



NOTICE OF AN ORDINARY COUNCIL MEETING

**Via audio visual link
Tuesday, 21 April 2020
Commencing at 9.00am**

ORDER PAPER

OPENING KARAKIA / PRAYER / INSPIRATIONAL READING – COUNCILLOR NELSON

APOLOGIES

DECLARATION OF ANY INTERESTS IN RELATION TO OPEN MEETING AGENDA ITEMS

PUBLIC FORUM

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PUBLIC EXCLUDED BUSINESS

**ITEM 14 CONFIRMATION OF IN-COMMITTEE MINUTES – ORDINARY COUNCIL MEETING
10 MARCH 2020**

ITEM 15 MINUTES – TOI-EDA MEETING 10 MARCH 2020

ITEM 16 RESOLUTION TO RESTATE RESOLUTIONS AND READMIT THE PUBLIC

Chair: Her Worship the Mayor – Lyn Riesterer

Members: Cr Shona Browne (Deputy Mayor)

Cr Debi Hocart

Cr Barry Howe

Cr David Moore

Cr Steve Nelson

Cr Louis Rāpihana

Committee Secretary: Gae Newell

Quorum: 4

LOCAL AUTHORITIES (MEMBERS' INTERESTS) ACT 1968

Councillors are reminded that if you have a pecuniary or non-pecuniary interest in any item on the agenda, then you must declare this interest and refrain from discussing or voting on this item, and are advised to withdraw from the Council chamber.

Aileen Lawrie

CHIEF EXECUTIVE OFFICER



**MINUTES OF AN ORDINARY COUNCIL MEETING DATED THURSDAY, 10 MARCH 2020 IN THE
ŌPŌTIKI DISTRICT COUNCIL CHAMBERS, 108 ST JOHN STREET, ŌPŌTIKI AT 9.00AM**

PRESENT:

Mayor Lyn Riesterer (Chairperson)
Deputy Mayor Shona Browne (Deputy Chairperson)
Councillors:
Debi Hocart
Barry Howe
David Moore
Steve Nelson
Louis Rāpihana

IN ATTENDANCE:

Aileen Lawrie (Chief Executive Officer)
Bevan Gray (Finance and Corporate Services Group Manager)
Gerard McCormack (Planning and Regulatory Group Manager)
Muriel Chamberlain (Corporate Services Manager)
Greg Robertson (Chief Financial Officer)
Sarah Jones (Corporate Planner and Executive Officer)
Peter Bridgwater (Accountant)
Tina Gedson (Property Officer)
Gae Finlay (Executive Assistant and Governance Support Officer)

GUESTS:

Ian Morton and Karl Gradon – Toi-EDA
Doug Leeder (Chair), Councillor David Love, Councillor Bill Clark, Fiona McTavish (CEO), Mat Taylor (GM Corporate Services) and Clarke Koopu (Senior Advisor – Treaty) – Bay of Plenty Regional Council

PUBLIC:

Chris Stone

APOLOGIES

Nil.

DECLARATION OF ANY INTERESTS IN RELATION TO OPEN MEETING AGENDA ITEMS

Her Worship the Mayor declared an interest in Item 13 (Ōpōtiki Community Health Trust Nominations), noting that she will pass the Chair to Deputy Mayor Browne for that item and leave the meeting room.

Her Worship the Mayor is a nominee for the position of Community Trustee on the Ōpōtiki Community Health Trust.

Councillor Rāpihana declared an interest in Item 11 (Proposal For New Road Name: Te Ara Ki Matarau and Te Ara Ki Kairuru) as he is a property owner on the road and was also involved in preparing the road naming application.

PUBLIC FORUM

Chris Stone – Proposal For New Road Name: Te Ara Ki Matarau and Te Ara Ki Kairuru

Chris Stone stated that he was extremely enthusiastic about the naming of the road at the end of Maraenui Pa Road and wished to make some suggestions to Council. He further stated that this is the first time “the place to” has been used in the Ōpōtiki District. It comes from Maraenui, where the first immersion school in the district is. Maraenui is a very historic place on the Ōpōtiki district and the name Te Ara Ki is appropriate but do not spoil it by not getting it right. If Council passes this motion today, Council should contact LINZ to advise that the road will be registered. This is important; as far as LINZ is concerned, the road does not officially exist. It is also important in relation to emergency services.

Chris Stone referred to Appendix C to the report, the Consultation Document. He said this was enthusiastically taken on board by the community, probably signed by 98% and the other two percent were possibly not able to be caught up with. Chris Stone noted that the map in Appendix C is not correct. Te Ara Ki Matarau only goes past the Marae and the legal road extends to the Mōtū River. He questioned why the road on the map did not follow the legal road as part of it is going through private title land.

Her Worship the Mayor thanked Chris Stone for his attendance.

The Planning and Regulatory Group Manager and Chris Stone left the meeting at 9.10am.

The Planning and Regulatory Group Manager returned to the meeting at 9.14am.

1. CONFIRMATION OF MINUTES – ORDINARY COUNCIL MEETING: 28 JANUARY 2020 p4

RESOLVED

- (1) That the minutes of the Ordinary Council meeting held on 28 January 2020 be confirmed as a true and correct record.**

Browne/Hocart

Carried

2. MINUTES –RISK AND ASSURANCE COMMITTEE MEETING 25 NOVEMBER 2019 p11

RESOLVED

- (1) That the minutes of the Risk and Assurance Committee meeting held on 25 November 2019 be received.**

HWTM/Nelson

Carried

3. MINUTES – REGIONAL TRANSPORT COMMITTEE MEETING 20 DECEMBER 2019 p15

RESOLVED

- (1) That the minutes of the Regional Transport Committee meeting held on 20 December 2019 be received.**

Moore/HWTM

Carried

4. MAYORAL REPORT – 17 JANUARY 2020-6 MARCH 2020 p26

RESOLVED

- (1) That the report titled “Mayoral Report 17 January 2020-6 March 2020” be received.**

HWTM/Hocart

Carried

5. STANDING ORDERS – ŌPŌTIKI DISTRICT COUNCIL p31

RESOLVED

- (1) That the report titled “Standing Orders – Ōpōtiki District Council” be received.**
- (2) That the Council adopt the Ōpōtiki District Council Standing Orders based on the LGNZ template, including the following:**
- **A provision for a casting vote by a Chairperson (SO 19.3).**
 - **The option to join meetings by audio-visual link (SO 13.7).**
 - **Option C for dealing with motions and amendments (SO 22.4).**

Rāpihana/Browne

Carried

6. CODE OF CONDUCT – ŌPŌTIKI DISTRICT COUNCIL

p117

RESOLVED

- (1) That the report titled “code of Conduct – Ōpōtiki District Council” be received.**
- (2) That the Council adopt the Ōpōtiki District Council Code of Conduct based on the LGNZ template.**

Nelson/Moore

Carried

7. 2020-21 ANNUAL PLAN PROCESS

p141

RESOLVED

- (1) That the report titled “2020-21 Annual Plan Process” be received.**
- (2) That the Council resolves to not undertake a formal special consultative procedure for the 2020/21 Annual Plan.**
- (3) That the Council resolves to prepare an “Information and Engagement Document” for the 2020-21 Annual Plan, and seek feedback from the community ahead of adoption.**

Browne/Rāpihana

Carried

The Chief Financial Officer entered the meeting at 9.21am.

Bay of Plenty Regional Councillor Bill Clark entered the meeting at 9.23am.

8. QUARTERLY REPORT TO 31 DECEMBER 2019

p148

RESOLVED

- (1) That the report titled “Quarterly Report to 31 December 2019” be received.**

HWTM/Rāpihana

Carried

PRESENTATION

Karl Gradon and Ian Morton presented to Council, with the aid of a powerpoint presentation.

Toi-EDA is the eastern Bay of Plenty’s Economic Development Agency. It represents the region and all stakeholders, connecting and supporting to provide frameworks. Toi-EDA supports sectors, not businesses.

The powerpoint presentation covered the following points:

- Introduction to the Toi-EDA Board members
- Why Toi-EDA exists
- Ensuring future generations have better opportunities and outcomes:
 - Toi-EDA to be positioned as a winning brand
 - Support sustainable economic development
 - Create thriving communities
- Toi-EDA's strategic framework
- Shared vision
- Challenges: capacity and capability; housing

Her Worship the Mayor thanked Karl Gradon and Ian Morton for their presentation.

Chris Stone entered the meeting at 9.46m.

The Planning and Regulatory Group Manager left the meeting at 9.55am and returned at 10.03am.

Her Worship the Mayor advised that Item 11 would be considered now, followed by the morning tea break.

The meeting adjourned for morning tea at 10.32am and reconvened at 10.47am. The Corporate Services Manager and the Accountant joined the meeting at this time. Karl Gradon, Ian Morton and Chris Stone did not rejoin the meeting at this time.

9. BOPLASS LTD – STATEMENT OF INTENT FOR 2020-2023 AND HALF YEARLY REPORT p182

Council agreed that they did not wish to comment on the Statement of Intent.

The Chief Executive Officer was requested by Council to write to BOPLASS confirming Council's support for their ongoing work.

Clause 2 of the recommendations will be amended to show that Council does not wish to comment on the Statement of Intent.

It was agreed that a third clause be added to the recommendations requesting the Chief Executive Officer to write to BOPLASS confirming Council's support for their ongoing work. :

RESOLVED

- (1) That the report titled "BOPLASS Ltd – Statement of Intent for 2020-2023 and Half Yearly Report be received.**

- (2) That Council does not wish to comment on the Statement of Intent.**
- (3) That Council requests the Chief Executive Officer to write to BOPLASS confirming Council's support for their ongoing work.**

Rāpihana/Browne

Carried

10. CHURCH STREET RESERVE (FORMERLY KNOWN AS ŌPŌTIKI ROSE GARDENS) DEVELOPMENT – PUBLIC TOILETS REPORT p212

RESOLVED

- (1) That the report titled "Church Street Reserve (Formerly Known as Ōpōtiki Rose Gardens) Development – Public Toilets Report" be received.**
- (2) That Council approves the changes to the work programme that was presented on 11 July 2019 to include an additional \$130,000 for the provision of public toilets with a decision to be made as to where the funding is to be sourced.**

Howe/Browne

Carried

11. PROPOSAL FOR NEW ROAD NAME: TE ARA KI MATARAU AND TE ARA KI KAIRURU p218

Her Worship the Mayor noted the interest declared at the beginning of the meeting by Councillor Rāpihana. She stated that Councillor Rāpihana does not need to leave the meeting room, but will not vote.

The Planning and Regulatory Group Manager referred to the length of the road being named and stated that the blocks at the end of the road (Council owned), will still get an address, e.g. A, B, C etc. The other end of the road stops where it meets privately owned land. With regard to suburb naming, the Planning and Regulatory Group Manager advised that is a different process. Council is the supporting agency rather than the lead agency. The first step is to get the road named, and then the suburb issue gets dealt with.

RESOLVED

- (1) That the report titled "Proposal For New Road Name: Te Ara Ki Matarau and Te Ara Ki Kairuru" be received.**
- (2) That Council approves the roads to be officially named Te Ara Ki Matarau and Te Ara Ki Kairuru.**
- (3) That the Council agrees to provide road signage for both names.**

Browne/Howe, Nelson

Carried

The Policy Planner entered the meeting at 10.52am.

12. PROPERTY, i-SITE AND LIBRARY ACTIVITY REPORT

p228

RESOLVED

(1) That the report titled "Property, i-SITE and Library Activity Report" be received.

HWTM/Hocart

Carried

13. ŌPŌTIKI COMMUNITY HEALTH TRUST NOMINATIONS

p238

Her Worship the Mayor handed the Chair to Deputy Mayor Shona Browne and left the meeting room.

Tina Gedson, secretary of the Ōpōtiki Community Health Trust, answered questions from Council.

MOTION

Moved: Councillor Hocart

Seconded: Councillor Moore

That Lyn Riesterer be appointed as a Community Trustee to the Trust Board of the Ōpōtiki Community Health Trust.

AMENDED MOTION

Moved: Councillor Rapihana

Seconded: Councillor Nelson

That Courtney Andrews be appointed as a Community Trustee to the Trust Board of the Ōpōtiki Community Health Trust.

A vote was taken on each motion by way of a show of hands.

Votes for Lyn Riesterer – 4

Votes for Courtney Andrews – 2

The motion that Lyn Riesterer be appointed as a Community Trustee to the Trust Board of the Ōpōtiki Community Health Trust was PUT and CARRIED.

RESOLVED

(1) That the report titled "Ōpōtiki Community Health Trust Nominations" be received.

- (2) That Council considered the nominations put forward and appoints Lyn Riesterer as a Community Trustee to the trust board of the Ōpōtiki Community Health Trust.
- (3) That Council advise the Ōpōtiki Community Health Trust Secretary and all nominees of Council's decisions.

Hocart/Moore

Carried

The Property Officer entered the meeting at 11.06am and left the meeting at 11.10am.

Her Worship the Mayor returned to the meeting at 11.13am and took the Chair.

The Planning and Regulatory Group Manager introduced Council's new Policy Planner, Katherine Hall, to Council.

The Policy Planner left the meeting at 11.16am.

14. SUBMISSION TO THE MINISTRY FOR THE ENVIRONMENT PROPOSED NATIONAL POLICY STATEMENT FOR INDIGENOUS BIODIVERSITY p244

RESOLVED

- (1) That the report titled "Submission on the Proposed National Policy Statement for Indigenous Biodiversity" be received.
- (2) That the submission as drafted be sent to the Ministry for the Environment.

Rāpihana/Browne

Carried

15. CHIEF EXECUTIVE OFFICER'S UPDATE p252

RESOLVED

- (1) That the report titled "Chief Executive Officer's Update" be received.
- (2) That Council approves up to \$50,000 of expenditure to fund the Ōpōtiki Harbour and Aquaculture Celebration Street Party.

Howe/HWTM

Carried

Deputy Mayor Browne abstained from voting.

Councillor Bill Clark left the meeting at 11.23am.

Fiona McTavish entered the meeting at 11.26am.

BOPRC Chair Doug Leeder, BOPC Councillor David Love, Mat Taylor, Clarke Koopu, Scott Hamilton and BOPRC Councillor Bill Clark entered the meeting at 11.30am.

The Corporate Planner and Executive Officer entered the meeting at 11.31am.

PRESENTATION – BAY OF PLENTY REGIONAL COUNCIL

Bay of Plenty Regional Council Chair, Doug Leeder, and Councillor Bill Clark gave a presentation to Council, with the aid of a powerpoint.

The presentation covered the following:

- Thriving together, for the environment, for the people
- The Regional Council's primary purpose – to provide for the sustainable management of the region's natural resources
- Four outcome areas:
 - A healthy environment
 - Fresh water for life
 - Safe and resilient communities
 - A vibrant region
- Challenges and opportunities
- Potential strategic priorities
- Focus for this year
- Financial situation

Chair Leeder acknowledged the work done by former Mayors Don Riesterer and John Forbes in relation to the progressing of the Ōpōtiki Harbour Development Project. He congratulated Council on the plans in Ōpōtiki District Council's LTP to address wastewater issues.

Clarke Koopu noted that work is being done with hapu around river issues.

Bay of Plenty Regional Council CEO, Fiona McTavish, stated that the Regional Council is keen to engage with the Opotiki community in terms of what they expect.

Her Worship the Mayor noted that a fundamental issue for Council to convey to the Regional Council is that Ōpōtiki has many beneficiaries living between the stop banks, and that is a big concern, with rates affordability being a big issue.

PRESENTATION – QUAYSIDE HOLDINGS LTD

Scott Hamilton, CEO of Quayside Holdings Ltd, presented to Council with the aid of a powerpoint presentation. The presentation outlined what Quayside Holdings is and what it does, along with various other points:

- Key Asset – Port of Tauranga
- Portfolio diversification
- Investment sectors - non Port assets
- Regional benefit through property, commercial and Iwi/horticulture investment

Her Worship the Mayor thanked Scott Hamilton for the presentation.

Her Worship the Mayor thanked Regional Councillor David Love for the work he did whilst a member of the Ōpōtiki Council Audit and Risk Committee. She also acknowledged Regional Councillor Bill Clark for his support of Ōpōtiki, adding that he has been the most active Eastern Bay Regional Councillor on Ōpōtiki's behalf.

The Chief Executive Officer left the meeting at 12.08pm and returned at 12.13pm.

The meeting adjourned for lunch at 12.34pm and reconvened at 12.52pm. The Corporate Services Manager, the Chief Financial Officer, the Property Officer and the Accountant did not rejoin the meeting at this time.

16. RESOLUTION TO EXCLUDE THE PUBLIC

p256

SECTION 48 LOCAL GOVERNMENT OFFICIAL INFORMATION & MEETINGS ACT 1987

THAT the public be excluded from the following parts of the proceedings of this meeting, namely:

- 17. Confirmation of In-Committee Minutes – Ordinary Council Meeting 28 January 2020.**
- 18. Minutes – Toi-EDA meeting 4 February 2020.**
- 19. Property Transaction.**
- 20. Property Transaction Update.**

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

Item No	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

17.	In-Committee Minutes – Ordinary Council Meeting 28 January 2020	That 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 exists.	Section 48(1)(a)
18.	Minutes – Toi-EDA meeting 4 February 2020	That 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 exists.	Section 48(1)(a)
19.	Property Transaction	That 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 exists.	Section 48(1)(a)
20.	Property Transaction Update	That 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 exists.	Section 48(1)(a)

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act or section 6 or section 7 or section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

17.	Protect the privacy of natural persons Protect information Protection from improper pressure or harassment Prevent disclosure or use of official information Carry out negotiations Maintain legal professional privilege Carry out commercial activities	Section 7(2)(a) Section 7(2)(b)(i) & (ii); (d) & (e) and Section 7(2)(c)(i) & (ii) Section 7(2)(f)(ii) Section 7(2)(j) Section 7(2)(i) Section 7(2)(g) Section 7(2)(h)
18.	Protect the privacy of natural persons Protect information	Section 7(2)(a) Section 7(2)(b)(i) & (ii)
19.	Protect the privacy of natural persons Commercial sensitivity Protection from improper pressure or harassment Carry out negotiations	Section 7(2)(a) Section 7(2)(b)(ii) Section 7(2)(f)(ii) Section 7(2)(i)
20.	Protect the privacy of natural persons Commercial sensitivity Protection from improper pressure or harassment Carry out negotiations	Section 7(2)(a) Section 7(2)(b)(ii) Section 7(2)(f)(ii) Section 7(2)(i)

RESOLVED

- (1) That the resolutions made while the public was excluded, except for clauses 2, 3 and 4 of Item 20 (Property Transaction Update), be confirmed in open meeting.**
- (2) That the public be readmitted to the meeting.**

HWTM/Rāpihana

Carried

RESOLVED

- (1) That the minutes of the In-Committee Ordinary Council meeting held on 28 January 2020 be received.**

Browne/Hocart

Carried

RESOLVED

- (1) That the minutes of the Toi-EDA meeting held on 4 February 2020 be received.**

HWTM/Rāpihana

Carried

RESOLVED

- (1) That the report titled "Property Transaction" be received.**

Rāpihana/Hocart

Carried

RESOLVED

- (1) That the report titled "Property Transaction Update" be received.**

HWTM/Hocart

Carried

Councillor Moore abstained from voting

THERE BEING NO FURTHER BUSINESS THE MEETING CLOSED AT 1.51PM.

**THE FOREGOING MINUTES ARE CERTIFIED AS BEING A
TRUE AND CORRECT RECORD AT A SUBSEQUENT
MEETING OF THE COUNCIL HELD ON 21 APRIL 2020**

L J RIESTERER

HER WORSHIP THE MAYOR



**MINUTES OF AN EMERGENCY COUNCIL MEETING DATED THURSDAY, 24 MARCH 2020 IN THE
ŌPŌTIKI DISTRICT COUNCIL CHAMBERS, 108 ST JOHN STREET, ŌPŌTIKI AT 4.10 PM**

PRESENT:

Mayor Lyn Riesterer (Chairperson)
Deputy Mayor Shona Browne (Deputy Chairperson) via Zoom
Councillors:
Debi Hocart
Barry Howe
David Moore
Steve Nelson
Louis Rāpihana

IN ATTENDANCE:

Aileen Lawrie (Chief Executive Officer)
Ari Erickson (Engineering and Services Group Manager)
Bevan Gray (Finance and Corporate Services Group Manager)
Annette Papuni-McLellan (Executive Support Officer)

APOLOGIES

Nil.

DECLARATION OF ANY INTERESTS IN RELATION TO MEETING AGENDA ITEMS

Nil.

CEO Aileen Lawrie explained the rationale of the resolution presented. Kawerau District Council and Whakatāne District Council have held emergency meetings this morning to implement this resolution.

Councillor Shona Browne joined the meeting via Zoom at 4.13pm.

EMERGENCY PROVISIONS FOR COVID-19

Councillor Howe expressed his opinion that the Emergency Committee should consist of the Mayor and all Councillors rather than a membership of three.

A discussion ensued and it was agreed that the Emergency Committee will consist of the Mayor and all Councillors.

The relevant clause in the recommendations (clause (b)) will be amended to reflect the above change agreed by Council.

RESOLVED

That the Council:

- (a) Receives the report "Emergency Provisions for COVID-19".**
- (b) Establishes an Emergency Committee consisting of the Mayor and all Councillors, with Mayor Lyn Riesterer as the Chairperson and Deputy Mayor Shona Browne as the Deputy Chairperson.**
- (c) Adopts the following Emergency Committee's Terms of Reference:**
 - (i) To determine matters within the authority of Ōpōtiki District Council where the urgency of those matters precludes a full meeting of the Council, or its committees, or emergency legislation is enacted and the Council or its committees are unable to meet.**
 - (ii) To exercise all Council functions that cannot be exercised by the Council or its committees using its standard processes and procedures due to a pandemic, other natural disaster or state of emergency, except for those that:**
 - have been delegated to staff; or**
 - cannot be delegated as set out in Clause 32 of Schedule 7 of the Local Government Act 2002 which are:**
 - (a) the power to make a rate; or**
 - (b) the power to make a bylaw; or**
 - (c) the power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan; or**
 - (d) the power to adopt a long-term plan, annual plan, or annual report; or**
 - (e) the power to appoint a chief executive; or**
 - (f) the power to adopt policies required to be adopted and consulted on under this Act in association with the long-term**

plan or developed for the purpose of the local governance statement; or

(g) *[Repealed]*

(h) the power to adopt a remuneration and employment policy. or

- cannot be delegated by the Council as set out in any other legislation.

- (iii) The Emergency Committee can only be activated by resolution of Council for specific emergency events, or where resolution by Council is not possible, on the joint authority of the Mayor and Deputy Mayor and the Chief Executive.
 - (iv) The Emergency Committee will report to the Council (at the next available full meeting of Council) summarising the Committee's activities and any decisions made over the period.
 - (v) The quorum for the Emergency Committee will be two members.
 - (vi) The Emergency Committee will meet as required.
 - (vii) When an Emergency Committee meeting has been called, Councillors will be notified details by email and agendas and minutes will be circulated electronically. Public notice requirements as set out in the Local Government Official Information and Meetings Act 1987 will apply.
- (d) Delegates to the Mayor, the Deputy Mayor and the Chief Executive, the authority to activate the Emergency Committee during the COVID-19 emergency when a resolution of Council is not possible.
- (e) Establishes that the quorum for the Council's Standing Committees during the COVID-19 emergency will be two members to be physically present.
- (f) For the purposes of the COVID-19 emergency, delegates to the Chief Executive all the Council's powers, duties, and responsibilities that the Council can lawfully delegate to officers, including the ability to enter into any contract and/or to authorise any level of expenditure ("Emergency Delegation"). This Emergency Delegation does not include (or limit) the powers, duties, and responsibilities that the Council has already delegated to the Chief Executive under delegations in force at this time, or any authority to make any Council decisions under the Civil Defence Emergency Management Act 2002 (which shall be dealt with in accordance with that Act). This Emergency Delegation is subject to the following conditions:
- (i) It may be exercised only in circumstances where the Council and its committees are unable or unavailable to hold meetings that comply with the requirements of the Local Government Act 2002 and the Local Government Official Information and Meetings Act 1987;

- (ii) **The Chief Executive may only exercise the Emergency Delegation in consultation with the Mayor (or if the Mayor is unavailable, the Deputy Mayor, or if the Deputy Mayor is unavailable, two councillors.**
- (iii) **Any decisions made and documents executed in exercising the Emergency Delegation must be reported to the next ordinary meeting of the Council.**
- (iv) **This Emergency Delegation may be revoked at any time by the Council.**
- (v) **In the event there is any inconsistency between this Emergency Delegation and any other delegation made by the Council, this Emergency Delegation takes precedence. For the avoidance of doubt, this means that the contract value and other limits specified in the Chief Executive’s delegations will not apply while this Emergency Delegation is in effect, thus enabling the Chief Executive to approve these no matter the contract value or contract variation parameters during the effective period of this Emergency Delegation.**
- (g) **Delegates the powers, duties and responsibilities of the Chief Executive to Gerard McCormack, Regulatory and Planning Group Manager as Acting Chief Executive in the event that the Chief Executive is unable to fulfil her duties due to COVID-19; and**
- (h) **Agrees that where the Acting Chief Executive is unable to fulfil their duties due to COVID-19, the Chief Executive’s delegated powers, duties and responsibilities will be transferred to the next designated General Manager in the following order:**
 - **Bevan Gray, Finance and Corporate Group Manager**
 - **Ari Erickson, Engineering and Services Group manager**

Hocart/Howe

Carried

Although not on the agenda for consideration, the following updates were provided to Council, and are minuted for completeness.

Mayor Lyn Riesterer

- OPAC and EastPack have implemented a series of processes which will include RSE workers. Essential services is broad.

Aileen Lawrie CEO

- The Harbour Project is progressing forward in the current Covid-19 environment. ODC and Whakatōhea Māori Trust Board have a strong, positive relationship.
- Snell Road contract to be signed off.
- Saleyards sale completed.
- Friday updates to Councillors and management will continue as it is important for BAU.

Councillor Louis Rāpihana

- Thanked the Ōpōtiki District Council for its support of the Community Safety Zone established. This is not about restricting movement; it is about Covid-19 and protecting their rohe. The Community Safety Zone will be in place from 25 March 2020, from Hāwai to Hicks Bay. Wally Hamumaha, Deputy Commissioner NZ Police, has been involved in the process and there will be a Police presence at the Community Safety Zone. Te Whānau a Apanui iwi residing in Ōpōtiki are being checked on.
- Kiwifruit, dairy, and honey workers will operate with Te Whānau a Apanui on a work permit process. A system is to be put in place for the Te Whānau a Apanui iwi members to order supplies.

Ari Erickson – Engineering and Services Group Manager

- Essential services in place. Solid waste, waste water, water supply, and recycling will be in operation.
- Kerbside collection remains. RRC will not be recycling. Consumer brings refuse in a bag and it is disposed of. No steel, wood or green waste.
- Public toilets will be closed.
- Key personnel will be operating, and PPE issued to all contractors.
- Roading contractors on standby. All projects and resealing works are stopped unless there is a slip or a crash.
- Essential workers will be identified by a badge.

Bevan Gray - Finance and Corporate Services Group Manager

- The team can operate from home, have laptops etc. VPN rolled out to all computers.
- ODC eligible for Covid-19 subsidy.
- Rates: financial impact – try and direct consumers to apply for Government funding.
- \$1.5m for roading projects – lodged a request with Government – roading projects that can be bought forward; footpaths across town. A decision to be announced.

Councillor Shona Browne offered her thanks to Mayor Lyn, and the Chief Executive Officer and her team for the updates.

THERE BEING NO FURTHER BUSINESS THE MEETING CLOSED AT 5.31 PM.

**THE FOREGOING MINUTES ARE CERTIFIED AS BEING A
TRUE AND CORRECT RECORD AT A SUBSEQUENT
MEETING OF THE COUNCIL HELD ON 21 APRIL 2020**

**L J RIESTERER
HER WORSHIP THE MAYOR**

Minutes of the Regional Transport Committee Meeting held in Mauao Rooms, Bay of Plenty Regional Council Building, 87 First Avenue, Tauranga on Friday, 21 February 2020 commencing at 9.30 AM

Present:

Chairperson: Cr Lyall Thurston

Deputy Chairperson: Cr Jane Nees

Councillors: Cr Andrew von Dadelszen, Cr David Love

Appointees: Deputy Mayor David Donaldson - Alternate, Rotorua Lakes Council, Mayor Judy Turner - Whakatāne District Council, Deputy Mayor Andrew Iles - Alternate, Whakatāne District Council, Ross l'Anson – Acting Director Regional Relationships, Waka Kotahi: New Zealand Transport Agency, Mayor Garry Webber - Western Bay of Plenty District Council), Councillor David Moore - Alternate, Ōpōtiki District Council

In Attendance: John Galbraith - Freight Advisor, Dan Kneebone - Port Advisor/Property & Infrastructure Manager, Port of Tauranga, Glen Crowther - Environmental Sustainability Advisor

Bay of Plenty Regional Council: Mat Taylor – General Manager, Corporate, Namouta Poutasi – General Manager, Strategy and Science, Mark Le Comte – Principal Advisor, Finance, Bron Healey – Senior Transport Planner, Amanda Namana – Committee Advisor

External: Janeane Joyce – Channeled Planning and Contracting

Apologies: Mayor Lyn Riesterer - Ōpōtiki District Council, Mayor Steve Chadwick - Rotorua Lakes Council, Inspector Brent Crowe – Road Safety Advisor, BOP District Police

1 Apologies

Resolved

That the Regional Transport Committee:

- 1 Accepts the apologies from Chairman Doug Leeder, Mayor Lyn Riesterer - Ōpōtiki District Council, Mayor Steve Chadwick - Rotorua Lakes Council, Inspector Brent Crowe – Road Safety Advisor, Bay of Plenty District Police tendered at the meeting.

Thurston/Nees
CARRIED

2 **Public Forum**

Nil

3 **Acceptance of Late Items**

Nil

4 **General Business**

Nil

5 **Declaration of Conflicts of Interest**

Nil

6 **Previous Minutes**

6.1 **Regional Transport Committee Minutes - 20 December 2019**

Matters arising:

- Minute Item 7.1, third bullet point – draft New Zealand Rail Plan:
The Ministry of Transport had requested a meeting hosted by Bay of Plenty Regional Council, which would be held at a venue to be confirmed at 12:30pm on Friday, 17 April 2020.

Resolved

That the Regional Transport Committee:

- 1 **Confirms the Regional Transport Committee Minutes - 20 December 2019 as a true and correct record.**

**Nees/Webber
CARRIED**

7 **Reports**

7.1 **Committee Chair's Report**

Senior Transport Planner Bron Healey presented this item on behalf of the Committee Chair.

Key Points

- Highlighted key points from the Transport Special Interest Group submission on draft rail legislation
- KiwiRail representation was now mandated on Auckland and Wellington Regional Transport Committees, with a clause allowing the Minister to determine which other regions might require KiwiRail on their committees
- Noted that the Regional Freight Flows study was now complete and available to the public.

Members' Comments

- Item 2.5, page 3 of the report was interpreted as ‘in future, growth in bulk agricultural products would be limited and will decrease growth rates’
- Forestry harvest in the Bay of Plenty region was ahead of projection and likely to have limited growth in the future
- The Transport System Plan was restricted to Western Bay of Plenty and Tauranga and did not identify significant regional corridors in need of investment
- Supported the business case for reinstating passenger rail between Rotorua and Auckland
- Sensible locations for stock effluent disposal should be considered early in the planning process.

