

## **MACKENZIE DISTRICT COUNCIL**

### **MINUTES OF AN EXTRAORDINARY MEETING OF THE MACKENZIE DISTRICT COUNCIL HELD AT THE COUNCIL CHAMBERS IN FAIRLIE ON WEDNESDAY JULY 8, 2015, AT 9.32AM**

#### **PRESENT:**

Claire Barlow (Mayor)  
Cr Murray Cox  
Cr Russell Armstrong  
Cr Noel Jackson  
Cr Evan Williams

#### **IN ATTENDANCE:**

Paul Morris (Finance Manager)  
Arlene Goss (LTP Project Administrator)  
Toni Morrison (Senior Policy Planner)  
Garth Nixon (Community Facilities manager)  
Geoff Horler (Utilities manager)  
David Rae (Projects & Administration Manager)  
Nathan Hole (Planning & Regulation Manager)  
Suzy Ratahi (Acting Rooding Manager)  
Pauline Jackson (Senior Rates Administrator)  
Angie Taylor (Solid Waste Manager)  
Julie Jongen (Committee Clerk)

#### **OPENING:**

The Mayor welcomed everyone to the meeting.

#### **APOLOGIES:**

Apologies were received from Cr Graham Smith and Cr James Leslie.

**Russell Armstrong/Murray Cox**

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

There were no declarations of interest.

#### **REPORTS:**

##### **LONG TERM PLAN 2015-25**

To consider and make decisions on submissions to the Long Term Plan 2015-25.

### Resolved

1. That the report be received.

**Russell Armstrong/Evan Williams**

2. That the Council deliberates on submissions received and makes decisions on the Long Term Plan 2015-2025.

**Russell Armstrong/Evan Williams**

3. That the Council instruct staff to prepare the Long Term Plan incorporating those decisions, and provide the plan for auditing.

**Murray Cox/Noel Jackson**

### Forestry

Council considered a report on the health of the trees which said the forest block has gone past the stage of negative liability and should produce better than average returns in future years until harvest. (This report is an attachment to these minutes). The value of the asset has increased markedly and is expected to continue to increase. Forestry is currently in a depressed market and Council compared the benefits of selling the forestry land with borrowing money at current low interest rates. They also considered borrowing against the forestry. Council is not currently planning to move away from forestry as a long-term investment. It was noted that some submitters supported borrowing and many sought the retention of the forestry land.

Council resolved not to sell the forestry land and instead look at other avenues for funding essential infrastructure. The options to consider are using cash reserves, external borrowing, or other land sales.

### Resolved:

That Council retains the status quo and does not sell the forestry land.

**Evan Williams/Russell Armstrong**

### Roading

Council expressed disappointment in the funding level provided by NZTA. The Mayor has sent a letter to NZTA on behalf of Council asking them to justify the level of funding provided and is awaiting a reply. She will continue to lobby the government on this issue.

Council considered that it was important that the roads are maintained or they will cost more further down the track. They would like to smooth out the impact on rates so ratepayers are not faced with sudden large increases in the next three years.

Discussion was held on whether agreeing to pay for unfunded work would send a message to NZTA that council did not need additional government funding. However the Mayor's view was that if we want NZTA to take us seriously and we want to show that we value the road network, we need to put more into it.

Council asked the Roothing Manager how feasible it would be to spread the work out over a longer period, therefore spreading rate rises over a longer period. She responded that there was a risk to Council of road failure. Some sealed roads may fail to the point of needing reconstruction or may need to be returned to unsealed roads.

Discussion was held on how high speed traffic damages roads and public education is needed.

Council considered borrowing money so the work could be carried out immediately, and the impact on ratepayers could be spread over a longer period of time.

Council resolved to both tighten the roading budget and meet some of the funding shortfall (approximately \$350,000 per year over three years). Council will also continue to lobby NZTA and the government on this issue.

The Council noted that tightening the roading budget will have an impact. This may include taking longer to respond to customer complaints, a reduction in snow clearing and ice gritting, reducing the frequency of road grading on low-use roads, reducing the reconstruction of sealed roads, and reducing vegetation mowing on roadsides. Keeping roads safe will remain a priority. Council decided to accept a lower level of service over the next three years to smooth out rate increases and keep rates affordable. This would be followed by a period of improvement to raise the quality of the roads in the years that follow.

