



**I give notice that  
an Ordinary Meeting of Council will be held on:**

<b>Date:</b>	<b>Tuesday, 24 September 2019</b>
<b>Time:</b>	<b>1.30pm</b>
<b>Location:</b>	<b>Council Chamber 107 Heuheu Street Taupō</b>

# **AGENDA**

## **MEMBERSHIP**

<b>Chairperson</b>	Mayor David Trewavas
<b>Deputy Chairperson</b>	Cr Rosie Harvey

<b>Members</b>	Cr John Boddy Cr Barry Hickling Cr Rosanne Jollands Cr Tangonui Kingi Cr Anna Park Cr Christine Rankin Cr Maggie Stewart Cr Kirsty Trueman Cr John Williamson
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<b>Quorum</b>	6
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**Gareth Green**  
**Chief Executive Officer**

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**3.1 ORDINARY COUNCIL MEETING - 27 AUGUST 2019**

**Author:** Shainey James, Democratic Services Officer

**Authorised by:** Tina Jakes, Head of Democracy, Governance and Venues

**RECOMMENDATION(S)**

That the minutes of the Council meeting held on Tuesday 27 August 2019 be confirmed as a true and correct record.

**ATTACHMENTS**

1. Council Meeting Minutes - 27 August 2019

**3.2 ORDINARY COUNCIL MEETING - 3 SEPTEMBER 2019**

**Author:** Shainey James, Democratic Services Officer

**Authorised by:** Tina Jakes, Head of Democracy, Governance and Venues

**RECOMMENDATION(S)**

That the minutes of the Council meeting held on Tuesday 3 September 2019 be confirmed as a true and correct record.

**ATTACHMENTS**

1. Council Meeting Minutes - 3 September 2019

**4.1 ORDINARY MANGAKINO/POUAKANI REPRESENTATIVE GROUP MEETING - 16 JULY 2019**

**Author:** Raeleen Rihari, Democratic Services Support Officer

**Authorised by:** Tina Jakes, Head of Democracy, Governance and Venues

**RECOMMENDATION(S)**

That Council receives the minutes of the Mangakino/Pouakani Representative Group meeting held on Tuesday 16 July 2019.

**ATTACHMENTS**

1. Mangakino/Pouakani Representative Group Meeting Minutes - 16 July 2019

**4.2 ORDINARY TURANGI/TONGARIRO COMMUNITY BOARD MEETING - 13 AUGUST 2019**

**Author:** Raeleen Rihari, Democratic Services Support Officer

**Authorised by:** Tina Jakes, Head of Democracy, Governance and Venues

**RECOMMENDATION(S)**

That Council receives the minutes of the Turangi/Tongariro Community Board meeting held on Tuesday 13 August 2019.

**ATTACHMENTS**

1. Turangi/Tongariro Community Board Meeting Minutes - 13 August 2019

**4.3 ORDINARY AUDIT & RISK COMMITTEE MEETING - 19 AUGUST 2019**

**Author:** Shainey James, Democratic Services Officer

**Authorised by:** Tina Jakes, Head of Democracy, Governance and Venues

**RECOMMENDATION(S)**

That Council receives the minutes of the Audit & Risk Committee meeting held on Monday 19 August 2019.

**ATTACHMENTS**

1. Audit & Risk Committee Meeting Minutes - 19 August 2019

**4.4 ORDINARY KINLOCH REPRESENTATIVE GROUP MEETING - 29 AUGUST 2019**

**Author:** Raeleen Rihari, Democratic Services Support Officer

**Authorised by:** Tina Jakes, Head of Democracy, Governance and Venues

**RECOMMENDATION(S)**

That Council receives the minutes of the Kinloch Representative Group meeting held on Thursday 29 August 2019.

**ATTACHMENTS**

1. Kinloch Representative Group Meeting Minutes - 29 August 2019

**4.5 ORDINARY FENCES, ROADING, RESERVES & DOGS COMMITTEE MEETING - 3 SEPTEMBER 2019**

**Author:** Shainey James, Democratic Services Officer

**Authorised by:** Tina Jakes, Head of Democracy, Governance and Venues

**RECOMMENDATION(S)**

That Council receives the minutes of the Fences, Roading, Reserves & Dogs Committee meeting held on Tuesday 3 September 2019.

**ATTACHMENTS**

1. Fences, Roading, Reserves & Dogs Committee Meeting Minutes - 3 September 2019

**4.6 ORDINARY TURANGI/TONGARIRO COMMUNITY BOARD MEETING - 10 SEPTEMBER 2019**

**Author:** Raeleen Rihari, Democratic Services Support Officer

**Authorised by:** Tina Jakes, Head of Democracy, Governance and Venues

**RECOMMENDATION(S)**

That Council receives the minutes of the Turangi/Tongariro Community Board meeting held on Tuesday 10 September 2019.

**ATTACHMENTS**

1. Turangi/Tongariro Community Board Meeting Minutes - 10 September 2019

**4.7 ORDINARY TAUPŌ AIRPORT AUTHORITY COMMITTEE MEETING - 16 SEPTEMBER 2019**

**Author:** Raeleen Rihari, Democratic Services Support Officer

**Authorised by:** Tina Jakes, Head of Democracy, Governance and Venues

**RECOMMENDATION(S)**

That Council receives the minutes of the Taupō Airport Authority Committee meeting held on Monday 16 September 2019.

**ATTACHMENTS**

1. Taupō Airport Authority Committee Meeting Minutes - 16 September 2019

**4.8 ORDINARY MANGAKINO/POUAKANI REPRESENTATIVE GROUP MEETING - 17 SEPTEMBER 2019**

**Author:** Raeleen Rihari, Democratic Services Support Officer

**Authorised by:** Tina Jakes, Head of Democracy, Governance and Venues

**RECOMMENDATION(S)**

That Council receives the minutes of the Mangakino/Pouakani Representative Group meeting held on Tuesday 17 September 2019.

**ATTACHMENTS**

1. Mangakino/Pouakani Representative Group Meeting Minutes - 17 September 2019

**5.1 ORDINARY EMERGENCY MANAGEMENT COMMITTEE - 9 SEPTEMBER 2019**

**Author:** Raeleen Rihari, Democratic Services Support Officer

**Authorised by:** Tina Jakes, Head of Democracy, Governance and Venues

**PURPOSE**

To receive the minutes of the ordinary Emergency Management Committee meeting held on Monday 9 September 2019. The minutes were not available at the time this agenda was produced and will be separately circulated or tabled at the meeting.

**RECOMMENDATION(S)**

That Council receives the minutes of the Emergency Management Committee meeting held on Monday 9 September 2019.

**ATTACHMENTS**

Nil

**5.2 RECEIPT OF LAKE TAUPŌ PROTECTION PROJECT JOINT COMMITTEE MINUTES - 20 SEPTEMBER 2019**

**Author:** Tanya Wood, Policy Advisor

**Authorised by:** Alan Menhennet, Head of Finance and Strategy

**PURPOSE**

To receive the minutes of a meeting of the Lake Taupō Protection Project Joint Committee held on Friday 20 September 2019. The minutes were not available at the time this agenda was produced, however will be circulated prior to, or tabled at the Council meeting.

**RECOMMENDATION(S)**

That Council receives the minutes of the Lake Taupō Protection Project Joint Committee meeting held on 20 September 2019.

**ATTACHMENTS**

Nil

**5.3 TENDER FOR CONTRACT TE TOKE ROAD SEAL EXTENSION**

**Author:** Bryan Ferguson, Senior Engineering Officer - Transportation Operations

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

This report is to seek the approval to award the tender for TDC/1819/271 Te Toke Road Seal Extension.

**EXECUTIVE SUMMARY**

Tenders for this contract closed on 30 August 2019. Eight tenders were received with Inframax Construction Ltd being the lowest priced conforming tenderer.

There is sufficient funding in the current 2019/20 budget allocation to complete a seal extension road length of 2.2km.

**RECOMMENDATION(S)**

That Council accepts the Tender for Contract TDC/1819/271 for Te Toke Road Seal Extension submitted by Inframax Construction Ltd for the revised tender price of \$518,000 [excl. GST] and authorises His Worship the Mayor and the Chief Executive to sign the Contract Document(s) and attach the Council's Common Seal to them.

**BACKGROUND**

The proposal has not been presented previously.

Seal Extension of rural roads is an annual activity provided for under the long term plan with currently a yearly budget of \$450K.

Selection of Te Toke Road for seal extension has come from the Seal Extension Matrix where the section of Te Toke Road proposed for seal extension under this contract (Route Position 6.84km to 9.943km).

Te Toke Road is a linking road providing access between Ohaaki Road and State Highway 5, running parallel with the Waikato River. It is a School Bus route and provides an alternative route should SH 5 be closed between the intersections of Te Toke and Ohaaki Roads.

There are currently two unsealed sections along Te Toke Road totally 4km in length (900m southern section and 3103m northern section) is it proposed under this contract to complete 2.2km of the northern section focusing on the length between Route Position 6.84 to 9.34 which is the length that currently has the greatest frequency of potholing in wet weather.

It is intended to complete construction works by mid December 2019.

**DISCUSSION**

Seal Extension was completed on both Wereta Road and Tia Street in the 2018/19 financial year totalling 1.48km with surplus seal extension funds of \$68K unspent that year, this surplus is to be bow waved into the 2019/20 financial year giving a total budget of \$518K for Seal Extension works.

The tender document for Te Toke Road Seal Extension was prepared in such a way that the length of road sealed under the contract could be adjusted to either increase or decrease the approved length for sealing to fit within the allowable budget of \$518K. The Contract Document was based on completing 2.5km of seal extension. The lowest tender price received will allow for 2.2km to be completed at this time however the schedule does include a Contingency Sum and Provisional items should these not eventuate the target length of 2.5km could be achieved.

**TENDERS RECEIVED**

Contract tender documents were issued on 25/07/19 being advertised on Tenderlink and tenders closed on 30/08/19. Eight tenders were received from the following organisations:

- Camex Civil, Cambridge
- Downer, Taupo
- Fulton Hogan, Rotorua
- Hickey Contractors, Rotorua
- Inframax Construction Ltd, Te Kuiti
- Parata Construction, Reporoa
- Schick Civil Construction Ltd, Hamilton
- Tirau Earthmovers, Putaruru

Tender prices ranged from \$576,680.27 to \$808,170.00 plus GST.

