

MACKENZIE DISTRICT COUNCIL

MINUTES OF A MEETING OF THE MACKENZIE DISTRICT COUNCIL HELD AT THE THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY DECEMBER 8, 2015, AT 9.30AM

PRESENT:

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

IN ATTENDANCE:

Wayne Barnett, Chief Executive
Paul Morris, Finance Manager
Garth Nixon, Community Facilities Manager
Bernie Haar, Asset Manager
Geoff Horler, Utilities Manager
Arlene Goss, Committee Secretary
Chris Hyde, Reporter Timaru Herald
Kelsey Scott – Mackenzie County Scholarship Winner, and father Paul Scott.
Toni Morrison, Senior Planner
Aaron Hakkaart, Planner
Katherine Hill, Planner

OPENING:

The Mayor welcomed everyone to the meeting.

APOLOGIES:

Resolved that an apology be received from Cr Noel Jackson.

Cr Smith/Cr Armstrong

DECLARATIONS OF INTEREST:

There were no declarations of interest.

BEREAVEMENTS:

The Mayor noted the following bereavements:

- Robbie Groves, son of Mary-Rose Fowlie, late of Tekapo.
- Shirley Margaret McBeth, mother in law of Jenny and John France of Albury.
- Mary Evelyn Gallagher, long term resident of Fairlie.
- Andrew John Morgan Dunbar, son of Bruce and Karyn Dunbar, of Fairlie.

A moment of silence was observed.

PRESENTATION OF SCHOLARSHIP PRIZE:

The Mayor welcomed Kelsey Scott and his father Paul to the meeting. She then presented Kelsey Scott with the 2015 Mackenzie County Scholarship prize. The Mayor said there were 12 candidates of extremely high quality this year. Kelsey impressed the interview panel with his confidence and talent. He is going to Lincoln University next year.

The winner of the Bruce Scott Memorial Prize, Charles Barnes, was unable to attend the meeting and will receive his prize at a later time.

REPORTS:

MAYOR'S ACTIVITIES REPORT:

This was the report of the Mayor's activity from October 28 to December 7.

Resolved that the report be received.

Cr Armstrong/Cr Williams

CHIEF EXECUTIVE'S ACTIVITIES REPORT:

This was the report of the Chief Executive's activity from October 28 to December 7, 2015.

Resolved that the report be received.

Mayor/Cr Smith

The Mayor said she was changing the order of items on the agenda to allow an urgent decision to be made quickly. This item was the consideration of the public excluded report "Lease Tender Fairlie Domain Campground".

PUBLIC EXCLUDED RESOLUTION:

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

- Lease tender Fairlie Domain camp ground.

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
Lease tender Fairlie Domain camp ground.	Enable commercial negotiations	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: *Lease tender Fairlie Domain campground, under section 7(2)(i).*

Cr Cox/Cr Smith

The Council continued in open meeting.

LEASE TENDER FAIRLIE DOMAIN CAMPGROUND:

Resolved that the resolutions made in public excluded related to the item "Lease Tender Fairlie Domain Campground" be adopted in the public part of the meeting.
Cr Smith/Cr Williams

The resolutions adopted were as follows:

Resolved:

1. That the report be received.

Cr Leslie/Cr Cox

2. That Council approves the leasing of the Fairlie Domain Camping Ground Reserve to John Weildraayer and Mary-Jane Gilbert.

Cr Smith/Cr Williams

Garth Nixon left the meeting. Toni Morrison and Aaron Hakkaart joined the meeting at 9.48am.

UNMANNED AIRCRAFT POLICY 2015

The Mayor asked staff to forward a copy of this policy to photography clubs for their information. Cr Leslie asked if the radius regarding unmanned aircraft prohibited at the Pukaki Airport, he would like the radius widened to a km from the airport.

Toni Morrison said this policy only relates to council land. The Pukaki Airport is council land. There are separate regulations related to airports.

Resolved:

1. That the report be received.

Cr Leslie/Cr Smith

2. That Council adopt the Unmanned Aircraft Policy 2015 in the form attached to the the report.

Cr Williams/Cr Leslie

3. That Council amends the Delegations Manual to give the Asset Manager and the Community Facilities Manager delegation to grant permissions under the Unmanned Aircraft Policy.

Cr Williams/Cr Leslie

Nathan Hole joined the meeting at 9.58am. Toni Morrison and Aaron Hakkaart left the meeting.

