



***392<sup>nd</sup> MEETING OF THE  
MACKENZIE DISTRICT COUNCIL***

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

**MEMBERSHIP OF THE COUNCIL**

**Claire Barlow (Mayor)**

John Bishop  
Annette Money  
Graham Smith

Peter Maxwell  
Graeme Page  
Evan Williams

***Notice is given of the meeting of the Mackenzie District Council  
to be held on Tuesday 19 April 2011 at 9.30 am***

**VENUE:**

Service Centre, Twizel

**BUSINESS:**

As per Agenda Attached

**GLEN INNES  
CHIEF EXECUTIVE OFFICER**

**14 April 2011**



## **AGENDA FOR TUESDAY 19 APRIL 2011 AT 9.30 AM**

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### **I. OPENING**

### **II. APOLOGIES**

### **III. DECLARATIONS OF INTEREST**

### **IV. BEREAVEMENTS**

### **V. MAYORAL REPORT:**

- Advice of appointment to Aoraki Foundation

### **VI. REPORTS REQUIRING COUNCIL DECISION**

1. Draft Annual Plan for 2011/2012
2. Local Governance Statement
3. Mackenzie Tourism and Development Board – Statement of Intent (*to be circulated*)
4. Mackenzie Tourism and Development Trust – Rating
5. Financial Contributions - Fees and Charges
6. Fees and Charges
7. Solid Waste Charges
8. Alps2Ocean Terms of Reference
9. Elected Members' Remuneration - Determination (*to be circulated*)
10. Chief Executive Officer's Activities

### **VII. INFORMATION REPORTS**

1. Common Seal

### **VIII. COMMUNITY BOARDS**

### **IX. COMMITTEES**

Receive the Minutes of the meetings of the Finance, Projects and Strategies and Planning Committees held on 12 April 2011, including such parts as were taken with the Public Excluded.

### **X. CONFIRMATION OF MINUTES**

Confirm and adopt the Minutes of the Mackenzie District Council Meetings held on 8 March 2011 and 24 March 2011, including such parts as were taken with the Public Excluded.

### **MATTERS UNDER ACTION**

## IX PUBLIC EXCLUDED:

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

1. Public Excluded Minutes of the Mackenzie District Council meeting held on 24 March 2011
2. Public Excluded Minutes of the Finance Committee meeting of 12 April 2011
3. Public Excluded Minutes of the Projects and Strategies Committee meeting of 12 April 2011
4. Solid Waste – Request for Proposals
5. Ongoing Funding Support for Mackenzie Tourism and Development Trust (*to be circulated*)

<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>
Public Excluded Minutes of Council meeting of 24 March 2011		48(1)(a)(i)
Public Excluded Minutes of Finance Committee meeting 12 April 2011		48(1)(a)(i)
Public Excluded Minutes of the Projects and Strategies Committee Meeting 12 April 2011		48(1)(a)(i)
Public Excluded Minutes of the Fairlie Community Board meeting 30 March 2011		48(1)(a)(i)
Solid Waste Requests for Proposals	Commercial Sensitivity	48(1)(a)(i)
Ongoing Funding Support for Tourism and Development Trust	To enable the Council to carry on (without prejudice or disadvantage) 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: *Solid Waste Requests for Proposals* section 7(2)(b)(ii), and *Ongoing Funding Support for the Mackenzie Tourism and Development Trust* Section 7(2)(i).

## X CONFIRMATION OF RESOLUTIONS TAKEN WITH THE PUBLIC EXCLUDED

## XI ADJOURNMENTS

10.30 am	Morning Tea
12.30 pm	Lunch
3.00 pm	Afternoon Tea

## **XII VISITORS**

1.30 pm

High Country Health Directors (following lunch with them at 12.30 pm)

# MACKENZIE DISTRICT COUNCIL

**REPORT TO:** MACKENZIE DISTRICT COUNCIL  
**SUBJECT:** GENERAL ACTIVITIES REPORT  
**MEETING DATE:** 19 APRIL 2011  
**REF:** PAD 2/3  
**FROM:** MAYOR

## ACTIVITY REPORT

### COUNCIL, COMMITTEE AND COMMUNITY BOARD MEETINGS ATTENDED

8 March	Council Meeting
28 March	Twizel Community Board meeting
29 March	Solid Waste Sub Committee meeting Tekapo Community Board Meeting
30 March	Fairlie Community Board meeting
1 April	Budget meeting
12 April	Committee meetings
13 April	Solid Waste Sub Committee meeting
18 April	Tourism Trust meeting Starlight Reserve Meeting
19 April	Council Meeting

### OTHER MEETINGS AND ACTIVITIES

8 March	Attended the Local Heroes Presentation – New Zealander of the Year Awards 2011 in Timaru
9 March	Upper Waitaki Zone Committee Meeting in Twizel
10 March	Met with Sandra Finnie - journalist
12 March	Ship Visit at Timaru Port Attended the Relay for Life in Timaru
14 March	Met with Mainly Music group in Twizel
15 March	Kimbell Rural Water Supply AGM School Road Water Supply AGM Ashwick Water Supply AGM
17 March	Met with Kevin Newman of Geraldine Tourism regarding Twizel bus service
18 March	Attended the National Memorial Service in Christchurch for the earthquake victims
24 March	Budget and rates meeting Attended an informal dinner with the Ecan Commissioners & Mackenzie District Councillors
25 March	General catch-up with CEO
26 March	Attended March-Out Parade inspection at lake Tekapo Military Camp
28 March	Met with Lisa Clarke - Radio Advertising Account

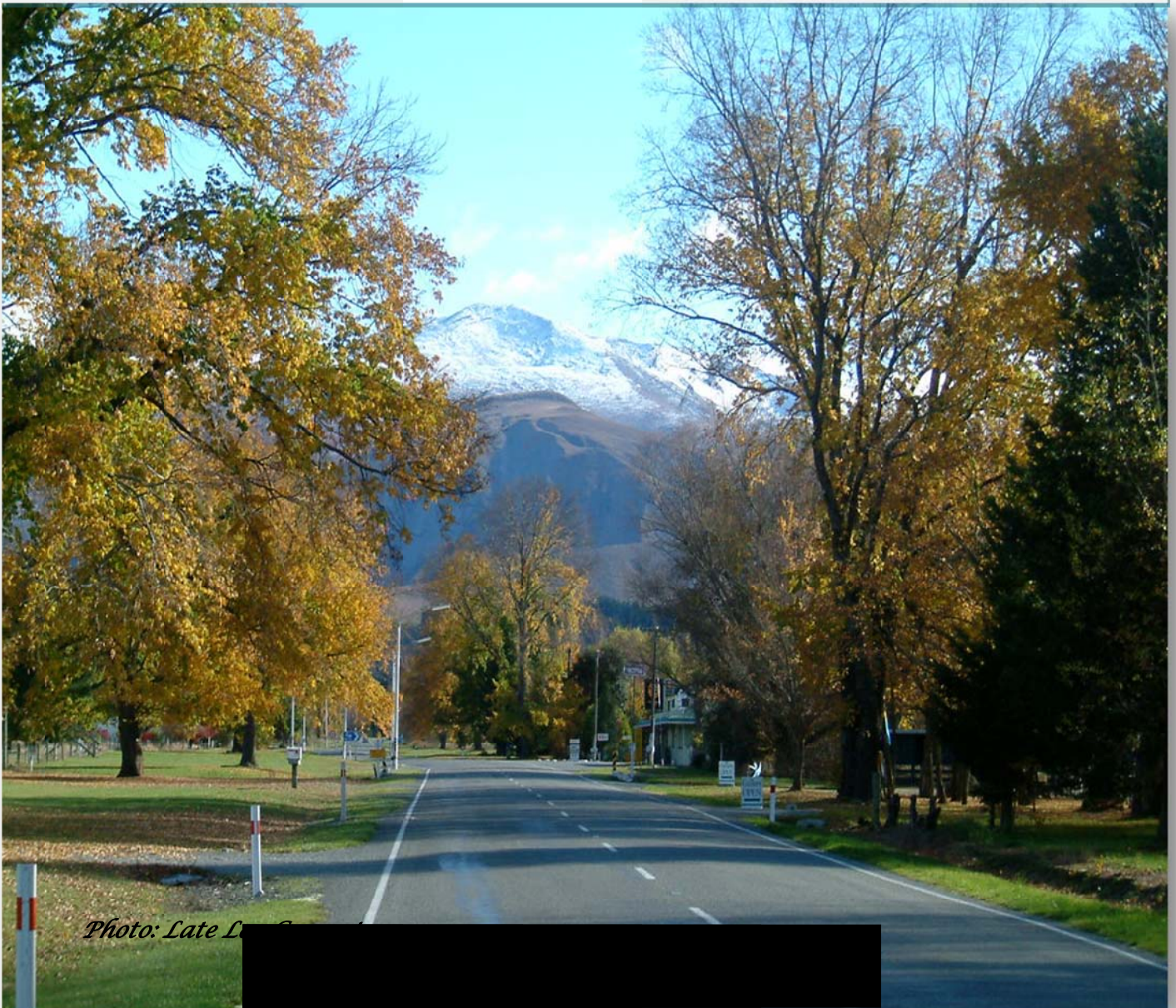
	Manager for the RadioNetwork
30 March	Twizel Clinic – met with Alan Rodger, John Drummond, Michael McKibbin, Neil Potter (Acting principal of Twizel Area School), Chris Kaglund & Rick Ramsay
31 March	Visited DOC, Glentanner and Alps 2 Ocean cycleway
3 April	Attended the opening of the Kimbell – Opihi Walkway
4 April	Attended Life Education Trust meeting in Fairlie
5 April	Workshop with the Tourism Trust
6 April	Greater Canterbury Focus Forum with the three South Canterbury Mayors and Steve Wills from NZ Police, at Timaru DC Met with the Sports Club in Fairlie
7 April	Met with Johannes Weinappl – Deputy Mayor of Grossmugl, Austria. Organised by Margaret Austin from Starlight Reserve Working Party.
11 April	Attended the Power Reading Course with staff and elected members
14 April	Met with Lesley O'Hara, Phil Brownie and the CEO Attended the opening of the Fairlie Primary School new library administration block Met with Melanie Schauer and Jenn Bestwick from CWMS Upper Waitaki Zone Committee Meeting
15 April	Met with Daniel Naude from South Canterbury Road Safety
16 April	Attended Club Day for the Mackenzie Rams Attended the South Canterbury St John Awards at Waimate
18 April	Interview with Bradley Craig, morning host for Classic Hits regarding the upcoming A&P show

### **RECOMMENDATION:**

1. That the report be received.

**C BARLOW  
MAYOR**

MACKENZIE DISTRICT COUNCIL  
DRAFT  
ANNUAL PLAN  
2011/2012



*Photo: Late December*

# Council Directory

## HEAD OFFICE

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Office Hours	Monday – Friday 8.30am – 5.00pm
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# INTRODUCTION

*Dog Statue. Photo: Late Leo Crampton*

# Introduction from the Mayor

Welcome to the first Annual Plan for the 2010–2013 Council. This Council has a new Mayor and three new councillors in the Pukaki Ward, and sees the return of three experienced councillors in the Opuha Ward. The combination of experience and fresh enthusiasm around the Council table has provided a good balance in the team and this Annual Plan is a result of some robust debate on the part of the elected members and some late nights and hard work on the part of a number of staff.

While the Annual Plan is a statutory requirement it is also an outline of how the Council proposes to spend your rates in the 2011/2012 year. It is important that this document is relevant to our community and your feedback is welcomed, both positive and negative. If you think we are heading in the right direction please say so. Conversely, if there is an issue that you feel strongly about, let us know before submissions close so that we can consider your opinion prior to adopting the final plan.

In drafting this plan we must give effect to the Long Term Council Community Plan (LTCCP) that was adopted by Council in 2009. At the end of this current 12 month period we will be required to draft and adopt a new Long Term Plan that sets the direction for this Council over the next ten years (2012–2022). We will be consulting widely during the production of this document and may I encourage you, even if you have never been involved before, to participate in the discussion and have your say about how you want the Mackenzie District to develop over the next ten years. The LTP will be the map that helps to guide future decisions of the Council and it is imperative that it reflects the needs and desires of the people we serve.

In the meantime, take a look through our Annual Plan and start getting involved today.



**Mayor Claire Barlow**



# Key Consultation Issues

## *Solid Waste*

A *subcommittee* of elected members and staff is currently negotiating with two preferred contractors for the right to run Council's solid waste operations for a period of ten years. We expect a new service to be up and running before the end of this year.

The key changes at this stage are:

- A move away from plastic bags to wheelie bins as the main means of collecting household refuse.
- Residual waste (rubbish) would be picked up every second week, with recycling collected on the alternative week.
- Green waste would be taken to the recovery parks, as it is now.
- A far greater proportion of the costs would be met from a new rate targeted at those able to make use of the household collection, with the general rates portion reducing accordingly.
- Recovery Parks will be retained but opening hours may change.
- The operation will be totally contractor run rather than the current mixture of Council staff and contractors.

New rating for the solid waste collection will commence on 1 July 2012 but in order to start the move away from general rate funding of the service, Council is proposing to increase the current township refuse collection rates this year by \$20.

Users of the township collection currently have to pay for the plastic bags they use. For a household using a black bag and a white recyclable bag each week, that works out at \$130 per year.

Currently, user charges are designed to meet only 25% of the costs of the solid waste operation. Some think that this proportion should rise significantly. The household bag collection service is self funded through a targeted collection rate but it only covers the costs of pick up and transport to the nearest recovery park.

Since April 2010, Council has mothballed its vertical composting unit. It had proved uneconomic to use, gave rise to occasional odour problems and needed some health and safety issues remedied before it would Department of Labour requirements. Current thinking is that windrowing green waste would be a more economic means of making compost. The down side is that the vertical composting unit would need to be sold, probably at a significant loss.

Council was a pioneer in reducing the proportion of District solid waste diverted away from landfill. Our strategic goals were to reduce the volumes of waste being land filled to 40% of 1999 volumes by June 2003, to 25% of 1999 volumes by June 2009 and to have zero waste going to landfill by June 2014. Currently we divert 64% of the waste that we receive, which is still a considerable way away from the 2014 target.

Further consultation will be held on aspects of this important change, but in the meantime, we would welcome your feedback on this matter.

*Do you favour wheelie bins as the main means of refuse collection? Council believes they will be more convenient for both permanent residents and holiday makers. What do you think?*

*Should we remain firmly committed to our eventual goal of zero waste for the District?*

*Do you have any views about the importance of composting green waste as part of Council's solid waste strategy?*

*Do you think an increase in the collection charge of \$20 is a reasonable transition to a more targeted way of rating for the collection and disposal service?*

*Do you favour an increase in user pays charges for solid waste operations other than the new wheelie bin collection?*

*Is there a place for a contribution from all ratepayers towards Council's waste minimisation efforts? If so, how much of the costs should come from the general rate?*

### *The Quality of Our Drinking Water*

The provision of potable water supplies to our communities is one of the Council's most important functions. It is one where considerable capital expenditure will be required over the next few years, both to upgrade reticulation systems and to install treatment plants.

Council manages five public piped supplies in the District: at Fairlie, Lake Tekapo, Twizel, Burkes Pass and the Allandale rural scheme. The Albury water supply is run by its own committee under a formal arrangement with the Council.

The Ministry of Health assesses the risk of contamination in each of our supplies and assigns a grading. Currently, all of them have poor grades. Most schemes are disinfected with chlorine but both Twizel and Albury are untreated. A permanent boil water notice is in place in Albury, but in Twizel, the low presence of E.coli indicates that the level of contamination with faecal bacteria is low. Currently no supplies provide recognised protection for the protozoa, giardia and cryptosporidium.

During the next year, the Council will take an important step in meeting legislative requirements for its water supplies. It will compile public health risk management plans for its three townships and have them approved by the Medical Officer of Health. These plans will assess the levels of health risk posed by our supplies in their current state and what can be done to mitigate these risks. The affordability of improvements will need to be factored in, for once the plan is approved; Council must implement it.

Council is required to take all practicable steps to comply with the new national drinking water standards.

Likely further forms of treatment that may be required beyond basic disinfection include filtration and ultra violet treatment.

At present, we don't have a full appreciation of the costs of further treatment but will do work this year to enable us to assess our options before submitting our plans.

*In Twizel, basic chlorine disinfection could be installed this year to provide protection from harmful bacteria and viruses, while decisions are made whether or not to shift the source of the supply. Do you agree with this approach?*

*In its 2009 long term plan, Council proposed its water supplies should be upgraded to achieve a Ministry of Health grading of C. Such supplies are classed as marginal, with a moderate level of risk that may be acceptable in some small communities.*

*Do you agree with this target or do you want a greater level of protection? Grade B for example is satisfactory with a low level of risk.*

### ***Tourism Trust Seeks Extra Funding***

The Mackenzie Tourism and Development Trust is a Council controlled body established to provide tourism and economic development within the District. It is funded by way of a series of rates levied on businesses and accommodation providers and from a \$25 share of the uniform general charge that appears on everyone's rate demand.

The Trust has established an I-Site at Lake Tekapo and runs other information outlets at Pukaki and in Twizel. It also is the driving force behind the Alps to Ocean Cycle Trail from Aoraki Mount Cook to Oamaru.

The Trust is in some financial difficulty. In the 2010/11 year it made a loss of over \$60,000 and has not been trading profitably this year.

Recent events in Christchurch and Japan are also having a significant impact on the numbers of visitors coming to the Mackenzie.

Among the difficult choices the Trust is considering are:

- Closing some or all of its information outlets.
- Seeking a significant increase in the rates charged to accommodation providers and some classes of tourism operators.
- Asking Council for an increased contribution from its uniform annual general charge.
- Ceasing to operate as an independent Trust, and reverting to a committee of Council and thus saving some overhead costs.

*What value do you place on the activities of the Mackenzie Tourism and Development Trust?*

*Should Council increase its level of financial support for the Trust? If so, should this funding come from the industry through the targeted rates, from the general charge or a combination of both?*

*Should the Council recommend that the Trust close those information outlets that aren't currently breaking even or should they be supported by other funds the Trust has which are currently used for marketing?*

*Should the Trust remain at arms' length from Council or should it be absorbed within Council's committee structure?*

## *Twizel Water Supply*

A key decision for Twizel is whether or not to upgrade the existing source of its water supply or shift this to a new source and reservoir northwest of Twizel near the Ben Ohau homestead.

Council's advisors believe the better long term solution will be the Ben Ohau option that provides elevated storage and a stable gravity supply. It does depend upon there being sufficient ground water of suitable quality to make the system economically feasible.

Upgrading the existing supply has a lower capital cost but it relies on continuous pumping and is likely to cost more to operate. This would involve constructing an additional bore and replacing pumping and treatment infrastructure.

The proposed expansion of rural residential zoning and other residential zoning means over time Twizel will grow to the northwest and pumping demands will grow. Depending on the level of treatment required, preliminary capital costs range from \$2.1m to \$5.6m. This is a very considerable investment in the Twizel Water Supply.

Council's advisors have suggested that, as a next step, Council investigates the best location for new groundwater supply bores northwest of the town. Funds have been set aside for this work to proceed. More detailed consultation will follow once investigations are concluded.

The state of the township's pipework also maybe of some concern and it has been recommended that the asbestos cement pipes be randomly inspected to assess their remaining life. Correction of the pH of the water may help extend pipeline life.

*What preliminary views to do you have on the merits of creating a new primarily gravity fed regime sourced to the West versus an upgraded pumped system sourced from the current location?*

## *What's Happening in Twizel?*

As part of its progressive range of improvement to the township, the Twizel Community Board has planned the following works:

- More greenway maintenance
- A new footpath in front of the Early Learning Centre to link the library and Mt Cook Street.
- Felling and planting on the State Highway frontage to Twizel.
- Boat ramp maintenance at Lake Ruataniwha.
- Ongoing footpath resurfacing.
- Further work on roading at Lake Ruataniwha.
- Planning work for the development of the car park between the school/library and Market Place.

There is a particularly issue the Community Board would welcome feedback upon. Since Ministry of Works days, no maintenance has been done on a number of old car parks that used to service workshops and offices. They are now in such a state that they either need major repairs or removal and the areas grassed.

*What do you think should be done with these old car parks in Twizel?*



## *Facilities in Tekapo and What is Needed?*

The Tekapo Community Board has recommended budgets of \$100,000 for town projects and \$150,000 towards community facilities. The key township budgets are focused on completing landscaping projects around the town. More planting is planned for State Highway 8 between Greig Street and Pioneer Drive and the corner of Aorangi Crescent and State Highway 8 will be landscaped. Construction of further sections of the walkway from Mt John to the bridge is planned, as is the enhancement of the Tekapo Domain. The domain work may include extending the green area and constructing seating, a playground and further landscaping. The Board believes the domain needs some visual enhancement to make it a major asset and a drawcard for the village.

There are a number of community groups that are involved in community projects such as the Regional Park, the sundial, footbridge, playground and boat ramp. The Community Board would welcome feedback on whether it should contribute financially to these projects.

- *What do you think about the proposed landscaping projects for Tekapo?*
- *Should the enhancement of the Domain be a priority?*
- *Should the Community Board be financially supporting other groups in their efforts to improve the village, and if so, to what extent?*

Last year the Council was unsuccessful in obtaining resource consent for the proposed new community centre on Lakeside Drive. Following that, the Community Board has revisited the 2003 vision document and plans for major community facilities. It has commenced a series of workshops to determine what the priorities should be. Your participation in these community workshops which will run through to August 2011 is encouraged.

