



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

Date: Monday, 10 June 2019
Time: 9.45am
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
	Bruce Ford
	Anita Geeson

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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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

Board 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, 08 April 2019



Stewart Island/Rakiura Community Board

OPEN MINUTES

UNCONFIRMED

Minutes of a meeting of Stewart Island/Rakiura Community Board held in the Oban Volunteer Fire Brigade Station, Argyle Street, Oban on Monday, 8 April 2019 at 8.00am.

PRESENT

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

IN ATTENDANCE

Councillor Ebel Kremer
Community Partnership Leader – Karen Purdue
Manager, Community Facilities – Mark Day
Committee Advisor – Kirsten Hicks

1 Apologies

There were no apologies.

2 Leave of absence

There were no requests for leave of absence.

3 Conflict of Interest

There were no conflicts of interest declared.

4 Public Forum

Constable Rosie Marchant (NZ Police) presented to the Board a proposal for pedestrian access to Golden Bay. She also advised that the ANZAC Day service would proceed as per normal.

Jen Ross, Community Ranger (Department of Conservation) updated the Board on the Main Road centre carving refurbishment, Ulva Island's rat-free status, track maintenance including tramway restoration, hut water levels and contamination, Mason Bay homestead maintenance, end of the annual volunteer programme, and Southern Dotterel levels.

John McCarroll, relieving Operations Manager (Department of Conservation) updated members on the progress of the viewing platform and interpretation panels planned for Observation Rock.

5 Extraordinary/Urgent Items

Urgent item: **PowerNet Report March 2019**

This information was not available when the agenda was being compiled. It is an information only report which is useful when read in conjunction with item 8.2 SIESA-Financial Report to 28 February 2019.

Resolution

Moved Deputy chairperson Lawrence, seconded member Chittenden **and resolved**

That the Stewart Island/Rakiura Community Board accepts the PowerNet Report March 2019, as urgent business.

6 Confirmation of Minutes

Resolution

Moved Deputy chairperson Lawrence, seconded member Chittenden **and resolved**

That the Stewart Island/Rakiura Community Board confirms the minutes of the meeting held on 11 February 2019 as a true and correct record of that meeting.

Reports for Resolution

7.1 Applications to Stewart Island/Rakiura Visitor Levy Fund and Community Initiatives Fund

Record No: R/19/3/5540

Karen Purdue (Community Partnership Leader) was in attendance for this item.

Resolution

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

That the Stewart Island/Rakiura Community Board

- a) **Receives the report titled “Applications to Stewart Island/Rakiura Visitor Levy Fund and Community Initiatives Fund” dated 2 April 2019.**
- 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) **Agrees to Option 1, to submit the applications to Southland District Council Stewart Island Visitor Levy Fund and the Community Initiatives Fund for consideration by the Stewart Island/Rakiura Visitor Levy Allocations Committee and the Southland District Council Community and Policy Committee.**

Reports

8.1 Council Report

Record No: R/19/3/4674

Community Partnership Leader Karen Purdue was in attendance for this item.

Matters discussed included:-

- Southland Murihiku Destination Strategy
- Southland Regional Development Agency
- Representation Review
- Finance
- Tourism Strategy and Visitor Levy

Resolution

Moved Cr Ford, seconded member Chittenden **and resolved:**

That the Stewart Island/Rakiura Community Board

- a) **Receives the report titled "Council Report" dated 2 April 2019.**

8.2 SIESA - Financial Report to 28 February 2019

Record No: R/19/3/5243

Community Partnership Leader Karen Purdue was in attendance for this item.

Resolution

Moved Deputy chairperson Lawrence, seconded member Conner **and resolved:**

That the Stewart Island/Rakiura Community Board

- a) **Receives the report titled "SIESA - Financial Report to 28 February 2019" dated 2 April 2019.**

CHAIRPERSON'S AND COUNCILLOR'S REPORTS

9.1 CHAIRPERSON'S REPORT

Chairperson Spraggon updated members on the following topics:

- Proposed one way system
- New Police Officer appointed
- Predator Free Rakiura Memorandum of Understanding
- Bragg Bay Clean Fill and Green Waste Resource Consent
- Fire season restrictions

9.2 Bragg Bay Clean Fill and Green Waste Resource Consent

The resource consent for the existing facility at Bragg Bay is due for renewal.

Resolution

Moved Cr Ford, seconded member Conner **and resolved:**

That the Stewart Island/Rakiura Community Board

- a) Lodges a submission supporting the continuance of the facility at this site.**

9.3 Fire Season Restrictions

There were numerous difficulties over Christmas/New Year due to the status of our fire restrictions. This meant that bonfires and fireworks were common despite very dry conditions. Public input was sought on this matter but none has been forthcoming. Currently Stewart Island Rakiura is combined with the rest of Southland when the restrictions are assessed. Investigations need to be undertaken to discover whether Stewart Island Rakiura can be assessed separately, especially given the nature of the terrain.

Resolution

Moved member Chittenden, seconded Deputy chairperson Lawrence **and resolved:**

That the Stewart Island/ Rakiura Community Board

- a) Contacts Fire and Emergency New Zealand (FENZ) requesting that Stewart Island Rakiura be assessed separately from the rest of Southland, when establishing fire restrictions.**

9.4 COUNCILLOR'S REPORT

Councillor Ford informed members on the following topics:

- Ringaringa land purchases for new road
- Rakiura Heritage Centre is progressing well
- The contract with Rakiura Shipping to dispose of landfill and recycling has been renewed
- Investigations are being made into possible funding avenues for Golden Bay wharf
- Expressions of interest are being sought for SIESA contract

Public Excluded**Exclusion of the Public: Local Government Official Information and Meetings Act 1987****Resolution**

Moved Cr Ford, seconded member Conner

That the public be excluded from the following part(s) of the proceedings of this meeting.

C10 Golden Bay Development

The general subject 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(1) 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(1) for the passing of this resolution
Golden Bay Development	s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	That the public conduct of the whole or 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 exists.

That the Community Partnership Leader, Community Facilities Manager, Councillor Kremer and the Committee Advisor be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the items Golden Bay Development. This knowledge, which will be of assistance in relation to the matters to be discussed, is relevant to those matters because of their knowledge on the issues discussed and meeting procedure.

The public were excluded at 9.30am

Resolutions in relation to the confidential items are recorded in the confidential section of these minutes and are not publicly available unless released here.

The meeting concluded at 9.35am

CONFIRMED AS A TRUE AND CORRECT RECORD AT A
MEETING OF THE STEWART ISLAND/RAKIURA
COMMUNITY BOARD HELD ON MONDAY 8 APRIL
2019

DATE:.....

CHAIRPERSON:.....

Stewart Island Coastal Infrastructure Tourism Infrastructure Fund Application

Record No: R/19/5/8815
Author: Mark Day, Community Facilities Manager
Approved by: Matt Russell, Group Manager Services and Assets

☐ Decision ☒ Recommendation ☐ Information

Purpose

- 1 The purpose of this report is to seek support for the preparation of the Tourism Infrastructure Fund (TIF) application for the Stewart Island Coastal Infrastructure.
- 2 This report represents the start of the Council process seeking approvals from the various committees, boards and finally Council to apply to the Tourism Infrastructure Fund (TIF) for the proposed Stewart Island coastal infrastructure project.

Executive Summary

- 3 On 19 December 2018, staff from the Services and Assets and Community Partnership teams met with the Group Manager Services and Assets and the Chief Executive to discuss potential projects that would be suitable for the fourth round of TIF applications. At this meeting it was agreed to look at two projects both of which formed part of the 2018 LTP programme of works. One of which is to upgrade the coastal infrastructure at Ulva Island and the other to upgrade the coastal infrastructure at Golden Bay on Stewart Island.
- 4 During the intervening period, considerable work has been undertaken to define the scope of the projects, finalise the concept, undertake community consultation and get approval in principal for the projects from the Stewart Island Jetties Subcommittee, the Stewart Island/Rakiura Community Board, the Finance and Audit Committee, the Services and Assets Committee and finally to Council so that an application can be prepared and submitted to the Ministry of Business, Innovation and Employment (MBIE).
- 5 Although these are not deemed strategic assets in terms of Section 76 of the Local Government Act 2002, they are strategic assets to the Island community where access to the water is vital in terms of transportation both to and from the island and locally around the Island.