In Response to Questions

- Confirmed that the multi modal plan directed by central government would have a regional framework with components including Rotorua, Western Bay of Plenty and Eastern Bay of Plenty
- Aggregates transport was contained within the growth of construction activities stated in the second bullet point under item 2.5 of the report
- Stock effluent disposal was a complex issue with multi-party funding required and community engagement being critical
- The issue for stock effluent disposal at Tauriko was mostly related to consenting but there were other locations being considered.

Resolved

That the Regional Transport Committee:

- 1 Receives the report, Committee Chair's Report.**
- 2 Requests a detailed report on stock effluent disposal be reported back with urgency.**

**Thurston/Webber
CARRIED**

7.2 New Zealand Transport Agency Update

Refer PowerPoint Presentation Objective ID: A3485733 [Presentation: Waka Kotahi New Zealand Transport Agency Update](#)

Ross l'Anson – Acting Director Regional Relationships, Waka Kotahi: New Zealand Transport Agency (NZTA) updated the Committee on national and regional initiatives.

Members' Comments

- Timing and clarity on speed management plans was key in providing clear messages to central government to achieve the goals of the Regional Transport Committee
- Raised concern over patronage decline for public transport in Rotorua
- Additional police resources could make a significant difference to reducing accidents
- Robust plans were important to deliver on outcomes with a change of government
- Raised concern over lack of funding for widening roads and bridges from Waihi to Ōmokoroa
- Opportunities were being missed by not having a funded cycle plan for Tauranga city.

In Response to Questions

- NZTA would be working together with councils on Park and Ride facilities

- Multiple aspects would need to be considered as part of the mode shift plan, including looking at all transport modes on all key corridors
- Aiming to deliver Te Puna to Ōmokoroa road works by the end of the year
- Ways to combine the Rotorua Network Review and Rotorua Mode Shift Plan were being considered to address existing public transport issues and would be reported back to the next meeting of the Committee
- Ministry of Transport consultation on the speed management process would occur in the second quarter of 2020
- Decision-making for speed limit setting may need to go through a bylaw process
- A key message from NZTA was that people should look for the safety rating on the vehicle and buy the safest vehicle they could afford
- Generally a reduction in speed limit was put in place to increase safety in areas where it was difficult to install median barriers through curves in the road
- The State Highway 29 and State Highway 36 intersection safety issues raised would be relayed back to NZTA for consideration
- Provided background information to the Committee about new NZTA appointed member, Steve Mutton, who would be replacing Ross l'Anson.

10.25 am Cr David Moore **entered** the meeting

Resolved

That the Regional Transport Committee:

- 1 Receives the report, New Zealand Transport Agency Update.**
- 2 Extends a formal invitation to the NZTA CEO, Minister Twyford and Associate Minister Jones to meet with the Regional Transport Committee members to discuss alignment of national and regional priorities, coordinating with the scheduled meeting of 17 April 2020.**

**Thurston/Webber
CARRIED**

10.47 am – The meeting **adjourned**.

10.47 am – Mayor Powell **withdrew** from the meeting.

11:02 am – The meeting **reconvened**.

7.3 Update from Committee Members and Advisors

Deputy Mayor David Donaldson – Rotorua Lakes Council

Key Points

- Rotorua Lakes Council were progressing their housing master plan with central government
- Key transport corridors east, west and south were significantly constrained to land development potential
- CBD transport functionality assessment emphasis was on active modes and public transport
- Had completed the Rotorua network operating framework along with NZTA, forming the basis of the 2021-2024 National Land Transport Programme cases

- Significant traffic management was set for State Highway 5, Fairy Springs Road for the 4-8 March 2020 due to the Crankworx Mountain Bike Festival, for which ticket sales were up 40% from 2019.

John Galbraith – Freight Advisor

Key Points

- The New Zealand Upgrade Programme requirement of 800-1,000 direct new jobs in the civil construction industry over the next 12 months and 7-9,000 wider supply chain opportunities fitted with the demand space for driver and operator training being worked on with the Freight Logistics Action Group (FLAG) for the region.

Cr David Moore – Ōpōtiki District Council

Key Points

- Speed reviews were being considered, particularly in areas with trucks and heavy traffic.

Mayor Judy Turner – Whakatāne District Council

Key Points

- Working with NZTA on areas of projected traffic flow
- Active Whakatāne programme was due to present a plan to council for adoption
- Repair work had now been completed from April 2017 cyclone damage
- Had identified areas prone to accidents around the coastal arterial route
- Ngāi Tūhoe were performing 'road to nature' trials, experimenting with more natural products than bitumen with which to treat and seal Te Urewera roads between Murupara and Waikaremoana.

Mayor Garry Webber – Western Bay of Plenty District Council

Key Points

- Highlighted the importance of the committee focusing on strategic issues only.

Dan Kneebone – Port of Tauranga

Key Points

- Predicted significant growth volumes through the port, particularly in the Tauranga container terminal
- Planning was underway for a 220m berth extension at Sulphur Point
- A new crane had arrived and assembly was underway
- New hybrid straddle carriers had arrived and as many of the existing ones as possible were being converted to hybrid to maximise fuel efficiency
- Service levels in Totara Street were still a substantial issue.

Glen Crowther – Environmental Sustainability Advisor

Key Points

- Highlighted the number of businesses putting in place carbon reduction plans with a strong focus on reducing transport emissions and the importance of infrastructure planning to enable them to achieve these goals.

Cr Nees – Bay of Plenty Regional Council

Key Points

- Outlined initiatives across the region to increase uptake in public transport use

- A free one year regional tertiary commuter bus trial had been initiated through partnership with Toi Ohomai and University of Waikato
- Free school bus trials for students reported a 60% increase in patronage
- Fare review was underway looking at how to incentivise the use of public transport.

Ross l'Anson – Waka Kotahi New Zealand Transport Agency

Key Points

- A business case was being undertaken together with Whakatāne District Council, Wairoa District Council and Ngāi Tūhoe for the road to nature initiative.

Resolved

That the Regional Transport Committee:

- 1 Receives the report, Update from Committee Members and Advisors.**

**Thurston/Turner
CARRIED**

7.4 Regional Transport Committee feedback on Arataki

Senior Transport Planner Bron Healey presented this item.

Key Points

- Noted consistency and alignment between Arataki and the Regional Land Transport Plan on key policy provisions
- Volcanic and seismic activity was a strategic risk that was not well covered in the draft
- Climate change effects had major implications for inland transport links as well as coastal.

Members' Comments

- Consideration had to be given to the potential impact on the Port of Tauranga and the transport network with the outcome of the decision regarding location of an alternate port for Auckland
- Highlighted that the Bay of Plenty was topographically very different to other regions
- Working together to ensure all the plans aligned was crucial
- Logic and process around prioritisation should also be aligned
- Rural roading networks were a major part of product to port transport
- Add a paragraph on how the populations of main urban centres were depicted
- Requested potential high risk corridors State Highway 30 and State Highway 33 be added to the paragraph on highways with resilience issues.

In Response to Questions

- The port had a clear strategic plan in terms of accommodating growth
- Statistics New Zealand urban definitions affected the forecast population change map on page 85 of the agenda.

Resolved

That the Regional Transport Committee:

- 1 Receives the report, Regional Transport Committee feedback on Arataki;
- 2 Updates the draft letter Bay of Plenty Regional Transport Committee feedback on Arataki in Appendix 2 of the report, subject to adding amendments arising from the Regional Transport Committee meeting held 21 February 2020; and
- 3 Delegates to the Committee Chair the authority to approve and send the final letter.

Thurston/Donaldson
CARRIED

11.20 am – Mayor Powell entered the meeting.

7.5 Update from Committee Members and Advisors - Continuation

Mayor Tenby Powell – Tauranga City Council

Key Points

- From a strategic perspective, the growth of the port and increase of heavy vehicle transport had to be at the centre of forward thinking
- It was important to look at the strategies first, which would then lead to tactical discussions.

Resolved

That the Regional Transport Committee:

- 1 Receives the update from Mayor Tenby Powell.

Webber/Donaldson
CARRIED

7.6 Tactical Review of the Regional Land Transport Plan

Resolved

That the Regional Transport Committee:

- 1 Receives the report, Tactical Review of the Regional Land Transport Plan;
- 2 Approves the outcomes of the comparative analysis between the Regional Land Transport Plan 2018 and current government direction detailed in Figure 2 of the report; and
- 3 Agrees that the review process will focus on two key areas:
 - a. the development of ten-year transport investment priorities (and alternative options); and
 - b. confirming and applying a prioritisation approach and methodology.

Webber/Donaldson

7.7 Urban Form and Transport Initiative (UFTI) Update

Channeled Planning Contracting consultant Janeane Joyce responded to questions.

In Response to Questions

- Clarified that UFTI was limited to the definition of transport function and received its governance structure through the SmartGrowth Leadership Group
- The Tauranga Transport System Plan was a fully collaborative process which took on the strategic framework of UFTI
- Decision-making in terms of local government responsibilities would not change
- Implementing the UFTI strategic direction would be consistently applied through the separate decision-making processes.

Item for Staff Follow-up

- Mayor Turner to be provided copies of the UFTI interim reports.

Resolved

That the Regional Transport Committee:

- 1 Receives the report, Urban Form and Transport Initiative (UFTI) Update.

Thurston/Nees
CARRIED

7.8 Regional Land Transport Plan Implementation Report

Resolved

That the Regional Transport Committee:

- 1 Receives the report, Regional Land Transport Plan Implementation Report.

Webber/Donaldson
CARRIED

7.9 Establishment of an Operational Western Bay Road Safety Group

Resolved

That the Regional Transport Committee:

- 1 Receives the report, Establishment of an Operational Western Bay Road Safety Group;
- 2 Approves the establishment of the Operational Western Bay Road Safety Group.

- 3 Notes that the Operational Western Bay Road Safety Group intends to report back to the Regional Transport Committee quarterly.

Webber/Donaldson
CARRIED

The meeting closed at 11.48 am.

Confirmed DATE

Cr Lyall Thurston – Chairperson
Regional Transport Committee

Minutes of the Civil Defence Emergency Management Group Joint Committee Emergency Meeting held in Meeting Room 1, Regional House, 1 Elizabeth Street, Tauranga on Wednesday, 25 March 2020 commencing at 9.00 am

Present:

Chairman: Mayor Tenby Powell (Tauranga City Council - TCC)

Deputy Chairman: Councillor David Love (Bay of Plenty Regional Council - BOPRC)

Appointees: Western Bay of Plenty District Council (WBOPDC): Mayor Garry Webber
Whakatāne District Council (WDC): Mayor Judy Turner

Via Audio-visual Link:

Ōpōtiki District Council (ODC): Mayor Lyn Riesterer

Kawerau District Council (KDC): Mayor Malcolm Campbell; Deputy Mayor Faylene Tunui (Alternate)

In Attendance:

Emergency Management Bay of Plenty (EMBOP): Angela Reade - Manager Operations; Andrea Thompson - Executive Assistant
TCC: Marty Grenfell - Deputy Chair of Co-ordinating Executive Group (CEG) & Chief Executive
BOPRC: Merinda Pansegrouw - Committee Advisor

Via Audio-visual Link:

KDC: Russell George - Chair of Coordinating Executive Group (CEG) & Chief Executive Officer

Apologies: Mayor Steve Chadwick and Deputy Mayor Dave Donaldson

1 Apologies

Resolved

That the Civil Defence Emergency Management Group Joint Committee:

- 1 Accepts the apologies from Mayor Steve Chadwick and Deputy Mayor Dave Donaldson tendered at the meeting.

Webber/Turner
CARRIED

2 Acceptance of Late Items

Nil

3 **General Business**

- COVID-19 Update

4 **Declaration of Conflicts of Interest**

Nil

5 **Reports**

5.1 **Bay of Plenty Civil Defence Emergency Management Group - Alternative Group Controller Appointment**

Resolved

That the Civil Defence Emergency Management Group Joint Committee:

- 1 **Receives the report, Bay of Plenty Civil Defence Emergency Management Group - Alternate Group Controller Appointment; and**
- 2 **Approves the appointment of Sarah Omundsen as Alternate Group Controller for the Bay of Plenty Civil Defence Emergency Management Group, as defined under S26(2) of the Civil Defence Emergency Management Act 2002**

**Webber/Love
CARRIED**

5.2 **Bay of Plenty Civil Defence Emergency Management Group - Alternative Local Controller Appointment**

Resolved

That the Civil Defence Emergency Management Group Joint Committee:

- 1 **Receives the report, Bay of Plenty Civil Defence Emergency Management Group - Alternative Local Controller Appointment; and**
- 2 **Approves the appointment of Rowan Wallace, Manager - Emergency Management, Tauranga City Council as Alternate Local Controller for the Tauranga/Western Bay, Bay of Plenty Civil Defence Emergency Management Group, as defined under s27 of the Civil Defence Emergency Management Act 2002.**

**Webber/Love
CARRIED**

5.3 **Bay of Plenty Civil Defence Emergency Management Group Local Recovery Manager Amendment**

Members noted that following a recent resignation at Ōpōtiki District Council, a nomination for Local Recovery Manager (Section 30 of the CDEM Act 2002) would follow in due course.

Resolved

That the Civil Defence Emergency Management Group Joint Committee:

- 1 Receives the report, Bay of Plenty Civil Defence Emergency Management Group Local Recovery Manager Amendment; and**
- 2 Approves the rescindment of Nikki Melvin as a Local Recovery Manager for the Bay of Plenty Civil Defence Emergency Management Group, Kawerau District, as defined under s30 of the Civil Defence Emergency Management Act 2002.**

**Webber/Love
CARRIED**

6 **Consideration of General Business**

6.1 **COVID-19 Update**

EMBOP Manager Operations Angela Reade provided an update relating to COVID-19:

- Health Boards (Bay of Plenty District Health Board, Rotorua Lakes District Health Board and Toi Te Ora Public Health) were leading the regional response to COVID-19
- The Bay of Plenty Civil Defence Group Emergency Coordination Centre (GECC) had been activated as a virtual response centre and was ready to support and assist these groups with the response
- Business continuity plans had been activated
- New Zealand was currently at Alert Level 3 and would move to Alert Level 4 at 11.59 pm on Wednesday 25 March
- A nationwide state of emergency was expected to be declared due to COVID-19
- Members would receive ongoing communication from the National Emergency Management Agency (NEMA)
- Requested support from all with spreading the message that everyone should be staying at home, which was the best thing we could all do to stop the spread of COVID-19

Key Points Members:

- Encouraged updated communication to the wider Bay of Plenty community on the location of the dedicated COVID-19 community testing centres/clinics across the region
- Since the National Healthline was flooded with enquiries, the criteria and process to follow in getting tested for COVID-19 needed to be clearly communicated to communities
- National Government needed to provide further guidance on the definition of essential services that could continue to operate.

The meeting closed at 9:20 am.

Confirmed Date

Mayor Tenby Powell - Chairperson
Civil Defence Emergency Management Group Joint Committee

REPORT

Date : 16 April 2020
To : Ordinary Council Meeting, 21 April 2020
From : Her Worship the Mayor, L J Riesterer
Subject : **MAYORAL REPORT 7 MARCH 2020–16 APRIL 2020**
File ID : A196437

Since 7 March, I have attended or met with the following:

10 MARCH 2020

Ordinary Council meeting.

Councillor Rapihana and I then left for South Taranaki – a road trip to attend Te Maruata. We stopped the night in Otorohanga.

11-12 MARCH 2020

Te Maruata meeting

Te Maruata meeting was held at two different marae in South Taranaki. There were about 50 attendees from all over the country.

13 MARCH 2020

Provincial Growth Fund announcement, Whakatāne.

This was the fourth and last of the catalytic projects for the Eastern Bay of Plenty to be announced by Minister Shane Jones. I felt quite privileged to have attended all four. He then came over to Opotiki for a powhiri and the blessing for the Whakatohea mussel factory site.

Blessing of site for mussel processing factory, Opotiki

14 MARCH 2020

Opotiki Street Party to celebrate Harbour funding announcement

An amazing street party so well organised by our i-SITE/Events team. Another important milestone for the Ōpōtiki Harbour Transformation Project. It was important to be able to acknowledge and thank the many "behind the scenes" people and the special "out of towners" who have contributed so much of their time and energy into this project...some over many years.

16 MARCH 2020

Council Annual Plan Workshop

17 MARCH 2020

Audit planning meeting with Audit NZ

Eastern Bay of Plenty Joint Committee meeting

I am the Chair of this committee for the year (an ongoing rotational system). It was the first time all Mayors/Chair and CEOs of our four organisations have been together this year.

Covid-19 Response – From 21 March 2020, New Zealand was at Level 2

23 MARCH 2020

Meeting re community safety zone

Covid-19 Response – From 24 March 2020, New Zealand was at Level 3

24 MARCH 2020

Meeting re community safety zone

Covid-19 Response – On 25 March 2020: A State of Civil Emergency was declared for New Zealand; and New Zealand moved to Level 4

25 MARCH 2020

Civil Defence Emergency Management Group Joint Committee meeting, via Zoom link

14 APRIL 2020

Bay of Plenty Mayoral Forum meeting, via Zoom

15 APRIL 2020

Council Annual Plan workshop, via Zoom link

16 APRIL 2020

Webinar with Shamubeel Equb – "How Can Councils Contribute to Local Economic Recovery"

Mayors Taskforce For Jobs meeting, via Zoom

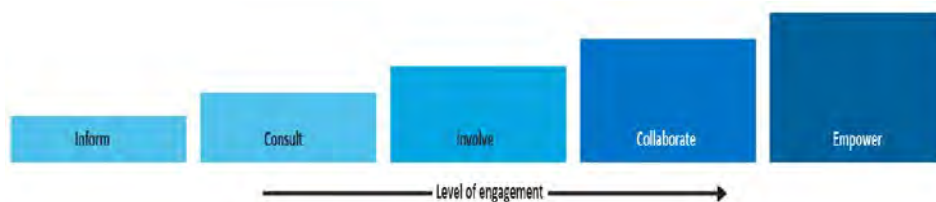
SIGNIFICANCE ASSESSMENT

Assessment of significance

Under Council's Significance and Engagement Policy, on every issue requiring a decision, Council considers the degree of significance and the corresponding level of engagement required. The level of Significance for the Mayoral Report is considered to be low as determined by the criteria set out in section 12 of the Significance and Engagement Policy.

Assessment of engagement requirements

As the level of significance for the Mayoral Report is considered to be of low the level of engagement required is determined to be at the level of inform according to Schedule 2 of the Significance and Engagement Policy.



RECOMMENDATION:

- 1. That the report titled "Mayoral Report 7 March 2020 -16 April 2020" be received.**

Lyn Riesterer

HER WORSHIP THE MAYOR

REPORT

Date : 11 April 2020

To : Ordinary Council Meeting, 21 April 2020

From : Finance and Corporate Services Group Manager, Bevan Gray

Subject : **2020/21 ANNUAL PLAN – INFORMATION AND ENGAGEMENT DOCUMENT**

File ID : A196982

EXECUTIVE SUMMARY

Staff have made some amendments to the proposed budgets for next year in order to provide some relief to the community during this trying time. It is important though not to cut budgets without due consideration of the impacts in future years. There is significant government support available to Councils to undertake projects with minimal cost to their communities, which we have sought. Staff consider the proposed Annual Plan the best balance of ensuring we can respond and help kick start the economy following lockdown, and ensuring that affordability is a key outcome.

PURPOSE

To adopt the 2020/21 Annual Plan – Information and Engagement Document for circulation with our community to get vital feedback ahead of completing the Annual Plan and setting rates for next year.

BACKGROUND

A local authority must complete an Annual Plan every year that sets out what the Council plans to do next year and how it is to be funded. This needs to be consistent with the relevant Long Term Plan or that Council is required to consult with the public on any material differences.

Council at the last meeting acknowledged that what we had proposed in the 2020/21 Annual Plan was in line with what was in the relevant year of the 2018-28 Long Term Plan, and as such was not planning on undertaking a time consuming and expensive special consultative procedure. Instead Council

resolved that an "Information and Engagement Document" will be prepared for the public, and feedback sought on what Council planned to do not only for next year, but also for the next Long Term Plan, that councillors had already started turning their minds towards.

DISCUSSION AND OPTIONS SECTIONS

Council has been reviewing and considering the proposed Annual Plan for next year for a number of months already, and were reasonably confident ahead of the outbreak of Covid-19 that they had the right balance and mix of projects as well as levels of service for next year.

Fast forward a mere few weeks and the impact of Covid-19 has had a significant impact on not only the community but the country as a whole.

At the time of writing this report we are just over half way through our four week lockdown at alert level 4. There is still a lot of uncertainty around when the alert levels will be lifted and we will be able to leave our homes. Government recently released that they are likely to make a decision and advise the public of where they are planning to move to in terms of alert levels on 20 April. So it is assumed that at the time of this meeting we will have a clearer understanding of where to next for the country, what that means for our communities, and what that means for Council for next year.

From what we are seeing, hearing, and being asked to do by the Government, there is a lot of importance and consideration being placed on using Central and Local Government as triggers to kick start the economy again, through significant investment and capital projects that will create jobs, and potentially allow those that have lost jobs to gain employment again. There is likelihood of significant external funding to come from Central Government for these projects, and for the most parts it is likely to be far wider reaching and of a greater quantum than the PGF funding.

Across the Eastern Bay of Plenty there is over \$200 million worth of projects between the three TAs that will be going for some of this Central Government funding. These have a number of criteria that need to be met in terms of readiness and materiality. Clearly the Government wants to focus on large projects that will create jobs, and there is a lot of money up for grabs.

In this light it is important that we keep the projects in the Annual Plan that we have already identified, to remove these could complicate the possible funding from government. Staff have already reviewed all of the projects following going into lockdown to remove any that might be unable to be completed.

The result of this means that the rates increase for next year has reduced from 4.72% to 4.25%.

The reduction of the UAGC from \$436 to \$352 will make a difference to those that are on low incomes. Households in the Ōpōtiki township will have rates increases of between \$50 and \$90 for most of the ratepayers, whilst those low value residential properties in rural areas are likely to experience a rates reduction due to the decrease in the UAGC. Any reduction in fixed charges will benefit those that live in low value properties and on low incomes.

We still have until the end of June to finalise the Annual Plan and set the rates for next year, and there is still a lot of uncertainty around the impacts of Covid-19 on the country and community. Some of those businesses that were affected early through China shutting down, like forestry, are back up and running, and there have been announcements that China plans to be back to full production before the end of April. Other businesses however are experiencing a delayed affect and the impacts will take some time to set in, and subsequently so will the recovery. Other businesses have experienced growth and increased demand, most of these operating in the essential services sector. So there is a real mixed bag of impacts across our community, and at the moment the best thing we can do is continue as planned as much as possible, and take feedback and input from the community as the picture starts to become a bit more clearer.

There has been some discussion within the sector around offering "rates freezes", "postponing instalments", and various other rates relief packages to attempt to alleviate any financial burden during this uncertain time. Some of these organisations have significant portions of their staff that are unable to work, have other sources of revenue, or have large cash reserves that they can draw from to offset the impact of proposed reductions in rates levels.

Ōpōtiki District Council unfortunately does not have other sources of revenue to offset rates, doesn't have large cash reserves, created by years of over-rating or savings, and generally has a small staffing base that is largely continuing to work and provide essential services through this time, and responding to the Civil Defence needs of the community.

We need to continue to grow and respond to the needs of the community, as a modest rates increase now means that we don't need to have a significant step increase in future years to catch back up. We also have the benefit of hindsight as well. In the early 2000s and during the Global Financial Crisis Council had very small rating rises. We've been playing catch up ever since, lack of investment in assets and resources only amplifies levels of service issues, and ultimately leads to community dissatisfaction.

We need to retain staff and continue to renew critical infrastructure, as well as grow our networks to allow more housing and development in our town. Not doing so will seriously impact affordability. Housing growth means more slices of the rating pie, and sharing the costs across more ratepayers.

Our saving grace at this time is a government that is willing to put significant investment into the regions as an economic stimulus, to create jobs, and to minimise the financial cost impact that large infrastructure have on those communities where affordability is an issue.

We also have a very broad rates remission policy that allows staff to apply rating remissions to properties where other councils would struggle. We see this as a key tool in our response to Covid-19. As stated above there will be some households in the community that are struggling financially, our first response would be to ensure that all government support opportunities are utilised first, this means that the cost of the response falls on the general taxpayer or central government reserves and reprioritisation of budgets, instead of our ratepayers. Should those be insufficient our staff are well versed in the application of our financial hardship policies, and available to discuss remedies with all ratepayers.

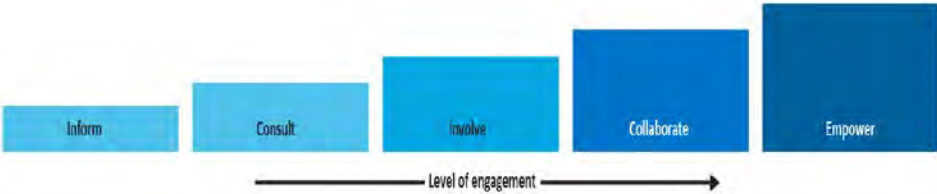
SIGNIFICANCE ASSESSMENT

Assessment of significance

Under Council’s Significance and Engagement Policy, on every issue requiring a decision, Council considers the degree of significance and the corresponding level of engagement required. The level of significance for 2020/21 Annual Plan – Information and Engagement Document is considered to be Low as determined by the criteria set out in section 17 of the Significance and Engagement Policy.

Assessment of engagement requirements

As the level of significance for 2020/21 Annual Plan – Information and Engagement Document is considered to be low, the engagement required is determined to be at the level of inform according to schedule 2 of the Significance and Engagement Policy.



COMMUNITY INPUT AND PUBLICITY

The purpose of this document is to inform the community of our plans for next year and to receive feedback on those plans, and also early feedback that we can use for the upcoming Long Term Plan preparation.

CONSIDERATIONS

Risks

Unfortunately the timing of Covid-19 means that we will not understand the full extent of the impact before adopting this document for consultation with our communities.

The risk of delaying this process means that we may not receive feedback in a timely manner from the community on our plans, and that any themes are not able to be sufficiently considered ahead of adopting the Annual Plan and setting the rates.

As we progress through this lockdown period, and hopefully through to a recovery phase we will get a better understanding of the impacts of the virus, and where we can add value to speed up the recovery. We need to ensure that our previously well considered Annual Plan preparation, and the underlying Long Term Plan is not compromised through that process, due to rushed response and the cutting of budgets. It is much easier to do that ahead of adoption than it is to put budgets back in.

Authority

The Council has the authority to adopt the Annual Plan and set the rates for next year, The Information and Engagement Document seeks feedback from the community in order to give the elected members confidence in their subsequent decisions.

RECOMMENDATIONS:

- 1. That the report titled "2020/21 Annual Plan – Information and Engagement Document" be received.**
- 2. That the Council seek feedback from the community on what is proposed for next year, and also ahead of the upcoming Long Term Plan preparation.**

Bevan Gray

FINANCE AND CORPORATE SERVICES GROUP MANAGER

REPORT

Date : 16 April 2020
To : Ordinary Council Meeting, 21 April 2020
From : Finance and Corporate Services Group Manager, Bevan Gray
Subject : **RATING REVIEW WORKSHOP**
File ID : A197214

EXECUTIVE SUMMARY

To resolve the outcomes of the rating review workshop held on the 16 March with Council members.

PURPOSE

The purpose of this report is to resolve the outcomes of the rating review workshop that was undertaken with Councillors on 16 March 2020.

BACKGROUND

A rating review is a process whereby the Council reviews how it is funding the activities that it undertakes. A rating review process ends with setting a rate, which is a form of tax, so the process and procedures need to meet the highest standards of administration. Rates need to be legally compliant, and a rating review process needs to be legally compliant at every stage.

It is important to understand that a rating review is effectively just a re-arrangement of the deck chairs in terms of who pays what. The level of rates that we need to collect will still remain the same. What changes is who pays the rates.

A rating review process will not reduce rates, rates may be considered too high, but a review of the allocation of rates won't solve the problem. To reduce rates, a council could spend less, or increase other revenues.

A rating review process is very time consuming, it can take 12 months to undertake effectively with the appropriate levels of community engagement. And it can also be very expensive, requiring legal advice through all steps of the process.

The process is complex with a lot of technical material that needs to be discussed and workshopped with councillors. It is controversial because changing the way that rates are assessed always means that there are winners and losers. Public engagement through a rating review process is usually high, particularly for those paying more, this means that the consultation process is likely to be very long and drawn out, with potentially a lot of conflict.

A rating review process can also detract from any Long Term Plan processes or discussions that the Council wants to have with their community. It is not recommended that a rating review is undertaken when you are trying to engage with your communities around an upcoming Long Term Plan.

There are two types of rating reviews, a first principles review which goes right back to basics and starts again in designing the rating system. There needs to be good evidence or a perception that the current rating allocation model is inappropriate. The other is an amendment review, which happens when a Council wants to make one or more changes to the existing framework.

An amendment review is much more cost effective and less time consuming than a first principles review.

DISCUSSION AND OPTIONS SECTIONS

When considering whether or not to undertake a rating review it is important to answer a few key questions first. These are:

- Is our current rating system broken?
- What are we wanting to change?
- Are we wanting to levy more rates on a particular sector or property type?
- Are we wanting to reduce rates on a particular sector or property type? Could this be achieved through remissions?
- Is our remission policy appropriate?

Our current rating system is very simple, and it is simple by design, not by accident. The more complex a rating system is the more difficult it is to manage, with increased likelihood of legislative non-

compliance. Complex rating systems are also very difficult to explain to ratepayers, which can lead to confusion and a perception of unfairness.

Our rates are broken down as follows;

Our rates (excl BOPRC)

	Residential	Rural	Commercial
General Rates	Variable rate by CV	Variable rate by CV	Variable rate by CV
UAGC	Fixed \$ per property	Fixed \$ per property	Fixed \$ per property
Targeted rates			
Communities of interest	Residential \$ per property	Rural \$ per property	Commercial \$ per property
Services	Water \$ per property		Water \$ per property
	Wastewater \$ per property		Wastewater \$ per property
	Collection \$ per property		Collection \$ per property

Put simply every property is charged a General Rate based on the value of the property and a fixed Uniform Annual General Charge. Each property is also charged a Communities of Interest rate based on the location and use of the property, and those properties that are connected to or use services such as Water, Wastewater, or Refuse Collection, get charged a targeted rate.

Discussions with Councillors identified the following issues around rating;

- Affordability
- Value for money proposition, and use of roads and Council services
- Sealing of Roads
- Rating of Māori Land

With an affordability lens placed on rating we identified and discussed that the level of fixed charges in our rating system impacted those on low incomes, and variable rates had a higher impact on high value properties. We discussed that the decisive reduction in the UAGC over recent years that we have made will have a positive impact on those ratepayers with low income, living in low valued properties. It was agreed that this was the best way to deal with affordability issues on these types of properties.

The remaining three issues all relate to properties and ratepayers on the Coast. There is a high concentration of Māori Land, a significant issue in providing the value for money proposition, and

ongoing requests for the sealing of roads. The impacts of recent rating revaluations and changes to the way the Māori Land should be valued, combined with the continuing reduction in the UAGC, should in the immediate future provide relief for those on limited incomes living on Māori Land on the Coast.