#### Resolved

That Council accepts a smaller rates increase and a reduction in the quality of the roads for the initial period of the LTP, returning to the current level of service thereafter; and to use external borrowing to smooth out rates impacts.

**Claire Barlow/Evan Williams**

*Cr Jackson voted against the motion as he preferred to “fund roading at the same level as NZTA contribution”.*

#### Water, sewerage and stormwater rates

Councillors considered and rejected options 3, 4 and 5 in the Consultation Document. They then compared options 1 and 2, which are to either stay with the status quo or amalgamate the rates across the townships. Discussion was held on the benefits of amalgamation. These benefits include that decisions could be made across the district, it would smooth out the rates and people would know what they are going to pay. Council felt it could not afford to let one town degrade or it will affect the whole district.

One councillor argued that Twizel will be paying for Fairlie’s water. However others argued that Tekapo will be paying more towards the other towns due to the level of growth and development it was facing and the fact that it’s services are still fairly new. Councillors also noted that it was not possible for

community boards in each town to make decisions on the 3 waters infrastructure – this is and always has been a Council decision. Individual communities can no longer decide the standards they want to accept like they used to, because Council was now required to meet certain standards under regional plans and national requirements. The issue was not about money to help Fairlie but about helping all the towns in the district. Some of the submissions on this issue have been emotive and contained misinformation.

Council resolved to go with option one as outlined in the Consultation Document, which is that the costs of water, sewerage and stormwater infrastructure be met by all towns in the district. Discussion followed on how this would affect Twizel and whether surpluses should be ring-fenced. It was noted that Twizel is facing a significant sewerage upgrade in years 1 – 3 of the LTP period, so it will be one of the first to spend significant money on an upgrade and ring-fencing any funding would achieve nothing.

Council expressed a desire to keep rates at between six and seven percent in the first five years of the plan.

Resolved

That Council spreads the costs of the 3 waters infrastructure across the towns.

**Murray Cox/Evan Williams**

*Cr Russell Armstrong voted against the motion and asked that his vote be recorded.*

*The meeting adjourned for lunch at 12pm and reconvened at 12.35pm.*

Community Outcomes

The Mayor stated she is comfortable with the way things are. It was agreed to stay with status quo. Council noted the submission regarding pensioner housing as important to the community.

Disposal of Goodmans and Grampians Bridges

Goodmans Bridge-There was some discussion as to whether one submitter had applied for a PIM but not a LIM when purchasing a property serviced by the bridge. Council discussed the extent of the legal road and the location of the bridge.

The Council is comfortable to leave the bridges for disposal in the Long Term Plan with further consultation to take place with affected landowners.

Manuka Terrace Water Supply

A public meeting is still to be held on this with ratepayers from Manuka Terrace. Consultation is expected to be in August/September. The

submissions were largely not in favour of Council providing a water supply but a recent survey of Manuka Terrace ratepayers stated the opposite.

Councillors discussed the situation raised in submissions about individual properties already having put in a water supply, and what happens if they want to join it later or if they don't want to join it at all. The Chief Executive stated that Council could draw up a charging scheme and it can include a differential for those who use it and those who don't.

Cr Jackson questioned why was Council looking at putting in an urban supply when the properties would have been purchased not having a water supply. Council agreed that this still needs looking into and further investigations need to be done with this. It was decided to leave provision for the water supply in the LTP but this will be the subject of further consultation with affected ratepayers and a final decision from Council.

#### Changing How Tekapo A Power Station Is Rated

Council agreed to adopt the proposal as outlined in the Consultation Document and rate the power station in the rural area.

#### Changing How Rates are collected for Tourism, Economic Development, and Alps2Ocean Cycleway

The Council felt it is appropriate that the Council is involved in promoting Mackenzie as a region, rather than individual businesses. Growth in tourism supports townships by providing for the cafes, restaurants, shops which everyone uses.

Council agreed to adopt the proposal as outlined in the Consultation Document. This provides for a differential rates for business and private use. A rate based on capital value was considered the best proxy for the use of the service, given there are only limited tools available to Council. There was support for the idea of a Tourism Strategy for the Mackenzie but the tourism community should devise a strategy and bring it to Council.

There was a suggestion that the Ski Fields pay a "tourism" rate, which could assist with the maintenance of the roads. Submitters stated tourists should be contributing in some way and the Council agreed that this should be investigated further, but at present there are not mechanisms or rating tools that allow for this.

