

2019 A.G.M

Saturday 9 November 2019
at 2.30pm at Thornton's,
194b Quail Lane



RECREATION & CONSERVATION
SOCIETY INCORPORATED

MINUTES

1. **Members Present:** Dave & Anne Hurley, Cliff & Jill McPherson, Gary Cunningham, Mike & Marianne Jepson, David Bassett & Helen McDonald, Craig Forrester, Terry & Isabelle McDell, Bryan & Sandra Clark, Kevin & Julie Eddington, Stewart Becroft, Philip & Karen Thornton, Alan & Gillian Willett, Craig & Lauraine Sloan, Howard & Lyn Johnston, Rosemarie Dunning, Luigi Sussman, Bruce Yang, Craig Stobo, John & Anne Russell, Jeff & Virginia Poole.
2. **Apologies:** Des & Cheryl Moss, Don & Debbie MacKinnon, David & Deirdre Robinson, David & Margaret Gillies, Matthew & Julie Pasley, Alfonso & Belinda Gaerlan, Carole Forrester, Matthew Dunning, Fiona Sussman, the Andrew Family, Ian & Kate Forrester, D'Arcy & Heather Quinn, Gillian Stobo, Adrian & Jess Griffin, Tony Ellis and Bruce Waters.
Moved by Anne Russell, seconded by Craig Forrester and AGREED that apologies be accepted.
3. **Proxies Received:** David & Deirdre Robinson and D'Arcy & Heather Quinn in favour of Kevin Eddington, Tony Ellis in favour of Jeff Poole, Des Moss in favour of Stewart Becroft, Alfonso & Belinda Gaerlan in favour of Bryan Clark
4. In his welcoming comments, President Kevin Eddington welcomed new members Alan & Gillian Willett and noted the departure of long-time owners Peter & Josette Hendriksen and Narelle Smart. Kevin also welcomed Peter Dine and Shahrukh Abdali from Saturn Portfolio, which handles the Society's invested funds.
5. **Society Investments:**
Peter Dine (General Manager) and Shahrukh Abdali (Financial Adviser) from Saturn Portfolio spoke about the Society's Growth Portfolio investment with their company Saturn Portfolio. While the return for the year to 30 June 2019 had been just above the level of Term Deposits, this was a reflection of the last quarter of 2018 which had the worst performance since the 2008 Global Financial Crisis. The total valuation as at November 2019 was \$37,810.25, a return of 7.63% per annum (net of fees) since the investment was made in August 2018. But the 12-month return as at 7 November 2019 was 14.92% (net of fees).
6. **Approval of Minutes of 2017/18 AGM:**
Anne Russell moved, Dave Hurley seconded, and it was AGREED that the 2018 AGM Minutes as circulated were an accurate record of that meeting.
7. **Matters Arising from the Minutes of last years AGM:**
 - a. Raymond Bull Road Sealing Proposal – Anne Russell reported that we are inching our way forward. Following a meeting with senior council staff, KDC had agreed to get an engineers' report for Raymond Bull Road. The final number of benefitting titleholders had to be determined before the

proposal is presented. If 75% are supportive the sealing proposal will go before the elected council for approval in February/March 2020. Anne said that those who choose to pay their contribution through their rates over 10 years would incur an interest rate of 5.99% per annum so it could be better under today's interest rates to take out a personal loan. Kevin Eddington said that Raymond Bull Road users were the first 'cab off the rank' for KDC's new Community Rooding Policy with other areas interested. If we do not act decisively, we will go to the back of the queue.

- b. Farm Sea Wall Restoration – Lyn Johnston acknowledged the role of farm lessees Karen & Bruce Woolley in carrying out the project and said NRC Compliance staff had been very impressed with the outcome. Continued planting of marram grass, ice plant etc along the wall was required and she encouraged all owners to participate in this. The proposed removal of trees at the northern end of the sea wall was queried. Lyn said the idea was to remove the flame trees and large acacia trees and leave only the Pohutukawas, so that it would be eventually possible to walk the length of the wall.
- c. Tern Point Security Update – A wide range of views on the suggestions made in the circulated paper were received. The magnitude of the problem was queried – Kevin Eddington said the current level of construction projects was probably a factor. A unique gate code for each construction project was suggested rather than the monthly code approach, also the possibility of access codes that only worked Monday to Friday, or at certain hours. Bryan Clark explained the various access options and said he was not aware of time-limited options. He thought the administrative overheads would be an issue. It was suggested that Tern Point investigate the availability of systems with this capability. The manner in which people are asked as to their identity seems to be a factor in peoples' attitudes to security. Stewart Becroft felt there was an onerous and overbearing environment. Bryan explained the working of the gate Security Camera and the problems with storage of video that were now being resolved locally. Howard Johnston moved, and Mike Jepson seconded, and it was AGREED that the Committee make further decisions on security as circumstances arise, taking into account the diverse AGM feedback.
ACTION: Committee
- d) Investigation on Options to Address Loss of Sand on estuary frontage. Craig Forrester spoke on his experiences as a surveyor. He said work above the high tide mark did not require a resource consent and he supported Lyn Johnston's work to extend the sea wall idea north to protect our estuary frontage. Howard Johnston noted it was important to not breach the Conservation Covenant requirements.
- e) Progressive Dinner Proposal: Anne Russell advised that she had only one response to her suggestion at the last AGM so had dropped the idea due lack of interest.
- f) Action on Boat Ramp Usage Concerns: Covered under Item 10 below.
- g) Long Term Strategic Plan Suggestion: Kevin Eddington advised that there had been no feedback or progress on this suggestion and in view of all the other projects on the go at present, it hadn't been a Committee focus to date. So, the matter is in abeyance for now.