The project was estimated at \$594,547.84

**TENDER EVALUATION**

Tenders were evaluated on a lowest price conforming on a pass/fail attributes basis.

Attributes considered are:

- Relevant Experience
- Track Record
- Technical Skills
- Resources
- Management Skills
- Methodology

**RECOMMENDED CONTRACT PRICE**

The tender submitted by Inframax Construction Ltd being \$576,680.27.

Inframax Construction Ltd has completed successful a number of previous Seal Extension Contracts for Council and holds pre-qualification with Councils Health and Safety system SiteWise.

**OPTIONS**

Council may choose to accept the preferred tender or not. If the tender is not accepted the projected seal extension of Te Toke Road for the 2019/20 financial year will not proceed and the obligations projected in the 2019/20 Annual Plan for Transportation will not be met.

**CONSIDERATIONS****Financial Considerations**

The financial impact of the proposal is estimated to be \$518,000 drawn from the Seal Extension budget of \$450K budgeted in 2019/20 and bow wave of \$68K unspent from the 2018/19 Seal Extension budget.

The construction work is to be completed in staged 1km lengths with the final stage reduced in length if required as Contingency or Provisional expenditure will be evident at the commencement of the final stage.

Long-term Plan/Annual Plan

The expenditure outlined is currently budgeted for under the 2019/20 at \$450,000 with the bow wave roll over of \$68,000 from the unspent 2018/19 Seal Extension budget, this totals \$518,000.

**Legal Considerations**Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. The matter will enable the Council to meet the current and future needs of communities for good quality local infrastructure. (i.e. efficient, effective and appropriate to present and anticipated future circumstances).

**Policy Implications**

There are no known policy implications.

**Risks**

Traffic management and weather related risks are the greatest concern with both managed and mitigated through best practices by implementing an approved traffic management plan and installation of erosion and sediment control measures to Waikato Regional Council guidelines and staging of the works to reduce the length of road open to the weather at any one time.

**SIGNIFICANCE OF THE DECISION OR PROPOSAL**

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

**ENGAGEMENT**

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

**COMMUNICATION/MEDIA**

Prior to commencement of the contract works contact will be made, with those residents/landowners adjacent to the works individually. A letter drop will be undertaken to all households outside the works along Te Toke Road including the Marae. Frequent road users such as the school bus company and Fonterra will also be contacted.

**CONCLUSION**

Eight tenders were received and assessed: the tender of Inframax Construction Ltd for \$576,680.27 was the lowest priced conforming tender and is the preferred tender.

There is sufficient funding contained within the Transportation Cost Centres to fund the Contract Works with the scope of works namely the length of road sealed scaled back to fit within the allowable budget of \$518,000. The Contract Document and Schedule of Prices was formulated in such a way to allow for flexibility to scale back or increase the length of road sealed. At this time a seal extension length of 2.2km can be achieved.

**ATTACHMENTS**

Nil

**5.4 INCREASE IN APPROVED CONTRACT EXPENDITURE CONTRACT TDC/1718/240 POIHIPI & TIROHANGA ROAD SEAL WIDENING**

**Author:** Bryan Ferguson, Senior Engineering Officer - Transportation Operations

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

To seek approval for an increase in the approved expenditure for Contract TDC/1718/240 Poihipi & Tirohanga Road Seal Widening.

**EXECUTIVE SUMMARY**

Contract TDC/1718/240 Poihipi & Tirohanga Road Seal Widening was let by Council at the January 2019 meeting to Schick Civil Construction Ltd approving the tendered sum of \$918,316.36. The contract is to be completed over two financial years 2018/19 and 2019/20 with a total budget allowed in the Annual Plan for those two years of \$1.2 Million (\$600,000 for each site). Additional funding for areas of full road width reconstruction on Tirohanga Road has been drawn from the Road Rehabilitation budget which has an annual value of \$450,000.

The Poihipi Road section was fully completed at a value of \$370,354.79 in the 2018/19 financial year by carrying forward funding from 2019/20 into 2018/19 to cover expenditure over \$300K.

The full width reconstruction and widening length of 500m within the Tirohanga Road site was completed in May 2019, with work then suspended for the winter months and work has recommenced as of 9<sup>th</sup> September 2019 to complete the contracted works.

Contract expenditure at the close of the 2018/19 financial year totalled \$711,213.98. It is estimated to complete the contract works at the Tirohanga Road site will bring the final contract value to approximately \$972,000 an additional \$54,000 over the approved contract value.

Alternatively the scope of works can be reduced by decreasing the length of seal widening proposed on Tirohanga Road to bring the final value to within the original approved tender let sum of \$918,316.

The preferred option is to increase the expenditure value of the contract and complete the works as designed. The final estimated contract value of \$956,000 will still be under the total Annual Plan budgeted value of \$1.2 Million.

**RECOMMENDATION(S)**

That Council accepts the \$54,000 increase in contract expenditure for Contract TDC/1718/240 for Poihipi & Tirohanga Road Widening let to Schick Civil Construction Ltd increasing the total value of the contract to \$972,000.00 [excl. GST].

**BACKGROUND**

Two separate budgets have been established under the 2018/19 and 2019/20 Annual Plans for the seal widening of both Poihipi and Tirohanga Road each totalling \$300K per year per road giving an all up total of \$1.2 Million. Both road widening projects were bundled into a single contract to be completed over the two financial years. This contract was won by Schick Civil Construction Ltd of Hamilton through the tender process at value of \$918,316.36.

The Poihipi Road widening project between the intersections of Oruanui and Mapara Roads was completed in the 2018/19 financial periods by bringing forward 2019/20 funding, this work had a completed value of \$370,354.79.

Full width reconstruction and widening of a 500m length within the Tirohanga Road site was completed in May 2019, with work then suspended for the winter months. At this time the value of completed works at this site totalled \$340,859.19, \$139,394 of which was drawn from the Road Rehabilitation budget. The works completed also included for two new culvert installations, kerb and channel, repair of a roadside washout and a rock batter cut to achieve the desired road width.

Work at the Tirohanga Road site has recommenced as of 9<sup>th</sup> September 2019. To complete the contracted works involves a 1130m length of seal widening and a further 210m length of combined widening and full width road reconstruction it is estimated that this work will cost \$245K.

At this estimate the final contract cost will be in the order of \$972,000. This being \$54K over the approved contract value of \$918,316.36.

## DISCUSSION

Approval is now being sought for an increase in the approved contract value from \$918,316.36 to \$972,000. Increase in the road length of the full width reconstructed areas and the inclusion of cement stabilisation of these areas has resulted in increased construction costs putting the estimated final costs over the approved contract value.

In total \$1.2 Million has been budgeted in the 2018/19 and 2019/20 Annual Plans to complete seal widening on sections of Poihipi and Tirohanga Road. The estimated final construction cost of \$972K will still be under the allowed total budget.

Alternatively the scope of works can be reduced by decreasing the length of seal widening proposed on Tirohanga Road to bring the final value to within the original approved tender let sum of \$918,316. This would require reducing the widening length by approximately 210m. The current design location for the end of the widening is at the forestry off highway road (Thorpe Road) intersection with Tirohanga Road. This is a logical point to terminate the widening as reduces the dramatic effect the road narrowing back to the original constructed width.

Based on this information it is considered that there are two options to either increase the approved contract value or reduce the scope of works by shortening the length of road widening by approximately 210m.

## OPTIONS

### Analysis of Options

#### **Option 1. Approve additional contract expenditure**

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>Able to achieve the desired outcome of widening Tirohanga Road from State Highway 1 Atiamuri intersection to the Thorpe Road Intersection.</li> </ul>	<ul style="list-style-type: none"> <li>Nil – still sufficient allowed budget to cover increased contract value.</li> </ul>

#### **Option 2. Reduce length of widening fit approved contract value**

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>No additional expenditure over approved contract value.</li> </ul>	<ul style="list-style-type: none"> <li>Termination point of widening no longer at a logical location.</li> </ul>

The preferred option is Option 1 as this allows for the completion of road widening to the Thorpe Road Intersection.

## CONSIDERATIONS

### **Financial Considerations**

The financial impact of the proposal is estimated to be \$54,000 ex GST.

### Long-term Plan/Annual Plan

The expenditure outlined is currently budgeted for under the 19/20 financial year.

### **Legal Considerations**

### Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of [Section 10](#) of the Local Government Act 2002. That section of the Act states that the purpose of local

government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. It is considered that environmental well-being is of relevance to this particular matter.

**Policy Implications**

There are no known policy implications.

**Risks**

There are no known risks.

**SIGNIFICANCE OF THE DECISION OR PROPOSAL**

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

**ENGAGEMENT**

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

**COMMUNICATION/MEDIA**

No communication/media required.

**CONCLUSION**

The value of the proposed increase in contract value has been included in the 19/20 budgets and it is anticipated that if this increase is approved the expenditure for this contract would not exceed the budgeted amount.

**ATTACHMENTS**

Nil

**5.5 AC BATHS PRIVATE POOLS UPGRADE 2019/20**

**Author:** Darren Penketh, Facilities Officer

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

This report seeks approval from Council to delegate authority to the Chief Executive, during the period of local body elections, to approve the preferred tender and sign contract documentation for the AC Baths Private Pools Upgrade project.

**DISCUSSION**

A project encompassing an upgrade of the AC Baths private pools was approved as part of the 2018-21 Long Term Plan. This project has an allocated budget of \$1,155,000.

Council officers have worked closely with Boon Architecture on project management and concept designs for this project. At a council workshop held on the 11 July 2019 a range of concepts and options was presented; and Council made a decision to progress with concept plan three which incorporates four larger private pools (attachment one). The estimated cost for this plan is within the allocated project budget.

The proposed timeline for the project is indicated below.

Complete detailed design	Sep 2019
Tendering & building consent	Sep – Nov 2019
Tender awarded	November 2019
Physical works start	December 2019
Practical completion	TBC upon awarding of tender

As local government elections are occurring during the procurement phase of the project, it is requested that Council delegates authority to the Chief Executive to enable selection of a preferred tender and to sign any contract documentation for the project while elected members are not present. Boon Architecture will provide a tender recommendation report for help with choosing a preferred supplier.

