



AGENDA

Ordinary Council meeting Monday, 25 September 2023

I hereby give notice that an Ordinary meeting of Council will be held on:

Date: Monday, 25 September 2023

Time: 9.30am

Location: Bay of Plenty Regional Council Chambers
Regional House
1 Elizabeth Street
Tauranga

Please note that this meeting will be livestreamed and the recording will be publicly available on Tauranga City Council's website: www.tauranga.govt.nz.

Marty Grenfell
Chief Executive

Terms of reference – Council

Membership

Chairperson	Commission Chair Anne Tolley
Members	Commissioner Shadrach Rolleston Commissioner Stephen Selwood Commissioner Bill Wasley
Quorum	<u>Half</u> of the members physically present, where the number of members (including vacancies) is <u>even</u> ; and a <u>majority</u> of the members physically present, where the number of members (including vacancies) is <u>odd</u> .
Meeting frequency	As required

Role

- To ensure the effective and efficient governance of the City
- To enable leadership of the City including advocacy and facilitation on behalf of the community.

Scope

- Oversee the work of all committees and subcommittees.
- Exercise all non-delegable and non-delegated functions and powers of the Council.
- The powers Council is legally prohibited from delegating include:
 - Power to make a rate.
 - Power to make a bylaw.
 - Power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan.
 - Power to adopt a long-term plan, annual plan, or annual report
 - Power to appoint a chief executive.
 - Power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the long-term plan or developed for the purpose of the local governance statement.
 - All final decisions required to be made by resolution of the territorial authority/Council pursuant to relevant legislation (for example: the approval of the City Plan or City Plan changes as per section 34A Resource Management Act 1991).
- Council has chosen not to delegate the following:
 - Power to compulsorily acquire land under the Public Works Act 1981.
- Make those decisions which are required by legislation to be made by resolution of the local authority.
- Authorise all expenditure not delegated to officers, Committees or other subordinate decision-making bodies of Council.
- Make appointments of members to the CCO Boards of Directors/Trustees and representatives of Council to external organisations.
- Consider any matters referred from any of the Standing or Special Committees, Joint Committees, Chief Executive or General Managers.

Procedural matters

- Delegation of Council powers to Council's committees and other subordinate decision-making bodies.
- Adoption of Standing Orders.
- Receipt of Joint Committee minutes.
- Approval of Special Orders.
- Employment of Chief Executive.
- Other Delegations of Council's powers, duties and responsibilities.

Regulatory matters

Administration, monitoring and enforcement of all regulatory matters that have not otherwise been delegated or that are referred to Council for determination (by a committee, subordinate decision-making body, Chief Executive or relevant General Manager).

Order of Business

1	Opening karakia	7
2	Apologies	7
3	Public forum.....	7
4	Acceptance of late items	7
5	Confidential business to be transferred into the open.....	7
6	Change to the order of business	7
7	Confirmation of minutes.....	8
7.1	Minutes of the Council meeting held on 4 September 2023.....	8
8	Declaration of conflicts of interest	31
9	Deputations, presentations, petitions	31
	Nil	
10	Recommendations from other committees.....	31
	Nil	
11	Business.....	32
11.1	Council-controlled organisations' draft and final Annual Reports for 2022-23	32
11.2	The Historic Village Complex 2 Project – Unbudgeted Expenditure.....	40
11.3	Water Management Plan Update	45
11.4	Executive Report.....	62
12	Discussion of late items	87
13	Public excluded session	88
13.1	Public Excluded Minutes of the Council meeting held on 4 September 2023.....	88
13.2	Deputy Chair and Trustee Appointments to the Tourism Bay of Plenty Board	88
13.3	Disposal of Smiths Farm and Housing Equity Fund Affordable Housing Proposed Arrangement	89
14	Closing karakia	90

- 1 OPENING KARAKIA**
- 2 APOLOGIES**
- 3 PUBLIC FORUM**
- 4 ACCEPTANCE OF LATE ITEMS**
- 5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN**
- 6 CHANGE TO THE ORDER OF BUSINESS**

7 CONFIRMATION OF MINUTES

7.1 Minutes of the Council meeting held on 4 September 2023

File Number: A15075644

Author: Anahera Dinsdale, Governance Advisor

Authoriser: Anahera Dinsdale, Governance Advisor

RECOMMENDATIONS

That the Minutes of the Council meeting held on 4 September 2023 be confirmed as a true and correct record.

ATTACHMENTS

1. Minutes of the Council meeting held on 4 September 2023



MINUTES

**Ordinary Council meeting
Monday, 4 September 2023**

Order of Business

1	Opening karakia	4
1.1	Appointment of Chairperson for the meeting	4
1.2	Condolences – Rodney Nicholas	4
2	Apologies	5
2.1	Apologies	5
3	Public forum	5
3.1	Emma Jones - Te Whatu Ora health report on impacts of air pollution in Mount Maunganui.	5
4	Acceptance of late items	6
4.1	Acceptance of late item	6
5	Confidential business to be transferred into the open	6
6	Change to the order of business	6
7	Confirmation of minutes	6
7.1	Minutes of the Council meeting held on 14 August 2023	6
8	Declaration of conflicts of interest	7
9	Deputations, presentations, petitions	7
10	Recommendations from other committees	7
10.1	Tauranga Public Transport Joint Committee - Terms of Reference Amendment Report to Tauranga City Council	7
11	Business	7
11.1	Annual Plan 2023-24 Revised Capital Budgets	7
11.2	Long Term Plan 2024-34 - Funding the Backlog of Development Contribution Funded Projects	8
11.3	Introduction of Te Papa Local Development Contributions Catchment	9
11.4	City Centre Development Contribution Incentives	11
11.5	SmartTrip Variable Road Pricing Study	12
11.6	Tauranga City Growth Projections and Allocations	13
11.7	Active Reserves Masterplans	15
11.8	Annual Report on Dog Control Policy and Practices 2022/2023	16
11.9	Park and Ride Trial Project Unbudgeted Expenditure	16
11.10	Transport Choices Grenada	17
11.11	Traffic & Parking Bylaw Amendment No.46	18
11.12	Bethlehem Signalised Pedestrian Crossing Investigation and Safety Review Report	19
12	Discussion of late items	19
13	Public excluded session	19
13.1	Public Excluded Minutes of the Council meeting held on 14 August 2023	20
13.2	Replacement of Number 2 Rescue Fire Truck	20

11	BUSINESS	21
11.1	Annual Plan 2023-24 Revised Capital Budget (<i>continuation</i>).....	21
14	Closing karakia	21

UNCONFIRMED

**MINUTES OF TAURANGA CITY COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE BAY OF PLENTY REGIONAL COUNCIL CHAMBERS, REGIONAL HOUSE,
1 ELIZABETH STREET, TAURANGA
ON MONDAY, 4 SEPTEMBER 2023 AT 9.30AM**

PRESENT: Commissioner Bill Wasley (Chairperson), Commissioner Shadrach Rolleston, Commissioner Stephen Selwood

IN ATTENDANCE: Marty Grenfell (Chief Executive), Paul Davidson (Chief Financial Officer), Barbara Dempsey (General Manager: Community Services), Nic Johansson (General Manager: Infrastructure), Christine Jones (General Manager: Strategy, Growth & Governance), Sarah Omundsen (General Manager: Regulatory and Compliance), Susan Braid (Financial Analyst), Frazer Smith (Manager: Strategic Finance & Growth), Ben Corbett (Team Leader: Growth Funding), Andy Mead (Manager: City Planning & Growth), Sarah Dove (Principal Strategic Transport Planner), Alistair Talbot, (Team Leader: Structure Planning & Strategic Transport), Brendan Bisley (Director of Transport), Ruth Cable (Manager, Project Outcomes), Nigel Holman (Project Manager), Chris Barton (Project Director), Ayv Greenway (Team Leader: Growth Research & Analytics), Alison Law (Manager: Spaces & Places), Ross Hudson (Manager: Strategic Planning and Partnerships, Spaces and Places), Anna Sommerville (Manager Network Safety and Sustainability), Karen Hay (Team Leader: Cycle Plan Implementation), Will Hyde, (Senior Transportation Engineer), Warren Budd (Team Leader: Transport Safety), Sarah Drummond (Governance Advisor), Janie Storey (Governance Advisor)

EXTERNAL: Richard Hearn and Erica Walker, Waka Kotahi

1 OPENING KARAKIA

Comissioner Shad Rolleston opened the meeting with a karakia.

1.1 Appointment of Chairperson for the meeting

RESOLUTION CO15/23/1

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Shadrach Rolleston

That Commissioner Bill Wasley be appointed as Chairperson for the meeting.

CARRIED

1.2 Condolences – Rodney Nicholas

Commissioner Wasley noted that Rodney Nicholas had been a staff member for eight years as part of the Network Operations team. He had a great depth of knowledge on road surfacing and road marking. Rodney was never one to push himself forward, but if you ever had a conversation with him, it was well worth while for knowledge he brought to the role.

Condolences from the Council were passed on to Rodney's whanau, work colleagues and friends at this time.

2 APOLOGIES

2.1 Apologies

RESOLUTION CO15/23/2

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the apology of Commission Chair Anne Tolley be received.

CARRIED

3 PUBLIC FORUM

3.1 Emma Jones - Te Whatu Ora health report on impacts of air pollution in Mount Maunganui.

External Emma Jones

Key points

- Represents Clear the Air Mount Maunganui, a community group which was set up to unify voices within the Mount for the people that had been fighting for improvements to their air quality for decades and generations. The group had become a structure to lobby for improvement.
- The community had the worst air quality in the country as it was downwind from an industrial area with lots of vulnerable sites and bordered three schools that had thousands of children in them each day.
- The community had been waiting for years for the health report that had recently been released. It was an important research document with data around air pollution with clear conclusions about the levels of contaminants in the air and the risk to the community.
- As the activities take place on land in Tauranga, the group felt that there was a duty of care for Tauranga City Council to protect the community, to do what they could and to also lobby for more powers to protect one of their own communities.
- Ms Jones said that she attended today to make sure the report was on everyone's radar and that note was taken of the health risks assessment carried out by ESR, so when making decisions going forward, they would be informed by the report.
- The best case scenarios were noted in the report with regards to the dust, but lots of other contaminants like benzene carcinogenic elements were not being monitored.
- Ms Jones asked Commissioners if they had read the report and whether it would be used around spatial planning and other key decision making and whether it was intended that Council would discuss the findings with central government?
- The Resource Management Act allowed existing use rights which some of the factories had so they carried on the harmful activities. Ms Jones asked what levers the Council could use to work towards better air quality and not hide behind legislation as the government had done.
- The burden had been on the community for decades to prove and complain about the harm the area was causing and to lobby for change, but now the community wanted the burden shifted to the industries. Now that the impacts were known, the submitter asked Council to talk to these industries, do something about the impacts of their activities on the community and to hold them to account if they continued to carry on activities as they were at present. These industries needed to bear more of the burden.
- Ms Jones said that the group was coming from a place of concern and they worried about the children and tangata whenua who had been subjected to generations of harmful contaminants. Schools were without a buffer zone and the group wanted them and the community protected.

In response to questions

- The Health report would feed into the Mount Spatial Plan work and the Mount Industrial Planning Study which would be completed by the end of the year.
- No guarantees could be offered to the group at this time.

Discussion points raised

- Commissioner Wasley thanked the submitter and noted that there were a number of issues raised. He advised that the Commissioners would meet with and respond to the group in the near future outside of a Council meeting.

4 ACCEPTANCE OF LATE ITEMS**4.1 Acceptance of late item****RESOLUTION CO15/23/3**

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Shadrach Rolleston

That the Council:

Accepts the following late item for consideration at the meeting in the public excluded section:

- Appointment of Chief Executive

The above item was not included in the original agenda because it was not available at the time the agenda was issued, and discussion cannot be delayed until the next scheduled meeting of the Committee because a decision was required in regard to the item.

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 14 August 2023****RESOLUTION CO15/23/4**

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Shadrach Rolleston

That the minutes of the Council meeting held on 14 August 2023 be confirmed as a true and correct record.

CARRIED

It was noted that future presentations from the Toxic Agrichemicals Advisory Forum should be held as part of a staff report not in the public forum as had been the case at this meeting.

8 DECLARATION OF CONFLICTS OF INTEREST

Nil

9 DEPUTATIONS, PRESENTATIONS, PETITIONS

Nil

10 RECOMMENDATIONS FROM OTHER COMMITTEES

10.1 Tauranga Public Transport Joint Committee - Terms of Reference Amendment Report to Tauranga City Council

RESOLUTION CO15/23/5

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Receives the report "Tauranga Public Transport Joint Committee - Terms of Reference Amendment Report to Tauranga City Council".
- (b) Approves the amendment to the Tauranga Public Transport Joint Committee Terms of Reference, to allow for the appointment of a representative and alternate representative for Waka Kotahi NZ Transport, as a non-voting, external member of the Tauranga Public Transport Joint Committee.

CARRIED

11 BUSINESS

11.1 Annual Plan 2023-24 Revised Capital Budgets

Staff Paul Davidson, Chief Financial Officer
Susan Braid, Financial Analyst

Key points

- Some of the \$145M balance in the capital budgets were complex multiyear projects.
- The budgets had been subject to a rephasing exercise, working with the businesses to keep only what was deliverable and affordable.
- Some of the revised budgets included new project budgets, which were the subject of separate reports to this meeting.

Discussion points raised

- As there were items included in resolutions (b) to (d) that pertained to reports later in the agenda, it was requested that the item lie on the table for a decision at the end of the meeting. Refer to item 14.1.

RESOLUTION CO15/23/6

Moved: Commissioner Stephen Selwood
Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Receives the report Annual Plan 2023-24 Revised Capital Budgets.

CARRIED

11.2 Long Term Plan 2024-34 - Funding the Backlog of Development Contribution Funded Projects

Staff Paul Davidson, Chief Financial Officer
Frazer Smith, Manager: Strategic Finance & Growth

Key points

- There had been success in charging and collecting development contributions over the years, but less had been collected than required due to legislative restrictions.
- Staff had been considering options for several years in relation to development contribution funded debt to rate funded debt and were proposing the change. There were certain areas that the backlog was generated from specific local areas and were suggesting that half be collected from the general rate and to create charge areas for the other half.

In response to questions

- Given the constraints in the legislation, the backlog does not end as Council could not get the amount required from development contributions to be 100% accurate, but staff did track the contributions and transparently disclose and transfer to ratepayer funded debt.
- In relation to a query on the background paper, attachment A the Council was getting better at including projects in the initial structure plans. Council was asking developers to do most of these projects and some of the quantum council was collecting was less. Council was tending to fund only the major trunk mains.
- The previous Council had not considered collecting the \$23M of the backlog, it had been brought forward to this Council as a new decision.
- Staff were not aware of any other local authorities that used this approach as many did not track their contributions and while other councils realised it was an issue, most had no idea of the quantum of the problem.
- Staff were asked to comment on the question of how to split the funding of the backlog in an equitable way between those communities with the benefit and the general ratepayer. It was noted that this was a difficult conversation, but someone had to pay for the shortfall. Staff had tried to look at the issue and in the past it was considered that this be funded across the city. The proposal that people in an area with the infrastructure was provided should pay more was considered fairer. This proposal was a new change of direction and was a decision for the Council to determine following consultation.
- Under the current legislative framework, there was no way to recognise and pick up the shortfall when setting development contributions. Council did use inflation proof numbers and charge cost of capital, and these were able to be levied, however, to put in a buffer for accuracy of assumptions for yield or cost overruns was not provided for in the legislation. The Council had to have alignment to the capital cost in the Long Term Plan and capital costs in the development contributions policy. This had been explored and raised with the government in the past, but submissions from the Council had not been accepted.

Discussion points raised

- The constraints of the legislation would be included in the briefing paper to incoming Ministers.
- It was recognised that this was not a perfect science and the proposal was a new change of

direction to provide a fair compromise and consistent with the direction the Commission had taken to allocate rates on a fair share basis.

- The principle of growth pays for growth was aspirational as there was a component that was rate funded.
- The five principles as outlined in paragraph 20 of the report were included in resolution (b).

RESOLUTION CO15/23/7

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Receives the report "Long Term Plan 2024-34 - Funding the Backlog of Development Contribution Funded Projects".
- (b) Confirms the current principles in relation to funding any backlog, namely:
 - i. There is certainty that the shortfall is permanent
 - ii. The amount of the shortfall is known and certain
 - iii. The projects that the shortfall relates to have been completed
 - iv. The amount that is transferred is treated as any other rate funded project would be for debt retirement purposes i.e. debt would be retired as per Council's Debt Retirement Funding Policy which is part of its Revenue and Financing Policy
 - v. Elected members have approved the transfer
- (c) Consults on establishing a targeted rate from 2025/26 to collect 50% of the backlog from the growth areas in which they arose as part of the 2024-34 LTP.
- (d) Agrees that any targeted rate would not commence before year 2 of the LTP.
- (e) Retains the current transfer of development contribution funded debt to rates funded debt (\$3.98 M per annum) pending the outcome of the consultation.

CARRIED

11.3 Introduction of Te Papa Local Development Contributions Catchment

Staff Christine Jones, General Manager: Strategy, Growth & Governance
Ben Corbett, Team Leader: Growth Funding
Andy Mead, Manager: City Planning & Growth

Additional Information was tabled.

Key points

- Relates to the Te Papa peninsula which was a significant intensification growth area identified in the Te Papa Spatial Plan and implemented in zoning through Plan Change 33, and an area with significant investment in growth and infrastructure across all council activities.
- Consideration of whether development contributions could be utilised as a funding source to assist with delivery of the works programme for the area.
- While it was proposed to collect development contributions towards transport and reserves infrastructure projects, it was not appropriate to include three waters given the assumptions included in the Long Term Plan (LTP) that the establishment of the water service entities would occur after year two of the LTP. Stormwater was also excluded as it would be challenging to charge across all 30 sub-catchments, when work was limited to a small number of catchments and the benefits would accrue to existing properties even if they were not developing.
- Development contributions would increase development costs and make development more expensive working against housing affordability but would result in the cost being paid by those that benefit from it, and there was a balance to be struck there.
- The issue for reserves and transport was how to determine a charge. This interim approach

would be reviewed further before the final Long Term Plan was adopted. 20% had been identified as an appropriate cost share as this recognised the benefit to growth and benefits to the existing community who would be using the infrastructure more frequently. The city-wide Infrastructure Funding and Financing Levy (IFF) for transport recognised the benefit to the whole city of the Cameron Road multi-modal project.

- Funding for reserves and transport through development contributions was proposed to raise approximately \$28m. These projects were already funded in the LTP from other funding sources (rates and IFF), which would create a displacement effect. Shifting funding from rates to development contributions would create a positive impact on rates by decreasing the amount of rates required but for IFF it was more complex.
- When creating the IFF a drawdown profile was created for the financier, based on planning at the time. Through the LTP prioritisation process a delay in the drawdown of the IFF was pushed back to September 2027 and by creating this further displacement in the transport projects the drawdown would be pushed back a further nine months. To minimise this impact they would look at increased costs on eligible projects within the existing drawdown timeframe or by moderating the capital profile for other projects to ensure we were drawing down the IFF as soon as possible.
- A local development contribution for a 3+ bedroom residential dwelling was estimated at \$8,500 and a non-residential 100m² property at \$8,200. This was built on assumptions that still needed to be refined before implementing with a model being run for all the benefits and the method of cost allocation.

In response to questions

- The initial proposal was presented two months ago at a developers' forum so it should not come as a surprise. The team would also attend the next forum and any amendments from that would be provided to Council on 25 September 2023.
- Staff were aware of how difficult it was to hold meaningful conversations about such a topic, and they were looking to target these through the developer's forum, email channels, networks and the Long Term Plan consultation to ensure it got good coverage and ensure that conversations were had with the Commissioners.
- Concerns of the Commissioners were noted on the impact on the IFF to ensure the programme meet timetables, and not incur additional costs, and had the capacity to deliver on the programme. It was noted that this was tracked through the Strategy, Finance and Risk Committee.

Discussion points raised

- Commissioners noted the requirement for fairness and equity in a system and targeting those who get the benefit and requested that they be kept informed throughout the process.
- Ensure that the building sector was advised of the proposed amendments.

RESOLUTION CO15/23/8

Moved: Commissioner Stephen Selwood
Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Receives the report "Introduction of Te Papa Local Development Contributions Catchment".
- (b) Agrees to create a local development contributions catchment for the Te Papa catchment in the draft Development Contributions Policy 24/25 to be reported to Council in September 2023 for consideration and approval.
- (c) Agrees to adjust the draft Long Term Plan 24-34 project funding assumptions for the infrastructure projects included in the proposed Te Papa local development contributions catchment to incorporate:
 - (i) Approximately 20% transport costs for identified projects (after Waka Kotahi funding) to the new catchment; and
 - (ii) Approximately 20% of costs for neighbourhood open space land purchase and development to the new catchment.
- (d) Delegates to the General Manager: Strategy and Growth and the Chief Financial Officer the ability to make adjustments to these allocations prior to the draft LTP being adopted for Audit purposes subject to the outcome of further assessment underway, and notes that any changes would affect the proposed Te Papa development contribution charges.

CARRIED

Attachments

- 1 Supplementary information to Council reports 4 September 2023

11.4 City Centre Development Contribution Incentives

Staff Christine Jones, General Manager: Strategy, Growth & Governance
Andy Mead, Manager: City Planning & Growth
Ben Corbett, Team Leader: Growth Funding

Key points

- Consultation as part of the Draft Long Term Plan was proposed for development contribution incentives in the city centre to support the large investment programme that Council and other agencies had and to optimise private development outcomes.
- Other councils were providing city centre development contributions incentives.
- No funding was being sought at this stage, but it could be a potential outcome following consultation.
- Any potential incentives would need to be considered as forgoing development contribution revenue would fall on ratepayers.
- There were a number of considerations in terms of how development contribution incentives could be structured and these were set out in the report e.g. full or partial offsetting, which type of land uses (residential/non-residential), the scale of the development, the location, the timeframe and any limits or caps.
- The development sector may have other ideas on how the Council could support the development of the city centre as not all developments would attract contributions – e.g. earthquake strengthening works as there was no increase in floor area.
- The additional tabled handout addressed the context of the scale around development contributions and provided a range of example developments for both residential and non-

residential developments. These examples included the proposed Te Manawataki o Te Papa development contribution charge.

Discussion points raised

- The incentives need to be framed to get a range of input and Council needed to be clear what outcomes were being sought when putting the incentive arrangement in place.
- The proposal runs counter to the intention to put costs where they lie, information needed to note the wider community benefit and whether it could be quantified to justify this strategic direction.
- Commissioners agreed to consult and have conversations with the community so that they could be better informed on the issue.

RESOLUTION CO15/23/9

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Receives the report "City Centre Development Contribution Incentives".
- (b) Agrees to consult through the 2024-34 Long-Term Plan Consultation Document on the potential for development contributions incentives for city centre development.

CARRIED

11.5 SmartTrip Variable Road Pricing Study

Staff Christine Jones, General Manager: Strategy, Growth & Governance
Sarah Dove, Principal Strategic Transport Planner
Alistair Talbot, Team Leader: Structure Planning & Strategic Transport

External Richard Hearn - Waka Kotahi

Key points

- The joint study proposes a variable road pricing arrangement which was exploring a range of funding opportunities as there was a need for significant transport investment in the area.
- The formal report, which was quite technical, would be taken out to the community in a more digestible and less technical form, for a broader conversation within the Long Term Plan process. The community would be canvassed to see if they agreed with the concept and would deliver on transport demand, manage congestion and result in a change in travel behaviours.
- Implementing varying charges depending on the time of day and the day of week.
- Considers urban form outcomes, how to improve the performance of the transport network and create a viable new revenue stream with a predicted \$88M in 2035 year increasing to \$158M by 2048.
- Would lead to reduced congestion, more reliable travel times, an increase in mode shift and the greater use of public transport, and a decrease in emissions.
- There were limitations with the study which was at a proof-of-concept level and would require further technical analysis and cost benefits if the study was to be progressed.
- The Urban Form and Transport Initiative (UFTI) network and services was used as the base for comparison, but there would need to be an improvement to the public transport services to realise those benefits to help support the road pricing scheme and make it work.
- The road pricing scheme had the potential to impact on people's equity and any next stage of work would need to look at how these equity impacts could be addressed.
- The study identifies that technologically the initiative was possible for a city the size of Tauranga, and while it operates elsewhere in the world, there were current legal constraints to

introducing road pricing in New Zealand.

- Mr Hearn commended the Commissioners for their leadership, vision and courage and noted that TCC staff were professional, competent and community minded.
- From a road pricing sense, the enduring transport challenge was geometry and the physical space to move people and vehicles forward, even with electric vehicles. Road pricing was one of the most effective tools to address this challenge of geometry into the future.
- Mr Hearn noted that he considered the judgement study results understated what the price points would likely be in reality, the scale of variability needed and the flow through to more significant impacts on VKT (vehicle kilometres travelled). The public transport mode shift was probably understated and needed a much-improved service offering.

In response to questions

- In response to a query as to what the alternative would be to counter congestion if this was not implemented, Mr Hearn was noted that it would result in an economic catastrophe and terrible wellbeing for communities without alternative tools to combat increasing congestion and delay.
- In answer to a question relating to adequate funding to meet demands in future, it was noted that the Council did not have an approved funding plan for UFTI across all partners and there would continue to be financial constraints to deliver what UFTI sets out to achieve, but the congestion would still increase.
- The next stage of the work would delve into the mix and shape of projects to provide a viable road pricing scheme that also provided transport choices and viable alternatives. Staff were awaiting the feedback and level of support prior to increasing the scope for the future development of the proposal.
- A business case would take time to complete as this initiative had not happened before so national and sub-regional conversations would also need to be included.
- This was a national issue as there would be a need for a legislative change. It would also affect other cities and Council would work with them as it needed to be joined up with other entities to make it work.

