

CHATHAM ISLANDS COUNCIL

Minutes of the Ordinary Monthly Meeting of the Chatham Islands Council, held in the Council Chambers, Tuku Road, Waitangi, on Thursday, 30 April 2009, commencing at 1.31 p.m.

PRESENT: His Worship the Mayor, Mr P F Smith, Deputy Mayor, A W M Preece, and Councillors P R Christiansen, J I Clarke, M Croon, A M Gregory-Hunt and N C Ryan.

IN ATTENDANCE: General Manager, Owen Pickles
Finance Manager, Deborah Goomes
Council Secretary, Lynette Pickles

APOLOGIES: Apologies were received from Councillors E C Tuck and N J Whitiri.

RESOLVED THAT the apologies from Councillors Tuck and Whitiri be received.

N C Ryan / A M Gregory-Hunt CARRIED

MINUTES: **2.1 Special Meeting, 18 March 2009**

RESOLVED THAT the Minutes of the Special Meeting of the Chatham Islands Council, held on Wednesday, 18 March 2009, be confirmed and adopted as a true and correct record.

N C Ryan / P R Christiansen CARRIED

2.2 Ordinary Meeting, 19 March 2009

RESOLVED THAT the Minutes of the Ordinary Meeting of the Chatham Islands Council, held on Thursday, 19 March 2009, be confirmed and adopted as a true and correct record.

M Croon / J I Clarke CARRIED

MATTERS ARISING: Earth Hour 2009

The General Manager advised that Council had received a supply of light bulbs to give away as part of the Earth Hour promotion. There were still about 200 bulbs available as well as a number of bulbs for down lights. The promotion had been well received by the community.

Pitt Island Barge Society

The General Manager advised that he had spoken to Lenard (Bunter) Lanauze about holding a meeting with Council to discuss the future of the Dues Rebates to the Pitt Island Barge Society. Lenard expressed a wish that Council go to Pitt Island for the discussions.

FINANCE:

3.1 Rate Arrears, March 2009

The Rate Arrears Report for the period ending 31 March 2009 was presented to Council.

RESOLVED THAT the Rate Arrears Report for the period ending 31 March 2009 be received.

A W M Preece / A M Gregory-Hunt CARRIED

The General Manager advised that the ratepayer who was several years behind was now catching up rapidly through the efforts of Aorangi Debt Collection Agency. The \$27,000 of previous year's rates still outstanding was not of real concern to him because \$18,000 of that was owed by three ratepayers, and two of the three were in structures that could be dealt with and collected.

The third instalment for the 2008/09 year was about to be posted to ratepayers.

3.2 Council Dues Report, February 2009

The Council Dues Received Report for the period ending 28 February 2009 was presented to Council.

RESOLVED THAT the Council Dues Report for the period ending 28 February 2009 be received.

P R Christiansen / M Croon CARRIED

3.3 Term Investment Schedule

The Term Investment Schedule as at 31 March 2009 was presented to Council.

RESOLVED THAT the Term Investment Schedule as at 31 March 2009 be received.

A M Gregory-Hunt / J I Clarke CARRIED

His Worship was surprised that Council was still receiving interest of over 8% on some of its investments. The General Manager advised that was because the

investments were established in July 2008 before interest rates began to fall. Investments today would only be receiving approximately 4%.

3.4 Financial Statements

The Statement of Financial Position and the Statement of Financial Performance as at 31 March 2009 were presented to Council.

RESOLVED THAT the financial statements as at 31 March 2009 be received.

N C Ryan / J I Clarke CARRIED

The General Manager advised that Council's finances were tracking according to plan, but he noted that the budgets were becoming tighter.

3.5 Long Term Council Community Plan 2009-2019

The Draft LTCCP was approved by Council at a Special Meeting held on 18 March 2009 before being presented to Audit New Zealand for reviewing. A copy of the final audited Draft LTCCP was attached to the Agenda for adoption by Council before it was made available for public consultation.

His Worship stated that it was good to receive an unqualified Audit Statement and that was thanks to the hard work of all the staff, including assistance from Environment Canterbury accounting people and MWH Engineers.