## *What Should Be Done About Fairlie's Streets?*

The Fairlie Community Board wants to do something about the streetscape in the township.

In particular, it wants to gradually replace the gravel verges we have in some areas with grass and planting. It feels that the very attractive green feel of the main street is not carried through into the side streets and some look quite severe in appearance.

The Board has put aside \$18,000 to transform a section of Princes Street as the first stage of a town-wide programme that can be spread over a number of years.

*Do you agree with the upgrading of the Fairlie streetscape over a period of time?*

## *Use of Funds from Lake Alexandrina Reserves*

Cribs at the South End and Outlet at Lake Alexandrina are on land leased from the Council.

As both fishing settlements are reserves, the lease rentals are only able to be spent on other reserves. Currently a total of \$67,000 is received from lease holders each year. Council has no difficulty in using these funds to improve facilities and amenities at the Lake and believes that should be the priority. The new bridge at the outlet settlement will be funded from lease rentals and government roading subsidies.

However, Council is seeking feedback on what to do with surpluses once the Alexandrina needs are met.

Its currently thinking is to apply these funds firstly to the maintenance of other reserves in the rural area where the rating capacity of the surrounding area is small (eg Opuha).

Secondly, it believes that projects in the three townships should also be able to bid for project funding, provided they are able to meet half of the costs from their own resources.

*Do you support this draft policy?*

*What other ideas do you have on the use of these funds?*

### ***Fairlie and its Flood Risk***

Council has, over the years, been looking at ways of protecting the township from flooding particularly from the North West Catchment.

However the cost of providing stop banks and a diversion of floodwaters to the north of the town has been judged to be beyond the township's means. Other tasks, such as upgrading the water supply, were considered more important.

Instead, Council will work with the Regional Council to ensure the stream beds are kept clear of fallen trees and branches so that storm flows aren't restricted.

It does mean that the level of flood protection we aim for won't necessarily be met. That is in a ten year flood, there could be flooding of above the ground floors of some houses and businesses.

*Do you agree with this approach of accepting a greater level of flood risk in Fairlie?*

### ***The Mackenzie Sustainable Future Trust***

Earlier this year local MP invited both this Council and the Waitaki District Council to become involved in the Mackenzie Sustainable Futures Trust. Its main task is to administer a collaborative process to be known as the Upper Waitaki Shared Vision Forum.

What is proposed is a working party of 29 people that will meet to discuss the future of the Mackenzie and Omarama basins. Working under an independent chair, the forum will produce a comprehensive plan on the way forward for the Basins in the next 10-20 years.

The Minister of the Environment visited Council in March to explain the thinking behind the forum. He believes that collaborative methods are far superior to the traditional divisive and adversarial methods used to resolve environmental matters.

The process will be funded mostly by the Ministry with some contributions from the Regional Council and both District Councils. It is intended to take between 6 and 18 months for the plan to be produced.

With some reluctance, the Council has agreed to support this process. The Mayor has agreed to be appointed to the Trust and \$5,000 has been granted by the Council. However, the Council's support is conditional on the exercise being locally driven and Council having the right to directly appoint one member to the forum. The haste with which the work has been undertaken has caused the Council some anxiety. However, it has accepted the Minister's assurances that the forum will not undermine the Council's own resource management responsibilities.

Council has supported the process as it may be helpful in resolving some potentially difficult issues relating to development and conservation. The alternative is to be part of lengthy and expensive litigation in the Environment Court.

*What is your view on a collaborative decision making process for the development of the Mackenzie and Omarama basins?*

*What risks/benefits are there in Council's participation?*

### *Rating and Funding Issues*

This plan contains no significant changes to Council's rating systems but significant changes are being contemplated, for implementation as part of Council's new Long Term Plan in July 2012.

While the Council believes its current rating system is fair and robust, it can be improved. Some issues it wants to consider are whether rating should be more closely targeted at specific services or functions? An example is the need to show clearly the costs of solid waste separately from the general rate. Some Councils separately rate for governance, roading, libraries, medical facilities, planning, rural fire and the like.

If such a change was to be implemented, the General Rate could be shrunk to cover principally administrative functions.

These are ideas for general discussion at this stage, but your feedback is very welcome.

### *Depreciation*

Currently, Council funds depreciation on only some of its activities. Depreciation on water supplies, sewerage and stormwater systems is placed in a capital reserve and is used to fund capital works or repay the principal owing on internal debt.

Depreciation is not funded on roading, community services or recreational facilities. For these activities, capital expenditure has to be met directly from rates in the year it is required. For roading, all renewals, including replacement bridges, reseals and metalling, are classed as capital expenditure.

This makes for lumpy patterns of expenditure which could be smoothed if depreciation was fully funded. Council is prepared to contemplate this across all of its activities as a way of better providing for future capital needs.

*What do you think?*

# Summary of Projects for 2011-2012

PROJECT	COST
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<b>FAIRLIE</b>	
Main Water Pipeline Replacement	\$180,000
Design New Water Treatment & Storage Regime	\$140,000
Road Resealing	\$22,000
Footpath Resealing	\$16,000
Princes Street Streetscape	\$18,000

<b>TEKAPO</b>	
Additional Water Treatment	\$175,000
Road Resealing	\$51,000
Footpath Resealing	\$30,000

<b>TWIZEL</b>	
Planning and Design of Water Supply Headworks and Treatment	\$150,000
Temporary Chlorination of Water Supply	\$20,000
New Resource Consent for Water Supply	\$50,000
Land for Expanded Oxidation Ponds	\$50,000
Road Resealing	\$84,000
Footpath Resealing	\$43,000
Other Roding Upgrades	\$35,000
Manuka Terrace - New Well and Pump and Reticulation Design	\$70,000

<b>RURAL</b>	
Minor Roding Improvements	\$153,000
Resealing (15.2 km)	\$381,000
Unsealed Road Metalling	\$349,000
Allandale Water Supply – Improvements	\$30,000
New Tekapo Rural Fire Tanker	\$89,000

# Community Outcomes

The law charges councils with promoting the social, economic, environmental and cultural wellbeing of their communities, taking into account the needs of both present and future generations.

The people of the Mackenzie want:

- An attractive and highly valued natural environment
- A thriving economy
- A democracy which upholds the rights of the individual
- A fit and healthy community
- Safe, effective and sustainable infrastructure
- A supportive and contributing community.

The provision of safe, effective and sustainable infrastructure has always been a key role of local councils and the Mackenzie is no exception. It provides the roads, water supplies, sewage treatment, stormwater disposal, refuse collection and recycling vital for the District.

Similarly it is a major provider of recreational and community facilities, working alongside local clubs and volunteers to help create a fit and healthy community.

Another major task for Council is in its planning and resource management role, where it attempts to protect the local environment from the effects of ill-considered development.

Many factors influence the local economy, and here Council's role is more of a support player. It continues a long tradition of championing a vigorous local democracy and will speak up for the community when required.

As part of a supportive and contributing community, Council considers there is scope for increased interaction with its residents and ratepayers and for more opportunities for participation in Council affairs.



## COUNCIL ACTIVITIES

# Introduction

This section is about what the Council actually does. Here we have provided information about the plans for each activity for the 2011-2012 year, and what the service will cost. There is a financial summary for each group of activities showing a comparison between the Year 3 Long Term Plan 2009-2019 and the budget for 2011-2012. For further information on the Council Activities refer to the Long Term Plan 2009-2019.

For the rationale regarding the selection of funding sources used, please refer to the Revenue and Financing Policy on page 2 of the Long Term Plan 2009-2019 Volume 2.



# Governance

## *Our Aim:*

To provide leadership to the Mackenzie community, to encourage its participation in local government and to speak up on its behalf.

## *Community Outcomes this activity contributes to:*

- “A democracy which upholds the rights of the individual.”  
*It does this by the democratic election and operation of the Council and Community Boards and through Council’s advocacy on behalf of the community at regional and national level.*
- “A supportive and contributing community.”  
*It does this through its support and encouragement of local voluntary community initiatives and through its regular communication and interaction with the community.*

## *Plans for this year:*

Council is supporting two Zone Committees created under the Canterbury Water Management Strategy.

## *Variances to the Mackenzie District Council Long Term Plan 2009-2019:*

Increase in direct operating costs resulting from the support for Zone Committees.

## *Performance Measures:*

Levels of Service	Measure of Service	Target
Council meets in accordance with predetermined schedule and in compliance with the Local Government (Official Information and Meetings) Act 1987.	Council and its committees generally meet every six weeks.	At least 9 meetings of Council held during the year, and 20 meetings of Council committees.
	Meetings comply with the Local Government (Official Information and Meetings) Act 1987.	No identified breaches of the Local Government (Official Information and Meetings) Act 1987.
Effective consultation held on Long Term Community Council Plan, Annual Plan and other significant issues.	A summary of the Long Term Community Council Plan, Annual Plan and Annual Report is sent to all ratepayers annually.	Number of special consultations held during the year and number of submissions made in response.
The three Community Boards complement the role of the Council by providing local input and advocacy into Council decision making.	Community Boards meet regularly and provide recommendations on local issues to Council.	Each Community Board meets 8 times during the year. Recommendations including budget submissions are forwarded to Council for approval.

## *Financial Summary:*

### **Governance**

	<b>Budget 2010-2011</b>	<b>LTCCP Year 3 Budget</b>	<b>Budget 2011-2012</b>
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
General Rates	644	692	730
Targeted Rates	80	80	84
<b>Total Operating Revenue</b>	<b>724</b>	<b>772</b>	<b>814</b>
<b>OPERATING EXPENDITURE</b>			
Employment Expenses	52	54	53
Direct Operating Expenditure	249	268	317
Council Overheads	423	450	444
Depreciation			
<b>Total Operating Expenditure</b>	<b>724</b>	<b>772</b>	<b>814</b>
<b>Operating Surplus (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Water Supplies

## *Our Aim:*

To provide safe and sustainable supplies of water that meets the needs of present and future consumers.

## *Community Outcomes this activity contributes to:*

- “Safe, effective and sustainable infrastructure.”  
*By ensuring that public water supplies provide wholesome drinking water and that private supplies are monitored and that adequate supply is provided in “on demand” schemes for fire fighting.*
- “A thriving economy.”  
*By ensuring that adequate public supplies are provided for household and industrial use at an affordable cost.*
- “An attractive and highly valued natural environment.”  
*By endeavouring to provide adequate public supplies to allow for irrigation of gardens and green areas in schemes where a treatment system that will meet the drinking water standards for New Zealand can economically treat the volume of water required.*

## *Plans for this year:*

- Planning and design of storage and treatment at either the existing source or a new one in Twizel.
- Ongoing replacement of ageing pipes in Fairlie.
- Upgraded treatment in Tekapo.
- Public Health Risk Management Plans to be finalised for townships.

## *Variances to the Mackenzie District Council Long Term Plan 2009-2019:*

Revenue from financial contributions and vested assets is down due to reduced development activity. Capital expenditure is significantly reduced, principally because improvements to Twizel treatment and reticulation have not proceeded as quickly as planned.

## *Performance Measures:*

Levels of Service	Measure of Service	Target
Water supplied to Fairlie, Tekapo, Burkes Pass and Allandale is continuously disinfected with chlorine.	Assess the level of E. coli in the drinking water supply.	Nil
Non-disinfected water is supplied to Twizel.	Supply is monitored weekly for E. coli. The community is advised to boil water when a hazard is identified.	Scheduled monitoring completed. No failure to issue notices when required.
Legislative requirements for water safety are met.	Council adopts public health risk management plans for all supplies.	Plans approved for three townships and Allandale.
Maintain the network at least in the condition it is now.	Maintenance budget is sufficient for planned and reactive maintenance.	Maintenance programme achieved.
Deliver a works programme as signalled in this plan.	An achievable improvement plan is undertaken within budget and resource limitations.	Work planned is completed within budget.
Supplies cause no environmental ill-effects.	Compliance with resource consent conditions.	All consent conditions are met.

Levels of Service	Measure of Service	Target
Response – A 24hr call out service is provided.	Contract standards for call outs are met.	No known failures to respond.
Timely completion of administration functions.	Monthly meetings with contractor and prompt authorisation of invoices.	12 meetings. All payments authorised by 14 <sup>th</sup> of each month.
Prompt repair of minor faults.	Repairs completed within two working days.	No repairs completed outside timeframe.
Speedy reinstatement following major leaks and other emergency works.	Time for reinstatement of service following call out.	During working hours – 6 hours. Outside working hours – 9 hours.
Availability/disruption of service.	Programmed shutdowns notified to property owners in advance.	Notification times meet contract specifications.
Fire fighting requirements are met for urban and industrial areas.	Adequacy of flows and pressures.	Full compliance with appropriate NZ Code of Practice.
Adequate quantities, flows and pressures of water are supplied to consumers.	Random testing of flows and pressures for on demand supplies.	Fairlie and Burkes Pass 15 litres/min and 10 kPa at point of supply. Lake Tekapo 25 litres/min and 200 kPa, Twizel 25 litres/min and 250 kPa.
	Occasional monitoring of tank and other restricted supplies.	1,820 litres/day.
Supply safely meets Ministry of Health requirements.	Progress in meeting Drinking Water Standards for New Zealand.	Public Health Risk Plans adopted by due date.
Water is continuously available apart from programmed shutdowns and unexpected disruptions.	No disruption exceeds 8 hours.	100% compliance
	Percentage of disruptions where service is out for less than 6 hours.	90% or more.

**Note:** As Council does not normally itself arrange for water supply connections, the performance measures in the Long Term Plan relating to connection times have been removed.

## *Financial Summary:*

### **Water Supplies**

	<b>Budget 2010-2011</b>	<b>LTCCP Year 3 Budget</b>	<b>Budget 2011-2012</b>
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Targeted Rates	787	920	885
Financial Upgrade Contribution	62	165	3
Vested Assets	48	80	-
Other Income	78	78	78
Council Overheads	21	15	38
<b>Total Operating Revenue</b>	<b>996</b>	<b>1,228</b>	<b>1,003</b>
<b>OPERATING EXPENDITURE</b>			
Direct Operating Expenditure	440	484	447
Council Overheads	115	132	125
Depreciation	319	386	400
<b>Total Operating Expenditure</b>	<b>874</b>	<b>1,002</b>	<b>972</b>
<b>Operating Surplus (Deficit)</b>	<b>122</b>	<b>226</b>	<b>31</b>
<b><u>Capital Statement</u></b>			
<b>CAPITAL EXPENDITURE</b>			
<b>Total Capital Expenditure</b>	<b>921</b>	<b>3,274</b>	<b>894</b>
<b>FUNDS REQUIRED</b>			
Capital Expenditure	921	3,274	894
	<b>921</b>	<b>3,274</b>	<b>894</b>
<b>FUNDED BY</b>			
Operating Surplus	122	226	31
Funded Depreciation	285	350	368
Ratepayers Equity	34	36	32
Draw Down on Council Reserves	480	2,662	463
	<b>921</b>	<b>3,274</b>	<b>894</b>



# Sewerage

## *Our Aim:*

To provide an effective system for the collection and treatment of sewage.

## *Community Outcomes this activity contributes to:*

- “Safe, effective and sustainable infrastructure.”  
*By ensuring that adequate public disposal systems are provided and maintained and that private disposal systems are properly installed, Council provides an essential component of the District’s infrastructure.*
- “A fit and healthy community.”  
*Every household requires a good wastewater disposal system to avoid exposure to water-borne health risks.*
- “A thriving economy.”  
*By ensuring that adequate public disposal systems are provided and maintained.*

## *Plans for this year:*

Business as usual and no major or unusual expenditure expected or planned.

## *Variances to the Mackenzie District Council Long Term Plan 2009-2019:*

No revenue from financial contributions and vested assets is expected due to reduced development activity.

## *Performance Measures:*

Levels of Service	Measure of Service	Target
The sewerage systems work effectively.	Pump stations cope with effluent volumes. Systems operate with minimal disruption due to blockages.	No sewage overflows from pump stations. Annual blockages are less than six per 10km of sewer.
Adequate public disposal systems are provided and maintained.	Effluent is treated to required standards of resource consents.	All resource consent conditions are met.
By ensuring that adequate public disposal systems are provided and maintained.	Sewage is able to be disposed of without significant disruption.	Temporary or permanent repairs within 6 hours (during working hours) or 9 hours (outside working hours).
A 24 hour call out service is provided.	Contract standards for call outs are met.	No known failures to respond.
Timely completion of administration functions.	Monthly meetings with contractor and prompt authorisation of invoices.	12 meetings held. All payments authorised by 14 <sup>th</sup> of each month.
Prompt repair of faults that may disrupt the service.	Repairs completed within two working days.	All completed within time frame.
Speedy reinstatement of service following blockages or other emergency repairs.	Time for reinstatement following call-out.	During working hours – 6 hours. Outside working hours – 9 hours.

Levels of Service	Measure of Service	Target
Availability/disruption of service.	Length of disruption of service.	Normal disruption should not exceed 8 hours. Apart from earthquake or flood, no single disruption should exceed 24 hours.

Note: As Council does not normally itself arrange for water supply connections, the performance measures in the Long Term Plan relating to connection times have been removed.

### *Financial Summary:*

#### **Sewerage**

	Budget 2010-2011	LTCCP Year 3 Budget	Budget 2011-2012
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Targeted Rates	461	539	514
Financial Upgrade Contribution	108	98	-
Vested Assets	64	66	-
Internal Interest Received	16	-	24
<b>Total Operating Revenue</b>	<b>649</b>	<b>703</b>	<b>538</b>
<b>OPERATING EXPENDITURE</b>			
Direct Operating Expenditure	133	193	185
Council Overheads	88	96	88
Depreciation	226	243	224
<b>Total Operating Expenditure</b>	<b>447</b>	<b>532</b>	<b>497</b>
<b>Operating Surplus (Deficit)</b>	<b>202</b>	<b>171</b>	<b>41</b>
<b><u>Capital Statement</u></b>			
<b>CAPITAL EXPENDITURE</b>			
<b>Total Capital Expenditure</b>	<b>379</b>	<b>66</b>	<b>53</b>
<b>FUNDS REQUIRED</b>			
Capital Expenditure	379	66	53
Replenishment of Reserves	49	348	212
	<b>428</b>	<b>414</b>	<b>265</b>
<b>FUNDED BY</b>			
Operating Surplus	202	171	41
Funded Depreciation	223	239	220
Ratepayers Equity	3	4	4
	<b>428</b>	<b>414</b>	<b>265</b>

# Stormwater

## *Our Aim:*

To ensure adequate stormwater systems are in place to prevent surface flooding in our communities.

## *Community Outcomes this activity contributes to:*

- “Safe, effective and sustainable infrastructure.”  
*Stormwater control ensures minimal drainage and inconvenience to property.*
- “An attractive and highly valued natural environment.”  
*Stormwater protection work is designed to avoid any environmental ill-effects.*

## *Plans for this year:*

Business as usual and no major or unusual expenditure expected or planned.

## *Variances to the Mackenzie District Council Long Term Plan 2009-2019:*

There are no variances.

## *Performance Measures:*

Levels of Service	Measure of Service	Target
Pipework and open channels are maintained to effectively remove stormwater from residential areas.	Maintenance of specified flood protection levels.	No complaints about damage caused by flooding.
Stormwater run-off is controlled and dispersed of by channelling it through land drainage systems and stormwater pipes.	Control and disposal complies with resource consents.	All resource consent conditions met.
Protection from one in two year flood event.	Minimal ponding occurs.	Protection level met.
Protection from one in five year flood event.	No flooding of above ground level floors of non inhabited parts of buildings.	Protection level met.
Protection from one in ten year flood event.	No flooding of above ground level floors of dwellings or business premises.	Protection level met.
A 24 hours call out service is provided.	Contract standards for call outs are met.	No known failures to respond.
Timely completion of administration functions.	Monthly meetings with contractor and prompt authorisation of invoices.	12 meetings held. All payments authorised by 14 <sup>th</sup> of each month.
Prompt repair of faults likely to cause problems in event of flooding.	Repairs completed within two working days.	All completed within timeframe.
Prompt clearance of blockages causing minor disruption.	Time for clearance following call out.	During working hours – 6 hours. Outside working hours – 9 hours.
Response to localised emergency flooding.	Flood site made safe and further damage minimised.	Staff despatched within one hour of call out.
Maintenance and contract work is undertaken safely.	Contractual occupational safety and health requirements met.	No reported breaches.



# *Financial Summary:*

## **Stormwater**

	<b>Budget 2010-2011</b>	<b>LTCCP Year 3 Budget</b>	<b>Budget 2011-2012</b>
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Targeted Rates	94	78	84
Vested Assets	39	39	-
Internal Interest Received	7	23	11
<b>Total Operating Revenue</b>	<b>101</b>	<b>101</b>	<b>95</b>
<b>OPERATING EXPENDITURE</b>			
Direct Operating Expenditure	19	17	16
Council Overheads	23	25	23
Depreciation	59	59	56
<b>Total Operating Expenditure</b>	<b>101</b>	<b>101</b>	<b>95</b>
<b>Operating Surplus (Deficit)</b>	<b>39</b>	<b>39</b>	<b>0</b>
<b><u>Capital Statement</u></b>			
<b>CAPITAL EXPENDITURE</b>			
<b>Total Capital Expenditure</b>	<b>39</b>	<b>60</b>	<b>-</b>
<b>FUNDS REQUIRED</b>			
Capital Expenditure	39	39	-
Replenishment of Reserves	20	20	56
	<b>59</b>	<b>59</b>	<b>56</b>
<b>FUNDED BY</b>			
Operating Surplus			
Funded Depreciation	59	59	56
	<b>59</b>	<b>59</b>	<b>56</b>

# Roading

## *Our Aim:*

To provide a safe and well maintained roading network with a progressive improvement programme.

