



**Minutes of Te Runanga O NgaiTakoto
Board of Trustees Meeting
Pioke House, Kaitaia, Friday 26 August 2016, 2pm**

Attendees:

Cyril Cook, Kaio Rivers, Wallace Rivers, Dion Hobson, Jasmine Marino, Robert Tamiti, Trudy Brown-Patuwairua (arrived 5pm). Rangitane Marsden, Awhirangi Marsden, Kaio Hooper, Lau'rell Pratt.

Karakia: Kaio Rivers

Mihi: Dion Hobson

Meeting Commenced: 2:40pm

Apologies:

Malcolm travelling, so verbal update from Rangitane, and report to follow.

Chair Opened meeting at 2:40pm

Thanks to Rangitane and Operations team for presenting documents for the hui.

Resolution

Receive the Minutes of the last Te Runanga o NgaiTakoto Board meeting, 13 May 2016 as circulated with the board papers. **Accept the Minutes** as a true and accurate account of the meeting.

Moved: Jasmine Marino

Seconded: Cyril Cook

Any Matters arising from the meeting of the 13 May 2016?

Outstanding issue with land title document signatures in regards to Mangu, and the seeking of a legal position by OTS that his initials may not be necessary on a couple of title transfer documents that were missing his initialing. This will be resolved in the next period once OTS have sought a legal clarification through the Crown Law office.

Future trustee signings of documents will be undertaken by the custodial trustees, Toko Kapea and Craig Wells, thereby avoiding the need for Board Trustee signatures.

CEO commenced that the format of today's board meeting will follow a similar structure to last meetings, with CEO reading through his Management Report and other relevant documents circulated with agenda. The CEO Management Report

covers the last three months of work progress activity / developments, from 13th May – 26th August 2016.

Work Task One - Crown:

Aupouri Forest Working Party Update –

- Progressing transfer of land to a proposed future collective iwi Forestry Management Structure.
- Commissioned an Indufor report.
- Agreement needed with Summit Forests Ltd to replant the forest by October 2016.

Concerns are expressed about the iwi collective making decisions in regards to the land and what implications that may have for NgaiTakoto, especially in regards to Te Rarawa Runanga claims to Hukatere.

Submission made by NgaiTakoto to other iwi within the working group about needing to start the mana whenua process in order to resolve the land ownership issue. Reluctance on the part of other iwi to undertake this process.

Summit Forests Ltd:

- Summit Forests Ltd wants to partner with Te Hiku Iwi.
- Summit Forests Ltd control 80% of domestic market in Northland and will partner into the wider Tai Tokerau Maori Forestry strategy as well.
- Summit Forests Ltd plan to re-plant on October 2016.

Chair – how long have we got to make decision on replanting?

Rangitane: By 30th September 2016. Question is can we afford to plant? Lease rental funds \$\$ that are being returned to iwi, do we put some portion of that financial return back into planting?

CEO: Future distribution of forest lease land rentals are to be on a percentage basis. (20% NgaiTakoto) There is a need to consider the future ownership of the land, as Iwi will seek to also own the trees. If the future forest is worth \$120M whom ever owns the land and trees will reap the financial returns that come from that business end. This needs serious consideration, hence the importance of us completing the mana whenua process sooner rather than later as otherwise it will be a legacy left for our future NgaiTakoto generations to sort. Hive placement on land is an example of Summit Forests Ltd understanding that negotiations around the hives are to be had with the specific individual iwi.

Takahue Forest is in sole ownership with Te Rarawa and was removed out of the total Aupouri Forest Settlement.

Rangitane to email a report of the outcomes following the intended meeting with Summit Forests Ltd.

Te Oneroa Beach Board:

The Te Oneroa Beach Board is a Treaty Settlement mechanism - Not a Standing Council or Board of the Councils, as being interpreted.

NgaiTakoto are happy to work with others (councils, community), but will not be working according to the bureaucracies' of council. General public values and Maori

values are very different over the perspectives of the beach and the outcomes must reflect those sought by the Treaty Negotiations.

Beach Technical Working Party does not currently include any Ngāi Takoto, Ngati Kuri, or Ngati Kahu representation but has advanced on plans and frameworks that have not had sufficient iwi input. CEO has asked for the Beach Board kaupapa to be taken back to the Environmental group under Te Kupenga. It cannot be left in the hands of council, if the approach does not change, we will seek to withdraw from the Board.

