: Richard Pettinger, Senior Policy Analyst

Date: 29 January 2015

Subject: Proposed Plan Change 3B (Pomahaka catchment minimum flow) to the Regional Plan: Water for Otago

1. Précis

This report presents the recommendations of the Hearing Committee on Proposed Plan Change 3B (Pomahaka catchment minimum flow) to the Regional Plan: Water for Otago (Water Plan) for Council's decision, in accordance with Schedule 1 of the Resource Management Act 1991 (RMA).

2. Background

The Otago Regional Council has prepared Proposed Plan Change 3B (Pomahaka catchment minimum flow) to the Water Plan, which seeks to include in the Plan's schedules a primary and supplementary allocation and minimum flow regime, and a ribbon aquifer where the groundwater is considered as surface water.

The minimum flow will apply to some permitted takes, and consented takes other than community water supply takes specified in Schedule 1B.

The proposed plan change was publicly notified in the Otago Daily Times on Saturday 16 August 2014 and submissions closed on Friday 12 September 2014. A total of 17 submissions were received (one of which was received after the formal submission period).

The Summary of Decisions Requested, which requested further submissions, was notified on Saturday 27 September 2014, with further submissions closing on Friday 10 October 2014. There were two further submissions received.

The Officer's Report on Decisions Requested, which evaluated decisions requested by submitters and further submitters, and made recommendations to the Hearing Committee, was released on Friday 24 October 2014. Several decision requests were considered beyond the scope of the Plan Change.

Submissions on the proposed plan change were heard on Thursday 13 November 2014 in Dunedin. Six submitters presented evidence to the Hearing Committee, while one submitter had a written statement of evidence to be tabled at the hearing. The minutes of the Hearing Committee are attached as Attachment 1.

3. Hearing Committee recommendations

Following the hearing, the Hearing Committee prepared their report, Recommendations of the Hearing Committee to Council, 28 January 2015, which is attached as

Attachment 2. The proposed plan change, incorporating the Hearing Committee's recommendations is shown in Appendix 1 to their report. One decision request which was considered beyond the scope was accepted as within scope.

In summary, the Committee supports the primary and supplementary allocation and minimum flow regime proposed by the notified Plan Change, and recommends the inclusion of the Waipahi Rural Stock Water Supply in Schedule 1B of the Water Plan.

The Section 32AA Further Evaluation Report, which updates the Section 32 evaluation made at notification, is included as Attachment 3.

4. Next Steps

The Council must give its decision on the recommendations of the Hearing Committee. It must also publicly notify that it has made its decisions on submissions, in accordance with clauses 10 and 11 of Schedule 1. Submitters may appeal the decision to the Environment Court within thirty working days of service of the decision, in accordance with clause 14 of Schedule 1.

The Council may then approve all, or part, of the proposed plan change when all appeals relating to that part have been disposed of, in accordance with clause 17 of Schedule 1.

5. Recommendations

That Council:

1. Adopt the recommendations of the Hearing Committee on Proposed Plan Change 3B (Pomahaka catchment minimum flow) to the Regional Plan: Water for Otago as its decision;
2. Publicly notify its decisions on Proposed Plan Change 3B (Pomahaka catchment minimum flow) to the Regional Plan: Water for Otago on Saturday 14 February 2015; and
3. Notify submitters of its decision.

Fraser McRae
Director Policy, Planning and Resource Management

REPORT

Document Id: A730849

Report Number: 2015/0735

Prepared For: Council

Prepared By: Finance Manager

Date: 5 February 2015

Subject: **Financial Report to 31 December 2014**

The following information is provided in respect of the overall Council finances for the six months to 31 December 2014.

1. Activity Expenditure

Expenditure for the Council's activities, including capital expenditure and internal charges, is summarised as follows:

	Annual Budget \$000's	Budget December \$000's	Actual December \$000's	Variance (unfav.) \$000's
Air Quality	753	384	234	150
Emergency management	415	214	142	72
Environmental incident response	961	499	517	(18)
Flood protection & control works Note 1	7,983	3,544	3,777	(233)
Governance & Community	3,618	1,844	1,761	83
Land Note 2	2,514	1,342	931	411
Policy	899	467	512	(45)
Regulatory Note 3	3,115	1,616	1,266	350
Rivers & Waterway Management	986	498	531	(33)
Natural hazards	1,040	534	459	75
Transport Note 4	11,119	5,035	4,631	404
Water Note 5	5,187	2,681	2,254	427
	38,590	18,658	17,015	1,643

Significant variances are commented upon in the notes below.