## *Community Outcomes this activity contributes to:*

- “An attractive and highly valued natural environment.”  
*By providing vehicular access to areas while minimising the effect on the natural environment.*
- “A thriving economy.”  
*By providing a safe and efficient highway network for the transport of people and goods.*
- “A fit and healthy community.”  
*By providing safe roads that provide access to sporting, recreational, social and medical amenities.*
- “Safe, effective and sustainable infrastructure.”  
*By ensuring appropriate maintenance standards for roads and footpaths are adhered to and the network is steadily improved. By ensuring that sufficient funds are allocated to meet this philosophy.*

## *Plans for this year:*

Business as usual and no major or unusual expenditure expected or planned.

## *Variances to the Mackenzie District Council Long Term Plan 2009-2019:*

Operating expenditure is up on that planned in the LTCCP due to

- a) Council fully matching funds made available by the New Zealand Transport Agency
- b) An increase in depreciation following revaluation of our roading assets.

Reserves have been drawn down to meet some of the budgeted capital expenditure.

## *Performance Measures:*

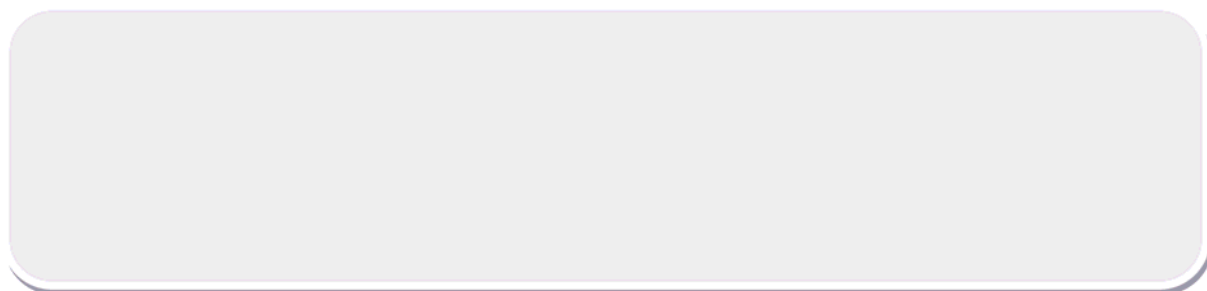
Levels of Service	Measure of Service	Target
Council provides safe smooth sealed roads in order to reduce travel times and vehicle wear.	The average roughness of urban roads as measured by NAASRA counts. The % of measures exceeding 150 NAASRA counts. The average roughness of rural roads as measured by NAASRA counts. The % of measures exceeding 110 NAASRA counts.	Average <100 counts. <10%. Average <80 counts. <10%.
Council provides good quality roads suitable for all users including tourists and farmers.	Smoothness of urban and rural sealed roads as compared with rest of New Zealand.	Smoothness higher than national average.
Council provides a safe and efficient roading network.	Progressive correction of minor safety faults.  Number of fatal accidents due to road factors.	Two safety projects completed each year.  Nil.

Levels of Service	Measure of Service	Target
Roading work is undertaken to high standards.	Sections of the roading network audited for compliance with contract specifications. Specifications either fully met or identified defects remedied within agreed timeframe.	98% compliance.
Deliver the works programme signalled in this Plan.	Amount of work not completed at year end.	<5% of operating budget carried forward to following year.
Ready access is provided around the District except in extreme weather conditions.	The roading network is trafficable and contracted emergency response times are met.	100%. Contractors on site within 1.5 hours.
Set achievable budgets for the available resources and complete what we plan each year.	Percentage of requested budget carried forward compared with total operating costs.	<5%.
That the roading network is trafficable.	Emergency work response times – on site within 1.5 hours to begin reinstatement.	100%

## *Financial Summary:*

### **Roading**

	<b>Budget 2010-2011</b>	<b>LTCCP Year 3 Budget</b>	<b>Budget 2011-2012</b>
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Targeted Rates	1,365	1,422	1,402
Financial Upgrade Contribution	-	-	5
Vested Assets	149	154	-
Internal Interest Received	20	37	28
Other Income	93	55	17
Council Overheads	130	115	130
Govt Subsidies & Grants	1,431	1,494	1,642
<b>Total Operating Revenue</b>	<b>3,188</b>	<b>3,277</b>	<b>3,224</b>
<b>OPERATING EXPENDITURE</b>			
Employment Expenses	108	114	111
Direct Operating Expenditure	1,342	1,166	1,325
Council Overheads	298	296	314
Depreciation	1,383	1,452	1,707
<b>Total Operating Expenditure</b>	<b>3,131</b>	<b>3,028</b>	<b>3,457</b>
<b>Operating Surplus (Deficit)</b>	<b>57</b>	<b>249</b>	<b>(233)</b>
<b><u>Capital Statement</u></b>			
<b>CAPITAL EXPENDITURE</b>			
<b>Total Capital Expenditure</b>	<b>1,500</b>	<b>1,711</b>	<b>1,612</b>
<b>FUNDS REQUIRED</b>			
Operating Deficit	-	-	233
Capital Expenditure	1,500	1,711	1,611
	<b>1,500</b>	<b>1,711</b>	<b>1,845</b>
<b>FUNDED BY</b>			
Operating Surplus	57	249	-
Ratepayers Equity	1,382	1,451	1,706
Funded Depreciation	1	1	1
Transfer from Special Funds	60	10	138
	<b>1,500</b>	<b>1,711</b>	<b>1,845</b>



# Solid Waste

## *Our Aim:*

To maximise the amounts of waste that is reused and recycled and to minimise the residual amounts that has to be disposed of to landfill.

## *Community Outcomes this activity contributes to:*

- “A fit and healthy community” and “An attractive and highly valued natural environment.”  
*By using methods of safe waste handling, transport and final disposal to ensure that public health is not jeopardised and that no environmental pollution occurs.*
- “A thriving economy.”  
*By handling, sorting and processing solid waste in an affordable manner and in a way that maximises returns from recovered material.*

## *Plans for this year:*

Negotiation of a new wheelie bin collection service for the District with resource recovery parks run under contract.

## *Variances to the Mackenzie District Council Long Term Plan 2009-2019:*

There are no variances. Budget impacts of new arrangements are not known at this time but it is proposed that any transitional costs will be funded from existing budgets.

## *Performance Measures:*

Levels of Service	Measure of Service	Target
To pick up all compliant bags of waste put out for collection at the kerbside.	The number of compliant bags of waste put out for collection at the kerbside.	100% of bags put out for collection will be collected.
The majority of Mackenzie waste is recycled rather than landfilled.	The percentage of solid waste from the District Resource Recovery Parks diverted from landfills.	70% diverted with an expectation of 80% by 2019.
Waste is handled hygienically	Compliance with resource consent conditions.	100% compliance.

**Note:** The Council ceased to use its Vertical Composting Unit in 2010 so the performance measure relating to composting has been removed.

## *Financial Summary:*

### **Solid Waste**

	<b>Budget 2010-2011</b>	<b>LTCCP Year 3 Budget</b>	<b>Budget 2011-2012</b>
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
General Rates	468	468	416
Targeted Rates	94	105	132
Other Income	224	270	240
Council Overheads	90	376	95
<b>Total Operating Revenue</b>	<b>876</b>	<b>1,219</b>	<b>883</b>
<b>OPERATING EXPENDITURE</b>			
Employment Expenses	248	275	224
Direct Operating Expenditure	586	491	525
Council Overheads	133	420	150
Depreciation	57	64	66
<b>Total Operating Expenditure</b>	<b>1,024</b>	<b>1,250</b>	<b>965</b>
<b>Operating Surplus (Deficit)</b>	<b>(148)</b>	<b>(31)</b>	<b>(81)</b>
<b><u>Capital Statement</u></b>			
<b>CAPITAL EXPENDITURE</b>			
<b>Total Capital Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUNDS REQUIRED</b>			
Operating Deficit	148	31	82
Replenishment of Reserves	-	33	-
	<b>148</b>	<b>64</b>	<b>82</b>
<b>FUNDED BY</b>			
Funded Depreciation	53	60	62
Ratepayers Equity	4	4	4
Drawdown of Reserves	91	-	16
	<b>148</b>	<b>64</b>	<b>82</b>

# Building Control

## *Our Aim:*

To ensure all building work in the Mackenzie is constructed according to the relevant codes.

## *Community Outcomes this activity contributes to:*

- “A thriving economy.”  
*New building and alterations provides economic prosperity for local architects and builders involved in these projects within the District. New building also adds capital value to the District which is important for growth and helps to encourage other commercial investment opportunities.*
- “Safe, effective and sustainable infrastructure.”  
*Inspection of building work will ensure that builders comply with the plans provided to the Council and that they meet safety and sanitary standards specified in the Building Code and the building requirements of the Council. The buildings constructed will therefore become part of the District’s safe, effective and sustainable infrastructure.*

## *Plans for this year:*

Business as usual and no major or unusual expenditure expected or planned.

## *Variances to the Mackenzie District Council Long Term Plan 2009-2019:*

There are no variances.

## *Performance Measures:*

Levels of Service	Measure of Service	Target
Building consents are processed in accordance with the prescribed legislation.	To process 95% of building consents and property information memoranda within the statutory timeframe.	95% compliance.
Council is to maintain building consent authority accreditation.	Council maintains its building consent authority accreditation.	Accreditation maintained.

## *Financial Summary:*

### **Building Control**

	<b>Budget 2010-2011</b>	<b>LTCCP Year 3 Budget</b>	<b>Budget 2011-2012</b>
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
General Rates	73	49	80
Other Income	207	237	208
Council Overheads	3	3	3
<b>Total Operating Revenue</b>	<b>283</b>	<b>289</b>	<b>291</b>
<b>OPERATING EXPENDITURE</b>			
Employment Expenses	139	147	143
Direct Operating Expenditure	60	57	33
Council Overheads	84	85	115
<b>Total Operating Expenditure</b>	<b>283</b>	<b>289</b>	<b>291</b>
<b>Operating Surplus (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Capital Statement</u></b>			
<b>CAPITAL EXPENDITURE</b>			
<b>Total Capital Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>



# Resource Management

## *Our Aim:*

To sustainably manage and enhance the natural and man made environment of the District.

## *Community Outcomes this activity contributes to:*

- “An attractive and highly valued natural environment.”  
Keeping the District Plan up to date with the changing pressures that are facing the District will ensure that development that occurs in the District does not have a detrimental impact on its attractiveness and scenic beauty. Well planned and managed development is seen by the community as an important outcome.

## *Plans for this year:*

Business as usual and no major or unusual expenditure expected or planned.

## *Variances to the Mackenzie District Council Long Term Plan 2009-2019:*

A change in accounting requirements means that Plan Change expenditure cannot be capitalised resulting in increased operating expenditure and a small operating deficit.

## *Performance Measures:*

Levels of Service	Measure of Service	Target
To maintain an up to date District Plan, providing sustainable management of the resources of the District in the face of changing development pressures.	Complete the Twizel Plan Change.	Any appeals resolved by 30 June 2012.
	To prioritise and complete plan changes identified as necessary by Council.	Other agreed changes processed within agreed timeframes.
Resource consents and land information memoranda processed in accordance with legislation.	To process non-notified resource consents within the statutory timeframe of 20 working days.	95% compliance.
	To process land information memoranda within the statutory timeframe of 10 working days.	100% compliance.
	To respond to the Environment Court decisions on Rural Plan Change 13.	Actions completed by 30 June 2012.

***Financial Summary:***  
**Resource Management**

	Budget 2010-2011	LTCCP Year 3 Budget	Budget 2011-2012
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
General Rates	275	272	320
Financial Upgrade Contribution	20	45	20
Other Income	78	86	82
Council Overheads	29	29	29
<b>Total Operating Revenue</b>	<b>402</b>	<b>432</b>	<b>452</b>
<b>OPERATING EXPENDITURE</b>			
Employment Expenses	185	190	215
Direct Operating Expenditure	50	45	38
Internal Interest Paid	3	12	-
Council Overheads	122	128	132
Depreciation	24	21	85
<b>Total Operating Expenditure</b>	<b>384</b>	<b>396</b>	<b>470</b>
<b>Operating Surplus (Deficit)</b>	<b>20</b>	<b>36</b>	<b>(18)</b>
<b><u>Capital Statement</u></b>			
<b>CAPITAL EXPENDITURE</b>			
<b>Total Capital Expenditure</b>	<b>170</b>	<b>-</b>	<b>-</b>
<b>FUNDS REQUIRED</b>			
Operating Deficit	-	-	18
Capital Expenditure	170	-	-
Replenishment of Reserves	-	57	67
	<b>170</b>	<b>57</b>	<b>85</b>
<b>FUNDED BY</b>			
Operating Surplus	20	36	-
Funded Depreciation	24	12	85
Ratepayers Equity	-	9	-
Drawdown of Reserves	126	-	-
	<b>170</b>	<b>57</b>	<b>85</b>

# Regulatory Services

## *Our Aim:*

To provide for the safety of the community through controls on dogs and wandering stock, rural fire, food safety and liquor, and to ensure it is prepared for civil defence emergencies.

## *Community Outcomes this activity contributes to:*

- “An attractive and highly valued natural environment.”  
*By maintaining an effective ready response system for rural fire and civil defence.*  
  
*By maintaining high levels of food hygiene standards.*
- “A fit and healthy community.”  
*By monitoring food premises for hygiene standards and issuing management certificates for the sale of liquor on licensed premises.*  
  
*By maintaining our readiness and supporting volunteer groups for civil defence and rural fire events.*  
  
*By controlling the nuisance effects of dogs.*

## *Plans for this year:*

Business as usual and no major or unusual expenditure expected or planned.

## *Variances to the Mackenzie District Council Long Term Plan 2009-2019:*

There are no variances.

## *Performance Measures:*

Levels of Service	Measure of Service	Target
All known dogs in the District registered with Council and entered into the national dog database on a regular basis.	All dogs registered and national dog database is continually kept up to date.	100% of all known dogs registered by 30 June each year, and all registered dogs on the national database.
To control the nuisance caused by dogs and wandering stock.	Respond to all complaints of wandering dogs and stock within 12 hours.	Target met.
To provide an effective and efficient response to any civil defence emergency in the District.	To carry out two civil defence training sessions per year with staff and volunteers on familiarisation with Council civil defence arrangements.	Plan requirements complied with.
To control fire risks in the rural area and to respond to those rural fires that do occur.	To promote and carry out fire control measures in accordance with the combined rural fire authority “Rural Fire Plan”.	All volunteer rural fire teams are registered with the NRFA and meet the industry standards.
To regularly inspect food premises to ensure the safety of food prepared for sale and consumption and to control the sale and consumption of liquor within the District.	To ensure all premises selling liquor are licensed and all registered food premises are licensed.	No premises lack the appropriate licence.

## *Financial Summary:*

### Regulatory Services

	Budget 2010-2011	LTCCP Year 3 Budget	Budget 2011-2012
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
General Rates	52	53	55
Targeted Rates	119	135	123
Internal Interest Received	1	1	1
Other Income	70	74	83
<b>Total Operating Revenue</b>	<b>242</b>	<b>263</b>	<b>262</b>
<b>OPERATING EXPENDITURE</b>			
Employment Expenses	20	21	20
Direct Operating Expenditure	169	173	193
Internal Interest Paid	2	5	4
Council Overheads	19	20	23
Depreciation	32	44	22
<b>Total Operating Expenditure</b>	<b>242</b>	<b>263</b>	<b>262</b>
<b>Operating Surplus (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Capital Statement</u></b>			
<b>CAPITAL EXPENDITURE</b>			
<b>Total Capital Expenditure</b>	<b>7</b>	<b>-</b>	<b>89</b>
<b>FUNDS REQUIRED</b>			
Capital Expenditure	7	96	89
Replenishment of Reserves	25	-	-
	<b>32</b>	<b>96</b>	<b>89</b>
<b>FUNDED BY</b>			
Ratepayers Equity	32	44	22
Drawdown of Reserves	-	52	67
	<b>32</b>	<b>96</b>	<b>89</b>

# Community Services

## *Our Aim:*

To provide a range of community facilities including public toilets and cemeteries.

## *Community Outcomes this activity contributes to:*

- “A supportive contributing community.”  
*By providing subsidised housing for the elderly and supporting the work of the resource centres.*
- “A fit and healthy community.”  
*By providing medical centres and targeted grants for art and recreation.*
- “A thriving economy.”  
*By providing toilet facilities for visitors and others, in support of a key part of our local economy.*
- “Safe efficient and sustainable infrastructure.”  
*By providing District cemeteries to meet legal and environmental requirements.*

## *Plans for this year:*

Business as usual and no major or unusual expenditure expected or planned.

## *Variances to the Mackenzie District Council Long Term Plan 2009-2019:*

Operating expenditure has risen due to increased levels of service and loss of a grant at public toilets and costs associated with establishing the new Tekapo cemetery.

## *Performance Measures:*

Levels of Service	Measure of Service	Target
<b>Pensioner Housing</b> Provision of 7 pensioner units in Fairlie and 3 pensioner units in Twizel.  Units are well maintained.	Housing occupancy rate.  Rentals and annual increases don't exceed targets.  Compliance with planned maintenance programme.	>95%.  No rentals exceed 80% of market value. No annual increases exceed \$5/week.  Programmed work is completed.
<b>Medical Centres</b> Provision of doctor's residence in Twizel, and medical centres in Twizel and Fairlie.	Buildings provided and maintained in compliance with building maintenance plan.	Programmed work is completed.

Levels of Service	Measure of Service	Target
<b>Public Toilets</b> Provided in Fairlie, Tekapo, Twizel and Pukaki/Mt Cook Lookout. Toilets open 24 hours/7 days.  Main public toilets are generally cleaned daily. If demand requires this is increased to twice per day during periods of high use.  Summer toilets are provided and cleaned weekly during the summer months and twice weekly during peak periods at Pines Beach Lake Tekapo, Lake Opuha and Lake Wardell.	Toilets maintained in line with contract specifications as revealed by audit and complaints.	Satisfactory quarterly audits and less than 12 complaints per annum.
<b>Cemeteries</b> Provision of cemetery services and maintenance at Albury, Burkes Pass, Fairlie and Twizel Cemeteries.  Provision of RSA sections within Fairlie and Twizel cemeteries.	User charges cover the majority of costs associated with cemeteries.  Cemeteries maintained in line with contract specification as revealed by staff audits.	User charges recover 75% of operational costs recovered.  Satisfactory quarterly audits.
<b>Grants</b> Council makes grants to assist the running of the resource centres in Fairlie and Twizel.  Council administers the allocation of grants from the SPARC Rural Travel Fund and the Creative Communities Scheme.  Council makes an annual grant to Sport South Canterbury to support recreation planning and co-ordinators in the District.	All contractual requirements are met.  That all funds are allocated in line with rules from the granting organisations (Sport and Recreation New Zealand and Creative New Zealand).  Sport South Canterbury fulfils the agreed work programme.	No contractual breach.  Full compliance.  Satisfactory report.

# *Financial Summary:*

## Community Services

	Budget 2010-2011	LTCCP Year 3 Budget	Budget 2011-2012
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
General Rates	206	219	232
Targeted Rates	50	51	77
Internal Interest Received	4	6	2
Other Income	105	107	95
Govt Subsidies & Grants	20	20	20
<b>Total Operating Revenue</b>	<b>385</b>	<b>403</b>	<b>426</b>
<b>OPERATING EXPENDITURE</b>			
Direct Operating Expenditure	327	321	380
Council Overheads	51	54	52
Depreciation	42	42	40
<b>Total Operating Expenditure</b>	<b>420</b>	<b>414</b>	<b>472</b>
<b>Operating Surplus (Deficit)</b>	<b>(35)</b>	<b>(10)</b>	<b>(45)</b>
<b><u>Capital Statement</u></b>			
<b>CAPITAL EXPENDITURE</b>			
<b>Total Capital Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUNDS REQUIRED</b>			
Operating Deficit	35	10	45
Replenishment of Reserves	13	34	26
	<b>48</b>	<b>44</b>	<b>71</b>
<b>FUNDED BY</b>			
Ratepayers Equity	29	29	27
Funded Depreciation	13	13	13
Council General Reserves	-	-	29
Transfer from Special Funds	6	2	2
	<b>48</b>	<b>44</b>	<b>71</b>

# Recreational Facilities

## *Our Aim:*

To foster community wellbeing by providing or supporting parks, reserves, libraries, community centres and halls.

## *Community Outcomes this activity contributes to:*

- “A thriving economy.”  
*By having a range of facilities at their doorsteps, people are encouraged to live in the District. The facilities also provide space for commercial activities or events that encourage visitors to the District.*
- “A fit and healthy community.”  
*By providing halls, community centres, swimming pools, parks and reserves provide as venues for structured and informal exercise. By contributing to District libraries as places for recreational reading and research.*
- “A supportive and contributing community.”  
*By providing halls and community centres as focal points for the community and centres for celebrations and cultural activities. These activities are generally driven by volunteers and are well supported by the community.*
- “An attractive and highly valued natural environment.”  
*By providing parks, reserves, amenity areas and walkways which maintains, protects and enhances the environment.*

## *Plans for this year:*

Business as usual and no major or unusual expenditure expected or planned.