REQUEST BY ASHBURTON DISTRICT COUNCIL TO JOIN THE SOUTH CANTERBURY RURAL FIRE DISTRICT:

Nathan Hole spoke to this report. The Mayor asked for background information on this issue. Nathan Hole said the merger with Ashburton will form a new entity. This merger sits separately to the changes the government is proposing. He provided background information regarding changes planned at a national level. Cr Cox wanted to be careful we didn't spend money because local government may not be administering rural fire after

2017. Nathan Hole believes local government will still be involved in rural fire, in terms of funding, but he does not know how. He also does not know what will happen with the transfer of assets.

Resolved:

1. That the report be received.

Cr Cox/Cr Armstrong

2. That the Mackenzie District Council authorises amendment to the charter so that:

- ADC can become a member of the existing SCRFD on terms that maintain the arrangements currently set out between the members in the charter;
- Alteration to the charter occurs only to the extent required for ADC to become a member; and
- ADC has the same rights and obligations as existing members.

Cr Smith/Cr Williams

Katherine Hill joined the meeting at 10.07am.

RESOURCE CONSENT OBJECTION:

Nathan Hole said the reason this report was before council was because there was no delegation available for it to be dealt with by staff, but the objection has been resolved and it just requires council approval.

Resolved:

1. That the report be received.

Cr Cox/Cr Leslie

2. That Council upholds the objection and agrees to Conditions 4 and 16 being amended as recommended.

Cr Armstrong/Cr Leslie

Katherine Hill left the meeting.

OPIHI ORARI PAREORA WATER ZONE COMMITTEE REFRESH:

Cr Williams represented Council on the refresh committee and said both of the new members were very suitable.

Resolved:

1. That the report be received.

Cr Armstrong/Cr Williams

2. That the Council appoints community members of the Orari-Temuka-Opihi-Pareora Water Management Zone Committee as follows:

- Hamish McFarlane (to 31 Dec 2018)
- Ivon Hurst (to 31 Dec 2018)

Mayor/Cr Williams

3. To extend the appointment of Mark Webb, John Talbot and Kylee Galbraith to December 2017.

Mayor/Cr Williams

4. To confirm the appointment of John Henry and Mandy Home as representatives for TeRūnanga o Arowhenua on the Orari-Temuka-Opihi-Pareora Water Management Zone Committee.

Mayor/Cr Williams

5. To revise the name of the Orari-Temuka-Opihi-Pareora Water Management Zone Committee, and to adjust the boundary between the Orari-Temuka-Opihi-Pareora Water Management Committee.

Mayor/Cr Williams

6. To approve the attached changes to the terms of reference for the Orari-Temuka-Opihi-Pareora Water Management Zone Committee, and the subsequent change of boundary in the terms of reference for the Lower Waitaki South Coastal Canterbury Water Management Zone Committee.

Mayor/Cr Williams

7. To delegate to the Chief Executive the power to enter into an agreement to vary the joint committee agreement between Environment Canterbury Timaru, Mackenzie, Waimate and Waitaki District Councils relating to the Orari-Temuka-Opihi-Pareora Zone Committee and the Lower Waitaki South Coastal Canterbury Zone Committee made under Clause 30A of Schedule 7 of the Local Government Act 2002, to reflect the amendments to the terms of reference provided for in [5] above.

Mayor/Cr Williams

AORAKI DEVELOPMENT BUSINESS AND TOURISM REPORT TO COUNCIL:

Resolved that the report be received.

Cr Armstrong/Cr Leslie

COMMON SEAL:

Resolved that the report be received and the affixing of the common seal to documents 812 and 813 be endorsed.

Cr Armstrong/Cr Leslie

Bernie Haar joined the meeting at 10.16am.

DUST NUISANCE POLICLY:

The Mayor asked that the word “effected” throughout the policy be corrected to “affected”.

Cr Smith asked if many people are going to need work done to deal with dust nuisance. Bernie Haar said no, but Council needs to have a policy in place over the summer so staff can deal with dust nuisance problems without needing to come back to Council for

decisions. He would also like to tie this work in with other work they are doing on the road at the same time.

Cr Leslie said it's the exception that tests the rule and he thinks Boundary Tce at Twizel will be a challenge. This is 1-2 km of road and has sections sold in the subdivision adjacent to the road, and others coming on the market. This policy excludes those people because they were built after 2002. He believes the cost should fall on the developer and would like to remove the 2002 date from the policy. Bernie Haar said this situation is unique in the district and there is some money in the budget for Council to consider in the next couple of months whether it wants to seal this road. Cr Leslie would like to ensure the policy doesn't have exemptions in the future. Bernie Haar said Council asks the subdivider to seal the road if there is the potential for a dust issue.

