



Notice is hereby given that a Meeting of the Stewart Island/Rakiura Community Board will be held on:

Date: Thursday, 13 September 2018
Time: 10.30 am
Meeting Room: Stewart Island Pavilion
Venue: Ayr St, Stewart Island

Stewart Island/Rakiura Community Board Agenda OPEN

MEMBERSHIP

Chairperson	Jon Spraggon
Deputy Chairperson	Steve Lawrence
Members	Dale Chittenden
	Aaron Conner
	Greg Everest
	Anita Geeson
	Councillor Bruce Ford

IN ATTENDANCE

Committee Advisor	Kirsten Hicks
Community Partnership Leader	Karen Purdue

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Full agendas are available on Council's Website
www.southlanddc.govt.nz

Note: The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. Should Members require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.

Terms of Reference – Community Boards

Community Boards are bodies established by statute. Their responsibilities and powers are as delegated by the Southland District Council which are to:

- Represent and act as an advocate for the interest of its community.
- Consider and report on all matters referred to it by the Southland District Council, or any matter of interest or concern to the Community Board.
- Maintain an overview of services provided by the Southland District Council within the community.
- Consider annual estimates for expenditure within the community and recommend these to Council.
- Communicate with community organisations and special interest groups within the community.
- Undertake any other responsibilities that are delegated to it by the Southland District Council.

In addition to these activities, Community Boards will consider how best to provide for their communities, and the people who live there, into the future.

Community Board members will provide leadership by:

- Positively representing their community and the Southland District
- Identifying key issues that will affect their community's future and work with Council staff and other local representatives to facilitate multi-agency collaborative opportunities.
- Promote a shared vision for the wider community of interest area and develop ways to work with others to achieve positive outcomes
- Community Boards will adopt a strategic focus that will enable members to:
- Provide local representation and guidance on wider community issues, initiatives and projects.
- Contribute to the development and promotion of community cohesion, by developing and supporting relationships across a range of stakeholders at a local, regional and national level.
- Take part in local community forums, meetings and workshops.
- Inform local residents and ratepayers on issues that affect them.

Community Boards shall have the following delegated powers and be accountable to Council for the exercising of these powers

Engagement and representation by:

- Facilitating the Council's consultation with local residents and community groups on local issues and local aspects of district wide issues including input into the Long-term Plan, Annual Plan, and policies that impact on the Board's area.
- Engaging with council officers on local issues and levels of service, including infrastructural, recreational, community services and parks, reserves and cemetery matters.
- Representing the interests of the community at Council, Committee or Subcommittee meetings when a motion under debate relates to a matter that the Board considers to be of particular interest to the residents within its community.
- Monitoring and keeping the Council informed of community aspirations and the level of satisfaction with services provided.

Financial by:

- Approving expenditure within the limits of annual estimates.
- Approving unbudgeted expenditure for locally funded activities up to the value of \$10,000.

Rentals and leases

- In relation to all leases of land and buildings within their own area, on behalf of Council;
 - Accepting the highest tenders for rentals of \$10,000; or less per annum.
 - Approving the preferential allocation of leases where the rental is \$10,000 or less per annum.
-

Local assets and facilities by

- Overseeing the management of local halls and community centres which are owned by Council and where no management committee exists. This will occur by way of relationship with officers of Southland District Council.
- Appoint a local liaison person responsible for community housing.

Some Community Boards have specific delegations in addition to the broad delegations above:

Stewart Island/Rakiura Community Board

- Contributing to the development of policy relating to the governance of the Stewart Island Electrical Supply Authority (SIESA).
- Overseeing the management of SIESA by way of relationship with officers of Southland District Council.

Te Anau Community Board

- Overseeing the management of the Te Anau/Manapouri Airport by way of relationship with officers of Southland District Council.

The Community Boards can make recommendations to Council on:

Assets and Facilities

- Annually providing feedback on any asset management plans or community services strategies applicable to the community for which the Community Board is responsible.

Rentals and leases

- In relation to all leases of land and buildings within their own area, on behalf of Council;
 - Recommending rentals in excess of \$10,000 per annum to the Group Manager Services and Assets
 - Recommending the preferential allocation of leases where the rental is in excess of \$10,000 per annum to the Group Manager Services and Assets.