The General Manager advised that the Statement was issued as 'unqualified' provided the assumptions Council had made came to fruition, especially the renewing of external funding in 2012/13. Council did have an issue looking so far out with the balancing of the books, but with the Auditors being happy and the Department of Internal Affairs also being happy after taking a view on the document, Council had some comfort looking into the future. The General Manager reminded members that if some of the assumptions did not happen, the Council would not survive, and it would then be up to the Minister to decide what should happen.

RESOLVED THAT

1. The audited Draft Long Term Council Community Plan 2009-2019 be approved for consultation.
2. The Audit Statement be received.

3. The Schedule of Fees and Charges for 2009/10 be approved for consultation.
4. The Summary of the Draft Long Term Council Community Plan 2009-2019 be approved for consultation.

A W M Preece / J I Clarke CARRIED

WORKS & SERVICES: 4.1 Downer EDi Works Report, March 2009

RESOLVED THAT the Downer EDi Works Report for March 2009 be received.

M Croon / N C Ryan CARRIED

4.2 Engineer's March 2009 Report

RESOLVED THAT the Engineer's Report for March 2009 be received.

A W M Preece / J I Clarke CARRIED

The General Manager brought to the attention of members the revised pricing for cattle stops on Chatham and Pitt Islands. Cr Croon asked when decisions would be made on when to purchase the cattle stops and where to site them. The General Manager stated that he had presumed that Council would accept the revised price and decisions on where to site them would be made later.

4.3 Road Safety Inspection Report

A copy of the annual safety inspection report of the entire Chatham Island road network (excluding Grade 4 roads and Pitt Island) was presented to Council.

RESOLVED THAT the Road Safety Inspection Report be received.

A W M Preece / P R Christiansen CARRIED

His Worship commented on the extensiveness of the report. Cr Preece stated that the undertaking of the road safety inspections was essential for the Council to be able to obtain funding for roads.

The General Manager noted that people were still not reporting accidents. Any reported to the Police were advised to Council, but the general public needed to be reminded that they could anonymously report accidents. These accident statistics were used by the Engineers as evidence to gain funding for road improvements. Cr

Gregory-Hunt stated that a notice should be again placed in the Chatham Islander.

Cr Ryan commented that people were still not driving to the road conditions which contributed to the number of accidents occurring on the roads.

Concern was expressed that the first gate on Rapanui Road had been moved and drivers might not be aware of it. A request was made for a sign warning of gates to be erected on the road side.

4.4 Tuanui Subdivision and Road Legalisation

An application was received for resource consent for the subdivision of property at Waitangi West owned by the Tuanui family. The subdivision had been proposed several times over a number of years dating back to 1965.

The General Manager reported that the hold up of the subdivision had been caused by a complicated road legalisation issue which Council would need to approve and action before the subdivision could proceed. Copies of plans drawn in 1979 displaying what was required to happen were included with the report.

The General Manager advised that before the subdivision could proceed, parts of roads needed to be closed and parts needed to be realigned and reopened. Some of the roads to be moved were paper roads, but they legally had to remain. The cost to Council would be far in excess of the subdivision fees collected.

RESOLVED THAT Council's Solicitors be engaged to address the road legalisation issues arising from Survey Plan Nos SO33247, SO33248, SO33249 and SO33250.
A M Gregory-Hunt / J I Clarke CARRIED

4.5 Owenga Wharf Replacement Alternative Footprint

The General Manager reported that the tender for the replacement of the Owenga Wharf was awarded to a joint venture, Hunter/Makeri, on 18 March 2009, with the tender documents proposing that the new wharf would go on the north side of the existing wharf so that users were not affected by limited access during construction.

On 23 March 2009 several Owenga Wharf users advised by letter that the proposed placement of the new wharf would severely limit the use of the new wharf once

completed and proposed instead that the wharf should be built over the existing wharf footprint. They were fully prepared to co-operate with the Contractor through difficulties that would arise during the time of construction.

An on-site meeting was held on 7 April 2009 with wharf users, with Council's Engineer, Bryan Peters, and the Contractors also in attendance. Earlier discussions between the Engineer, Contractor and Cameron Gregory-Hunt had led to a workable construction methodology for a change to the wharf, but access would be severely restricted for 6-9 months. The Engineer explained the proposed change to the wharf users and distributed a letter outlining the possible disruptions and seeking written agreement from the users by Friday, 17 April 2009.

