DRAFT MINUTES

Ordinary Council meeting
Tuesday, 22 September 2026

Order of Business

MINUTES OF TAURANGA CITY COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE TAURANGA CITY COUNCIL CHAMBERS,
L1, 90 DEVONPORT ROAD, TAURANGA
ON TUESDAY, 22 SEPTEMBER 2026 AT 9:30 AM

MEMBERS PRESENT:	Mayor Mahé Drysdale (Chair), Deputy Mayor Jen Scoular, Cr Hautapu Baker, Cr Glen Crowther, Cr Rick Curach (online), Cr Steve Morris, Cr Kevin Schuler, Cr Rod Taylor, Cr Hemi Rolleston (online).
IN ATTENDANCE:	Marty Grenfell (Chief Executive), Christine Jones (General Manager: Strategy, Partnerships & Growth), Gareth Green (Manager of the Mayoral Office), Reneke van Soest (General Manager: Operations & Infrastructure), Sarah Omundsen (General Manager: Regulatory & Community Services), Craig Rice (Chief Operating & Financial Officer), Kathryn Sharplin (Head of Finance), Susan Davidson (Head of Communications & Engagement), Tracey Hughes (Manager: Organisational Financial Performance and Corporate Planning), Sarah Holmes (Team Leader: Governance & CCO Support Services), Quinn Tawaka (Governance Advisor).

Timestamps are included at the start of each item and signal where the agenda item can be found in the recording of the Council meeting held on 22 September 2026 on Council's YouTube Channel.

1 OPENING KARAKIA

Cr Hautapu Baker opened the meeting with a karakia.

PRESENTATION

Frazer Smith - 30 Year Anniversary at Tauranga City Council

- The Mayor acknowledged Frazer Smith's 30 years of service to Tauranga City Council and thanked him for his significant contribution to the organisation and the city.
- Frazer's extensive knowledge and expertise across finance, insurance, growth levy modelling, financing, accounting and audit matters were recognised, along with the trusted and well-reasoned advice he provides across the organisation.
- His significant contribution to strategic financing initiatives was acknowledged.
- The Mayor recognised Frazer's commitment to supporting and developing others, including coaching staff and mentoring Finance team members through the practical requirements of their Chartered Accountant professional membership.
- Frazer was acknowledged for consistently demonstrating the organisation's values, particularly pono and integrity, as well as his commitment to seeing complex and detailed work through to completion.
- His positive contribution to the team, including his sense of humour and support for colleagues, was also recognised.
- The Mayor thanked Frazer for his dedicated service and contribution over the past 30 years.

2 APOLOGIES

RESOLUTION CO/26/17/1

Moved: Cr Rod Taylor
Seconded: Cr Kevin Schuler

That apologies from Cr Marten Rozeboom be received and accepted.

CARRIED

3 PUBLIC FORUM

Nil.

4 ACCEPTANCE OF LATE ITEMS

The Chair advised there were no late items, and noted there was one supplementary attachment to item 13.1.

5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

The Chair advised that item 13.1 would be considered in the open section of the meeting, and the report would be made publicly available with the open agenda.

6 CHANGE TO THE ORDER OF BUSINESS

The Chair advised that item 13.4: 'Local Water Done Well Digital Programme - Revised Approach for Phase Two' would be taken at 4pm.

7 CONFIRMATION OF MINUTES

7.1 Minutes of the Council meeting held on 11 August 2026

RESOLUTION CO/26/17/2

Moved: Cr Steve Morris
Seconded: Cr Kevin Schuler

That the Minutes of the Council meeting held on 11 August 2026 be confirmed as a true and correct record.

CARRIED

8 DECLARATION OF CONFLICTS OF INTEREST

Nil

9 DEPUTATIONS, PRESENTATIONS, PETITIONS

9.2 Petition: Jan Iles - Request to Council to establish a Residents Committee to facilitate community participion in the Memorial Pool decision making process

RESOLUTION CO/26/17/3

Moved: Cr Steve Morris
Seconded: Cr Glen Crowther

That the Council:

(a) Receives the Petition: Jan Iles – Request to Council to establish a Residents Committee to facillitie community participation in the Memorial Pool decision-making process.