The value for money proposition is something that can't be dealt with quickly, and should be considered in a more consistent manner, engaging with the Coast Community Board, and discussing potential new services that Council can provide up the Coast. This will go hand in hand with the setting of a Terms of Reference for the Coast Community Board.

The Council has a very broad suite of remission policies that allow staff to utilise judgement to apply remissions to situations that other Councils might find difficult to apply remission. The Council has a good team and processes in place to consider remission applications across the district. Our Council is also very aware of the constraints on developing Māori Land, and is industry leading in terms of the remissions that it applies to those that wish to develop their Māori Land. This will become more important as PGF funded projects on Māori Land start occurring in the district.

The discussion concluded that our current rating system is appropriate, and though there are issues that Councillors would like to address across the district, these can be dealt with through our continued approach to reduce fixed charges on low value properties, and to continue to apply remissions or postponements in cases where they are needed.

If anything we would consider an amendment review only, rather than a first principles review. Councillors were in agreement that it is important to retain a simple rating system that can be easily explained to ratepayers.

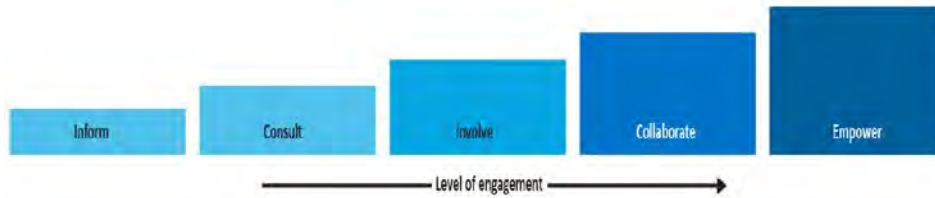
SIGNIFICANCE ASSESSMENT

Assessment of significance

Under Council's Significance and Engagement Policy, on every issue requiring a decision, Council considers the degree of significance and the corresponding level of engagement required. The level of significance for Rating Review Workshop is considered to be low as determined by the criteria set out in section 17 of the Significance and Engagement Policy.

Assessment of engagement requirements

As the level of significance for Rating Review Workshop is considered to be low, the engagement required is determined to be at the level of inform according to schedule 2 of the Significance and Engagement Policy.



RECOMMENDATIONS

- 1. That the report titled "Rating Review Workshop" be received.**
- 2. That the Council agrees that a full rating review ahead of the Long Term Plan is not necessary. If needed an amendments review would be undertaken as Council considers the existing rating system to be largely appropriate.**

Bevan Gray

FINANCE AND CORPORATE SERVICES GROUP MANAGER



REPORT

Date : 15 April 2020
To : Ordinary Council Meeting, 21 April 2020
From : Finance and Corporate Services Group Manager, Bevan Gray
Subject : **2019 TRIENNIAL ELECTIONS**
File ID : A195163

EXECUTIVE SUMMARY

The 2019 Local Government triennial elections occurred on Saturday, 12 October 2019. The elections for the Ōpōtiki District Council (and other local authorities within its district) were conducted satisfactorily and on time and met all legislative and practical requirements. A report from the Electoral Officer is provided outlining the process.

PURPOSE

To provide to the Council, the Electoral Officer's report on the 2019 electoral process.

BACKGROUND

Local Government elections are required to be conducted every three years, with the 2019 election occurring on 12 October 2019. The conduct of these elections is prescribed by legislation and regulation to ensure public confidence and electoral integrity are maintained.

Two electoral systems (first past the post and single transferable voting) were used.

The 2019 Ōpōtiki District Council elections were conducted under contract by Dale Ofoske of Election Services. With the elections now complete, this report details the various electoral processes undertaken, together with election statistics for the information of Council.

DISCUSSION AND OPTIONS

The report also highlights some items for consideration or action this year.

These are:

- Consideration of the electoral system used for the last election, and whether we want to retain it for the next election. Council may resolve to change the electoral system unless a poll was undertaken within the last six years.
- Maori Representation Review – Council needs to consider whether we would like to implement Maori Wards in the District for the next triennium. A Council may at any time resolve to introduce Maori Wars, unless a poll on the matter was held within the last six years.
- Representation Arrangements Review – this needs to be undertaken this year. The last review was undertaken in 2015, so we are required to undertake another one in 2020/21 to be applicable for the next two triennial elections.

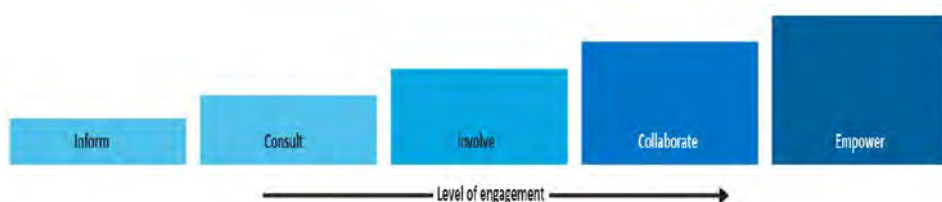
SIGNIFICANCE ASSESSMENT

Assessment of significance

Under Council's Significance and Engagement Policy, on every issue requiring a decision, Council considers the degree of significance and the corresponding level of engagement required. The level of significance for 2019 Triennial Election Report is considered to be low as determined by the criteria set out in section 17 of the Significance and Engagement Policy.

Assessment of engagement requirements

As the level of significance for 2019 Triennial Election Report is considered to be low, the engagement required is determined to be at the level of inform according to Schedule 2 of the Significance and Engagement Policy.



CONCLUSION

The Ōpōtiki District Council's 2019 triennial elections were conducted successfully and met all

legislative and practical requirements. No issues or concerns of significance arose from these elections and all tasks were completed satisfactorily and on time. The voter turnout for these elections was up 4.6%

RECOMMENDATIONS:

- 1. That the report titled "2019 Triennial Election Report" be received.**
- 2. That Council:**
 - **Considers whether it retains the first past the post electoral system or adopts the single transferable voting electoral system for the 2022 triennial elections – by 12 September 2020.**
 - **Considers whether it establishes Māori wards for the 2022 and 2025 triennial elections – by 23 November 2020.**
 - **Undertakes a representation arrangements review in 2020/21 (including undertaking any public consultation).**

Bevan Gray

FINANCE AND CORPORATE SERVICES GROUP MANAGER

Election Services
Level 2, 198 Federal Street, Auckland
PO Box 5135, Wellesley Street
Auckland 1141
Phone: 64 9 973 5212
Email: info@electionservices.co.nz

Report to the
Ōpōtiki District Council
regarding the

2019 Triennial Elections

From the
Electoral Officer

11 March 2020



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Outline

The 2019 local government triennial elections occurred on Saturday 12 October 2019. The elections for Ōpōtiki District Council, Bay of Plenty Regional Council and Bay of Plenty District Health Board were conducted satisfactorily and on time and met all legislative and practical requirements.

This report summaries the electoral process.

Background

Local government elections are required to be conducted every three years, with the 2019 election occurring on Saturday 12 October 2019. The conduct of these elections is prescribed by legislation and regulation to ensure public confidence and electoral integrity are maintained.

The following preliminary actions/decisions were made:

- (i) the FPP (first past the post) electoral system to be used for Ōpōtiki District Council and Bay of Plenty Regional Council; the STV (single transferable voting) electoral system to be used for the Bay of Plenty District Health Board election;
- (ii) postal voting to be used;
- (iii) the alphabetical order of candidate names to be used for Ōpōtiki District Council; and the random order of candidate names to be used for Bay of Plenty Regional Council and Bay of Plenty District Health Board.

The electoral officer appointed by Ōpōtiki District Council is Dale Ofsoske of Election Services.

With the 2019 elections now complete, this report details the various electoral processes undertaken, together with election statistics for the information of Council.

Narrative

Elections Required

Elections were undertaken for:

Ōpōtiki District Council

- mayor (elected at large)
- six councillors (elected from three wards)
- four community board members (elected from one community board)

Bay of Plenty Regional Council

- two members (elected from the Eastern Bay of Plenty General Constituency); or
- one member (elected from the Kohi Māori Constituency)

Bay of Plenty District Health Board

- seven members (elected 'at large' from the Ōpōtiki District Council area).

Election Timetable

Key election functions and dates were:

Nomination period

19 July – 16 August 2019

Inspection of Preliminary Electoral Roll

19 July – 16 August 2019

Delivery of voting mailers

20-26 September 2019

Special voting/early processing

20 September – 12 October 2019

Election day

12 October 2019

Preliminary count

13 October 2019

Official count

14-18 October 2019

Return of Electoral Donations & Expenses Form

by 13 December 2019

Electoral Roll

The electoral roll comprises two parts, the Residential Electoral Roll and the non-resident Ratepayer Electoral Roll.

The Residential Electoral Roll contains parliamentary electors, whose details are supplied by the Electoral Commission.

Each territorial authority is responsible for compiling its own non-resident Ratepayer Electoral Roll.

To compile the Ratepayer Electoral Roll, two actions are required:

- (i) a nationwide advertising campaign on the criteria of ratepayer elector qualifications and enrolment procedures; and
- (ii) the issuing of Ratepayer Confirmation Forms to all eligible 2016 Ratepayer Electoral Roll electors, and if returned, these along with any new enrolments, form the basis of the 2019 Ratepayer Electoral Roll.

A national advertising campaign was undertaken by SOLGM during May 2019 advising readers in all major daily newspapers of the criteria and qualifications required to be eligible for the Ratepayer Electoral Roll. A 0800 free-phone service was again used as a national helpline for ratepayer roll enquiries.

In April 2019, 41 Ratepayer Roll confirmation forms were issued to eligible 2016 Ratepayer Electoral Roll electors. A total of 38 non-resident ratepayer electors appeared on the 2019 Ratepayer Electoral Roll.

Preliminary and Final Electoral Rolls

The Preliminary and Final Electoral Rolls contained elector details in alphabetical order with a flag denoting voting entitlement (ward, community board, regional council constituency and district health board).

The Preliminary Electoral Roll was available for public inspection during normal office hours between 19 July 2019 and 16 August 2019 from:

- Ōpōtiki District Council offices, 108 St John Street, Ōpōtiki;
- Ōpōtiki Library, 100 Church Street, Ōpōtiki;
- Whakatōhea Māori Trust Board, 122 St John Street, Ōpōtiki;
- RSA, 6749 State Highway, Te Kaha;
- Ngaitai Iwi Authority, State Highway 35, Torere.

Statistics relating to the Final Electoral Roll are as follows:

Ward	Final Roll		
	No. Resident Electors	No. Ratepayer Electors	Total
Coast	1,040	19	1,059
Waioeke-Waiōtahe	1,941	14	1,955
Ōpōtiki	2,722	5	2,727
TOTAL	5,703	38	5,741

The total number of electors of 5,741 is an increase of 251 to the 2016 Final Electoral Roll of 5,490 electors (or +4.6%).

Nominations

The nomination period was 19 July to noon 16 August 2019.

Nomination material was available during this time by:

- (i) visiting the Ōpōtiki District Council offices (108 St John Street, Ōpōtiki);
- (ii) downloading the material from the Council's website;
- (iii) phoning the electoral office.

A detailed '2019 Candidate Information Handbook' was prepared and made available to all candidates, any interested party (e.g. media) and was available online. The handbook contained relevant information about the electoral process to potential candidates.

A total of 28 nominations were received for the 11 council vacancies, these detailed as follows:

Issue	No. Nominations	No. Vacancies
Mayor	7	1
Councillors	17	6
Community board members	4	4
Total	28	11

For the Coast Community Board, the number of nominations received equalled the number of vacancies, and these candidates were duly declared elected following the close of nominations. Refer Notice of Day of Election – **Appendix 2**.

The 28 nominations received for mayor, council, and community board vacancies is up from the 18 nominations received for these positions at the 2016 elections.

Voting Mailers

Voting mailers consisting of an outward envelope, return prepaid envelope, voting document and a candidate profile booklet (which included instructions in English and Māori) were posted to electors from Friday 20 September 2019.

The voting mailers were produced by the NZ Post Group and were consistent in design layout to all other local authorities in the country.

Special Voting

Special votes were available from 20 September 2019 to noon 12 October 2019 by:

- (i) visiting the Ōpōtiki District Council offices (108 St John Street);
- (ii) phoning the electoral office.

A total of 89 special votes were returned prior to the close of voting, of which 58 (65.17%) were valid. This compares to 21 special votes returned at the 2016 election.

The higher number of special votes returned is likely due to the increased voter awareness programmes many councils undertook over the voting period.

Elector Turnout

Of the 5,741 electors on the Final Electoral Roll, 3,101 electors returned their voting document. This represents a 54% return and compares favourably to a return of 41.8% at the 2016 election.

A schedule of the number of daily returned voting documents over the voting period is attached (**Appendix 1**).

Of note, the 2019 average nationwide elector turnout is 41.7% compared to 42% for the 2016 election, 41.3% for the 2013 election and 49% for the 2010 election.

Results

With the undertaking of the early processing of returned voting documents during the voting period, progress results were able to be released on election day at around 2pm. Progress results reflected about 90% of votes cast and did not include votes received at Council offices on election day morning. The release of progress results was very successful and avoided an unnecessary wait by candidates on knowing who had been provisionally elected.

The preliminary results were released on Sunday following the receipt and processing of a significant number of votes received by hand at the Council offices on election day morning.

Both the progress and preliminary results were released to candidates and placed on Council's website.

The final results (Declaration of Results of Election – see **Appendix 3**) were made on Friday 18 October 2019 and appeared in the Whakatane Beacon on Tuesday 22 October 2019 and the Opotiki News on Thursday 24 October 2019.

Election Costs

The 2019 estimated election cost set in August 2017 was \$53,200 + GST (or for an estimated 5,600 electors, \$9.50 + GST per elector), subject to actual costs incurred.

The 2019 final election cost has now been determined at \$55,621 + GST (or for 5,741 electors, \$9.69 + GST per elector).

Of the \$55,621 + GST final cost, Council is able to recover \$23,091 + GST (41.5%) from the other organisations elections were undertaken on behalf of.

Accordingly, this will leave a net cost to Council for their elections of \$32,530 + GST (51.5% of the total), or \$5.67 + GST per elector.

Upcoming Issues

Inquiry into the 2016 elections

Parliament's Justice Committee released its report 'Inquiry into the 2017 General Election and 2016 Local Elections' in December 2019.

Recommendations in the report relating to local government elections include:

- centralizing the running of local elections
- aligning DHB boundaries to TAs
- one voting method
- aligning advertising and campaigning rules with general elections
- shifting election day to avoid school holidays
- requiring candidates to provide evidence of citizenship
- requiring candidates to provide evidence of the existence of a political party/affiliation

The report can be viewed at:

https://www.parliament.nz/en/pb/sc/reports/document/SCR_93429/inquiry-into-the-2017-general-election-and-2016-local-elections

Inquiry into the 2019 elections

Parliament's Justice Committee is to undertake its normal inquiry into the conduct of the 2019 local government elections. Submissions have been called for and closed on Saturday 29 February 2020. The Terms of Reference include:

- examine the law and administrative procedures for the conduct of the 2019 local elections with particular reference to:
 - low voter turnout
 - licensing trusts
 - role of council staff during election periods around decisions on information release and public statements
 - disclosure of candidate criminal convictions
 - any irregularities that may have compromised the fairness of the elections
- consult stakeholders and the wider public regarding the Justice Committee's recommendations from the 2016 local elections, particularly:
 - giving responsibility of running all aspects of local

- government elections to the Electoral Commission
 - o encouraging or requiring the same voting system to be used in all local elections
 - o foreign interference
- examine the law and administrative procedures for the conduct of energy trust elections held since 2016.

Electoral System Review

Under the Local Electoral Act 2001, a local authority may resolve, before 12 September 2020, to change the electoral system used at the last election, unless a poll on the matter was held within the last six years. Should Council wish to consider changing its electoral system (from first past the post to single transferable voting), it can do so by resolution no later than 12 September 2020.

However, a public notice must be given by 19 September 2020 providing the right of electors to demand a poll on the matter.

Māori Representation Review

Under the Local Electoral Act 2001, Council may at any time resolve to introduce Māori wards unless a poll on the matter was held within the last six years.

If a resolution is made before 23 November 2020 (to apply for the 2022 and 2025 triennial elections), public notice must be given by 30 November 2020 providing the right of electors to demand a poll on the matter.

If Māori wards are to be introduced for the 2022 and 2025 triennial elections, this would need to be reflected in the representation arrangements review required in 2021.

Representation Arrangements Review

The Local Electoral Act 2001 requires every local authority to undertake a representation arrangements review at least once in every six-year period.

Council last undertook a review in 2015 (for the 2016 and 2019 elections), so is required to conduct a full review in 2020/21, the outcome applicable for the 2022 and 2025 triennial elections.

Summary and Conclusions

The Ōpōtiki District Council's 2019 triennial elections were conducted successfully and met all legislative and practical requirements. No issues or concerns of significance arose from these elections and all tasks were completed satisfactorily and on time.

There are several electoral issues Council may wish to consider during 2020/21:

- consider whether Council retains the first past the post electoral system or adopts the single transferable voting electoral system for the 2022 triennial elections – by 12 September 2020;
- consider whether Council establishes Māori wards for the 2022 and 2025 triennial elections – by 23 November 2020;
- undertake a representation arrangements review in 2020/21 (including undertaking any public consultation).



Dale Ofsoske
Electoral Officer // Ōpōtiki District Council
Election Services



VOTING DOCUMENT RETURNS - 2019 ELECTIONS

WARD/ELECTORS	ELECTION DAY																
	23-Sep	24-Sep	25-Sep	25-Sep	26-Sep	27-Sep	30-Sep	1-Oct	2-Oct	3-Oct	4-Oct	7-Oct	8-Oct	9-Oct	10-Oct	11-Oct	12-Oct
COAST 1059	0	0	50	50	100	125	175	200	200	225	275	300	350	350	375	469	94
ŌPŌTIKI 2727	0	0	275	100	375	475	550	675	750	825	900	1025	1125	1225	1275	1502	227
WAIŌEKA-WAIŌTAHI 1955	0	0	75	100	175	250	325	425	500	550	600	700	825	900	925	1130	180
TOTAL 5741	0	0	400	250	650	850	1050	1300	1450	1600	1775	2025	2300	2475	2550	2600	3101
DAILY %	0.0%	0.0%	6.97%	4.35%	11.32%	14.81%	18.29%	22.64%	25.26%	27.87%	30.92%	35.27%	40.06%	43.11%	44.42%	45.29%	54.01%
2010 Returns	0.0%	0.0%	7.6%	12.7%	12.8%	17.1%	21.5%	24.8%	30.2%	32.9%	35.6%	40.0%	40.9%	43.1%	46.1%	50.6%	55.7%
2013 Returns	0.0%	0.3%	5.2%	9.5%	12.8%	12.8%	17.0%	18.3%	22.2%	25.8%	27.8%	31.1%	32.0%	34.8%	38.2%	40.3%	47.5%
2016 Returns		3.19%	6.83%	9.11%	12.75%	14.57%	18.21%	21.40%	23.22%	25.50%	26.87%	29.14%	29.14%	31.42%	33.24%	34.15%	41.84%

*Final - Incl. Specials

ŌPŌTIKI DISTRICT COUNCIL 2019 ELECTION
Daily Voting Document Returns



NOTICE OF DAY OF ELECTION for the Ōpōtiki District Council 2019 elections



Ōpōtiki District Council
STRONG COMMUNITY STRONG FUTURE

Nominations received

Notice is given under section 65 of the Local Electoral Act 2001 that the following persons have been duly nominated as candidates for:

Mayor *(one vacancy)*

CHEN, Xiao Yu	IRVING, Peter	MCROBERTS, Haki	RIESTERER, Lyn
DOBIE, Alex	KEANE, Les	RĀPIHANA, Louis	

Council

Coast Ward *(one vacancy)*

MCROBERTS, Haki
RĀPIHANA, Louis
WAENGA, Allen

Ōpōtiki Ward *(three vacancies)*

BLACK, Paula (Independent)

BROWNE, Shona

CHEN, Xiao Yu
DOBIE, Alex
HOWE, Barry
IRVING, Peter

KEANE, Les

NEISH, Laura
NELSON, Steve

Waioeka-Waiōtahe Ward

(two vacancies)

COLLIER, Michael Spike
FINDLAY, Ron
HOCART, Debi
KERR, Lew (Independent)
MOORE, David (Independent)

As there are (for each office) more candidates than there are vacancies to be filled, an election will be held between the listed candidates on Saturday, 12 October 2019, under the first past the post electoral system by postal vote.

Community Board

Coast Community Board

(four vacancies)

COLLIER, Michael Spike
KEEPA, Gail Maria

PARATA, Tiaki
WAENGA, Allen

As the number of candidates
does not exceed the the number

of vacancies, Michael Spike
COLLIER, Gail Maria
KEEPA, Tiaki
PARATA and Allen WAENGA are
duly declared elected members
of the Coast Community Board.

Issuing of voting documents

Voting documents will be posted to electors from Friday, 20 September 2019.

Return of voting documents

Voting documents must be returned not later than noon, Saturday, 12 October 2019 to the electoral officer.

Voting documents can be returned by post or hand

delivered to the Ōpōtiki District Council offices, 108 St John Street, Ōpōtiki between Friday, 20 September 2019 and Friday, 11 October 2019 during normal office hours, and Saturday, 12 October 2019 between 9am – noon.

Special voting

Special voting in terms of the Local Electoral Act 2001 and the Local Electoral Regulations 2001 may be exercised at the above council offices and times.

A person can apply to enrol as either a residential or ratepayer elector right up to and including 11 October 2019 – the day before the close of voting.



Dale Ofsoske, Electoral Officer
Ōpōtiki District Council
108 St John Street, Ōpōtiki

Phone 0800 922 822

APPENDIX 3

DECLARATION OF RESULTS OF ELECTION for the Ōpōtiki District Council 2019 elections



I hereby declare the results of the elections held on 12 October 2019 for the following offices:

Mayor (<i>one vacancy</i>)	Votes Received	Ōpōtiki Ward (<i>three vacancies</i>)	Votes Received
CHEN, Xiao Yu	76	BLACK, Paula (Independent)	397
DOBIE, Alex	673	BROWNE, Shona Rosalie	734
IRVING, Peter	247	CHEN, Xiao Yu	74
KEANE, Les	26	DOBIE, Alex	533
MCROBERTS, Haki	198	HOWE, Barry	940
RĀPIHANA, Louis	468	IRVING, Peter	296
RIESTERER, Lyn	1378	KEANE, Les	59
		NEISH, Laura	353
		NELSON, Steve	727

Informal votes received: 12

Blank votes received: 23

I therefore declare Lyn RIESTERER to be elected.

Informal votes received: 0

Blank votes received: 13

I therefore declare Shona Rosalie BROWNE, Barry HOWE and Steve NELSON to be elected.

Council

Coast Ward (<i>one vacancy</i>)	Votes Received	Waioeka-Waiōtahe Ward (<i>two vacancies</i>)	Votes Received
MCROBERTS, Haki	120	COLLIER, Michael Spike	244
RĀPIHANA, Louis	236	FINDLAY, Ron	218
WAENGA, Allen	106	HOCART, Debi	614
		KERR, Lew (Independent)	368
		MOORE, David (Independent)	580

Informal votes received: 0

Blank votes received: 7

I therefore declare Louis RĀPIHANA to be elected.

Informal votes received: 3

Blank votes received: 13

I therefore declare Debi HOCART and David MOORE to be elected.



Dated at Ōpōtiki, 18 October 2019

Dale Ofsoske, Electoral Officer

Ōpōtiki District Council

108 St John Street, Ōpōtiki

Phone 0800 922 822



REPORT

Date : 15 April 2020
To : Ordinary Council Meeting, 21 April 2020
From : Accountant, Peter Bridgwater
Subject : **LGFA AMENDMENT & RESTATEMENT DEEDS**
File ID : A197143

EXECUTIVE SUMMARY

The Local Government Funding Agency Limited (LGFA) report provides information for review by the Council with consideration to signing the Amendment and Restatement Deed (Notes Subscription Agreement) and the Amendment and Restatement Deed (Multi-issuer Deed).

PURPOSE

To provide a report on the Local Government Funding Agency Limited (LGFA) for review with consideration to agreeing to sign the Amendment and Restatement Deed (Notes Subscription Agreement) and the Amendment and Restatement Deed (Multi-issuer Deed).

BACKGROUND

Council borrowing is currently done through the Local Government Funding Agency Limited (LGFA). Opotiki District Council joined the scheme in 2014 as a borrowing council (as opposed to a guarantor or shareholder). LGFA issues bonds into the market which then allows councils to borrow for fixed terms at rates significantly lower than those available through retail or commercial banks.

At the 2018 LGFA AGM two changes to foundation policies were proposed. The purpose of these amendments is to:

- enable approved council-controlled organisations to borrow directly through the LGFA borrowing programme (on the basis of a guarantee from and/or sufficient uncalled capital issued to the parent local authority);

- allow a local authority to apply to LGFA to be tested at the group level rather than at the parent level for compliance with LGFA covenants;
- as previously notified by LGFA, increase the amount of borrower notes that must be issued to a local authority when it is borrowing; and
- make certain other minor technical improvements to the borrowing programme (including to facilitate the provision of committed standby borrowing facilities).

TIMELINE

18 December 2014: Ōpōtiki District Council acceded to the LGFA multi issuer Deed and Note Subscription Agreement.

November 2018: LGFA AGM – changes to foundation policies. Two changes to foundation policies were proposed.

1. Measurement of council compliance with LGFA covenants at the group level.
2. Lending to Council Controlled Organisations (“CCOs”).

30 April 2020: LGFA target execution date of amendments in order to become effective in the next financial year from 1 July 2020.

IMPACT ON ŌPOTIKI DISTRICT COUNCIL

Having reviewed the amended and restated deeds (included as appendix 1) there are two areas that will impact Ōpōtiki District Council.

- The increase in borrower note percentage will increase the convertible notes ODC is required to hold when borrowing in the future.
- The ability of LGFA to provide committed standby borrowing facilities will allow the council to replace the current overdraft facility that is maintained

The following changes may in the future have an impact on ODC. These changes may allow for more flexibility in funding of CCOs and other operations council has an interest in:

- The changes to assess covenants at a group level (rather than parent) would have no impact on ODC at this stage. ODC does not currently have CCOs that are consolidated into a group.
- The changes to enable CCOs to borrow directly from LGFA may have a future impact on ODC.

In order for Ōpōtiki District Council to continue borrowing through LGFA the above measures need to be agreed to. That is Council will need to agree to, and sign the Amendment and Restatement Deed (Notes Subscription Agreement) and the Amendment and Restatement Deed (Multi-issuer Deed). The Deeds of Amendment have been reviewed and approved by LGFA and by the LGFA Shareholder’s Council. The Chief Executive will need to sign the s 118 certificate.

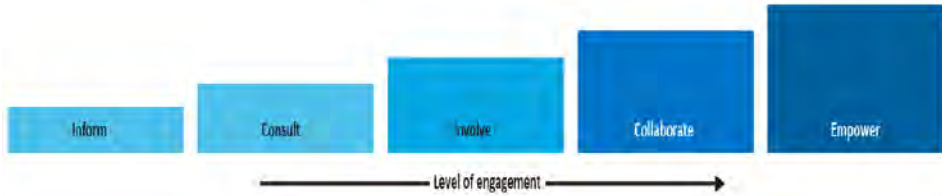
SIGNIFICANCE ASSESSMENT

Assessment of significance

Under Council’s Significance and Engagement Policy, on every issue requiring a decision, Council considers the degree of significance and the corresponding level of engagement required. The level of significance for LGFA Amendment and Reinstatement Deeds is considered to be low as determined by the criteria set out in section 17 of the Significance and Engagement Policy.

Assessment of engagement requirements

As the level of significance for LGFA Amendment and Reinstatement Deeds is considered to be low the engagement required is determined to be at the level of inform according to schedule 2 of the Significance and Engagement Policy.



RECOMMENDATIONS

- 1. That the report titled “LGFA Amendment and Reinstatement Deeds” be received.
- 2. That the Amendment and Restatement Deed (Notes Subscription Agreement) and the Amendment and Restatement Deed (Multi-Issuer Deed) be approved.

Peter Bridgwater
ACCOUNTANT

Appendix 1

Amendment and Restatement Deed (Multi- issuer Deed)

PARTIES

The Local Authorities listed in Schedule 1

Issuers

New Zealand Local Government Funding Agency Limited

Subscriber

DEED dated

2020

PARTIES

The Local Authorities listed in Schedule 1

("Issuers")

New Zealand Local Government Funding Agency Limited

("Subscriber")

INTRODUCTION

The parties wish to amend and restate the Multi-issuer Deed as set out in this deed.

COVENANTS

1. INTERPRETATION

1.1 Definitions: In this deed:

"**Effective Date**" means the date notified by the Subscriber as the Effective Date in accordance with clause 2.1.

"**Multi-issuer Deed**" means the multi-issuer deed dated 7 December 2011 (as amended and restated on 5 June 2015) between the Issuers and the Subscriber.

1.2 **Multi-issuer Deed definitions:** Words and expressions defined in the Multi-issuer Deed (as amended by this deed) have, except to the extent the context requires otherwise, the same meaning in this deed.

1.3 **Miscellaneous:**

- (a) Headings are inserted for convenience only and do not affect interpretation of this deed.
- (b) References to a person include that person's successors, permitted assigns, executors and administrators (as applicable).
- (c) Unless the context otherwise requires, the singular includes the plural and vice versa and words denoting individuals include other persons and vice versa.

- (d) A reference to any legislation includes any statutory regulations, rules, orders or instruments made or issued pursuant to that legislation and any amendment to, re-enactment of, or replacement of, that legislation.
- (e) A reference to any document includes reference to that document as amended, modified, novated, supplemented, varied or replaced from time to time.
- (f) Unless otherwise stated, reference to a clause or schedule is a reference to a clause of or schedule to this deed.
- (g) A reference to "including", "for example" or "such as", when introducing an example, does not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

2. CONDITIONS PRECEDENT

- 2.1 **Effective Date:** The Effective Date shall be the date the Subscriber confirms to the Issuers that it has received, and found satisfactory to it in form and substance, the documents and evidence specified in schedule 2.

3. AMENDMENT AND RESTATEMENT

- 3.1 **Amendment and restatement:** With effect on and from the Effective Date, the Multi-issuer Deed shall be amended and restated in the form set out in the appendix to this deed, in accordance with clause 12.1 of the Multi-issuer Deed.
- 3.2 **Full force and effect:** Except to the extent amended by this deed, the Multi-issuer Deed remains in full force and effect.

4. ISSUER ACKNOWLEDGEMENTS AND CONFIRMATIONS

- 4.1 **Debenture Trust Deed:** Each Issuer acknowledges and agrees that nothing in this deed shall prejudice the rights of the Subscriber under the Debenture Trust Deed and confirms and agrees that its liabilities and obligations under the Debenture Trust Deed, all Security Stock issued, and all Security Stock Certificates delivered, to the Subscriber continue in full force and effect.
- 4.2 **Conditions:** Each Issuer and the Subscriber agrees that the Conditions (as amended by this deed) apply to each existing Series of Securities issued by that Issuer. This is an agreement for the purposes of clause 11.1 of the Conditions and a written Extraordinary

Resolution of the sole Holder of all existing Securities in accordance with clause 17.1 of the Schedule to the Conditions for the purposes of clause 11.3 of the Conditions.

