

**MACKENZIE DISTRICT COUNCIL
MINUTES OF A MEETING OF THE MACKENZIE DISTRICT COUNCIL HELD AT
THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY MARCH 29, 2016, AT
9.32AM**

PRESENT:

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

IN ATTENDANCE:

Wayne Barnett, Chief Executive Officer
Paul Morris, Finance Manager
Toni Morrison, Senior Policy Planner
Aaron Hakkaart, Policy Planner – District Plan Review
Keri-Ann Little, Committee Secretary
Christina Robb, Canterbury Water Management Strategy Programme Manager
John Talbot, Orari Temuka Opihi Pareora Water Zone Committee Chairman
Chris Hyde, Reporter Timaru Herald

OPENING:

The Mayor welcomed everyone to the meeting.

Cr Smith welcomed back Keri-Ann Little to the Committee Clerk role, it is a great advert for the Council that ex-staff would like to return.

The mayor updated Council on visitors and agenda items for today's meeting. The Pukaki Airport Board will be arriving at 11:30am and the meeting will be adjourned for a workshop.

APOLOGIES:

There were no apologies.

DECLARATIONS OF INTEREST:

There were no declarations of interest.

BEREAVEMENTS:

The Mayor referred to the recent death of Dwin Bishop. A motion of sympathy was passed and the Chief Executive Officer was directed to pass this on to those concerned.

- Dwin BISHOP husband of Kiri Bishop late of Fairlie

A moment of silence was observed.

MAYORAL ACTIVITIES REPORT:

This was the report of the Mayor's activities from February 18, 2016 to March 23, 2016.

Resolved that the report be received.

Cr Armstrong/Cr Cox

Cr Williams asked the Mayor of the main reason why she attended the Blue Greens Conference in Tekapo on February 20, 2016.

The Mayor said the main reason she attended was as one of the trustees of the Mackenzie Country Trust, which used this conference as a launching pad.

The Mayor was asked by Cr Williams to elaborate on the China Railway Construction Corporation meeting. She added She, Cr Cox and the Chief Executive Officer were invited by Tony Tosswill to attend a meet and greet.

CHIEF EXECUTIVE'S ACTIVITIES REPORT:

This was the report of the Chief Executive's activities from 17 February, 2016 to 23 March, 2016.

Resolved that the report be received.

Cr Jackson/Cr Armstrong

The Mayor asked if the exit meeting on March 8 with the departing Committee Secretary, will be offered to all exiting staff. The Chief Executive said this will now be a standard procedure with all staff who leave the organisation.

Cr Smith asked The Chief Executive if Freedom Camping was a topic of discussion at the Tourism Industry Association meeting on March 15th. The Chief Executive said it was discussed there, Tourism Industry Association members have an interest in freedom camping and hire cars, they are arranging a responsible camping seminar to get all interested parties from New Zealand wide, including a representative from this Council.

Cr Jackson asked the Chief Executive to elaborate further on his meeting with Simons Pass Station on March 2. The Chief Executive responded the meeting was simply a development update.

VISITORS:

The Mayor welcomed Christina Robb, Canterbury Water Management Strategy (CWMS) Programme Manager and Orari Temuka Opihi Pareora (OTOP) Water Zone Committee Chairman, John Talbot to the meeting.

Resolved that the report be received.

Cr Armstrong/ Cr Williams

The Mayor took the report as read.

Mr Talbot acknowledged that he is one of the community representatives nominated to this committee by this Council and others, he has recently been nominated to the Chairman, and Mr Talbot thanked the Council for its support. Mr Talbot gave special thanks and acknowledged his predecessor Dermot O'Sullivan's contribution.

Mr Talbot spoke to his report on page 8 of the agenda.

Ms Robb said this concept of the annual report has been introduced to make sure that the committees are reporting back to the councils they are subcommittees of on a more regular basis and also to the communities. She acknowledged Mr Talbot who has acted as Chairman for much of the previous year. She also acknowledged Mr O'Sullivan for his previous service as Chair.

Ms Robb asked members for questions, adding she will be back to speak at the next Council meeting in regards to the Upper Waitaki Zone Committee Annual Report.

Cr Smith said we seem to be targeting water from the North and is concerned that the Fairlie Basin will miss out completely.

Mr Talbot said the Zone Committee's role is to make recommendations, through our ZIP, we have made recommendations for water sources from the North, West and South be investigated, and we are reliant on others picking up on our recommendations.