Recommendation

That the Stewart Island/Rakiura Community Board:

- a) Receives the report titled “Stewart Island Coastal Infrastructure Tourism Infrastructure Fund Application” dated 5 June 2019.**
- 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) Recommends to Council that they support the preparation of the Tourism Infrastructure Fund application for the Stewart Island Coastal Infrastructure.**

Background

- 6 The application includes two separate projects proposed for the next application round to the Tourism Infrastructure Fund. The two Stewart Island projects are distinct and yet connected.
- 7 **The Ulva Island coastal infrastructure**
- 8 The project includes:
- (a) Replace the existing coastal structure to meet recommended standards
 - (b) Replace the existing causeway
 - (c) Upgrade onshore amenity area and amenity facilities
 - (d) Interpretation signage
 - (e) Provision for resource\building consents associated with the project.
- 9 **The Golden Bay coastal infrastructure and associated connection to Halfmoon Bay**
- 10 The project includes:
- (a) Replace the existing coastal structure to meet recommended standards
 - (b) Build a break water to protect the coastal structure
 - (c) Improve vehicle storage space for short and long term visitors
 - (d) Create a safe foot access link between Golden Bay and Halfmoon Bay
 - (e) Redesign the road access to improve access and egress to the coastal structure
 - (f) Vegetation removal to facilitate new parking space for long term parking
 - (g) Improve the onshore amenities to enhance the visitor experience including toilet facilities, shelter and stairway
 - (h) Create a viewing platform to provide daytime/nigh time viewing opportunities
 - (i) Provision for alteration of existing three waters infrastructure
 - (j) Interpretation signage
 - (k) Provision for resource\building consents associated with the project.
- 11 The Ulva Island, Halfmoon Bay and Golden Bay infrastructure services the local, commercial, recreational and tourism needs of the Island community. The Halfmoon Bay structure is distinctly different as it is a commercial infrastructure which is owned by SouthPort. This infrastructure is an extension of the Island's roading network and provides a vital link to the wider Stewart Island area. The aim of the projects are to improve the connection between the main Halfmoon Bay wharf, the Golden Bay wharf, the connection to the infrastructure on Ulva Island and access to Paterson Inlet and beyond.
- 12 By upgrading and providing two way access to the facility at Golden Bay, this will improve the flow of traffic and remove the current access and egress bottle neck at the entrance. By adding a new carpark to service longer term parking, the current parking issues will be mitigated and a turning circle provided for buses dropping off and picking up visitors. These improvements will then provide a vital link to Ulva Island and the wider tourist, recreational and commercial activities in Paterson Inlet.

- 13 Further, safe foot access link between Halfmoon Bay and Golden Bay will help to mitigate the current health and safety risk which is evident where visitors are using the road as there is no footpath. This will also improve safe vehicle travel between the township and Golden Bay.
- 14 The addition of a viewing platform at the top carpark will provide both day time and night time viewing for visitors to the Island. With the expected demand of visitors after the announcement of the Dark Skies Sanctuary this will provide an alternative option to the current platform at Observation Rock where no parking is available.
- 15 The Stewart Island Jetties Subcommittee and the Stewart Island/Rakiura Community Board have already approved in principal the concept designs for the projects.

Issues

- 16 The following issues and risks are evident in association with the proposed scope:
- 17 The next round of Tourism Infrastructure Fund opens on 1 August 2019 and as such all necessary detail and approvals need to be closed out by this date.
- 18 Due to the high cost of infrastructure projects on the island it is difficult to provide accurate cost estimates without first finalising design. The project team is working with designers and peer reviewers to ensure that the costs estimates are as accurate as possible without first having to complete detailed design. Detailed design completion would be both costly and time consuming. It is intended to seek at least 50% funding of design through the application process.
- 19 Due to the estimated cost of the two projects it is important to note that the financial funding impact will be significant for the Stewart Island Community to meet the 50% funding that is required by MBIE. Even more so if the TIF application is unsuccessful. In this instance staff recommend revisiting scope, costs and funding.
- 20 Resource consent applications will likely be required for a number of elements. These may need to be publicly notified exposing the project to appeals and potential delays. Other considerations that need to be satisfied through the process include the existing coastal permits and any limitations these may have to the design and consenting process; and the Memorandum of Understanding that the Department of Conservation has with the Hunter Family Trust providing access across their property for management purposes. This MOU is due to expire in 2020 and will need to be renewed.
- 21 Further to the above, an existing pontoon structure owned by a local business is connected to the Golden Bay Wharf. It will be important to ensure that this structure and its future operational requirements are considered through any development at this site.

Factors to Consider

Legal and Statutory Requirements

- 22 Resource consent will be required for a number of pieces of work associated with both projects.
- 23 Public consultation will likely be required either formally or informally through the development process.
- 24 Building consents will be required for a number of pieces of work associated with both projects.

Community Views

- 25 Community consultation has been undertaken including a public meeting that was held on 8 October 2018. Feedback from this workshop and subsequent informal consultation has been considered within in the final scope and design concept of the projects. Discussions have also been held with stakeholders who have a vested interest in the Ulva Island and Golden Bay infrastructure.
- 26 Further community discussions will be required throughout the design and project phases.
- 27 We recognise that this will be an important project that requires consultation with iwi. We have initiated this and will work through the appropriate Council process.

Costs and Funding

- 28 Council currently has indicative costs based on the current concept plans and scope. The initial scoping work has been completed by WPS | OPUS and they have provided an indicative range of cost.
- 29 The Ulva Island project has been estimated at costing between \$650,000 and \$880,000 and the Golden Bay project has been estimated costing between \$2,885,000 and \$3,750,000. These figures could result in a worst case cost of approximately \$4,630,000. The variation in the range of the estimates is due to the estimates being based on concept designs and the difficulty of quantifying the cost of work on Stewart Island where it can be up to 50% more than similar work undertaken on the mainland.
- 30 There are two possible options that may provide a higher level of confidence in the total cost estimates:
- Get the WPS | OPUS peer reviewed by another consulting firm.
 - Approve additional funding to take the concept designs to 50% complete and engage a contractor at this point to work on finalising the costs for the projects.
- 31 It is important to note that both of the above options have time constraints associated with them. However, it is anticipated that option 1 is the lesser constrained.
- 32 The TIF application requires the applicant to be prepared to co-fund 50% of the project and show how this is going to be funded.
- 33 The Stewart Island/Rakiura Community Board will need to be able to show that they are in a position to be able to sustainably fund their component of the balance of the TIF application.
- 34 On the basis of the above, the Stewart Island/Rakiura Community will need to fund up to \$2,315,000 as their contribution towards the project.
- 35 The Board have indicated that they are prepared to take a loan to fund this with the intention of applying to the Stewart Island Visitor Levy to cover the cost of the repayments.
- 36 To service this level of loan the Board will need to have approval from the Stewart Island Visitor Levy Committee to access \$150,000 each year for the next thirty years from the levy.

- 37 At the current annual value of the visitor levy this would equate to 83% of the levy going towards the two coastal infrastructure projects.
- 38 Under the current policy the Stewart Island Visitor Levy Committee is not in a position to approve committing funds to repay a loan until 1 July 2019 and this can only be committed for 10 years.
- 39 If the Board are not successful in attaining this level of funding from the visitor levy, it may have to either explore supplementary local rates funding, or revision to scope as alternatives.
- 40 A combination of levy funding and rates funding could be explored. As an example if \$1,500,000 was available from the levy this would require \$94,000 from the levy which would reduce the impact on the levy to 50%. However it would mean an increase to the Community Board portion of the rates from \$185 to \$389 in the first year and then increasing progressively by 1% over the next 10 years. To date this hasn't been discussed with the community but any increase in rates is not likely to be very palatable.
- 41 Before the approval to submit the TIF application is sought, and provided Council and the relevant Committees / Community Board supports the TIF application in principle, further work will need to be completed to demonstrate that the anticipated loan funding and maintenance regime is able to be sustainably serviced. This will involve Council staff working with the Community Board, the Jetties Committee, the Stewart Island Visitor Levy Committee and other potential funding sources to provide a sustainable solution. Once completed, provided a sustainable funding option is identified, this will be included in the subsequent reporting to the necessary Committees / Community Board, including Council, seeking approval to lodge the application.
- 42 If the Board is unable to attract external funding from other sources or increase rates then the worst case scenario is that the Board will have to fully fund 50% of the co-funding. Without other funding sources and a commitment from the Stewart Island Visitor Levy committee Council staff have concerns about the ability of the Stewart Island\ Rakiura Community Board to service the level of debt that would be associated with this project.

