



**TO THE MAYOR AND COUNCILLORS OF THE
MACKENZIE DISTRICT COUNCIL**

Membership of the Mackenzie Forestry Board:

Cr Graham Smith(Chairman)

Cr Noel Jackson

Cr Evan Williams

Cr Murray Cox

*Notice is given of the meeting of the Mackenzie Forestry Board
to be held on Thursday March 20, 2014, at 9am.*

VENUE: Council Chambers, Fairlie.

BUSINESS: As per agenda attached

WAYNE BARNETT
CHIEF EXECUTIVE OFFICER



MACKENZIE FORESTRY BOARD

Agenda for Thursday, March 20, 2014

APOLOGIES

DECLARATIONS OF INTEREST

MINUTES:

Confirm and adopt as the correct record the minutes of the Mackenzie Forestry Board meeting held on September 3, 2013, including such parts as were held with the public excluded.

REPORTS:

1. Forestry Manager's Report: Oct-Dec 2013 (attached).
2. Finance Manager's Report to Jan 2014 (attached).
3. Maps of Mackenzie Forestry for new members – this will be tabled at the meeting.
4. Lease of Wrefords Block for Replanting (discussion).
5. Forrester's Reserve – Milling of Trees and Lease (discussion).
6. Weed and Pest Control.

PUBLIC EXCLUDED:

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

1. Discussion of the previous minutes of the Mackenzie Forestry Board, September 3, 2013, taken in public excluded session.

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Previous minutes of the Mackenzie Forestry Board, September 3, 2013.	Commercial sensitivity	48(1)(a)(i)

This resolution is made in reliance on Section 48(1)(a)(i) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows: *Previous minutes of the Mackenzie Forestry Board under section 7(2)(b)(ii).*

RESOLUTION TO RESUME OPEN MEETING

MACKENZIE DISTRICT COUNCIL

MINUTES OF A MEETING OF THE MACKENZIE FORESTRY BOARD HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY 3 SEPTEMBER 2013 AT 9:30AM

PRESENT:

Cr Graeme Page (Chairman)
Claire Barlow (Mayor)
Crs Graham Smith
Annette Money
Peter Maxwell
John Bishop

IN ATTENDANCE:

Wayne Barnett (Chief Executive Officer)
Paul Morris (Manager Finance and Administration)
Kevin O'Neill (Forestry Manager)
Keri-Ann Little (Committee Clerk)

I APOLOGIES:

Resolved: that an apology for lateness be received from Councillor Williams.

Graham Smith/ Annette Money

II DECLARATIONS OF INTEREST:

There were no declarations of interest.

III MINUTES:

Resolved that the Minutes of the meeting of the Mackenzie Forestry Board held on 6 August 2013 be confirmed and adopted as the correct record of the meeting. With the following corrections:

Financial Contribution to Section A Amenity Planting:

The CEO said it is appropriate this section of the land should be allocated to the Community Board and that it is approved by Council and accepted from the Community Board.

Annette Money/ Graham Smith

IV REPORTS:

1. FORREST MANAGER'S REPORT:

Resolved: that the report be received.

Graeme Page/Annette Money/

Mr O'Neill the Forestry Manager provided the Board a brief update saying that replanting has started at the Tekapo Plantation site and milling at Cave has started.

Mr O'Neill also referred to a 5 acre block of trees in Cave and stated a decision in the future will have to be made as to how management of this block will be undertaken. The neighbouring block, which is privately owned will be milled shortly leaving the Council block vulnerable. Power companies may also be concerned about this as trees have fallen over lines during recent power shortages.

Mr O'Neill concluded his report by saying that Section A of the Tekapo Plantation has been cleared excluding the tarn area. Mr O'Neill has asked Rob Allan to clear this area and Mr O'Neill will investigate costing's.

1. ADDITIONAL LOGGING:

This report a verbal report from the Chairman was accompanied by a report from District Forester Terry O'Neill.

Mr Terry O'Neill's report read that after viewing the Council plantation on Nelsons Road near Cave following the latest Forestry Board meeting I recommend that the plantation is clear-fell, along with adjacent plantation that runs alongside the Cave-Albury Highway. Terry O'Neill's report is attached including maps of both plantations. Three companies were contacted; Forest Management, Blakely Pacific and Trans-Tasman Forestry decided not to submit a price as they couldn't guarantee a harvesting contractor. Terry O'Neill compared the proposals from Blakely Pacific and Forest Management also included in his report. An enlarged map of Nelsons Road plantation was also distributed.

Terry O'Neill's report is attached as *Appendix A* of this record.

Resolved: that the report be received.

Annette Money/ Graham Smith

Resolved: that the Forestry Board accept the Blake Pacific Ltd offer.

