

## **MACKENZIE DISTRICT COUNCIL**

### **MINUTES OF A MEETING OF THE MACKENZIE DISTRICT COUNCIL HELD AT THE MACKENZIE COUNCIL CHAMBERS, IN FAIRLIE, ON TUESDAY AUGUST 4, 2015, AT 10.16AM**

#### **PRESENT:**

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

#### **IN ATTENDANCE:**

Wayne Barnett  
Paul Morris  
Julie Jongen  
Toni Morrison  
Arlene Goss  
Garth Nixon  
Pauline Jackson

#### **VISITORS:**

11.15am Jill Borland and Shaun Campbell from Sport Canterbury

#### **OPENING:**

The Mayor welcomed everyone to the meeting.

#### **APOLOGIES:**

No apologies received.

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

No declarations declared.

#### **BEREAVEMENTS:**

The Mayor noted the following bereavements:

- Ruth King (formerly Bell), died 4 July 2015, mother of Brian & Julie Bell, Murray & Bev Bell, Peter & Chrissie Bell, Barb & Steve Adams, Rachel & Luke Loader, late of Fairlie.
- Margaret Anne Scarlett, died 13 July, wife of Des, formerly of Cattle Valley, Fairlie.
- Elizabeth Clarke, died 16 July 2015, partner of Mick Glover, late of Fairlie.
- Doreen Bell Clarke, died 17 July 2015, wife of late Pat, late of Twizel.
- Sylvia Charlotte Jane Gillett, died 24 July 2015, late of Fairlie.
- Gillian Gay Stephenson, died 25 July 2015, mother/mother in law Jane & Brian Baird, Albury.

A moment of silence was observed.

## REPORTS:

### THE MAYOR'S GENERAL ACTIVITIES REPORT:

This was the report of the Mayor's activity from June 29 2015 to August 4, 2015.

Resolved that the report be received.

**Cr Smith/Cr Armstrong**

Cr Smith asked about the Mayors visit to the NZ Airports Mid-Winter Strategic Briefing Session. At this stage there are no firm details but the talk is Mackenzie District will be used as a strategic tourist destination for the South Island.

Cr Smith questioned where the Mayors report was for her attendance at the Local Government conference. She gave a verbal report and stated there wasn't a lot to put into a written report. Cr Cox also attended the conference and gave a verbal update and will put a written report together.

### CHIEF EXECUTIVE'S ACTIVITIES:

This was the report of the Chief Executive's activity from June 29, 2015 to August 4, 2015.

Resolved that the report be received.

**Cr Armstrong/Cr Leslie**

Cr Smith spoke about the discussions re staff wages etc. He questioned about salary pay rises and whether the increases are just based on CPI.

Cr Armstrong asked about the meeting with Tony Richie.

Cr Smith mentioned his concerns about the Pukaki Airport Board, that there have been no financial statements or reports for a while. The Chief Executive replied that there are issues around the Board and these will be addressed at a future meeting.

Cr Jackson asked about the meeting with Murray Weakley, Mr Barnett replied that it was about property sales and this will be discussed later in the meeting.

### LTP 2015-2025 BALANCED BUDGET REQUIREMENT:

#### Purpose of Report:

For Council to resolve to accept an unbalanced budget for years 1-4 and 6-10 of the Long-Term Plan 2015-2025.

Resolved

1. That the report be received.

**Cr Williams/Cr Armstrong**

2. That Council resolves to set projected operating revenue at a different level from that required by Sec 100(1) of the Local Government Act (2002) balanced budget requirement for years 1-4 and year 6-10 of the Long-term Plan 2015-2025 as it considers it financially prudent to do so, having regard to:

a. The estimated expenses of achieving and maintaining the predicted levels of service provision set out in the long-term plan, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and

b. The projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and

c. The equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life; and

d. The funding and financial policies adopted under section 102.

**Mayor /Cr Smith**

Cr Leslie made a comment he is still uncomfortable that there are only 10% of Councils in this position and that Mackenzie District Council are in that 10%.

Mr Morris replied that Council are in this situation due to the "items" that have been policied not to be rated, such as community halls, swimming pools, Pukaki airport and forestry.

#### REVENUE & FINANCING POLICY:

##### Purpose of Report:

To adopt the final Revenue and Financing Policy for inclusion in the Long Term Plan 2015-2025.

##### Resolved:

1. That the report be received.

**Cr Williams/Cr Cox**

2. That the attached Revenue and Financing Policy be adopted by Council for inclusion in the Long Term Plan 2015-2025.

**Cr Cox /Cr Jackson**

#### FUNDING AND FINANCIAL POLICIES:

##### Purpose of Report:

To adopt the following three policies as supporting information for the Long Term Plan 2015-2025:

Liability Management Policy

Investment Policy

Policy on Development Contributions & Financial Contributions

##### Resolved

1. That the report be received.

**Cr Cox/Cr Jackson**

2. That the attached Liability Management Policy be adopted by Council.

**Cr Cox/Cr Smith**

3. That the attached Investment Policy be adopted by Council.

**Cr Cox/Cr Smith**

4. That the attached Policy on Development Contributions and Financial Contributions be adopted by Council.

**Cr Cox/Cr Smith**

Cr Leslie asked the question that if Forestry were to be sold in the future would Council require a policy on that as he doesn't see that there is one. Mr Morris replied that the answer is "no" and that if Council were going to sell, it would require public consultation on what would happen with the funds from any sale.

Mayor noted appreciation for the work Toni Morrison has done.

**Meeting was adjourned for 10 minutes at 11.00am for the Mayor and Chief Executive to consider the Letter of Representation.**

**Meeting recommenced at 11.10am**

**JOINT WATER ZONE COMMITTEE AGREEMENTS:**

Purpose of Report:

To obtain council approval to re-enter joint committee agreements for the Orari-Opihi-Pareora Zone Water Management Committee, and the Upper Waitaki Zone Water Management Committee, by August 8, 2015, to meet new Local Government Act 2002 provisions.

Resolved

1. That the report be received.

**Cr Williams/Cr Armstrong**

2. That the Council approves the Mackenzie District Council entering into a new agreement to continue the current arrangement with the Timaru District Council and Environment Canterbury under clause 30A of Schedule 7 of the Local Government Act 2002 in relation to the Orari-Opihi-Pareora Zone Water Management Committee.

**Cr Smith/Cr Armstrong**

3. That the Council approves the Mackenzie District Council entering into a new agreement to continue the current arrangement with the Waitaki District Council and Environment Canterbury under clause 30A of Schedule 7 of the Local Government Act 2002 in relation to the Upper Waitaki Zone Water Management Committee.

**Cr Smith/Cr Armstrong**

4. That the 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 Orari-Opihi-Pareora Water Zone Management Committee agreement under (2), and the Upper Waitaki Water Zone Management Committee agreement under (3).

**Cr Smith/Cr Armstrong**

VISITORS FROM SPORT CANTERBURY:

Jan Borland and Shaun Campbell spoke to Council.

They had a presentation on the value of sport and what can be achieved with sport.

They are seeking further investment from Council for the district's community. Currently council invest \$5000, Sport Canterbury would like an additional \$10,000.

Cr Jackson asked about other sports groups who may not be connected to a sports club or a school. Mr Campbell said they do their best to contact these groups.

They are no longer restricted by NZ Sports Association.

Cr Smith asked what is the amount spent in the Mackenzie district, a ball park estimate was \$30,000. They also manage "Kiwi Sport" funds.

