Membership

Mayor
D A Adams

Councillors
Cr P G Anderson
Cr R D T Broad
Cr P D Buckthought
Cr C A Daley
Cr R G E Garrett
Cr B J Gentil
Cr R Harris
Cr S Howell
Cr P A Milner
Cr D Smeaton
Cr A M Spicer
Cr J R Tilsley
Cr R L Wilkinson

Executive Leadership
L D Cavers
D Peddie
A de Laborde
P Thom
S Fabish

Public Distribution
Paeroa Office/Library
Plains Area Office
Waihi Area Office/Library

Chief Executive
L D Cavers
Ngā Karakia Timatanga (opening)

(1)

Kia tau te rangimarie
Kia whakapapa pounamu te moana
Hei huarahi ma tatou i te rangi nei
Aroha atu, aroha mai
Tatou i a tatou katoa
Hui e! Taiki e!

May peace be widespread
May the sea be like greenstone
A pathway for us all this day
Let us show respect for each other
For one another
Bind us all together!

(2)

Whakataka te hau ki te uru,
Whakataka te hau ki te tonga.
Kia mākinakina ki uta,
Kia mātaratara ki tai.
E hī ake ana te atākura he tio,
he huka, he hauhunga.
Haumi e! Hui e! Taiki e!

Get ready for the westerly
and be prepared for the southerly.
It will be icy cold inland,
and icy cold on the shore.
May the dawn rise red-tipped on ice,
on snow, on frost.
Join! Gather! Intertwine!

Karakia Whakamutunga (closing)

Kia whakai-ria te tapu
Kia wātea ai te ara
Kia turuki whakataha ai
Haumi e. Hui e. Taiki e!

Restrictions are moved aside
So the pathways is clear
To return to everyday activities
Join Gather Intertwine!
# COUNCIL AGENDA

**Wednesday, 24 June 2020 – 9.00am**

**Council Chambers, Hauraki House, William Street, Paeroa**

<table>
<thead>
<tr>
<th>Order of Business</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Karakia timatanga – Cr Milner</td>
<td></td>
</tr>
<tr>
<td>2. Apologies</td>
<td></td>
</tr>
<tr>
<td>3. Declarations of Late Items</td>
<td></td>
</tr>
<tr>
<td>4. Declarations of Interests</td>
<td></td>
</tr>
<tr>
<td>5. Confirmation: Council Minutes – (10-06-20) (2773037)</td>
<td>6</td>
</tr>
<tr>
<td>6. Confirmation: Extraordinary Council Minutes - 10-06-20 (2771747)</td>
<td>10</td>
</tr>
<tr>
<td>7. Receipt and Adoption: Audit Risk Committee Minutes - 16-06-20 (2774322)</td>
<td>18</td>
</tr>
<tr>
<td>8. LGFA - Proposal to amend Foundation Policies (2775602)</td>
<td>27</td>
</tr>
<tr>
<td>Appendix A - Proposed amendments to LGFA Foundation Policies June 2020 (2775021)</td>
<td>34</td>
</tr>
<tr>
<td>Appendix B - LGFA Shareholder Council Memo - Foundation Policy Changes (2775022)</td>
<td>38</td>
</tr>
<tr>
<td>9. CEO Monthly Report for June 2020 (2775166)</td>
<td>42</td>
</tr>
<tr>
<td>11. Appointment to Waikato Plan Leadership Committee 2020 (2773308)</td>
<td>55</td>
</tr>
<tr>
<td>12. Request for Financial Assistance - Company Directors Course (2769518)</td>
<td>60</td>
</tr>
<tr>
<td>13. Request for Social Strategy Fund Allocation - Elephant in the Paddock (2775872)</td>
<td>68</td>
</tr>
<tr>
<td>14. Planning and Environmental Report - May - 2020 (2775194)</td>
<td>72</td>
</tr>
<tr>
<td>15. Health Licence Fees During Covid 19 – 2020 (2775348)</td>
<td>83</td>
</tr>
<tr>
<td>16. 2021 LTP - Proposed Community Outcomes for Adoption (2775011)</td>
<td>86</td>
</tr>
<tr>
<td>17. HDC Remit to Local Government New Zealand (2444898)</td>
<td>93</td>
</tr>
<tr>
<td>18. Wharekawa Coast 2120 - Project Update (2775105)</td>
<td>99</td>
</tr>
<tr>
<td>19. Transport Report - May 2020 (2775082)</td>
<td>111</td>
</tr>
<tr>
<td>20. Transport Decision Report - Replacement of Mahuta Road North Bridge No. 2 Appendix A (2775331) (Appendix B – included separately in Content Locker)</td>
<td>123</td>
</tr>
</tbody>
</table>
22. Solid Waste Activity Report - May 2020 (2775489) 151
23. District Drainage Activity Report - May 2020 (2775437) 155
24. Receipt and Adoption: Eastern Plains Drainage Committee Minutes - 04-06-20 (2770590) 160
25. Receipt and Adoption: Western Plains Drainage Committee Minutes - 04-06-20 (2770587) 164
26. Receipt and Adoption: Paeroa Rural Committee Minutes - 05-06-20 (2770616) 168
27. Receipt and Adoption: Taramaire Drainage Committee Minutes - 04-06-20 (2770592) 171

Matters to be taken with the Public Excluded

28. Item 1: Communities Working Together Proposal 2 (2775772) 175
29. Item 2: Waste Collection Contract Variation Request (2775370) 192

Exclude the public from the following parts of the proceedings of this meeting:

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

<table>
<thead>
<tr>
<th>Item No.</th>
<th>General subject of each matter to be considered</th>
<th>Reason for passing this resolution in relation to each matter</th>
<th>Ground(s) Under Section 48(1) for the Passing of this Resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Communities Working Together – Proposal 2</td>
<td>Section 7(2)(i) Prejudice to Commercial Position/Negotiations To enable the local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations.)</td>
<td>Section 48(1)(a) That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</td>
</tr>
<tr>
<td>2</td>
<td>Waste Collection Contract Variation Request</td>
<td>Section 7(2)(i) Prejudice to Commercial Position/Negotiations To enable the local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations.)</td>
<td>Section 48(1)(a) That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</td>
</tr>
</tbody>
</table>
HAURAKI DISTRICT COUNCIL MEETING

MINUTES OF A MEETING OF THE HAURAKI DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, WILLIAM STREET, PAEROA ON WEDNESDAY, 10 JUNE 2020 COMMENCING AT 10.25 AM

PRESENT
D A Adams (His Worship the Mayor), Cr P A Milner (Deputy Mayor), Cr P G Anderson, Cr R D T Broad, Cr P D Buckthought, Cr C A Daley, Cr R G E Garrett, Cr B J Gentil, Cr R Harris, Cr S Howell, Cr D Smeaton, Cr A M Spicer, Cr J R Tilsley and Cr R L Wilkinson

IN ATTENDANCE
Messrs L D Cavers (Chief Executive), A de Laborde (Group Manager - Engineering Services), D Peddie (Group Manager - Corporate Services), P Thom (Group Manager - Planning & Environmental Services), S B Fabish (Group Manager - Community Services and Development), D Varcoe (Community Services Manager), Ms M Brebner (Libraries Manager), Ms K McLaren (Community Engagement Officer), Ms T Casey (Strategic Planner) and Ms C Black (Council Secretary)

Karakia Timitanga
Cr Daley opened the meeting with a karakia.

APOLOGIES
There were no apologies.

LATE ITEMS
Pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, the Chairperson called for late items to be accepted.

RESOLVED
THAT pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, the following late items be accepted for discussion.

- Support of Remit Proposed by Waipa District Council

The item was not on the agenda because the item was unavailable at time of the agenda deadline.

Discussion on the item could not be delayed because consideration of the Waipa District Council's proposed remit and accompanying information was required by 12 June to meet the LGNZ deadline of 16 June 2020.

C20/220 Wilkinson/Spicer CARRIED

DECLARATIONS OF INTERESTS
There were no declarations of interests.
CONFIRMATION: COUNCIL MINUTES: (27-05-20) (2765926)

RESOLVED

THAT the minutes of the meeting of the Hauraki District Council held on Wednesday, 27 May 2020 are received and confirmed as a true and correct record.

C20/221 Buckthought/Anderson CARRIED

MATTER ARISING FROM THE MINUTES

Correction – the Mayor and not Cr Harris as stated delivered the karakia.

MAYORAL DROUGHT RELIEF FUND COMMITTEE (2769878)

The Group Manager – Planning and Environmental Services presented a report, which updated on the establishment of the Mayoral Drought Relief Fund. It was proposed that a Committee be formed to administer a drought relief fund towards transport costs of supplementary feed for farmers, and to consider the Terms of Reference for the operation of the Fund.

RESOLVED

THAT the report be received.

C20/222 Adams/Daley CARRIED

RESOLVED

THAT the Council appoints Mayor Toby Adams – Hauraki District Council, Conall Buchanan – O’Kyan Ltd/ P3 Trust, Julie Pirie – Pirie Farms and Stephen Silcock – Newton Lee Willows Ltd as the Mayoral Advisory Fund Committee to administer the Fund, and

THAT the Council consider the draft Terms of Reference for the Mayoral Drought Relief Fund, and

THAT the Council delegates authority to the above Committee to administer this Mayoral Drought Relief Fund.

C20/223 Harris/Buckthought CARRIED

DEMOCRACY ACTIVITIES UPDATE – JUNE 2020 (2769900)

The Group Manager - Community Services and Development presented a report which sought the approval and adoption of matters in relation to the democracy activity.

RESOLVED

THAT the report be received.

C20/224 Adams/Gentil CARRIED

The report requested the approval of the delegated powers of the three Ward Committees, approval of the proposed non-elected member’s remuneration for the 2019-2022 triennium and that the wording ‘iwi representatives’ as stated within the committee structure be removed until such time as consultation with iwi has been undertaken to confirm iwi appointees.
RESOLVED

THAT the Plains, Paeroa and Waihi Ward Committees delegated powers be approved, adopted and updated in the Council’s Delegations Manual, and

THAT the proposed remuneration settings for all non-elected member appointments be approved and adopted to be effective from 10 June 2020.

C20/225 Buckthought/Spicer CARRIED

COMMUNITY INITIATIVES REPORT - JUNE 2020 (2769591)

The Community Engagement Officer presented a report which updated on community initiatives activity to June 2020.

RESOLVED

THAT the report be received.

C20/226 Tilsley/Anderson CARRIED

It was recommended Council carry forward to 2020/2021 financial term any discretionary funds that are not expended by 30 June 2020.

RESOLVED

THAT the uncollected grants plus unallocated balances of the Plains, Paeroa and Waihi Community Assistance Funds be carried over to 2020/21 Financial Year, and

THAT the uncollected grants plus unallocated balances of the District Social Strategy Fund and the Mayoral Fund be carried over to 2020/21 Financial Year, and

THAT the unallocated balance of the Significant Natural Areas (SNAs) and Heritage Features Incentives Fund be carried over to 2020/21 Financial Year.

C20/227 Buckthought/Broad CARRIED

COMMUNITY RECREATION REPORT - JUNE 2020 (2769292)

The Community – Libraries Manager, Facilities Officer, and Manager of Parks and Reserves presented the Community Recreation activity report to June 2020.

RESOLVED

THAT the report be received.

C20/228 Wilkinson/Garrett CARRIED

COMMUNITY FACILITIES REPORT - JUNE 2020 (2769212)

The Community Services Manager presented the community facilities activity report to June 2020.

RESOLVED

THAT the report be received.

C20/229 Spicer/Daley CARRIED
LATE ITEM

SUPPORT OF REMIT PROPOSED BY WAIPA DISTRICT COUNCIL (2771710)

The Mayor presented a report which sought the agreement of Council to support the remit proposed by Waipa District Council to the LGNZ Annual General meeting in August 2020 regarding the use of macrons in legislation.

RESOLVED

THAT the report be received.

C20/230 Adams/Harris CARRIED

As part of the remit process, Hauraki District Council has been approached by Waipa District Council seeking its support of their proposed remit that asks central government to amend the legislation so that Council’s do not individually have to go through the process of changing the names through the Geographic Board for the use of macrons.

As part of the remit process, responses are required by 12th June 2020.

RESOLVED

THAT Council supports the LGNZ remit of Waipa District Council regarding the use of macrons in legislation, and

THAT the Ward Chairs, Mayor and Deputy Mayor be given delegated authority to consider remits for the 2020 LGNZ AGM.

C20/231 Tilsley/Buckthought CARRIED

2019-20 THIRD QUARTER NFPT RESULTS REPORT TO COUNCIL (2768238)

The Strategic Planner presented the third quarter non-financial performance target report for the member’s consideration.

RESOLVED

THAT the report be received.

C20/232 Adams/Spicer CARRIED

Karakia Whakamutunga

Cr Milner closed the meeting with a karakia at 11.49am.

CONFIRMED

D A Adams
Mayor

24 June 2020

4
HAURAKI DISTRICT
EXTRAORDINARY MEETING OF COUNCIL

MINUTES OF AN EXTRAORDINARY MEETING OF THE HAURAKI DISTRICT COUNCIL HELD IN
THE COUNCIL CHAMBERS, WILLIAM STREET, PAEROA ON WEDNESDAY, 10 JUNE 2020
COMMENCING AT 9.00 AM

PRESENT
D A Adams (His Worship the Mayor), Cr P A Milner (Deputy Mayor),
Cr P G Anderson, Cr R D T Broad, Cr P D Buckthought, Cr C A Daley,
Cr R G E Garrett, Cr B J Gentil, Cr R Harris, Cr S Howell, Cr D
Smeaton, Cr A M Spicer, Cr J R Tilsley and Cr R L Wilkinson

IN ATTENDANCE
Messrs L D Cavers (Chief Executive), A de Laborde (Group Manager
- Engineering Services), D Peddie (Group Manager - Corporate
Services), P Thom (Group Manager - Planning & Environmental
Services), S B Fabish (Group Manager - Community Services and
Development), Ms C Mischewski (Strategic Planner) and C Black
(Council Secretary)

KARAKIA TIMITANGA
The Mayor opened the meeting with a karakia at 9.00am.

APOLOGIES
There were no apologies.

DECLARATIONS OF INTEREST
Cr Garrett declared a conflict of interest and advised he would not take part in the deliberations
on the policy.

BUSINESS:

CONSIDERATION OF FEEDBACK TO DRAFT DEVELOPMENT CONTRIBUTIONS POLICY 2020
AND DELIBERATIONS

Appendix A: Feedback received via Facebook.
Appendix B: Summary of other written feedback to the draft Development Contributions
Policy 2020.
Appendix C: Draft Development Contributions Policy 2020 (as amended).

RESOLVED
THAT the report be received.

C20/233 Adams/Wilkinson CARRIED

SUBMITTERS SPEAKING

Submission #6: Katherine Lucas

Katherine Lucas was in attendance and was invited to speak to her submission.

Ms Lucas stated she would like Council to consider exemptions for only non-profit
organisations, which function for the good of the community and serve every sector of the
community.

1
Ms Lucas suggested that if exemptions are not considered for Non-Profit Organisations, each development must submit a reasonable, and possibly independently reviewed, at their cost, expected waste account for the development stage and subsequent occupation stage and that the development contribution must cover each of these waste stages.

The meeting adjourned for a tea break at 9.20am
The meeting reconvened at 9.30am

DELIBERATIONS ON ALL SUBMISSIONS RECEIVED

SUBMITTERS WRITTEN

Submission #1: Duncan Shearer

Summary of Submission

The Respondent fully supports Council’s proposal to re-introduce development contributions and feels that the Council has struck the right balance between the existing ratepayer’s contributions and the increased demand brought to our district from new development. The Respondent also supports clause 4.2 that accounts for past spending on infrastructure.

Seeks that Council adopts the Policy.

Response to submitter was discussed:

The Council has worked through the rationale for the introduction of the draft Development Contributions Policy over several months. The Council has weighed the pros and cons of various options and decided it is time to reintroduce development contributions. The District has experienced significant growth over the past five years and the Council now faces demands on the District infrastructure. If growth costs are not paid for either by developers or through Government subsidies, they are paid for by ratepayers. The Council decided it is not fair for the existing community to be burdened with the cost of growth. The cost of infrastructure to support growth should be funded by those who cause the need for it, in a fair and equitable way.

Submission # 2: Mr G

Summary of Submission

The Respondent thinks that the Council already charges enough in terms of resource consents and building permits and that any additional charges will only drive already inflated property prices further.

Asks Council does not adopt the Policy.

Reason for Staff Recommendation:

Developers all around New Zealand have to pay development contributions and the proposed Hauraki District charges are still less than other Councils. It is common place for developers to have to factor in development contributions when assessing the financial viability of a project. It is the market that dictates how much sections and other development can be sold for, not the reintroduction of development contributions.

The District has experienced significant growth over the past five years and the Council now faces demands on the District infrastructure. If growth costs are not paid for either by developers or through Government subsidies, they are paid for by ratepayers. The Council decided it is not fair for the existing community to be burdened with the cost of growth.
Submission # 4: Robin Davey

Summary of Submission

The Respondent thought this was always the policy of Council and is of the opinion that it should have been charging development contributions already.

Reason for Staff Recommendation:

While the Council has not had a development contributions policy in place since 2015 it has been able to collect financial contributions through the District Plan for the local impacts of new development, for example for local footpaths. This approach was appropriate at the time when there was limited growth in the District and sufficient capacity in our core services, such as our wastewater treatment plants. This is no longer the case and the reintroduction of development contributions allows the Council to charge for the wider impacts of development on our infrastructure and fund projects such as wastewater treatment plant and water treatment plant upgrades.

Recommends does not adopt.

Submission # 4: William Wilson

Summary of Submission

The Respondent is of the opinion that development contributions have had an adverse effect on development in the past. If developing does not work financially, developers move to another town where the rules are more flexible or where the costs are not as prohibitive. The Respondent is in favour of costs being passed on to the developer, but suggests that such costs should be determined on a case by case basis and that any development costs should be determined in line with the perceived advantage that the development will bring to town or city concerned.

Reason for Staff Recommendation:

It is commonplace for developers to have to factor in development contributions when assessing the financial viability of a project. Developers all around New Zealand have to pay development contributions and the proposed Hauraki District contribution charges are still less than other Councils, including our neighbouring Districts.

The Council has made some exceptions where development contributions will not be charged, for example for farm buildings. The Council may also consider funding in whole or in part, any development contribution payable by applicants whose development is expected to provide a significant public benefit. This consideration will be carried out on a case-by-Case basis and the Council shall ensure alternative sources of funding are obtained to meet any resulting development contributions shortfall. There are also rights to reconsideration of the development contributions charged as stated in section 199A and 199B of the Local Government Act 2002.

Recommends does not adopt.

Submission # 5: Mrs B

Summary of Submission

The Respondent is of the opinion that charging development contributions makes good sense due to additional pressures that residential development can put on the infrastructure. They want development to continue, but not necessarily at the expense of existing ratepayers.
Reason for Staff Recommendation:
The rationale for the introduction of the draft Development Contributions Policy has been worked through by the Council over several months. The Council has weighed the pros and cons of various options and decided it is time to reintroduce development contributions as the District has experienced significant growth over the past five years and the Council now faces demands on our infrastructure. If growth costs are not paid by either developers or through Government subsidies, they are paid for by ratepayers. The Council decided it is not fair for the existing community to be burdened with the cost of growth. The cost of infrastructure to support growth should be funded by those who cause the need for it, in a fair and equitable way.

Recommends does not adopt.

Submission #6: Katherine Lucas

Reason for Staff Recommendation:
The draft policy (clause 4.9.2) allows the Council to consider funding in whole or in part, any development contribution payable by applicants whose development is expected to provide a significant public benefit. This consideration will be carried out on a case-by-case basis and the Council shall ensure alternative sources of funding are obtained to meet any resulting development contributions shortfall. Some non-profit organisations will likely fall into this category, however staff believe this still needs to be considered on a case-by-case basis to ensure there is significant public benefit from the development.

Recommends does not adopt.

Katherine Lucas

Reason for Staff Recommendation:
The Council has weighed the pros and cons of various options and decided it is time to reintroduce development contributions as the District has experienced significant growth over the past five years and the Council now faces demands on our infrastructure. If growth costs are not paid by either developers or through Government subsidies, they are paid for by ratepayers. The Council decided it is not fair for the existing community to be burdened with the cost of growth. The cost of infrastructure to support growth should be funded by those who cause the need for it in a fair and equitable way.

Recommends does not adopt.

Submission #7: John Lewis

Summary of Submission
The Respondent commends Council on this proposal. He is of the opinion that while the new property owners will contribute ultimately by way of rate payments, the developers only make a small contribution by way of consents, as opposed to making a substantial untaxed capital gain and in many cases damaging the environment & creating discord among affected neighbouring property owners. The Respondent believes that this strengthens Council's proposal for a development contributions policy, which will benefit the Hauraki Community as a whole in terms of infrastructure development.

Reason for Staff Recommendation:
The Council has weighed the pros and cons of various options and decided it is time to reintroduce development contributions as the District has experienced significant growth over the past five years and the Council now faces demands on our infrastructure. If growth costs are not paid by either developers or through Government subsidies, they are paid for by ratepayers. The Council decided it is not fair for the existing community to be burdened with
the cost of growth. The cost of infrastructure to support growth should be funded by those who cause the need for it in a fair and equitable way.

_Recommends does not adopt._

**Submission # 8: Andrew Wharry**

**Summary of Submission**

The Respondent is disappointed that Council is proposing to reintroduce development contributions in the current situation in New Zealand due to Covid-19. The Respondent mentioned that Council will play a major role in any recovery in the District and that Council should either postpone or cancel the Development Contributions Policy to help stimulate growth.

**Reason for Staff Recommendation:**

When growth costs are not paid by either developers or through Government subsidies, they are paid for by ratepayers. The Council considered the effects of COVID-19 and decided it is now even more unfair to burden existing rate payers with growth related capital expenditure when they are not the cause of the required work. The cost of infrastructure to support growth should be funded by those who cause the need for it. The Council believes it has done this in a fair and equitable way. Developers all around New Zealand have to pay development contributions and the proposed Hauraki District charges are still less than other Councils. It is common place for developers to have to factor in development contributions when assessing the financial viability of a project.

_Recommends does not adopt._

**Submission #9: HDC – Adrian de Laborde**

**Summary of Submission**

The staff of the Hauraki District Council would like to correct a number of points contained within the draft Development Contributions Policy 2020 to vary the financial information for two roading projects resulting in changes to Appendix G: Schedule of assets and Table 1: Schedule of development contributions and Table 2: Capital expenditure in the draft policy. The roading projects are Bradford Street Extension, Waihi – Roading|32246 and Parry Palms Slipway Extension, Waihi – Roading|31901.

**Reason for Staff Recommendation:**

The Council must produce an accurate list of capital projects for which it will be collecting development contributions. This includes accurate information on subsidies received for a project so the Council does not charge developers more than is legally permitted. The Council cannot ‘double-dip’ or charge twice for the same development.

_Recommends that prior to adoption, the Council amend Appendix G: Schedule of assets of the draft Development Contributions Policy._

5
Submission # 10: HDC – Adrian de Laborde

Summary of Submission

The staff of the Hauraki District Council would like to add a definition for ‘commencement’ in the draft Development Contributions Policy 2020 as follows: ‘for the purposes of this policy, [commencement] means the date on which any activity, authorised by the granting of a resource consent for land use, physically commences on the consented site’.

Reason for Staff Recommendation:

Council staff whom implement the policy would like a definition of ‘commencement’ included in the glossary as this will provide greater clarity on when staff need to invoice a development contribution under section 5.1.6a) of the policy.

Recommends that a definition for ‘commencement’ be included in the glossary of the draft Development Contributions Policy 2020, prior to adoption.

Submission # 11: Devin Civil – Matt Devlin

Summary of Submission

The Respondent is currently working through due diligence for a proposed affordable housing development in Kerepehi and is firmly against the proposed development contributions policy because development contributions will make housing more unaffordable. Development contributions cost developers substantially more than the actual amount received by the District Council simply due to the cost of borrowing for developments.

The Respondent is of the opinion that:
• Local Government needs more support from central government for funding new Infrastructure; and
• another way to make housing more affordable is to only charge rates on the title once it is purchased from the developer because that title is unproductive until that time.

Reason for Staff Recommendation:

The District has experienced significant growth over the past five years and the Council now faces demands on the District infrastructure. If growth costs are not paid for either by developers or through Government subsidies, they are paid for by ratepayers. The Council decided it is not fair for the existing community to be burdened with the cost of growth. The cost of infrastructure to support growth should be funded by those who cause the need for it, in a fair and equitable way. The Council has stated it wants to continue to attract people, business and development to the District, but in a way that is fair to exiting ratepayers.

While affordable housing projects are needed and supported in the District, it is common place for developers to have to factor in development contributions when assessing the financial viability of a project. Developers all around New Zealand have to pay development contributions and the proposed Hauraki District contribution charges are still less than other Councils, including our neighbouring Districts. Council staff could investigate if there is any central government funding available to subsidise affordable housing developments in the District. The Council could then assess the development contributions amount to be charged at the time, in light of any support offered by central government.

The draft policy (clause 4.9.2) allows the Council to consider funding in whole or in part, any development contribution payable by applicants whose development is expected to provide a
RESOLVED

THAT the Council delegates the responsibility for reviewing and deciding on reconsideration requests to the Hearing and Judicial Committee of Council and that the Delegations Manual is updated accordingly.

C20/237 Wilkinson/Smeaton CARRIED

RESOLVED

THAT the Draft Development Contributions Policy 2020 will come into effect on 1 July 2020.

C20/238 Broad/Tilsley CARRIED

Deliberations concluded at 10.20am.

Cr Milner closed the meeting with a karakia at 10.25am.

CONFIRMED

D A Adams
Mayor

24 June 2020
HAURAKI DISTRICT

AUDIT AND RISK COMMITTEE

MINUTES OF A MEETING OF THE AUDIT AND RISK COMMITTEE HELD IN THE HAURAKI ROOM, WILLIAM STREET, PAEROA ON TUESDAY, 16 JUNE 2020 COMMENCING AT 9.00 AM

PRESENT
Mr C Buchanan (In the Chair), His Worship the Mayor D A Adams, Cr P A Milner Cr R Harris, Cr D Smeaton (from 9.04am) and Cr C Daley

IN ATTENDANCE
Cr A Spicer (in attendance as observer), Messrs D Peddie (Group Manager – Corporate Services), S Baker (Finance Manager), Mrs J Nicholls (Health and Safety Advisor) and Ms C Black (Council Secretary)

APOLOGIES

RESOLVED
THAT the apology for lateness of Cr Smeaton be received and sustained.

ARC20/30 Harris/Adams CARRIED

LATE ITEMS

There were no late items.

DECLARATIONS OF INTERESTS

Cr Smeaton declared a Conflict of Interest – Item 10 - Treasury Report concerning loan to Paeroa Re-Use Centre Trust.

CONFIRMATION: AUDIT AND RISK COMMITTEE MINUTES – (11-02-20) (2721726)

RESOLVED
THAT the minutes of the meeting of the Audit and Risk Committee held on Tuesday, 11 February 2020 are received and confirmed as a true and correct record.

ARC20/31 Harris/Daley CARRIED

MATTERS ARISING FROM THE MINUTES

There were no matters raised.

Cr Smeaton attended the meeting at 9.04am.

AUDIT AND RISK COMMITTEE - 2020 WORK PROGRAMME (2770893)

The Group Manager – Corporate Services presented the updated work programme for 2020.

RESOLVED
THAT the report be received.

ARC20/32 Adams/Milner CARRIED
significant public benefit. This consideration will be carried out on a case-by-case basis and the Council shall ensure alternative sources of funding are obtained to meet any resulting development contributions shortfall. Staff believe this still needs to be considered on a case-by-case basis to ensure there is significant public benefit from the development.

Recommends that the Council adopt the draft Development Contributions Policy 2020, and that staff investigate whether there are any potential subsidies or grants that could be applied for from central government for affordable housing developments.

RESOLVED

THAT the written feedback from Horticulture New Zealand be received.

C20/234 Broad/Smeaton CARRIED

RESOLVED

THAT all written feedback received to date on the draft Development Contributions Policy 2020 be received.

C20/235 Daley/Tilsley CARRIED

Noted: Cr Garrett abstained from the decision making process.

Cr Phillip Buckthought inquired how you determine where you waive contributions. The Council does have the autonomy to differentiate as per Clause 4.9.2.

Cr Broad – COVID-19 is not a material effect on the Development Contributions policy.

The Group Manager – Engineering Services commented that farm sheds historically have not been charged development contributions.

Cr Spicer asked if Council should look into definition of farm building for next reiteration, there is the concern about effects of greenhouses having an impact on road and wastewater.

Cr Harris – the forestry industry have a large impact on road how does Council charge them. Can Council charge financial contributions or rate the road differently. Can maintenance issues be dealt with separately?

Farm shed issue – financial contributions can be used if activity has a large effect on infrastructure.

Developers are charged an administration fee per hour for calculations of development contributions.

Cr Harris questioned cost to administrate the policy.

Cr Broad commented developers across the country have to pay contributions and considered that HDC’s are not high.

RESOLVED

THAT the Council considers all written and verbal feedback, and feedback providers be thanked for their participation in the process and responded to accordingly, and

THAT Council in accordance with sections 102(1) and 106 of the Local Government Act 2002 adopts the Development Contributions Policy 2020 with changes as attached.

C20/236 Broad/Howell CARRIED
The Group Manager suggested that one of the two presentations scheduled for 11 August be removed.

It was agreed that the presentation from PwC NZ be removed from the August meeting and rescheduled to another date in the future and that the presentation Aon NZ remain.

The Chair asked that members consider what methodology they wished to use to undertake the self-assessment process.

It was agreed that the self-assessment process be undertaken following the August meeting for discussion then be initiated after the October meeting.

**RESOLVED**

THAT the work programme be approved inclusive of the proposed amendments.

ARC20/33 Milner/Harris **CARRIED**

**PROPOSAL TO AUDIT COUNCILS ANNUAL REPORT 2020 – 2022 (2770892)**

**APPENDIX A - PROPOSAL FROM AUDIT NZ FOR THE ANNUAL REPORT AUDIT 2020 - 2022 (2770817)**

The Group Manager – Corporate Services presented a report which informed the Committee of the proposal signed with Audit NZ to conduct the audit of Hauraki District Council on behalf of the Auditor-General for the 2020, 2021, and 2022 financial years.

**RESOLVED**

THAT the report be received.

ARC20/34 Daley/Smeaton **CARRIED**

The Group Manager spoke to the report. A brief discussion was held as regards to the Audit NZ audit fees for the 2020 year.

**RESOLVED**

THAT the Committee endorses the proposal to audit Council’s annual reports for the period 2020 – 2022.

ARC20/35 Daley/Smeaton **CARRIED**

**INTERIM AUDIT REPORT - MARCH 2020 (2770890)**

**APPENDIX A - AUDIT NZ INTERIM AUDIT REPORT MARCH 2020 (2770824)**

The Finance Manager presented a report outlining the interim audit undertaken by Audit NZ to March 2020.

**RESOLVED**

THAT the report be received.

ARC20/36 Adams/Daley **CARRIED**
The Finance Manager presented a report, which presented the mechanism for the Audit and Risk Committee to monitor the Council’s progress in relation to the implementation of recommendations Audit NZ have identified in previous audits of Council.

RESOLVED

THAT the report be received.

ARC20/37 Milner/Smeaton CARRIED

The Chair asked if the target dates shown in the table attached of recommendations can be achieved by 30 June 2020.

The Finance Manager stated that these recommendations are not all high priority matters. He commented that the auditor provides feedback to the Committee on the high priority recommendations requiring attention. The Chair was advised that this is a standard report which is updated at every meeting.

DECLARATION OF CONFLICT OF INTEREST:

Cr Smeaton declared a Conflict of Interest in the matter concerning the short-term loan to the Paeroa Re-Use Centre detailed within the following Treasury report.

TREASURY REPORT - 31 MAY 2020 (2770885)

The Group Manager – Corporate Services presented a report which updated on the current position of the loan/debt status, against the parameters outlined in the Council’s Financial Strategy and Liability Management Policy.

RESOLVED

THAT the report be received.

ARC20/38 Daley/Harris CARRIED

HEALTH AND SAFETY AUDIT AND RISK REPORT - JUNE 2020 (2768135)

The Health and Safety Advisor attended and presented the health and safety report for June 2020.

RESOLVED

THAT the report be received.

ARC20/39 CARRIED

The meeting adjourned 10.21am.
The meeting reconvened at 10.38am.
Following the completion of the Interim audit, Audit NZ produced a management report. The report sets out their findings from the audit and draws attention to areas where the Council is doing well and areas where they have made recommendations for improvement. The full report was attached as Appendix A.

Committee 'Only' Time

The Committee were invited to consider when they wish to have 'Committee only time' without the presence of staff.

It was agreed that committee only time be added to the agenda as a standard item. It was suggested that this be undertaken at all meetings after the morning tea break.

RISK REGISTER MAY 2020 (2771832)
ATTACHMENT A – HDC RISK REGISTER - MAY 2020 (2724858)

The Finance Manager presented a report and attached Corporate Risk Register for the Committee’s review and consideration.

RESOLVED

THAT the report be received.

ARC20/40 Daley/Harris CARRIED

Wastewater Overflow Events

Waihi - Wastewater overflows were identified over the drought period caused by people flushing wet wipes.

It was recommended that the Mayor highlight this issue at the Mayoral Forum.

Security and Management of Virtual Meetings

Members proposed that Council consider establishing a policy around the management of virtual meetings raising a concern of security.

The Chair suggested that a briefing paper be prepared on guidelines relating to the use of electronic meetings using Zoom.

Committee members requested a progress report from the Chief Executive following investigations of the working group (which has been set up following the COVID-19 lockdown) on guidelines regarding changes to staff working from home etc and that the findings be included in the Chief Executive’s report to Council.

COVID-19 PANDEMIC MITIGATIONS REPORT (2772719)

The Group Manager presented a report which outlined Council’s pandemic responses.

RESOLVED

THAT the report be received.

ARC20/41 Adams/Smeaton CARRIED
OVERHEADS REPORT APRIL 2020 (2771831)

The Finance Manager presented a report on overheads expenditure for the 10 months to 30 April 2020.

RESOLVED

THAT the report be received.

ARC20/42 Daley/Smeaton CARRIED

LGFA - PROPOSAL TO AMEND FOUNDATION POLICIES (2770882)
APPENDIX A - PROPOSED AMENDMENTS TO LGFA FOUNDATION POLICIES JUNE 2020 (2770868)
APPENDIX B - LGFA SHAREHOLDER COUNCIL MEMO - FOUNDATION POLICY CHANGES (2770870)

The Group Manager Corporate Services presented a report which sought endorsement to the changes proposed by the LFGA Board of Directors and the LGFA Shareholder Council to the LGFA Foundation Policies.

RESOLVED

THAT the report be received.

ARC20/43 Daley/Harris CARRIED

RESOLVED

THAT the Committee endorses the proposed amendments to the LGFA Founding Policies which will increase the Net Debt/Total Revenue foundation policy financial covenant from the current 250% to 300% for a period, and permanently to 280%, which applies to Local Authorities with a long-term credit rating of ‘A’ equivalent or higher, and

THAT the Committee recommends to Council the adoption of the amendment proposed above, and

THAT the Council considers these decisions to not be significant under its Significance and Engagement Policy 2017, and

THAT Council does not to engage at this time concerning this matter.

ARC20/44 Adams/Smeaton CARRIED

KPMG INTERNAL AUDIT REVIEWS - PROGRESS REPORT (2770880)
ATTACHMENT A - KPMG INTERNAL AUDIT REVIEWS PROGRESS REPORT 31 MAY 2020 (2770879)

The Finance Manager presented a report, which updated on progress against the recommendations received from KPMG because of audits undertaken by KPMG.

RESOLVED

THAT the report be received.

ARC20/45 Milner/Daley CARRIED
At Councils request KPMG conducted five internal audits covering:

- Procurement
- Cash handling
- Payroll
- Accounts payable
- Asset management

25 of the actions required have been cleared with a further 4 in progress.

**Fuel Cards**

Matter regarding fuel cards is likely to be addressed at the earliest in November 2020.
**Matters to be taken with the Public Excluded**

**RESOLVED**

THAT the public be excluded from the following parts of the proceedings of this meeting.