Cr Smith said the water source must be affordable and sustainable, does the Zone Committee hold discussions with the Generators.

The Zone Committee has not directly, we are reliant on other Zones working with us to achieve alpine water access replied Mr Talbot.

Mr Talbot made further comment, the Zone will be working with the sub regional plan making recommendations about rules, nutrient discharges and also recommendations about practical projects for this catchment area and really focusing on the land and water planning by Ecan over the next two years.

The Mayor said Peter Scott, Regional Infrastructure Committee Representative would be a good person to be invited along to a Council meeting or workshop to provide Council with a regional update.

The Mayor thanked Ms Robb and Mr Talbot for their attendance.

Ms Robb and Mr Talbot left the meeting at 10am

REPORTS:

ADOPTION OF THE DOWNLANDS WATER SUPPLY POLICY:

The Mayor welcomed Aaron Hakkaart, Policy Planner – District Plan Review and took the report as read.

Resolved that the report be received.

Cr Cox/ Cr Armstrong

This policy supersedes those policies approved by Mackenzie District Council on 16 February 2016. The alterations to specific policies previously approved on 16 February 2016 are highlighted in this report.

Cr Smith said as the Council representative on the committee he was happy with the changes.

Resolved: That Council adopt the Downlands Water Supply Policy in the form attached to this report.

Cr Smith/ Cr Williams

TEKAPO FOOTBRIDGE SOCIETY:

The purpose of this report is to enable Council to decide whether it wishes to grant \$45,000 to the Tekapo Footbridge Society (LTFS).

Resolved:

1. That the report be received.

Cr Smith/Cr Armstrong

Mr Morris spoke to his report.

The LTFS Incorporated has completed the construction of the footbridge across the Tekapo River inlet between the Church of the Good Shepherd and the township. The estimated value of the project is \$2.3 million. The bridge will vest in Council once the maintenance period with the main contractor expires.

Council's contribution to the project to date has been \$362,000 with an NZTA contribution of \$439,000. The balance of the monies raised have been by way of Fundraising by the LTFS.

The LTFS had made an application to Genesis Energy for \$50,000. However, this application was not successful.

The sum requested is not budgeted for in either the Council's or Community Board's budget. Initially the Society requested \$60,000, but this has been amended to \$45,000.

Staff recommend that if the Council is minded to approve the grant, then it resolves to fund the grant from the land subdivision reserve, and in so doing makes that decision in accordance with s80 of the LGA.

Ms Morrison said the request for funding is to be treated as an application for a grant, as Council will be aware the grants budget is relatively limited.

There is provision in the Local Government Act for Council to make decisions consistent with its policies including the revenue and financing policy, that is what the paper describes, staff are recommending that this is available to Council in this case as the circumstances are relatively unique as the bridge already exists and it will go towards paying outstanding invoices, the bridge will then come back to Council and be part of its infrastructure and managed accordingly within a 12 month period. Staff are essentially recommending that we make the grant available as is appropriate in this case.

Cr Smith said I do not think that Council should change its policy to suit one occasion, and is disappointed the Society is recording a debt. He wondered if an approach had been made to the Tekapo community board for some funding.

Cr Cox said the Community board is putting up substantial money, in terms of the surroundings of the bridge and the lead up to the bridge. If the development is done properly and finished off as well as the bridge, the District receives the benefit.

Cr Smith referred to the current debt and asked for assurance that there was no further debt involved with the Society.

Mr Morris replied; we don't know as such as there is some uncertainty relating to them relying on the GST refund and this is affectively why we have suggested they apply for \$45,000, they actually only need \$41,500. We have asked the Society if this is all the debt they have outstanding, they have supplied us with the financials, which seem reasonable to me in terms of what is left to pay.

The Mayor said the outstanding invoices are for engineering works and not for products, adding the Engineers have been happy to wait for payment until the Society can sort out their finances.

The Mayor asked if Mr Morris was aware of why the \$50,000 grant application to Genesis Energy was declined. Mr Morris said from memory only, Genesis Energy stated that they feel they had already contributed a large amount of money upfront and didn't feel inclined to contribute more.

Cr Armstrong expressed his disappointment that the project has fallen short by one or two percent, he added that the project has cost a lot more than they had originally thought. They have produced an asset that Council couldn't have afforded on its own. The Footbridge is a great asset.

Cr Leslie confirmed the Footbridge cannot be vested back to council while there is debt attached.