## *Variances to the Mackenzie District Council Long Term Plan 2009-2019:*

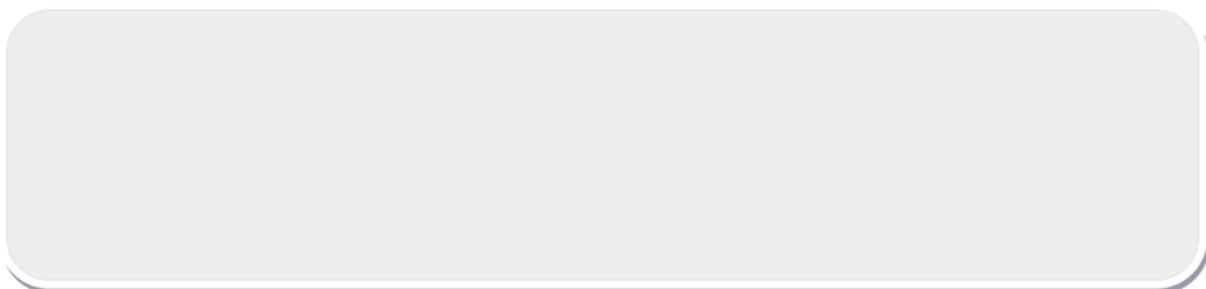
There are no variances.

## *Performance Measures:*

Levels of Service	Measure of Service	Target
<b>Swimming Pools</b> The swimming pools at Fairlie and Twizel are operational between November to March each year and are open to the public from 3pm to 5pm week days during school terms and from 1pm to 5pm during weekends, public and school holidays. Public lane swimming sessions are held week day mornings and evenings.	Pools available for use during programmed opening times.	No programmed opening hours lost.
Pools are safe for swimming.	Pool water quality meets New Zealand Standard (NZS 5826:2010).	No breach of standard.
The pools are available for private sessions outside of these times.	Increase in usage outside public hours.	Two hours of extra use per week of opening.



Levels of Service	Measure of Service	Target
<b>Halls and Community Centres</b> The community centres are available 7 days per week and usage is only restricted by other bookings.  Fees and charges are reviewed annually for Twizel Events Centre, Mackenzie Community Centre and Lake Tekapo Community Hall.  Buildings are adequately maintained. Sherwood and Albury halls are run by their local communities. Council involved with these facilities is limited to administration and some contribution to major repairs and maintenance.	Facilities are kept clean and always available for use.  Fees and charges are reviewed annually, to ensure they move in line with operational costs.  Buildings are maintained in line with the building maintenance plan.	No instances of hall unavailability.  Fees reviewed and publicised.  Programmed work completed.
<b>Parks, Reserves and Amenity Areas</b> Council maintains a range of parks and reserves across the District ranging from sports grounds, passive reserve areas, public street gardens, play areas, Twizel greenways, lakeside reserves, walkways and undeveloped sites.  The service levels for the majority of these sites are specified in the township maintenance contracts and details items like grass heights, litter collection frequency, shrub bed and annual bed maintenance. Within these reserve areas there are areas that are maintained by community groups and these include passive parks and walkways.	Walkways are adequately maintained in the line with the national standard.  All new or upgraded playgrounds meet appropriate safety standards.  Contract specifications as determined by regular audits.	Standards met.  Full compliance with New Zealand Standard 5828:2004.  No significant breaches identified.
<b>Libraries</b> The libraries are run as Community Libraries catering for a cross section of educational and recreational reading requirements. They also offer other services such as photocopying, internet access etc.  The libraries are open to the public 39 hours per week over 6 days.	Use of library is maintained as measured by ratio of issues per ratepayer.  Agreed opening hours are met.	12.66 issues per ratepayer.  No departure from agreed opening hours.



# *Financial Summary:*

## Recreational Facilities

	Budget 2010-2011	LTCCP Year 3 Budget	Budget 2011-2012
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
General Rates	290	217	223
Targeted Rates	1,107	1,061	1,083
Financial Upgrade Contribution	-	100	8
Internal Interest Received	20	32	12
Other Income	226	137	230
<b>Total Operating Revenue</b>	<b>1,643</b>	<b>1,547</b>	<b>1,556</b>
<b>OPERATING EXPENDITURE</b>			
Employment Expenses	67	63	64
Direct Operating Expenditure	997	850	1,045
Internal Interest Paid	38	137	38
Council Overheads	189	199	188
Depreciation	241	222	200
<b>Total Operating Expenditure</b>	<b>1,532</b>	<b>1,471</b>	<b>1,535</b>
<b>Operating Surplus (Deficit)</b>	<b>111</b>	<b>76</b>	<b>21</b>
<b><u>Capital Statement</u></b>			
<b>CAPITAL EXPENDITURE</b>			
<b>Total Capital Expenditure</b>	<b>400</b>	<b>797</b>	<b>-</b>
<b>FUNDS REQUIRED</b>			
Capital Expenditure	400	797	-
Replenishment of Reserves	-	-	221
	<b>400</b>	<b>797</b>	<b>221</b>
<b>FUNDED BY</b>			
Operating Surplus	111	76	21
Ratepayers Equity	235	217	156
Funded Depreciation	6	5	44
Drawdown of Reserves	48	499	-
	<b>400</b>	<b>797</b>	<b>221</b>

# Commercial Activities

## *Our Aim:*

To manage Council's commercial activities and investments wisely.

## *Community Outcomes this activity contributes to:*

- "A thriving economy."  
Council's commercial activities can have a beneficial effect on the District's economy, acting as a catalyst for its development.

## *Plans for this year:*

Business as usual and no major or unusual expenditure expected or planned.

## *Variances to the Mackenzie District Council Long Term Plan 2009-2019:*

Real Estate sales exceed those forecast in the Long Term Plan as it was anticipated that the sale of the Tekapo camping ground would have been completed earlier.

## *Performance Measures:*

Levels of Service	Measure of Service	Target
<b>Investments</b> The Community expects the investments of the Council to be managed wisely.	Council's cash investment portfolio independently reviewed each quarter.  Reviews of other investments undertaken.	Investments out-perform benchmark portfolio.  Council reviews the Annual Report and Statement of Intent for its investments in Alpine Energy Ltd annually.
<b>Mackenzie Forestry Board</b> The Board is required to operate and administer the Council's forestry estate as a successful business.	Council approves the Statement of Intent for the Forestry Board annually.  100% of all new plantings should be demonstrated by project analysis to be able to achieve a minimum internal rate of return of 7% pre tax.  To achieve 900 hectares of planted forestry estate.	Approval obtained prior to 30 June each year.  All new plantings achieve the minimal internal rate of return.  To complete the final stage of planting at Fox Peak Plantation if determined to be economic.
<b>Rental Properties</b> It is expected that the relevant conditions placed upon a commercial lease agreement have been adhered to.	All lease agreements are reviewed on a regular basis.	Council will ensure that the terms of each commercial lease agreement are adhered to.
<b>Pukaki Airport Board</b> Operation of the Pukaki Airfield as a public facility.	The Board will report to Council on a regular basis on its activities and progress towards meeting its goals.	The Board achieves the goals set in its Statement of Intent.

Levels of Service	Measure of Service	Target
<b>Real Estate</b> The community expects the Council to achieve the best economic return for any land that the Council deems appropriate to place on the market.	Market analysis is undertaken on a regular basis for the land identified for disposal as scheduled in the significance policy.  A full land rationalisation process will be completed by June 2010.	Council will progress the disposal of the areas of land identified for sale.  Council will progress the land rationalisation process to identify further areas of land deemed surplus to its requirements.

### *Financial Summary:*

#### **Commercial Activities**

	Budget 2010-2011	LTCCP Year 3 Budget	Budget 2011-2012
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
General Rates	(819)	(1,086)	(899)
Tourism Rates	216	221	212
Targeted Rates	(32)	(32)	(32)
External Interest/Dividends	754	852	942
Internal Interest Received	99	313	18
Other Income	153	40	146
Real Estate Sales	1,090	150	1,762
<b>Total Operating Revenue</b>	<b>1,461</b>	<b>459</b>	<b>2,149</b>
<b>OPERATING EXPENDITURE</b>			
Direct Operating Expenditure	465	370	437
Internal Interest Paid	1	5	-
Council Overheads	125	131	138
Depreciation	9	12	52
<b>Total Operating Expenditure</b>	<b>600</b>	<b>518</b>	<b>627</b>
<b>Operating Surplus (Deficit)</b>	<b>861</b>	<b>(59)</b>	<b>1,522</b>
<b><u>Capital Statement</u></b>			
<b>CAPITAL EXPENDITURE</b>			
<b>Total Capital Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUNDS REQUIRED</b>			
Operating Deficit	-	59	-
Replenishment of Reserves	861	-	1,522
	<b>861</b>	<b>59</b>	<b>1,522</b>
<b>FUNDED BY</b>			
Operating Surplus	861	-	1,522
Drawdown of Reserves	-	59	-
	<b>861</b>	<b>59</b>	<b>1,522</b>

# Corporate Services

## *Our Aim:*

To provide effective management and support for Council's primary activities.

## *Community Outcomes this activity contributes to:*

"A supportive and contributing community."

## *Plans for this year:*

Business as usual and no major or unusual expenditure expected or planned.

## *Variances to the Mackenzie District Council Long Term Plan 2009-2019:*

There are no variances.

## *Performance Measures:*

Levels of Service	Measure of Performance	Target
The service levels are internally agreed between the Corporate Services and the area of the organisation that it provides service to. The key organisation wide function is compliance with the Local Government Act 2002.	All plans and reports completed in accordance with the Local Government Act 2002.	Completion of Annual Reports by 31 October each year.  Adoption of Long Term Plan by 30 June every three years.  Adoption of Annual Plans by 30 June in the intervening years.



## *Financial Summary:*

### Corporate Services

	Budget 2010-2011	LTCCP Year 3 Budget	Budget 2011-2012
<b><u>Operating Statement</u></b>			
<b>OPERATING REVENUE</b>			
Internal Interest Received	1	-	-
Other Income	103	100	102
Council Overheads	1,838	1,949	1,847
<b>Total Operating Revenue</b>	<b>1,941</b>	<b>2,049</b>	<b>1,949</b>
<b>OPERATING EXPENDITURE</b>			
Employment Expenses	943	980	953
Direct Operating Expenditure	572	608	607
Internal Interest Paid	13	10	5
Council Overheads	330	349	314
Depreciation	125	139	89
<b>Total Operating Expenditure</b>	<b>1,983</b>	<b>2,086</b>	<b>1,968</b>
<b>Operating Surplus (Deficit)</b>	<b>(42)</b>	<b>(36)</b>	<b>(19)</b>
<b><u>Capital Statement</u></b>			
<b>CAPITAL EXPENDITURE</b>			
<b>Total Capital Expenditure</b>	<b>32</b>	<b>120</b>	<b>74</b>
<b>FUNDS REQUIRED</b>			
Operating Deficit	42	36	19
Capital Expenditure	32	120	74
Replenishment of Reserves	51	-	-
	<b>125</b>	<b>156</b>	<b>93</b>
<b>FUNDED BY</b>			
Ratepayers Equity	34	35	32
Funded Depreciation	91	104	57
Drawdown on Reserves	-	17	4
	<b>125</b>	<b>156</b>	<b>93</b>

# **FINANCIAL & FUNDING OVERVIEW**

*Mount Cook Lily. Photo: Carl McKay*



## Forecast Statement of Comprehensive Income

	<u>Budget</u>	<u>LTCCP</u>	<u>Budget</u>
	2010/2011	Year 3 Budget	2011/2012
	(\$000)	(\$000)	(\$000)
<b>Revenue</b>			
General Rates	1,294	2,048	1,156
Targeted Rates	4,235	3,403	4,575
Subsidies & Grants	1,451	1,515	1,642
Financial Contributions	190	409	33
Other Income	2,426	1,424	5,379
External Interest/Dividend Received	754	853	942
	<b>10,350</b>	<b>9,652</b>	<b>13,727</b>
<b>Less Expenditure</b>			
Employment Expenses	1,761	1,879	1,783
Direct Operating Expenses	5,065	4,751	7,786
Depreciation	2,519	2,679	2,878
	<b>9,345</b>	<b>9,309</b>	<b>12,447</b>
<b>Net Surplus/(Deficit) before tax</b>	<b>1,005</b>	<b>343</b>	<b>1,280</b>
Tax Expenses	0	0	0
<b>Net Surplus/(Deficit) after tax</b>	<b>1,005</b>	<b>343</b>	<b>1,280</b>
<b>Add Other Comprehensive Income</b>			
Vested Asset Income	300	309	-
Gains/(Losses) on Asset Revaluation	-	-	3,341
	<b>300</b>	<b>309</b>	<b>3,341</b>
<b>Total Comprehensive Income</b>	<b>1,305</b>	<b>652</b>	<b>4,621</b>

## Forecast Statement of Changes in Equity

	<u>Budget</u>	<u>LTCCP</u>	<u>Budget</u>
	2010/2011	Year 3 Budget	2011/2012
	(\$000)	(\$000)	(\$000)
<b>Equity at the start of the year</b>	173,027	176,905	176,014
Add Total Comprehensive Income year	1,305	652	4,621
<b>Equity at end of year</b>	<b>174,332</b>	<b>177,557</b>	<b>180,636</b>



# Forecast Statement of Financial Position

	Annual Plan 2010/11 (\$000)	LTCCP Year 3 2011-2012 (\$000)	Annual Plan 2011-2012 (\$000)
<b>Public Equity</b>			
Accumulated General Funds	91,392	97,286	96,286
Capital Reserves	(2,001)	(4,820)	(850)
Special Funds	7,469	7,619	7,556
Asset Revaluation Reserve	77,472	77,472	77,644
	174,332	177,557	180,636
<b>Liabilities</b>			
Non Current Liabilities	571	568	45
Current Liabilities	1,987	1,987	1,578
<b>Total Public Equity and Liabilities</b>	<b>176,890</b>	<b>180,112</b>	<b>182,259</b>
<b>Non Current Assets</b>			
Fixed Assets	150,454	155,273	151,408
Forestry	1,529	1,529	2,306
Investments	12,203	8,943	13,028
<b>Total Non Current Assets</b>	<b>164,186</b>	<b>165,745</b>	<b>166,742</b>
<b>Current Assets</b>			
Debtors and Stock	1,718	1,718	2,763
Property Intended for Sale	8,858	9,798	9,238
Cash and Short Term Funds	2,128	2,851	3,516
<b>Total Current Assets</b>	<b>12,704</b>	<b>14,367</b>	<b>15,517</b>
<b>Total Assets</b>	<b>176,890</b>	<b>180,112</b>	<b>182,259</b>

# Forecast Statement of Cash Flows

	Annual Plan 2010-2011 (\$000)	LTCCP Year 3 2011-2012 (\$000)	Annual Plan 2011-2012 (\$000)
<b>Operating Activities</b>			
Cash is to be provided from:			
Rates	5,529	5,451	5,731
Subsidies and Grants	1,451	1,515	1,642
Other Income	2,616	1,684	1,551
Real Estate Sales	1,090	300	1,762
External Interest Income	375	474	563
Dividend Received	379	379	379
	11,440	9,802	11,628
Cash is to be applied to:			
Payment to suppliers and employees	6,826	6,630	7,396
<b>Net Cashflow from Operating Activities</b>	<b>4,614</b>	<b>3,172</b>	<b>4,232</b>
<b>Investing Activities</b>			
Cash is to be provided from:			
Sale of Assets			
Redemption of Investments	14	3,000	-
	14	3,000	-
Cash is to be applied to:			
Purchase of Investments	244	-	2,000
Purchase of Assets	3,696	5,850	2,722
	3,940	5,850	4,722
<b>Net Cashflow from Investing Activities</b>	<b>(3,926)</b>	<b>(2,850)</b>	<b>(4,722)</b>
<b>Financing Activities</b>			
Cash to be provided from:			
Debt Borrowed			
Cash is to be applied to:			
Debt Repayments	3	3	8
<b>Net Cashflow from Financing Activities</b>	<b>(3)</b>	<b>(3)</b>	<b>(8)</b>
<b>Summary of Net Cashflows:</b>			
Net Cashflow from Operating Activities	4,614	3,172	4,166
Net Cashflow from Investing Activities	(3,926)	(2,856)	(4,722)
Net Cashflow from Financing Activities	(3)	(3)	(8)
<b>Net Increase/(Decrease) in Cash</b>	<b>685</b>	<b>319</b>	<b>(564)</b>
<b>Cash at Beginning of Period</b>	<b>3,158</b>	<b>2,532</b>	<b>4,080</b>
<b>Cash at End of Period</b>	<b>3,843</b>	<b>2,851</b>	<b>3,516</b>
Reconciliation of Net Surplus to Cashflow from Operating Activities			
Net Surplus/(Deficit)	1,305	652	1,280
Add (Subtract) Non Cash Items			
Depreciation	2,519	2,679	2,878
Movements in Current Assets (other than Cash & Short Term Deposits	1,090	150	74
Income from Vested Assets	(300)	(309)	-
	(3,309)	2,520	2,952
<b>Net Cashflow from Operating Activities</b>	<b>4,614</b>	<b>3,172</b>	<b>4,232</b>

## Forecast Summary of Capital Expenditure

	Annual Plan 2010-2011	LTCCP Year 3 2011-2012	Annual Plan 2011-2012
	(\$000)	(\$000)	(\$000)
Governance	-	-	-
Water Supplies - Urban	829	3,221	784
Water Supplies - Rural	92	53	110
Sewerage	379	66	53
Stormwater	39	61	-
Roading – Subsidised	1,225	1,484	1,470
Roading – Unsubsidised	275	229	142
Solid Waste	-	32	-
Building Control	-	-	-
Resource Management	170	-	-
Regulatory Services	7	97	89
Community Facilities	-	-	-
Recreational Facilities	400	797	-
Commercial Activities	-	-	-
Corporate Services	32	120	74
<b>TOTAL</b>	<b>3,448</b>	<b>6,160</b>	<b>2,722</b>

# Funding Impact Statement

## INTRODUCTION

This Funding Impact Statement has been prepared in accordance with clause 13 of schedule 10 of Local Government Act 2002.

It must set out the following:

- The revenue and financing mechanisms used;
- An indicative level or amount of funding for each mechanism;
- Explanatory information supporting the use of general and targeted rates;
- A summary of the total rates requirement;
- Subsidies, grants and contributions; and
- Revenue and funding mechanisms.

The revenue and financing mechanisms to be used by Council, including the estimated amount to be produced by each mechanism, are as follows:

Note: The amounts included in the adjacent table to do not include GST.

## Revenue and Funding Mechanisms

	Annual Plan 2010-2011	LTCCP Year 3 2011-2012	Annual Plan 2011-2012
	(\$000)	(\$000)	(\$000)
<b>Total Expenditure</b>			
Operating Expenditure	9,345	9,309	9,569
Capital Expenditure	3,483	6,159	2,722
<b>Total Expenditure</b>	<b>12,828</b>	<b>15,468</b>	<b>12,291</b>
<b>Funded by:</b>			
<b>General Rates</b>			
Capital Value Rate	1,130	1,951	1,118
Uniform Annual General Charge	134	97	134
<b>Targeted Rates</b>			
Urban Water Rates	572	653	665
Rural Water Rates	208	268	219
Sewerage Rates	461	523	514
Refuse Collection Rates	94	104	131
Fairlie Works and Services Rates	325	288	340
Tekapo Works and Services Rates	485	235	495
Twizel Works and Services Rates	829	663	837
Rural Works and Services Rates	1,086	531	1,148
Tourism Sector Rates	120	125	116
Fairlie Community Facilities Rates	14	13	14
<b>Other Income Sources</b>			
Subsidies and Grants	1,451	1,515	1,642
Financial Contributions	170	364	13
Reserve Contributions	20	45	20
Real Estate Sales	1,090	300	1,762
Vested Assets	300	309	-
Other Income	1,560	1,275	1,518
Dividends	379	379	379
Interest Income	375	474	563
<b>Reserve Funding</b>			
Net transfers from/(to) Reserves	2,025	5,357	663
<b>Total Funding Sources</b>	<b>12,828</b>	<b>15,468</b>	<b>12,291</b>

## GENERAL RATE – CAPITAL VALUE

A general rate will be set 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 with an area of less than 2000 hectares, 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 00701).

Tekapo B – All separately rateable properties in the former Tekapo Ward with an area of 2000 hectares or more, 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:

<b>Category</b>	<b>Factor</b>
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

#### **GENERAL RATE – UNIFORM ANNUAL GENERAL CHARGE**

A general rate 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. The uniform annual general charge is currently utilised to fund a portion of the operations of the Mackenzie Tourism and Development Trust but Council may apply this charge to other activities in the future. Currently 71.43% rate requirement is utilised to fund a portion of the operations of the Mackenzie Tourism and Development Trust and 28.57% is utilised to fund projects of a general nature.

#### **TARGETED RATES**

##### **Works and Services Targeted Rates**

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

- Social and information
- Village and township maintenance
- Stormwater
- Footpath and road maintenance
- Parks and reserves
- Swimming pools
- Community halls
- Rural fire

#### **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 Council Community 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 to calculate the liability of targeted rates. The Council may selected 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.