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

<table>
<thead>
<tr>
<th>Item No.</th>
<th>General subject of each matter to be considered</th>
<th>Reason for passing this resolution in relation to each matter</th>
<th>Ground(s) Under Section 48(1) for the Passing of this Resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Rates in Arrears – April 2020</td>
<td><strong>Section 7(2)(a)</strong> – Protect the privacy of natural persons, including that of deceased natural persons.</td>
<td>Section 48(1)(a) That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.</td>
</tr>
</tbody>
</table>

ARC20/46 Milner/Adams **CARRIED**

**RESOLVED**

THAT Cr Spicer be permitted to remain for the public excluded Item 1: Rates in Arrears.

ARC20/ Adams/Milner **CARRIED**
RESOLVED

THAT the public be re-admitted to the meeting and that the business in committee discussed be confirmed.

ARC20/49 Harris/Smeaton CARRIED

The Mayor closed the meeting with a karakia at 11.54am.

CONFIRMED

C Buchanan
Chairperson

11 August 2020
FOR DECISION
MŌ TE WHAKATAUNGA

TO
Mayor and Councillors

AUTHOR
Duncan Peddie
Group Manager Corporate Services

FILE REFERENCE
Document: 2775023
Appendix A: 2775021
Appendix B: 2775022

PORTFOLIO HOLDER/S
Councillor Daley
Finance portfolio

MEETING DATE
Wednesday, 24 June 2020

SUBJECT
LGFA – Proposal to amend Foundation Documents

SUMMARY | TE WHAKARĀPOPOPOTANGA

The Council is a shareholder and guarantor of the New Zealand Government Funding Agency Limited (LGFA). The Board of the LGFA has called for a special meeting of its shareholders for 30 June 2020.

Shareholders have been asked to approve the proposed amendment to the LGFA’s “Foundation Policies”.

The amendment proposed is to LGFA’s foundation policy where it seeks to increase the Net Debt/Total Revenue financial covenant from the current 250% to 300% before reducing back to 280% over time. This amendment only applies to those Local Authorities with a long-term credit rating of ‘A’ equivalent or higher.

No changes have been made to the other financial covenants regarding interest to total revenue, and interest to total rates.

Councils Audit and Risk Committee considered this proposal on the 16th of June 2020 where it resolved to endorse the proposed amendments put forward by the Board of the LGFA.

The decision is not considered to be a significant decision.
RECOMMENDATION | TE WHAIKUPU

THAT the report be received.

THAT THE Council, as a LGFA shareholder, resolves to vote in favour of the proposed amendments to the LGFA Founding Policies. The amendments proposed by the LGFA Board would increase the Net Debt/Total Revenue foundation policy financial covenant from the current 250% to 300% for a period, and permanently to 280%. These proposed changes would only apply to Local Authorities with a long-term credit rating of ‘A’ equivalent or higher.

THAT the Council instructs staff to complete the Proxy Form for the LGFA Special General Meeting 30 June 2020 - reflecting Councils decision to vote for or against the amendments proposed.

THAT the Council considers these decisions to be insignificant under its Significance and Engagement Policy 2017.

THAT Council does not to engage at this time in regard to this matter.

1 PURPOSE | TE ARONGA

To seek the Councils resolution to vote for or against the amendments proposed by the LGFA Board of Directors and the LGFA Shareholder Council to the LGFA Foundation Policies.

2 BACKGROUND | TE KŌRERO Ā MUA

Council sources all its long term borrowing requirements through the LGFA. Council became a shareholder and guarantor on the 30th of November 2012.

The Board of the LGFA has called for a special meeting of its shareholders for 30 June 2020. Shareholders are asked to approve the proposed amendment to the LGFA’s “Foundation Policies”.

3 THE ISSUES | NGĀ TAKE

The proposed changes, detailed in Appendix A, to the LGFA Foundation Policies require shareholder approval by Ordinary Resolution. As a shareholder member, Council needs to determine if it is in favour of the proposal or not and then submit its vote either in person, including via internet, or by proxy. A quorum of 50% shareholders by number and 50% of shares outstanding is required to vote on the matter.

3.1 The Proposed Change

The proposed change is to increase the Net Debt / Total Revenue foundation policy financial covenant from the current 250% for Local Authorities with a long-term credit rating of ‘A’ equivalent or higher.

The following table sets out the proposed foundation policy financial covenant of Net Debt / Total Revenue ceilings, for those qualifying councils, until the financial year ending 30 June 2026:
Then from the Financial Year ending 30 June 2026 the Net Debt/Total Revenue foundation policy financial covenant will be 280% for such Local Authorities with a long-term credit rating of ‘A’ equivalent or higher.

The proposed change is to provide greater financial flexibility and borrowing capacity for such Local Authorities as a result of the short-term impacts of COVID-19 and the medium-term structural changes to the local government sector to meet additional demand for infrastructure investment.

Local Authorities are faced with short-term revenue uncertainties as a result of the impact of COVID-19 on the New Zealand economy. This will impact both rates revenue and non-rates revenue for many Local Authorities and a recent Department of Internal Affairs Report projects revenue shortfalls of between 2.3% and 11% in the 2020-21 financial year. The foundation policy and lending policy financial covenants were incorporated into the Foundation Policies in 2011 and have not subsequently been amended. Since 2011, Local Authorities have faced increased borrowing requirements to finance additional infrastructure to meet population growth, climate change and water quality issues. Central Government has also called upon Local Authorities to assist with additional infrastructure investment in the near term as part of the economic relief package post COVID-19.

The proposed changes only apply to Local Authorities with a long-term credit rating of ‘A’ equivalent or higher. As at 12 May 2020 thirty Local Authorities were required to meet the foundation policy financial covenants. The other thirty-seven Local Authorities, which includes HDC, are required to meet the more restrictive lending policy financial covenants.

3.2 Reassurance

LGFA has undertaken scenario testing to determine the potential additional borrowing as a result of the proposed change to the foundation policy financial covenants and has concluded that the proposed changes do not incur significant additional risk for shareholders or guarantors of LGFA. This is because the probability of a default by a Local Authority remains low and if a default did occur then the probability of recovery of loans owing to LGFA remains high.

The LGFA Shareholder Council has also endorsed the proposed changes – Its letter of support is attached in Appendix B.

LGFA has discussed the proposed changes with both S&P Global Ratings Australia Pty Limited and Fitch Australia Pty Limited who provide a credit rating on LGFA. Both agencies were supportive verbally of the proposed change and S&P Global Ratings Australia Pty Limited provided their support in writing.

---

1 DIA Local Government Sector COVID-19 Financial Implications Report 2 –4 May 2020
2 S&P Global Ratings Bulletin “New Zealand Local Government Funding Agency Ltd Ratings Can Tolerate Higher Council Leverage Limits. 5 May 2020
Councils Audit and Risk Committee considered this proposal on the 16\textsuperscript{th} of June 2020 where it resolved to endorse the proposed amendments put forward by the Board of the LGFA.

4 ENGAGING WITH OUR COMMUNITIES | KIA UIA TE HAPORI WHĀNUI

Staff consider that the Council does have enough of an understanding of community views and preferences on this matter. The level of engagement considered appropriate for this matter, at this point in time, is to not to engage at this time.

5 OUR OPTIONS | NGĀ KŌWHIRINGA A MĀTOU

Staff have identified the following options for the Council to consider:

- Vote against the proposal - Retaining the status quo
- Vote in favour of the proposal

These options and their advantages and disadvantages are outlined below.

5.1 OPTION 1: Vote against the proposal – retain the status quo

| ABOUT THIS OPTION | Voting against the proposal would mean that the existing financial covenant in relation to Net Debt/Annual Revenue would remain at 250% |

<table>
<thead>
<tr>
<th>ADVANTAGES</th>
<th>DISADVANTAGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>If the proposal were voted down, it would eliminate any potential risk of the LGFA’s credit rating being downgraded in the future due to increasing the covenant ratio.</td>
<td>Such a decision would by its nature, remove the flexibility afforded to some councils by raising the covenant ratio. It would increase the risk of a council breaching the current limit causing market uncertainty</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FINANCIAL COSTS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole of life costs</td>
<td>Capital costs: N/A</td>
</tr>
<tr>
<td>Ongoing annual operating: Unable to quantify at present. There would only be an impact on Council if LFGA borrowing costs increased solely due to this decision</td>
<td></td>
</tr>
<tr>
<td>One off operating cost: N/A</td>
<td></td>
</tr>
<tr>
<td>Budget source</td>
<td>Interest expense</td>
</tr>
<tr>
<td>Changes to budgets</td>
<td>In order to accommodate these costs there will not need to be changes to budgets.</td>
</tr>
<tr>
<td>Impact on the Council’s debt</td>
<td>There is no impact on the Council’s debt</td>
</tr>
<tr>
<td>Potential impact on rates</td>
<td>The impact on rates is unable to be quantified at present. There would only be an impact on Council if LFGA</td>
</tr>
</tbody>
</table>
5.2 OPTION 2: Vote in favour of the proposal

ABOUT THIS OPTION
Voting is support of this option would see the financial covenant in relation to Net Debt/Annual Revenue increasing from the current 250% to 300% before creasing back to 280% over time.

ADVANTAGES
The proposed change is to provide greater financial flexibility and borrowing capacity for such Local Authorities because of the short-term impacts of COVID-19 and the medium-term structural changes to the local government sector to meet additional demand for infrastructure investment.

DISADVANTAGES
There may be a risk to LGFA’s credit rating at a future date because of this decision.

FINANCIAL COSTS

<table>
<thead>
<tr>
<th>Whole of life costs</th>
<th>Capital costs: N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ongoing annual operating: Unable to quantify at present. There would only be an impact on Council if LFGA borrowing costs increased solely due to this decision One off operating cost: N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Budget source</th>
<th>Interest expense</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Changes to budgets</th>
<th>In order to accommodate these costs there will/will not need to be changes to budgets at this time.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Impact on the Council’s debt</th>
<th>There is no impact on the Council’s debt</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Potential impact on rates</th>
<th>The impact on rates is unable to be quantified at present. There would only be an impact on Council if LFGA borrowing costs, and thereby Councils borrowing costs, increased solely due to this decision.</th>
</tr>
</thead>
</table>

6 PREFERRED OPTION | TE KŌWHIRINGA MATUA

Staff recommend proceeding with option 2 – Vote in favour of the proposal.

6.1 LINKAGES

<table>
<thead>
<tr>
<th>STRATEGIC DIRECTION</th>
<th>The preferred option IS consistent with the Council’s strategic direction, including community outcomes.</th>
</tr>
</thead>
</table>

borrowing costs, and thereby Councils borrowing costs, increased solely due to this decision.
6.2 ASSESSING THE RISKS

Staff have identified the following risks associated with the recommended option.

<table>
<thead>
<tr>
<th>Description of risk</th>
<th>Level of risk</th>
<th>How we could soften the risk</th>
<th>Risk remaining</th>
</tr>
</thead>
<tbody>
<tr>
<td>The decision to raise the ceiling of the net debt/total revenue covenant might adversely impact on the LGFA’s credit rating in the future</td>
<td>Low</td>
<td>LGFA have sought and received assurance from S&amp;P Global Ratings Bulletin and Fitch that LGFA ratings can tolerate higher council leverage limits</td>
<td>Low</td>
</tr>
</tbody>
</table>

7 NEXT STEPS | TE ARA KI MUA

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Action</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>25 June 2020</td>
<td>Complete Proxy form for the LGFA Special General Meeting for 30th June 2020 - stipulating Councils to vote for or against the changes to the foundation policies of the LGFA. This is required, as Council will not be attending the special general meeting.</td>
<td></td>
</tr>
</tbody>
</table>
8 Approval

| Prepared by | Steve Baker  
| Finance Manager |
| Approved by | Duncan Peddie  
| Group Manager Corporate Services |
Appendix A

Foundation Policies
(Clause 5.1 of the Shareholders’ Agreement)

All foundation policies may be reviewed annually by Principal Shareholders at the annual meeting of Shareholders. Any alteration requires approval pursuant to clause 5.1.

Credit Risk

Lending Policy

All Local Authorities that borrow from the Company will:

- Provide debenture security in relation to their borrowing from the Company and related obligations, and (if relevant), equity commitment liabilities to the Company and (if relevant) guarantee liabilities to a security trustee approved for the Company’s creditors.

- Issue securities (bonds / FRNs / CP) to the Company and/or enter into facility arrangements with the Company.

- Comply with their own internal borrowing policies.

- Comply with the financial covenants outlined in the following table, provided that:

  - Unrated Local Authorities or Local Authorities with a long-term credit rating lower than ‘A’ equivalent can have bespoke financial covenants that exceed the:

    - Lending policy covenants outlined in the following table with the approval of the Board;

    - Foundation policy covenants outlined in the following table with the approval of an Ordinary Resolution.

  - Local Authorities with a long-term credit rating of ‘A’ equivalent or higher:

    - will not be required to comply with the lending policy covenants in the following table; and

    - can have bespoke financial covenants that exceed the foundation policy covenants outlined in the following table with the approval of an Ordinary Resolution, and in any event, will not be required to comply with the Net Debt / Total Revenue foundation policy covenant outlined in the following table until the financial year ending 30 June 2026. Until that date, such Local Authority must comply with the Net Debt / Total Revenue covenant set out in the table entitled “Alternative Net Debt / Total Revenue Covenant” below.

- Any Board or Ordinary Resolution approval of bespoke financial covenants will only be provided after a robust credit analysis and any approval must also include bespoke reporting and monitoring arrangements.

- If the principal amount of a Local Authority’s borrowings, or the Company’s commitment under a facility agreement with a Local Authority, is at any time greater than NZD 20 million, be a party to a deed of guarantee and an equity commitment deed (in each case in a form set by the Company).
Financial covenant | Lending policy covenants | Foundation policy covenants
--- | --- | ---
Net Debt / Total Revenue | <175% | <250%
Net Interest / Total Revenue | <20% | <20%
Net Interest / Annual Rates Income | <25% | <30%
Liquidity | >110% | >110%

### Alternative Net Debt / Total Revenue Covenant

<table>
<thead>
<tr>
<th>Financial Year ending</th>
<th>Net Debt / Total Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 June 2020</td>
<td>&lt;250%</td>
</tr>
<tr>
<td>30 June 2021</td>
<td>&lt;300%</td>
</tr>
<tr>
<td>30 June 2022</td>
<td>&lt;300%</td>
</tr>
<tr>
<td>30 June 2023</td>
<td>&lt;295%</td>
</tr>
<tr>
<td>30 June 2024</td>
<td>&lt;290%</td>
</tr>
<tr>
<td>30 June 2025</td>
<td>&lt;285%</td>
</tr>
</tbody>
</table>

Total Revenue is defined as cash earnings from rates, grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (e.g. developer contributions and vested assets).

Net debt is defined as total debt less liquid financial assets and investments.

Liquidity is defined as external debt plus committed loan facilities plus liquid investments divided by external debt.

Net Interest is defined as the amount equal to all interest and financing costs less interest income for the relevant period.

Annual Rates Income is defined as the amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received from other local authorities for services provided (and for which the other local authorities rate).

Financial covenants are measured on Council only basis and not consolidated group basis, unless requested by a Local Authority and approved by the Board.

During the initial three years of operation the Auckland Council will be limited to a maximum of 60% of the Company’s total Local Authority (including CCO’s) assets. After three years Auckland Council will be limited to a maximum of 40% of the Company’s total Local Authority (including CCO) assets.

No more than the greater of NZD 100 million or 33% of a Local Authority’s or CCO’s (as defined below) borrowings from the Company will mature in any 12 month period.

Subject to implementation of any amendments or other actions considered necessary, advisable or expedient by the Board and the approval of the Board in relation to the relevant CCO (as defined below) (which may be a Council-Controlled Trading Organisation), an approved CCO may borrow from the Company provided that:

- The CCO is a “council-controlled organisation” as defined in section 6 of the Local Government Act 2002, where the CCO is a company in which equity securities carrying at least 51% or more of the voting rights at a meeting of the shareholders of the CCO are held or controlled, directly or indirectly, by one or more Local Authorities (respectively, a “CCO” and each such Local Authority being a “CCO Shareholder”);
- Each CCO Shareholder provides a guarantee in respect of the CCO in favour of the Company and/or there is sufficient uncalled capital in respect of the CCO to meet the financial obligations of the CCO;
- Each CCO Shareholder provides equity commitment liabilities to the Company, guarantees liabilities to a security trustee approved for the Company’s creditors, and provides debenture
security for its equity commitments to the Company and guarantee liabilities to the security trustee;

- Each CCO Shareholder complies with Lending policy financial covenants, Foundation policy financial covenants or other financial covenants required by the Board (if any), and, in the case of a CCO Shareholder with a long-term credit rating of 'A' equivalent or higher, until the financial year ending 30 June 2026, the Net Debt / Total Revenue covenant in the table entitled "Alternative Net Debt / Total Revenue Covenant" above;

- The CCO complies with any covenants required by the Board; and

- If required by the Board, the CCO will grant security in favour of the Company (which may be subject to any intercreditor arrangements acceptable to the Board).

Where the Company agrees to provide funding to the CCO, it must within 90 days of receiving annual financial covenant reporting from a CCO Shareholder (in its capacity as a borrower) report to the Shareholders' Council, holders of ordinary shares in the Company and any Local Authority guarantors of the Company's liabilities as to whether that CCO Shareholder has complied with its financial covenants on an individual and consolidated group basis.

Notwithstanding the definition of "CCO" set out above, the Board may not approve a CCO to borrow from the Company unless 100% of the equity securities carrying voting rights at a meeting of shareholders of the CCO are held or controlled, directly or indirectly, by one or more Local Authorities and the Crown (if applicable).

**Cash and Liquid Investment Policy**

The Company will only invest in NZD senior debt securities, money market deposits and registered certificates of deposits within the counterparty limits outlined in the following table.

New Zealand Local Authority and CCO securities are excluded from the Company’s cash and liquidity portfolio.

<table>
<thead>
<tr>
<th>Counterparty¹</th>
<th>S &amp; P Credit Rating or equivalent (Short-term / long-term)²</th>
<th>Maximum % Limit (Total Cash + Liquid Assets)</th>
<th>Minimum % Limit (Total Cash + Liquid Assets)</th>
<th>Maximum New Zealand Dollar counterparty Limit (millions)³</th>
<th>Maximum term (years)⁴</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category 1: NZ Government or RBNZ⁵</td>
<td>N/A</td>
<td>100%</td>
<td>20%</td>
<td>Unlimited</td>
<td>No longer than the longest dated LGFA maturity on issue</td>
</tr>
<tr>
<td>Category 2</td>
<td>A1+/AAA</td>
<td>80%</td>
<td>N/A</td>
<td>300</td>
<td>3</td>
</tr>
<tr>
<td>Category 3</td>
<td>A1+/A1+ / AA+</td>
<td>80%</td>
<td>N/A</td>
<td>200</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>A1+/A1+ / AA</td>
<td>80%</td>
<td>N/A</td>
<td>200</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>A1+/A1+ / AA-</td>
<td>80%</td>
<td>N/A</td>
<td>200</td>
<td>3</td>
</tr>
</tbody>
</table>

¹ Category 2, 3, 4 and 5 counterparties do not include the RBNZ or the NZ Government.
² Short term rating applies for all securities with a maturity date of 365 days or less.
³ If the counterparty credit rating is downgraded below the allowed limit, LGFA has 30 days to sell the security.
⁴ Maximum term applies from the date of settlement.
⁵ At least 20% of the portfolio must be held at the RBNZ or invested in NZ Government securities.
<table>
<thead>
<tr>
<th>Category</th>
<th>A1:/A+</th>
<th>60%</th>
<th>N/A</th>
<th>200</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category 4</td>
<td>NZ Registered Bank</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Category 5</td>
<td>A1:/A+</td>
<td>10%</td>
<td>N/A</td>
<td>50</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Other Issuers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The maximum individual counterparty limit (excluding the NZ Government) cannot be greater than 100% of Accessible Capital. Accessible Capital is defined as issued and paid capital plus retained earnings plus issued and unpaid capital plus outstanding borrower notes.

**Derivative Policy**

Unless explicitly approved otherwise by the Board, all derivative transactions must be transacted with New Zealand Debt Management as counterparty.

**Market Risk**

The Company’s total 12 month forecast portfolio PDH (Partial Differential Hedge) Limit is $100,000\(^6\).

The Company’s total portfolio Value at Risk (VaR) daily limit is $1,000,000\(^7\).

**Foreign exchange risk policy**

The Company will take no foreign exchange risk.

**Operational Risk**

Unless explicitly approved otherwise by the Board, the Company will outsource the following functions to New Zealand Debt Management as follows:

- **Hedging** – New Zealand Debt Management is the LGFA interest rate swap counterparty.

**Dividend policy**

The policy is to pay a dividend that provides an annual rate of return to Shareholders equal to the Company’s cost of funds plus 2.00% over the medium term, recognising that, to assist in the start-up period, the initial expectation is for no dividend for the part period to 30 June 2012, and for a dividend equal to 50% of the target dividend in the two periods to 30 June 2014 to be paid. Thereafter, the intention is to pay at least the full target dividend until the target dividend return is achieved as measured from commencement, including consideration of the time value of money at the target annual rate of return.

At all times payment of any dividend will be discretionary and subject to the Board’s legal obligations and views on appropriate capital structure.

---

\(^6\) PDH risk measures the sensitivity of a portfolio to a one basis point change in underlying interest rates. For example a PDH of $100,000 means that the portfolio value will fall by $100,000 for a one basis point fall in interest rates.

\(^7\) VaR measures expected loss for a given period with a given confidence. For example, 99% confidence, daily VaR of $1,000,000 means that it is expected that the portfolio will lose $1,000,000 on 5% of days. i.e. 1 day in 20 the portfolio value will decrease by $1,000,000.
Appendix B

Analysis of additional risk to guarantors from proposed change to Foundation Policy limits

Background:

The LGFA Board has proposed to shareholders to change a Foundation Policy covenant at a Special General Meeting of shareholders on 30 June 2020. Please refer to the Notice of Meeting for the rationale to increase the Net Debt/Total Revenue covenant within the Foundation Policies.

The proposal is to increase the limit to 300% for the 2020/21 and 2021/22 years and then a tapering back to 280% over a five-year period (to June 2026) through a 5% reduction each year from June 2022.

There are no proposed changes to any of the Lending Policy covenants (for unrated councils or those with a credit rating less than “A”) and no proposed changes to any of the other Foundation Policy covenants.

The proposed covenant change applies to those councils with a credit rating of “A” or better and there are currently 31 councils with borrowings from LGFA of $9.63 billion as at 26 May 2020.

The Shareholder Council is in favour of the proposal but has asked “the LGFA Board to determine (preferably through appropriate independent advice) how much (if any) additional risk could arise as a consequence of lifting the debt covenants to the proposed level and, if there is any additional risk to shareholders and guarantors, advice on what the appropriate response could be to mitigate it.”

LGFA management have estimated the additional risk through assessing the probability of default from a change to the covenant by using the S&P rating methodology. They have outlined the rationale for why there is a low likelihood of loss on a council loan if a default occurred. They have also highlighted the mitigants to a call on the guarantee in the unlikely event that a council did default, and a loss did occur.

The LGFA board believes it is not cost effective to undertake an independent review of this analysis as the quantitative analysis is drawn from S&P Global Ratings independent methodology and the qualitative assessment regarding mitigants has been well publicised by LGFA over the past five years. S&P Global Ratings also noted on an investor conference call on 26 May 2020 that the additional risk from the proposed changes to guarantors is very low.

Additional risk from proposed change:

The Net Debt/Total Revenue covenant was set in conjunction with the credit rating agencies in 2011 and is viewed as a crude proxy for the Debt/GDP ratios used to assess Sovereign credit ratings. It is a measure of debt affordability for borrowers. It is however an imperfect assessment for councils with constrained revenue sources (that are largely uncorrelated to economic growth) and the ratio is misleading given it is a comparison of a stock of debt to a flow of income. However, there is no better proxy available for an assessment of debt affordability.
The other covenant ratios are measures of debt serviceability and liquidity. The low level of interest rates means that there are no issues for councils when meeting debt serviceability covenants. Councils have high levels of access to liquidity.

The additional risk for LGFA (and its council guarantors) from relaxing the Net Debt/Total Revenue covenant for those councils with an external credit rating stems from those council borrowers either taking on additional debt or a reduced level of revenue than previously forecast. The risk will depend upon whether there is an increase in

1. Probability of default and/or
2. Likelihood of loss if a default occurs

**Probability of default**

We use S&P data to assess the probability of a borrower defaulting for a given credit rating. The S&P data shows:

- The probability of a “AA” issuer defaulting over the next 5-year period is 0.32%
- The probability of a “A” issuer defaulting over the next 5-year period is 0.50%
- S&P do not break the analysis down into individual ratings bands between “AA” and “A”. It would be reasonable however to assume the outcomes for “AA-” and “A+” would be somewhere in between so we have used 0.38% and 0.44% respectively.
- We have used 5 years for the time period as it is a reasonable proxy for an average council loan (more accurate than using the 1-year data)

The question then becomes how much the risk of a council default increases by lifting the net debt to revenue covenant from 250% to 280%.

- The debt level of a council is only one part of what makes up the credit profile (or riskiness) of a council (the S&P weighting is 20%)
- For a council credit rating outcome, it is entirely possible that an increase in debt will be offset by an improved score for economic strength or liquidity. Therefore, the whole picture needs to be considered.
- LGFA’s view is that only Auckland, Hamilton City and Tauranga City Councils are likely to see their net debt to revenue ratio increase to over 250% in the medium term.
- All other councils have enough headroom that makes it unlikely that forecast or actual net debt to total revenue will increase above 250% although it is possible that this could change when the 2021-2031 LTP’s are completed.

**Expected loss as a result of a default**

The following analysis considers the potential loss from the proposed change to the Foundation Policy covenant¹

- Auckland, Hamilton City and Tauranga City Councils currently makeup 34.3% of LGFA’s council lending.
- If it is assumed that these three councils are downgraded by 1 rating notch if their Net Debt / Total Revenue outcome increases from 250% to 280% then the probability of default increases by 0.06% (0.5% - 0.32% divided by 3). The underlying assumption is that if a “AA” council is downgraded to “AA-” then the default probability would increase from 0.32% to 0.38%.
- 34.3% of the portfolio multiplied by 0.06% is 0.02%.
- A 0.02% expected loss on a $10.8 billion loan book translates to a loss of $2.2 million over 5 years.

LGFA would expect to recoup some (if not all) of any losses as we only lend to councils secured against rates. If we adjust the $2.2 million expected loss for an 80% recovery rate, then this would be an expected loss of $440,000.

On this basis the change in the predicted loss is negligible.

¹ Note this is an estimate of the additional potential loss and not the overall estimated loss on the loan book.
Likelihood of a call on guarantors – a qualitative assessment

If a council borrower defaults and there is a loss on the loans, then what are the implications for call upon the guarantee?

It must be noted that the guarantor councils guarantee the obligations of LGFA and not individual council loans. Any call under the guarantee would be made by the LGFA board in order to maintain solvency or meet repayment of LGFA obligation to investors.

The mitigants to a call upon the guarantee are

<table>
<thead>
<tr>
<th>Reduce probability of council default</th>
<th>Reduce likelihood of loss if a council defaulted</th>
<th>Reduce risk of call on guarantee if a council defaulted and a loss incurred</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance of Council Sector</td>
<td>Security Over Rates</td>
<td>LGFA Capital</td>
</tr>
<tr>
<td>There has never been a default by a New Zealand Council. In addition, there is strong oversight of the sector by the Office of the Auditor General (OAG) and the Department of Internal Affairs (DIA). If the Government has concerns over the performance of a council, there are several intervention steps that can be taken including the appointment of a Crown Observer through to the appointment of Commissioners.</td>
<td>All lending undertaken by LGFA to councils is done with a security charge over the council’s rates. This means that in the event of a default by a council, LGFA can appoint a statutory manager who can impose a special rate that would be able to recover the amount owed to LGFA. This ensures all lending to councils is first ranking.</td>
<td>As at March 2020, LGFA had capital of $244.6 million. This was made up of $81.5 million of equity and $163.1 million of borrower notes which could be converted into equity. In addition, there is a further $20 million of uncalled capital. This provides over $250 million of equity that could be used before a call was made under the guarantee.</td>
</tr>
</tbody>
</table>

LGFA Financial Covenants

LGFA covenants are set at a level that is roughly consistent with a “A+” credit rating from S&P global ratings. A borrower with a credit rating of “A+” remains of investment grade quality and is not expected to default on its obligations.

LGFA Relationship with Government

The New Zealand Government does not guarantee LGFA. However, the Government is a 20% shareholder in LGFA. In addition, the Government provides a $1 billion committed credit facility to LGFA. This would provide LGFA access to funding in the event of a severe market disruption in capital markets which in turn would provide continuity of funding to the New Zealand local authority sector. The Government is also a member of the LGFA Shareholder Council.
Current Headroom under Financial Covenants

As at June 2019 no council had a net debt to revenue ratio above 200%. This means that there was enough headroom as a starting point. As a result, we do not think any council will breach the LGFA financial covenants as at June 2020.

LGFA Relationship with Reserve Bank of New Zealand (RBNZ)

The RBNZ added LGFA bonds to its Large-Scale Asset Purchase (LSAP) programme in early April and can buy up to 30% of LGFA bonds on issue. The Minister of Finance has agreed to indemnify the RBNZ from any losses incurred through operating the LSAP. This provides a source of liquidity for LGFA and ensures we can borrow at cost effective yields.

Conclusion

LGFA assesses there to be a low probability of a council defaulting, a high expected recovery rate if a council did default and several mitigants to reduce the likelihood of a call upon the guarantee.

A statistical model-based outcome suggests an additional $2.2 million expected loss to be considered should the Foundation Policy limit be increased and assuming that three councils move above the existing limit to the new higher limit of 280%. Assuming an 80% recovery rate, then this would be an expected loss of $440,000.

Given the capital position and ongoing profitability of LGFA, we assess the additional risk to be minor and is outweighed by the benefits to the councils of additional headroom and borrowing capability. This will enable our council borrowers to facilitate infrastructure led growth in the post-COVID environment and meet their responsibilities under the Four Well beings of the Local Government Act.
1 Staff

Interviews have been held for the positions of Serviceperson (Drainage) and Utilities Reticulation Specialist Serviceperson within the Construction and Maintenance Business Unit. Decisions were pending at the time of writing this report.

Advertising is under way for two fixed term vacancies in the role of Customer Services Advisor to cover for staff currently away on extended leave.

Steve Fabish, Group Manager Community Services and Development has tendered his resignation which will be effective from his last day of 14 August 2020. Steve has held the Group Manager position since 2011 and will be leaving to take up a position in the executive team as Group Manager – Community Services at Ashburton District Council.

Bronwyn Hole has left after almost 3 years as our office assistant. The Community Services and Development Department job is currently being advertised.

We have employed Antonia Branson for a one-month period as Customer Liaison Officer to administer the current period of drought relief recovery work and other administrative duties as we catch up following the Covid event.

A fixed term period of cover for a Project Officer will be advertised in the near future as a current member of staff prepares to go on parental leave.

Negotiations have been held with both the PSA and AWUNZ unions for the respective collective employment agreements that cover Hauraki District Council staff. Proposals were subject to ratification and can be reported on further at the meeting if required.
2 Passing of Lew Peters, Former HDC District Engineer

A well-known former Council employee Lew Peters passed away in Auckland on May 15 after a long illness. He was 78. Lew was the Hauraki Plains County Engineer from 1969 until 1989 when the former Hauraki Plains area became part of the Hauraki District Council. Lew then served as the Hauraki District Engineer until 1995.

Lew’s time with that Hauraki Plains County Council was a period where significant infrastructure development took place and his contributions to the community such as the road network, water supply, sewage schemes and community facilities stand testament to his work. Lew was also a strong supporter and advocate for the Ngatea Hockey Turf which is one of our most used community facilities.

Lew was President of the Institute of County Engineers 1984-85 and was elected a Life Member of Institute of County Engineers in 1987.

Langley Cavers
Chief Executive
FOR INFORMATION
NGĀ MŌHIOTANGA

TO
Mayor and Councillors

AUTHOR
Duncan Peddie
Group Manager Corporate Services

FILE REFERENCE
Document: 2775590

PORTFOLIO HOLDER/S
Councillor Daley portfolio

MEETING DATE
Wednesday, 24 June 2020

SUBJECT
Financial Report 31 May 2020

SUMMARY | TE WHAKARĀPOPOTANGA

Operating
For the eleven months to the end of May 2020, Council is $36,000 or 0.1% under budget on its expenditure.

Solid waste operating costs for transfer stations and refuse collection are ahead of budget. The issues experienced in wastewater overflows in recent months have also led to unfavourable operational expenditure variances in that activity.

Non-rates revenue is tracking $219,957 or 4.4% under budget. This was contributed to by the notice period requirements for increase in Elderly Persons Housing rent, lower than anticipated demand for pools, halls, libraries along with the impact of Covid-19. It also reflects the renegotiation of a commercial wastewater discharge contract, which occurred after this year’s budget was set.

This gives a $184,000 or 0.6% unfavourable variance in Council’s net operations.

RECOMMENDATION | TE WHAIKUPU

THAT the report be received.
1 PURPOSE | TE ARONGA

To provide Council with cumulative financial information for the 11 months to 31 May 2020 to enable it to monitor the financial performance of the organisation.

2 BACKGROUND | TE KŌRERO Ā MUA

A local authority board must manage its revenues, expenses, assets, liabilities, investments, and general dealings prudently and in a manner, that promotes the current and future interests of the community.

To enable the Council to fulfil the above requirements, financial performance must be monitored on a regular basis.

3 COVID-19

A number of our activities are showing small favourable expenditure variances. Some of these are as a result of normal operation works and maintenance not being undertaken during the Covid 19 lockdown. However, we also need to be cognisant that during level four and three alert status, put in place by the government, a number of our operational staff were placed on special leave. Unfortunately, these roles in the organisation could not be undertaken from the employee’s home, nor did the role meet the threshold to be considered an ‘essential service’ enabling the employee to leave their homes to work. The cost of this special leave will not feature in the financial reports until the end of the financial year.

4 FINANCIAL IMPACT OF PREVIOUS COUNCIL DECISIONS in the 2019/20 Financial Year

For information purposes, we have included below a list of requests brought to, and approved, by Council since the adoption of the 2019/20 Annual plan.

<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>Resolution</th>
<th>Description</th>
<th>OPEX 19/20</th>
<th>CAPEX 19/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>26/6/2019</td>
<td>C19/243</td>
<td>Mahuta Road North Under-slip</td>
<td>$85,000</td>
<td></td>
</tr>
<tr>
<td>26/6/2019</td>
<td>C19/243</td>
<td>MPDD Mangawhero Flume replacement B/fwd from 20/21</td>
<td>$35,000</td>
<td></td>
</tr>
<tr>
<td>31/7/2019</td>
<td>C19/276</td>
<td>Sealed Pavement rehabilitation Strategy 2019/21</td>
<td>$500,000</td>
<td>($500,000)</td>
</tr>
<tr>
<td>31/7/2019</td>
<td>C19/278</td>
<td>Kerepehi Reservoir Sealing</td>
<td>$5,000</td>
<td></td>
</tr>
<tr>
<td>31/7/2019</td>
<td>C19/280</td>
<td>District Upgrading and Replacing of SCADA Equipment</td>
<td>$90,000</td>
<td></td>
</tr>
<tr>
<td>28/8/2019</td>
<td>C19/308</td>
<td>Request to Carry forward unspent budgets from previous years. Future building control initiatives</td>
<td>$180,000*</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Kaiapua Community Plan Historical Maritime Museum Project. Capital Carry forwards</td>
<td>$26,000*</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>* No impact on rates as provided for in previous years</td>
<td>$120,000*</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$5,167,952</td>
<td></td>
</tr>
</tbody>
</table>
In addition, Council has approved the following two loans:

<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>Resolution</th>
<th>Description</th>
<th>Loans</th>
</tr>
</thead>
<tbody>
<tr>
<td>27/11/2019</td>
<td>C19/431</td>
<td>Hauraki Charitable Trust short term Loan to 30 June 2020</td>
<td>$20,000</td>
</tr>
<tr>
<td>26/6/2019</td>
<td>C19/243</td>
<td>Paeroa Re-use Centre Trust Five Year Loan</td>
<td>$40,000</td>
</tr>
</tbody>
</table>

5 Discussion

Comment on the financial performance is discussed in detail in the attached report Appendix A.