Mr Morris agreed the reason it cannot be vested back is there is a maintenance liability in the agreement and the maintenance reliably cannot be reassigned to Council. The Footbridge Society must stay in existence for the next 12 months until the maintenance period expires.

Ms Morrison reiterate; there is a section in the act stating, you can venture from policy as long as you give reasons and staff have recommended some reasons if the Council would like to adopt them on page 31.

Resolved:

2. That the Council decide on one of the following options in relation to the application of Tekapo Footbridge Society for a grant of \$45,000.
 - i. Fund the application as a grant and make an exception based on our staffs report to our revenue and finance policy.
3. that the Council decide on one of the following options to fund the grant:
 - i. Fund the grant from the land subdivision reserve, under s80 of the Local Government Act 2002 (identification of Inconsistent Decisions), and give reasons.
 - a. The bridge is vest in Council within 12 months and become a Council asset
 - b. It is important that creditors' outstanding invoices for such a community asset are paid

Mayor/Cr Cox

- c. The land subdivision reserve is used for community parks and facilities, and funding this type of asset is an appropriate use of that reserve
- d. There are no effects on ratepayers or other parties if this funding source is used.

Mayor/Cr Smith

The Mayor thanked Mr Morris and Ms Morrison for their hard work on this “tricky” report.

REPORT FROM CHRISTCHURCH CANTERBURY TOURISM:

The purpose of this report from Christchurch and Canterbury Tourism (CCT), Mackenzie District Marketing Executive, Annabelle Bray is to update Council on the activity in the Mackenzie District from 1 December, 2015 to 18 March, 2016.

Resolved:

1. That the report be received.

Cr Cox/ Cr Williams

Mrs Bray spoke to her report with assistance from a powerpoint presentation.

Mrs Bray said CCT have identified that Council are requiring further statistician information, not necessarily around Tourism but about traffic flows, specific numbers of people coming through the region, whether they are day trippers, staying overnight and where they are staying in terms of the different towns we have in the Mackenzie. CCT have engaged with Quiros a Spark owned business providing rich and interactive information for Tourism.

Cr Williams enquired how they will obtain the information, Mrs Bray said Spark collects the data from cellphone towers.

Cr Jackson said that there does need to be caution when monitoring tourists.

Mrs Bray said there are large restrictions on this software, it is only a number that connects to the cellphone tower there is no other information transmitted.

The Chief Executive said there is potential for use of this information gathered within Council, for planning of infrastructure. He said under funding and justification our proposal is to go ahead with the memorandum of understanding and for this to be funded not entirely under the tourism budget as there will be bonuses for other areas.

Mrs Bray was thanked for attending the meeting and her report and left the meeting at 10:21am.

CHRISTCHURCH AND CANTERBURY TOURISM REQUEST FOR ADDITIONAL FUNDING:

The purpose of this report is for Council to consider the request for additional budget by Christchurch and Canterbury Tourism (CCT) for 2016/2017, and if approved, to consider whether this matter requires consultation in the 2016-2017 Annual Plan process.

Resolved:

1. That the report be received.

Cr Cox/ Cr Armstrong

Mr Morris spoke to the report.

Cr Smith opened discussions; he does not believe the rural rate payer can afford to pay the tourism rate any longer.

Mr Morris replied the rural ratepayer pays \$5.26 the same as every other ratepayer.

Ms Morrison said one of the consultation requirements are if you are looking at a 10 percent increase across those areas, you have to decide if that is a significant or material increase in one of those sectors, for an example if you wanted to fund the increase and take most of it from the industrial sector, \$100 fixed fee and doubling that, then that maybe a matter you decide requires consultation with those parties that are affected. Ms Morrison said as Mr Morris outlined previously a 10 percent increase across the board with that kind of formula you are entitled to conclude that that is not a significant increase. I suggest that that would not meet the test for a significant change in policy.

The Mayor said it will still come in under what we projected and that is what the Farmer's will be expecting and budgeted for, we knew we were going to have three quite substantial rates increases.

Resolved:

2. That the Council approves funding of \$22,000 additional to the budgeted amount of \$210,000 for Christchurch & Canterbury Tourism, to be included in the Annual Plan 2016/2017 without further consultation as it deems that this does not constitute a significant or material difference from the content Year 2 of the 2015-2025 Long Term Plan;

Cr Cox/ Cr Leslie

The council adjourned for morning tea and Pukaki Airport Board Workshop at 11:15am and reconvened at 1pm.

ANNUAL PLAN 2016/2017:

The purpose of this report is for Council to consider whether to consult on the 2016-2017 Annual Plan.