Contracts/Tenders

- Recommending tenders less than \$200,000 to the Group Manager Services and Assets.
- Recommending tenders in excess of \$200,000 to the Services and Assets Committee.
- Recommending tenders to the Services and Assets Committee where preference is not for acceptance of the highest tenderer,

Financial

- Recommending annual estimates to Council.
- Recommending unbudgeted expenditure in excess of \$10,000 to the Services and Assets Committee.

Local Policy

- Considering matters referred to it by officers, the Council, its committees or subcommittees, including reports and policy and bylaw proposals relating to the provision of council services within the Board's area; and
- Making submissions or recommendations in response to those matters as appropriate.

The Chairperson of each Community Board is delegated with the following additional responsibilities:

- Approval of leases, rental agreements and the rollover of existing contracts under \$1,000;
- Engaging with Community Board members to make submissions to the Council on behalf of the Community Board where a submission period is outside of the Community Board meeting cycle. Where a Chairperson is unable to base a submission on a consensus among Community Board members, a Community Board meeting must be held.

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CHAIRPERSON'S REPORT

COUNCILLOR'S REPORT

1 Apologies

At the close of the agenda no apologies had been received.

2 Leave of absence

At the close of the agenda no requests for leave of absence had been received.

3 Conflict of Interest

Committee Members are reminded of the need to be vigilant to stand aside from decision-making when a conflict arises between their role as a member and any private or other external interest they might have.

4 Public Forum

Notification to speak is required by 5pm at least two days before the meeting. Further information is available on www.southlanddc.govt.nz or phoning 0800 732 732.

5 Extraordinary/Urgent Items

To consider, and if thought fit, to pass a resolution to permit the committee to consider any further items which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, and the Chairperson must advise:

- (i) the reason why the item was not on the Agenda, and
- (ii) the reason why the discussion of this item cannot be delayed until a subsequent meeting.

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

"Where an item is not on the agenda for a meeting,-

- (a) that item may be discussed at that meeting if-
 - (i) that item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
- (b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion."

6 Confirmation of Minutes

6.1 Meeting minutes of Stewart Island/Rakiura Community Board, 13 August 2018



Stewart Island/Rakiura Community Board

OPEN MINUTES

UNCONFIRMED

Minutes of a meeting of Stewart Island/Rakiura Community Board held in the Stewart Island Pavilion, Ayr St, Oban on Monday, 13 August 2018 at 9.45am.

PRESENT

Chairperson	Jon Spraggon
Deputy Chairperson	Steve Lawrence
Members	Aaron Conner
	Greg Everest
	Anita Geeson

IN ATTENDANCE

Community Partnership Leader – Simon Moran
Community Engineer – Brendan Gray
Policy Analyst – Robyn Rout
Committee Advisor – Kirsten Hicks

1 Apologies

Apologies were received from Councillor Ford and Member Chittenden

Moved Member Everest, seconded Deputy Chairperson Lawrence **and resolved:**

That the Stewart Island/Rakiura Community Board accepts the apologies.

2 Leave of absence

There were no requests for leave of absence.

3 Conflict of Interest

Member Conner declared a conflict of interest in relation to item 7.1 Stewart Island Jetties General Condition and Approval for Funding.

Deputy Chairperson Lawrence declared a conflict of interest in relation to item 8.2 – SIESA Financial Report to 30 June 2018, and item 8.5 Relocation of Power Pole on Hicks Road.

Member Everest declared a conflict of interest in relation to item 8.5 Relocation of Power Pole on Hicks Road.

4 Public Forum

Mel Miller and Liz Cave addressed the Board on the proposed Toy Library.

5 Extraordinary/Urgent Items

Moved Chairperson Spraggon, seconded Member Everest and **resolved:**

That the Stewart Island/Rakiura Community Board consider the following items as a matter of urgent business in order that a decision can be made before the next ordinary meeting, subject to Section 46A of the Local Government Official Information and Meetings Act 1987

Item 1: Proposed Toy Library, to assist this project moving forward.