CARRIED

Attachments

1 9.2 Jan Iles Petition Poster - on screen display

10 RECOMMENDATIONS FROM OTHER COMMITTEES

Nil

11 BUSINESS

Timestamp: 44 minutes and 31 seconds.

11.1 Organisational Response Programme to Mauao External Review Report

Staff Christine Jones, General Manager: Strategy, Partnerships & Growth
Sarah Omundsen, General Manager: Regulatory & Community Services
Reneke van Soest, General Manager: Operations & Infrastructure
Craig Rice, Chief Operating & Financial Officer

RESOLUTION CO/26/17/4

Moved: Mayor Mahé Drysdale
Seconded: Deputy Mayor Jen Scoular

That the Council:

(a) Receives the report "Organisational Response Programme to Mauao External Review Report ".

(b) Approves Organisational Improvement Programme Plan structural arrangements of:

(i) A Programme Steering Group;

(ii) Programme Steering Group members of Executive Team Sponsors, Elected Member/s, and special experts if required, appointed by the Mayor in consultation with Elected Members and the Chief Executive;

(iii) An independent programme director with relevant skills and expertise appointed by the Chief Executive, in consultation with the Mayor.

(iv) Regular formal reporting to the Programme Steering Group and the Audit & Risk Committee, as well as informal regular reporting to all elected members.

(c) Approves unbudgeted expenditure up to a maximum of $500,000 to enable:

- Recruitment and appointment of independent Organisational Improvement Programme Director
- Resources to further refine the Organisational Improvement Programme Plan, with particular focus on budget review balancing cost efficiency with programme effectiveness.
- Proceeding with the immediate actions under the risk framework workstream
- Proceeding with the culture workstream actions to understand the current culture through interviews, focus groups and surveys.

(d) Requests staff to report back to Council with a refined recommended Organisational Improvement Programme, including recommended budgets, resource requirements, implementation sequencing and measures of success for approval.

CARRIED

Attachments

1 Presentation - Organisational Response Programme

At 11:30 am, Deputy Mayor Jen Scoular left the meeting.

At 11.30am the meeting adjourned.

At 11.47am the meeting resumed in open.

Timestamp: 2 hours and 17 minutes.

11.2 2027-2037 Long-term Plan - Outcome and Service Performance Measures.

Staff Josh Logan, Team Leader: Policy & Corporate Planning
Jeremy Boase, Head of Strategy, Governance & Climate Resilience

RESOLUTION CO/26/17/5

Moved: Cr Rod Taylor
Seconded: Cr Kevin Schuler

That the Council:

(a) Receives the report "2027-2037 Long-term Plan - Outcome and Service Performance Measures."

(b) Approves the draft Outcome and Service Performance Measures for inclusion in the Groups of Activities section and supporting documentation of the 2027-2037 Draft Long-term Plan, as proposed in Attachments 1 and 2.

CARRIED

At 12:26 pm, Deputy Mayor Jen Scoular returned to the meeting.

Timestamp: 2 hours and 31 minutes

11.3 Annual Report 2025-26 - Rates Surplus and Options

Staff Tracey Hughes, Manager: Organisational Financial Performance & Corporate Planning
Kathryn Sharplin, Head of Finance
Craig Rice, Chief Operating and Financial Officer

RESOLUTION CO/26/17/6

Moved: Cr Glen Crowther
Seconded: Cr Rod Taylor

That Council:

(a) Receives the report "Annual Report 2025-26 - Rates Surplus and Options".

(b) Notes the rates surplus based on the draft financial results for 2025-26 is $10.33m

(c) Notes $4.75m of expected 2025-26 surplus was allocated to offset rates requirement in the 2026-27 Annual Plan.

