

MACKENZIE DISTRICT COUNCIL

MINUTES OF A MEETING OF THE MACKENZIE DISTRICT COUNCIL HELD AT THE TWIZEL EVENTS CENTRE, TWIZEL, ON TUESDAY SEPTEMBER 16, 2014, AT 9.30AM

PRESENT:

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

IN ATTENDANCE:

Wayne Barnett (Chief Executive Officer)
Paul Morris (Finance and Administration Manager)
Garth Nixon (Community Facilities Manager)
Geoff Horler (Utilities Manager)
Arlene Goss (Committee Clerk)
Jack Montgomerie from the Timaru Herald
12 members of the public

OPENING:

The Mayor welcomed everyone to the meeting.

APOLOGIES:

An apology was received from Cr Noel Jackson.

Graham Smith/Evan Williams

DECLARATIONS OF INTEREST:

The Mayor said Cr Russell Armstrong has a conflict of interest on the item 'Land Sale Twizel' and asked the chief executive to explain the rules around conflicts of interest as outlined in the Local Authorities Members Interests Act 1968. The Act states that members are unable to take part in decision making when they have a pecuniary interest, or an interest above that of an ordinary ratepayer.

BEREAVEMENTS:

The Mayor noted the following bereavements:

- Cornelis Johannes Kruishoop, died August 3, husband of May, late of Twizel.
- Natalie Steel, died August 6, husband of Jack, late of Fairlie.

- Robyn Evelyn Anderson, died August 16, wife of Ian Anderson, sister of Cr Evan Williams and David Williams, late of Fairlie.
- Shirley Dawn Lane, died August 21, wife of Ralph Lane, late of Fairlie.
- Averil Mary Demetriades, died August 22, mother of Demeter and Andrew, late of Timaru.
- Evelyn Joan Neill, died September 2, mother of Jo and Bill Rowland, and John Neill, late of Fairlie.

A moment of silence was observed.

ORDER OF BUSINESS:

The Mayor changed the order of items on the agenda so the item 'Land Sale Twizel' was brought forward for the convenience of members of the public who were present to listen to the debate.

LAND SALE TWIZEL:

The purpose of this report was to enable Council to consider approval or rejectin of concept plans provided by Meridian Energy Ltd in relation to the proposed land sale at Twizel.

The Mayor asked the Chief Executive to speak to his report. The history is well known. The recommendations reflect the contract that has been agreed between the council and Meridian Energy. This is conditional on the sale and purchase agreement being confirmed by council. The council resolved to delegate the authority to sign off the statutory requirement to the Mayor. The administrative conditions are being checked by APL who specialise in property development. They will report back next week but this is an administrative matter and does not prevent a decision being made at the meeting.

The chief executive went through the recommendations in the report. The valuation has been obtained and is a non contentious matter. The ability of council to accept or reject the concept design is very wide and this gives councillors the option to instruct staff to go back to Meridian.

Cr Leslie raised a point of order. He asked if by proceeding with the recommendations the council was acting illegally or improperly. He tabled the document 'Twizel – The Future Starts Today' and said this report was contradicted by the proposal before council. He believed there were two reports in conflict and council needed to decide which one took precedence. This meant the current recommendations could not proceed.

The chief executive said the 'Twizel – The Future Starts Today' report was presented to council in 2004. A number of recommendations in the report were not picked up in Plan Change 15.

Cr Leslie said there had been no formal recognition that the 'Twizel – The Future Starts Today' report was no longer valid and he was concerned this was an illegal process.

The Mayor said her opinion was that reports were written to inform future planning decisions and were not statutory documents, but this needed to be checked by APL. She asked for this request to be recorded in the minutes.

Cr Cox said the 2004 report did not seem to have been picked up by the Twizel Community Board.

Cr Leslie said that if the community board had not considered the report they needed to go back and consider it now.

Cr Cox said if the report had been a living document the community board would have been using it.

Cr Smith said he was involved in the previous process. Twizel had 70km in roadways, greenways and walkways and the land under discussion was not talked about as been a green area in the strategy work he had undertaken with Peter Bell.

The Mayor said it was originally envisioned that people wanted an open view through to the carpark area to indicate the location of the town centre. Since then the community board had not picked this up as part of their greenway strategy and the land had gone through three long term plans and other processes. The issue had only come to the forefront with the offer from Meridian.

She asked if all the councillors were aware of the 2004 document 'Twizel – The Future Starts Today' and the views expressed in it. Councillors confirmed they were aware.