Policy Implications

- 43 These projects have been included in the Long Term Plan.

Analysis

Options Considered

Option One -The TIF application preparation is supported and continues

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">Stewart Island residents has an opportunity for the coastal infrastructure needs for the island to be partly met by external funding.	<ul style="list-style-type: none">None identified.

Option 2 – The TIF application preparation is not supported and is discontinued.

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• None identified.	<ul style="list-style-type: none">• The TIF application will not be prepared and submitted to MBIE.• Funding for the coastal infrastructure will be need to be met by the Stewart Island Community.

Assessment of Significance

- 44 Not considered significant.

Recommendation

- 45 Option One: Support the preparation of the TIF application for the Stewart Island Coastal Infrastructure.

Next Steps

- 46 Prepare a report to the Services and Assets Committee recommending that the preparation of the TIF application for the Stewart Island Coastal Infrastructure be supported.
- 47 Once sustainable funding provisions have been identified these will be presented back to the various decision-making bodies for review and approval.

Attachments

There are no attachments for this report.

Council Report

Record No: R/19/5/9313

Author: Karen Purdue, Community Partnership Leader

Approved by: Rex Capil, Group Manager Community and Futures

☐ Decision

☐ Recommendation

☒ Information

Chief Executive

State of the Environment Report Aotearoa 2019

1. In mid-April the Ministry for the Environment (MFE) released Environment Aotearoa 2019, which is a national state of the environment report released every three years. A copy of the latest report is available on the MFE website (www.mfe.govt.nz/environment-aotearoa-2019).
2. The purpose of the report is to present ‘a diagnosis of the health of the environment’ so that there is a clear understanding of the changes which are occurring in the environment and the reasons for those changes. It does this using a framework that provides an outline of the current state, what has contributed to the changes that have occurred, what the consequences of the changes are and where there are gaps in the knowledge base. The last full report was produced in 2015 and prior to that, and a change in legislation, versions were produced in 2007 and 1997.
3. The report identifies an ongoing decline in the overall state of the environment but identifies the following priority environmental issues as being of greatest concern:
 - our native plants, animals and ecosystems are under threat.
 - changes to the vegetation on our land are degrading the soil and water.
 - urban growth is reducing versatile land and native biodiversity.
 - our waterways are polluted in farming areas.
 - our environment is polluted in urban areas.
 - taking water changes flows which affects our freshwater ecosystems.
 - the way we fish is affecting the health of our ocean environment.
 - New Zealand has high greenhouse gas emissions per person.
 - climate change is already affecting Aotearoa New Zealand.

Freshwater Reform

4. Late last year government announced the “Essential Freshwater” review process to look at changing the way in which freshwater issues are managed. The review process has a strong focus on changes that might be needed to the current regulatory frameworks, and has been split into the following six workstreams:
 - i. at risk catchments
 - ii. amendments to the Freshwater National Policy Statement

- iii. development of a Freshwater National Environmental Standard
 - iv. Resource Management Act amendments
 - v. allocation of freshwater resources which is looking at both the taking of freshwater and controlling the discharge of contaminants
 - vi. development of a future management framework to build on the changes that would be proposed from the above changes.
5. The work being progressed in this area is of significance for Southland and so staff will continue to keep a watching brief on developments under this project. Further information is available on the MFE website (www.mfe.govt.nz/publications/fresh-water/essential-freshwater-healthy-water-fairly-allocated).

Building Reform

6. In early April, MBIE released a discussion paper detailing proposed reforms for the building sector. The changes are to try and address a range of issues ranging from low productivity and inefficient practices and processes, to skills and labour shortages, to poor health and safety.
7. To address these concerns, MBIE have proposed changes in the areas of:
- building products and methods. The changes in this area are intended to clarify the roles and responsibilities for approval of building products and methods, strengthen the product certification regime.
 - occupational regulation, specifically the regimes for licensed building practitioners, engineers, and plumbers, gasfitters and drainlayers are proposed to be changed
 - risk and liability. The changes in this area do not affect local authority responsibilities but do require the introduction of new insurance products to increase protection for home owners.
 - the building levy. It is proposed that the levy be reduced to \$1.50 per \$1000 and that the funds be used by MBIE for improving stewardship of the sector.
 - offences and penalties. It is proposed that there be a strengthening of the offence and penalty regimes.
8. Full details of the changes proposed are outlined in the discussion document which is available on the MBIE website (www.mbie.govt.nz/buildingreform).

National Disaster Resilience Strategy

9. The new National Disaster Resilience Strategy became operative on 10 April. A copy of the strategy is available on the Ministry of Civil Defence and Emergency Management website (www.civildefence.govt.nz/national-disaster-resilience-strategy).
10. The strategy builds on the lessons learnt from major events over the last ten years and includes the decisions that the government have made in response to the Technical Advisory Group review process that was established by the previous government. A formal implementation plan is to be developed outlining the work to be done to fully implement the new strategy.

Climate Change

11. The Ministry for the Environment has recently appointed an expert panel to develop the framework and methodology for a National Climate Change Risk Assessment. There are no local government representatives on the panel.
12. The expert panel is responsible for developing a framework which will be useful to local government and other agencies in performing their own climate change risk assessments. It will also be used to develop a national climate change risk assessment which will inform the development of a national adaptation plan.
13. As part of a separate piece of work LGNZ have been working with Tonkin + Taylor to develop a guidance document on the approach that councils should take to assess their exposure to risks from sea level rise and inland flooding. This piece of work follows on from the risk exposure work that LGNZ had completed and released in recent months.
14. At the end of March the parliamentary commissioner for the environment released a report on climate change; “Farms, Forests and Fossil Fuels: The next great landscape transformation.” The report is available on the PCE website (<https://www.pce.parliament.nz/publications/farms-forests-and-fossil-fuels-the-next-great-landscape-transformation>).
15. The report explores a different approach to framing New Zealand’s long-term climate change targets and policies, and what that could mean for our landscapes. To do this it looks at how we can reduce the impacts of both carbon dioxide from fossil fuel combustion and methane and nitrous oxide from agriculture. In particular, the report examines the current approach of creating forest sinks and whether agriculture and forestry can be managed in a way that combines emissions reductions with policies to achieve water, soil and biodiversity objectives.

3 Waters

16. Local Government New Zealand (LGNZ) have been expressing, on behalf of the sector, for some time concern about any suggestion that there might be a need for some form of ‘forced’ amalgamation or change to the way in which 3 waters services are delivered. It is accepted that there needs to be change and that as part of that process there needs to be a ‘raising of the bar’, including the establishment of a much stronger regulatory regime, in relation to the standards that local government is expected to meet in the delivery of drinking water in particular.
17. It appears that central government do not accept that a strong regulatory regime, including enforcement is all that is needed and are considering investigating amalgamation options. This approach is consistent with the approaches being used in other sectors, including education. There is, however, a need to continue to monitor the policy options that are being considered in this area as decisions are not expected to be made in this area until very late 2018 or early 2019. The initial focus is being placed on the structure and nature of the regulatory regime including the standards that need to be achieved.

Localism and Sector Reform

18. Over the last three – four years there has been significant discussion about the potential desirability of and need for sector reform. During the term of the previous government the Local Government Commission completed a number of reviews that looked at the potential for

amalgamation in a number of regions. The proposals to establish unitary authorities for Northland and then in Wellington and the Wairarapa are two examples.

19. More recently there has been considerable discussion, partly in response to the potential for 'forced' change in the delivery of 3 waters area, across the sector about the role of local government and the importance of localism. LGNZ has been leading a stream of work in this area and there has also been a report released by the NZ Initiative on localism, which builds on some work that they had been involved with looking at the Swiss system of local government. A copy of their report is available on the NZ Initiative website (www.nzinitiative.org.nz/reports-and-media/reports/localismnz-bringing-power-to-the-people/). LGNZ are also expected to release a discussion paper in this area in the near future.
20. The localism agenda being discussed at a local government sector level is at odds with the strong centralist approach being pursued in some parts of current government policy, such as with the creation of the Urban Development Authority, potential 3 waters amalgamation, the duplication of resource management enforcement powers between regional councils and the Environmental Protection Agency, the centralisation of NZTA decision-making processes and proposed education sector reforms.
21. The centralist approach could be seen as being at odds with the decisions that it has also made to review the current thresholds that apply to local government reform and to embark on a workstream to reform the Local Government Commission itself.
22. During 2018 the government completed a review of the Local Government Commission and its role. As a result of that review process a decision has been made to change the threshold that needs to be met before a local authority reorganisation process can be initiated. The threshold is to be changed from simply requiring someone to request a review and be returned to the previous test of requiring a petition signed by 10% of electors.