DOWNLANDS JOINT COMMITTEE AGREEMENT:

Purpose Of Report:

To obtain council approval to re-enter a joint committee agreement for the Downlands Joint Standing Committee, by 8 August 2015 to meet new Local Government Act 2002 provisions.

Resolved

1. That the report be received.

**Cr Cox/Cr Williams**

2. That the council approves the Mackenzie District Council entering into agreement with the Timaru District Council and Waimate District Council under clause 30A of Schedule 7 of the Local Government Act 2002 in relation to the Downlands Joint Standing Committee.

**Cr Cox/Cr Williams**

3. That the 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 Downlands Joint Standing Committee.

**Cr Cox/Cr Williams**

Cr Smith agrees that there has to be a committee but believes there are changes required with committee numbers.

**A20 CYCLE WAY HAYMAN ROAD OFF ROAD PROJECT:**

Purpose of Report:

To bring Council up to date with this project and to confirm Council contribution to this work. To consider the possibility of proceeding with this project earlier should funding allow.

Resolved

1. That the report be received.

**Cr Armstrong/Cr Cox**

2. That Mackenzie District Council accept the feasibility study as a means to off road the A20 Cycle trail off Hayman Road.

**Mayor/Cr Smith**

3. The Mackenzie District Council approve the commencement of work on this project as funding becomes available subject to a more indepth report on the financial impacts.

**Mayor/Cr Smith**

Garth Nixon spoke on this report. Council funded this report to be done. There was an indication there would be funding from Central Government. There is also lottery funding available now which wasn't available before.

Cr Smith noted Council do not have funds available for this. It is hoped 1/3 of the \$1.6 million costs can be funded by Council, which would be borrowed funds.

Mayor asked what the cost was for the feasibility study, Mr Nixon replied \$20,000 which was funded from the maintenance budget.

Cr Cox said there is still a bit of a concern about the \$1.6 million being spent on this particular piece of the track and whether the money could be spent on different parts of the trail. He commented it will need to be well marketed.

The Chief Executive spoke about the commitment from DOC to put the trail in this area. He suggested all parties get together with Tourism Waitaki and have a workshop to discuss what will be required.

Cr Jackson mentioned the presentation from Jason Menard needs to be presented to the Fairlie Community Board as well.

**Meeting adjourned for lunch at 12.16pm and reconvened at 12.41pm.**

ADOPTION OF LONG TERM PLAN 2015-2025:

Purpose of Report:

To adopt the audited Long Term Plan 2015-2025.

Resolved

1. That the report be received.

**Cr Williams/Cr Cox**

*Paul Morris spoke to this report and advised the following:*

- (a) Change rate increased \$247,932 or 8.6% due to reduced investment income offset due to retaining forestry assets.*
- (b) Rural work and services changed due to increase in fixed charge from \$34.88 to \$128.50 to balance out changes described in (a) above.*
- (c) Roding rate reduced by \$327,652 or 30% to reflect Council's LTP decision to have 6.75% increase in Year 1.*
- (d) Water rates increased by \$50,000 to reflect higher internal debt as forestry assets not sold.*

*Mr Morris also advised that the rates increases tabled in the Financial Strategy was updated and this was tabled. He also tabled an updated final Rating Definitions section.*

2. That in accordance with Section 93 of the Local Government Act 2002, the Long Term Plan for 2015-2025 be adopted incorporating any further amendments requested by Audit New Zealand.

**Mayor/Cr Smith**

The Chief Executive and Committee thanked Paul, Toni and Arlene for their hard work and efforts in putting the LTP together.

RATES RESOLUTION 2015/16:

Resolved

1. That the report be received.

**Cr Armstrong /Cr Williams**

2. That the Mackenzie District Council resolves to set the following rates under the Local Government (Rating) Act 2002, on rating units in the Mackenzie District for the financial year commencing on 1 July 2015 and ending on 30 June 2016 and sets the due dates for the payment of the rates.

**Cr Smith/Cr Williams**

## **GENERAL RATES**

A General rate set on the capital value of the land under Section 13 of the Local Government (Rating) Act 2002 on all rateable land. The general rate will be set differentially using the following categories based on the use and location of the land:

- Tekapo A A rate of \$0.009471 per dollar (GST inclusive) of Capital Value
- Ohau A A rate of \$0.001097 per dollar (GST inclusive) of Capital Value
- Tekapo B A rate of \$0.001661 per dollar (GST inclusive) of Capital Value

- All other properties A rate of \$0.0008289 per dollar (GST inclusive) of Capital Value

## **UNIFORM ANNUAL GENERAL CHARGE**

A Uniform Annual General Charge set on all rateable land under Section 15 of the Local Government (Rating) Act 2002.

- A fixed amount of \$25.33 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit.

## **WORKS & SERVICES RATES**

Targeted rates for works and services, set under Section 16 of the Local Government (Rating) Act 2002, assessed on a differential basis as described below:

### **TWIZEL WORKS & SERVICES RATE**

- A fixed amount of \$40.63 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit on every rating unit situated in the Twizel Community (excluding Improvement work).
- A rate of \$0.0013796 per dollar (GST inclusive) based on the capital value on every rating unit in the Twizel Community (excluding improvement work).  
(as defined on a map held by Council).

The relationship between the rates in the differential category is as follows:

- a) A fixed amount per separately used or inhabited part (SUIP) of a rating unit to fund 10.00% of the targeted rate requirement
- b) A rate per dollar of capital value of the land to fund 90.00% of the targeted rate requirement

### **FAIRLIE WORKS & SERVICES RATE**

- A fixed amount of \$57.01 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit, on every rating unit situated in the Fairlie Community.
- A rate of \$0.002359 per dollar of capital value (GST inclusive) based on the capital value on every rating unit in the Fairlie Community.  
(as defined on a map held by Council)

The relationship between the rates in the differential category is as follows:

- a) A fixed amount per separately used or inhabited part (SUIP) of a rating unit to fund 10% of the targeted rate requirement
- b) A rate per dollar of capital value of the land to fund 90% of the targeted rate requirement

### **TEKAPO WORKS & SERVICES RATE**

- A fixed amount of \$181.83 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit on every rating unit situated in the Lake Tekapo Community.
- A rate of \$0.000760 per dollar of capital value (GST inclusive) based on the capital value on every rating unit situated in the Lake Tekapo Community.  
(as defined on a map held by Council)

The relationship between the rates in the differential category is as follows:

- a) A fixed amount in the separately used or inhabited part (SUIP) of a rating unit to fund 35% of the targeted rate requirement
- b) A rate per dollar of capital value of the land to fund 65% of the targeted rate requirement

## RURAL WORKS AND SERVICES RATE

- A fixed amount of \$128.50 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit on every rating unit situated in the rural community.
- Ohau A  
A rate of \$0.0000473 per dollar of capital value (GST inclusive) on every rating unit in the rural community.
- Tekapo A  
A rate of \$0.000408 per dollar of capital value (GST inclusive) on every rating unit in the Rural Community.
- Tekapo B  
A rate of \$0.0000716 per dollar of capital value (GST inclusive) on every rating unit in the rural community.
- All other rural properties  
A rate of \$0.00001605 per dollar of capital value (GST inclusive) based on the capital value on every rating unit in the rural community.  
(as defined on a map held by Council)

The relationship between the rates in the differential category is as follows:

- a) A fixed amount per separately used or inhabited part (SUIP) of a rating unit to fund 74% of the targeted rate requirement, and
- b) Ohau A  
20% of the 26% balance of the targeted rate requirement
- c) Tekapo A  
20% of the 26% balance of the targeted rate requirement
- c) Tekapo B  
20% of the 26% balance of the targeted rate requirement
- d) All other rural properties  
40% of the 26% balance of the targeted rate requirement

## URBAN SEWAGE TREATMENT RATES

Targeted rates for sewage treatment, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$26.05 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit for all rating units situated in the communities of Fairlie, Burkes Pass, Lake Tekapo and Twizel and which are connected to a community sewerage scheme.
- A fixed amount of \$6.51 (GST inclusive) per water closet or urinal (after the first) for all rating units situated in the communities of Fairlie, Burkes Pass, Lake Tekapo and Twizel and which are connected to a community sewerage scheme.  
(as defined on a map held by Council)

Notes for the purposes of these rates:

The sewage treatment service is treated as being provided if the rating unit is connected to a public sewerage drain. A rating unit used primarily as a residence for one household must not be treated as having more than one water closet or urinal.

## EVERSLEY RESERVE SEWERAGE RATE

A targeted rate for sewerage, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$938.28 (GST inclusive) per rating unit for ratepayers in the Eversley Reserve sewerage scheme who have not previously paid the capital contribution.  
(as defined on a map held by Council)

## URBAN SEWERAGE INFRASTRUCTURE RATES



Targeted rates for sewerage infrastructure, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$132.25 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit for all rating units situated in the communities of Fairlie, Burkes Pass, Lake Tekapo and Twizel and which are connected or capable of being connected to a community sewerage scheme.
- A fixed amount of \$33.06 (GST inclusive) per each water closet or urinal (after the first) per separately used or inhabited part (SUIP) of a rating unit for all rating units situated in the communities of Fairlie, Burkes Pass, Lake Tekapo and Twizel and which are connected to a community sewerage scheme. (as defined on a map held by Council)

Notes for the purposes of these rates:

The sewerage infrastructure service is treated as being provided if the rating unit is connected to or able to be connected to a public service drain and is within 30 metres of such a drain.

A rating unit used primarily as a residence for one household must not be treated as having more than one water closet or urinal

### **URBAN WATER TREATMENT RATE**

A targeted rate for urban water treatment, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$62.75 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit in the communities of Fairlie, Burkes Pass, Lake Tekapo and Twizel and which are connected to a community water supply (except those rating units receiving a metered water supply). (as defined on a map held by Council)

Notes for the purposes of this rate:

The water supply treatment service is treated as being provided if any part of the rating unit is connected to a Council operated waterworks and where water is not supplied and measured by meter.

### **URBAN WATER INFRASTRUCTURE RATE**

A targeted rate for water supply infrastructure, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$211.02 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit which is connected or capable of connection to a community water supply in the communities of Fairlie, Burkes Pass, Lake Tekapo and Twizel (except those rating units receiving a metered water supply). (as defined on a map held by Council)

Notes for the purposes of this rate

The water supply infrastructure service is treated as being provided, if any part of the rating unit is connected to a Council operated community water supply or if the rating unit is situated within 100 metres of an urban community water supply waterworks and is capable of connection and where water is not supplied and measured by meter.

### **METERED WATER RATE**

A targeted rate under section 16 of the Local Government (Rating) Act 2002 will be assessed on every rating unit connected to a community water supply in Fairlie, Burkes Pass, Lake Tekapo and Twizel and where water is supplied and measured by meter.

- A fixed amount of \$273.77 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit which is serviced by a council water meter.

### **RURAL WATER SUPPLIES**

Targeted rates for rural water supplies set under Section 19 of the Local Government (Rating) Act 2002, of:

- A fixed amount of \$212.12 (GST inclusive) per unit of water supplied to every rating unit serviced by the Allandale Rural water supply.
- A fixed amount of \$162.54 (GST inclusive) per unit of water supplied to every rating unit serviced by the Spur Road Rural water supply.
- A fixed amount of \$139.00 (GST inclusive) per unit of water supplied to every rating unit serviced by the Downlands Rural water supply area in the Mackenzie District.

Targeted rates for rural water supplies set under Section 16 of the Local Government (Rating) Act 2002, of:

- A fixed amount of \$225.00 (GST inclusive) per rating unit serviced by the Ashwick Opuha Rural water supply
- A rate of \$3.71 (GST inclusive) per hectare on every rating unit serviced by the Fairlie Water Race of a fixed amount per hectare.
- A fixed amount of \$30.00 (GST Inclusive) per rating unit serviced by the Fairlie Water Race.
- A fixed amount of \$347.00. (GST inclusive) per rating unit serviced by the Downlands water supply area in the Mackenzie District.
- A fixed amount of \$44.92 (GST Inclusive) per rating unit in the Manuka Terrace water supply area.

### **URBAN STORMWATER RATE**

A targeted rate for Urban Stormwater set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$29.94 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit which is situated in the communities of Fairlie, Lake Tekapo and Twizel.  
(as defined on a map held by Council)

### **DISTRICT ROADING RATE**

Targeted rates for District Roading, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$100.00 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit on every rating unit (excluding Mount Cook Village) situated in the Mackenzie District.
- Tekapo A  
A rate of \$0.00195 per dollar (GST inclusive) of Capital Value.
- Ohau A  
A rate of \$0.000226 per dollar (GST inclusive) of Capital Value.
- Tekapo B.  
A rate of \$0.000343 per dollar (GST inclusive) of Capital Value.
- All other district properties  
A rate of \$0.000174 per dollar (GST inclusive) of Capital Value.  
(as defined on a map held by Council)

### **URBAN SOLID WASTE RATE**

A targeted rate for Solid Waste, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$283.30 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit for all rating units to which Council provides the service.

### **TWIZEL IMPROVEMENT RATE**

A targeted rate for Twizel Improvement work, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$59.56 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit situated in the Twizel Community.

(as defined on a map held by Council)

### **TOURISM AND PROMOTION RATE**

Targeted rates for Tourism and Promotion, set under Section 16 of the Local Government (Rating) Act 2002, of.

- A fixed amount of \$5.26 (GST inclusive) per separately used and inhabited part (SUIP) of a rating unit on every rating situated in the Mackenzie District.
- A rate of \$0.000600 per dollar of capital value (GST inclusive) based on the land use of all commercial businesses (excluding commercial accommodation businesses and secondary accommodation properties).
- A fixed amount of \$100.00 (GST inclusive) per rating unit on Industrial land properties.
- A rate of \$0.000949 per dollar of capital value (GST inclusive) based on the land use on the rateable capital value of the land of all commercial accommodation businesses (excluding commercial businesses, secondary accommodation properties and industrial land properties).
- A rate of \$0.000396 per dollar of capital value (GST inclusive) based on the land use on the rateable capital value of the land of all secondary accommodation properties (excluding commercial business, commercial accommodation businesses and industrial land properties).

### **ECONOMIC DEVELOPMENT RATE**

Targeted rates for Economic Development, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$10.00 (GST inclusive) per separately used and inhabited part (SUIP) of a rating unit on every rating situated in the Mackenzie District.
- A rate of \$0.0001259 per dollar of capital value (GST inclusive) based on the land use on the rateable capital value of the land of commercial businesses, and industrial land properties, (excluding commercial accommodation businesses and secondary accommodation properties).