- 4.3 **Notice details:** Each Issuer confirms that its current notice details for the purposes of clause 11 of the Multi-issuer Deed and clause 12 of the Conditions are as set out in schedule 1.
- 4.4 **Agency Agreement and Registrar:** Each Issuer confirms that its Agency Agreement and Registrar for the purposes of the definitions of those terms in the Conditions are as set out in schedule 1.

5. GENERAL

- 5.1 **Counterparts:** This deed may be executed in any number of counterparts, and this shall have the same effect as if the signatures on the counterparts were on a single copy of this deed.
- 5.2 **Governing law:** This deed is governed by, and construed in accordance with, New Zealand law. The parties submit to the non-exclusive jurisdiction of the courts of New Zealand.

NORTHLAND REGIONAL COUNCIL by:

Signature of elected member

Signature of elected member

Name of elected member

Name of elected member

ŌPŌTIKI DISTRICT COUNCIL by:

Signature of elected member

Signature of elected member

Name of elected member

Name of elected member

ŌTOROHANGA DISTRICT COUNCIL by:

Signature of elected member

Signature of elected member

Name of elected member

Name of elected member

PALMERSTON NORTH CITY COUNCIL

by:

Signature of elected member

Signature of elected member

Name of elected member

Name of elected member

Amendment and Restatement Deed (Notes Subscription Agreement)

PARTIES

New Zealand Local Government Funding Agency Limited

Issuer

The Local Authorities listed in Schedule 1

Subscribers

DEED dated 2020

PARTIES

New Zealand Local Government Funding Agency Limited
("Issuer")

The Local Authorities listed in Schedule 1
("Subscribers" and each a "Subscriber")

INTRODUCTION

The parties wish to amend and restate the Notes Subscription Agreement as set out in this deed.

COVENANTS

1. INTERPRETATION

1.1 Definitions: In this deed:

"Notes Subscription Agreement" means the notes subscription agreement dated 7 December 2011 (as amended and restated on 4 June 2015) between the Issuer and the Subscribers.

"Effective Date" means the date notified by the Issuer as the Effective Date in accordance with clause 2.1.

1.2 Notes Subscription Agreement definitions: Words and expressions defined in the Notes Subscription Agreement (as amended by this deed) have, except to the extent the context requires otherwise, the same meaning in this deed.

1.3 Miscellaneous:

- (a) Headings are inserted for convenience only and do not affect interpretation of this deed.
- (b) References to a person include that person's successors, permitted assigns, executors and administrators (as applicable).
- (c) Unless the context otherwise requires, the singular includes the plural and vice versa and words denoting individuals include other persons and vice versa.
- (d) A reference to any legislation includes any statutory regulations, rules, orders or instruments made or issued pursuant to that legislation and any amendment to, re-enactment of, or replacement of, that legislation.
- (e) A reference to any document includes reference to that document as amended, modified, novated, supplemented, varied or replaced from time to time.

- (f) Unless otherwise stated, reference to a clause or schedule is a reference to a clause of or schedule to this deed.
- (g) A reference to "including", "for example" or "such as", when introducing an example, does not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

2. CONDITIONS PRECEDENT

- 2.1 **Effective Date:** The Effective Date shall be the date the Issuer confirms to the Subscribers that it has received, and found satisfactory to it in form and substance, the documents and evidence specified in schedule 2.

3. AMENDMENT AND RESTATEMENT

- 3.1 **Amendment and restatement:** With effect on and from the Effective Date, the Notes Subscription Agreement shall be amended and restated in the form set out in the appendix to this deed in accordance with clause 14.1 of the Notes Subscription Agreement.
- 3.2 **Full force and effect:** Except to the extent amended by this deed, the Notes Subscription Agreement remains in full force and effect.

4. SUBSCRIBERS ACKNOWLEDGEMENTS AND CONFIRMATIONS

- 4.1 **Notice details:** Each Subscriber confirms that its current notice details for the purposes of clause 13 of the Notes Subscription Agreement are as set out in schedule 1.
- 4.2 **Existing Borrower Notes:** Each Subscriber and the Issuer agrees that the Notes Subscription Agreement (as amended by this deed) applies to all existing Borrower Notes issued by the Issuer to that Subscriber.

5. GENERAL

- 5.1 **Counterparts:** This deed may be executed in any number of counterparts, and this shall have the same effect as if the signatures on the counterparts were on a single copy of this deed.
- 5.2 **Governing law:** This deed is governed by, and construed in accordance with, New Zealand law. The parties submit to the non-exclusive jurisdiction of the courts of New Zealand.

Multi-issuer Deed

PARTIES

The Local Authorities Listed in Schedule 1

Principal Shareholders

New Zealand Local Government Funding Agency Limited

Subscriber

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DEED dated 7 December 2011 (as amended and restated by the deed to which this deed is attached as an appendix)

PARTIES

The Local Authorities Listed in Schedule 1

("Principal Shareholders")

New Zealand Local Government Funding Agency Limited

("Subscriber")

INTRODUCTION

- A. The Principal Shareholders and the Subscriber wish to record the arrangements agreed between them in relation to the issue of Securities to the Subscriber from time to time by the Principal Shareholders, and other Local Authorities or CCOs that may accede to this deed, as Issuers.
- B. This deed records those arrangements.
- C. None of the obligations under this deed of the Subscriber nor any Issuer that is a Local Authority are guaranteed by the Crown.

COVENANTS

1. INTERPRETATION

- 1.1 **Definitions:** In this deed, unless the context otherwise requires:

"**Accession Deed**" means a deed in the form, or substantially in the form, of schedule 4.

"**Agency Agreement**" means, in relation to an Issuer, the issue and paying agency agreement between the Issuer and an agent or agents in relation to the issue of Securities by the Issuer.

"**Annual Rates Income**" means, in relation to an Issuer that is a Local Authority and for a financial year, an amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received by that Issuer from other Local Authorities for services provided by that Issuer for which those other Local Authorities rate and in each case as shown in the Financial Statements of that Issuer

for that financial year, provided that if such Financial Statements are with respect to a period of less than 12 months, then such amount shall be annualised (so as to reflect a period of 12 months), and the annualised amount shall be the Annual Rates Income.

"Authorised Signatory" means, in relation to an Issuer, a person nominated as the Issuer's authorised signatory for the purposes of this deed and notified as such to the Subscriber from time to time.

"Available Financial Accommodation" means, in relation to an Issuer on any Test Date, the aggregate as at that date of:

- (a) External Indebtedness;
- (b) committed but undrawn financial accommodation that is available to the Issuer, to the extent there is no legal, contractual or other restriction on the Issuer's ability to draw upon that financial accommodation; and
- (c) Liquid Investments of the Issuer (and not its Consolidated Group).

"Borrowed Money Indebtedness" means any indebtedness of the Subscriber to a person (other than indebtedness owed to an Issuer in respect of Borrower Notes) in respect of money borrowed or raised or any other financial accommodation whatsoever in the nature of, or having a similar economic effect to, borrowing or raising money, including indebtedness under or in respect of a negotiable or other financial instrument, guarantee, interest or currency exchange hedge or other arrangement of any kind (calculated on a net and marked to market basis).

"Borrower Notes" has the meaning given to it in the Notes Subscription Agreement.

"Cash" means, in relation to an Issuer:

- (a) any credit balance on any deposit, savings, current or other account with a registered bank which has outstanding debt securities rated as referred to in paragraph (c) of the definition of "Liquid Investments" and which is freely withdrawable on demand by the Issuer;
- (b) any credit balance of any term deposit with a maturity of less than 180 days with a registered bank which has outstanding debt securities rated as referred to in paragraph (c) of the definition of "Liquid Investments"; and
- (c) any cash in hand.

"CCO Credit Support" means, in relation to a CCO Issuer, any combination of the following:

- (a) a CCO Security;
- (b) a CCO Negative Pledge and Covenant;
- (c) a CCO Guarantee;
- (d) where a LA Shareholder provides a CCO Guarantee, the Security Stock issued by the LA Shareholder in respect of its obligations under the CCO Guarantee; and/or
- (e) any other security arrangements,

as specified in the relevant Accession Deed or as otherwise subsequently specified (in writing) by the Subscriber.

"CCO Negative Pledge and Covenant" means the undertakings given by a CCO Issuer in favour of the Subscriber and the Holder and, set out in the relevant Accession Deed, relating to:

- (a) for so long as any Series issued by the Issuer is outstanding, the restrictions on the creation or subsistence of any security interest over the whole or any part of its assets, other than a permitted security interest (as specified in the relevant Accession Deed);
- (b) for so long as any Series issued by the Issuer is outstanding, the amount of its indebtedness relative to the aggregate amount uncalled and unpaid in respect of equity securities in the Issuer owned legally and beneficially by the CCO Shareholders; and
- (c) if applicable, calling up and/or demanding payment of, the whole or part (as specified in the request from the Subscriber or Holder) of the amount uncalled and/or unpaid in respect of the equity securities referred to in paragraph (b) on written request from the Subscriber or a Holder, provided that such request may only be made following the occurrence of an Event of Default that is continuing.

"CCO Support Document" means, in relation to a CCO Issuer, any document in relation to CCO Credit Support, as specified in the relevant Accession Deed.

"Compliance Certificate" means:

- (a) in the case of an Issuer that is a Local Authority, a certificate in the form, or substantially in the form, set out in schedule 7; and
- (b) in the case of a CCO Issuer, a certificate in the form specified by the Subscriber for that Issuer.

"Conditions" means the terms and conditions contained in schedule 2.

"Confirmation Email" means, in relation to an Issuer and Securities, an email (or other communication which is satisfactory to the Subscriber) from the Issuer to the Subscriber confirming that the Issuer is offering to issue a Series or Tranche of Securities on the terms set out in the applicable Indicative Terms Email. The Confirmation Email must specify:

- (a) the Principal Amount and Maturity Date of the Securities the Issuer is offering to issue; and
- (b) whether the Securities it is offering to issue are Fixed Rate Securities, Floating Rate Securities, Amortising Securities, Zero Coupon Securities or any other type of Security set out in the Indicative Terms Email.

"Consolidated Group" means, in relation to an Issuer, the group of persons (including the Issuer) against which the financial covenants in clause 7.5(a) may be tested (as required in accordance with clause 7.5(a)), such group must be agreed in writing by the Subscriber and that Issuer.

"Demand" has the meaning given in the Guarantee.

"Disclosure Information" has the meaning given to it in clause 7.4(a)(i).

"Distribution" means:

- (a) any dividend, charge, fee, payment, other distribution (whether cash or assets), redemption, repurchase, defeasance, retirement or repayment on or in respect of any equity securities or ownership interest of a CCO Issuer;
- (b) any interest payment, any repayment or prepayment of any amount of principal or any other payment in respect of any liability of a CCO Issuer to a CCO Shareholder; and

without limiting the above, a "distribution" as defined in the Companies Act.

"EC Securities" means Securities the proceeds of which are to be applied by the relevant Issuer in paying the Exercise Price for Commitment Shares to be subscribed by the Issuer on the Issue Date.

"Equity Commitment Deed" means the deed dated on or about the date of this deed between various Local Authorities and the Subscriber entitled "Equity Commitment Deed".

"Event of Review" means, in relation to:

- (a) an Issuer that is a Local Authority, a breach of any of the financial covenants in clause 7.5; and
- (b) a CCO Issuer, a breach of any of the financial covenants in the Accession Deed.

"External Indebtedness" means, in relation to an Issuer on any Test Date, the aggregate amount of indebtedness of the Issuer to any person in respect of money borrowed or raised or any other financial accommodation whatsoever in the nature of, or having a similar economic effect to, borrowing or raising money, including indebtedness under or in respect of a negotiable or other financial instrument, as shown in the Financial Statements of the Issuer for the financial year ending on that Test Date, but excluding:

- (a) indebtedness that is classed as "internal indebtedness" of the Issuer in the Issuer's Financial Statements for the financial year ending on that Test Date;
- (b) indebtedness that is classified as a contingent liability of the Issuer in the Issuer's Financial Statements for the financial year ending on that Test Date; and
- (c) any indebtedness of the Issuer which is an unrealised loss on hedging instruments as shown in the Issuer's Financial Statements for the financial year ending on that Test Date.

"Financial Statements" means:

- (a) in relation to a CCO Issuer, the audited financial statements the Issuer is required to produce pursuant to sections 67 to 69 of the Act; and
- (b) in relation to an Issuer that is a Local Authority, the audited financial statements the Issuer is required to produce pursuant to sections 98 and 99 of the Act.

"Final Terms" means:

- (a) in relation to a Series or Tranche of EC Securities, final terms in the form, or substantially in the form, of schedule 3; and
- (b) in relation to a Series or Tranche of any other Securities, a term sheet in the form, or substantially in the form, of schedule 5.

"Further Principal Debt Release Request" has the meaning given to it in the Guarantee.

"GAAP" means "generally accepted accounting practice" as defined in the Act.

"Guarantee" means the deed of guarantee and indemnity made by various Local Authorities in respect of the indebtedness of the Subscriber.

"Guarantor" means a guarantor under the Guarantee.

"Indicative Terms Email" means an email from the Subscriber to an Issuer setting out the indicative terms of Securities (other than pricing) that the Issuer may offer to issue to the Subscriber.

"Insolvency Event" means, in relation to a CCO Issuer or CCO Shareholder, any "Insolvency Event" specified in the relevant Accession Deed in relation to such person.

"Issuer" means a Local Authority set out in schedule 1 or any other Local Authority or CCO which is or becomes an Issuer in accordance with clauses 2.4 or 2A.4 (including a Local Authority that becomes an Issuer because it is a LA Shareholder (if applicable)).

"Liquid Investments" means, in relation to an Issuer on any Test Date:

- (a) Cash;
- (b) securities issued or fully guaranteed or fully insured by the New Zealand Government;
- (c) commercial paper or other debt securities which have a long-term rating of at least A- or a short-term rating of at least A-1 by Standard & Poor's Rating Group or an equivalent rating from either Moody's Investors Service Inc. or Fitch Ratings Limited (or their respective related companies); and
- (d) certificates of deposit of any registered bank which has outstanding debt securities rated as referred to in paragraph (c) above,

in each case legally and beneficially held by the Issuer and/or the Consolidated Group (as required in accordance with clause 7.5(a)), not subject to any security interest, and denominated and payable in NZ Dollars and as shown in the Financial Statements of the Issuer for the financial year ending on that Test Date.

"Maximum Additional Spread" means:

- (a) in relation to an issue of Floating Rate Securities which are not EC Securities, the maximum additional spread (expressed as a percentage (p.a.)) the Subscriber will (on the date the Final Terms are delivered pursuant to clause 4.1(a)(iii)) add to its own issuance margin in order to determine the Margin for the relevant Tranche or Series;
- (b) in relation to an issue of Fixed Rate Securities, the maximum additional spread (expressed as a percentage (p.a.)) the Subscriber will (on the date the Final Terms

are delivered pursuant to clause 4.1(a)(iii)) add to its own issuance margin in order to determine the "margin" component of the Interest Rate for the relevant Tranche or Series; and

- (c) in relation to an issue of Zero Coupon Securities, the maximum additional spread (expressed as a percentage (p.a.)) the Subscriber will (on the date the Final Terms are delivered pursuant to clause 4.1(a)(iii)) add to its own issuance margin in order to determine the annual yield for the relevant Tranche or Series,

in each case calculated in accordance with the methodology notified by the Subscriber to the Issuer on or prior to the date of the Indicative Terms Email which relates to that issue of Securities. In this definition, "**issuance margin**" has the meaning given to it in clause 4.6.

"Net Debt" means, in relation to an Issuer and any Test Date, the aggregate of all financing liabilities of the Issuer and/or the Consolidated Group (as required in accordance with clause 7.5(a)) as at that Test Date as shown in the Financial Statements of the Issuer for the financial year ending on that Test Date less Liquid Investments as at that Test Date.

"Net Interest" means, in relation to an Issuer for a financial year, an amount equal to all interest and financing costs incurred by the Issuer and/or the Consolidated Group (as required in accordance with clause 7.5(a)) for that financial year as shown in Financial Statements of the Issuer less:

- (a) interest income of the Issuer and/or the Consolidated Group (as required in accordance with clause 7.5(a)) for that financial year as shown in Financial Statements of the Issuer for that financial year; and
- (b) any interest paid by the Issuer during that financial year as shown in the Financial Statements of the Issuer for that financial year on EC Securities held by the Subscriber.

"Notes Subscription Agreement" means the agreement dated on or about the date of this deed between the Subscriber and various Local Authorities entitled "Notes Subscription Agreement".

"Notice of Commitment" means:

- (a) in relation to a Series or Tranche of EC Securities, a notice in the form, or substantially in the form, of schedule 6; and
- (b) in relation to a Series or Tranche of any other Securities, a Confirmation Email.

"Offering Document" means, on any date, each prospectus, investment statement, product disclosure statement, information memorandum or other offer document (howsoever described) prepared by, or on behalf and with the approval of, the Subscriber under which the Subscriber is offering or is able to offer debt instruments.

"Policies" has the meaning given to it in the Shareholders' Agreement.

"Potential Event of Default" means any event which, with the passing of time, or the giving of notice, or both, would constitute an Event of Default.

"Redemption Notice" has the meaning given to it in clause 7.6, 7.7, 7.8 or 7.9, as applicable.

"Security Trustee" has the meaning given in the Guarantee.

"Shareholders' Agreement" means the agreement dated on or about the date of this deed between the Principal Shareholders in relation to the Subscriber entitled "Shareholders' Agreement".

"Shareholder Transaction Documents" means, in relation to an Issuer that is a LA Shareholder:

- (a) the Guarantee;
- (b) the Equity Commitment Deed;
- (c) the accession deeds (if applicable) executed by the Issuer for the purposes of the Guarantee and the Equity Commitment Deed;
- (d) each Security Stock Certificate issued by it in respect of its obligations in respect of the Guarantee and the Equity Commitment Deed;
- (e) this deed, solely in its capacity as a LA Shareholder; and
- (f) each CCO Support Document.

"Test Date" means 30 June of each year or, in the case of a CCO Issuer, the date specified in the relevant Accession Deed.

"Total Revenue" means, in relation to an Issuer that is a Local Authority and for a financial year, the total cash operating revenue of the Issuer and/or the Consolidated Group (as required in accordance with clause 7.5(a)) for that financial year as shown in Financial Statements of the Issuer for that financial year including cash earnings from rates, Government grants and subsidiaries, user charges, interest, dividends and financial and

other revenue but not including non-Government capital contributions (such as developer contributions and vested assets).

"Transaction Documents" means:

- (a) in relation to an Issuer that is a Local Authority:
 - (i) this deed;
 - (ii) the Notes Subscription Agreement;
 - (iii) each Security Stock Certificate issued by it in respect of its obligations in respect of the Securities and under this deed and each of the Guarantee (if applicable), and the Equity Commitment Deed (if applicable);
 - (iv) if the Issuer is a Guarantor, or is required by the Subscriber in accordance with this deed, the Policies and/or required by the Shareholders' Agreement to become a Guarantor, each of the Guarantee and Equity Commitment Deed;
 - (v) the Accession Deed (if applicable);
 - (vi) any accession deed executed by the Issuer for the purposes of the Notes Subscription Agreement, the Guarantee (if applicable) and/or the Equity Commitment Deed (if applicable); and
 - (vii) any other document agreed by the Subscriber and the Issuer to be a Transaction Document; and

- (b) in relation to a CCO Issuer:
 - (i) this deed;
 - (ii) the Notes Subscription Agreement;
 - (iii) the Guarantee;
 - (iv) the Equity Commitment Deed;
 - (v) each Security Stock Certificate issued by a LA Shareholder in respect of its obligations in respect of each of the Guarantee, the Equity Commitment Deed and any CCO Support Document;
 - (vi) the Accession Deed;

- (vii) any accession deed executed by the CCO Issuer for the purposes of the Notes Subscription Agreement (if applicable);
- (viii) accession deeds (if applicable) to Guarantee and Equity Commitment Deed;
- (ix) each CCO Support Document; and
- (x) any other document agreed by the Subscriber and the CCO Issuer to be a Transaction Document.

"Verified Statements" has the meaning given to it in clause 7.4(a)(ii).

1.2 **Conditions:** Words and expressions defined in the Conditions and used in this deed shall have the same meanings in this deed, unless the context requires otherwise.

1.3 **Equity Commitment Deed:** Except to the extent the context requires otherwise, "Commitment Shares", "Exercise Notice", "Exercise Price" and "Settlement Date" have the meanings given to them in the Equity Commitment Deed.

1.4 **References:** Except to the extent that the context otherwise requires, any reference in this deed to:

an **"authorisation"** includes:

- (a) any consent, authorisation, registration, filing, agreement, notarisation, certificate, permission, licence, approval, authority or exemption from, by or with a governmental agency; or
- (b) in relation to anything which will be proscribed or restricted in whole or part by law if a governmental agency intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of such period without such intervention or action.

a **"clause"** or **"schedule"** is a reference to a clause of, or schedule to, this deed.

something having a **"material adverse effect"** on a person is a reference to it having a material adverse effect on the financial condition or operations of that person which materially adversely affects the ability of that person to perform or comply with its obligations under any Transaction Document or any Security.

something being **"remedied"** means it is remedied to the satisfaction of the Subscriber.

1.5 **Miscellaneous:**

- (a) The introduction to and headings in this deed are inserted for convenience only and shall be ignored in construing this deed.
- (b) Unless the context otherwise requires words denoting only the singular number shall include the plural and vice versa and words denoting any gender shall include all genders.
- (c) References to any legislation or to any provision of any legislation are deemed to be references to that legislation or provision as from time to time amended, re-enacted or substituted and, unless the context otherwise requires, shall also include any statutory instruments issued under any such legislation or provision.
- (d) References to any document (however described) shall include references to such document as modified, novated, supplemented, varied or replaced from time to time.
- (e) References to any party to this deed or any other document shall include its successors or permitted assigns.
- (f) References to a time of day are references to New Zealand time unless otherwise stated.
- (g) Anything which may be done at any time may also be done from time to time.

2. ACCESSION OF LOCAL AUTHORITY AS AN ISSUER

2.1 Local Authority to sign Accession Deed: Subject to clause 2.2, a Local Authority which is not a Principal Shareholder may become an Issuer under this deed by completing and signing an Accession Deed and delivering it to the Subscriber.

2.2 Conditions precedent to accession and issue of Securities: A Local Authority shall not be entitled to sign and deliver an Accession Deed or to issue Securities under this deed unless and until the following conditions have been, to the satisfaction of the Subscriber, met:

- (a) the Local Authority is a party to or has acceded to the Notes Subscription Agreement;
- (b) if required by the Subscriber in accordance with the Policies and/or required by the Shareholders' Agreement, the Local Authority has become a Guarantor and is a party to or has acceded to the Equity Commitment Deed;

- (c) the Subscriber has confirmed that the Agency Agreement to be used by the Local Authority in relation to the Securities issued by it pursuant to this deed, and the identity of the paying agent, calculation agent and registrar appointed pursuant to that agreement, are acceptable to it;
- (d) the Local Authority has delivered to the Subscriber a certificate of compliance for the purposes of section 118 of the Act in relation to its entry into this deed, the Accession Deed (if applicable), the Notes Subscription Agreement, the Agency Agreement, the Guarantee (if applicable), the Equity Commitment Deed (if applicable) and the Security Stock Certificates and Security Stock issued in respect of this deed, the Guarantee (if applicable) and the Equity Commitment Deed (if applicable);
- (e) evidence that all necessary regulatory and statutory authorisations, consents, approvals and licences in relation to its entry into this deed, the Accession Deed (if applicable), the Notes Subscription Agreement, the issuance of the Security Stock Certificates and Security Stock issued in respect of this deed and the Securities (if applicable) and the issuance of the Securities from time to time (if applicable) have been obtained and are current and satisfactory;
- (f) the Subscriber has received a first ranking Security Stock Certificate evidencing that the Issuer's obligations under this deed are secured pursuant to the Debenture Trust Deed;
- (g) any additional eligibility criteria required by the Subscriber in accordance with the Policies have been satisfied;
- (h) in respect of the first issuance by an Issuer, it has notified the Subscriber of the amount of its Annual Rates Income for its immediately preceding financial year and a breakdown of the components included in its calculation of that amount, provided that this clause 2.2(h) shall not apply where an Issuer has previously delivered Financial Statements to the Subscriber in accordance with clause 7.3 which comply with clause 7.5(c);
- (i) the Subscriber has received a legal opinion from counsel acceptable to the Subscriber and in a form acceptable to the Subscriber relating to the Issuer's entry into this deed, the Accession Deed (if applicable), the Notes Subscription Agreement, the Guarantee (if applicable) and the Equity Commitment Deed (if applicable) and the issuance of the first ranking Security Stock and the first ranking Security Stock Certificate described at clause 2.2(f); and

- (j) any additional conditions specified by the Subscriber in the Accession Deed or separately notified in writing to the Issuer have been satisfied.

2.3 **Subscriber to countersign Accession Deed:** Subject to clause 2.2, on receipt of the document described in clause 2.1 in form and substance satisfactory to the Subscriber, the Subscriber shall:

- (a) countersign the counterpart of the Accession Deed;
- (b) enter the Accession Deed in a register kept by it (which shall be conclusive); and
- (c) retain one counterpart and deliver the other to the relevant Local Authority.

2.4 **Accession effective:** On an Accession Deed being countersigned by the Subscriber in accordance with clause 2.3, the Local Authority shall be bound by this deed as if it were a party hereto and named herein as an Issuer.

2A. ACCESSION OF CCO AS AN ISSUER

2A.1 **CCO to sign Accession Deed:** Subject to clause 2A.2, a CCO may become an Issuer under this deed by:

- (a) completing and signing; and
- (b) procuring each CCO Shareholder to sign,

an Accession Deed (in form and substance satisfactory to the Subscriber) and delivering it to the Subscriber.

2A.2 **Conditions precedent to accession and issue of Securities:** A CCO shall not be entitled to sign and deliver an Accession Deed or to issue Securities under this deed unless and until the following conditions have been, to the satisfaction of the Subscriber, met:

- (a) the CCO has acceded to the Notes Subscription Agreement;
- (b) each LA Shareholder is a party to or has acceded to this deed as an Issuer (in the manner contemplated by clauses 2.2 to 2.4 of this deed) and the Notes Subscription Agreement as a subscriber;
- (c) each LA Shareholder is or has become a Guarantor and is a party to or has acceded to the Equity Commitment Deed as a guarantor;
- (d) the Subscriber has confirmed that the Agency Agreement to be used by the CCO in relation to the Securities issued by it pursuant to this deed, and the identity of the

paying agent, calculation agent and registrar appointed pursuant to that agreement, are acceptable to it;

- (e) the CCO has delivered to the Subscriber a director's certificate in relation to its entry into this deed, the Accession Deed, the Notes Subscription Agreement, the Agency Agreement, the CCO Credit Support and the CCO Support Documents;
- (f) evidence that all necessary regulatory and statutory authorisations, consents, approvals and licences in relation to the CCO's entry into this deed, the Accession Deed, the Notes Subscription Agreement, the Agency Agreement, the CCO Credit Support and the CCO Support Documents and the issuance of Securities from time to time (if applicable) have been obtained and are current and satisfactory;
- (g) each CCO Shareholder has delivered to the Subscriber a director's certificate, or in the case of a LA Shareholder, a certificate of compliance for the purposes of section 118 of the Act, in relation to its entry into the Accession Deed, the CCO Credit Support and the CCO Support Documents;
- (h) in the case of a LA Shareholder, evidence that all necessary regulatory and statutory authorisations, consents, approvals and licences in relation to its entry into the CCO Credit Support and the CCO Support Documents have been obtained and are current and satisfactory;
- (i) any additional eligibility criteria required by the Subscriber in accordance with the Policies have been satisfied;
- (j) in respect of the first issuance by an Issuer, each LA Shareholder has notified the Subscriber of the amount of its Annual Rates Income for its immediately preceding financial year and a breakdown of the components included in its calculation of that amount, provided that this clause 2A.2(j) shall not apply where the LA Shareholder (as an Issuer) has previously delivered Financial Statements to the Subscriber in accordance with clause 7.3 which comply with clause 7.5(c);
- (k) the Subscriber has received a legal opinion from counsel acceptable to the Subscriber and in a form acceptable to the Subscriber relating to the CCO's entry into this deed, the Accession Deed, the Notes Subscription Agreement, the Agency Agreement, and any CCO Support Document (if applicable);
- (l) the Subscriber has received both the CCO Support Documents and the benefit of CCO Credit Support, in each case, in a form and substance satisfactory to the Subscriber (in its sole discretion);

- (m) the Subscriber has received a legal opinion from counsel acceptable to the Subscriber and in a form acceptable to the Subscriber relating to each CCO Shareholder's entry into each relevant CCO Support Document (if applicable);
- (n) each LA Shareholder is in compliance with each of the financial covenants in, or referred to in, clause 7.5; and
- (o) any additional conditions specified by the Subscriber in the Accession Deed or separately notified in writing to the Issuer have been satisfied.

2A.3 **Subscriber to countersign Accession Deed:** Subject to clause 2A.2, on receipt of the document described in clause 2A.1 in form and substance satisfactory to the Subscriber, the Subscriber shall:

- (a) countersign the counterpart of the Accession Deed;
- (b) enter the Accession Deed in a register kept by it (which shall be conclusive); and
- (c) retain one counterpart and deliver the other to the relevant CCO.

2A.4 **Accession effective:** On an Accession Deed being countersigned by the Subscriber in accordance with clause 2A.3, the CCO shall be bound by this deed as if it were a party hereto and named herein as an Issuer.

3. OFFERS AND SALES OF SECURITIES

3.1 **Agreement to issue:** Subject to the terms and conditions of this deed, each Issuer may from time to time agree with the Subscriber to issue, and the Subscriber may agree to subscribe for, Securities. If the relevant Issuer and the Subscriber agree on the terms upon which such Securities should be issued and subscribed then the relevant Issuer shall be obliged to issue and the Subscriber shall be obliged to subscribe the relevant Securities issued by the Issuer on the relevant Issue Date, on the basis of, and in reliance upon, the representations, warranties, undertakings and indemnities made or given or provided to be made or given pursuant to the terms of this deed, and otherwise on the terms so agreed.

3.2 **Offer and acceptance:** For the purposes of this deed (without limiting anything else in this deed), the issue of Securities under this deed shall (without more) be taken to be the result of an offer by the relevant Issuer to issue the Securities to the Subscriber, and an acceptance of that offer by the Subscriber.

3.3 **Several obligations:** The obligations of each Issuer under this deed are several. No Issuer shall be responsible for the obligations of any other Issuer under this deed. The rights of each Issuer under this deed are several.

4. ISSUANCE PROCESS

4.1 **General procedure:**

- (a) Except in the case of EC Securities or if the Subscriber and the relevant Issuer otherwise agree, an Issuer may not issue Securities pursuant to this deed unless:
 - (i) at least eight Business Days before the proposed Issue Date (or such later date as the Issuer and the Subscriber may agree), the Subscriber provides an Indicative Terms Email to the Issuer and, in the case of a CCO Issuer, with a copy to each LA Shareholder;
 - (ii) at least six Business Days before the proposed Issue Date (or such later date as the Issuer and the Subscriber may agree), the Issuer provides a Notice of Commitment to the Subscriber; and
 - (iii) at least three Business Days before the proposed Issue Date (or such later date as the Issuer and the Subscriber may agree), the Subscriber has agreed to subscribe for the Securities by signing and delivering the Final Terms for the Securities to the Issuer.
- (b) The Issuer shall counter-sign and deliver to the Subscriber a copy of the Final Terms no later than the proposed Issue Date, but failure to do so shall not affect the Issuer's obligation to issue the Securities on the proposed Issue Date and the terms set out in the Final Terms shall apply to the relevant Securities.