**CONCLUSION**

Council has already approved this project through the LTP process and selected a preferred concept. In order to continue progress on this project over the local government election period it is requested that authority is delegated to the Chief Executive to execute the required project process steps.

**RECOMMENDATION(S)**

That Council delegates authority to the Chief Executive to approve the preferred tenderer and sign the relevant contract documents for the AC Baths Private Pools Upgrade Project 2019/20 tender.

**ATTACHMENTS**

1. Private pools option 3 chosen by council at a workshop on 11 July 2019

**5.6 PROVISION OF CCTV AND SL-RAT SERVICES**

**Author:** Daniel McKay, Contracts and Procurement Specialist

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

The purpose of this report is to approve the supplier of CCTV and SL-Rat services; to ensure continued sewer inspection and cleaning in order to reduce the risk of sewer overflows.

**EXECUTIVE SUMMARY**

TDC have utilised CCTV and SL-Rat technologies since February 2018 to perform sewer inspection and cleaning services in order to reduce the risk of sewer overflows.

A market engagement process was required in order to continue this service. The market was approached in accordance with TDC Procurement Policy and three submissions were received.

Downer New Zealand Limited was the preferred supplier, following the evaluation process. A negotiation was subsequently held whereby the submitted price was reduced due to the pricing potentially enable TDC to be able to increase the planned work volume by approximately 70%. If this option is chosen it should mean that TDC will be able to complete the five-year work program within 3 years enabling expansion into other communities in the district. Assurance was given that the preferred supplier would increase its vehicle fleet and its staffing, so that this new Agreement can be adequately serviced.

It is recommended that the current budget is held constant, so that more CCTV and SL-Rat work can be performed. This increase in inspection and cleaning services will further reduce the risk of sewer overflows.

**RECOMMENDATION(S)**

That Council accepts the proposal for Contract TDC/1819/290 for Provision of CCTV and SL-Rat Services submitted by Downer New Zealand Limited for the sum of \$990,000 [excl. GST] over a Contract term of 3 years and authorises His Worship the Mayor and the Chief Executive to sign the Contract Document(s) and attach the Council's Common Seal to them.

**BACKGROUND**

The proposal has not been presented previously.

On 27 February 2018 Council approved a report for Wastewater Network Increased Maintenance: Overflow Reduction. This report identified the need to begin a programme of sewer inspection and cleaning in order to reduce the risk of sewer overflows.

The implementation of this programme of preventative maintenance has introduced Closed Circuit Television (CCTV) and Sewer Line Rapid Assessment Tool (SL-RAT) technologies in order to reduce sewer overflows. This technology enables blockages such as fat, rags (wet wipes and other sanitary items) and tree roots to be identified and removed in situ. The use of this technology means that the right pipes can be focussed on at the right time.

The current spend for CCTV and SL-Rat work is \$334,452.36 (excluding GST) per annum. The work already done has reduced the sewer overflows that TDC was experiencing from approximately 1.4 dry weather overflows per 1000 properties in 2017/18 to the current rate of 0.8 dry weather overflows per 1000 properties. Some fluctuations in this figure can be expected but the statistics show that with the work that has been done there is a significant improvement and that continuing this work should see this rate reduce further.

**DISCUSSION**

Taupō District Council (TDC) are looking for a highly skilled CCTV contractor and SL-Rat operator to carry out survey work along with sewer cleaning and detailed condition assessment of its sewer network over the next five years as a three plus two (3+2) year contract arrangement. The plus 2 years would need to come back to council to be approved before a roll over could be awarded.

The information gained by carrying out this work, will be used to determine maintenance needs and renewal strategy for each and every sewer line assessed, therefore accurate asset data collection and pipeline grading is essential.

Three responses for the RFP were received, and Downer were selected as the preferred supplier based on the attributes demonstrated being capability and capacity and price.

Following the RFP evaluation, the below benefits were negotiated and realised on the understanding that the work program would be increased:

- The initial quotation from Downer for SL-Rat/CCTV work was \$643,073.30 (excluding GST) over 3 years – so \$214,357.77 (excluding GST) per annum
- The following value was obtained through negotiation (without impacting the required specification):
  - New quotation for \$530,807.05 (excluding GST) over 3 years – so \$176,935.68 (excluding GST) per annum
  - A new mini combo unit will be added to the Taupō Fleet
  - An additional technician will be employed, so that the impact to the current 3-waters Contract is minimal

The budget for CCTV and SL-Rat diagnostic work is \$330,000 (excluding GST) per annum. The negotiated price is just over half of TDC's budget. It is proposed that TDC continues to work within this budget and deliver more network diagnostic and remedial work.

The benefits of being able to perform additional CCTV and SL-Rat work means that TDC will be able to complete significantly more scheduled surveys on the pipeline for the current price – and TDC will therefore be able to have a higher level of confidence in the sewer pipe network performance and advance the program into other communities within the district.

## **REQUEST FOR PROPOSALS RECEIVED**

RFP documents were issued for a proposed contract on 28 June 2019. RFPs closed on 22 July 2019. 3 conforming submissions were received from the following organisations:

- Downer New Zealand Limited
- Hydrotech Limited
- The Fletcher Construction Company Limited t/a PipeWorks

RFP prices ranged from \$214,357.77 (excluding GST) per annum to \$530,176.20 (excluding GST) per annum

The project was estimated at \$330,000 (excluding GST) per annum.

## **TENDER EVALUATION**

RFPs were evaluated on a weighted attributes basis. Downer New Zealand Limited had both the highest weighted attributes and lowest price for the provided scope of works.

The Pipeworks bid did not include SL-Rat, so was non-conforming (even without SL-Rat technology their price was higher than the Downer New Zealand Limited price).

The Hydrotech Limited bid was technically conforming (scoring only slightly less than Downer New Zealand Limited in technical attributes); however, it was the highest priced bid. This bid scored less than Downer New Zealand Limited in technical attributes as it could only operate in Taupō at certain times of the year (as the proposed equipment and labour was based in Auckland for their WaterCare Contract).

TDC is confident that it can achieve approximately 70% more volume of CCTV and SL-Rat work for the current budget price of \$330,000 per annum; as we can scale the Downer New Zealand Limited price. Good value for money can be demonstrated against the Hydrotech Limited price; as the offered Hydrotech Limited price of \$530,176.20 (excluding GST) per annum for the quoted scope of works is still considerably more than the current budget.

## RECOMMENDED CONTRACT PRICE

The recommended price of \$990,000 (excluding GST) over the 3 year contract term (\$330,000 per annum) is within Councils current LTP budgets and the work completed under this contract will be controlled to stay within this budget. If Council chooses option 1 below it is likely that the contractor would want to revert to it's original price based on the reduction in programmed work.

## OPTIONS

Option 1. Council may choose to award a contract to the preferred contractor and restrict the work to the tendered price of \$530,807.05 (excluding GST) for 3 years or \$176,935.68 (excluding GST) per annum.

Option 2. To award a contract to the preferred contractor for the full budgeted figure of \$990,000 (excluding GST) or \$330,000 (excluding GST) per annum, and task TDC staff to issue work to utilise the full budget but ensuring it is not exceeded.

Option 3. To not award a contract for CCTV and SL-Rat activities and cease all of these activities. This would increase the likelihood of sewer overflows in future years.

## CONSIDERATIONS

### Financial Considerations

The financial impact of option 1 would be \$643,073.30 (excluding GST) over 3 years. The financial impact of option 2 would be \$990,000 (excluding GST) over 3 years.

#### Long-term Plan/Annual Plan

The expenditure outlined in option 2 is currently budgeted for at a rate of \$330,000 (excluding GST) per annum.

### Legal Considerations

#### Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. The matter will enable the Council to meet the current and future needs of communities for good quality local infrastructure. (i.e. efficient, effective and appropriate to present and anticipated future circumstances).

Authorisations are not required from external parties.

### Policy Implications

There are no known policy implications.

### Risks

There are no known risks with the preferred option.

Increasing the current preventative maintenance programme will further lessen the risk of sewer overflow and the associated health and reputational risks.

## SIGNIFICANCE OF THE DECISION OR PROPOSAL

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and

- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016) and are of the opinion that the proposal under consideration is of low importance.

#### **ENGAGEMENT**

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

#### **COMMUNICATION/MEDIA**

Direct communication has been/will be carried out with affected parties/key stakeholders but no wider communication is considered necessary.

#### **CONCLUSION**

Increasing the current CCTV and SL-Rat preventative maintenance programme for sewer inspection and maintenance is the preferred option being option 2. There is increasing concern over the number of sewer overflows occurring and the impact of these on our environment and health.

It is recommended that Council chose Option 2 to maintain the current budgeted level of spend and increases the amount of CCTV and SL-Rat work; further reducing the risk of sewer overflows.

#### **ATTACHMENTS**

Nil

**5.7 CONSIDERATION OF SUBMISSIONS ON LICENCE FOR FARMERS AND CRAFT MARKET AT NORTHCROFT RESERVE**

**Author:** Nathan Mourie, Senior Reserves Planner

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

To consider Council's original resolution to grant a licence to occupy at Northcroft Reserve for the purpose of operating a Farmers & Craft Market following the public notification process.

**DISCUSSION**

At the Council meeting held on 20 August 2019 Council approved the offer of a licence to occupy at Northcroft Reserve for the purpose of operating a Farmers & Craft Market. As the land is a reserve, under the Reserves Act 1977 any new licences must be publicly advertised for one calendar month. If Council receives any submissions in opposition they must review their original decision in light of any submissions received. All submitters must be given the opportunity to present their submission in person.

Council may, following review of any submissions, confirm, modify or discard their original decision.

The public notification period ran from 20 August to 20 September. Council received one submission, that being in opposition (attachment 1). This objection was submitted by Taupō Mini Golf, who hold a licence to occupy for land immediately to the west of the proposed market site. The Mini Golf site is indicated in yellow below with the proposed market site in red.



*Figure 1 - Northcroft Reserve occupation areas*

The primary concerns of the submitter are:

- During the trial periods that the market was on site their revenue was down due to the lack of parking for their customers
- There is a licence for an amusement park to the west of them for six weeks over summer and with many cars being around it would be dangerous for children if the market were set up permanently next door
- Their busiest time is on the weekend so they are concerned that a weekend market will impact revenue

Officers believe that the issues expressed by the objector are possibly overstated, and that the primary issue of lack of parking can be managed over time as users adapt to the new location and the area is developed.