We are facing similar issues with the Te Hiku Conservation Board. It has to reflect our Treaty Settlement outcomes. We do not need these boards to plan our environmental space; we are happy to work with them (community) but it is not their place to direct, or drive, Iwi responsibilities. ie. (Iwi and DOC, not, DOC and community).

Treaty Settlement Land Title Transfers.

Custodial Trustees Role discussed and agreed that future signings will be done via Toko Kapea and Craig Wells, on behalf of the Te Runanga Trustees.

FNDC – Negotiations with the Councils. CEO meet with Community Board, following a meeting with the FNDC CEO; Conversation still has to be forced through council and it seems no one is prepared to progress this. Six years on, this matter still has not moved.

Airport Lease: FNDC are keen on renewing lease, we have started conversations with councils and LINZ (Crown) last year, which has not progressed. Market valuation has risen from \$1/year to \$37,000. We could consider a temporary lease arrangement for a fixed period while we negotiate the return of the property in 2017. CEO requires meeting with parties (Council, LINZ, Ngati Kahu, Ngāi Takoto).

Work Task 2: PSGE

My Fiduciary 360, Is on hold for the next 6-8months as they have completed their initial report, but will wait on our progression of the strategic direction for the next 20 years. Their key role was to provide an investment overview and set of policies that drive any future Board investment intentions within that strategy.

Management Agreement between Commercial entity (Pioke Corporate) and Governance (TRONT Board) requires clarity of roles of these entities. In particular Pioke Corporate are seen to support the Board with financial information and investment advice, but are not mandated to drive the financial aspects for the iwi as a stand alone entity, but work with the Board members to realise their aspirations. The intended Management Agreement between Board and Pioke Corporate will connect up with our 2040 Strategic Plan.

PSGE Transition:

Discussion as to where progress is at with our transition of assets and establishment of our Post Settlement Governance Entity (PSGE). We are about 80% complete, but we have had delays with Crown transfers, in particular with legislation not passing until only until December 2015. We have our larger and complex assets to bed down, such as Sweetwater Farm, Aupouri/Te Hiku Forest, and our properties with Commercial Activities. Ratification was planned for November this year (2016), but there are risks to the future state of the settlement and operating environment if we hand over the job only 80% complete. The board discussed recommendation that we

should continue the transfer and bedding down of assets over the next 12 months, and complete ratification in November 2017.

Chairman; what are Crown obligations?

CEO: The goal is that we get things right from the start otherwise it's a huge risk to the Iwi if we lose it all at this stage and go to an elections process with our settlement not fully bedded down, which will require us to start all over again.

That's why it's important that we go out to our people with a roadshow update and a discussion on a further 12-month adjournment before we go to a ratification process in November 2017.

Operational Plan is for NgaiTakoto Roadshows in October 2016

Work Task 3: Vision and Purpose

Future Proofing the NgaiTakoto iwi.

Te Ata Hapara 20/20 plan is under a review and a commencement start point to the development of our next 20/40 Strategic plans.

"Future proofing the Iwi" hui were held in March and July 2016 with our Trustees, Pioke Corporate and next generations coming together from across NZ and Australia to learn, share, inform and view our key settlement assets. These were inspiring weekends to scope ideas and thoughts for the future utilisation of our assets and strategic direction for the iwi. CEO will take out the summary reports and present to wider Iwi member audience's to confirm it's the right direction, possibly another roadshow in NZ and Australia over September – October 2016.

Farming strategy was a good start. Our young people are seeking innovative and creative solutions, and benefits for our people, and a better connection to the land. They have the skills, qualifications, and knowledge to bring to the future Board. The developing of a NgaiTakoto 20/40 plan will feed into and drive all our future work task goals, agreements, and plans - ***Future Proofing our Assets and People***. More work on this draft strategy will continue over the next six – eight months.

Work Task 4: Operations

Te Ara Hapara Business Plan;

Current business plan out to November 2016 and we are on track to completing that transition body of work. CEO thanks for the efforts of the staff, working well and progressing through work tasks, and points to the next generation Post PSGE planning out to 2040, which has commenced as per Work Task 3.

Office improvements:

Sliding doors and air conditioning installed to help better manage indoor temperatures. Looking at painting interior of office and we recently have installed a separate power meter with our joint tenants, (Te Rarawa). A further upgrade of Information Technology, Computers / Website and shared networks is planned for installation in October 2016, to better store and save files and connect up staff computers and improve the NgaiTakoto information network.