Mr Morris spoke to the report.

Ms Morrison added this report is showing a more detailed assessment of each variance, against the statutory tests, the document is really to show the analysis sitting behind the decision that you are being asked to make while showing we have worked through a process while assessing whether its significant or material, then therefore whether consultation be undertaken on all or one of those variances.

Ms Morrison felt that the CCT funding was worth further discussion but as an agenda item previously in the meeting believes this has been resolved.

Mr Hole explained that this year The Timaru District Council (TDC) have contracted their Health and Liquor regulations to Food and Health Ltd, their costs have risen, this cost will not be absorbed under our current contract with TDC but will be passed onto us in the next financial year, hence this raise.

Resolved:

1. That the report be received.
2. That the Council agree to the following items for inclusion in the Annual Plan 2016/17:
 - a) Glen Lyon Road additional sealing
 - b) Fairlie trunk main replacement
 - c) Updated costs for Tekapo, Macaulay, and Godley Street pipe upgrade works
 - d) Fairlie Reticulation renewals programme
 - e) District-wide service connection reticulation renewals
 - f) Allandale rural water supply network modelling
 - g) Tekapo wastewater treatment plant –continued investigation and works
 - h) Twizel wastewater treatment upgrade- transfer of programme to 2016/17
 - i) Tekapo public toilets
 - j) Health & Liquor regulation updated contract costs
 - k) Consultancy support for Long Term Planning
 - l) Increase in budgeted income from Land Sales occurring in 2016/17
 - m) Reduction in budgeted income from lower interest rates

Cr Leslie/Cr Cox

3. That the Council does not consult on the 2016-2017 Annual Plan as it deems that there are no significant or material differences from the content of Year 2 of the 2015-2025 Long Term Plan.

Cr Leslie/ Cr Smith

PROPOSED FOOD ACT FEES AND PROCESS REPORT:

This report from Nathan Hole, Planning and Regulations Manager, for Council to consider forming a joint standing committee with Timaru and Waimate District Councils for the purpose of setting Food Act 2014 fees for the 2016/2017 financial year.

Mr Hole spoke to his report, attached to the report is the proposed agreement and terms of reference for the joint committee.

Resolved:

1. That the report be received.
2. That the Mackenzie District Council approves entering into agreement with Timaru District Council and Waimate District Council under clause 30A of Schedule 7 of the Local Government Act 2002 in relation to the consideration and hearing of submissions on the Food Act fees; and
3. That Mackenzie District Council delegates to the Chief Executive the power to execute agreements under clause 30A of Schedule 7 of the Local Government Act 2002 on behalf of Mackenzie District Council in relation to the Food Act Fees Joint Committee agreement; and

Cr Smith/ Cr Jackson

Mayor/ Cr Williams

4. That Mackenzie District Council appoints two members to the Food Act Fees Joint Standing Committee.

Cr Smith/Cr Williams

The Mayor called for nominations for the first of two appointees to the Food Act Fees Joint Standing Committee.

Cr Jackson was nominated for one of the two positions of Mackenzie District Council appointed representative on the Food Act Fees Joint Standing Committee.

There being no further nominations Cr Jackson was declared elected.

Resolved: that Cr Jackson is the Mackenzie District Council's representative on the Food Act Fees Joint Standing Committee

Mayor/ Cr Cox

The Mayor called for further nominations for the second appointee to the Food Act Fees Joint Standing Committee.

Cr Smith was nominated for the second of two positions of Mackenzie District Council appointed representative on the Food Act Fees Joint Standing Committee.

Resolved: that Cr Smith is the Mackenzie District Council's representative on the Food Act Fees Joint Standing Committee

Mayor/ Cr Cox

COMMUNITY BOARD RECOMMENDATIONS:

To consider the recommendations made by community boards.

1. That the report be received.

TWIZEL COMMUNITY BOARD:

2. That council **notes** the following resolution regarding access to Manmade Hill:

Resolved that the Twizel Community Board supports the application to advance access to Manmade Hill and supports going to the next stage, which is to speak to the Twizel Golf Club.

John Bishop/Pat Shuker

3. That council **notes** the following recommendation regarding the freedom camping area on the peninsular at Lake Ruataniwha:

Resolved that the Twizel Community Board recommends to Council that the current freedom camping area on the peninsular at Lake Ruataniwha be closed and freedom campers be requested to go up onto the terrace area, past the boat ramp, and that campers have to be fully self-contained.