There is a large amount of parking nearby on the lakefront and in front of the old Council building location, which are only around 100 metres from the market and should be encouraged to be used by visitors.

It is understood that additional in berm parking in the local area has also been approved by Council as part of the civic administration building project.

Admittedly there will be a transition period as users adapt to the new arrangements; and there has been an expectation in the past from locals to be able to park within a few metres of their final destination. A new conditioning will need to be put in place to try and ensure that existing facilities are used to their capacity prior to installing new ones; particularly with regard to car parking.

An aerial image is provided below which was taken during one of the trial markets. The amusement devices were also present during this time. It appears at the time the images were taken that there was adequate parking facilities in the vicinity of the Mini Golf, Market and Amusement activities.



*Figure 2 - Aerial of trial market*

Officers believe that Northcroft Reserve is the best long term location for a Farmers and Craft Market with a lot of potential for successful development of the site and nearby businesses. It is possible (if not likely) that the adjacent businesses could benefit from the increased visitor numbers provided by the market; some of whom will likely choose to take advantage of the opportunities provided by the other businesses.

On balance it is considered that the benefits of having the market in this location outweigh any potential negative impacts. Following consideration of the submission officers believe that offering a licence to occupy to for a Farmers & Craft Market on Northcroft Reserve is still the preferred outcome.

## CONCLUSION

Officers believe that the issues raised by the submitter can be managed effectively, and that on the whole the inclusion of a market in this location will be of great benefit to the community.

## RECOMMENDATION(S)

1. That Council receives the submission in opposition to the proposed licence to occupy on Northcroft Reserve for the purposes of operating a Farmers and Craft Market.
2. That Council confirms their original recommendation from 20 August 2019 to offer a licence to occupy on Northcroft Reserve for the purposes of operating a Farmers and Craft Market.

**ATTACHMENTS**

1. Submission in opposition

**5.8 CONSIDERATION OF FLY-LINE LICENCE TO OCCUPY DOCUMENT**

**Author:** Nathan Mourie, Senior Reserves Planner

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

To consider approval of the Licence to Occupy agreement for 4nature NZ Ltd for the purposes of operating a Fly-Line and small café at Hipapatua Reserve.

**DISCUSSION**

At the Council meeting of 30 April 2019, Council approved the following recommendation:

*That Council pursuant to section 54 (1)(d) of the Reserves Act 1977 and to a delegation from the Minister of Conservation, consents to the granting of a licence over part of Hipapatua/Reid's Farm Reserve to 4 nature NZ Ltd for a term of 10 years for the purposes of operating a Fly-Line tourism activity and a small café, subject to negotiation of a mutually acceptable licence agreement and that the terms of the licence to occupy be referred back to Council for final approval.*

Council officers have drafted a Licence to Occupy based on the existing reserves licence template which is used for most reserve occupations. This has been modified based on the specific commercial use being referenced and the requests of the operator. This licence is included as attachment 1.

Officers described the approach to the licence drafting at a previous Council workshop. These primarily focussed on addressing the concerns of the public submitters on the proposed licenced use.

The main points to note in the licence are the following:

- The licence term is for 10 years
- The District Plan residential environment noise standards will apply (not rural environment)
- Licensee will supply 25 carparks
- Licensee is responsible for all costs – including providing services for the operation
- Licensee must supply and implement a restoration plan for the vegetation in the licenced area
- Car parking area will be available to freedom campers outside of operating hours
- Operating hours shall be 9am – 5pm from March to November and 9am – 7pm December to February
- Licensee shall provide a safety management plan and all structural trees shall be regularly assessed for safety annually at a minimum.
- Council must approve built structures prior to installation
- Max built area of 200m<sup>2</sup> comprising 50m<sup>2</sup> building and 150m<sup>2</sup> deck
- Council must approve the café sub-licensee prior to selection and operation
- Café will have a small kitchen and be open one hour before and one hour after Fly-Line operating hours
- Council shall consult with Fly-Line on any centralised or generalised development of the reserve
- Annual rental shall be \$32,500 + GST per annum

The suggested rental was provided by independent registered valuers.

The Mayor and Chief Executive met with the Fly-Line representative to discuss the licence conditions. The licence in attachment 1 reflects the outcomes of that discussion between those three people.

Ngāti Tūwharetoa have expressed concern that they were not individually consulted with during the initial public notification period. Conversations with the Tūwharetoa Māori Trust Board have occurred, and further dialogue is underway with mana whenua hapū through a hui-a-hapū being held at Nukuhau Marae.

**CONCLUSION**

While licence conditions have been agreed between the Mayor, Chief Executive and 4nature NZ Ltd; it is still up to elected members to ratify those conditions as a group through this final approval process. If elected members have any concerns about the activity that they feel are not adequately addressed by the attached licence they should be raised at this meeting before a final commitment is made.

**RECOMMENDATION(S)**

That Council approves the Licence to Occupy agreement for 4nature NZ Ltd for the purposes of operating a Fly-Line and small café at Hipapatua Reserve on terms generally in accordance with those outlined in Attachment 1 to the report, subject to completion of consultation with hapū, and authorises the signing of the final agreement by the Mayor and Chief Executive.

**ATTACHMENTS**

1. Draft Licence for Fly-Line at Hipapatua

**5.9 LICENCE TO OCCUPY NIWA AT HIPAPATUA RESERVE**

**Author:** Nathan Mourie, Senior Reserves Planner

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

To decide on offering a licence to occupy to the National Institute of Water and Atmospheric Research (NIWA) for the purpose of installing a new river measuring station at Hipapatua.

**DISCUSSION**

NIWA have an existing flow measuring station which collects data on the Waikato River at Hipapatua. The site measures river level, flow and rainfall. This data is telemetered to NIWA's Rotorua office, with the information sent out to all interested parties.

This site is a nationally important site which provides information to national organisations and parties all the way down the river. However, we are unable to locate any documented licence for the existing site.

The existing station is in need of replacement and upgrading. Both to bring it in line with the latest technology and to try and mitigate some of the safety issues associated with the structure. The existing structure has a "catwalk" going out to the measuring device which some reserve visitors use to jump off into the river. There have been incidents in the past with bad user experiences and outcomes resulting from using this structure, and the site has been investigated as part of a coroners report in the recent past.



*Figure 1 - Existing flow measuring structure*

Initial discussions were held around this site between NIWA and Council in 2014, at which time Council was supportive of the upgrade proposal. NIWA recently made contact with Council again and are in a position now to be able to carry out the upgrade. They have written support from Tūwharetoa to carry out the work in the Waikato River dated November 2018.

The new proposed structure will remove the sensor tower and catwalk; replacing them with a sensor and manual gauge next to the riverbank. The sensor will be connected to a small concrete hut by a buried cable. The hut is approximately 1.5x1.5m and will have a transmission mast approximately 5m high attached to it.

There is scope to paint the hut with a mural or in a recessive colour to try and blend into the surrounding riverbank vegetation.

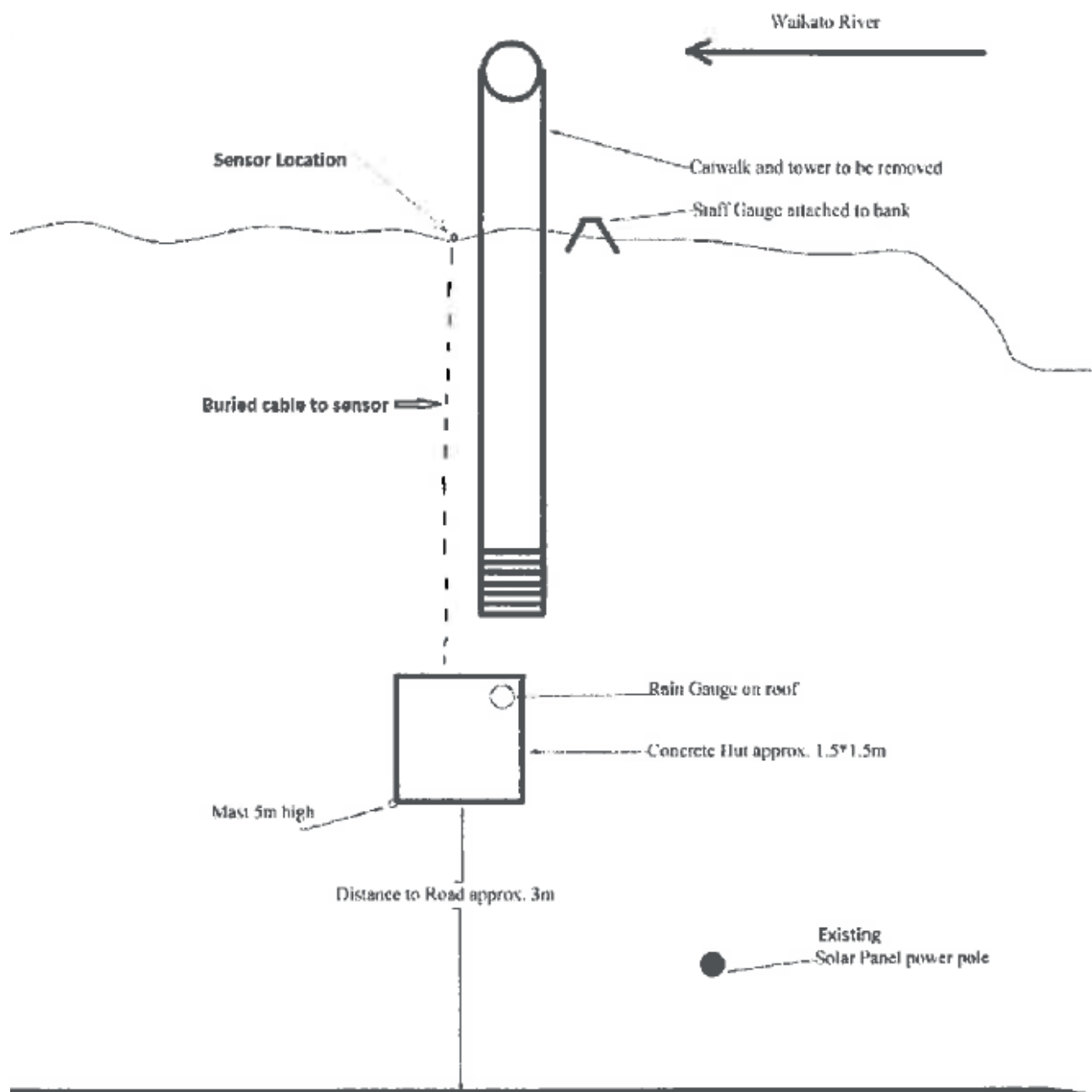


Figure 2 - Proposed plan view of structure

While the site is not specifically referenced, the Hipapatua Reserve Management Plan allows for facilities which “provide protection to the environment and ensures the safety and enjoyment of permitted recreation activities”. The flow measuring site is important to understand the behaviour of the Waikato River, which in turn allows for management and safety of reserve and river users; not only at Hipapatua, but also at sites further down the river.