RESOLVED THAT the Owenga Wharf be constructed over the existing wharf footprint.

A M Gregory-Hunt / P R Christiansen CARRIED

Cr Ryan stated that those wharf users who were not interested in attending the initial meetings with the Engineer to discuss the project, and who subsequently requested the late change, should be paying the extra costs incurred.

REGULATORY:

6.1 Update from Environment Canterbury

The report for March 2009 from Environment Canterbury was presented, covering the progress of the various activities being undertaken on behalf of the Chatham Islands Council.

RESOLVED THAT the March 2009 report on the various activities undertaken by Environment Canterbury be received.

N C Ryan / A W M Preece CARRIED

His Worship noted the discussion about a trial of satellite linkage for a Te Whanga water level recorder to assist in the opening regime of the lagoon. The General Manager confirmed the discussions and advised that a telemetry system could be established for little cost which would alert the Council office when the time was near for re-opening.

6.2 Minutes of District Licensing Agency Meeting

RESOLVED THAT the Minutes of the Chatham Islands District Licensing Agency Meeting, held on Thursday, 19 March 2009, be received.

A M Gregory-Hunt / J I Clarke CARRIED

6.3 Reform of the Resource Management Act

At the December 2008 Meeting of Council, it was resolved that the Chatham Islands Council variances be protected during the review of the Resource Management Act 1991. This was conveyed to the Minister for the Environment, Hon Dr Nick Smith, who advised, in a letter dated 23 March 2009, that regional and territorial authorities of a region would have the ability to produce a single Resource Management Planning Document, this being consistent with the Chatham Islands Council Act 1995.

RESOLVED THAT the information on the review of the Resource Management Act 1991 be received.

M Croon / N C Ryan CARRIED

The General Manager advised that he was confident that Local Government New Zealand's involvement in the Select Committee submission process would ensure protection for the Chatham Islands.

6.4 Application for Subdivision, Kamana and Day

An amended plan of subdivision for Lots 1-13, being subdivision of Lot 2, DP 61678 and Lot 1, DP 58376 for Kamana and Day, was presented to Council. The earlier approved plan cut off the driveway access to Lot 1, and the amended plan adjusted the boundary to ensure the integrity of the access, but still respected the original subdivision intentions.

RESOLVED THAT the plan of subdivision for Lots 1-13, being subdivision of Lot 2, DP 61678 and Lot 1, DP 58376, as amended, be approved.

P R Christiansen / J I Clarke CARRIED

6.5 Subdivision and Land Use Consent - Awatotara Cottage and Tuku Base, Department of Conservation

An application on behalf of the Department of Conservation relating to Awatotara Cottage and Tuku Base, seeking

approval for a subdivision and land use consent, was presented to Council. The application sought approval to undertake a two lot fee-simple subdivision of one existing fee-simple title, plus the associated easements to protect the existing services, and for resource consent for land use.

The General Manager stated that the application from Anderson and Associates, on behalf of the Department of Conservation, was an excellent one.

RESOLVED THAT

1. The subdivision proposed for Lot 1, DP 83203, Awatotara, be approved.
2. The land use variation to the setback requirements of the Resource Management Document be approved due to it being an historical condition.

A W M Preece / M Croon CARRIED

6.6 Transfer of Building Act Functions

The Statement of Proposal to transfer the Building Act 2004 functions to the Christchurch City Council was publicly notified for a month, with closing date for submissions being 27 April 2009. The Christchurch City Council had previously resolved to accept the transfer.

The General Manager advised that no submissions were received to the proposal.

RESOLVED THAT Council transfer its Building Act functions to the Christchurch City Council.

J I Clarke / P R Christiansen CARRIED

His Worship stated that a good meeting was held with representatives from the Building Department of the Christchurch City Council earlier in the month when they visited the Island.

The General Manager advised that the men worked with Tom Brown and had equipped him with a digital camera to keep them up to date with progress on any building projects. Discussions had also been held with Brent Mallinson on Pitt Island and another local with the view to using their services to assist Tom Brown.