Note 1 – Flood Protection

The unfavourable variance in the Leith Flood Protection project of \$538,000 comprises the majority of this variance. The project has extended over several financial years, and the unfavourable variance largely reflects a difference in the timing of work performed with the timing anticipated in the annual budgets. Significant favourable variances amounting to \$1,729,000 were recorded in the previous two financial years.

A favourable variance of \$212,000 in the Lower Clutha project, due to timing issues, partially offsets the unfavourable variances.

Note 2 - Land

This variance is largely due to external contract activity being \$283,000 less than budgeted due to a lower level of contract activity undertaken than was anticipated in the budget.

Note 3 – Regulatory

A significant component of this activity is demand driven, and is accordingly dependent on the level of activity, which to date is at a lower level than anticipated in the budget, with the consent project being down \$155,000, the compliance project down \$101,000, and the Dam Safety project down \$57,000.

Note 4 - Transport

The prime reason for this favourable variance is the lower than budgeted cost of the Dunedin bus service contracts, and lower costs associated with the provision of the Wakatipu transport service.

Note 5 Water

The 1C Water Plan Implementation project is showing a *favourable* variance of \$323,000 (53% of budget), partially due to resources being redirected to the 6A Water Plan Implementation project and also direct costs incurred to date being less than budgeted.

Conversely, the 6A Water Plan Implementation project is showing an *unfavourable* variance of \$99,000 (13% of budget), including additional time-costs of \$60,000, and additional vehicle and copying costs amounting to \$33,000.

The Regional Plan: Water project is showing a *favourable* variance of \$127,000, primarily due to internal resources being redirected to the Regional Policy Statement project.

2. Income Statement and Balance Sheet

An Income Statement for the six months to 31 December 2014 and a Balance Sheet as at 31 December 2014 are attached.

3. Recommendation

That this report be received.

R W Scott
Director Corporate Services

Otago Regional Council

 Income Statement
 For the six months to 31 December 2014

	Annual Budget \$000's	Budget December \$000's	Actual December \$000's	Variance (unfav) \$000's
Income:				
Rate income	13,543	6,771	6,771	-
Grant and subsidy income	Note 1 6,030	2,790	2,622	(168)
Interest received	2,137	1,068	1,043	(25)
Other income	Note 2 4,682	2,341	1,837	(504)
Dividend income	7,400	3,700	3,700	-
Rental income	Note 3 921	460	640	180
Gain in value of investment Property	Note 4 294	-	-	-
Other gains	Note 5 -	-	232	232
Total Income	35,007	17,130	16,845	(285)
Less Expenditure:				
Operating expenses	Note 6 30,177	15,142	14,800	342
Finance costs	1	-	-	-
Depreciation expense	1,515	758	822	(64)
Total Expenditure	31,693	15,900	15,622	278
Surplus	3,314	1,230	1,223	(7)

Note 1 - Grant and Subsidy Income

The majority of the variance in subsidy income is related to the Dunedin Passenger Transport project. Expenditure in the project is less than the level budgeted with the associated subsidy being reduced accordingly.

Note 2 – Other Income

This unfavourable variance comprises unfavourable and favourable project variances. The significant unfavourable variances are primarily in the regulatory activity projects and the external contract activity, and are primarily associated with a lower level of expenditure and associated revenue. Partially offsetting those variances is a favourable variance in the Leith Flood Protection scheme with unbudgeted accrual recoveries amounting to of \$355,000.

Note 3 – Rental Income

The favourable variance in rental income reflects increases in rentals over that provided for in the budget and associated rental arrears charged during the reporting period. This relates mainly to the Lower Clutha and investment property leases.

Note 4 – Gain in the value of Investment Property

Investment Property is revalued annually at 30 June. Accordingly the year to date budget and actual gain are reported as nil amounts to 31 December 2014.

Note 5 – Other Gains

The gain recorded of \$232,000 reflects the increase in the value of the BNZ Managed Investment Portfolio for the six months to 31 December 2014.

Note 6 – Operating expenses

Operating expenses are down \$342,000 on the budgeted amount, mainly attributable to favourable project variances, excluding the impact of capital expenditure, reflected in the activity expenditure section above.