The chief executive said he had set out three options in his current report. One was to not allow any use of the bowling green at all, another was to use it as parking and the third was to go ahead with the proposed deal on the table.

The Mayor asked members of the public if they were aware of the content of the chief executives report. One person said no. The Mayor offered to go over the report to make the public aware of what was being discussed. She then read through the chief executive's report. She then asked each councillor to speak, starting with Cr Leslie.

Cr Leslie said he had undertaken a straw poll to gather the views of the community. This was in the form of a survey advertised on Facebook and published in the Twizel Update. To make it as fair as he could the responses were limited to two per computer. The paper forms were monitored by the Twizel office as to where they came from. He believed the survey was reasonably robust.

Cr Leslie received 415 responses from a population of 1,137. 83.6% were in favour of Meridian moving into town and 10.8% against.

In terms of location:

- 29.6% said they should be on the 'bowling green'.
- 67% said the 'bowling green' should be retained.
- 3.4% said the 'bowling green' should be used for other purposes.

95% of respondents were residents or ratepayers; non residents were 5%.

Cr Leslie said the only other recent example of this sort of activity was when council was proposing to amalgamate the rates. The response from the public on that issue were of the same order, and that resulted in overturning the decision at the time.

The Mayor thanked Cr Leslie. She said Cr Armstrong was not able to join the debate due to a conflict of interest but councillors were aware of his views.

Cr Smith spoke next. He said he remained firmly committed to bringing Meridian to town. It was a wonderful opportunity to bring employment and increased rates for Twizel. He thanked Cr Leslie for his effort on conducting the poll, however he viewed the situation as similar to when trees were removed against public opinion in Twizel and this had proven to be a good decision.

He said council had signed a contract in good faith with Meridian. He was involved with Peter Bell on the greenway strategy and at no point did this area come up as needing to be a passive area. He said the sale had the support of the community board and to oppose the sale at this stage would collapse the confidence of the community board, Meridian and ratepayers. The cost of compromise at \$400,000 to \$500,000 would not be acceptable to the council's finance committee or to ratepayers.

Cr Smith moved that council accept option one and proceed with the sale.

The Mayor called for a seconder for the motion to accept option one, which is recommendation number five in the report. Cr Williams seconded the motion.

Cr Williams said he supported what Cr Smith said. This land had been for sale for a long time and should be sold. It was in the best interests not only of the Twizel community but of the district. He did not want to procrastinate any longer.

Cr Cox said the council wouldn't be acting responsibly if it allowed the purchase of the land to fall over. It had been for sale and council accepted a sale and purchase agreement to maximise it's investments. The cost of not going ahead would be significant to the community in the future. He said councillors had to look to the future and the future benefit to Twizel. He agreed that it would be a better option for the building to be moved to the left. He said he had gone through all the background and could not understand why this was not picked up and part of the earlier planning. Now

there was a significant cost and economic loss to the town if council required that the building be moved. If that money was lost it was a huge amount of money the community could use for other projects around the town. The council had a responsibility to ensure there was a strong economy in Twizel. If there was an easy solution then we would have found it and we haven't.

Cr Cox said he was hoping Meridian would resolve the issue for the community but they were sound on what they wanted. Council had to take a responsible attitude and proceed with the sale.

The Mayor said she had laboured long and hard over this decision. She cared about what the people of Twizel think. She has read every email, the survey results and the Twizel document. It was not an easy decision because either way you could not please everyone. She appreciated Cr Leslie's efforts in trying to bring a robust debate regarding the opposition of the community and she congratulated him for this.

The Mayor then read the following from her notes, which have been copied into these minutes:

“As I think upon this whole issue I am dismayed that Council find themselves in this position.

Meridian consulted directly with Twizel Community Board members before submitting plans along with the Sale & Purchase agreement to the Finance Committee. At any point in that process, the Twizel CB could have highlighted the fact that the bowling-green area was an important green space for the town. They did not.

When the decision came to Council, it ticked all the boxes in relation to zoning, availability and appropriate value of the land. From their perspective, the sale was reasonably straight forward.

The Community Board were given an opportunity to endorse the proposal which they did 3-2. Not a resounding majority but a democratic majority nonetheless.

When it came back to full Council for sign-off we were aware through our Twizel Councillors of some general dissatisfaction in the community but were unable to gauge the extent of this until the conditional S & P agreement was signed and the plans could be released for public feedback.