Discussion points raised

- Commissioners noted that to take the proposal to consultation a strong story needed to be provided to increase the understanding of the benefits of the SmartTrip initiative and the counterfactual of an alternative future if this initiative was not implemented.

RESOLUTION CO15/23/10

Moved: Commissioner Stephen Selwood
Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Receives the report "SmartTrip Variable Road Pricing Study".
- (b) Notes the benefits identified by the study include reduced congestion and emissions and an ability to accelerate investment in the city's transport infrastructure.
- (c) Notes an expectation that, if implemented:
 - (i) Revenue derived locally from SmartTrip (less costs) would be reinvested in the Tauranga transport network as net additional funding to create a better roading network, more efficient public transport services and better active (cycling and walking) facilities;
 - (ii) The government would supplement SmartTrip locally-raised revenue with additional funding that at least matches the SmartTrip revenue.
- (d) Recommends engaging on the concept of variable road pricing with the community as part of the Long-Term Plan 2024-34 development as well as SmartGrowth Partners and Government.
- (e) Notes that changes in Government legislation would be needed before variable road pricing could be introduced.

CARRIED

11.6 Tauranga City Growth Projections and Allocations

Staff Christine Jones, General Manager: Strategy, Growth & Governance
Andy Mead, Manager: City Planning & Growth
Ayv Greenway, Team Leader: Growth Research & Analytics

Key points

- The LTP growth projections and dwelling allocations had been reviewed and adjusted downward to reflect the exclusion of Te Tumu and Keenan Road urban growth areas until after the 2024-34 period.
- There were questions around the level of dwellings predicted with the challenges of vertical construction and local ground conditions.
- Through Plan Change 33 consideration was being given as to what was planning abled, and what would happen if every site was built out to its fullest extent. This was a theoretical exercise required under the National Policy Statement for Urban Development (NPS-UD) that would equate to 350,000 new dwellings, providing for 900,000 people, which was not required as the projection for growth was 30,000 dwellings over the next 30 years or 40,000 dwellings if Western Bay of Plenty was included.
- Overlaying the other components including the infrastructure needed to cope and what was needed to be put in place and this was based on 30,000 properties.
- There were a number of constraints in some areas such as covenants and questions on the market feasibility in other areas and what would be realised which reduced it more to an assumption of 19,000 dwellings.
- The projections of 30,000 dwellings came from the new greenfield areas at Tauriko West, Keenan Road and Te Tumu in the longer term and in years 10-30 more would be done.
- The growth projects had been allocated to mesh block level and were monitored on a quarterly basis.
- An assessment was being carried out across the city to see whether it was realistic to increase the allocation in other areas like Pyes Pa west, Kennedy Road and Bethlehem and

intensification along the coastal strip.

- For the Long Term Plan a reduction of 640 dwellings was proposed. Over the LTP period this would add to the shortfall and the non-compliance issues with the NPS-UD's development capacity requirements. There were opportunities to bring in other funding to open up growth areas faster and at levels Council was able to sustain across the city.
- Positive movement recently was set out in paragraph 40 of the report with decisions by the Commissioners to provide for growth in other locations.

In response to questions

- The projections reduced the development contribution revenue and would also affect the rates and IFF levies.
- A review of the growth projections and allocations were carried out for every Long Term Plan. Whether any land could be released depended on the level of investment in transport and wider infrastructure provision and decisions on these were made as part of the LTP within fiscal constraints that the Council of the day was comfortable with.
- Council's decision to balance investment in existing communities versus future communities impacted on land not being serviced and therefore could not come to market.
- If there was not sufficient growth that required that capacity Council would not want to invest in infrastructure in the ground that was not utilised. Growth was sequenced so that it was planned and ready to go with just in time delivery. Alternatively Council did not want to have growth with nowhere to go.

Discussion points raised

- Concerning when having to dial back the growth projections but it was important that Council was realistic. This underlined the criticality of the alternative funding and financing approach and noted the increasing understanding by central government of their key role to play in enabling alternative funding and financing methods and prioritising investment that supported housing.

RESOLUTION CO15/23/11

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Stephen Selwood

That the Council:

- (a) Receives the report "Tauranga City Growth Projections and Allocations".
- (b) Adopts the adjusted growth projections for the 2024-34 Long-term Plan being a reduction of approximately 640 dwellings in the period 2024 to 2034, and a reduction of 1,260 in the period 2034 to 2040.

CARRIED

At 11.19am the meeting adjourned.

At 11.29am the meeting reconvened.

11.7 Active Reserves Masterplans

Staff Barbara Dempsey, General Manager: Community Services
Alison Law, Manager: Spaces & Places
Ross Hudson, Manager: Strategic Planning and Partnerships, Spaces and Places

Key points

- The General Manager Community Services acknowledged staff and the sporting club officials that spent a lot of time on engagement, meetings and working through what would be the best for each code.
- A lot of work had been undertaken with the stakeholders to understand their needs and

requirements for now and into the future. The plans aim to minimise disruption where possible and provide cost effective outcomes and changes have been made to the plans.

- The master plan for Baypark had undergone a significant revision with the speedway pit lane remaining and the netball and athletic on the western section of the park, to avoid the treatment plant and ensure the efficient and safe movement of people and vehicles.
- There were still geotechnical, infrastructure and consenting issues with some proposals and more adjustments may be required.
- In response to a slower staged approach to the proposed community stadium at Tauranga Domain there was now a Stadium Deferred Masterplan.
- The relocation of the athletic track to Baypark would need to be carried out no later than 2028.
- The plan was high level to enable the implementation and work would continue. Some codes had requested more detail and the intent was to work closely with stakeholders moving forward.

In response to questions

- In response to a query regarding the level of satisfaction for each of the codes, it was noted that while some codes still had a few reservations as they had been in their current locations for some time, there had been a more positive move. Most could see the benefits of new facilities and were welcoming of changes.
- The existing Mount Hall was at the end of its life and would be removed.

Discussion points raised

- Commissioners gave credit to the team for a job well-done and recognised the enormous task that they had undertaken, noting that the recommendations would go some way to ameliorating many of the concerns raised and providing space for a number of sporting codes into the future.

RESOLUTION CO15/23/12

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Receives the report "Active Reserves Masterplans".
- (b) Adopts the revised Blake Park Masterplan and requests that staff proceed with its implementation
- (c) Adopts the revised Baypark Masterplan and requests that staff continue with its implementation, working with Bay Venues and current & future site users towards appropriate site management and tenure agreements
- (d) Adopts the revised Tauranga Domain Precinct 'Stadium Deferred' Masterplan as the approach to short-term site development, with the current masterplan (endorsed on 3 October 2022) being retained as the longer-term vision for the site.
- (e) Delegates to the Chief Executive or appointee to make further decisions on minor amendments to the masterplans

CARRIED

11.8 Annual Report on Dog Control Policy and Practices 2022/2023

Staff Sarah Omundsen, General Manager: Regulatory and Compliance

Key points

- While the number of complaints was increasing, so was the number of dogs in the city, so it was to be expected.

- There had been a good uptake of dogs being microchipped.
- 80% of the dogs impounded were either released back to owners or adopted. The new face book page had been successful in helping to get dogs adopted.
- Great feedback on the education services that the team provide in awareness raising through schools
- Bark in the Park on 30 September 2023 was part of the awareness and education work encouraging responsible dog owners.

Discussion points raised

- Commissioner Wasley acknowledged the good work done by the Animal Services team and noted that much of the work undertaken was difficult, emotional and staff were sometimes in dangerous circumstances.
- Commissioners noted that the need for a local dog park in the city was often brought up in the City Talk events and they encouraged owners to make submissions to the Long Term Plan.

RESOLUTION CO15/23/13

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Bill Wasley

That the Council:

- (a) Receives the report "Annual Report on Dog Control Policy and Practices 2022/2023".
- (b) Pursuant to Section 10A of the Dog Control Act 1996, adopts the Tauranga City Council Report on Dog Management Policy and Practice for 2022/2023.

CARRIED

11.9 Park and Ride Trial Project Unbudgeted Expenditure

Staff Nic Johansson, General Manager: Infrastructure Services
Brendan Bisley, Director of Transport
Ruth Cable, Manager: Project Outcomes
Nigel Holman, Project Manager

Key points

- Business case was to trial a park and ride for two years to assess the effectiveness of it and to enable it to be measured for uptake and success to determine if it should be made permanent.
- The proposal relied on adequate public transport, a bus lane and funding from the Bay of Plenty Regional Council, which, if received, would allow the park to be operational by March 2024.

In response to questions

- The site was owned by Waka Kotahi and the Crown would decide as to its future following the trial. The emphasis was to keep the land for the park and ride as it still met the purpose for transport uses which the land was purchased for under the Public Works Act.
- Initially 200 parks would be trialled, but there was more land available to cater for more parks if needed. It was suggested that as it was a large site and potentially bigger than needed for park and ride, that maybe it could be purchased and put into sports fields and use the carparks for sports ground carparking, so it would have a dual use.
- Waka Kotahi funding would be sought from 1 July 2024, with present funding being sourced from an underspend in the transport activity.

Discussion points raised

- Commissioners would attend the upcoming Joint Public Transport Committee meeting to present a submission on the proposal.

RESOLUTION CO15/23/14

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the Council:

- (a) Receives the report "Park and Ride Trial Project Unbudgeted Expenditure".
- (b) Approves the establishment of a Park and Ride facility in Tara Road, Papamoa, to be run as a trial for 2 years, beginning 4 March 2024, contingent on express bus service funding from Bay of Plenty Regional Council from opening.
- (c) Approves capital budget of \$3.2m being transferred from other projects in the FY24 financial year where their current delivery timeframes (and financial forecast) are less than the current budget phasing in FY24.
- (d) Approves operational budget of \$90k per annum for the 2-year trial period for operating the facility.

CARRIED

11.10 Transport Choices Grenada

Staff Nic Johansson, General Manager: Infrastructure Services
Karen Hay, Team Leader: Cycle Plan Implementation
Brendan Bisley, Director of Transport
Chris Barton, Project Manager

External Erica Walker, Waka Kotahi

Key points

- Progressed part of the transport choices programme which was 95% funded from Waka Kotahi's Climate Emergency Response Fund, the designs and public feedback had been completed and were looking to progress to construction if the project was approved.
- Ms Walker noted that the project demonstrated what could be done for communities to provide viable transport choices quickly and effectively and embodies all that they were trying to achieve.
- Waka Kotahi noted that the communities were fully supportive and they were impressed with the quality of the design. They were working closely with Council to make sure that they were able to meet the high bar set and were happy to support the project and look forward to assisting Council to take it forward.

In response to questions

- Supplementary measures were in place to include a signalised crossing from Arataki Park across Girven Road. The future of Marlin intersection would be considered as part of the Arataki wider business case. Provisioning that connection was important from a safety perspective and would provide connections to the new path built by Waka Kotahi and signal improvements would connect to the underpass at Matapihi and local connections provided to schools.
- The Grenada Street upgrade was previously planned as part of the Accessible Streets Area A programme as the preferred cycle route before being included in the Transport Choices programme.
- In relation to a query regarding what was envisaged with cross connections and cycleway connections from Marine Parade to Pāpāmoa, it was noted that they were focusing on accessibility and safety improvements and local connections through to Links Avenue in the accessible streets programme.
- There was an opportunity to rationalise the number of key cycling corridors as not every single

corridor was prioritised for cycling or separated from traffic.

Discussion points raised

- The quality of the design was noted, and appreciation was passed on to the team for the effort and what it was about to achieve.

RESOLUTION CO15/23/15

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the Council:

- (a) Receives the report; Transport Choices Grenada
- (b) Approves the project scope of the Grenada Street Upgrade as outlined in this report;
- (c) Approves the Grenada Street Upgrade project to proceed to implementation subject to Waka Kotahi approval of implementation funding; and
- (d) Delegates authority to the General Manager Infrastructure to award a construction contract for the Grenada Street Cycleway Upgrade following a public tender process, with a maximum Approved Contract Sum value of \$6,200,000 in accordance with existing project budget allocations.

CARRIED

11.11 Traffic & Parking Bylaw Amendment No.46

Staff Nic Johansson, General Manager: Infrastructure Services
Brendan Bisley, Director of Transport

RESOLUTION CO15/23/16

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Receives the report "Traffic & Parking Bylaw Amendment No.46".
- (b) Adopts the proposed amendments to the Traffic and Parking Bylaw (2012) Attachments as per Appendix A, relating to minor changes for general safety, operational or amenity purposes, to become effective on or after 5 September 2023 subject to appropriate signs and road markings being implemented.

CARRIED

11.12 Bethlehem Signalised Pedestrian Crossing Investigation and Safety Review Report

Staff Nic Johansson, General Manager: Infrastructure Services
Warren Budd, Team Leader: Transport Safety
Brendan Bisley, Director of Transport
Anna Sommerville, Manager Network Safety and Sustainability

Key points

- Recommendation (b) – change the word Approve to Support as the decision sat with Waka Kotahi not Council.
- The recommendation was to leave the crossing in place and continue to work with Waka Kotahi on short and long term improvements.
- With it being a state highway it fulfilled a main movement corridor function which was not in keeping with retail on either side of the road.

- Following the anticipated opening of Takitimu North Link in 2027 this section of Tamatea Arikunui Drive was expected to be revoked from State Highway status and become a local road and it was expected that traffic volumes would drop at that point.

Discussion points raised

- Add in to recommendation (c)- *and report back in February 2024 on the negotiations.*
- Requested that the petitioner be informed of the outcome of the report.

RESOLUTION CO15/23/17

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the Council:

- (a) Receives the report "Bethlehem Signalised Pedestrian Crossing Investigation and Safety Review Report".
- (b) Support the recommendation that the east pedestrian crossing is not removed.
- (c) Approve the Transport Team continue negotiations with Waka Kotahi for both the short and long term safety improvements on the State Highway for Bethlehem Village and report back in February 2024 on the negotiations.

CARRIED

12 DISCUSSION OF LATE ITEMS

Nil

13 PUBLIC EXCLUDED SESSION

Resolution to exclude the public

RESOLUTION CO15/23/18

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Stephen Selwood

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
13.1 - Public Excluded Minutes of the Council meeting held on 14 August 2023	<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)(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)(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>
13.2 - Replacement of Number 2 Rescue Fire Truck	<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>

13.3 – Chief Executive Appointment	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons 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)	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
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CARRIED**11 BUSINESS (continued)****11.1 Annual Plan 2023-24 Revised Capital Budget (continued)****RESOLUTION CO15/23/19**

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Stephen Selwood

That the Council:

- (b) Agrees to budget adjustments as summarised in Attachment A, including:
 - (i) Capital expenditure carry forwards from 2022-23 of \$145m
 - (ii) Bring forwards of future year budgets of \$46m
 - (iii) New project budgets of \$11m
 - (iv) Additional budget for existing projects of \$27m
 - (v) Budget deferrals/reductions from 2023-24 Annual Plan of \$117m.
- (c) Agrees to a revised capital project budget of \$451m in 2023-24.
- (d) Note that this revised capital project budget is not expected to lead to significant additional interest costs in 2023-24 as a portion of this budgeted capital is expected to be carried forward to 2024-25, the first year of the Long-term Plan.

CARRIED**14 CLOSING KARAKIA**

Commissioner Shad Rolleston closed the meeting with a karakia.

The meeting closed at 12.31 pm.**The minutes of this meeting were confirmed as a true and correct record at the Ordinary Council meeting held on 25 September 2023.**

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CHAIRPERSON

8 DECLARATION OF CONFLICTS OF INTEREST

9 DEPUTATIONS, PRESENTATIONS, PETITIONS

Nil

10 RECOMMENDATIONS FROM OTHER COMMITTEES

Nil

11 BUSINESS

11.1 Council-controlled organisations' draft and final Annual Reports for 2022-23

File Number: A14959793

Author: Sanjana France, CCO Specialist
Anne Blakeway, Manager: City Partnerships

Authoriser: Gareth Wallis, General Manager: City Development & Partnerships

PURPOSE OF THE REPORT

1. The purpose of this report is for the council-controlled organisations to provide their draft and final annual reports to Council regarding their financial and non-financial performance for the year 2022-23.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Council-controlled organisations' draft and final Annual Reports for 2022-23".
- (b) Receives Bay Venues Limited's draft annual report on its performance for the year to 30 June 2023.
- (c) Receives Tauranga Art Gallery Trust's draft annual report on its performance for the year to 30 June 2023.
- (d) Receives Tourism Bay of Plenty's draft annual report on its performance for the year to 30 June 2023, noting that it will also be provided to Western Bay of Plenty District Council as joint shareholder at their meeting on 3 October 2023.
- (e) Receives Bay of Plenty Local Authority Shared Services Limited's draft annual report on its performance for the year to 30 June 2023.
- (f) Receives the Local Government Funding Agency's final annual report on its performance for the year to 30 June 2023.

EXECUTIVE SUMMARY

2. Tauranga City Council (TCC) has a number of council-controlled organisations that are required to provide their audited annual reports to Council regarding their financial and non-financial performance.
3. Due to limited capacity, Audit NZ have had to re-prioritise their audits, with several of the council-controlled organisation audits being delayed this year. This means that draft, unaudited annual reports for Bay Venues Limited (Bay Venues), Tauranga Art Gallery Trust (TAGT), Tourism Bay of Plenty (TBOP) and Bay of Plenty Local Authority Shared Services Limited (BOPLASS) are provided at this time. An audited annual report is provided for the Local Government Funding Agency (LGFA).
4. A summary of each council-controlled organisation's performance against the financial and non-financial measures in their individual statements of intent is provided for Bay Venues, TAGT, TBOP, BOPLASS and the LGFA.
5. TBOP's draft annual report will also be provided to Western Bay of Plenty District Council as joint shareholder at their meeting on 3 October 2023.

6. The two recently established council-controlled organisations, Te Manawataki o Te Papa Limited and Te Manawataki o Te Papa Charitable Trust, have not provided Annual Reports due to being in operation for less than the reporting year period, and having no financial activity in their accounts. However, Audit NZ will still review both organisations' financials and these will be provided to Council in due course.

BACKGROUND

Requirement to report

7. In accordance with their statements of intent and the Local Government Act (2002), Bay Venues, TAGT, TBOP, and the LGFA are required to draft annual reports to Council within two months of the end of the financial year. The final audited annual reports are due to be provided to Council within three months of the end of the financial year (30 September 2023).
8. In accordance with its Statement of Intent and the Local Government Act (2002), BOPLASS is required to provide an audited annual report to Council within three months of the end of the financial year (30 September 2023).
9. Bay Venues, TAGT, TBOP and BOPLASS are audited by Audit New Zealand and the LGFA is audited by KPMG.
10. The table below outlines the date of receipt for the draft and final (audited) Annual Reports for TCC's council-controlled organisations:

Council-controlled organisation	Draft Annual Report received	Final (audited) report due	Reference
Bay Venues: Draft, unaudited Annual Report	31 Aug '23	30 Sept '23	Attachment 1
BOPLASS: Draft, unaudited Annual Report	4 Sept '23	30 Sept '23	Attachment 2
TAGT: Draft, unaudited Annual Report	31 Aug '23	30 Sept '23	Attachment 3
TBOP: Draft, unaudited Annual Report	29 Aug '23	30 Sept '23	Attachment 4
LGFA: Final, audited Annual Report Letter to Shareholders	28 Aug '23	30 Sept '23	Attachment 5 Attachment 6

11. Annual reports are provided by the council-controlled organisations to Council as part of its role to ensure the council-controlled organisation's performance is consistent with their statements of intent and other accountability documents.
12. As TBOP is a joint council-controlled organisation with Western Bay of Plenty District Council (WBOPDC), TBOP's draft annual report will be provided to their Council meeting for discussion on 3 October 2023.
13. Specifically, the statements of intent require that the annual reports include:
- Statement of Financial Performance (balance sheet);
 - Statement of Comprehensive Income (income statement);
 - Statement of Movements in Equity;
 - Statement of Cash Flows;
 - Disclosure of related party transactions;
 - Notes to the Financial Statements; and
 - Such other statements as may be necessary to fairly reflect the financial position of the Company and its subsidiaries, the resources available to the Company and its subsidiaries and the financial results, of the operations of the Company and its subsidiaries.

14. The board of each council-controlled organisation is also required to provide a board report, including a summary of the financial results, a report of the operations, and a comparison of performance in relation to objectives.
15. All five draft and final annual reports have met the legislative and statement of intent requirements. Final copies of audited annual reports will be provided for each of the council-controlled organisations once received back from Audit New Zealand.

Bay Venues Limited (based on draft, unaudited report)

16. The draft unaudited Annual Report for the year to 30 June 2023 is provided at Attachment 1.

Summary of financials

17. Bay Venues reported an EBITDA deficit of -\$1.62 million. This was 44% favourable compared with the previous year's EBITDA deficit of -\$2.9 million and was more than \$100,000 ahead of the budget set for this year.
18. Bay Venues' actual total operational revenue was \$35.6 million, compared to \$23.9 million the previous year.
19. The business continued to face significant ongoing increases in operating costs over the year. Staff from Bay Venues and TCC undertook a financial review in the second half of the reporting period, which concluded that Bay Venues' current user fees are, on average, below national market benchmarks in most cases.

Summary of Statement of Intent performance

20. Bay Venues achieved six out of its eight Statement of Intent performance targets for the year. The two targets not achieved were completing all its strategic objectives, due to some still being in progress, and having one serious harm incident, which has led to corrective actions being implemented to reduce future risks. Bay Venues aimed to support at least ten inclusivity and diversity initiatives, and they exceeded this target by getting 16 initiatives underway and delivering 36 cultural events. They also participated in the CCO Board Intern Programme, which promotes greater diversity in governance and a fresh lens in the boardroom, plus welcomed their first mana whenua representative to their Board.
21. Bay Venues successfully delivered on two of their three high quality facilities targets, with no preventable unplanned facility closures and their capital programme being 15% under budget for the year, with key projects delivered as planned. Bay Venues' customer experience survey received 2,427 survey responses. 2,147 rated their overall experience as satisfied or very satisfied, equating to 88% of respondents. This was above the year's target of 85% and close to last year's 90% result.

Other comments

22. Pages 3-8 of the Annual Report contain a summary of the year's results and highlights, noting Bay Venues' 24 facilities had 2.11 million visitors during the year, a 37% increase from the 1.5 million people last year.
23. Bay Venues notes the events industry bounced back in the 2022/23 year after COVID-19, which has seen numbers return to pre-pandemic levels.
24. Bay Venues implemented a new leadership and organisational structure, with a new executive team designed to ensure they have the right roles in their strategic focus areas.

Tauranga Art Gallery Trust (based on draft, unaudited report)

25. The draft unaudited TAGT Annual Report for the year to 30 June 2023 is provided at Attachment 2.

Summary of financials

26. TAGT have reported a deficit of \$200,404, or \$48,270 after depreciation, compared to the previous year's surplus of \$33,147. This was primarily as a result of costs associated with loss of income and the ongoing impact of COVID-19 on the first half of the year.

27. TAGT's actual total operational revenue was \$1.76 million, an increase on the budgeted \$1.69 million, and on the previous year's \$1.53 million. This year also saw an increase in expenses from the budgeted \$1.68 million to actual expenses of \$1.96 million – up on last year's expenses of \$1.49 million.
28. Long-term financial stability is noted as a key focus with further challenges presented in the coming year, including the closure of the main Gallery as part of the Masonic Park redevelopment project, and the resulting relocation and operation of an off-site gallery. This is to be balanced with the longer view and benefit of the Gallery playing a key role in the Te Manawataki o Te Papa civic precinct development.

Summary of Statement of Intent performance

29. 21 out of TAGT's 23 performance targets for the year were met or on target to be met. The two targets not met were in relation to education programme student numbers and gallery visitor numbers.
30. Tauranga Art Gallery programmes had 51,056 attendees, including 746 adult workshops and talks attendees, and 14,152 national visitors to touring exhibitions.
31. TAGT programmes welcomed 30,094 on-site visitors, which was 88% of their year-end target, and an increase of 2,280 visitors on last year.
32. The education programmes had 6,024 students participate and over 5,000 students caught the Art Bus, provided for free and funded by the gallery and its partners. A new matauranga Māori secondary schools programming was launched and weekly story-time for pre-school children was introduced.
33. TAGT delivered a diverse exhibition and events programme. This included showcasing 21 artists and presenting 18 exhibitions across a wide range of media and practice. A quarter of the programme showcased the practice of local artists.
34. TAGT delivered a range of other learning opportunities for targeted groups and families, well surpassing its target.
35. TAGT's customer satisfaction survey response for the year showed 73% of surveyed visitors were highly satisfied, with 92% highly satisfied with their visit and signature show, Work Out in the last quarter of the year.

Other comments

36. Social return on investment research reports and tools have enabled the Gallery to build evidence and communicate the value and social return of the arts. This included weaving key phrases into stakeholder messaging and sharing stories around creative activity benefits to increase understanding and support.
37. As part of the Te Manawataki o Te Papa civic precinct development project, preparing for the closure of the Gallery and the development of Masonic Park had significant financial implications, with the Gallery's relocation and operation of an off-site gallery.
38. TAGT continues to investigate and determine its best strategic options to future proof the Gallery so that long-term fiscal and operational capability is assured. Financial sustainability remains a key focus over the coming years.
39. TAGT participated in the CCO Board Intern Programme diversity initiative and welcomed a mana whenua representative to the Board.

