

## **MACKENZIE DISTRICT COUNCIL**

### **MINUTES OF AN EXTRAORDINARY MEETING OF THE MACKENZIE DISTRICT COUNCIL HELD AT THE COUNCIL CHAMBERS IN FAIRLIE ON THURSDAY, APRIL 16, 2015, AT 11AM**

#### **PRESENT:**

Claire Barlow (Mayor)  
Cr Graham Smith  
Cr Murray Cox  
Cr James Leslie  
Cr Russell Armstrong  
Cr Noel Jackson  
Cr Evan Williams

#### **IN ATTENDANCE:**

Bryan Cadogan (Mayor of Clutha District)  
Wayne Barnett (Chief Executive Officer)  
Paul Morris (Finance manager)  
Arlene Goss (Long Term Plan project)  
Toni Morrison (Senior planner)  
Reporter from the Timaru Herald

#### **OPENING:**

The Mayor welcomed everyone to the meeting. She introduced the Mayor of Clutha, Bryan Cadogan, who was observing. He offered to speak to councillors following the meeting about the work of the Mayor's Taskforce.

#### **APOLOGIES:**

There were no apologies.

#### **DECLARATIONS OF INTEREST:**

There were no declarations of interest.

#### **LONG TERM PLAN SUPPORTING INFORMATION:**

The purpose of this report was to provide a number of updated supporting reports for the Council's Long Term Plan 2015/2025 and Consultation Document for adoption.

Paul Morris spoke regarding the Draft Investment Policy. He said changes have been made in the area of cash investments council can make. Council was looking at considering a lower credit rating for some investments. The bond market has been static and there is a lot of cash sitting in term deposits.

Higher returns can be earned if Council changes its investment policy to a triple B. This would allow Council to invest in power companies and banks. Cr Smith said Council needs to have a mix, cannot put all the money into the riskier investments.

Paul Morris said the limits on the table have been advised to us by Bancorp. It's based on our previous experience and what other councils are doing. Cr Leslie asked about the ability for council to gift money to community projects. Paul Morris explained that Council has the ability to set property rentals according to the use of the land and assist in this way. Council could use the land subdivision reserve to grant money for the purpose of playgrounds.

The Mayor asked regarding the winding up of Mackenzie Holdings. This is not something that needs to be consulted on and can be wound up.

Regarding the 30 Year Infrastructure Strategy, Cr Leslie said he was not happy with the 3 Waters component of this strategy. He would like to register his opposition to page 266, or section 3.7.1. He asked for it to be minuted that he was generally happy with the content but had concerns about the issue of amalgamation that he has previously voiced at an earlier meeting. Cr Armstrong also asked that his concern about this issue be noted in the minutes.

Toni Morrison raised the question of whether the 30 Year Infrastructure Strategy should be adopted at this meeting, given that changes would need to be made to reflect a new situation with NZTA funding that Council had only received notice of that morning. It was agreed that the 30 Year Infrastructure Strategy and Transportation AMP would not be adopted at this meeting, but would come back to a later meeting with those changes reflected.

Resolved:

That the report be received.

**Graham Smith/Russell Armstrong**

That the draft Investment Policy be adopted by Council.

**James Leslie/Evan Williams**

That the Corporate Services and Governance Activity Management Plan be adopted by Council as supporting information for the Consultation Document and Long Term Plan.

**Graham Smith/Murray Cox**

That the following updated Activity Management Plans be adopted by Council as supporting information for the Consultation Document and Long Term Plan:

- a) Community and Townships Activity Management Plan
  - b) Regulatory Services Activity Management Plan
- Evan Williams/Russell Armstrong**

That the updated Infrastructure Strategy and Transportation Activity Management Plan be brought back to Council at a later meeting to be adopted.

**Russell Armstrong/James Leslie**

### **RESOLUTIONS TO FINALISE THE FIXED AND VARIABLE RATES IN THE LONG TERM PLAN:**

As councillors had been unable to do a workshop on this topic before the meeting it was agreed that this subject be postponed to a future meeting.

### **RESOLUTIONS TO CHANGE HOW TOURISM, ECONOMIC DEVELOPMENT AND ALPS2OCEAN ARE RATED:**

Paul Morris explained that Council is looking to introduce three new rates in each of these areas. He went through a break down of each rate and what it involves.

Discussion was held on each rate and councillors debated the merits of spreading the costs of Alps2Ocean across the whole district, or limiting this rate to people in the Pukaki Ward. Crs Leslie and Armstrong were in favour of restricting this rate to the Pukaki Ward only. The Mayor spoke in favour of Alps2Ocean being rated for across the district and councillors debated this issue.

#### Resolved:

That Council changes the way it rates for tourism promotion.

**Murray Cox/Evan Williams**

That 10 percent of the costs of tourism promotion be met by a fixed charge across the district.

**Murray Cox/Evan Williams**

That 30 percent of the costs of tourism promotion be broken down into two components – a \$100 fixed charge on industrial ratepayers, with the remaining amount to be charged to tourism businesses based on capital value.

**Murray Cox/Evan Williams**

That 60 percent of the costs of tourism promotion be met by commercial accommodation providers, with a 60 percent differential on secondary accommodation providers to recognise that they live in the house and the primary use of their property is not accommodation.

**Murray Cox/Evan Williams**

That Council changes the way it rates for economic development.

**Murray Cox/Graham Smith**

That a fixed charge of 10% of the total rate requirement, or \$10, whichever is higher, be charged across the district for economic development.

**Murray Cox/Evan Williams**

That 90 percent of the costs of economic development be met by commercial and industrial properties based on capital value.

**Murray Cox/Evan Williams**

That Council changes the way it rates for Alps2Ocean.

**Claire Barlow/Murray Cox**

That \$50,000 of Alps2Ocean costs be charged across the district through the general rate.

**Claire Barlow/Murray Cox**

That all ratepayers in the district be charged a fixed charge of \$25.11 to pay for the balance of Alps2Ocean.

**Claire Barlow/Murray Cox**

(Crs Leslie and Armstrong voted against this resolution. The Mayor and Crs Smith, Williams, Cox, Jackson voted in favour of this resolution and it was carried by a majority vote.)

**THE MAYOR DECLARED THE MEETING CLOSED AT 11.49AM**

**MAYOR:** \_\_\_\_\_

**DATE:** \_\_\_\_\_