Southland Regional Development Agency

23. The Board of Directors for the new Southland Regional Development Agency (SRDA) was publicly announced on 22 March and held its first formal meeting on 15 April.
24. At their first meeting the board addressed a number of issues relating to how they wish to work through the process of establishing the new organisation. The decisions made will allow both Venture Southland and the relevant Council staff to make further progress with managing the winding up of Venture Southland and establishment of the new entity.
25. A formal report addressing the issues associated with the financial transition process is under development and will come to Council in June for formal consideration. In essence, the paper seeks to transfer the existing assets and liabilities (except for a portion of the cash reserves) of Venture Southland to the new SRDA.

Customer Delivery

Customer Support

26. Another busy month which with the increase in building consent numbers, impacted the technical support partner team with increased workloads. Over the month we have received

comments from customers, contractors and visitors as to how impressed they are with the service frontline staff provide. This anecdotal commentary is supported by the customer satisfaction survey results with 90% of customers satisfied with the service they receive when they first called Council.

	APRIL 2019
Total number of calls to 0800 732 732	3592
Abandonment rate	0.11%
Request for Service received	778
Top three requests types	Change of address, building inspection request, general building enquiry
Number of visitors to our Libraries and Council Service Centres *Excludes Invercargill, Stewart Island, Wyndham and Book Bus	10086

Libraries

27. Our school holiday program in April focused on building bricks and had a great response with over 80 children participating across the District.
28. We will be offering a new online story time database for customers which has children's authors and others reading popular contemporary children's fiction. This will be available from the library website.
29. The table below shows the number of individuals checking out items from a branch library each month.

LIBRARY NAME	APRIL 2019
Book Bus	340
Lumsden	86
Otautau	86
Riverton	199
Stewart Island	45
Te Anau	391
Winton	612
Wyndham	67

30. We currently have 5291 active library users across the District.
31. Our Library service has new books each month, these can be viewed online through our catalogue on <https://www.southlanddc.govt.nz/my-southland/libraries/>.

Community and Futures

Strategy and Policy

Annual Plan 2019/2020

32. The Local Government Act 2002 requires Council to prepare and adopt an Annual Plan in the second and third years between the development of the Long Term Plan. The purpose of the Annual Plan is to consider and approve any variations to the Long Term Plan for that financial year. Once finalised, the direction given for 2019-2020 will be used to set rates for the year beginning 1 July 2019 and deliver any additional projects identified.
33. Consultation on the Annual Plan was not undertaken this year as there was no significant variance identified from the Long Term Plan 2018 – 2028. This is aligned with Council's Significance and Engagement Policy that determines whether an issue is significant and the level of community consultation required.
34. The Annual Report work programme is currently being finalised and will be considered by the Finance and Audit Committee in May, prior to seeking Council approval in June 2019. The Annual Plan approval report will also be presented to the Finance and Audit Committee at their June 2019 meeting.

Long Term Plan 2031

35. In March the first of the Long Term Plan 2031 workshops was held with councillors and the Youth Council. The purpose of the workshop was to begin the development of the next strategic framework while considering the current strategic context and trends of the District.
36. The next workshop was undertaken on 21 May 2019 and discussed the activities that Council undertakes and considered the financial and infrastructure strategies. Significant assumptions around Council activities will be discussed in June 2019.

Policy and Bylaw Updates

37. There are a number of Council bylaws and policies currently being reviewed and updated, and a number of bylaws due for review in the next 12-18 months.
38. The delegations manual was adopted by Council in April, and work will now progress on the terms of reference and delegations for community boards and the Council's governance structure for the 2019-2022 term.
39. The review of the Board (TAB) Venue and Gambling Venue Policies has begun, with a report due to the Community and Policy Committee on 9 August 2019. Council will also begin to investigate options around abandoned vehicles and 'un-kept' properties that may lead to fire hazards. Strategy and Policy are coordinating the procurement policy and manual, and a review of the speed limits bylaw is underway.
40. Council has begun the review of its combined Local Alcohol Policy in collaboration with ICC and public consultation is expected to be sought in July 2019.
41. Work to investigate a jetties user pay system has also commenced. Any changes to fees and charges will need to be consulted on through the Annual Plan.

Venture Updates

Southland Murihiku Destination Strategy

42. Consultation is continuing between Stafford Strategy, the consultants commissioned by Venture Southland, and local communities, businesses, and regional stakeholders to develop the Southland Murihiku Destination Strategy for 2019-2029.
43. Once complete the strategy will provide a blueprint for Southland's destination management, assist in ensuring visitors have a quality experience, and provide a framework to achieving the goal of \$1 billion dollars in tourism revenue, in Southland by 2025.

Southland Story

44. Following consultation and research for the development of the Southland Story, the advisory group has confirmed stage one of the project now complete. Work is underway to scope and approve processes for the second and third stages of the project which will involve asset development and communication of the story to wider audiences.
45. The Southland Story will form the basis of the region's attraction and retention initiatives, helping to attract people to the region and grow pride for the place we all call home.

ILT Kidzone Festival

46. Drawing inspiration from the wonderful world of the circus, the 2019 ILT Kidzone Festival will be held from Wednesday 10 to Monday 15 July (10:30am – 3:30pm daily) at James Hargest College Senior Campus, in Invercargill. Tickets are \$17.00 per person, per day, with under two-year-olds free, and can be purchased from the ILT Kidzone Festival website (www.iltkidzone.co.nz), at the Invercargill i-SITE, ILT Stadium Southland or at the gate on the day - if not sold out prior!

Environmental Services

Resource Management

Dark Skies Plan Change for Rakiura

47. The Regulatory and Consents Committee have approved the preliminary consultation to occur on the proposed Dark skies plan change. The change to the District Plan has been sought to create some rules around future lighting on the island in order to maintain the existing quality of the dark skies. Meetings for key stakeholders were held on Rakiura on 13 and 14 May and it is intended to publicly notify the plan change in the last quarter of 2019.

Climate Change

48. Council has teamed up with Environment Southland, Gore District Council and Invercargill City Council to undertake high level region wide assessments on Climate Change, Biodiversity, Landscapes and Natural Character. These reports have been progressing well. The Climate Change report will be released to Council on 22 May. The other reports are still being completed and are unlikely to be released in 2019.

49. Council is part of the territorial authority reference group providing feedback to the Ministry of the Environment on the proposed National Policy Statement on Indigenous Biodiversity and the proposed New Zealand Biodiversity Strategy which are both proposed to be finalised in early 2020.

Dog Control

50. Dogs online is on-track to go live in June (subject to no unforeseen obstacles arising). This means that at our offices, most new dogs will be able to be registered online, and fees calculated using the online calculator – but tags will be sent in the post for all dogs registered online, even when completed at an office by a customer.
51. The dog registration renewal forms will be posted on 7 June, so that dog owners will receive the letters in mid-June. NZ Post expects post to be delivered within five (5) working days, and is concerned that it takes longer in some cases. They have requested feedback so that they can investigate why postal delivery takes longer, and Council staff will collect data for them.

Environmental Health

Failing Septic Tank Systems

52. Over the last month staff have been investigating a couple of complaints concerning septic tank discharges off-property, and one due to a property not having connected to the town sewer.
53. Council can expect to continue to receive notifications of sewage discharging off site (e.g. into the nearest waterway) from time to time Council, due to old disposal systems failing and shortcuts taken. Staff work with property owners with the aim of voluntary compliance in the first instance.

Services and Assets

Group Managers Update

54. There are a number of key focus areas for the group currently. As we edge towards the end of the current financial year wrapping up a number of projects remains a priority in order to ensure forecasted expenditure is achieved and the works programme delivered.
55. The development and refresh of the Infrastructure Strategy for the Southland District is another critical work front that we will look to commence in the coming weeks. This document is a very important strategic link for our Activity Management Plans. The plans are scheduled to be developed in the first half of 2020 in the lead up to the 2031 LTP process.
56. Significant time and effort is being exerted in relation to the development of a Bridge repair programme given the scale of the issue and the indicative number of bridges requiring replacement within the next 10 years.
57. There are several major contracts currently at varying stages of procurement. These include, Pyramid Bridge, the Te Anau Wastewater Pipeline and the Wastenet Recyclables contract. These processes involve significant staff resource.