The chief executive asked for the resolution to reflect that this is a dust policy for rural areas, not township roads. As a result, the words "within the rural zone" were added to the resolution.

Resolved:

1. That the report be received.

Cr Smith/Cr Williams

2. That the Dust Nuisance Policy be adopted and effective within the rural zone from the 8th of December, 2015.

Cr Leslie/Cr Smith

Bernie Haar left the meeting.

LOCAL ELECTORAL REGULATIONS 2001 – CANDIDATE NAME ORDER ON VOTING PAPERS:

Councillors agreed to continue with the current practice.

Resolved:

1. That the report be received.

Cr Smith/Cr Williams

2. That the order in which each candidate who is seeking election will be arranged is in random order.

Cr Smith/Cr Williams

The meeting adjourned for morning tea at 10.32am and reconvened at 10.47am.

MERIDIAN BUILDING CLADDING:

This report from the Finance Manager is on page 50 of the agenda.

Resolved that the report be received.

Cr Armstrong/Cr Leslie

The Mayor said she was expecting a letter from Meridian by today to clarify the situation with the cladding. This has not yet arrived. The chief executive said he held a meeting last Thursday with John Langman from Meridian and it was agreed that Meridian would write a letter to Council outlining their position and that they would try to get this letter to Council by today in time for the council meeting. No letter or email has been received. The objective of the letter requested last Thursday was to set out where they are and provide information to Council.

Meridian has stated in earlier correspondence that they have not yet decided what they are going to do regarding the cladding, but if they decide to make changes from the original concept plan they would come to Council regarding this.

Cr Smith asked if Meridian said they were going to discuss a change and they haven't discussed one, does this mean there is no change planned? The chief executive said any changes need to be negotiated and he understands Meridian have accepted that.

The Mayor read from the minutes of the Twizel Community Board meeting held on November 16. A copy of these minutes is attached to the Council agenda at page 136. The minutes outline the discussion held at the community board meeting on this matter.

Cr Armstrong asked the chief executive what Meridian's response was regarding concerns with the colour of the roof. The chief executive replied that John Langman's understanding was that the roof colour had changed slightly because of the availability of the material. The chief executive had expressed the view to Mr Langman that the colour was not a slight change and Mr Langman said he would get back to the chief executive regarding this.

Cr Leslie said the sale and purchase agreement between the council and Meridian requires good faith. He does not see any good faith from Meridian. He thinks we are being treated as idiots.

Cr Cox asked if any of the changes being considered were in breach of the building or resource consent issued on the new building. The chief executive said one of the factors considered in the issuing of the resource consent was the support of the community board. There is a link between community support and the issuing of resource consent and he is looking at the implications of this. There are stronger obligations to be met under the sale and purchase agreement. The building consent is related to the building meeting the terms of the Building Act, and this is not linked to the sale and purchase agreement.

Cr Armstrong said if Meridian could not get their code of compliance this could blow up in their face. Planning and Regulation Manager Nathan Hole explained there is something called a certificate of public use under the Building Act. This would enable the building to be occupied prior to a code of compliance. He said there are three things to consider, the building consent, the resource consent and the agreement with council. His view was that Meridian comply with their building consent, but it was questionable whether they complied with their resource consent and the sale and purchase agreement.

Cr Smith asked why the changes to the building were not picked up in the building consent process. Nathan Hole explained the process and said he did not know why the changes were not picked up, but the building consent was complicated and split into three parts. The Mayor said the staff will investigate this.

The Mayor said she was concerned that Meridian came to Council wanting to be responsible corporate citizens and they have now made changes underhandly to the concept plan that was previously approved. How can we have any faith in their integrity?

Cr Armstrong read from the Meridian annual report regarding a survey that claims they are the most reputable company in NZ. He wished Meridian would practice what they preach.

Cr Leslie wants to implement the dispute resolution process immediately and get competent legal advice. Cr Armstrong supports this.

The chief executive said John Langman told him the building can still have the cedar cladding added and that they have not decided not to have the cedar cladding. They have not yet made this decision.

Cr Armstrong said builders on the site told him the cladding was not going on the building. The Mayor said Council could not rely on heresay.

The Mayor said she expects the chief executive to look at the legal implications but she wants to send a message to Meridian that they have breached the trust of Council and the Twizel community. She wants to voice strong dissatisfaction with the situation.

Cr Leslie put the following motion to the meeting and Cr Armstrong seconded it.

