



MINUTES

**Ordinary Council meeting
Monday, 20 March 2023**

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**MINUTES OF TAURANGA CITY COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE BOP REGIONAL COUNCIL CHAMBERS, REGIONAL HOUSE, 1 ELIZABETH
STREET, TAURANGA
ON MONDAY, 20 MARCH 2023 AT 9.30AM**

PRESENT: Commission Chair Anne Tolley, Commissioner Shadrach Rolleston,
Commissioner Stephen Selwood, Commissioner Bill Wasley

IN ATTENDANCE: Marty Grenfell (Chief Executive), Paul Davidson (Chief Financial Officer),
Barbara Dempsey (General Manager: Community Services), Alastair McNeill
(General Manager: Corporate Services), Gareth Wallis (General Manager:
City Development & Partnerships), Wally Potts (Director of City Waters),
Anne Blakeway (Manager: City Partnerships), Dianne Bussey (Three Water
Reforms), Andy Vuong (Programme Manager: Cycle Plan Implementation),
Cathy Davidson (Manager, Directorate Services), Brendan Bisley (Director
of Transport), Amanda Davies (Manager: Spaces and Places Project
Outcomes); Coral Hair (Manager: Democracy & Governance Services),
Robyn Garrett (Team Leader: Governance Services), Sarah Drummond
(Governance Advisor), Janie Storey (Governance Advisor)

1 OPENING KARAKIA

Commissioner Rolleston gave the opening karakia.

2 APOLOGIES

Nil

3 PUBLIC FORUM

Nil

4 ACCEPTANCE OF LATE ITEMS

4.1 Acceptance of late items

RESOLUTION CO3/23/1

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the Council

(a) Accepts the following late item/s for consideration at the meeting:

- Updated version of the report "Tauranga Art Gallery new entranceway" - Open
- Appointment of CCO board members for Te Manawataki o Te Papa Limited - Confidential

The above items were not included in the original agenda because they were not available at the time the agenda was issued, and discussion cannot be delayed until the next scheduled meeting of the Council because decisions are required in regard to these items.

CARRIED

5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

Nil

6 CHANGE TO THE ORDER OF BUSINESS

Nil

7 CONFIRMATION OF MINUTES

7.1 Minutes of the Council meeting held on 27 February 2023

RESOLUTION CO3/23/2

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the minutes of the Council meeting held on 27 February 2023 be confirmed as a true and correct record.

.CARRIED

In response to a query relating to the petition provided by Mr Singh to the 27 February 2023 meeting, it was noted that staff had been in contact with the petitioner regarding the installation of a bus shelter.

8 DECLARATION OF CONFLICTS OF INTEREST

Commissioner Rolleston noted that he had a contract with Ministry for the Environment reforms which connected into Three Waters and he would not speak to Item 11.3.

9 DEPUTATIONS, PRESENTATIONS, PETITIONS

Nil

10 RECOMMENDATIONS FROM OTHER COMMITTEES

Nil

11 BUSINESS

11.1 Bay Venues' Proposed Draft User Fees and Charges Schedule

Staff Paul Davidson, Chief Financial Officer

External Chad Hooker, BVL Chief Executive
Adam Ellmers, BVL General Manager: Finance and Commercial

Key points

- The report was at the request of Commissioners at the 27 February 2023 meeting to reconsider the fees and charges and included an update with slightly increased charges in some of the activities. This increased income a further \$100,000 to \$1.1m.
- Bay Venues would also come back to the Council in May when seeking funding for the capital funding model and outlined what that looked like moving forward.

- Bay Venues recognised that the proposed fee increases would put pressure on user groups, but considered it to be fair and reasonable when benchmarked against services provided in other towns.

In response to questions

- Bay Venues acknowledged the work that needed to be done at some of the facilities to bring them up to an acceptable standard, and would continue to upgrade these over time.

Discussion points raised

- It was noted that user charges had to be kept up to date and that users should pay their fair share; otherwise a bigger share would have to be subsidised through rates.
- If insufficient fees were charged there would not be enough funding to provide the level of service people required at each of the facilities.