4.2 **Procedure for EC Securities:** An Issuer may not issue EC Securities under this deed unless:

- (a) the Issuer has received an offer to subscribe for the EC Securities under clause 3.1 of the Equity Commitment Deed; and
- (b) not less than six Business Days before the Settlement Date for the related Commitment Shares, the Issuer provides a Notice of Commitment to the Subscriber,

whereupon the Subscriber promptly (and in any case not less than four Business Days before the proposed Issue Date) shall agree to subscribe for the EC Securities specified in

the Notice of Commitment by counter-signing and delivering to the Issuer a copy of the Notice of Commitment.

4.3 **[Not used]**

4.4 **Notice of Commitment:** A Notice of Commitment constitutes a binding, unconditional and irrevocable offer by the relevant Issuer to issue the Securities specified therein. Each Notice of Commitment in respect of EC Securities shall be accompanied by preliminary Final Terms for the proposed issuance of EC Securities, completed in all respects other than for pricing, and such Final Terms to be the same as the preliminary Final Terms that were sent to the Issuer by the Subscriber under clause 3.1 of the Equity Commitment Deed except that the Issuer may specify a lower aggregate Principal Amount and shorter Maturity Date.

4.5 **Acceptance by Subscriber:** Subject to clause 4.2, the Subscriber is not under any obligation whatsoever to accept an offer by an Issuer contained in a Notice of Commitment. The Subscriber signing and delivering the Final Terms to the relevant Issuer (in the case of Securities which are not EC Securities) or counter-signing and delivering to the relevant Issuer a copy of a Notice of Commitment (in the case of EC Securities) shall constitute a binding and irrevocable acceptance of the offer contained in the Notice of Commitment, subject only to the following conditions:

- (a) the Subscriber having received in a form and substance satisfactory to it:
 - (i) where the Issuer is a Local Authority, a first ranking Security Stock Certificate evidencing that the Issuer's obligations in relation to the proposed Tranche or Series are secured pursuant to the relevant Debenture Trust Deed (which may, at the Subscriber's absolute discretion, be a Security Stock Certificate evidencing that the Issuer's obligations in relation to all Securities issued by it under this deed are secured pursuant to the relevant Debenture Trust Deed); and
 - (ii) where the Issuer is a Local Authority, a certificate of compliance for the purposes of section 118 of the Act in relation to the proposed Tranche or Series and the issue of the relevant Security Stock and related Security Stock Certificate (if applicable);
 - (iii) where the Issuer is a CCO Issuer, a certificate from an Authorised Signatory of the CCO addressing (among other things) the issue of the proposed Tranche or Series;
- (b) there is no impediment to the issue to the Issuer of the related Borrower Notes (if applicable) under the Notes Subscription Agreement (including, without limitation,

due to the requirements of section 49 of the Companies Act 1993 and/or clause 15.4 of the Notes Subscription Agreement not being satisfied);

- (c) the Issuer has complied with the conditions specified in clause 2.2 or 2A.2 (as applicable) and any additional eligibility criteria required by the Subscriber in accordance with the Policies;
- (d) the representations and warranties set out in clause 6.1 (in the case of an Issuer that is a Local Authority) or 6.1A (in the case of a CCO Issuer) (as applicable) being true, accurate and correct in all material respects as of the Issue Date by reference to the facts and circumstances existing on that date;
- (e) no Event of Default, Potential Event of Default or Event of Review has occurred and is continuing in relation to the Issuer and no such event would occur on or after the Issue Date as a result of the Issuer issuing the Securities;
- (f) the Issuer, and (in the case of a CCO Issuer) each CCO Shareholder, is in compliance with this deed, the Notes Subscription Agreement, the Guarantee (if applicable), the Equity Commitment Deed (if applicable) and any CCO Support Document (if applicable); and
- (g) the Local Government Borrowing Act 2011 has not been amended or repealed other than to the satisfaction of the Subscriber.

4.6 **Pricing:**

- (a) The Subscriber shall determine the pricing for each Tranche or Series of:
 - (i) EC Securities, on the Issue Date and shall notify the relevant Issuer of the pricing for the Tranche or Series on the Issue Date, following which the Final Terms for the Tranche or Series shall be updated to include the pricing information notified pursuant to this clause and each of the Issuer and the Subscriber shall sign the updated Final Terms; and
 - (ii) Securities which are not EC Securities, on the date the Final Terms are delivered pursuant to clause 4.1(a)(iii) and such pricing shall be set out in the Final Terms for that Tranche or Series.

The pricing decisions of the Subscriber shall be final and binding on the relevant Issuer.

- (b) When determining the pricing for each Tranche or Series of Securities for the purposes of clause 4.6(a), the Subscriber must not, unless the relevant Issuer

agrees otherwise, add an additional spread to its own issuance margin which exceeds:

- (i) in the case of EC Securities, the maximum additional spread notified in accordance with clause 3.1 of the Equity Commitment Deed; and
- (ii) in the case of Securities which are not EC Securities, the Maximum Additional Spread.

In this clause 4.6, "**issuance margin**" means the percentage rate (p.a.) (as determined by the Subscriber) over the applicable reference rate which is payable by the Subscriber in respect of the Borrowed Money Indebtedness it incurs to subscribe for the relevant Securities and includes all of the Subscriber's costs and expenses relating to that Borrowed Money Indebtedness (including, without limitation, dealer fees, commissions, listing fees and any Approved Issuer Levy which is or may be payable by the Subscriber under the terms of that Borrowed Money Indebtedness). In this clause 4.6, "**Approved Issuer Levy**" has the meaning given to it in the Conditions as if references to the "Issuer" were to the "Subscriber" and "any Security" were to the Subscriber's "Borrowed Money Indebtedness". Without limiting the Subscriber's right to make a determination as to the "issuance margin", the Subscriber may for the purposes of determining the Approved Issuer Levy component of the issuance margin estimate its likely costs in respect of any Approved Issuer Levy.

4.7 **Notices of Commitment after release:** Where an Issuer is (or was previously) a Guarantor and it has delivered a valid Further Principal Debt Release Request in accordance with clause 15 of the Guarantee:

- (a) it must immediately provide a copy of the Further Principal Debt Release Request to the Subscriber; and
- (b) neither it nor any CCO Issuer for which that Issuer is a LA Shareholder may, on and from the date of such Further Principal Debt Release Request, provide any Notice of Commitment under this deed.

4.8 **Settlement delay:** Other than where the conditions set out in clause 4.5 are not satisfied, in the event that the Subscriber pays the Issue Price for the Securities other than on the Issue Date ("**settlement delay**"):

- (a) unless the Subscriber agrees otherwise (in writing), each of the Issuer and the Subscriber shall issue the Securities and the Borrower Notes (if applicable) respectively on the Issue Date; and

- (b) the maximum amount payable by the Subscriber to the Issuer in respect of such settlement delay will be interest on the unpaid Issue Price of the Securities, such interest to accrue on a daily basis from the Issue Date until the unpaid Issue Price is paid at a rate per annum equal to the Reserve Bank of New Zealand official cash rate on the Issue Date. Accrued interest shall not be compounded and shall be paid by the Subscriber on the date the unpaid Issue Price is paid in full and final settlement of such settlement delay.

5. ISSUE AND CREATION

- 5.1 Securities are issued and created by the relevant Registrar entering in the Register the particulars of the Securities.

6. REPRESENTATIONS AND WARRANTIES

- 6.1 **Representations and warranties (in relation to Issuers that are Local Authorities):** Each Issuer that is a Local Authority represents and warrants to the Subscriber in relation to itself (as an Issuer) that:

- (a) **Status:** it is either a territorial authority or regional council named as a local authority in Schedule 2 to the Act;
- (b) **Power:** it has the power generally to enter into, exercise its rights and perform and comply with its obligations under this deed and the other Transaction Documents and to issue the Securities;
- (c) **Authorisations:** it has taken all necessary action required on its part to authorise the entry into, execution and delivery of this deed and the other Transaction Documents and the issue of Securities and the performance of all obligations expressed to be binding on it;
- (d) **Obligations legally binding:** its obligations under this deed, the other Transaction Documents and the Debenture Trust Deed and the Securities (when issued) constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to laws affecting creditors' rights generally and (as to enforceability) to equitable principles of general application);
- (e) **No conflict:** neither the entry by it into, nor the performance by it of this deed and the other Transaction Documents or the issue of the Securities by it will:

- (i) conflict with or result in a breach of, any agreement, document, arrangement, obligation or duty to which it is a party or by which it or any of its assets may be bound; or
 - (ii) violate or contravene any law to which it is subject;
- (f) **Accounts:** its accounts have been prepared in accordance with the Act and any other applicable legislation or guidelines and are audited in accordance with any statutory requirements;
- (g) **No default:** except to the extent it has notified the Subscriber otherwise in writing, no Event of Default or Event of Review in relation to it has occurred and remains unremedied;
- (h) **Certificate of exemption:** it holds a valid certificate of exemption from resident withholding tax issued pursuant to section RE 27 of the Income Tax Act 2007 and sections 32E to 32I of the Tax Administration Act 1994 (or, on or after 1 April 2020, it has RWT-Exempt Status);
- (i) **Protected transaction:** for the purposes of section 117 of the Act, the entry by the Issuer into, and the performance by the Issuer of, this deed and the other Transaction Documents and the issue of Securities:
 - (i) is in compliance with the Act;
 - (ii) is not contrary to any provision of the Act;
 - (iii) is within the capacity, rights and powers of the Issuer; and
 - (iv) is for a purpose authorised by either the Act or another Act;
- (j) **Ranking of obligations:** its obligations under this deed and in respect of the Securities are secured by the Debenture Trust Deed and rank, and will at all times rank, rateably and at least equally in right and priority of payment with all other first ranking secured money under the Debenture Trust Deed;
- (k) **Offering material:** except to the extent it has advised the Subscriber otherwise in writing, all information it has provided to the Subscriber for the purposes of or, it has approved (in writing) for the inclusion in, any Offering Document is true, accurate and complete in all material respects and not misleading (including by omission) in any material respect; and

- (l) **Notes Subscription Agreement:** the warranties given by it at clause 4.5 of the Notes Subscription Agreement are true and accurate.

6.1A **Representations and warranties (in relation to CCO Issuers):** Except to the extent that the Subscriber and the relevant CCO Issuer agree otherwise in the relevant Accession Deed:

- (a) **CCO Issuer:** each CCO Issuer represents and warrants to the Subscriber in relation to itself (as a CCO Issuer) that:
- (i) **Status:**
 - (aa) it is a company duly incorporated and validly existing under the laws of New Zealand; and
 - (bb) it has the power to own its assets and carry on its business as it is being conducted;
 - (ii) **Power:** it has the power to enter into, exercise its rights and perform and comply with its obligations under this deed and the other Transaction Documents and to issue the Securities;
 - (iii) **Authorisations:** it has taken all necessary action required on its part:
 - (aa) to authorise the entry into, execution, delivery and performance of this deed and the other Transaction Documents, the transactions contemplated by those documents, the issue of Securities and the performance of all obligations expressed to be binding on it; and
 - (bb) for the validity and enforceability of the Transaction Documents and the effectiveness or priority of any security interest under any Transaction Document;
 - (iv) **Obligations legally binding:** its obligations under this deed, the other Transaction Documents and the Securities (when issued) constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to laws affecting creditors' rights generally and (as to enforceability) to equitable principles of general application);
 - (v) **No conflict:** neither the entry by it into, nor the performance by it of this deed and the other Transaction Documents or the issue of the Securities by it will:

- (aa) conflict with or result in a breach of:
 - (A) any agreement, document, arrangement, obligation or duty to which it is a party or by which it or any of its assets may be bound; or
 - (B) its constitutional documents; or
- (bb) violate or contravene any law to which it is subject;
- (vi) **Accounts:** its accounts have been prepared in accordance with the Act and any other applicable legislation or guidelines and are audited in accordance with any statutory requirements;
- (vii) **No default:** except to the extent it has notified the Subscriber otherwise in writing, no Event of Default or Event of Review in relation to it or each relevant LA Shareholder has occurred and remains unremedied;
- (viii) **Certificate of exemption:** it holds a valid certificate of exemption from resident withholding tax issued pursuant to section RE 27 of the Income Tax Act 2007 and sections 32E to 32I of the Tax Administration Act 1994 (or, on or after 1 April 2020, it has RWT-Exempt Status);
- (ix) **Offering material:** except to the extent it has advised the Subscriber otherwise in writing, all information it has provided to the Subscriber for the purposes of or, it has approved (in writing) for the inclusion in, any Offering Document is true, accurate and complete in all material respects and not misleading (including by omission) in any material respect;
- (x) **Notes Subscription Agreement:** the warranties given by it at clause 4.5 of the Notes Subscription Agreement are true and accurate;
- (xi) **Solvency:** no Insolvency Event has occurred in relation to it or any CCO Shareholder;
- (xii) **No proceedings pending or threatened:** no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a material adverse effect has or have (to the best of its knowledge and belief) been started or threatened against it;

- (xiii) **Immunity from suit:** it does not have, nor do any of its assets have, immunity from suit;
- (xiv) **Good title to assets:** it is the sole legal and beneficial owner of the property subject to the security interests created by any CCO Security, free from security interests other than a permitted security interest (as specified in the relevant Accession Deed);
- (xv) **Ranking of Security:** each CCO Security (if applicable) creates the security which it is expressed to create over the property to which it is expressed to apply, subject only to a permitted security interest (as specified in the relevant Accession Deed);
- (xvi) **Trustee:** it does not enter into any Transaction Document or hold any property as trustee;
- (xvii) **No misleading information:** to the best of its information, knowledge, and belief after having made due inquiry (but subject to the qualifications made when the relevant information is made available):
 - (aa) any factual information provided by or on behalf of it in writing in connection with the Transaction Documents and the transactions they contemplate was true and accurate in all material respects and not misleading in any material respect as at the date it was provided or as at the date (if any) at which it is stated;
 - (bb) any financial projections provided by it or on its behalf have been prepared on the basis of recent historical information and on the basis of reasonable assumptions; and
 - (cc) all copies of documents (including its latest Financial Statements and all authorisations) given by it or on its behalf to the Subscriber are true and complete copies as at the date they were given unless expressly specified otherwise; and
- (xviii) **Additional representations:** it makes any additional representations specified in the Accession Deed;
- (b) **LA Shareholders:** each LA Shareholder represents and warrants to the Subscriber that:
 - (i) **Status:** it is either a territorial authority or regional council named as a local authority in Schedule 2 to the Act;

- (ii) **Power:** it has the power generally to enter into, exercise its rights and perform and comply with its obligations under the Shareholder Transaction Documents;
- (iii) **Authorisations:** it has taken all necessary action required on its part:
 - (aa) to authorise the entry into, execution, delivery and performance of the Shareholder Transaction Documents, the transactions contemplated by those documents and the performance of all obligations expressed to be binding on it under those documents; and
 - (bb) for the validity and enforceability of the Shareholder Transaction Documents and the effectiveness or priority of any security interest under any Shareholder Transaction Document;
- (iv) **Protected transaction:** for the purposes of section 117 of the Act, the entry by the LA Shareholder into, and the performance by the LA Shareholder of, the Shareholder Transaction Documents:
 - (aa) is in compliance with the Act;
 - (bb) is not contrary to any provision of the Act;
 - (cc) is within the capacity, rights and powers of the LA Shareholder; and
 - (dd) is for a purpose authorised by either the Act or another Act;

provided that the Subscriber acknowledges that section 117 of the Act does not apply to any CCO Guarantee given by a LA Shareholder in respect of a CCO Issuer;
- (v) **Ranking of obligations:** its obligations in respect of any CCO Guarantee it has given in relation to the CCO Issuer are secured by the Debenture Trust Deed and rank, and will at all times rank, rateably and at least equally in right and priority of payment with all other first ranking secured money under the Debenture Trust Deed;
- (vi) **Obligations legally binding:** its obligations under the Shareholder Transaction Documents and the Debenture Trust Deed constitute its legal, valid and binding obligations, enforceable in accordance with their

respective terms (subject to laws affecting creditors' rights generally and (as to enforceability) to equitable principles of general application);

- (vii) **No conflict:** neither the entry by it into, nor the performance by it of the Shareholder Transaction Documents will:
 - (aa) conflict with or result in a breach of any agreement, document, arrangement, obligation or duty to which it is a party or by which it or any of its assets may be bound; or
 - (bb) violate or contravene any law to which it is subject; and
- (viii) **Additional representations:** it makes any additional representations in relation to an LA Shareholder specified in the Accession Deed.

6.2 **Repetition:** The representations and warranties contained in clauses 6.1 and 6.1A shall be deemed to be repeated by each Issuer and, where the Issuer is a CCO Issuer, each relevant LA Shareholder for the benefit of the Subscriber on each Issue Date in respect of each Series or Tranche issued by the Issuer.

7. UNDERTAKINGS

7.1 **General undertakings in respect of Local Authority Issuers:** Each Issuer that is a Local Authority undertakes to the Subscriber that it will, for so long as any Series issued by it is outstanding:

- (a) **Notify the Subscriber:** after having actual notice, promptly notify the Subscriber of:
 - (i) the occurrence of any Event of Default, Potential Event of Default or Event of Review in relation to it and, upon receipt of a request to that effect, shall confirm in writing signed by an Authorised Signatory that except as previously notified to the Subscriber no Event of Default, Potential Event of Default or Event of Review has occurred in relation to it;
 - (ii) each change in its Authorised Signatories, giving specimen signatures and evidence satisfactory to the Subscriber of the authority of each new Authorised Signatory;

- (iii) each actual or potential invalidity or unenforceability of this deed, the other Transaction Documents or the Debenture Trust Deed, or any provision hereof or thereof;
- (iv) subject to the Act and the Local Government Official Information and Meetings Act 1987:
 - (aa) any event or series of events, whether related or not, or any circumstances arise or exist, which may have a material adverse effect on the Issuer or its ability to perform its obligations under this deed, the other Transaction Documents, the Debenture Trust Deed or the Securities; and
 - (bb) any change to the Act which may adversely affect the rights of a party lending to the Issuer or any receiver appointed by that party;
- (b) **Register:** cause the Registrar for that Series to keep the Register for the Series pursuant to the Agency Agreement;
- (c) **Agency Agreement:** comply with and perform all obligations under the Agency Agreement and not:
 - (i) terminate or enter into a new Agency Agreement;
 - (ii) modify any terms within an Agency Agreement; or
 - (iii) appoint, terminate or replace or consent to any replacement of a registrar, calculation agent or paying agent under an Agency Agreement, without the Subscriber's prior written consent (such consent to not be unreasonably withheld or delayed);
- (d) **Validity:** take all steps required under any applicable law to enable it to perform and comply fully with its obligations under this deed, the other Transaction Documents, the Debenture Trust Deed or the Securities or required on its part for the validity or enforceability of this deed, the other Transaction Documents, the Debenture Trust Deed and the Securities;
- (e) **Compliance with law:** duly comply with all laws except to the extent that, in its reasonable opinion, it determines that non-compliance is not material to the business or financial condition of the Issuer;

- (f) **Information on request:** subject to the Act and the Local Government Official Information and Meetings Act 1987, on request by the Subscriber, promptly provide the Subscriber any information which the Subscriber reasonably requires with respect to matters relating to the Financial Statements, other records of the Issuer and the financial position of the Issuer;
- (g) **Other information:** provide the Subscriber with copies of all information provided to the Trustee under the reporting covenants provisions in the Debenture Trust Deed;
- (h) **Ranking of obligations:** ensure that its obligations under this deed and in respect of the Securities are secured by the Debenture Trust Deed and rank, and will at all times rank, rateably and at least equally in right and priority of payment with all other first ranking secured money under the Debenture Trust Deed;
- (i) **New Security Stock Certificates:** where the Subscriber has sold some or all of the Securities held by it, at the Subscriber's request and subject to the Subscriber delivering to the Issuer for cancellation the existing Security Stock Certificate for the relevant Securities, issue and deliver to each of the Subscriber and the new Holder (as applicable) a new first ranking Security Stock Certificate (in a form acceptable to the Subscriber or the Holder (as applicable) acting reasonably) evidencing that the Issuer's obligations in relation to the Securities held by each of the Subscriber and Holder (as applicable) are secured pursuant to its Debenture Trust Deed. In the case of Securities lodged in NZClear, the references in this clause 7.1(i) to "Holder" shall be deemed to be the new holder of the beneficial interest in the Security (as shown in the records of NZClear). Where the Issuer delivers any such new Security Stock Certificate it shall also deliver a certificate of compliance for the purposes of section 118 of the Act in relation to each new Security Stock Certificate. Subject to the relevant Debenture Trust Deed, where the Subscriber is holding a Security Stock Certificate evidencing that the Issuer's obligations in relation to all Securities issued by it under this deed are secured pursuant to the relevant Debenture Trust Deed, the Issuer's obligation under this clause 7.1(i) to deliver a new first ranking Security Stock Certificate to the new Holder shall not be subject to the Subscriber delivering that Security Stock Certificate to the Issuer for cancellation; and
- (j) **Debenture Trust Deed:** not terminate or enter into a new Debenture Trust Deed, or modify any terms within the Debenture Trust Deed, without the Subscriber's prior written consent (such consent to not be unreasonably withheld or delayed);

7.1A **General undertakings in respect of CCO Issuers:** Except to the extent that the Subscriber and the relevant Issuer agree otherwise in the relevant Accession Deed:

- (a) **CCO Issuers:** each CCO Issuer undertakes to the Subscriber that it will, for so long as any Series issued by it is outstanding:
- (i) **Notify the Subscriber:** after having actual notice, promptly notify the Subscriber of:
- (aa) the occurrence of any Event of Default, Potential Event of Default or Event of Review in relation to it or its LA Shareholder and, upon receipt of a request to that effect, shall confirm in writing signed by an Authorised Signatory that except as previously notified to the Subscriber no Event of Default, Potential Event of Default or Event of Review has occurred in relation to it or its LA Shareholder;
- (bb) each change in its Authorised Signatories, giving specimen signatures and evidence satisfactory to the Subscriber of the authority of each new Authorised Signatory;
- (cc) each actual or potential invalidity or unenforceability of this deed, the other Transaction Documents, or any provision hereof or thereof;
- (dd) any event or series of events, whether related or not, or any circumstances arise or exist, which may have a material adverse effect on the Issuer or any CCO Shareholder or its or any CCO Shareholder's ability to perform its obligations under this deed, the other Transaction Documents, the Debenture Trust Deed or the Securities;
- (ee) any change to the Act, its constitution or any applicable law which may adversely affect the rights of a party lending to the Issuer or any receiver appointed by that party;
- (ff) any proposed change to a CCO Shareholder;
- (gg) any change or potential change to whether the Issuer is a CCO or a council-controlled trading organisation (as defined in the Act);

- (ii) **Register:** cause the Registrar for that Series to keep the Register for the Series pursuant to the Agency Agreement;
- (iii) **Agency Agreement:** comply with and perform all obligations under the Agency Agreement and not:
 - (aa) terminate or enter into a new Agency Agreement;
 - (bb) modify any terms within an Agency Agreement; or
 - (cc) appoint, terminate or replace or consent to any replacement of a registrar, calculation agent or paying agent under an Agency Agreement,

without the Subscriber's prior written consent (such consent to not be unreasonably withheld or delayed);

- (iv) **Validity:** take all steps required under any applicable law to enable it to perform and comply fully with its obligations under this deed, the other Transaction Documents or the Securities or required on its part for the validity or enforceability of this deed, the other Transaction Documents and the Securities;
- (v) **Compliance with law:** duly comply with all laws except to the extent that non-compliance is not material to the business or financial condition of the Issuer;
- (vi) **Information on request:** on request by the Subscriber, promptly provide the Subscriber any information which the Subscriber reasonably requires with respect to matters relating to the Financial Statements, other records of the Issuer and the financial position of the Issuer;
- (vii) **Authorisations:** promptly:
 - (aa) obtain, comply with and do all that is necessary to maintain in full force and effect; and
 - (bb) supply certified copies to the Subscriber of,

any authorisation required to perform its obligations under the Transaction Documents and to ensure the legality, validity, enforceability or admissibility in evidence of any Transaction Document and any material authorisation required for it to carry on its business;

- (viii) **Disposals:** not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any asset other than a permitted disposal (as specified in the relevant Accession Deed);
- (ix) **Merger:** not enter into any amalgamation, demerger, merger or corporate reconstruction other than a permitted merger (as specified in the relevant Accession Deed) or as permitted by the exceptions in clause 10.1A(h) of the Conditions;
- (x) **Change of business:** procure that no material change is made to the general nature of its business from that carried on when it acceded to this deed;
- (xi) **Insurance:** take out and maintain insurances with a reputable insurer in the manner and to the extent which is in accordance with prudent business practice having regard to the nature of its business and its assets (including all insurance required by applicable law), and ensure that the security interest created under any CCO Security is noted and maintained on each such policy (in accordance with usual market practice and excluding policies relating to employer's liability, workers compensation, public liability, product liability, directors and officers insurance, or any other insurance policy taken out for the benefit of a third party payee);
- (xii) **Restrictions on Distributions and other transactions:** not:
 - (aa) pay or make any Distribution, other than a permitted Distribution (as specified in the relevant Accession Deed);
 - (bb) reduce or pass a resolution to reduce its capital;
 - (cc) acquire any of its own equity securities (unless it is required to do so by law);
 - (dd) redeem any of its own equity securities which are redeemable at its option (whether or not they are also redeemable at the option of their holder);
 - (ee) alter or allow to be altered any term attaching to any of its own equity securities, in a manner which would cancel or reduce the

- liability of any shareholder in relation to an equity security held prior to that alteration;
- (ff) amend its constitutional documents or allow them to be amended in any manner which would be likely to have a prejudicial effect on the Subscriber; or
 - (gg) move any of its property outside New Zealand other than in the ordinary course of ordinary business;
- (xiii) **Financial accommodation:** not provide financial accommodation, give a guarantee or indemnity or incur or permit to remain outstanding obligations to support any third party except permitted financial accommodation (as specified in the relevant Accession Deed);
- (xiv) **Pay taxes:** file all tax returns as required by law, and pay and discharge all taxes, assessments and governmental charges payable by it or on its assets prior to the date upon which penalties become payable, except only to the extent that those taxes, assessments or governmental charges are being contested in good faith by appropriate proceedings and adequate reserves and/or credit lines are set aside for their payment;
- (xv) **Acquisitions:** not:
- (aa) acquire any assets or make any other investment other than in the ordinary course of business; or
 - (bb) acquire any equity securities or business,
- other than a permitted acquisition (as specified in the relevant Accession Deed);
- (xvi) **Corporate existence:** maintain its corporate existence (except as permitted by the exceptions in clause 10.1A(h) of the Conditions);
- (xvii) **Maintenance of assets:** maintain the property subject to any CCO Security in the manner that would be expected by a prudent person carrying on the Issuer's business;
- (xviii) **Arm's length dealings:** not enter into any transaction of any nature with, or for the benefit of, any person except on arm's length commercial terms;

(xix) **Access:** if an Event of Default is continuing, permit the Subscriber and/or accountants or other professional advisers and contractors of the Subscriber free access at all reasonable times and on reasonable notice at the risk and cost of the Issuer to (i) its premises, assets, books, accounts and records and/or (ii) meet and discuss matters with its senior management for the purposes of monitoring compliance with the Transaction Documents;

(xx) **Amendments to CCO Support Documents:** where the Subscriber intends to sell or has sold some or all of the Securities held by it, at the Subscriber's request:

(aa) agree to and execute amendments (and procure the agreement and execution of any other party) to any CCO Support Document such that the Subscriber and the new Holder (as applicable) both receive the benefit of the CCO Support Documents and the CCO Credit Support as received by the Subscriber under clause 2A; and

(bb) deliver a legal opinion from counsel acceptable to the Subscriber and in a form acceptable to the Subscriber relating to the Issuer and each CCO Shareholder's entry into each relevant CCO Support Document (including as amended pursuant to clauses 7.1A(a)(xx) or 7.1A(b)(ii)).

In the case of Securities lodged in NZClear, the references in this clause 7.1(a)(xx) to "Holder" shall be deemed to be the new holder of the beneficial interest in the Security (as shown in the records of NZClear); and

(xxi) **Accession Deed:** comply with any other undertakings given by it set out in the relevant Accession Deed; and

(b) **LA Shareholder:** each LA Shareholder undertakes to the Subscriber that it will, for so long as any Series issued by a relevant CCO Issuer is outstanding:

(i) **Ranking of obligations:** ensure that its obligations under any CCO Guarantee it has given in relation to a CCO Issuer are secured by the relevant Debenture Trust Deed and rank, and will at all times rank, rateably and at least equally in right and priority of payment with all other first ranking secured money under that Debenture Trust Deed;

- (ii) **Amendments to CCO Support Documents:** where the Subscriber intends to sell or has sold some or all of the Securities issued by the relevant CCO Issuer held by the Subscriber, at the Subscriber's request, agree to and execute amendments to any CCO Support Documents such that the Subscriber and the new Holder (as applicable) both receive the benefit of the CCO Support Documents and the CCO Credit Support as received by the Subscriber under clause 2A. In the case of Securities issued by the relevant CCO Issuer and lodged in NZClear, the references in this clause 7.1A(b)(ii) to "Holder" shall be deemed to be the new holder of the beneficial interest in the Security (as shown in the records of NZClear);
- (iii) **Notify the Subscriber:** after having actual notice, promptly notify the Subscriber of:
- (aa) the occurrence of any Event of Default, Potential Event of Default or Event of Review in relation to a relevant CCO Issuer and, upon receipt of a request to that effect, shall confirm in writing signed by an Authorised Signatory that, except as previously notified to the Subscriber, no Event of Default, Potential Event of Default or Event of Review has occurred in relation to a relevant CCO Issuer;
 - (bb) each actual or potential invalidity or unenforceability of the Shareholder Transaction Documents, the Debenture Trust Deed or any provision thereof;
 - (cc) subject to the Act and the Local Government Official Information and Meetings Act 1987:
 - (A) any event or series of events, whether related or not, or any circumstances arise or exist, which may have a material adverse effect on the LA Shareholder or its ability to perform its obligations under the Shareholder Transaction Documents or the Debenture Trust Deed;
 - (B) any change to the Act which may adversely affect the rights of a party lending to the relevant CCO Issuer or any receiver appointed by that party; and

- (C) any event or series of events, whether related or not, or any circumstances arise or exist, which may have a material adverse effect on the relevant CCO Issuer or its ability to perform its obligations under this deed, the other Transaction Documents (in relation to that CCO Issuer) or the Securities (issued by that CCO Issuer);
- (dd) any change or potential change to whether a CCO Issuer is a CCO or a council-controlled trading organisation (as defined in the Act);
- (iv) **Validity:** take all steps required under any applicable law to enable it to perform and comply fully with its obligations under the Shareholder Transaction Documents or required on its part for the validity or enforceability of the Shareholder Transaction Documents;
- (v) **Compliance with law:** duly comply with all laws except to the extent that, in its reasonable opinion, it determines that non-compliance is not material to its business or financial condition;
- (vi) **Information on request:** subject to the Act and the Local Government Official Information and Meetings Act 1987, on request by the Subscriber, promptly provide the Subscriber any information which the Subscriber reasonably requires with respect to matters relating to records of the relevant CCO Issuer and the financial position of the relevant CCO Issuer;
- (vii) **Other information:** provide the Subscriber with copies of all information provided to the Trustee under the reporting covenants provisions in the Debenture Trust Deed;
- (viii) **Debenture Trust Deed:** not terminate or enter into a new Debenture Trust Deed, or modify any terms within the Debenture Trust Deed, without the Subscriber's prior written consent (such consent to not be unreasonably withheld or delayed); and
- (ix) **Accession Deed:**
- (aa) comply with all undertakings given by it in the relevant Accession Deed; and

- (bb) use its reasonable endeavours to procure each relevant CCO Issuer complies with all undertakings given by it under this deed and the relevant Accession Deed.

