

MACKENZIE DISTRICT COUNCIL

MINUTES OF A MEETING OF THE MACKENZIE FORESTRY BOARD HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY, JUNE 10, 2014, AT 9.00 AM

PRESENT:

Cr Graham Smith (Chairman)
Cr Murray Cox
Cr Noel Jackson – from 9.05am

IN ATTENDANCE:

Claire Barlow (Mayor)
Paul Morris (Manager – Finance and Administration)
Wayne Barnett (Chief Executive)
Kevin O’Neil (Forestry Manager)
Arlene Goss (Committee Clerk)

APOLOGIES:

Resolved that an apology be received from Cr Evan Williams and Cr Noel Jackson who apologised for lateness.

Graham Smith/Murray Cox

DECLARATIONS OF INTEREST:

There were no declarations of interest.

VISITORS:

Howard and Sharon Jackson were at the meeting to speak regarding the public excluded item ‘Forestry Block, Corner Clayton and Perry Roads’. The chairman invited them to speak in the public session, with council debate to occur later under public excluded.

The Jacksons have approached the Forestry Board offering to buy the forestry block on the corner of Clayton and Perry Roads, which is bordered on both sides by their farm.

Howard Jackson introduced himself and outlined his existing farming operations.

Cr Jackson joined the meeting at 9.05am.

The chairman said this is freehold land. It is a strategic asset and consequently council couldn’t sell it without some public consultation. The full council would need to make the decision to sell, but the role of the Forestry Board was to recommend to council whether it be sold or not.

Cr Jackson asked what the Jackson's long term plans for the land were. Mr Jackson said it would not be kept as a forestry block. His plan was to irrigate and milk cows on half the land and winter cows on the other half. Irrigation would be by centre pivot.

Cr Cox asked if the Jacksons considered it better to buy the land with the trees on it or for council to remove the trees first. Mr Jackson said this and other issues would need to be worked through.

The Mayor asked if the Jacksons were aware of the changes coming regarding nutrient loading. Mr Jackson said yes and at the moment he has a low nitrogen load on his farm.

The Jacksons are currently farming on both sides of this block with an agreed access through the plantation.

Finance Manager Paul Morris said any sale of a strategic asset is difficult because of consultation process. It would be best to do this process as part of the Long Term Plan. His research on this land shows it is subject to some interests including Mining Act and the Coal Mines Act, but he couldn't find these Acts so assume they have been repealed. This land is also subject to the Climate Change Response Act 2002 so is included in council's carbon credit policy.

The trees are 24 years old and have been valued at \$576,000 today, which is a third of the value if they were fully grown, assuming log prices are the same then as today.

The Jacksons are aware of the need to put this through the Long Term Plan next year and are in agreement on this.

The chairman said the council needs to consider what forestry is worth to the community as a forest and what its worth to the community as cash. Also issues around cutting down trees and climate change.

The chairman thanked the Jacksons for coming to the meeting and for their proposal. The Jacksons left the meeting so a discussion could be held in public excluded.

PUBLIC EXCLUDED:

Resolved that the public, be excluded from the following part of the proceedings of this meeting namely:

1. Discussion of the previous minutes of the Mackenzie Forestry Board, March 20, 2014, taken in public excluded session.
2. Forestry Block, Corner Clayton and Perry Roads.
3. Lease agreement Wreford's Block.
4. Forestry Block, Corner Hamilton and Strathallan Roads.

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
Previous minutes of the Mackenzie Forestry Board, March 20, 2014.	Commercial sensitivity	48(1)(a)(i)
Forestry Block, Corner Clayton and Perry Roads.	Enable commercial negotiations	48(1)(a)(i)
Lease agreement Wreford's Block	Enable commercial negotiations	48(1)(a)(i)
Forestry Block, Corner Hamilton and Strathallan Roads	Enable commercial negotiations	48(1)(a)(i)

This resolution is made in reliance on Section 48(1)(a)(i) 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, 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: *Previous minutes of the Mackenzie Forestry Board under section 7(2)(b)(ii). All other items under section 7(2)(i).*

Murray Cox/Graham Smith

The meeting continued in public session.

MINUTES:

Some corrections to the previous minutes were noted by Forestry Manager Kevin O'Neil.

On page 6 of the agenda, in the top paragraph, the clause that we would pay to fix the fence if trees fall down over it needs to have added that council would only take responsibility for trees going over the fence, not for animals pushing through the fence.

On page 5 of the agenda under the item Maps of Mackenzie Forestry for new Members the following changes are to be made:

Paragraph 3: "...noted that some trees at Twizel are not suitable for anything except firewood." The correct version is "...noted that some trees at Simons Pass are not suitable for anything except firewood, namely *Muricata*."

Paragraph 3: "The next stream of income would be pruning Corsican Pine..." The correct version is "The next stream of income would be thinning Corsican Pine."

Paragraph 5: "It received some wind damage a few years ago and was thinned out." The correct version is "It received some wind damage a few years ago and was milled and replanted."

Resolved that the minutes of the meeting of the Mackenzie Forestry Board held on March 20, 2014, including such parts as were taken with the public excluded, be confirmed and adopted as the correct record of the meeting subject to the changes noted above.

Graham Smith/Murray Cox

MATTERS ARISING:

Cr Smith has spoken to IT Manager Stephen Barlow regarding maps for the forestry board members and has not seen these yet.

Regarding the milling of Forresters Block, this has not happened yet due to difficulties with Alpine Energy. The chairman is disappointed about this. Now the ground is wet and the adjoining property has been sold. Kevin O'Neill said his dealings on this matter are noted in his report to the board.

The chairman has not seen a lease for Wreford Block yet. He would like to settle this lease before this is re-planted. Spraying has not occurred due to bad weather. However, the fence has been stock proofed.

REPORTS:

FORESTRY MANAGERS REPORT TO DECEMBER, 2013:

The Forestry Manager went through his report with the board.

FINANCE MANAGERS REPORT:

The Finance Manager asked for any questions. The planting and milling costs are above budget because council didn't anticipate winds blowing over trees that then needed to be milled and re planted. The figures look good. Council sits in credit with its forestry. Cr Cox asked whether wind damage is a risk that can be insured. The only insurance we have is for fire. Wind is considered an act of God.

Resolved that the report be received.

Graham Smith/Murray Cox

THE CHAIRMAN DECLARED THE MEETING CLOSED AT 10.00am

CHAIRMAN: _____

DATE: _____