Members were unanimous in their support of this venture. It was suggested that the storage area currently used by the Department of Conservation might serve well as toy storage. A door would need to be cut through the back wall of the main room to allow access. If agreed upon, this alteration would be the responsibility of the Toy Library. Further discussion and agreement needs to be undertaken to allocate costs, and any restrictions.

6 Confirmation of Minutes

Resolution

Moved Member Everest, seconded Member Geeson **and resolved:**

That the Stewart Island Rakiura Community Board confirms the minutes of the meeting held on Monday 11 June 2018 as a true and correct record of that meeting.

Reports for Resolution

7.1 Stewart Island Jetties General Condition and Approval for Funding

Record No: R/18/7/17504

Community Engineer Brendan Gray was in attendance for this report.

Member Conner declared a conflict of interest in this item.

Resolution

Moved Deputy Chairperson Lawrence, seconded Member Everest **recommendations a to c, with changes to d,e,f,g,h (as indicated with a strikethrough) a new i (as indicated) and resolved:**

That the Stewart Island/Rakiura Community Board:

- a) **Receives the report titled "Stewart Island Jetties General Condition and Approval for Funding" dated 3 August 2018.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **~~Accepts~~/rejects Option 1 to fund the Millars Beach and Ulva Island jetty repairs by way of a loan.**
- e) **~~Accepts~~/rejects the recommendation of Option 2 using Stewart Island local reserves to repair Millars Beach jetty up to a value of \$30,000 plus GST, and seeks approval for unbudgeted expenditure from Council to undertake this work as soon as possible.**
- f) **~~Accepts~~/rejects the recommendation of Option 3 to fund the required repairs for Ulva Island jetty at a cost up to the value of \$50,000 plus GST, from the Stewart Island/Rakiura reserves and seeks approval for unbudgeted expenditure from Council to undertake this work as soon as possible.**

- g) **Supports/~~does not~~ Option 4 that Millars Beach jetty remain closed for the upcoming season.**
- h) **Supports/~~does not support~~ Option 5 that Ulva Island jetty should be closed now until the rebuild is completed in 2019/2020.**
- i) **Supports \$80,000, to be funded from Stewart Island reserves, for the Ulva Island Wharf rebuild.**

Reports

8.1 Council Report

Record No: R/18/7/18091

Community Partnership Leader Simon Moran was in attendance for this report.

Items drawn to members' attention included the following:

- Water issues
- Localism project
- International Visitor Conservation and Tourism Levy
- Council Strategic Workshop
- Southland Regional Development Agency
- Policy and Bylaw Updates
- MBIE Stewart Island Community Plan
- Predator Free Rakiura
- Resource Management
- Stewart Island Electrical Power Authority
- Te Anau Wastewater Discharge Project
- Finances for Stewart Island/Rakiura Community Board

Resolution

Moved Member Everest, seconded Deputy Chairperson Lawrence **and resolved:**

That the Stewart Island/Rakiura Community Board:

- a) **Receives the report titled "Council Report" dated 25 July 2018.**

8.2 SIESA - Financial Report to 30 June 2018

Record No: R/18/7/17995

Community Engineer Brendan Gray was in attendance for this report.

Deputy Chairperson Lawrence declared a conflict of interest in this matter.

Resolution

Moved Member Geeson, seconded Member Everest **and resolved**

That the Stewart Island/Rakiura Community Board:

- a) **Receives the report titled "SIESA - Financial Report to 30 June 2018" dated 3 August 2018.**

8.3 DRAFT Stewart Island/Rakiura Visitor Levy Policy and Bylaw Update

Record No: R/18/8/18374

Policy Analyst Robyn Rout was in attendance for this report.

Resolution

Moved Member Everest, seconded Member Conner **and resolved:**

That the Stewart Island/Rakiura Community Board

- a) **Receives the report titled "DRAFT Stewart Island/Rakiura Visitor Levy Policy and Bylaw Update" dated 2 August 2018.**

8.4 Requests and suggestions from submissions to the Long Term Plan 2018-2028

Record No: R/18/5/10612

Policy Analyst Robyn Rout was in attendance for this report.

Members noted the submissions from the public on the Long Term Plan 2018 – 2028.