A public meeting was held with CB members, councillors and some Meridian staff and management in attendance. The overwhelming response from this was that Meridian were wanted in town but that the majority believe that the building should be sited in such a way as to protect the visual amenity that the bowling-green area provides.

The information from that public meeting went back to the Community Board the following Monday, where they endorsed their original decision. At no time did Council put pressure on the TCB members to stick with that decision and, had they voted differently, Council would be in a different position today.

Regardless of these outcomes, the strong message I was getting was to see if Council could negotiate a win/win situation that meant that Meridian came to town (as the CB desired), the bowling-green was preserved (as a majority had indicated they would like) and that the transaction would be cost-neutral to Meridian (as they had a fixed budget for the project).

Along with the Wayne Barnett, I met with Mat Bayliss from Meridian and indicated that there was a preference from the community that the bowling-green space be preserved. Meridian were asked to come back to Council with a figure of what a change to their plans might look like financially. The figure presented to us, taking into account a re-design of the building, extra tree removal and excavation works, subdivision plans, sun and shading design reports and other appropriate expenses, was in excess of \$200k so our CEO sought advice on the robustness of those figures and came back with a more conservative estimate of \$180k.

It is very easy when your only concern over a decision is how **YOU** may feel about it - but from Council's perspective, we have to take into consideration the long term effects of that decision and how major or minor they are when the emotion is removed from the equation. This includes the ongoing relationship with locally elected boards and whether we trust and believe that they represent their local community.

For the pragmatic around the table, it boils down to "Is this a good decision financially and is it legally sound"? For the more passionate it is about "How do I represent the views of my community and yet still get the substantially supported outcome of having Meridian in town"?

Unfortunately the informal survey that Cr. Leslie initiated never asked the question of the community: "If saying 'No' to this sale results in Meridian choosing to locate their building elsewhere, would you still be happy with that"?

In the absence of this information I am left to consider that the overwhelming majority of people said they wanted them in this location, albeit in a different position.

For me, hand on heart, I can say that I have listened to the community's voice, I believed in this so much that I went back to Meridian (after both the public and CB meetings) and indicated the desire of the community to build their offices somewhere else on that same site. The costs that fall out of that (including future loss of land sales for a piece of land that was zoned for commercial development and supported by current and previous TCB's for disposal) are far in excess of what I believe the wider community will find palatable to absorb.

In my view, Council has endeavoured to obtain the best outcome for the community by getting the concept into the public arena, inviting feedback, holding a public meeting, allowing the TCB another opportunity to consider their support and asking Meridian to consider shifting the location of their building on that site.

Neither Meridian nor the TCB support this option, therefore Council now finds itself in the unenviable position of being the final decision maker in a situation that the Twizel community appears quite divided over.

The Sale & Purchase agreement was conditional upon approval of the concept plans for the building. In this, the TCB remain resolute about their decision and Meridian remain resolute on their design.

The Twizel Community Board play a vital role in representing the Twizel Community's views to Council for decision making. There is a great deal of trust and confidence placed in the ability of locally elected members to do this.

In my view – these two organisations are an integral part of the Twizel community and if the protests of the local residents and the Twizel Ward councillors have not managed to persuade either of them to change their position then I believe that is a matter that Twizel people should engage with them about.

From this Council's perspective I believe that we have been through a good process in relation to taking time to allow the community to express their views.

I believe that the building design that Meridian have created is one that will add to the overall appeal of the town.

I believe that the price that has been agreed upon for the land is a fair price.

I believe that if there had been support from the TCB and Meridian, then Council would have negotiated a reasonable deal to re-site the building elsewhere.

I do not support making decisions based on their popularity but on the merits of the information before me and the future harm/benefit to present and future residents of Twizel and this district.

I believe that to undermine a local community board decision that has been through a democratic process sets a dangerous precedent and I would encourage the people of Twizel to engage more proactively with their CB members to ensure that the desires they have for their town are clearly understood.

This has not been an easy decision for me and I have laboured long and hard over it, but at the risk of losing what is a mostly positive benefit for Twizel and a strong and productive relationship with the Twizel Community Board, I vote in favour of the proposed Meridian building going ahead.”

Cr Leslie asked to speak in response. He said the question of what would happen if Meridian didn't come to town was not asked in his survey because Meridian aren't going anywhere. They are coming into town. They can't stay where they are any longer. He believed there would be no loss of a sale and no loss of money into the Mackenzie District.

He said the points raised in favour regarding the rates and money from the sale of the land was not for Twizel's benefit but for Mackenzie's benefit. There would be no growth, they were already here.