7.2 **Financial records:** Each Issuer undertakes to the Subscriber to keep proper books of account as required pursuant to the Act and to have such accounts audited, in each case in accordance with all applicable legislation, and (subject to the Act and the Local Government Official Information and Meetings Act 1987 (if applicable)) permit the Subscriber to have access to such accounts (and any other information relating to the financial position of the Issuer) on the provision of reasonable prior notice.

7.3 **Financial Statements:** Each Issuer undertakes to the Subscriber that it will deliver to the Subscriber:

- (a) not later than five months after the end of each of its financial years a copy of the latest Financial Statements for the preceding financial year; and
- (b) if it produces financial statements for a financial half-year, not later than three months after the end of each of its financial half-years, a copy of the latest financial statements for the preceding half-year, such financial statements not required to be audited.

7.4 **Offer documents:** Each Issuer undertakes to the Subscriber that:

- (a) it will promptly:
 - (i) and in any event within 15 Business Days following receipt of a request from the Subscriber, provide the Subscriber with all information in relation to itself which the Subscriber reasonably requests for the purposes of preparing an offering document. The information provided by the Issuer under this clause 7.4(a)(i) and clause 7.4(b) being, "**Disclosure Information**"; and
 - (ii) in any event within 10 Business Days following receipt of a draft offering document from the Subscriber, (acting reasonably and in writing) approve, or provide suggested amendments to, statements in the draft offering document relating to the Issuer, as identified in writing by the Subscriber when providing the draft offering document to the Issuer ("**Verified Statements**"). Nothing in this clause 7.4 entitles the Issuer to suggest amendments to any statement in a draft offering document other than those which relate to itself; and

- (b) if it becomes aware of any event having occurred as a result of which any Verified Statement or Disclosure Information would:
- (i) be false or misleading, or likely to mislead;
 - (ii) not be true and accurate in all material respects; or
 - (iii) omit any fact in relation to the Issuer the omission of which would make misleading in any material respect any Verified Statement or Disclosure Information,

it will promptly notify the Subscriber and provide the Subscriber with any information required by the Subscriber in order to amend or supplement the relevant Offering Document within 10 Business Days of receipt of a request from the Subscriber. The provisions of clause 7.4(a)(ii) shall apply to any draft amendment or supplement to any Offering Document as if such document was a "draft offering document", provided that the timeframe in clause 7.4(a)(ii) shall be deemed to be 5 Business Days.

7.5 Financial Covenants: Each Issuer shall:

- (a) in the case of an Issuer that is a Local Authority, procure that as at each Test Date for the financial year ending on that Test Date:
- (i) the ratio that Net Debt bears to Total Revenue expressed as a percentage does not exceed 175%;
 - (ii) the ratio that Net Interest bears to Total Revenue expressed as a percentage does not exceed 20%;
 - (iii) the ratio that Net Interest bears to Annual Rates Income expressed as a percentage does not exceed 25%; and
 - (iv) the ratio that Available Financial Accommodation bears to External Indebtedness expressed as a percentage is not less than 110%,

or such other percentages applicable to the Issuer (including percentages contemplated by the foundation policies of the Subscriber) as agreed in writing by the Issuer and the Subscriber from time to time. The financial covenants in this clause 7.5(a) must be tested on the Issuer only, provided that:

- (A) where the Issuer is also a LA Shareholder, the financial covenants must be tested on both the Issuer and Consolidated

Group basis, however in such circumstance there is no consequence to the Issuer for any breach of the financial covenants when tested on a Consolidated Group basis; and

- (B) subject to clause 7.5(a)(iv), where agreed in writing by the Subscriber and the Issuer, the financial covenants must be tested on a Consolidated Group basis only;
- (ab) in the case of a CCO Issuer, comply with the financial covenants (if any) specified in the relevant Accession Deed as at each Test Date for the financial year ending on that Test Date or such other covenants applicable to the Issuer as agreed in writing by the Issuer and the Subscriber from time to time;
- (b) on the same date as it delivers its Financial Statements to the Subscriber pursuant to clause 7.3(a) deliver to the Subscriber a completed Compliance Certificate signed by an Authorised Signatory of the Issuer in respect of the relevant Test Date. Each such Compliance Certificate shall certify as to the Issuer's compliance with the financial covenants in, or referred to in, this clause 7.5 as at the relevant Test Date and contain reasonably detailed calculations detailing compliance with the financial covenants. Where the Subscriber and the Issuer agree alternative percentages in accordance with clause 7.5(a) or 7.5(ab), they may also agree alternative and/or additional reporting requirements from those provided for by this clause 7.5(b); and
- (c) in the case of an Issuer that is a Local Authority, include within its Financial Statements (which may include the notes thereto) its Annual Rates Income as a separate identifiable amount.

7.6 **Redemption following breach of Financial Covenants:** If an Issuer breaches any of the financial covenants in, or referred to in, clause 7.5, the Subscriber may by notice to the Issuer require that the Subscriber and the Issuer enter into negotiations in good faith with a view to agreeing terms on which the Subscriber is prepared to continue to subscribe for, or hold, Securities issued by the Issuer under this deed. If after 30 days from the date of the notice the Subscriber and the Issuer have not agreed upon such terms, the Subscriber may, by giving written notice ("**Redemption Notice**") to the Issuer, require the Issuer to redeem all Securities issued by the Issuer that are at that time held by the Subscriber in full together with accrued and unpaid interest thereon on the date specified in the Redemption Notice (such date to be not less than 5 Business Days after the date of the notice). A failure to comply with the Redemption Notice shall constitute an Event of Default in respect of that Issuer, in which case the Subscriber shall be entitled to exercise its rights as a Holder under clause 10.2 of the Conditions applicable to that Issuer's Securities.

7.7 **Redemption of EC Securities:** If the board of directors of the Subscriber determines there is a risk of imminent default by the Subscriber under the terms of any of its Borrowed Money Indebtedness, the Subscriber may, by giving written notice to each Issuer with outstanding EC Securities ("**Redemption Notice**"), require each Issuer to redeem such number of EC Securities (as is determined by the Subscriber) issued by that Issuer that are at that time held by the Subscriber in full together with accrued and unpaid interest thereon on the date specified in the Redemption Notice (such date to be not less than 10 Business Days after the date of the notice). If a Redemption Notice is given in accordance with this clause 7.7, the redemption shall be required proportionately across all EC Securities so that the proportionate amount of EC Securities held by the Subscriber from each Issuer remains unchanged following the redemption (unless all EC Securities are redeemed). A failure by an Issuer to comply with the Redemption Notice shall constitute an Event of Default in respect of such Issuer, in which case the Subscriber shall be entitled to exercise its rights as a Holder under clause 10.2 of the Conditions.

7.8 **Redemption in relation to CCO Issuer:** Except to the extent that the Subscriber and the relevant CCO Issuer agree otherwise in the relevant Accession Deed, if, whether or not within the control of the CCO Issuer, any one or more of the following occurs:

- (a) **Change of control:** in the opinion of the Subscriber, due to a change in law or otherwise (including a change in CCO Shareholder) the creditworthiness of a party to a CCO Support Document (including any CCO Shareholder) is materially weaker immediately after such change; or
- (b) **Breach of representation:** any representation or warranty made or deemed to be made by the Issuer or a CCO Shareholder in or pursuant to any Transaction Document or Shareholder Transaction Document or in any notice, certificate, statement or other document contemplated by or made or delivered pursuant to any Transaction Document or Shareholder Transaction Document is or was untrue or incorrect in any material respect when made, deemed to be repeated or delivered, and if capable of being remedied in the opinion of the Subscriber, has not been remedied within 30 days after receipt by the Issuer of a notice in writing from the Subscriber specifying the relevant representation or warranty and requiring it to be remedied; or
- (c) **Breach of undertakings:** the Issuer or CCO Shareholder commits any breach of, or omits to observe, any of its undertakings or obligations under any Transaction Document or a Shareholder Transaction Document (but in each case excluding any CCO Support Document, which is addressed at clause 10.1A(b) of the Conditions) and, in respect of any such breach or omission which is capable of being remedied, such breach or omission is not remedied within 30 days after

receipt by the Issuer of a notice in writing from the Subscriber specifying the breach or omission and requiring it to be remedied; or

- (d) **Additional termination event:** an additional termination event specified by the Subscriber in a relevant Accession Deed occurs in respect of that Issuer or the relevant LA Shareholder,

then the Subscriber may, by giving written notice ("**Redemption Notice**") to the Issuer, require the Issuer to redeem all Securities issued by the Issuer that are at that time held by the Subscriber in full together with accrued and unpaid interest thereon on the date specified in the Redemption Notice (such date to be not less than 5 Business Days after the date of the notice). A failure to comply with the Redemption Notice shall constitute an Event of Default in respect of that Issuer, in which case the Subscriber shall be entitled to exercise its rights as a Holder under clause 10.2 of the Conditions applicable to that Issuer's Securities.

- 7.9 **Redemption in relation to cross-default:** Except to the extent that the Subscriber and the relevant CCO Issuer agree otherwise in the relevant Accession Deed or as otherwise agreed in writing with the Subscriber, if, whether or not within the control of the Issuer, any one or more of the following occurs:

- (a) any financial indebtedness of the Issuer owed to the Subscriber is not paid when due nor within any originally applicable grace period; or
- (b) any financial indebtedness of the Issuer owed to the Subscriber is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an enforcement event, event of default or review event (however described),

then the Subscriber may, by giving written notice ("**Redemption Notice**") to the Issuer, require the Issuer to redeem all Securities issued by the Issuer that are at that time held by the Subscriber in full together with accrued and unpaid interest thereon on the date specified in the Redemption Notice (such date to be not less than 5 Business Days after the date of the notice). A failure to comply with the Redemption Notice shall constitute an Event of Default in respect of that Issuer, in which case the Subscriber shall be entitled to exercise its rights as a Holder under clause 10.2 of the Conditions applicable to that Issuer's Securities.

8. PAYMENT FOR EC SECURITIES

- 8.1 On the Issue Date for each Tranche of EC Securities, unless the Subscriber and the relevant Issuer agree otherwise, the Subscriber's obligation to pay the aggregate Issue Price for the Tranche of EC Securities automatically shall be set-off against the Issuer's obligation to pay the Exercise Price for the related Commitment Shares under the Equity Commitment Deed.

9. REBATES

9.1 The Subscriber may, at its discretion, in accordance with the rebate policy (if any) contained in the Policies, rebate to an Issuer all or part of the interest received by the Subscriber from the Issuer in relation to Securities issued by the Issuer under this deed. The Subscriber shall be under no obligation whatsoever to make any such rebate.

10. ISSUER INDEMNITY

10.1 **Indemnities:** Each Issuer indemnifies the Subscriber against any expense, damage, liability or loss arising from, and any costs incurred (as to which a certificate of the Subscriber shall in the absence of manifest or proven error be conclusive) in connection with (including any loss incurred by the Subscriber in terminating arrangements it has made with others to fund (or maintain its funding of) its subscription of the Securities):

- (a) the Issuer failing to issue Securities by reason of non-fulfilment of any of the conditions in clause 4.5; or
- (b) any amount payable by the Issuer under this deed not being paid when due; or
- (c) the occurrence or continuance of any other Event of Default in respect of the Issuer; or
- (d) the receipt or recovery by the Subscriber of all or any part of any amount payable by the Issuer hereunder (by prepayment or acceleration or otherwise) otherwise than on the due date relating to such amount; or
- (e) any actual or alleged breach by the Issuer of any representation, warranty or undertaking set out in this deed.

10.2 **Payment of indemnity:** Each Issuer agrees to pay all amounts due under this indemnity on demand from the Subscriber.

10.3 **Separate Obligations:** The indemnities in this clause 10 shall respectively:

- (a) constitute obligations separate and independent from each other and the other obligations under this deed;
- (b) give rise to separate and independent causes of action; and
- (c) continue in full force and effect despite any judgment, order, claim or proof for any liquidated amount under this deed or any judgment or order.

10.4 **No prejudice:** Save as expressly agreed by the Subscriber, no release, delay, forbearance, compromise or any other indulgence given by the Subscriber to the Issuer or any amendment, alteration or other variation of any provisions of this deed shall discharge, release, prejudice or affect the liability of the Issuer under this clause 10.

10.5 **Irrevocability:** This clause 10 is unconditional and irrevocable and, save as expressly agreed in writing by the Subscriber, is not to be discharged or impaired by any act, omission, matter or thing that might discharge or impair it, but for this clause.

11. NOTICES

11.1 **Writing:** Each notice or other communication to be given or made under this deed to any person must:

(a) **Writing:** be given or made in writing by email or letter and be signed by the sender or an authorised officer or signatory of the sender;

(b) **Address:** be given or made to the recipient at the address or email address, and marked for the attention of the person (if any), from time to time designated by the recipient to the other for the purposes of this deed;

(c) **Deemed delivery:** not be effective until received by the recipient, and any such notice or communication shall be deemed to be received:

(i) (if given or made by letter) when left at the address of the recipient or 5 Business Days after being put in the post, postage prepaid, and addressed to the recipient at that address; or

(ii) (if given or made by email) when dispatched in tangible, readable form by the sender to the email address advised by the recipient from time to time,

provided that any notice or communication received or deemed received after 5pm on a working day in the place to which it is sent, or on a day which is not a working day in that place, shall be deemed not to have been received until the next working day in that place.

11.2 **Initial address and numbers:** The initial address, email address and person (if any) designated for the purposes of this deed, are set out below:

(a) **The Issuers:** those details set out under the heading "Details for notices" for the relevant Issuer in schedule 1 or otherwise provided in the relevant Accession Deed.

(b) **The Subscriber:**
City Chambers
Level 8
142 Featherston Street
PO Box 5704
Wellington 6145

Email: lgfa@lgfa.co.nz

Attention: Chief Executive

12. AMENDMENTS

12.1 This deed shall not be amended except with the written agreement of the Subscriber and all of the Issuers.

13. MISCELLANEOUS

13.1 **Waivers and remedies:** Time shall be of the essence in this deed but no delay in acting, or failure to act, by the Subscriber or the Issuer is a waiver of any of the Subscriber's or the Issuer's rights. The rights provided in this deed do not exclude any rights provided by law.

13.2 **Partial invalidity:** An invalid provision in this deed shall not affect the enforceability of the remaining provisions of this deed.

13.3 **Survival:** The indemnities given in this deed will survive the repayment of all the Securities and the termination of this deed.

13.4 **Counterparts:** This deed may be signed in any number of counterparts, all of which together constitute one and the same instrument, and any of the parties may execute this deed by signing any such counterpart.

13.5 **Debenture Trust Deed Notifications:** The Subscriber shall:

(a) within one Business Day of receipt of a written request from an Issuer that is a Local Authority or that Issuer's Trustee, notify that Issuer and that Issuer's Trustee (in writing) of the "nominal amount" of the Security Stock:

- (i) held by the Subscriber in respect of that Issuer's obligations under each of this deed, the Securities and, where that Issuer is a Guarantor, the Equity Commitment Deed; and
- (ii) where that Issuer is a Guarantor, held by the Security Trustee in respect of that Issuer's obligations under the Guarantee,

in each case as at the date of the Subscriber's notification;

- (b) to the extent known by the Subscriber, notify each Issuer (in writing) of any Event of Default affecting any other Issuer as soon as practicable after its occurrence and of the steps taken or proposed to be taken by the Subscriber in relation to such Event of Default, provided that:

- (i) the Subscriber's obligation under this clause 13.5(b) only applies in respect of Securities of which it is the Holder; and
- (ii) the Subscriber shall not be liable for:
 - (aa) any failure to provide such notification to an Issuer; and
 - (bb) any inaccuracy or incomplete information given in a notification, provided the notification is given by the Subscriber in good faith; and

- (c) promptly notify each Issuer (in writing) if the board of directors of the Subscriber determines that there is a risk of imminent default by the Subscriber under the terms of any of its Borrowed Money Indebtedness.

13.6 **Consent to notification:** Each Issuer consents to the Subscriber providing each other Issuer the information set out in clause 13.5.

14. GOVERNING LAW

14.1 This deed shall be governed by New Zealand law.

15. NO CROWN GUARANTEE

15.1 The parties acknowledge that the obligations and liabilities of the Subscriber and any Issuer that is a Local Authority under this deed are not guaranteed by the Crown.

SIGNED AS A DEED

NORTHLAND REGIONAL COUNCIL by:

Signature of elected member

Signature of elected member

Name of elected member

Name of elected member

ŌPŌTIKI DISTRICT COUNCIL by:

Signature of elected member

Signature of elected member

Name of elected member

Name of elected member

ŌTOROHANGA DISTRICT COUNCIL by:

Signature of elected member

Signature of elected member

Name of elected member

Name of elected member

PALMERSTON NORTH CITY COUNCIL

by:

Signature of elected member

Signature of elected member

Name of elected member

Name of elected member

Notes Subscription Agreement

PARTIES

New Zealand Local Government Funding Agency Limited

Issuer

The Local Authorities Listed in Schedule 1

Principal Shareholders

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AGREEMENT dated 7 December 2011 (as amended and restated by the deed to which this agreement is attached as an appendix)

PARTIES

New Zealand Local Government Funding Agency Limited
("Issuer")

The Local Authorities Listed in Schedule 1
("Principal Shareholders")

INTRODUCTION

- A. The Issuer and the Principal Shareholders wish to record the arrangements agreed between them in relation to the issue of Borrower Notes by the Issuer from time to time to the Principal Shareholders, and other Local Authorities or CCOs that may accede to this agreement, as Subscribers.
- B. This agreement records those arrangements.

AGREEMENT

1. INTERPRETATION

1.1 **Definitions:** In this agreement, unless the context otherwise requires:

"**Accession Deed**" means a deed in the form, or substantially in the form, of schedule 2.

"**Amortising Security**" has the meaning given to it in the Conditions.

"**Amortised Redemption Amount**" means, in relation to an Amortising Security, as at any date, the aggregate LG Redemption Amount that the relevant Subscriber (in its capacity as issuer of that LG Security) has repaid to the Issuer in respect of that LG Security in accordance with its terms.

"**Borrowed Money Indebtedness**" means any indebtedness of the Issuer to a person (other than indebtedness owed to a Subscriber in respect of Borrower Notes) in respect of money borrowed or raised or any other financial accommodation whatsoever in the nature of, or having a similar economic effect to, borrowing or raising money, including indebtedness under or in respect of a negotiable or other financial instrument, guarantee, interest or currency exchange hedge or other arrangement of any kind (calculated on a net and marked to market basis).

"**Borrower Note**" means each note issued by the Issuer under this agreement.

"**BN Percentage**" means, in respect of a date:

- (a) from 7 December 2011 until (and excluding) the Initial BN Change Date, 1.6%; and

- (b) from (and including) the Initial BN Change Date, 2.5% or such other percentage approved by the board of the Issuer and notified (in writing) by the Issuer to all Subscribers from time to time as being applicable from (and including) the date specified in such notification.

"BN Percentage Period" means, in relation to a BN Percentage, the period during which that BN Percentage applies (in respect of the then current BN Percentage) or was applicable (in respect of any historic BN Percentage).

"Business Day" means a day (other than a Saturday, Sunday or public holiday) on which registered banks are generally open for business in Christchurch, Wellington and Auckland.

"CCO Subscriber" means a Subscriber that is a CCO.

"Commercial Paper" means in relation to a Subscriber, any securities issued by the Subscriber under the Multi-issuer Deed which have a maturity date falling no more than 364 days after the issue date of those securities.

"Companies Act" means the Companies Act 1993.

"Constitution" means the Issuer's constitution.

"Conversion" means the conversion of Borrower Notes into Redeemable Shares in accordance with this agreement and **"Convert"**, **"Convertible"** and **"Converted"** shall be construed accordingly.

"Conversion Date" means the date specified as such in a Conversion Notice, which may be a day on or following the date of the Conversion Notice.

"Conversion Notice" has the meaning given to it in clause 8.1.

"Early Redemption Date" has the meaning given to it in clause 7.1(c).

"Extension Notice" has the meaning given to it in clause 8.6.

"FMC Act" means the Financial Markets Conduct Act 2013.

"Initial BN Change Date" means, and includes, the date of the deed to which this agreement is attached as an appendix.

"Issue Date" means, in relation a Borrower Note, the date on which the Borrower Note is issued, as recorded as such in the Register. The Issue Date of a Borrower Note shall be the same as the "Issue Date" of the related LG Securities issued by the Subscriber under the Multi-issuer Deed.

"Issue Price" means:

- (a) in relation to Borrower Notes issued to a Subscriber on a particular date under clause 4.1, an amount equal to the aggregate Principal Amount of those Borrower Notes determined in accordance with clause 4.1(a); and
- (b) in relation to Borrower Notes issued to a Subscriber following the giving of a Top-up Notice, an amount equal to the aggregate Principal Amount of the Borrower Notes to be issued to the Subscriber as specified in the Top-up Notice.

"Interest Rate" means the interest rate applicable to a Borrower Note from time to time as determined by the Issuer, which interest rate shall be a percentage rate (p.a.) and shall be determined by the Issuer by reference to the applicable interest rate which is (or would be) payable by the Issuer in respect of the Borrowed Money Indebtedness it incurs to subscribe for the LG Securities to which the Borrower Note relates, and includes the Issuer's "issuance margin", being all of the Issuer's costs and expenses relating to that Borrowed Money Indebtedness (including, without limitation, dealer fees, commissions, listing fees and any Approved Issuer Levy which is or may be payable by the Issuer under the terms of that Borrowed Money Indebtedness). The interest rate determined by the Issuer must not include any additional spread to its issuance margin which it applies in determining the interest rate for the applicable LG Security.

"LG Interest Rate" means:

- (a) in relation to an LG Security which is a Floating Rate Security or Fixed Rate Security, the "Interest Rate" for that LG Security; and
- (b) in relation to an LG Security which is a Zero Coupon Security, the "annual yield" for the LG Security.

"LG Issue Price" means, in relation to a Tranche of LG Securities, the "Issue Price" as specified in the applicable Final Terms, expressed as a dollar amount.

"LG Redemption Amount" means, in relation to a LG Security, the "Principal Amount" as specified in the applicable Final Terms.

"LG Securities" means, in relation to a Subscriber, the securities issued by the Subscriber under the Multi-issuer Deed, but excluding any Commercial Paper.

"Local Authority" means a local authority as defined in the Local Government Act 2002.

"Maturity Date" means, in relation to any Borrower Notes issued to a Subscriber, the date specified as such in the Register. Subject to clause 8.6, the Maturity Date of a Borrower Note shall be the same as the "Maturity Date" of the related LG Securities issued by the Subscriber under the Multi-issuer Deed.

"Multi-issuer Deed" means the deed dated on or about the date of this agreement between New Zealand Local Government Funding Agency Limited and various Local Authorities entitled "Multi-issuer Deed".

"Principal Amount" means, for each Borrower Note, \$1.00.

"Redeemable Share" has the meaning given to it in the Constitution.

"Redemption Amount" means, in relation to a Borrower Note, an amount equal to:

- (a) the Principal Amount or, in the case of a Borrower Note that is issued in relation to a LG Security that is an Amortising Security, the amount of the Principal Amount that remains outstanding as at the Maturity Date, Early Redemption Date, Sale Redemption Date or Conversion Date (as applicable); and

- (b) the aggregate of interest accrued and unpaid on the Borrower Note from (and including) the Issue Date to (but excluding) the Maturity Date, Early Redemption Date, Sale Redemption Date or Conversion Date (as applicable).

"**Registrar**" means the Issuer or such other person appointed by the Issuer to maintain the Register on the Issuer's behalf.

"**Register**" means the register of Borrower Notes established and maintained by the Issuer in accordance with this agreement.

"**Repo Arrangement**" has the meaning given to it in clause 7.1(b).

"**RWT-Exempt Status**" has the meaning given to it in the Taxation (Annual Rates for 2017–18, Employment and Investment Income, and Remedial Matters) Act 2018.

"**Sale Redemption Date**" has the meaning given to it in clause 7.1(b).

"**Securities Act**" means the Securities Act 1978.

"**Senior Creditors**" means all creditors (present and future) of the Issuer:

- (a) whose claims are or would be admitted in the Winding-Up of the Issuer; and
- (b) who are not the holders of indebtedness, the right to payment of which by its terms is, or is expressed to be, subordinated in the event of the Winding-Up of the Issuer to the claims of all unsubordinated creditors of the Issuer.

"**Shareholders' Agreement**" has the meaning given to it in the Constitution.

"**Subscriber**" means a Local Authority set out in schedule 1 or any other Local Authority or CCO which is or becomes a Subscriber in accordance with clause 2.3 or 2A.3 (as applicable).

"**Subscription Price**" means, in relation to a Subscriber, an amount equal to the Redemption Amount of the Borrower Notes held by that Subscriber that are required to be Converted as determined under clauses 8.1 and 8.2.

"**Top-up Notice**" has the meaning given to it in clause 4.3(a).

"**Winding Up**" means any procedure, brought or instigated by any person, for the dissolution of the Issuer otherwise than for the purposes of, and followed by, an amalgamation or solvent reconstruction on terms previously approved by the Subscribers, and "**Wound Up**" shall have a corresponding meaning.

1.2 **Multi-issuer Deed:** Words and expressions defined in the Multi-issuer Deed and used in this agreement shall have the same meanings in this agreement, unless the context requires otherwise.

1.3 **References:** Except to the extent that the context otherwise requires, any reference in this agreement to:

an "**authorisation**" includes:

- (a) any consent, authorisation, registration, filing, agreement, notarisation, certificate, permission, licence, approval, authority or exemption from, by or with a governmental agency; or
- (b) in relation to anything which will be proscribed or restricted in whole or part by law if a governmental agency intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of such period without such intervention or action.

a "**clause**" or "**schedule**" is a reference to a clause of, or schedule to, this agreement.

"**dollars**" and "\$" means the lawful currency of New Zealand.

the "**dissolution**" of any person includes the bankruptcy, winding up or liquidation of that person, and any equivalent or analogous procedure under the law of any jurisdiction in which that person is incorporated, domiciled or resident or carries on business or has assets.

"**indebtedness**" means any obligation (whether present or future, actual or contingent, secured or unsecured, as principal or surety or otherwise) for the payment or repayment of money.

1.4 **Miscellaneous:**

- (a) The introduction to and headings in this agreement are inserted for convenience only and shall be ignored in construing this agreement.
- (b) Unless the context otherwise requires words denoting only the singular number shall include the plural and vice versa and words denoting any gender shall include all genders.
- (c) References to any legislation or to any provision of any legislation are deemed to be references to that legislation or provision as from time to time amended, re-enacted or substituted and, unless the context otherwise requires, shall also include any statutory instruments issued under any such legislation or provision.
- (d) References to any document (however described) shall include references to such document as modified, novated, supplemented, varied or replaced from time to time.
- (e) References to any party to this agreement or any other document shall include its successors or permitted assigns.
- (f) References to a time of day are references to New Zealand time unless otherwise stated.
- (g) Anything which may be done at any time may also be done from time to time.

2. **ACCESSION OF LOCAL AUTHORITY AS A SUBSCRIBER**

2.1 **Local Authority to sign Accession Deed:** A Local Authority may become a Subscriber under this agreement by:

- (a) completing and signing an Accession Deed and delivering it to the Issuer;

- (b) delivering to the Issuer a legal opinion from counsel acceptable to the Issuer in a form satisfactory to the Issuer;
- (c) providing the Issuer with evidence (in a form satisfactory to the Issuer) that all necessary regulatory and statutory authorisations, consents, approvals and licences in relation to its entry into this agreement and the Accession Deed have been obtained and are current and satisfactory; and
- (d) providing the Issuer with such evidence or documentation as the Issuer may require so as to be satisfied that the Subscriber is permitted to be a party to this agreement and subscribe for Borrower Notes in accordance with clause 15.4(a).

2.2 **Subscriber to countersign Accession Deed:** On receipt of the documents described in clause 2.1 in form and substance satisfactory to the Issuer, the Issuer shall:

- (a) countersign the counterpart of the Accession Deed;
- (b) enter the Accession Deed in a register kept by it (which shall be conclusive); and
- (c) retain one counterpart and deliver the other to the relevant Local Authority.

2.3 **Accession effective:** On an Accession Deed being countersigned by the Issuer in accordance with clause 2.2, the Local Authority shall be bound by this deed as if it were a party hereto and named herein as a Subscriber.

2A. ACCESSION OF CCO AS A SUBSCRIBER

2A.1 **CCO to sign Accession Deed:** A CCO may become a Subscriber under this agreement by:

- (a) completing and signing and procuring each LA shareholder to sign an Accession Deed and delivering it to the Issuer;
- (b) delivering to the Issuer a legal opinion from counsel acceptable to the Issuer in a form satisfactory to the Issuer;
- (c) providing the Issuer with evidence (in a form satisfactory to the Issuer) that all necessary regulatory and statutory authorisations, consents, approvals and licences in relation to its and each LA Shareholder's entry into this agreement and the Accession Deed have been obtained and are current and satisfactory; and
- (d) providing the Issuer with such evidence or documentation as the Issuer may require so as to be satisfied that the Subscriber is permitted to be a party to this agreement and subscribe for Borrower Notes in accordance with clause 15.4(a).

2A.2 **Subscriber to countersign Accession Deed:** On receipt of the documents described in clause 2A.1 in form and substance satisfactory to the Issuer, the Issuer shall:

- (a) countersign the counterpart of the Accession Deed;
- (b) enter the Accession Deed in a register kept by it (which shall be conclusive); and
- (c) retain one counterpart and deliver the other to the relevant CCO.

2A.3 **Accession effective:** On an Accession Deed being countersigned by the Issuer in accordance with clause 2A.2, the CCO shall be bound by this deed as if it were a party hereto and named herein as a Subscriber.

3. OBLIGATIONS SEVERAL

3.1 The obligations of each Subscriber under this agreement are several. No Subscriber shall be responsible for the obligations of any other Subscriber under this agreement. The failure of a Subscriber to perform its obligations under this agreement shall not release any other Subscriber from its obligations under this agreement.

4. ISSUE AND SUBSCRIPTION

4.1 **Issue and subscription relating to issue of LG Securities:** Subject to clause 15.4, on each date on which a Subscriber issues LG Securities to the Issuer under the Multi-issuer Deed:

- (a) the Issuer shall issue to the Subscriber Borrower Notes in an aggregate Principal Amount (rounded to the nearest dollar, with \$0.50 being rounded up) equal to the BN Percentage on that date of the LG Issue Price of the related LG Securities; and
- (b) the Subscriber shall subscribe for those Borrower Notes and pay to the Issuer the Issue Price for those Borrower Notes.

4.2 **Set-off:** On each Issue Date, unless the Issuer and the relevant Subscriber agree otherwise, the Subscriber's obligation to pay the Issue Price to the Issuer automatically shall be set-off against the Issuer's obligation to pay the LG Issue Price to the Subscriber for the related Tranche of LG Securities.