Resolution

Moved Member Everest, seconded Member Conner

That the Stewart Island/Rakiura Community Board:

- a) **Receives the report titled "Requests and suggestions from submissions to the Long Term Plan 2018-2028" dated 8 August 2018.**

8.5 Relocation of Power Pole on Mr Davis' Property, Hicks Road, Stewart Island and approval for unbudgeted expenditure

Record No: R/18/7/16829

Community Engineer Brendan Gray was in attendance for this report.

Member Everest and Deputy Chairperson Lawrence declared a conflict of interest in this item.

Resolution

Moved Member Geeson, seconded Member Conner **recommendations a to c, with changes to d,e,f, (as indicated with a ~~strikethrough~~) a new g (as indicated) and resolved:**

- a) **Receives the report titled "Relocation of Power Pole on Mr Davis' Property, Hicks Road, Stewart Island and approval for unbudgeted expenditure" dated 1 August 2018.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **~~Accepts~~/rejects Option 1 at an estimated cost of \$56,000, ex GST, and seeks unbudgeted expenditure approval from Council to fund the work from SIESA Reserves**
- e) **~~Accepts~~/rejects Option 2 at an estimated cost of \$25,800, ex GST, and seek unbudgeted expenditure approval from Council to fund the work from SIESA reserves**
- f) **~~Accepts~~/rejects Option 3 at an estimated cost of \$22,300, ex GST, and seek unbudgeted expenditure approval from Council to fund the work from SIESA reserves**
- g) **Requests staff investigate alternative options for delivery of electricity to 82 Back Road, Stewart Island.**

9.1 Chairperson's Report

Chairperson Spraggon updated members on his involvement in the following:

- Media interviews (Dark Sky and 1080 incident)
- Signage at Golden Bay
- Halfmoon Bay recycling bins
- Replacement Stewart Island policeman
- Informal Board meeting (trees - Hicks Road, Island image, Oban sign, removal of gardens by school, Observation Rock platform, parking, proposed one-way system, Bragg Bay site)
- Argyle Street carpark extension

The meeting concluded at 12.20pm

CONFIRMED AS A TRUE AND CORRECT RECORD AT A
MEETING OF THE STEWART ISLAND/RAKIURA
COMMUNITY BOARD HELD ON 13 AUGUST 2018

DATE:.....

CHAIRPERSON:.....

Stewart Island/Rakiura Jetties - Maintenance

Record No: R/18/9/20670
Author: Steve Ruru, Chief Executive
Approved by: Steve Ruru, Chief Executive

☒ Decision

☐ Recommendation

☐ Information

Purpose

- 1 To seek approval to progress the completion of urgent maintenance works to the Ulva Island and Millers Beach jetties to ensure that Council can comply with its resource consent, health and safety and other obligations.

Executive Summary

- 2 At its meeting on 13 August 2018 the Stewart Island/Rakiura Community Board considered a report seeking unbudgeted expenditure approval to enable urgent maintenance works to be completed on both the Ulva Island and Millers Beach jetties so that both facilities would be brought up to an appropriate standard, and in the case of Millers Beach able to be reopened for the upcoming summer season.
- 3 Following consideration of the report the community board declined to approve the unbudgeted expenditure and proposed allocation of funding from their local reserves. It appears that the board adopted the view that it would prefer to see, particularly in the case of Ulva Island, the funding allocated to the redevelopment of this jetty that they are hoping to progress in the 2019/20 year rather than short term maintenance works.
- 4 The community board decision created a number of issues including the fact that it is inconsistent with the relevant resource consent conditions, is likely to have flow on reputational consequences for Stewart Island as a tourism destination and is not consistent with the adopted levels of service. As a result the Council was asked, at its meeting on 5 September, to consider whether it was prepared to accept this position.
- 5 The Council has approved unbudgeted expenditure of upto \$80,000, to be funded from the district operations reserve, to enable the maintenance works needed on the Ulva Island and Millers Beach jetties to be completed. This paper seeks the approval of the community board to these works being completed.
- 6 As a separate but related issue the Council has also asked the Chief Executive to draft terms of reference for a review of the strategic challenges associated with the delivery and funding of Council services on Stewart Island. Such a review would enable the development of a broader understanding of the service delivery and funding challenges which exist and how these might best be addressed.