Otago Regional Council

 Balance Sheet
 As at 31 December 2014

		31 December 2014 \$000's	30 June 2014 \$000's
Public Equity			
Public equity		139,207	140,968
Available-for-sale revaluation reserve	Note 1	350,535	350,535
Asset revaluation reserve		7,963	7,963
Asset replacement reserve		4,503	4,403
Building reserve	Note 2	7,883	5,214
Emergency response reserve		3,652	3,571
Water management reserve		1,496	1,463
Kuriwao endowment reserve		6,088	6,020
		521,327	520,137
Current Liabilities			
Accounts payable and accruals		4,796	5,824
Revenue in advance	Note 3	6,780	-
		11,576	5,824
Total Equity and Liabilities		532,903	525,961
Non-Current Assets			
Operating assets		85,390	83,810
Intangible assets		1,632	1,820
Investment Property		10,024	10,024
Deferred tax asset		147	98
Shares in Port Otago Ltd	Note 1	370,535	370,535
		467,728	466,287
Current Assets			
Cash and cash equivalents	Note 4	2,423	3,911
Other financial assets	Note 4	55,822	52,053
Receivables		4,677	3,236
Other current assets		68	89
Inventories – stock and property held for sale		385	385
Dividends Receivable	Note 5	1,800	-
		65,175	59,674
Total Assets		532,903	525,961

Note 1 – Available-for-Sale Revaluation Reserve and Shares in Port Otago Ltd

The Shares in Port Otago Ltd are included at the June 2014 valuation, and the available-for-sale revaluation reserve reflects the revaluation amount of the shares.

Note 2 – Building Reserve

The budgeted transfer to the reserve for the year of \$2,500,000 is fully reflected in the balance to 31 December, along with interest earned on the reserve balance.

Note 3 – Revenue in advance

Revenue in advance reflects rate revenue which will be released to the income statement over the remainder of the year.

Note 4 - Cash and Cash Equivalents and Other Financial Assets

Funds surplus to the Council's immediate and short term requirements are managed on Council's behalf by the BNZ. An Investment Portfolio and term deposits with durations of 4-12 months are included in the classification Other Financial Assets. Current bank balances and term deposits with durations of less than 4 months are included in Cash and Cash Equivalents.

Note 5 – Dividends Receivable

Dividend income of \$3,700,000 for the 2014/2015 year has been provided for in the income statement and is recorded as a dividend receivable in the balance sheet. In September 2014, the final dividend for the 2013/2014 year of \$1,900,000 was received.

REPORT

Document Id: A729930

Report Number: 2015/0730
Prepared For: Council
Prepared By: Director Corporate Services
Date: 3 February 2015

Subject: **Documents signed under Council's Seal**

1. Précis

To inform the Council of delegations which have been exercised.

2. Documents signed under the Council's Seal

- Certificate under S417 of the Resource Management Act 1991 – GR Wallis and GW and JR Cooper for Water Race No. 350, Cromwell Registry.
- Certificate under S417 of the Resource Management Act 1991 – LA Stuart, DR Macklin and RN Macassey for Dry Race No. 82, Pembroke Registry.

3. Recommendation

That the report be noted.

Wayne Scott
Director Corporate Services

Report back from Councillors



environment
SOUTHLAND
Te Taiao Tonga



environment
SOUTHLAND
Te Taiao Tonga

**Minutes of the Combined Regional Transport
Committees (*Ropu Tiaki Waka-a-Rohe*)
Meeting of the Southland Regional Council
and Otago Regional Council, held at
Gore District Council, Civic Avenue, Gore
on Monday, 26 January 2015, at 10.30 am**

Present:

Southland Regional Transport Committee

Chairman A Timms	Environment Southland (<i>Chair</i>)
Cr B Dillon	Southland District Council
Cr N Davis	Gore District Council
Mr J Harland	NZ Transport Agency

Otago Regional Transport Committee

Cr Trevor Kempton	Otago Regional Council (<i>Chair</i>)
Cr Graeme Bell	Otago Regional Council
Cr Hamish Anderson	Clutha District Council
Cr Barrie Wills	Central Otago District Council
Cr Kate Wilson	Dunedin City Council
Cr Lyal Cocks	Queenstown Lakes District Council
Cr Guy Percival	Waitaki District Council
Mr J Harland	NZ Transport Agency

In Attendance:

Mr R A Phillips	Environment Southland
Mr R Hawkes	Environment Southland
Mr R Pearson	Invercargill City Council
Mr J Bourque	Southland District Council
Mr T Sizemore	NZ Transport Agency
Dr J Turnbull	Otago Regional Council
Mr C Bopp	Clutha District Council
Mr D Mander	Queenstown Lakes District Council
Mr M Voss	Waitaki District Council
Ms J Ballantyne	Road Safety Southland
Ms J Robinson	Community Road Safety Advisor
Sen Sgt S Larking	NZ Police (<i>from 11.00 am</i>)
Ms S Connolly	Dunedin City Council
Mr T Barclay	MP for Clutha-Southland
Ms G Dickson	Clutha-Southland Electorate Secretary
Mrs D O'Donnell	Environment Southland (<i>Minutes</i>)

1 Welcome (*Haere mai*)

Chairman Timms welcomed everyone to the first combined meeting of the Otago and Southland Regional Transport Committees for 2015, especially Mr Barclay and Ms Dickson.

2 Apologies (*Nga pa pouri*)

Resolved

Moved Cr Dillon seconded Cr Wilson that apologies for absence be recorded on behalf of Cr P Jones (Environment Southland) and Cr L Thomas (Invercargill City Council).

Carried

Apologies were also noted on behalf of Mr I McCabe (NZ Transport Agency) and Mr M Hasler (Gore District Council).

3 Confirmation of Minutes (*Whakau korero*)

Otago Regional Transport Committee

Resolved:

Moved Cr Wilson, seconded Cr Bell that the minutes of the joint Otago and Southland Regional Transport Committees workshop, held on 2 December 2014, and the minutes of the joint Otago and Southland Regional Transport Committees meeting, held on 16 December 2014, be taken as a true and correct record.

Carried

4 Staff Report

Item 1 – Adopting the Draft Otago Southland Regional Land Transport Plan 2015-2021 for Public Consultation

This item was on the agenda to facilitate the approval of the Draft Otago Southland Land Transport Plan 2015-2021 for release for public consultation.

The draft document

The changes to the document, as requested by Committee members, had been circulated prior to today's meeting. It was suggested that Committee members

raise any queries they may have, rather than going through the document page by page.

Mr Hawkes explained that there were still some minor changes to be made to the tables.

Points raised were:

- Mr Harland asked that references to the references to OHNO be changed to NZTA.
- Chairman Timms asked if references to the appendices in the body of the document could have a page number included, for convenience.
- Cr Cocks noted that the Queenstown Town Centre business case implementation did not seem to be in the document. Dr Turnbull agreed that it should be in the table on page 5, but noted that it was in a table later in the document. As the project was in the public transport class, Dr Turnbull undertook to add a note, so that the activity class changed. It was agreed that the project would be included in the table on page 5.
- Cr Wilson asked, if the visiting driver signature project was a safety issue, could it be left until 2018/19. Mr Harland explained that a number of components of this had already commenced. He offered to work with Dr Turnbull following this meeting to amend the wording in Table 1 to reflect this.
- Cr Wilson queried the title of the plan, asking if it should be called Otago + Southland Regional Land Transport Plans. She noted there were two separate plans.

Cr Kempton noted the need to show collaboration and suggested that the executive summary/foreword made it clear there were two plans.

Following some further discussion it was agreed that the document would be called Otago Southland Regional Land Transport Plans. The need for consistency throughout the document was noted.

- Cr Cocks queried the length of main trunk rail noted on page 22 – it was listed as being the same length in both Otago and Southland. Staff undertook to follow this up.
- Page 22 – amend paragraph following bullet points to read “...a relatively high burden of road maintenance on the populations.” (Word “Southland” to be removed.)
- Page 23 – amend third paragraph to read “...roads that provide public access *within* the conservation estate.”
- Page 27 – amend first paragraph to read “... public passenger transport continuing to play *a vital* role...”

It was noted that there were some errors in the tables. Dr Turnbull advised that the tables were a direct download from TIO. Any errors that had been noted should be forwarded to Dr Turnbull for correction.

- Cr Wills asked for clarification in regard to official cycle/walkways. He asked that more detail be provided in the references on pages 22, 38 and 39, noting the importance of the “Great Rides” and “Great Walks” to the economy and the transport system.

Cr Dillon suggested that the current plans for the Frankton area and the Kawerau Falls bridge were not the best solution to the problem. He felt that the planning was for the short term, not the long term. The new bridge would not resolve the traffic congestion – a bypass would be required for the area.

Cr Cocks advised that there were other, interrelated, projects planned to help ease congestion, including the eastern access – which was a bypass.