GOVERNMENT:

8.1 Maori Advisory Committee to LGNZ

At the 2008 Local Government New Zealand Annual General Meeting a remit was passed requiring Local

Government New Zealand to agree in principle to establish a group of Maori elected members to provide advice to the LGNZ National Council, and to establish a working group to bring a proposal to the National Council in order to have it operational by 1 July 2009.

A Working Group was established and the LGNZ National Council approved a proposal in March 2009. Registrations of elected Maori Councillors who wished to enrol to vote for nominees to a Maori Advisory Committee to the National Council were called for, along with nominations of elected Maori Councillors to stand for the Committee.

The General Manager reported that six Chatham Islands Council Councillors were eligible to participate in the election process and be nominated for office.

RESOLVED THAT the information on the Maori Advisory Committee to Local Government New Zealand be received.

N C Ryan / M Croon CARRIED

8.2 Review of the Foreshore and Seabed Act

The General Manager presented a letter he had received from the Ministerial Review Panel for the Foreshore and Seabed Act 2004, in response to Council's request for a hui to be held on the Chatham Islands. The Panel considered the request, but due to logistical and timing constraints, were unable to agree. They appreciated that it might be impossible for Chatham Islanders to attend any of the hui or meetings scheduled for Mainland New Zealand, but welcomed written submissions.

The General Manager advised that the main issue for the Council was the inclusion of Te Whanga in the Foreshore and Seabed Act 2004. In that regard, the General Manager had written a submission and presented it to Council.

His Worship thanked the General Manager for the submission. He asked if Iwi should be made aware of the Review. The General Manager advised that he had notified Iwi some time ago.

RESOLVED THAT a written submission be lodged with the Ministerial Review Panel seeking the removal of Te Whanga from the Foreshore and Seabed Act 2004.

N C Ryan / A W M Preece CARRIED

The General Manager stated that a representative from the Maori Land Court who visited the Island the previous week had advised that she attempted to get a meeting with the Review Panel on the Island, but to no avail. She was now attempting to get a telephone conference meeting.

CHATHAM ISLANDS: 9.1 Amendment to Council Meeting Schedule

The General Manager reported that the next Ordinary Council Meeting was scheduled to be held on Thursday, 4 June 2009. This date clashed with the appointment that the Council and the Chatham Islands Enterprise Trust representatives had with Hon Bill English and Hon Chris Finlayson in Wellington.

The General Manager advised that the appropriate date to hold the meeting would be Wednesday, 10 June 2009. This would allow representatives of Council to still be able to attend the scheduled Rural Sector Meeting in Wellington on the afternoon of 11 June and morning of 12 June 2009.

His Worship stated that it was important that the Council was represented at the Rural Sector Meeting and he suggested that Cr Clarke, as a new member to the Council, attend with the General Manager. This was agreed to.

RESOLVED THAT the next Ordinary Meeting of Council be held on Wednesday, 10 June 2009 and that the Schedule be amended accordingly.

P F Smith / N C Ryan CARRIED

LATE ITEMS: 2.3 Late Items to April Council Meeting

Two late items were presented to Council for consideration at the April Council Meeting:

1. "Local Government New Zealand Conference Remit – Wind Farms", the reason being that a response is required by Friday, 15 May 2009, which is before the next Ordinary Meeting of Council.
2. "Chatham Islands Water Supply Schemes", the reason being to enable Council to further consider the proposed acceptance of the Kaingaroa Water Supply with urgency.

RESOLVED THAT the following two late items be considered at the April Council Meeting:

1. Local Government New Zealand Conference Remit – Wind Farms.
 2. Chatham Islands Water Supply Schemes.
- A M Gregory-Hunt / A W M Preece CARRIED**

8.3 LGNZ Conference Remit – Wind Farms

A letter was received from the Palmerston North City Council seeking support for a remit it proposed to put before the Local Government Conference on 29 July 2009. The remit proposed that the Government introduce a National Policy Statement with regard to the siting of wind farm developments.

RESOLVED THAT the Council support the Palmerston North City Council remit to have a National Policy Statement introduced with regard to the siting of wind farm developments.