Tourism Bay of Plenty (based on draft, unaudited report)

40. TBOP's draft unaudited Annual Report to 30 June 2023 is provided at Attachment 3.

Summary of financials

41. TBOP had a surplus of \$410,590 for this year, compared to \$152,915 the previous year. This was due to the receipt of the final tranche of funding from the Strategic Tourism Assets Protection Programme and Regional Events Fund in the period to 30 June 2023.

42. TBOP obtained permission from MBIE to carry forward \$361k of those regional/national funds for projects that weren't delivered before year end. The funds are targeted to specific projects and outcomes, and will be exhausted within the first six months of this current financial year, as shown in the balance sheet, where there is a liability of \$361k of revenue received in advance.

Summary of Statement of Intent performance

43. In the financial year ending June 2023, visitor spend in the Coastal Bay of Plenty was up 8% compared to year ending June 2022, and up 17% compared to the year ending June 2019 (pre-COVID-19). TBOP aims to continue to grow domestic and international visitor spend in the next financial year.
44. Eight out of TBOP's ten performance measures were achieved. The two not achieved were Flavours of Plenty Festival ticket sale numbers, and the number of Tauranga residents agreeing that tourism positively impacts the community.
45. TBOP's overall highlights included hosting the second Favours of Plenty festival, which included 34 events over 10 days and attracted more than 5,000 attendees, compared to 1,800 people at its inaugural festival.
46. TBOP supported several new tourism operators, including a collective of indigenous tourism businesses, to improve their capabilities for the 2022-23 cruise season. The season saw approx. 133,000 passengers and 68,000 crew visiting Tauranga via 91 cruise ship visits.
47. TBOP exceeded its target number of businesses participating in The Green Room sustainability programme, reaching 51, and had ongoing engagement with the region's visitor sector businesses and organisations.
48. TBOP supported TCC in developing content for a cultural intelligence Te Ara Whānui app, which integrates cultural narrative with key destination messaging.
49. TBOP successfully promoted the region's stories through engaging communications and wide media coverage to attract visitors.
50. TBOP achieved 77% of its staff being happy or very happy working there, exceeding its target of 70%.
51. TBOP participated in the CCO Board Intern Programme diversity initiative and had a mana whenua representative on the Board for several months.

BOPLASS (based on draft, unaudited report)

52. The draft, unaudited Annual Report for the year to 30 June 2023 is provided at Attachment 4.

Summary of financials

53. After tax, BOPLASS had a deficit of \$22,979 for 2022-23. This is lower than the previous year's surplus of \$6,244.
54. BOPLASS' total equity for the 2022-23 year was \$28,520, which is a decrease from the 2021-22 equity of \$52,070. The calculation of equity ratio for 2023 is 1.05%, which is lower than the 2022 ratio of 4.32%.

Summary of Statement of Intent performance

55. BOPLASS's Annual Report states 11 out of 12 Statement of Intent targets were achieved. The target not achieved was holding formal meetings with all council executive teams, as was the case in the previous year. This was due to staff absences, travel restrictions, and increased workloads. A table outlining the targets and providing commentary on BOPLASS' performance against each item is provided on pages 7-21 of the draft Annual Report.
56. BOPLASS continued to focus on joint procurement opportunities to facilitate savings and add value through shared coordination.
57. Notable highlights include:

- Through managing tenders for several of the larger contracts and negotiating supplier terms and conditions, cost savings were achieved, along with efficient use of centralised resources and improved service delivery. Some of the procurement highlights this year were focussed on community engagement and safety:
 - Media monitoring services
 - Social listening services
 - CCTV monitoring
 - Crime Prevention Through Environmental Design (CPTED)
 - Managing conflict and aggressive behaviour workshops
 - Business continuity – 24/7 emergency communication
- BOPLASS councils initiated a project to coordinate their activities in developing initiatives to help address the continuing rise in retail crime rates. Through successful engagement with the Ministry of Social Development, the region has received \$1 million co-funding to help support these projects.
- BOPLASS initiated several new joint procurement initiatives this year, with the appointment of a new printer and photocopier supplier being of note. Significant financial savings and technology benefits were achieved across all councils through this new tender, with benefits to community groups also negotiated into the agreement.

Other comments

58. Maintaining council infrastructure insurance placements remains challenging with limited capacity from insurers. The recent NZ weather events (and global natural catastrophes) mean it is likely this will continue to become more challenging. However, the BOPLASS collective insurance programme continues to deliver benefits to all councils, in both the insurance rates and the level of cover provided.
59. 2022-23 was a particularly challenging period for renewals, due to the high-inflationary environment and many vendors pushing for increases. However, through the continued aggregation of councils' volumes and maintaining competitive procurement processes, BOPLASS has performed well, with most of the collective contracts being renewed with little or no price increases.

Local Government Funding Agency (based on final, audited report)

60. The audited Local Government Funding Agency (LGFA) Annual Report for the year to 30 June 2023 is provided as Attachment 5. A cover letter to shareholders is provided as Attachment 6.

Summary of financials

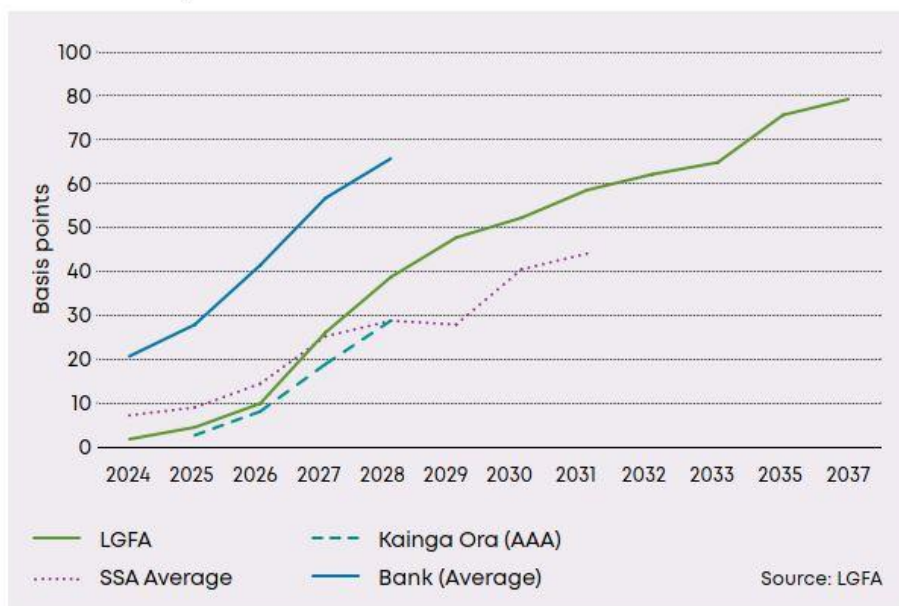
61. LGFA had a decreased Net Operating Profit of \$2.5 million for the year ending 30 June 2023 (compared to \$10.7 million in 2021/22) and shareholder funds now at \$105.8 million. 77 out of a total of 78 councils are now approved borrowers.
62. LGFA NZX-listed bonds on issue as of 30 June 2023 were \$17,778 million across maturities from 2024 to 2037.
63. Lending to councils during the 2022/23 financial year was at a new record of \$3.9 billion.
64. LGFA declared a dividend of 6.85% for shareholders (compared to the previous year of 4.87%).

Summary of Performance

65. Key performance indicators required LGFA to provide interest cost savings relative to alternative sources of financing. LGFA's comparable borrowing margins relative to its market equivalent borrowers are shown in the graph below.

Comparison to other high-grade issuers – secondary market spread to swap (bps)

LGFA's borrowing margins are comparable to other high-grade issuers in the New Zealand capital markets.



Supranational, sovereign and agency issuers

Kainga Ora (AAA)	KBN (AAA)
Asian Development Bank (AAA)	Rentenbank (AAA)
IADB (AAA)	World Bank (AAA)
International Finance Corp (AAA)	Nordic Investment Bank (AAA)

Banks

ASB (AA-)	ANZ (AA-)	BNZ (AA-)	Westpac Bank (AA-)
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Source: LGFA Annual Report 2022/23

66. LGFA's Standard and Poors' ratings of AA+ foreign currency and AAA local currency both remain on 'stable' outlook, unchanged from last year.
67. LGFA met 16 out of 17 performance objectives. A total operating income of \$11.6 million, compared to the target of at least \$12.2 million, was the one which was not achieved.

STRATEGIC / STATUTORY CONTEXT

68. The Local Government Act 2002 requires council-controlled organisations to provide audited annual reports to their shareholders. The annual reports are helpful when developing Council's Letters of Expectation for its council-controlled organisations for the following year.
69. Council's partnerships with its council-controlled organisations help deliver our community outcomes and facilitate improved quality of life, quality of economy and sound city foundations

OPTIONS ANALYSIS

70. There are no options as Council is only receiving the 2022-23 draft and final Annual Reports for the council-controlled organisations.

FINANCIAL CONSIDERATIONS

71. The financial considerations are outlined in the main body of the report and attachments.

LEGAL IMPLICATIONS / RISKS

72. The Annual Reports meet the legislative requirements for the council-controlled organisations to provide Council with an overview of performance against their Statements of Intent on both financial and non-financial measures.

CONSULTATION / ENGAGEMENT

73. No consultation or engagement is required or planned.

SIGNIFICANCE

74. The Local Government Act 2002 requires an assessment of the significance of matters, issues, proposals and decisions in this report against Council's Significance and Engagement Policy. Council acknowledges that in some instances a matter, issue, proposal or decision may have a high degree of importance to individuals, groups, or agencies affected by the report.
75. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
- (a) the current and future social, economic, environmental, or cultural well-being of the district or region;
 - (b) any persons who are likely to be particularly affected by, or interested in, the matter; and
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
76. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of medium significance.

ENGAGEMENT







77. Taking into consideration the above assessment, that the matter is of medium significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

Click here to view the [TCC Significance and Engagement Policy](#)

NEXT STEPS

78. The council-controlled organisations will be informed of Council's consideration of this paper.
79. Final copies of audited Annual Reports will be provided by Bay Venues, BOPLASS, TAGT and TBOP by the statutory reporting timeframe of 30 November 2023.
80. Any issues raised will be considered during the upcoming development of the annual letters of expectation for the 2024-27 statements of intent. These are intended to be presented to Council for approval in October 2023. This date has been brought forward because of Council's change in governance in mid-2024.

ATTACHMENTS

1. **2022-23 Bay Venues Annual Report (Draft, unaudited) - A15051337 (Separate Attachments 1)** 
2. **2022-23 TAGT Annual Report (Draft, unaudited) - A15051364 (Separate Attachments 1)** 
3. **2022-23 Tourism BOP Annual Report (Draft, unaudited) - A15051373 (Separate Attachments 1)** 
4. **2022-23 BOPLASS Annual Report (Draft, unaudited) - A15051372 (Separate Attachments 1)** 
5. **2022-23 LGFA Annual Report (Final, audited) - A15051382 (Separate Attachments 1)** 
6. **2022-23 LGFA Annual Report - Cover Letter to Shareholders - A15051379 (Separate Attachments 1)** 

11.2 The Historic Village Complex 2 Project – Unbudgeted Expenditure

File Number: A15050237

Author: Blair Graham, Historic Village Manager

Authoriser: Barbara Dempsey, General Manager: Community Services

PURPOSE OF THE REPORT

1. To seek unbudgeted funding to complete Complex 2 upgrade at The Historic Village.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "The Historic Village Complex 2 Project – Unbudgeted Expenditure
- (b) Approves Option 1 which approves an additional capital budget of \$3,442,191 to complete the upgrade to Complex 2 at The Historic Village.
- (c) Transfer \$1,400,000 of uncommitted projects within the 2023/2024 Annual Plan Budget to partially offset the increased capital cost of the project.
- (d) Approves unbudgeted expenditure of \$2,042,191 to complete the physical works on Complex 2 at The Historic Village.
- (e) Approves the direct appointment of Alaska Construction Interiors to complete the physical works on Complex 2 at The Historic Village.

EXECUTIVE SUMMARY

2. A project to upgrade and undertake maintenance on Complex 2 building commenced in December 2022. In April 2023, significant structural issues were identified as detailed below.
3. There is insufficient budget to cover the costs of the variations and an additional capital budget of \$3,442,191 is required resulting in a total capital project cost to \$7,201,525, with the timeline for project completion now February 2025.
4. This report presents four options for consideration with Option 1 being the recommended option.
 - Option 1 is to continue with the full scope of the project with completion in February 2025.
Note this option requires a total capital budget of \$7,201,525
 - Option 2 is to stop works now, secure the site, and revisit the project in the future years.
 - Option 3 is to stop works, demolish the building, and build a new venue.
 - Option 4 is to demolish the building and reinstate the site as open space in the village.
5. Staging the works so parts of the building are completed earlier has been considered through this options analysis but would not be feasible.

BACKGROUND

6. The Historic Village is located at 159 17th Avenue Tauranga and is a Tauranga City Council owned and administered community facility. Complex 2 was designed and built onsite circa 1981 – 83 which was prior to the introduction of the Building Act 1992 and associated Building code and Regulations. The majority of the construction was completed by volunteer trades people.

7. Complex 2 is a key building within The Historic Village, which will house the destination café and the commercial kitchen which serves both the café and hireable venues within the village.
8. The project commenced in December 2022 with a temporary container kitchen set up to provide catering facilities for the café and other venues in the village, and the Balcony Room was closed for hire.
9. An invasive investigation was commissioned. Notwithstanding this and having undertaken appropriate due diligence, the extent of the issues was only exposed once the demolition and wall linings were fully removed. These issues included discontinuous studs, no boundary joist around the first floor, along with strapping inconsistencies. These defects present a serious concern to the structural integrity of the building.
10. Equipment for the fitout of this project has been purchased and is currently in storage.

STRATEGIC / STATUTORY CONTEXT

11. The Complex 2 upgrade project is a key component to delivering on The Historic Village Strategic Plan 2020 – 2023.
Objectives and actions within the strategy that the Complex 2 project aligns with include:
 - (a) *A Character Village – Continuing to invest in building improvements for both venues and tenancy opportunities.*
 - (b) *A Unique Village – Continuing to support arts and culture activity recognising the significant role this has played in the growth of the Village and in providing arts and creative learning, promotion, activity, events, and entertainment.*
 - (c) *A vibrant Village – Exploring the opportunity to provide a wider range of hospitality venues on offer that are complementary and/or respond to market demand. Developing a regular and coordinated programme of events, activities, festivals and markets that attract people to the Village, day and night, on weekdays and weekends.*
 - (d) *An accessible Village – Undertaking an audit to determine required accessibility improvements, and implementation of the outcomes.*

Complex 2 being home to the destination café is essential to drawing visitors to the village and the Balcony Room is the key venue to attract hirers for larger and higher yielding business. It sits in the middle of the village centre and is a focal point when entering the village. Several tenants have taken up leases with the expectation they will be located in this thriving section of the village.

OPTIONS ANALYSIS

12. The following options have been considered

OPTION 1 Preferred Option	BENEFITS	DISADVANTAGES
Seek approval for unfunded budget to complete the project. Financial considerations Total project cost of \$7,201,525 Unfunded budget of \$3,442,191 Estimated revenue already in LTP budget	Allows the village to continue to deliver on its strategy The C2 destination café is a key facility to attracting visitation supporting the retail businesses The Balcony Room is an anchor venue for high yield event hires and a key source of revenue Proceeding with the building	Extra cost to the project. Delay in construction reduces the ability to realise the total revenue budget for 2023/2024 financial year

\$287,006	<p>immediately will result in the building being available to support other businesses and for hire</p> <p>The commercial kitchen generates revenue for the village</p> <p>Opportunities for revenue realised.</p>	
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OPTION 2	BENEFITS	DISADVANTAGES
<p>Stop work now, secure the site and revisit the wider Historic Village projects/future</p> <p>Financial Considerations</p> <p>Reduction of revenue dependant on how long the works would be on hold</p> <p>Expenditure to make site safe \$50k</p>	<p>Lowest immediate cost</p>	<p>Loss of revenue from rental and events</p> <p>Potentially higher cost than option 1, given we would be going to the market at some time in the future</p> <p>Commercial kitchen out of commission for extended time results in cafes considering the efficiency of operating at the village</p> <p>Displaced tenants for an extended time</p> <p>Reduction in revenue targets</p>

OPTION 3	BENEFIT	DISADVANTAGE
<p>Stop work, demolish the building and build a smaller building</p> <p>Financial Considerations</p> <p>Capital cost north of \$8m</p> <p>Revenue has not been assessed in detail, but it is estimated to be less than option one at \$287k</p>	<p>New modern designed building</p>	<p>Higher cost for the build of a smaller building without the following considerations:</p> <ul style="list-style-type: none"> • Ground conditions • Smaller building limiting ability to earn similar revenue targets • If a similar aesthetics is required, it would be a more expensive build • Extended timeframe • Loss of expenditure budget already expended

OPTION 4	BENEFIT	DISADVANTAGE
Demolish building and revert area to green space Financial Considerations Sale of equipment \$120k Estimate of \$400k one off for demolition and grassing	Gains another green space that could have some use for events Circa \$300k of ratepayer funding annually not required to fund Complex 2	Loss of expenditure budget already expended Loss of revenue opportunities

It is noted that only Option 1 has been fully costed with QS estimates. Other amounts are estimates.

FINANCIAL CONSIDERATIONS

13. It is recommended that Council adopt Option 1 which will result in the corner stone building being remediated and made compliant. As outlined in this report, this building plays a significant role in the smooth running of the village and plays a large part in the ability to generate revenue whether rooms to hire or the commercial kitchen that provides catering for the entire village.
14. The village has suffered from many years of under investment and there are many buildings that required upgrades. Several have been upgraded in the last year.
15. Total capital spend on the Complex 2 building to mid-September 2023 is \$1.84m.
16. Option 1 would require an increase in budget of \$3,442,191. It is proposed to fund this as follows:
 - (a) Halt all projects that have not been committed to for the 2023/2024 financial year, resulting in \$1,400,00 being allocated to the C2 complex project from The Historic Village budget.
 - (b) Seek unbudgeted expenditure for the 2024/2025 financial year of \$2,042,191.
 - (c) It is noted that there is a capex budget of \$8,200,000 in the 2024/2034 LTP and an opex project budget of \$2,400,000. It is recommended that a full business case be prepared and presented to Commissioners which will ensure that the reliance on ratepayer contributions is not increased from the draft long term plan 2024-2034. We will also take this opportunity to consider the condition of other buildings.

PROCUREMENT

17. The change in scope of the works has resulted in an increase of budget of more than 40% therefore a decision to direct appoint is required.
18. Alaska Construction Interiors (Alaska) were awarded the contract to undertake the redevelopment of Complex 2 at The Historic Village following an open tender process.
19. To date the site has been managed in a very professional manner by Alaska with work progressing in a timely manner, notwithstanding some of the unforeseen structural issues have occurred after demolition and wall linings were removed.
20. Alaska have full control of the works site, and are in close communication with The Historic Village Team to manage the works in a safe and coordinated manner given the public presence in and around the village.
21. Given their intimate knowledge of the structural integrity of the building, the location of services and having built close relationships with the external design teams and project managers, it makes good practical sense for them to continue with the contract. Alaska are well placed to prepare a detailed programme through to completion and are motivated to deliver a great outcome for Tauranga City Council.

22. To appoint this to another contractor at this stage would take significant time and cost which would be detrimental to the project, programme and existing relationships.
23. Where the priced work through the tender that still remains applicable and clear, then existing rates would generally apply. Any new work would be negotiated, we have engaged an external quantity surveyor to ensure pricing submitted is fair and reasonable.
24. It is recommended that Council direct appoints Alaska.

LEGAL IMPLICATIONS / RISKS

25. The warranties on the purchased equipment could lapse if not installed as part of option one or two.
26. We have lease obligations to two of the relocated tenants through to June 2024. One tenant is currently satisfied with their temporary space within the village and continues to operate. The other has opted to operate off site (with a rent holiday) while a smaller portion of the project is completed (arcade and adjacent ablutions).

SIGNIFICANCE

27. The Local Government Act 2002 requires an assessment of the significance of matters, issues, proposals, and decisions in this report against Council's Significance and Engagement Policy. Council acknowledges that in some instances a matter, issue, proposal, or decision may have a high degree of importance to individuals, groups, or agencies affected by the report.
28. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
 - (a) the current and future social, economic, environmental, or cultural well-being of the district or region
 - (b) any persons who are likely to be particularly affected by, or interested in, the decision.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
29. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of medium significance.

ENGAGEMENT

30. Taking into consideration the above assessment, that the decision is of medium significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

NEXT STEPS

31. The project construction is continuing at this stage pending decisions from Commissioners.

ATTACHMENTS

Nil

11.3 Water Management Plan Update

File Number: A15061690

Author: Peter Bahrs, **Manager:** Water Services

Authoriser: Nic Johansson, **General Manager:** Infrastructure

PURPOSE OF THE REPORT

1. This report provides the outcome of the drought management planning work undertaken and outlines recommendations on actions proposed in response.
-

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Water Management Plan Update".
 - (b) Approves the recommendations:
 - (i) Any viable options to extend Waiāri Stage 1 into the Pāpāmoa Network are implemented, as part of enabling works for Waiāri Stage 2
 - (ii) An implementation plan is developed for a hose pipe ban prior to the summer of 2023/2024.
 - (iii) The planning and design of a temporary solution to transfer water from the Waiohohi Stream to the Joyce WTP is progressed.
 - (iv) A Demand Management Plan (incorporating the Water Loss Strategy and Loss Reduction Plan) is prepared within the next 6 months.
 - (v) Staff report back on the merits of setting up a community advice panel to engage on Tauranga's water conservation journey, following engagement with Watercare who have a similar panel in place.
-

EXECUTIVE SUMMARY

2. This paper serves to conclude the early draft of the Water Drought Management Plan, which was previously presented to council (7 November 2022). It seeks to confirm measures and actions to manage the water supply to be more resilient under changing climatic conditions with the likelihood of more extreme weather events into the future. The paper also includes an update on the status of the stream flows.

BACKGROUND

3. Flows in the source water streams that supply Council's Treatment plants were in decline from 2019 until 2022.
4. To keep water demand to a level that can be matched by the diminishing supply, a water efficiency / demand management restriction program has been in place since the summer of 2017/2018; initially to manage treatment capacity constraints and more recently to manage reducing source water.
5. The water efficiency / demand management restriction program was significantly updated and rebranded as Water Watchers for the summer of 2021/2022 and proved successful at managing demand during that summer.
6. In 2022 TCC commissioned GHD to prepare a Drought Management Plan focusing on the near term (up to 2026).

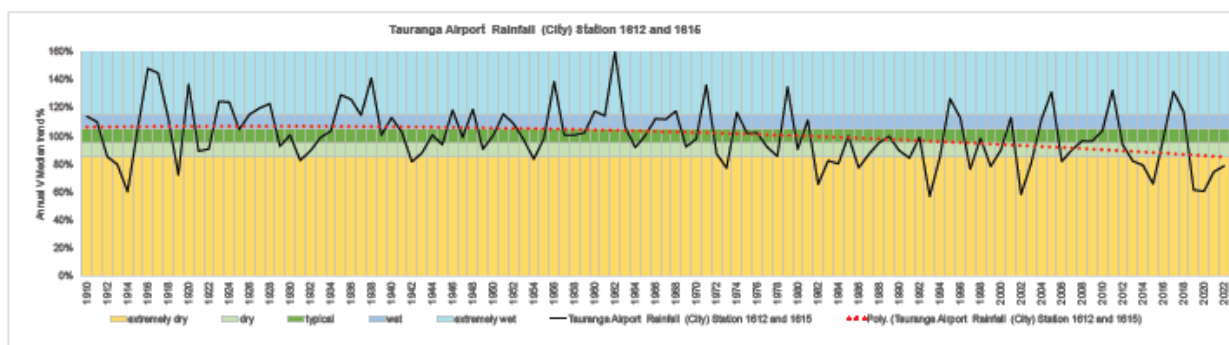
7. Based on an early draft of the Water Drought Management Plan, a paper was taken to Council on the 7th November 2022 to seek endorsement for the Water Watchers Plan to remain active until 2026 which was granted.

DROUGHT MANAGEMENT PLAN

8. The Drought Management Plan was completed in early 2023 and has identified a programme of interventions to address a potential drought through to 2026.
9. As there remains a high level of uncertainty in predictions of future source water stream water levels, the plan was developed based on 3 source water stream level scenarios:
 - (a) Medium – Historical average supply (using middle lower quartile statistical average)
 - (b) Low – Minimum historical flow (this occurred in the 2021/22 summer in the Tautau)
 - (c) Extreme low (never seen) – based on predictive stochastic modelling of the Tautau
10. Interventions (where required) were developed for each of Councils water supply schemes under each of the above stream level scenarios. Good practice interventions were also developed that didn't relate to a specific stream flow scenario.
11. A summary of the drought management plan titled "Near term water resilient supply and drought management" is attached as Attachment A.