He did not know if there would be more jobs or not but more people meant more cars, parking and traffic problems. The fact the land had been for sale for years was an embarrassment to council. For plan change 15 to go ahead against the recommendations of the community meant there were conflicting documents. Somewhere the homework had not been done and we were stuck with the situation.

He estimated that \$4.6 million had been spent on town improvements. Going ahead would make a statement to visitors that this was a Meridian town. The building would obscure the market place. This area was originally planned to be an open entrance. The town was looking good and why spoil that.

He believed this would be a step back to the project days with the town controlled by a hydro generator. The gains were negligible. Talking about the costs to shift the building was a red herring. If Meridian had proceeded to draw plans on the assumption council was going to agree that was their problem, not our problem.

The concept plan had a large number of fish hooks in it. The village centre zone required an 8m setback from roads. How could Meridian put their building up against the road and car park? The traffic plan had not been approved, parking not sorted.

Going ahead would expose the council to further angst and issues. We needed to get Meridian on board and to achieve an amicable result. There was still two weeks left until the September 30 deadline.

Cr Leslie moved an amendment as follows:

That this council resolve to immediately set up a sub-committee (based on a similar sub-committee known as the Tekapo Property Group) to investigate all implications of the proposed land sale to Meridian Energy Ltd for the purpose of providing guidance to the council with respect to the terms and conditions of the Sale and Purchase Agreement with Meridian Energy as referenced in Clause 32.1(a) of that agreement.

The Mayor asked for a seconder. There was no seconder and the motion lapsed.

The chief executive asked to confirm the resolution on the table as previously moved by Cr Smith and seconded by Cr Williams. This resolution was confirmed as:

That Council resolve to accept the purchasers concept design as referred to in Clause 32.1(d)

The Mayor said she wanted to respond. She knows there is other land available to Meridian and this land did not sit in the town centre. The fish

hooks referred to by Cr Leslie she had concerns about. She would expect the building consent process and other processes to raise these and resolve them, and this would have an impact.

The chief executive said the agreement was conditional on Meridian Energy getting a resource consent and if they were not able to the deal would fall over. APL is currently providing advice to the council that all the administration to date was in order.

Resolved:

1. That the report be received.

Graham Smith/Murray Cox

2. That Council resolve to approve the terms and conditions of the Sale & Purchase Agreement with Meridian Energy as referenced in Clause 32.1(a) of that Agreement.

Evan Williams/Graham Smith

Cr Leslie asked for his name to be recorded as voting against this resolution.

3. That Council resolve to delegate approval of all Local Government and other administrative or statutory requirements necessary to prepare the property for sale as referred to in Clause 32.1(b) of the Agreement to the Mayor.

Murray Cox/Graham Smith

Cr Leslie asked for his name to be recorded as voting against this resolution.

4. That Council resolve that it has obtained valuation advice satisfactorily in all respects to support the sale of the property at the price specified in the Agreement as referred to in Clause 32.1(c) of the Agreement.

Graham Smith/Evan Williams

Cr Leslie asked for his name to be recorded as voting against this resolution.

5. That Council resolve to accept the purchasers concept design as referred to in Clause 32.1(d)

Graham Smith/Evan Williams

Cr Leslie asked for his name to be recorded as voting against this resolution.

Eight members of the public left the meeting. Four remained.

MAYOR'S REPORT:

This was the report of Mayoral activities from August 6 to September 15, 2014.

The Mayor noted that the wrong version of her report had been included on the agenda. She asked for the following corrections:

- On August 8 the meeting with the South Canterbury Labour Market Workforce Strategy and Implementation Group was cancelled due to snow.
- On August 13 she did not attend the Mackenzie College Art Auction.
- On August 21 the conference call regarding the Mackenzie Sustainable Futures Trust did not happen.
- On August 26 August the meeting with the chief executive and Neal Barclay was about plan change 3 and had no relation to the Meridian land sale issue.
- On September 9 Jody Payne was not in attendance at the meeting with Gordon Handy.

Cr Cox asked about the meeting with St John Ambulance in Timaru. The Mayor said the purpose was to get everyone together and discuss how we can address the volunteer shortage and get better support for St John. Cr Leslie asked if a paid team leader is going to be introduced in Fairlie. No, the Mayor understands it will be a volunteer.