That the disputes resolution clauses in paragraph 34 of the sale and purchase agreement between Council and Meridian be implemented immediately.

Cr Smith said he felt the recommendation was too strong. He suggested instead expressing extreme disappointment and frustration at what Meridian are doing.

The Mayor asked Cr Cox and Cr Williams for their views. Cr Cox asked why Meridian haven't come back to Council before this meeting as promised. He is disappointed and can see the point of investigating legal action. He can't see them changing the roof colour now that the roof has gone on the building. If they were going to put the cedar cladding on they would have stepped up and said they were. He thinks they are past the point of no return.

The chief executive felt that initiating legal action now might be premature. But he thinks it is appropriate for the Mayor to send a letter to the chief executive of Meridian expressing concern on how the project has been handled, that there appears to be changes and the poor communication from Meridian.

Cr Leslie said this action is step one of the dispute resolution process and believed initiating this process would be the appropriate action.

The Mayor asked councillors if there was any support for the resolution and a vote was taken. No further support was given and the motion lapsed.

Cr Armstrong said Meridian has bought this trouble on themselves. He said at the beginning of the process they were quick to attend meetings and speak about the project but now you don't hear from them. The Mayor said she will write to the chief executive as a first step. She said we need to understand our legal position before making a decision on this.

Cr Smith suggested the following motion and it was seconded by Cr Armstrong:

Resolved that Council writes to Meridian expressing its deep concern and disappointment over what they have done and that Council expects them to honour their agreement to this Council and the Twizel community, and that Council will be seeking legal advice as to the situation and expects a response within one week of the date of this letter.

Cr Smith/Cr Armstrong

Cr Cox asked for a date to be added to the resolution and the timeframe of one week was added. A vote was taken and the motion was passed as recorded above.

Cr Williams asked if staff could enact the dispute resolution process at any time in the future. The chief executive said this would depend on the delegations in place and he would seek advice on the steps required. The Mayor said an extraordinary meeting to address this issue could be called at any time.

FOLLOW UP PUKAKI AIRPORT BOARD:

Paul Morris spoke to this report. He has sent this report to the chair of the airport board Derek Kirke and he has responded. Paul Morris read out the response. The capital reserve account is currently at negative \$34,000 and this was discussed at the meeting. This account will be handed to the board as agreed at the meeting. The increase in rates charged to the board relates to sections owned by Council at the airport.

Mr Kirke said in his reply that providing monthly variance statements was unreasonable. Paul Morris said other committees provide variances monthly and he believes this is reasonable.

The Mayor asked if we could adopt this if the details are not sorted. The chief executive said these are background questions and can be sorted. The difficulty could be that the rates being charged to the board will be a significant head wind.

Resolved:

1. That the report be received.

Cr Smith/Cr Williams

2. That the Pukaki Airport Board be given delegation to manage all of its operating costs, which includes rates, insurance and any taxes.

Cr Smith/Cr Cox

3. That Council authorise staff to open an additional bank account with the ANZ Bank for use by the Pukaki Airport Board for the purpose of investing surplus funds.

Cr Smith/Cr Cox

PUBLIC EXCLUDED RESOLUTION:

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

- Twizel Wastewater Supply 2015/16 Renewals.

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
Twizel Wastewater Supply 2015/16 Renewals.	Enable commercial negotiations	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: *Twizel Wastewater Supply 2015/16 Renewals, under section 7(2)(i).*

Cr Armstrong/Cr Williams

Council continued in open meeting.

The Mayor announced that part of the public excluded item above named 'Twizel Wastewater Supply 2015/16 Renewals' would be discussed in the public part of the meeting due to public interest in the subject. This is the part regarding the Fairlie Water Trunk Main.

FAIRLIE WATER TRUNK MAIN:

Geoff Horler said the pipe has given no issues up to now. It dates from 1960. Random samples have been taken in Twizel and the results support the replacement plan in that town. Further sampling is needed in Fairlie. Spending \$370,000 will take the water main as far as Kimbell. The cost of doing the whole lot would be \$600,000 to \$700,000.

Discussion was held on whether part of the main should be replaced or the entire amount. Bernie Haar said if Council wants to replace the whole 5km of line it would probably need to go out to open tender. The Mayor asked if it was possible to create a walking or cycling track with gravel on top of the pipe when it goes in. This is possible.

Cr Smith asked where the money would come from. Paul Morris said it's an emergency repair. This money will come from the capital reserve.

Recommendation number 2 in the report was then deleted.