CURRENT WEATHER CONDITIONS

12. Since the commencement of this work, Tauranga has experienced an incredibly wet period including the summer of 2022/23. The rainfall for the past financial year was more than double the annual average (2,558 mm compared to 1,244 mm). The flow in the city's source water streams started to improve from about November / December 2022 and are currently showing above normal flows, however we still need a period of drier weather to ascertain how much of the flow is from surface runoff versus true aquifer recovery. The stream flow trends are included in Attachment B.
13. The Freshwater Management Tool will ultimately assist with predictive modelling of the stream flows. The current status is that the tool has been tested and there is high confidence in the model based on historical data being able to represent the current state. The scenario testing stage for water abstraction is being developed and this will be used to interrogate the effect of alternate surface takes or baseflow conditions on stream flows. The timing of these outputs is expected from about mid-2024.
14. Whilst this year has been wet and current river level observations are healthy, it is important that we put recent rainfall in the context of the longer-term trend showing rainfall reducing as shown in the graph below.



15. Further, recent advice is that with the onset of El Niño, NIWA are predicting a warm summer ahead, with most of the North Island expected to have unseasonable warmth and humidity. "During late winter, spring, and summer, southwesterly-to-westerly winds may become more prominent. This increases the chance for drier-than-normal conditions in eastern areas of the country" NIWA 28 June 2023.
16. While it is difficult to focus on drought management with the unprecedented rainfall experienced, what is evident is that weather patterns are changing with more extreme

weather being experienced. It is therefore important to keep planning for Tauranga's drought resilience.

THE BENEFITS OF MAINTAINING THE WWP

17. There are a number of direct and indirect benefits in keeping the WWP in place. These include:
- (a) Positioning Tauranga to be a "Water Efficient City". This will stand the city in good stead in preparing for the re consenting of the Tautau and Waiorohi water takes which expire in October 2026.
 - (b) To give effect to Te Mana o te Wai, which is required under the Water Services Act 2021. Water suppliers are required to be good stewards of the water that is used to supply. Efficient water use contributes to the impact on the environment and stream flow and health.
 - (c) Better use of existing water supply infrastructure through reducing both the average and peak water use per capita. Peak water demand drives the timing of water infrastructure and treatment plant capacity requirements.
 - (d) Delaying the need for the next water source for the growing city beyond the current estimated 30-year time frame.
 - (e) During periods of hot, dry weather the aquifers that supply our streams do not recharge at the same rate that we are taking water. During heavy rain events demand for water eases, however it brings challenges in our ability to treat water due to the extra sediment loading of the raw water. Whatever the weather, good water conservation practices assist with managing the water supply demands.
 - (f) With the onset of El Niño, NIWA are predicting a warm summer ahead, with most of the North Island expected to have unseasonable warmth and humidity. The WWP will help stabilise any increase in summer demands.
18. To ensure the above benefits are achieved it is important that the community buy in to these benefits and support the concept of ongoing water conservation / good water use practise into the future. The communication plan for this summer is intended to incorporate the importance of valuing water and maintaining good water use practices. This could include setting up a community advice panel as part of an engagement strategy.

DROUGHT MANAGEMENT INTERVENTIONS

19. The drought management plan recommended that:
- (a) Good practice interventions - should be progressed ongoing regardless of stream flow.
 - (b) Low stream flow scenario interventions - should be progressed to the point we are comfortable that implementation (if required) could be acted upon within the required timeframe should stream flow return to these levels.
 - (c) Extreme low stream flow scenario interventions - Given that these levels are abstract from a simplified stochastic model, consideration should be given to revisiting the extreme low forecasts and corresponding interventions prior to progressing with implementation.
20. The specific interventions recommended in the implementation plan are:
- Good Practice**
- (a) Water Watchers Plan – Retain Water Watchers as an ongoing water conservation/ restriction programme.
 - (b) Leakage Reduction – Invest further in developing and implementing a Water Loss Reduction Plan

- (c) Water Watchers: Hose Ban – Plan for implementation of a hose pipe ban as an emergency measure should it be required
- (d) Network Storage – Investigate bringing forward already planned storage reservoirs to abridge network peaks
- (e) Extend Waiāri Stage 1 into the Papamoa network – Maximize the use of water from the Waiāri Scheme via network reconfiguration (valves on / off, cross connections etc) of the existing network.

Low Tautau Stream Flow Interventions

- (f) Temporary pumping of water from the Waiorohi Stream to the Joyce WTP – Developing a temporary scheme to pump water from the Waiorohi Stream (feeds Oropi WTP) to the Joyce WTP (normally fed by the Tautau)
 - (g) Subsidise low flow shower heads – Undertake further investment in the low flow shower head replacement programme
 - (h) Subsidise WELLS efficient toilets – Develop and implement a programme to subsidise the replacement of non-efficient toilets with WELLS efficient toilets across Tauranga
21. In addition to the recommendations in the report, consideration is also being given to establishing a community / citizens advice panel to get community input into council's drought management initiatives, including the Water Watchers Plan and the ongoing Water Conservation Project.

DROUGHT MANAGEMENT IMPLEMENTATION PLAN

22. Whilst flows in source water streams are currently higher than normal, in the context of the long-term trend and recent longer term weather forecasts we believe it would be prudent to broadly follow the recommendations developed, with some minor modifications.
23. It is recommended that the following good practice interventions are progressed as discussed below:
- (a) Water Watchers Plan – retain the Water Watchers Plan in place as per approval from the commissioners through to 2026.
 - (b) Leakage Reduction – Develop a Water Loss Strategy and Loss Reduction Plan and implement to reduce leakage from Council's network.
 - (c) Water Watchers: Hose Ban – Develop an implementation plan for a hose pipe ban prior to the summer of 2023/2024 to allow for a planned implementation should this be required.
 - (d) Extend Waiāri Stage 1 into the Papamoa Network – Since completion of the report this option has been investigated. Work is progressing on options to implement.
24. Bringing forward network storage is not recommended to be progressed as part of this work, as work reviewing Council's broader water storage needs is underway. This intervention is not going to be progressed at this time but drought-based considerations will be integrated into this wider piece of work.
25. It is also recommended that the Tautau low stream flow scenario interventions are progressed to the point that implementation (if required) could be acted upon within the required timeframe, as outlined below:
- (a) Temporary Pump Water from the Waiorohi Stream to Joyce WTP – This option has been investigated and deemed "feasible". Further work is required to develop the design/plan to a point where it could be quickly implemented in a drought situation. It is therefore proposed to proceed with the planning and design of this intervention.
 - (b) Subsidise low flow shower heads – It is proposed that this option is captured as part of a wider review of options to manage demand. It is therefore proposed that a Demand Management Plan is prepared (as discussed below).

- (c) Subsidise WELLS efficient toilets - It is proposed that this option is captured as part of a wider review of options to manage demand. It is therefore proposed that a Demand Management Plan is prepared (as discussed below).
26. Finally it is recommended that the Freshwater Management Tool being developed by Council is utilised, once ready, to further assess the likelihood of the extreme low flow scenario. Once complete the required interventions be revisited and prioritised (if required).

PROPOSED DEMAND MANAGEMENT PLAN

27. As part of the work undertaken to develop the Drought Management Plan a number of interventions were assessed that could be utilised by Council more broadly to manage demand across the city for many years to come.
28. Options were compared on a levelized cost basis, using cost per kilolitre (\$ per kl). Options that have a \$ per kl less than the cost Council is charging for water (currently \$3.40 per kl) were identified as a high priority for implementation. Those with costs higher than this should be subject to further investigation prior to implementation.
29. Some of options assessed included:
- (a) Subsidising Efficient Shower Heads (\$2.15 per kl)
 - (b) Subsidising Efficient Toilets (\$1.15 per kl)
 - (c) Subsidising Grey Water Recycling (\$4.06 – \$27.49 per kl)
 - (d) Subsidising Rain Tanks (\$6.21 per kl)
- As well as options currently in place such as Water Watchers and Leakage Reduction (\$1.03 per kl).
30. The Drought Management Plan concluded that in the context of a drought management scenario, subsidising low flow shower heads and efficient toilets were preferable to subsidising Grey Water Recycling and Rain Tanks.
31. With a number of options available to TCC to manage demand it's important to look at the wider portfolio of demand management options to identify the best value for money options for the wider community.

FINANCIAL CONSIDERATIONS

32. The options to extend Waiāri Stage 1 into the Papamoa Network would require capital expenditure to implement. This however could be considered as part of enabling works that would be required for the Waiāri Stage 2 pipeline which is included in the LTP from 2024 onward. Budget (\$397K) is available for design for this year (2023/24) and this could incorporate the works proposed. The construction works would require about \$700K to be brought forward from the \$3,16 million in the 2024/25 year. The bulk of the proposed works would be required as part of the Waiāri stage 2 pipeline project.
33. The rest of the items can be covered through the operational budget.

NEXT STEPS

It is recommended that the following be approved:

34. Any viable options to extend Waiāri Stage 1 into the Papamoa Network are implemented, if possible, this financial year as part of enabling works for Waiāri Stage 2
35. An implementation plan is developed for a hose pipe ban prior to the summer of 2023/2024.
36. The planning and design of a temporary solution to transfer water from the Waiorohi Stream to the Joyce WTP is progressed.
37. A Demand Management Plan (incorporating the Water Loss Strategy and Loss Reduction Plan) is prepared within the next 6 months.

38. Staff report back on the merits of setting up a community advice panel to engage on Tauranga's water conservation journey, following engagement with Watercare who have a similar panel in place.

ATTACHMENTS

1. **Attachment A - TCC Summary Report Near Term Water Resilience Drought Management-Final Draft v2 - A15063648** [↓](#) 
2. **Attachment B - Graph of Source Water Stream Flows Sept 23 - A15061940** [↓](#) 



Near term water resilient supply and drought management

~ Summary Report

November 2022



Emerging Risks

A changing climate is having an impact on Tauranga’s drinking water supply.

Tauranga’s water supply is currently fed from two streams (the Tautau which supplies Joyce water treatment plant (WTP) and Waiorohi which supplies the Ōropi WTP). A third supply is currently being commissioned (the Waiāri stream which will supply a new Waiāri WTP) (Figure 1) . These streams are predominantly supplied from ground water that is supplied predominantly from rainfall on the Mamaku plateau (Figure 2). Climate change projections forecast that by 2040 seasonality of rainfall is expected to change with spring and summer generally becoming drier and winter and autumn becoming wetter than the historic period. Drought potential is projected to increase across the Bay of Plenty, with increasing accumulated potential evapotranspiration deficit (PED) totals with time and increasing greenhouse gas concentrations. The coastal areas around Tauranga and Te Puke are expected to observe the largest increases in PED.

Recorded rainfall at Tauranga airport shows a declining trend. This record (1910–2022) (Figure 3) shows for the past 55 years (1966–2022) rainfall has decreased by 11% compared to the previous 55 years (1910–1965). This reduced rainfall and potential increased PED is impacting stream flows.

Over the past two years all stream flows that supply the City of Tauranga with drinking water have been declining (Figure 4). Table 1 presents observed reductions in stream flow compared to the median base flow. While rainfall has increased on average since 2021 to approximately the median, the direct relationship with rainfall and stream flow is currently uncertain with some delay (12 to 18 months) between overserved rainfall within the groundwater catchments and this presenting within increased stream base flow.

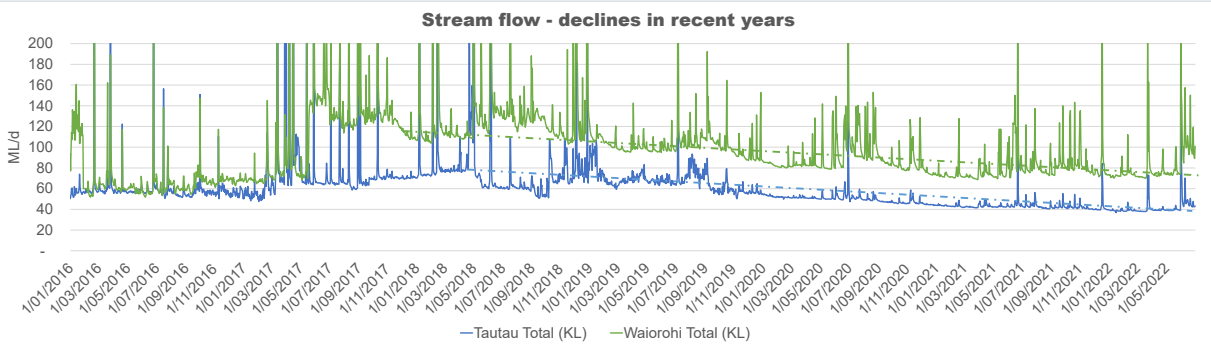


FIGURE 4: STREAMFLOW REDUCTION IN RECENT YEARS WITHIN THE TAUTAU AND WAIOROHİ

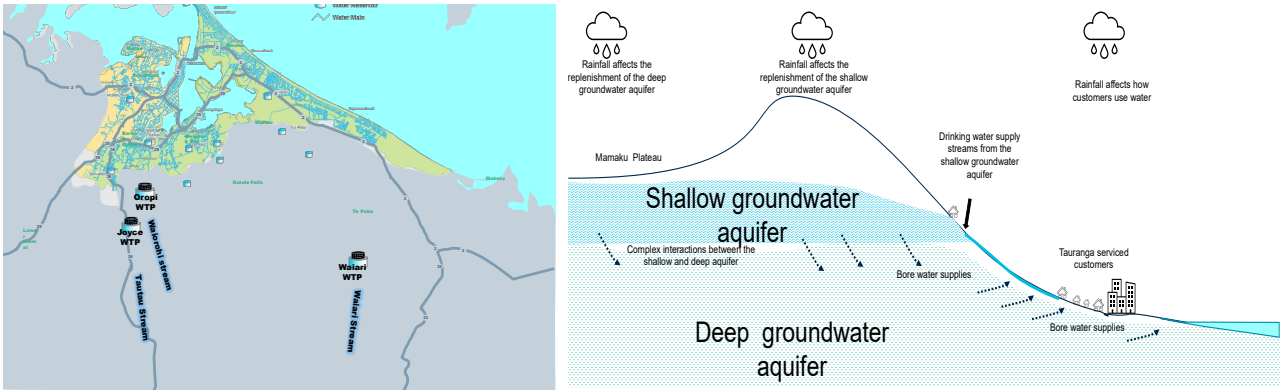


FIGURE 1: WATER SOURCES FOR TAURANGA DRINKING WATER SUPPLIES

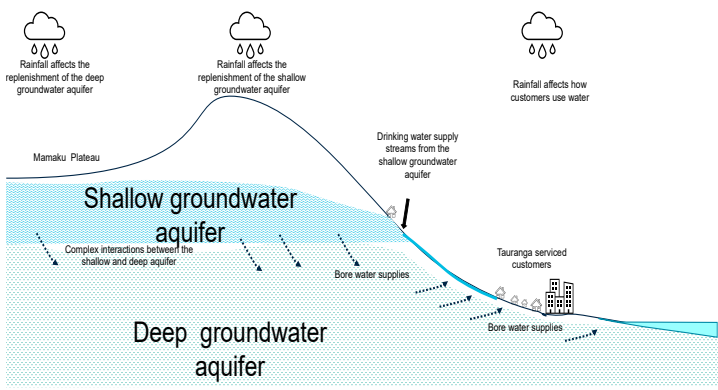


FIGURE 2: SIMPLIFIED SCHEMATIC OF THE RELATIONSHIP OF RAINFALL, GROUNDWATER AND DRINKING WATER SUPPLIES FOR TAURANGA

Stream	Median (50%ile) base flow(1998–2022 June)	25%ile base flow rate	min flow since 2015	Dates of min flow
Tautau	67,436	61,000	36,680	14/01/2022
Waiorohi	90,003	82,000	68,703	28/03/2021
Waiāri	320,330	292,000	256,806	19/03/2017

TABLE 1: OBSERVED MEDIUM AND MINIMUM STREAMFLOWS (KL/D)

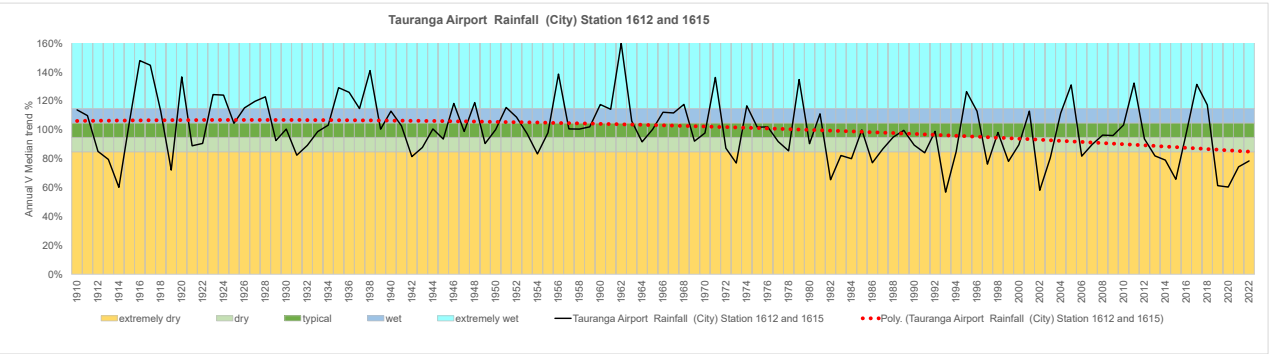


FIGURE 3: DECLINING MEDIAN PATTERNS OF RAINFALL AT TAURANGA AIRPORT

Emerging Risks

Stream flow consent considerations and assumed stream flow planning scenarios

Table 2 provides an overview of the existing stream flow consents with residual flows for each stream. These residual flows were used within the demand supply deficit model discussed later. A conservative residual flow approach was taken for the Tautau.

It is noted Tauranga City Council (TCC) and the Water Services Act 2021 support the philosophy of Te Mana o te Wai, that provides guiding principles to managing freshwater which can be broadly summarised as.

1. Environment first
2. Human need second
3. Others third

In consideration of these principles and to protect natural water streams, considerations are underway to restrict the amount of water extracted from the streams supplying Tauranga with drinking water. The amount of water extracted from these streams are governed by consents.

These consent considerations are presented within Table 3 which compare considerations to existing consents. Reduced consents are likely to have a significant impact on the resiliency of the drinking water supply (particularly for the Joyce system)

Given the interrelationship of stream flow with climate and complex groundwater interactions, stream flow forecasts are challenging. TCC along with the Bay of Plenty Regional Council are investing in a Freshwater Management Tool that will improve our understanding of groundwater and surface water interactions, and urban contaminants. However this tool is not yet available. In the interim course stochastic modelling was undertaken by GHD to forecast minimum flows within the Tautau in the near term.

For the purposes of this report three stream flow planning scenarios were considered (Figure 5 and Table 4).

Stream	Consent date and No	Consent (Governed by Western Bay of Plenty District Council (BoPRC)	Consent Limitations/ notification level	Residual Stream flow adopted for supply deficit model
Tautau	1975 Consent Number: 02 0173	Daily < 37.273 ML/dMaximum instantaneous = 432 L/s (37.3 ML/d)	Min residual flow = 52.4 l/s (4.5 ML/d)>168 l/s for at least 4 hrs every 48 hrs (~14.5 ML/d)	14.5 ML/d– Note this is a conservative approach
Waiorohi ¹	1975 Consent Number: 02 0202	Daily < 54.553 ML/dMaximum instantaneous = 630 L/s (54.4 ML/d)	Min residual flow = 158 l/s (13.65 ML/d)	13.66 ML/d
Waiāri	Waiāri Water Take Consent 65637	60 ML/d of which 15 ML/d potential backup to Western Bay of Plenty District Council's (Te Puke water supply.)		100 ML/d

TABLE 2: EXISTING CONTENTS AND LIMITS ADOPTED FOR THIS REPORT

Pre-2026			Post 2026 Consent Estimates (KL/d)			
Plant / Item	Existing Consent Allocation	Estimated allowable stream flows by Ian Jowett 2009	30 Yr Strategy Base Case	30 Yr Strategy Scenario 1	Stantec Report Scenario 2 Updated Q5-7d	Stantec Report Base Case Updated Q5-7d
Tautau(Joyce WTP)	37,273	19,872	20,000	37,300	3,200	15,000
Waiorohi (Ōropi WTP)	54,553	38,880	39,000	54,400	6,200	41,000
Waiāri(Waiāri WTP)	45,000	45,000	45,000	45,000	45,000	45,000
Total	136,826	103,752	104,000	136,700	54,400	101,000

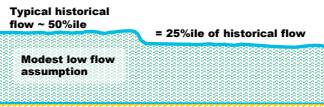
TABLE 3: POTENTIAL CONSENTS CONSIDERATIONS

NOTES:

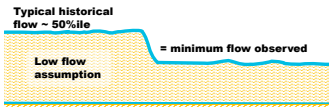
- Waiāri WTP is due to come on line December 2022
- Tautau & Waiorohi consents expire 1 Oct 2026. Waiāri expires 31 July 2044
- Waiāri consent is 60,000 m3/d but 15,000 reserved for WBoPDC
- For the purpose of planning the Ian Jowett figures have been rounded to 20,000 and 40,000 m3 per day respectively
- The 30 Year Strategy Report used 3 scenarios see section 5.2 of report A11815247
- Base Case – follows Method 177 set out in the Bay of Plenty Regional Natural Resources Plan 22 and requires the analysis of instream characteristics to determine the minimum instream flow and thus the allocable flow. This methodology was used in the study completed by Ian Jowett 2009
- Scenario 1 –Current consents are renewed
- Scenario 2– Follows Method 179 set out in the Bay of Plenty Regional Natural Resources Plan 24 which dictates the instream minimum flow is 90% of the 5 year, 7 day (Q5-7d) low low, thus the allocable flow is 10% of the Q5-7d low flow.
- Updated values of the Q5-7d low flows were provided by BoPRC during this assessment

5

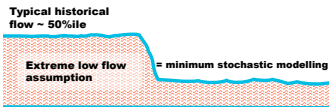
Modest low flow assumption:
Based on historical stream flows at 25%ile of observations



Low flow assumption: Based on historical actual minimum flows observed



Extreme low flow assumption: Min from stochastic near term modelling forecast for the Tautua extrapolated to other streams (theoretical, conditions not seen to date/forecast)



Stream flow Scenario	Typical historical base flows ~	Modest low flow assumption	Low flow assumption	Extreme low flow assumption
Description	50%ile	Historical 25%ile of stream flow	Min historical since 2015 (date)	Min Stochastic modelling
Tautau (ML/d)	67,000	61,000	36,700 (14/01/2022)	26,600*
Waiorohi (ML/d)	90,000	82,000	66,000 (28/03/2021)	35,000*
Waiāri (ML/d)	320,000	292,000	257,000 (19/03/2017)	125,000*

*43% of modest flow assumption

TABLE 4: STREAM FLOW PLANNING SCENARIOS

Emerging Risks

Population growth is putting additional stress on the drinking water supply

Tauranga has seen significant and rapid growth with its serviced population (SP) growing by 78% from 1998 (SP 83,808) to 2021 (SP 149,185) and a forecasted SP at 2026 of between 171,000 to 185,000 if current trends continue (Figure 6). This has impacted the demand for drinking water which has somewhat been compensated by efficiencies (universal metering 2000–2022, Water Efficiency Labelling Scheme (WELS) since 2005, Restrictions and the Water Watchers Plan since 2018 and ongoing water efficiency education campaigns by Tauranga City Council (TCC) (Figure 7).

This study adopted a growth rates of 3.3% year on year (YoY) to 2026. It is noted however COVID and subsequent high interest payments may influence growth rates in the near term. In order to understand peak summer demand two approaches to forecasting peak day demand were considered:

- A conventional approach that looks historically at the relationship of average day demand (ADD) and peak day demand (PDD) – from 2014 this factor was 1.6.
- An innovative approach that adopted GHDs IWM toolkit – a calibrated model that took account of seasonal transient populations and a dynamic climate condition tool (rainfall and evapo-transpiration) – that adopted the rainfall sequence of the past 80 years to derive peak demands.
- Forecasts were adopted from a calibrated model with and without water watchers for the discrete WTP systems.