Recommendation

That the Stewart Island/Rakiura Community Board:

- a) Receives the report titled “Stewart Island/Rakiura Jetties - Maintenance” dated 5 September 2018.**
- b) Determines that this matter or decision be recognised not significant in terms of Section 76 of the Local Government Act 2002.**
- c) Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) Notes that Council approved unbudgeted expenditure of \$80,000, from the district operations reserve, to enable the immediate repairs needed to the Ulva Island and Millers Beach jetties to be completed as soon as reasonably practicable.**
- e) Approves the completion of the necessary maintenance works on the Ulva Island and Millers Beach jetties and asks that these works be completed as soon as reasonably practicable.**
- f) Notes that Council has asked the Chief Executive to develop, in consultation with the Stewart Island/Rakiura Community Board, a project scope for a potential project to investigate the strategic challenges associated with the provision and funding of Council services on Stewart/Island Rakiura and that the Chief Executive will report back to a future meeting of the Board with draft terms of reference.**

Background

- 7 At its meeting on 13 August 2018 the Stewart Island/Rakiura Community Board considered a report seeking unbudgeted expenditure approval to enable urgent maintenance works to be completed on both the Ulva Island and Millers Beach jetties so that both facilities would be brought up to an appropriate standard, and in the case of Millers Beach able to be reopened for the upcoming summer season. As a result of its deliberations the Board passed the following resolutions:

Resolution

*Moved Deputy Chairperson Lawrence, seconded Member Everest **and resolved***

That the Stewart Island/Rakiura Community Board:

- a) **Receives the report titled “Stewart Island Jetties General Condition and Approval for Funding” dated 3 August 2018.***
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.***
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.***
- d) **Rejects Option 1 to fund the Millars Beach and Ulva Island jetty repairs by way of a loan.***
- e) **Rejects the recommendation of Option 2 using Stewart Island local reserves to repair Millars Beach jetty up to a value of \$30,000 plus GST, and seeks approval for unbudgeted expenditure from Council to undertake this work as soon as possible.***
- f) **Rejects the recommendation of Option 3 to fund the required repairs for Ulva Island jetty at a cost up to the value of \$50,000 plus GST, from the Stewart Island/Rakiura reserves and seeks approval for unbudgeted expenditure from Council to undertake this work as soon as possible.***
- g) **Supports Option 4 that Millars Beach jetty remains closed for the upcoming season***
- h) **Does not support Option 5 that Ulva Island jetty should be closed now until the rebuild is completed in 2019/2020.***
- i) **Supports \$80,000, funded from Stewart Island reserves, for the Ulva Island Wharf rebuild.***

- 8 The decision made by the Board to not allocate funding for the urgent repairs required and direct that the Ulva Island Jetty is not to be closed, raises a number of issues. These include:

- Whether it is appropriate for the Ulva Island jetty to remain open, even if the size and weight of vessels allowed to use it is restricted. Can Council have confidence, for example, that the jetty will not be used by larger vessels?
- The decision is inconsistent with the conditions in the resource consents that Council has for both of these jetties

- Whether the closure will have reputational consequences for Stewart Island as a tourist destination
 - It creates health and safety risks for people using these jetties
 - It is inconsistent with Council policy including the desired levels of service for this activity
 - It is inconsistent with good asset management practice
 - The long term sustainability of the funding mechanisms that are currently in place for funding the Stewart Island/Rakiura water structures.
- 9 A number of these issues were not explicitly covered in the report that was considered by the community board on 13 August and hence the extent to which these issues were explicitly considered is not clear.
- 10 Given the significance of the issues noted above, however, Council was asked to review the position reached by the Community Board with a view to considering, amongst other matters, whether the works should be funded from an alternative source to enable them to be completed as quickly as possible.
- 11 As a result of its deliberations on this issue the Council decided to:
- Approve unbudgeted expenditure of up to \$80,000, to be funded from the district operations reserve, to enable the necessary maintenance works on the Ulva Island and Millers Beach jetties to be completed as soon as reasonably practicable
 - Ask the Chief Executive to develop, in consultation with the community board, terms of reference for a proposed review of the strategic challenges associated with the provision and funding of Council services on Stewart Island/Rakiura
 - Note that it would be appropriate for the Council to consider, should the Regulatory and Consents Committee recommend that a plan change be developed to address the Dark Skies requirements, whether such a change should be progressed ahead of the strategic review of service delivery being completed.