Resolved:

1. That the report be received.

Cr Armstrong/Cr Leslie

2. That due to the need to expedite the replacement works, staff be authorized to negotiate satisfactory rates with Whitestone Contracting Ltd, to undertake this replacement work as soon as possible.

Cr Armstrong/Cr Williams

3. That the deputy mayor and Cr Leslie, as chair of the Asset and Services Committee, be delegated to authorise the agreement with Whitestone for the construction of the replacement watermain.

Cr Williams/Cr Armstrong

The meeting adjourned for lunch at 12.10pm and reconvened at 12.42pm.

VERBAL REPORT: DELEGATION OF COUNCIL POWERS OVER THE CHRISTMAS PERIOD:

This item was deferred to the Extraordinary Council meeting on December 18.

HAWKERS LICENCE IN TWIZEL

Cr Armstrong requested that this issue be raised at the meeting. He is concerned about a hawker in Twizel and said this person is in breach of the district plan in his current location. Nathan Hole said the Itinerant Traders and Hawkers Bylaw is in place. People need a licence to trade and one of the conditions is that they are not 200m within a business selling

the same product. This hawker is within 200m of a business selling the same products. He has made an application for a hawker's licence. He is currently trading without a hawker's licence, although he does have a health licence. He has indicated he wants to put in a coffee and ice cream van as well as selling fish and chips. Cr Armstrong said this is concerning others in the community. The hawker would need community board approval to operate on council land.

Nathan Hole will follow up on this. Cr Leslie asked if it was sensible to set aside a zone for hawkers. This is something we could look at when we do the district plan review.

COMMUNITY BOARD RECOMENDATIONS:

Resolved that the report be received.

Cr Smith/Cr Williams

Council noted and considered the following resolution regarding the cladding on the Meridian building in Twizel:

Resolved that the Twizel Community Board recommends that Council insists that Meridian finish the building to meet their resource consent and the previously approved concept plans, in conjunction with the sale and purchase agreement, before the building is occupied.

Council noted the following resolution regarding the shopping centre sign in Twizel:

Resolved that a decision on the location of the shopping centre sign be delegated to Cr Armstrong and Pat Shuker to be actioned before Christmas.

Council noted the following resolution regarding a new 'no parking' area in Twizel:

Resolved that a no parking line and signs be installed between Two Thumbs Drive and the entrance to Market Place, on Mackenzie Drive.

Council noted the following resolution to approve a new rope climbing frame on the Fairlie village green.

Resolved that the Fairlie Community Board approves that a rope climbing frame can be erected on the village green.

RECEIVE COMMITTEE MINUTES:

Resolved that Council receive the minutes of the Extraordinary Finance Committee meeting held on October 27.

Cr Smith/Cr Armstrong

Resolved that Council receive the minutes of the Finance Committee meeting held on November 24.

Cr Smith/Cr Armstrong

Resolved that Council receive the minutes of the Asset and Services Committee meeting held on November 24, including such parts as were taken in public excluded.

Cr Leslie/Cr Cox

Resolved that Council receive the minutes of the Planning and Regulation Committee meeting held on November 24.

Cr Cox/Cr Smith

CONFIRM COUNCIL MINUTES:

Regarding the minutes of the meeting held on October 27, the Mayor noted that the resolution related to the Fairlie in Focus Photographic Display did not include the words “in Riddle Street”. She believes that Council wanted the community board to decide on the location of the display. This needs to be corrected. Council agreed.

Resolved that Council confirms and adopts the minutes of the Mackenzie District Council meeting held on October 27, 2015, as the correct record of the meeting, including those parts taken in public excluded, with the correction noted above.

Mayor/Cr Armstrong

Resolved that Council confirms and adopts the minutes of the Extraordinary Mackenzie District Council meeting held on October 30, 2015, as the correct record of the meeting, including those parts taken in public excluded.

Mayor/Cr Armstrong

PUBLIC EXCLUDED RESOLUTION:

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

- Sale and Purchase Agreement Glen Lyon Road.
- Sale and Purchase Agreement Two Thumb Drive.

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
Sale and Purchase Agreement Glen Lyon Road	Enable commercial negotiations	48(1)(a)(i)
Sale and Purchase Agreement Two Thumb Drive.	Enable commercial negotiations	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: *Sale and Purchase agreement Glen Lyon Road, Sale and Purchase Agreement Two Thumb under section 7(2)(i).*

Cr Armstrong/Cr Smith

The Council continued in open meeting.

THE MAYOR DECLARED THE MEETING CLOSED AT 2.11PM

MAYOR: _____

DATE: _____