Under the Reserves Act 1977 the maximum licence term is 33 years. This activity is in accordance with the Hipapatua Reserve Management Plan and the Reserves Act.

This matter would ordinarily come before the Fences, Roading, Reserves and Dogs Committee, but there is some urgency being expressed by NIWA who are keen to have the site upgraded before summer. This is in order to avoid any potential health and safety incidents associated with the structure from the seasonal influx of campers to the site over the summer holiday period.

The river measuring site is outlined red in the image below.



Figure 3 - Hipapatua Reserve NIWA location

## CONCLUSION

The proposed upgraded structure will be both safer and have updated technology. It is an important site for environmental monitoring and river safety. It is recommended that a licence to occupy be granted to NIWA for this site at a peppercorn rental.

## RECOMMENDATION(S)

That Council approve a 33 year licence to occupy to NIWA for the purposes of installing a flow measuring structure at Hipapatua Reserve.

## ATTACHMENTS

Nil

**5.10 LEASE TO OCCUPY - TAWA ST KINDERGARTEN AT 35 TAWA ST**

**Author:** Nathan Mourie, Senior Reserves Planner

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

To decide on offering a new lease to occupy Council owned and administered land at 35 Tawa St, Taupō and escribed as Lot 24 DPS 51337, being approximately 1102m<sup>2</sup>.

**EXECUTIVE SUMMARY**

The Taupō Educational Pre-School trust has occupied Council owned land at 35 Tawa St since at least 1990 for the purposes of operating a kindergarten. Their current lease expires on 31 December 2019 and they have asked Council for a new lease to continue their occupation of the land. The preferred option is to offer a new lease.

**RECOMMENDATION(S)**

That Council approves a new 14 year lease with one 14 year right of renewal to the Taupō Educational Pre-School Trust for land at 35 Tawa St, Taupō and described in Lot 24 DPS 51337.

**BACKGROUND**

The proposal has not been presented previously.

The Taupō Educational Pre-School trust has occupied Council owned land at 35 Tawa St since at least 1990 for the purposes of operating a kindergarten. Their current lease expires on 31 December 2019 and they have asked Council for a new lease to continue their occupation of the land. The area the kindergarten occupies is outlined in figure 1 below, and is approximately 1102 m<sup>2</sup>.

The two previous licences were for 14 years each. The kindergarten have asked if it is possible to have a 14 year lease with a further 14 year right of renewal.



Figure 1 - Tawa St Kindergarten Area

## DISCUSSION

The land appears to be fee simple land (i.e. not reserve).

Council officers are not aware of any significant issues which would indicate that the kindergarten are not suitable tenants for the land. They have occupied the land for a considerable period and provide a valuable educational facility within the Hilltop neighbourhood.

Based on this information it is considered that there are two options.

## OPTIONS

### Analysis of Options

Option 1 – Decline to offer a new lease

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>Council would be able to use the land for other purposes; e.g. another user or dispose of land</li> </ul>	<ul style="list-style-type: none"> <li>Loss of local kindergarten</li> <li>Council would have to find another use which may not be as good as the existing use</li> </ul>

Option 2 – Offer a new lease

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>Retain local kindergarten and associated benefits for family and community</li> </ul>	<ul style="list-style-type: none"> <li>Nil</li> </ul>

### Analysis Conclusion:

The preferred option is to offer a new 14 year lease with one 14 year right of renewal.

## CONSIDERATIONS

### **Alignment with Council's Vision**

Council's vision is 'to be the most prosperous and liveable district in the North Island by 2022'. This is accompanied by a core set of values to underpin decision-making, the following of which are relevant to this particular proposal: Authentic; Vibrant; Resilient and Value.

### **Financial Considerations**

The current ground rental under Council's fees and charges for sporting and community leases is \$2.34m<sup>2</sup>. Taking the approximate building area of 250m<sup>2</sup> the rental would be \$585. The rental amount under the current lease is \$250.78.

### **Legal Considerations**

#### Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. That section of the Act states that the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. It is considered that social aspects are of relevance to this particular matter.

The proposal has been evaluated with regards to a range of legislation. The proposal is consistent with relevant legislation.

Authorisations as follows are required for the proposal:

- ☐ Resource Consent    ☐ Building Consent    ☐ Environmental Health  
☐ Liquor Licencing    ☒ Licence to occupy

Authorisations are not required from external parties.

### **Policy Implications**

There are no known policy implications.

**Māori Engagement**

Council is bound by various Acts to consult and/or engage with Māori, including a duty to act reasonably and in good faith as a Te Tiriti ō Waitangi partner. Equally, Council has a responsibility to develop and proactively foster positive relationships with Māori as key stakeholders in our district, and to give effect to the principles of Te Tiriti ō Waitangi including (but not limited to) the protection of Māori rights and their rangatiratanga over tāonga. While we recognise Māori in general, we also need to work side by side with the three ahi kaa / resident iwi of our district.

Although good faith does not necessarily require consultation, it is a mechanism for Council to demonstrate its existence and commitment to working together as district partners. Appropriately, the report author acknowledges that they have considered the above obligations including the need to seek advice, guidance, feedback and/or involvement of Māori on the proposed recommendation/s, objective/s, project/s or service/s outlined within this report.

**Risks**

There are no known risks.

**SIGNIFICANCE OF THE DECISION OR PROPOSAL**

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

**ENGAGEMENT**

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

**COMMUNICATION/MEDIA**

Direct communication has been/will be carried out with affected parties/key stakeholders but no wider communication is considered necessary.

**CONCLUSION**

The activity provides a local early childhood education facility within the Hilltop community. The kindergarten has occupied the land for some time without incident and is consistent with other early childhood education activities on Council administered land. It is recommended that a new lease is offered.

**ATTACHMENTS**

Nil

**5.11 ASSIGNMENT OF LEASE FOR CHRIS JOLLY BOATS LTD AT PIER 87, RAUHOTU STREET, TAUPŌ**

**Author:** Nathan Mourie, Senior Reserves Planner

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

To decide on approving an assignment of a portion of the current lease that Chris Jolly Boats Ltd holds for Council owned and administered land at Rauhotu Street, Taupō.

**EXECUTIVE SUMMARY**

Chris Jolly Boats Ltd currently hold a lease for Council owned and administered land at 14 Rauhotu St, Taupō. They would like to assign the lease to a joint partnership including themselves and Taupō Moana Group Holdings Ltd (Tūwharetoa). It is recommended that this is approved.

**RECOMMENDATION(S)**

That Council approve the assignment of the lease dated 25 March 2014 for the Premises at 14 Rauhotu Street from Chris Jolly Boats Limited to TMGH Jolly Limited Partnership.

**BACKGROUND**

The proposal has not been presented previously.

Chris Jolly Boats Ltd (CJB) hold a lease agreement with Taupō District Council (TDC) for council administered land at 14 Rauhotu St, Taupō. In April 2018 Council approved a sub-lease from Chris Jolly Boats Ltd to Jolly Outfitters Ltd for part of the leased area (excluding the buildings and area that were already subleased to Taupo Boats Limited). CJB have approached Council requesting that approval be given for assignment of the lease that they currently hold to TMGH Jolly Limited Partnership (TMGH).

Most of the land covered by the lease agreement is fee simple land at 14 Rauhotu Street; however a portion of the land at 12 Rauhotu Street is also recreation reserve land. The lease permits the following Business Use "Boat building, boat painting, boat maintenance and boat repair, dispensation of fuel, general public good boat related activities, marine effluent disposal, boat craning and haulage access and boat charter, boat catering operations together with controlled public access for boating related purposes (other uses with the prior written consent of the Chief Executive of the Landlord)."

**DISCUSSION**

The proposed assignee, TMGH, is a registered limited partnership entity between Tuwharetoa Trust Board's commercial arm, Taupo Moana Group Holdings Limited, and Chris Jolly Outdoors. The proposed date of assignment is 30 August 2019 which was the settlement date of the partnership arrangement.

The lease agreement states that the Tenant (CJB) shall not assign sublet or part with possession of the premises...or any part of them without first obtaining the written consent of the Landlord. This consent shall not be unreasonable withheld provided a number of conditions are fulfilled including that:

- The Tenant proves to the reasonable satisfaction of the Landlord that the proposed assignee is respectable, responsible and has the financial resources to meet the Tenant's commitments under this lease
- All rent and other moneys payable has been paid and there is not any subsisting breach of any of the Tenants covenants
- A deed of covenant approved by the Landlord is duly executed

The deed of assignment has been reviewed by Council's Legal Counsel and is in order. There is one outstanding monthly lease payment owing by CJB. This will be required to be cleared prior to Council signing the deed of assignment.

The existing sublease to Jolly Outfitters Ltd is understood to be surrendered on settlement. We understand that the sublease to Taupo Boats Limited (trading as Dale Boatbuilders) will continue to run and TMGH will substitute CJB as the sublessor in that sublease.

Based on this information it is considered that there are two options

## OPTIONS

### Analysis of Options

Option 1 – Approve the assignment of the lease to TMGH

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Nil</li> </ul>	<ul style="list-style-type: none"> <li>• Nil</li> </ul>

Option 2 – Decline to approve the assignment of the lease to TMGH

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Nil</li> </ul>	<ul style="list-style-type: none"> <li>• Nil</li> </ul>

### Analysis Conclusion:

In this instance it makes little difference to Council as the landlord who the tenant is provided they are capable of running the activity in a responsible manner and have the resources to do so. The preferred option is to approve the assignment of the lease to TMGH.