Annette Money/ Graham Smith

IV PUBLIC EXCLUDED

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

1. Bobsled Proposal Burkes Pass

<u>General subject of each matter to be considered</u>	<u>Reason for passing this resolution in relation to each matter</u>	<u>Ground(s) under Section 48(1) for the passing of this resolution</u>
---	---	--

Bobsled Proposal Burkes

Pass

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: *Bobsled Proposal Burkes Pass* Section 7(2)(b)(ii).

Annette Money/ Graham Smith

**THERE BEING NO FURTHER BUSINESS
THE CHAIRMAN DECLARED THE MEETING CLOSED AT 10:16AM**

CHAIRMAN: _____

DATE: _____

Kevin O'Neill's Time & Travel Log October 2013

October 2013	Hrs	Kms	Details
1			Rang Murray Lumsden to get logs removed from Tekapo and Cave. Gave him a changed list as some do not require logs after sourcing them from elsewhere because of delivery time delays.
3	8.5	165	Visited Simons Pass. Corsicans still looking good for posts if a suitable contractor could be found. Miracada will still only be firewood option. Douglas fir showing good growth. Checked on logs still left at Tekapo losing a few logs still to those people who should be cleaning up butt ends only. Working on DOC track which I hope to get people to help shingle to bring it back to where it was before milling, as agreed to by the Forestry Board.
7	2		Dealing with firewood permits at Cave. 14 permits issued so far, also office work.
14	2.5	51	Meet Earl Cochrane at Cave gave him a permit and a price to take a unit load of poplar logs. Discussed with Andrew Cocking (Blakely Pacific) re the removal of the rest of the logs on skid site at Cave.
16	0.5		Set up the removal of 2 units of firewood with Murray Lumsden for Sam Pye and Julie Hadfield.
22	3	49	Meet James Forester who owns a small plantation behind ours in Cannington Road. His is badly windblown and it is to be milled by Alan Laurie after Christmas. I understand Alpine Energy wishes to take out 25 metres of our plantation to keep trees from coming over their power lines. It is a very steep facing and I think will prove to be uneconomic to replant having to maintain a 25 metre setback, which would be full of gorse and broom. Could it be leased to the farmer? At the moment he does not intend to replant so the back of our plantation will be exposed as the boundary is on top of a ridge. Reported to Terry and Graeme Page also questioned Organ Nurseries bill.
23	1.5		Had a ring from Barry Mackenzie – Opus. There are three sites he requires to be cut back off roadside at Cave. One site \$3000 and two sites at \$1500 each. They will chip what they cut out and poison the stumps. I said I would respond after making further enquiries. Garth informed me that Colin MacLaren has funding from Genesis to plant either side of the road into Resource Recovery Park at Tekapo. Forestry Board had already decided no in July. I suggested there could
TOTALS	83	811	

Kevin O'Neill's Time & Travel Log November 2013

November 2013	Hrs	Kms	Details
1	3		September forestry report.
2	1.5	48	Checked on logs still left to be uplifted from skid sites at Cave. 2 units of pine and 1.5 units of poplar. Spoke to some of the firewood permit holders who did not have the equipment required on their permit.
4	2.5		Issued further firewood permits to Tim Adams and David McHaffie. Contacted 13 people to assist with reinstatement of DOC track at Tekapo.
5	.5		Arranged for Rob Allan to cart shingle and for the use of his digger to spread it. Contacted Murray Cox who will also help with the Regional Park frontend loader.
12	1		Met with Bryce Sommerville and Sam Bell before signing forms to say there has been no poison used on Fox Peak block. Therefore allowing Somervilles to shoot unwanted deer on their hunting block. There has been times that Laurie Williams gate has been locked stopping access to our plantation block. Sam Bell is to approach him about this matter.
13	2		Met Ray Gardner to work out coordinates for the positions of cut plantations for Canterbury West Coast Rescue Trust.
14	3		Got signs laminated and placed them on logs waiting to be uplifted at Cave, as people taking firewood have been cutting into these logs. Invoices and office.
20	2.5		Found new people to take the last of the firewood from Tekapo, as people who had orders no longer required it. Organised working bee and contractors to help restore DOC track at Tekapo.
21	5.5	83	Wareings carted the last of the firewood logs out of Tekapo. Rob Allan and I took up the crossing and temporary culvert giving access to the plantation. Took four boys from Mackenzie College to help shingle the DOC track as they are doing community work towards a diploma in conjunction with some Tekapo Community Board members and some residents.
22	0.5		Had a request from Jason Hawker (Regional Council) to spray back further the gorse and broom at Cave Plantation as they are requiring owners on the other side of the road to do the same. Contacted Ian MacDonald to do further spraying back to the first tree line.
29	2		After receiving a number of requests from people wanting permits to shoot wallabies I contacted lease holders and neighbours of relevant plantations with no positive response.
TOTALS	24	131	