The IWM toolkit forecasts were adopted for the purposes of this study which are more conservative than a conventional forecast. (Figure 8 and Table 5)

Total SystemYear	Serviced population (average historic ~ 3.3 % pa growth)	Conventional ADD	Conventional PDD	Total System PDD from GHDs IWM toolkit - unrestricted (aggregated)	Total system PDD from GHDs IWM toolkit - restricted (aggregated)
Joyce					
2022	84,962	25.49	45.88	28.55	25.17
2026	73,646	22.09	39.77	31.47	27.52
Waiāri					
2022	-	-	-	8.38	7.07
2026	22,910	6.87	12.37	9.48	7.94
Ōropi					
2022	69,006	20.70	38.71	27.56	23.97
2026	78,763	23.63	44.19	30.96	26.77

TABLE 5: ADOPTED PEAK DAY DEMAND FORECASE (ML/D)

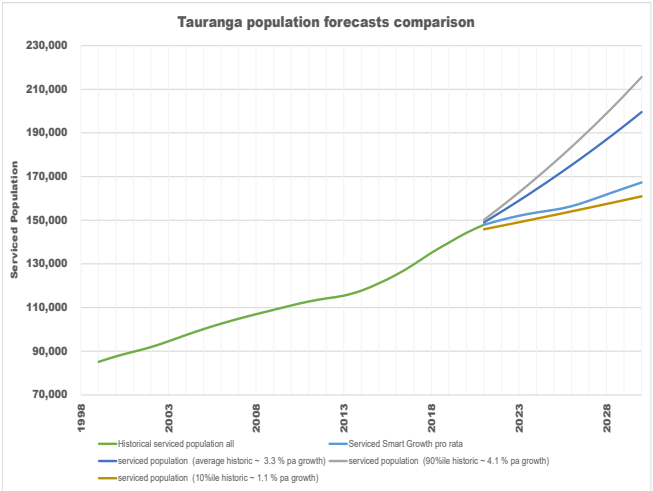


FIGURE 6: POPULATION FORECASTS FOR A RANGE OF ASSUMPTIONS (3.3% HISTORICAL GROWTH TREND WAS USED FOR THIS REPORT)

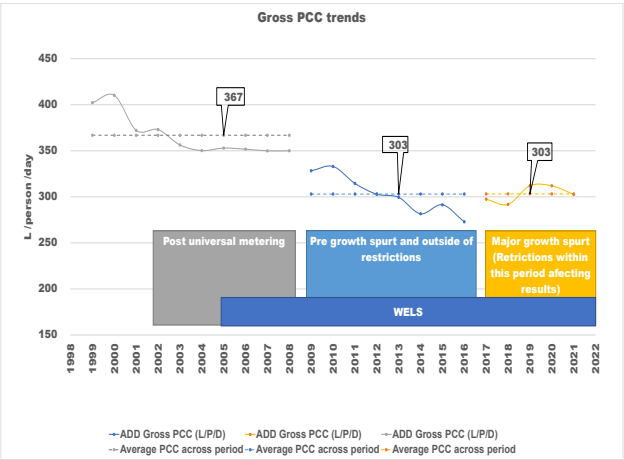


FIGURE 7: GROSS PER CAPITA CONSUMPTION TRENDS

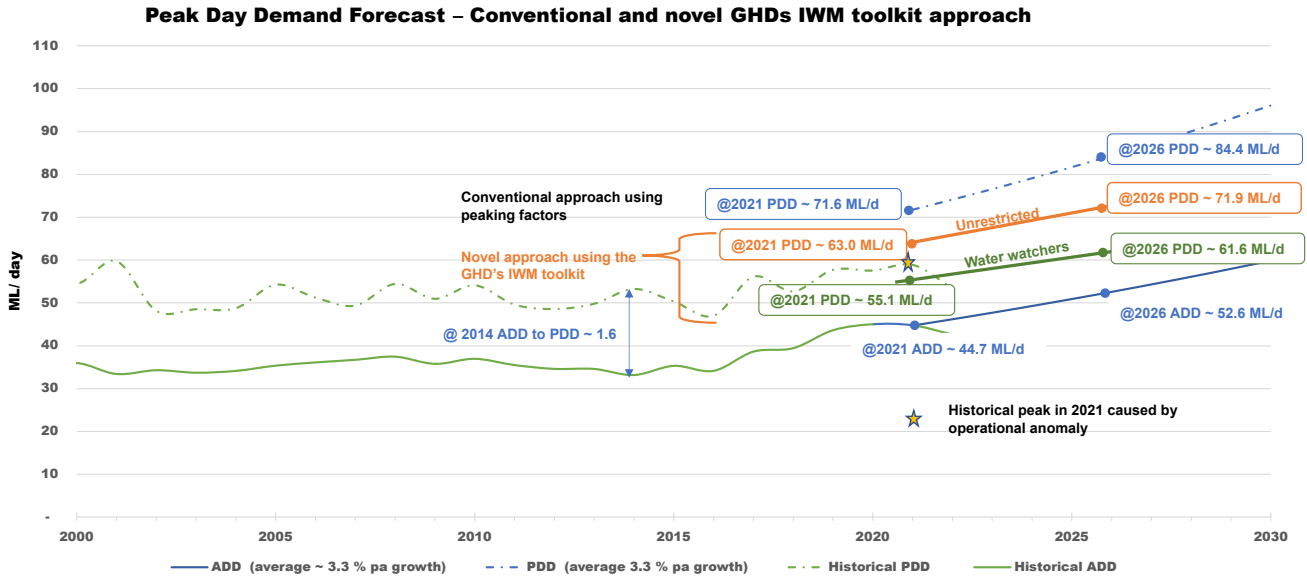


FIGURE 8: FORECASTED PEAK DAY DEMAND - COMPARING A CONVENTUAL APPROACH USING ADD TO PDD FACTORS AND APPLYING THE GHD IWM TOOLKIT

Emerging Risks

Drinking water supply and imbalance

A supply demand imbalance occurs when supply exceeds demand. The forecasts suggest that this may occur within the summer periods during peak demands assuming:

- Population forecasts follow historical trend
- The climate is dry leading to increased water use for irrigation
- The available stream does not increase and reduces to the scale of stream flow suggested for the planning scenarios (Table 4).

Figure 9 and 10 and Table 6 provide an indication of the deficits with and without water watchers for each of the Water Treatment Plant systems. Table 6 provides a summary risk imbalance based on the forecasted deficits for each stream flow planning scenario.

System	Planning stream flow scenario	2023	2024	2025	2026
Tautau – Joyce supply/ demand imbalance	Modest flow	~	~	~	~
	LowExtreme	7.1	7.8	8.6	9.3
with water watchers	Modest flow	~	~	~	~
	LowExtreme	3.6	4.2	4.8	5.3
Waiorohi – Öropi supply/ demand imbalance	Modest flow	~	~	~	~
	LowExtreme	7.1	7.9	8.8	9.6
with water watchers	Modest flow	~	~	~	~
	LowExtreme	3.3	4.1	4.8	5.4

TABLE 5: SUMMARY SUPPLY DEFICITS BY SYSTEM (ML/D)

Stream / Water Treatment plant	Planning stream flow scenario	2023	2024	2025	2026
Tautau – Joyce supply/ demand imbalance	Modest flow	Low	Low	Low	Low
	Low	High	High	High	High
	Extreme flow	Significant	Significant	Significant	Significant
with water watchers	Modest flow	Low	Low	Low	Low
	Low	Medium	Medium	Medium	High
	Extreme flow	Significant	Significant	Significant	Significant
Waiorohi – Öropi supply/ demand imbalance	Modest flow	Low	Low	Low	Low
	Low	Low	Low	Low	Low
	Extreme flow	High	High	High	High
with water watchers	Modest flow	Low	Low	Low	Low
	Low	Low	Low	Low	Low
	Extreme flow	Medium	Medium	Medium	High
Waiāri –supply/ demand imbalance	Modest flow	Low	Low	Low	Low
	Low	Low	Low	Low	Low
	Extreme flow	Low	Low	Low	Low
with water watchers	Modest flow	Low	Low	Low	Low
	Low	Low	Low	Low	Low
	Extreme flow	Low	Low	Low	Low

TABLE 6: SUMMARY SUPPLY DEFICIT RISK PROFILE

SUMMARY OF STREAM FLOW ASSUMPTION ON SUPPLY DEFICITS:

- In all cases (Joyce, Oropi and Waiari systems) the modest low stream flow planning scenario did not lead to a deficit in supply.
- There was no deficit supply in all stream flow scenarios for the Waiari.
- For the Oropi system only the extreme low flow planning scenario resulted in a deficit
- For the Joyce system, supply deficits occurred within both the low flow and extreme low flow scenarios

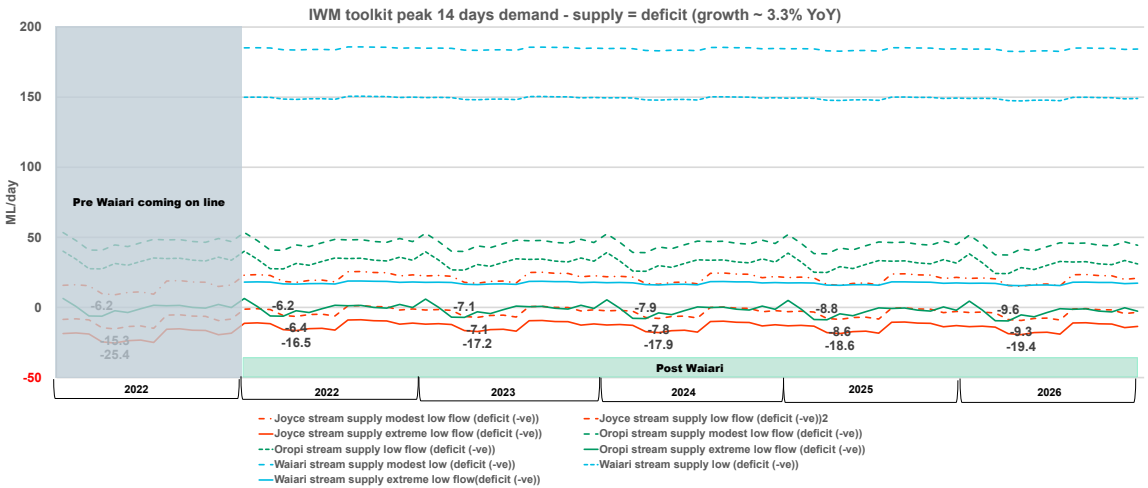


FIGURE 9: FORECAST PEAK 14 DAY SUPPLY DEMAND IMBALANCE WITHOUT WATER WATCHERS

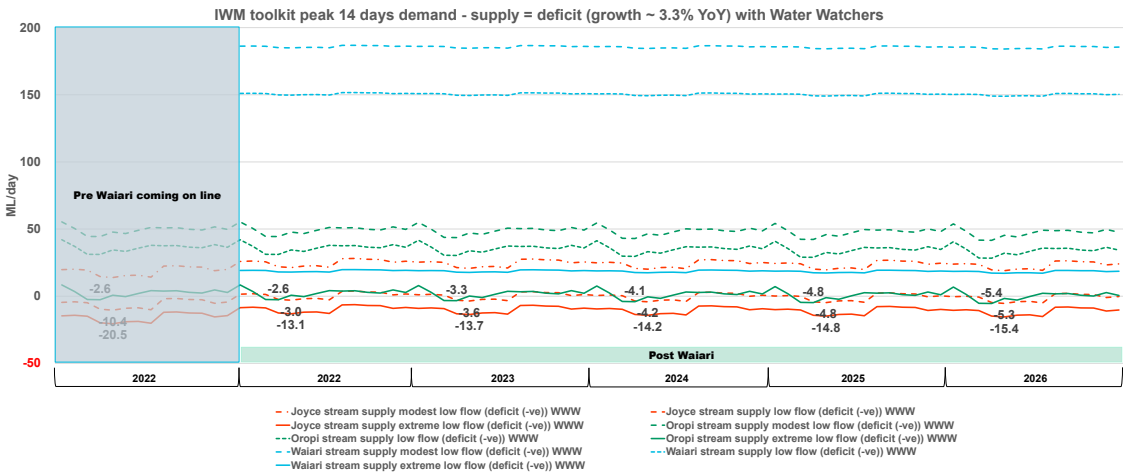


FIGURE 10: FORECAST PEAK 14 DAY SUPPLY DEMAND IMBALANCE WITH WATER WATCHERS

Options and Portfolios

to mitigate emerging supply/demand imbalance risks

A long list of 58 intervention options were identified that contributed to increasing supply

Demand or supply side – Interventions were qualitatively determined to enhance the water supply network, or to target how water is used on the demand side i.e. by consumers / system.

Intervention type – Within the demand or supply sides, interventions were grouped according to a more specific type of approach used to achieve water savings i.e. water savings would be achieved through targeting operational functions, capital investment for developing supply or demand side infrastructure, water efficiency measures or conservation based approaches.

Benefitting system – Supply-side interventions could be determined as benefitting discrete water supply networks – either the Joyce or Ōropi supply zones. Demand-side interventions could see isolated or widespread benefits across all systems.

Effectiveness – Interventions were recognised to save water in an annual 14-day peak period if measures were only to be implemented to make-up the peak demand supply deficit forecasted for the Joyce and Ōropi systems during low and medium stream flow scenarios. Interventions were also categorised as being effective during the 3-month summer period or all year.

Adaptivity – Interventions were determined to be either reactive or proactive – reactivity was primarily based on measures that could be implemented in a short-time frame to respond to unprecedented demands/supply deficits, whereas interventions were proactive if planning, design, and/or construction would be required to meet longer-term demands/supply deficits.

Estimated costs – The interventions were subject to high-level intervention planning and costing – a broad schedule of how the capital

and operational costs were spent across a 30-year period from 2022 allowed for the NPV of the intervention including capital and operational costs 5 years after commissioning.

Lead times – The schedule of capital and operational costs spent across the 30-year period for commissioning and implementation timings to be estimated. Accordingly for interventions with long lead times, the benefit of these interventions limited there utilisation in earlier years.

Water savings – Within the schedule of costs over 30 years from 2022, yearly water savings upon intervention commissioning were determined. In the summary display however, only near-term 2022-2026 water savings are represented. Water savings were calculated based upon assumed period of operation e.g permanent, 30 day 14 day peak.

Levelised cost – Using the high-level planning schedule that incorporates timing, cost and water savings, the levelized cost (Dollar per KL of water saved) for each intervention was evaluated. This measure combines multiple dimensions to not only allow for the interventions to be assessed relative to each other, but for comparison to other known benchmarks provided by TCC such as the known retail price of water.

Strategic fit – Based on reports and strategies commissioned by TCC, the interventions evaluated for this study can be qualitatively determined to be a strategic fit to TCC's near-term intent, plan and goals.

Portfolios were developed that combine intervention options to mitigate the impending scenario over time.

The development of portfolios considered interventions themes such as:

- Demand only
- Supply only
- Highly efficient
- Adaptivity etc

By looking at this process it became clear which interventions covered a number of themes. Figure 11 provides a summary of the approach into developing pathways and portfolios.

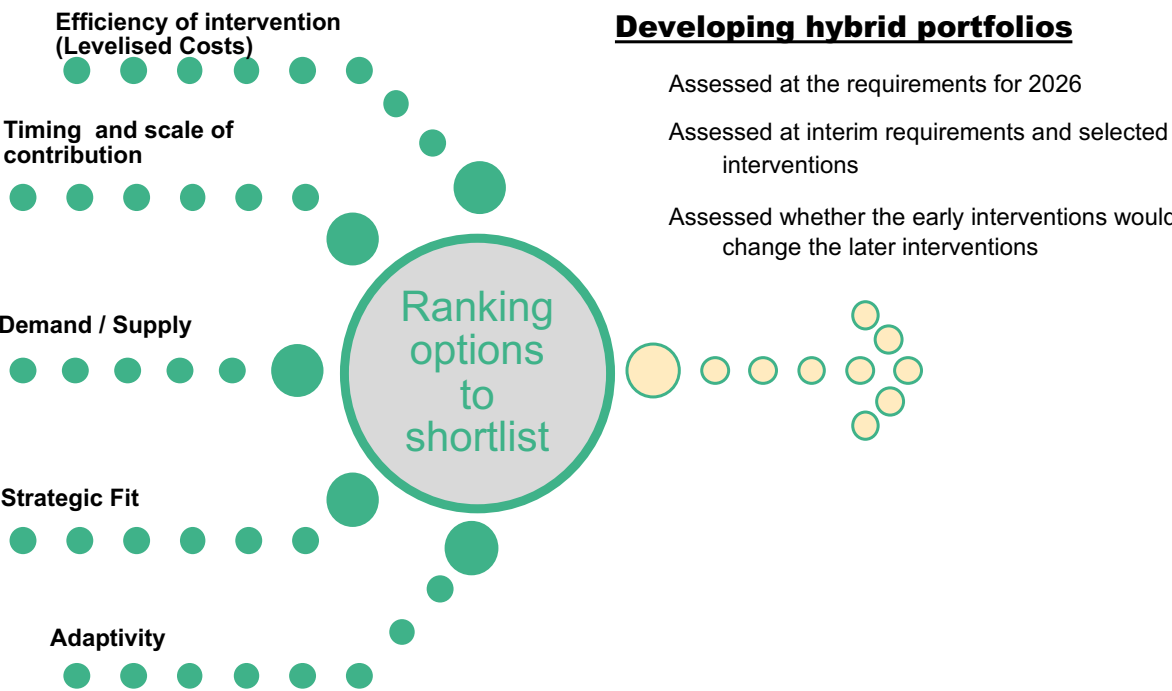


FIGURE 11: SUMMARY OF THE APPROACH INTO DEVELOPING PATHWAYS AND PORTFOLIOS

Implementation Plan

to mitigate emerging supply/demand imbalance risks

To mitigate potential supply / demand imbalance the following implementation plan has been developed. Figure 12 provides a summary of the interventions along with good practice interventions covered included within all scenarios.

For the stream flow planning scenario extreme low flow within the Tuatau within the summer from December 2023 to February 2024 interventions of the required scale were not identified that could be implemented within the time frame. Not even a hose pipe ban limits supply to the required scale.

IN SUMMARY:

Given the uncertainty of:

- Population and demand, TCC need to monitor population growth and compare to the forecasts discussed earlier
- Stream flow, TCC need to monitor stream flow and compare to the stream flow planning scenarios

The analysis highlighted significant supply implications in potential restrictions to stream flow extraction being considered beyond 2026 (Table 3). And should be considered in ongoing discussion with the regulator.

IMPLEMENTATION PLAN:

Good practice interventions:

These interventions largely focus on good practice and efficiency (The Water Watchers Program) in either reducing water consumption peaks and enhanced leakage management and should be progressed ongoing regardless of stream flow.

Low stream flow scenario:

Given that the low stream flow scenarios have occurred recently, preparation of supply interventions for the low Tautau Streamflow should be progressed to the point that TCC are comfortable that implementation (if required) could be acted upon within the

required timeframe should stream flow return to these levels. Given the nature of the demand management subsidy programs (low flow shower heads and toilets) – these programs should be trialed, and viability and benefit assessed.

Extreme low stream flow:

Given that these levels are abstract from a very simplified stochastic model for the Tautau and TCC are investing in a better forecast model (The Freshwater Management Tool), consideration should be given to revisiting the extreme low forecasts within this tool, and interventions developed accordingly.

However given the scale of impact on supply if these event happened and the limited time to trigger action, it would be prudent to prepare interventions to a point that they could be called upon if required, with the development of the Waiāri stage 2 acceleration being a minimum response.

TCC Near term drought / resilience – implementation plan

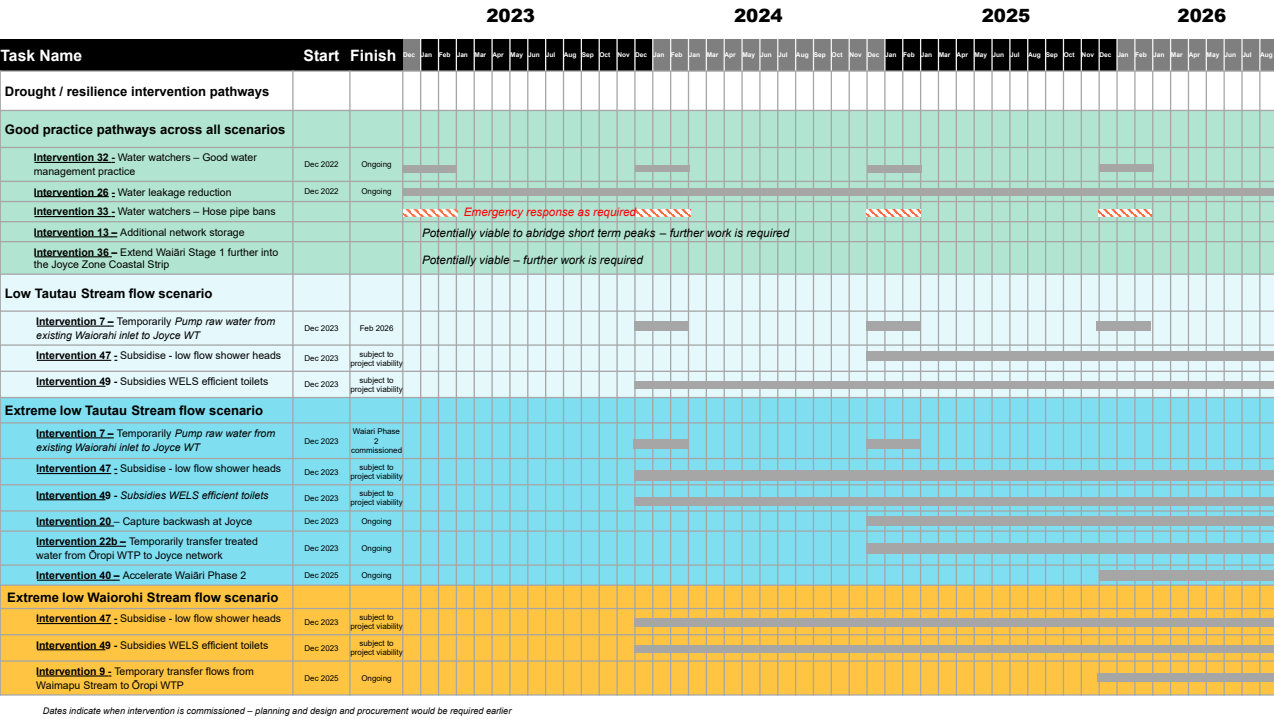


FIGURE 12: SUMMARY OF REQUIRED INTERVENTIONS TO PROVIDE BALANCE INTO SUPPLY SHORTFALLS

Cost and Benefit

Costs and benefits were assessed for all deficit scenarios and the details are shown within the detail report. For the purpose of this summary given that the low flow planning scenario reflects minimum flow observed in 2022 and therefore is not a theoretical forecast, the cost and benefits are detailed below.

The implementation plan to mitigate the low stream flow planning scenario within the Tautau stream can be characterised by good practice interventions of:

Intervention 32 Implement Water Watchers Stage 1 as an ongoing good water management practice.

Stage 2 of water watchers (hose pipe bans) should not be used as a planning tool but as an emergency response in the event that matters do not eventuate as detailed within this report

Intervention 26 Develop a leakage management plan that targets best practice comparable to international performance.

Interventions 13 (additional network storage) and intervention 36 (extend Waiāri stage 1 further into the Joyce network ahead of stage 2) could not be fully assessed but may contribute positively at relatively low cost accordingly because of the efficiency of utilising existing infrastructure to extract additional resiliency. Accordingly further analysis is required however for these two interventions to ascertain the viability.

Intervention 47 (subsidise low flow shower heads) and intervention 49 (subsidised WELs efficient toilets) are demand side interventions that require reasonable lead time for the program to ramp up. Viability of these programs and appetite of the community to engage with the program need to be tested and the viability of the program monitored.

Intervention 7 (temporally pump water from the near by Waiorahi stream) through temporary infrastructure is a reactive intervention (which means it can be implemented ahead of the peak demand summer period if flows in the Tautau are declining to the scale seen previously) and is relatively low cost compared to other interventions because of the temporary nature of the infrastructure proposed.

Figure 13 provides an annual summary of both capital and operating the forecast costs for the above interventions which assumed that the intervention 7 is implemented annually. Table 7 provides an summary Net present cost and benefit (volume of water provided by the interventions) and levelised costs using a waited average cost of capital (WACC) of 7%. The ongoing benefits post 2026 are from the demand side interventions 26, 47 and 49.