### **ALPS TO OCEAN RATE**

A targeted rate for Alps to Ocean activities, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$25.09 (GST inclusive) per separately used and inhabited part (SUIP) of a rating unit on every rating situated in the Mackenzie District.

### **RURAL CATTLESTOP MAINTENANCE RATE**

A targeted rate for Rural Cattlestop maintenance, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$73.60 per cattlestop or part thereof, on those rating units or parts of rating units benefitting.

### **FIXED CHARGES**

Under section 21 of the Local Government (Rating) Act 2002, the Council is limited to setting fixed charges, excluding charges for water and sewer, at 30% of the total revenue from all rates sought by the Council.

The Mackenzie District Council has complied with section 21 of the Local Government (Rating) Act 2002 as excluding water and sewer charges, fixed charges as a percentage of the total rates amount to 23.34%.

## DIFFERENTIAL CATEGORIES

### GENERAL RATE

The Council adopts the following differential categories based on the use and location of the land for the purposes of the general rate:

Group (A)

- a) Tekapo A
- b) Ohau A
- c) Tekapo B

Group (B)

All other properties

The relationship between the rates set per differential categories is as follows:

Group (A)

- |             |                                   |
|-------------|-----------------------------------|
| a) Tekapo A | 10% of the total rate requirement |
| b) Ohau A   | 10% of the total rate requirement |
| c) Tekapo B | 10% of the total rate requirement |

Group (B)

All other properties	70% of the total rate requirement
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### RURAL WORKS & SERVICES RATE

The Council adopts the following differential categories for the purposes of the Rural Works & Services Rate:

Category

- a) Ohau A
- b) Tekapo A
- c) Tekapo B
- d) All other rural properties

The relationship between the rates set per differential categories is as follows:

Ohau A	20% of the balance of the targeted rate requirement
Tekapo A	20% of the balance of the targeted rate requirement
Tekapo B	20% of the balance of the targeted rate requirement
All other rural properties	40% of the balance of the targeted rate requirement

### DISTRICT ROADING RATE

The Council adopts the following differential categories based on the use and location of the land for the purposes of the district roading rate:

Group (A)

- a) Tekapo A
- b) Ohau A
- c) Tekapo B

Group (B)

All other district properties

The relationship between the rates set per differential categories is as follows:

Group (A)

- |             |                                   |
|-------------|-----------------------------------|
| a) Tekapo A | 10% of the total rate requirement |
| b) Ohau A   | 10% of the total rate requirement |
| c) Tekapo B | 10% of the total rate requirement |

Group (B)

All other district properties	70% of the total rate requirement
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### TOURISM AND PROMOTION RATE

The Council adopts the following differential categories based on the use and location of the land for the purposes of the district tourism and promotion.

Commercial Businesses

All rateable properties within the Mackenzie District identified as the principal use of the land being commercial business (excluding accommodation providers).

#### Industrial Land properties

All rateable properties within the Mackenzie District on land with a property category code beginning with I in the Council's Rating Information Database.

#### Primary Accommodation Businesses

All rateable properties within the Mackenzie District identified as accommodation providers and where the principal use of the land is commercial accommodation businesses.

#### Secondary Accommodation Properties

All rateable properties within the Mackenzie District identified as accommodation providers but where the principal use of the land is not commercial accommodation business.

#### Notes for the purposes of these rates

Secondary accommodation providers can be exempt if they provide a declaration stating that they provide accommodation for less than 20 bed nights per annum.

#### Definitions:

##### Group (A)

- "Tekapo A" means all separately rateable properties in the former Tekapo Ward, used for hydro electric power generation (as more particularly defined on valuation roll number 2530015901).
- "Ohau A" means all separately rateable properties in the former Twizel Ward used for hydro electric power generation (as more particularly defined on valuation roll number 2532000701A).
- "Tekapo B" means all separately rateable properties in the former Tekapo Ward, used for hydro electric power generation (as more particularly defined on valuation roll number 2530018400).

##### Group (B)

- "All other properties" means every other property in the district other than Tekapo A, Ohau A and Tekapo B.

##### Other Categories

- "All other rural properties" means every other property in the rural community other than Ohau A, Tekapo A, Tekapo B and Mount Cook Village.
- Rural community is defined as the area of the Mackenzie District excluding the community areas of benefit of Twizel, Lake Tekapo, Fairlie and Mount Cook Village.
- "All other district properties" means all separately rateable properties in the Mackenzie District other than Tekapo A, Ohau A, Tekapo B and Mount Cook village.

## **DUE DATE FOR PAYMENT OF RATES**

All rates will be payable in four instalments on due dates as follows:

Instalment number	Due Date
One	20 September 2015
Two	20 December 2015
Three	20 March 2016
Four	20 June 2016

## **PENALTIES**

That pursuant to sections 57 and 58 of the local Government (Rating) Act 2002, the Council prescribes the following penalties to be added to unpaid rates:

- a) A charge of 10 per cent of the amount of any instalment that has been assessed after 1 July 2015 and which is unpaid after the due dates being
  - 22 September 2015
  - 22 December 2015
  - 22 March 2016
  - 22 June 2016

- b) A charge of 10 per cent on so much of any rates levied before 1 July 2015 which remain unpaid on 11 August 2015.
- c) A charge of 10 per cent on any rates to which a penalty has been added under (b) if the rates remain unpaid on 11 February 2016

### **PAYMENT OF RATES**

That rates shall be payable at any of the following places:

Council offices, 53 Main Street, Fairlie (between the hours of 8.30 am to 5.00 pm, Monday to Friday, excluding public holidays) and Market Place, Twizel (between the hours of 8.30 am to 5.00 pm Monday to Friday) or pre advertised winter hours.

Cr Leslie questioned about the funds that Twizel have already put into the water scheme and whether there will be recognition for this.

Mr Morris replied that every town has spent money on capital works and have been in deficit. The short answer is there will be no recognition for Twizel residents.

### **REPRESENTATIVE ON SOUTH CANTERBURY RURAL FIRE COMMITTEE:**

#### Purpose of Report:

For Council to confirm its representative on South Canterbury Rural Fire Committee (SCRFC).

#### Resolved

1. That the report be received.

**Cr Williams/Cr Jackson**

2. That Council appoints a Mackenzie District councillor as its representative to SCRFC.  
Cr Smith was nominated and accepted the role.

**Cr Cox/Cr Jackson**

3. Council resolves to officially thank Alistair Munro for his significant contribution as Mackenzie District Council Representative of the SCRFC.

**Cr Smith/Mayor**

Nathan Hole spoke on this report and feels that with the changes to Rural Fire Service it would be better to have a council representative.

Cr Smith asked who would be the council representative. As the meetings are in Timaru Cr Smith offered his services to the role since he lives the closest to Timaru. However, he asked for it to be recorded that he was not seeking to replace Mr Munro.

Mackenzie is the only Council that doesn't have a councillor representative on the committee. Cr Cox volunteered to be available if Cr Smith is unavailable.

Alistair Munro has been a member for many years. The Mayor suggested Council send a gift of thanks.

### **TWIZEL COMMUNITY CARE TRUST:**

#### Purpose of Report:

To consider a request from the Twizel Community Care Trust for increased funding.