## CONSIDERATIONS

### **Alignment with Council's Vision**

Council's vision is 'to be the most prosperous and liveable district in the North Island by 2022'. This is accompanied by a core set of values to underpin decision-making, the following of which are relevant to this particular proposal: Nil.

### **Financial Considerations**

The financial impact of the proposal is estimated to be nil.

### **Legal Considerations**

#### Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. That section of the Act states that the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. It is considered that economic well-being is of relevance to this particular matter.

The proposal has been evaluated with regards to a range of legislation. The key legislation applicable to the proposal has been reviewed and the proposal is in accord with them.

Authorisations as follows are required for the proposal:

- ☐ Resource Consent    ☐ Building Consent    ☐ Environmental Health  
☐ Liquor Licencing    ☒ Licence to occupy

Authorisations are not required from external parties.

### **Policy Implications**

There are no known policy implications.

### **Māori Engagement**

Council is bound by various Acts to consult and/or engage with Māori, including a duty to act reasonably and in good faith as a Te Tiriti o Waitangi partner. Equally, Council has a responsibility to develop and proactively foster positive relationships with Māori as key stakeholders in our district, and to give effect to the principles of Te Tiriti o Waitangi including (but not limited to) the protection of Māori rights and their rangatiratanga over

tāonga. While we recognise Māori in general, we also need to work side by side with the three ahi kaa / resident iwi of our district.

Although good faith does not necessarily require consultation, it is a mechanism for Council to demonstrate its existence and commitment to working together as district partners. Appropriately, the report author acknowledges that they have considered the above obligations including the need to seek advice, guidance, feedback and/or involvement of Māori on the proposed recommendation/s, objective/s, project/s or service/s outlined within this report.

### **Risks**

There are no known risks.

### **SIGNIFICANCE OF THE DECISION OR PROPOSAL**

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

### **ENGAGEMENT**

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

### **COMMUNICATION/MEDIA**

Direct communication has been/will be carried out with affected parties/key stakeholders but no wider communication is considered necessary.

### **CONCLUSION**

Realistically there are no foreseeable major impacts on Council if the lease is assigned and no reason not to approve the request.

### **ATTACHMENTS**

Nil

**5.12 ASSIGNMENT OF LEASE FOR TAUPŌ BUNGY**

**Author:** Nathan Mourie, Senior Reserves Planner

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

To decide on approval of an assignment of lease from Taupō Bungy Ltd to Queenstown Bungy Ltd.

**DISCUSSION**

The legal representative for Taupō Bungy has requested that Council consider an assignment of lease from Taupō Bungy Ltd to Queenstown Bungy Ltd by 30 September 2019.

Taupō Bungy have entered into a sale and purchase agreement with Queenstown Bungy for sale of their business. This business operates on Riverbank Reserve/Spa Thermal Park which is a Council owned and administered reserve. If all the requirements of the sale and purchase are met it is anticipated that the sale will be completed sometime in November.

Taupō Bungy currently hold a lease for occupation of the Council reserve land on which they operate. Subsequent to a variation of lease in 2018, the current lease expires on 31 March 2035.

Within the current lease it is identified that the Lessee requires the written consent of the Lessor prior to assigning the lease. The Lessee must prove to Council's satisfaction that the proposed assignee is respectable, responsible and has the resources to meet the lease commitments.

Following review of the company documents provided by the Lessee outlining Queenstown Bungy's business; officers are satisfied that the proposed assignee is capable of successfully operating the current activity.

Given the lack of local knowledge of the proposed assignee, and if we consider that the proposed assignee is capable of competently running the operation; then ultimately it will not make much difference to Council who the business owner is. Therefore there are no particular benefits or disadvantages to Council from either approving or declining the proposed assignment.

**CONCLUSION**

It is considered that the proposed assignee, Queenstown Bungy Ltd, are capable of meeting the lease commitments and running the existing operation. Officers recommend approving the proposed assignment.

**RECOMMENDATION(S)**

That Council approve an assignment of lease from Taupō Tourism Holdings Limited to Queenstown Bungy Limited for Council owned and administered land that they occupy at Riverbank Reserve/Spa Thermal Park.

**ATTACHMENTS**

Nil

**5.13 ADOPTION OF THE WATER SUPPLY STRATEGY 2019**

**Author:** Tanya Wood, Policy Advisor

**Authorised by:** Alan Menhennet, Head of Finance and Strategy

**PURPOSE**

To adopt the Water Supply Strategy 2019.

**EXECUTIVE SUMMARY**

This report seeks the adoption of the Water Supply Strategy 2019, for which hearings and deliberations occurred on 3 September 2019.

The adoption of the Water Supply Strategy will provide strategic direction that will inform the future planning of this activity.

**RECOMMENDATION(S)**

That Council adopts the Water Supply Strategy 2019 (A2524799).

**BACKGROUND**

Hearings and Deliberations on the Draft Water Supply Strategy were held on 3 September 2019. There were 8 submissions received on the draft strategy, and 2 submitters presented verbal submissions at the hearings and deliberations.

At the hearings and deliberations, there were a number of changes to the strategy requested by submitters. To allow time for the changes to be made to the strategy, it was decided that the strategy should be adopted at the 24 September 2019 Council meeting.

The minutes of the 3 September hearings and deliberations have been included as an earlier agenda item for consideration at this meeting.

**DISCUSSION**

Through the deliberations process, officers were directed to make the following changes to the strategy in relation to submissions:

- Minor wording changes to improve clarity etc.
- The addition of a new outcome 'We recognise Te Mana o Te Wai'. Te Mana o Te Wai refers to the integrated and holistic wellbeing of a freshwater body.
- The addition of new information in Section 4.1 – Waikato Regional Context.
- The addition of new information in Section 4.2 – Changes signalled from Central Government.
- Expansion of the 6 principles in Section 4.3 – Havelock North Enquiry
- The addition of a new section, 4.4 – Responding to Climate Change
- Significant changes to section 5 - Taupō District Iwi and Hapū Rights and Management of Freshwater.
- A reorder of Section 6 Links to National, Regional and Local Documents
- Changes to the 'goals' and 'responses' throughout the outcomes.

These changes are reflected in the attached Water Supply Strategy 2019.

Based on this information it is considered that there are two options available.

**OPTIONS**Analysis of Options

There are two options available.

Option 1 - adopt the attached Water Supply Strategy.

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>The strategy has been developed taking into account input from stakeholders and submitters.</li> <li>Adoption of the strategy will be provide strategic direction for our drinking water supplies.</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>

Option 2. – do not adopt the Water Supply Strategy

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>Will not provide strategic direction for our drinking water supplies.</li> <li>Stakeholders and submitters who have had input into the strategy may be disappointed.</li> </ul>

Analysis Conclusion:

Option 2 is the preferred option as it will provide strategic direction for our drinking water supplies.

**CONSIDERATIONS****Alignment with Council's Vision**

Council's vision is 'to be the most prosperous and liveable district in the North Island by 2022'. This is accompanied by a core set of values to underpin decision-making, the following of which are relevant to this particular proposal: World Class and Resilient.

**Financial Considerations**

There is no financial impact of the proposal. The strategy will provide direction for our water supplies that can be used to provide direction for the development of the asset management plans and long-term plan in 2021.

**Legal Considerations**Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of [Section 10](#) of the Local Government Act 2002. That section of the Act states that the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. It is considered that the social, economic, environmental and cultural well-beings are of relevance to this particular matter.

**Policy Implications**

The proposal has been evaluated against the following plans:

- ☒ Long Term Plan 2018-2028    ☐ Annual Plan    ☐ Waikato Regional Plan  
☐ Taupo District Plan    ☐ Bylaws    ☐ Relevant Management Plan(s)

The key aspects for consideration with regards to this proposal are as follows:

This strategy has been developed to ensure that it is consistent with other relevant strategies include the Infrastructure Strategy 2018 – 48 and the Financial Strategy 2018-28. The adoption of this strategy will inform the development of the 2021 Water Asset Management Plan, the development of the Infrastructure Strategy 2021-51, the review of the District Plan and the development of the Long-term Plan 2021-31.

**Māori Engagement**

Council is bound by various Acts to consult and/or engage with Māori, including a duty to act reasonably and in good faith as a Te Tiriti ō Waitangi partner. Equally, Council has a responsibility to develop and proactively foster positive relationships with Māori as key stakeholders in our district, and to give effect to the principles of Te Tiriti ō Waitangi including (but not limited to) the protection of Māori rights and their rangatiratanga over tāonga. While we recognise Māori in general, we also need to work side by side with the three ahi kaa / resident iwi of our district.

Through the development of the strategy, officers engaged with Tūwharetoa Maori Trust Board, Raukawa and Te Arawa River Iwi Trust to seek their development into the strategy.

**Risks**

There are no known risks.

**SIGNIFICANCE OF THE DECISION OR PROPOSAL**

The Water Supply Strategy 2019 was formally consulted on through May and June 2019.

**ENGAGEMENT**

The Water Supply Strategy 2019 was formally consulted on through May and June 2019. In addition to this, officers engaged with stakeholders in late 2018 and early 2019.

**CONCLUSION**

Adoption of the Water Supply Strategy 2019 will provide for strategic direction that will assist with future planning for our drinking water supplies.

**ATTACHMENTS**

1. Water Supply Strategy 2019

**5.14 ADOPTION OF THE ANNUAL REPORT 2018/19****Author:** Tanya Wood, Policy Advisor**Authorised by:** Alan Menhennet, Head of Finance and Strategy**PURPOSE**

To adopt the Annual Report 2018/19 and the Summary Annual Report 2018/19.

**EXECUTIVE SUMMARY**

Section 98 of the Local Government 2002 requires Council to formally adopt the Annual Report 2018/19. The Annual Report is the key public accountability document that compares Council's actual performance for the year against its forecast in the Annual Plan.

Council must adopt its Annual Report 2018/19 within four months of the end of the financial year 30 June 2019.

A workshop was held on 27 August 2019 to allow Council the opportunity to review the draft Annual Report and receive an update on the information contained in the report.

The Annual Report 2018/19 has been audited and there is now no longer an opportunity to amend the document.

The Annual Report 2018/19 and Summary Annual Report 2018/19 will be separately circulated or tabled at the meeting.

**RECOMMENDATION(S)**

1. That Council adopts the Annual Report 2018/19 and approves its release to the public.
2. That Council adopts the Summary Annual Report 2018/19 and approves its release to the public.