8. **President's Report**

Anne Russell moved, Craig Stobo seconded, and it was AGREED that the pre-circulated report be adopted.

9. Approval of 2018/19 Annual Accounts

In discussion, Craig Stobo questioned the implications for the Society of the increasing tax losses (\$719,984 as at 30 June 2019) . While not impacting the accounts, after discussion including comments by Mike Jepson, it was agreed to ask Kevin Raven again for his views on this. **ACTION: Manager**
Craig Stobo moved, Craig Sloan seconded, and the meeting AGREED that the Annual Accounts be adopted.

10. Tern Point Regulations & Rule Change Proposal

After background comments from Howard Johnston in which he explained that the Working Group from last year's AGM looking at controlling boat ramp usage had opted for a wider approach that used the power available to the Committee under the Society's rules to make or rescind regulations regarding the common areas. Thus, the road regulations also covers road speed limits and use of the road by pedestrians and animals. The added words require that a majority of owners attending a general meeting approve the Committee's actions. Moved Stewart Becroft, seconded Rosemarie Dunning and AGREED that the wording of Society rule 24.1 be amended to read:
*"The Committee may from time to time **with the approval of a majority vote at a General Meeting of the Society** make amend or rescind regulations not inconsistent with these rules and without limiting the generality of the foregoing adopt and publish rules and regulations governing the use of the common area and the facilities and amenities over which the Society has jurisdiction and the personal conduct of members and their guests in relation thereto and to establish penalties for breach thereof."*

Manager will submit change to Companies Office. **ACTION: Manager**

11. Property Group Update

Lyn Johnston spoke briefly to the circulated report, focussing on the new project looking at Tern Point's estuary frontage from Thorntons along to Dunnings because of the ongoing erosion of the foreshore strip. She said that a project group had been established with herself and Kevin Eddington from the Property Group working to prepare a Resource Consent application. A meeting had been held with the 4 affected landowners to discuss the implications of the project. \$7000 has been budgeted to start the process in this financial year. The key is to get the coastal slope right, and the sand held by Spinifex and Pingao grasses. Rock groynes are a possibility that will be looked at by Hawthorne Geddes coastal consultant James Blackburn. A Resource consent is required for any activity below Mean High Water Springs. Lyn said there was useful background information available at:

www.coastalrestorationtrust.org.nz/site/assets/files/1185/2.2_storm_cut_erosion_2011.pdf

www.coastalrestorationtrust.org.nz/site/assets/files/1185/2.3_shoreline_changes.pdf

Craig Stobo commended the Property Group for its work engaging with landowners who wished to undertake work in adjacent Common Land. Kevin Eddington said that, as a result of the Property Group's work, we now have a far better understanding of the tasks needed in Common Areas and priorities can be set and budgeted for. The original 1999 Boffa Miskell "Conservation Area Management Plan" set a blueprint for what was required in the 'conservation areas, but in most areas, it has been a long time since serious attention has been given by the Society.

Recent changes to the Farm Lease were clarified. Extending the lease to a 3-year term means the lessee will commit more capital into spraying, planting and pasture improvement. An owner asked if more attention could be given to spraying gorse.

ACTION: Property Group

Responsibility for management of the common land bank below Jepsons and Cunninghams was questioned. Lyn Johnston estimated that landowners would have privately spent over \$20,000 over the past 18 months to resolve issues on common land not being addressed by the Committee or Property Group. Expenditure on the Olive Grove was clarified – this was for heavy topping of most trees in the grove.

Lyn concluded that she was stepping back from her facilitation role on the Property Group but would stay involved in the projects she was currently committed to. She was applauded for her contribution to the community.