#### Resolved

1. That the report be received.

**Cr Armstrong/Cr Leslie**

2. That the Council agree to increase the Grant to the Twizel Community Care Trust

from \$10,000 per annum to \$15,000 per annum shared with the Twizel Community Board. Subject to a new Service Level Agreement being signed and the approval of the Twizel community board.

**Cr Armstrong/Cr Leslie**

Garth Nixon spoke on this. The trust is under a lot of pressure and their current chairman is retiring shortly. Mr Nixon questioned as to what will be their operating hours and whether they are looking at increased hours, he questioned as to whether Council want to demand more hours. Twizel Community Board have yet to see this report. The Mayor asked if the group report back to the community board, to which Mr Nixon replied, Bruce White is a community board member and is on this board as well.

\$20,000 has been accounted for in the budget.

The Chief Executive asked if they have had other funding provided to which Mr Nixon replied he does believe they have applied for other funding.

The group are providing services for the community.

## **COMMUNITY BOARD RECOMMENTATIONS AND MINUTES:**

This report from the Chief Executive was accompanied by the minutes of the meetings of the Twizel Community Board on July 13, 2015, and the Fairlie Community Board on July 20, 2015, and Tekapo Community Board on July 13, 2015.

Resolved that the report be received.

**Mayor/Cr Leslie**

### FAIRLIE COMMUNITY BOARD:

#### Purpose of Report:

To consider the recommendations made by community boards.

Council **noted** the following resolution regarding a review of fees and charges for the Fairlie community facilities:

1. That the Fairlie Community Board adopt the revised fees and charges as proposed.

Council **noted** the following resolution regarding surplus funds from the projects budget:

2. That the Fairlie Community Board recommends to Council that the surplus funds of \$21,000 from the projects budget be carried through to the Township Reserve Account and the uncompleted work be undertaken in the next financial year, and funded from this reserve as an unbudgeted item.

Council **noted** the following resolution regarding a parking study of Regent Street in Fairlie:

3. That the Fairlie Community Board employ Abley to undertake a layout and parking bylaw study on Regent Street, Fairlie for the fee of approximately \$4500 +GST and this be funded from the township projects reserve.

### TEKAPO COMMUNITY BOARD:

Council **noted** the following resolution regarding a review of fees and charges for the Tekapo community facilities:

1. That the Tekapo Community Board recommends to Council the revised fees and charges schedule be adopted.

Council **noted** the following resolutions regarding landscaping of the Tekapo Domain:

2. The Community Board confirm the minutes and recommendations made by the workshop as the basis for their way forward with the landscape of the Tekapo Domain.
3. That the Community Facilities Manager be tasked with progressing and reporting on these projects.

Council **noted** the following resolutions regarding the re-lining of the Tekapo reservoir:

4. That the budget of \$37,000 be carried over into 2015/16 year to undertake the reline project of the Tekapo Reservoir.

#### TWIZEL COMMUNITY BOARD:

Council **noted** the following resolution regarding a review of fees and charges for the Twizel community facilities:

1. That the Twizel Community Board adopt the revised fees and charges as proposed.

Council **noted** the following resolutions regarding work to reduce fire risk on council-owned land in Twizel:

2. That the Twizel Community Board recommends that a resource consent be sought and costings be obtained to undertake this work.

*It was noted incorrect names were with the above resolution in the agenda minutes. These have now been corrected.*

#### **RECEIVE COMMITTEE MINUTES:**

##### Resolved

Receive minutes of the meetings of the Asset and Services Committee and the Planning and Regulation Committee on July 23, 2015.

#### **COUNCIL MINUTES:**

Confirm and adopt the minutes of the Mackenzie District Council meeting held on June 23, 2015, as the correct record of the meeting, including those parts taken in public excluded.

**Mayor/Cr Leslie**

#### **CONFIRM EXTRAORDINARY COUNCIL MINUTES:**

Confirm and adopt the following minutes of the Mackenzie District Council meetings and hearings as the correct record of the meeting:

- Long Term Plan submission hearing held on July 6

**Mayor/Cr Williams**

- Extraordinary council meeting held on July 8

**Mayor/Cr Cox**



- Extraordinary council meeting held on July 23

Mayor/Cr Armstrong

**PUBLIC EXCLUDED:**

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

- A) PREVIOUS MINUTES COUNCIL JUNE 23
- B) TWIZEL COMMUNITY BOARD MINUTES JULY 13
- C) TEKAPO COMMUNITY BOARD MINUTES JULY 13
- D) FAIRLIE COMMUNITY BOARD MINUTES JULY 20
- E) PLANNING & REGULATION COMMITTEE MINUTES JULY 23
- F) CANTERBURY MAYORAL FORUM-DRAFT REGIONAL ECONOMIC DEVELOPMENT STRATEGY
- G) SALE OF TWIZEL LAND
- H) LAND SALE OF TEKAPO-LAKESIDE DRIVE
- I) TOURISM VENTURE

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under section 48(1) for the passing of this resolution</b>
Previous minutes Council June 23	Enable commercial negotiations	48(1)(a)(i)
Previous minutes Twizel CB July 13	Commercial sensitivity	48(1)(a)(i)
Previous minutes Tekapo CB July 13	Commercial sensitivity	48(1)(a)(i)
Previous minutes Fairlie CB July 20	Commercial sensitivity	48(1)(a)(i)
Previous minutes Planning & Regulation July 23	Maintain legal Professional privilege	48(1)(a)(i)
Canterbury Mayoral Forum (CREDS)	Commercial sensitivity	48(1)(a)(i)
Sale of Twizel Land	Commercial sensitivity	48(1)(a)(i)
Sale of Tekapo Land	Commercial sensitivity	48(1)(a)(i)
Tourism Venture	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: *Minutes from Council June 23 under section 7(2)(i). Minutes from Planning and Regulation committee under section 7(2)(g). Twizel CB July 13, Tekapo CB July 13, Fairlie CB July 20, Canterbury Mayoral Forum CREDS, Sale of Twizel Land, Sale of Tekapo Land and Tourism Venture under section 7(2)(b)(ii).*