4.3 **Issue and subscription following Conversion:**

- (a) If, following the Conversion of Borrower Notes in accordance with clause 8.1, in respect of each BN Percentage Period and a Subscriber:
 - (i) the aggregate Principal Amount of Borrower Notes (in respect of related LG Securities issued by the Subscriber during that BN Percentage Period) held by the Subscriber;

is less than:
 - (ii) the BN Percentage for that BN Percentage Period of the LG Issue Price of the related LG Securities (issued by the Subscriber during that BN Percentage Period) and then held by the Issuer (less, where the related LG Securities are Amortising Securities, the aggregate Amortised Redemption Amount of such Amortising Securities on the date of the Top-up Notice),

(such a BN Percentage Period a "**Relevant BN Percentage Period**") the Issuer may, by giving written notice to the Subscriber ("**Top-up Notice**") require the Subscriber on the date specified in the Top-up Notice (which must be a date not less than 3 months after the date of the Top-up Notice) to subscribe for such

number of additional Borrower Notes as are required to be issued to the Subscriber so that:

- (iii) the aggregate Principal Amount of Borrower Notes (in respect of related LG Securities issued by the Subscriber during that BN Percentage Period) held by the Subscriber;

will be equal to:

- (iv) the BN Percentage for that BN Percentage Period of the LG Issue Price of those related LG Securities (issued by the Subscriber during that BN Percentage Period) and then held by the Issuer (less, where the related LG Securities are Amortising Securities, the aggregate Amortised Redemption Amount of such Amortising Securities on the date of the Top-up Notice).

- (b) If a Subscriber receives a Top-up Notice in accordance with clause 4.3(a), on the date specified in the Top-up Notice as the date on which the additional Borrower Notes are to be issued:
 - (i) the Issuer shall, subject to the board of directors of the Issuer complying with section 49 of the Companies Act, issue to the Subscriber the amount of Borrower Notes as is specified in the Top-up Notice; and
 - (ii) the Subscriber shall subscribe for those Borrower Notes and pay to the Issuer the Issue Price for those Borrower Notes.
- (c) The Issuer shall not give a Top-up Notice to a Subscriber in accordance with clause 4.3(a) unless it gives a Top-up Notice in respect of all Relevant BN Percentage Periods of that Subscriber and at the same time to all other Subscribers who meet the criteria set out in clause (a) in respect of all Relevant BN Percentage Periods of those other Subscribers, with the intent that the requirement to subscribe for additional Borrower Notes is made to all applicable Subscribers, provided that the Issuer is not obliged to deliver a Top-up Notice to a Subscriber that does not meet the criteria set out in clause 15.4(a) as at the date of the Top-Up Notice.
- (d) For the purposes of this clause 4.3, LG Securities which have been sold by the Issuer pursuant to a Repo Arrangement shall be treated as being held by the Issuer.
- (e) Where the Issuer proposes to give Top-up Notice(s) under clause (a) it may require a Subscriber to provide evidence or documentation in accordance with clause 15.4(b).

4.4 **Creation and issue:** Borrower Notes are issued and created by the Registrar entering into the Register the particulars of the Borrower Notes.

4.5 **Warranty:** Each Subscriber warrants:

- (a) as at the date it becomes a Subscriber, that it is permitted to be a party to this agreement in accordance with clause 15.4(a); and

- (b) as at the date it subscribes for any Borrower Notes, it met the criteria set out in clause 15.4(a) as at the date the offer of the Borrower Notes was made to it by the Issuer and continues to meet the criteria as at the date it subscribes for the Borrower Notes.

5. LIMITED RIGHTS FOR SUBSCRIBERS

- 5.1 **No voting rights:** The Borrower Notes do not confer on a Subscriber any right to attend and/or vote at any meeting of the Issuer.
- 5.2 **Corporate events:** The Borrower Notes do not confer on any Subscriber the right to participate in any rights issue or bonus issues of the Issuer.
- 5.3 **Transfer:** The Borrower Notes are not transferrable by a Subscriber, except with the prior written approval of the Issuer or in accordance with clause 8.5(ia).

6. INTEREST

- 6.1 Interest shall accrue on the Principal Amount of each Borrower Note at the applicable Interest Rate. Interest shall accrue daily, shall not compound and, subject to clause 8.3, shall be paid to the relevant Subscriber on the Maturity Date.

7. REDEMPTION

- 7.1 **Redemption:** The Issuer shall redeem each Borrower Note (in full) on the earliest of:
- (a) its Maturity Date;
 - (b) the date the Issuer ceases to be the holder of the related LG Security (other than pursuant to a repurchase arrangement with the Reserve Bank of New Zealand ("**Repo Arrangement**") ("**Sale Redemption Date**"); and
 - (c) the date the Subscriber redeems the related LG Security (in full), other than on the "Maturity Date" of that LG Security, in accordance with the terms and conditions applicable to that LG Security ("**Early Redemption Date**").

Such redemption is to be made in accordance with this clause 7, provided however that, clause 7.1(c) shall not apply to any Borrower Note to which clause 8.6 applies.

- 7.2 **Redemption by set-off:** Where a Borrower Note is being redeemed on its Maturity Date or Early Redemption Date, unless:
- (a) the Issuer and the relevant Subscriber agree otherwise; or
 - (b) clause 8.6 applies to the Borrower Note,

(in which case clause 7.4 shall apply), and subject to clause 12.1, the Issuer's obligation to pay the Redemption Amount to the Subscriber automatically shall be set-off against the Subscriber's obligation to pay the LG Redemption Amount (or portion thereof) for the related LG Securities and accrued and unpaid interest thereon (if any).

7.3 **Payment in instalments:** If a Borrower Note is issued in relation to a LG Security that is an Amortising Security:

- (a) the Principal Amount of the Borrower Note shall be repayable in instalments on each of the same dates (each an "**instalment date**") that a portion of the LG Redemption Amount of the related LG Security is repayable;
- (b) the amount of the Principal Amount of the Borrower Note that is repayable on each instalment date shall be an amount that bears the same proportion to the Principal Amount as the amount of the LG Redemption Amount repayable on the instalment date bears to the LG Redemption Amount of the related LG Security; and
- (c) unless the Issuer and the relevant Subscriber agree otherwise or the Issuer has ceased to be the holder of the corresponding LG Security and subject to clause 12.1, the Issuer's obligation to repay a portion of the Principal Amount of the Borrower Note on an instalment date automatically shall be set-off against the Subscriber's obligation to repay the portion of the LG Redemption Amount of the related LG Security on the instalment date.

7.4 **Redemption other than by set-off:** Where a Borrower Note is being redeemed on its Sale Redemption Date or, if in accordance with clause 7.2, this clause 7.4 applies to the redemption of a Borrower Note, on the applicable redemption date the Issuer shall, subject to clause 12.1, redeem the Borrower Note by paying the Redemption Amount to the Subscriber.

8. CONVERSION

8.1 **Right to Convert:** If, following the Issuer having made calls for all unpaid capital of the Issuer to be paid in full, the board of directors of the Issuer has determined that there is a risk of imminent default by the Issuer under the terms of any of its Borrowed Money Indebtedness the Issuer may, by giving written notice to each Subscriber ("**Conversion Notice**") elect to Convert such number of the Borrower Notes as the Issuer determines.

8.2 **Pro rata Conversion:** If a Conversion Notice is given in accordance with clause 8.1, the Conversion shall be made proportionally across all Borrower Notes so that the proportionate holdings of Borrower Notes by each Subscriber remains unchanged (subject, in the case of a CCO Subscriber, to the transfers of Borrower Notes required to its LA Shareholders under clause 8.5) following the Conversion (unless all Borrower Notes are Converted).

8.3 **Conversion:** If a Conversion Notice is given in accordance with clause 8.1, on the Conversion Date, the number of Redeemable Shares to be issued to each Subscriber that is a Local Authority (including, in respect of a CCO Subscriber, each LA Shareholder, as contemplated by clause 8.5(ia)) on Conversion of the relevant Borrower Notes shall be determined by the Issuer in accordance with the following formula:

$$N = RA \div IP$$

Where:

N = the number of Redeemable Shares to be issued to the Subscriber (rounded to the nearest whole unit, with 0.5 being rounded up);

RA = the aggregate Redemption Amount of the Borrower Notes held by the Subscriber that are to be Converted on the Conversion Date; and

IP = \$1.00, being the issue price per Redeemable Share.

8.4 **Selection by Issuer:** The Issuer shall select the Borrower Notes held by each Subscriber that are to be Converted on a Conversion Date in accordance with clause 8.2 and, if it is not also the Registrar, shall notify the Registrar of the selection.

8.5 **Settlement:** On the relevant Conversion Date without the need for any further act or step by the Issuer, any Subscriber or any other person:

(ia) first, each Borrower Note held by a CCO Subscriber (that is to be Converted on the Conversion Date) shall be automatically and immediately transferred to each LA Shareholder in the number determined by the following formula:

$$N = \text{TBN} \times (\text{SH} / \text{TSH})$$

Where:

N = the number of Borrower Notes to be transferred to the LA Shareholder (rounded up or down to the nearest whole unit at the Issuer's discretion);

TBN = the total number of Borrower Notes held by the CCO Subscriber that are to be Converted on the Conversion Date;

SH = the number of equity securities in the CCO Subscriber held by the LA Shareholder; and

TSH = the aggregate number of equity securities in the CCO Subscriber held by the LA Shareholders.

The consideration for such transfer shall be as agreed between the CCO Subscriber and relevant LA Shareholder;

(a) second:

(i) each Borrower Note to be Converted will immediately be required to be redeemed for its Redemption Amount;

(ii) each Subscriber holding such Borrower Note that is to be Converted agrees to subscribe for the number of Redeemable Shares to be issued to it (calculated in accordance with clause 8.3);

(iii) each Subscriber agrees to pay the Subscription Price to the Issuer on the Conversion Date in consideration for the Issuer issuing Redeemable Shares to it on the Conversion Date;

(iv) the Issuer will immediately and irrevocably apply, on the Subscriber's behalf, the Redemption Amount of the Borrower Notes required to be Converted in satisfaction of the Subscription Price for the Redeemable Shares to be issued to that Subscriber (calculated in accordance with clause 8.3); and

- (v) the Issuer shall (in respect of each Subscriber) issue to that Subscriber the number of Redeemable Shares to be issued to it (calculated in accordance with clause 8.3), enter the name of that Subscriber in the share register of the Issuer as the holder of such Redeemable Shares, and issue to that Subscriber a share certificate for such Redeemable Shares; and
- (b) if requested by the Issuer, each Subscriber shall (if that Subscriber is not an existing shareholder of the Issuer) deliver a signed deed of accession to the Shareholders' Agreement. The Subscriber shall (upon entry of its name in the share register in accordance with clause (a)) be deemed to have agreed to be bound by the terms of the Shareholders' Agreement in the event it does not sign such a deed of accession.

8.6 **Exception:** If the board of directors of the Issuer determines:

- (a) having taken legal advice, that the Issuer cannot, with sufficient certainty, determine that it is able to (in compliance with all laws) Convert Borrower Notes; or
- (b) that the Issuer cannot, with sufficient certainty, determine that it is able to (in compliance with all laws) Convert Borrower Notes on or before a date it considers appropriate having regard to the risk of default referred to in clause 8.1,

then the Issuer may, in lieu of Converting Borrower Notes under clause 8.1, by giving written notice to each Subscriber ("**Extension Notice**"), elect to extend the Maturity Date (for such period as the Issuer determines) of such number of Borrower Notes as the Issuer determines. If an Extension Notice is given under this clause 8.6, the extension shall be made in respect of the Borrower Notes that would otherwise have been Converted in accordance with clause 8.2.

8.7 **Effect of Conversion:** Notwithstanding anything to the contrary in any Transaction Document:

- (a) if a Borrower Note is transferred to a LA Shareholder in accordance with clause 8.5(ia), then with effect from the Conversion Date:
 - (i) the LA Shareholder will be the holder of the Borrower Note; and
 - (ii) the Borrower Note will immediately be required to be Converted in accordance with clause 8.5(a); and
- (b) if a Borrower Note is required to be Converted in accordance with clause 8.5(a):
 - (i) all of the Issuer's obligations to pay, and the relevant Subscriber's rights to receive, interest on the Borrower Note (including any accrued but unpaid interest) are immediately and irrevocably terminated, and interest will cease to accrue on the Borrower Note; and
 - (ii) clause 7 will cease to apply to the Borrower Note.

9. PAYMENTS

- 9.1 **Payments:** Unless otherwise agreed in writing between the parties and subject to clauses 4.2, 7.2, 7.3(c), 8.5(a) and 9.4, all amounts payable under this agreement shall be paid in dollars in immediately available funds to the respective bank account each party may nominate from time to time.
- 9.2 **Payments to be free and clear:** All amounts payable under this agreement shall be paid:
- (a) on an irrevocable basis free and clear of any restriction or condition;
 - (b) free and clear of and (except to the extent required by law) without any deduction or withholding on account of any tax. If any such deduction or withholding is required, the Issuer shall not be required to pay any additional amounts in respect of the amounts deducted or withheld; and
 - (c) unless otherwise agreed in writing and subject to clauses 4.2, 7.2, 7.3(c), 8.5(a) and 9.4, without any deduction or withholding on account of any other amount, whether by way of set-off, counterclaim or otherwise.
- 9.3 **Resident Withholding Tax:** New Zealand resident withholding tax will be deducted from payments of interest (or payments deemed by law to be interest) to Subscribers who are tax resident unless an appropriate exemption certificate is produced to the Issuer (or, on or after 1 April 2020, the Issuer is satisfied that the relevant Subscriber has RWT-Exempt Status) on or before the date 10 days before the date of the relevant payment.
- 9.4 **No gross-up:** The Issuer will not be required to and will not make any additional payment by way of gross-up or otherwise with respect to the deduction or withholding from any payment made in respect of the Borrower Notes under clause 9.3. If, in respect of any Borrower Note, the Issuer becomes liable to make any payment of, or on account of, tax payable by any Subscriber, then the Issuer shall be indemnified by the relevant Subscriber in respect of such liability. Any moneys paid by the Issuer in respect of such liability may be recovered from the Subscriber as a debt due to the Issuer and may be withheld from any further payments to that Subscriber. Nothing in this clause will prejudice or affect any other right or remedy of the Issuer.
- 9.5 **Maximum rate:** Deductions of resident withholding tax will be made at the maximum rates from time to time applicable unless a Subscriber provides evidence to the Issuer (acceptable to it) that a lesser rate is applicable.
- 9.6 **Tax status:** The Issuer shall be entitled for the purposes of this clause 9 to rely, without further enquiry, upon any statement made by or on behalf of a Subscriber in relation to that Subscriber's tax status or tax residency.
- 9.7 **Refund of payments:** If any payment received or recovered by a Subscriber or any other person on behalf of the Subscriber is or may be avoided, whether by law or otherwise, then:
- (a) such payment shall be deemed not to have affected or discharged the liability of the Issuer under this agreement and the Subscriber shall, to the maximum extent permitted by law, be restored to the position in which it would have been if such payment had not been received or recovered; and

- (b) the Subscriber shall be entitled to exercise all rights which the Subscriber would have been entitled to exercise if such payment had not been received or recovered.

9.8 **Business Days:** Any payment which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

10. REGISTER

10.1 **Register:** The Issuer agrees to establish and maintain the Register in which the Issuer will record such details as it considers fit, including:

- (a) the name and address of each Subscriber;
- (b) the Issue Date and Maturity Date (and any extension made under clause 8.6) of the Borrower Notes;
- (c) the related LG Securities; and
- (d) each redemption or Conversion of the Borrower Notes.

10.2 **Register conclusive:** Each Subscriber and the Issuer is:

- (a) entitled to rely upon the entries in the Register as constituting the sole and conclusive record of each Borrower Note and as to the person entitled to the Borrower Notes; and
- (b) to have the power, in its absolute discretion, to correct (or, in the case of the Subscriber and in respect of its Borrower Notes only, require correction of) the Register if the Register is incorrect.

10.3 **Inspection:** The Issuer shall make that part of the Register that relates to a Subscriber available for inspection by a Subscriber at the Issuer's principal place of business during normal office hours upon receiving reasonable notice from the Subscriber.

10.4 **Appointment of Registrar:** The Issuer shall be entitled to appoint an appropriately qualified person to maintain the Register in accordance with clause 10.1 on its behalf.

11. RANKING OF NOTES

11.1 The Borrower Notes are unsecured debt securities issued by the Issuer, subordinated in accordance with clause 12, and an unsecured liability of the Issuer. The Borrower Notes rank pari passu without any preference among themselves. The Issuer may issue securities ranking equally with or in priority to the Borrower Notes.

12. SUBORDINATION

12.1 **Subordination:** The rights and claims of Subscribers are, in a Winding Up of the Issuer, subordinated to the claims of the Senior Creditors (with the intent that all claims of Senior

Creditors shall be paid in full before any claims of the Subscribers are paid), and prior to the commencement of a Winding Up of the Issuer:

- (a) the obligation of the Issuer to make any payment in respect of the Borrower Notes is conditional upon the Issuer being solvent at the time the relevant payment falls due; and
- (b) no payment shall be made in respect of the Borrower Notes except to the extent that the Issuer may make such payment and still be solvent immediately thereafter.

12.2 **Solvency:**

- (a) For the purposes of clause 12.1, the Issuer shall be considered to be solvent at any time if at that time it is able to meet the solvency test in section 4 of the Companies Act.
- (b) A certificate as to whether the Issuer is solvent signed by two authorised signatories of the Issuer shall be prima facie evidence of the information contained therein.

12.3 **Contingent debt:** On a Winding Up of the Issuer, the Subscribers shall only be entitled to prove for any sum payable in respect of the Borrower Notes as a debt which is subject to and contingent upon prior payment in full of the Senior Creditors. Each Subscriber agrees, and by subscribing for a Borrower Note each Subscriber of the Borrower Note will be deemed to agree, that:

- (a) in accordance with section 313(3) of the Companies Act, it is accepting a lower priority in respect of the debt represented by the Borrower Note than that which it would otherwise have under section 313; and
- (b) nothing in section 313 will prevent this agreement from having effect in accordance with its terms.

12.4 **No set-off:** No Subscriber shall be entitled to set-off against any amounts due in respect of the Borrower Notes held by that Subscriber any amount held by the Subscriber to the credit of the Issuer or otherwise to reduce the amount due to such Subscriber in respect of a Borrower Note by merger of accounts or lien or the exercise of any other rights of like effect, except to the extent permitted by clause 7.2 or 7.3(c). To the extent any set-off (other than a set-off permitted by clause 7.2 or 7.3(c)), merger, lien or other right is required by law to be exercised that exercise shall be subject to clause 12.5.

12.5 **Trust:** Any payment, whether voluntarily or in any other circumstances, received by a Subscriber from or on account of the Issuer (including by way of credit, set-off or otherwise) or from any liquidator, receiver, manager or statutory manager of the Issuer in breach of this clause 12 will be held by the relevant Subscriber in trust for and to the order of the Senior Creditors. The trust hereby created shall be for a term expiring on the earlier of the date on which all Senior Creditors have been paid in full or eighty years (or such longer period as permitted by law) from the date of this agreement. No Subscriber shall have any obligation under this clause 12 in respect of any payment received by anyone other than itself.

12.6 **Contract and Commercial Law Act:** For the purposes of the Contract and Commercial Law Act 2017 the provisions of this clause 12 are intended to confer a benefit upon the Senior Creditors and to be enforceable by the Senior Creditors directly, but no consent of the

Senior Creditors shall be required to any modification or amendment to this clause 12 in accordance with clause 14.

13. NOTICES

13.1 **Writing:** Each notice or other communication to be given or made under this agreement to any person must:

- (a) **Writing:** be given or made in writing by email or letter and be signed by the sender or an authorised officer of the sender;
- (b) **Address:** be given or made to the recipient at the address or email address, and marked for the attention of the person (if any), from time to time designated by the recipient to the other for the purposes of this agreement;
- (c) **Deemed delivery:** not be effective until received by the recipient, and any such notice or communication shall be deemed to be received:
 - (i) (if given or made by letter) when left at the address of the recipient or 5 Business Days after being put in the post, postage prepaid, and addressed to the recipient at that address; or
 - (ii) (if given or made by email) when dispatched in tangible, readable form by the sender to the email address advised by the recipient from time to time,

provided that any notice or communication received or deemed received after 5pm on a working day in the place to which it is sent, or on a day which is not a working day in that place, shall be deemed not to have been received until the next working day in that place.

13.2 **Initial address and numbers:** The initial address, email address and person (if any) designated for the purposes of this agreement, are set out below:

- (a) **The Subscribers:** those details set out under the heading "Details for notices" for the relevant Subscriber in schedule 1 or otherwise provided in the relevant Accession Deed.
- (b) **The Issuer:**

City Chambers
Level 8, 142 Featherston Street
PO Box 5704, Wellington, 6145

Email: lgfa@lgfa.co.nz
Attention: Chief Executive

14. AMENDMENTS

14.1 This agreement shall not be amended except with the written agreement of the Issuer and all of the Subscribers, provided that the Issuer may, by notice to all parties to this

agreement, vary clause 15.4 to permit persons to become parties to this agreement and Subscribers to subscribe for Borrower Notes (as applicable) if they satisfy the terms of any exemption obtained by the Issuer from the requirements of the FMC Act with respect to this agreement, but any such variation shall not affect the status of any existing Subscriber as a Subscriber under this agreement.

15. MISCELLANEOUS

- 15.1 **Waivers and remedies:** Time shall be of the essence of this agreement but no delay in acting, or failure to act, by the Issuer is a waiver of any of the Issuer's rights. The rights provided in this agreement do not exclude any rights provided by law.
- 15.2 **Partial invalidity:** An invalid provision in this agreement shall not affect the enforceability of the remaining provisions of this agreement.
- 15.3 **Sections 40 and 49 of the Companies Act:** This agreement is subject to the board of directors of the Issuer complying with section 49 of Companies Act.
- 15.4 **Securities Act and FMC Act:**
- (a) The only persons which are permitted to become parties to this agreement and/or subscribe for Borrower Notes are:
 - (i) prior to 1 June 2015:
 - (aa) "eligible persons" for the purposes of sections 5(2CB) and 5(2CBA) of the Securities Act, as defined in section 5(2CC) of the Securities Act; and
 - (bb) persons who fall within 1 or more of the categories set out in subparagraphs (i) to (iii) of section 3(2)(a) of the Securities Act, and
 - (ii) on and from 1 June 2015, "wholesale investors" as that term is defined in clauses 3(2)(a), (c) and (d) and (in the case of a CCO Subscriber only) clause 3(3)(a) of Schedule 1 to the FMC Act, being a person who is:
 - (aa) an "investment business";
 - (bb) "large";
 - (cc) a "government agency"; or
 - (dd) an "eligible investor" (in the case of a CCO Subscriber only),in each case as defined in Schedule 1 to the FMC Act (each a "**wholesale investor**"), or an entity controlled by a wholesale investor where "control" has the meaning given in clause 48 of Schedule 1.
 - (b) Prior to the Issuer offering to issue Borrower Notes to a Subscriber and/or a Subscriber subscribing for any Borrower Notes in each case in accordance with clauses 4.1 or 4.3, the Subscriber must promptly (if requested by the Issuer) provide the Issuer with evidence or documentation (in a form satisfactory to the

Issuer) which satisfies the Issuer that the Subscriber meets the criteria set out in sub-clauses (a)(i) or (a)(ii) as at the date of the offer by the Issuer and subscription by the Subscriber.

15.5 **Counterparts:** This agreement may be signed in any number of counterparts, all of which together constitute one and the same instrument, and any of the parties may execute this agreement by signing any such counterpart.

16. GOVERNING LAW

16.1 This agreement shall be governed by New Zealand law.

17. NO CROWN GUARANTEE

17.1 The parties acknowledge that the obligations and liabilities of the Issuer under this agreement are not guaranteed by the Crown.



REPORT

Date : 14 April 2020

To : Opotiki District Council

From : Project Manager – Opotiki Harbour Development, John Galbraith

Subject : **OPOTIKI HARBOUR DEVELOPMENT – IMPLEMENTATION**

File ID : A197034

EXECUTIVE SUMMARY

This report updates Council on the implementation of the Opotiki Harbour Development project, following the confirmation of funding on 28 February, 2020. Weekly teleconferences with MBIE and BOPRC, and bi-weekly meetings with HEB Construction since January have maintained implementation planning and coordination.

Current planning is focussed on enabling works, including Snell Rd upgrade and commencement of dynamic compaction trials, for commencement in May. Both operations are currently under time risk due to delays in progressing archeological authority for the earthworks.

MBIE are progressing formal contracts for the enabling works and aim to have the main construction contract in place by June, all with MBIE as principal. ODC is currently discussing with HEB the inclusion of rock supply in the main contracts.

At the request of Ministers, ODC and HEB have identified acceleration initiatives to bring forward investment and jobs. The most impactful is likely to be an early start to local manufacturing of concrete armour units for the harbour walls. Current planning assumes re-commencement of operational work under some COVID restrictions, from May, 2020.

PURPOSE

This report updates Council on the implementation of the Opotiki Harbour Development project, following the confirmation of funding by the Minister for Regional Economic Development on 28 February, 2020.

BACKGROUND

In Te Ara Moana a Toi, submitted 4 October, 2019, ODC applied to the Provincial Growth Fund for an investment of \$79.4m to construct the Ōpōtiki harbour. Co-funding of \$20m from the Bay of Plenty Regional Council Regional infrastructure Fund had previously been secured, subject to various conditions being met.

Primary components of the \$99.4m capital cost for the harbour are:

- Harbour construction, including contractor's contingency \$69.6m
- Rock supply, including contingency and escalation \$29.8m

Te Ara Moana a Toi proceeded through the Independent Assessment Panel, various Ministers and officials' groups and to Cabinet for final approval. In December, BOPRC initiated a process to confirm fulfilment of remaining conditions for the RIF funding, concluding in February 2020.

ODC had conducted a procurement process for rock supply through 2019, with Registration of Interest (ROI) and Request for Tenders (RFT) processes completed with all known and potential quarry and rock supply entities in the Eastern Bay and adjacent districts between 31 May and 13 August 2019.

Tenders and proposals received include two proposed new/redevelopment sources, located 20km and 50km from the harbour site. A significant contingency was included in the rock pricing for the harbour to allow for potential partial shortfalls in supply from the new sources, to be made up from existing, proven sources up to 90km distance.

The outcomes from the rock supply procurement were reported to Council on 5 September, 2019, which resolved:

"That ODC continue to manage the rock tendering process through to confirmation of harbour funding, while actively seeking alternative parties to assume responsibility for the contracting and management of supply. Potential parties for consideration include HEB Construction (as principal contractor for the harbour construction) and NZTA."

DISCUSSION AND OPTIONS SECTIONS

In January, ODC commenced a weekly phone conference with representatives of the Provincial Development Unit, and BOPRC, to prepare for implementation.

ODC also commenced preparatory planning discussions with HEB Contractors and designers Tonkin + Taylor. From early April, full planning meetings are programmed fortnightly, with sub-groups set up to progress specific work planning and activities.

A copy of the Weekly Status Report to the ODC/Govt/BOPRC conference is included in Attachment 1. The report summarises the status of activity across each of the initial workstreams required to deliver the harbour project in the period to June 2020.

Enabling Works

The initial construction works required for the harbour project are:

- Construction of access roads
- Dynamic compaction trials on the spit



Construction of the extension of Snell Road to a rock stockpile area SW of the effluent ponds and then N to the harbour walls construction site. The first section is the responsibility of ODC and the second, HEB Construction. Timing of the access roads is critical to allow for HEB to commence dynamic compaction trials on the spit, before the dotterel nesting season commences on 15 August.

The Snell Rd extension has been tendered by ODC and awarded. However, commencement has been delayed by the process for gaining Archeological Authority from Heritage NZ for earthworks which may impact on undiscovered sites of archeological significance. An archeological assessment commissioned by ODC identifies one known site, Te Roto urupa, in the vicinity of the planned roadline and notes the possibility that burials and koiwi could extend beyond the surveyed boundaries of the urupa. ODC has engaged with Whakatōhea, who have involved kaumatua from other potentially hapū in the alignment of the road in the vicinity. The archeological report notes that there are no other known or apparent sites and considers that, given the modification that has occurred in the area of the existing wastewater treatment system; and areas of recent dune formation and river footprint, there is low risk of undiscovered sites being affected.

The initial application for archeological authority was returned from Heritage NZ on the basis of “incomplete consultation with tangata whenua”. ODC is continuing to work on solutions, including re-tabling evidence of relevant consultation from the resource consent process.

ODC and HEB are also considering expanding the re-application to include all of the planned harbour works.

The current view of the contractors for the enabling works, HEB and Waiotahi, is that work could commence under Level 3 or better COVID restrictions.

ODC is continuing discussions with DOC regarding the use of their land to the East of the rock stockpile area, for use by HEB for concrete laydown and a construction base.

Rock Supply

The ODC Rock Supply Tender Evaluation Team completed its final report on the rock procurement process to the ODC tender Committee meeting on 9 March. The meeting accepted the TET recommendations:

1. That ODC commences negotiations with HEB Contracting to transfer responsibility for rock supply into the harbour construction contract.
2. That ODC advises Higgins/Awahou and Waiotahi/Osbornes that they are preferred suppliers and that ODC will commence negotiations on rock supply contracts; that HEB Contractors are likely to be involved in the negotiations, with the intent that HEB will replace ODC as Principal for the resulting rock supply contracts.

3. That ODC will commence negotiations, in conjunction with HEB Contracting, on a suitable backup supply agreement for larger sizes of armour rock from Rakauoa, preferably via the existing Waiotahi tender Proposal No1, or directly with Rakauoa and transport supplier(s).

Some outstanding test results from the Osbornes and Awahou quarries are held up due to COVID restrictions.

ODC has reported its procurement findings to HEB and discussions are under way toward jointly discussing supply agreements with the preferred suppliers.

Early Work Contracts

ODC and PDU are progressing contracts with HEB for early works, being the enabling works described above and initial data gathering, survey and for commencing final design, to be carried out until June. At MBIE request, the contracts are split into two forms – a consulting agreement for the non-operational work and a standard NZS3910 construction format for the physical works, including roading and DC trials. A draft consulting agreement is with HEB and the construction contract in preparation. MBIE are providing the legal resources for contract development and completion.

ODC and MBIE will then draft the main form of construction contract, which will be based on the original documents in the Request for Proposals of September 2016, with agreed changes to conditions of contract and performance requirements since. Current target date for the main contract is by end May.

Technical Liaison Group

A Technical Liaison Group (TLG) is required to be formed to assist the development of environmental management plans for the harbour works. Membership is specified on the consents as including representatives of:

- Bay of Plenty Regional Council
- Waiotahi Coast Care
- Department of Conservation
- Whakatōhea Maori Trust Board
- Ōpōtiki District Council

An establishment document has been prepared for the TLG and it is expected to be formed by early May, initially to provide input to the management plans for the enabling works.

Acceleration projects

MBIE have requested identification of initiatives within the harbour project or associated developments that could accelerate the start of operations and accompanying investment and jobs.

ODC and HEB have a list of initiatives under review and the most promising looks to be an early start to manufacture of the concrete hanbar units required for that harbour walls. Approximately 14,000 units will be required and while the specifications for the larger sizes (up to 15-tonne each) are yet to be determined in the final design, there are large numbers of smaller 2 to 2.5 tonne units which will be needed and could form the basis of an early start.