12. Discussion & Approval of 2019/20 Annual Levy

Kevin Eddington introduced the proposal that this year's levy be \$2200, an increase of \$500 over the last annual levy. The Committee's goal was to avoid the need for additional levies for special projects as they came up. He explained Mike Jepson's new 'financial controller' role with oversight of the annual budget, whereby he will be consulted on any proposed project expenditure as to its impact on the overall budget. Mike said the intention was to budget for a small surplus that could potentially be accumulated. The Sea Wall Repairs had cost \$8000 more than collected by the Special Levy, but the extra cost had been covered by accumulated funds. It was agreed as important to keep owners appraised of projects as they got underway. An owner asked for an assurance that no special levies would be raised for a certain period. Mike declined to do so and Kevin gave the physical state of the Tern Point Gate as an example of where additional expenditure might be required at short notice in the future.

Moved John Russell, seconded Craig Forrester and AGREED that the Annual Levy for 2019/20 be set at \$2200. As owners have already paid a first instalment of \$850 for 2019/20, the balance to be invoiced in January 2020 will be \$1350.

13. Discussion & Approval of 2019/20 Draft Operating Budget

There being no discussion, Craig Stobo moved, Anne Russell seconded, and it was AGREED that the 2019/20 Budget as circulated be approved.

14. Election of 2019/20 Committee

President Kevin Eddington advised that both Dave Hurley and Terry McDell were mid-term on their committee membership while he was retiring after serving as President for 3 years, and Anne Russell was stepping down at the completion of her 2-year term.

Nominations were then called for the vacant positions of president and a committee member. Anne Russell moved Howard Johnston for president, seconded by Sandra Clark. There being no further nominations, Howard was duly declared elected.

Nominations for the vacant committee role were then called for. Dave Hurley nominated Craig Forrester for the position, and this was seconded by Anne Russell. With no further nominations received, Craig was declared elected.

15. Appointment of Reviewing Accountant

Craig Stobo moved that Kevin Raven, who has handled the accounts and tax affairs of the Society since the very beginning of Tern Point, be reappointed as our reviewing accountant. This was seconded by Howard Johnston and AGREED by the meeting. Bryan Clark and Mike Jepson said their dealings with Kevin were excellent.

16. General Business

- a) Olive Grove Review: Anne Russell's discussion paper had been precirculated. Craig Forrester asked if it was possible to sub-contract the olive harvesting to a group like the local school which could sell the oil at say \$18 per bottle as a fundraiser and return \$10 per bottle to Tern Point, without any physical involvement on our part? Craig Stobo said he had tried a commercial approach about 6 years ago by trying to place our oil in a local grocery store but without market recognition and an 'extra virgin' brand, selling within a school situation might be an option. Kevin Eddington explained there was a Tern Point community demand for up to 500 bottles a year, beyond which no effort was needed. Harvesting was very much a social occasion as well as a practical picking exercise. The troubled state of the European olive oil crop due to a pest was suggested as providing an opportunity for the future value of our grove. John Russell explained the reasons for the vigorous pruning that had recently been undertaken. Dave Bassett moved and Lyn Johnston seconded, and it was AGREED that a working group be established to prepare and submit a plan for the Olive Grove to the Committee. This could include a review of how many trees were required. Rosemarie Dunning asked if the cost-effectiveness of the grove could be considered by the sub-committee. Dave Bassett, Helen McDonald and Jill McPherson offered to join John & Anne Russell in forming the group.

ACTION: Working Group

- b) Proposed Increase in 'Construction Bond': Kevin Eddington spoke to a proposal that the Construction Bond set for any construction project within Tern Point be raised from the current \$500 to \$2000, refundable on completion of the project. He said that our common land is under much more pressure from increased construction activity. The current bond had been introduced about 18 years ago. Luigi Sussman suggested that part of the bond be non-refundable and earmarked as a contribution to common land development. Howard Johnston explained that the Society's regulations allowed for the recovery of any damages done by a construction project. A number of scenarios were discussed for when the bond and any non-refundable portion should apply, and it was agreed that the proposal go back to the Committee for further consideration. Craig Stobo questioned whether builders always carried liability insurance that could be applied to remedying any damage to common land. It was agreed that the Committee also look into this.

ACTION: Committee

- c) Request from Department of Conservation: The proposal having been circulated, discussion centred around whether a rental should be applied, and Tern Point's role in supporting conservation efforts. Several owners expressed their displeasure with DOC, including the conservation land taken around Rick Kane's house, possible damage to the olive grove during the siting of the container, and DOC's wish to access Tern Point water for cleaning of the vehicle. Another owner noted DOC are our biggest neighbour and maintaining a good relationship was important. The container idea was part of DOC's increased efforts to support the survival of the NZ Fairy Tern. Moved Rosemarie Dunning, seconded Craig Stobo and CARRIED with one opposing vote, that approval be given for DOC to place a container in Tern Point and this arrangement to be reviewed in March. **ACTION: Manager**
- d) Fire Truck Proposal: A small fire on a Tern Point construction site during the year was highlighted. Bryan Clark reviewed discussions with the new local fire chief in the aftermath of the fires lit on the estuary foreshore. Craig Stobo said it was important that individual landowners reviewed their own preparedness for a fire situation. It was felt that there were insufficient

permanent residents for a successful in-house fire truck operation and the proposal did not proceed.