RESOLUTION CO3/23/3

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the Council:

- (a) Receives the report "Bay Venues' Proposed Draft User Fees and Charges Schedule".
- (b) Adopts Bay Venues proposed draft user fees and charges as set out in Option 1 and Attachment 1, as a draft for public consultation, incorporating any further amendments as directed by Council at this meeting.
- (c) Notes that Council staff are currently working with Bay Venues on a wider piece of work around sustainable funding and financing in the longer term, which will come to Council on 29 May 2023.

CARRIED

11.2 Tauranga Art Gallery - approval of funding arrangements for new entranceway onto Masonic Park

Staff Gareth Wallis, General Manager: City Development & Partnerships
Anne Blakeway, Manager: City Partnerships

Key points

- The report sought confirmation of the funding for the new entranceway of the Art Gallery onto Masonic Park and noted that the additional cost was to be externally funded.

In response to questions

- Stage two works included the realignment of the internal spaces to gain better utilisation of the areas. Warren and Mahoney had provided plans that were with the gallery team for discussion.

Discussion points raised

- It was requested that any balance of funding be used to offset the ratepayers contribution to the upgrade and a further clause was added to the recommendation to reflect this.
- This would set the tone on how to manage the balance of the funding for other projects and provide the public with confidence.
- It was important to have the work on the entrance to the gallery done in conjunction with the upgrade of Masonic Park as it would become an integral part of Te Manawataki o Te Papa.

RESOLUTION CO3/23/4

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Receives the report "Tauranga Art Gallery - approval of funding arrangements for new entranceway onto Masonic Park".
- (b) Notes that, following a feasibility report prepared by architects Warren and Mahoney, the full cost of requirements needed to deliver on the project objectives has been identified at a total cost of \$3.38 million.
- (c) Approves the \$1.88 million balance of funds needed to create a total project budget of \$3.38 million, to be phased over the next two financial years, noting that this will not have an impact on rates because:
 - \$250,000 will be funded through a private benevolent fund donation;
 - \$754,000 will come from already approved Tauranga Airport Reserves; and
 - \$876,000 will be funded through corporate sponsorship and/or other external funding sources, with details to be confirmed once formal agreements are in place.
- (d) Notes that these cost estimates will be further refined through the developed and detailed design phases, and will be reported back to the Public Realm and Waterfront Steering Group Committee, and the Te Manawataki o Te Papa Governance Group.
- (e) Notes that any reduction in escalation costs should be used to offset the ratepayers' contribution.

CARRIED

11.3 Three Waters Reform - Council Submission on Water Services Legislation Bill and Water Services Economic Efficiency and Consumer Protection Bill

Staff Wally Potts, Director of City Waters
Dianne Bussey, Contractor – Three Water Reforms
Cathy Davidson, Manager: Directorate Services

Discussion points raised

- Commissioner Tolley noted that members of the Select Committee had thanked TCC for the excellent comments, suggestions and points of clarification for changes to the legislation. Appreciation was passed on to staff and technical experts for the great job in putting TCC's submission together.
- It was a very technical bill. The role of the entity being a plan taker not a plan maker was expressed strongly to the Select Committee when presenting the submission.

RESOLUTION CO3/23/5

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the Council:

- (a) Receives the report "Three Waters Reform - Council Submission on Water Services Legislation Bill and Water Services Economic Efficiency and Consumer Protection Bill".
- (b) Notes the submission made to Government in relation to the Water Services Legislation Bill and Water Services Economic Efficiency and Consumer Protection Bill as attached.