Mr Harland noted that work was currently being undertaken in regard to the Wakatipu Basin transport strategy, which was being updated. The review was trying to push out 50 years, to provide a vision for the longer term. Mr Harland advised that public transport in and out of Queenstown would need to change in future. Both the roundabout and the eastern access would make a difference.

Cr Cocks noted that it was a complicated situation, with a lot of different user groups to consider. There had been a lot of discussion and it was unlikely that the final plans would satisfy everyone.

Mr Sizemore agreed that Cr Dillon had a point, noting that other options had been considered. In the long term, it was likely a second crossing would be required. However, there was a need to see Jacks Point and Henley Downs fully developed, in order to be able to assess the increase in demand.

- Cr Wilson suggested that the document was confusing in regard to the item numbers and that the maps should be numbered. Mr Hawkes advised that the numbers came out of the original download from TIO. Dr Turnbull advised that the best that could be done would be to add an explanation as changing the numbering could cause further issues.
- Cr Wilson suggested that the grouping of projects (e.g. page 46) was also an issue. Mr Harland suggested adding headings such as “SH Resilience”; “Queenstown Projects” and that the two Chairs and staff could finalise these.
- Clearer maps were requested. Staff undertook to check if this was possible.
- Page 51 – Project Funding – a question was raised as to whether the figures were correct. Mr Hawkes advised the figures were all total project costs, as loaded into TIO. For the purpose of this document, staff had been seeking project costs over three or six years.

Ms Connolly advised that she would amend the DCC costs and send them to Mr Hawkes and/or Dr Turnbull.

- Dr Turnbull suggested that the Committee considered adding a sentence to the introduction to advise the public that the Regional Transport Committees are consulting on these plans before any of the Local Authorities consult on their Draft Long-term Plans. It was agreed that this would be added to the end of the introduction.

There was some discussion regarding the alignment between this plan and the LTPs. Mr Phillips suggested that Communications staff could work on common messages for both.

- Page 63 – top table – Reason for priority – this table included information provided to an earlier meeting, however, it was suggested that it was not appropriate that this comment was released to the public. The comment in question read “*Currently the timing is not well aligned. The RTC is asked to consider requesting NZTA move forward the planning stages of its projects to better align with the Eastern Freight Bypass Upgrade.*”

Mr Sizemore noted that, at earlier meeting a motion was put to the Committee to bring forward the resilience projects on State Highway 1 and the work on Frankton Flats. Mr Sizemore had passed the minutes of that meeting to the National Programming Team for its consideration. This team was currently collating all such requests from around the country.

Mr Sizemore suggested that the Committee go through the same process in regard to the Andersons Bay/Caversham Motorway and St Andrews Street/Anzac Avenue projects.

Resolved:

Moved Cr Wilson, seconded Cr Davis that the Regional Transport Committee discuss requesting the NZTA move forward the planning stages of the Andersons Bay/Caversham Motorway and St Andrews Street/Anzac Avenue projects to better align with the Eastern Freight Bypass Upgrade.

Carried

Chairman Timms noted that this matter would be dealt with as the third matter under this item.

- Chairman Timms asked that references to Chairperson be amended to read Chairman.
- Ms Ballantyne asked that the word accident be removed from the document and replaced with the word crash. There was some discussion regarding this. It was decided that both words would be placed in the glossary, with clear explanations.

It was noted that the document was to be publicly notified on 4 February 2015.

Notification and Consultation

Chairman Timms directed the meeting to consider the composition of the joint hearing sub-committee.

Cr Wilson asked if there should be alternates. Chairman Timms suggested that the Regional Councils could deal with that. Each Regional Transport Committee could provide some direction to their respective Regional Council.

Resolved:

Moved Cr Davis, seconded Cr Wills that the Otago and Southland Regional Transport Committees approve the draft Regional Land Transport Plans for public consultation to be notified on 4 February 2015, subject to amendments made today.

Carried

Otago Regional Transport Committee

Resolved:

Moved Cr Wilson, seconded Cr Bell that the Regional Transport Committee confirms that it has taken into account the pertinent district plan and regional plans when submitting for inclusion in the draft RLTP.

Carried

Southland Regional Transport Committee

Resolved:

Moved Cr Dillon, seconded Cr Davis that the Regional Transport Committee confirms that it has taken into account the pertinent district plan and regional plans when submitting for inclusion in the draft RLTP.

Carried

NZTA had also confirmed it had done this, for both regions.