Approval

| Prepared by       | Steve Baker
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Finance Manager</td>
</tr>
<tr>
<td>Approved by</td>
<td>Duncan Peddie</td>
</tr>
<tr>
<td></td>
<td>Group Manager Corporate Services</td>
</tr>
</tbody>
</table>
**APPENDIX A**

**Groups of activities overview - Financial Measures**

**Key Indicators for the 11 months ended 31 May 2020**

<table>
<thead>
<tr>
<th>Operating Revenue (excluding Rates &amp; Roading capital funding from NZTA)</th>
<th>Operating Expenditure</th>
<th>Capital Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>$4,833,652 -</td>
<td>$34,280,000</td>
<td>$8,178,000</td>
</tr>
<tr>
<td>Unfavourable YTD</td>
<td>$(219,957)</td>
<td>Favourable YTD</td>
</tr>
<tr>
<td>YTD budget</td>
<td>$5,053,609</td>
<td>$36,000</td>
</tr>
<tr>
<td>Full year budget</td>
<td>$5,453,029</td>
<td>YTD budget</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$34,316,000</td>
</tr>
<tr>
<td>Full year forecast</td>
<td>$5,233,072</td>
<td>YTD Forecast</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$38,919,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Full year budget (Original)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$19,318,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Full year forecast</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$19,573,000</td>
</tr>
</tbody>
</table>

**Revenue**

Fewer fines in the area of animal control has lead to less revenue than anticipated ($22k). This is a trend that is expected to continue. Building Services revenue is ahead of schedule by $26k for the year due to processing higher number of consents than anticipated however it will be adversely impacted in May and June due to limitations of Covid. RMA revenue has been adversely impacted due to planners not being able to go onsite. Wastewater revenue is tracking below budget by ($119k) following the renegotiation of a commercial wastewater discharge contract last year to better reflect operating reality and associated costs. Consequently, we also expect to see an associated reduction in wastewater operating costs in relation to that contract. Lower than anticipated revenue from Elderly Person Housing due to notice period requirements to increase costs and a timing issue from prior year. Libraries, pools, sports fields and halls have realised less than budgeted income and will be impacted further due to COVID-19 closures. These all contribute towards an under recovery compared to budget of ($126k).

**Operating Expenditure**

Strategic Planning will exceed budget by $35K due to Kaihua 20/21 project this was approved by resolution C18/585 and 586. Solid waste expenses has been higher than budgeted due to increase in Emission Scheme and Consumer Price Index costs along with employing two full time staff at Transfer Stations, we are awaiting increased income to offset this. Refuse collection and reactive repairs due to a storm event have resulted in unforeseen expenses. Pavement maintenance will be overspent for the year by $350K as approved by council resolution C19/276. The remainder of this will be carried forward into next year and was offset by the reduction of roading CAPEX. Overspend in Water and Wastewater due to unexpected breaks in pumpstations and reticulation. Treatment team size has increased resulting in added costs along with higher demand for water resulted in extra expenses in chemicals and electricity.

**Capital Expenditure**

Capital expenditure is tracking below the revised capital works programme approved by Council. A number of projects previously anticipated to be delivered in the current year will now be completed in the next financial year. The Project Management Office is continually reviewing the practicality of achieving the approved programme.
## Hauraki District Council Financial Measures
### Key Indicators for the 11 months ended 31 May 2020

<table>
<thead>
<tr>
<th>Borrowings</th>
<th>Cash and cash equivalents</th>
<th>Net borrowings</th>
<th>Available Credit Facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>$44.00m</td>
<td>$8.88m</td>
<td>$35.12m</td>
<td>$7.00m</td>
</tr>
<tr>
<td>Full year budget</td>
<td>Full year budget</td>
<td>Full year budget</td>
<td>Full year budget</td>
</tr>
<tr>
<td>$46.63m</td>
<td>$46.63m</td>
<td>$46.04m</td>
<td>$46.04m</td>
</tr>
<tr>
<td>Full year forecast</td>
<td>Full year forecast</td>
<td>Full year forecast</td>
<td>Full year forecast</td>
</tr>
</tbody>
</table>

### Financial Strategy debt caps

<table>
<thead>
<tr>
<th>Compliance with debt caps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total net external debt will not exceed 175% of total revenue in any year.</td>
</tr>
<tr>
<td>Net interest expense is ≤ 15% of rates revenue in any year.</td>
</tr>
<tr>
<td>Net interest expense is ≤ 10% of total revenue in any year.</td>
</tr>
<tr>
<td>Net external debt per rating unit is ≤ $8,000 in any year.</td>
</tr>
</tbody>
</table>
### Regulatory Financial Measures

#### Key Indicators for the 11 months ended 31 May 2020

<table>
<thead>
<tr>
<th></th>
<th>Operating Revenue (excluding Rates)</th>
<th>Operating Expenditure</th>
<th>Capital Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1,557,000</td>
<td>$(48,000)</td>
<td>$0</td>
</tr>
<tr>
<td>Unfavourable YTD</td>
<td>$(48,000)</td>
<td>Favourable YTD</td>
<td>$0</td>
</tr>
<tr>
<td>YTD budget</td>
<td>$1,605,000</td>
<td>$60,000</td>
<td>$0</td>
</tr>
<tr>
<td>Full year budget</td>
<td>$1,725,000</td>
<td>$3,635,000</td>
<td>YTD Forecast</td>
</tr>
<tr>
<td>Full year forecast</td>
<td>$1,677,000</td>
<td>YTD budget</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Full year budget (Original)</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Full year forecast</td>
<td>$0</td>
</tr>
</tbody>
</table>

|                        | $1,557,000                          | $3,575,000            | $0                  |
|                       | $3,575,000                          | $60,000               | $0                  |
|                       | Favourable YTD                      | $3,635,000            | $0                  |
|                       | Favourable YTD                      | $3,998,000            | $0                  |
|                       | Favourable YTD                      | $3,938,000            | $0                  |

#### Operating Revenue (Excluding Rates)

We expect an unfavourable variance for the year RMA revenue due to lockdown restrictions having a negative impact on number of consents processed ($51k). Lesser fines than anticipated from Animal Control have contributed to an adverse variance for that sector of ($26k). We also anticipate an adverse variance for the rest of the year in building services due to restrictions imposed by Covid lockdown. These have been offset with a favourable variance in building services income of $26k.

#### Operating Expenditure

- **RMA Implementation:** Small favourable variance to budget of $14k due to less legal fees incurred to date than anticipated.
- **Community Protection:** $22k favourable variance to budget; Please Note, additional costs are anticipated in this area as a response to Covid-19 and in response to a recent tomo event in Waihi.
- **Animal Control:** More legal expenses in Animal Control than anticipated due to ongoing court case, we are currently awaiting a court date and expect further adverse cost variance. This is offset by favourable variances in other areas.
- **Building Services:** Slight decrease in expenditure $26k mainly due to less use of peer reviewers for building consents.

#### Capital Expenditure

No capital spend or budget for this group of activities.
<table>
<thead>
<tr>
<th>Operating Revenue (excluding Rates)</th>
<th>Operating Expenditure</th>
<th>Capital Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Favourable YTD</td>
<td>$9,000</td>
<td>$0</td>
</tr>
<tr>
<td>YTD budget</td>
<td>$0</td>
<td>YTD Forecast</td>
</tr>
<tr>
<td>Full year budget</td>
<td>$0</td>
<td>Full year budget</td>
</tr>
<tr>
<td>Full year forecast</td>
<td>$9,000</td>
<td>Full year forecast</td>
</tr>
<tr>
<td>Favourable YTD</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>YTD budget</td>
<td>$1,736,000</td>
<td>YTD Forecast</td>
</tr>
<tr>
<td>Full year budget</td>
<td>$1,736,000</td>
<td>Full year budget</td>
</tr>
<tr>
<td>Full year forecast</td>
<td>$2,089,000</td>
<td>Full year forecast</td>
</tr>
<tr>
<td>Full year forecast</td>
<td>$0</td>
<td>Full year forecast</td>
</tr>
</tbody>
</table>

**Community Development Financial Measures**

**Key Indicators for the 11 months ended 31 May 2020**

**Operating Revenue (Excluding Rates)**

**Expenditure**

**Community Initiatives:**
Grants and Donations exceed current years budget; However this is offset by prior years underspend, which are carried over.

The positive variance in other initiatives are due to cancellation of the sister cities trip in the current year due to health and safety concerns along with less demand for heritage funds.

Annual budget for Contestable Social Fund have been spent, however carry forwards from prior year(s) would allow for further expenses in this area if required.

We anticipate a under spend in Social Initiative as Covid-19 has restricted us from carrying out events like the Anzac day.
## Community Services Financial Measures

### Key Indicators for the 11 months ended 31 May 2020

<table>
<thead>
<tr>
<th>Category</th>
<th>Unfavourable YTD</th>
<th>Favourable YTD</th>
<th>Capital Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue (excluding Rates)</td>
<td>$(126,000)</td>
<td>$61,000</td>
<td>$1,828,000</td>
</tr>
<tr>
<td>YTD budget</td>
<td>$719,000</td>
<td>$5,837,000</td>
<td>$2,902,000</td>
</tr>
<tr>
<td>Full year budget</td>
<td>$780,000</td>
<td>$6,689,000</td>
<td>$3,078,000</td>
</tr>
<tr>
<td>Full year forecast</td>
<td>$654,000</td>
<td>$6,628,000</td>
<td>$3,333,000</td>
</tr>
<tr>
<td>Operating Revenue (Excluding Rates)</td>
<td>$593,000</td>
<td>$5,776,000</td>
<td>$654,000</td>
</tr>
<tr>
<td>Operating Expenditure</td>
<td>$5,776,000</td>
<td>$5,776,000</td>
<td>$6,628,000</td>
</tr>
<tr>
<td>Capital Expenditure</td>
<td>$1,074,000</td>
<td>$1,074,000</td>
<td>$3,333,000</td>
</tr>
</tbody>
</table>

### Operating Revenue (Excluding Rates)

Elderly Person Housing revenue is ($28k) under budget. Rent increases outlined could not be implemented due to notification requirements. $10K credit posted in October relating to January 2018 over billing has had a negative impact. Libraries income expected to be under budget due to extension of loan dates, no late fees during lockdown and closure of physical sites. Restrictions on plot sales has resulted in lower than anticipated revenue in Cemeteries.

Lower than anticipated revenue from Sportsfields, Swimming Pools and Community Halls have contributed to lower total income ($96k). This will be negatively impacted for the rest of the year due to COVID-19 closures and lesser demand.

### Operating Expenditure

Recreation: Refuse collection costs for our recreation reserves are tracking above budget and this is expected to continue for the remainder of the year culminating in a ($85k) unfavourable variance. Safety audits on trees over the summer along with pruning of palm trees at travellers reserves have also caused an overspend. Swimming pools are underspent by $176k due to lesser reactive repairs, routine maintenance, electricity, wages and operating costs. Libraries are over budget ($13k) due to advertising for personnel and higher wages and general materials costs.

### Capital Expenditure

Capital works programme is tracking behind anticipated levels. The Asset Manager is signalling that the Ngatea Library project ($255K) is unlikely to happen this year. Several projects scheduled for this year are being carried forward.
## Networks Financial Measures

### Key Indicators for the 11 months ended 31 May 2020

<table>
<thead>
<tr>
<th></th>
<th>Operating Revenue (excluding Rates &amp; Roading capital funding from NZTA)</th>
<th>Operating Expenditure</th>
<th>Capital Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$2,638,000</td>
<td>$20,217,000</td>
<td>$7,104,000</td>
</tr>
<tr>
<td>Unfavourable YTD</td>
<td>$(91,000)</td>
<td>$(136,000)</td>
<td></td>
</tr>
<tr>
<td>YTD budget</td>
<td>$2,729,000</td>
<td>$20,081,000</td>
<td></td>
</tr>
<tr>
<td>Full year budget</td>
<td>$2,948,000</td>
<td>$22,522,000</td>
<td></td>
</tr>
<tr>
<td>Full year forecast</td>
<td>$2,857,000</td>
<td>$22,658,000</td>
<td></td>
</tr>
</tbody>
</table>

### Operating Revenue (Excluding Rates)

A commercial wastewater discharge contract was renegotiated resulting in lower income that provided for in the budget. Water Services Manager expects this to be the trend for the year as this has been over budgeted. However we expect see offsetting savings in expenditure. Roading income is higher than budget due to additional NZTA subsidies for Footpath maintenance that was not previously subsidised. Sale of water to delivery operators was not budgeted but we received $15K income.

### Operating Expenditure

**Water** - Increased treatment personnel costs of moving staff in house and adding to team have resulted in a significant adverse variance. Reactive repairs due to the drought has also exceeded budget.

**Wastewater** - Current drought and increased compliance costs from WRC have resulted in an overspend, but this has resulted in better operational practices in the field.

**Solid Waste** - The unfavourable variance reflects the review of Council transfer stations undertaken this year. This review was not envisaged in the budget. Transfer station and refuse collection costs are expected to exceed budget for the year. HDC and SEL are currently in negotiation in relation to these sub activities.

**Roading** - Pavement maintenance will be overspent for the year as approved by council resolution C19/276. Professional Fee expected to exceed budget by $50K for the year.

### Capital Expenditure

Capital works programmes is tracking behind anticipated levels. It is anticipated a number of projects will need to be carried over into the 2020/21 year. We have received a grant totalling $216K for low pressure pumps and pipelines at Karangaheke.
**Leadership Financial Measures**

**Key Indicators for the 11 months ended 31 May 2020**

<table>
<thead>
<tr>
<th>Operating Revenue (excluding Rates)</th>
<th>Operating Expenditure</th>
<th>Capital Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Favourable YTD</td>
<td>$34,000</td>
<td>Favourable YTD</td>
</tr>
<tr>
<td>YTD budget</td>
<td>$0</td>
<td>YTD budget</td>
</tr>
<tr>
<td>Full year budget</td>
<td>$0</td>
<td>Full year budget</td>
</tr>
<tr>
<td>Full year forecast</td>
<td>$34,000</td>
<td>Full year forecast</td>
</tr>
</tbody>
</table>

**Operating Revenue (Excluding Rates)**

Democracy: $31K received from WRC and CMDHB for election contributions.

**Operating Expenditure**

Policy Development: We anticipate an underspend of $100K due to less use of consultants in RMA Policy. This is a timing difference as the work will be done next year. A ($35k) overspend due to consulting for Kaiauia 21/20 Project is anticipated, see council resolution C18/585 and C18/586. This is covered by the budget carried forward from last year.

Democracy: Remuneration Authority determination on Councillor remuneration was higher than anticipated (16k). WLASS Admin member charge was also higher than anticipated.

**Capital Expenditure**

No capital spend or budget for this group of activities.
FOR DECISION
MŌ TE WHAKATAUNGA

TO Mayor and Councillors

AUTHOR Steve Fabish
Group Manager – Community Services and Development

FILE REFERENCE Document: 2773308
Appendix A: Waikato Plan Leadership Committee

PORTFOLIO HOLDER Mayor Toby Adams

MEETING DATE Wednesday 24 June 2020

SUBJECT Appointment to Waikato Plan Leadership Committee 2020

SUMMARY | TE WHAKARĀPOPOTANGA

The Waikato Plan Leadership Committee has been established to facilitate and encourage the implementation of the Waikato Plan and undertake any reviews or updates to the Plan.

Due to Mayor Toby Adams recently resigning from this committee, council will need to confirm a new appointee.

Mayor Ash Tanner, Matamata Piako District Council, has confirmed that he is prepared to represent both councils on the Waikato Plan Leadership Committee.

The decision is not considered to be a significant decision.
RECOMMENDATION | TE WHAIKUPU

THAT the report be received.

THAT the decision and report be release to the public.

THAT Council approves the appointment of Mayor Ash Tanner to the Waikato Plan Leadership Committee.

THAT the Council considers these decisions to be insignificant under its Significance and Engagement Policy 2017.

1 PURPOSE | TE ARONGA

The purpose of this report is to allow Council to consider the approval of the appointment of the Mayor Ash Tanner, Matamata Piako District Council, to the Waikato Plan Leadership Committee. The matter or suggested decision does not involve a new activity, service, programme, project, expenditure or other deliverable.

2 BACKGROUND | TE KŌRERO Ā MUA

The Waikato Plan Leadership Committee has been established to facilitate and encourage the implementation of the Waikato Plan and undertake any reviews or updates to the Plan.

The Leadership Committee will function as a clearinghouse, facilitator and influencer, encouraging the allocation of resources to achieve agreed regional priorities. It will also act as the facilitator of the Waikato message, building the authority and influence the Waikato has by encouraging the many legitimate voices in the region to say the same thing and advocate for the same outcomes for the region.

The Leadership Committee is a Joint Committee of Waikato Regional Council and its Terms of Reference is attached as Appendix A

At the 12 February 2020 Ordinary Meeting of Council, a report recommending that Mayor Toby Adams be appointed to the Waikato Plan Leadership Committee, to represent both Hauraki and Matamata Piako District Councils was presented.

Council resolved,

THAT Council appoints Mayor Dameion (Toby) Adams to the Waikato Plan Leadership Committee.

Due to Mayor Toby Adams recently resigning from this committee, council will need to confirm a new appointee.

Mayor Ash Tanner, Matamata Piako District Council, has confirmed that he is prepared to represent both councils on the Waikato Plan Leadership Committee.
3 OUR OPTIONS | NGĀ KŌWHIRINGA A MĀTOU

Staff have identified the following options for the Council to consider:
- Council do not approve the appointment of Mayor Ash Tanner
- Council approves the appointment of Mayor Ash Tanner

Staff recommend that the appointment be approved.

4 APPROVAL

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Steve Fabish</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Group Manager Community Services and Development</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Approved by</th>
<th>Langley Cavers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Chief Executive Officer</td>
</tr>
</tbody>
</table>
Appendix A

Waikato Plan Leadership Committee

REPORTING TO:
Waikato Regional Council, and partner agencies

CONSTITUTION:
One (1) voting member appointed by Waikato Regional Council
One (1) voting member appointed by the Future Proof Group (Hamilton City Council, Waipa District Council, Waikato District Council).
One (1) voting member jointly appointed by Hauraki District Council, Matamata-Piako District Council and Thames Coromandel District Council.
One (1) voting member jointly appointed by Otorohanga District Council, South Waikato District Council, Taupo District Council, and Waitomo District Council
One (1) voting member appointed by Hamilton City Council
Six (6) voting members appointed by Tāngata whenua
One (1) voting member appointed by Te Waka
Three (3) voting members being community representatives
One (1) voting member be appointed by each of the following government agencies:
- Waka Kotahi NZ Transport Agency
- Ministry of Social Development
- Ministry of Education
- Waikato District Health Board
- Ministry for Business, Innovation and Employment
- Te Puni Kōkiri

The Leadership Committee will be co-chaired by one iwi representative and any other voting member of the Leadership Group.
Both Chair Roles will have deputies appointed.
The Co-Chairs and Deputy Co- Chairs will be selected from the members of the Leadership Committee and appointed by the voting members of the Group at its first meeting after each local government election.
The term of appointment for the Chairs and Deputy Chairs will be until the next local government election.
A vacancy in membership of the Leadership Committee will not limit its ability to meet and fulfil its purpose.

QUORUM:
Eleven (11) one of whom must be the appointed member of Council

MEETING FREQUENCY
Every two months or as required.

OBJECTIVE:
- To implement the Waikato Plan, including the adoption of specific measurable wellbeing measures for the region
- To function as a clearinghouse, facilitator and influencer to mobilise collective resources to achieve agreed regional priorities.
- To act as the facilitator of the Waikato message through regional advocacy that builds
• on the authority and influence of the Waikato, and by encouraging the many voices of the region

**SCOPE OF ACTIVITY**

1. **Implementation, Monitoring and Reporting**
   
a. Provide regional leadership on the strategic direction and priorities identified in the Waikato Plan.
b. Oversee, facilitate and encourage the implementation of the Waikato Plan, in particular the actions.
c. Develop and recommend to Council partners any finalised changes or amendments to the Waikato Plan for adoption.
d. Oversee the development of business cases targeting the implementation of Waikato Plan actions.
e. Act as a clearinghouse and reporting forum for implementation actions, ensuring that partners understand what each other is doing and can identify opportunities for effective collaboration.
f. Champion the integration of partner strategies, programmes, and plans and encourage partnerships with other sectors such as health, education and business.
g. Encourage consistent, collaborative and/or coordinated activity designed to implement the Waikato Plan actions and to achieve optimal outcomes.
h. Monitor and regularly report progress against Waikato Plan actions and Waikato Wellbeing targets.
i. Encourage partners and other organisations to allocate the resources necessary to contribute to the implementation of the Waikato Plan actions and Waikato wellbeing targets.

2. **Advocacy, Engagement and Consultation**
   
a. Facilitate and encourage the many legitimate voices in the Waikato to say the same thing when advocating for the Waikato, agreed Waikato Plan priorities, and Waikato wellbeing targets.
b. Develop and recommend to partners draft submissions to decision makers and advocacy plans designed to support the implementation of the Waikato Plan.
c. Formulate, manage and have oversight of the running of any special consultative procedure or any other consultation, including those associated with any changes or amendments to the plan.
d. Undertake early engagement with plan partners, the Waikato Mayoral Forum and other entities in respect of undertaking any changes or amendments to the adopted plan.
e. Report to partner agencies annually on progress with implementing the Waikato Plan annual work programme, and contribution made by the Waikato Plan toward the Waikato wellbeing targets.

**POWER TO ACT:**
1. To oversee the implementation, monitoring and review of the Waikato Plan and Waikato wellbeing targets.
2. To report back to Council and partner agencies on Waikato Plan implementation, and contribution of the Waikato Plan made to the Waikato wellbeing targets.
FOR DECISION
MŌ TE WHAKATAUNGA

TO
Mayor and Councillors

AUTHOR
Steve Fabish
Group Manager - Community Services and Development

FILE REFERENCE
Document: 2769518
Appendix A: CDC Course Description

MEETING DATE
24 June 2020

SUBJECT
Request for Financial Assistance to attend a Company Directors’ Course.

SUMMARY | TE WHAKARĀPOPOPOTANGA

Hauraki District Council is known for its extraordinary response to the needs of its communities and continues to be a leader in developing and implementing solutions for the district as a whole. Good governance and management practises comes with investment in time as well as fiscally. To its credit, Council has set aside a training budget to support elected members to develop and enhance their knowledge of the roles and responsibilities of local government leadership. The budget generally covers the cost for attendance at conferences, symposiums, and sector meetings as well as participation in various leadership and governance programmes.

The Mayor has indicated an intent to further develop his leadership skills; the Company Directors’ Course provides an opportunity to do so.

This course itself will provide a greater understanding of governance from a corporate perspective and seeks to enhance the standard and effectiveness of directors. The Mayor seeks Council support for the course fees.

If approved the funding source would be the Elected Members Training and Conferences budget.

The decision is not considered to be a significant decision.
RECOMMENDATION | TE WHAIKUPU

THAT the report be received, and

THAT Council <approve | not approve> to contribute $10,600 towards the cost of the Mayor attending a Company Directors’ Course, and

THAT Council <approve | not approve> expenditure of $10,600 in the Democracy activity in the 2019/20 year/s, and that the unbudgeted expenditure be funded from the Elected Members Training and Conferences budget, and

THAT Council considers this decision to be insignificant under its Significance and Engagement Policy 2017, and

THAT the level of engagement considered appropriate for this matter, at this point in time, is to inform (i.e. one-way communication disseminating information).

1 PURPOSE | TE ARONGA

This report is to seek Council’s approval to contribute $10,600 (including GST) towards the cost of the Mayor attending a Company Directors’ Course.

2 BACKGROUND | TE KŌRERO Ā MUA

The Institute of Directors in New Zealand (Inc) [- IODNZ] promotes excellence in corporate governance, facilitates directors’ professional development, and seeks to enhance the standard and effectiveness of directors through information and education on their legal, moral, financial and general rights and responsibilities. The IODNZ currently provide a weeklong (Sunday ~ Friday) residential Company Directors’ course where attendees explore the director's roles and responsibilities with other directors. Each day the attendees participate in board simulation exercises, bringing to life case studies that highlight the unpredictable nature of business and the human nature of directorship. The content of the course includes:

- Best practice corporate governance
- Strategy in the boardroom
- Finance and the board’s role
- Directors and the law
- Board dynamics and culture
- Risk governance

As a pre-requisite to the Company Directors’ course attendees are expected to have a sound knowledge and understanding of business finance and there will be a collection of board papers to read before attending the course.

The next course will be held in Auckland on 5-10 July 2020. There are normally two one-week courses held per month at various venues.

The Mayor has expressed a desire to attend this course to further his knowledge and leadership development.
3 THE ISSUES | NGĀ TAKE

The Company Directors’ course is a well recognised and respected course for both private and public entity leadership development.

Details on the course content are included in Appendix A.

4 ENGAGING WITH OUR COMMUNITIES | KIA UIA TE HAPORI WHĀNUI

Staff consider that Council does have enough of an understanding of community views and preferences on this matter. The level of engagement considered appropriate for this matter, at this point in time, is to inform (i.e. one-way communication disseminating information) the community of the Mayor’s desire to further his knowledge and leadership development.

5 OUR OPTIONS | NGĀ KŌWHIRINGA A MĀTOU

Staff have identified the following options for the Council to consider:

- Decline the request, or
- Approve payment of $10,600 towards the Company Directors’ Course

These options and their advantages and disadvantages are outlined below.

5.1 OPTION 1: Decline the request

<table>
<thead>
<tr>
<th>ABOUT THIS OPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>This option would not require Council to provide any funding to the request.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ADVANTAGES</th>
<th>DISADVANTAGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>No expenditure</td>
<td>The Mayor will not receive the opportunity to receive additional leadership development training.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FINANCIAL COSTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole of life costs</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Budget source</td>
</tr>
<tr>
<td>Changes to budgets</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Impact on the Council’s debt</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Potential impact on rates</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>
5.2 OPTION 2: Approve payment of $10,600 towards the Company Directors’ Course

ABOUT THIS OPTION
Council contribute $10,600 towards the cost of the course.

ADVANTAGES
The Mayor will receive additional leadership development training to a high standard.

DISADVANTAGES
An expenditure of $10,600 from the elected members training budget.

FINANCIAL COSTS

| Whole of life costs | Capital costs: Nil |
| Ongoing annual operating: Nil |
| One off operating cost: $10,600 |
| Budget source | Elected Member Training and Conferences Budget [1000.552.324] |
| Changes to budgets | In order to accommodate these costs there will not need to be changes to budgets. The expense is covered by the current Elected Member training and conferences budget |
| Impact on the Council’s debt | There is no impact on the Council’s debt |
| The impact on the Council’s debt is $0 |
| Potential impact on rates | The impact on rates will be Nil |
| There will be no impact on rates because the expense is covered by the current Elected Member training budget |

6 PREFERRED OPTION | TE KŌWHIRINGA MĀTOU

Staff recommend proceeding with option 2 – Approve payment of $10,600 towards the Company Directors’ Course.

6.1 LINKAGES

| STRATEGIC DIRECTION | The preferred option IS consistent with the Council’s strategic direction, including community outcomes. |
| LONG TERM PLAN / ANNUAL PLAN ALIGNMENT | The preferred option IS consistent with the long term plan and/or annual plan programmes and budgets. |
| POLICIES, BYLAWS AND PLANS ALIGNMENT | The preferred option IS consistent with the Council’s other |
6.2 ASSESSING THE RISKS

Staff have identified the following risks associated with the recommended option.

<table>
<thead>
<tr>
<th>Description of risk</th>
<th>Level of risk</th>
<th>How we could soften the risk</th>
<th>Risk remaining</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mayor unable to attend the next date</td>
<td>Moderate</td>
<td>Delay the course uptake until a later date.</td>
<td>Low</td>
</tr>
<tr>
<td>The Mayor will be out of the District for a week</td>
<td>High</td>
<td>The Mayor is still available by phone and Deputy Mayor can step in where required</td>
<td>Low</td>
</tr>
</tbody>
</table>

7 NEXT STEPS | TE ARA KI MUA

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Action</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>25 June</td>
<td>Mayor’s PA to confirm course dates and timeframe with the Mayor</td>
<td>Depending on the Mayoral activity during the month of July, another date for the course is 13-21 August in Taupo.</td>
</tr>
<tr>
<td>25 June</td>
<td>Mayor’s PA to register on the IOD.org.NZ website the Mayor’s attendance.</td>
<td></td>
</tr>
</tbody>
</table>

8 Approval

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>John McIver</th>
</tr>
</thead>
</table>
| Community Engagement Manager

<table>
<thead>
<tr>
<th>Approved by</th>
<th>Steve Fabish</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group Manager – Community Services and Development</td>
<td></td>
</tr>
</tbody>
</table>
APPENDIX A

Company Directors' Course

The Company Directors' Course is essential for developing your director skills and making a step change in your performance at the board table.

Course description

The Company Directors' Course (CDC) is the benchmark for directors and senior leaders reporting to boards. It is also a pre-requisite to becoming a Chartered Member of the Institute of Directors.

In the week-long CDC course you explore the director's roles and responsibilities with other directors. Each day you participate in board simulation exercises, bringing to life case studies that highlight the unpredictable nature of business and the human nature of directorship. You improve your decision-making ability in the boardroom.

The benefits of this course extend beyond governance skill building. Previous attendees have developed strong networks in the governance community. They report personal growth and confidence in their directorships and an acceleration in their careers after taking the course.

See article So you want to be a director? by Cathy Parker for Management Magazine in which she investigates CDC as the key prerequisite for directorship.

Course options

CDC is available as residential and non-residential courses. The content is the same for both courses.

Residential

Accommodation is included as part of the price. You stay on location for the week. The advantage is a full immersion course with the chance to continue discussions and networking with other participants in the evenings and prepare for the following day.

Register for CDC residential
Non-residential

Accommodation is not included as part of the price. You return home each day after the course. This suits participants with family and evening commitments.

Register for CDC non residential

CDC is challenging. We strongly recommend taking the full week off from work or other responsibilities regardless of whether you take the residential or non-residential course options.

Course content

CDC is a simulated board exercise. On a given day, you work with 4-5 other board members addressing a scenario such as company solvency. In the afternoon, you test your assumptions and decisions with the full group and compare to New Zealand case studies on solvency.

Topics covered during the course include:

Best practice corporate governance

• Corporate governance principles, rules, and protocols
• Governance skills

Strategy in the boardroom

• Strategy and strategic thinking
• The board and strategy development
• Monitoring and reviewing implementation
• Refreshing strategy and innovation

Finance and the board’s role

• High-level meaning in financial statements and reports
• Interpreting the reports
• Financial planning
• Making investment appraisals
• Understanding company valuations

Directors and the law

• A director’s legal obligations, liabilities, and mitigating legal risks
• Directors’ and officers’ insurance

Board dynamics and culture

• Role of the board in developing culture, ethics, and values
• Corporate social responsibility
• Board dynamics
• Leadership and CEO succession
• Board and CEO review

Risk governance
• Risk management concepts
• Risk appetite

**Who should attend**

Directors and senior executives with at least one to five years' experience of working on or with boards, and a sound knowledge of business finance.

Completion of the Company Directors' Course is prerequisite to becoming a Chartered Member of the Institute of Directors.

If you are unsure whether you meet the prerequisites for the Company Directors' Course, please call the Governance Development team **+64 4 499 0076**.
FOR DECISION
MŌ TE WHAKATAUNGA

TO Mayor and Councillors

AUTHOR Katie McLaren
Community Engagement Officer

FILE REFERENCE Document: 2775729

PORTFOLIO HOLDER/S Councillor Jo Tilsley
Community Initiatives Portfolio

MEETING DATE 24 June 2020

SUBJECT Request for Social Strategy Fund Allocation – Elephant in the Paddock

SUMMARY | TE WHAKARĀPOPOPOTANGA

Over the past few months the Social Strategy Working Party re-instigated the ‘Elephant in the Paddock’ campaign. This will involve the production of wellbeing brochures, promotion of individual/family stories in the newspaper and the provision of several workshops over the coming months.

The Social Strategy Working Party support a contribution of up to $10,000 to come from the District Social Strategy Fund.

The decision is not considered to be a significant decision.

RECOMMENDATION | TE WHAIKUPU

THAT the report be received.

THAT the Council approves the allocation of up to $10,000 from the District Social Strategy Fund towards payment of projects associated with the ‘Elephant in the Paddock’ social initiative.

THAT the Council considers these decisions to be insignificant under its Significance and Engagement Policy 2017.

1 PURPOSE | TE ARONGA

This report is seeking approval for the allocation of funding from the District Social Strategy Fund to the social initiative titled "Elephant in the Paddock". The Social Strategy Working Party support the above recommendations.

The matter or suggested decision does not involve a new activity, service, programme, project, expenditure or other deliverable.
2  BACKGROUND | TE KŌRERO Ā MUA

Over the past few months the Social Strategy Working Party re-instigated and has been supporting a social initiative called ‘Elephant in the Paddock’. This initiative is tasked with raising awareness of techniques to promote well-being within the rural community and connecting them to the support and resources they need during stressful times.

Over the coming months the Community Engagement Officer along with the Communications Team will be working on the production and distribution of ‘Elephant in the Paddock’ brochures, interviewing individuals/families within the district for newspaper features and working alongside DairyNZ to provide Good Yarn workshops for the rural community in our three main townships.

3  THE ISSUES | NGĀ TAKE

The District Social Strategy Fund currently has $54,695.30 allocated and unspent. Council’s objective for this funding is to support identified social needs within the District. In March of this year, the Social Strategy Working Party identified areas of the Social Strategy action plan requiring specific attention, one being the well-being of the rural community.

During the last three months, reports both verbal and written have been made to Council regarding the progress of the ‘Elephant in the Paddock’ campaign. The issue of supporting the project financially has been raised in previous meetings, and this report is now seeking a resolution to commit to the financial contribution.

The estimated costs associated with this campaign are as below:

- **Design and printing of brochures (3000)** $2,050 incl. GST
- **Advertising costs Hauraki Herald ½ page (3 articles)** $3,000
- **Good Yarn Workshops for Hauraki District (3 events)** $4,500 + travel costs

There are still a number of aspects of the project left to be instigated and it is likely an allocation of up to $10,000 will be required. If the full amount is for whatever reason not spent, it will remain in the District Social Strategy fund for future campaigns/initiatives.

4  ENGAGING WITH OUR COMMUNITIES | KIA UIA TE HAPORI WHĀNUI

Staff consider that the Council does have enough of an understanding of community views and preferences on this matter. The level of engagement considered appropriate for this matter, at this point in time, is to inform (i.e. one-way communication disseminating information).

The Social Strategy Working party along with the Community Engagement Officer have consulted with local social agencies in regards to how the Elephant in the Paddock Campaign can support what is currently being done in this space.
5 OUR OPTIONS | NGĀ KŌWHIRINGA A MĀTOU

Staff have identified the following options for the Council to consider:

- **Option One** – Council does not approve the allocation of up to $10,000 from the District Social Strategy Fund towards payment of projects associated with the ‘Elephant in the Paddock’ social initiative.
- **Option Two** - Council approves the allocation of up to $10,000 from the District Social Strategy Fund towards payment of projects associated with the ‘Elephant in the Paddock’ social initiative.

These options and their advantages and disadvantages are outlined below.

- **OPTION 1:** Council does not approve the allocation of $10,000 from the District Social Strategy Fund towards payment of projects associated with the ‘Elephant in the Paddock’ social initiative.

  **ABOUT THIS OPTION**
  Provision of localised resources to promote well-being within the rural community and connect them to the support and resources they need during stressful time will be hindered should this option be chosen.

  **ADVANTAGES**
  - Council will not have to commit up to $10,000 from any funding source.

  **DISADVANTAGES**
  - Hauraki District Council could be seen as unsupportive towards the wellbeing of the rural community.

  **FINANCIAL COSTS**
  - **Whole of life costs**: Capital costs: Nil. Ongoing annual operating: Nil. One off operating cost: Nil.
  - **Budget source**: Nil budget required for this option.
  - **Changes to budgets**: In order to accommodate these costs there will not need to be changes to budgets.
  - **Impact on the Council’s debt**: There is no impact on the Council’s debt.
  - **Potential impact on rates**: There will be no impact on rates because no funds are required for this option.

5.1 **OPTION 2:** Council approves the allocation of $10,000 from the District Social Strategy Fund towards payment of projects associated with the ‘Elephant in the Paddock’ social initiative.