- e) Tall Trees: John Russell said that his paper was an attempt to get a review of the issue of over-height trees and the responsibility of the Committee. He highlighted the Code of Conduct published in 2003 which covered the issue and the relevant covenant. Apart from the obstructing of views, tall trees also posed health and safety risks and the cost to members if injury occurred. The Committee's responsibility to enforce clause 1.2.9 of the Land Covenants was the same as its obligations to maintain all other covenants. All landowners were bound to abide by the covenants when they purchased property in Tern Point. Jeff Poole supported the paper. He said he had bought his property particularly for its unobstructed views over the estuary, but trees had since grown in front. He asked that the Committee take its responsibility seriously so that he didn't need to be in conflict with his neighbour. Craig Stobo said that he had received no documentation about trees when purchasing his property. He noted the 2016 working group review of the rules and item 12 in the conclusions of that review concluded that in the absence of agreement between parties the Committee is unlikely to take action unless the impairment is significant. Trees can provide shelter and privacy - one man's view is another man's privacy. He and Gillian respectfully wished to have the quiet enjoyment of their private property rights and enjoy the different values they attach to their trees. John Russell said that half their view was blocked by a wall of trees. The trees had grown from 4-5 metres high at his time of purchase to now being 20+ metres high. The impact of views on property values was noted. An independent arbitrator was suggested, but the question would be who pays for the service. Howard Johnston said that a mediation process had been proposed by the 2016 working group but, again, the issue was who will pay for the process. It was commonly used as a legal process and typically the cost of mediation was shared between the parties – but far more preferable than a High Court process over several years. John Russell asked if the Committee had concerns about the health and safety implications of 20+ metre high trees along the roadside. A member said it was a really sad situation and she asked that owners re-engage in discussion and consider empathy for their neighbours. Any legal path would be so destructive for the community. Craig Forrester spoke of his professional experiences with subdivisions and covenants put in place by developers. When the developer leaves, responsibility for enforcing the covenants transfers to all owners collectively. But if an issue only affected a few owners, it had to be resolved by those people. Howard Johnston confirmed that the Committee has a role to enforce core covenants on behalf of all landowners, but so do individual owners. He proposed that the incoming Committee look at the situation again and report back within a reasonable time.
- ACTION: Committee**
- f) Tern Point Defibrillator Replacement: Bryan Clark said the defibrillator purchased in 2011 has failed due to damage from ant infestations. We currently have a loaned device from the Red Cross. An identical replacement would cost \$2525 plus delivery (about \$65 per member), but Red Cross recommend we purchase the upgraded G5 model which is significantly more dustproof and waterproof. At \$2875 plus delivery (\$74 per member) he recommended we get this replacement. He also said that John & Anne Russell had proposed hosting the unit in a more public

roadside location. It was agreed to fund the replacement AED from the projected budget surplus.

ACTION: Manager

- g) Access to Tern Point Documentation: Luigi Sussman said he was able to access his tramping club records online through Google Docs and asked if Tern Point could make relevant documents accessible by that method. Bryan Clark advised that a Tern Point website domain had been registered and Marianne Jepson was preparing an owners handbook that would be stored online. The suggestion of a Tern Point 'Facebook page' did not find favour. In the absence of volunteers to work on a website, there was support for investigating the cost to have a website built for us.

ACTION: Committee

- h) Other Business: Mike Jepson proposed a vote of thanks to Kevin Eddington for his time as President. Thanks were also extended to Anne Russell who was stepping down from the Committee. Incoming President Howard Johnston noted Kevin's support for the Property Group and he intended to follow Kevin's lead in getting as many people as possible involved in activities that benefit the Tern Point community as a whole. An absent member had asked about the possibility of members joining future meetings by conference call, Skype etc. The suggestion was met with noisy opposition. Finally, the latest award of the Tern Point Estuary Fishing Trophy to Qing Wang (Lot 24) was announced.

17. **CONCLUSION**: Outgoing chair Kevin closed the meeting by saying that "while we bemoan the next generation's sense of entitlement, that sense of entitlement is here in spades in this community. It impacts on people's actions and opinions extensively, and we've seen some of this today." He asked that when there are issues around Tern Point, think what is best for Tern Point. "It may not be best for yourself, but we can't all have our own way." We should put Tern Point's interests first.

The meeting was formally closed at 5.23pm with thanks to everyone for their participation and to hosts Philip & Karen Thornton for the use of their facility.