The Mayor enquired if staff can seek further information and have discussions to see how revenue can be collected from tourists.

Alps2Ocean – A submitter noted that there is no mention of Fairlie on their website and felt that if Fairlie are contributing money then they should appear on it. The Council agreed to look in to this.

#### Roading – General

Twizel footpath reseals: the Council noted this and the Roothing Manager advised that they were working with the contractor and getting the work re-done.

Eversley Reserve – Sealing of the reserve road is programmed in the 30 year Infrastructure Strategy. This cannot be done until the water has been upgraded. Council agreed to look at the timing of the seal programme.

Dark Sky Reserve & Lighting: This is planned for within the 10 year timeframe of the LTP, although given the earlier decision as to funding for

roading, it will be within years 4 – 10 of the LTP. The Council decided the intention to do this should go in the LTP.

### Stock Effluent Disposal Scheme

Council are in agreement that if they are going to contribute to this scheme they would request a disposal station within the district. Consideration needs to be given to costs and maintenance requirements to empty these facilities. Council decided to request more information from Ecan as to where the needs are for further disposal stations, and what is required to maintain these, before committing to funding for the scheme.

### Water, Sewer, Stormwater – General

Effluent treatment scheme at fielddays- Councillors noted that cattle effluent was different in its composition and treatment needs than urban effluent. The Twizel upgrade was based on advice on latest technology from experts, to meet required standards and with Twizel's climate.

Tekapo growth- Councillors noted that upgrades and improvements are dealt with as subdivision occurs.

Water supply to the Drive – A pump is going in. Planned for year 1 of LTP. pH level of Twizel water supply – nothing is being done and nothing needs to be done.

Restricted water supplies and supply on demand – Each type of supply was decided as a result of previous Council decisions as land development occurred. Sections on "The Drive" were sold as supply and demand, so there is a booster pump going into "The Drive" to meet Council's obligations. Costings are in discussion with developers.

### Sth Canterbury DHB

Council notes the support of the submitter. The DHB also requested that information be provided to the consumers on fluoridation for water. Council agreed to work with DHB to provide this information to ratepayers on an annual basis.

### Rating and Financial Matters

#### Rates Rises and Council Costs

Council discussed the need to provide more information to the public on its rates rebates scheme. Councillors considered the submission points seeking the use of more 'user pays' system of rating for roading, for example a differential for forestry blocks and dairy farms. They decided it was too difficult to target these rates appropriately and the amount collected would be very small. They noted they had earlier decided to look at other avenues for getting revenue directly from tourists for costs associated with provision of services supporting tourism.

Submissions stated that staffing and administration expenses are too high. Council agreed they are not wasting money in administration and that central government requirements have increased work loads. Technology and reporting requirements have increased. Council considers its expenditure through its budgeting process and sets budgets accordingly.

Cr Armstrong congratulated the Chief Executive and his staff for the extra work they do and for the good job they have done with the LTP process.

### Rating System

The Council does not do valuations itself. Quotable Valuations do independent valuations of properties and they look at what properties have sold for and what prices were achieved in the area. There is an opportunity for landowners to appeal valuations.

Rates on vacant land are charged for the opportunity to connect to services. However owners of vacant sections do not pay all rates, eg they do not pay the treatment rate. Council felt this was appropriate.

### Land Sales

Council noted that the Council's Significance and Engagement policy covers engagement on land sales. Surplus land is listed on the Council website. Council is comfortable that the public walkways in Twizel were adequately addressed in the Twizel rezoning, through the adoption of the Greenways strategy and rezoning to Recreation zoning. These areas cannot be sold. Proceeds from real estate sold anywhere in the district, including in Twizel and Tekapo, is put in a reserve for the benefit of the whole district. This is usual practice.

### Borrowing Policy

Council agree with the submitter. Councillors referred to their earlier decision on borrowing to smooth out rates.

### Rating for Meridian's Hydro Generation Properties

Council agreed to engage with Meridian and Genesis on their rating.

### District Planning

Rezoning of some areas in Twizel - Council will look at this as part of District Plan review.

Dark Sky Reserve lighting controls – the Plan provides for this already but the Council is aware of the need to increase monitoring. This is provided for in existing budgets.

Contaminated Land - Council does this as part of applications for consents for subdivision etc. This is for any land within the district not just council land. Council will give consideration to using the shared services arrangement.