BNZ Investments:

\$1.3M return this year from Investment portfolio. 10% return over 12months.

Chair: question as to Boards appetite to change the risk portfolio i.e.: do we want to invest in more aggressive fund i.e.: \$1M.

CEO: A portion of cash is held on a shorter-term investment, available for short-term investments for the iwi obligations i.e.: Fonterra Shares, forecasted land purchases etc. We could perhaps review and consider where that money might be redirected. Consider talking to BNZ to advise options for redirected surplus/ profits.

A reminder that current portfolio / investment structure was agreed to remain in place until 2017.

Consider an Investment diversification strategy, with other iwi, Tainui / Ngai Tahu.

CEO to:

1. Scope out potential of surplus and reinvestment.
2. Look at investment outside of ourselves and into that space with iwi connections/ i.e.: Tainui / Ngai Tahu.

TRONT Budget:

This year's 2015/16-budget surplus is approximately some \$300,000k.

Now we are getting the transfer of our assets back from the Crown we have a number of income generating properties coming into our portfolio. Awhirangi and Toko Kapea are working with the property leases and maintenance plans and all current and future rental incomes and operational expenses – (attributed to commercial lease and property), is going into a specific BNZ bank account and finances, will be managed at that point.

CEO also recommends that income should be coming back and into the Runanga from all our assets with commercial activity, not kept within each of the separate business entities. For example: profits from Sweetwater Farm and Aupouri Forestry rentals, end of year ebit etc, as a rule, should come back to the Runanga bank accounts, not staying within each entity's working account.

Resolution

Te Runanga O Ngāi Takoto Board resolves that all future net incomes from Ngai Takoto commercial activities/entities are returned to TRONT administration. This is to be actioned from the Date of Transfer, December 2015.

Moved: Robert Tamiti

Seconded: Cyril Cook

CEO Remuneration:

Chairman raised the issue of CEO remuneration and proposed an increase. CEO voiced that he would prefer that pay be linked to targets and performance measures. Chairman noted the contributions over the last 36 months as being significant and on target to agreed goals as outlined in our Te Ara Hapara Business Plan of 2013 and

prior, the Te Ata Hapara plan, as of 1997- 2000 as evidence of performance being achieved.

Salary base has remained the same as when working for CYFS 2009 - 2016,

Resolution

Te Runanga O NgāiTakoto Board supports a salary rise for our CEO, Rangitane Marsden effective immediately.

Moved: Robert Tamiti

Seconded: Cyril Cook

Work Task 5: Communications

NgaiTakoto Panui:

Planned for distribution to members in September. Australian stories are now to be included in our panui.

Database:

2,283 in database, 360 registrations getting checked, updated and entered with Drew Sloane.

Beneficiary / Member Roadshows:

Planned for October/November to update on Settlement Assets and Ratification.

Further Youth Leadership: discussions planned for late August/September to test the outcomes from the Future leadership weekend in July and draft goals for the start of scoping our 2040 "***Future Proofing the NgaiTakoto Iwi***" strategic plan.

Information Technology:

Backup and Network training for administration staff to take place in October 2016.

Work Task 6: Beneficiaries and Marae

Marae

Things are feeling positive in this space, Board has committed to what we said we would do, and we are doing it. Feedback that CEO is open to receiving budget and plans, but Marae also need to step up as well. Good progress with the Wharemaru rebuild and it will be a good example about how / what can be done with a budget / plan and working together. Reminder to Marae trustees that there is money in Nga Taonga O NgaiTakoto and Marae are entitled to access that fund as well.

Land at Waimanoni. Current owner keen to talk again about a sale of the land (35 acres) back to NgaiTakoto. CEO dispute's land value with current owner. Three options to advance to an agreement have been proposed; 1. Independent Valuation, 2. Find / provide evidence of the \$150,000 "over and above" extra payment, 3. Negotiate an agreed purchase price.

Northland Valuers are currently doing a valuation report on the property. TRONT Board needs to have a future conversation about how we get that land back the criteria on its ownership, and the precedent that it may set for other whanau wanting land returned to them.

Scholarships

Applications have been received and report included as to recommended scholarship payments of \$17,000 for this first half of 2016. We encourage anyone interested in future study to come to, phone Pioke House, to discuss how the Runanga maybe able to assist with applications.