**OPTIONS**Analysis of Options

There are two options available.

Option 1 - adopt the Annual Report 2018/19 and the Summary Annual Report 2018/19

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>Council will meet legislative requirements.</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>

Option 2 – do not adopt the Annual Report 2018/19 and the Summary Annual Report 2018/19

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>Council will not meet legislative requirements.</li> </ul>

Analysis Conclusion:

Option 1 - adopt the Annual Report 2018/19 and the Summary Annual Report 2018/19 is the preferred option as it will ensure Council meets legislative requirements.

**CONSIDERATIONS****Alignment with Council's Vision**

Council's vision is 'to be the most prosperous and liveable district in the North Island by 2022'. This is accompanied by a core set of values to underpin decision-making, the following of which are relevant to this particular proposal: World Class; Authentic; Charming; Vibrant; Quality; Resilient and Value.

**Financial Considerations**

The Annual Report 2018/19 details Council's financial performance over the period 1 July 2018 to 30 June 2019.

**Legal Considerations**

Council is required to adopt the Annual Plan 2018/19 in accordance with the requirements of s98 and Schedule 10 of the Local Government Act 2002.

**Policy Implications**

There are no known policy implications.

**Māori Engagement**

Council is bound by various Acts to consult and/or engage with Māori, including a duty to act reasonably and in good faith as a Te Tiriti ō Waitangi partner. Equally, Council has a responsibility to develop and proactively foster positive relationships with Māori as key stakeholders in our district, and to give effect to the principles of Te Tiriti ō Waitangi including (but not limited to) the protection of Māori rights and their rangatiratanga over tāonga. While we recognise Māori in general, we also need to work side by side with the three ahi kaa / resident iwi of our district.

Although good faith does not necessarily require consultation, it is a mechanism for Council to demonstrate its existence and commitment to working together as district partners. Appropriately, the report author acknowledges that they have considered the above obligations including the need to seek advice, guidance, feedback and/or involvement of Māori on the proposed recommendation/s, objective/s, project/s or service/s outlined within this report.

**Risks**

There are no known risks associated with adoption of the Annual Report 2018/19. However, there is a risk of Council not meeting its legal obligations if the Annual Report 2018/19 is not adopted.

**SIGNIFICANCE OF THE DECISION OR PROPOSAL**

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

**ENGAGEMENT**

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

**COMMUNICATION/MEDIA**

The Annual Report and Summary will be published and made available to the community on the Council website. A limited number of hard copies will also be available.

Highlights of the report will be published in the Taupō Weekender/Chronicle and Taupō Times. Media releases will be made available advising that the Annual Report has been adopted and when and where the report is available.

**CONCLUSION**

Council is asked to adopt the Annual Report 2018/19 and the Summary Annual Report 2018/19 and approve their release to the public.

**ATTACHMENTS**

Nil

**5.15 RECEIPT OF ANNUAL REPORTS 2018/19 COUNCIL CONTROLLED ORGANISATIONS**

**Author:** Jessica Simpson, Economic Relationship Manager

**Authorised by:** John Ridd, Head of Economic Development and Business Transformation

**PURPOSE**

For Council to receive the final Annual Reports from its Council-Controlled Organisations [CCOs]: Taupō Airport Authority [TAA]; Waikato Local Authority Shared Services [WLASS]; Bay of Plenty LASS [BOPLASS]; Destination (Great) Lake Taupō [DGLT] and New Zealand Local Government Funding Agency Limited [LGFA], Lake Taupō Protection Trust [LTPT].

**EXECUTIVE SUMMARY**

This item is being presented to Council to formally receive the final 2018/19 annual reports for Taupō Airport Authority [TAA]; Waikato Local Authority Shared Services [WLASS]; Bay of Plenty LASS [BOPLASS]; Destination (Great) Lake Taupō [DGLT] and New Zealand Local Government Funding Agency Limited [LGFA], Lake Taupō Protection Trust [LTPT]

To fulfil our legislative requirements under the Local Government Act 2002 Council is obliged to receive these items.

**RECOMMENDATION(S)**

That Council receives the Annual Reports for the 2018/19 year from:

Taupō Airport Authority;

Waikato Local Authority Shared Services;

Bay of Plenty Local Authority Shared Services;

Destination (Great) Lake Taupō; and

Local Government Funding Agency Limited.

Lake Taupō Protection Trust

**BACKGROUND**

The proposal has not been presented previously.

The Local Government Act 2002 places three key accountability requirements on CCOs as follows:

1. A six-monthly report on operations – due by 1 March each year
2. An annual report – due within 3 months of the end of the financial year i.e. by 30 September
3. A Statement of Intent – draft due by 1 March each year and finalised by 30 June each year

The purposes of these reports are as follows:

1. Six monthly report on operations:

The report is required to include information relating to the CCO's achievement against its performance targets as stated in its Statement of Intent.

2. Annual report

This report must include the following:

- Information that is required by its Statement of Intent;
- Information that is necessary to enable an informed assessment of the operations of the organisation. Including a comparison of the performance of the organisation with the statement of intent and an explanation of any material variances between the performances and the statement of intent. It must also

state the dividend, if any, authorised to be paid or the maximum dividend proposed to be paid by that organisation for its equity securities (other than fixed interest securities) for the financial year ;

- Audited consolidated financial statements for that financial year; and
- An auditors report on those financial statements and the performance targets and other measures by which performance was judged in relation to the organisation's objectives.

### 3. Statement of Intent – for the following year

The draft is due by 1 March to allow Council time to provide feedback and comments by 1 May. Having considered any comments from Council, the CCOs must then deliver their final SOIs to Council before 30 June.

## DISCUSSION

The purpose of this report is to formally receive the final Annual Reports as outlined above. To fulfil our requirements under the Local Government Act 2002 Council is obliged to do so.

Based on this information it is considered that there are 2 options.

## OPTIONS

### Analysis of Options

#### Option 1. ***Receive the Final Annual Reports***

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Complies with our obligations as a CCO shareholder under the Local Government Act 2002.</li> </ul>	<ul style="list-style-type: none"> <li>• NIL</li> </ul>

#### Option 2. ***Do not receive the Annual Reports***

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• NIL</li> </ul>	<ul style="list-style-type: none"> <li>• Would not comply with our obligations as a CCO shareholder under the Local Government Act 2002.</li> </ul>

### Analysis Conclusion:

Option 1 is considered the preferred option as this fulfils Council's requirements under the Local Government Act.

Not receiving the final Annual Reports would not comply with our obligations as a CCO shareholder under the Local Government Act 2002.

## CONSIDERATIONS

### **Alignment with Council's Vision**

Council's vision is 'to be the most prosperous and liveable district in the North Island by 2022'. This is accompanied by a core set of values to underpin decision-making, the following of which are relevant to this particular proposal: Quality; and Value.

### **Financial Considerations**

#### Long-term Plan/Annual Plan

The expenditure outlined is currently budgeted for under the Long Term Plan 2018-2028.

### **Legal Considerations**

#### Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of [Section 10](#) of the Local Government Act 2002. That section of the Act states that the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities;

and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. It is considered that economic / environmental are of relevance to this particular matter.

### Policy Implications

The proposal has been evaluated against the following plans:

- ☒ Long Term Plan 2018-2028    ☐ Annual Plan    ☐ Waikato Regional Plan  
☐ Taupō District Plan    ☐ Bylaws    ☐ Relevant Management Plan(s)

There are no known policy implications.

### Māori Engagement

Council is bound by various Acts to consult and/or engage with Māori, including a duty to act reasonably and in good faith as a Te Tiriti o Waitangi partner. Equally, Council has a responsibility to develop and proactively foster positive relationships with Māori as key stakeholders in our district, and to give effect to the principles of Te Tiriti o Waitangi including (but not limited to) the protection of Māori rights and their rangatiratanga over tāonga. While we recognise Māori in general, we also need to work side by side with the three ahi kaa / resident iwi of our district.

Although good faith does not necessarily require consultation, it is a mechanism for Council to demonstrate its existence and commitment to working together as district partners. Appropriately, the report author acknowledges that they have considered the above obligations including the need to seek advice, guidance, feedback and/or involvement of Māori on the proposed recommendation/s, objective/s, project/s or service/s outlined within this report.

### Risks

If not formally received the Council will not be following the Local Government Act 2002 obligations as a CCO shareholder.

### SIGNIFICANCE OF THE DECISION OR PROPOSAL

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

### ENGAGEMENT

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

**COMMUNICATION/MEDIA**

No communication/media required.

**ATTACHMENTS**

1. TAA (under separate cover) [⇒](#)
2. BOPLASS (under separate cover) [⇒](#)
3. DGLT (under separate cover) [⇒](#)
4. WLASS (under separate cover) [⇒](#)
5. LTPT (under separate cover) [⇒](#)
6. LTPT Chairs Report (under separate cover) [⇒](#)
7. LGFA (under separate cover) [⇒](#)

**5.16 CONSIDERATION OF LICENCE TO OCCUPY ROAD RESERVE CROWN ROAD**

**Author:** Claire Sharland, Asset Manager Transportation

**Authorised by:** Kevin Strongman, Head of Operations

**PURPOSE**

The purpose of this report is to enable Council to make a decision on the application for a licence to occupy a road reserve on the corner of Crown Road and Napier Road, Taupō.

**EXECUTIVE SUMMARY**

Council has been approached by the purchaser of 255 Crown Road with a view to using part of the road reserve outside his property in connection with his development. Council engineers have explained that, if required, they could take back the area for any road improvements, should it be necessary. No structures would be allowed on the area and all maintenance would be at the licensee's cost.

**RECOMMENDATION(S)**

That Council grants a licence to occupy an area of approximately 684m<sup>2</sup> on the corner of Crown Road and Napier Road (as shown in the attachment to this report) for a period of 10 years on terms suitable to the Infrastructure Manager to the owner of 255 Crown Road.

**BACKGROUND**

The proposal has not been presented previously.

The design of the Crown Road/ Napier Road intersection has a wide splay to allow for a future roundabout, if required. This results in a wide grassed area that Council currently maintains.

Within this area is a shallow ponding area for stormwater, which makes mowing slightly more complex due to the contour. This has resulted in some broom establishing within the area.