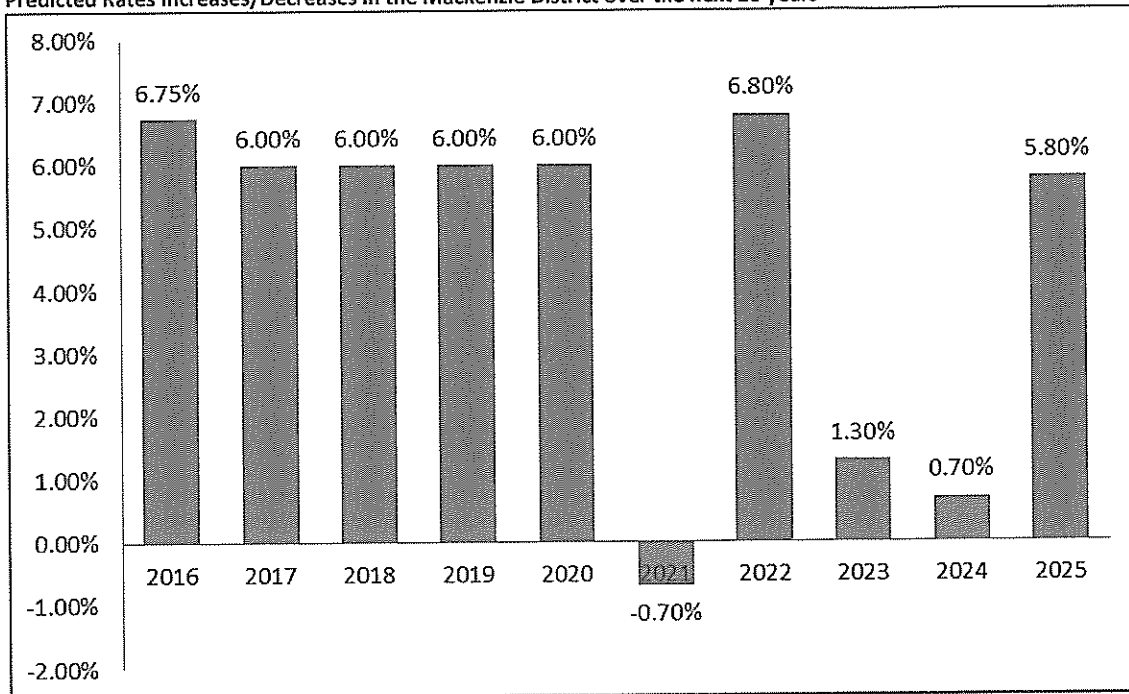
Cr Leslie/Cr Cox

**THE MAYOR DECLARED THE MEETING CLOSED AT 3.15pm**

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

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

**Predicted Rates Increases/Decreases in the Mackenzie District over the next 10 years**



**Borrowing**

The Council has not previously had external debt. However the Council has considered the required programme of work for roading both now and in to the future, and the feedback it received from consultation with the community, and accepts that the impacts on rates would be significant if additional sources of funding were not to be considered. The Council has decided it is both prudent and financially responsible to take on low levels of debt. This will ensure appropriate levels of service are maintained for the roading network in the long term.

The following ratios will be used to limit the level of debt we can incur.

- a) Debt will not be more than two times our rate income
- b) Debt will not be more than 100% of total operating revenue (excluding property sales, capital type contributions or vested assets).
- c) Financing costs will not be more than 10% of total rate income.

The following table details Council’s maximum levels of debt and financing costs compared to levels proposed in the plan.

# RATING DEFINITIONS

## GENERAL RATE

A general rate will be set on capital value under section 13 of the Local Government (Rating) Act 2002 on all rateable land. The general rate will be set differentially using the following categories based on the use and location of the land:

- Tekapo A
- Ohau A
- Tekapo B
- All other properties.

These categories are defined as follows:

### Group (A)

Tekapo A – All separately rateable properties in the former Tekapo ward , used for hydro electric power generation (as more particularly defined on valuation roll number 25300 15901).

Ohau A – All separately rateable properties in the former Twizel ward used for hydro electric power generation (as more particularly defined on valuation roll number 25320 00701A).

Tekapo B – All separately rateable properties in the former Tekapo ward , used for hydro electric power generation (as more particularly defined in valuation roll number 25300 18400).

### Group (B)

All other properties – All separately rateable properties in the District not classified in any of the categories in Group (A).

The relationship between the rates set in the differential categories is as follows:

#### Category Factor

Tekapo A 10% of the total rate requirement

Ohau A 10% of the total rate requirement

Tekapo B 10% of the total rate requirement

All other properties 70% of the total rate requirement

## UNIFORM ANNUAL GENERAL CHARGE

A uniform annual general charge will be set under section 15 of the Local Government (Rating) Act 2002 on a fixed amount per separately used or inhabited part of a rating unit (SUIP). Its level is designed to obtain a balance between flat charges and rates on capital value that is acceptable to Council. It is not used to fund any special portion of the general expenditure of Council. The general rate and uniform annual general charge are used to fund the general activities of Council, including but not limited to the following:

- Administrative, technical and regulatory activities and associated overhead costs
- Civil defence
- Planning
- Cemeteries
- Public toilets
- Part of the solid waste management costs
- Part of the Alps to Ocean Activity
- Other general expenses.

## TARGETED RATES

Sections 16-19 of the Local Government (Rating) Act 2002 authorise Council to set targeted rates to fund functions that are identified in its Long Term Plan as being functions for which targeted rates may be set. Schedule three of the Local Government (Rating) Act 2002 lists factors that may be used to calculate the liability of targeted rates. The Council may select one or more of these factors for each targeted rate. If differential rating is being used, the Council must use the matters contained in Schedule two of the Local Government (Rating) Act 2002 to define the differential categories.

### Works and Services Targeted Rates

The following targeted rates will be assessed under section 16 of the Local Government (Rating) Act 2002 to fund Council's works and services activities. The works and services which may be provided to each community include:

- Social services and information provision

- Village and township maintenance
- Parks and reserves
- Swimming pools
- Community halls
- Rural fire

#### **Twizel Works and Services Rate**

This targeted rate will be assessed on every rating unit in the Twizel community area of benefit (as defined on a map held by Council) and will be:

- A fixed amount per separately used or inhabited part (SUIP) of a rating unit to fund an annually agreed percentage of the targeted rate requirement (excluding improvement work); and
- A rate in the dollar based on the capital value of the land to fund the balance of the targeted rate requirement (excluding improvement work)

Currently the 2015/16 split of the rate requirement is 10% fixed charges and 90% rate in the dollar of capital value.

#### **Fairlie Works and Services Rate**

This targeted rate will be assessed on every rating unit in the Fairlie community (as defined on a map held by Council) and will be:

- A fixed amount per separately used or inhabited part (SUIP) of a rating unit to fund an annually agreed percentage of the targeted rate requirement; and
- A rate in the dollar based on the capital value of the land to fund the balance of the targeted rate requirement.

Currently the 2015/16 split of the rate requirement is 10% fixed charges and 90% rate in the dollar based on capital value.

#### **Tekapo Works and Services Rate**

This targeted rate will be assessed on every rating unit in the Tekapo community (as defined on a map held by Council) and will be:

- A fixed amount per separately used or inhabited part (SUIP) of a rating unit to fund an annually agreed percentage of the targeted rate requirement; and
- A rate based on the capital value of the land to fund the balance of the targeted rate requirement.

Currently the 2015/16 split of the rate requirement is 35% fixed charges and 65% rate in the dollar based on capital value.

#### **Rural Works and Services Rate**

This targeted rate will be assessed on every rating unit in the rural community ((as defined on a map held by Council, excluding Mount Cook Village) and will be:

- A fixed amount per separately used or inhabited part (SUIP) of a rating unit to fund an annually agreed percentage of the targeted rate requirement; and
- A rate based on the capital value of the land to fund the balance of the targeted rate requirement, set differentially using the following categories based on the use of the land:
  - Ohau A;
  - Tekapo A;
  - Tekapo B;
  - All other rural properties;

Ohau A means – All separately rateable properties in the former Twizel ward used for hydro electric power generation (as more particularly defined on valuation roll 25320 00701A).

Tekapo A means – All separately rateable properties in the former Tekapo ward , used for hydro electric power generation (as more particularly defined on valuation roll number 25300-15901)

Tekapo B means – All separately rateable properties in the former Tekapo ward , used for hydro electric power generation (as more particularly defined on valuation roll number 25300 18400).

All other rural properties means – every other property in the rural area other than Ohau A, Tekapo A and Tekapo B and Mount Cook Village).

Rural area is defined as the area of the District excluding the community areas of benefit of Twizel, Tekapo, Fairlie and Mount Cook Village (as defined on a plan held by Council).