Issues

- 12 Given the Council decision there is now a need for the Board to determine whether it is prepared to approve completion of the maintenance works.

Factors to Consider

Legal and Statutory Requirements

- 13 Under the Local Government Act 2002 the purpose of local government is defined as including “to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses”.
- 14 ‘Good quality’ is defined (section 10 (2)) as ‘infrastructure, services and performance that are efficient; and effective; and appropriate to present and anticipated future circumstances’. The lack

of a sustainable funding solution for an activity such as water structures raises questions about whether the Council is meeting this requirement.

Coastal Permits

- 15 The Stewart Island/Rakiura Community Board have previously been briefed, in relation to the proposed transfer of the Golden Bay wharf, about the range of conditions included in the coastal permits for the jetties on the Island and the legal implications of these. In particular, it is accepted that:
- A coastal permit allows its holder to construct, maintain and use the structure provided for under the consent.
 - Unless the relevant coastal permit expressly excludes public access, which none of the consents on Stewart Island/Rakiura do, then any member(s) of the public are able to access and have a 'right of passage' across a consented coastal structure. This includes commercial users as well as recreational users.
 - That the owner of a coastal structure is not able to charge other parties for using their structure unless there is an explicit condition included in the coastal permit providing for such a fee. None of the consents for the jetties on Stewart Island/Rakiura have such a condition.
 - There is a condition for all of the coastal permits that require the relevant structure to be maintained in "*good repair, appearance and condition*". Environment Southland are able to require the holder of the relevant permit to undertake any necessary repairs to meet the 'good repair' requirement. Any needed repairs must also be completed within a reasonable timeframe.
 - Council is required to submit a condition assessment report, along with a plan to address any required maintenance issues, to Environment Southland every 3 or 5 years, depending on the particular structure/consent in question.
 - Whilst the holder of a coastal permit is required to allow the public access to their facility they do have an ability to place "reasonable" conditions on such use. The term "reasonable" would likely include, for example, a temporary weight restriction, that might be needed until maintenance and/or upgrading works could be completed.
- 16 As with any resource consent process the conditions in a coastal permit can only be amended via a formal consent application/amendment process. Through such an application the effect of the proposed amendment on affected parties would be taken into consideration by the consenting authority.
- 17 Given the importance of the jetty structures on the Island to tourism operators and commercial water taxi/boat operators the interests and views of these operators would be given weight if Council were to seek a variation to the current coastal permits. Having said that, it would not be difficult for Council to mount an argument that they should at least be able to recover their direct operating costs along with a reasonable return on the capital that has been invested.

Community Views

- 18 Jetties are seen as an important piece of infrastructure and contributor to the Stewart Island economy and community. This importance was emphasised through the feedback received from the community and key stakeholders' that contributed to the Stewart Island Wharfing Provision report, undertaken by Sandra James in July 2017 where the jetties were likened to being State

Highway 1 for the Island. The Golden Bay and Ulva Island wharves were seen as being critical for tourism and aquaculture.

- 19 The outcomes from this exercise have been reported to the Community and Policy Committee and Stewart Island/Rakiura Community Board.
- 20 Given the importance of jetties to the Stewart Island economy it is not surprising that feedback is regularly received from tourism operators about the restrictions placed on and general condition of jetties on the Island.
- 21 Following the Community Board decision to not undertake the repairs required to the Ulva Island wharf staff have had contact from the Southland Conservation Board and two tourism operators expressing concern at the decision and the impacts that it will have on their business.