58. Further work continues internally in relation to the Organisational Service Delivery Review in association with the recently announced Representation Review amendments. For the Services and Assets Group this relates predominantly to the way in which we report to and engage with our communities and elected bodies.

Strategic Water and Waste

Land and Water Plan Implementation

59. Environment Southland released their proposed Land and Water Plan last year.
60. In total 25 appeals were received by Environment Southland of which Council has identified 10, which it will join as a Section 274 party. Council has also lodged an appeal to the decision. The basis of Council's appeal, is largely around the 'non-complying' activity status on wastewater discharges to water. The latest direction issued from the Environment Court outlines a proposed path, where appeals to objectives will be heard ahead of mediation, by grouped topic on policies and rules. Evidence in support of the appeals have been filed with the Environment Court.
61. Expert conferencing is underway with the first hearing on grouped topics set down for two weeks in June.

Review of Solid Waste Contract Arrangements

62. The WasteNet Southland Waste Management Group has rolled over the Bond Contract for waste collection on the same rates and terms and conditions. Further, WasteNet resolved to put out a tender for the provision of the recycling acceptance contract.
63. The Request for Proposal was issued in December, with a number of tenders having been evaluated and requests for clarifications issued. As of 7 May a preferred tender has been identified with negotiations planned for 8 and 16 May.
64. At this stage it is proposed that a report recommending the awarding of the contract will be presented to the Waste Advisory Group by 30 May which will then be presented to individual councils on 4 and 5 June for final approval.

Commercial Infrastructure

Forestry (IFS)

65. Forestry activity for this period includes the completion of the pruning program in Gowan Hills and aerial desiccation works before planting of Waikaia and Ohai Forests. Financial results are still tracking extremely well on budget with one quarter to go.

Around the Mountains Cycle Trail

66. The installation of the toilets and emergency shelters are underway with all works expected to be completed by the end of May. The directional signs have also begun to be installed with the road improvements down to the quarry at Centre Hill being programmed by SouthRoads.
67. The broom from Mossburn down towards Dipton Castlerock has been sprayed and should start to die off.

- 68. The application for \$100,000 has been approved for an amount of \$38,000, the exclusion is for a large sign for the end of the trail which MGR funds require more work around the type and size.
- 69. We have filled the position of trail manager and Susan Mackenzie started on 21 May.

Project Delivery Team

- 70. The Project Delivery team are well underway with the projects from the first allocation from the current list of committed projects from the Long Term Plan and Annual Plan with a value of \$4.65 million.
- 71. We currently have 33 projects in progress with six projects completed and 16 on track to be completed by the end of June 2019. The three TIF toilet projects are on track to be completed by October 2019 in line with the funding requirements. The balance of projects are in the consenting or approval stage, it is anticipated these will move to delivery phase within a month.
- 72. The team are working with the activity managers to pick further projects from the 2018-2019 projects and starting to map out and plan the delivery of the 2019-2020 projects.
- 73. The team are also developing and putting in place new project management tools to assist the team in setting up and delivery of projects as well as having the ability to better report on project progress.

Property Services

- 74. Work is almost complete in the review of the Council Fixed Asset Register as the basis of Councils Property Register. Asset managers are currently finalising the first cut of whether the properties are strategic or not.
- 75. After this stage has been completed, the proposal is to present the register to the Finance and Audit Committee as a step towards identifying Council list of surplus properties.
- 76. Property administration functions including ownership decision, lease/licence administration and property disposal queries are also actioned on a daily basis, which is business as usual given the number of properties and agreements Council has to manage.

Community Facilities

- 77. There has been a focus on getting all of the project information into CAMMS, so that we have a better understanding of the project commitments that remain to be completed before the end of the financial year. This has then been carried through to the final forecasting round. The aim is now to make sure that all remaining projects are completed by the end of the financial year.

Strategic Transport

Speed Limit Review

- 78. Discussions with community boards and community development area subcommittees which are potentially affected by the proposed changes in speed limits have now been completed. Feedback to date has been supportive and where appropriate suggested changes have been incorporated into the proposed bylaw.

79. Staff will now be engaging with other stakeholders such as NZ Transport agency before finalising a report to Council, with the objective of starting the formal public consultation process.

District Wide Renewals Programme

80. Pavement rehabilitation – all sites for the 2018/2019 construction season have been sealed with only minor tidy up works around sites required.
81. Footpath renewal – the assessment and award of the footpath renewal programme is currently being undertaken. It is anticipated that this contract will be awarded by mid-May.
82. With main renewals programmes being completed for the season focus has now shifted to programming and procurement of the 2019/20 seasons works.

Bridges

83. The annual restricted bridge inspections by Council's Structural Engineering Consultants, Stantec are completed. The outcome of these inspections along with updated bridge restriction list will be presented to Council at the June meeting.
84. Council have carried out discussions with the public on three of the bridges currently closed providing more insight around Council's need to prioritise the works programme along with the longer term challenges Council faces with its bridging infrastructure.
85. Options are currently being worked through to accelerate the bridge renewals programme based on additional funding NZTA have made available for this activity.

Streetlights

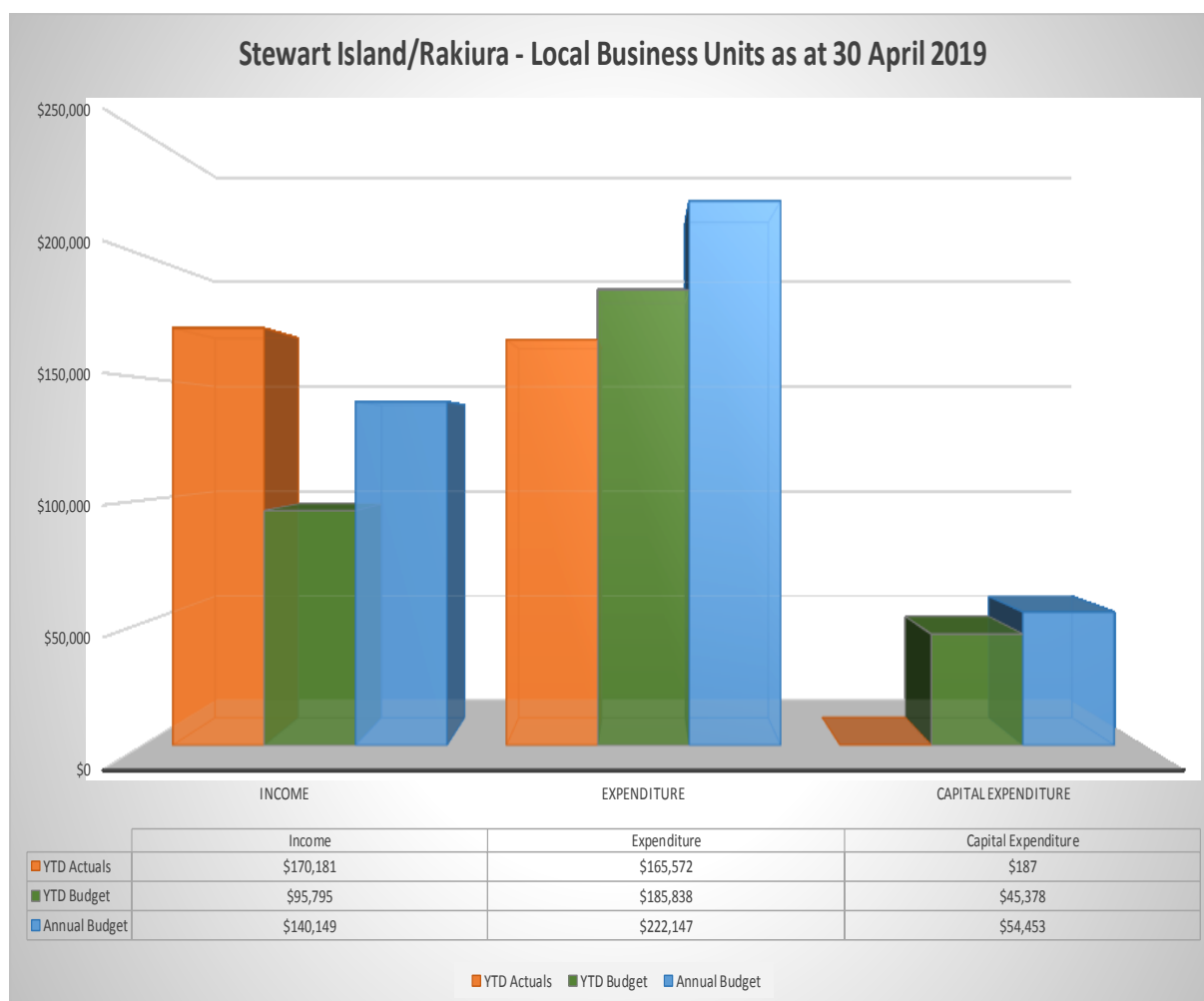
86. Replacement of the remaining street lights to LED has commenced. The final street lights being upgraded related to higher wattage lights and decorative style street lights.