  **ABOUT THIS OPTION**
  Council could allocate up to $10,000 towards the project costs of the Elephant in the Paddock campaign. The District Social Strategy Fund currently has a balance of $54,695.30 available for allocation.

  **ADVANTAGES**
  - Shows Council support for the wellbeing of the rural community.
  - Supports fulfilment of goals and objectives of the Social Strategy.

  **DISADVANTAGES**
  - Council will have to commit up to $10,000 from the District Social Strategy Fund.

  **FINANCIAL COSTS**
Whole of life costs | One off operating cost: $10,000
---|---
Budget source | District Social Strategy Fund.
Changes to budgets | In order to accommodate these costs there will not need to be changes to budgets. Currently, the District Social Strategy Fund has sufficient funds to support this cost. Please ask the Management Accountant to complete this for you.
Impact on the Council’s debt | There is no impact on the Council’s debt.
Potential impact on rates | There will be no impact on rates because the District Social Strategy Fund has sufficient funds to support this cost.

6 PREFERRED OPTION| TE KŌWHIRINGA MATUA

The Social Strategy Working Party and staff recommend proceeding with Option Two – Council approves the allocation of $10,000 from the District Social Strategy Fund towards payment of projects associated with the ‘Elephant in the Paddock’ social initiative.

6.1 LINKAGES

<table>
<thead>
<tr>
<th>STRATEGIC DIRECTION</th>
<th>The preferred option IS consistent with the Council’s strategic direction, including community outcomes.</th>
</tr>
</thead>
<tbody>
<tr>
<td>LONG TERM PLAN / ANNUAL PLAN ALIGNMENT</td>
<td>The preferred option IS consistent with the long term plan and/or annual plan programmes and budgets.</td>
</tr>
<tr>
<td>POLICIES, BYLAWS AND PLANS ALIGNMENT</td>
<td>The preferred option IS consistent with the Council’s other strategies, policies, bylaws and plans.</td>
</tr>
<tr>
<td>SIGNIFICANCE ASSESSMENT</td>
<td>The decision IS NOT considered significant under the Council’s Significance and Engagement Policy 2017.</td>
</tr>
<tr>
<td>IMPLICATIONS FOR MĀORI</td>
<td>The decision DOES NOT involve a significant decision in relation to land or a body of water.</td>
</tr>
<tr>
<td>District Social Strategy Fund has sufficient funds within the current 2019/20 budget to support this recommendation.</td>
<td>Is consistent with the 2019/20 annual plan and has nil effect on budgets for the 2019/20 year.</td>
</tr>
</tbody>
</table>

7 Approval

| Prepared by | Katie McLaren  
Community Engagement Officer |
| --- | --- |
| Approved by | Steve Fabish  
Group Manager – Community Services and Development |
RECOMMENDATION | TE WHAIKUPU

THAT the report be received, and

1 Summary

This month’s report reflects our activity adapting our services to the changing COVID 19 levels. Rate rebate applications were on the increase. Newspapers were back publishing and the implementation of Te Ao Maori staff training is back on the agenda. There is an update on a number of large Consenting projects. The new Animal and Noise Contract has been awarded. Work on the LTP and Bylaw consultation progresses while the report outlines the timetable for the Annual Report.

2 Customer Services Team

May brought many challenges to the customer services team who continued to adapt well, especially with the many changes to the council’s services and activities during the transition of COVID-19 alert levels. While the service centres remained closed for part of the month, work continued on the customer service knowledge base, checking of cemetery records, answering customer’s queries via phone and email and the processing of rate rebate applications. To date the team has processed 1,234 rate rebates, representing 101% of last year’s total.

The last rates instalment for the 2019/20 rating year hit the post at the beginning of May and generated a large number of rate related phone calls. For the month of May the team received 3,880 calls with 3,325 calls resolved at the first point of contact (result 86%, target of at least 80%). Calls related to rates 25%, refuse 15%, building 14%, planning 6% with the balance of calls spread across all other areas of the Council. A service level of 80% was achieved (target of at least 80% of calls answered within 20 seconds) with 292 calls abandoned (result 7.5%, target less than 6.0%).

The service centres reopened at alert level 2 with most council activities and services returning with some restrictions in place. To meet the government requirement of contact tracing temporary staff were located at each service centre to assist our customers and staff.
3 Development

30 June 2020

<table>
<thead>
<tr>
<th>Consents Issued</th>
<th>2018/19</th>
<th>2019/20</th>
<th>Year to date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Consents</td>
<td>365</td>
<td>343</td>
<td>94%</td>
</tr>
<tr>
<td>Subdivisions</td>
<td>45</td>
<td>52</td>
<td>115%</td>
</tr>
<tr>
<td>Land Use</td>
<td>85</td>
<td>60</td>
<td>71%</td>
</tr>
<tr>
<td>Designations</td>
<td>-</td>
<td>-</td>
<td>-%</td>
</tr>
<tr>
<td>Objections</td>
<td>3</td>
<td>1</td>
<td>33%</td>
</tr>
<tr>
<td>Certificates of Compliance</td>
<td>1</td>
<td>-</td>
<td>-%</td>
</tr>
<tr>
<td>Variations</td>
<td>19</td>
<td>22</td>
<td>116%</td>
</tr>
<tr>
<td>Outline Plans</td>
<td>4</td>
<td>2</td>
<td>50%</td>
</tr>
<tr>
<td>Right of Ways</td>
<td>-</td>
<td>2</td>
<td>-%</td>
</tr>
<tr>
<td>Extension of Time</td>
<td>-</td>
<td>-</td>
<td>-%</td>
</tr>
<tr>
<td>Permitted Boundary Activity Certificates</td>
<td>30</td>
<td>20</td>
<td>66%</td>
</tr>
<tr>
<td></td>
<td><strong>187</strong></td>
<td><strong>159</strong></td>
<td><strong>85%</strong></td>
</tr>
</tbody>
</table>

LIMs                                    | 418     | 355     | 85%         |

With the impact of Covid 19 we are now seeing a decrease in the number of Building Consent applications for the end of this financial year compared to this time last year.

4 Communications

The Comms team is back working in the office on a rostered basis at Level 1. Working from home during lockdown provided some benefits to the team in terms of productivity and being able to focus on strategic projects, and there is some value in allowing staff to continue to work from home one or two days per week on a rostered basis. Focus areas last month included updating the website and other channels with level 1 changes as well as producing a large number of HDC news pages due to the return of community newspapers. The senior communications advisor has also been compiling a report on Covid-19 learnings and how these might be applied to future communications.

Focus areas this month include supporting the strategic planning team with consultation on upcoming policy and bylaw reviews, as well as planning for the upcoming Long Term Plan engagement consultation. The team is also working with relevant staff to develop and implement communications plans for the Drought Relief Fund, Elephant in the Paddock campaign, building consent changes (1 Aug), and waste minimisation education.

5 Iwi Liaison

Traditionally the month of May for Māori is viewed as the last month of the Māori year. Very soon, Matariki will be upon us, which signals the dawning of a new year. Traditionally all crops would now have been stored away and the tasks of man should now be complete in readiness for the winter that is now upon us.

With the various levels of Covid 19 occurring. The month of May allowed for more in depth planning and development of key projects going forward over the next financial year.
Some of these projects being:

- A more in-depth approach to Staff and Council training and understanding of Te Ao Māori. The initial development of 12 key module based learning that allows for better tracking and monitoring of how staff integrate these changes in their everyday work.
- Planning and initial implementation of better systems that allow for greater cohesion in working with Māori. Web based practices, engagement processes etc.
- Exploring the option of developing a Web portal for easier Iwi integration with Council. A more streamlined approach to developing better engagement tools with Hauraki Iwi. The aim is to create a better tool of engagement that allows Iwi better access to information.
- Developing more cohesive reporting that better monitors change in Council understanding of Te Ao Māori. E.g., where we have come from and what changes have been made. Process that monitors the change towards better key involvement with Māori. Triannual reporting tools on progress updates. Six monthly reporting tools on Iwi and Council engagement. Yearly review tools of progress being made within Council.
- Developing key workplace documents that influence the thinking of Staff in regards to the inclusion of a Māori framework of thinking. Monitoring this inclusion and tracking the increase or decrease of change within all areas of Council.
- Exploration of the possibilities of a partnership arrangement to developing Māori owned land for community growth.
- Initial stages of developing a Te reo Māori strategy for Council and implementing tools that track the increase of Te reo Māori and a Māori world view within all areas of Council.

6 Planning Implementation

6.1 Processing

For the month of May two non-notified variations to existing subdivision consents, three non-notified combined subdivision and land-use consents, three non-notified subdivision consents, two non-notified land-use consents and two permitted boundary activity applications were lodged.

To date over that period all applications were processed within the statutory timeframe of 20 working days.

6.1.2 District Plan Changes

The final draft of proposed Plan Change 4 – Miscellaneous Plan Change will be considered by the District Plan Committee at its meeting on 24 June. After this, before being able to publicly notify the Proposed Plan Change, we have to provide a copy of it to the Iwi and give them sufficient time to consider and provide advice to Council in relation to the proposals. (Clause 4A of First Schedule to the Resource Management Act). Council then has to have particular regard to any advice received. This may result in the need for amendments to be made before proceeding further. In addition a number of other parties will also need to be consulted on specific items in the proposal. It is intended, depending on the level, and nature, of feedback received, that the finalized Proposed Plan Change will be placed before the Council in August for the formal resolution to proceed with public notification.
6.1.3 *Hauraki Gulf Marine Park Seachange*

Government Response Strategy to the Sea Change Hauraki Gulf Marine Spatial Plan was recently brought to our attention. Under the auspices of Waikato Regional Council, Auckland Council, DOC and the Ministry for Primary Industries, a 14 member stakeholder working party developed the Sea Change Hauraki Gulf Marine Spatial Plan. It is a non-statutory document and was released in 2016. It contains a set of proposals to improve the environmental health and mauri of the Hauraki Gulf Marine Park, which is New Zealand’s only marine park.


The Government has decided that it needs to become involved – to ensure that Sea Change is implemented – given its non-statutory nature. It intends to establish an ongoing program of work – for the immediate and longer term, and a regular monitoring and review program to assess progress.

The Government is preparing a "Government Response Strategy" to provide for conservation, restoration and sustainable use of marine resources and align with the following outcomes:

- Strengthened kaitiakitanga/guardianship
- Enhancement and restoration of healthy functioning ecosystems and habitats
- Protection and restoration of species diversity and abundance
- A thriving Hauraki Gulf Marine Park fishery
- Localised abundance.

Eight work streams have been established. Consultation was undertaken, which Council staff took part in – providing verbal comments during a workshop led by DOC, Ministry for Primary Industries and Fisheries New Zealand staff.

The direct area of the Marine Park is largely outside of the District, i.e. below mean high water springs. However, as a significant part of the catchment of the Marine Park (almost the entire District), there are land based activities which impact, or can impact, the Marine Park. The Council therefore needs to remain aware of progress with this, and potentially become more involved as more detailed directions etc. emerge.

6.1.4 *Tirohia Landfill*

Resource consent applications (to both WRC and HDC) to build a new landfill cell within the boundaries of the area of land already owned by Waste Management at Tirohia, are likely to be lodged with both Council’s within the next month. The applicant will not utilise the fast track process.

6.1.5 *Smythes Quarries Ltd.*

Council has been advised by Smythes Quarries Limited that they have been working on resource consent applications for a new stage for the expansion of Smythes Quarry. The majority of the expansion will be within the Hauraki District but a minor s127 modification to the Waikato District Council consent will be required. A suite of new regional consents will also be required (as the current consents are due to expire in two years). Landscape, visual, ecological, engineering, acoustic, archaeological, geotechnical and ground/surface water reports are currently being prepared. Iwi consultation is on-going. The application is yet to be received.
6.1.6 Kaimai Wind Farm

A meeting was held at Council with the applicant’s representative on 9 June 2020. The applicant has advised that the likely date of the completion of the Cultural Values Assessment (CVA) has been extended to early August (originally anticipated for the end of June) due to the restraints placed on the process by Covid-19. This will have implications in terms of reporting (by the planner and other technical experts) and is likely to result in a delay in the Hearing process. More will be known following the receipt of the finalised CVA.

6.1.7 Twin Stream Investments Ltd Subdivision

Madsen-Lawrie Surveyors, on behalf Twin Stream Investments Ltd (the Applicant), have applied to subdivide land in Whakatiwai, which is zoned ‘Village Growth Area A, B and C as shown on Planning Map 52 of the Franklin Section of the Hauraki District Plan.

The subdivision is proposed to create 31 lots, and be undertaken in three (3) stages. Lot sizes generally range from 2,500m² to around 5,000m² with some larger balance areas. The site will be accessed from East Coast Road.

A copy of the proposed scheme plan is attached below. An assessment of the application in terms of the requirements of Section 88 of the RMA has commenced.

Figure 1: Proposed Scheme Plan Twin Stream Investments Limited subdivision.

7 Regulatory Services

7.1 Building Team

Last month Council granted 45 Building Consent applications with 10 new dwellings and all except one were processed within the statutory timeframe. The application that went over time was by two days.
7.2  Food Control

Our Environmental Health food control team have been busy this month, catching up with verifications that were due in the Covid level 4/3/2 period. Level 2 continued with Remote verifications, but as we have now moved into level one, onsite verifications can now be undertaken.

8  Dog and Noise Control

During the Level 3 Lockdown, the focus was on responding to complaints. Once in Level 2 Street Patrols were able to be re-started. Only a few Noise complaints were received, but they increased in Level 2. On 22 May the annual dog registration process was underway, and dog registration re-newals were in the mail at the end of May. The Animal Control team is now busy with returned mail (registrations) and following up with dog owners on changes.

8.1.2 Animal and Noise Control Contract

HDC Contract 484 Animal and Noise Control was advertised on the GETS website and was open to all suppliers to submit a proposal. The tender was advertised on 23rd March 2020 and closed on 17th April 2020. Four tenders were received. The contract is for a period of three years from 1 July 2020 to 30 June 2023.

The evaluation model that was used was Price Quality Method (PQM) with a non-price attribute weighting of 30% and price weighting of 70%. The tender followed a two envelope system where non-price and price submissions were submitted separately from each tenderer. The non-price submissions for each tenderer were reviewed against the non-price attributes and each tenderer was given a score between 0-100 by the Tender Evaluation Team.

The Estimate for this contract was $800,000 (3 years). This is based on the current annual price for the works of $265,337.19.

The four tenders for the three years ranged from $746,000 to $925,000. The contract was awarded under delegated authority by our Chief Executive. The successful tenderer was Hauraki Animal Control Services.

9  Strategic Planning

2021 Long Term Planning

Staff are currently preparing budgets, project sheets, and business cases in preparation for a two-day workshop with Elected Members 18th and 19th August to review the budgets in detail.

An assurance check of two Asset Management Plans is being carried out this month by Audit New Zealand. The purpose of this is to provide direction as to if our Asset Management Plans are on track to meet audit expectations. It is intended any findings will be applied to other plans so that efficiencies can be gained in the LTP audit process.

Staff have kick-started the initial thinking on engagement for the consultation document for early 2021, which will be discussed with the Council in October.

Development Contributions Policy 2020

The hearing of feedback and deliberations meeting for the draft Development Contributions Policy was held on 10 June 2020. At this meeting, the Council adopted the Policy, which comes into effect on 1 July 2020.

Promotional items
Following the community outcomes engagement process, it was identified we needed some Council branded promotional items for events. Strategic Planning has worked with the Community Services team to determine a selection of items to help raise the profile of Council at events and to increase visibility at some Council facilities including the pools and libraries. The items to be purchased include flags, gazebos, banners, and umbrellas for a promotional kits that may be used by all staff, as well some items specifically for Council pools, libraries, community growth and civil defence.

**Policy and Bylaw consultations**
The policies and bylaws, which were put on hold during lockdown, are being initiated again. These consultations are being proposed to run together from 17 July to 17 August 2020. The reports for each policy/bylaw with statement of proposal will go to the 15 July 2020 Council meeting. The following are included in the package of policies and bylaws for consultation:
- Freedom Camping Bylaw
- Dangerous and Insanitary Buildings Policy
- Gambling Policy
- Significance and Engagement Policy
- Amendment to the Nuisance Bylaw to include rules for vehicle crossings

The priority route consultation, which is part of the implementation of the national earthquake-prone buildings system, has been placed on hold. This will likely take place later next year prior to the deadline for identifying potential earthquake-prone buildings.

**Carbon Footprint Inventory**
The Council signed on to a Regional Carbon Footprint Inventory. The Inventory was recently presented to the Mayoral Forum and will be presented to the Council in the near future.

**Remits to LGNZ AGM**
Further to the two remits presented to Council at the mid-June Council, through Mayor Adams, has supported a remit proposed by Hamilton City Council on LGNZ considering the Local Government election term be four years rather than three. Remit applications were required to be submitted to LGNZ prior to the close of this agenda.

**2019/20 Annual Report**
Staff have commenced their planning of the 2019/20 annual report project. Every year the Council must prepare an annual report, as required by legislation, to compare the actual performance of the Council to the annual plan or long term plan for the relevant financial year. The annual report must be adopted within four months following the end of the financial year; that is, by 31 October 2020. We must also prepare a summary of the annual report.

The key milestones (as relevant to Council) for this annual report are as follows:

<table>
<thead>
<tr>
<th>Key Milestone</th>
<th>Start</th>
<th>Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preparation of activity statements, incl. NFPTs</td>
<td>1 July</td>
<td>25 August</td>
</tr>
<tr>
<td>ELT consider draft annual report incl. draft financials</td>
<td>11 September</td>
<td>15 September</td>
</tr>
<tr>
<td>Council consider fourth quarter and end of year NFPTs</td>
<td>-</td>
<td>16 September</td>
</tr>
<tr>
<td>Draft annual report available for Audit NZ</td>
<td>-</td>
<td>17 September</td>
</tr>
<tr>
<td>Audit NZ on site</td>
<td>21 September</td>
<td>9 October</td>
</tr>
<tr>
<td>Audit and Risk Committee review of draft annual report</td>
<td>-</td>
<td>13 October</td>
</tr>
<tr>
<td>Council adoption of annual report and summary</td>
<td>-</td>
<td>28 October</td>
</tr>
</tbody>
</table>

**Separate items on the agenda**
Attached as separate items on the agenda for consideration are:
10 Mining Matters

Mining Activity in Waihi

Current mining activity in Waihi is predominantly focussed upon ‘development’ of the Martha Underground mine, including development towards the Rex vein (land under the rugby grounds and to the east of Mueller Street). Development of the Martha Underground Mine is anticipated to be ongoing for most of the year, with ‘production’ scheduled to begin in the fourth quarter.

Whilst the majority of larger scale mining activity in the Correnso mine has now finished, there is some ‘narrow vein’ mining still taking place. Narrow vein mining uses the same mining method (i.e. stope voids backfilled for further stoping to proceed – i.e. ‘bottom up’) but involves smaller tunnels, stopes and machinery. As the narrow vein mining is taking place at the top of the ore body, residents in the immediate vicinity may experience blast vibration.

Monitoring Ongoing
Whilst mining activity in Waihi is currently mainly in the development phase, there are various monitoring and reporting requirements in place (via resource consent conditions) that continue to require a range of information be collected and submitted to the Council for review and approval. For example, monitoring and reporting continues in relation to mine development, blasting and vibration, noise, dewatering and settlement (land stability), filled/unfilled stopes, complaints, heritage protection and social impact assessment. The reviewed and approved reports are available from the Council website at: https://www.hauraki-dc.govt.nz/our-district/mining/monitoring

Peter Thom
Group Manager: Planning and Environmental Services
Appendix A: Monitoring Report

Publication of the Annual Report.
The last Annual Report for 2018/19 was adopted on 30 October 2019.

Special Consultative Procedure
That all issues subject to a special consultative procedure meet the requirements of the Local Government Act, 2002.

This has been undertaken as required with all Council Plans; Policies and Bylaws. At the time of writing, the joint sub-regional review of the Waste Minimisation and Management Plan is currently being consulted on in the form of the special consultative procedure.

Resource Consents & LIMs

Progress towards success

30 May 2020
Notified Consents to the end of May 2020

<table>
<thead>
<tr>
<th></th>
<th>In</th>
<th>Out of time</th>
<th>(Limited Notified)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All notified resource consents applications are decided and issued within statutory timeframes.</td>
<td>2</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>99% of all notified resource consent applications are decided and issued within 70 working days.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 July 2019 – 30 May 2020

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>In time</th>
<th>99% Out of time</th>
<th>1 1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subdivision</td>
<td>52</td>
<td>52</td>
<td>100% 0</td>
<td>0</td>
</tr>
<tr>
<td>Landuse</td>
<td>60</td>
<td>59</td>
<td>98% 1</td>
<td>2</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Misc/Desig</td>
<td>24</td>
<td>24</td>
<td>100% 0</td>
<td>0</td>
</tr>
<tr>
<td>Variations</td>
<td>22</td>
<td>22</td>
<td>100% 0</td>
<td>0</td>
</tr>
<tr>
<td>Objections</td>
<td>1</td>
<td>1</td>
<td>100% 0</td>
<td>0</td>
</tr>
<tr>
<td>Ext. of time</td>
<td>-</td>
<td>-</td>
<td>100% 0</td>
<td>0</td>
</tr>
</tbody>
</table>
100% of all building consents are issued within statutory timeframes - 20 working days.

<table>
<thead>
<tr>
<th>Issue building consents within statutory timeframes.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>No. of Consents</th>
<th>May 19</th>
<th>YTD 2018/19</th>
<th>May-20</th>
<th>YTD 2019/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>% in time</td>
<td>98%</td>
<td>91%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>New Houses</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Paeroa</td>
<td>26</td>
<td>19</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waihi</td>
<td>52</td>
<td>58</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plains</td>
<td>36</td>
<td>24</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>114</td>
<td>101</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Number of BC Processed

![Graph showing the number of BCs processed from July to June with data for 2018/19 and 2019/20.]

### 2019/20 Average Processing Time of BC’s

![Bar chart showing the average processing time of BCs from January to September with data for 2018/19 and 2019/20.]

---

May 19: 47
YTD 2018/19: 365
May-20: 45
YTD 2019/20: 343

% in time: 98% - 91%

No. of Consents

New Houses

<table>
<thead>
<tr>
<th>Location</th>
<th>2018/19</th>
<th>2019/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paeroa</td>
<td>26</td>
<td>19</td>
</tr>
<tr>
<td>Waihi</td>
<td>52</td>
<td>58</td>
</tr>
<tr>
<td>Plains</td>
<td>36</td>
<td>24</td>
</tr>
<tr>
<td>TOTAL</td>
<td>114</td>
<td>101</td>
</tr>
</tbody>
</table>

---

Whaarangi 10 | 11
All LIMs are issued within statutory timeframes

All LIMs are issued within 10 working days

<table>
<thead>
<tr>
<th>No. of LIMs</th>
<th>May-19</th>
<th>YTD 2018/19</th>
<th>Mau-20</th>
<th>YTD 2019/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>% in time</td>
<td>100%</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**LIMs by Ward**

<table>
<thead>
<tr>
<th>Ward</th>
<th># LIMS</th>
<th>% in time</th>
<th>Avg Processing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paeroa</td>
<td>109</td>
<td>100%</td>
<td>6.00</td>
</tr>
<tr>
<td>Waihi</td>
<td>180</td>
<td>100%</td>
<td>6.30</td>
</tr>
<tr>
<td>Plains</td>
<td>129</td>
<td>100%</td>
<td>5.80</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Month</th>
<th># LIMS 2018/19</th>
<th>% in time 2018/19</th>
<th>Avg Processing 2018/19</th>
<th># LIMS 2019/20</th>
<th>% in time 2019/20</th>
<th>% Overtime</th>
<th>Avg Processing 2019/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>49</td>
<td>100%</td>
<td>6.50</td>
<td>34</td>
<td>100%</td>
<td>0%</td>
<td>5.9</td>
</tr>
<tr>
<td>August</td>
<td>49</td>
<td>100%</td>
<td>6.00</td>
<td>31</td>
<td>100%</td>
<td>0%</td>
<td>6.5</td>
</tr>
<tr>
<td>September</td>
<td>32</td>
<td>100%</td>
<td>6.10</td>
<td>24</td>
<td>100%</td>
<td>0%</td>
<td>5.8</td>
</tr>
<tr>
<td>October</td>
<td>45</td>
<td>100%</td>
<td>6.04</td>
<td>34</td>
<td>97.1%</td>
<td>2.9%</td>
<td>6.5</td>
</tr>
<tr>
<td>November</td>
<td>44</td>
<td>100%</td>
<td>5.30</td>
<td>57</td>
<td>100%</td>
<td>0%</td>
<td>6.3</td>
</tr>
<tr>
<td>December</td>
<td>28</td>
<td>100%</td>
<td>4.3</td>
<td>43</td>
<td>100%</td>
<td>0%</td>
<td>4.1</td>
</tr>
<tr>
<td>January</td>
<td>25</td>
<td>100%</td>
<td>4.7</td>
<td>32</td>
<td>100%</td>
<td>0%</td>
<td>4.4</td>
</tr>
<tr>
<td>February</td>
<td>34</td>
<td>100%</td>
<td>5.8</td>
<td>38</td>
<td>100%</td>
<td>0%</td>
<td>5.3</td>
</tr>
<tr>
<td>March</td>
<td>45</td>
<td>100%</td>
<td>6.5</td>
<td>32</td>
<td>100%</td>
<td>0%</td>
<td>7.4</td>
</tr>
<tr>
<td>April</td>
<td>32</td>
<td>100%</td>
<td>5.4</td>
<td>11</td>
<td>100%</td>
<td>0%</td>
<td>7.2</td>
</tr>
<tr>
<td>May</td>
<td>35</td>
<td>100%</td>
<td>6.3</td>
<td>19</td>
<td>100%</td>
<td>0%</td>
<td>4.7</td>
</tr>
<tr>
<td>June</td>
<td>32</td>
<td>100%</td>
<td>6.3</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>450</td>
<td>100%</td>
<td>5.76</td>
<td>355</td>
<td>99%</td>
<td>1%</td>
<td>5.8</td>
</tr>
</tbody>
</table>

**LIMS Processed**

![Graph of LIMS Processed](data:image/png;base64,iVBORw0KGgoAAAANSUhEUgAA...)

**Month**

- 2018/19
- 2019/20
FOR DECISION
MŌ TE WHAKATAUNGA

TO Mayor and Councillors

AUTHOR Peter Thom
Group Manager Planning and Environmental Services

FILE REFERENCE Document: 2769990

PORTFOLIO HOLDER/S Councillor Paul Milner

MEETING DATE 24th June 2020

SUBJECT Health and Liquor Licensing Fees reduction consideration as a result of Covid 19

SUMMARY | TE WHAKARĀPOPOPOTANGA

This is a report for Council to consider if they wish to waive any licensing fees for Food and Liquor Licence premises as a result of those premises having to remain closed due to Covid 19 during various Levels.

The decision is not considered to be a significant decision.

RECOMMENDATION | TE WHAIKUPU

THAT the report be received.

THAT Council does not charge all its Food Control Plans and National Programmes the annual $100 registration fee for the 2020/2021 financial year.

PURPOSE | TE ARONGA

This report provides the licensing fee information for Council to consider whether or not it wishes to waive any licensing fees as a result of those premises being closed for a period due to the impact of Covid 19.
1 BACKGROUND | TE KŌRERO Ā MUA

Covid 19 level 4 lockdown and other levels created a loss of income for most food and liquor licensed premises for at least two months where premises were closed for business. In the meantime these premises which are now operating are still required to pay their annual licensing fees to Council in order to operate.

Council has asked for us to consider Council’s budget loss of income if Food/Liquor/Hairdresser Licences were not charged for a period to assist those premises.

The hospitality industry has been hit hard as a result of Covid 19 restrictions so some Councils have assisted them by as an example; Wellington City Council have allowed 25% off fees, Auckland have deferred payments for a couple of months.

This Council has already provided a deferred payment plan for rates and a payment plan for ratepayers to assist them with their rate payments. This Council has also given one year full remission of leases and licence to occupy for Sports Clubs on Council owned land.

For our food premises Ministry for Primary Industry (MPI), have given direction that no onsite verifications are to be undertaken at level 4 or 3. During these levels food business cannot operate at normal levels, i.e. they were not open to the public. Some did operate outside of their normal scope in that they chose to provide takeaway meals, delivery meals, or in some form of contactless food service, or provide frozen takeaway/delivery meals.

2 THE ISSUES | NGĀ TAKE

Council needs to decide what approach to take in relation to Registration Fees/ Verification Fees and Licensing Fees for our food premises and liquor licenced premises.

At present we have the following number of premises:

- Food Control Plans (food premises) 119
- National Programme’s (food premises) 31
- Hairdressers 16

All of our On and Club Liquor Licences also have food licences fees.

Food Premises Fees:

Food Control plans pay an annual registration fee of $100 and then pay a verification fee either annually or every 18 months which ranges from $300 to $580. The premises with good food safety practices will pay the lower verification fee than a premises operating with poor food safety practices.

National Programmes will incur a $100 annual registration fee and again a verification fee of $300 to $500 once or every two or three years depending on their national programme category.

Hairdresser Fees

Hairdressers pay an annual licensing flat fee of $140 annual fee.
Liquor Licence Premises

Liquor Licensing fees are set by Government through legislation and it is quite complex so I have provided some examples below which covers most of our premises:

<table>
<thead>
<tr>
<th>Liquor Licensed Premises</th>
<th>Fees</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Licence</td>
<td>Annual</td>
<td>Total 3 Years</td>
</tr>
<tr>
<td>Bowling Club (Class 1)</td>
<td>368.00</td>
<td>161.00</td>
<td>690.00</td>
</tr>
<tr>
<td>Restaurant (Class 3)</td>
<td>609.50</td>
<td>391.00</td>
<td>1391.50</td>
</tr>
<tr>
<td>Wholesaler Bottle Store</td>
<td>816.50</td>
<td>632.50</td>
<td>2081.50</td>
</tr>
<tr>
<td>Hotel On Licence</td>
<td>816.50</td>
<td>632.50</td>
<td>2081.50</td>
</tr>
</tbody>
</table>

Apart from the Off Licences (Wholesaler) the other premises will also have a food licence fee.

In our District we have the following number of liquor licensed premises:

- 17 Off Licences,
- 25 On licences and some of those like Hotels will also have Off Licences.
- 20 Club Liquor licences

Budget Implications

Food and Health premises fees generates around $62,000 each year and that activity cost Council around $344,000 a year.

Liquor Licensing generates around $46,000 each year and that activity cost Council around $117,000 a year.

If Council did not charge the annual registration fee of $100 for one year for our licensed Food premises then that would cost Council $15,000 less income for the year.

3 CONCLUSION

The hospitality industry suffered a loss of income as a result of Covid 19 restrictions. This Council already provides a deferred payment plan for rates and a payment plan for ratepayers to assist them with their rate payments. Council has also given one year full remission of leases and licence to occupy for Sports Clubs on Council owned land.

If Council wishes to consider a reduction in Health Licensing fees the most consistent approach across all food premises that also affect liquor licensed premises would be to waiver one year of the annual registration fee of $100 for one year. This would cost Council $15,000 less income for the year.

4 RECOMMENDATION

That Council does not charge the annual registration fee of $100 for one year for our licensed Food premises as a further recognition by this Council of the loss of income impact of Covid 19 on our hospitality industry.

Prepared by Peter Thom
Group Manager Planning and Environmental Services
FOR DECISION
MŌ TE WHAKATAUNGA

TO Mayor and councillors

AUTHOR Sarah Holmes
Strategic Planner

FILE REFERENCE Document: 2774106
Appendix A: Current Community Outcomes (2018-28)
Appendix B: Proposed Community Outcomes for 2021-31

PORTFOLIO HOLDER/S Mayor

MEETING DATE 24 June 2020

SUBJECT Proposed Community Outcomes for inclusion in the 2021-31 long term plan

RECOMMENDATION | TE WHAIKUPU

THAT the report be received.

THAT the Council:
   a) approves [as amended] the proposed Community Outcomes shown in Appendix B.
      OR
   b) retains its existing Community Outcomes, contained in the 2018-28 Long Term Plan and shown in Appendix A.

THAT the Council considers these decisions to be insignificant under its Significance and Engagement Policy 2017.

THAT the Council’s Community Outcomes (strategic direction) be communicated through the long term planning process.

1 PURPOSE | TE ARONGA

The purpose of this report is to provide the Council with some draft Community Outcomes for adoption, following discussion at its long term planning (LTP) workshop of 3 June 2020.

2 BACKGROUND | TE KŌRERO Ā MUA

In 2019 the purpose of local government in the Local Government Act 2002 changed – there is now a focus on communities’ wellbeing, now and in the future. The Council agreed in January 2020 that this was a good opportunity to review its Community Outcomes. The Community Outcomes legislative definition is “the outcomes that a local authority aims to achieve in order to promote the social, economic, environmental, and cultural well-being of its district in the
present and for the future”. Community Outcomes help us see how we’d like our future district to look, and it is intended that the Council has some degree of influence over them, and it works towards them. We legislatively have to link our activities and decision-making to our Community Outcomes, and include them in our long term plan document. We also need to show in our annual plans and reports which Community Outcomes our activities contribute to.

To determine our communities’ priorities, community engagement was undertaken in February and March 2020. Over 500 pieces of feedback were analysed and themed into 26 key aspirational statements. The feedback received during that engagement will be considered by staff when making plans for the next ten years.

At its long term planning workshop of 3 June 2020, the Council considered and discussed its own priorities alongside the community’s top priorities, and proposed some changes to the Council’s existing Community Outcomes. Staff were asked to report back to the Council with some proposed Community Outcomes for adoption.

3 THE ISSUES | NGĀ TAKE

The Council must adopt Community Outcomes for inclusion in the 2021-31 long term plan (LTP). The Council may choose to adopt the proposed Community Outcomes that have been developed as a result of community engagement and council discussions, or retain the existing Community Outcomes.

Community Outcomes are a key part of the Council’s strategic direction, and guide the Council’s decision making. As noted, they must be included in our long term plans, annual plans, and annual reports with links to our activities.

4 OUR OPTIONS | NGĀ KŌWHIRINGA A MĀTOU

Staff have identified the following options for the Council to consider regarding its Community Outcomes:

- Retaining the status quo (do not make changes to our existing Community Outcomes)
- Amend and/or adopt a combination of community and Council priorities (adopt new Community Outcomes)

These options and their advantages and disadvantages are outlined below.

4.1 OPTION 1: Retain existing Community Outcomes with no changes

This option would involve no changes to the Council’s existing Community Outcomes shown in Appendix A, however the Council has already provided direction that it would like to review and change these Community Outcomes, and undertaken an engagement process to elicit this. An advantage of retaining the existing Community Outcomes would be a saving in staff time to amend material in the future, however this is minimal. Disadvantages would be that the Community Outcomes do not necessarily reflect the current community and Council priorities and aspirations, and the community may feel unheard following the engagement process that was carried out.

There would be no budget implications to retaining existing Community Outcomes.

4.2 OPTION 2: Adopt/amend new Community Outcomes

This option consists of combining the community’s top priorities with the Council’s own priorities for enhancing community wellbeing. Following the community engagement undertaken in February and March 2020, the Council considered at subsequent workshops that at a high level its priorities are in:

- Healthy environments
- Vibrant and safe spaces
- Partnerships and connected people
- A strong economy

The result of the engagement on community priorities has shown the following statements are most important to those who participated in the process:
- Local business is supported – we can get what we need locally
- There is opportunity for paid work and employment
- Our towns are designed well and we’re proud to say we live here
- Parks, reserves and playgrounds are fun for children and adults
- Youth are engaged in their communities and have something to do
- Roads and bridges are safe and well-maintained
- We use water carefully and have a reliable drinking water supply
- Our public spaces are clean and tidy
- Ecosystems are protected, restored and respected
- We’re responsible consumers, producers, and we minimise waste

All of these priorities align with the Council’s high level priorities and fit within the four ‘pillars’ listed above. An approach incorporating both the community and Council’s priorities is provided in Appendix B.

The financial costs of Option 2 would be negligible, and fits within existing budgets.