Further discussion was held on the need to encourage people to stand as volunteers and encourage businesses to support volunteers who work for them. Cr Cox asked the Mayor to talk to volunteers about why they have left St Johns. He thinks St Johns has no idea what it's like to be a volunteer in a small community. Cr Leslie said there is an increase in risk adversity across the country and an unwillingness to allow for the difficulties posed in small communities.

The Mayor said she would appreciate councillors input into this issue so she can relay their thoughts when she goes back for further discussion.

Resolved that the report be received.

Graham Smith/Evan Williams

REPORTS:

CHIEF EXECUTIVE'S ACTIVITIES:

This was the report of chief executive activity from August 6 to September 15, 2014.

The chief executive was asked regarding progress on the storm water consent in Tekapo. He said we have received sign off from Arowhenua and this has been forwarded to Ecan to confirm the consent can go ahead un-notified. Within two weeks we should have a resource consent.

Cr Leslie asked regarding a meeting with John Lyons. The chief executive offered to talk to Cr Leslie after the meeting about this.

Cr Williams asked about the rural broadband initiative. The Mayor said a digital strategy has been created for the Canterbury region. She has also had a visit from a rural broadband supplier who is keen to work with our more

isolated communities on improving broadband and cell phone coverage. She will let councillors know more information when it becomes available.

Resolved that the report be received.

Russell Armstrong/Evan Williams

SPORT CANTERBURY ANNUAL REPORT TO COUNCIL:

This report was presented to Council for information.

Resolved that the report be received.

Murray Cox/Russell Armstrong

CHRISTCHURCH AND CANTERBURY TOURISM REPORT:

This report was presented to Council for information. Cr Cox said Christchurch and Canterbury Tourism were doing a good job. Cr Smith endorsed this.

Resolved that the report be received.

Graham Smith/James Leslie

The meeting adjourned for morning tea at 10.49am and reconvened at 11.03am.

RESERVE BALANCE ALLOCATION:

The purpose of this report was to recommend to council appropriate action for activities' operating surpluses/deficits for the year ended 30 June, 2014.

Finance and Administration manager Paul Morris said this was one of our end of year processes. When council goes through the budgeting processes it sets rates on the budget level and ideally spends everything rated for, but this does not usually happen. Some budgets are over spent or under spent.

He then explained each table and highlighted the reasons for the deficit or surplus.

Regarding the planning deficit of \$1.236million, Paul Morris said Plan Change 13 was the major contributor to this cost. When council undertook it's plan change several years ago it went through a process that included Environment Court hearings in Twizel and High Court appeals. 90% of the deficit relates to the costs associated with going through the legal processes. This is still not complete. Paul Morris expected another 2-3 hundred thousand dollars was still required, depending on who appeals what.

Cr Smith added that council is neither a defendant or appellant at the moment. The appeals to the High Court are not appeals against what council has done. But council was required to provide the court with briefs of evidence.

In the future council will look at this deficit as part of the long term plan process and will decide whether to recover part of the costs, all costs, or write off the costs.

The Mayor said this is one area where council spends a lot of money without any direct benefit to the community, and planners will need to come up with rules and regulations to enact the decisions of the court.

Paul Morris also spoke regarding other items in his report.

Cr Leslie asked regarding the item Twizel Medical Centre. Paul Morris said because the council is undertaking work with the new medical centre there are legal costs involved. These are one-off costs.

Resolved:

1. That the report be received.

Russell Armstrong/Evan Williams

2. To apply the balance of all surpluses/deficits detailed in Table 1 to the District General Operating Reserve increasing the outstanding surplus balance by \$155,656 to \$324,849 in funds.

Russell Armstrong/Graham Smith

Table 1

Operating Surplus (Deficit) from:	\$
Administration – District	(24,668)
Governance	(68,744)
Civil Defence	12,648
Animal Control	11,322
Inspectorate	144,292
Health and Liquor Licensing	(4,239)
Public Toilets	7,777
Council Building Fairlie	12,294
Council Building Twizel	629
CEO Department	(11,977)
IT Department	9,384
Asset Management	57,325
Facilities Management	(311)
Fairlie Medical Centre	4,051
Twizel Medical Centre	(2,267)
Cemeteries	(2,913)

Libraries	(168)
Fairlie Pensioner Housing	3,684
Twizel Pensioner Housing	5,537
Current movement in reserve for year	155,656
Closing Balance General Operating Reserve	324,849
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3. To apply deficit detailed in Table 2 to the reserve Planning Operating reserve. This will result in a closing deficit of \$1,236,109.