The purchaser of 255 Crown Road has expressed his interest in making use of part of this area for his development and would, at his cost, re design the ponding area so that no capacity is lost, construct the new pond including planting to an appropriate standard, enter into a licence to occupy with suitable protection to Council in the event the area is required for roading purposes and maintain the area to stop the re-establishment of weeds

**DISCUSSION**

Initially the purchase of 255 Crown Road from Council was dependant on the licence but since then the developer has agreed to continue despite no agreement being met to date.

Discussions on the functionality of the existing ponding area and any adverse effects the alterations would create, resulted in the purchaser engaging Cheal Consultants to design the new pond to a suitable standard. This design has been approved by Councils engineers.

Based on this information it is considered that there are two options.

**OPTIONS**Analysis of Options

Option 1. Approve the proposal of licence to occupy the road reserve as outlined

Advantages	Disadvantages
<ul style="list-style-type: none"><li>The site would be improved and maintained at no cost to the Council</li><li>An entrance to town would be visually improved</li></ul>	<ul style="list-style-type: none"><li>Council would not be able to utilise the area without notice being given</li></ul>

## Option 2. Refuse the proposal to occupy the road reserve

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>Council could carry out any work on the site without notice to any party being given</li> </ul>	<ul style="list-style-type: none"> <li>Council would be responsible for the maintenance of the area and would likely be under pressure from the owner of 255 Crown Road to remove noxious weeds and rubbish from the site to a higher standard than at present</li> </ul>

Analysis Conclusion:

The potential improvements to the site coupled with the reduction to maintenance costs far outweigh the negative effects as it is unlikely Council would need immediate access to the land due to the planning required to change the intersection.

**CONSIDERATIONS****Alignment with Council's Vision**

Council's vision is 'to be the most prosperous and liveable district in the North Island by 2022'. This is accompanied by a core set of values to underpin decision-making, the following is relevant to this particular proposal: Value.

**Financial Considerations**

The financial impact of the proposal would be a saving of any maintenance costs incurred by the site.

Long-term Plan/Annual Plan

There is no impact on the Long Term Plan with either option.

**Legal Considerations**Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of [Section 10](#) of the Local Government Act 2002. That section of the Act states that the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. It is considered that economic impact is of relevance to this particular matter.

Authorisations as follows are required for the proposal:

- ☐ Resource Consent    ☐ Building Consent    ☐ Environmental Health  
☐ Liquor Licencing    ☒ Licence to occupy

Authorisations are not required from external parties.

**Policy Implications**

There are no known policy implications.

**Māori Engagement**

Council is bound by various Acts to consult and/or engage with Māori, including a duty to act reasonably and in good faith as a Te Tiriti ō Waitangi partner. Equally, Council has a responsibility to develop and proactively foster positive relationships with Māori as key stakeholders in our district, and to give effect to the principles of Te Tiriti ō Waitangi including (but not limited to) the protection of Māori rights and their rangatiratanga over tāonga. While we recognise Māori in general, we also need to work side by side with the three ahi kaa / resident iwi of our district.

Although good faith does not necessarily require consultation, it is a mechanism for Council to demonstrate its existence and commitment to working together as district partners. Appropriately, the report author acknowledges that they have considered the above obligations including the need to seek advice, guidance, feedback and/or involvement of Māori on the proposed recommendation/s, objective/s, project/s or service/s outlined within this report.

**Risks**

There are no known risks.

**SIGNIFICANCE OF THE DECISION OR PROPOSAL**

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

**ENGAGEMENT**

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

**COMMUNICATION/MEDIA**

No communication/media required.

**CONCLUSION**

Based on the information as outlined, it is recommended that Council approves option 1.

**ATTACHMENTS**

1. 255 Crown Road Licence

**5.17 COUNCIL'S AUGUST PERFORMANCE REPORT**

**Author:** Gareth Green, Chief Executive Officer

**Authorised by:** Gareth Green, Chief Executive Officer

**PURPOSE**

This report provides Council with an overview on the performance of the organisation.

**RECOMMENDATION(S)**

That Council notes the information contained in the Council Performance report for the month of August 2019.

**ATTACHMENTS**

1. September Project and Service Council Performance Report (A2542242)
2. Treasury Report August 2019

**5.18 CONTINUATION OF TAUPŌ DISTRICT LICENSING COMMITTEE**

**Author:** Tina Jakes, Head of Democracy, Governance and Venues

**Authorised by:** Gareth Green, Chief Executive Officer

**PURPOSE**

The purpose of this report is to enable the Taupō District Licensing Committee to continue into the 2019-22 Triennium.

**EXECUTIVE SUMMARY**

All local authority committees are discharged at the end of a Triennium, unless a local authority resolves otherwise [Local Government Act 2002, Schedule 7, clause 30(7)]. It is recommended that the Taupō District Licensing Committee continues into the 2019-22 Triennium.

**RECOMMENDATION(S)**

That Council pursuant to clause 30(7) of Schedule 7 of the Local Government Act 2002 resolves to continue the Taupō District Licensing Committee into the 2019-22 Triennium of Council.

**BACKGROUND**

The proposal has not been presented previously.

All local authority committees are discharged at the end of a Triennium, unless a local authority resolves otherwise [Local Government Act 2002, Schedule 7, clause 30(7)]. One exception to this is Te Kōpua Kānapanapa, which continues on in accordance with the Ngāti Tūwharetoa Claims Settlement Act 2018. It is recommended that the Taupō District Licensing Committee continues into the 2019-22 Triennium.

**DISCUSSION**

There is one committee of Council that would benefit from continuing through to the 2019-22 triennium.

District Licensing Committee

To ensure that the regular work of the District Licensing Committee in processing applications under the Sale and Supply of Alcohol Act 2012 can continue beyond the local government elections on 12 October 2019, it is recommended that Council resolves to continue this particular committee as permitted by the LGA.

**OPTIONS**

Council could decide to continue the District Licensing Committee, or not.

**CONSIDERATIONS****Alignment with Council's Vision**

Council's vision is 'to be the most prosperous and liveable district in the North Island by 2022'. This is accompanied by a core set of values to underpin decision-making, the following of which are relevant to this particular proposal: World Class; Vibrant; Quality.

**Financial Considerations**

The financial impact of the proposal is estimated to be \$Nil

**Legal Considerations**Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of [Section 10](#) of the Local Government Act 2002. That section of the Act states that the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. It is considered that social and economic well-beings are of relevance to this particular matter.

**Policy Implications**

There are no known policy implications.

**Māori Engagement**

Council is bound by various Acts to consult and/or engage with Māori, including a duty to act reasonably and in good faith as a Te Tiriti ō Waitangi partner. Equally, Council has a responsibility to develop and proactively foster positive relationships with Māori as key stakeholders in our district, and to give effect to the principles of Te Tiriti ō Waitangi including (but not limited to) the protection of Māori rights and their rangatiratanga over tāonga. While we recognise Māori in general, we also need to work side by side with the three ahi kaa / resident iwi of our district.

Although good faith does not necessarily require consultation, it is a mechanism for Council to demonstrate its existence and commitment to working together as district partners. Appropriately, the report author acknowledges that they have considered the above obligations including the need to seek advice, guidance, feedback and/or involvement of Māori on the proposed recommendation/s, objective/s, project/s or service/s outlined within this report.

**Risks**

There are no known risks.

**SIGNIFICANCE OF THE DECISION OR PROPOSAL**

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

**ENGAGEMENT**

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

**COMMUNICATION/MEDIA**

No communication/media required.

## **CONCLUSION**

It is recommended that Council resolves to continue the and the Taupō District Licensing Committee for the reasons outlined in this report.

## **ATTACHMENTS**

Nil

**5.19 MEMBERS' REPORTS**

**Author:** Tina Jakes, Head of Democracy, Governance and Venues

**Authorised by:** Gareth Green, Chief Executive Officer

**PURPOSE**

This item permits members to report on meetings/functions they have attended as Council's representative, or on behalf of Council, since the last Council meeting.

The item also provides an opportunity for members to report back, either verbally or by way of tabled information, specifically on conferences, seminars and professional development courses that they have attended.

No debate and/or resolution is permitted on any of the reports.

**CONCLUSION**

Members' reports will be presented at the meeting for receipt.

**RECOMMENDATION(S)**

That Council receives the reports from members.

**ATTACHMENTS**

Nil

## 6 CONFIDENTIAL BUSINESS

### RESOLUTION TO EXCLUDE THE PUBLIC

I move that the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(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
<b>Agenda Item No: 6.1</b> Confirmation of Confidential Portion of Extraordinary Council Minutes - 20 August 2019	Section 7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons  Section 7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	Section 48(1)(a)(i)- the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 7
<b>Agenda Item No: 6.2</b> Confirmation of Confidential Portion of Ordinary Council Minutes - 27 August 2019	Section 7(2)(d) - the withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public  Section 7(2)(h) - the withholding of the information is necessary to enable [the Council] to carry out, without prejudice or disadvantage, commercial activities  Section 7(2)(i) - the withholding of the information is necessary to enable [the Council] to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	Section 48(1)(a)(i)- the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 7
<b>Agenda Item No: 6.3</b> Receipt of Confidential Portion of Minutes - Audit & Risk Committee - 19 August 2019	Section 7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons  Section 7(2)(g) - the withholding	Section 48(1)(a)(i)- the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 7

	<p>of the information is necessary to maintain legal professional privilege</p> <p>Section 7(2)(i) - the withholding of the information is necessary to enable [the Council] to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	
<p><b>Agenda Item No: 6.4</b> Receipt of Confidential Portion of Minutes - Taupō Airport Authority Committee - 16 September 2019</p>	<p>Section 7(2)(d) - the withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public</p>	<p>Section 48(1)(a)(i)- the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 7</p>
<p><b>Agenda Item No: 6.5</b> Receipt of Confidential Portion of the Minutes of the Lake Taupo Protection Project Joint Committee Meeting - 20 September 2019</p>	<p>Section 7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>Section 7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage</p>	<p>Section 48(1)(a)(i)- the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 7</p>
<p><b>Agenda Item No: 6.6</b> Cypress Capital Limited Mediation</p>	<p>Section 7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p>	<p>Section 48(1)(a)(i)- the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 7</p>
<p><b>Agenda Item No: 6.7</b> Receipt of Confidential Portion of Minutes - Performance Monitoring Group - 19 August 2019</p>		

I also move that *[name of person or persons]* be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of *[specify]*. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because *[specify]*.