### **Twizel Community**

This targeted rate will be assessed on every rating unit in the Twizel Community and will be:

- A fixed amount per separately used or inhabited part 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); and
- An additional fixed amount per separately used or inhabited part of a rating unit to fund improvement work.

Currently the 2010/11 split of the rate requirement is 32% fixed and 68% rate in the dollar.

### **Fairlie Community**

This targeted rate will be assessed on every rating unit in the Fairlie Community and will be:

- A fixed amount per separately used or inhabited part 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 split of the rate requirement is 20% fixed and 80% rate in the dollar.

### **Tekapo Community**

This targeted rate will be assessed on every rating unit in the Tekapo Community area of benefit and will be:

- A fixed amount per separately used or inhabited part 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.
  - Tekapo A
  - All other properties.

Tekapo A means – All separately rateable properties in the former Tekapo Ward with an area of less than 2000 hectares, used for hydro electric power generation (as more particularly defined on valuation roll number 25300 15901). All other properties mean all other rating units in the Lake Tekapo Community area of benefit (as defined in the map held by Council).

Category	Factor
Tekapo A	20% of the total capital rate requirement
All other properties	80% of the total capital rate requirement

Currently the 2010/11 split of the rate requirement levied against all the other properties is 20% fixed and 80% rate in the dollar.

### **Rural**

This targeted rate will be assessed on every rating unit in the Rural Community and will be:

- A fixed amount per separately used or inhabited part 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 targeted rate requirement, set differentially using the following categories based on the use of the land:
  - Ohau A;

- Tekapo B;
- All other 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 00701).

Tekapo B means – All separately rateable properties in the former Tekapo Ward with an area of 2000 hectares or more, used for hydro electric power generation (as more particularly defined on valuation roll number 25300 18400).

All other properties means – every other property in the rural area other than Ohau A and Tekapo B.

Rural area is defined as the area of the District excluding the communities 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 total capital rate requirement
Tekapo B	20% of the total capital rate requirement
All other properties	60% of the total capital rate requirement

Currently the 2010/11 split of the rate requirement levied against all other properties is 7.488% fixed and 92.512% rate in the dollar.

## SEWAGE TREATMENT RATES

The following targeted rates will be assessed under section 16 of the Local Government (Rating) Act 2002 to fund the Council's sewerage services. This includes sewage treatment for the Twizel, Lake Tekapo, Burkes Pass and Fairlie sewerage schemes.

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;
- The sewerage service is treated as being available if the rating unit is not connected to a public drain but 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.

An additional targeted rate will be assessed on every rating unit connected of a fixed amount per connection after the first connection (rating units comprising a single household treated as having one connection). This rate will be set at 25% of the fixed amount.

## URBAN WATER TREATMENT RATES

Targeted rates will be assessed under section 16 of the Local Government (Rating) Act 2002 in each of the following communities:

- Fairlie Community
- Twizel Community
- Tekapo Community
- Burkes Pass Community



In each community the targeted rate will be:

- A fixed amount per separately used or inhabited part of a rating unit which are serviced (whether metered or not).

An additional targeted rate under section 19 of the Local Government (Rating) Act 2002 will be assessed to each community on every rating unit where the water is supplied and measured by meter and will be:

- A fixed charge per unit of water supplied in excess of 700 units in the communities of Fairlie, Tekapo and Burkes Pass.
- A fixed charge per unit of water supplied in excess of 1400 units in the community of Twizel.

The targeted rates are to fund the costs of water treatment for each community.

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

### **Urban Water Infrastructure Rates**

Targeted rates will be assessed under section 16 of the Local Government (Rating) Act 2002 in each of the following communities:

- Fairlie Community
- Twizel Community
- Tekapo Community
- Burkes Pass Community

In each community the targeted rate will be:

- A fixed amount per separately used or inhabited part of a rating unit which is capable of being serviced including any rating unit to which water can be, but is not, supplied (being a property situated within 100 metres from any part of the waterworks).

### **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.

#### **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 of 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 serviced by the Ashwick/Opuha Rural Water Supply of a fixed amount per rating unit.

#### **Fairlie Water Race – Variable**

A targeted rate for water supply under section 16 assessed on every rating unit serviced by Fairlie Water Race of 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 serviced by Fairlie Water Race of 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 of a fixed amount per unit of water supplied.

### **Manuka Terrace Water Supply**

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). The targeted rate will be a rate in the dollar of the Capital Value of each rating unit and will cover preliminary expenses in developing the water supply. Once the scheme is operational the method of rating will be reviewed.

### **Downlands Water Supply**

A targeted rate for water supply under section 16 on every rating unit serviced by Downlands Water Supply Area of the Mackenzie District of 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 Area in the Mackenzie District of a fixed amount per point.

### **Waste Collection**

The following targeted rates will be assessed under section 16 of the Local Government (Rating) Act 2002 to fund each of the following waste collection services:

- Twizel Community Waste Collection Area
- Tekapo Community Waste Collection Area
- Fairlie Community Waste Collection Area
- Albury Waste Collection Area

In each community a targeted rate will be assessed on every rating unit to which the Council provides the service of a fixed amount per separately used or inhabited part of the rating unit.

### **Fairlie Community Facilities**

The following targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 to fund the rate requirement of the Sherwood Downs Hall and Recreation Reserve and to partly offset the rating requirement of the Mackenzie Community Centre and the Strathconan Swimming Pool.

The targeted rate will be assessed on every separately used or inhabited part of each rating unit in the former Fairlie Ward that is not charged the Fairlie Works and Services Rate. It will be a fixed amount per separately used or inhabited part of each rating unit.

### **Eversley Reserve Sewerage**

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 to fund the rating units required to be connected to the sewerage system, apart from those units that have opted to pay a lump sum contribution.

## **TOURISM SECTOR RATES**

A series of targeted rates of a fixed amount per category will be assessed under section 16 on a differentially basis to fund a portion of the operations of the Mackenzie Tourism and Development Trust. This Second Schedule of the Local Government (Rating) Act 2002 lists the factors that can be used to calculate the liability of the targeted rates. The Council may select one of more of these factors for each targeted rate.

Targeted tourism rates will be calculated on the following basis:

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

The Council has proposed that the targeted rate be assessed on the following categories of land:

***Primary Accommodation – Tier 1***

All rateable properties within the Mackenzie District that are used for accommodation purposes on land with a property category code beginning with CA in the Council's Rating Information Database and where the Capital Value exceeds \$10,000,001.

***Primary Accommodation – Tier 2***

All rateable properties within the Mackenzie District that are used for accommodation purposes on land with a property category code beginning with CA in the Council's Rating Information Database and where the Capital Value exceeds \$5,000,001 and \$10,000,000.

***Primary Accommodation – Tier 3***

All rateable properties within the Mackenzie District that are used for accommodation purposes on land with a property category code beginning with CA in the Council's Rating Information Database and where the Capital Value exceeds \$2,000,001 and \$5,000,000.

***Primary Accommodation – Tier 4***

All rateable properties within the Mackenzie District that are used for accommodation purposes on land with a property category code beginning with CA in the Council's Rating Information Database and where the Capital Value is between \$1,000,001 and \$2,000,000.

***Primary Accommodation – Tier 5***

All rateable properties within the Mackenzie District that are used for accommodation purposes on land with a property category code beginning with CA in the Council's Rating Information Database and where the Capital Value exceeds \$500,000 and \$1,000,000.

***Primary Accommodation – Tier 6***

All rateable properties within the Mackenzie District that are used for accommodation purposes on land with a property category code beginning with CA in the Council's Rating Information Database and where the Capital Value is less than \$500,000.

***Secondary Accommodation – Tier 1***

All rateable properties within the Mackenzie District identified as Farmstay accommodation providers by the Mackenzie Tourism and Development Trust but where the primary use of the land is not for accommodation purposes.

***Secondary Accommodation – Tier 2***

All rateable properties within the Mackenzie District with a Capital Value of less than \$500,000 and identified as accommodation providers by the Mackenzie Tourism and Development Trust but where the primary use of the land is not for accommodation purposes.

***Secondary Accommodation – Tier 3***

All rateable properties within the Mackenzie District with a capital value of \$500,000 or greater and identified as accommodation providers by the Mackenzie Tourism and Development Trust but where the primary use of the land is not for accommodation purposes.

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

**Commercial Businesses – All**

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

**Commercial Businesses – Tourism Based**

All rateable properties within the Mackenzie District on land with a property category code beginning with C in the Council's Rating Information Database that have been identified as being primarily tourism based.

**Note: 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".

The purpose of these rates is to partly fund the operations of the Mackenzie Tourism and Development Trust.

**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 no greater than 30% of the total revenue from all rates sought by the Council.

Fixed charges, excluding water and sewer charges, as a percentage of the total rates amount to 16.82%. Accordingly, the Mackenzie District Council has complied with section 21 of the Local Government (Rating) Act 2002.

Definition of "Separately used or inhabited parts of a rating unit":

Where 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 it used or occupied by any person, other than the ratepayers, 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 ratepayers 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 separately occupiable units, 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.

# Proposed Rating for 2011-2012 Year

The revenue and financing mechanisms to be used to cover the estimated expenses of the Council are covered in the Council's revenue and financing policy. The method and impact of both general and targeted rates are covered in the Funding Impact Statement.

## General Rates

<b>General Rate – Capital Value</b>		
Meridian Differential		
Tekapo A	0.004599 cents per dollar	\$128,544
Ohau A	0.0005054 cents per dollar	\$128,544
Tekapo B	0.0008034 cents per dollar	\$128,544
All Other Ratepayers	0.0004288 cents per dollar	\$899,806
Total Expected Rates (including GST)		\$1,285,438
Total Expected Rates (excluding GST)		\$1,117,772
<b>General Rate – Uniform Annual General Charge</b>		
Uniform Annual General Charge	\$35.78 per rating unit	\$154,498
Total Expected Rates (excluding GST)		\$134,346

## Works and Services Rate

<b>Twizel Works and Services Rate</b>		
Fixed Charge	\$148.86 per rating unit	\$241,744
Improvement Rate	\$61.33 per rating unit	\$98,803
Capital Value Rate	0.001668 cents per dollar of capital value	\$621,628
Total Expected Rates (including GST)		\$962,175
Total Expected Rates (excluding GST)		\$836,674
<b>Fairlie Works and Services Rate</b>		
Fixed Charge	\$122.78 per rating unit	\$68,509
Capital Value Rate	0.002809 cents per dollar of capital value	\$322,969
Total Expected Rates (including GST)		\$391,478
Total Expected Rates (excluding GST)		\$340,415
<b>Tekapo Works and Services Rate</b>		
Fixed Charge	\$147.85 per rating unit	\$96,769
Meridian Differential:		
Tekapo A	0.003381 cents per dollar of capital value	\$94,492
Capital Value Rate	0.001369 cents per dollar of capital value	\$377,967
Total Expected Rates (including GST)		\$569,227
Total Expected Rates (excluding GST)		\$494,980
<b>Rural Works and Services Rate</b>		
Fixed Charge	\$96.44 per rating unit	\$156,619
Meridian Differential:		
Ohau A	0.0009153 cents per dollar of capital value	\$232,823
Tekapo B	0.001455 cents per dollar of capital value	\$232,823
Capital Value Rate	0.0005383 cents per dollar of capital value	\$698,470
Total Expected Rates (including GST)		\$1,320,735
Total Expected Rates (excluding GST)		\$1,148,465

## Targeted Rates – Sewerage Rates

<b>Twizel Sewage Treatment Rate</b>		
Sewage Treatment Charge	\$5.01 per connected rating unit	\$6,285
Additional Charge	\$1.25 for each additional water closet	\$354
Total Expected Rates (including GST)		\$6,639
Total Expected Rates (excluding GST)		\$5,773

<b>Twizel Sewerage Infrastructure Rate</b>		
Sewerage Infrastructure Fixed Charge	\$118.93 per connectable rating unit	\$206,283
Additional Charge	\$29.73 for each additional water closet	\$8,384
Total Expected Rates (including GST)		\$214,667
Total Expected Rates (excluding GST)		\$186,667
<b>Fairlie Sewage Treatment Charge</b>		
Sewage Treatment Charge	\$8.24 per connected rating unit	\$3,908
Additional Charge	\$2.06 for each additional water closet	\$330
Total Expected Rates (including GST)		\$4,238
Total Expected Rates (excluding GST)		\$3,686
<b>Fairlie Sewerage Infrastructure Rate</b>		
Sewerage Infrastructure Fixed Charge	\$221.19 per connectable rating unit	\$114,576
Additional Charge	\$55.30 for each additional water closet	\$8,848
Total Expected Rates (including GST)		\$123,424
Total Expected Rates (excluding GST)		\$107,325
<b>Tekapo Sewage Treatment Rate</b>		
Sewage Treatment Charge	\$23.10 per connected rating unit	\$12,141
Additional Charge	\$5.78 for each additional water closet	\$1,274
Total Expected Rates (including GST)		\$13,415
Total Expected Rates (excluding GST)		\$11,665
<b>Tekapo Sewerage Infrastructure Rate</b>		
Sewerage Infrastructure Fixed Charge	\$283.16 per connectable rating unit	\$183,914
Additional Charge	\$70.79 for each additional water closet	\$15,609
Total Expected Rates (including GST)		\$199,523
Total Expected Rates (excluding GST)		\$173,498
<b>Burkes Pass Sewerage Rate</b>		
Sewerage Fixed Charge	\$573.71 per connectable rating unit	\$9,466
Additional Charge	\$143.43 for each additional water closet	\$574
Total Expected Rates (including GST)		\$10,040
Total Expected Rates (excluding GST)		\$8,730
<b>Eversley Reserve Sewerage Rate</b>		
Fixed Charge	\$938.28 per rating unit	\$18,757
Total Expected Rates (excluding GST)		\$16,310

#### Targeted Rates – Township Water Rates

<b>Twizel Water Treatment Rate</b>		
Fixed Charge	\$50.36 per connected rating unit	\$63,101
Metered Supplies	\$50.36 per metered supply	\$2,417
Total Expected Rates (including GST)		\$65,518
Total Expected Rates (excluding GST)		\$56,972
<b>Twizel Water Infrastructure Rate</b>		
Fixed Charge	\$164.88 per connectable rating unit	\$271,400
Metered Supply Charge	\$164.88 per metered supply	\$7,914
Total Expected Rates (including GST)		\$279,314
Total Expected Rates (excluding GST)		\$242,882
<b>Fairlie Water Treatment Rate</b>		
Fixed Charge	\$37.08 per connected rating unit	\$18,356
Metered Supplies	\$37.08 per metered supply	\$4,320
Total Expected Rates (including GST)		\$22,676
Total Expected Rates (excluding GST)		\$19,718
<b>Fairlie Water Infrastructure Rate</b>		
Fixed Charge	\$373.60 per connectable rating unit	\$195,951
Metered Supply Charge	\$373.60 per metered supply	\$43,524
Total Expected Rates (including GST)		\$239,475
Total Expected Rates (excluding GST)		\$208,239
<b>Tekapo Water Treatment Rate</b>		
Fixed Charge	\$42.26 per connected rating unit	\$21,870
Metered Supply Charge	\$42.26 per metered supply	\$1,057
Total Expected Rates (including GST)		\$22,927
Total Expected Rates (excluding GST)		\$19,937

<b>Tekapo Water Infrastructure Rate</b>		
Fixed Charge	\$181.14 per connectable rating unit	\$115,840
Metered Supply Charge	\$181.14 per metered supply	\$4,529
Total Expected Rates (including GST)		\$120,369
Total Expected Rates (excluding GST)		\$104,668
<b>Burkes Pass Water Rate</b>		
Fixed Charge	\$774.89 per connected rating unit	\$13,173
Metered Supply Charge	\$774.89 per metered supply	\$1,550
Total Expected Rates (including GST)		\$14,723
Total Expected Rates (excluding GST)		\$12,803

#### Targeted Rates – Rural Water Supply Rates

<b>Allandale Water Supply</b>		
Fixed Charge	\$233.83 per point	\$123,228
Total Expected Rates (excluding GST)		\$107,155
<b>Ashwick/Opuha Water Race – Operational Charge</b>		
Fixed Charge	\$254 per property	\$12,954
Total Expected Rates (excluding GST)		\$11,264
<b>Spur Road Water Supply</b>		
Fixed Charge	\$849.65 per point	\$55,227
Total Expected Rates (excluding GST)		\$48,023
<b>Downlands Water Supply</b>		
Fixed Charge	\$281 per serviced rating unit	\$15,455
Total Expected Rates (excluding GST)		\$13,439
<b>Downlands Water Supply</b>		
Fixed Charge	\$113 per point	\$23,504
Total Expected Rates (excluding GST)		\$20,438
<b>Fairlie Water Race – Fixed Charge</b>		
Fixed Charge	\$51.11 per property	\$1,124
Total Expected Rates (excluding GST)		\$977
<b>Fairlie Water Race – Variable Charge</b>		
Fixed Charge	\$15.33 per hectare	\$9,585
Total Expected Rates (excluding GST)		\$8,335
<b>Manuka Terrace Water Supply</b>		
Capital Value Rate	\$0.0004899 per dollar of capital value	\$10,291
Total Expected Rates (excluding GST)		\$8,949

#### Targeted Rates – Other Targeted Rates

<b>Twizel Household Refuse Collection</b>		
Fixed Charge	\$59.03 per serviced rating unit	\$70,247
Total Expected Rates (excluding GST)		\$61,084
<b>Fairlie Household Refuse Collection</b>		
Fixed Charge	\$91.02 per serviced rating unit	\$37,593
Total Expected Rates (excluding GST)		\$32,689
<b>Tekapo Household Refuse Collection</b>		
Fixed Charge	\$57.76 per serviced rating unit	\$27,811
Total Expected Rates (excluding GST)		\$24,184
<b>Albury Household Refuse Collection</b>		
Fixed Charge	\$107.24 per serviced rating unit	\$15,442
Total Expected Rates (excluding GST)		\$13,428
<b>Fairlie Community Facilities</b>		
Fixed Charge	\$33.09 per rating unit	\$16,101
Total Expected Rates (excluding GST)		\$14,001



### Targeted Rates – Tourism Sector Rates

<b>Primary Accommodation</b>		
Tier 1 – Fixed Charge	\$25,875 per rating unit	\$25,875
Tier 2 – Fixed Charge	\$5,750 per rating unit	\$11,500
Tier 3 – Fixed Charge	\$2,875 per rating unit	\$8,625
Tier 4 – Fixed Charge	\$862.50 per rating unit	\$6,038
Tier 5 - Fixed Charge	\$575.00 per rating unit	\$5,175
Tier 6 – Fixed Charge	\$287.50 per rating unit	\$1,438
<b>Secondary Accommodation</b>		
Tier 1 – Fixed Charge	\$57.50 per rating unit	\$748
Tier 2 – Fixed Charge	\$172.50 per rating unit	\$28,463
Tier 3 – Fixed Charge	\$287.50 per rating unit	\$11,788
<b>Commercial Businesses</b>		
All - Fixed Charge	\$143.75 per rating unit	\$20,413
Tourism Based - Fixed Charge	\$143.75 per rating unit	\$13,369
Total Expected Rates (including GST)		\$133,432
Total Expected Rates (excluding GST)		\$116,027

# Rating Comparison for the 2011/2012 Year

Property Comparisons	Capital Value (as at 01/08/09) \$	Actual Rates 2010/11 GST incl \$	Estimated Rates 2011/12 (GST incl) \$	Increase/ Decrease \$	Increase/ Decrease %
<b>Fairlie</b>					
Section	\$55,000	\$895	\$931	\$37	4.11
Low Value House	\$160,000	\$1,327	\$1,408	\$81	6.08
Mid Value House	\$200,000	\$1,449	\$1,537	\$88	6.05
High Value House	\$280,000	\$1,694	\$1,796	\$102	6.01
<b>Tekapo</b>					
Section	\$185,000	\$955	\$981	\$26	2.72
Low Value House	\$280,000	\$1,217	\$1,274	\$57	4.69
Mid Value House	\$380,000	\$1,393	\$1,454	\$62	4.43
High Value House	\$550,000	\$1,690	\$1,760	\$70	4.11
<b>Twizel</b>					
Section	\$89,000	\$697	\$706	\$9	1.25
Low Value House	\$170,000	\$954	\$990	\$36	3.81
Mid Value House	\$200,000	\$1,017	\$1,053	\$36	3.58
High Value House	\$275,000	\$1,174	\$1,211	\$37	3.11
<b>Rural</b>					
Section	\$38,000	\$139	\$169	\$30	21.67
Rural House	\$200,000	\$298	\$326	\$28	9.45
Rural Property - Lifestyle	\$400,000	\$493	\$519	\$26	5.21
Arable Land Not Irrigated	\$1,800,000	\$1,864	\$1,873	\$9	0.46
Arable Land Not Irrigated	\$3,170,000	\$3,206	\$3,198	-\$8	-0.25
Dairy Factory Supply	\$2,850,000	\$2,893	\$2,888	-\$4	-0.15
Dairy Factory Supply	\$3,910,000	\$3,931	\$3,914	-\$17	-0.44
Dairy Factory Supply	\$6,600,000	\$6,565	\$6,515	-\$50	-0.76
Pastoral Fattening	\$830,000	\$914	\$935	\$21	2.23
Pastoral Fattening	\$1,750,000	\$1,815	\$1,825	\$10	0.51
Pastoral Fattening	\$3,350,000	\$3,382	\$3,372	-\$10	0.30
Pastoral Store Sheep & Cattle	\$780,000	\$866	\$887	\$21	2.43
Pastoral Store Sheep & Cattle	\$2,000,000	\$2,060	\$2,066	\$6	-0.30
Pastoral Store Sheep & Cattle	\$4,600,000	\$4,606	\$4,581	-\$26	-0.55
High Country Runs	\$1,050,000	\$1,130	\$1,148	\$18	1.57
High Country Runs	\$1,900,000	\$1,962	\$1,970	\$7	0.38
High Country Runs	\$4,250,000	\$4,264	\$4,242	-\$21	-0.50
Specialist Deer	\$1,100,000	\$1,179	\$1,196	\$17	1.45
Specialist Deer	\$1,800,000	\$1,864	\$1,873	\$9	0.46
Specialist Deer	\$3,300,000	\$3,333	\$3,324	-\$9	-0.29

The Low Valued Houses represent the 15<sup>th</sup> percentile of the properties in that category, therefore there are only 15% of the properties in these categories that have a lower value. The Mid Value Houses are the median of the properties in the category. The High Value Houses represent the 85<sup>th</sup> percentile of the properties in these categories, therefore only 15% of the properties in these categories have a higher value. In the rural sector properties have been broken down into land use categories. Properties in all categories apart from Section, Rural House and Rural Property – Lifestyle, represent the 15<sup>th</sup> percentile, the 50<sup>th</sup> percentile and the 85<sup>th</sup> percentile. The only exception to this is that there are only two properties classified as Arable Land Not Irrigated so both properties have been listed.