Benefit packs – as detailed in the Management Report and readying now for distribution to members from January 2017. Further developing the role of Pastoral Care Support for Kuia and Kaumatua with Fran and Rapiata Hokianga. These elderly needs, may include glasses, hearing aids, transport etc.

Sponsorship: - With the balance of E Tu Whanau sponsorship funds following their contribution to the NgāiTakoto Festival 2015 we are committing to a number of smaller, local events that have sought need financial assistance. This included the Matariki talent quest (\$1000) held at Te Rangi Aniwaniwa, and the Indigenous Basketball Tournament accommodation, (\$700) at Mahimaru marae.

Work Task 7: Environment

Te Mana O Te Wai (Dune Wetlands) Project

Launch next week with Minister Flavell planting a Pohutukawa tree. CEO still working with working party to reach a two year work study commitment from WINZ for the project, rather than 52 weeks and their usual employment programme criteria. NorthTec presented a good training pathways programme that will run alongside the project.

Kaimaumu Peat Extraction

Resource Consent process for the Resin Wax proposal is underway and should be in the Northland Regional Council system by September. NgāiTakoto supported presentation to NRC for the proposal and talked about the intended future eco-tourism / Environmental opportunities that work in conjunction with the Peat project.

Lake Ngatu drainage still an issue. CEO and Kaio Hooper working on next step for this point of action.

Environmental Plan

Plan in draft form with maps, photo's and material finally coming through. Contribution from council, of about \$30,000 to work towards covering print and production costs, subject to review, and agreement of the plan.

Drone presentation

Kaio Hooper presentation on the merits and benefits of NgāiTakoto environmental purchasing and operating a Drone (flying robot with photo/video capability). Recently TRONT installed a GIS mapping system to it technology toolbox.

The proposal is for an industrial line Drone, for the following purpose: Aerial imagery, surveying, maps, research, understanding our land, river, cultural mapping. Possibilities to contract to other stakeholders – other Iwi, DOC, Councils, Beach Board, Opus, Korowai. Example: swamp kauri, honey hives, orchard placement, forestry, farming applications.

CEO confirmed that this Drone purchase is progressing and we are looking forward to the future of managing and leading our own assets and images/maps, research and information on our NgāiTakoto lands and environs, and not relying on others.

Opus – MPI / NgaiTakoto Water Assessment Project at Kaimaumu.

We have circulated in papers the draft Water Assessment on Kaimaumu in response to the Horticulture application. The report identifies the need to collectivise water take applications. 8 water consent applications have been approved by council to date, but it raises the question, how does NgaiTakoto iwi lead a collective approach to a water take process out at Kaimaumu? Refer to MPI/Opus report.

The question is now are we going into Avocado growing? We were after a joint venture with King Avocado, It is a risky investment to go it alone and requires a big capital spend. It is a further risk with no secure buyer / market to take it to.

Ian Broadhurst has suggested we could do a similar investment on Sweetwater Farms for much less investment (i.e.: farm already flat, irrigation available, etc) instead of Kaimaumu as originally proposed.

The MPI Report confirmed that Kaimaumu was suitable to the Avocado proposal, but we have no great expectations that will happen unless there is a joint-venture partner. We will not consider Avocado orchard on Sweetwater at this time, as this was an opportunity to utilise Mekerene for initial development.

Pipiharauroa Hikoi

Kaumtua / Kuia walk sponsored and supported by NgaiTakoto, Healthy Homes, DoC, at Lake Ngatu September 14 2016. We will be hosting in that space with Shane Jones speaking on behalf of NgaiTakoto. TRONT will support the event. We are finalising panui for the event and will share this early next week to NgaiTakoto whanau and wider Te Hiku.

Work Task 8: Relationship Alliances

Sweetwater Farm Partnership:

Advocating for and assuring that our NgaiTakoto people have access and opportunities to connect to our NgaiTakoto lands. Current Strategic Plan for Sweetwater farm is an example of thinking that is 'business as usual' and not in the post-settlement change space.

We have our own future plan for our lands. So we have asked Landcorp to put their own immediate strategic plans on hold, as we too are developing our own future NgaiTakoto iwi farm strategy that should work in with theirs. Beef strategy is viable in the Dairy Unit 3 area, and so is horticulture. Consideration also needs to be given to NgaiTakoto developing its own specific business specific interests in that area.

Investment request from Sweetwater Management is for Irrigation. Where is the strategy that drives that decision? We have already considered the \$1.2M investment in Fonterra Shares, then Masters Farm Purchase, now an Irrigation investment of \$1.2M+.