Finance

87. Income for the Stewart Island/Rakiura Community Board was \$74,386 above budget year to date, 30 April 2019. This was due to an accounting accrual journal relating to the Peterson Hill footpath project which was cancelled. Funding for the project should have come from the Stewart Island/Rakiura reserve but in fact came from the development funding.
88. Income in the operating costs was \$4,765 under budget, year to date, 30 April 2019. This was due to Roadline licence fee being less than budgeted for.
89. Expenditure for the Stewart Island/Rakiura Community Board was \$20,266 under budget. This is due to lower than anticipated expenditure in the administration business unit for miscellaneous grant and course and seminar fees. In the operating costs unit and Moturau Gardens expenditure in general projects was lower than anticipated and in the refuse collection unit, lower than anticipated expenses were recorded for refuse bags, refuse collection and waste and kerbside collection. In the stormwater drain unit there was lower than anticipated expenditure for general maintenance. Lower than anticipated expenditure for mowing occurred in the cemetery business unit.

Stewart Island/Rakiura Community Board
10 June 2019

90. It should be noted that higher than budgeted expenditure was noted in streetworks for general maintenance. Mowing costs were higher than anticipated in the beautification and Trail Park business units.
91. It is worth noting that the budgets are phased on a monthly basis, and while some budgets appear to be underspent, they are still on track for maintenance schedules that take place periodically throughout the year.



Stewart Island/Rakiura - Business Units as at 30 April 2019										
BU Code	Business Unit	Income Actual YTD	Income Budget YTD	Income Budget Full Year	Expenses Actual YTD	Expenses Budget YTD	Expenses Budget Full Year	Capital Actual YTD	Capital Budget YTD	Capital Budget Full Year
26600	Administration - Stewart Is	\$10,231	\$9,746	\$16,097	\$7,754	\$9,829	\$11,695			
26602	Operating Costs - Stewart Is	\$1,318	\$6,083	\$7,300	\$1,853	\$3,808	\$4,569			
26607	Street Works - Stewart Island	\$1,793	-\$77,077	-\$72,492	\$8,961	\$4,890	\$5,857	\$187	\$45,378	\$54,453
26610	Refuse Collection - Stewart Is	\$94,893	\$95,438	\$115,319	\$78,464	\$95,604	\$114,725			
26613	Stormwater Drain - Stewart Is	\$16,643	\$16,683	\$20,020	\$8,096	\$11,730	\$13,940			
26625	Cemetery - Stewart Island	\$10,555	\$10,343	\$12,411	\$15,822	\$17,009	\$20,411			
26628	Beautification - Stewart Is	\$24,152	\$24,211	\$29,053	\$30,726	\$29,018	\$34,822			
26629	Moturau Gardens	\$4,129	\$3,886	\$4,663	\$2,167	\$4,080	\$4,663			
26634	Trail Park	\$5,154	\$5,167	\$6,200	\$8,339	\$6,679	\$7,635			
26646	Playground - Waterfront	\$1,312	\$1,315	\$1,578	\$3,389	\$3,192	\$3,830			
Total		\$170,181	\$95,795	\$140,149	\$165,572	\$185,838	\$222,147	\$187	\$45,378	\$54,453

Reserve Balances

Stewart Island/Rakiura													
	Opening Balance	Current Budget	Forecast Budget	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
Local													
Reserve													
Stewart Isl General- RES	168,190	50,523	35,990	43,106	16,949	10,573	16,760	23,117	29,648	36,356	43,246	50,321	53,017
Stewart Isl Waste Mgt - ORR	29,324	30,117	30,117	30,936	31,782	32,656	33,559	34,492	35,455	36,450	37,478	38,539	38,539
Total Local Reserve	197,514	80,640	66,107	74,042	48,731	43,229	50,319	57,609	65,103	72,806	80,724	88,860	91,556
Total Local Balance													
Total Stewart Island/Rakiura Reserve Balance	197,514	80,640	66,107	74,042	48,731	43,229	50,319	57,609	65,103	72,806	80,724	88,860	91,556

Recommendation

That the Stewart Island/Rakiura Community Board:

- a) Receives the report titled “Council Report” dated 27 May 2019.**

Attachments

There are no attachments for this report.

SIESA Monthly Report from PowerNet - April 2019

Record No: R/19/5/8222

Author: Dylan Rabbidge, Commercial Infrastructure Manager

Approved by: Matt Russell, Group Manager Services and Assets

☐ Decision

☐ Recommendation

☒ Information

Purpose

- 1 The purpose of this report is to provide for your information PowerNet's monthly report for SIESA for the month of April 2019.

Recommendation

That the Stewart Island/Rakiura Community Board:

- a) **Receives the report titled "SIESA Monthly Report from PowerNet - April 2019" dated 24 May 2019.**

Attachments

- A SIESA Monthly Report - April 2019 [↓](#)

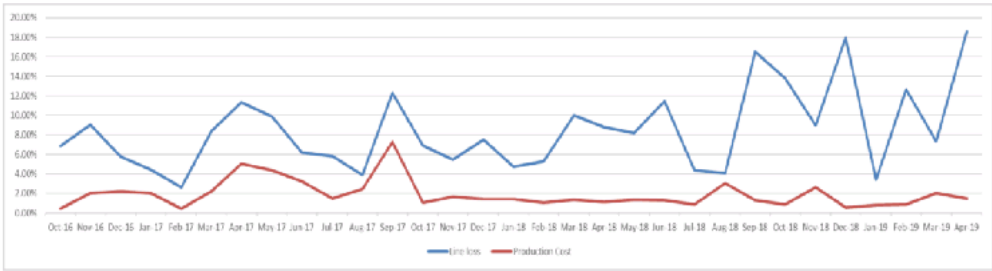
Summary Report – April 2019



PERFORMANCE

EFFECTIVENESS	Outages	Generator Forced Outages	report cycle	0
		Feeder Forced Outages	report cycle	0
		Consumer Outages	report cycle	0
		Planned Outages	report cycle	2
		Station Outages	report cycle	0
	Connections	New Connections	report cycle	2
		Reconnections	report cycle	0
		Disconnections	report cycle	0
	Complaints	Quality of Supply	report cycle	0
		Performance Related	report cycle	0

PEOPLE / CULTURE	Team Safety	Medical Treatment Intervention	report cycle	0
		Lost Time Injury	report cycle	0
		Near Miss	report cycle	0
	Team Health	Days Off (sick day)	report cycle	0
		Annual Leave	report cycle	3 days
	Training	Safety training	report cycle	3
		Health Checks	report cycle	0



The electrical distribution and retail service for SIESA was generally good during April. The sold units were similar to the March sales figures. Line loss is shown as up the previous month's results but this is a result of an early meter reading in April.

This report covers the calendar month of April. Meter reading was undertaken on the 16th and 17th of the month and all statistical information and graphs are for the period 21st of March through to 20th of April.

The two red tagged poles at Peterson Hill / Elgin Terrace were replaced on 8 April. Two more red tag poles need to be replaced although planning work has not yet been started on these, one is at Jensen's Bay where there is no vehicle access; a cable installation may be appropriate at this site. The other is at the north end of Horseshoe Bay and again there is no access for a crane truck; a helicopter lift the might be an option at this site.

The 30kVA transformer installation in Main Road was completed on the 9 April and the new connection for Curtin at 83 Main Road is complete but not livened, we are awaiting a Record of Inspection (ROI) for the builders temporary supply box.