Figure 14 provides the forecast of water provided by the interventions compared to the forecasted deficit required from the low stream flow planning scenario with and without water watchers (Table 5)

for mitigating the supply demand imbalance for the Low Strem Flow Planning Scenario

Year	CAPEX / year	OPEX / year
2023	1,400,000	2,000,000
2024	2,800,000	2,000,000
2025	3,400,000	2,000,000
2026	0	2,000,000
2027	0	2,000,000

Year	Intervention 49	Intervention 47	Intervention 26	WWW	Joyce stream low flow
2023	6,200	0	0	3,800	7,000
2024	6,500	0	0	4,200	8,000
2025	6,800	0	0	4,600	9,000
2026	7,100	0	0	5,000	10,000

FIGURE 13: SUMMARY CAPITAL AND OPERATING EXPENDITURE ANTICIPATED TO MITIGATE THE LOW STREAM FLOW SCENARIO

FIGURE 14: SUMMARY OF REQUIRED INTERVENTIONS TO PROVIDE BALANCE INTO SUPPLY SHORTFALLS

	Year/ NPC	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Benefit KL/ yr	12,602,580	781,629	1,128,934	1,509,348	1,692,745	1,328,641	1,283,390	1,238,138	1,192,886	1,147,634	1,102,382	1,057,130	1,011,879	966,627	921,375	876,123	830,871	785,619	740,368	287,849	242,597	197,345
CAPEX	\$6,542,138	\$1,397,199	\$2,738,146	\$3,422,682	\$-	\$71,266																
OPEX	\$8,161,127	1,957,885	2,012,280	2,012,280	2,012,280	1,957,885																

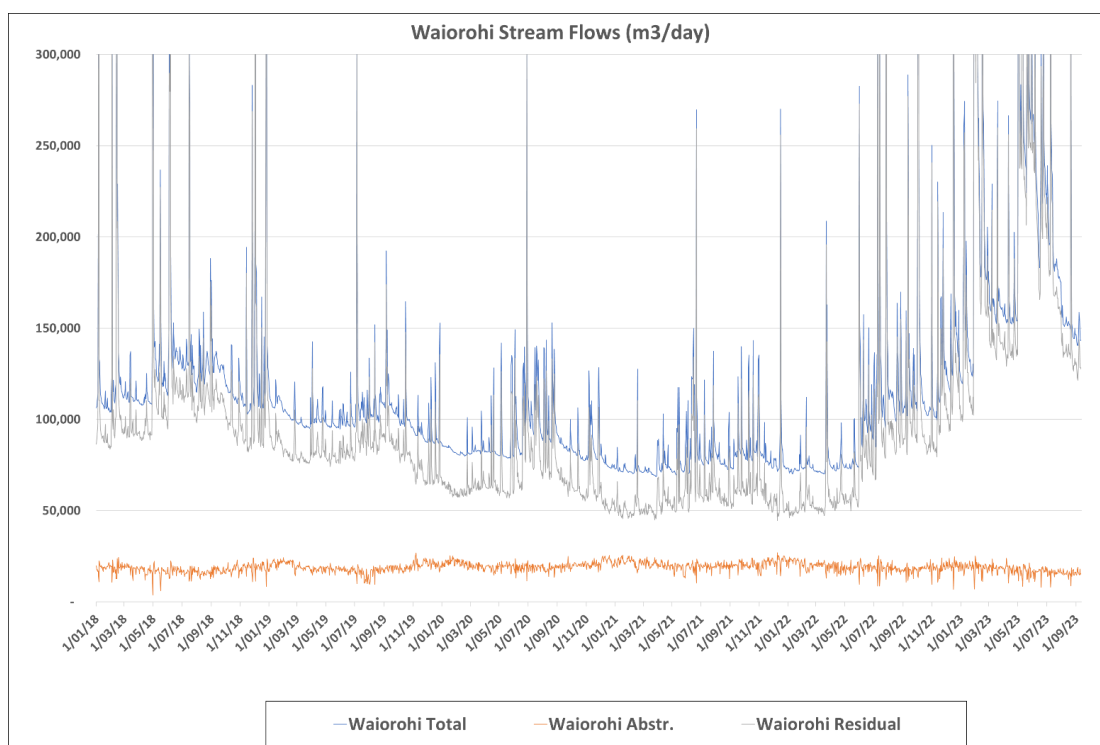
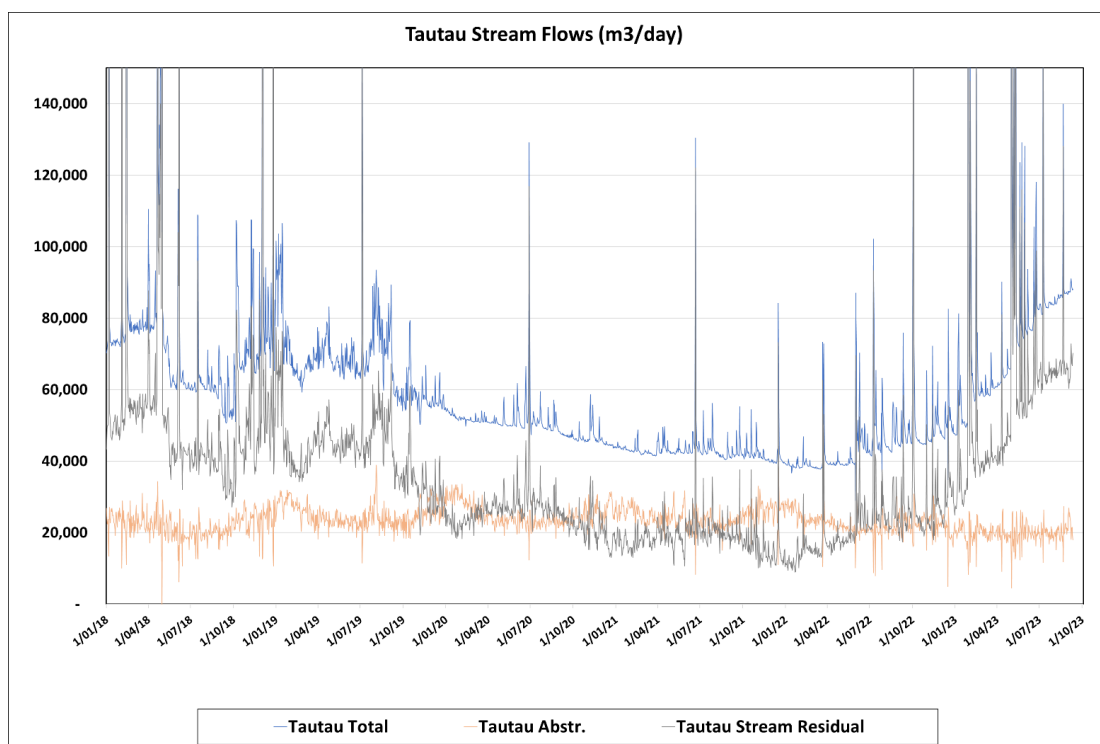
FIGURE 7: LEVELISED COSTS OF PORTFOLIO - LOW FLOW SCENARIO WITHIN THE TAUTAU ESTIMATED (LEVELISED COST OF \$1.17/KL)

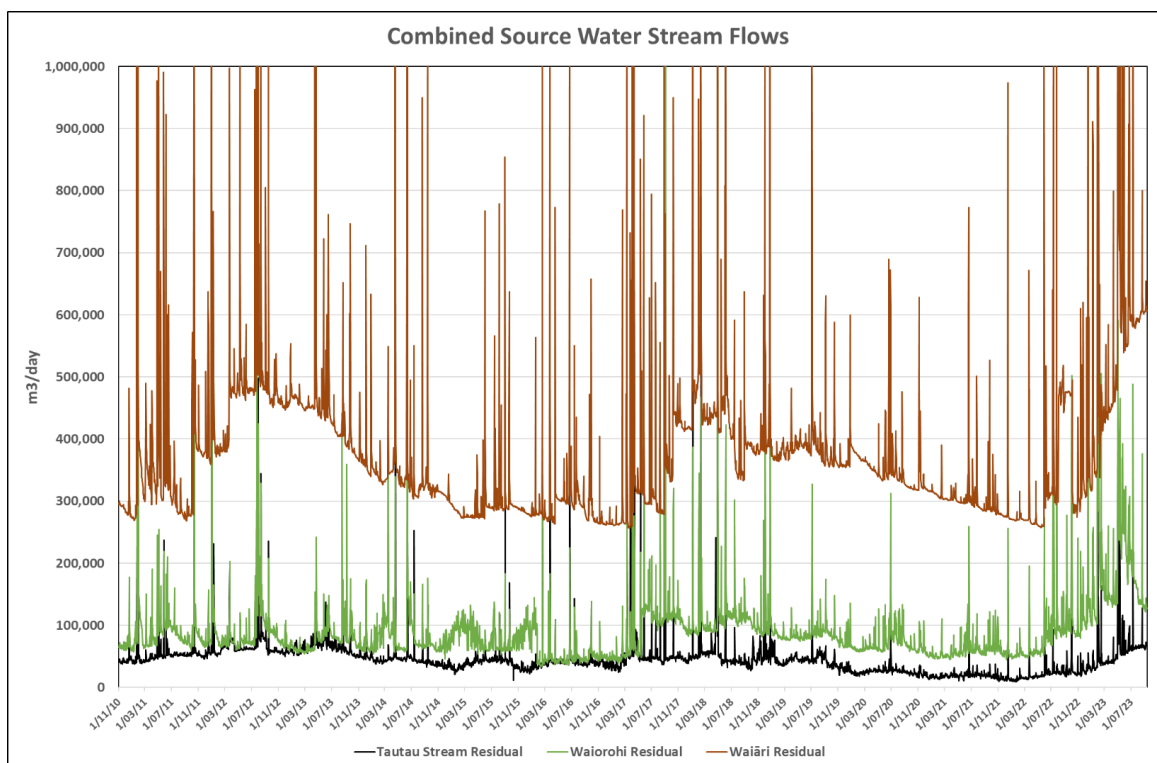
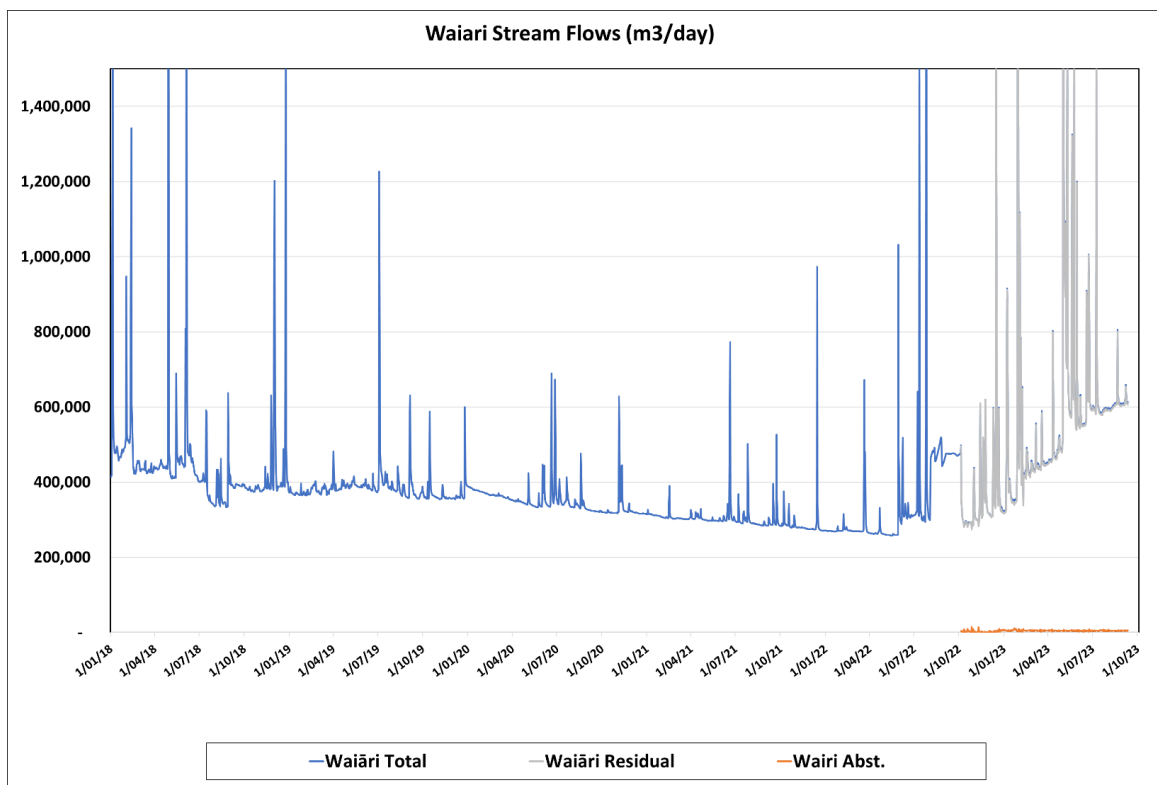


Tauranga City

→ The Power of Commitment

Attachment B – Graph of Source Water Stream Flows





11.4 Executive Report

File Number: A15073839

Author: Nic Johansson, General Manager: Infrastructure
Barbara Dempsey, General Manager: Community Services
Paul Davidson, Chief Financial Officer
Christine Jones, General Manager: Strategy, Growth & Governance
Alastair McNeil, General Manager: Corporate Services
Sarah Omundsen, General Manager: Regulatory and Compliance
Gareth Wallis, General Manager: City Development & Partnerships

Authoriser: Marty Grenfell, Chief Executive

PURPOSE OF THE REPORT

1. To provide updates on key projects and activities.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Executive Report".

INFRASTRUCTURE

Sustainability and Waste

2. We are undertaking a Regional Waste Infrastructure Analysis with Bay of Plenty councils and Eunomia (consultant). The study will inform a business case for new construction and demolition (C&D) and organic waste (food and garden) processing facilities as well as next steps for existing waste infrastructure (i.e., Te Maunga and Maleme Street transfer stations). The business case is to be completed ahead of the LTP deliberations and will identify investments required, funding models, and potential partnerships.
3. To reduce overflowing bin reports over Labour Weekend, public placed bins will be emptied more often and later into the evening. A small campaign will inform the public and ask them to help by reporting any overflowing bins.
4. To help keep Tauranga litter-free and ensure the kerbside service stays on track over the busy summer period, a 'Summer Waste' campaign will be rolled out over the holidays. The campaign will communicate changes in collection days over the Christmas and New Year period.
5. Relevant CPAD templates are being updated to embed sustainability considerations and goals for projects, based on our Sustainability Plan. This includes high-level assessments of a project's carbon impact, its impact on resilience, and climate-related risks.
6. Waste audits at the Cameron Road and Spring Street offices showed a diversion rate of 54% of waste from landfill across both offices, allowing us to achieve Gold under our Resource Wise® programme. The free programme for Tauranga business and schools is undergoing a comprehensive review to incorporate circular economy principles and ensure it meets the needs of the community.

Transport

7. Maxwells Road footpath connection - the path gives residents walking the Daisy Hardwick trail a new connection along Maxwells Road where they previously walked on grass and dirt.
8. Bureta/Vale roundabout and pedestrian crossings - the project provides a safe crossing for local residents. The roundabout makes it safer when vehicles approach the intersection.
9. Carmichael Road and Te Ngaio/Marine Parade raised crossings - New raised crossings have been installed to improve safety for pedestrians crossing these busy roads.

Waters

10. We met with Ngā Pōtiki at Te Maunga Wastewater Treatment Plant (WWTP) to view the pond de-sludge project and seek information on the range of works at the Te Maunga WWTP, including the pond de-commissioning and next steps for these (ponds were originally dredged from Rangataua Bay).
11. Water Watchers, the year-round plan to help maintain the city's water supply, will commence tighter water conservation measures in November. Engagement with the community and higher water users commences in October. Alongside conservation measures (i.e., introduction of sprinkler bans), two additional rainwater harvesting workshops are scheduled for September due to high demand from the community.
12. Fluoridation of Tauranga's water supply - following the directive from the Ministry of Health that Tauranga's water supply must be fluoridated, we are on track to achieve this milestone and provide fluoridated water to the city by 31 July 2024. Communications around the changes to our drinking water are being planned.
13. Waters Reform - Parliament has passed the next key piece of legislation required to give effect to the Government's reform of New Zealand's drinking water, wastewater, and stormwater services. We are part of Entity C and have been advised of 1 October 2025 as the interim transition date.

Asset Services

14. Maungatapu community engagement - we have developed a webpage for the Maungatapu community with updates and frequently asked questions about the recent landslides and where we will link to reports and studies that are not site/ property specific. This webpage is now live www.tauranga.govt.nz/maungatapu. Residents can sign up if they wish to be notified via email on any updated information on the webpage.

COMMUNITY SERVICES

The items below are in the most relevant community outcome, however many do contribute to the other outcomes.

Tauranga Mataraunui – An inclusive city

15. Libraries Winter Warmers event series had a focus of exposing people to new ideas and experiences. Events included talks on foraging and edible weeds, death cafes (normalising conversations about death and dying as part of life), environmental talks such as Tauranga's bird life, art making sessions, library tours, plant swap evenings and poetry readings.



16. Libraries started the Te Whare Mauri Tau programme. Te Whare Mauri Tau is a space for creating, sharing, learning together through toi Māori and tikanga Māori. A casual non-booked session where everyone is welcome to join and recharge their wairua.
17. The Customer Services team working full time in Papamoa and Greerton Libraries have received a lot of good feedback from the public during August about being located onsite. During this month, 625 customers utilised the service at Papamoa and 798 customers in Greerton.
18. Library and Customer Service managers presented details about the new Community Hub to the Accessible City Interest Group in August. There was a lot of interest from the group and feedback on the plans was positive with some suggestions being forwarded to the building accessibility specialists.
19. Baycourt accessibility initiatives - Baycourt is expanding its current accessibility services portfolio (e.g. audio described performances, touch tours, relaxed performances) and partnering with likeminded organisations to achieve meaningful community outcomes and increasing access to the arts for everyone in Tauranga. As part of this focus, we are proud to have collaborated once again with Opus Orchestra to provide New Zealand Sign Language interpretation for the whānau-friendly concert *Hairy Maclary's Greatest Hits* on 29 July.
20. Zespri AIMS Games pōhiri - International Zespri AIMS Games athletes from the Pacific were welcomed to Aotearoa with waiata and haka during a pōhiri hosted by Tauranga Intermediate School and Tauranga City Council. As part of their welcome the manuhiri were given welcome cards and Zespri Kiwifruit. This event is a great event for our city and another opportunity for our Event Development team to support a fantastic event in our city and collaborate with local iwi to further develop our connection.
21. FIFA farewell - The Netherlands women's football team were given a great send off by Te Kura o Matapihi and Tauranga City Council at Tauranga airport after they had completed their FIFA Women's World Cup journey. The team were heartfelt in their thanks to the city, with shirts and boots being gifted to staff and the school to assist them with their fundraising efforts. This initiative was delivered in partnership with our Takawaenga Team and aligns with our Events Action and Investment Plan objective of working with iwi and hapū to identify opportunities to grow and develop events that increase knowledge and understanding of Te ao Māori and our unique stories.
22. A blessing was held at the Golf Road Reserve, the new site for the Mount Playcentre. This marked the start of the civil works onsite to enable the relocation of the facility from its current home at Blake Park. The Mount Playcentre attended, and Tamariki did the waiata and karakia. It was a very special morning and Hapū loved having the children included.

Tauranga Taurikura – A city that values, protects and enhances our environment

23. A project to repair the historic chapel gates at The Elms, dating back to 1870, was successfully completed in August. The project received funding support from the Lotteries and the Cyril Garner Memorial Trust. Heritage NZ recognises the gates as an exceptionally significant heritage feature.

24. Slip remediation work has progressed at McLaren Falls. The work involves the repair of slip area and access road. This work is part of a number of slip repairs being undertaken at McLaren Falls after the significant weather events earlier in 2023.



25. Planting efforts

Recent planting took place on Mauao with a group called PIPS (People, Plants, Schools). Children collected seed from Mauao, grew them in their schools, and now they have replanted them on Mauao. Recent planting also took place on Moturiki island with the Western Bay Wildlife Trust.



Pikirangi Stormwater Reserve planting day saw City Ops and Spaces and Places staff come together to plant some tough ground to help establish the new entrance way and link of the Pikirangi Reserve off Gordon Carmichael Road.



Tauranga - Tātai Whenua – A well planned city

26. Emergency Operations Centre (EOC) Monthly Stand Up - Regular training is integral in the effectiveness of our EOC, so a new monthly training schedule has been developed for EOC staff to build our capability to respond in an emergency. The first session was delivered in July 2023.
27. Local Hazardous Substance Coordination Committee - Emergency Management has conducted a review of the hazardous facilities situated within the Mount Industrial area. The primary aim was to gauge the risks in this area and understand the area's level of emergency

preparedness. A direct outcome of this review was to establish the Local Hazardous Substance Coordination Committee. This group, comprising of representatives from key response agencies, had its first meeting in August. The goal of this committee is to improve our readiness to effectively manage and respond to any potential emergencies that may arise and undertake preplanning activities.

28. The Tauranga Youth Feasibility Study has been published on our website and distributed to external stakeholders. We are welcoming all key stakeholders to engage in a series of workshops to develop a strong and united voice for the Tauranga youth sector, providing the 'vehicle' to work alongside our Rangatahi Advisor to inform collective actions and impact in response to the [Youth Space Feasibility Study](#).
29. The Local Government Official Information Amendment Act 2023 was assented recently. The Act, which will come into force in July 2025, improves current LIM provisions on natural hazard information and climate change impacts. The Department of Internal Affairs has indicated that they will be looking to engage with council's later in the year on development of the regulations. Along with this, the focus for Council now turns to preparing for the upcoming changes and managing associated risks.
30. Customer Service team have been busy in recent weeks preparing for the beginning of the migration of our core system Ozone to SAP (Systems Applications and Products). From late September, all customer contact information will be managed via SAP as the start of a wider move to the new system over several years. The current system, Ozone, is unable to be upgraded and no longer fit for purpose. SAP will enable better cross council collaboration, sharing of data, improved processes as well as opportunities for improved customer experiences.
31. The museum team, supported by Commissioner Shad Rolleston, recently hosted Deputy Prime Minister (and Minister of Arts, Culture and Heritage) Carmel Sepuloni at the museum store at Mount Maunganui. Accompanying Hon Sepuloni was government list MP Angie Warren-Clark. The visit was a great opportunity for the Minister to learn about the work of our staff and plans to build a new museum as a key part of Te Manawataki o Te Papa. The visit was very relaxed and hugely enjoyed by all, with staff grateful the Minister asked specifically to visit the museum collections.



32. Keam Reserve playground upgrade has been completed. The design and community consultation began in November 2022 the overall requests from the community included more play equipment, seating and shade. The project team utilised the existing swing set and added play equipment which is suitable for both younger and older children. Additional upgrades included safety surfacing, an accessible path around the reserve with play elements for children on bikes and scooters, shade for the hot summer months so families and children can spend more time outside. Construction started in mid-June 2023 and was completed at the end of July 2023.



Tauranga Ara Rau – A city that we can move around easily

33. Zespri AIMS Games park and ride - To reduce the impact on the environment and support traffic flow, our Event Development team, alongside Bay of Plenty Regional Council, offered a free park and ride bus service for the Zespri AIMS Games. This service was free for everyone, including the community, for the duration of the games to move between event sites, additionally all participants, coaches and referees were able to travel free to sports venues on the Bayhopper urban bus network. A free dedicated bus service was also provided for the opening ceremonies, which had record uptake of 706 passengers for both events.



34. Zespri AIMS Games traffic and roading - The Event Facilitation team worked closely with the transportation team to ensure all planned works were stopped or minimised for the duration of Zespri AIMS Games to support traffic flow.
35. Shaw Place Reserve, Matua - Stormwater and turf upgrade - Extensive works to remove old fill, reinstate new nova coil and raincell drainage system to mitigate the seven identified springs along the reserve bank edge. This will be open for public use in a couple of weeks once the grass is in full flourish and hardened off.



Tauranga a te kura – A city that supports business and education

36. The latest community grant round recently closed, with a total of 50 submissions ranging from sports field redevelopment to a women's wellbeing program. The panel are now in the process of reviewing these applications, decisions will be released mid-September.
37. To celebrate Family History Month, the Heritage and Research team collaborated with libraries across the Bay of Plenty to provide a variety of events at different locations throughout the month of August. Our main event, 'A Night to Explore', was held after-hours and featured a library resources tour, a genealogy database workshop, one-on-one help sessions and two wonderful talks from speakers, Dr Carol Neill from Auckland University of Technology and local genealogist Morag Hughson. Our event was well-attended, with 50 attendees, and we received great feedback, and an apparent demand for more events like this.



July Genealogy drop-in session at He Puna Manawa

38. Page views of Pae Koroki Tauranga Archives Online, for August have taken a big jump upward. 33,026 pages were loaded. Interest is varied and spread across the site. Other month page views for comparison: May: 17,676, June: 21,545, July: 17,403, August: 33,026.
39. The Art Gallery and Library school visit exchange continues to go from strength to strength with over 800 children visiting the library as part of the exchange so far this term. During these visits literacy and storytelling are a focus, while contextualising these within a local lens on the Aotearoa curriculum. Moving from the story of early Tauranga migration told through creative lego construction to the birds of New Zealand, schools have appreciated the local and relevant focus to the sessions and the interactive, informative, and accessible way the topics are approached. Teacher feedback has included:
- "Amazing librarian that was great at managing and inspiring and engaging junior children. The bird theme tied in well with the Kaitiakitanga theme we have at school and our trip to Otanewainuku forest"*
- "Innovative ways to share learning/teaching points. LOVED the hands on portion and creative Lego experience." "Great engagement! Tamariki loved exploring the library. Great link to our concept focus this term! Lots of connections made."*
40. Curriculum Vitae (CV) help sessions at libraries continue to be in demand, with library staff helping patrons to create CVs in order to gain employment. One-on-one digital help sessions have seen an increase in demand following increased marketing.
41. Entertainment Technology New Zealand (ETNZ) and Teen Tech initiative - In August 2023, following a four-year Covid-hiatus, New Zealand's biennial entertainment technology conference and trade show was held in Wellington. Delegates met to discuss and respond to the major challenges facing the industry including staff and skill shortages and mental wellbeing. Baycourt sent a contingent of four technicians to the conference, including Dale Henderson who is on the ETNZ Executive. Dale, alongside Benji Wallis (one of Baycourt's 'Teen Techs' alumni), presented on the Teen Tech initiative – a unique theatre technician training programme developed by Baycourt, now in its fourth year. The presentation resulted in several venues approaching Baycourt with a view to undertaking similar programmes in

their own city/venue. There was also interest in rolling it out nationally as a longer-term solution to skill shortages and providing genuine pathways into the industry.

