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Report 01.38
1 February 2001
File: E/6/1/4

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Minutes of the Ordinary Meeting of the Wellington Regional Council held in the Wellington Regional Council Chamber, The Regional Council Centre, 142-146 Wakefield Street, Wellington on Thursday, 1 February 2001 at 9.30am

Present

Councillors Macaskill (Chairperson), Allen, Bonner, Buchanan, Gibson, Laidlaw, Long, McDavitt, McQueen, Shaw, Shields, Thomas, Turver and Werry.

Officers Present

Messrs Allard, Annakin, Benham, Bodnar, Darroch, Maguire, Schollum, Stone, Wright and Drs Bradbury and Watson.

Public Business

Procedural Items

359 **Apologies**

There were no apologies.

360 **Public Participation**

Chris Horne

Chris Horne said he was speaking on behalf of Brent Efford of Transport 2000.

Chris Horne said he had a copy of the General Manager's memorandum of 26 January 2001 which included an explanatory document outlining the Council's position to negotiate the acquisition of Tranz Metro Wellington. Transport 2000 strongly supported the Wellington Regional Council's initiative.

A copy of Mr Horne's representations were circulated.

The meeting adjourned at 9.40am and reconvened at 10.00am.

361 **Confirmation of Minutes**

Exclusion of the Public

Mr Maguire noted that paragraph 343 of the minutes should be amended to refer to a public excluded part of the Passenger Transport meeting on 1 November 2000, not 23 November 2000.

Resolved

(Cr Chairperson/Cr Buchanan)

That the public and public excluded minutes of the Ordinary Council Meeting, Report 00.891 and Report PE 00.892, and the public and public excluded record of the Special Policy and Finance Committee Meeting, Report 00.889 and PE 00.890 of 7 December 2000 as amended, be confirmed, the public excluded business to remain confidential.

362 **Chairman's Report**

Report 01.11

File: E/6/1/5

WRC Triennial Review – Local Government Commission Hearing

Councillor Gibson asked that a copy of Mr A Taylor's written submission be circulated in the Councillors' Bulletin.

Leave of Absence

Resolved

(Chairperson/Cr Allen)

That Councillor Allen be granted leave from 6 February 2001 to 14 February 2001, as requested.

Dominion Articles - Tranz Metro

A letter dated 31 January 2001 from Bell Gully, Barristers and Solicitors, about Tranz Metro, as instructed by Councillor Gibson, was circulated at the request of the Chairman.

The Chairperson said members will have received a copy of a Councillors' Bulletin which included recent Dominion newspaper articles and papers about Council's policy for the General Manager to enter into negotiations with Tranz Rail about the future purchase of Tranz Metro

The Chairperson said he strongly disagreed with comments by Councillor Gibson about the General Manager in one of the Dominion articles.

The Chairperson concluded that he had indicated in the Bulletin that he would be raising the matter at today's meeting with a view to seeking a formal resolution distancing Council from Councillor Gibson's comments.

Moved

Cr Turver/Cr Allen

- (1) *That Council expresses full confidence in the work being undertaken by the General Manager concerning Council's possible future involvement with Tranz Metro Services within Wellington: and*
- (2) *That the General Manager's actions are entirely in keeping with the resolution of the Transport Committee which was subsequently adopted by Council.*

At 10.15am Councillor Bonner left the meeting and said she would not return until consideration of the above resolution had concluded.

Following discussion the above resolution was put to the meeting and **CARRIED**.

Councillor Gibson abstained from voting on the second part of the motion.

Resolved

(Chairperson/Cr Thomas)

That the Chairperson's Report be received and the recommendations be adopted.

Councillor Bonner returned to the meeting at 10.25am.

Reports of Committees

363 Policy and Finance Committee – 1 February 2001

Report 01.22

File: E/6/3/2

Resolved

(Chairperson/Cr Shields)

That the recommendations of the Policy and Finance Committee meeting held on 1 February 2001 be adopted.

364 Passenger Transport – 14 December 2000

Report 00.903

File: E/6/19/2

Resolved

(Cr McDavitt/Cr Bonner)

- (1) *That the report of the meeting of the Passenger Transport Committee held on 14 December 2000, Items Pt 139 to PT 142 and Items PT 145 to PT 149 inclusive, be adopted.*
- (2) *That Item PT 143, Kick Start Funding and Item PT 144, Insight into Next Year's Business Plans will be part of the forthcoming Budgetary process to be considered by the Passenger Transport Committee on 20 February 2001 and subsequently by the Policy and Finance Committee, and policy for these items will be addressed during that process.*

Matters for Consideration

365 Emergency Committee Over Christmas/New Year Holiday Period

Report 01.17

File: E/6/9/2

Resolved

(Chairperson/Cr McQueen)

That the report be received.