5 PREFERRED OPTION | TE KŌWHIRINGA MATUA

Based on discussions at the Council long term planning workshop of 3 June 2020, a combined approach is the preferred option. This pairs the Council’s priorities for the community with the community’s priorities for wellbeing, now and in the future. A proposed set of Community Outcomes is included as Appendix B. If this option is chosen, the Council may like to adopt the Community Outcomes as per Appendix B, or make some changes.

Staff recommend proceeding with option 2 – adopt/amend new Community Outcomes (Appendix B).

5.1 LINKAGES

<table>
<thead>
<tr>
<th>STRATEGIC DIRECTION</th>
<th>The preferred option IS consistent with the Council’s strategic direction, including Community Outcomes.</th>
<th>The preferred option would involve changing the Council’s strategic direction, however it is considered a change to focus, with no major change to strategic direction.</th>
</tr>
</thead>
<tbody>
<tr>
<td>LONG TERM PLAN / ANNUAL PLAN ALIGNMENT</td>
<td>The preferred option IS consistent with the long term plan and/or annual plan programmes and budgets.</td>
<td>If new Community Outcomes are adopted, they will be included in the Council’s 2021-31 long term plan.</td>
</tr>
<tr>
<td>POLICIES, BYLAWS AND PLANS ALIGNMENT</td>
<td>The preferred option IS consistent with the Council’s other strategies, policies, bylaws and plans.</td>
<td></td>
</tr>
<tr>
<td>SIGNIFICANCE ASSESSMENT</td>
<td>The decision IS NOT considered significant under the Council’s Significance and Engagement Policy 2017.</td>
<td></td>
</tr>
<tr>
<td>IMPLICATIONS FOR MĀORI</td>
<td>The decision DOES NOT involve a significant decision in relation to land or a body of water.</td>
<td></td>
</tr>
</tbody>
</table>
6 ENGAGING WITH OUR COMMUNITIES | KIA UIA TE HAPORI WHÄNUI

Staff consider that the Council does have enough of an understanding of community views and preferences on this matter. The level of engagement considered appropriate for this matter, at this point in time, is to inform (i.e. one-way communication disseminating information).

It is proposed that the adopted Community Outcomes are communicated to the public with the Council’s plans for 2021-31, showing communities how the Council intends to work towards these priorities.

7 NEXT STEPS | TE ARA KI MUA

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>24 June 2020</td>
<td>Adopt Community Outcomes</td>
</tr>
<tr>
<td>July-October</td>
<td>Community Outcomes are integrated into LTP planning process</td>
</tr>
<tr>
<td>October 2020- January 2021</td>
<td>Community Outcomes are incorporated into LTP consultation material to the community</td>
</tr>
<tr>
<td>February/March 2021</td>
<td>The actions of the Community Outcomes are consulted with the community</td>
</tr>
</tbody>
</table>

8 Approval

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Sarah Holmes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strategic Planner</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Approved by</th>
<th>Jolene Nelson</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strategic Planning Manager</td>
</tr>
</tbody>
</table>
## APPENDIX A: Current Community Outcomes (2018-28 LTP)

<table>
<thead>
<tr>
<th>Prepared Hauraki</th>
<th>We provide a range of services and facilities to meet our district’s needs and expectations for a safe environment.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• We provide ongoing safe, well-managed and maintained core infrastructure.</td>
</tr>
<tr>
<td></td>
<td>• Our waste is collected, reduced, reused and recycled responsibly.</td>
</tr>
<tr>
<td></td>
<td>• We are organised and prepared to deal with natural hazards.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Progress Hauraki</th>
<th>We are a proactive council that provides leadership and communicates effectively with all sectors of our district.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• We advocate for the benefit of our district.</td>
</tr>
<tr>
<td></td>
<td>• We keep our district well-informed and ensure information is available.</td>
</tr>
<tr>
<td></td>
<td>• We consider our district’s views when making decisions.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Kotahitanga Hauraki</th>
<th>We take a collaborative approach with both Mana Whenua and Tangata Whenua in our district.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• We advocate for forums which ensure involvement and consultation in decision-making processes.</td>
</tr>
<tr>
<td></td>
<td>• We ensure appropriate regard is made to taonga and culturally significant matters.</td>
</tr>
<tr>
<td></td>
<td>• We encourage the development of partnerships for the delivery of services and programmes.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Interactive Hauraki</th>
<th>We have a positive climate that encourages balanced and sustained economic growth throughout our district</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Our infrastructural services and facilities are planned and developed to meet future demand.</td>
</tr>
<tr>
<td></td>
<td>• We actively encourage new economic development opportunities while continuing to support existing ventures and service providers.</td>
</tr>
<tr>
<td></td>
<td>• We encourage further development of tourism opportunities and facilities focusing on our heritage and eco-tourism.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Lifestyle Hauraki</th>
<th>We provide an environment that encourages vibrant communities and an enhanced quality of life.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Our unique communities are protected while balancing the needs of alternative lifestyles.</td>
</tr>
<tr>
<td></td>
<td>• We are advocates for the provision of quality social, educational, health and training services.</td>
</tr>
<tr>
<td></td>
<td>• We encourage partnerships within the district for the delivery of services.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sustainable Hauraki</th>
<th>We plan for the wise use and management of all land and resources for the continued benefit of our district.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Our natural and physical environments are sustainably managed.</td>
</tr>
<tr>
<td></td>
<td>• We have a shared respect for both economic growth and environmental protection.</td>
</tr>
<tr>
<td></td>
<td>• We support the protection of the district’s significant natural habitats and ecosystems.</td>
</tr>
</tbody>
</table>
APPENDIX B: Proposed Community Outcomes for inclusion in the 2021-31 Long Term Plan

- **Strong economy**
  - Local business is supported – we can get what we need locally.
  - There is opportunity for paid work and employment.
  - We are skilled and educated.

- **Vibrant and safe communities**
  - Public spaces are fun and inviting.
  - Everyone has access to safe and affordable homes.
  - Roads and bridges are safe and well-maintained.
  - We have a reliable drinking water supply.
  - We plan for and adapt to the effects of climate change.

- **Connected people**
  - We look after each other.
  - We are partners with iwi.
  - We collaborate with other local authorities, and central government.
  - Youth are engaged and have something to do.
  - We’re proud to live here.

- **Healthy environments**
  - Ecosystems are protected, restored and respected.
  - We minimise waste.
  - Our rivers are healthy and we use water carefully.
  - We reduce our carbon footprint to minimise climate change.
Strong economy

• Local business is supported – we can get what we need locally.
• There is opportunity for paid work and employment.
• We are skilled and educated.

Vibrant and safe communities

• Public spaces are fun and inviting.
• Everyone has access to safe and affordable homes.
• Roads and bridges are safe and well-maintained.
• We have a reliable drinking water supply.
• We plan for and adapt to the effects of climate change.

Connected people

• We look after each other.
• We are partners with iwi.
• We collaborate with other local authorities, and central government.
• Youth are engaged and have something to do.
• We’re proud to live here.

Healthy environments

• Ecosystems are protected, restored and respected.
• We minimise waste.
• Our rivers are healthy and we use water carefully.
• We reduce our carbon footprint to minimise climate change.
FOR INFORMATION | NGĀ MŌHIOTANGA

TO Mayor and Councillors

AUTHOR Nina Murphy
Strategic Planner

FILE REFERENCE Document: 2774264
Appendix A: HDC Remit 2768086

PORTFOLIO HOLDER/S Mayor
Policy portfolio

MEETING DATE 24 June 2020

SUBJECT HDC Remit to Local Government New Zealand

RECOMMENDATION | TE WHAIKUPU

THAT the report be received.

1 PURPOSE | TE ARONGA

To provide, for elected members information, the HDC Remit that has been submitted for consideration at the Local Government New Zealand Annual General Meeting in August 2020.

2 BACKGROUND | TE KŌRERO Ā MUA

2.1 What is a Remit?

As part of the Local Government NZ (LGNZ) AGM conference, all Councils are invited to submit proposed remits, in accordance with LGNZ’s remit policy. Of note, a remit is required to address major strategic ‘issues of the moment’ and have a national focus articulating a ‘major interest or concern at the national political level’. Further, remits must have formal support from at least one sector group meeting, or five councils, prior to being submitted for consideration by LGNZ.

2.2 How did the HDC Remit come about?

At the Wharekawa Coast 2120 Joint Working party meeting in May 2020, members considered a report on project implementation. This report covered matters to begin early thinking in preparation for future decision making, such as: how actions identified by this project can be implemented, and who pays for what (e.g. territorial authorities, regional councils, and central government).

Discussions on these matters generated a suggestion by Cr Spicer to prepare a Remit to Local Government NZ, seeking the development of a coastal strategy for the whole of New Zealand to address implementation of adaptive planning approaches in coastal areas.
The draft HDC Remit was prepared and circulated to Councils (in Waikato, Northland and Hawke’s Bay regions), who are involved in similar coastal adaptation work to our Council, for their consideration and support.

3 HDC REMIT

The finalised Remit is attached (Appendix A). In summary, the HDC Remit seeks:

That central government undertakes, in collaboration with all of local government, a comprehensive review of the current law relating to natural hazards and climate change adaptation along New Zealand’s coastlines, and coordinates the development of a coastline strategy for the whole of New Zealand which would cover: the roles and responsibilities of territorial authorities, regional councils and central government; greater direction on an integrated approach; and development of principles for "who pays".

In particular, the issues covered by the HDC Remit include:

Central government has provided guidance to local government on how to apply a risk-based adaptive approach to planning for climate change in coastal communities. Many councils are now following this guidance and working with their communities using adaptive planning approaches. As these councils look ahead to how adaptive approaches can be implemented, they are encountering limitations in existing legislation and a lack of guidance from central government on the legalities and practicalities of doing so.

Councils report difficulty in determining their respective roles (territorial and regional) and who should do what in the area of managing the risks of natural hazards arising from climate change. Furthermore, they note that there is a lack of direction over who pays for what and who owns/maintains/is liable for any assets that may be required.

Councils also have many unanswered questions around how a managed retreat option should be implemented. For example, where managed retreat is identified as a preferred adaptation option, how should this be undertaken, by who, where should costs fall, whether compensation is payable and if so by whom?

Furthermore, councils see difficulties in how adaptive approaches can be implemented through statutory documents such as District and Long Term Plans, especially as Councils are being asked to plan at least 100 years into the future1 using adaptive approaches which may require rapid implementation (e.g. in response to a ‘trigger’ event). This combination of long timeframes, deep uncertainty, and potentially rapid action is not well provided for by these documents.

This remit has been supported by Thames-Coromandel, Hastings, and Napier District Councils, and Hawke’s Bay and Northland Regional Councils.

4 NEXT STEPS | TE ARA KI MUA

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Action</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aug 2020</td>
<td>HDC and supporting Councils present the HDC Remit to the LGNZ AGM</td>
<td></td>
</tr>
</tbody>
</table>

---

1 New Zealand Coastal Policy Statement 2010
**Approval**

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Nina Murphy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Strategic Planner</strong></td>
</tr>
<tr>
<td>Approved by</td>
<td>Peter Thom</td>
</tr>
<tr>
<td></td>
<td><strong>Group Manager Planning &amp; Environmental Services</strong></td>
</tr>
</tbody>
</table>
## LGNZ Annual General Meeting 2020

**Remit application**

<table>
<thead>
<tr>
<th>Council Proposing Remit:</th>
<th>Hauraki District Council</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact Name:</td>
<td>Langley Cavers</td>
</tr>
<tr>
<td>Phone:</td>
<td>021 437 245</td>
</tr>
<tr>
<td>Email:</td>
<td><a href="mailto:langley.cavers@hauraki-dc.govt.nz">langley.cavers@hauraki-dc.govt.nz</a></td>
</tr>
<tr>
<td>Fax:</td>
<td>-</td>
</tr>
</tbody>
</table>

**Remit passed by:**

(H Zone/sector meeting and/or list five councils as per policy)

Hawke’s Bay RC, Thames-Coromandel DC, Napier CC, Hastings DC, Northland RC

**Remit:**

That central government undertakes, in collaboration with all of local government, a comprehensive review of the current law relating to natural hazards and climate change adaptation along New Zealand’s coastlines, and coordinates the development of a coastline strategy for the whole of New Zealand which would cover: the roles and responsibilities of territorial authorities, regional councils and central government; greater direction on an integrated approach; and development of principles for “who pays”.

### Background information and research

1. **Nature of the issue;**
   
   Central government has provided guidance to local government on how to apply a risk-based adaptive approach to planning for climate change in coastal communities. Many councils are now following this guidance and working with their communities using adaptive planning approaches. As these councils look ahead to how adaptive approaches can be implemented, they are encountering limitations in existing legislation and a lack of guidance from central government on the legalities and practicalities of doing so.

   Councils report difficulty in determining their respective roles (territorial and regional) and who should do what in the area of managing the risks of natural hazards arising from climate change. Furthermore, they note that there is a lack of direction over who pays for what and who owns/maintains/is liable for any assets that may be required.

   Councils also have many unanswered questions around how a managed retreat option should be implemented. For example, where managed retreat is identified as a preferred adaptation option, how should this be undertaken, by who, where should costs fall, whether compensation is payable and if so by whom?

---

1. Ministry for the Environment 2017, Preparing for coastal change A SUMMARY OF HAZARDS AND CLIMATE CHANGE GUIDANCE FOR LOCAL GOVERNMENT

HDC ref 2768086

Date: 16 June 2020
Furthermore, councils see difficulties in how adaptive approaches can be implemented through statutory documents such as District and Long Term Plans, especially as Councils are being asked to plan at least 100 years into the future using adaptive approaches which may require rapid implementation (e.g. in response to a ‘trigger’ event). This combination of long timeframes, deep uncertainty, and potentially rapid action is not well provided for by these documents.

2. Background to it being raised;
Beginning in 2014, Hawke’s Bay councils (Napier City Council, Hastings District Council and Hawke’s Bay Regional Council) and tangata whenua partnered to develop a Coastal Hazards Strategy that was ultimately the first project of its type to follow the approaches set out in the Ministry for the Environment’s coastal hazards guidance (the Guidance). The councils and tangata whenua are now working on the implementation phase of the strategy.

Hauraki DC are working with Waikato RC, Waikato DC and Iwi to prepare a community plan (Wharekawa Coast 2120) for the western Firth of Thames area, using a similar approach to the Hawke’s Bay Coastal Strategy, and following the Guidance. Hauraki DC is aware of other work of this nature being undertaken in the Waikato region by Thames-Coromandel and Waikato DCs, in the Wellington region, and scoping is underway for work in the Northland region.

All of these projects recognise the importance of regional and territorial authorities working collaboratively with their communities to respond to increasing natural hazard risks in coastal areas, due to climate change. These projects are at different stages of development, but eventually will all be facing the same implementation issues.

3. New or confirming existing policy;
This remit is a new policy.

4. How the issue relates to objectives in the current Work Programme;
This remit raises issues around how local government can practically implement approaches and responses to natural hazards risks in coastal areas developed under the Guidance. These issues are related to LGNZ’s policy priorities: Climate Change and Environment (Natural Hazards). In particular, the topics of community resilience and climate future fit, as well as LGNZ’s climate change project.

5. What work or action on the issue has been done, and the outcome;
The Ministry for the Environment recently published a case study on challenges with implementing the Hawke’s Bay Coastal Strategy. This case study highlights many of the issues identified by this remit and provides more detailed analysis.

The Wharekawa Coast 2120 Joint Working Party (comprising elected members and iwi representatives) recently considered a paper on project implementation funding issues. Discussions regarding this information, and other papers reviewing Deep South Science Challenge research, prompted the preparation of this remit.

---

2 New Zealand Coastal Policy Statement 2010
3 Clifton to Tangoio Coastal Hazard Strategy 2120 https://www.hbcoast.co.nz/
4 Ministry for the Environment and Hawke’s Bay Regional Council partnership project. 2020. Case study: Challenges with implementing the Clifton to Tangoio Coastal Hazards Strategy 2120. Wellington: Ministry for the Environment
Also of relevance to the issues raised by this remit is the Productivity Commission’s recent local government funding and financing inquiry⁷.

6. Any existing relevant legislation, policy or practice;

7. Outcome of any prior discussion at a Zone or Sector meeting;
This has not been discussed at zone or sector meetings to date.

8. Evidence of support from a Zone/sector meeting, or five councils;
See attached emails confirming support from the following councils: Hawke’s Bay RC, Thames-Coromandel DC, Napier CC, Hastings DC, Northland RC.

9. Suggested course of action envisaged;
LGNZ works with central government to prepare a nationwide coastal strategy that provides further direction on an integrated approach to climate change adaptation issues including:
   a. the roles and responsibilities of territorial and regional councils,
   b. how managed retreat should be implemented including funding arrangements and whether compensation is payable and if so by whom,
   c. a protocol for considering how costs for adaptation actions should be allocated both between local government itself (territorial and regional councils), between local and central government, and between public and private beneficiaries,
   d. how adaptive planning approaches should be implemented, for example by providing better linkages between LGA and RMA processes or by potentially new natural hazard risk management and climate change adaptation-specific legislation, and
   e. how councils could be supported to implement appropriate restrictive zoning behind defensive measures to respond to ‘moral hazard’ issues.

FOR INFORMATION | NGĀ MŌHIOTANGA

TO Mayor and Councillors

AUTHOR Nina Murphy
   Strategic Planner

FILE REFERENCE Document: 2773082
   Appendix A: Wharekawa Coast 2120 JWP Minutes 18 February 2020 (2727307)

PORTFOLIO HOLDER/S Mayor
   Policy portfolio

MEETING DATE 24 June 2020

SUBJECT Wharekawa Coast 2120 – project update

RECOMMENDATION | TE WHAIKUPU

THAT the report be received.

1 PURPOSE | TE ARONGA

This report provides an update on progress with the Wharekawa Coast 2120 project.

2 BACKGROUND | TE KŌRERO Ā MUA

The last update report on the project was provided to the Council at its meeting of 11 March 2020.

At the March meeting, the council also considered a recommendation from the Joint Working Party (JWP), as raised by the Iwi representatives, that the project and the JWP names be changed to Wharekawa Coast 2120; to better reflect the project area.

Council approved the name change, and implementation was delayed until feedback from the community panel was gained. The community panel considered the proposed name change at its inaugural meeting of 17 March 2020 and supported the name change.

The JWP was advised of this feedback (via email and at their latest meeting in May 2020). The project team have implemented the name change, including completing renaming project materials, and the project website.

3 UPDATE

Since the last update to council, the following has been actioned:

- the community panel had their first meeting (face-to-face) in March 2020. A subsequent test Zoom meeting was held in April and a further Zoom workshop in May. They have also held meetings amongst themselves which the project team did not attend.
- the technical advisory group (staff) have been meeting monthly (via Zoom) to manage the project.
• the JWP met in May (via Zoom), see section below for further details.
• the Social Impact Assessment has been completed
• work is continuing on the risk assessment, including the preparation of information to feed into the assessment; such as hazard reports on coastal inundation and river flooding.

4 JOIN WORKING PARTY

The minutes from the previous JWP meeting on 18 February 2020, are attached in Appendix A. The JWP meeting in May was well attended (via Zoom), with all elected members from the three councils, and the majority of the iwi representatives, attending.

Items for discussion included: a project update, cultural values assessment, research paper review, Hauarahi Stream Flood report, and project implementation funding considerations. The agenda can be accessed on the project website resources page.

4.1 Cultural Values

There was discussion around how to include the cultural values of Ngāti Paoa and Ngāti Whanaunga in this project. The JWP agreed that the project team would discuss this further with the iwi representatives. An initial further discussion was held and it was suggested by the iwi representatives that their values are wider than purely cultural and should be broadened to reflect their overall vision for the long term future of this area. Further, that relationships with iwi and the councils should be developed in an ongoing manner that is wider than solely this project. These suggestions will be discussed further with senior staff and the Mayor, and will be reported back to the next JWP meeting in August 2020.

4.2 Project implementation

This report covered matters to initiate early thinking in preparation for future decision making, such as: how actions identified by this project can be implemented, and who pays for what (e.g. territorial authorities, regional councils, and central government). Discussions on these matters generated the preparation of a Remit to Local Government NZ, which is the subject of a separate paper on this agenda.

5 BUDGET

The following table provides an update on the budget for this project. The budget includes costs for the Project Advisor, contribution to the Social Impact Assessment report (part paid for by WRC), and community engagement/community panel/joint working party costs.

The project budget is tracking well, though the scope and timing of the cultural values assessment may have implications.

<table>
<thead>
<tr>
<th>BUDGET</th>
<th>2018/2019</th>
<th>2019/20</th>
<th>2020/2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimate</td>
<td>$60,000</td>
<td>$140,000</td>
<td>$120,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(+ $30,000 carried forward from 2018/19)</td>
<td>(+ WRC contribution $15,000)</td>
</tr>
<tr>
<td>Actual</td>
<td>$30,000*</td>
<td>$155,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>(to end of May)</td>
<td></td>
</tr>
</tbody>
</table>

*Balance carried forward
# NEXT STEPS | TE ARA KI MUA

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Action</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Late June or early July</td>
<td>Community Panel workshop and site visit</td>
<td>To be confirmed</td>
</tr>
<tr>
<td>July, Aug</td>
<td>Technical Advisory Group meetings</td>
<td></td>
</tr>
<tr>
<td>19 August</td>
<td>Next Joint Working Party meeting</td>
<td></td>
</tr>
</tbody>
</table>

## Approval

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Nina Murphy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strategic Planner</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Approved by</th>
<th>Peter Thom</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Group Manager Planning &amp; Environmental Services</td>
</tr>
</tbody>
</table>
KAIAUA COAST 2120
MINUTES OF THE JOINT WORKING PARTY MEETING

MEETING,
Tuesday 18 February 2020
12:00 pm – 02:30 pm
Hauraki District Council – Council Chamber, William Street Paeroa

PRESENT
D A Adams (HDC), R Harris (HDC), A M Spicer (HDC), D Tegg (WRC),
Charles Royal (Iwi Representative)

IN ATTENDANCE
Peter Thom (HDC), Nina Murphy (HDC), Marina van Steenbergens
(HDC), Larn Wilkinson (HDC), Linthea Visser (HDC) Brett Otto
(HDC), Andrew Bubear (WRC), Alejandro Cifuentes (WRC), Adam
Munro (WRC); Susan Brennan (WRC), Sophie Marsh (WRC), Rick
Liefting (WRC), Simon Bendall (Traverse Environmental Ltd),
Deborah Kissick (Traverse Environmental Ltd), Dr. Terry Hume
(Hume Consulting Ltd),

VIA PHONE
Michelle Wilson (Iwi Representative)

APOLOGIES
J Sedgwick (WDC), K Hodge (WRC), Tipa Compain (Iwi
Representative), Frank Rawiri (Iwi Representative)

Welcome
The Chair, Toby Adams, welcomed all to the meeting.

Previous Meeting Minutes
Cr D Tegg advised that recorded conclusion around the Honorarium and the way that the
WRC is WRC are currently uncomfortable with paying such honorarium (as it will cause a
precedent). As far as he remembers, it was decided that the HDC will approach the WRC.
He requested that the minutes be updated reflect this. WRC is prepared to assist with
some (contractual service based) funding that could be made available, but the amount is
not confirmed yet. It was agreed that HDC should hold off on their letter for now. WRC
will advise of the outcome of their discussions through WRC staff.
A question was raised around the appointment of an Iwi Co-Chair. This is not urgent, but someone will have to be appointed should the Chair not be available. Charles Royal will discuss this with the other Iwi representatives to get a resolution as soon as possible.

**Action Point:** L Visser to update previous meeting minutes.

**Action Point:** Charles Royal to revert with a resolution regarding the appointment of an Iwi Co-Chair.

**Agenda Items**

1. **Coastal Processes and Hazard**
   1.1. Rick Liefting provided a short background and introduced the expert, Dr. Terry Hume.
   1.2. Dr. Hume is a coastal geomorphologist who was requested by WRC to do a hazard assessment of the coastline. Dr. Hume went through a PowerPoint presentation of his report findings. His report discusses the current hazards versus possible future hazards and its impacts. It focuses mainly on coastal inundation, erosion and tsunami hazards.
   1.3. With regard to vertical land movement, it was mentioned that recorders are measuring the hard rock ground to the south of Kaiaua. Recorders to the South of the Firth of Thames confirm that that land is actually sinking (millimetres per year). This hazard is parked for now due to the small amount of movement occurring annually.
   1.4. Rick Liefting mentioned that if an earthquake is experienced on the Kerepehi fault line and Pūkorokoro Miranda is on the lowering side, it can result in the sea-level rising. Charles Royal mentioned that a project measuring sea-level rise for the whole of NZ exists.
   1.5. The Hauraki Plains area is sinking, rather than lifting.
   1.6. Cr. D Tegg raised a question regarding sediment. Dr. Hume advised that it should not have an effect. Cr. D Tegg requested that the language in the frequency graph be simplified in order for a reader to better understand it.
   1.7. At the previous JWP meeting, Cr. D Tegg provided some information on climate change predictions by Professor Tim Naish. These are more recent than the Ministry for the Environment’s Climate Change Guidance for Coastal Hazards (Dec 2017). As time goes on, predictions will become more certain. However, due to inherent and ongoing uncertainty, the method and principles of adaptive management are beneficial.
2. Review of GNS Report

2.1. Nina Murphy discussed the key recommendations of the GNS report (see paragraph 3.5 of the review report).

2.2. Cr. D Tegg advised that there are more reports containing more information on:
   2.2.1. Liability of councils with regard to climate change (Katherine Iorns, Deep South Science Challenge)
   2.2.2. Treaty of Waitangi climate change implications (Deep South Science Challenge) (for both reports refer to:
   2.2.3. Funding implications (the Productivity Commission released a report last year November with recommendations). How do we champion recommendations?

2.3. Review of relevant reports will become a standing agenda item.

**Action Point:** Nina Murphy to work with Cr. D Tegg to review and do a presentation on the reports mentioned under item 2.2.1 – 2.2.3.

2.4. There is also a report by UK Climate Committee that was published in October 2018 (https://www.theccc.org.uk/publication/managing-the-coast-in-a-changing-climate/). In reviews done in 1994 and 2000, it was found that a third of the UK coastline cannot be protected against sea-level rise.

2.5. In the Hawke’s Bay project, it was found that the issue is not the quantum of costs, but rather where those costs fall. At this stage there is a lack of clarity over roles and responsibilities in this area.

2.6. Peter Thom mentioned that three parties play a role, namely Government, Regional and District councils.

3. Community Advisory Panel – Panel formation and appointment

3.1. The task of the Community Advisory Panel is to drive the project in the next twelve months.

3.2. The goal of the Terms of Reference is to set clearly defined rules for the engagement of the Panel.

3.3. During the last JWP the make-up of the panel was discussed and agreed upon in principle. (Table 1 in Information Report).

3.4. The Community Advisory Panel support roles (Table 2) was also discussed, but roles (Chair/Co-chair) were not allocated.

3.5. JWP members attending community panel meetings are to be observers only. They will not have voting rights within the community panel.
3.6. DOC and NZTA confirmed that they want to be involved in the community panel. The details of their representatives still have to be provided.

3.7. Issues requiring discussion:

3.7.1. Appointment of Mana Whenua Panel Members:

- A question was raised regarding the Mana Whenua positions, specifically on how and who may be approached.
- Charles Royal suggested that they discuss it amongst themselves. It is important that the appointees to the Community Panel has direct relationships to the area. There are many marked and unmarked urupā in the area and it will be good to have conversations with those families. Charles Royal confirmed that Iwi will facilitate herein. Michelle Wilson advised that Iwi will attend to internal discussions and facilitate with those directly affected.
- Simon Bendall raised a concern regarding the urgency of the appointment of the iwi representatives. The project team is looking at the 17th March 2020 as a date for the first community panel meeting.

**Action Point:** Larn Wilkinson and Charles Royal to advise with regard to the appointment of mana whenua representatives on the community panel, being mindful of the suggested date of 17 March 2020 for the first meeting. To confirm whether a meeting for the 17th March 2020 may continue.

3.7.2. Panel Support Roles

**Chair / Co-chair**

- During the previous meeting, it was suggested that the community panel assign the Chair / Co-Chair roles itself.
- The Chair will be expected to work closely with the facilitators.
- Either a Deputy / Co-chair has to be appointed to lead the meeting if the Chair is not available.
- Charles Royal queried the reason for appointing an Iwi Co-chair / Deputy Chair. The JWP Chair, Toby Adams, advised that the goal is to have a collaborative process between the two groups. It is important that Iwi be part of the project with input. Thus, it has to be an inclusive partnership.
- Charles Royal advised that this is a great idea, but availability and skill set may be an issue.
- Simon Bendall advised that the Community Panel Terms of Reference can be amended to provide for Co-Chairs, but if two is not elected, then one
chair is acceptable. Charles Royal suggested that the Community Panel Terms of Reference also confirm the reason for appointing Co-chairs; (i) to ensure Iwi representation; and (ii) if they do not want to appoint a Co-chair, then the panel may proceed to appoint a Deputy Chair.

Cultural Advisor
- The thinking behind the appointment of a cultural advisor is to appoint someone in a specific role for the purpose of providing guidance from an iwi point of view.
- The author of the Cultural Value Assessment (if an assessment is done) could also fulfil this role.
- As this is a panel support role, it was suggested that the community panel appoint someone in this role to guide the community panel.
- The motivation for this role is to ensure that iwi is represented properly, and to specifically assist with (i) building and sustaining relationships; and (ii) interpretation of iwi interests & what the issues would be.
- The Chair, Toby Adams, suggested that Larn Wilkinson be considered to facilitate on both sides of this role.
- Larn Wilkinson advised that to build relationships one should rather look at iwi fulfilling this role.
- Charles Royal however commented that building relationships is part of Larn’s work, but it would be better to wait and see what iwi presents in this regard.
- Peter Thom advised that a second hui is being considered to discuss issues with iwi and that it may be prudent to include this issue in the agenda.

3.7.3. Panel Advisory Panel Terms of Reference
- Cr. R Harris suggested that any communication to the public from the community panel be well-constructed. Written messages have to be disciplined.
- Simon Bendall advised that he will chat with staff offline to establish whether we can get support herein.

**Action Point:** Simon Bendall to amend the Community Panel Terms of Reference to reflect the suggested amendments regarding the Co-Chair / Deputy Chair as suggested by Charles Royal. The Rationale for the appointment of a cultural advisor to be left open at this stage.

**Action Point:** Simon Bendall to discuss vetting of communications to public with staff.
4. Project Update

4.1. This item will become a standing agenda item.

4.2. The project is going well and staff is working well together.

4.3. Charles Royal asked for clarity regarding the difference between the Social Impact Assessment (SIA) and a Cultural Value Assessment (CVA). Some questions are more cultural than social.

4.4. Simon Bendall provided the following update on the SIA:

4.4.1. Envirostrat was appointed as an expert in this area.

4.4.2. Since commencing, they have interviewed 24 people.

4.4.3. The scope was pre-circulated.

4.4.4. Community concerns so far relates mostly to freshwater flooding. Erosion is not really a concern, but mixed responses were provided with regard to growth and development. The East Coast Road is seen as a key asset and is a critical factor when it comes to evacuation.

4.4.5. Overall, the process is seen as a useful way to connect with people on a one on one basis.

4.4.6. With regard to the question about the difference between the SIA and the CVA; there may be blurred lines and overlapping. The consultant advised that a parallel process is required as the SIA will inform the CVA and vice versa.

4.4.7. SIA interviewees should not be excluded from CVA interviews. E.g. Boating club: why wouldn’t they also be interviewed for the CVA. Thus, all applicable parties to be asked all questions of both the SIA and CVA.

4.4.8. Simon advised that the consultant expressed the desire to directly involve Māori with the SIA. Simon suggested that contact with the 4 JWP iwi representatives, if possible, would be a useful place to start.

4.4.9. Simon raised the question of how the CVA should be scoped. It was suggested that it be approached like any other project, setting out goals, resources and authority. Someone from the area should do the work. Assistance is required with drafting and setting the Terms of Reference.

**Action Point:** Simon Bendall and Larn Wilkinson to prepare a Draft Terms of Reference for CVA

**Action Point:** Share TOR with iwi representatives for feedback

**Action Point:** Iwi representatives to provide names of who could be approached to undertake the CVA.
4.5. Peter Thom asked when an update report should go to Councils. The Chair, Toby Adams, advised that it should be done soon. Nina Murphy proposed that an update report be sent after each quarterly Joint Working Party meeting.

**Action Point:** Nina Murphy and relevant staff at each council to prepare update reports to be taken to councils (HDC, WRC, WDC) after each JWP meeting.

4.6. Charles Royal advised that he was requested by Tipa Compain to raise issues regarding the utilisation of Māori language in communications and discussions. Some names/terms/words may cause confusion. E.g. Kaiaua is a specific town and does not refer to the whole area covered by the project and it is not the original name. It was suggested that the project team consider changing the name of the joint working party from Kaiaua Coast to Wharekawa Coast. Consideration was also given to changing the project name to Wharekawa Coast 2120. It was confirmed that this issue will be discussed further.

**Action Point:** Nina Murphy to take report to HDC to change name of the joint working party to Wharekawa Coast.

**The workshop concluded at 02:30pm.**
### Project Management

<table>
<thead>
<tr>
<th>Task</th>
<th>Actions</th>
<th>Resp.</th>
<th>Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previous minutes</td>
<td>L Visser to update previous meeting minutes.</td>
<td>LV</td>
<td>4 March</td>
</tr>
<tr>
<td>Appointment of Co-Chair</td>
<td>Charles Royal to revert with a resolution regarding the appointment of an Iwi Co-Chair.</td>
<td>CR</td>
<td>20 May</td>
</tr>
</tbody>
</table>

### Review of GNS Report

<table>
<thead>
<tr>
<th>Task</th>
<th>Actions</th>
<th>Resp.</th>
<th>Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review reports</td>
<td>Nina Murphy to work with Cr. D Tegg to review and do a presentation on the reports mentioned under item 2.2.1 – 2.2.3.</td>
<td>NM; DT</td>
<td>20 May</td>
</tr>
</tbody>
</table>

### Community Advisory Panel

<table>
<thead>
<tr>
<th>Task</th>
<th>Actions</th>
<th>Resp.</th>
<th>Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appointment of mana whenua reps</td>
<td>Larn Wilkinson and Charles Royal to advise with regard to the appointment of mana whenua representatives and to confirm whether a meeting for the 17th March 2020 may continue.</td>
<td>LW; CR</td>
<td>5 March</td>
</tr>
<tr>
<td>Terms of Reference</td>
<td>Simon Bendall to amend the Community Panel Terms of Reference</td>
<td>SDB</td>
<td>5 March</td>
</tr>
<tr>
<td>Assistance with written communications</td>
<td>Simon Bendall to discuss assistance with communications to public with staff.</td>
<td>SDB</td>
<td>5 March</td>
</tr>
</tbody>
</table>

### Project Update

<table>
<thead>
<tr>
<th>Task</th>
<th>Actions</th>
<th>Resp.</th>
<th>Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural Value Assessment</td>
<td>Simon Bendall and Larn Wilkinson to Draft Terms of Reference for CVA</td>
<td>SDB; LW</td>
<td>20 May</td>
</tr>
<tr>
<td></td>
<td>Share TOR with iwi representatives for feedback</td>
<td>SDB</td>
<td>20 May</td>
</tr>
<tr>
<td></td>
<td>Iwi representatives to provide names of who could be approached</td>
<td>CR; MW</td>
<td>20 May</td>
</tr>
<tr>
<td><strong>Update reports</strong></td>
<td>Nina Murphy and relevant staff at each council to prepare update reports to be taken to councils (HDC, WRC, WDC) after each JWP meeting.</td>
<td>NM; AC</td>
<td>Ongoing (first report by 31 March)</td>
</tr>
<tr>
<td>-------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------</td>
<td>--------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td><strong>Name change</strong></td>
<td>Nina Murphy to take report to HDC to change name of the joint working party to Wharekawa Coast.</td>
<td>NM</td>
<td>31 March</td>
</tr>
</tbody>
</table>
FOR INFORMATION
NGĀ MŌHIOTANGA

TO Mayor and Councillors
AUTHOR Lukas de Haast
Transportation Manager
FILE REFERENCE Document: M2772916
Appendix A: Financial Report
PORTFOLIO HOLDER/S Mayor Adams
Transport portfolio
MEETING DATE Wednesday, 24 June 2020
SUBJECT Transportation Report May 2020

SUMMARY | TE WHAKARĀPOPOPOTANGA
This report provides the latest information on the Hauraki District Council’s Transportation activities for the period ending 31 May 2020.
It is noted that all major projects are progressing and that maintenance activities are recommenced after the COVID19 lockdown and that it had significant effects on delivery and budgets.