N C Ryan / P R Christiansen CARRIED

4.6 Chatham Island's Water Supply Schemes

Charles Mellish and Katie Shorrock from MWH visited the Island on 15 and 16 April 2009 to inspect and assess the three water supply projects that the Council is responsible for, or considering – Waitangi, Owenga and Kaingaroa. Their report was presented to Council as a late item.

The report was designed to assist the Council with funding discussions with the Ministry of Health.

With regard to the Waitangi Water Supply, the report summarised the key plant components that needed to be upgraded as:

- replacement of the UV unit to comply with Drinking Water Standards;
- monitoring and investigating well levels to verify sustainable yield of bore by installing a permanent well level sensor; and
- investigating alternative supply source/s for non-potable uses.

Funding to cover up to 80% of the capital cost of the upgrade was expected to come from the Capital Assistance Programme (CAP). MWH would prepare the application prior to 30 September 2009.

As there would be a drilling rig on the Island for approximately five months from July to November to carry

out works on the Owenga Wharf, the Engineers suggested it would be cost effective to programme the exploratory works for a secondary/supplementary bore at the same time. Council would need to discuss with the Drinking Water Agency the prospect of being able to have the cost of the drilling 'refunded' as the outcome of the CAP application would not be known until January 2010, which would be after the drilling had taken place.

For the Owenga Supply, the Engineers proposed developing the supply in two stages, the first being the drilling of test bores to find a sustainable supply and the laying of a pipeline to deliver the water to the township, and the second being the installation of a treatment facility.

The Engineers advised that they would be writing a letter of intent to the Drinking Water Agency to explain the intentions of the Council to establish a supply at Owenga but, as for Waitangi, the Council would need to discuss with the Agency the prospect of being able to have the cost of drilling test bores 'refunded', before utilising the drilling rig coming to the Island. In the meantime, the Engineers would be undertaking a desk top study to identify potential bore sites and prepare a CAP application.

With regard to the Kaingaroa Supply, the Engineers advised that Council would need to conclude negotiations with taking it over before having MWH prepare a Public Health Risk Management Plan (PHRMP) and a CAP application.

The General Manager stated that Hokotehi Moriori Trust assumed that Council would take the Kaingaroa Water Supply Scheme over. While Council would not leave the Kaingaroa community stranded, there was a lot of legal work involved to obtain clearance for easements. Questions also needed to be answered as to the costs involved. The potential downside to the project was that the scheme would be so extensive that the Council and the consumers would not be able to afford it.

Cr Preece stated that there needed to be some protections in place for the Council to access properties before Council agreed to take the scheme over.

The General Manager advised that Alyth Crawford, who is employed by the Hawkes Bay District Health Board, but answerable to the Ministry of Health, had visited the Island earlier that week. She was the 'gatekeeper' to funding under the Drinking Water Assistance Programme. She was

looking at getting the deprivation rating for the Chatham Islands changed from '6' to '7' which would raise the subsidy rate.

The General Manager stated that the Engineers were preparing a Capital Assistance Programme application for the Owenga Water Supply by 30 September 2009, but a decision would be unlikely until March 2010. There was a large amount of work to be done up front on all the schemes with no guarantee of funding being granted. Included in that work was drilling of test bores for Owenga and a supplementary supply for Waitangi. The General Manager advised that it would be prudent to make use of the drilling rig being brought to the Island for the Owenga Wharf and he would be liaising with the Wharf Project Contractor to see if he had experienced staff available to test for water bores. If not, Council would need to bring someone to the Island while the rig was available.

RESOLVED THAT

1. Council follow the proposed programmes for the Waitangi and Owenga Water Supply Schemes.
2. Subject to protection of the Council to access the properties involved and the financial information being in order, Council agree to accept the Kaingaroa Water Supply Scheme and follow the recommended programme.

J I Clarke / P R Christiansen CARRIED

CLOSURE:

Meeting Closure

After consideration of the In Camera Agenda and there being no further business, the meeting was declared closed at 3.15 p.m.

CONFIRMED THIS 10th DAY OF JUNE 2009

MAYOR