The relationship between the rates set in the differential categories is as follows:

#### **Category Factor**

Ohau A 20% of the balance of the targeted rate requirement

Tekapo A 20% of the balance of the targeted rate requirement

Tekapo B 20% of the balance of the targeted rate requirement  
All other properties 40% of the balance of the targeted rate requirement

Currently the 2015/16 split of the rate requirement is 74% fixed charges and 26% rate in the dollar based on capital value.

## **URBAN SEWERAGE RATES**

### **Sewage Treatment Rates**

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 in each of the following communities to fund the cost of sewage treatment:

- Fairlie Community
  - Twizel Community
  - Lake Tekapo Community
  - Burkes Pass Community
- (as defined on maps held by Council)

The targeted rate will be:

- A fixed amount per separately used or inhabited part (SUIP) of a rating unit which is connected to a community sewerage scheme.
- An additional targeted rate will be assessed on every rating unit which is connected of a fixed amount per water closet or urinal after the first (rating units comprising a single household are treated as having one water closet or urinal). This rate will be set at 25% of the fixed amount.

Notes: For the purposes of the targeted rates for sewage treatment:

The sewerage service is treated as being provided if the rating unit is connected to a public sewerage drain;

A rating unit used primarily as a residence for one household is treated as having not more than one water closet or urinal.

### **Sewerage Infrastructure Rates**

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 in each of the following communities to fund the Council's sewerage infrastructure services. This includes sewer maintenance, depreciation and the servicing of loans :

- Fairlie Community
  - Twizel Community
  - Lake Tekapo Community
  - Burkes Pass Community
- (as defined on maps held by Council)

The targeted rate will be:

- A fixed amount per separately used or inhabited part (SUIP) of a rating unit which is connected or capable of being connected to a community sewerage scheme
- An additional targeted rate will be assessed on every rating unit connected to a community sewerage scheme of a fixed amount per water closet or urinal after the first (rating units comprising a single household treated as having one water closet or urinal). This rate will be set at 25% of the fixed amount).

Notes: For the purposes of the targeted rate for sewerage infrastructure:

The sewerage infrastructure service is treated as being provided if the rating unit is not connected to or able to be connected to a public sewerage drain and is within 30 metres of such a drain;

A rating unit used primarily as a residence for one household is treated as having not more than one water closet or urinal.

## **EVERSLEY RESERVE SEWERAGE RATE**

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 to fund the rating units in the Eversley Reserve sewerage scheme serviced by the Fairlie sewerage system apart from those rating units that opted to pay a lump sum contribution.

The targeted rate will be:

A fixed amount per rating unit in the area excluding those rating units which have opted to pay the lump sum contribution.  
(as defined in a map held by Council)

### **URBAN WATER SUPPLY RATES**

#### **Urban Water Treatment Rate**

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 in each of the following communities to fund the costs of Council's urban water treatment.

- Fairlie Community
  - Twizel Community
  - Lake Tekapo Community
  - Burkes Pass Community
- (as defined on maps held by Council)

The targeted rate will be:

A fixed amount per separately used or inhabited part (SUIP) of a rating unit which are connected to a council community water supply (except those rating units receiving a metered water supply).

#### **Urban Water Infrastructure Rate**

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 in each of the following communities to fund the Council's urban water supply infrastructure services. This includes maintenance, depreciation and the servicing of loans:

- Fairlie Community
  - Twizel Community
  - Lake Tekapo Community
  - Burkes Pass Community
- (as defined on maps held by Council)

The targeted rate will be:

- A fixed amount per separately used or inhabited part (SUIP) of a rating unit which is connected or capable of connection to a council community water supply (except those rating units receiving a metered water supply).

Note : Any rating unit to which water can be, but is not supplied (being a property situated within 100 metres of any part of an urban communities waterworks) is treated as being capable of connection.

## **METERED WATER RATE**

A targeted rate under section 16 of the Local Government (Rating) Act 2002 will be assessed on every rating unit in each of the following communities where water is supplied and measured by meter.

- Fairlie Community
- Twizel Community
- Lake Tekapo Community
- Burkes Pass Community
- Rural Community

The targeted rate will be:

- A fixed amount per separately used or inhabited part (SUIP) of a rating unit which is serviced by a council water meter.

Note : Rating units are considered to be serviced if rating unit receives a water supply.

## **TWIZEL IMPROVEMENT RATE**

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 to fund improvement work in the community of Twizel.

The targeted rate will be:

- A fixed amount per separately used or inhabited part (SUIP) of a rating unit to fund improvement work in the community of Twizel.

## **URBAN STORMWATER RATE**

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 in each of the following communities to fund the costs of Council's urban stormwater reticulation.

- Fairlie Community
  - Twizel Community
  - Lake Tekapo Community
- (as defined on maps held by Council)

The targeted rate will be:

A fixed amount per separately used or inhabited part (SUIP) of a rating unit which is within the communities of Fairlie, Twizel and Lake Tekapo.

## **RURAL WATER SUPPLIES**

The following targeted rates will be assessed under the Local Government (Rating) Act 2002 to fund the rural water supplies.

Note: Rating units are considered to be serviced if the rating unit receives a water supply, or the rating unit lies within the defined area of benefit for that supply.

### **Allandale Rural Water Supply**

A targeted rate for water supply under section 19 assessed on every rating unit serviced by the Allandale rural water supply to fund the costs of maintenance, depreciation and the servicing of loans.

The targeted rate will be:

- A fixed amount per unit of water supplied.

### **Ashwick/Opuha Rural Water Supply**

A targeted rate for water supply under section 16 assessed on every rating unit within the defined area of benefit for the Ashwick/Opuha rural water supply to fund the costs of maintenance, depreciation and the servicing of loans.

The targeted rate will be:

- A fixed amount per rating unit.

### **Fairlie Water Race – Variable**

A targeted rate for a water supply under section 16 assessed on every rating unit within the defined area of benefit for the Fairlie water race to partly fund the costs of maintenance, depreciation and the servicing of loans.

The targeted rate will be:

- A fixed amount per hectare within the rating unit.

### **Fairlie Water Race – Fixed**

A targeted rate for water supply under section 16 assessed on every rating unit within the defined area of benefit for the Fairlie water race to partly fund the costs of maintenance, depreciation and the servicing of loans

The targeted rate will be:

- A fixed amount per rating unit.

### **Spur Road Rural Water Supply**

A targeted rate for water supply under section 19 assessed on every rating unit serviced by the Spur Road rural water supply to fund the costs of maintenance, depreciation and the servicing of loans

The targeted rate will be:

- A fixed amount per unit of water supplied.

### **Manuka Terrace Water Supply Investigation Rate**

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 for all rating units in the Manuka Terrace water supply area (as defined on a map held by Council) to fund preliminary expenses in investigating and planning of a future water supply. Once the scheme is operational the method of rating will be reviewed.

The targeted rate will be:

- A fixed amount per rating unit.

Note for the purposes of the Allandale, Ashwick/Opuha and Spur Road Water rural water supplies, a unit of water equals a volume of 1.82m<sup>3</sup>/day.

### **Downlands Water Supply**

A targeted rate for water supply under section 16 on every rating unit serviced by Downlands water supply within the Mackenzie District to fund the costs of maintenance, depreciation and the servicing of loans.

The targeted rate will be:

- A fixed amount per rating unit.



A targeted rate for water supply under section 19 assessed on every rating unit serviced by Downlands water supply within the Mackenzie District to fund the costs of maintenance, depreciation and the servicing of loans.