Bruce White/Cr Armstrong

4. That council **notes** the following resolution regarding concrete holes being replaced on the corner of State Highway 8 and Ostler Road and the corner of State Highway 8 and Ruataniwha Road allowing banners to be hung publicising community events in Twizel.

Resolved that staff be instructed to put in a strip of concrete and banner holes as requested by the Twizel Promotions and Development Association (TPDA).

John Bishop/Bruce White

FAIRLIE COMMUNITY BOARD:

1. That council **notes** the following resolution regarding the lights on the village green, the community board decided to replace these and use security bolts to hold them in place:

Resolved that the Fairlie Community board replaces the stolen lights on the Village Green.

Owen Hunter/ Les Blacklock

2. That council **notes** the following resolution regarding the village green picnic tables:

Resolved that the Fairlie Community board instructs staff to work with the Cancer Society with the aim of building covers for three picnic tables on the village green.

Owen Hunter/ Les Blacklock

3. That council **notes** the following recommendation regarding Fox View Road:

Resolved that the Fairlie Community board recommends to Council that Fox View Road be included in the road sealing programme.

Owen Hunter/ Cr Jackson

4. That council **notes** the following resolution regarding Mackenzie Rugby Football Club rates bill:

Resolved that the Fairlie Community board grant the Mackenzie Rugby Football Club the amount budgeted by the community board to pay this year's football club rates.

Warren Barker/ Owen Hunter

The Mayor and Councillors noted the above resolutions from the Twizel Community Board meeting March 7, 2016 and Fairlie Community Board March 14, 2016.

RECEIVE COMMITTEE MINUTES:

Resolved that Council receive the minutes of the Mackenzie Forestry Board meeting held on March 15, 2016.

Cr Smith/ Cr Williams

The Mayor asked Cr Smith, Chairman of the Forestry Board to clarify discussion on page 114, wildings spreading on Rollesby Station at Burkes Pass, the chairman is recorded in the minutes as saying "he would leave this matter on the table for now",. The Mayor asked Cr Smith to clarify how long for.

Cr Smith said Council need to have a policy around our ownership of wilding trees from our plantations. And he said the Board cannot walk away from this and feels the Forestry Board have some obligation around Council Forestry's where the wilding tress are a problem.

Cr Cox said there is a new regional pest management strategy which has a concept of good neighbour and at some stage Council may be required to look at the control of wilding trees.

Cr Smith said the Board have talked about this and have just left the item on the table for further discussion.

Resolved that Council receive the minutes of the Finance Committee meeting held on March 15, 2016.

Cr Smith/ Cr Cox

Resolved that Council receive the minutes of the Asset and Services Committee meeting held on March 15, 2016.

Cr Leslie/ Cr Jackson

CONFIRM COUNCIL MINUTES:

Resolved that Council confirms and adopts the minutes of the Extraordinary Mackenzie District Council meeting held on March 15, 2016, as the correct record of the meeting.

Mayor/ Cr Williams

Resolved that Council confirms and adopts the minutes of the Mackenzie District Council meeting held on February 16, 2016, as the correct record of the meeting, including those parts taken in public excluded.

Mayor/ Cr Cox

PUBLIC EXCLUDED RESOLUTION:

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

- Zermatt Holdings
- Tony Tosswill's Concept Plans
- Mackenzie District Council Minutes, 16 February, 2016.

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
Zermatt Holdings	Maintain legal privilege.	48(1)(a)(i)
Zermatt Holdings	Enable commercial negotiations	48(1)(a)(i)
Sale and Purchase Agreement Section 3, Glen Lyon Rd	Enable commercial negotiations	48(1)(a)(i)
Public excluded minutes Tekapo Community Board January 25.	Commercial sensitivity	48(1)(a)(i)

Tony Tosswill's Concept Plans	Maintain legal privilege	48(1)(a)(i)
Public excluded minutes Council 16 February	Maintain legal privilege	48(1)(a)(i)
Public excluded minutes Extraordinary Council 16 February.	Enable commercial negotiations	48(1)(a)(l)

This resolution is made in reliance on Section 48(1)(a)(l) 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: *Zermatt Holdings and Tony Tosswill's Concept Plans under section 7(2)(b)(i); Public excluded minutes of Council Meeting 16 February 7(2)(g).*

Cr Jackson/Cr Cox

The Council continued in open meeting

THE MAYOR DECLARED THE MEETING CLOSED AT 2PM

MAYOR: _____

DATE: _____