RECOMMENDATION | TE WHAIKUPU
THAT the report be received.
1 PURPOSE | TE ARONGA

This report provides the latest information on the Hauraki District Council’s Transportation activities for the period ending 31 May 2020.

2 ACTIVITY UPDATE

2.1 COMMENTS ON EXPENDITURE FINANCIAL YEAR TO DATE

Expenditure to date is still mostly tracking within the projected approved budget. Items of interest to note are that:

1. Underspend on Non-Subsidised Works due to Covid-19 limitations, as well as less expenses on Noxious weed control and traffic management of public events. Anticipated reduction in spending at year end of up to $140K.
2. Lower than anticipated spending of up to $220K in Other Subsidised due to limitations on schedules imposed by Covid-19.
3. Pavement maintenance will be overspent for the year as approved by council resolution C19/276. $500K was moved from capital to operational budget to accommodate the Heavy Maintenance programme. Due to current factors including Covid-19, we anticipate we will need to request to carry forward around $160K being the unspent portion of the $500K into 2020/21 financial year.
4. Overspend in Professional Services due to Long Term Planning and RATA data collection work. The Transport Team was also understrength for approximately half of the financial year and in that time we had to outsource certain tasks which increased costs. We estimate the variance to be closer to $50K over by year end.
5. Income is greater than budget due to some current subsidised Capital Projects not being included in budget when it was created.
6. Pavement failures, related to the ongoing drought on the Plains, were repaired and being monitored. This had an impact on expenditure but the funding application has not been approved yet. We are awaiting approval of drought funding ($148K) for our drought related spending of $247K YTD.

The Financial Report is included in Appendix A.

2.2 OPERATIONAL ACTIVITIES

Government Alert Level 3 and 2 lockdown restrictions in response to the Covid-19 pandemic continued to affect operational maintenance activities during May 2020, particularly administrative aspects.

Road and street lighting maintenance activity continued on the network in accordance with the Hauraki District Council Engineering Group Recovery Plan, Covid-19 Recovery Plan – Alert Level 3. Each individual contractor was required to adhere to its own protocols and Health & Safety Plans addressing Covid-19 restrictions. Both the road and street lighting maintenance contractors kept in place Level 3 protocols for field staff during Alert Level 2.

A summary of operational maintenance work and activities done during the month of May 2020 is given below:

- Ongoing cyclic maintenance activities included:
  - Sealed pavement pothole repairs;
  - Unsealed pavement pothole repairs and surface & shape restoration;
  - Drainage routine maintenance;
  - Detritus and slip removal for sealed surfaces and rural lined & unlined channels;
  - Sign routine maintenance;
  - Edge marker post (EMP) maintenance;
  - Raised pavement marker (RPM) maintenance; and
  - Rural litter removal.
Pre-reseal Repairs
- As reported previously, due to the impacts of Covid-19 restrictions on construction progress, pre-reseal repairs in preparation for next construction seasons reseals (2020/21) were not completed in full this construction season. Due to the risks associated with continued works in the wetter winter months, no more 2020/21 pre-reseal pavement repair works are to be undertaken pre-winter 2020. These outstanding pavement repairs will now be rescheduled for early next construction season (September/October 2020).
- Progress summary on the major aspects of pavement and drainage repairs below.
  - Pavement repairs: Approximately 91% of the proposed pavement stabilisation repairs for the 2020/21 construction season were completed (3,900m² of 41,288m² outstanding). Sites which are not able to be delivered during the current construction season are currently being reprioritised by the Transport Team.
  - Drainage repairs: Approximately 95% of kerb & channel and dish channel installation drainage repairs (460m of total 8,645m outstanding) for the 2020/21 construction season are completed.

Drought effects on roading network
Several roads on the Hauraki Plains were identified with more extensive cracking and slumping stemming from the dry weather and underlying soil susceptibility to change in water content. The road maintenance contractor has now completed pavement repairs on several sites identified as a high safety issue prior to winter. However, the continued drought throughout May 2020 meant distresses on several roads previously inspected worsened to levels deemed unsafe. As such, sites on the following roads are programmed for pavement repairs commencing during the week of 8 June 2020 (weather dependant):
- Front Miranda Rd;
- River Rd (Plains); and
- Moehau Rd.
Temporary traffic management is in place and interim repairs completed at these sites. The contractor also continues to identify and programme repairs on lower priority sites. Wet weather and the need to revisit some sites to check faults have prolonged the completion of the inspections. As such, the full scale of drought related pavement failures are not yet known. Drought affected road inspections are now approximately 85% complete, and weather depending, are expected to be complete in the week of 15 June 2020.

Emergency Response
- North Rd (removal of tree down blocking one lane).

Rural roadside spraying and mowing
Mowing continued throughout May 2020. A roadside weed spraying round has been completed, with the only outstanding areas being those inaccessible to larger equipment. The Contractor is returning to complete backpack spraying in these areas.

Bridge Works
- Routine type maintenance:
  - The road maintenance contractor continues to complete bridge works across the district for routine type maintenance identified during structural inspections.
- Kaihere Rd Bridge No.1:
  - Works to replace six (6) deck units and routine maintenance on Kaihere Rd Bridge No.1 are completed. The bridge is still under a temporary speed limit which is to be left in place until final surfacing can be reinstated on two of the replaced deck units to restore road crossfalls. Several surfacing options are being considered by the team at present.

Unsealed Roads
A full network unsealed road grading round continued in May 2020. The Waihi and Paeroa wards have been completed, with the crew currently working in the Plains ward (Kaiaua). This is expected to be fully completed in the week of 15 June 2020, weather dependant.
• Ultra-Fast Broadband (UFB) Rollout
  o Works have continued throughout May under Covid-19 Level 3 and 2 alert level restrictions.
  o QA and Inspection Support is being provided by WSP. This includes provision of project management and coordination for the Paeroa UFB project, daily site visits and dealing with issues as needed.
  o Council have not yet signed off completion certification for any works for any townships in the district. Currently working through inspections for Waihi and Ngatea while also considering outstanding issues with the Waters Services Team.

• Signs and delineation
  o The annual line marking remark continued following this year’s activity initially being disrupted by Covid-19 restrictions. Activity centred around the Waihi urban area during May 2020.
  o Advanced warning signs were installed on roads prior to several early childcare centres throughout the district to improve motorist awareness.
  o Installation of new raised reflective pavement markers (‘cats eyes’) to replace existing damaged or non-reflective ones completed on several roads throughout the district. These were identified for replacement during the annual night inspections.
  o Noted that between July 2019 and February 2020 a total of 766 edge marker posts have been replaced throughout the network.

2.3 CAPITAL PROJECTS

2.3.1 PROJECT ACHIEVEMENTS

Table 1 below shows the progress on the main capital projects scheduled for the 2019/20 financial year.

Table 1: Main Capital Projects – 2019/20

<table>
<thead>
<tr>
<th>Budget, Programmes and Projects</th>
<th>Progress % complete</th>
<th>Comments / explanations (if off-track)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reseals – 2019/20</td>
<td>100%</td>
<td>Reseals completed in January 2020</td>
</tr>
<tr>
<td>Pavement Rehabilitation – 2019/20</td>
<td>100%</td>
<td>Construction of Pavement Rehabilitation sections on Old Tauranga Rd, Central Rd South and Kaihere Rd are completed.</td>
</tr>
<tr>
<td>Pavement Rehabilitation – 2020/21</td>
<td>95%</td>
<td>Awaiti &amp; East Coast Rd design and contract documentation is complete. Will be ready to go out to market around June with construction scheduled for summer of 20/21. Due to large quantity of immediate pavement repairs needed on Pipiroa Rd because of drought damage the road is currently treated as heavy maintenance and not as a pavement rehabilitation project. The treated areas will be included in the 2020/21 reseal programme.</td>
</tr>
<tr>
<td>Minor Improvements (2019-20)</td>
<td>50%</td>
<td>Progress on current projects: Station Rd/SH25 intersection pedestrian crossing construction to</td>
</tr>
<tr>
<td>Budget, Programmes and Projects</td>
<td>Progress % complete</td>
<td>Comments / explanations (if off-track)</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>---------------------</td>
<td>----------------------------------------</td>
</tr>
<tr>
<td></td>
<td>start as soon as Raroa Rd construction is complete</td>
<td></td>
</tr>
<tr>
<td>• Waitete Rd footpath between Kimberley and Rata Streets contractor appointed. <strong>Construction to start</strong> after completion of Raroa Rd/Thames Rd footpath.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Top 11 Safety Risk roads – low cost treatments of 9 roads: Designs issued to Maintenance Contractor. Roadmarking partially completed and <strong>signage installation underway</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Mahuta Rd North Bridge No. 2: Project Feasibility and Rating Review reports received. The Bridge is currently being posted at a gross weight limit of 16500kg and reduced speed limit of 10km/h. Replacement of the bridge is recommended with options ranging from $510k to $1,5M. An <strong>options report is to be presented to Council</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Network wide assessment and making safe of slips on unsealed roads – final report received. <strong>Awaiting site instructions</strong> to be issued to Contractor.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Signage to indicate the end of maintained network – <strong>design stage</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Warning signage at Kindy’s and Playcentres – <strong>completed</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• New Kea crossing at school in Coronation Rd – <strong>completed</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Potential upgrades to existing Kea Crossings in Norwood Ave – updated changes to intersection with Ohinemuri Place - <strong>presented to Ward</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Whiritoa streetlighting upgrade – light survey of entire town are completed and <strong>mapping work</strong> is currently being undertaken.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Package of edge lines and centrelines to be implemented district wide as part of annual remark – <strong>delayed to next annual remark due to Covid-19</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Speed limit bylaw review (speed management) – Speed Management Plan to be done. <strong>Awaiting project plan</strong> from RATA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Hauraki/Huirau intersection widening project – <strong>detail design</strong> underway</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ward Projects 2019/20</td>
<td>Progress % complete</td>
<td>Comments / explanations (if off-track)</td>
</tr>
<tr>
<td>---------------------------------------</td>
<td>---------------------</td>
<td>--------------------------------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
|                                       | 50%                 | • Waitawheta Bridge Minor Safety Improvements – **design being reviewed**  
|                                       |                     | • Waitawheta Bridge Long Term Safety Improvements – **options report received**                        |
| **Plains Ward:**                      |                     | Kerepehi Town Rd Footpath – **Construction completed** with minor snag list outstanding. Asset information to be recorded. |
| **Waihi Ward:**                       |                     | Whiritoa Footpath Renewals: Completed. Only installation of tactile pavers outstanding, delayed by lockdown. |
| **Paeroa Ward:**                      |                     | Queen str footpath renewal **completed**.  
|                                       |                     | Raroa Rd/Thames Rd footpath renewal and extension **construction 90% complete**                       |
| Bridge and Structures Component Replacement | 25%                 | Design inspections completed and design of package of high priority works progressing. Selected projects to be implemented during current LTP. |
| Bradford Street Extension             | 40%                 | Design and land agreements completed. Land purchase is currently going through the process. The tender process is scheduled to start in June 2020. Construction is planned to be done in summer of 2020/21 due to land purchase delays. |
| Ainslie Rd Footpath Extension and Streetlighting | 90%                 | Ainslie Rd footpath extension and road widening related to the new Kindy has been completed.  
|                                       |                     | Streetlight installation outstanding. |
| Mahuta Rd North Underslip             | 65%                 | Construction was scheduled to be completed on 30 April 2020, but work was suspended due to CV19 lockdown. The suspension resulted in a resource consent for winter work being required. Approval for this consent was granted in May, which will result in cost increase due to erosion matting being prescribed by WRC. The project is currently being put on hold until after winter. |
Progress Key:

- Red = Off track / behind schedule / over budget
- Orange = Rescheduled
- Yellow = Off track but will be back on track soon
- Green = On track
- Blue = Completed

2.3.2 PROJECT GOALS FOR NEXT MONTH

The work scheduled for June 2020 is shown in Table 2 below.

Table 2: Capital Work Programme for June 2020

<table>
<thead>
<tr>
<th>Project</th>
<th>Ward</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pavement Rehabilitation – 2020/21</td>
<td>District</td>
<td>Tender process for Awaiti West Rd and East Coast Rd AWT’s to commence</td>
</tr>
<tr>
<td>Minor Improvements</td>
<td>District</td>
<td>Project designs to continue. Project designs to continue with construction.</td>
</tr>
<tr>
<td>Mahuta Rd North Underslip</td>
<td>District</td>
<td>Construction to restart in August</td>
</tr>
<tr>
<td>Ward projects</td>
<td>Wards</td>
<td>Paeroa Ward – Thames Rd and Raroa Rd footpath construction to be completed</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Waihi Ward – Whiritoa footpath renewal project tactile pavers to be installed</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Waitete and Thorn Rd Footpath construction to commence</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Plains Ward – Kerepehi Town Rd footpath snag list to be completed</td>
</tr>
<tr>
<td>Maintenance Contract Renewals</td>
<td>District</td>
<td>Unsealed road re-metalling and culvert replacement programmes to resume.</td>
</tr>
</tbody>
</table>

2.3.3 KEY ISSUES AND RISKS

The following major risks associated with the capital programme have been identified.

Table 3: Capital Programme Risks

<table>
<thead>
<tr>
<th>Issue or Risk</th>
<th>Budget Implications</th>
<th>Mitigation Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Claims for cost and time extensions due to CV19 lockdown</td>
<td>Contractor to present claim in June 2020</td>
<td>Manage contracts in accordance with advice from Industry Associations and Ministry of Business, Innovation &amp; Employment</td>
</tr>
<tr>
<td>Delays to projects due to CV19 could result in completion dates to be moved to next construction season.</td>
<td>Medium</td>
<td>Manage contracts, make sites safe, protect assets.</td>
</tr>
</tbody>
</table>
2.4 ASSET MANAGEMENT

- S17A Review of Land Transport Activity completed and interviews with councillors to be scheduled.
- The Final Land Transport Procurement Strategy was submitted to NZTA for endorsement.
- The drafting of the new General Road Maintenance Contract is currently underway, with some key improvements being targeted.
- Approval was given for Visual Road Condition Ratings to proceed under Level 3, but Traffic Counting was halted as traffic movements under Level 3 will not be representative of long term trends.
- LTP work on Project Sheets and budgeting continues.
- Work done on potential Resurfacing profiles includes options for:
  - Status quo 30% seals overdue
  - Status quo with correction for two coat seal lives
  - Option to extend seal lives on peat soils, as the root cause of failure is not moisture ingress from the top, but rather soil movement underneath the road
  - Option to extend seal lives on low speed (low risk to road user) roads
  - Option to revert 25% of roads on peat soils back to metal.
- dTIMS modelling is done by an external consultant and is administered by RATA. dTIMS modelling is done to analyse trends in road pavement deterioration and to provide input for decision making on renewal requirements and budget forecasts. This modelling is currently underway with the intention to provide initial results in April/May. Field validation is scheduled for July and the Final Report is due in October.
- Work to compile and prioritise all Minor Projects from potential project lists into a Forward Works Programme for the LTP is progressing well.
- As resources becomes available within the Transport Team additional in-house assessments of the HSD will also be done to improve our understanding of the pavement deterioration trends. Specific emphasis will be placed on understanding the relationship between pavement deterioration, seal age and underlying soil types.
- General performance of Contractor with regard to cyclic activity has been deficient in some areas. This is being reflected in performance monitoring results. Deficiencies in cyclic activities are to be addressed in workshops with the Contractor, this will look to be pursued again after it was put on hold due to the Governments COVID-19 pandemic response restrictions. The Transport Team is also continuing to review the existing Maintenance Contract for procurement improvements moving forward.
- In June the Road Efficiency Group (REG) will publish a new report using individual performance results and evidence for each of New Zealand’s 67 Road Controlling Authorities. The Engineering Group Manager will present this report to Council at the meeting, as it is not yet available at the time of writing of the Council Report.

3 COVID19 IMPLICATIONS

Since moving to Level 3 all Capital projects have started up again

Both the General Road Maintenance Contractor and the Streetlighting Maintenance Contractor have issued Notices to Claim for damages from Council. Initial advice received from MBIE and other industry parties indicates that Council will be liable. The claims are expected to be presented to council staff in June.

Other implications include:

- Repair work on drought damaged roads have been delayed and it is now confirmed that this will not be completed before winter
- Pre-seal repairs for the 2020/21 reseals will not be completed before winter.
- The culvert replacement programme has been delayed
- The unsealed road remetalling programme has been delayed.
- The annual remark (roadmarkings) programme was not completed. Edge lines and centrelines which were programmed on various roads (especially on the Plains) are now delayed to the next financial year’s Annual Remark programme.
Several other ongoing maintenance workstreams such as routine bridge maintenance, mowing and replacement of edge marker posts and “cat eyes” were also disrupted. Contractors are currently still operating under Level 3 protocols.

4 NEXT STEPS | TE ARA KI MUA

In conclusion it is noted that all major projects are progressing and that maintenance activities are implemented on a monthly basis, but that the COVID19 lockdown are causing significant effects on delivery and budgets. It is hereby recommended:

THAT the report be received

Approval

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Lukas de Haast</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Transportation Manager</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Approved by</th>
<th>Adrian de Laborde</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Group Manager - Engineering Services</td>
</tr>
</tbody>
</table>
APPENDIX A: Financial Report
## Roading Financial Measures

### Key Indicators for the 11 months ended 31 May 2020

<table>
<thead>
<tr>
<th>Category</th>
<th>YTD Actual</th>
<th>YTD Budget (adjusted)</th>
<th>YTD Budget</th>
<th>YTD Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue (excluding Rates &amp; Capital funding from NZTA)</td>
<td>$2,348,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Unfavourable YTD</td>
<td>$(22,000)</td>
<td>Unfavourable YTD</td>
<td>$(145,000)</td>
<td>Favourable YTD</td>
</tr>
<tr>
<td>YTD budget</td>
<td>$2,370,000</td>
<td>Full year budget</td>
<td>$8,902,000</td>
<td>Full year budget (Original)</td>
</tr>
<tr>
<td>Full year budget</td>
<td>$2,564,000</td>
<td>Full year forecast</td>
<td>$9,047,000</td>
<td>Full year forecast</td>
</tr>
<tr>
<td>Full year forecast</td>
<td>$2,542,000</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Operating Expenditure

- **Revenue**
  - Operating income is higher than budget due to receiving subsidy for footpath maintenance, this was not historically subsidised.

- **Capital Income**
  - Operating expenditure is higher than budget due to additional projects that have been approved after adoption of current year’s Annual Plan.

### Operating Expenditure

- **Non-Subsidised Works**
  - We anticipate saving $140K due to less Noxious weed control, traffic management of public events and limitations imposed by Covid.

- **Pavement Maintenance**
  - Will be overspent by $340K for the year as approved by council resolution C19/276. We request the remainder of the resolution approval ($160K) be carried forward into next year.

- **Professional Services**
  - Overspend due to LTP and RATA database work. This is expected to be over budget by $50K at year end.

- **Other Subsidised**
  - We anticipate a reduction in spending of up to $330K due to limitations on schedules imposed by Covid -19.

### Capital Expenditure

- **Roading**
  - Capital projects have been impacted due to Covid restrictions. Some projects are being
FOR DECISION
MŌ TE WHAKATAUNGA

TO
Mayor and Councillors

AUTHOR
Lukas de Haast
Transportation Manager

FILE REFERENCE
Document: M2760048
Appendix A: M2738185 - Mahuta No.2 Posting Review Report
Appendix B: M2735906 - Project Feasibility Report Mahuta Road North Bridge No. 2 - ID 33

PORTFOLIO HOLDER/S
Mayor Adams
Transport portfolio

MEETING DATE
Wednesday, 29 April 2020

SUBJECT
Transport Decision Report – Replacement of Mahuta Rd North Bridge No. 2

SUMMARY | TE WHAKARĀPOPOPOTANGA

Mahuta Rd North Bridge No. 2 has been identified as needing urgent repairs and/or replacement. Based upon an Engineer’s Certification the bridge has been placed under weight and speed restrictions in order to reduce the risk of failure.

Five options for repair or replacement are presented as well as one alternative for upgrading the bridge to two lanes.

It is proposed to replace the bridge with precast concrete beams to meet current design standards with a 100-year design life. It is further proposed to upgrade the bridge to two lanes taking into consideration the potential for future development in the area. The additional cost of upgrading the bridge to two lanes will not be subsidised by NZTA.

The Rough Order Cost of the proposed option ranges from $1,199,000 to $1,496,000 (excl GST).

Another option is to replace the bridge with precast culvert units ($682,000 to $841,000 excl GST), but this option carries a risk of significant additional costs and time extensions due to having to carry out major work within the stream. These risks are related to unknown soil conditions and resource consent requirements which may result in extensive studies to be done.

The decision is not considered to be a significant decision.
RECOMMENDATION | TE WHAIKUPU

THAT the report be received.

THAT the Council approves the option to replace Mahuta Rd North Bridge No. 2 with precast concrete beams, for a Rough Order Cost of $810,000 to $1,006,000 (excl GST), to proceed to tender phase, and

THAT the Council carry forward unspent capital funds, up to $750,000, in the Minor Improvements Budget from 2019/20 to the year 2020/21, for the replacement of Mahuta Rd North Bridge No. 2, and

THAT the Council approves the option to upgrade Mahuta Rd North Bridge No. 2 from one lane to two lanes, for an additional Rough Order Cost of $389,000 to $490,000 (excl GST), and

THAT the Council approves unbudgeted expenditure of $490,000 (unsubsidised) in the Land Transport activity in the 2020/21 year, to cover the cost of upgrading Mahuta Rd North Bridge No. 2 to two lanes, and that the unbudgeted expenditure be funded from debt, and

THAT the Council delegates authority to the Engineering Group Manager to appoint a contractor for the project up to an amount of $1,496,000 (excl GST), and

THAT the Council considers these decisions to be insignificant under its Significance and Engagement Policy 2017, and

THAT the Council does not engage in consultation on this issue at this time.

1 PURPOSE | TE ARONGA

Mahuta Rd North Bridge No. 2 was identified for replacement during programmed bridge inspections. This report seeks guidance from Council as to the preferred replacement option.

2 BACKGROUND | TE KÖRERO Ā MUA

All bridges on the network are routinely inspected to determine the general condition thereof and to form a forward works programme for maintenance and structural component replacement. During these general inspections Mahuta Rd North Bridge No. 2 was identified as possibly requiring replacement. Upon further investigation it was decided to commission a consultant to do a detailed investigation of the bridge.

The bridge is a one-lane bridge located approximately 700 metres southeast of SH 25.

Detailed investigations were conducted on 9 October 2019 and 5 December 2019. Information gathered from these inspections were then used to do structural analysis of the bridge. The findings of this investigation are that key components of the bridge have deteriorated significantly and therefore the load bearing capacity has been reduced significantly. If the bridge is allowed to be kept open to normal traffic there is an increased risk of failure.

Two reports were received from the consultant in April 2020. The Mahuta No.2 Posting Review Report (Appendix A) recommended that a weight and a speed restriction is placed on the bridge immediately. Subsequent to receipt of the report the bridge was posted to a weight restriction of 5500kg per axle, total weight of 16500kg and a speed restriction of 10km/h. The width of the single lane bridge must also be decreased to lower the risk of failure. These recommendations have been implemented.

A Project Feasibility Report (Appendix B) was also received that presents several remedial options including estimated costs and identified risks.
3 THE ISSUES | NGĀ TAKE

According to our records the bridge was constructed in 1924. Some of the timber elements are original and approaching 100 years in age. Deterioration in structural elements is widespread and takes the form of splits, spikes and rot. The deck is also displaying signs of decay within the timber boards making up the laminated deck.

Strengthening or replacement of the bridge is required to maintain the safety of the bridge.

3.1 Context in Network

Mahuta Rd North is an Access Road (ONRC classification), which links SH2 with SH25. In cases of emergency, accidents or construction work on the State Highways this road can be used as a detour. The road services approximately 30 properties, and there is potential for further development to occur.

The Average Daily Traffic on the road is 107 with 6% heavy vehicles.

In 2019 Council approved a project on Mahuta Rd North to reinstate the road at an underslip site to two lanes, as it was before the underslip occurred.

The bridge is one of two one-lane bridges on Mahuta Rd North. The other bridge which is further along the road towards SH2, is still in good condition.

3.2 Funding

Replacement of the bridge is not currently budgeted for as it is a new project which was identified within the current LTP cycle. There is also no specific allocation for this project within the approved NZTA programme.

The option selected, and the corresponding budget, could affect the funding application process with NZTA. If the project cost is lower than $1 million the project could be done in the current approved Low Cost, Low Risk Programme (LCLR), although a budget increase might be required. If the budget is more than $1 million a separate business case will have to be submitted to NZTA for approval. Approval for a variation to the Regional Land Transport Plan will also be required.

The additional cost of upgrading the bridge to two lanes will not be subsidised by NZTA.

3.3 Work to be done in a waterway

Depending on the option selected, work within the Waitakaruru Stream might be required. This will likely trigger a resource consent, and will also require consultation with Iwi. Any work conducted in the stream carries the risk of sediment contamination, which could result in prosecution by Waikato Regional Council.

4 ENGAGING WITH OUR COMMUNITIES | KIA UIA TE HAPORI WHĀNUI

Staff consider that the Council does have enough of an understanding of community views and preferences on this matter. The level of engagement considered appropriate for this matter, at this point in time, is to not to engage at this time.
5 OUR OPTIONS | NGĀ KÖWHIRINGA A MÄTOU

Staff have identified the following options for the Council to consider:

- Retaining the status quo is not considered a viable option as the safety of road users are at stake.
- Option 1: Decommissioning the bridge and closing the road.
- Option 2: Minimum Work recommended to maintain the short term safety of the bridge without any increase to load capacity
- Option 3 – Strengthening Elements of the bridge to meet current design standards
- Option 4 – Replacement of the bridge with a precast concrete culvert that meets current design standards – single lane
- Option 4a – Replacement of the bridge with a precast concrete culvert that meets current design standards – two lane
- Option 5 – Replacement of the bridge with precast concrete beams that meets current design standards – single lane
- Option 5a – Replacement of the bridge with precast concrete beams meeting current design standards – two lane

These options and their advantages and disadvantages are outlined below.

5.1 OPTION 1: Decommissioning the bridge and closing the road

ABOUT THIS OPTION
Mahuta Rd North is a low volume road that has access from both SH2 and SH25. It is not currently listed with NZTA as a preferred detour route. Residents and farms along the route can still be accessed if this bridge is decommissioned and the road is closed to through traffic.

ADVANTAGES
Low cost
Shorter timeframe
Low risk

DISADVANTAGES
Reduced access and increased travel times for residents along Mahuta Rd North.
Reduced development potential.
Reduced customer satisfaction.
Road stopping process as per Local Government Act.

FINANCIAL COSTS

<table>
<thead>
<tr>
<th>Whole of life costs</th>
<th>Capital costs: $ 0</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ongoing annual operating: $ 0</td>
</tr>
<tr>
<td></td>
<td>One off operating cost: $ 100,000</td>
</tr>
</tbody>
</table>

Budget source
Minor Safety

Changes to budgets
In order to accommodate these costs there will not need to be changes to budgets.
The cost of this option can be accommodated within the existing Minor Safety (LCLR) budget

Impact on the Council’s debt
There is no impact on the Council’s debt

Potential impact on rates
The impact on rates will be low
5.2 OPTION 2: Minimum Work recommended to maintain the short term safety of the bridge

ABOUT THIS OPTION
The minimum work required to maintain short term (24 months) safety of the bridge is:
- Weight and speed restrictions (already being implemented)
- Reduce carriageway width on the bridge to 3 metres (already being implemented)
- Remedial work and some improvements to the bridge deck.
- Install additional abutments to reduce length of the approach spans

ADVANTAGES
Low cost.
Lowest disruption to traffic.
Materials readily available.
Work could be undertaken by a number of contractors including the Council’s current network maintenance contractor.

DISADVANTAGES
Prevents HCV’s\(^1\) using the bridge.
Does not address the fundamental capacity issues such as the poor condition of the timber elements.
Work on the existing deck may reveal the presence of deteriorated deck members which may result in delays.
May require resource consent for works in the waterway area and for removal of the existing seal may.
Short term only and will still require strengthening or replacement of the bridge in the long term.

FINANCIAL COSTS

<table>
<thead>
<tr>
<th>Whole of life costs</th>
<th>Capital costs: $90,000 to $109,000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ongoing annual operating: $0</td>
</tr>
<tr>
<td></td>
<td>One off operating cost: $0</td>
</tr>
<tr>
<td>Budget source</td>
<td>Structural Component Replacements</td>
</tr>
<tr>
<td>Changes to budgets</td>
<td>In order to accommodate these costs there will need to be changes to budgets.</td>
</tr>
<tr>
<td></td>
<td>The cost of this option will require an increase in the Structural Component Replacement budget</td>
</tr>
<tr>
<td>Impact on the Council’s debt</td>
<td>Approximately $20,000 will have to be funded through debt for one year. Will be repaid in year 2 through rates</td>
</tr>
<tr>
<td>Potential impact on rates</td>
<td>Approximately $1.90 per ratepayer for two years</td>
</tr>
</tbody>
</table>

\(^1\) HCV is a Heavy Commercial Vehicle such as a milk tanker or feed truck

5.3 Strengthening Elements of the bridge to meet current design standards

ABOUT THIS OPTION
Replacement of deteriorated superstructure bridge elements.
- All the timber beams and rusted steel beams in the landspans are replaced with appropriately sized steel beams and a new deck provided to the landspans.
- Replacement of deteriorated superstructure structural elements (both timber and steel) with steel elements in the central span.
- Strengthening of the timber bearers at piers and abutments using steel plates bolted to each side of the bearer.
- Replacement of deteriorated timber lagging behind the abutments and forming the wingwalls.
ADVANTAGES
The bridge will be capable of carrying Class 1 or HPMV\(^2\) loads.
Lower cost than full bridge replacement.
Shorter construction duration than a full bridge replacement.

DISADVANTAGES
The condition and capacity of substructure elements such as bearers, piers and foundations are largely unknown.
When superstructure elements are removed further deterioration may be found which could increase the cost and cause delays.
The remaining life of substructure elements such as bearers, piers and foundations is estimated to be approximately 10 years only, which means that work done to the superstructure now will likely have to be redone in 10 years’ time.
The strengthening work addresses only the vertical load capacity of the bridge and will not allow for current earthquake standards.

FINANCIAL COSTS

<table>
<thead>
<tr>
<th>Whole of life costs</th>
<th>Capital costs: $193,000 to $234,000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ongoing annual operating: $0</td>
</tr>
<tr>
<td></td>
<td>One off operating cost: $0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Budget source</th>
<th>Structural Component Replacements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Changes to budgets</td>
<td>The structural component replacement budget will have to increase with approximately $100,000</td>
</tr>
<tr>
<td>Impact on the Council’s debt</td>
<td>$76,860 repaid over remaining 9 years</td>
</tr>
<tr>
<td>Potential impact on rates</td>
<td>$0.80 per ratepayer for ten years</td>
</tr>
</tbody>
</table>

\(^2\) High Productivity Motor Vehicles - includes 50MAX trucks that are able to operate above the current 44 tonne weight limit under permit.

5.4 Option 4 – Replacement of the bridge with a precast concrete culvert that meets current design standards – single lane

ABOUT THIS OPTION
Replacement of the existing bridge with a series of precast concrete box culverts designed to meet the waterway requirements and deck levels. This option is for the single-lane crossing to be retained.

ADVANTAGES
Achieve 100 year design life and full carrying capacity in accordance with the current standards.
Low future maintenance requirements
Readily available materials and common construction techniques should attract a range of tenderers and provide competitive value for the physical works.
Use of standard precast units will reduce design effort and costs.

DISADVANTAGES
Potentially large excavation and de-watering required due to depth required to reach firm material. Potentially could require piling if extremely poor ground conditions which prohibit the excavation to sound bearing subsoils.
Temporary realignment of canal during construction to allow the culverts to be placed in the ‘dry’.
Work in the streambed may be delayed due to flooding.
Fish passage might be an issue.
Uncertain or changes in ground conditions may require additional excavation and fill
triggers additional costs and construction delays. Approval of resource consent may be delayed due to various approvals including Fish and Game. Costs to comply with the consents while working within the stream may be large. Depending on the size and final position of the culvert tall wingwalls may be required which may increase construction costs. Scour will still be an issue although it can be controlled by appropriate rock armour details along the banks of the stream.

Single lane only on a bridge with a 100 year design life.

FINANCIAL COSTS

<table>
<thead>
<tr>
<th>Whole of life costs</th>
<th>Capital costs: $ 510,000 to $ 626,000 (excluding additional consenting costs)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ongoing annual operating: $ 0</td>
</tr>
<tr>
<td></td>
<td>One off operating cost: $ 0</td>
</tr>
<tr>
<td>Budget source</td>
<td>Minor Improvements (Renewal)</td>
</tr>
<tr>
<td>Changes to budgets</td>
<td>Unspent funds (up to $750,000) in the 2019/20 Minor Improvements budget to be carried forward to 2020/21</td>
</tr>
<tr>
<td>Impact on the Council’s debt</td>
<td>Approximately $230,000 increase in debt</td>
</tr>
<tr>
<td>Potential impact on rates</td>
<td>Lower than current depreciation allowed, therefore not rate impact.</td>
</tr>
</tbody>
</table>

5.5 Option 4a – Replacement of the bridge with a precast concrete culvert that meets current design standards – two lane

ABOUT THIS OPTION
Replacement of the existing bridge with a series of precast concrete box culverts designed to meet the waterway requirements and deck levels. This option is for the crossing to be upgraded to two lanes.

ADVANTAGES
Achieve 100 year design life and full carrying capacity in accordance with the current standards.
Improved level of service allows for future development.
Low future maintenance requirements
Readily available materials and common construction techniques should attract a range of tenderers and provide competitive value for the physical works.
Use of standard precast units will reduce design effort and costs.
Increased safety and future proofing by upgrading to two lanes.

DISADVANTAGES
Potentially large excavation and de-watering required due to depth required to reach firm material. Potentially could require piling if extremely poor ground conditions which prohibit the excavation to sound bearing subsoils.
Temporary realignment of canal during construction to allow the culverts to be placed in the ‘dry’.
Work in the streambed may be delayed due to flooding.
Fish passage might be an issue.
Uncertain or changes in ground conditions may require additional excavation and fill triggering additional costs and construction delays.
Approval of resource consent may be delayed due to various approvals including Fish and Game. Costs to comply with the consents while working within the stream may be large. Depending on the size and final position of the culvert tall wingwalls may be required which may increase construction costs. Scour will still be an issue although it can be controlled by appropriate rock armour details along the banks of the stream.

### FINANCIAL COSTS

| Whole of life costs | Capital costs: $ 682,000 to $ 841,000 (excluding additional consenting costs) |
|                     | Ongoing annual operating: $ 0 |
|                     | One off operating cost: $ 0 |
| Budget source       | Minor Improvements (Renewal) – additional cost of two lanes is not subsidised. |
| Changes to budgets  | Unspent funds (up to $750,000) in the 2019/20 Minor Improvements budget to be carried forward to 2020/21 Additional cost to upgrade to two lanes is unbudgeted and will be funded from debt |
| Impact on the Council’s debt | Approximately $419,993 increase in debt |
| Potential impact on rates | 0.07 per year for 100 years |

### 5.6 Option 5 – Replacement of the bridge with precast concrete beams that meets current design standards – single lane

#### ABOUT THIS OPTION

This option replaces the existing bridge with a single span bridge formed of precast beams seated on piled abutments. A standard 900mm deep pre-stressed precast single beam can span up to 25m which is considered adequate for this bridge (existing length 22m). The abutments could be piled using driven H-Piles, precast concrete piles or driven steel shells and a precast abutment cap utilised. This option is for the single-lane crossing to be retained.