Evan Williams/Russell Armstrong

Table 2 – Resource Management

Operating Surplus (Deficit) from:	\$
Resource Planning	(293,371)
Closing Balance Resource Management	(1,236,109)

Rural Works and Services

The Council agrees:

4. To apply the deficit balances of \$2,082 of the combined activity results to the Rural Works and Services Operating Reserve as detailed in Table 3 leaving the balance of the Reserve to \$66,382 in funds.

Graham Smith/Evan Williams

Table 3

Rural Works and Services	\$
Rural Works & Services Surplus	6,042
Burkes Pass Village	(1,811)
Albury Village	(4,306)
Rural Fires	(1,775)
Skipton Hall	(232)
Current movement in reserve for year	(2,082)
Closing Balance Rural Works & Services Reserve	66,382

Fairlie Works and Services

The Council agrees:

5. To apply the balance of all surpluses/deficits as detailed in Table 4 to the Fairlie Works and Services Operating Reserve, thereby increasing the carried forward surplus to \$342.

Claire Barlow/Graham Smith

Table 4

Fairlie Works and Services	\$
Fairlie Works & Services	7,852
Fairlie Community Board	2,155
Fairlie Domain	10,423
Fairlie Strathconan Park	(5,616)
Mackenzie Community Centre	1,190
Strathconan Swimming Pool	(19,306)
Current movement in reserve for year	(3,302)
Closing Balance Fairlie Works & Services Reserve	342

Tekapo Works and Services

The Council agrees:

6. To apply the balance of surpluses totalling \$40,645 as detailed in Table 5 to the Tekapo Works and Services Operating Reserve increasing the Reserve balance to \$224,154.

Murray Cox/Evan Williams

Table 5

Tekapo Works and Services	\$
Tekapo Works & Services Surplus	49,235
Tekapo Community Board	3,524
Tekapo Domain	(12,114)
Current movement in reserve for year	40,645
Closing Balance Tekapo Works & Services Reserve	224,154

Twizel Works and Services

The Council agrees:

7. To apply the balances of surpluses/deficit totalling \$20,698 surplus as detailed in Table 6 below to the Twizel Works and Services Operating Reserve leaving a surplus balance to \$75,829.

Graham Smith/Evan Williams

Table 6

Twizel Works and Services	\$
Twizel Works & Services Surplus	23,752
Twizel Community Board	(268)
Twizel Reserves	(7,921)
Twizel Community Centre	3,930
Twizel Swimming Pool	1,205
Current movement in reserve for year	20,698
Closing Balance Twizel Works &	75,829

Services Reserve	
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Water, Sewer And Stormwater

The Council agrees:

8. To transfer surpluses/deficits in water, sewer and stormwater accounts to the appropriate capital reserves as detailed in Table 7 below.

Murray Cox/Russell Armstrong

Table 7 – Water and Sewer

Scheme	Operating Surplus (Deficit)	Capital Reserve Balance After Allocation
Fairlie Water	24,440	(967,925)
Fairlie Sewer	12,022	(127,962)
Tekapo Water	78,492	780,233
Tekapo Sewer	132,919	204,353
Twizel Water	98,652	1,528,115
Twizel Sewer	51,922	1,281,998
Burkes Pass Water	(161)	(9,343)
Burkes Pass Sewer	119	1,868
Allandale Water	(1,302)	(397,971)
Ashwick/Opuha	996	50,375
Kimbell Water	75	14,294
School Road Water	(542)	6,166
Spur Road Water	(14,738)	(13,207)
Manuka Terrace Water	7,701	17,675
Fairlie Stormwater	601	17,919
Tekapo Stormwater	(1,735)	146,383
Twizel Stormwater	(873)	232,906

Roading

The Council agrees:

9. To transfer surpluses/deficits in roading accounts to the appropriate capital reserves as detailed in Table 8 below.

Graham Smith/James Leslie

Table 8 – Roothing

Area	Operating	Capital Reserve
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	Surplus (Deficit)	Balance After Allocation
District	73,131	46,592
Roading Business Unit	(112,181)	(141,398)

Solid Waste

The Council agrees:

10. To leave the deficit of \$4,456 in Solid Waste in the Solid Waste Operating Reserve increasing the deficit balance at 30 June 2014 to \$425,060.

Russell Armstrong/Evan Williams

APPROVAL OF CONTRACT:

The purpose of this report was to approve a recommendation of the Asset and Services Committee in relation to Contract 1214 – Township Maintenance.