Costs and Funding

- 22 The current estimated value of the Stewart Island jetty assets in total is \$900,000. The maintenance budget is currently \$5,500 per annum and depreciation approximately \$40,000. In October 2017, the Stewart Island/Rakiura Community Board rejected a proposal to include \$30,000 per annum for jetty maintenance.
- 23 The only fixed income is via Jetty User Licence Agreements of approximately \$14,000 per annum. As noted above there is a question as to whether Council is entitled to collect these user fees given that they are not explicitly provided for in the current resource consents held for the jetties.
- 24 The Board has sought grant income for this activity via the Stewart Island Visitor Levy (when successful) to fund major refurbishment works. It has been the practice of the Visitor Levy Allocations Committee to date to only allocate the funding that has been collected to date. For the visitor levy to be a sustainable source of funding for activities such as jetties there is a need for it to be used to fund the servicing of loans for infrastructure that has already been built.
- 25 Council has approved that the costs of completing the urgent repairs required to the Ulva Island and Millers Beach jetties be funded from the district operations reserve. In this way Council can have confidence that the work will be progressed in a timely way. The other alternatives that were considered of advancing a suspensory loan and/or seeking a grant from the Visitor Levy Fund were seen as having a risk of creating further delays with getting the necessary works completed.

Policy Implications

- 26 Council's levels of service for the maintenance of water structures require that they be maintained in good condition with only minor defects. Hence, the Board's decision to not allocate funding to ensure that these levels of service were maintained was inconsistent with this policy.
- 27 Under the Revenue and Financing Policy the water structures activity is managed as a local activity. The funding sources are also local targeted rates and user fees. The decision made by Council to fund the short term repairs from a source other than local rates is inconsistent with this policy. Under section 80 of the Local Government Act 2002 Council is able to make such a decision.

Analysis

Options Considered

- 28 The options considered are for the Stewart Island/Rakiura Community Board to either approve completion of the urgent maintenance works required (Option 1) or decline to give approval (Option 2).

Analysis of Options

Option 1 – Approve Maintenance Works

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• Will ensure that the works will be progressed in a timely way.• Will remove the health and safety risks which currently exist and that Council is able to comply with its resource consent conditions.• Will enable both facilities to be fully operational for the upcoming summer period.• Costs will not affect the local rate.	<ul style="list-style-type: none">• Having the works funded from the district operations reserve is not consistent with the Revenue and Financing Policy for this activity.• There is limited return on the funds that are allocated to maintenance of the Ulva Island jetty.

Option 2 – Decline Approval to progress works

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• Is consistent with the 13 August decision of the Community Board.• Council avoids the costs of completing the interim repairs needed to the Ulva Island facility.	<ul style="list-style-type: none">• Does not resolve the current maintenance issues in a timely and pragmatic manner.• Does not remove the public health and safety risks nor ensure that Council is able to comply with its resource consent conditions.• May lead to ES taking enforcement action against Council.

Assessment of Significance

- 29 In this report the Community Board is being asked to endorse completion of the required maintenance works with the funding allocation from the district operations reserve as approved by Council to enable urgent repairs to be undertaken to the Ulva Island and Millers Beach jetties.
- 30 This follows on from an earlier decision of the Stewart Island/Rakiura Community Board not to authorise this expenditure. The fact that the proposed approach is at variance with that previously adopted by the Community Board suggests that the decision could be of some significance.

- 31 The issues relating to whether Council should undertake immediate repairs to the Ulva Island and Millers Beach jetties can also be seen as being of some significance to the Stewart Island community given the importance of these facilities. This was confirmed by the Community Engagement Report that was completed in 2017 which noted that the Golden Bay and Ulva Island jetties are seen as critical in terms of tourism/aquaculture.
- 32 The above perspectives, however, also need to be weighed against the fact that the Council has clear resource consent and legislative obligations to maintain these facilities to a reasonable standard. It is also consistent with the levels of service for the water structures activity. As a result it can be seen that the decision is consistent with Council meeting its legislative obligations and existing levels of service.
- 33 On balance staff believe that it is reasonable for the Community Board to conclude that a decision in accordance with the recommendation is not significant.

Recommended Option

- 34 It is recommended that the Stewart Island Rakiura Community Board Council agree to the repairs needed to the Ulva Island and Millers Beach jetties being completed with funding provided from the district operations reserve (Option 1).

Next Steps

- 35 Officers will arrange for the maintenance works to be completed.

Attachments

There are no attachments for this report.