#### ADVANTAGES

- Achieve 100 year design life and full carrying capacity in accordance with the current standards.
- No work required within the stream bed beyond demolition of the existing bridge structure.
- Larger waterway than what box culverts would provide.
- No fish passage issues.
- Using precast elements reduces onsite construction time.
- Abutment bank seats will minimise wingwall height requirements. Scour erosion will also

#### DISADVANTAGES

- The hydraulic assessment may require the bridge deck to be higher than the existing road level. This will require the road approaches to be built up using retaining wall elements unless a stable batter can be achieved although this may mean encroaching into private property.
- Poor or uncertain ground conditions may require larger and/or deeper piles in order to generate the required geotechnical capacity.
- Second most expensive option.
- Single lane only on a bridge with a 100 year design life.
be reduced as the abutments sit outside the waterway. Rock armour may not be required as the abutments sit outside the waterway. Low future maintenance requirements. Readily available materials and common construction techniques should attract a range of tenderers and provide competitive value for the physical works. The precast single beams are a standardised design providing economies for both the detailed design and physical works.

FINANCIAL COSTS

<table>
<thead>
<tr>
<th></th>
<th>Capital costs: $ 810,000 to $ 1,006,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole of life costs</td>
<td>Ongoing annual operating: $ 0</td>
</tr>
<tr>
<td></td>
<td>One off operating cost: $ 0</td>
</tr>
<tr>
<td>Budget source</td>
<td>Minor Improvements (Renewal)</td>
</tr>
<tr>
<td>Changes to budgets</td>
<td>Unspent funds (up to $750,000) in the 2019/20 Minor Improvements budget to be carried forward to 2020/21</td>
</tr>
<tr>
<td>Impact on the Council’s debt</td>
<td>Approximately $363,000 increase in debt</td>
</tr>
<tr>
<td>Potential impact on rates</td>
<td>$0.01 per ratepayer for 100 years</td>
</tr>
</tbody>
</table>

5.7 Option 5a – Replacement of the bridge with precast concrete beams meeting current design standards – two lane

ABOUT THIS OPTION
This option replaces the existing bridge with a single span bridge formed of precast beams seated on piled abutments. A standard 900mm deep pre-stressed precast single beam can span up to 25m which is considered adequate for this bridge (existing length 22m). The abutments could be piled using driven H-Piles, precast concrete piles or driven steel shells and a precast abutment cap utilised. This option is for the crossing to be upgraded to two lanes.

ADVANTAGES
Achieve 100 year design life and full carrying capacity in accordance with the current standards. Improved level of service allows for future development. No work required within the stream bed beyond demolition of the existing bridge structure. Larger waterway than what box culverts would provide. No fish passage issues. Using precast elements reduces onsite construction time. Abutment bank seats will minimise wingwall height requirements. Scour erosion will also be reduced as the abutments sit outside the waterway.

DISADVANTAGES
The hydraulic assessment may require the bridge deck to be higher than the existing road level. This will require the road approaches to be built up using retaining wall elements unless a stable batter can be achieved although this may mean encroaching into private property. Poor or uncertain ground conditions may require larger and/or deeper piles in order to generate the required geotechnical capacity. Most expensive option.
Rock armour may not be required as the abutments sit outside the waterway. Low future maintenance requirements. Readily available materials and common construction techniques should attract a range of tenderers and provide competitive value for the physical works. The precast single beams are a standardised design providing economies for both the detailed design and physical works. Increased safety and future proofing by upgrading to two lanes.

**FINANCIAL COSTS**

| Whole of life costs | Capital costs: $ 1,199,000 to $ 1,496,000  
Ongoing annual operating: $ 0  
One off operating cost: $ 0 |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget source</td>
<td>Minor Improvements (Renewal) – additional cost of two lanes is not subsidised.</td>
</tr>
<tr>
<td>Changes to budgets</td>
<td>Unspent funds (up to $750,000) in the 2019/20 Minor Improvements budget to be carried forward to 2020/21. Additional cost to upgrade to two lanes is unbudgeted and will be funded from debt</td>
</tr>
<tr>
<td>Impact on the Council’s debt</td>
<td>Approximately $798,244 increase in debt</td>
</tr>
<tr>
<td>Potential impact on rates</td>
<td>$0.42 per ratepayer for 100 years</td>
</tr>
</tbody>
</table>

6 **PREFERRED OPTION| TE KŌWHIRINGA MATUA**

Staff recommend proceeding with option Option 5a – Replacement of the bridge with precast concrete beams that meets current design standards – two lanes.

This option is recommended because:
- It provides the required loading capacity with a 100 year design life
- There is limited risk in terms of unknown condition of the existing structural elements, the soil conditions, and implications of working in the stream.
- Other than demolition of the existing bridge all work will be done on the banks of the canal.
- In options 4 and 4a (precast culverts) there are several unknown factors, such as consenting, which could affect the cost estimates and the timeline.
- The area is suitable for future development and traffic volumes could increase significantly.
6.1 LINKAGES

<table>
<thead>
<tr>
<th>STRATEGIC DIRECTION</th>
<th>The preferred option IS consistent with the <strong>Council’s strategic direction</strong>, including community outcomes.</th>
<th>It is in line with the community outcome “Prepared Hauraki” as it provides core infrastructure.</th>
</tr>
</thead>
<tbody>
<tr>
<td>LONG TERM PLAN / ANNUAL PLAN ALIGNMENT</td>
<td>The preferred option IS consistent with the <strong>long term plan and/or annual plan programmes and budgets.</strong></td>
<td>The project is not specifically mentioned in the LTP or Annual Plan, but references were made about the ageing bridge stock in the Asset Management Plan, and it was signalled that some of the older bridges will require replacement in future.</td>
</tr>
<tr>
<td>POLICIES, BYLAWS AND PLANS ALIGNMENT</td>
<td>The preferred option IS consistent with the Council’s other strategies, policies, bylaws and plans.</td>
<td>[Add content]</td>
</tr>
<tr>
<td>SIGNIFICANCE ASSESSMENT</td>
<td>The decision IS NOT <strong>considered significant</strong> under the Council’s Significance and Engagement Policy 2017.</td>
<td>It is an existing bridge and the proposed option will provide the same level of service as what the asset is intended to provide.</td>
</tr>
<tr>
<td>IMPLICATIONS FOR MĀORI</td>
<td>The decision DOES NOT involve a <strong>significant decision in relation to land or a body of water.</strong></td>
<td>The proposed option will avoid having to do significant works in the waterway.</td>
</tr>
</tbody>
</table>

6.2 ASSESSING THE RISKS

Staff have identified the following risks associated with the recommended option.

<table>
<thead>
<tr>
<th>Description of risk</th>
<th>Level of risk</th>
<th>How we could soften the risk</th>
<th>Risk remaining</th>
</tr>
</thead>
<tbody>
<tr>
<td>The hydraulic assessment may require the bridge deck to be higher than the existing road level.</td>
<td>Low</td>
<td>This will require the road approaches to be built up using retaining wall elements unless a stable batter can be achieved although this may mean encroaching into private property.</td>
<td>Low</td>
</tr>
<tr>
<td>Poor or uncertain ground conditions</td>
<td>Moderate</td>
<td>May require larger and/or deeper piles in order to generate the required geotechnical capacity.</td>
<td>Low</td>
</tr>
<tr>
<td>Delays could cause more disruption of traffic flow due to road closure during construction</td>
<td>Low</td>
<td>The recommended option has the lowest likelihood of delays.</td>
<td>Low</td>
</tr>
</tbody>
</table>
7 NEXT STEPS | TE ARA KI MUA

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Action</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 July 2020</td>
<td>NZTA funding application</td>
<td>Minor Improvements budget</td>
</tr>
<tr>
<td>31 July 2020</td>
<td>Appointment of Project Manager</td>
<td>To be done through PMO</td>
</tr>
<tr>
<td>31 July 2020</td>
<td>Appointment of Consultant to commence investigations, consenting and design</td>
<td>Specialised consultant. Project programme to be confirmed.</td>
</tr>
</tbody>
</table>

Approval

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Lukas de Haast</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Transportation Manager</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Approved by</th>
<th>Adrian de Laborde</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Group Manager - Engineering Services</td>
</tr>
</tbody>
</table>
APPENDIX A: Mahuta No.2 Posting Review Report
Mahuta Road North – Bridge No.1 Posting Report

Disclaimers and Limitations
This report (‘Report’) has been prepared by WSP exclusively for Hauraki District Council (‘Client’) in relation to the Rating and Posting Evaluation of Mahuta Road North No. 2 Bridge ID #33 (‘Purpose’) and in accordance with the RATA Contract 28-17-04. The findings in this Report are based on and are subject to the assumptions specified in the Report and is to be read in conjunction with the Project Feasibility Report (PFR) for this bridge issued to Hauraki District Council dated 19 March 2020 and the conditions within the offer of service dated 9 January 2020. WSP accepts no liability whatsoever for any reliance on or use of this Report, in whole or in part, for any use or purpose other than the Purpose or any use or reliance on the Report by any third party.

Background
Mahuta Road North Bridge No.1 is the subject of a separate Project Feasibility Report (PFR) focussing on the options available to manage this structure going forward including doing the minimum required to ensure safety of the bridge for public use through to full replacement with a Waka Kotahi, NZ Transport Agency Bridge Manual compliant new structure.

As part of the PFR report the live load capacity of the existing structure, as is, needed to be assessed so the results could inform the PFR outcome and make a recommendation to Council for Legal Posting, in the interim period, until a replacement or strengthening can be funded to maintain the safety of the bridge.

This Posting Report summarises the assessment undertaken on the bridge and provides a recommendation for legal posting of the bridge under Section 11, Protection of bridges, of the Heavy Motor Vehicle Regulations 1974.

Structural Form
The bridge was originally design and built circa 1924. Initially it consisted of an all timber construction including the foundations, beams and deck. At some stage in the past the central span has been replaced with steel stringers and a thicker laminated deck. The two end spans have been supplemented with two steel stringers in each span while retaining the original timber beams as well. The deck is of laminated construction on the end spans but is thinner in section depth. The substructure and foundations appear to be original.

Condition
Some of the timber elements are original and approaching 100 years in age. Deterioration is wide spread and takes the form of splits, spikes and rot. The decay in the beam ends at the abutments, where in contact with soil is extensive. The deck is also displaying signs of decay within the timber boards making up the laminated deck. Allowance has been made in the analysis of the beams and the deck recognising the deterioration observed on site.
Analysis

The bridge was assessed in line with the requirements of Chapter 7 of the NZTA Bridge Manual V3.

A deterioration factor of 1.0 and 0.85 for the steel elements and timber elements respectively has been adopted throughout the analysis. The 0.85 factor used for the timber members reflects the decay in the timber beams observed on site. This factor is based on a combination of engineering judgement and guidance outlined in Table 7.5 of the NZTA Bridge Manual.

Due to the difficulty in determining timber species and thus appropriate timber properties, a range of timber properties has been adopted to provide upper and lower bounds for the timber elements and thus providing a sensitivity analysis on the effects of varying the timber properties.

Yield strength value for the steel beams is based on the recommendation in Section 7.3.4 of the NZTA Bridge Manual.

Results Table

<table>
<thead>
<tr>
<th>Beam Elements</th>
<th>Upper Bound</th>
<th>Average Bound</th>
<th>Lower Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Australian Hardwoods</td>
<td>NZ Totara</td>
<td>NZ Pinus Radiata (SG8, Green)</td>
</tr>
<tr>
<td>Timber Beams 15&quot;x10&quot;</td>
<td>90% Class 1</td>
<td>65% Class 1</td>
<td>40% Class 1</td>
</tr>
<tr>
<td>RSJ @ Landspans BSB126</td>
<td>160% Class 1</td>
<td>60% Class 1</td>
<td>20% Class 1</td>
</tr>
<tr>
<td>RSJ @ Central span BSB134</td>
<td>105% Class 1</td>
<td>105% Class 1</td>
<td>105% Class 1</td>
</tr>
<tr>
<td>Timber Bearer 12&quot;x12&quot;</td>
<td>90% Class 1</td>
<td>90% Class 1 *</td>
<td>90% Class 1 *</td>
</tr>
<tr>
<td>Timber Pile 12&quot;x12&quot;</td>
<td>570% Class 1</td>
<td>570% Class 1 *</td>
<td>570% Class 1 *</td>
</tr>
</tbody>
</table>

* Substructure results based on Mixed Australian Hardwoods

Deck Posting

<table>
<thead>
<tr>
<th>Posting Class</th>
<th>Upper Bound</th>
<th>Average Bound</th>
<th>Lower Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timber Bulk Deck 100x50 Landspan</td>
<td>Axle 2000kg, 10km/hr</td>
<td>No restriction</td>
<td></td>
</tr>
<tr>
<td>Timber Bulk Deck 150x50 Central span</td>
<td>Axle 5000kg, 10km/hr</td>
<td>Axle 8000kg, 10km/hr</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Axle 7500kg, 30km/hr</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Axle 7000kg, 100km/hr</td>
<td></td>
</tr>
</tbody>
</table>

Timber Properties

<table>
<thead>
<tr>
<th>Properties</th>
<th>Upper Bound</th>
<th>Average Bound</th>
<th>Lower Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Youngs Modulus Timber</td>
<td>51,866 MPa</td>
<td>18,712 MPa</td>
<td>6,500 MPa</td>
</tr>
<tr>
<td>Characteristic Bending stress</td>
<td>22 MPa</td>
<td>22 MPa</td>
<td>11.7 MPa</td>
</tr>
<tr>
<td>Characteristic Shear stress</td>
<td>3.254 MPa</td>
<td>2.034 MPa</td>
<td>2.4 MPa</td>
</tr>
<tr>
<td>Characteristic Compression Parallel stress</td>
<td>30.51 MPa</td>
<td>22.37 MPa</td>
<td>12 MPa</td>
</tr>
<tr>
<td>Structural steel Yield Stress</td>
<td>230 MPa</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Deterioration factor (Table 7.5 NZTA BM)

<table>
<thead>
<tr>
<th>Material</th>
<th>Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steel</td>
<td>1.0</td>
</tr>
<tr>
<td>Timber</td>
<td>0.85</td>
</tr>
</tbody>
</table>

Discussion

The bridge was modelled in Microstran to determine how the deck behaved under live load and how the loads were distributed to the individual beams. The analysis of the end spans was complex due to the presence of the steel RSJ stringers within the span. As different timber stiffnesses were applied, differing amounts of the live load were attributed to the two steel stringers giving results of very low carrying capacity through to a more realistic capacity as the timber stiffness was increased and the timber beams took up a greater proportion of the applied load.
We know the actual stiffness of the timber beams will lie somewhere between the upper and lower limits, exactly where is the question. Adopting an ‘average’ value for the landspan timber beams for the Youngs Modulus (taken as equivalent to Totara) results in a Posting Class of 65% Class I for the timber beams and 60% Class I for the steel RSJ’s. This occurs as the more flexible timber beams shed load into the stiffer steel beams which in turn are required to take a higher proportion of the live load.

The steel beams in the central span have a greater capacity than the landspans at 105% Class I and thus are not the governing elements in the bridge.

The substructure generally is around 90% Class I depending on the timber properties adopted with the piles having greater than 120% Class I capacity. Note this assessment does not cover the geotechnical aspects of the piles but from observation there is no evidence of any pier or abutment settlement which indicates the piles are adequate.

The deck has two different depths being 100mm on the landspans and 150mm on the central span. There is some overlap from the central span into the landspans due to the skew of the bridge.

The outer beam on the landspans are not functional with large zones of non-contact with the underside of the deck and/or the abutment or pier crosshead. The central span has no beams present along the outer edge of the deck.

The lack of edge restraint to the deck results in relatively long cantilevers upon which vehicle wheels are able to traverse. This is particularly an issue for the thinner 100mm deck on the landspans.

Based on a Pinus Radiata deck with a deterioration factor of 0.85, the deck as is can only safely take a 2000kg or 5000kg axle load for the landspan and central spans respectively, when at maximum eccentricity and travelling at 10km/hr. The 2000kg axle is approximately 25% of a standard Class I axle.

If the available deck width could be reduced to 3.0m clear distance between the kerbs, this effectively eliminates the cantilever section of the deck on the landspans and substantially reduces the cantilevered deck length on the central span to an extent that an axle limitation is not required when vehicles travel at 10 Km/hr. The recommended posting limit for the beams of 60% Class I requires a reduction in individual axle weights below Class I limits to be able to comply with the posting thus with a narrowed deck the axles weights do not become an issue.

The Code of Practice for Temporary Traffic Management (CoPTTM) permits a lane width of 3.0m for speeds of up to 60 km/hr, therefore a reduction to 3.0m combined with a speed restriction of 10 km/hr is unlikely to cause any issues (agricultural vehicles up to 3.7m allowable width could be an issue).

**Recommendation**

The analysis is somewhat sensitive to the properties adopted for the timber elements in the landspans. The variety of timber present in Mahuta Road North No. 2 has not been specifically established so a range of values has been used to provide upper and lower bounds based on Australian hardwoods with the values for New Zealand Totara, which falls between the upper and lower Australian hardwoods, being adopted as a representative value for the structure.
On this basis our recommendation is that the Mahuta Road North No. 2 bridge is immediately posted as follows:

<table>
<thead>
<tr>
<th>Heavy Vehicle Bridge Limits:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross – 60% of Class I</td>
</tr>
<tr>
<td>Speed – 10 km/h</td>
</tr>
</tbody>
</table>

This recommendation is based upon reducing the available deck width to 3.0m between new wheel kerbs fitted within the existing kerbs and handrails. If this is non-desirable for operational reasons then an axle load of 2000Kg would need to be added to the above posting notice which imposes a far greater restriction on the vehicles that would be permitted to cross the bridge. The axle weight restriction would effectively limit the bridge to taking cars and light utility vehicles, even small farm tractors are likely to exceed this axle limit.

We can calculate a Gross limit in terms of total mass to represent the equivalent 60% Class I restriction if this would make it easier for operator to understand leading to higher compliance rates.

Due to the structural form, the materials used and the deterioration observed in the bridge, as part of this recommendation we suggest the bridge is placed on a monitoring programme being inspected on a 3 monthly basis to observe continuing deterioration of the timber elements and look for any sign of imminent failure which could necessitate full closure or urgent repairs to maintain safety.

Analysis Undertaken by: Pouvi Sua
Senior Engineer

Report Prepared by: Tony Mans
Deputy Team Leader

Approved for Release by: Dave Ashby
Team Leader

3 April 2020
Issue 1 – for Client review
APPENDIX B: Project Feasibility Report Mahuta Road North Bridge No. 2 - ID 33
FOR INFORMATION | NGĀ MŌHIOTANGA

TO Mayor and Councillors

AUTHOR EJ Wentzel - Water Services Manager

FILE REFERENCE Document: 2768199
Appendix A:
Appendix B:

PORTFOLIO HOLDER/S Councillor Harris

MEETING DATE 27 May 2020

SUBJECT Water Services - Monthly Activity Report for June (covering May)

SUMMARY | TE WHAKARĀPOPOTANGA
This report summarises performance and issues in the Water Services work area. The body of the report refers to the May period.

RECOMMENDATION | TE WHAIKUPU
THAT the report be received.
1 PURPOSE | TE ARONGA
To provide an overview on the maintenance activities, project progress, risks and financial standing of the Water Services activity.

2 BACKGROUND | TE KÖRERO Ā MUA
This report provide an overview of the activities in the Water Services environment.

3 FINANCIAL MEASURES

Water Financial Measures
Key Indicators for the 11 months ended 31 May 2020

<table>
<thead>
<tr>
<th></th>
<th>$15,000</th>
<th>$6,759,000</th>
<th>$2,985,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue</td>
<td>Favourable YTD</td>
<td>$15,000</td>
<td>$190,000</td>
</tr>
<tr>
<td></td>
<td>YTD budget</td>
<td>$0</td>
<td>$6,889,000</td>
</tr>
<tr>
<td></td>
<td>Full year budget</td>
<td>$0</td>
<td>$7,418,000</td>
</tr>
<tr>
<td></td>
<td>Full year forecast</td>
<td>$15,000</td>
<td>$7,418,000</td>
</tr>
</tbody>
</table>

Revenue
Sale of water to water delivery operators was not budgeted, this totalled $15K.

Expenditure
- Treatment: Reactive repairs were over budget by $50K due to drought. The operating team migrated from C&M to water services and has been enlarged this results in the C&M budget being unspent however the wages for the personnel is anticipated to exceed original budget by $140K due to increased team size, vehicle lease costs, petrol, superannuation and relocation costs.
- Reticulation: Overspend on reactive repairs due to breaks on network requiring more repairs than anticipated. This was due to dry weather and the age of reticulation networks.
- Other: Saving of $21K due to consent charges now being allocated to Treatment plants and deferral of planned works due to Covid -19.

Fixed Costs: Rates expense is less than budget, representing a saving.

Headworks: Underspend of $385K offset by deferral of spending in decommissioning costs.

Capital Expenditure
Capital works programme is tracking behind anticipated levels and some projects are being carried forward into 20/21 Financial Year.
Wastewater Financial Measures

Key Indicators for the 11 months ended 31 May 2020

<table>
<thead>
<tr>
<th></th>
<th>Operating Revenue (excluding Rates)</th>
<th>Operating Expenditure</th>
<th>Capital Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$158,000 -</td>
<td>$2,898,000</td>
<td>$782,000</td>
</tr>
<tr>
<td>Unfavourable YTD</td>
<td>$(116,000)</td>
<td>$(123,000)</td>
<td>Favourable YTD</td>
</tr>
<tr>
<td>YTD budget</td>
<td>$274,000</td>
<td>$2,775,000</td>
<td>$3,078,000</td>
</tr>
<tr>
<td>Full year budget</td>
<td>$299,000</td>
<td>$3,397,000</td>
<td>YTD Forecast</td>
</tr>
<tr>
<td>Full year forecast</td>
<td>$133,000</td>
<td>$3,330,000</td>
<td>Full year budget (Original)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$3,860,000</td>
<td>Full year forecast</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$4,211,000</td>
<td></td>
</tr>
</tbody>
</table>

**Revenue**

A commercial wastewater discharge contract was renegotiated resulting in lower income that provided for in the budget. The Water Services Manager expects to see offsetting savings in expenditure.

**Expenditure**

- **Pumpstations**: Unfavourable variance reflects increased reactive repairs required due to dry weather and increased pump failures and blockages.
- **Reticulation**: Budget based on historical values did not account for the additional maintenance during current drought, resulting in overspend. Increased WRC clean-up compliance requirements (emergency contractor services and response times) has also led to budget overspend while resulting in better operational practices in the field. Due to bad weather in early June we expect further adverse variance.

**Fixed Costs**: Rates expense is less than budget, representing a saving.

**Capital Expenditure**

Capital works programme is tracking behind anticipated levels due to dry weather, some projects might carry forward into the next financial year.

---

Storm Water Financial Measures

Key Indicators for the 11 months ended 31 May 2020

<table>
<thead>
<tr>
<th></th>
<th>Operating Revenue (excluding Rates)</th>
<th>Operating Expenditure</th>
<th>Capital Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$0 -</td>
<td>$711,000</td>
<td>$72,000</td>
</tr>
<tr>
<td>Favourable YTD</td>
<td>$0</td>
<td>$34,000</td>
<td>Favourable YTD</td>
</tr>
<tr>
<td>YTD budget</td>
<td>$0</td>
<td>$745,000</td>
<td>$74,000</td>
</tr>
<tr>
<td>Full year budget</td>
<td>$0</td>
<td>$865,000</td>
<td>YTD Forecast</td>
</tr>
<tr>
<td>Full year forecast</td>
<td>$0</td>
<td>$823,000</td>
<td>Full year budget (Original)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$114,000</td>
<td>Full year forecast</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$183,000</td>
<td></td>
</tr>
</tbody>
</table>

**Revenue**

N/A

**Operating Expenditure**

- **Mechanical Cleaning**: $10K saving at year end due to lesser cleaning required than previous years.

**Capital Expenditure**

Stormwater Paeroa has exceeded budget by $5K.
4 WATER SUPPLY

4.1 Water Networks Operations Notebook

Various water mains renewals are underway in:
- Wani Road – Plains
- George Street – Paeroa
- Lewis Street - Paeroa

All mains renewals were put on hold for part of March and April due to Covid-19 virus. A significant number of breaks were experienced on the Plains network due to the drought and ageing infrastructure.

4.2 Water Treatment Operations Notebook

- Tetley’s Quarry water level is still above 30%. Although the rainy season has begun, it is predicted to be a dry winter and spring. The Mangatarata River (Suicide Intake) level is now high enough to partially supply Waitakaruru WTP as well. But to preserve the Quarry storage for summer, when we may not take from the Mangatarata Stream, Waitakaruru WTP will be shut off whenever demand allows.
- A small number of spare membranes have arrived, which has allowed us to remove one of Waihi WTP's membranes for visual evidence of fouling. Once it has been dried and weighed, this activity will take place.
- The Treatment Team have completed hazardous substance and chlorine handling training.
- Two new Treatment Technicians have been appointed, both starting in June 2020.

4.3 July / August Planned Works

- Dead end flushing of water mains to start – this has been delayed due to the current water shortage and concerns about consents.
- Longer term repairs to hot water tanks.

4.4 Water Restrictions

River levels have risen sufficiently to allow supplying Waihi WTP from both of its raw water sources. This, along with the lower demand, allowed us to remove water restrictions in Waihi on 26 May 2020.
5 WASTEWATER

5.1 Wastewater Networks Operations Notebook
- Waihi East Manhole sealing works are progressing well. All work that was to be completed by C&M has been done and Dodd’s Drainage is progressing quickly through his portion. A proposal for the condition survey for the next section has been received.
- Junction Road pumpstation got hit with a large power spike which damaged multiple components in the station including a pump VSD. Emergency repairs were undertaken to get the station running over the long weekend but more permanent fixes are currently being undertaken.
- Station Road Paeroa did not get its regular clean during level 3 lockdown which has impacted on the number of blockages in the network. Fat and gravel in the line where the gradient flattens out. A wider investigation of the upstream network will be required to determine where gravel is getting into the network.
- Dean Cres pumpstation has failed and a quote for a replacement has been received. This work will need to be done separate to the rest of any planned pumpstation upgrades.
- A dry weather overflow occurred at 9a Wellington Street caused by fat in the line. This was reported to WRC.

5.2 Wastewater Treatment Operations Notebook
- There were nine Resource Consent (RC) exceedances reported at Hauraki District Council (HDC) wastewater/sewage treatment plants (WWTP/STP) in May 2020, for samples taken in May 2020:
  1) Waihi STP Total Kjeldahl Nitrogen (TKN)
     a) 20 g/m³
     b) This value is above the winter (1 May – 31 October) median limit of 15 g/m³, but still below the winterer 90th percentile limit of 25 g/m³. It is the 2nd monthly exceedance of the winter median limit, the other being in October 2019, which was also not an exceedance of the 90th percentile limit. Investigations into the non-compliance have determined the most likely cause to be a build-up of sludge in the oxidation ponds. Council have made provision in the current Long Term Plan to remove sludge from the ponds, and to divert the DAF discharge from the ponds. DAF sludge is currently being discharged back in to the ponds and that would also increase the TKN. Council is working on a long-term strategy to deal with the sludge at all its plants.
  2) Waihi STP Total Ammoniacal Nitrogen (TAN)
     a) 19.8 g/m³
     b) This value is above both the median consent limit (4 g/m³) and the 90th percentile limit (8 g/m³). It is the 9th monthly exceedance of both the median and 90th percentile limits. Investigations into the non-compliance have determined the most likely cause to be a build-up of sludge in the oxidation ponds. Council have made provision in the current Long Term Plan to remove sludge from the ponds, and to divert the DAF discharge from the ponds. DAF sludge is currently being discharged back in to the ponds and that would also increase the TKN. Council is working on a long-term strategy to deal with the sludge at all its plants.
  3) Kerepehi STP Total Suspended Solids (TSS)
     a) 44 g/m³
b) This value is above the lower consent limit (No more than 8 exceedances above 30 g/m$^3$; No more than 2 exceedances above 50 g/m$^3$). It is the 5$^{th}$ monthly exceedance of the lower limit, with no exceedances of the higher limit. Low flows through the ponds due to the drought are suspected to have caused algal blooms, hindering the digestion process.

4) Kerepehi STP *Escherichia coli* (*E. coli*)
   a) 2 700 cfu/100 mL
   b) This value is above both the lower and higher consent limits (No more than 4 exceedances above 2 000 cfu/100 mL; No more than 8 exceedances above 1 000 cfu/100 mL). It is the 8$^{th}$ exceedance above 1 000 cfu/100 mL and the 4$^{th}$ exceedance above 2 000 cfu/100 mL. Low flows through the ponds due to the drought are suspected to have caused algal blooms, hindering the digestion process.

5) Turua STP Total Suspended Solids (TSS)
   a) 131 g/m$^3$
   b) This value is above the median consent limit (50 g/m$^3$), but still below the 90$^{th}$ percentile limit (170 g/m$^3$). This is in line with previous years’ seasonal results. The plant needs to be desludged, which works will be considered once the new RC is issued.

6) Ngatea STP *Escherichia coli* (*E. coli*)
   a) 190 000 cfu/100 mL
   b) This value is above the median consent limit (13 850 cfu/100 mL). This is attributable to high TSS in the plant, as reported below. This is also consistent with previous years’ results, where high results were recorded after the first heavy rainfall of the season. The plant needs to be desludged, which works will be considered once the new RC is issued.

7) Ngatea STP Total Suspended Solids (TSS)
   a) 100 g/m$^3$
   b) This value is above the consent limit (70 g/m$^3$). This is in line with annually increasing results visible in long term trending. The plant needs to be desludged, which works will be considered once the new RC is issued.

8) Paeroa STP Total Ammoniacal Nitrogen (TAN)
   a) 17.8 g/m$^3$
   b) This value is above the 90$^{th}$ percentile limit of 10 g/m$^3$. It is the 6$^{th}$ monthly exceedance of the 90$^{th}$ percentile limit. Overall plant performance is affected by the build-up of sludge. Council have budgeted for the removal of sludge and is considering its options to find the most effective method to reduce the sludge in the ponds. Further discussions are required between Hauraki District Council and Waikato Regional Council to agree on a long-term strategy on how to deal with sludge and also about future upgrades.

9) Paeroa STP Total Suspended Solids (TSS)
   a) 53 g/m$^3$
   b) This value is above the 90$^{th}$ percentile limit of 22 g/m$^3$. It is the 4$^{th}$ monthly exceedance of the 90$^{th}$ percentile limit. Overall plant performance is affected by the build-up of sludge. Council have budgeted for the removal of sludge and is considering
its options to find the most effective method to reduce the sludge in the ponds. Further discussions are required between Hauraki District Council and Waikato Regional Council to agree on a long-term strategy on how to deal with sludge and also about future upgrades.

- The Whiritoa Wastewater Treatment plant discharge consent process is ongoing. The application has been submitted to Waikato Regional Council for consideration. WRC has asked for more information that is currently being prepared.
- An application was submitted for the renewing of the Paeroa WTP’s resource consent. HDC has received a recommendation from the WRC Resource Officer that WRC allow us to continue operating Paeroa WTP under the existing consent until new consents are granted.

5.3 July / August Planned Works

- Continue repairs and maintenance at WWTP’s around sensor renewal and calibration, vulnerable wiring and similar housekeeping issues.
- Maintenance on Waitakaruru pressure pump network
- Preventative network cleaning about pit rim walkway sewers.
- Install Multismarts at wastewater pump stations
6 STORM WATER

6.1 Storm water Networks Operations Notebook

Only critical stormwater maintenance were done during the lockdown period. It was a relatively dry period and is it unlikely that the lack of maintenance impacted on the community.

6.2 July / August Planned Works

- Installation of 70m of stormwater at Pipiroa Road. This work will complete the piping of the stormwater in the existing residential area road frontage. This work was delayed by Covid19 and is programmed for July
- Seek quotes for drain retaining wall replacement beside drive of 33 Arney St Paeroa
- Seek landowner approval for stormwater bubble up catch-pit lead connection at 475 Hauraki Rd / 14 Waihou St, Turua. Plans are currently being finalised by Tech Services
- Seek landowner approval for stormwater inlet lead connection at rear of 40 Thames Rd.
- Obtain quotations for Walker St Waihi stormwater scour remediation gabion design
- Removal of piles of soil next to drain at 1638 SH 25, Whiritoa.
7 Covid-19 Response and Impact

The Treatment Team and their families as well as network operational staff has been identified as critical for the safe operations of the water and wastewater network. The Treatment Team has been isolated in one bubble. Council is providing support to them to limit their exposure to the rest of the community. A reserve bench of people that can operate or assist with operation has been identified should some of the operators fall ill. The reserve bench is isolated from the treatment team. Access to all treatment plants has been restricted to operators and essential support like IT and suppliers. The wellbeing of the Treatment Team will be a continuing risk for Council.

Chemical supplies and network maintenance material is not a concern at the moment. Additional PPE has been issued to limit the risk of transfer in the treatment team.

During stage 3 and 4 only essential services were rendered. Most if not all of the work that was earmarked to be done in April will have to be delayed to May and June depending on the lockdown restrictions. It is not foreseen that it will significantly impact on the level of service to the public.

Construction projects have not been deemed an essential services and all construction projects have been stopped during level 3 and 4. The financial impact of the stoppage is unknown at this stage. It is not foreseen to be a major issue as most of the construction work were done by the Council C&M Team. It will however have an impact on projects like Kaimanawa where Council have engagements with external contractors. It will also negatively impact on Council’s ability to roll out the projects in the Annual Plan.
8 NEXT STEPS | TE ARA KI MUA

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Action</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>NA</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Approval**

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Karen Steffek, Connan Negus, Dave Richards and EJ Wentzel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved by</td>
<td>Adrian de Laborde</td>
</tr>
<tr>
<td></td>
<td>Group Manager Engineering</td>
</tr>
</tbody>
</table>
FOR INFORMATION
NGĀ MŌHIOTANGA

TO
Mayor and Councillors

AUTHOR
Steve de Laborde
Infrastructure Systems and Planning Manager

FILE REFERENCE
Document: M2769825
Appendix A: Financials

PORTFOLIO HOLDER/S
Councillor Duncan Smeaton
Solid Waste Portfolio

MEETING DATE
Wednesday, 24 June 2020

SUBJECT
Waste Management – Monthly Activity Report – May 2020

SUMMARY | TE WHAKARĀPOPOTANGA

During May, the country moved from Level 4 through to Level 2 and we staged the services accordingly with the Refuse Transfer Stations (RTSs) re-opening and resumption of the normal kerbside collection, albeit with precautions in place.

Recycling Bins will have new permanent stickers placed on them during the coming weeks reminding the public the we only accept Plastics 1 and 2.

The capital projects have resumed and progress has been good, especially in Waihi.

RECOMMENDATION | TE WHAIKUPU

THAT the report be received.
1 PURPOSE | TE ARONGA

The purpose of the report is to give Council a monthly update on the operations and capital work pertaining to the Waste Management activity.

2 BACKGROUND | TE KÖRERO Ā MUA

HDC has a contract with Smart Environmental Ltd for a Kerbside collection of refuse and recycling and the management of the refuse transfer stations in Paeroa and Waihi. We also have a contract with Waste Management who manage the landfill at Tirohia.

3 ACTIVITY UPDATE

Comments on expenditure: Financial year to date

The budget implications due to the Covid-19 lockdown and the change in waste collection, we are expecting there to be approximately a $100,000 loss during this time. This is because the recyclables are being sent to landfill and there is no cost recovery from them, instead a cost incurred. Additionally, income from the RTSs would have ceased from the end of March 2020 until June 2020.

There is expected to be between $150,000 and $200,000 overspend in the Transfer Station budget line due the Consumer Price Index, two Full Time Equivalent staff at the RTSs and increased Emissions Trading Scheme charges. This is seen in the graph in Appendix A

Operations:

With the change in schedule due the Covid-19, all refuse and recycling collected went to the landfill. Therefore, no graphs are being presented. However, these are the figures of glass collected and ‘refuse’ that went to landfill in May.

<table>
<thead>
<tr>
<th>Source</th>
<th>Mixed Glass(t)</th>
<th>Refuse(t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kerbside</td>
<td>184.0</td>
<td></td>
</tr>
<tr>
<td>Paeroa RTS</td>
<td>35.4</td>
<td>476.1</td>
</tr>
<tr>
<td>Waihi RTS</td>
<td>20.6</td>
<td>32.2</td>
</tr>
<tr>
<td>Grand Total</td>
<td>56.0</td>
<td>692.3</td>
</tr>
</tbody>
</table>

Capital Works Update: - Some of these projects have been able to proceed during Level 3, below is the status at the two sites.