Kevin O'Neill - Forestry			
<u>December 2013</u>	Hours	Kms	
			December Forestry Report.
<u>1</u>	.5		Andrew Hurst rang about putting up Trespass signs at Woodburn Plantation, plus locks and chains on entrance gates. Issued two further firewood permits for Cave.
<u>4</u>	1.5		Arranged for Rob Allan to cart and Murray Cox to spread 2 further loads of shingle on DOC track, and working bee to rake it out. Arranged also for Lions to cut off access to temporary track now logging is complete.
<u>6</u>	6.5	82	Spoke with resident of Tekapo cutting firewood without permit. Had working bee to rake out last of shingle on DOC track. Checked on further work done by Murray up extension of track towards Cowans Hill. Murray suggested a ban on motorbikes in the plantation. It would lessen the risk of losing shingle from the track and in summer time would lessen then fire risk.
<u>9</u>	1		Spoke with Wayne Barnett about ownership of land milled at Cave in relation to being able to cut down the remaining poplars in the middle of the block that will impede the spraying of the site for replanting. Office work.
<u>10</u>	3		October Forestry Report..
<u>11</u>			Renewed permits that had expired at Cave.
<u>12</u>	5.5	38	To Cave Nigel Blair windrowing after logging at Cave. Still 1 Unit of Pine and 1.5 Units of Poplar left on skid site. Met Quentin Wreford to discuss matters he has of concern. Cleaning up branches on side of the road, left from the logging process.
<u>15</u>	3	58	Inspected spraying at Upper Pareora,. Littles, Cave and Wrefords. Checked on permit holders taking firewood at Cave.
<u>18</u>	1.5		Invoices and Office work.
<u>24</u>			Wareings carted unit load of Pine to Sam Pye. Wareings carted unit load of Poplar to Geoff Horler.
<u>Totals</u>	22.5 hr	178k	

MACKENZIE DISTRICT COUNCIL

REPORT TO: MACKENZIE FORESTRY BOARD
SUBJECT: FINANCIAL REPORT TO JANUARY, 2014
MEETING DATE: MARCH 20, 2014
REF: LAN 3/3
FROM: PAUL MORRIS, MANAGER FINANCE AND ADMINISTRATION

FOR DISCUSSION

MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JANUARY 2014

7

	LYTD ACT. JANUARY 2013	YTD ACT. JANUARY 2014	YTD BUD JANUARY 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Commercial Activities						
Income						
Other Income	3,155	183,314	-	183,314	✓	1
Other Gains and Losses	-	-	-	-	✓	-
Internal Interest Income	1,110	8,910	3,962	4,948	124.88% ✓	2
Gain on Sale - Assets	-	-	-	-	✓	-
Total Income	4,265	192,224	3,962	188,262	4751.68%	6,792
Expenses						
Consultancy Expenses	27,276	12,005	19,250	7,245	37.64% ✓	33,000
Administration Expenses	11,824	14,435	17,787	3,352	18.85% ✓	30,492
Operational and Maintenance	18,807	50,640	18,375	(32,265)	-175.59% ✗	31,500
Total Expenses	57,906	77,079	55,412	(21,667)	-39.10%	94,992
Operating Surplus/(Deficit)	(53,641)	115,144	(51,450)			(88,200)

Variance Analysis

1. Unbudgeted Timber sales due to wind damage requiring trees to be milled ahead of time.
2. Higher than anticipated capital reserve balance has resulted in this favourable capital reserve interest variance
3. Higher than anticipated costs associated with replanting due to milling mentioned above.

MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JANUARY 2014

7

	LYTD ACT. JANUARY 2013	YTD ACT. JANUARY 2014	YTD BUD JANUARY 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Operating Reserves						
Opening Balance	-	-	-	-	-	-
Operating Surplus/(Deficit)	(53,641)	115,144	(51,450)			(88,200)
Transfers between Reserves	-	-	51,450			88,200
Transfer Capex to Ratepayers Equity	-	-	-			-
Transfer Interest to Capital Reserve	-	-	-			-
Revaluation	-	-	-			-
Total Operating Reserves	(53,641)	115,144	-	-	-	-
Capital Reserves						
Opening Balance	127,027	571,205	181,189			181,189
Transfer - Interest Earned	-	-	-			-
Transfer - from Operating Reserve	-	-	(51,450)			(88,200)
Transfer - from Real Estate	-	-	-			-
Total Capital Reserves	127,027	571,205	129,739	-	0.00%	92,989