CARRIED

RESOLUTION CO/26/17/7

Moved: Cr Glen Crowther
Seconded: Cr Rod Taylor

(d) Agrees to treat the remaining surplus of $5.58m in the following way:

(i) Allocates $5.58m of the rates surplus to retire debt, through the “unfunded liabilities” reserve for transparency.

For: Cr Hautapu Baker, Cr Glen Crowther, Cr Rick Curach, Cr Rod Taylor and Cr Hēmi Rolleston

Against: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular, Cr Steve Morris and Cr Kevin Schuler

CARRIED 5/4

Timestamp: 2 hours and 56 minutes

11.4 Council-controlled organisations - Review of Director Fees July-August 2026

Staff Caroline Lim, CCO Specialist
Jeremy Boase, Head of Strategy, Governance & Climate Resilience

RESOLUTION CO/26/17/8

Moved: Mayor Mahé Drysdale
Seconded: Cr Hautapu Baker

That the Council:

(a) Receives the report "Council-controlled organisations - Review of Director Fees July-August 2026".

(b) Approves the following regarding the fee increase:

(iv) Option 1D – apply maximum fee levels equivalent to Option 1B: 5.2% for Bay Venues Limited, Tauranga Art Gallery Trust, and Tourism Bay of Plenty, and 3.45% for Te Manawataki o Te Papa Limited, while allowing boards discretion over whether and when to implement increases.

(c) Approves the following regarding who is funding the fee increase:

(ii) Option 2B – Council-controlled organisations fund increase: the CCO funds increase from within the CCO operational budget.

CARRIED

At 1:10pm, Deputy Mayor Jen Scoular left the meeting.

Timestamp: 3 hours and 8 minutes

11.5 Consultation on Options for a New Governance and Delivery Model for Tauranga Airport

Staff Alastair McNeil, Head of Commercial
Charles Lane, Team Leader: Commercial Legal
Craig Rice, Chief Operating and Financial Officer

Actions Requested:

- That staff make the working group agendas and minutes publicly available where possible, noting redactions may be required.

RESOLUTION CO/26/17/9

Moved: Cr Rod Taylor
Seconded: Cr Kevin Schuler

That Council:

(a) Receives the report "Consultation on options for governance and delivery model for Tauranga Airport".

(b) Agrees to progress the proposed work programme to assess possible future ownership, governance and delivery arrangements for Tauranga Airport.

(c) Notes that any formal public consultation would be undertaken through the Long-term Plan 2027-37 process, which would address the statutory requirements associated with establishing a Council-Controlled Organisation or Council-Controlled Trading Organisation and any proposed transfer of ownership or control of Airport assets and activities. The consultation material would present Council's preferred approach together with reasonably practicable alternatives.

(d) Establishes an Airport Working Group in accordance with the Terms of Reference at **Attachment 2.**

(e) Agrees to appoint the Mayor, two elected members, one Mana Whenua representative, and experts as required, as members of the Airport Working Group, with delegation for appointments to the Mayor.

(f) Approves obtaining professional tax advice, including a binding ruling from Inland Revenue, to provide certainty on Council's tax position and inform the assessment of the available options.

(g) Requests that staff report back to Council with the outcomes of the options analysis and due diligence, the proposed commercial term sheet, the outcomes of the tax advice and Inland Revenue ruling process, and any other supporting advice necessary to enable Council to determine whether a change to the current ownership, governance and delivery arrangements is warranted and, if so, a preferred ownership, governance and delivery model, together with reasonably practicable alternatives, for consultation through the draft Long-term Plan 2027-37.

(h) Agrees that the commercially sensitive parts of this report and its attachments are to remain in the public excluded section on the grounds that release of that commercially sensitive information would be likely to prejudice or disadvantage Council's commercial activities and negotiating position in relation to the future ownership, governance and delivery arrangements for Tauranga Airport.