42. A new restaurant opened at The Historic Village on Friday 1 September with full bookings throughout the opening weekend. Malka, with modern Israeli cuisine, is owned and operated by Ariel and Mali Cottan from Israel. This is their third hospitality business and they are best known for opening the highly successful Falafel Metro in the city centre. The opening of a second restaurant compliments the existing provider (Whipped Baker).
43. Coaches Symposium funded by the Department of Internal Affairs Hine Te Hiringa discretionary fund - In alignment with the FIFA Women's World Cup 2023, and Tauranga's role as Team Base Camp for Team Netherlands, Tauranga City Council received funding for three legacy projects. The first of these projects was a Coaches Symposium for 60 coaches of women's sports from the region across dozens of sporting codes. The speakers were Cory Sweeney, Head Coach of the All Black Sevens women's team; Mariane Wray, Head Psychologist at Snow Sport NZ; and the greatest highlight was a Q&A session with the Netherlands Women's football Head Coach Andries Jonkers. The post-event survey stated 100% of guests thought the content of the evening was excellent, and they had learned information that they could put to practical use as coaches.
44. FIFA - Tauranga was honoured to be part of the FIFA Women's World Cup as Team Base Camp for the Netherlands women's football team. There has been a huge swell of city pride during our role as hosts, with plenty of positive community commentary, and comments across 16 national and international media, from the team regarding how warmly they were welcomed to New Zealand. Both FIFA and the Dutch Embassy sent letters of acknowledgement to the Tauranga City Council Event team, Bay Oval staff and Tauranga city expressing their gratitude for all the organisation, preparation, and support for the Netherlands women's football team throughout their time in Tauranga. The Netherlands team also purchased 30 orange bikes to use while they were based in Tauranga and have chosen to gift those to several local charities to create a lasting legacy.
45. Tauranga Museum has loaned an Amokura (Tropic Bird) tail-feather to Western Bay Museum for inclusion in a current exhibition titled 'Treasures of Cultures.' These feathers were highly prized and worn in the hair of early Polynesian ocean navigators.
<https://view.taurangaheritagecollection.co.nz/objects?query=amokura>
46. Creative Bay of Plenty has experienced increased demand for its capability building workshops for local creative practitioners. Eight tailored workshops have been delivered in the past six months, covering topics such as strategic planning, social media marketing and financial literacy for creatives.
47. Creative Bay of Plenty has launched a mentoring initiative, matching eight artists with mentors. This program provides one-on-one support for artists and recognises the expertise of established practitioners who are compensated for their role as mentors.
48. To further strengthen engagement with tangata whenua, Creative Bay of Plenty has appointed Kelcy Taratoa as the senior navigator for Ngā Toi Māori. In this role, Taratoa develops resources and services for both Māori and non-Māori to navigate spaces of connection and collaboration with iwi and hapū. This appointment reflects Creative Bay of Plenty's commitment to Ngā Toi Māori and helps build and strengthen networks at the local, regional, and national levels.

CHIEF FINANCIAL OFFICER

Tauranga Airport

Airport Operations

49. There were 1809 flights operated by Air New Zealand during the months of July and August carrying 89,500 passengers.

Airport Development

50. Building consents have been lodged for the first six of 16 new hangars and RFI's have been returned. The floor slab, all steel portals and timber framing is complete with exterior cladding to commence first week of September. Fifty percent of the pavement for the new short-term car parks is now kerbed and asphalted.
51. Final design for the new overnight aircraft gates is complete, with construction planned to commence in September but has been delayed due to supply issues.

Commercial / Strategic Property*Asset Realisation Reserve*

52. A draft project plan has been circulated for the Asset Realisation Reserve established which will set out the approach to effectively manage council properties and assets which have been assessed as no longer needed for operational or strategic purposes or otherwise identified as available for disposal. The project plan includes a statement of objectives, project charter, project scope and reporting templates. We anticipate the project plan will be operational this month.

STRATEGY, GROWTH AND GOVERNANCE**Democracy & Governance Services***The Local Government Electoral Legislation Act 2023*

53. The Local Government Electoral Legislation Act 2023 (the Act) passed its third reading on 24 August 2023 and received royal assent on 30 August 2023. The Act has changed the dates by which councils are required to have completed steps relating to the representation review process. Councils will have a longer period of time to consider submissions on their initial representation review proposal and to resolve its final proposal.
54. The Act changes the process councils follow every six years when they make decisions on Māori ward representation. These changes will not come into effect until after the 2025 local elections.
55. The Act brings forward dates relating to polls on electoral systems.
56. The Act has also made the following changes that are not related to the representation review process:
 - Candidates for local elections can now submit electronic nominations
 - Processes for tied elections have been updated and makes a recount mandatory and introduces an alternative to a coin toss if an election is still tied after a judicial count. Candidates will be able to withdraw if they do not want the final result to be decided by lot.
57. The Act also provides for the permanent provision of members attending meetings by audio-visual link to be counted towards the quorum (subject to councils amending their standing orders to do so). This takes effect from 1 October 2024 when the Severe Weather Emergency Legislation expires. Tauranga City Council Standing Orders include the provision to attend via audio-visual link but currently state that members cannot be counted towards the quorum. With the change to the legislation, the Standing Orders can be amended from 1 October 2024, if Council wishes to do so at that point.

Electoral (Lowering Voting Age for Local Elections and Polls) Legislation Bill

58. The Electoral (Lowering Voting Age for Local Elections and Polls) Legislation Bill (the Bill) was introduced by the government on Tuesday, 15 August 2023, to lower the voting age for local elections to 16 years and enables them to stand as a candidate.

59. The Bill will create a new category of youth electors and will establish a youth electoral roll for 16- and 17-year-olds to be maintained by the Electoral Commission. The Bill keeps the age at 18 for standing as a candidate and voting in licencing trusts and community trust elections, as this lines up with the alcohol purchasing age of 18.
60. In November 2022, the Supreme Court declared that setting the voting age at 18 was inconsistent with the Bill of Rights Act, on the basis of age-based discrimination. The case was brought to the court by the youth advocacy group Make it 16. This was followed by an announcement from the then Prime Minister Jacinda Ardern that “the cabinet had resolved to draft a piece of legislation with a proposal to lower the voting age to 16 for the whole of parliament to consider.”
61. Changing the voting age for the general elections requires a super majority (75% MPs in favour). However, lowering the age for local elections requires only a simple majority.
62. The Bill got its first reading in Parliament on 29 August 2023 and was sent to the Justice Select Committee to consider. The Bill will be further considered in the next parliamentary term. If passed by the next parliament, the Bill would come into effect for the 2028 local elections

Strategy & Corporate Planning

Amendment to historical boundary adjustment process

63. In late 2020 and early 2021 Orders in Council were made that adjusted the Tauranga City Council / Western Bay of Plenty District Council boundary to bring properties in Tauriko West (effective 1 January 2021) and Belk, Keenan and Tara Roads (effective 1 March 2021) into Tauranga City.
64. At the time these Orders in Council were made, a drafting error in Wellington resulted in all of the policies and bylaws of Western Bay of Plenty District Council (“WBoPDC”) continuing to apply to the properties newly absorbed into Tauranga City until such time as this council formally reviewed and amended or revoked those policies and bylaws. This was in direct contrast to the draft reorganisation proposal which was consulted on which allowed for TCC’s policies and bylaws to apply to the applicable properties.
65. The Order in Council as approved would have created a significant amount of work, at considerable cost, to revoke, amend or replace the suite of WBoPDC bylaws and policies with little obvious value to the properties newly absorbed into the city and of no value whatsoever to existing ratepayers. As such, in April 2021 we commenced communication with the Local Government Commission with the intention of amending the Orders in Council.
66. After much further correspondence, on 25 August 2023 we were informed that amended Orders in Council were finally Gazetted on 24 August 2023. These amended Orders allow for the bylaws and policies of TCC to apply to the areas subject to the original Orders in Council. The full and formal review of all WBoPDC policies and bylaws as they apply to those properties is therefore no longer necessary.

CORPORATE SERVICES

People, Performance and Culture - Health, Safety & Wellbeing

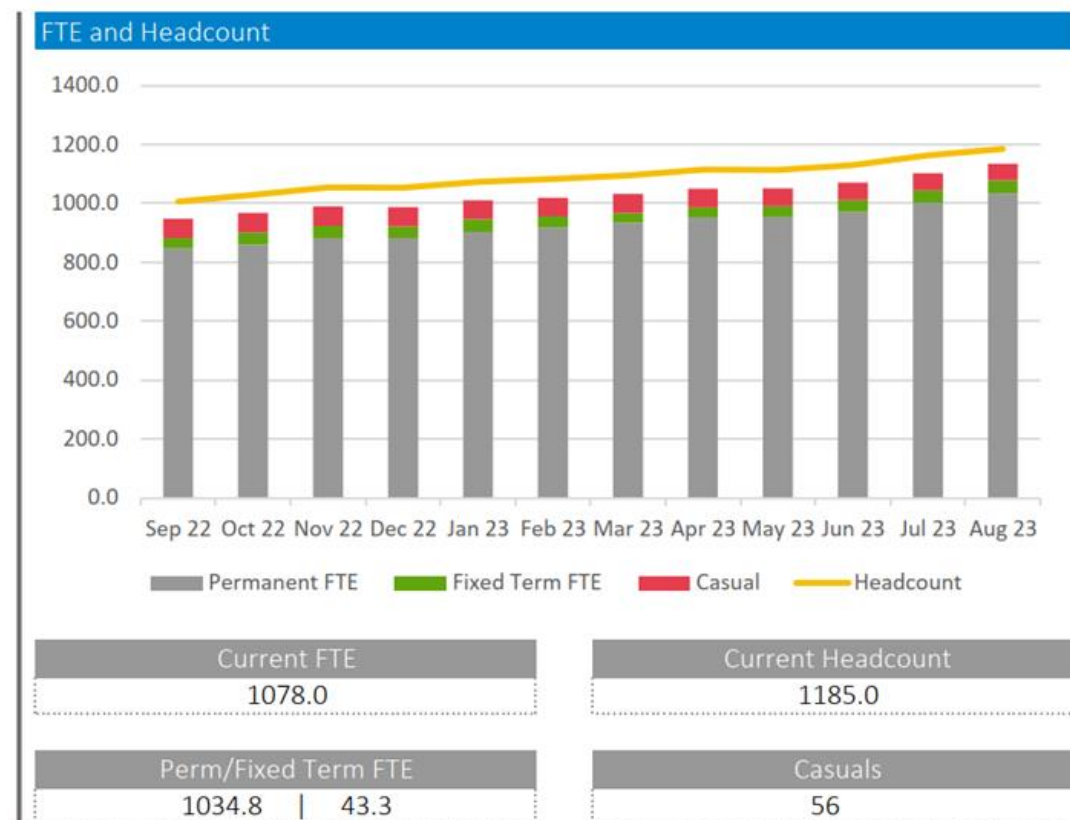
Health, Safety and Wellbeing

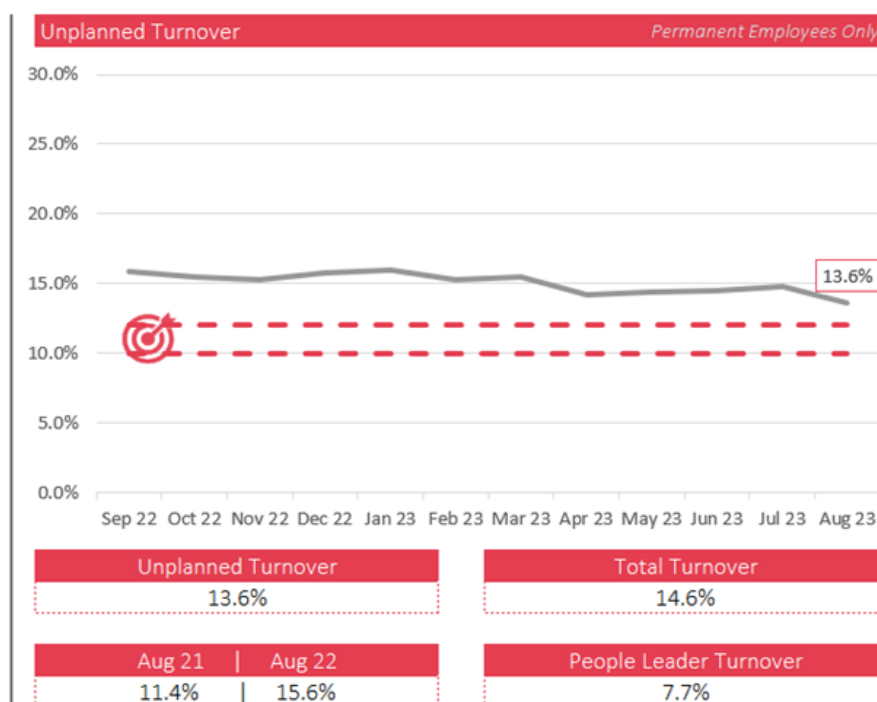
67. Health and safety audits were conducted in August and recommendations are currently being implemented. It was noted that our health and safety systems are much improved compared to the 2019 Audit; the move to the ISO45001 standard has supported this.
68. The new risk management and contractor management standard has been approved, training will be provided to all Project/Contract Managers and City Operations staff. Early feedback from the Project Managers has been positive and it has really helped to manage the health and safety processes throughout a project life cycle.

69. Our health and safety commitment statement has been refreshed and signed by the executive; this will be displayed throughout council sites.
70. The Drug and Alcohol Policy is in its final stages before being implemented in October. This will include a staff engagement component.

Human Resources and Learning and Development

71. Our total head count including casuals is 1185 with FTE's at 1078.
72. Recruitment vacancies roles are approx. 78 with a number of harder to fill roles now being recruited.
73. Our summer intern programme is underway. This provides an excellent opportunity to grow our future talent pipeline.
74. My Team Pulse e-briefs and organisational results are currently being finalised. The next My Team Pulse will be scheduled for the end of January 2024.
75. Success factors implementation is tracking well with an expected go live date being 6 November. System testing and parallel pay runs are underway. Staff and people leader training sessions will commence in October.
76. Leadership and communicate powerfully training are also underway.





90 Devonport Road

77. The transition team are working well together in conjunction with the Civic Development team.
78. A utilisation study is currently underway for Cameron Road and Spring Street to capture desk and meeting room usage and work habits.
79. Regular communications and branding are currently being developed for the transition process.
80. End of trip due diligence is also underway, considering current facilities e.g., bike stands, showers, council (owned) vehicles and parking.

Digital Services

Te Manawataki o Te Papa and Technology

81. Technology briefs have now been established for 90 Devonport Rd, Library and Community Hub and Civic Whare and Museum projects. We are currently working through integrating these briefs into the designs for the buildings.
82. Technology procurement has begun for 90 Devonport Rd with the appointment of a supplier for audio visual design, supply, and installation.
83. We are also currently involved in services conversations across the waterfront and public realm spaces ensuring we have sufficient infrastructure in place to help enable future things like wayfinding, potential city wi-fi, integrated lighting, digital signage, displays and placemaking etc.

Transportation Insights

84. The Digital and Transport teams have achieved a significant milestone, centralising transportation insights into the council data repository, and publishing the first set of dashboards to our intranet which is being used to show case these reports to internal staff. Next steps in this project are to publish a map view of all planned transport projects and make the website available to all staff – creating a one stop shop to get transport related insights and provide a platform to build upon.

Transportation insights

Your one stop shop for all transport related insights

Want to know more?

For questions around any of the dashboards please raise a Digital Services service desk request.

For transport asset related questions, contact sikander.singh@tauranga.govt.nz



Asset information

Information on all transport assets including condition and valuation

COMING SOON!

Pedestrian traffic

Foot traffic trends around the CBD and Mount Maunganui



Forward works

Planned forward transport works around Tauranga

Digital Capital Programme – Enterprise Resources Planning (ERP) Programme

85. The Enterprise Resource Planning (ERP) programme is currently focused on migrating core data and processes from legacy systems to the new SAP platform, creating a modern Digital foundation to enable other business processes to follow.
86. The programme is currently preparing for a very busy second quarter, with several milestones Go-live activities planned to include:
 - Customer Master Data migration and management in the new SAP platform.
 - HR Employee Central - Employee data and employee self-service.
87. These initiatives will provide foundational capability for other business processes to leverage.

Community Relations

Kōrero Mai – Let's Talk Tauranga

88. In April we launched an engagement newsletter to update those people who had previously indicated they wanted to be kept updated on council consultation and engagement. We have maintained the audience numbers of around 7000 since April (people are not unsubscribing) and grown 'open rates' and 'clicks' month on month.
89. Average 'open rate' over July/August was (62%) and average clicks through' was 672 (9.4%). We plan to start promoting this newsletter more to grow our engagement reach.

Social media

90. We currently have 23,424 followers on Facebook with an average daily reach of 14,589. The most engaged organic posts in July were on very different topics:
 - Te Manawataki o Te Papa (18k reach)
 - Wishing Hairy Maclary a happy birthday (10k reach)
 - Accessible Streets Ōtūmoetai had the highest reach (54k)
 - Impression(120k) for a paid post

Media Impact Score

91. The Media Impact Score was 1.9 for July, which is consistent with the average over the last 12 months. The most negative emphasis in coverage was around transport and business frustrations, especially around Cameron Road and the City Centre. The wider Centre City transformation and civic precinct still received very positive reporting, especially focusing on

the value of intensification. There were also some very positive reports focusing on events such as the FIFA Women's World Cup and Matariki.

Legal, Risk & Procurement

Buying Local

92. To connect with local businesses, our procurement team ran an online survey via Let's Talk Tauranga to get to know local suppliers better. The information gathered was used to plan a series of in-person drop-in sessions for local businesses to meet the team, learn about working with council and share ideas. We received 100 responses, with around 40% respondents indicating they'd be keen to attend a drop-in session and meet with the procurement team.
93. The drop-in sessions will be held in mid-October – early November, with survey respondents offered the first chance to book.

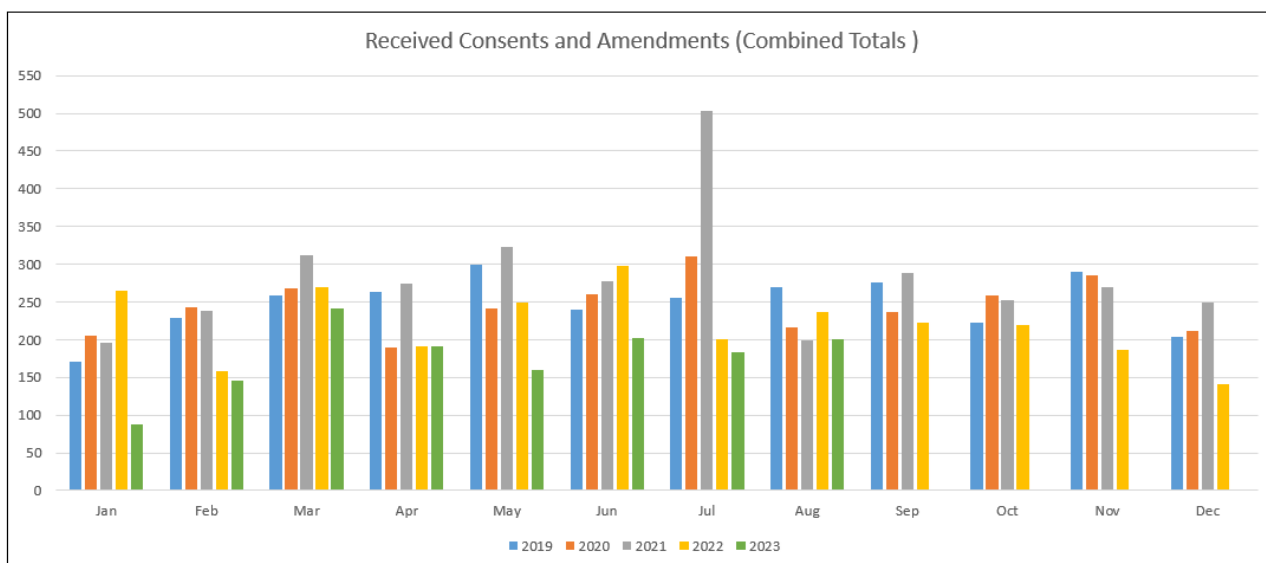
CAMMS RISK Systems

94. Work is continuing to configure the new risk and internal audit and assurance system (Camms) which is a key enabler of the Risk Framework. It is currently planned that the Risk team will have access to the system replacing the current spreadsheet solutions by the end of this calendar year. The system will then be progressively rolled out across the organisation in 2024. Once in place, Camms will be a single information source for all risk and linked assurance information.

REGULATORY AND COMPLIANCE

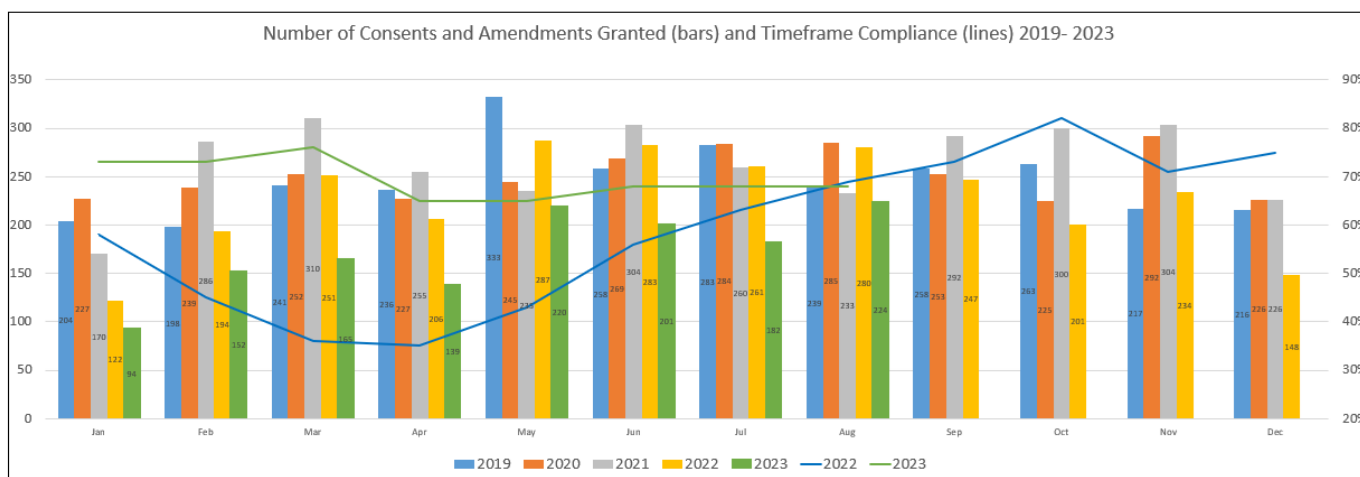
Building Consents

95. We received 184 Building Consent and Amendment applications in July and 200 in August. The number received remains between 20 and 30% down compared with the previous three years. Further, the volume of amendments received is currently higher than in previous years with 72 received in July and 81 in August, compared with an average of 54 per month in 2019-2021. This is a reflection of project scopes needing to change due to market changes – for instance reducing the consented works or changing to more affordable products. The number of consent applications received in July was 112 and there were 119 received in August, compared with an average of 203 per month in 2019-2021.

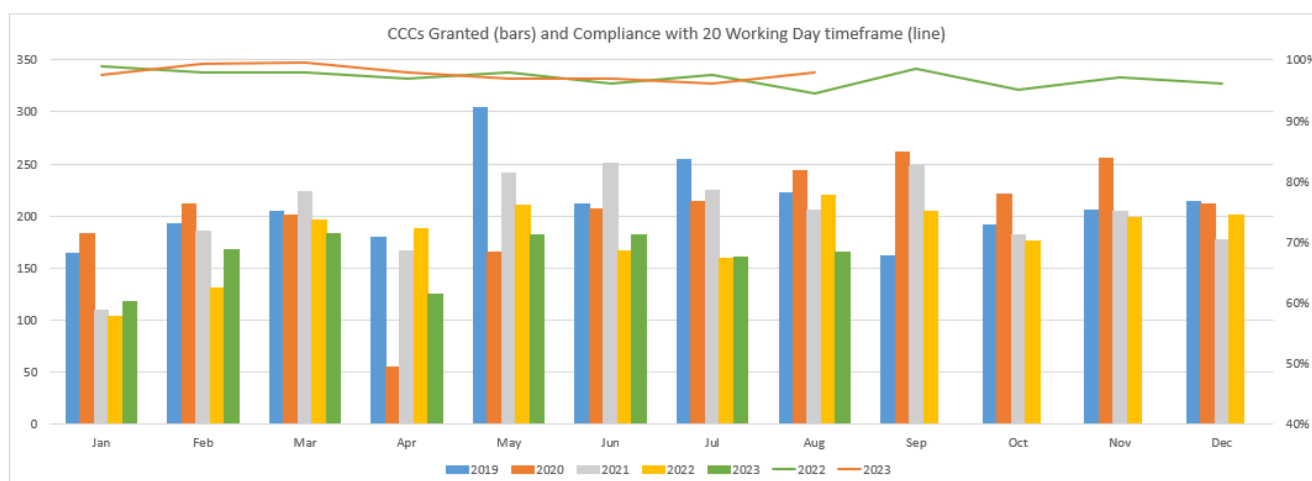


96. We granted 182 consents and amendments in July and 224 in August. The volume of consents granted is clearly also down compared with previous years, reflecting the reduced number of applications received. The volume of consents granted with statutory timeframes has stalled at 68%. This has remained below 80% since a peak in October 2022, but is has significantly improved since the lows of March and April in 2022 (less than 40%).

97. We have been working across the team to understand the reasons for this continued low compliance rate in order to improve. Our analysis shows that over the past year resourcing has been the biggest hurdle to higher compliance rates. While this includes resourcing of the processing team, the resourcing of the various specialist teams that feed into the consent process (including development/infrastructure engineering, structural engineering and planning) significantly affect timeliness too.
98. In recent months, the limiting factor has been the availability of engineers – to address this we have taken on some additional contractors which has helped us increase our timeliness on new consents, but unfortunately there is still a backlog of those that have already gone over time which should be granted in the coming months. We are looking at our resource model to see where we could use existing resources differently so that we can improve compliance over an extended period.