The low voltage network cable for the Heritage Centre has been installed and connections made in preparation for connecting the consumer once the onsite electrical work has been completed.

There are still six uncompleted new connections

- I Wilson, Leask Bay, not planned as yet
- J Hayden-Clarke, Wohler's Road, not planned as yet
- K Hicks, Elgin Terrace, planning has started.
- S Curtin, Main Road transformer, waiting for ROI
- Heritage Centre Main Road, waiting for ROI
- S McKinnon Elgin Terrace, waiting for electrician to install builders box and supply ROI

The Station load over the Easter / Anzac period exceeded past records with a load of 470kW for 3 hours in the evenings and peaks of over 500kW. The daily export for Easter Sunday was 6467kW hours compared to the previous Sunday of 5321 kW hours. This resulted in fuel use of 1600 litres per day.

PROJECTS

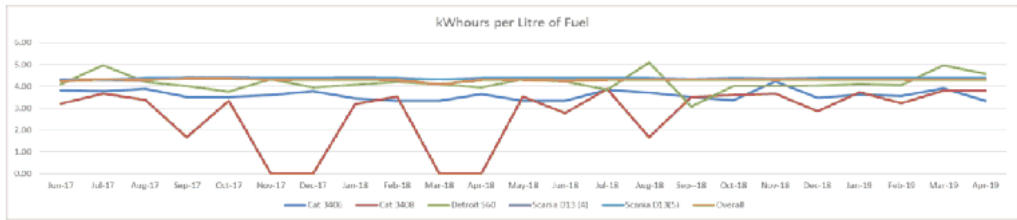
Item	% Complete	Comments
P/O 123647 Meter Replacement	10%	3 meters were replaced during April
P/O 139216 Management Fee Operations	83%	Monthly charge
P/O 139229 Distribution Maintenance	Ongoing	Replacements of strain insulators completed as opportunities arise
P/O 139230 Generation Maintenance	Ongoing	Normal servicing activities during April
P/O 140194 Distribution line work and transformer install – Main Road	100%	Work complete
P/O 141661 Red tagged pole replacements	100%	Pole replacements complete



ENGINE MAINTENANCE REPORT

RISK AND STRATEGY UPDATES

	Make / Model	Hours	Hours this Month	Fuel this Month	Kilowatt hours	Last services	Oil Test results
Unit 1	CAT 3406	17728	0	41	30	14/5/17	No Sample
Unit 2	CAT 3408	45613	0	29	10	13/01/17	No Sample
Unit 3	Detroit 60	20564	5	278	1910	10/8/18	"A"
Unit 4	Scania D13	4596	708	31280	157037	29/3/19 15/4/19	"A"
Unit 5	Scania D13	9080	45	3157	9614	27/4/19	"A"



		Update
Identified Risks	Structures / Poles	The Hicks Rd pole at the Davis property is still under investigation.
	Transformers	New Tx 51 installed
	Pillar boxes / Link Boxes / Cabling	Remedial work on and around pillar boxes was completed following the network condition survey
	Lines / Insulators	Strain insulator replacements continuing as opportunities arise
Generation Equipment	Generation Plant	Unit 1 start batteries been replaced
	Control Systems	SCADA and controls are fully operational
	Fuel systems / Plant	Main tanks have been surveyed and a completed report has been forwarded to SDC, replacement options are now being considered by SIESA
	Buildings	The building is in good condition with some internal painting planned.



New Tx 51



New transformer isolator (right side) for Heritage Centre connection

SIESA - Financial Report to 30 April 2019

Record No: R/19/5/8711
Author: Joanie Nel, Management Accountant
Approved by: Anne Robson, Chief Financial Officer

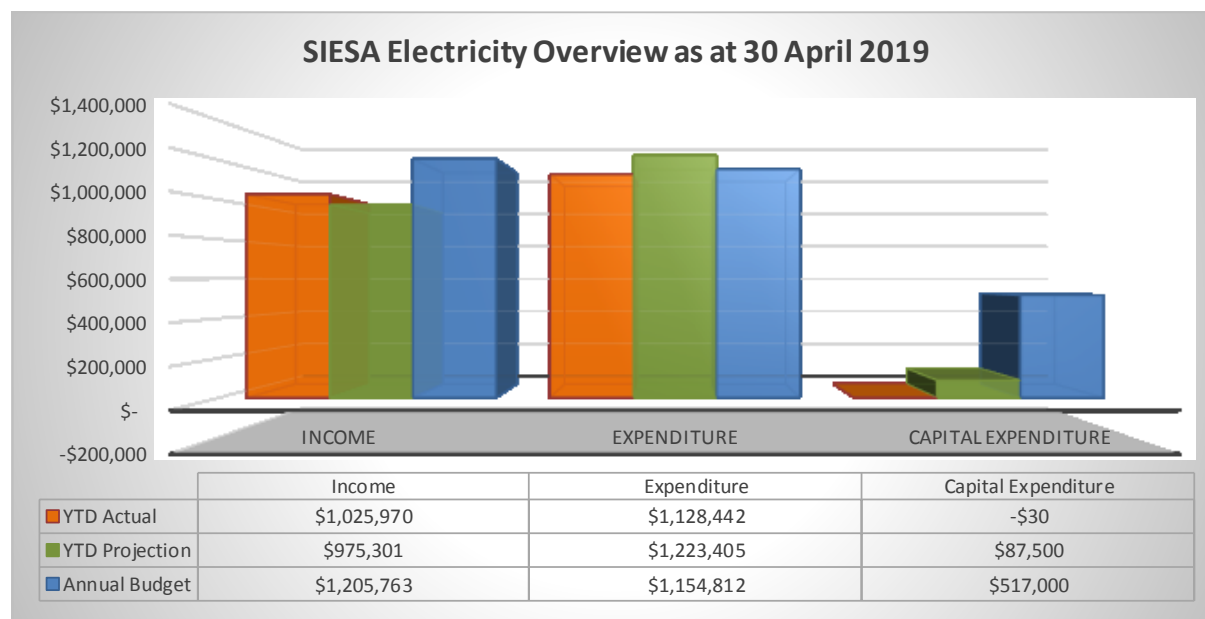
☐ Decision ☐ Recommendation ☒ Information

Purpose

- 1 The purpose of this report is to inform the Community Board of the financial results for SIESA for the period ended 30 April 2019.
- 2 This report includes changes forecasted during the February forecasting round and approved by Council. The previous reports presented to the Community Board contained only the budget numbers per the original Annual Plan for 18/19. The financial data for this report has been updated to include year to date projected amounts as well as the annual budget numbers. This applies to all future SIESA financial reports presented to the Community Board.

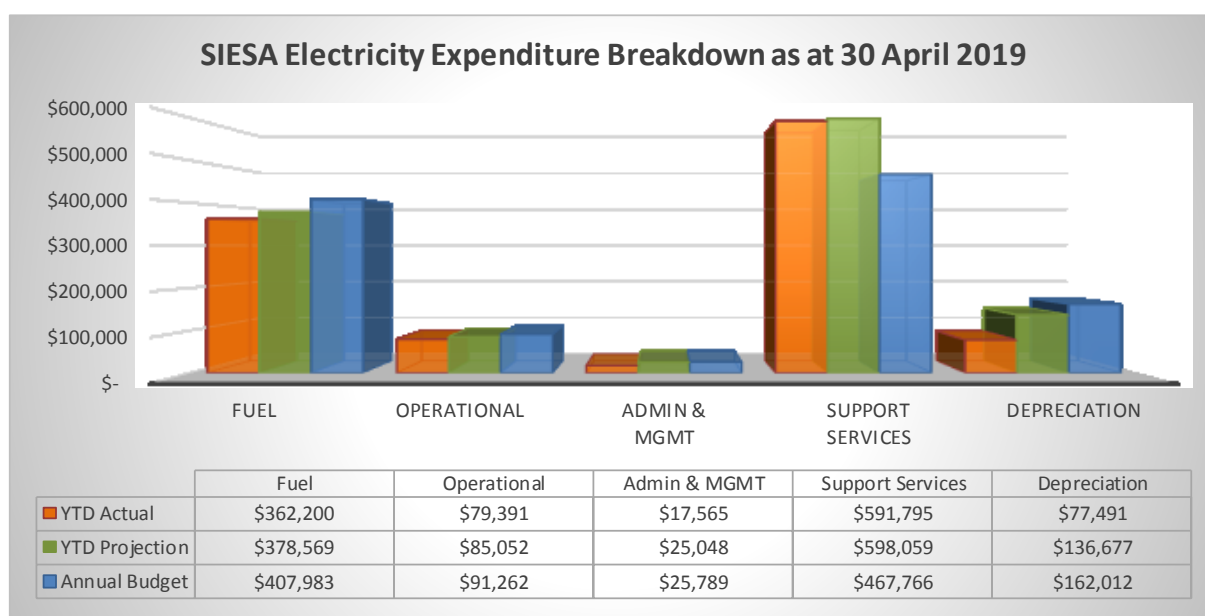
SIESA Electricity Operations

- 3 SIESA electricity generation net deficit for the year to date is \$102,472, compared to a budgeted year to date net surplus of \$31,224.