Resolved:

Moved Cr Wilson, seconded Cr Anderson that the Otago and Southland Regional Transport Committees recommend to their respective regional council, the proposed composition of the

joint hearing committee on the draft Regional Land Transport Plans, with consideration for alternates.

Carried

The meeting now returned to the request for the NZTA to move forward two projects in Otago.

Resolved:

Moved Cr Wilson, seconded Cr Bell that the Otago Regional Transport Committee requests the NZTA move forward the planning stages of the Andersons Bay/Caversham Motorway and St Andrews Street/Anzac Avenue projects to align with Dunedin City Council's Eastern Freight Bypass Upgrade project.

Carried

Termination

There being no further business, the meeting closed at 11.50 am.

OTAGO REGIONAL COUNCIL**Minutes of a meeting of the Communications Committee held in the
Council Chamber, 70 Stafford Street, Dunedin on
Wednesday 28 January 2015 commencing at 8.30 am**

Present: Cr Trevor Kempton (Chairperson)
Cr Graeme Bell (Deputy Chairperson)
Cr Doug Brown
Cr Louise Croot MNZM
Cr Michael Deaker
Cr Gary Kelliher
Cr Sam Neill
Cr Gretchen Robertson
Cr Bryan Scott
Cr David Shepherd
Cr Stephen Woodhead

Apologies: Cr Gerrard Eckhoff
The apology was accepted on the motion of Crs Bell and Croot.

In attendance: Peter Bodeker
Wayne Scott
Jeff Donaldson
Fraser McRae
Gavin Palmer
Peter Taylor
Janet Favel

CONFIRMATION OF AGENDA

There were no changes to the agenda.

MINUTES

The minutes of the meeting held on 26 November 2014, having been circulated, were adopted on the motion of Crs Bell and Croot.

Matters arising from minutes

There were no matters arising from the minutes.

FOR NOTING

Item 1

2014/2089 **Stakeholder Engagement Report.** MC, 9/1/15

The report detailed community, stakeholder and staff engagement activities carried out by Stakeholder Engagement directorate staff since the last meeting.

Topics covered included:

- Water quality and quantity, particularly public education in relation to Plan Change 6A;
- Approval of the draft Otago/Southland Regional Land Transport Plan for notification;
- Development of a communications plan for the LTP;
- Preparation of a customer services strategy; and
- Public communications.

Comment was made that that constituent councillors should be invited to local minimum flow and river management meetings, and the Chief Executive was to pass this comment on to relevant staff.

Cr Croot moved

Cr Shepherd seconded

That the report be noted.

Motion carried

The meeting closed at 8.43 am.

Chairperson

OTAGO REGIONAL COUNCIL**Minutes of a meeting of the Policy Committee held in the
Council Chamber, 70 Stafford Street, Dunedin on
Wednesday 28 January 2015 commencing at 8.44 am**

Present:

Cr Gretchen Robertson (Chairperson)
Cr Michael Deaker (Deputy Chairperson)
Cr Graeme Bell
Cr Doug Brown
Cr Louise Croot MNZM
Cr Gary Kelliher
Cr Trevor Kempton
Cr Sam Neill
Cr Bryan Scott
Cr David Shepherd
Cr Stephen Woodhead

Apologies:

Cr Gerrard Eckhoff
The apology was accepted on the motion of Crs Kelliher and Scott.

In attendance:

Peter Bodeker
Wayne Scott
Jeff Donaldson
Fraser McRae
Gavin Palmer
Peter Taylor
Janet Favel

CONFIRMATION OF AGENDA

There were no changes to the agenda.

MINUTES

The minutes of the meeting held on 26 November 2014, having been circulated, were adopted on the motion of Crs Croot and Kempton.

Matters arising from minutes

There were no matters arising from the minutes.

FOR NOTING

Item 1

2014/2052 **Director's Report on Progress.** DPPRM, 23/12/14

The report gave an overview of significant activities undertaken by the Policy and Transport sections.

In response to a question about information from the Ministry for Business, Innovation and Employment (MBIE) in relation to Proposed Block Offer 2015, Mr McRae explained that this referred to the process of allocating space in the coastal marine area for petroleum exploration. The ORC had submitted on the potential impact of activities in the economic zone outside the coastal marine area. He commented that MBIE was being proactive in keeping councils informed on this process.

ORC comments on the NPS Freshwater Management Draft Implementation Guide were noted, and Mr McRae explained that the document was a working draft, and not at submission stage yet.

Cr Deaker moved
Cr Croot seconded

That the report be noted.

Motion carried

The meeting closed at 8.48 am.