99. Inspection wait times for standard (45-minute) inspections and for our most complex inspection types (for instance R3 Finals) have remained low, generally around 1-2 days. Inspection numbers remain roughly 20% down on previous years, with around 400 inspections completed most weeks. Because wait times are low, there is reduced demand for our remote and weekend inspections.
100. We have issued 160 code compliance certificates (CCCs) in July and 165 in August. Of these 47 were for new dwellings in July and 43 in August. The number of CCCs issued remains down on previous years. Our compliance with statutory timeframes has remained consistently high, with 96% in July and 98% in June.



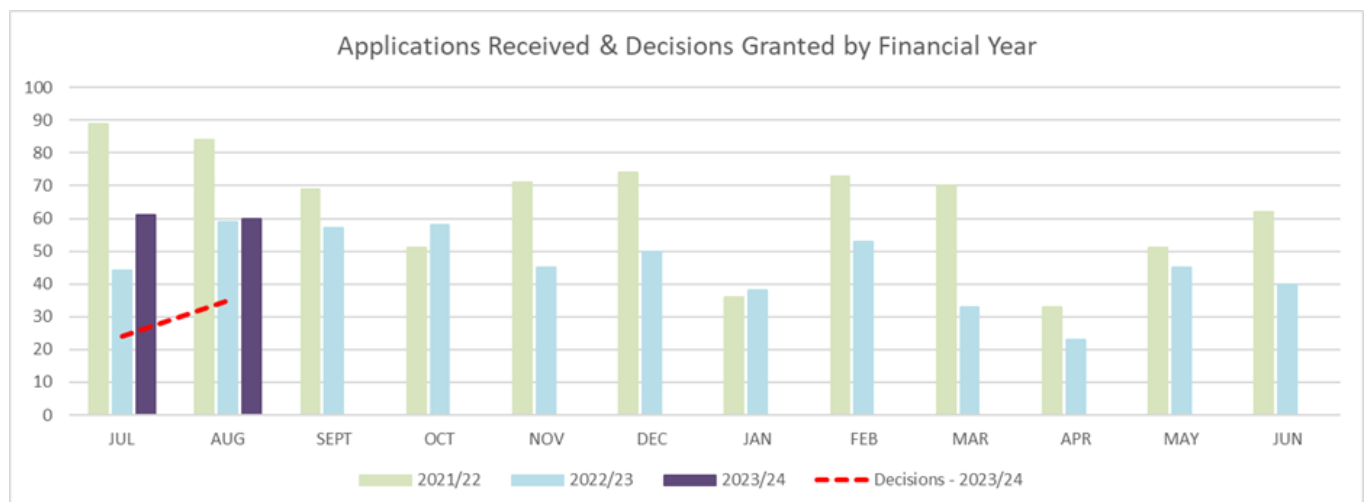
101. Our next IANZ assessment is coming up over the two weeks, 25 September to 6 October. The outcome of this assessment will confirm whether we can maintain accreditation and continue to receive, process, issue and inspect building consents. The assessment will include several technical experts from IANZ and MBIE.

Building Compliance

102. Our Building Compliance team commenced 28 new investigations in July and 40 in August which is on par with previous months (we have received an average of 32 per month over the past few years). The majority of these were around unconsented building works including swimming pools, fencing and retaining.
103. Our swimming pool inspection programme has continued with 75 pools inspected in July and 100 in August, with 84% and 92% pass rate respectively.
104. We completed 50 on-site BWOF audits in July and 46 in August, with 76% and 85% pass rates. It is pleasing to see that our on-site audit pass rate is increasing over time, indicating an improvement in the standard of compliance across the city.

Environmental Planning

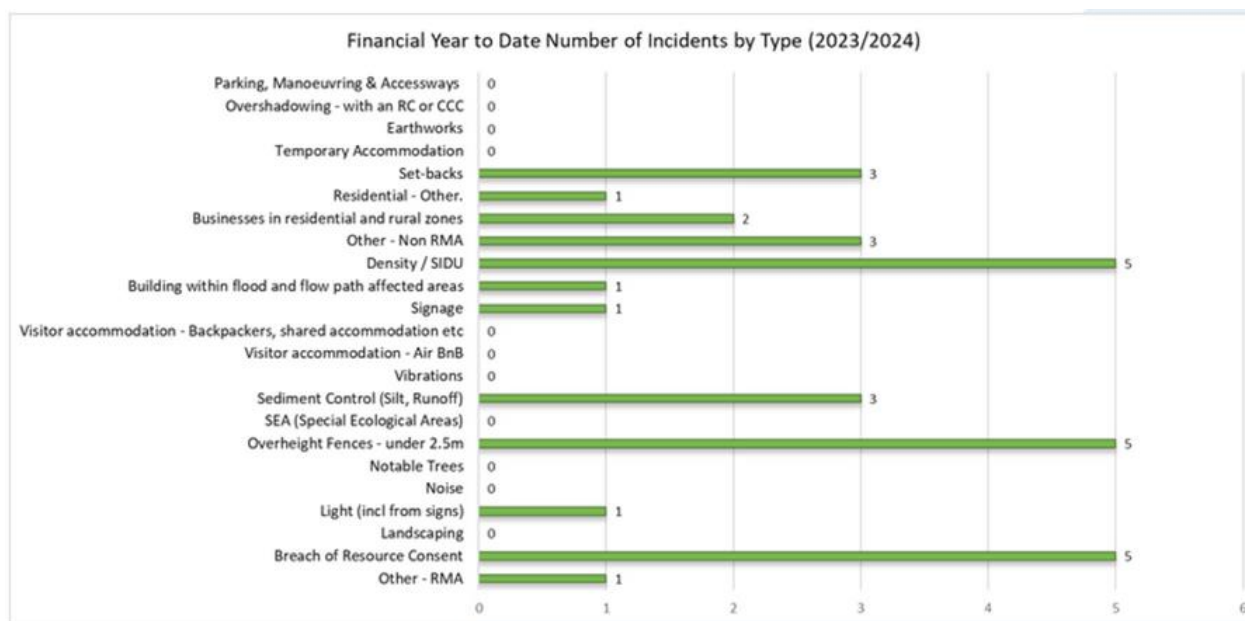
105. 121 resource consent applications have been received so far in the 2023/24 financial year to date. This is an increase over the previous year so far and continues an ongoing trend of increasing applications received since April 2023.



106. In the 2023/24 financial year to date, Council has issued decisions in relation to 59 consents; 69% of these applications have been processed within statutory timeframes. Included in this figure are a number of older consents, which are subject to a dedicated project to resolve. Timeframe compliance for new applications (i.e. applications received since 1 July 2023, and the LTP performance measure) is currently 75% which is up from 72% in Q4 of last year and continues the steady improvement in timeliness.
107. We are continuing to progress and implement a number of process improvement measures with a goal to improve the efficiency of our consent processing functions. This includes direct engagement with the consultant planning community to set clear expectations around when and how staff will utilise tools available in the RMA, including returning incomplete applications, in an effort to improve the quality of applications being lodged.
108. There has been a notable increase in the number of requests for development contributions to be deferred, which is largely a result of current economic conditions, the increased cost of construction, and higher development contributions being required.

Environmental Monitoring

109. 31 RMA incidents and 18 noise incidents were reported in July 2023. The majority of RMA incidents relate to over-height fencing, breaches of resource consent, or concerns around density. Noise complaints most frequently relate to either noise from residential or commercial activities, and construction vibration.



Matters of Interest

110. Council have received a number of complaints in relation to noise from works associated with the Cameron Road project, resulting in an abatement notice issued to the Cameron Road Joint Venture. We are working with the Joint Venture team to progress the matter and ensure ongoing works comply with the relevant resource consent conditions and city plan rules.
111. Hearings have concluded for the recent Waka Kotahi applications for alterations to designations (Redwood Lane and Northern Access), and Commissioners are currently working through decisions for these applications.

Environmental Regulation

Alcohol Licensing

112. Between 24 July and 31 August 2023 the Alcohol Licensing Team has forwarded 193 various alcohol licensing applications to the District Licensing Committee for consideration and determination. A breakdown of the applications are provided in the table below:

Applications forwarded to the District Licensing Committee	
Application Type	Number
OFF Licence (New)	1
OFF Licence (Renewal)	8
ON Licence (New)	3
ON Licence (Renewal)	19
Club Licence (New)	
Club Licence (Renewal)	8
Temporary Authorities (ON & OFF)	4
Manager (New)	71
Manager (Renewal)	33
Special Licence	46
Total:	193

113. The team completed 26 premises inspections within that period, ensuring that licensed premises were being operated and managed as required under legislation. All premises were compliant.
114. There are currently 7 applications scheduled for District Licensing Committee hearings over the next few months.

Licence Type	Status	Premises Name	Applicant	Opposed By	District Licensing Committee Decision
Off	Renew	Liquor Hut	Liquor Hut Limited	MOH	Scheduled for Hearing
On	Renew	Village Sports Bar	D H S Atwal Limited	Inspector/Police	Scheduled for Hearing
Off	Renew	Fresh Choice Papamoa	Blue Box Trading Limited	MOH	Scheduled for Hearing
Off	Renew	Countdown Greerton	General Distributors Limited	MOH	Scheduled for Hearing
Off	Renew	Slab Brewing	Slab Brewing Limited	Inspector	Scheduled for Hearing
On	Renew	Slab Brewing	Slab Brewing Limited	Inspector	Scheduled for Hearing
Off	Renew	Bayfair Boutique Liquor	Bvs 2018 Limited	MOH	Scheduled for Hearing

Enforcement

115. On Saturday, 19 August 2023, Tauranga Police, Tauranga Alcohol Licensing Inspectors and a representative of the Medical Officer of Health conducted a controlled purchase operation involving an underage minor attempting to purchase alcohol from a number of Off Licence premises within the Tauranga district. Of the 23 premises attempts made by the minor, 2 premises failed.
116. Alcohol Licensing Inspectors are currently following up with the two licensees and their duty managers with the likely enforcement outcome being in the case of the licensee, a 5-day suspension of their premises licence and in the case of the duty managers a 28-day suspension of their manager's certificate. These penalties are set by the Alcohol Regulatory Licensing Authority.

Environmental Health

	27 July to 1 September	YTD	
Verifications of Food businesses	73	105	4 businesses received unacceptable outcomes: 1 is on Step 1 (3 monthly) verifications and 3 are on Step 3 (9 monthly) verifications. When a food business receives an unacceptable outcome, they must gain two acceptable outcomes before their verification frequency can be decreased
Food Registrations - New	28	39	
Food Registrations - Renew	76	102	
Health Registrations – New	0	0	
Health Registrations - Renew	35	35	These are generally renewed August, September, October

Service Requests (complaints, queries etc.)			
Food safety and suitability enquiries, complaints, investigation and enforcement	8	10	7 total investigations resulting in 5 enforcement interventions
Customer queries	7	12	
Health miscellaneous	0	2	
Food registration	26	31	

Matters of Interest

117. During the month of August, our Environmental Health Team held four stakeholder sessions for food business operators throughout the city. The sessions gave food operators the opportunity to meet with our Environmental Health Officers and Technicians to discuss recent changes to the Food Control Plan (FCP), and answer any questions about the FCP operators may have had. Operators who attended the sessions were given a hard copy of the new template Food Control Plan.
118. We had a great turnout for all four meetings with 71 food businesses attending our meetings. Operators were asked to rate their experience of the sessions, and 98% rated their overall experience as a 5 out of 5. Some of the specific feedback included "Great friendly team that help you until you understand" and "Friendly, helpful and knowledgeable staff".
119. Changes to the Food Act has meant that the number of home-based food businesses have been steadily increasing, leading to increased potential for health and safety risk to Environmental Health Officers. To address these concerns the officers have been issued with SOS monitored safety devices (which detect falls, no motion and have a monitored SOS alarm function). These devices are also issued to the Parking and Animal Control teams.

Animal Services

120. Actions taken in relation to Animal Services complaints received for July and August 2023 are listed below

	Warnings / Notice	Abatement Notices	Dangerous / Menacing Classifications	Infringements Issued	Prosecutions Commenced
August 2023	Barking 38 Roaming 10 Aggression 3	1	Dangerous - 0 Menacing - 0 Section 62 Muzzle - 0	54	1
July 2023	Barking 16 Roaming 14 Aggression 2	2	Dangerous - 0 Menacing - 0 Section 62 Muzzle - 0	30	1

Matters of Interest

121. As at 11 September 2023 88.9% of all known dogs had been registered, this is a total of 14,047 out of total known dogs (15,786). These figures are similar to previous years.
122. Two additional CCTV cameras and security lighting have been installed at the Pound in response to security threats.
123. Four hearings have now been concluded with the Regulatory Hearings Panel, with one being deferred. The hearings were in relation to menacing dog classifications and disqualification from dog ownership. A further 3 hearings are in progress with hearing dates to be arranged.
124. Animal Services Officers are still experiencing an increase in tension in the community when dealing with dog owners. Some incidents have been referred to the police for investigation.

Parking and Bylaws

125. For the period of July to August over 11,900 infringements have been issued for parking, bus lane and freedom camping offences.
126. Parking complaints have increased by 12% in comparison for the same period last year. General trends continue with most complaints received in relation to illegally parked vehicles in residential and industrial areas, such as overstaying time restrictions, blocked footpaths and entranceways and parked on no-stopping lines.
127. There has been a 16% increase in bylaws complaints compared with the same period last year. Specifically, a 60% increase in homeless complaints.
128. The Bylaws team have been working with MSD to streamline a process when identifying who is receiving assistance. This information is now required for our Bylaw Officers to fairly apply the new Freedom Camping Act homeless exemption to these situations.

Team	Warning / Notice	Abatement	Infringement	Prosecution
Parking			9562	
Bus Lanes			2367	2
Freedom Camping			34	
Total			11963	2

Key Account Management

129. Our Key Account Management function continues to support the delivery of good regulatory outcomes, primarily operating across the Environmental Planning and Building Services teams, while working closely with Infrastructure, providing a single point of contact for engagement and communication with applicants and their teams.
130. Key projects include the Civic Precinct redevelopment, 2 Devonport Road, 90 Devonport Road, Haumoana private hospital, Bethlehem Shores, MetlifeCare, Northern Quarter, Ministry of Education, Bluehaven developments, Fosters Construction, Wolfbrook Residential Limited, Ministry of Justice, Group Home Builders, Spaces and Places capital project delivery and Mike Greer homes.

Events & Communications

131. A total of 4 events in August and September with industry and stakeholders have been hosted by Regulatory and Compliance. We also attended as an organisation the Tauranga Careers Expo, held in August.
132. Our next Group Home Builders Forum Q4 will be hosted off site at Toi-Ohomai as we collaborate with them to bring the industry and council together.
133. The growth of the Animal Services Facebook page is continuing to exceed expectations. On Thursday, 8 September, the page officially ticked over 3,000 followers. Through this page, we are able to create deeper connections with the dog owner community, and we are creating a better understanding of what the team do.
134. Planning is well underway for our next community event with dog owners – Bark in the Park. The inaugural event in 2022 was a great success with great feedback, and we are looking forward to seeing more of the community on 30 September at Memorial Park.

CITY DEVELOPMENT AND PARTNERSHIPS**City Partnerships**

135. Progress is being made with drafting the TECT funding agreement for \$21 million for the Te Manawataki o Te Papa civic development project. We are also working on the establishment of a community amenity fundraising trust to support the individual gifting and corporate sponsorship programme.

136. The inaugural meeting of the Te Manawataki o Te Papa Charitable Trust was held on 28 August 2023, resulting in some actions for us to progress.
137. A grant of \$800,000 has been confirmed for the Marine Parade Coastal Pathway project from the Ministry of Business, Innovation and Employment's Tourism Infrastructure Fund.
138. A grant of \$250,000 from Grassroots Trust has been confirmed for the Destination Skatepark Zones 3 and 4 project.
139. An application for \$200,000 was submitted to Pub Charity Limited to assist with the Tauranga Art Gallery redevelopment as part of the Masonic Park project, with a decision communicated around mid-September.
140. An application for \$1,000,000 was submitted to TECT's Community Facilities Fund to assist with the Links Avenue Reserve Upgrade Project (Home of Football). A decision will be communicated late October.
141. Draft Annual Reports have been received by all of our council-controlled organisations (CCOs) and will be presented by representatives from the CCOs at the Council meeting on 25 September.
142. Following a successful first year, applications are now open for the second intake of the CCO Board Intern Programme. Advertised through a range of channels including media advisory, social media, Institute of Directors (IOD), Appoint Better Boards websites, and our ethnic and disability community channels, the aim is to increase diversity on our CCO boards and provide a pipeline of prospective board members in the Bay of Plenty. The Tourism Bay of Plenty Board has agreed to host a board intern for 12 months as part of the IOD's Emerging Directors programme.
143. The City Partnerships Specialist facilitated a meeting with relevant Council staff and funding agencies to determine where and how the Mainstreet organisations could apply for additional funding for projects or events in their respective areas.
144. A process has been drafted for expanding a mainstreet targeted rate area with support from the Policy and Strategy team. We will progress work on this in the coming weeks.
145. The permanent appointment of a City Safety and Engagement Advisor has been very positively received by the city centre business community and relevant agencies, including NZ Police. Work continues to progress a potential City Ambassador programme.
146. The City Partnership Specialist continues to engage with a large number of city centre businesses and property owners. Main concerns centre around safety/security and transport, including Cameron Road and parking. There is considerable support for the progress that is being made with the city centre transformation.
147. Work with landlords, property managers and agents is ongoing, with a focus on business/developer attraction from out-of-towners. One local commercial agent has reported a shift in attitude, which has enabled four new businesses to be signed up in recent weeks due to some landlords being more open to different options to attract new tenants.

Te Manawataki o Te Papa – Civic Precinct

148. Relocation of the high voltage line is due to be completed in early October 2023. A temporary transformer has been installed on the corner of Willow and Harington Street. LT McGuinness will start demolition of the remaining Willow Street building structures and floorplate in October 2023.
149. Early procurement of long-lead materials for the Library and Community Hub have been approved, with deposits for laminated timber being paid to secure production slots and mitigate delay risk.
150. The project team are reviewing the developed designs for the Library and Community Hub, and the Museum, Exhibition Gallery and Civic Whare, to ensure value engineering is achieved across the entire Te Manawataki o Te Papa programme of works.
151. Barnes Beagley Doherr (BBD) have been appointed to provide quantity surveying peer review services for the Civic Development programme.

Art Gallery

152. The preliminary designs for the relocation of the entrance to the Tauranga Art Gallery from Wharf Street to Masonic Park and minor internal changes to the facility have been approved. The developed design process has commenced and expected to be finalised by mid-October.

The Strand Reserve

153. The Request for Proposal for the construction of Waterfront Reserve – North Park and sea wall received four submissions, which are currently being evaluated.
154. Targeted community engagement on the concept design for the Waterfront 'Milky Way' themed destination playground is underway.

Te Hononga ki Te Awanui (Harbour Link) Stage 1: Boardwalk and Underpass

155. Additional geotechnical investigations are in progress to inform the length of the individual boardwalk piles.
156. HEB Construction Ltd are scheduled to commence off-site construction in October 2023. Site handover for the demolition of the existing structure is scheduled for mid-November.

Masonic Park

157. The LT McGuinness pricing submission has been received and is currently being reviewed. Construction is scheduled to commence in early October, as planned.
158. Engagement is ongoing to coordinate physical works with nearby hospitality outlets, and the Tauranga Art Gallery.

Dive Crescent Carpark

159. The northern carpark was completed on 12 August 2023 and opened to the public on 14 August 2023. More than 100 carparks are now available for the community to use.
160. Construction of the southern carpark is due to commence on 18 September 2023, with a scheduled completion of mid-December 2023. A road safety audit has been completed and recommendations have been incorporated into the detailed design.
161. The demolition of the Fixation Coffee building is scheduled for 18-22 September 2023. Removal of the basketball court infrastructure is scheduled for 11 September 2023 and a new location for the court is currently being investigated.



Stage 1 of Dive Crescent Carpark completed

Beacon Wharf

162. Demolition of the existing wharf is completed, and the project team are awaiting results of CPT testing.
163. Detailed design of the viewing platform, which will replace the wharf structure and the gantry and ponton structure, is being finalised.
164. Reconstruction of the seawall is due to commence 30 October 2023, and construction of the Beacon Wharf viewing platform is due to commence following the completion of the seawall.

Spring Street Carpark Seismic Strengthening

165. Naylor Love are scheduled to complete the seismic upgrade of the Spring Street carpark on 29 September 2023. Minor bespoke reinforcing works to the structure on Level 11 are scheduled to be completed between 6-13 October 2023.

90 Devonport Road (Civic Administration Building Fitout)

166. Warren and Mahoney's 100% fitout detailed design package was received on 7 September 2023 and is being reviewed ahead of final approval by council.
167. The main contractor hard fitout pricing package has been reviewed and approved for inclusion in the base-build contract. The pricing of the fitout sectional hard fitout works will be completed by end of October 2023.



Structural steel K frames installed for level 2



Structural CLT timber for second level being unloaded



First floor CLT complete. LTMcG targeting 1 floor completed per month

Elizabeth Street East/Tunks Reserve

168. The construction of the retaining wall structures is currently underway, and the project programme is on-track and due to be completed by the end of December 2023.
169. The construction of kerb and channel, and the footpath on the northern side of Elizabeth Street in front of BOPRC and commercial premises, is now complete.



Lagging works for retaining wall one



Finished pavement in front of BOPRC



Kerbing install completed on the northern side of Elizabeth Street East

Memorial Park

170. The project scope includes development of new aquatic facilities, a wellness centre and indoor court facilities. The architects have completed a Functional Design Brief in consultation with Bay Venues, mana whenua, and stakeholders, for a combined Memorial Park Recreation Hub.
171. Project governance transitioned to Te Manawataki o Te Papa Ltd from 4 September 2023.
172. The project team is actively working on programme, procurement strategy and communication with key users, and are on track to report back by the end of 2023 with a concept design for the Memorial Park Recreation Hub. This will also include costing and construction programming. In parallel, work on broader planning for the park will be undertaken with key stakeholders and a preferred option also presented.

160-176 Devonport Road carpark

173. Liaison and communication with lease holders, and surrounding businesses and residents is ongoing.
174. Design of the temporary carpark is complete, including opportunities for cycle parking. Consent has been submitted and procurement is underway with request for tenders due to go out imminently.
175. Demolition is planned from mid-October, with construction of the car park to follow. Car parks are planned to be available for use in early 2024.

City Developments

176. The optioneering report and estimated costs for the design of the laneway from Durham Street to Grey Street has been issued to Council. Council is now finalising the development feasibility of a new development adjacent to the laneway on Grey Street, and the structural feasibility of adaptive reuse of the existing 'Importer' building.
177. Working closely with the Spaces and Places team, we have designed a small improvement to the streetscape area on Grey Street outside the entrance to He Puna Manawa. The works will include the replacement of the maintenance-intensive Queen Palms, and removal of the cracked walls and raised planters. Works are expected to commence in October 2023 and will inform a future extension of the streetscape improvements to Grey Street.
178. The team is working collaboratively across Council to deliver public realm improvements and an activation plan for Red Square over the summer season. Red Square will be a key public space for the city centre while Te Manawataki o Te Papa, Masonic Park, and the Waterfront are under development. We are working to provide opportunities for small scale activations which will improve the perception of the city centre as a place with vibrancy and a new emerging identity.
179. Consultants Beca are finalising the first stage of a project to develop an interactive, map-based tool of all projects, both present and future in the city centre. This tool will provide a plan to enable proactive coordination of the delivery of these projects, to minimise disruption and maximise efficiencies across all projects to be delivered in the city centre.

180. We continue to support the Transportation team to develop the city centre movement and access framework for delivery. The first stage of implementation will include works to enable quick changes in how the road network is used to support greater pedestrianisation of the city centre, and the new public transport route.

Communications and engagement

181. Our “It’s On” campaign continues to be rolled out at various construction sites in the city centre including at 90 Devonport Road and Tunks Reserve.
182. We are also ensuring this It’s On ‘look and feel’ is consistent with all other city centre related communications and engagement material, to reinforce that all projects and initiatives are interconnected – for example, the targeted engagement for the waterfront playground and a city centre businesses brochure.
183. We continue to share the progress of construction at 90 Devonport Road with the community through social media and, when appropriate, other comms channels, through the use of video footage, timelapse cameras, and relevant imagery.
184. The opening of Dive Crescent carpark (north) was supported with proactive communications to show the community the progress being made along one of the key gateways to the city centre, and to let them know car parking is available. We have also promoted the electronic car parking signs that have been installed in the city centre, which resulted in significant positive online engagement and feedback.
185. We continue to undertake a number of face-to-face meetings and engagement with businesses in the city centre on a weekly basis, to share our plans for the city centre and hear any questions people may have. This engagement is proving a highly effective way of raising awareness and building goodwill, trust and confidence in what is taking place in the city centre.
186. With works at the Te Manawataki o Te Papa and Masonic Park sites set to kick off early next month, communications and engagement planning is underway so we can let directly impacted businesses and the community know of the up-coming plans.
187. Communications and engagement planning is underway to promote the planned summer activations in the city centre.

ATTACHMENTS

Nil

12 DISCUSSION OF LATE ITEMS

13 PUBLIC EXCLUDED SESSION

Resolution to exclude the public

RECOMMENDATIONS

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
13.1 - Public Excluded Minutes of the Council meeting held on 4 September 2023	<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)(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)(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>	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
13.2 - Deputy Chair and Trustee Appointments to the Tourism Bay of Plenty Board	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	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
13.3 - Disposal of Smiths Farm and Housing Equity Fund Affordable Housing Proposed Arrangement	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)	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

14 CLOSING KARAKIA