Resolved:

1. That the report be received.

Graham Smith/Evan Williams

2. That Council accepts the Asset and Services Committee's recommendation to approve the renegotiated Township Maintenance Contract 1214 with Whitestone Contracting.

Jame Leslie/Russell Armstrong

FAIRLIE CAMPGROUND SEWER PUMPS:

The purpose of this report was to approve the Fairlie campground sewer pump replacement.

Geoff Horler, Utilities Manager, provided background on this issue. These pumps were scheduled to be replaced next year but this needs to be brought forward due to problems. Therefore the request is for an unbudgeted item that needs council approval.

Resolved:

1. That the report be received.

Russell Armstrong/Evan Williams

2. That Council approves the replacement of the sewer pump station in the Fairlie Camp Ground as a non-budgeted item.

Graham Smith/James Leslie

REQUEST FOR ADMINISTRATIVE SUPPORT TO INVOICE COST OF EXTENDED WATER QUALITY MONITORING:

The purpose of this report was to present options for Council to decide whether to support the Orari-Opihi-Pareora Zone Committee request for administrative support to invoice costs of extended water quality monitoring.

Cr Williams said under the Canterbury Water Management Strategy people have formed groups on waterways to help improved the water quality. To do this they have decided to do some water sampling. The council already do water monitoring tests to inform the public health system and Cr Williams has approached the asset manager to see whether council could take extra samples and monitor these streams. The water users are happy to pay for the extra testing but they need help to collect the money.

He views this as support for the rural community. He also thinks the cost might come under the tourism and development rate because a lot of farmers don't see any benefit from this rate at present.

The Mayor asked Paul Morris if it's possible to fund this from that rate. He said we could not switch to funding water testing unless there was a case to make for it promoting economic development. The issues from an administration view are not just collecting the money. Once you get council involved in invoicing there is GST to collect and pay. The administration system was not well suited to collecting money for small one-off things. If other water schemes also wanted to use the administrative system to collect money it would need to be done properly. If that's the case then the administrating department needed to have its time valued and charged for. Then the water groups could apply to council for grants to pay this cost.

Cr Leslie asked Cr Williams about the fact that Timaru District Council currently provide administrative support for this committee. The chief executive said the reason this request came to this council instead of to Timaru was because it related to water users in this district rather than Timaru district.

Cr Leslie asked if it was wise to have two different councils operating administrative processes independently.

Cr Cox added it was likely that a similar request would come from the Upper Waitaki zone.

The chief executive said Ecan has decided this current testing is outside the scope of what they are funded for. There was a high chance that Timaru District Council would also say no to funding this.

Paul Morris was asked for an estimation of the costs. He did not know.

Cr Williams said the administration costs could be loaded onto the testing charges. Paul Morris said this would happen if it became a regular thing.

Discussion was held on the lack of cost detail in the report. This made it difficult to make a decision.

The Mayor suggested that Council supports this but puts off making a decision until the costs were known. The Mayor put a recommendation and this was seconded by Cr Williams, as below.

Resolved:

1. That the report be received.

Murray Cox/Evan Williams

2. That council supports assisting the OOPS zone committee catchment groups with administrative support in principle, and requests that staff clarify the scope of costs and reports back to council.

Claire Barlow/Evan Williams

The meeting adjourned for lunch at 12.00pm and reconvened at 12.41pm.

RATEPAYERS SURVEY RESULTS:

This report was presented to council for information. The Mayor said a further workshop would be held regarding the results of the survey and what steps to take going forward.

Cr Leslie asked if the council had an ongoing commitment to continuing the survey. The chief executive said no - we need to look at what we are going to do to monitor performance in the future.

Cr Armstrong asked what the cost of the survey was. It was \$15,000. Paul Morris said the council made a commitment in the Long Term Plan to measure aspects of council performance. There will be one more survey conducted at the end of the current financial year.

Resolved that the report be received.

Graham Smith/Russell Armstrong

COMMON SEAL AND AUTHORISED SIGNATURES:

The purpose of this report was to advise of the documents signed under the Common Seal from June 17, 2014, to August 13, 2014.

Resolved:

1. That the report be received.

Murray Cox/Graham Smith

2. That the affixing of the common seal to documents numbered 784 to 786 be endorsed.

Murray Cox/Graham Smith

COMMUNITY BOARD RECOMMENDATIONS AND MINUTES:

This report from the chief executive was accompanied by the minutes of the meetings of the Twizel and Tekapo Community Boards on August 25, and the Fairlie Community Board on September 1, 2014.