Paeroa RTS Site:
- The Resource Consent draft has been reviewed and will now be finalised for submission;
- The new fence will be installed to delineate the Paeroa RTS and Paeroa Reuse and Repair Centre. This will provide an opportunity to the Paeroa Reuse and Repair Centre to operate at different hours.
- Procurement for fences and general maintenance items, such as new plastic bunded waste oil tank assembly, safety rails and other has been completed and we are awaiting delivery and installation.
- Funding application submitted to Ministry for Environment for:
  - New Recycling Centre in Ngatea;
  - Weight bridge and lean too buildings for Waihi RTS to develop a designated recycling facility;
  - Lean too buildings for Paeroa RTS to establish a designated recycling facility.
**Waihi RTS:**

- Installation of concrete slabs on both sides of the main refuse shed is complete;
- The stormwater Downstream Defender will be installed on Monday, 15 June 2020;
- The construction of the concrete slab for scrap metal recycling is planned to commence on Wednesday, 17 June 2020;
- The Interbloc™ for the walls of the scrap metal area are to be delivered and placed by the end of June 2020;
- Soil tests resulted in a delay in construction but approval has been granted to proceed with construction as a permitted activity under Regulation 8(3) of the NESCS.

**Table 1: Capital Works Progress:**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Project</th>
<th>Priority No.</th>
<th>Project Manager/owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solid Waste (Renewals)</td>
<td>Paeroa Transfer Station - Upgrade</td>
<td>1</td>
<td>Renee</td>
</tr>
<tr>
<td>Solid Waste (Renewals)</td>
<td>Waihi Transfer Station - Upgrade</td>
<td>1</td>
<td>Renee</td>
</tr>
</tbody>
</table>

**Waste Minimisation:**

**Media Campaign:**

Staff have been working on the following Working Party initiatives to promote public awareness.

- Updating HDC’s Waste Management web page with current and relevant information.
- Identifying and using other free Social Media material to push out on HDC’s Facebook.
- Keeping contact with WasteMINZ about the progress on a pending national campaign.
- Finalising the design and costs of Fridge Magnets with bite sized pieces of information
- Purchasing Stand up Banners to be placed beside milk shelves at supermarkets in the district.

**Approval**

| Prepared by                              | Steve de Laborde  
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Infrastructure Systems and Planning Manager</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Approved by</th>
<th>Adrian de Laborde</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Engineering Group Manager</td>
</tr>
</tbody>
</table>
## APPENDIX A

**Solid Waste Financial Measures**

<table>
<thead>
<tr>
<th>Key Indicators for the 11 months ended 31 May 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Expenditure</strong></td>
</tr>
<tr>
<td>Favourable YTD</td>
</tr>
<tr>
<td>$117,000</td>
</tr>
<tr>
<td>YTD budget</td>
</tr>
<tr>
<td>$12,000</td>
</tr>
<tr>
<td>YTD budget</td>
</tr>
<tr>
<td>$205,000</td>
</tr>
<tr>
<td>Full year actual</td>
</tr>
<tr>
<td>$49,000</td>
</tr>
<tr>
<td>Full year forecast</td>
</tr>
<tr>
<td>$117,000</td>
</tr>
<tr>
<td><strong>Unfavourable YTD</strong></td>
</tr>
<tr>
<td>$1,016,000</td>
</tr>
<tr>
<td>YTD budget</td>
</tr>
<tr>
<td>$2,086,000</td>
</tr>
<tr>
<td>Full year budget</td>
</tr>
<tr>
<td>$1,086,000</td>
</tr>
<tr>
<td>Full year forecast</td>
</tr>
<tr>
<td>$1,016,000</td>
</tr>
<tr>
<td><strong>Capital Expenditure</strong></td>
</tr>
<tr>
<td>Favourable YTD</td>
</tr>
<tr>
<td>$70,000</td>
</tr>
<tr>
<td>YTD budget</td>
</tr>
<tr>
<td>$173,000</td>
</tr>
<tr>
<td>Full year budget</td>
</tr>
<tr>
<td>$243,000</td>
</tr>
</tbody>
</table>

**Revenue**

The impact of COV-19 will see a reduction in expected income compared to that conveyed in recent reports. However, it is still expected to exceed original budget.

**Operating Expenditure**

Closed Tip Sites - Significant part of clean-up costs ($250K) relating to Kairrie Tip site will not occur this financial year. Refuse Collection - HDC and SEL are currently in negotiation regarding some contractual matters which will likely result in this activity experiencing a significant deficit this financial year. In addition to this, the impacts of COVID-19 on the contract are not known at this time and will also negatively impact the activity.

**Solid Waste Other** - A combination of legal fees and the ETP-2021 - 2031 work by Morris Law that resulted in the budget being exceeded.

**Capital Expenditure**

Capital works programmes are tracking behind schedule. There will be carry forwards into next year.
FOR DECISION
MŌ TE WHAKATAUNGA

TO Mayor and Councillors

AUTHOR Steve de Laborde
Infrastructure Systems and Planning Manager

FILE REFERENCE Document: M2769822
Appendix A: Financials
Appendix B: Mechanical Cleaning Progress

PORTFOLIO HOLDER/S Councillor Phillip Buckthought
Land Drainage & Flood Protection Portfolio

MEETING DATE Wednesday, 24 June 2020

SUBJECT District Drainage Activity Report
To 31 May 2020

SUMMARY | TE WHAKARĀPOPOPOTANGA

During May the country was in Alert Levels 3 & 2, however, much of the land drainage work could resume. Once the rules had been worked out, drain cleaning could resume. The mechanical cleaning has done well to catch up and in some areas stretched the budget.

Unfortunately, the spray program has been impacted by both the Alert Level 4 and the by the weather. Even though there is/was a drought, the main weather system blew intermittent rain and wind for a number of weeks hampering progress.

Once again, there has been no significant rain during May and the district remained in a drought condition. Consequently, floodgates and pumps did not require any work or maintenance during this time.

RECOMMENDATION | TE WHAIKUPU

THAT the report be received.

1 PURPOSE | TE ARONGA

The purpose of the report is to give Council a monthly update on the operations and capital work pertaining to the Land Drainage and Flood Protection activity.

2 BACKGROUND | TE KŌRERO Ā MUA

Hauraki District Council provides infrastructure for the land drainage activity in conjunction with the Waikato Regional Council. The land drainage network is comprised of pump stations, stopbanks, flood gates and land drains. It will soon be extended to include toe drains which are currently held by the Regional Council.

In general assets are classified as flood protection (primary) or drainage (secondary) assets where Waikato Regional Council own the flood protection assets and Hauraki District Council
own the drainage assets. The land drainage service is provided to over 47,000 ha of highly productive pastoral land and the activity aims primarily to ensure the productive capability of the land.

3 ACTIVITY UPDATE

Comments on expenditure: Financial year to date

With the lockdown, we have lost a month in which much of our maintenance work is done. However, we have caught up with the mechanical cleaning, but the weather and CV-19 have not allowed for much more spraying to occur this season.

There have been no extra expenses incurred from Covid-19. Please see Appendix A for the financial summary.

The Operations report follows:

Vegetation Control
• 608.01km of drains have been sprayed this season including localised spraying around pump stations.

Mechanical Cleaning: (See Appendix B: Table 1)
• The full Mechanical cleaning programme has got underway again with 74.95kms of drains having been machine cleaned in this financial year.

Other works:
• No other work occurred during May.

Capital Works Programme

The capital works consist of assessing and raising stopbanks and refurbishing pumps and pump screens.

Procurement for most projects is underway (these that don’t need consents). Once this process has been finalised we can proceed to appoint contractors.

Other projects that included drain cleaning to get material to raise the stopbanks have been put on hold as HDC reconsiders its option to raise the stopbanks.

As mentioned in a previous report, the draft consent conditions from WRC require HDC to provide methodologies to manage the following when digging in the canals or more correctly, the highly modified streams:

Managing botulism: The silt in the drains contains large amounts of organic material and botulism bacteria. By disturbing this dormant organic material, we could potentially be depleting the water of oxygen and releasing the botulism bacteria downstream, which might have a detrimental impact on bird and marine life. WRC also requested that the works be carried out in smaller sections and staged over several years.

Excavating canals: This is only to take place only between tides that will ensure that there is more oxygen in the water to mitigate fatalities of marine life. Electric fishing is also to be used to catch the fish and move them upstream. Sorting through the excavated silt to search for any eels trapped and to release back into the canal.

To achieve WRCs outcomes, we would have to dig a portion of the canal and then determine what the effects, if any, are on the marine life, before a length of section to be cleaned can be determined. There are however, no measures to determine how much bacteria would be released, only the dissolved oxygen can be measured. This would be a trial and error process
and we would have no idea how long it would take to complete the whole drain. This is not useful for planning work.

WRC is very clear on what they expect from us, but they themselves are not sure how we can achieve it. The aspirational goals are unlikely to be achievable in real life construction. We have therefore placed these projects on hold to reconsider more sustainable methodologies to raise the stopbanks without having a detrimental impact on the environment.

Drainage Committees
The four drainage committee members have nominated and the committees formed for the triennium. Their first meetings were held on the 4/5 June where the chairpersons and deputy chairpersons were elected for each committee. Except for 2 new people, the members are the same as the previous committees, as are the chairpersons.

The following are the chairs & deputies for each district:

<table>
<thead>
<tr>
<th>WPDD</th>
<th>EPDD</th>
<th>PRDD</th>
<th>TDD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chair</td>
<td>Brian Carter</td>
<td>Roger Hunter</td>
<td>Mike Peters</td>
</tr>
<tr>
<td>Deputy-Chair</td>
<td>Brian Pirie</td>
<td>Kim Reid</td>
<td>Peter Casey</td>
</tr>
</tbody>
</table>

Resolutions
The WPDD Committee RESOLVED

THAT the WPDD Committee has serious concerns at the current resource consent conditions and the ability to deliver the drainage expectations of ratepayers, and

THAT Committee recommend to the Hauraki District Council that it approaches local MP and Central Government to express issued raised.

WPDD20/ Carter/Buckthought CARRIED

4 CONCLUSION
Overall, the land drainage activity has managed to get most of the maintenance work done, in spite of the pandemic and weather. The drainage committees have been reformed and are ready back into business as usual.

Approval

| Prepared by | Steve de Laborde  
|-------------| Infrastructure Systems and Planning Manager |
| Approved by | Adrian de Laborde  
|             | Engineering Group Manager |
APPENDIX A

Land Drainage Financial Measures
Key indicators for the 11 months ended 31 May 2020

<table>
<thead>
<tr>
<th>Operating Expenditure (excluding Rates)</th>
<th>$0 -</th>
<th>Operating Expenditure</th>
<th>$791,000</th>
<th>Capital Expenditure</th>
<th>$79,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Favourable YTD</td>
<td>$0</td>
<td>Favourable YTD</td>
<td>$176,000</td>
<td>Favorable YTD</td>
<td>$1,051,000</td>
</tr>
<tr>
<td>YTD budget</td>
<td>$0</td>
<td>YTD budget</td>
<td>$687,000</td>
<td>YTD forecast</td>
<td>$1,230,000</td>
</tr>
<tr>
<td>Full year budget</td>
<td>$0</td>
<td>Full year budget</td>
<td>$1,126,000</td>
<td>Full year forecast (original)</td>
<td>$1,130,000</td>
</tr>
<tr>
<td>Full year forecast</td>
<td>$0</td>
<td>Full year forecast</td>
<td>$495,000</td>
<td>$213,000</td>
<td>$213,000</td>
</tr>
</tbody>
</table>

Operating Expense (Excluding Rates)
No income for this Activity.

Operating Expenditure
Mechanical Cleaning: While we had previously indicated that there would be an underspend of approximately $50K, good progress recently has meant that this is likely to only be $15K.
Pumps: Saving on Opex due to lack of rainfall resulting less pumps.
Vegetation Control: Dry weather and Covid has disrupted the spraying season resulting in $71K saving YTD.
Floodgates: Regional drought and Covid restrictions have resulted in $30K underspend.

Capital Expenditure
Capital works programmes is tracking behind anticipated levels, some planned works will be carried forward into the next financial year. The Pūkoro project ($60K) is unlikely to proceed this year.
## APPENDIX B

### Table 1: Mechanical Cleaning Progress

#### 2019-20 All DDs - Cleaned

<table>
<thead>
<tr>
<th>Drain No</th>
<th>Drain Name</th>
<th>Area</th>
<th>Length M/C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Z1</td>
<td>Karl's F/G</td>
<td>1</td>
<td>100</td>
</tr>
<tr>
<td>B72</td>
<td>Torehape Feeder</td>
<td>5</td>
<td>1,600</td>
</tr>
<tr>
<td>B73</td>
<td>Stichbury</td>
<td>5</td>
<td>1,400</td>
</tr>
<tr>
<td>B79</td>
<td>Torehape Equaliser</td>
<td>5</td>
<td>1,225</td>
</tr>
<tr>
<td>A41</td>
<td>Paul Leonard</td>
<td>3</td>
<td>600</td>
</tr>
<tr>
<td>B64</td>
<td>Rawe Rawe Rd North Side</td>
<td>4</td>
<td>1,400</td>
</tr>
<tr>
<td>A86</td>
<td>Haywards</td>
<td>4</td>
<td>665</td>
</tr>
<tr>
<td>B50</td>
<td>Pouarua Canal Desilt</td>
<td>2</td>
<td>300</td>
</tr>
<tr>
<td>B52</td>
<td>Railway Canal</td>
<td>4</td>
<td>1,410</td>
</tr>
<tr>
<td>B59</td>
<td>Central Rd South East Side</td>
<td>4</td>
<td>1,465</td>
</tr>
<tr>
<td>B50</td>
<td>Pouarua Canal Desilt</td>
<td>4</td>
<td>2,000</td>
</tr>
<tr>
<td>B16</td>
<td>Waikoura</td>
<td>5</td>
<td>300</td>
</tr>
<tr>
<td>A34</td>
<td>Hot Pools</td>
<td>1</td>
<td>450</td>
</tr>
<tr>
<td>B60</td>
<td>Townshend</td>
<td>5</td>
<td>3,420</td>
</tr>
<tr>
<td>B71</td>
<td>Hopai North Feeder</td>
<td>4</td>
<td>1,250</td>
</tr>
<tr>
<td>A58</td>
<td>Ngatea-Pipiroa West</td>
<td>3</td>
<td>1,100</td>
</tr>
<tr>
<td>A22</td>
<td>Swale-Douglas</td>
<td>1</td>
<td>400</td>
</tr>
<tr>
<td>A81</td>
<td>main drain</td>
<td>3</td>
<td>1,000</td>
</tr>
<tr>
<td>A77</td>
<td>Costello Outlet</td>
<td>1</td>
<td>400</td>
</tr>
<tr>
<td>C17</td>
<td>Taipari</td>
<td>1</td>
<td>100</td>
</tr>
<tr>
<td>C32</td>
<td>Willow</td>
<td>2</td>
<td>3,000</td>
</tr>
<tr>
<td>C02</td>
<td>Opani Point</td>
<td>1</td>
<td>1,700</td>
</tr>
<tr>
<td>C72</td>
<td>Johnstone Feeder (N)</td>
<td>2</td>
<td>1,485</td>
</tr>
<tr>
<td>C76</td>
<td>Blake Borrowpit</td>
<td>2</td>
<td>2,020</td>
</tr>
<tr>
<td>C66</td>
<td>Ngatea Borrowpit</td>
<td>2</td>
<td>1,440</td>
</tr>
<tr>
<td>C65</td>
<td>Subdivision</td>
<td>3</td>
<td>2,110</td>
</tr>
<tr>
<td>C03</td>
<td>Cox's</td>
<td>1</td>
<td>500</td>
</tr>
<tr>
<td>C05</td>
<td>Pines</td>
<td>1</td>
<td>2,790</td>
</tr>
<tr>
<td>D65</td>
<td>Smith</td>
<td>5</td>
<td>800</td>
</tr>
<tr>
<td>D04</td>
<td>Benny</td>
<td>4</td>
<td>590</td>
</tr>
<tr>
<td>c80</td>
<td>James</td>
<td>2</td>
<td>1,750</td>
</tr>
<tr>
<td>D60</td>
<td>h-drain</td>
<td>5</td>
<td>200</td>
</tr>
<tr>
<td>D01</td>
<td>Reservoir canal</td>
<td>4</td>
<td>2,500</td>
</tr>
<tr>
<td>D22</td>
<td>North Catchment</td>
<td>4</td>
<td>1,250</td>
</tr>
<tr>
<td>D23</td>
<td>South Catchment</td>
<td>4</td>
<td>9,565</td>
</tr>
<tr>
<td>D37</td>
<td>Simpson</td>
<td>4</td>
<td>2,830</td>
</tr>
<tr>
<td>C39</td>
<td>Gumtown R/ Side</td>
<td>2</td>
<td>1,370</td>
</tr>
<tr>
<td>K05</td>
<td>Crosses</td>
<td></td>
<td>1,900</td>
</tr>
<tr>
<td>k13</td>
<td>Corbett</td>
<td></td>
<td>750</td>
</tr>
<tr>
<td>K16</td>
<td>Kurere</td>
<td></td>
<td>2,000</td>
</tr>
<tr>
<td>K12</td>
<td>Murdoch</td>
<td></td>
<td>1,580</td>
</tr>
<tr>
<td>Gerrands</td>
<td></td>
<td></td>
<td>2,132</td>
</tr>
</tbody>
</table>

#### 2019-20 All DDs - To be cleaned

<table>
<thead>
<tr>
<th>Drain No</th>
<th>Drain Name</th>
<th>Area</th>
<th>Length M/C</th>
</tr>
</thead>
<tbody>
<tr>
<td>A82</td>
<td>balance</td>
<td>3</td>
<td>320</td>
</tr>
<tr>
<td>B37</td>
<td>clarke</td>
<td>6</td>
<td>8,980</td>
</tr>
<tr>
<td>B55</td>
<td>Cassey</td>
<td>6</td>
<td>2,300</td>
</tr>
<tr>
<td>B56</td>
<td>Dudding</td>
<td>6</td>
<td>1,880</td>
</tr>
<tr>
<td>A17</td>
<td>Boom South</td>
<td>1</td>
<td>3,800</td>
</tr>
<tr>
<td>D07</td>
<td>Bloomfield</td>
<td>4</td>
<td>1,520</td>
</tr>
<tr>
<td>C55</td>
<td>Kerepehi Township</td>
<td>3</td>
<td>1,050</td>
</tr>
<tr>
<td>O04</td>
<td>Stocks</td>
<td>1</td>
<td>2,100</td>
</tr>
<tr>
<td>T14</td>
<td>Nicol</td>
<td></td>
<td>500</td>
</tr>
</tbody>
</table>
HAURAKI DISTRICT COUNCIL

EASTERN PLAINS DRAINAGE DISTRICT COMMITTEE

MINUTES OF A MEETING OF THE EASTERN PLAINS DRAINAGE DISTRICT COMMITTEE HELD IN THE COUNCIL CHAMBERS, NGATEA SERVICE CENTRE, ORCHARD WEST ROAD, NGATEA ON THURSDAY, 04 JUNE 2020 COMMENCING AT 1.00PM

PRESENT
Messrs R Hunter (Chairperson), K J Reid, K R Caddy, T Nicholson, A Green, D Coldicutt, P Schouten, R Webster, Cr P Buckthought and Cr R Garrett

IN ATTENDANCE
Messrs Brendan Manning, S de Laborde (Drainage Manager), Mr B Stephens (Drainage Overseer) and Ms C Black (Council Secretary)

Cr Buckthought welcomed everyone to the first meeting of the Eastern Plains District Drainage Committee for the 2020-2023 triennium and called the meeting to order.

APOLOGIES
There were no apologies.

Standing Orders and Conduct at Meetings
The Group Manager – Engineering Services updated the members on standing orders and conduct at meetings.

Speaking Rights – Waikato Regional Council Staff
Cr Buckthought requested that the Waikato Regional Council staff be given speaking rights when in attendance at all meetings of the Committee for the 2020-2023 triennium.

RESOLVED
THAT Waikato Regional Council staff be given speaking rights at all meetings over the 2020-2023 triennium.

EPDD20/03 Buckthought/Hunter CARRIED

ELECTION OF CHAIR AND DEPUTY CHAIR

Cr Buckthought called for nominations for Chairman and Deputy Chairman

Kim Reid nominated Roger Hunter for the role as Chairperson.

RESOLVED
THAT Roger Hunter be elected as Chairperson.

EPDD20/04 Reid/Caddy CARRIED

Roger Hunter nominated Kim Reid for the role as Deputy Chairperson.

RESOLVED
THAT Kim Reid be elected as Deputy Chairperson.

EPDD20/05 Hunter/Webster CARRIED
LATE ITEMS

Pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, the Chairperson called for late items to be accepted.

RESOLVED

THAT pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, the following late items be accepted for discussion.

- Drainage Options – Campbell’s Floodgate

The item was not on the agenda because the item was unavailable at the time of the agenda deadline.

Discussion on the item could not be delayed because the item required re-dress of the issue prior to the next meeting of the Committee.

EPDD20/06 Reid/Coldicutt CARRIED

CONFIRMATION: MINUTES OF MEETING HELD ON (04-02-20) (2723485)

RESOLVED

THAT the minutes of the meeting of the Eastern Plains Drainage District Committee held on Thursday 04-02-20 are received and confirmed as a true and correct record.

EPDD20/07 Buckthought/Reid CARRIED

MATTERS ARISING FROM THE MINUTES

There were no matters raised.

Waikato Regional Council Update

Desilting - Waihou floodgates have been desilted, Piako has not. Waihou taking longer due to no water.

Section of land has been purchased at the end of Shelley Beach Road for future proofing of the drainage and Piako systems. Habitant enhancement will be carried out as well as it is a RAMSAR site.

Best wishes were conveyed to Brendan in his new role. Steve Clark – WRC - Works Supervisor for Plains and Coromandel will be attending from now on.

EASTERN PLAINS DRAINAGE DISTRICT ACTIVITY REPORT – APRIL 2020 AND FINANCIAL REPORT FOR THE PERIOD 10 MONTHS TO 30 APRIL 2020 (2767000)

RESOLVED

THAT the Drainage Activity Report to April 2020 and the financial report on the operations of the Eastern Plains District Drainage Area for the (for the 10 months to 30 April 2020) are received.

EPDD20/08 Nicholson/Green CARRIED
Fishers Culvert

This culvert has been completed.

**LATE ITEM**

DRAINAGE OPTIONS – CAMPBELL’S FLOODGATE (2768119)

Steve de Laborde presented a report which provided drainage options for the Campbell’s Floodgate.

Campbell floodgate and associated drainage has been a contentious issue for approximately five years. Over this period, the winter months for 2017 and 2018 were recorded as the wettest in many years and exacerbated the problem.

**RESOLVED**

THAT the report be received.

EPDD20/09 Schouten/Caddy  CARRIED

In summary, the report presented several drainage options for discussion and recommendation. Each of the options below will alleviate some of the pressure on the Campbell Floodgate during times of high flow.

The Chair proposed that a working group be formed to evaluate drainage options.

**RESOLVED**

THAT a working party be formed consisting of Roger Hunter - Chair, Cr Buckthought, Keven Caddy and Andrew Green to look at the total drainage area of Campbell’s, Factory, O’Carroll’s and Cox’s catchments, and

THAT this working party make recommendations to Council.

EPDD20/10 Hunter/Reid  CARRIED

Review of Land Drainage - LTP Budgets

The members were advised that the Eastern Plains budgets would be considered at a meeting of the Committee on the 6th of August with Council Strategic Planner in attendance at the Ngatea Service Centre.

Land Drainage Bylaw

It was advised that the Council Secretary would send a copy of the Hauraki District – Land Drainage Bylaw to all members for their reference.

**MEMBERS’ COMMENTS**

Cr Buckthought – Waihou-Piako Catchment Committee – good outcome that the catchment committee has been reinstated.

Kim Reid – pleased about recent rain, which has helped break the extreme drought conditions over summer.

Andrew Green - ongoing issue with Price’s drain.
Keven Caddy – requested the piping of roadside drain outside the Kerepehi Marae to prevent a potential health and safety issue from occurring. The Group Manager will follow up with his team.

Damon Coldicutt and Richard Webster - drains have been cleaned and sprayed and appear to be well maintained.

The meeting closed at 2.38pm.

CONFIRMED

R Hunter  
Chairperson

6 August 2020
Cr Buckthought welcomed everyone to the first meeting of the Western Plains District Drainage Committee for the 2020-2023 triennium and called the meeting to order.

APologies

RESOLVED

THAT the apologies of Peter Johnstone and Patrick Leonard be received and sustained.

WPDD20/04 Buckthought/Carter CARRIED

LATE ITEMS

There were no late items.

Standing Orders and Conduct at Meetings

The Group Manager – Engineering Services updated on standing orders and conduct at meetings.

Speaking Rights – Waikato Regional Council Representatives

Cr Buckthought requested that the Waikato Regional representatives be given speaking rights when in attendance at all meetings of the Committee for the 2020-2023 triennium.

RESOLVED

THAT the Waikato Regional Council representatives be given speaking rights at all meetings of the Western Plains Drainage District Committee over the 2020-2023 triennium.

WPDD20/05 Buckthought/Carter CARRIED

ELECTION OF CHAIR AND DEPUTY CHAIR

Cr Buckthought called for nominations for Chairperson and Deputy Chairperson.

Brian Pirie nominated Brian Carter to the role as Chairperson.
RESOLVED

THAT Brian Carter be elected as Chairperson.

WPDD20/06 Pirie/Keane CARRIED

Brian Keane nominated Brian Pirie to the role of Deputy Chairperson.

RESOLVED

THAT Brian Pirie be elected as Deputy Chairman.

WPDD20/07 Keane/Carter CARRIED

CONFIRMATION: WESTERN PLAINS DRAINAGE DISTRICT COMMITTEE MINUTES HELD ON 04 FEBRUARY 2020 (2723486)

RESOLVED

THAT the minutes of the meeting of the Western Plains Drainage District Committee held on Thursday, 4 February 2020 are received and confirmed as a true and correct record.

WPDD20/08 Buckthought/Laurich CARRIED

MATTERS ARISING FROM THE MINUTES

There were no matters raised.

Waikato Regional Council Representatives Update

Adam Munro, WRC Manager | Hauraki/Coromandel, Integrated Catchment Management addressed the committee on key matters.

Adam advised that the Muggeridge’s Pump Station project group have applied for $3m from central government’s Provincial Growth Fund. Further discussion was held as regards to costs involved in the Muggeridge Pump project.

Adam advised he would provide figures around the Muggeridge Pump Project to the next meeting of the committee.

“Shovel ready – Piako habitat enhancement project” – iwi and DoC are involved in this project to offset impacts of the Piako scheme.

WRC staff are working with HDC on cleaning internal drains.

Brendan Manning advised on pumping status following recent rainfall.
A number of toe drains have been sprayed.
Electrical fault was repaired Rawerawe.
Areas of the stability works project had minor repairs undertaken to address isolated slumping.
Brendan advised that Pauls Wharf and Paul Leonard drain has had a structural audit looking to reline the Paul Leonard pump discharge line.

Brendan Manning taking up new WRC Position

The Committee thanked Brendan for his input over his time attending the committee meetings. The Chair conveyed on behalf of the committee their best wishes to Brendan in his new role.
Brendan advised that Steve Clark - WRC – Works Supervisor Plains and Coromandel would be attending the Eastern and Western meetings from now on.

**WESTERN PLAINS DISTRICT DRAINAGE ACTIVITY REPORT – APRIL 2020 (2766996)**

**RESOLVED**

THAT the Drainage Activity Report to April 2020 and the financial report on the operations of the Western Plains District Drainage Area for the (for the 10 months to 30 April 2020) are received.

WPDD20/09 Carter/Pirie **CARRIED**

**Level of Service**

Members raised concerns regarding water lying for too long on pastures not being drained quickly enough. The members also voiced their dissatisfaction that drains cannot be cleaned when requested, only under urgency.

Adrian de Laborde stated that the level of service would be addressed in HDC’s LTP process.

Adam Munro advised that modifying watercourses to reduce flooding require a resource consent.

Level of service requires that no ponding will occur for more than three days after an event of 38mm within 24 hours.

**RESOLVED**

THAT the WPDD Committee has serious concerns at the current resource consent conditions and the ability to deliver the drainage expectations of ratepayers, and

THAT Committee recommend to the Hauraki District Council that it approaches local MP and Central Government to express issues raised.

WPDD20/10 Carter/Buckthought **CARRIED**

**Review of Land Drainage - LTP Budgets**

The members were advised that the Western Plains budgets would be considered at a meeting of the Committee on the 6th of August with Council Strategic Planner in attendance at the Ngatea Service Centre.

**Land Drainage Bylaw**

It was advised that the Council Secretary would send a copy of the Hauraki District – Land Drainage Bylaw to the all members for their reference.

**GENERAL BUSINESS**

**MEMBERS’ COMMENTS**

Brian Keane requested that a district tour be undertaken as soon as practicable before calving season.

It was agreed that the committee and key staff meet on Thursday, 2 July at the Ngatea Service Centre to undertake a tour of the drainage district to review key assets from 9.00am to 2.30pm.
The meeting closed at 12.25pm

CONFIRMED

B A Carter
Chairperson

6 August 2020
Cr Buckthought welcomed everyone to the first meeting of the Paeroa Rural District Drainage Committee for the 2020-2023 triennium and called the meeting to order.

APOLOGIES

There were no apologies.

LATE ITEMS

There were no late items.

Standing Orders and Conduct at Meetings

The Group Manager – Engineering Services updated on standing orders and conduct at meetings.

Speaking Rights – Waikato Regional Council Representatives

Cr Buckthought requested that the Waikato Regional representatives be given speaking rights when in attendance at all meetings of the Committee for the 2020-2023 triennium.

RESOLVED

THAT the Waikato Regional Council representatives be given speaking rights at all meetings of the Paeroa Rural Drainage District Committee over the 2020-2023 triennium.

ELECTION OF CHAIR AND DEPUTY CHAIR

Cr Buckthought called for nominations for Chair and Deputy Chair.

RESOLVED

THAT Mike Peters is elected as Chairperson.

RESOLVED

THAT Peter Casey is elected as Deputy Chairperson.
CONFIRMATION: MINUTES OF MEETING HELD ON (04-10-19) (2665569)

RESOLVED

THAT the minutes of the meeting of the Eastern Plains Drainage District Committee held on Friday, 04 October 2019 be taken as read and confirmed.

PRDD20/04 Peters/Casey CARRIED

MATTERS ARISING FROM THE MINUTES

There were no matters raised.

WAIKATO REGIONAL RC Update

Mill road pump installed.

Main Drain pump has been installed.

Switchboard upgrades – Mill Road and telemetry upgrade

Paeroa Main Drain has been upgraded.

Theft over lockdown of a number of items. Looking at installing CCTV. Significant cost to replace. Generally, at out of the way sites. Fuel stolen from generators and batteries.

Usual spraying has been undertaken.

Cr Buckthought suggested a communications blog go out from WRC alerting farmers to the theft issues occurring.

DRAINAGE ACTIVITY REPORT – APRIL 2020 AND FINANCIAL REPORT FOR THE PERIOD 10 MONTHS TO 30 APRIL 2020 (2767001)

RESOLVED

THAT the Drainage Activity Report to April 2020 and the financial report on the operations of the Paeroa Rural District Drainage Area for the (for the 10 months to 30 April 2020) are received.

PRDD20/05 Peters/Casey CARRIED

Spray Programme

Month behind in spray programme due to COVID-19 lockdown.

Komata North – completed after today
Opukeko – just commenced
Tirohia – just commenced

Members were asked to notify the Drainage Overseer if they see any areas in need of spraying.

Pumps

Recent rain has been welcome – minimal pumping has been required until recently due to the drought.
Service Requests

Members were encouraged to use Council’s service request system to log any land drainage issues. There is a turnaround time set in the system from the time the request is entered until action is taken.

Review of Land Drainage - LTP Budgets

The members were advised that the Paeroa Rural budgets would be considered on the 6th of August with Council Strategic Planner in attendance at the Ngatea Service Centre.

Land Drainage Bylaw

It was advised that the Council Secretary would send a copy of the Hauraki District – Land Drainage Bylaw to all members for their reference.

Brendan Manning Taking on New Role

Cr Buckthought conveyed his best wishes on behalf of the committee to Brendan Manning for his input over his time liaising with the committees on behalf of WRC. Brendan advised that Hayden McGregor – WRC Works Supervisor for Paeroa will be attending from now on.

MEMBERS’ COMMENTS

Mike Peters – erosion in Tirohia-Rotokohu – koi carp may be causing this. He believed they have dug out plants. The fish are tunnelling the banks out.

Terry Hamilton – koi carp are also increasing in number in Komata North area.

Peter Casey – Kaimanawa water scheme – culverts through main road are too small – diverting water through new track – more water going to this culvert now – overflowing onto road. Adrian responded – NZTA – roading department are aware of this issue.

The meeting closed at 11.30am.

CONFIRMED

M Peters
Chairperson

6 August 2020
Cr Buckthought welcomed everyone to the first meeting of the Taramaire District Drainage Committee for the 2020-2023 triennium and called the meeting to order.

**APOLOGIES**

There were no apologies.

**LATE ITEMS**

There were no late items.

**Standing Orders and Conduct at Meetings**

The Group Manager – Engineering Services updated on standing orders and conduct at meetings.

**Speaking Rights – Waikato Regional Council Representatives**

Cr Buckthought requested that the Waikato Regional representatives be given speaking rights when they are in attendance at a meeting of the Committee for the 2020-2023 triennium.

It was noted WRC do not have any assets in the Taramaire district but may need to attend for other matters if/when required.

**RESOLVED**

THAT the Waikato Regional Council representatives be given speaking rights at the Taramaire Drainage District Committee when required over the 2020-2023 triennium.

WPDD20/01 Buckthought/Crooymans CARRIED

**ELECTION OF CHAIR AND DEPUTY CHAIR**

Cr Buckthought called for nominations for Chair and Deputy Chairperson.

Dennis Thompson nominated Stephen Crooymans to the role of Chairperson.

**RESOLVED**

THAT Stephen Crooymans be elected as Chairperson.

TDD20/02 Thompson/Buckthought CARRIED
Steve Crooymans nominated Dennis Thompson to the role of Deputy Chairperson.

RESOLVED

THAT Dennis Thompson be elected as Deputy Chairperson.

TDD20/ 03 Crooymans/Garrett CARRIED

WAIKATO REGIONAL COUNCIL UPDATE

Brendan Manning re-iterated that Waikato Regional Council representatives would only attend those Taramaire District meetings if required as they so not have assets in the Taramaire district. Steve Clark from now on will be the WRC representative liaising with all Hauraki Plains - Land Drainage committees.

TARAMAIRE DISTRICT DRAINAGE ACTIVITY REPORT – APRIL 2020 (2766991

RESOLVED

THAT the Drainage Activity Report to April 2020 and the financial report on the operations of the Taramaire District Drainage Area for the (for the 10 months to 30 April 2020) are received.

TDD20/04 Crooymans/Garrett CARRIED

Discussion

Staff provided an overview of the Taramaire district land drainage area.

A discussion was held concerning farmers undertaking work on drains themselves. Any issues requiring attention need to be logged as a service request. Staff stressed that landowners must not undertake any works i.e. mechanical cleaning themselves.

The Drainage Overseer explained budgets. Funds can be moved forward if there is urgent work required i.e. cleaning of drains. It was explained that funds stay in the Taramaire budget and are not moved elsewhere.

Review of Land Drainage - LTP Budgets

The members were advised that the Taramaire budgets would be considered on the 6th of August with Council Strategic Planner in attendance. This meeting will be held at the Ngatea Service Centre.

Land Drainage Bylaw

It was advised that the Council Secretary would send a copy of the Hauraki District – Land Drainage Bylaw to the Chair and Deputy Chair for their reference.

GENERAL BUSINESS

MEMBERS’ COMMENTS

Steve Crooymans requested that a meeting be arranged and all members of the Taramaire district be invited to talk with the Chair and Deputy Chair to discuss process as discussed at today’s meeting and to review maps showing boundaries, drains etc.

It was requested that the Council Secretary work with the Chair and Deputy Chair to arrange the meeting. The Infrastructure Systems and Planning Manager, Drainage
Overseer, Cr Buckthought and Cr Garrett to meet before the August meeting with the Chair and Deputy Chair to look at boundaries, drains etc.

The meeting closed at 9.43am.

CONFIRMED

S Crooymans
Chairperson

6 August 2020
Public Excluded Business

(Pages 175 - 210 have been removed)