366 Wellington Conservation Board Meeting 15 December 2000

Report 01.09

File: E/7/10/7 & E/5/1/54

Resolved

(Cr Laidlaw/Cr Buchanan)

That the report be received.

It was noted by the meeting that the Landcare Committee will consider the Porirua Walkway Plan and its linkages to the WRC network of walks.

367 Use of Official Seal

Report 01.12

File: E/4/2/2

Resolved

(Cr Allen/Cr Turver)

That the report be received.

368 **Question Time**

Sponsorship by CentrePort Ltd

Mr Maguire said that, following further questions by Councillor Gibson and Councillor Shaw he will now circulate a letter dated 31 January 2001 from Mr K Harris, Chief Executive, CentrePort Ltd about organisations sponsored in the past two years.

Mr Maguire said the information was commercially sensitive and requested it be treated as confidential. Mr Maguire said he would also forward further information from CentrePort when it became available.

Tranz Metro

Councillor Gibson asked the following questions:

1. *Which Councillors voted so as to limit the Council's intentions re Tranz Metro to the 'establishment' of "a joint venture limited liability company on a 50/50 partnership basis?" (See page one of Mr Howard Stone's explanatory document dated 26/01/01).*
2. *What was the wording of the Council's resolution limited the Council's intentions in such a way?*
3. *In passing such a resolution and in view of making such a large investment of ratepayers' money, what factors did the Council take into account in deciding not to retain a controlling interest?*

Written answers were circulated (copy attached).

369 **Notices of Motion**

(1) Councillor Shaw

Report 01.18

File: E/5/1/53/E/6/1/3

Public Relations

Resolved

(Cr Shaw/Cr Turver)

That officers' report, in the context of the development of our communications strategy, on the construction of a substantial informative sign on State Highway 1, (to replace the present minimalist statement), and

any other major roads deemed suitable, to announce the presence of our region, and officers consult with the adjacent region and the TA's to see if they wish to participate in a co-operative approach, and produce for Councillors creative ideas on what might be written on such signs."

(2) Councillor Gibson

Report 01.16

File: E/5/1/53/E/6/1/3

A copy of a memorandum from Mr Schollum, Chief Financial Officer, dated 31 January 2001, about taxation deducted from mileage allowances, was circulated.

Councillor Gibson said he did not wish to proceed with this matter.

370 General

Concerning Paragraph PT149 Transmission Gully Funding

Councillor Gibson requested access to the file containing the formal agreement with Transit mentioned in the Council Chairman's letter to the Minister of Transport dated 15 December 2000.

The meeting closed at 11.00am.

CR S A MACASKILL
Chairperson

Date:

Cr Gibson - Questions 1.2.01

Questions

1. *Which Councillors voted so as to limit the Council's intentions, i.e. Tranz Metro to the 'establishment' of "a joint venture limited liability company on a 50/50 partnership basis?" (See page one of Mr Howard Stone's explanatory document dated 26/1/01).*
2. *What was the wording of the Council's resolution limiting the Council's intentions in such a way?*

Answers

Passenger Transport Committee – 1 November

The Public Excluded Minutes of the meeting are attached. These show the Committee's resolution and attendance at that part of the meeting (the relevant minute has subsequently been made public by Council Resolution on 7 December). There is no record of any dissenting votes.

As is clear from the Transport Committee's Resolution, Council has not yet reached any formal decision to make an investment or at what level. The options discussed were set out in Mr Stone's overhead which has been provided to all Councillors and it was clear that he was expected to proceed along the lines of Options 3 and 4.

Council – 7 November

Council resolved to adopt the Report of the Transport Committee meeting. The Public Excluded minutes of that meeting are included in today's Order Paper for confirmation.

Question 3

3. *In passing such a resolution and in view of making such a large investment of ratepayers' money, what factors did the Council take into account in deciding not to retain a controlling interest?*

Answer

In terms of parts 2 and 3 of the Resolution, the matter cannot be **finalised** without Council approval or a legal mandate. The Report following Mr Stone's negotiations will, no doubt, formally discuss the issues you raise.

WELLINGTON SUBURBAN RAIL SYSTEM

OPTIONS

1. **Do nothing and let events unfold (Contract)**
2. **Negotiate a long term arrangement with Tranzrail which will work;**
3. **Buy Tranzrail Wellington Suburban rail operation as a going concern and contract out its operation.**
4. **Form an alliance with a committed rail operator (other than Tranzrail) and jointly purchase 50/50 the existing operation as a going concern.**
5. **Negotiate rail access agreement with Tranzrail and tender out the operations (the Auckland option)**
6. **Work with Government and other stakeholders to acquire the whole of Tranzrail and break out Wellington passenger operation – the remainder to be sold.**