CARRIED

11.4 Lime e-scooter trial completion

Staff Wally Potts, Director of City Waters
Andy Vuong, Programme Manager: Cycle Plan Implementation (via Zoom)
Brendon Bisley, Director of Transport

In response to questions

- There were only a few responders in the over 85 age group which gave the unusual result shown. The older age group were mostly against the scooters with the younger age group supporting them.
- Over the 12-month trial period staff had looked at what the pain points were and the potential opportunities. There was a challenge with the technology as this was increasing rapidly and changing monthly so they would need to be able to find the right operator with the right skills and technology.
- A lot of research had been done with the operators. Estimates indicated 25-29% of the rides were for commuter use.
- The estimate of \$25,000 income from operator and licence fees per annum would possibly go into the transport accessible streets activity or to target other transport projects. The trial covered the expenses for staff over the short term duration.
- There were a number of commuters who now owned their own scooters rather than continuing to hire one. The use of Lime scooters was a good pathway to that mode of transport.
- Staff would consider a fee structure to incentivise good behaviour and provide this to Council. It was recognised that footpath parking was problematic and staff were looking at creating some spaces or to use carparks and reallocate the road space.

RESOLUTION CO3/23/6

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Stephen Selwood

That the Council:

- (a) Receives the report "Lime e-scooter trial completion".
- (b) Concludes the Lime e-scooter trial.
- (c) Permits shared e-scooters to operate as an on-going activity in Tauranga.
- (d) Commences the process to select a post-trial vendor and endorse a single operator limit.

CARRIED

11.5 2023/2024 - Draft User Fees and Charges

Staff Paul Davidson, Chief Financial Officer

Key points

- Consultation would begin on 24 March 2023 for a month.
- There was an average overall increase of 6% made up of 2% from falling behind inflation last year and 4% for this year.

In response to questions

- A funding model would be provided for the LTP showing the difference between the rate component and the user fees or a combination of the two. It would also outline the public good element, significant investments plus inflation to pay for any new investment.

- The wage movement was 4% last year and there would likely be greater wage pressure this year, staff were using an assumption of 5% but this would not be known until later in the year. A number of contract costs had increased in the range of 15%.
- A query was raised as to what percentage of Council's annual revenue was raised by way of fees and charges.

Discussion points raised

- It was noted that a finite amount of fees and charges was set by the government and there may need to be representation for these to be increased to cover the true cost of providing the service.
- There was a need to ensure that users were paying their fair share towards the costs and to ensure fees represented actual cost.

RESOLUTION CO3/23/7

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the Council:

- (a) Receives the report: 2023/2024 - Draft User Fees and Charges.
- (b) Adopts the draft user fees and charges and statement of proposal as set out in **Attachments 1 and 2**, as a draft for public consultation, incorporating any amendments as directed by Council at this meeting.
- (c) Delegates the Chief Financial Officer to approve the final wording of amendments (as per Council direction) prior to public consultation.

.CARRIED

11.6 Omanawa Falls Safe Access Project - Consideration of Options to finalise Physical Works

Staff Barbara Dempsey, General Manager: Community Services
Amanda Davies, Manager: Spaces and Places Project Outcomes

Key points

- The project had been ongoing for some time as it was a difficult environment to work in, but it was a popular place to visit.
- The RMA process had been delayed with an appeal to the resource consent and the amount of rain over the past three months had caused the environment to deteriorate.
- Additional money was only required if it was needed to complete the works, with options for works provided.

In response to questions

- Any money received from external funders would be used for the work in Option 2, but it would need to be in by a certain date as the work needed to be completed. An additional clause was added to the recommendation to reflect this.
- If external funding was provided to complete Option 3 it would need to be brought back to the Council for a decision.

Discussion points raised

- A considerable amount of ratepayers money had been spent to make the area safe, and Council had a health and safety responsibility to protect people who may not be using common sense and were taking unnecessary risks. The works had been halted due to dangers from the rock formation and would now cost a lot more if that option was pursued.

- While it should possibly be a sub-regional facility with assistance from other authorities, that was not going to happen. There was reluctance to put further ratepayers money into the reserve but Commissioners realised that it was needed as the area did provide a good experience and people must be kept safe.
- Option 2 provided the best use of the work already completed with the walkway through the bush to the bridge, and it was agreed to extend that platform but not to continue along past the dangerous rock face as this would be too expensive.
- This project was a learning experience on the value of clearly understanding the scope definition and risks going into a project.
- The contractors had done a great job with the walkway and staircases through the bush. There were people that still might attempt to get down to the bottom which would result in others having to risk their lives to rescue them.