ODC also has some options for early start and/or faster ramp-up to rock supply, which are being assessed.

A schedule of projected timelines and jobs for the construction works, including the Martine Industrial Zone and workforce accommodation, is included in attachment 2.

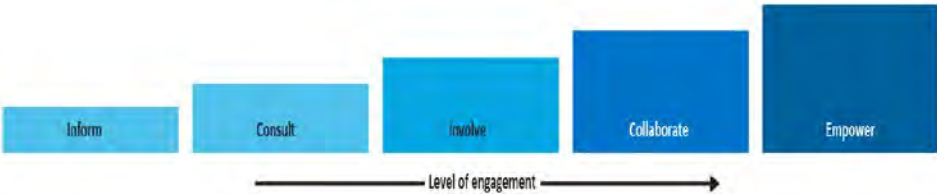
SIGNIFICANCE ASSESSMENT

Assessment of significance

Under Council’s Significance and Engagement Policy, on every issue requiring a decision, Council considers the degree of significance and the corresponding level of engagement required. The level of significance for the Ōpōtiki Harbour Development – Implementation is considered to be Low as determined by the criteria set out in section 17 of the Significance and Engagement Policy.

Assessment of engagement requirements

As the level of significance for Ōpōtiki Harbour Development – Implementation is considered to be Low, the engagement required is determined to be at the level of Inform according to schedule 2 of the Significance and Engagement Policy.



CONSIDERATIONS

Financial/budget considerations

There are no significant considerations or requirements for ODC budget at this stage. All capital works are to be funded from the PGF and RIF funding. There may be a modest requirement for ODC to fund some of the TLG membership time.

Project management, ODC resources and external advisors have continued to be funded out of the remaining MBIE Funding Agreement, through to 30 April.

Policy and planning implications

- Nil

Risks

1. Archeological Authority – enabling works:

The primary risk facing the timely implementation of the harbour project is the time that may be required to achieve an Archeological Authority to commence the Snell Road extension and the Dynamic Compaction trials. The worst case scenario is that dynamic compaction trials on the spit cannot be started prior to commencement of the dotterel breeding season on 15 August and the trials and final design for the harbour walls could be delayed by 6 months. Current mitigation actions are:

- a. Re-submission of evidence of consultation on relevant matters from the resource consent process
- b. Collaboration between HEB and Waiotahi for the initial Snell Road construction and access for dynamic compaction trials work to proceed in parallel.

2. COVID19 restrictions

- a. If Level 4-type restrictions continue into May, further field consultations for the archeological authority application, including alignment of the road adjacent to the Te Roto urupa may be delayed.
- b. Level 3-type restrictions may be modified or applied in a way that restricts or prevents the start of roading and dynamic trials work.

RECOMMENDATION

1. **That the report titled "Ōpōtiki Harbour Development – Implementation" be received.**

John Galbraith

PROJECT MANAGER – ŌPŌTIKI HARBOUR DEVELOPMENT

Attachment 1: Copy of Weekly Status report

Weekly Status Report – Ōpōtiki Harbour Implementation – Short Term Milestones (Status as at 9 April 2020)

WEEKLY STATUS REPORT – ŌPŌTIKI HARBOUR IMPLEMENTATION – SHORT TERM MILESTONES (STATUS AS AT 9 APRIL 2020)

#	Milestone Detail	Baseline Due Date	Current Due Date	Owner	Status	Notes / Activities / Risks
1	Completion of Construction Management Plan for Enabling Works, being Snell Rd extension, Dynamic Compaction trials	20/2/2020	TBC	HEB		<ul style="list-style-type: none"> • CMP being compiled by HEB Env Consultant, in conjunction with ODC and joint ODC/BOPRC consents compliance manager and discussions with archaeologist, DOC, etc. • Draft Snell Rd CMP is complete and will be sent to BOP Regional Council Compliance Officer 14 April for an early review on content. Virtual meeting will be set up for later this week to discuss comments • If information is available DC Trial CMP will commence in next 1-2 weeks • CMP approval and commencement of works is dependant on obtaining an Archaeological Authority (AA) and a Floodway and Drainage Bylaw Authority or waiver • AA application rejected by HNZ due to incomplete consultation with Tangata Whenua. ODC have sort legal advice and are working through using previous resource consent consultation evidence. This is currently the main risk to commencing work

#	Milestone Detail	Baseline Due Date	Current Due Date	Owner	Status	Notes / Activities / Risks
2	Lodge Resource Consent for Snell Rd works	21/2/2020	TBC	ODC		<ul style="list-style-type: none"> Archaeological assessment shows no significant issues, but clarification after meeting Heritage NZ 6 March, Arch Authority process may take up to 60 days. This would delay Snell Rd completion until June/July, so ODC will discuss with HEB re alternative temporary access for DC trials, which are on critical path, and to ensure completion before dotterel breeding season (which commences 15 August). Application to Heritage NZ lodged 25 Mar. Returned with advice of incomplete consultation with tangata whenua. ODC currently reviewing evidence of consultation used for resource consents for applicability here. Likely to expand re-application for AA to include full harbour works programme.
3	Rock supply resource quality: <ul style="list-style-type: none"> Complete evaluation of Waiotahi Osborne rock supply proposals Testing, evaluation and reporting of rock drill samples Awahou Quarry 	28/2/2020 13/03/20	Post-COVID	ODC TET		<ul style="list-style-type: none"> Waiotahi core drilling programme delayed by COVID. All other test results, plus quarry mgt plan and resource quantity received. Awahou geologist report satisfactory for density, rock yield and volumes. Awaiting chemical analysis . Winstones have provided core rock samples to their labs for assessment. Lab test results caught in COVID lockdown.
4	Final report and recommendations on rock supply	10/3/2020	24/3/2020 Complete	ODC TET		<ul style="list-style-type: none"> Report provided to HEB 24 March. HEB/ODC subgroup set up to progress.
5	Communications with DOC re use of DOC land for stockpiles, and enabling works		TBC	ODC		<ul style="list-style-type: none"> Local DOC contact has suggested alternative licence to occupy approach (rather than lease) which may facilitate the use of the land.

#	Milestone Detail	Baseline Due Date	Current Due Date	Owner	Status	Notes / Activities / Risks
6	Establish initial membership of Technical Liaison Group	13/3/2020	7/05/20	ODC		<ul style="list-style-type: none"> • Early establishment of the TLG will maximise opportunity for consultation to advise Env Management Plans and also potential changes to membership (originally specified in 2009 consents.) • Needed within next 2 to 3 weeks for progressing CMP. • TLG establishment report drafted 14 April for ODC consideration.
7	Funding: Develop Early Works Contract for: <ul style="list-style-type: none"> • HEB: data gathering, DC trials, prepayment capital items, etc 	TBC	Mid-April	ODC, MBIE		<ul style="list-style-type: none"> • MBIE request to split Early Works into CCCS form for consulting works component and NZS3910 form for operational works (DC trials, Access track). • Draft CCCS form to HEB 3 April. • To be followed by draft NZS3910 form. • Awaiting HEB feedback
8	Draft contracts for construction, rock supply <ul style="list-style-type: none"> • Revisions to original RFP Conditions of Contract & Principal's Requirements • Draft main construction contract 	Mid-April Mid-May?	Mid-April May	MBIE, ODC		<ul style="list-style-type: none"> • ODC provided list of changes to original RFP Conditions of Contract, etc, to HEB 9 April • HEB to respond to ODC to reconcile revisions.
9	Acceleration ideas (see separate lists)		ongoing	ODC		<ul style="list-style-type: none"> • Acceleration list discussed with HEB 3 April. HEB looking at both early start acceleration ideas, and also overall project acceleration ideas. • Early start to local manufacture of concrete hanbar units is most promising for impact and jobs. Currently being progressed by HEB, with draft report due from HEB 14 April.

Attachment 2:

HARBOUR CONSTRUCTION INITIAL WORK STAGES EMPLOYMENT (COVID restrictions applied Q2 2020)									
	2019	2020				2021			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Funding approval & tender award									
Construct Snell rd Extension									
Quarry development									
Rock delivery									
Beach compaction trials & final design									
Harbour walls construction									
Concrete armour unit production									
Marina Industrial Park development									
Workforce accomodation/housing									
New direct jobs, total		10	13	67	75	97	97	130	130
Total new direct + indirect jobs (FTE's)		18	20	126	155	202	202	271	271
Training placements		3	5	19	44	52	52		



REPORT

Date : 1 April 2020
To : Ordinary Council Meeting, 21 April 2020
From : Business Innovation and Communications Advisor, Tracey McNaughtan
Subject : **ANNUAL COMMUNITY SURVEY RESULTS**
File ID : A196129

EXECUTIVE SUMMARY

Every year, Council conducts a survey to find out how satisfied the community is with the Council and the services provided. A summary of the results of the community survey undertaken in February 2020 is provided for Council's information.

PURPOSE

To provide Council with a summary of results from our February community survey.

BACKGROUND

As one of the measures of Council's success in meeting its key performance indicators set out in the Long Term Plan, Council annually undertakes a survey of community perceptions and satisfaction with its services. This is one measure of a suite of measures reported in the annual report.

A telephone survey of 301 people took place in February this year asking standard questions about Council's services. This survey uses a random selection method and meets quotas set for interviews with proportional numbers of residents in all wards and in age groups from 18/+ years.

A target of interviewing 60 respondents aged 18 to 44 years was also set.

While Council may consider conducting its annual survey by other means in future as landline usage declines, the response rate for this phone survey was 65% which is much higher than seen typically in web or mail-out surveys (often in the 5-30% range). A door-to-door sample of 20 residents across

Ōpōtiki was also conducted this year. This was targeted at those aged 18 to 44 years (10) and those aged 45 to 64 years (10) as these groups are increasingly difficult to contact by phone.

This survey is just one way for people to communicate with Council. Alternative contact methods include the customer contact centre, web forms and online services, direct contact with staff and councillors, public speaking times at meetings, coast meetings, and community workshops.

RESULTS

Spend emphasis

Residents were asked whether they would like more, about the same, or less spent on particular Council services/facilities, given that more cannot be spent on everything without increasing rates and/or user charges where applicable.



In line with last year's survey, solid waste was the main service residents wanted Council to spend more on. A large percentage of residents also said they would like to see more spent on community facilities, council controlled roads (43% wanting more spent were in the Coast ward), preparedness and response to civil defence emergencies, and, to a lesser degree, stormwater, wastewater and water supply.

Contact

57% of residents surveyed said they had contacted the Council offices by some means in the last 12 months.



While the combined total of those who are very/fairly satisfied with the overall service received has not changed much over the last year, the number who are very satisfied has risen by 11% from 28% to 39%.

Council policy and direction

Residents were asked whether there is any recent Council action, decision or management that they:

- Like or approve of; or
- Dislike or disapprove of.

This question is asked to gauge the level of community support for Council's policies and overall direction by measuring agreement with the activity or decision and whether residents feel adequately informed about it.

The main likes or approvals in the February 2020 survey were:

- Appearance of the town/improvements.

The result was swayed this year by many residents commenting on the cleaning and painting of the Waioeka Bridge and while Council and the community lobbied long and hard for this work to take place, it is actually the New Zealand Transport Agency who maintain the state highway network and who undertook the work. But there were plenty of thumbs up as well for our hard working Parks and Reserves team.

"Mowing of lawns is excellent, e.g, around stop banks, and land by skate park. It is all-kept tidy and well mown."

- The work of the Mayor

"I like that the mayor is visiting lots of parts of the district and this is really good and attending functions and sports events. A good mixture of area events. The community are very pleased that the mayor is more visible in the district."

With our Mayor Lyn Riesterer currently unable to get out and about in the district due to the Alert Level 4 lock-down response to Covid-19 she has come up with other ways to stay in touch with the community which include video messages on social media, live radio broadcasts and online meetings.

- Good communications / consultation / keeping community informed

"The council have provided the residents with the new Antenno app which enables people to check the information they need. It makes contact easier and more convenient."

Laying new footpaths, road repairs, going ahead with Te Tahuhu o Te Rangi, persisting with the Harbour Development project, the upgrade of the wastewater system, and the approachability and work of the new Councillors, also received a number of mentions.

The main dislikes or disapprovals were:

- New library

"Library. Too much money and the old library could have been done up."

- Expenditure

"We need to try to restrain rate increases. We shouldn't be paying Auckland rates."

A small percentage of disapprovals about the appearance of the district and footpath issues were voiced as well, but these were well down on previous years.

Services

Perceptions of facilities including recreation facilities, traffic services, roading and cemeteries are all similar to last year's results.



82% of residents are satisfied that traffic services are accurate and visible.

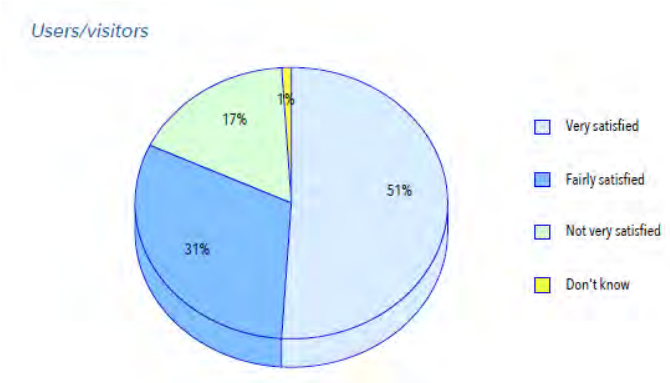


However, 47% are not very satisfied with the quality of animal control, including roaming dogs.

Satisfaction with animal control took a small dip this year. Council continues to encourage those not happy with the service to contact Council when they have an issue. It was found that very few of those

who said they were not happy with the service had actually made contact with Council. Reports can be made by phone, web form, email or through the Antenno app.

The library still ranks highly among residents with 82% of those who have used or visited the library stating they are very/fairly satisfied.



There was, however, another increase this year in the overall number of those stating they were not very satisfied - that amount was above the peer and national averages.

The main reason given for not being satisfied was that the library was too small and needed upgrading, or conversely, that a new library was not needed.

In September 2019 Council resolved to progress with full development of Te Tahuhu o Te Rangi. This facility, located in the heart of the Ōpōtiki township, is intended to deliver an economic and business hub, arts and cultural hub and community hub including reinvention of the existing library service.

Satisfaction with public toilets has risen for a second year in a row with a 5% increase in those who are very/fairly satisfied. There is still some work to do here though with satisfaction ratings for our public toilets well below peer averages.

The main reasons listed for not being satisfied with the quality of toilet facilities were the same as last year:

- Cleanliness and smell
- Maintenance or upgrading required
- Not enough toilets throughout the district.

This year Council undertook a revamp of the Church Street central business district public toilets and the Council has given the green light to including new toilets at the Church Street (Rose Garden) Reserve as the upgrades to the reserve continue to take place.

Representation

Positive perceptions about our elected members' performance are down slightly on last year but still on a par with the national average. 79% of residents rated the performance of the Mayor and Councillors as very good, fairly good or acceptable.

There was a 9% increase this year in residents who feel Councillors give them a fair an open-minded hearing when dealing with local community issues.

52% of residents want consultation on major issues. This is 4% more than last year and on par with peer group averages and slightly below the national average.

When asked what they considered to be major issues, the main responses were:

- Library – 14%
- Harbour development – 11%
- Items of major expenditure/major spending – 6%
- ~~R~~ates/rates increases/things that affect rates/other rates issues, 5%

The number of residents who feel they have the opportunity to be involved and participate in the way Council makes decisions declined slightly.

SIGNIFICANCE ASSESSMENT

Assessment of significance

Under Council's Significance and Engagement Policy, on every issue requiring a decision, Council considers the degree of significance and the corresponding level of engagement required. The level of Significance for receiving the Annual Community Survey report is considered to be low as determined by the criteria set out in section 12 of the Significance and Engagement Policy.

Assessment of engagement requirements

As the level of significance for receiving the Annual Community Survey report is considered to be low, the level of engagement required is determined to be at the level of inform according to Schedule 2 of the Significance and Engagement Policy.



RECOMMENDATION:

- 1. That the report titled "Annual Community Survey" be received.**

Tracey McNaughtan

BUSINESS INNOVATION AND COMMUNICATIONS ADVISOR

REPORT

Date : 16 April 2020
 To : Ordinary Council Meeting, 21 April 2020
 From : Chief Executive Officer, Aileen Lawrie
 Subject : **CHIEF EXECUTIVE OFFICER'S UPDATE**
 File ID : A196601

LGOIMA REQUESTS

LGOIMA Report (19/02/2020-10/04/2020)

Month	Submitter	Subject	Due
February 2020	Diana Levinson	Animal impoundment conditions	Completed
	Nick Turoa	list of easements with private residents over reserves land administered by ODC under the Reserves Act	25/03/2020
March 2020	Tara Jackson	Copy of your dog rehoming policy	Completed
	New Zealand Taxpayers	CEO Twitter account	Completed
	Hon Jacinda Ardern's Office	Request for file of rateable values of properties	Completed
	Daniel Ayers	Any dealings with Arthur D Riley & Co Ltd and Associated Companies	Completed
	Mike Edmonds	copy of rating information database	Completed
April 2020	Fiona Mackenzie	Covid19 Road Blocks	Completed
	Responsible Campers Association	Camping Bylaw Survey	08/05/2020
	TVNZ	Noise complaints	Completed

REQUESTS FOR PROJECTS

Staff have worked through much of the Easter break to deliver a \$58m package of potential projects to Crown Infrastructure Partners for funding as part of a Covid-19 recovery package. Opotiki District

Council's group of projects features sewerage upgrades, stormwater management projects, footpaths and cycleways. We have worked with our colleagues from Whakatāne District Council and Kawerau District Council to deliver applications for \$250m across the eastern Bay of Plenty. By aggregating our applications we have been able to meet the minimum thresholds for large projects. A copy of the Summary of Projects is attached.

Two weeks ago a range of projects were proposed to The Provincial Development Unit following a similar request. We anticipate further project requests as the Government makes decisions to drive economic recovery.

SUBMISSION TO NATIONAL STANDARD FOR THE OUTDOOR STORAGE OF TYRES

The submission sent on 25 March 2020 in response to the National Environmental Standard for the outdoor storage of tyres is attached to this report for Council's information.

MEETINGS / EVENTS ATTENDED BY CEO – 7 MARCH 2020 – 16 APRIL 2020

10 MARCH 2020

Ordinary Council meeting

13 MARCH 2020

Provincial Growth Fund announcement, Whakatāne
Blessing of site for mussel processing factory, Ōpōtiki

14 MARCH 2020

Ōpōtiki Street Party to celebrate Harbour funding announcement

16 MARCH 2020

Council Annual Plan workshop

17 MARCH 2020

Audit planning meeting with Audit NZ
Eastern Bay of Plenty Joint Committee meeting

18 MARCH 2020

ODC Tenders Sub-Committee meeting

Covid-19 Response – From 21 March 2020, New Zealand was at Level 2

Covid-19 Response – From 24 March 2020, New Zealand was at Level 3

24 MARCH 2020

Meeting re community safety zone

Emergency Council meeting

Covid-19 Response – On 25 March 2020: A State of Civil Emergency was declared for New Zealand; and New Zealand moved to Level 4

25 MARCH 2020

Ōpōtiki Harbour Development Project progress meeting, via Zoom

ODC Tenders Sub-Committee meeting, via Zoom

Between 26 March 2020 and 16 April 2020, I attended a number of meetings via teleconference or audio visual link in relation to Civil Defence. The meetings attended were Group and Local Controllor briefings, Ōpōtiki District Council EOC Controllors and Managers meetings and Controllor, Iwi and Community Representatives meetings.

Other meetings during that period were:

31 MARCH 2020

Catch up meeting with Eastern Bay of Plenty CEOs, via Zoom

1 APRIL 2020

Bay of Plenty Chief Executives meeting, via Zoom

6 APRIL 2020

Update to Local Government from Sarah Stuart-Black, Deputy Chief Executive and Director CDEM and Dr Ian Town, Chief Science Advisor, Ministry of Health, via teleconference

8 APRIL 2020

Bay of Plenty Chief Executives meeting, via Zoom

14 APRIL 2020

BOP Mayoral Forum meeting, via Zoom

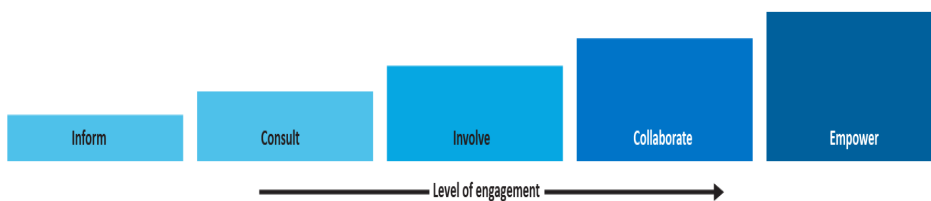
SIGNIFICANCE ASSESSMENT

Assessment of significance

Under Council's Significance and Engagement Policy, on every issue requiring a decision, Council considers the degree of significance and the corresponding level of engagement required. The level of Significance for the Chief Executive Officer's Update is considered to be low as determined by the criteria set out in section 12 of the Significance and Engagement Policy.

Assessment of engagement requirements

As the level of significance for the Chief Executive Officer's Update is considered to be of low the level of engagement required is determined to be at the level of inform according to Schedule 2 of the Significance and Engagement Policy.



RECOMMENDATION:

- 1. That the report titled "Chief Executive Officer's Update" be received.**

Aileen Lawrie

CHIEF EXECUTIVE OFFICER



14 April 2020

Tēnā koutou,

COVID-19 Recovery: Economic Stimulus Bay of Plenty Region

As Local Government Leaders in the Bay of Plenty, we have identified and propose several Crown Infrastructure Projects as part of the economic recovery for our region. These projects are outlined in Attachment 1.

We want our region to respond to and recover well from COVID-19 and we want to work with central government to respond as quickly as we can for the benefit of our communities.

Nāku, nā

Mayor Malcolm Campbell
Kawerau District Council

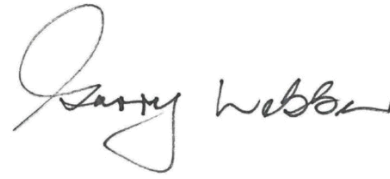
Mayor Lyn Riesterer
Opotiki District Council

Mayor Steve Chadwick
Rotorua Lakes Council

Mayor David Trewavas
Taupo District Council



Mayor Tenby Powell
Tauranga District Council



Mayor Garry Webber
Western Bay District Council



Mayor Judy Turner
Whakatane District Council



Chair Douglas Leeder
Bay of Plenty Regional Council



Tauranga City

Attachment 1: Crown Infrastructure Projects (CIPs) - Bay of Plenty Region

CIPS Project Name / Priority Area	Submitting Council
Rangitāiki Floodway	Bay of Plenty Regional Council
Flood Protection Resilience Projects	
Bay of Plenty's Scheme Drain Network	
Three Waters	Eastern Bay of Plenty Councils <i>(Whakatane District Council, Kawerau District Council, Opotiki District Council and Bay of Plenty Regional Council)</i>
Transport	
Buildings and Structures	
Other Infrastructure	
Cycle Ways	Rotorua Lakes Council
Infrastructure to enable urban land development	
Rotorua waste water treatment plant upgrades and Rotoehu/Ngamotu reticulation	
Airport business park development	
Rotorua aquatic centre redevelopment	
Rotorua Lakefront	
Whakarewarewa forest & trail development	
Civil Administration Building	Taupo District Council
DWSZN Upgrades	
Water and WW Electrical	
Water and WW Reticulation	
Pavement Works	
Shared Path & Kerb and Channel	
Parks and Recreation	
Building Upgrades	
New Taupo Museum	
Great Lake Centre Refurbishment	
Turangi Indoor Recreation Centre	
Community and Youth Hub	
Taupo Bike Trails	Tauranga City Council
Urban Growth – Creating Communities and Housing for All	
<ul style="list-style-type: none"> Western Corridor, including Tauriko Business Estate and Urban Growth Area Te Papa Spatial Plan – Early Transport Interventions Tauranga Eastern Corridor Growth – Te Tumu Urban Growth Area & Wairakei Town Centre Western Stormwater Growth Infrastructure Waiari Water Supply Scheme Wastewater Te Maunga Outfall Pipeline Wastewater Growth Infrastructure – Te Maunga Bioreactor Memorial Park Recreation and Leisure Hub 	

Objective ID A3517540

CIPS Project Name / Priority Area	Submitting Council
<ul style="list-style-type: none"> • Western Corridor – Community Facilities • Residential Development Opportunity Employing Our People <ul style="list-style-type: none"> • Stormwater Super-package • Mt Maunganui & Arataki Multi-Modal and Transport Improvements • Long Term Plan Renewals, (3 waters, transport, parks & property) • Totara Street Operational and Safety Improvement Projects • Wastewater Upgrades • City Footpath Renewals • Tauranga CBD Placemaking • Safety & Speed Management Package • City Wide Open Spaces Programme • Connected City – Digital • Waste Package • Te Papa Community Facilities Projects • Community Events Centre • Blake Park Sporting Precinct. 	
Rangiuru Business Park Public Infrastructure	Western Bay of Plenty District Council
District cycleway projects	
Seal extension of low volume local roads	
Water Supply upgrades	
Regional Healthy Housing Programme	
Public Infrastructure to support development of marae and papakainga housing	
Omokoroa Rooding Package of projects to facilitate housing development	
Omokoroa – Katikati - Waihi Beach – Waihi cycleway	
Waste water improvements	
Katikati Bypass	
Omokoroa Housing Development	
Storm water upgrades	
Te Puke swimming pool	
Katikati Swimming Pool	
Seal widening 23km of rural roads	



Our Ref: A193456

Wednesday 25 March 2020

NES Tyres Consultation
Ministry for the Environment

Electronic letter: tyres@info.mfe.govt.nz

To whom it may concern

SUBMISISON ON THE PROPOSED NATIONAL ENVIRONMENTAL STANDARD FOR THE OUTDOOR STORAGE OF TYRES

Thank you for the opportunity to comment on the Proposed National Environmental Standard for the Outdoor Storage of Tyres.

We provide some background information relating to the Ōpōtiki district before providing response to the questions set out in the consultation document.

The district of Ōpōtiki is located in the Bay of Plenty region on the north-east of the North Island of New Zealand. It is made up of an area of 3105km², accounting for approximately 24% of the total land mass of the Bay of Plenty region. It is the second biggest district in the region, second only to Whakatāne (4442km²).

The population of the Ōpōtiki district is mostly rural, with just 46% of the population living in urban areas, the lowest of any district in the region and compares against a regional wide average of 84% of the population living in urban areas. Geographically, much of the region – with the exception of urban coastal areas and farmland – is covered by native and exotic forest. The nearest major town to Ōpōtiki is Whakatāne, around a half-hour drive west.

Ōpōtiki district has among the highest levels of deprivation in New Zealand and features at the wrong end of many statistics: unemployment; median household income; benefit numbers rate of home ownership and health. Of the ratepayer population in New Zealand, residents in Ōpōtiki district have the lowest ability to pay their rates.

Ōpōtiki District Council (Council) supports the overall rationale for the proposed NES for the outdoor storage of tyres. This submission is structured to respond specifically to the questions asked.

1. Do you agree with responsibility for the NES sitting with regional councils rather than district councils? Why?

Yes, Council agrees with the responsibility for the NES sitting with regional councils, rather than district councils.

From a local perspective, Council simply doesn't have the resources to administer and monitor this legislation, let alone pursue any kind of prosecution action should the need arise. Placing this responsibility with Bay of Plenty Regional Council provides more chance for poorly managed end-of-life tyres to be monitored properly.

From an environmental perspective, the risks posed by poorly managed end-of-life tyres are mostly contaminant based (i.e., discharge of contaminants to air; ground; groundwater and surface water). Currently, Council will refer any pollution incidences of this nature to the Bay of Plenty Regional Council as they are equipped to respond to such an enquiry, so the NES would simply formalise this process.

A national standard, administered by fewer entities, encourages a consistent approach to end-of-life tyres, which will hopefully result in less confusion for an individual and a more consistent approach across the country.

2. Do you support having a resource consent threshold for the outdoor storage of tyres below the previously proposed 200m³? Why?

Currently, Council doesn't administer resource consents for end-of-life tyres, or monitor the effects of this activity, so we have no comment to make with regard to the acceptable quantity of tyres at which to require a consent.

3. Do you support the addition of a proposed permitted activity rule with requirements? Why/why not?

Council does support the addition of a proposed permitted activity with requirements. It seems to be a sensible solution to manage the effects of an activity, without requiring someone apply for resource consent. Council understands that there would be sufficient legal backing for regional council to monitor tyre piles that are deemed a permitted activity, and Council would be amenable to providing comment as an affected party with regard to amenity effects, if regional council requested this.

4. Do you have any suggestions on the indicative requirements in table 1?

No suggestions.

5. Which of the options (200m³ or 100m³) for setting a resource consent threshold do you support? Why?

As mentioned in the answer to Question 3, Council does not have any comment to make with regard to the threshold at which requires a resource consent, and would look to regional councils to provide feedback on this question.

6. How would the proposed options affect your business/organisation?

Ōpōtiki District Council has a very small planning and regulatory team (we have one Compliance Officer), and we currently don't monitor pollution incidences in the district because we simply don't have the resources to do so. Any calls of this nature are immediately referred to Bay of Plenty Regional Council so placing the responsibility of responding to enquiries about end-of-life tyres on the regional council would formalise the process that we currently operate to.

7. Do you think the scope of the proposed NES should be extended to include indoor tyre storage? Why/why not?

As mentioned in Question 3, Council doesn't monitor this activity or the associated activities, so we don't have a formal comment to provide.

8. Do you agree with the proposed exemption from the resource consent requirement for farm silage tyres? Why/why not?

As mentioned in the answer to Question 3, Council doesn't have any comment to make with regard to consent requirements the storage for end-of-life tyres.

9. Do you have comments on the other aspects of the proposed NES?

No other comments.

Yours sincerely



Aileen Lawrie,
CHIEF EXECUTIVE

REPORT

Date : 15 April 2020
 To : Ordinary Council Meeting, 21 April 2020
 From : Chief Executive Officer, Aileen Lawrie
 Subject : **RESOLUTION TO EXCLUDE THE PUBLIC**

SECTION 48 LOCAL GOVERNMENT OFFICIAL INFORMATION & MEETINGS ACT 1987

THAT the public be excluded from the following parts of the proceedings of this meeting, namely:

14. Confirmation of In-Committee Minutes – Ordinary Council Meeting 10 March 2020.

15. Minutes – Toi-EDA meeting 10 March 2020.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

Item No	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
14.	In-Committee Minutes – Ordinary Council Meeting 10 March 2020	That 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 exists.	Section 48(1)(a)
18.	Minutes – Toi-EDA meeting 10 March 2020	That 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 exists.	Section 48(1)(a)

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act or section 6 or section 7 or section 9 of the Official Information Act 1982,

as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

14.	Protect the privacy of natural persons Protect information Protection from improper pressure or harassment Prevent disclosure or use of official information Carry out negotiations Maintain legal professional privilege Carry out commercial activities	Section 7(2)(a) Section 7(2)(b)(i) & (ii); (d) & (e) and Section 7(2)(c)(i) & (ii) Section 7(2)(f)(ii) Section 7(2)(j) Section 7(2)(i) Section 7(2)(g) Section 7(2)(h)
15.	Protect the privacy of natural persons Protect information	Section 7(2)(a) Section 7(2)(b)(i) & (ii)