Chairperson

OTAGO REGIONAL COUNCIL

**Minutes of a meeting of the Regulatory Committee held in the
Council Chamber, 70 Stafford Street, Dunedin on
Wednesday 28 January 2015 commencing at 8.50 am.**

Present:

Cr Sam Neill (Chairperson)
Cr Graeme Bell
Cr Doug Brown
Cr Louise Croot MNZM
Cr Michael Deaker
Cr Gary Kelliher
Cr Trevor Kempton
Cr Gretchen Robertson
Cr Bryan Scott
Cr David Shepherd
Cr Stephen Woodhead

Apologies:

Cr Gerrard Eckhoff
 The apology was accepted on the motion of Crs Shepherd and Bell.

In attendance:

Peter Bodeker
Wayne Scott
Jeff Donaldson
Fraser McRae
Gavin Palmer
Matt Hickey
Peter Taylor
Janet Favel

CONFIRMATION OF AGENDA

There were no changes to the agenda.

MINUTES

The minutes of the meeting held on 26 November 2014, having been circulated, were adopted on the motion of Crs Croot and Brown.

Matters arising from minutes

There were no matters arising from the minutes.

ITEMS FOR NOTING

Item 1

2014/2053 **Biosecurity and RMA Monitoring Report.** DEMO, 13/1/15

The report detailed water, air, pest, and contaminated site environmental monitoring and incidents for the period 18 October to 31 December 2014.

Rabbits – Mr Donaldson commented that the current fine warm weather conditions and lack of grass growth provided ideal conditions for both oat poisoning and rabbit breeding. There was concern that uncontrolled roadside vegetation provided cover for rabbits. Mr Donaldson explained that councils were required to comply with the Pest Management Strategy (PMS), and if a complaint was received relating to this issue, it would be followed up with the council concerned.

Nassella Tussock – Mr Donaldson noted that *Nassella* had been identified at a North Otago site. It was growing in one very small area, was not spread by wind, and was to be controlled by the landholder.

Wallabies – the current small number of wallabies was noted, and the point at which the animal would be considered a major pest control issue. Mr Donaldson noted that an eradication policy was included in the PMS. In discussing the issue Councillors considered that more staff resource should be put into addressing the wallaby situation, commenting that action needed to be taken now, not in 10 years' time when it was too late. It was suggested that a report be prepared on wallaby control in Otago.

Water metering – it was noted that water metering for takes greater than 20ℓ/sec was due in November. Mr McRae was to advise the due date for metering for smaller takes, and it was noted that a reminder needed to be sent to permit holders.

Cr Croot moved

Cr Deaker seconded

That a report be prepared on wallaby control in Otago with reference to any learning from ECan, and that provision for the work be included in the Annual Plan.

Motion carried

Cr Kempton moved

Cr Robertson seconded

That the report be noted.

Motion carried

Item 2
2015/0609

Consent processing, consent administration and Building Control Authority update. RMPP and MC, 14/1/15

The report detailed consent processing, consent administration and building control authority activity for the period 10 November 2014 to 9 January 2015.

Concern was expressed at the number of consent applications which had been on hold for some time. Mr McRae advised that in some cases applicants had changed their minds about what they wanted to do, and/or more information had been requested. The applicants had been contacted to ascertain if they wanted to continue with their application.

Cr Woodhead moved
Cr Croot seconded

That the report be noted.

Motion carried

Item 3
2015/0577

RMA, Biosecurity Act and Building Act Enforcement Activities. DPPRM, 8/1/15

The report detailed Resource Management Act 1991, Biosecurity Act 1993 and Building Act 2004 enforcement activities undertaken by the Otago Regional Council for the period 8 November 2014 to 8 January 2015.

Cr Croot moved
Cr Kelliher seconded

That the report be noted.

Motion carried

Item 4
2015/0614

Appointment of Hearing Commissioners. DPPRM, 14/1/15

The report listed hearing commissioners appointed for the period to 14 January 2015.

Cr Neill moved
Cr Kelliher seconded

That the report be noted.

Motion carried

The meeting closed at 9.07 am.

Chairperson

OTAGO REGIONAL COUNCIL

Minutes of a meeting of the Technical Committee held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 28 January 2015 commencing at 9.09 am

Present:

Cr Bryan Scott (Chairperson)
Cr Doug Brown (Deputy Chairperson)
Cr Graeme Bell
Cr Louise Croot MNZM
Cr Michael Deaker
Cr Gary Kelliher
Cr Trevor Kempton
Cr Sam Neill
Cr Gretchen Robertson
Cr David Shepherd
Cr Stephen Woodhead

Apologies:

Cr Gerrard Eckhoff
 The apology was accepted on the motion of Crs Scott and Croot.