CARRIED

At 1.17pm the meeting adjourned.

At 1.50pm the meeting resumed in open.

At 2:03pm, Deputy Mayor Jen Scoular returned to the meeting.

PUBLIC EXCLUDED ITEM TRANSFERRED INTO OPEN

Timestamp: 4 hours and 20 minutes

13.1 Consultation on Possible Future Governance and Delivery Options of Community Assets

Staff Alastair McNeil, Head of Commercial
Charles Lane, Team Leader: Commericial Legal
Craig Rice, Chief Operating and Financial Officer

External Julie Hardaker, Deputy Chair, Bay Venues Limited
Chad Hooker, Chief Executive, Bay Venues

Actions Requested:

- That staff make the working group agendas and minutes publicly available where possible, noting redactions may be required.

RESOLUTION CO/26/17/10

Moved: Cr Hautapu Baker
Seconded: Cr Glen Crowther

That Council:

(a) Receives the report "Consultation on Possible Future Governance and Delivery Options of Community Assets. "

(b) Agrees to progress the proposed work programme to assess possible future ownership, governance and delivery arrangements for BVL's assets and activities, including opportunities to improve community clarity about the relationship between BVL and Council-branded assets, and to explore shared services opportunities that could strengthen alignment and deliver improved value for money.

(c) Notes that any formal public consultation would be undertaken through the draft Long-term Plan 2027–37 process and, if the preferred approach involves the transfer of ownership or control of a strategic asset, would address the requirements of section 97 of the Local Government Act 2002. The consultation material would present Council's preferred approach, together with reasonably practicable alternatives and the advantages, disadvantages and implications of each option.

(d) Establishes a BVL Working Group in accordance with the Terms of Reference at **Attachment 3.**

(e) Agrees to appoint the Mayor, two elected members, one Mana Whenua representative, and experts as required, as members of the BVL Working Group, with delegation for appointments to the Mayor.

(f) Requests that staff report back to Council with the outcomes of any targeted engagement, the recommendations of the BVL Working Group, the business case, options analysis and due diligence, a recommended preferred approach together with reasonably practicable alternatives, a recommended decision and implementation pathway, and any other advice necessary to enable Council to determine whether a change to the ownership, governance or delivery arrangements for BVL's assets and activities is warranted.

(g) Notes that no final decision involving the transfer of ownership or control of a strategic asset will be made unless the proposal has first been expressly provided for in the Long-term Plan and Council has considered the consultation feedback.

(i) Agrees that the commercially sensitive parts of this report and its attachments remain in public excluded on the grounds that their release would be likely to prejudice or disadvantage the commercial activities of Council or BVL, or Council's position in relation to any possible future ownership, governance and delivery arrangements for BVL's assets and activities.

CARRIED

Attachments

1 Bay Venues Discussion Document

12 DISCUSSION OF LATE ITEMS

Nil

13 PUBLIC EXCLUDED SESSION

Resolution to exclude the public at 2:33pm.

RESOLUTION CO/26/17/11

Moved: Cr Rod Taylor
Seconded: Cr Kevin Schuler

That the public be excluded from the following parts of the proceedings of this meeting at 2:33pm.

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
13.2 - Litigation report	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)(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 s7(2)(f)(ii) - The withholding of the information is necessary to maintain the effective conduct of public affairs through the protection of Council members, officers, employees, and persons from improper pressure or harassment s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege s6(c) - The making available of the information would be likely to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial	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 - Bay of Plenty Housing Equity Fund	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	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

	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)	
13.4 - Local Water Done Well Digital Programme - Revised Approach for Phase Two	s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	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

CARRIED

At 4.55pm the meeting resumed in open.

14 CLOSING KARAKIA

Cr Hautapu Baker closed the meeting with a karakia.

The meeting closed at 4:55pm.

The minutes of this meeting were confirmed as a true and correct record at the Ordinary Council meeting held on 20 October 2026.