Resolved that the report be received.

Russell Armstrong/Evan Williams

TWIZEL COMMUNITY BOARD:

Council **noted** the following resolution regarding the sale of land to Meridian Energy:

That the Twizel Community Board recommend to Council that the sale and purchase agreement with Meridian Energy Ltd go ahead as previously agreed.

Council **noted** the following resolution regarding a proposal for a climbing wall in the Twizel Events Centre:

That the Twizel Community Board ask Shaun Norman to come up with a full concept plan for a climbing wall in the Twizel Events Centre and bring it back to the community board.

Council **noted** the following resolution regarding a road problem:

That the Twizel Community Board instructs council staff to work with Chorus and make right the problem with the manhole on the corner of Mackenzie Drive and Ostler Road as soon as possible.

Council **noted** the following resolution regarding Christmas decorations for Market Place:

That the Twizel Community Board gives \$500 towards the cost of town Christmas decorations.

TEKAPO COMMUNITY BOARD:

Council **noted** the following resolution regarding improvements to the Tekapo Community Centre with a total cost of \$1,760:

That the Tekapo Community Board approve this work and fund it from the township projects account.

Council **noted** the following resolution regarding the purchase of a screen for the Tekapo Community Centre from Alpine Recreation:

That the Tekapo Community Board delegates the chairman to negotiate a deal with Alpine Recreation.

FAIRLIE COMMUNITY BOARD:

Council **noted** the following resolution regarding the replacement of the sewer pump station in the Fairlie campground:

That the community board approves the replacement of the sewer pump station in the Fairlie campground as a non-budgeted item.

COMMITTEE MINUTES:

Resolved that the minutes of the meeting of the Finance Committee held on September 2, 2014, including such parts as were taken with the public excluded, be received.

Russell Armstrong/Murray Cox

Resolved that the minutes of the meeting of the Asset and Services Committee held on September 2, 2014, including such parts as were taken with the public excluded, be received.

Russell Armstrong/Murray Cox

Resolved that the minutes of the meeting of the Planning and Regulation Committee held on September 2, 2014, including such parts as were taken with the public excluded, be received.

Russell Armstrong/Murray Cox

COUNCIL MINUTES:

Resolved that the minutes of the meeting of the Mackenzie District Council held on August 5, 2014, be confirmed and adopted as the correct record of the meeting.

Graham Smith/Russell Armstrong

PUBLIC EXCLUDED:

Resolved that the public be excluded from the following part of the

proceedings of this meeting namely:

- A) PROPOSED LEGAL ACTION TO RECOVER FUNDS
- B) PREVIOUS MINUTES FAIRLIE COMMUNITY BOARD, SEPTEMBER 1.
- C) PREVIOUS MINUTES FINANCE, SEPTEMBER 2.
- D) PREVIOUS MINUTES ASSET AND SERVICES, SEPTEMBER 2.
- E) PREVIOUS MINUTES PLANNING AND REGULATION, SEPTEMBER 2.
- F) PREVIOUS MINUTES COUNCIL AUGUST 5.

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
Proposed legal action to recover outstanding amount	Maintain legal professional privilege	48(1)(a)(i)
Previous minutes Fairlie Community Board September 1	Commercial sensitivity	48(1)(a)(i)
Previous minutes Finance Committee September 2	Commercial sensitivity	48(1)(a)(i)
Previous minutes Asset and Services Committee September 2	Enable commercial negotiations	48(1)(a)(i)
Previous minutes Planning and Regulation Committee September 2	Maintain legal professional privilege	48(1)(a)(i)
Previous minutes Council August 5	Commercial sensitivity	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 Fairlie CB, Finance Committee, Council under section 7(2)(b)(ii). Previous minutes Asset and Services Committee under section 7(2)(i). Previous minutes Planning and Regulation Committee and Proposed legal action to recover outstanding amount under section 7(2)(g).*

Russell Armstrong/Graham Smith

Council continued in open meeting.

CITIZENSHIP CEREMONY:

At 1pm Tshering Sherpa from Eastern Nepal, and invited guests, attended for a citizenship ceremony. The Mayor welcomed Tshering Sherpa and her family and friends. MP for Waitaki Jacqui Dean was also present at the ceremony.

Tshering Sherpa then took the oath of citizenship and was welcomed as a new citizen.

THE MAYOR DECLARED THE MEETING CLOSED AT 1.45PM

MAYOR: _____

DATE: _____