The targeted rate will be

- A fixed amount per unit of water.

Note for the purposes of the Downlands water supply, a unit of water allows for a supply of 1000 litres per day.

## **DISTRICT ROADING RATE**

A targeted rate will be assessed under Section 16 of the Local Government (Rating) Act 2002 to fund the costs of all roading in the District, both subsidised and non-subsidised.

The targeted rate will be assessed on every rating unit in the District (excluding Mount Cook Village) and will be made up of 2 components:

- A fixed amount per separately used or inhabited part (SUIP) of a rating unit (excluding Mount Cook Village to fund an annually agreed percentage of the targeted rate requirement; and
- A rate based on the capital value of the land to fund the balance of the targeted rate requirement, set differentially using the following categories based on the use and location of the land:
  - Ohau A;
  - Tekapo A;
  - Tekapo B;
  - All other district properties;

These categories are defined as follows:

### **Group (A)**

Tekapo A – All separately rateable properties in the former Tekapo Ward , used for hydro electric power generation (as more particularly defined on valuation roll number 25300 15901).

Ohau A – All separately rateable properties in the former Twizel Ward used for hydro electric power generation (as more particularly defined on valuation roll number 25320 00701A).

Tekapo B – All separately rateable properties in the former Tekapo Ward , used for hydro electric power generation (as more particularly defined in valuation roll number 25300 18400).

### **Group (B)**

All other district properties” means all separately rateable properties in the Mackenzie District other than Tekapo A, Ohau A, Tekapo B and Mount Cook village.

The relationship between the rates set in the differential categories is as follows:

#### **Category Factor**

Tekapo A 10% of the total capital value rate requirement

Ohau A 10% of the total capital value rate requirement

Tekapo B 10% of the total capital value rate requirement

All other district properties 70% of the total capital value rate requirement

Currently the 2015/16 split of the rate requirement is 41% fixed charges and 59% rate in the dollar based on capital value.

## **SOLID WASTE RATES**

### **Urban Solid Waste Rate**

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 to partly fund the cost of all solid waste activity undertaken by Council. It will be assessed on every rating unit in each of the following waste collection areas:

- Twizel waste collection area
- Tekapo waste collection area
- Fairlie waste collection area

And on those rating units within one kilometre of the collection route, from Cave in the east to Twizel in the west that have opted to receive the service.

The targeted rate will be:

- A fixed amount per separately used and inhabited part (SUIP) of a rating unit to which the Council provides the service.

## ECONOMIC DEVELOPMENT RATE

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 to fund the cost of economic development activities undertaken by Council.

The targeted rate will be assessed on every rating unit in the District and will be made up of 2 components:

- A fixed amount per separately used or inhabited part (SUIP) of a rating unit to fund an annually agreed percentage of the targeted rate requirement; and
- A rate based on the land use on the rateable capital value of the land to fund the balance of the targeted rate requirement, set using the following categories based on the use and location of the land:

Category

Commercial Businesses

Industrial land properties

Currently the 2015/16 split of the rate requirement is 66.36% fixed charges and 33.64% rate in the dollar based on capital value.

## ALPS TO OCEAN RATE

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 to partly fund the cost of Alps to Ocean activity. It will be assessed on every rating unit in the district:

The targeted rate will be:

- A fixed amount per separately used or inhabited part (SUIP) of a rating unit.

## TOURISM AND PROMOTION RATE

Targeted rates will be assessed under section 16 of the Local Government (Rating) Act 2002 on a differential basis to fund the costs of District tourism and promotion activities. The targeted rate will be assessed on every rating unit and will be set differentially using the following categories and calculated on the following basis:

- The use to which the land is put and
- The capital value of the land

Categories

Commercial businesses

Industrial land properties

Commercial accommodation business

Secondary accommodation properties

All properties

The targeted rates will be:

All Properties

- A fixed amount per separately used and inhabited part of a rating unit in the District.

Group A

- A rate based on the land use on the rateable capital value of the land of all Commercial business properties (excluding commercial accommodation businesses and secondary accommodation properties)

- A fixed amount for Industrial land properties (excluding commercial businesses, commercial accommodation businesses and secondary accommodation properties).

Group B

- A rate based on the land use on the rateable capital value of the land of all commercial accommodation businesses (excluding commercial business properties and industrial land properties).

- A rate based on the land use on the rateable capital value of the land of all secondary accommodation properties (excluding commercial business and industrial land properties).

The relationship between the rates set in the differential categories is as follows

All Properties	10% of the total rates requirement
Group A	30% of the total rate requirement
Group B	60% of the total rate requirement

Currently the 2015/16 split of the rate requirement is 15.26% fixed charges and 84.74% rates in the dollar based on capital value.

## **RURAL CATTLESTOP MAINTENANCE RATE**

A targeted rate will be assessed under Section 16 of the Local Government (Rating) Act 2002 to fund the cost of the maintenance and upgrade costs of cattlestops situated on the boundary between rating units and Council roads.

The targeted rate will be:

- A fixed amount per cattlestop, or part thereof on those rating units or parts of rating units benefitting.

## **DEFINITIONS USED**

### **DISTRICT TOURISM AND PROMOTION**

All properties

All rateable properties in the Mackenzie District

Group A

Commercial Business

All rateable properties within the Mackenzie District identified as the principal use of the land being a trading entity engaged in commercial business activities (excluding commercial accommodation providers)

Industrial land Properties

All rateable properties within the Mackenzie District on land with a property category code beginning with I in the Council's Rating Information Database

Group B

Commercial Accommodation Businesses

All rateable properties within the Mackenzie District identified as accommodation providers for short term (not permanent) paying guests and where the principal use of the land is commercial accommodation business.

Secondary Accommodation Properties

All other rateable properties within the Mackenzie District identified as accommodation providers for short term (not permanent) paying guests, but where the principal use of the land is not commercial accommodation business.

Property Category Codes

Each rating assessment has a property category that broadly describes the nature of this property.

The property category is based on the highest and best use or the use for which the property would be sold given current economic conditions.

This differs from Land Use Data which is based on current actual use and zoning.

The coding is alpha-numeric and has two six characters.

Property category codes are maintained by Council's current valuation service providers "Quotable Value Ltd".

### **SEPARATELY USED OR INHABITED PART OF A RATING UNIT (SUIP)**

Where uniform annual general charges and targeted rates are calculated on each separately used or inhabited part of a rating unit, the following definition will apply:

A separately used or occupied part of a rating unit includes any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement, or any part or parts of a rating unit that are used or occupied by the ratepayer for more than one single use. For the purposes of this policy, vacant land is defined as "used".

Separately used or inhabited parts include:

- Residential property that contains two or more units that can be separately occupied, flats or houses each of which is separately inhabited or is capable of separate habitation.
- Commercial or other non-residential property containing separate residential accommodation.
- Commercial premises that contain separate shops, kiosks or other retail or wholesale outlets, each of which is operated as a separate business or is capable of operation as a separate business.
- Farm property with more than one dwelling.
- Council property with more than one lessee.

Council has recognised that there are certain instances where the above situations will occur, but in circumstances that do not give rise to separate uses or inhabitations. These specific instances are:

- Where a residential property contains not more than one additional separately inhabited part and where members of the owner's family inhabit the separate part on a rent-free basis.
- Individual storage garages/partitioned areas of a warehouse.
- Bed and breakfast home stays.