The estimated rate does not include rates collected by the Mackenzie District Council on behalf of the Canterbury Regional Council. Note also that the rural rates do not include any rural water supply charges, Fairlie Community Facilities rates or Tourism Sector rates.



# **MACKENZIE DISTRICT COUNCIL**

## **DRAFT LOCAL GOVERNANCE STATEMENT 2011**

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## **What is a Governance Statement?**

This Local Governance Statement provides information about Mackenzie District Council and outlines the responsibilities, structure and governance processes of the Council. It provides information about how we engage with our community, how we make decisions, and how you can be involved in decision-making process and contribute to making our District a better place.

This document is required to be updated within six months of each triennial local authority election and every effort is made to ensure it is kept up to date over the three year period.

## **Functions, Responsibilities And Activities**

The purpose of the Mackenzie District Council is to enable democratic local decision making to promote the social, economic, environmental and cultural well-being of the Mackenzie District in the present and for the future.

In meeting its purpose, the Mackenzie District Council has a variety of roles, including but not limited to:

- Providing leadership for the District
- Providing sustainable management of local infrastructure, including network infrastructure (eg roads, sewage disposal, water, stormwater) and community infrastructure (libraries, parks and community facilities)
- Planning for future needs of the District
- Supporting local communities to achieve their community's aspiration
- Environmental management.

The key activities that Council is involved in fall into categories:

- Governance
- Roading, Water Services and Solid Waste
- Resource Management and Regulatory Services
- Corporate and Commercial Activities
- Community and Recreational Facilities

## Local Legislation

In addition to the legislation that applies to all local authorities, the Mackenzie District Council is also bound by local legislation, in particular a number of bylaws, details of which are set out below.

Adopted	MDC Bylaw Name	Status	Review Required	Purpose
2010	Cemetery Fees	Current	2015	To set cemetery fees for the District's four cemeteries.
2010	Camping on Roadways and Reserves	Current	2015	To control camping on roadways and reserves throughout the District, as specified in the schedules.
2010	Speed limit	Current	2015	To set speed limits in areas in the District as specified in the schedules.
2008	Downlands Water Supply	Current	2013	To control the management of the Downlands Water Supply.
2007	Mobile or Travelling Shops, Hawkers and Itinerant Traders	Current	2012	To regulate the conduct of persons selling goods on streets, roads and pavements, persons using vehicles to sell goods or services and to impose conditions on persons who come to sell goods direct to the public on a casual basis.
2006	Dog Control	Current	2011	To control the keeping of dogs in the Mackenzie District.
2005	Liquor Ban – Market Place	Expired – Review Required	2010	To enhance public safety, lessen petty crime, to minimise the potential for offensive behaviour in public places, and to reduce the incidence of alcohol related offences of a violent and/or destructive nature by providing for liquor control in Market Place
2002	Refuse	Expired – Review Required	2008	To promote a system of refuse handling and disposal which minimises the amount of refuse placed in landfills. The Council encourages waste separation at source to enable recovery, re-use and recycling by all persons wherever practical.
1997	Water Supply	Expired – Review Required	2008 (Revoked)	To define different types of water supply and to detail the mechanisms for the recovery of costs of water supply.
1992	Fire Prevention	Expired – Review Required	2008 (Revoked)	To prevent the spreading of fires involving vegetation inside an urban Fire District. Scope of bylaw complementary to the provisions of the Forest and Rural Fires Act 1977 and the Forest and Rural Fires Regulations 1979.
1990	Market Place	Expired – Review Required	2008 (Revoked)	To prevent the riding of a bicycle or skateboard in Market Place, and that no dog shall be allowed in Market Place whether on a

				lead or running loose.
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# **Electoral Systems**

## **First Past the Post and Single Transferrable Vote**

Council currently operates its elections under the First Past the Post (FPP) electoral system. Electors vote for their preferred candidate(s) and those with the most votes win.

The other option permitted under the Local Electoral Act 2001 is the Single Transferable Vote system (STV). This system is used in district health board elections. Electors rank candidates in order of preference. The number of votes required for a candidate to be elected (called the quota) depends on the number of positions to be filled and the number of valid votes. The necessary number of candidates to fill all vacancies is achieved first by the counting of first preferences then by a transfer of a proportion of votes received by any candidate where the number of votes for that candidate is in excess of the quota, and then by the exclusion of the lowest polling candidates and the transfer of these votes in accordance with voters' second preferences.

Under the Local Electoral Act 2001 the Council can resolve to change the electoral system to be used at the next two elections or conduct a binding poll on the question, or electors can demand a binding poll. A poll can be initiated by at least 5% of electors signing a petition demanding that a poll be held.

Once changed, an electoral system must be used for at least the next two triennial general elections, ie we cannot change our electoral system for one election and then change back for the next election.

## **THE VOTING SYSTEM FOR COUNCIL'S TRIENNIAL ELECTIONS**

Council resolved in 2008 to retain the FPP system, that decision was in relation to the 2010 Triennial Elections for Councillors and Community Board Members.

# Representation Arrangements

## Council

Council has six Councillors elected from two Wards and the Mayor, elected at large.

Ward	Population	Councillors
Opuha	1897	Cr Evan Williams Cr Graham Smith Cr Graeme Page
Pukaki	1907	Cr Peter Maxwell Cr John Bishop Cr Annette Money

Population as per 2006 census.

## Community Board

The Mackenzie District Council has three Community Boards. These are as follows:

Community Board	Elected Members	Appointed Councillor
Fairlie	4	1
Tekapo	4	1
Twizel	4	1

The Mackenzie District Council currently does not have separate Maori wards.

## Changing Representation Arrangements

Council is required to review its representation arrangements at least every six years. The last review took effect from the 2010 elections and involves changes to the community boundaries in Tekapo and Twizel and a minor adjustment for Fairlie. This involves a boundary review as well as a review of the representation arrangements for the triennial elections. Council must follow the procedure set out in the Local Electoral Guide 2001 when conducting this review and should also follow the guidelines published by the Local Government Commission. The Act gives the public the right to make a written submission to the Council and the right to be heard if wished.

There is also the right to appeal any decisions on the above to the Local Government Commission, which will make a binding decision on any appeal. Further details on the matters that the Council must consider in reviewing its membership and the basis of election can be found in the Local Electoral Act 2001.

## THE REPRESENTATION REORGANISATION PROCESS

The Local Government Act 2002 sets out procedures which must be followed during proposals to:

- Make changes to the boundaries of the district
- Create a new district
- Create a unitary authority ie transfer all the functions of a regional council to a district council
- Transfer a particular function or functions to another council.

The procedures for resolving each type of proposal are slightly different. In general they begin with a proposal either from the local authority, the Minister of Local Government, or by a petition signed by 10% of electors.

Proposals for a boundary alteration or transfer of functions from one local authority to another will be considered by one of the affected local authorities, or by the Local Government Commission if the local authorities refer the proposal to the Commission or if they cannot agree on which of them should deal with the matter.

Proposals for the establishment of a new district or for the creation of a unitary authority will be dealt with by the Commission.

Further information on these requirements can be found in the Local Government Act 2002. The Local Government Commission has also prepared guidelines on procedures for local government reorganisation.

## **Members' Role And Conduct**

The Mayor and Councillors of the Council have the following roles:

- Developing and approving Council policy;
- Determining the expenditure and the funding requirements of the Council through the Long Term Council Community Plan;
- Monitoring the performance of the Council against its stated objectives and policies;
- Employing, overseeing and monitoring the Chief Executive Officer;
- Prudent stewardship of Council resources;
- Having regard to the views of all the communities in the Mackenzie District.

### **Roles of the Mayor**

The Mayor is elected by the district at large and as one of the elected members shares the same responsibilities as other members of Council. In addition, the Mayor has the following roles:

- The presiding member at meetings of the Council, and as such is responsible under Standing Orders (a set of procedures for conducting its meetings) for the orderly conduct of Council business at meetings;
- Advocate on behalf of the community.
- Ceremonial head of Council.
- Providing leadership and feedback to other elected members on teamwork and chairing committees.

### **Roles of the Deputy Mayor**

The Deputy Mayor is elected by the members of Council at the first meeting of the Council. The Deputy Mayor exercises the same roles as other elected members. In addition, if the Mayor is absent or incapacitated, or if the office of Mayor is vacant, then the Deputy Mayor must perform all of the responsibilities and duties, and may exercise the powers of the Mayor. The Deputy Mayor may be removed from office by resolution of Council.

### **Council Committees**

The Council may create one or more committees of Council. A committee chairperson is responsible for presiding over meetings of the committee, ensuring that the committee acts within the powers delegated by Council, and as set out in the Council's Delegations Manual. A committee chairperson may be removed from office by resolution of Council.

### **Role of Community Boards**

The role of Community Boards is to represent, and act as an advocate for the interests of its community and to consider and report on all matters referred to it by the Council, or any matter of interest or concern to the Community Board. It also maintains an overview of services provided by the Council within the community and annually prepares a submission to the Council for expenditure within the community. Community Boards communicate with the community, local organisations and special interest groups within the community and undertake any other responsibilities that are delegated to them by the Council.

## **The Chief Executive**

The Chief Executive Officer is appointed by Council in accordance with Section 42 and Clauses 33 and 34 of Schedule 7 of the Local Government Act 2002. The Chief Executive implements and manages the Council's policies and objectives within the budgetary constraints established by the Council. Under section 42 of the Local Government Act 2002, the responsibilities of the Chief Executive are:

- Implementing the decisions of the Council
- Providing advice to the Council and community boards
- Ensuring that all responsibilities, duties and powers delegated to the Chief Executive or to any person employed by the Chief Executive Officer, or imposed or conferred by any Act, regulation or bylaw are properly performed or exercised.
- Managing the activities of the Council effective and efficiently
- Maintaining systems to enable effective planning and accurate reporting of the financial and service performance of the Council
- Providing leadership for the staff of the Council
- Employing staff (including negotiation of the terms of employment for the staff).

## **Conduct of Elected Members**

Elected members have specific obligations as to their conduct, as set out in the following legislation:

- Schedule 7 of the Local Government Act 2002, which includes obligations for Council to act as a good employer in respect of the Chief Executive Officer and to abide by the current Code of Conduct and Standing Orders.
- The Local Authorities (Members' Interest) Act 1968, which regulates the conduct of elected members in situations where there is, or could be, a conflict of interest between their duties as an elected member and their financial interests (either direct or indirect).
- The Secrets Commissions Act 1910, which prohibits elected members from accepting gifts or rewards which could be seen to sway them to perform their duties in a particular way.
- The Crimes Act 1961 regarding the acceptance of gifts for acting in a certain way, and use of official information for private profit.

## **Code of Conduct**

The Mackenzie District Council has adopted a code of conduct.

All Councillors are required to adhere to this. Adopting such a code is a requirement of the Local Government Act 2002. The Code of Conduct sets out Council's understanding and expectations of how the Mayor and Councillors will relate to one another, to staff, to the media and to the general public in the course of their duties. The Fairlie, Tekapo and Twizel Community Boards have all adopted the Code of Conduct as well.

A copy of the Code of Conduct can be obtained from the Council offices or from the Mackenzie District Council website [www.mackenzie.govt.nz](http://www.mackenzie.govt.nz)

# Governance And Delegations

## Council Meetings

Council meetings are held every six weeks, on a Tuesday. In addition extraordinary meetings may be called from time to time to deal with important issues that arise. A meeting schedule is available from the Committee Clerk.

## Standing Committees

The Council reviews its committee structures after each triennial election. At the last review the Council established the following standing committees:

- |                         |                            |
|-------------------------|----------------------------|
| • Finance               | Chairperson – Graham Smith |
| • Projects & Strategies | Chairperson – Graeme Page  |
| • Planning              | Chairperson – John Bishop  |
| • Forestry              | Chairperson – Graeme Page  |
| • Pukaki Airport Board  | Chairperson – Derek Kirke  |

The three main standing committees meet on a six weekly cycle. The Forestry Board and Pukaki Airport Board meet less frequently. A schedule of meeting dates for this year can be obtained from the Committee Clerk. Further details on these committees, including their terms of reference, membership and meeting arrangements can be obtained from the Council offices.

The Council reviewed the structure of the operation of the Pukaki Airport in October 2006 and for a number of reasons, including taxation and financing, the Council reverted the operation back to a Committee of Council from a Council controlled company. Council's operation of the Pukaki Airport has been transferred to the Pukaki Airport Board.

## Conduct of Meetings

The legal requirements for Council meetings are set down in the Local Government Act 2002 and the Local Government Official Information and Meetings Act 1987 (LGOIMA).

All council and committee meetings must be open to the public unless there is reason to consider some item "in committee" with the public excluded. Although meetings are open to the public, members of the public do not automatically have speaking rights unless prior arrangements are made with Council or the meeting so agrees.

The LGOIMA contains a list of circumstances where councils may consider items with the public excluded. (These circumstances generally relate to protection of personal privacy, professionally privileged or commercially sensitive information, and the maintenance of public health, safety and order).

The Council agenda is a public document, although parts may be withheld if the above circumstances apply.

The Mayor or committee chairperson is responsible for maintaining order at meetings and may, at his or her discretion, order the removal of any member of the public for disorderly conduct, or remove any member of Council who does not comply with standing orders.

Minutes of meetings must be kept as evidence of the proceedings of the meetings. These must be made publicly available, subject to the provisions of the LGOIMA. For an ordinary meeting of Council,

at least 14 days notice of the time and place of the meeting must be given. Extraordinary meetings generally can be called on 3 working days notice.

During meetings the Mayor and Councillors must follow standing orders (a set of procedures for conducting meetings). The Council may suspend standing orders by a vote of 75% of the members present.

A copy of the standing orders can be obtained from the Council offices.

# Council Organisations

## Mackenzie Tourism and Development Trust

The Mackenzie Tourism and Development Trust has the following people appointed as Trustees:

- Lesley O'Hara (Chair)
- Denis Callesen
- Graeme Murray
- Mike Neilson
- Leon O'Sullivan
- Claire Barlow (Mayor)
- Peter Maxwell (Councillor)

### Trust's Vision

The vision of the organisation is to provide economic and social benefit to the Mackenzie District through effective promotion of tourism and business development.

### Trust's Objectives

The Objectives of the Trust are as follows:

- Efficient business management
- Increase visitors and dollar spend
- Effective marketing and promotion
- Regional and national relationships
- Enhance business practice and develop a learning culture
- Grow and develop income opportunities
- Catalyst for development

## South Canterbury Rural Fire Committee

In 1999 the Mackenzie District Council, Waimate District Council and Timaru District Council each being a fire authority in their own right in accordance with the Forest and Rural Fires Act 1977, agreed to combine and establish together with the New Zealand Fire Service, the Department of Conservation and other forest owners a rural fire committee, known as the South Canterbury Rural Fire Committee to administer a new rural fire district known as the South Canterbury Rural Fire District.

The Fire Committee employs a full time Principal Rural Fire Officer who administers the functions of the three local authorities over the Fire District. The administration costs of the committee are shared equally by the local authorities, however each local authority funds capital expenditure projects within its own District, such as rural fire appliances, hoses and other equipment, and rural fire stations.



# **Consultation Policy**

The Mackenzie District Council is committed to effective community consultation.

It welcomes input from the people of this District so that it can adequately reflect their views in decision making.

Consultation does not take anything away from the decision-making roles of elected representatives. Rather, it enhances this democratic process by contributing to the decision making function of Council.

## **Community Consultation Process**

Council is committed to ongoing and effective community consultation. Council is also committed to determining the overall community views as accurately as possible and will use appropriate techniques to meet this objective.

## **Special Consultative Procedure**

The Local Government Act 2002 (section 83) sets out certain consultation principles and a procedure that local authorities must follow when making certain decisions. This procedure, the special consultative procedure, is regarded as a minimum process. The Council can and does consult outside of the special consultative procedure.

When it is adopting its long term council community plan, annual plan or district plan, or when adopting, amending or reviewing a bylaw, Council must use the special consultative procedure. The special consultative procedure must also be used when a decision is deemed significant by virtue of the Council's Significance Policy, or can be used by the Council in any other situation at its discretion.

The special consultative procedure consists of the following steps:

**Step One: Preparation of a statement of proposal and a summary.** The Council must prepare a description of the proposed decision or course of action. The statement must be available for distribution throughout the community and must be available for inspection at the Council office and may be made available elsewhere. The Council also has to prepare a full and fair summary of the proposal which must be distributed as widely as the Council considers to be reasonably practicable. That statement must be included on an agenda for a Council meeting.

**Step Two: Public Notice** – the Council must publish a notice in one or more daily newspapers, or in other newspapers of equivalent circulation, of the proposal and of the consultation being undertaken.

**Step Three: Receive Submissions** – the Council must acknowledge all written submissions and offer submitters a reasonable opportunity to make an oral submission. The Council must allow at least one month (from the date of the notice) for submissions.

**Step Four: Deliberate in Public** – All meetings where the Council deliberates on the proposal or hears submissions must be open to the public (unless there is some reason to exclude the public under the LGOIMA). All submission must be made available unless there is reason to withhold them under LGOIMA.

**Step Five: Follow Up** – A copy of the decision and a summary of the reasons must be provided to submitters. There is no prescribed format for such a summary. By law, the Council must follow the special consultative procedure before it:

- Adopts a long term plan (LTP) or annual plan

- Amends a LTP
- Adopts, revokes, reviews or amends a bylaw
- Changes the mode of delivery for a significant activity (for example from the council to a council-controlled organisation or from a council-controlled organisation to a private sector organisation) if that is not provided for in a Long Term Plan. The Council may be required to use the special consultative procedure under other legislation, and it may use this procedure in other circumstances if it wishes to do so.

## **Non-Statutory Consultation**

It is impossible to give a precise blueprint for non-statutory consultation because every situation is different. The Council's consultation policy provides the following guidelines.

### **Prior to Consultation**

Where a decision to consult has been made by Council or the committee responsible careful analysis of the issue should be carried out. This will cover

- a) What is the target group?
- b) What is the precise wording of the issue?
- c) How much is already known by the community on the issue in question? The target groups must be fully informed to be able to give their opinion.
- d) What method is planned to deliver information?
- e) Which officer or councillor is to be primarily responsible for the correct procedure being carried out?
- f) What level of response from the target group will be considered adequate?
- g) How will Council quantify its mandate? Will it be sufficient to have informed and consulted or will a clear expression of support or rejection be required when an eventual decision is made?
- h) How will Council's conclusions from the consultation process be relayed back to the target group?

## **THE CONSULTATION PROCESS**

The vast range of topics and situations that may require consultation means that as Council decides consultation shall take place it shall also provide a clear picture of how that will occur.

A typical consultation process will involve one or more of the following steps:

- 1) Public notification as described in Step 2 of the Special Consultative Procedure above. (This would be appropriate for issues involving the wider community).
- 2) Convening a meeting of the residents who will be most affected, both detrimentally and beneficially. Careful assessment of this group should be made.
- 3) Survey of residents.
- 4) Calling and advertising a public meeting giving a clear indication of the decisions that will be made from that meeting.
- 5) Holding a referendum.
- 6) Advertising and calling for submissions.
- 7) Summarising issue(s) in a newspaper or direct mail with a questionnaire.

This list is by no means all embracing, methods of consultation are as varied as the issues and people involved.

## **General Rules Applying to Both Forms of Consultation**

Any councillor appointed to participate in the consultation process shall make clear at the commencement of consultation that while their views will be taken into account the final decision will always lie with Council. On no account is any indication or undertaking to be given which will lead those persons consulted to believe that a certain decision will be made.

Where the process of consultation changes the original proposal significantly Council may at its discretion put the new proposal through the same consultation process or through an amended process.