In attendance:

Peter Bodeker
Wayne Scott
Jeff Donaldson
Fraser McRae
Gavin Palmer
Peter Taylor
Matt Hickey
Janet Favel

CONFIRMATION OF AGENDA

There were no changes to the agenda.

MINUTES

The minutes of the meeting held on 15 October 2014, having been circulated, were adopted on the motion of Crs Scott and Robertson.

Matters arising from minutes

There were no matters arising from the minutes.

ITEMS FOR NOTING

Item 1

2014/1952 **Management Flows for Aquatic Ecosystems in Twelve Mile Creek.**
DEHS, 3/12/14

The report discussed the results of modelling carried out to determine the effect of river flow on fish habitat in Twelve Mile Creek. The full report *Management Flows for Aquatic Ecosystems in Twelve Mile Creek* was circulated separately with the agenda.

Comment was made that the report did not consider water quality nor the effects on the river of the nearby built environment. Dr Palmer replied that the report met an Annual Plan target, and advised that he and Mr McRae had discussed a more integrated approach for rivers including river form and water quality. In response to a question Mr Hickey advised that some one-off water sampling had been done which indicated good water quality, but regular monthly samples had not been taken.

Mr McRae explained in response to a question that the series of reports to inform minimum flow regimes for the change from mining privileges would be completed in 2017, and Council would then move into a broader water quality/quantity management regime. Dr Palmer advised that a summary report would be presented to a future meeting.

Cr Shepherd moved

Cr Croot seconded

That this report and the technical report 'Management flows for aquatic ecosystems in Twelve Mile Creek' be received and noted.

Motion carried

Item 2

2014/2006 **Director's Report on Progress.** DEHS, 13/1/15

Activities discussed in the report included: the current low flow situation, the Lakes Overseer validation project, MfE's national *Airshed Progress Report 2012*, work on the Leith Flood Protection Scheme, and Albert Town riverbank instability.

Low Flows

Dr Palmer noted that all irrigation on the Taieri was turned off for one day, and from this staff were able to determine the actual amount of water in the river, and water travel times. It was noted that the river was below its minimum flow at Waipiata Bridge. Mr Bodeker advised that the water shortage direction was a phased reduction. Dr Palmer

commented that river flows were reducing, and the flows measured on 21 January, as shown in Table 1 in his report, were now at half that level.

Cr Brown commended the proactive work and engagement with the North Otago community in relation to water levels. He explained that there had been a lot of change in landuse resulting in more demands on water, many people were now under stress, and there would be feed shortages. Cr Kelliher commented that with more efficient irrigation there was less recharge into waterways. If there was no substantial rain soon, there would be farms going into winter with little feed, and the number of places where stock could be sent for feed was diminishing. He pointed out that the community wanted efficiency in irrigation but the impact on farmers was massive. It was noted that the Rural Support Trust would continue to provide advice to farmers on support systems available.

Cr Woodhead noted that the minimum flows had been agreed through a public process, and the need for them was well accepted. He commended staff who had returned to work early because of the low flow situation, and was pleased to see that ORC was being proactive and backing the minimum flow regimes.

There was discussion about whether a public or a Councillor-only workshop should be held to discuss the low flow situation. It was pointed out that there was a high degree of stress in these situations, including emotional and commercial, and some degree of privacy was important. Comment was made that if the current situation continued and more takes needed to be cut off, there would be impacts on catchment relations.

Lakes Overseer validation project

In response to a question about suction cup lysimeters, Mr Hickey explained that the ceramic cups were used to measure Nitrogen loss, and the teflon to measure Phosphorus loss. These lysimeters were smaller than channel lysimeters such as at Omakau.

National air quality

Technical development in heating appliances was noted, and it was suggested that this be included in discussion at a future air quality workshop.

Leith Flood Protection Scheme

It was noted that practical completion of the St David Street to Union Street reach was expected on Friday 30 January, with just a few minor defects to be addressed. The Dundas Street to St David Street enabling works were expected to be completed in the next few weeks, ahead of schedule.

Cr Woodhead moved
Cr Shepherd seconded

That the report be noted.

Motion carried

The meeting closed at 9.55 am

Chairperson