RESOLUTION CO3/23/8

Moved: Commission Chair Anne Tolley

Seconded: Commissioner Bill Wasley

That the Council:

- (a) Receives the report "Omanawa Falls Safe Access – Consideration of Options to finalise Physical Works".
- (b) Supports Option 2 which would approve an additional \$1.333 million towards the project budget. This would see an additional budget of \$1,053,000 in FY23 and \$280,000 in FY24.
- (c) Notes that any external funding that staff are able to obtain will be used to reduce the \$1.33m cost to ratepayers. The delivery of Option 3 would be totally reliant on external funding and would need to be brought back to Council for approval.

CARRIED

12 DISCUSSION OF LATE ITEMS

Nil

13 PUBLIC EXCLUDED SESSION

Resolution to exclude the public

RESOLUTION CO3/23/9

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Bill Wasley

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

The general subject matter 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 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
<p>13.1 - Public Excluded Minutes of the Council meeting held on 27 February 2023</p>	<p>s7(2)(c)(i) - The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied</p> <p>s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>s48(1)(a) - 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 under section 6 or section 7</p>
<p>13.2 - Water reform debt settlement update</p>	<p>s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>s48(1)(a) - 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 under section 6 or section 7</p>
<p>13.3 - Te Maunga Redevelopment and Contracts</p>	<p>s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>s48(1)(a) - 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 under section 6 or section 7</p>
<p>13.4 - Additional funding for Transport Network operations to maintain road assets</p>	<p>s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p>	<p>s48(1)(a) - 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 under section 6 or section 7</p>

<p>13.5 - Exemption from Open Competition - Eco-system Programme Data Migration</p>	<p>s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p>	<p>s48(1)(a) - 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 under section 6 or section 7</p>
<p>13.6 - Appointment of CCO board members for Te Manawataki o Te Papa Limited</p>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(c)(i) - The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied</p>	<p>s48(1)(a) - 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 under section 6 or section 7</p>

CARRIED

14 CLOSING KARAKIA

Commissioner Rolleston closed the meeting with a karakia.

Resolutions transferred into the open section of the meeting after discussion

13.6 Appointment of CCO board members for Te Manawataki o Te Papa Limited

RESOLUTION CO3/23/10

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the Council

- (a) Receives the report "Appointment of CCO board members for Te Manawataki o Te Papa Limited".
- (b) Approves the appointment of Kim Wallace as Chair of Te Manawataki o Te Papa Limited, effective 31 March 2023 for a term of three years and one month, to 30 April 2026.
- (c) Approves the appointment of Barry Bragg as Director of Te Manawataki o Te Papa Limited, effective 31 March 2023 for a term of three years and one month, to 30 April 2026.
- (d) Notes (in accordance with s80 of the Local Government Act 2002) that, while the process for appointing these trustees is inconsistent with Council's Appointment of Directors to Council Organisations Policy, the extenuating circumstances of establishing a new council-controlled organisation provides sufficient rationale for this

inconsistency. There is no intention to amend the policy to accommodate this particular decision.

- (e) Approves remuneration for the Chair of Te Manawataki o Te Papa Limited of \$70,000 per annum, plus a 30% to 50% loading for the first 12 months.
- (f) Approves remuneration for each of the Directors of Te Manawataki o Te Papa Limited of \$40,000 per annum, plus a 30% to 50% loading for the first 12 months.
- (g) Resolves to wind up the Te Manawataki o Te Papa Governance Group on 30 April 2023, enabling a managed handover to the new Board of Te Manawataki o Te Papa Limited.
- (h) Notes that information relevant to these appointments will be made public through a media release.
- (i) Notes that the appointment process will continue until the remaining director vacancies are appointed to the Board of Te Manawataki o Te Papa Limited.

CARRIED

The meeting closed at 11.02 am.

The minutes of this meeting were confirmed as a true and correct record at the Ordinary Council meeting held on 3 April 2023.

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CHAIRPERSON