Chair: Can we please have an Arial view of irrigation proposal and Identify additional benefits?

(Power Point presentation / discussion undertaken by CEO of the irrigation proposal).

Right people on our Sweetwater Farm Board. Joint Venture with Sweetwater is up for review in 2017/18. We had discussed Murray and Moeki been on the management board. Craig and Heta were to be on governance board, and the "farmers experience" in the management board, but this has not happened. We need to support the Irrigation proposal and securing long term supply of grass/feed

(in the absence of importing Palm Kernel feed), but we also need the right people in the structure to ensure our NgaiTakoto farming interests, remain our priority.

Chair: We need to sort our both structures immediately, Governance and Management. Moeki and Murray should be on this management team.

(Discussions: AgResearch suggests that we should go to a different type of cow that's suitable to both milking and beef. Moeki suggests to bring on the cows as young calves, and grow into them the milking herd overtime and inline with the increased dairy payout forecast).

Summary of outcomes:

- 1) TRONT Prepared to invest in the irrigation strategy. Stage the investment as funding is needed.
- 2) We question why Governance structure is not in place?
- 3) Replace current farm managers (that are accountants, move them to Governance), with our farmers (Murray and Moeki) installed on the Management Board.
- 4) Brief our people to develop and drive the strategic achievements of NgaiTakoto in our farm space. (Without hindering the overall farm operations).

Resolution

Te Runanga O NgaiTakoto Board agrees that the \$300,000 cash surplus on the Sweetwater Farm (our share of \$900K operating surplus, 2015/16 year) is to be our initial investment into the proposed Irrigation System.

Moved: Jasmine Marino

Seconded: Trudy Brown

Mekerene Farms – Hive and Honey placement

Agreement in place with Kings Honey for a hive rental + production bonus for 12 months. Haines Apiaries to stay in the DoC conservation estate area. DOC have been advised in writing that they are not to offer concessions on NgaiTakoto rohe to others outside of ourselves. Rangitane to complete contract draft with Ian Broadhurst.

90-Mile Beach Park:

Insurance assessment completed - \$3M; - \$1.7M valuation price.

Recommend Eddie Marsden to lead our building maintenance programme across our NgaiTakoto settlement asset base.

Building Maintenance programme to be developed for the park.

Kauri logging:

CEO going to signal that NgaiTakoto are going to re-explore Kauri Logging on the Sweetwater farm. Clean up land at Sweetwater, re-pasture and extract kauri logs in the process. Build a competent team with a proposal to work with Te Aupouri and Te Roroa Iwi. Visit with Opus/MPI to Sweetwater farm / Gumdiggers Park this week to discuss the issues of Kauri cultural values. Enhances our land, provides a source of income for reinvestment, we know what the value of that wood is for our people, and we can sustain and manage the extraction process as required.

Te Hiku Iwi Development Trust:

CEO reported on progress in this structure in detail in his management report. \$800,000 from the Crown was initially invested with the establishment of the Te Hiku Social Accord. With the restructuring of Te Hiku Iwi Development Trust and the creation of the Te Kupenga Forum there is a recommendation for those Iwi that had paid into the Accord (excl. Ngati Kuri and Ngati Kahu) to each withdraw their The balance of funds remaining, (approximately \$650,000). Further, \$100,000 is sought from each iwi to invest in the new board (Te Kupenga) set up, and in the appointment of a General Manager position, to Te Kupenga.

Resolution

Te Runanga O NgāiTakoto approval to withdraw the \$650,000 from Te Hiku Iwi Development Trust and return to TRONT.

Moved: Robert Tamiti

Seconded: Cyril Cook

Forestry:

\$130,000 income for rental this year to be paid to the Runanga, further to Work Task 4 resolution, rather than been held with the Forest entity.

National Iwi Chairs:

Tuku Morgan has offered to take us on a joint Iwi business tour – to look at what Iwi / Tainui success looks like when you do it in Waikato / Tainui. TRONT Board, Succession Group, Asset Management Group to attend and look to visit key Tainui assets; Airport, the Base (shopping centre), Port/ Project (\$3-400 mil investment) etc. CEO will advise of date for the potential trip

Conclusion:

Management Report completed.

We are focused on securing up the long-term NgaiTakoto opportunities that come with the transition of our settlement assets.

No further business.

Meeting Closed 6:55pm