- 4 Total income for the period to date is \$1,025,970, \$50,669 over projection, this was as a result of the following:
 - Higher SIESA electricity charges income against projection (\$38,015). Overall electricity consumption for the year to date (YTD) is 2% higher than previous years. There were two incorrect meter readings done in April, due to input errors, and a total of 10,401 units/kWh (\$6,130) was credited to customers in the month of May. This means overall that the total year to date consumption is only 1% higher than previous years.

- General recoveries received not budgeted for, totals \$4,121. These are recoveries for customer charges and labour charges refunded to SIESA.
- Interest received on investments, \$9,556 received in April, increasing the YTD return to \$46,600 versus a budget of \$37,044.



- 5 Total operating expenditure for the year is \$1,128,442, \$94,963 under projection. The following comments apply:
- Depreciation - other plant charges are \$58,903 under budget. The budget was set on a number of capital works being undertaken in previous years, and as these have not occurred, the level of depreciation is less than budgeted.
 - Because the February forecasting round changes have been applied to the financial data the following charges are all under budget and projection YTD: General administration charges, Insurance, Postage, Subscriptions, Legal charges, Management fee, Generation Maintenance, Distribution Maintenance, Fuel and Vehicle Maintenance charges.

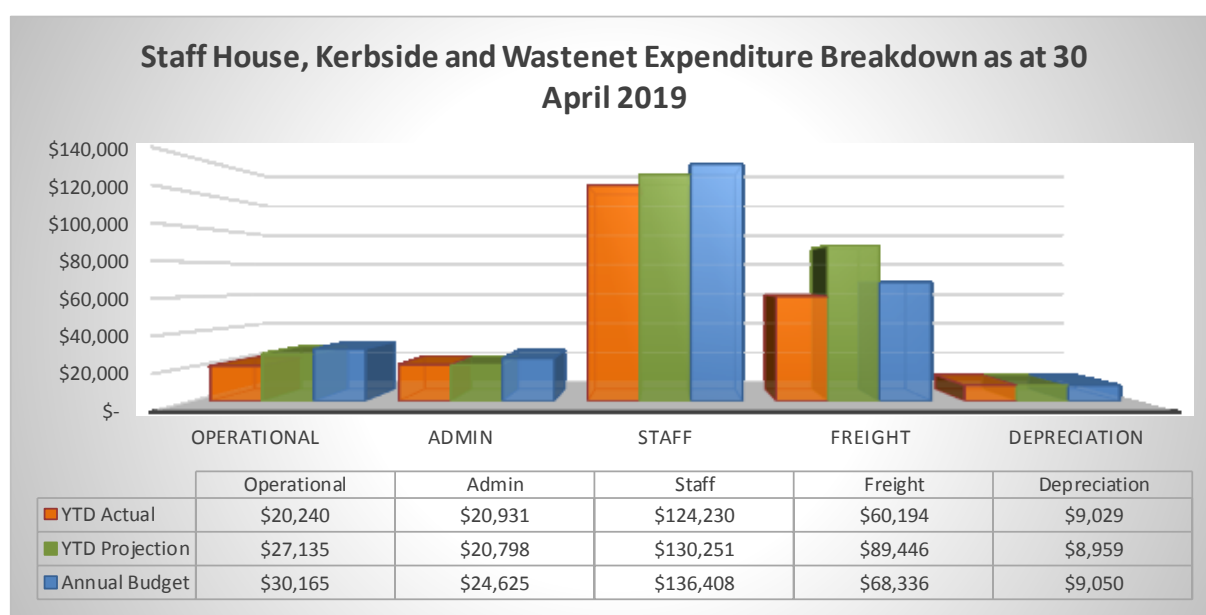
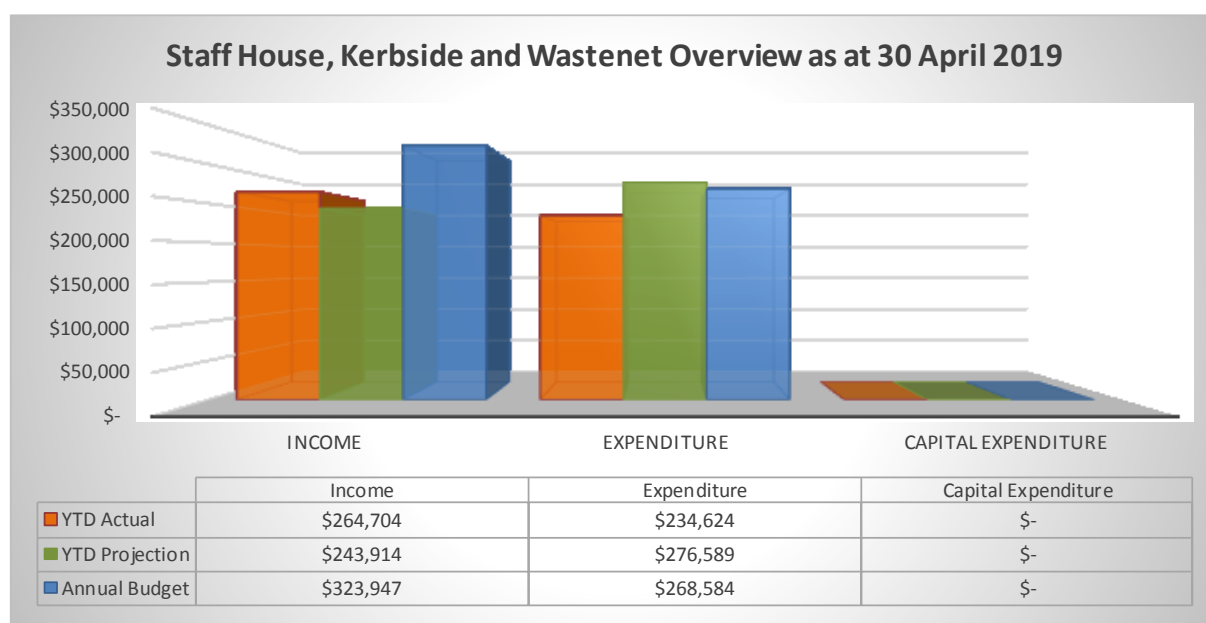
Project status

- 6 The two projects that are expected to be completed by this financial year, are the Network upgrade project budgeted at \$20,000, which is a minor upgrade, being the replacement of faulty ceramic insulation and the second is the replacement of 2 x 20,000 litre fuel tanks.
- 7 The other projects for SIESA are currently not required or under investigation and thus after staff recommendation and prior consultation with the committee, these projects have been deferred to the 19/20 financial year during the October 2018 round of forecasting.

Staff House, Kerbside and WasteNet Operations

- 8 Overall income for the period to date is \$20,790 over projection. The income from WasteNet is \$14,774 over projection and the rental income for the SIESA staff house is \$4,906 over projection YTD.

- 9 Overall expenditure for the year to date is \$41,965 under projection due to the forecasting changes during the February forecasting round being applied to the financial data.



Investments

- 10 As at 30 April 2019, SIESA has \$1,720,000 in investments. These are held in terms varying from one month to three months at interest rates between 3.23% and 3.33%.

Recommendation

That the Stewart Island/Rakiura Community Board:

- a) **Receives the report titled “SIESA - Financial Report to 30 April 2019” dated 4 June 2019.**

Attachments

There are no attachments for this report.

Exclusion of the Public: Local Government Official Information and Meetings Act 1987

Recommendation

That the public be excluded from the following part(s) of the proceedings of this meeting.

C9.1 SIESA Service Provider Review

The general subject 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(1) 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(1) for the passing of this resolution
SIESA Service Provider Review	s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	That the public conduct of the whole or 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 exists.