The final step, before decision making, is to ensure that those people or groups who have provided input, know the effect of that input and how the decision process will take their concerns into account.

## **Other Statutory Forms of Consultation**

Council recognises its obligations under the Local Government Act 2002 (Part 6 Section 81) to establish and maintain processes to provide opportunities for Maori to contribute to its decision making processes and make information available to them.

Council consults with Te Runanga O Ngai Tahu for resource consent applications.

# Management Structures And Relationships

## Chief Executive Officer

The Local Government Act 2002 requires the Council to employ a Chief Executive Officer whose responsibilities are to employ other staff on behalf of Council, implement Council decisions and provide advice to the Council. Under the Act, the Chief Executive Officer is the only person who may lawfully give instructions to a staff member. Any complaint about individual staff members should, therefore be directed to the Chief Executive Officer, rather than the Mayor or Councillors.

The contact details of the Chief Executive Officer:

Glen Innes  
Chief Executive Officer  
Mackenzie District Council  
P O Box 52  
FAIRLIE

Email: [glen@mackenzie.govt.nz](mailto:glen@mackenzie.govt.nz)  
Phone (03) 685-9010  
Fax (03) 685-8533

Council Management is organised into four areas:

These are:

**Finance and Administration** – finance, rates, information technology, administration, committee clerk support to Council and Community Boards.

Contact: Paul Morris  
Manager – Finance and Administration  
Email: [paul@mackenzie.govt.nz](mailto:paul@mackenzie.govt.nz)

**Planning and Regulation** – the district plan, planning, consents processing, environmental health, building control, dog control, liquor licensing, rural fire

Contact: Nathan Hole  
Manager – Planning and Regulations  
Email: [nathan@mackenzie.govt.nz](mailto:nathan@mackenzie.govt.nz)

**Asset Management** – roads, water, stormwater, waste water, waste minimisation

Contact: Bernie Haar  
Asset Manager  
Email: [bernie@mackenzie.govt.nz](mailto:bernie@mackenzie.govt.nz)

**Community Facilities** – cemeteries, halls, parks, reserves, pensioner housing, recreation, pools

Contact: Garth Nixon  
Community Facilities Manager  
Email: [garth@mackenzie.govt.nz](mailto:garth@mackenzie.govt.nz)



# Equal Employment Opportunities

The Council is required to adopt an equal employment opportunity policy and set annual objectives to achieve the policy objectives.

## The Principle

Recruitment and selection of staff, opportunities for training, promotion, transfer and conditions of employment will be undertaken or offered without preference being given on the basis of gender, marital status, religious or ethical belief, race or ethical origins and regardless of any disability which is irrelevant to an individual's ability to carry out the job.

## EEO Policy

The Mackenzie District Council has adopted the following EEO policy:

- All employment policies and practices will comply with the Human Rights Commission Act 1977, the Equal Pay Act 1972 and Local Government Act 2002.
- Recruitment policies and practices will be altered where necessary to ensure that people are encouraged to apply for vacancies regardless of gender, marital status, religious or ethical belief, race, ethnic or national origins and regardless of any disability irrelevant to an individual's ability to carry out the job.
- Selection decisions will be made on merit, taking into account the applicant's qualifications and work experience relating to the position to be filled.
- Opportunities for training and promotion, remuneration and termination of employment will be made without regard to gender, marital status, religious or ethical belief, race, ethnic or national origins and regardless of any disability irrelevant to an individual's ability to carry out the job.
- Where appropriate, the Council will either undertake or encourage staff to take special training courses to assist specific groups of employees to train and apply for positions for which they might not otherwise apply.

## KEY APPROVED PLANNING AND POLICY DOCUMENTS

The following have been identified as key Council planning and policy documents. To view or find out more about these plans and policies, please contact the Council's offices in Fairlie or Twizel or alternatively visit the Council's website [www.mackenzie.govt.nz](http://www.mackenzie.govt.nz)

## Activity Management Plans

The Council has Activity Management Plans for roading, water, waste water, stormwater, building control, commercial activities, corporate services, governance, planning and regulatory services.

These plans act as a base for Council's strategic planning and focus on asset management, levels of service and condition as well as performance assessment. Each of these plans also identifies risk and assumptions and incorporates an improvement plan – this lists the actions required to improve the asset management practices of Council.

## **District Plan**

The District Plan assists Council with its responsibilities to promote the sustainable management of natural and physical resources of the district. The District Plan is the Council's principal planning document, setting out the methods and processes Council will use to manage the District's natural and built environment. It outlines which activities that may have an effect on the environmental wellbeing of the District are permitted and which are controlled. Controlled activities may either require a resource consent or in some cases may be prohibited.

This Plan is prepared in accordance with the requirements of the Resource Management Act 1991.

## **Community Outcomes**

In 2002 and 2003 the Council facilitated a consultation process to find out what the community wanted the Mackenzie District to be like as a place to live, work and play in the next 10 years. The community's key issues and priorities were collated and analysed. These priorities were reviewed in 2005 with actions that have been achieved being reported back to the community. Changes in local government law have changed the emphasis on community outcomes, but Council is still required to give consideration to community views in relation to all its decision making.

## **Funding and Financial Policies**

Council's funding and financial policies set out the guidelines of how the Council plans for, and acquires funds to, finance its operation, projects and programmes.

The Funding and Financial Policies include the:

- Revenue and Financing Policy
- Rating Policy
- Significance Policy
- Liability Management Policy
- Investment Policy
- Development and Financial Contributions Policy

## **Long Term Council Community Plan**

The Long Term Plan outlines the Community Outcomes developed by the community vision for the future of the District, the roles the Council sees itself undertaking to achieve the vision and the activities Council plans to undertake to carry out these roles. It also outlines the Council's financial policies and proposed spending for the coming ten years and provides the underlying financial rationale for how rates are levied, who pays for what and why.

The Long Term Plan is reviewed every three years. It can, if necessary, be amended during the three year document lifecycle, but any amendment must be undertaken using the Special Consultative Procedure and is subject to external audit.

## **Solid Waste Minimisation Strategy**

This Strategy was adopted by Council in 1999 and incorporates the Zero Waste Strategy. Minor amendments were made to the Strategy in 2009.

Refuse and recycling collections are available at Twizel, Lake Tekapo and Fairlie as well as Resource Recovery Parks at the same towns. There are no active landfills in the District. The closed landfills are now used only for the disposal of hardfill. There is no public access to these hardfill sites.

The Waste Minimisation Act 2008 says that a Territorial Authority must promote effective and efficient waste management and minimisation within its district. To effect this the District is in the process of reviewing its solid waste operations. Proposals were called for in late 2010 and the Council is assessing these to choose one to go forward with. The existing collection of refuse in plastic bags is likely to be replaced by two wheelie bins and glass crate service. The successful contractor would take over the operation of the three RRP's.

### **Annual Plan**

The Annual Plan outlines the Council's proposed activities, spending and rate requirements for the coming year. Under the Local Government Act 2002 the Annual Plan is produced only in years when no Long Term Plan is produced.

### **Triennial Agreement**

The Triennial Agreement details how the local authorities of the Canterbury region have agreed to work together to promote cooperation and avoid duplication when engaging communities, exercising general empowerment and providing services.

The agreement requires that all local authorities within the region will have reached agreements for communication and coordination by the beginning of March in the year following a full local government election. This requirement constitutes a review process.

### **Twizel Green Ways Strategy**

Council have developed a management plan for existing green areas in terms of their maintenance and improvements. This focuses on providing open space for passive and active purposes and provides linkages within the township for non-motorised movement.

This strategy forms the basis of structure plans for new areas to be developed for residential or industrial purposes.



## Contact Details

### MACKENZIE DISTRICT COUNCIL

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P O Box 52  
FAIRLIE

Phone (03) 685-9010  
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Email [info@mackenzie.govt.nz](mailto:info@mackenzie.govt.nz)  
Website [www.mackenzie.govt.nz](http://www.mackenzie.govt.nz)

Twizel Service Centre  
Market Place  
TWIZEL

Phone (03) 4350-737

		Phone
<b>Mayor</b>		
Claire Barlow	8 Regent Street, Fairlie Email: <a href="mailto:mayor@mackenzie.govt.nz">mayor@mackenzie.govt.nz</a>	685-8804
<b>Opuha Ward</b>		
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Graeme Page	Three Springs Rd, RD17, Fairlie Email: <a href="mailto:graemepage@mackenzie.govt.nz">graemepage@mackenzie.govt.nz</a>	685-8174
<b>Pukaki Ward</b>		
Peter Maxwell	12 Hamilton Drive, Tekapo Email: <a href="mailto:petermaxwell@mackenzie.govt.nz">petermaxwell@mackenzie.govt.nz</a>	680-6702
John Bishop	5 Rhoboro Road, Twizel Email: <a href="mailto:johnbishop@mackenzie.govt.nz">johnbishop@mackenzie.govt.nz</a>	435-0535
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## Requests For Official Information

Under the Local Government Official Information and Meetings Act 1987 (LGOIMA) any person may request information from the Council. Any request for information is a request made under the Act, but it is not necessary to specify the request is being made under the Act.

Once a request is made the Council must supply the information unless reason exists for withholding it. The Act says that information may be withheld if release of the information would:

- Endanger the safety of any person;
- Prejudice maintenance of the law;
- Compromise the privacy of any person;
- Reveal confidential or commercially sensitive information;
- Cause offence to tikiranga Maori or would disclose the location of waahi tapu;
- Prejudice public health or safety;
- Compromise legal professional privilege;
- Disadvantage the local authority while carrying out negotiations or commercial activities;
- Allow information to be used for improper gain or advantage.

The Council must answer requests within 20 working days (although there are certain circumstances where this time-frame may be extended). The Council may charge for official information, under Ministry of Justice guidelines.

In the first instance you should address requests for official information to:

The Chief Executive Officer  
Mackenzie District Council  
P O Box 52  
FAIRLIE

# REPORT TO THE MACKENZIE DISTRICT COUNCIL ON THE PROPOSED TARGETED TOURISM RATE INCREASES

**Prepared by Phil Brownie General Manager Mackenzie Tourism and Development Trust**

**10 April 2011**

## **Executive Summary**

The Purpose of this report is to outline the need for **an increase to the levels of charges** within the various categories of the tourism targeted rating as set out in the Mackenzie District Council Annual Plan and under section 15 of the Local Government Rating Act 2002.

Current funding is sourced from both the UAGC (Uniform Annual General Charge) set of rates and a separate set of categories based around primary accommodation, secondary accommodation and commercial businesses (both tourism and non tourism).

The current levels, as per the 2007 MDC Annual Plan, are:

<b>Category</b>	<b>Actual</b>
Tier 1 – Primary Accommodation	\$22,500
Tier 2 – Primary Accommodation	\$5,000
Tier 3 – Primary Accommodation	\$2,500
Tier 4 – Primary Accommodation	\$750
Tier 5 - Primary Accommodation	\$500
Tier 6 - Primary Accommodation	\$250
Tier 3 - Secondary Accommodation	\$250
Tier 2 – Secondary Accommodation	\$150
Tier 1 - Hosted Accommodation	\$50
Commercial Tourism	\$125
Commercial Business Other	\$125

The Trust is concerned that anomalies with the current system exist and are hampering the Trust's ability to meet its objectives. For example, an accommodation provider who has around \$3million in capital value contributes \$2800 in targeted rates ex UAGC, yet a similar operator in the activity sector who may have \$3million in capital value, will pay only \$280 ex UAGC.

Of concern are commercial operators who operate from residential properties and currently pay nothing eg a coffee cart operating in June St Lake Tekapo, and Twizel Adventures who operate from their home. Other operators who fall outside the radar are trophy hunters and fishing guides, amongst others.

Also with secondary accommodation, a number of properties qualify as secondary by way of definition but in reality they are not. Many of these businesses pay only \$250, as against \$843 if they were in the primary category.

Over the past 12 months the MTDT has undertaken and participated in a number of projects to gain a greater understanding of the targeted rating systems used by many of the other TLAs in the country.

As well as the above, the Trust has spoken with a number of Mackenzie operators both small and large, accommodation and activity based, and believe we have a fair understanding of the views of the operators of the region. Most have simply said that they believe the current structure is fair to some, but not all, and there needs to be a greater degree of fairness to all. No-one has said that they are paying too much for the level of services and all have agreed that the region is progressing better than it ever did prior to the Targeted Rating system being introduced in 2007.

## **Conclusion**

The Targeted Tourism Rating system (TTRs) has been well received by the operators and businesses in the region and this is evident by the lack of submissions to the Annual Plan since its inception.

The Mackenzie District continues to grow as a tourism destination and with this comes increased demands on the MTDT.

The current system has not kept up with inflation and with the Trust having taken on a number of new initiatives, the current level of funding is insufficient for the Trust to be able to operate without incurring a deficit each year.

### **The Trust proposes that the MDC makes the following changes to the Tourism Targeted Rating :**

1. Raise the Commercial All rate from \$125.00 to \$295 exclusive of GST
2. Raise the Commercial Tourism rate \$125.00 to \$295 exclusive of GST
3. Raise the Accommodation Secondary Tier 2 Rate \$150.00 to \$250.00 exclusive of GST
4. Raise the Accommodation Secondary Tier 3 rate \$250.00 to \$500.00 exclusive of GST
5. Agrees to an annual increase to the Targeted Rating System to reflect the CPI/inflation

Note: Tourism activity operators pay both the commercial and commercial tourism rate there by creating a parity with the accommodation sector.

This would raise approx \$73,530 additional funds which would be used to -

1. Meet our financial obligations without incurring further deficit
2. Upgrade the website which is becoming increasingly important as a primary tool for marketing and sales
3. Buy the back-of-house booking and sales system to allow better handling of sales and stock and align these to our account reports
4. Maintain and operate all centres
5. Have the funds to market the Cycleway
6. Increase the overall marketing programme to allow us to participate in national marketing efforts particularly in Australia.

**For more background information see the full report**

## Background Information

The principal objects of the Trust are -

- (1) To promote and develop and market the District to achieve economic benefit for the district
- (2) to ensure visitors are well provided for with appropriate visitor information.

In addition to the principal objects the Trust shall also have the following objectives;

- (a) to develop and promote the District as a year round destination
- (b) to facilitate economic opportunities to benefit the district
- (c) to market and promote the District in New Zealand and overseas as a winter destination
- (d) to provide a comprehensive information service including the collection of publications and dissemination of information for visitors and others within the District
- (e) to foster strong working relationships with key stakeholders and relevant businesses for the benefit of the District
- (f) to endeavour to increase the number of visitor nights in the District
- (g) to maximize tourism opportunities by means of joint promotions with the private sector
- (h) to facilitate joint venture marketing campaigns with the private sector and publicly funded regional tourism
- (i) to provide tourist statistical information and monitor visitor numbers in order to provide future forecasts and visitor research information
- (j) to promote, support and bid for events and conventions that bring economic benefit to, or increase the profile of, the District and
- (k) to facilitate training opportunities in the tourism\ sector.

In addition to the above, the Trust undertook an organisational review in conjunction with the MDC. From this review, nine recommendations were agreed upon, including the establishment of an i-SITE in the District and that the Trust increase its funding base for marketing and promotion (additional to Council funding support) at a rate of 25% per annum compounding for the first five years.

The proposed rating system and charges were laid out in the 2007 Annual Plan.

MDC received 78 submissions on the proposed charges, 20 of who spoke to their submission.

Of the 78 submitters most were small to medium sized home stay operators who fell into the secondary tier rates. There were approx 56 objectors and 22 supporters to the suggested changes. Following the hearings, the Council made several changes to accommodate various objector groups before agreeing on the categories below, which have not changed since 2007.

The original proposed rating levels were -

Category	Proposed Rate
Tier 1 – Primary Accommodation	\$22,500

Tier 2 – Primary Accommodation	\$5,000
Tier 3 – Primary Accommodation	\$2,500
Tier 4 – Primary Accommodation	\$1,000
Tier 5 - Primary Accommodation	\$500
Tier 6 - Primary Accommodation	\$250
Tier 1 - Secondary Accommodation	\$500
Tier 2 – Secondary Accommodation	\$250
Tier 3 - Hosted Accommodation	\$150
Ski Fields	\$500
Commercial Tourism Business Pukaki	\$500
Commercial Tourism Business Opuha	\$250
Commercial Business Other	\$125

The Final agreed levels were:

<b>Category</b>	<b>Actual</b>
Tier 1 – Primary Accommodation	\$22,500
Tier 2 – Primary Accommodation	\$5,000
Tier 3 – Primary Accommodation	\$2,500
Tier 4 – Primary Accommodation	\$750
Tier 5 - Primary Accommodation	\$500
Tier 6 - Primary Accommodation	\$250
Tier 3 - Secondary Accommodation	\$250
Tier 2 – Secondary Accommodation	\$150
Tier 1 - Hosted Accommodation	\$50
Commercial Tourism	\$125
Commercial Business Other	\$125

The above are GST exclusive

The 2007 MDC Annual Plan states -

#### **General Rate – Uniform Annual General Charge**

A general rate 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. The uniform annual general charge has been calculated to meet the public funded portion of the operations of the Mackenzie Tourism and Development Board.

#### **General Rate - Uniform Annual General Charge**

Charged to all ratable properties.

#### **Tourism Sector Rates**

A series of targeted rates will be assessed under section 16 to fund a portion of the operations of the Mackenzie Tourism and Development Board. In terms of Schedule 2 of the Act, the categories of land to be assessed with these targeted rates have been determined by:

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

The Council has proposed that the targeted rate be assessed on the following categories of land:

- **Primary Accommodation – Tier 1**  
This is defined as those properties for which the primary use is for accommodation purposes and where the Capital Value exceeds \$10,000,001.
- **Primary Accommodation – Tier 2**  
This is defined as those properties for which the primary use is for accommodation purposes and where the Capital Value is between \$5,000,001 and \$10,000,000.
- **Primary Accommodation – Tier 3**  
This is defined as those properties for which the primary use is for accommodation purposes and where the Capital Value is between \$2,000,001 and \$5,000,000.
- **Primary Accommodation – Tier 4**  
This is defined as those properties for which the primary use is for accommodation purposes and where the Capital Value is between \$1,000,001 and \$2,000,000.
- **Primary Accommodation – Tier 5**  
This is defined as those properties for which the primary use is for accommodation purposes and where the Capital Value is between \$500,000 and \$1,000,000.
- **Primary Accommodation – Tier 6**  
This is defined as those properties for which the primary use is for accommodation purposes and where the Capital Value is less than \$500,000.
- **Secondary Accommodation – Tier 1**  
This is defined as those properties registered as Farm Stay accommodation providers with Destination Mt Cook Mackenzie but the primary use of the land is not for accommodation purposes.
- **Secondary Accommodation – Tier 2**  
This is defined as those properties registered as accommodation providers with Destination Mt Cook Mackenzie but the primary use of the land is not for accommodation purposes with a Capital Value less than \$500,000.
- **Secondary Accommodation – Tier 3**  
This is defined as those properties registered as accommodation providers with Destination Mt Cook Mackenzie but the primary use of the land is not for accommodation purposes with a Capital Value of \$500,000 or greater.
- **Commercial Businesses - All**  
This is defined as those properties categorised as Commercial in the Council's Rating Information Database.
- **Commercial Businesses – Tourism Based**  
This is defined as those properties categorised as commercial in the Council's Rating Information Database that have been identified as being primarily tourism based.

Since the rates have been struck the Trust staff have received comments from operators that aspects of the rating system are unfair on certain sectors. In particular there appears to be an unjustifiable difference between primary accommodation and activity operators, between accommodation and commercial, and primary accommodation and secondary accommodation. Primary Accommodation operators spoken to, have commented that in general they are happy to pay the targeted rates so long as there is parity with the other sectors.

What is important under any targeted rating system is that it is first and foremost fair to all parties, and secondly, delivers value back to those who pay.