### Dog Control

It is a statutory requirement that all dogs are registered. The Council also has other legal obligations such as the Dog Control Database. The Council's funding policy is that costs are met 90% by dog owners. There are two different rates, one for rural and one for urban dogs.

### Health and Liquor Regulation –

Licensing of fast foods - Council do not feel this is relevant for our situation in our small towns. There are no realistic siting alternatives for our schools etc. Council do not currently have a Local Approved Products Policy. Council agreed to investigate this further and provide for this in the LTP.

### Parks, Reserves & Walkways

Council agreed that points 1, 2, and 3 should go to the Community Boards for consideration.

#### Viewing corridors

This is an issue and Council needs to refer this matter back to the Community Board. Some of these trees could be on Ecan and DOC Land.

#### Twizel Skate park

Council supports this in principle, but also feel it is a Community Board item for discussion.

#### Providing shade

Council supports this idea but will refer this back to the community board.

#### Peace Avenue trees

The Community Facilities Manager advised that this is being followed up.

#### Smokefree NZ

Council agreed that the LTP should recognise this goal and that this can be achieved with signage, advertising and local events within existing budgets. Council will work alongside Smokefree NZ.

#### Twizel Swimming Pool Upgrade

Council noted there are no funds budgeted but an investigation is planned and the Council will be looking at costs and options with the community board once that is complete.

#### Pensioner Housing

Council agree that pensioner housing is important and that a timeframe should be given in the LTP for the research in to housing needs and options. Discussion took place on looking into this and exploring other options in Twizel. Agreed that the LTP should state that this is to be completed in year 2 and that a review of the Pensioner Flat Occupancy Policy should be undertaken at the same time.

#### Solid Waste

Council does not plan to provide a green bin system in Tekapo. The Council considers it can be addressed with the new on-site compost bins system it is promoting and also through its refuse stations.

#### Public Toilets

Council have made provision in the LTP for additional toilets at Lake Ruataniwha and Lake Wardell.

In respect of the other submitters' general submissions regarding more public toilets, it is not clear where the issues are and this requires further investigation before committing funding. The Council agrees to work with the zone committee and other parties to assist in exploring this.

Twizel toilets could do with a urinal to avoid large queues when the coaches stop. A suggestion was made that the family room could be done away with and have a urinal installed. Council will explore this option.



## General

Submissions in support of Council were noted.

Representation - There was a request for more representatives for Twizel. Council agreed that the representation is very fair and evenly spread over this district. They noted that this is a matter for the representation review which is coming up, and not the LTP.

Alpine water - Council has lent support to the alpine water subgroup that has been formed. The zone committees are also working through this issue.

Emergency Events – This is being looked into and Council are working on seeking improvements to these issues. This is part of existing CD budgets.

Accountability to Ratepayers – this submission was noted. The Councillors decide on the LTP.

Tekapo development and Fairlie expansion – Council noted there was no apparent demand in Fairlie for residential expansion and that the Council did not want to get in to this type of speculation. The Tekapo development is to support other growth in Tekapo and provides a hub of commercial development for the township.

Canterbury Water Management Strategy – Council agreed to put a statement in the LTP clarifying its role in the CWMS process.

## Heritage Trail and Centre

Council supports this in principle and note that such proposals are usually funded from external sources. Similar projects around the district have not been funded by Council. Councillors suggested this be discussed with Meridian as they had ideas of putting a museum/heritage centre within their new building.

Council agreed to record its support in principle for the proposal in the LTP which it understands is at its very early stages, but not to provide land or funding at this stage given there are no details before it to consider. They also agreed to support it being based in Twizel.

## Biodiversity

This is part of the Council's district planning programme and is part of those budgets and Council's support for zone committees. It should not be elevated above other areas of Council planning and resource management work.

## Matters raised at the hearing: (separate sheet attached to minutes)

1. Eversley Reserve – This has been addressed.
2. IT Expenses too high – CEO considers appropriate systems and staffing, and is part of Council-approved annual budgets.
3. Fairlie should establish a tourist area for businesses – This will form part of the District Plan Review.
4. Reserve 4038 – This land is owned by the Crown and administered by MDC. Does council want to continue to administer this or hand it back to the Crown? The Reserves Act limits what can be done with this land. Council will keep an open mind with regard to the future of the land.

## REVENUE AND FINANCING POLICY:

To consider and make decisions on a submission on the draft Revenue and Financing Policy.

Resolved:

1. That the Council receives the report.  
**Russell Armstrong/Murray Cox**

2. That the Council deliberates on the submission received and makes decisions on the Revenue and Financing Policy.

**Russell Armstrong/Murray Cox**

3. That the Council reject the submission on the Revenue and Financing Policy.

**Russell Armstrong/Murray Cox**

And

4. That the Council note that the final Revenue and Financing Policy will be presented to Council for adoption at its next meeting.

**Claire Barlow/Noel Jackson**

## FINANCIAL CONTRIBUTIONS POLICY

The purpose of this report is to consider and make decisions on a submission on the draft Policy on Development Contributions and Financial Contributions.

Resolved:

1. That the Council receives the report.  
**Murray Cox/Evan Williams**

2. That the Council deliberates on the submission received and makes decisions on the Policy on Development Contributions and Financial Contributions.

**Murray Cox/Noel Jackson**

3. That the Council reject the submission on the Policy on Development Contributions and Financial Contributions.

**Murray Cox/Noel Jackson**

4. That the Council note that the final Policy on Development Contributions and Financial Contributions will be presented to Council for adoption at its next meeting.

**Murray Cox/Noel Jackson**

**THE MAYOR DECLARED THE MEETING CLOSED AT 3.29pm**

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

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

**Long Term Plan 2015-2025**  
**Additional Submission Points from Hearings**  
**For Council Decision**  
**July 8 2015**

<b>Submitter</b>
John Benson
<b>Submission / Reasons:</b>
The submitter at the hearing asked whether the roads in Eversley Reserve could be sealed to reduce dust. This would be of benefit for the area's elderly residents and also enhance the area for walking and recreation.
<b>Council Decision</b>
<b>Decision:</b>
<b>Reasons:</b>

<b>Submitter</b>
Allan Kerr
<b>Submission / Reasons:</b>
The submitter at the hearing sought that the Council save money in IT, and suggested a system whereby there was one expert for all of South Canterbury, and a person employed at Mackenzie DC on a part time basis to do the 'nuts and bolts'.
<b>Council Decision</b>
<b>Decision:</b>
<b>Reasons:</b>

<b>Submitter</b>
Allan Kerr
<b>Submission / Reasons:</b>
The submitter at the hearing considered that Fairlie should grow by establishing a new area for tourist businesses. The area west of the Mt Cook Road from the monument corner adjoining the State Highway could be rezoned for tourist businesses, keeping the current town area for 'local' businesses.
<b>Council Decision</b>
<b>Decision:</b>
<b>Reasons:</b>

<b>Submitter</b>
Frank Hocken
<b>Submission / Reasons:</b>
The submitter at the hearing submitted that an area of Council forestry land at Twizel, Reserve 4038, should be retained by the Council rather than transferred to the Department of Conservation. He felt that this should be kept so that the local community could use it for recreational purposes such as motor sports and horse riding.
<b>Council Decision</b>
<b>Decision:</b>
<b>Reasons:</b>



Wood Quality

FOCUS

Don McConchie

PO Box 167

Lake Tekapo

Phone: 03 6806 906

Mobile: 0276 276003

email: donmconchie@gmail.com

## Comment on visit to the Woods block with Kevin O'Neill

We visited the cypress and D. fir stands in the Woods Block on 18/6/15 and I was immediately impressed with their quality in particular the stem form and health. These stands looked particularly healthy (no canker in the cypress) and are at a stage where the early risks associated with forest establishment have passed and investment in silviculture complete. I thought that a higher number of trees could or should have been pruned in the cypress stand but never the less what I saw was impressive. Good stands of cypress are an asset and could well benefit in the future due to their natural durability thus not requiring treatment. For both species this could be a plus with a growing market for this type of product. The cypresses are also renowned for stability and have good working properties and D. fir (Oregon) has an international reputation as a quality structural species. There has been very good branch control in the D. fir. This forest block has gone past the stage of negative liability and should produce better than average returns in future years until harvest.

I am aware of a group specializing in the cypresses and if there was interest I could contact them with the possibility of establishing a permanent sample plot at this location which would help monitor future growth and allow comparison with stands elsewhere in the country.

My forestry background was 33 years at the Forest Research Institute (now SCION) followed by 10 years as a consultant specialising in wood quality and sawmill improvement. I also established a 70 hectare forest including radiata, cypress (lusitanica) and blackwood.