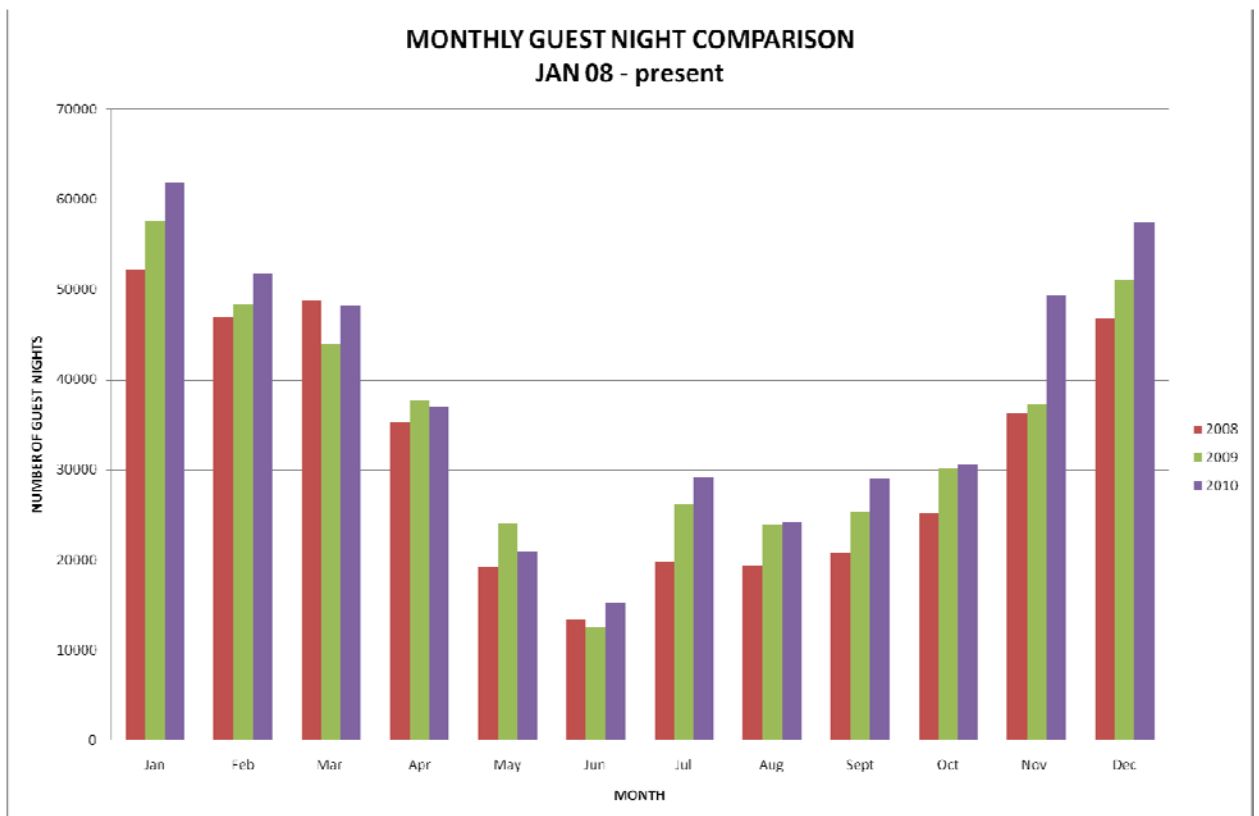
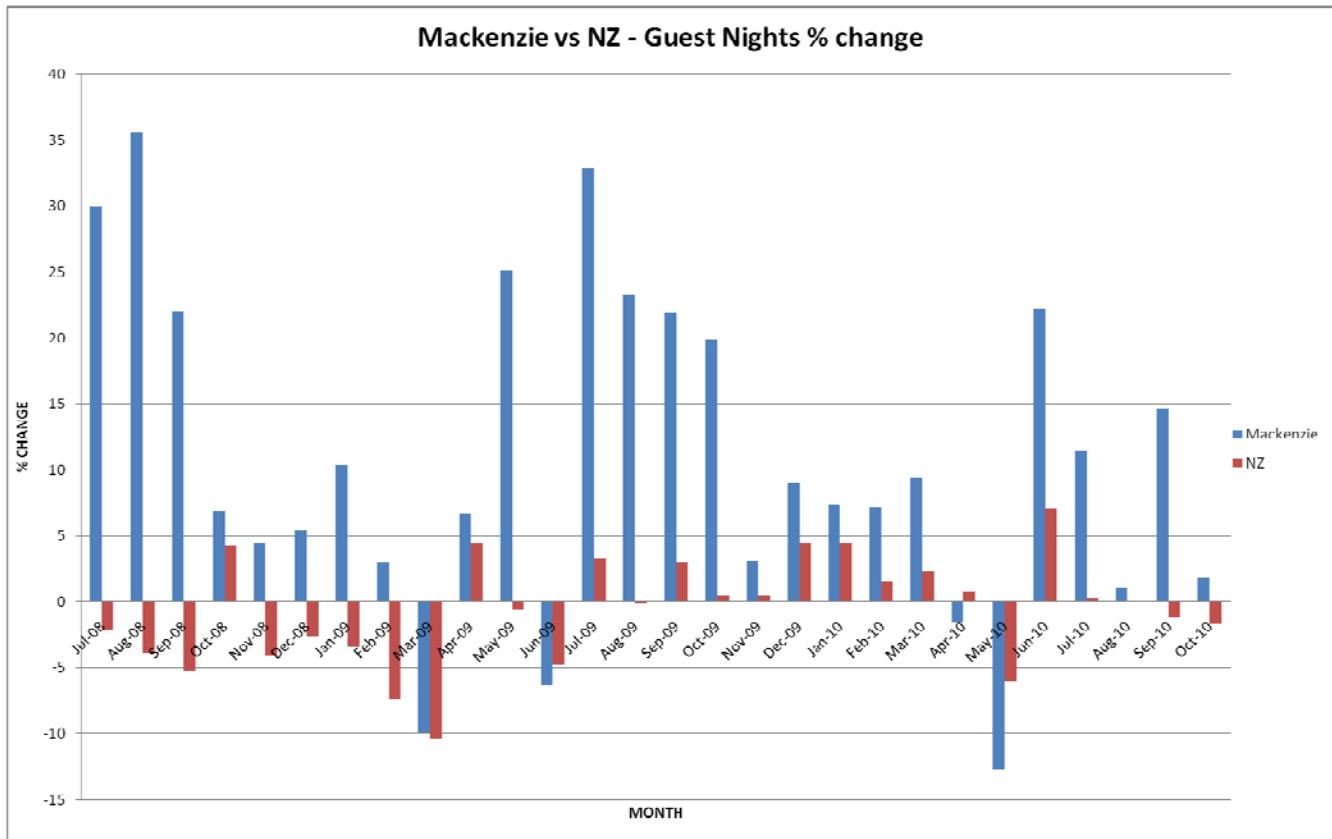
In 2007 the Mackenzie District Council identified that there were 80 tourism accommodation businesses, 104 commercial businesses and 25 tourism businesses. At the time of writing (April 2011) the MTDT has identified 240 accommodation, 139 commercial and 90 tourism businesses.

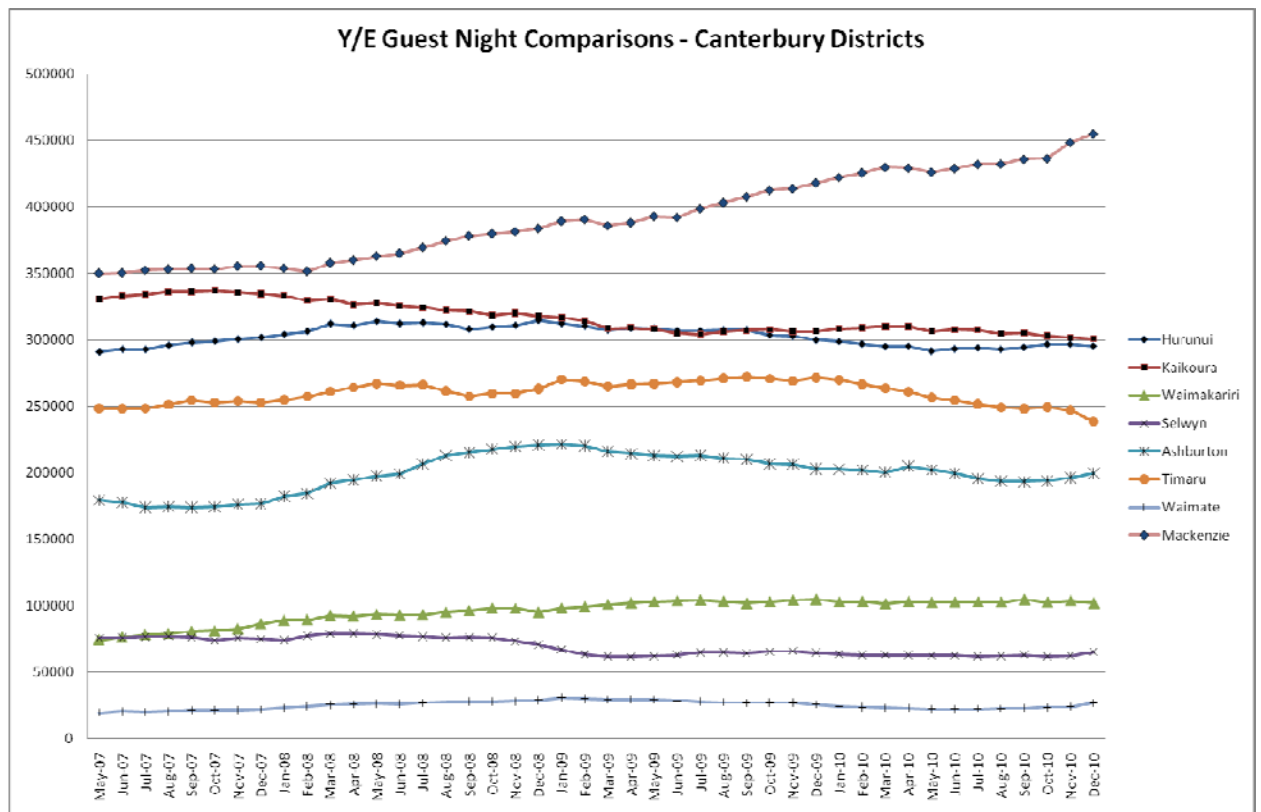
**Current rating levels for 2011/2012 year are :**

<b><u>Appendix 1</u></b>			<b><u>GST inclusive</u></b>	
Primary Tier 1	Tourism	1.00	\$25313	\$25313
Primary Tier 2	Tourism	2.00	\$5625	\$11250
Primary Tier 3	Tourism	3.00	\$2812.5	\$8437.5
Primary Tier 4	Tourism	8.00	\$843.75	\$6750
Primary Tier 5	Tourism	8.00	\$562.5	\$4500
Primary Tier 6	Tourism	4.00	\$281.25	\$1125
Secondary Tier 1	Tourism	12.00	\$56.25	\$675
Secondary Tier 2	Tourism	106.00	\$168.75	\$17887.5
Secondary Tier 3	Tourism	96.00	\$281.25	\$27000
Commercial All	Tourism	139.00	\$140.63	\$19547.5
Commercial Tourism	Tourism	90.00	\$140.63	12656.7
UAGC Tourism		4,298.00	\$25	\$107450

Total is \$242,592 GST Inclusive or \$215,637 GST Exclusive.







As shown on the above graphs, there has been good continuous growth for the last three years. As these graphs relate to guest night growth it is very evident that the operators of the region have benefited directly by the increases.

Information Centres and i-SITES are often referred to as the retail face of tourism and contribute at the delivery end of the cycle.

As can be seen, the greatest level of income for the Trust comes from the UAGC, followed by the first five levels of accommodation providers which contribute \$56,250. This group contributes nearly 50% of the total non UAGC rate yet, yet represents less than 10% of the accommodation providers.

When you look at the schedule there are some glaring gaps and the most obvious is that tourism activity operators do not contribute anywhere near the same level of contribution as do accommodation providers.

As an example - an accommodation provider who has around \$3million in capital value contributes \$2800 in targeted rates ex UAGC, yet a similar operator in the activity sector who may have \$3million in capital value, will pay only \$280 ex UAGC.

Of concern are commercial operators who operate from residential properties and currently pay nothing. Examples of this include a coffee cart operating in Jeune St Lake Tekapo, and Twizel Adventures who operate from their home. Other operators who fall outside the radar are trophy hunters and fishing guides, amongst others.

There is a declaration form for exemption from payment of the targeted rate for tourism, but it appears not to be used that often.

The question of secondary accommodation definitions is very questionable. A number of properties qualify as secondary by way of definition but in reality they are not. By definition many of these businesses pay only \$250, as against \$843 if they were in the primary category.

If people live in or on the property, it should not necessarily allow them to be classed as secondary accommodation. If the property is for the primary purpose of accommodation, they should be charged the primary rate. The interpretation of the secondary categories needs to be closely monitored.

Over the past 12 months the MTDT has undertaken and participated in a number of projects to gain a greater understanding of the targeted rating systems used by many of the other TLAs in the country.

These include:

- Funding Models for Regional Tourism report completed for the Regional Tourism Organisations for New Zealand
- Participating in a bench mark survey of all TLA funded RTO's in the country
- Reviewing a number of other TLA tourism based targeted rating systems
- BERL Regional Tourism Database.

As well as the above, the Trust has spoken with a number of Mackenzie operators both small and large, accommodation and activity based, and believe we have a fair understanding of the views of the operators of the region. Most have simply said that they believe the current structure is fair to some, but not all, and there needs to be a greater degree of fairness to all. No-one has said that they are paying too much for the level of services and all have agreed that the region is progressing better than it ever did prior to the Targeted Rating system being introduced in 2007.

Other factors to be considered -

1. Make the targeted rate system equitable across all sectors – the primary accommodation providers have been bearing the brunt of the rating take and this needs to be spread more evenly across all sectors.
2. There have been no adjustments for inflation/CPI since the introduction of the rate on 1 July 2007. The MTDT must be able to cover increased costs for salaries and wages, fuel, power, etc. through income from rates.
3. The i-SITE is a primary driver of sales and business in the region, particularly in the activities and attractions sector, and plays a pivotal role in growing business for operators and the broader community.
4. The three Visitor Centres all play quite different roles for the District. Twizel is very much community based; Pukaki is predominantly retail but is also a major draw-card in the area for views and the toilets which are managed daily by Visitor Centre staff; Tekapo provides bookings for the entire District and drives sales for our operators, encouraging visitors to stay longer.

There are 29 Regional Tourism Organisations (RTO's) in New Zealand.  
Average RTO funding is made up as follows -

Source of Funding	Percentage
Local Government	74.5%
Central Government	10%
Memberships	3%
Industry JV	10%
Donations	0.1%
Sponsorships	0.3%
Tourism Net Income	0.1%
Others	2.0%

A number of regions have tourism targeted rating systems in place

Region	Percentage of net income from rating
Lake Taupo	65%
Marlborough	32%
Mt Cook/Mackenzie	51%
Queenstown	95%
Rotorua	80%
Lake Wanaka	100%
Nelson	10%
Wellington	95%
Bay of Plenty	70%
Central Otago	100%
West Coast	33%

Hurunui and Kaikoura Districts also have targeted tourism rates but they are not included in the table above as they do not come under the auspices of an RTO.

**Total Funding Excluding Central Government**

The following figures include council, private sector funding, partnership funding from operators, including any specific council grants for i-SITEs. They exclude central government funding and gross i-SITE revenue.

<b>Region</b>	<b>Total Funding</b>	<b>Council Funding</b>
Tourism Central Otago	\$286,553	\$286,000
Visit Ruapehu	\$292,378	\$251,000
<b>Destination Mt Cook Mackenzie</b>	<b>\$379,882</b>	<b>\$240,000</b>
Discover Wanganui	\$394,520	\$394,000
Tourism Eastland	\$398,000	\$398,000
Destination Fiordland	\$453,300	\$230,000
Central South Island Tourism	\$474,899	\$461,000
Tourism West Coast	\$503,128	\$249,000
Tourism Waitaki	\$516,000	\$516,000
Lake Wanaka Tourism	\$581,000	\$515,000
Nature Coast Enterprise	\$596,000	\$596,000
Tourism Coromandel	\$674,510	\$551,000
Destination Marlborough	\$711,509	\$444,000
Hamilton Waikato Tourism	\$720,000	\$450,000
Venture Hawkes Bay	\$737,000	\$700,000
Destination Wairarapa	\$777,500	\$397,000
Destination Northland	\$930,000	\$430,000
Destination Manawatu	\$938,552	\$780,000
Nelson Tasman Tourism	\$1,044,800	\$808,000
Venture Southland	\$1,216,704	\$1,095,000
Tourism Bay of Plenty	\$1,311,420	\$1,156,000
Tourism Dunedin	\$1,415,733	\$1,192,000
Venture Taranaki	\$1,463,799	\$1,429,000
Destination Lake Taupo	\$1,899,097	\$1,833,000
Destination Rotorua	\$2,595,000	\$2,540,000

Destination Queenstown	\$3,255,000	\$3,000,000
Christchurch & Canterbury	\$3,957,741	\$2,798,508
Tourism Auckland	\$4,200,970	\$3,095,000
Positively Wellington Tourism	\$6,637,858	\$5,500,000
<b>Total</b>	<b>\$39,272,853</b>	<b>\$32,230,000</b>

Mackenzie District is well supported by the local industry which also contributes \$80,000 of in-kind product for family visits and trade visits.

### **i-SITES**

Eighteen of the twenty nine RTOs operate i-SITE's.

In the 2009/10 year these i-SITES handled combined foot traffic of 5,884,121, ranging from 24,000 to 960,000 customers and took in \$49.64m in gross revenue. There were six RTOs reporting an operating surplus on their i-SITES in 2010 with one breaking even and the remaining 11 reporting a deficit.

The average operating surplus was \$37,951 up from a deficit of -\$90,927 in 2008. Removing the RTOs with surpluses, the average operating deficit of the loss-making RTOs' i-SITE businesses was -\$120,544 with a range from -\$12,958 to -\$204,584. The largest deficit in 2008 was -\$332,807.

Some points of note, there have been impacts on commission levels on some bookings business. For example where a system such as BookIT is implemented where the i-SITE collects commission only (lowering gross turnover) and RTO/i-SITE commission drops from standard 10% to around 5%.

As i-SITES are operating in an increasingly competitive commercial environment, individual RTO figures are kept confidential.

### **Appendix A**

#### **Extract from the Minutes of the Mackenzie District Council meeting held on 15 April 2008**

#### **4. DRAFT ANNUAL PLAN (Continued):**

The Manager – Finance and Administration distributed copies of the *Canterbury Regional Economic Governance Group Statement of Proposal* which was to be included in the Draft Annual Plan. He noted that submissions on that document would be directed to the Christchurch City Council.

Copies of the *Summary of the Draft Annual Plan 2008/09 and the Proposal for the Canterbury Regional Economic Governance Group* were also circulated to Councillors.

The Chief Executive Officer noted that at its meeting on 14 April 2008 the Mackenzie Tourism and Development Trust had discussed the anomaly in the rating system regarding the targeted rate for tourism based commercial businesses (\$140.63 (incl GST) and the considerably higher rate targeted at operators of tourism accommodation businesses.

The Board had recommended that rate for commercial businesses that are tourism related, including service stations, some licensed eating houses, bars and souvenir shops, be increased to \$1500 plus GST per annum.

The Board had also recommended that the definition of Secondary Accommodation be amended. This would capture accommodation providers other than only those registered with Destination Mt Cook Mackenzie.

**Resolved that the definitions of Secondary Accommodation Tier 1, Tier 2 and Tier 3 in the FUNDING IMPACT STATEMENT – Tourism Sector Rates be amended by removing the words ‘registered as accommodation providers with Destination Mt Cook Mackenzie’ and replacing them with the words ‘identified as accommodation providers’.**

**Leon O’Sullivan/Dave Pullen**

The Manager – Finance and Administration noted that the opportunity would remain for those businesses which provided accommodation for less than 20 bed nights per year to be exempt from paying the rate by making a declaration to that effect.

**Resolved that the Mackenzie Tourism and Development Trust be advised that the Council is prepared to consider a detailed submission to increase the rate for tourism based commercial businesses, supported by full information and evidence of consultation with the affected businesses.**

**Dave Pullen /Graeme Page**

The Manager – Finance and Administration undertook to include a note to the last bullet point on page 81 of the Draft Annual Plan signaling that the Mackenzie Tourism and Development Trust would be advocating a change to the level of the targeted rate on some tourism based commercial businesses based on consultation with the affected parties.

Sources:

- Funding Models for Regional Tourism Organisations, April 2010, Author Destination Planning and Tourism Resource Consultants



- MDC report from the Manager Finance and Administration June 2007
- Agenda and Minutes of the meeting of the MDC on 19 June 2007
- Agenda and Minutes of the meeting of the MDC on 15 April 2008
- RTONZ benchmark survey December 2010, Author Rob MacIntyre
- Mackenzie District Draft Annual Plan submissions 2007
- Proposed amendments to the Council Community Plan 2006-2016 (submissions )
- Letter to MDC from the Chair of the MTDT 15 June 2007
- Letter to MDC from the Chair of the MTDT 22 June 2007
- BERL Regional Tourism Database

## MACKENZIE DISTRICT COUNCIL

**REPORT TO:** MACKENZIE DISTRICT COUNCIL

**SUBJECT:** FEES & CHARGES FINANCIAL CONTRIBUTIONS

**MEETING DATE:** 14 APRIL 2011

**REF:** FIN 4/11

**FROM:** MANAGER – FINANCE AND ADMINISTRATION

**ENDORSED BY:** CHIEF EXECUTIVE OFFICER

### **PURPOSE OF REPORT:**

For Council to approve a level of Financial Contributions for the year commencing 1 July 2011.

### **STAFF RECOMMENDATIONS:**

1. That the report be received.
2. That Financial Contribution be set at the following levels (excl GST):

#### **WATER**

Fairlie	\$3,852.85
Tekapo	\$6,283.61
Twizel	\$4,623.90

#### **SEWER**

Fairlie	\$1,840.37
Tekapo	\$5,826.35
Twizel	\$4,188.00

#### **STORMWATER**

Fairlie	\$1,436.83
Tekapo	\$1,660.70
Twizel	\$1,138.50

**PAUL MORRIS**  
**MANAGER – FINANCE & ADMINISTRATION**

**GLEN INNES**  
**CHIEF EXECUTIVE OFFICER**

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## **ATTACHMENTS:**

Appendix 1 – Financial Contributions Calculation.

## **BACKGROUND:**

Council, under its Revenue & Financing Policy, ~~levy~~ levies Financial Contributions. These contributions are levied for water, sewer and stormwater and are paid when new sections are created.

The formula used to calculate the contributions is 
$$\frac{V+L}{R}$$

Where:

V = Latest independent valuation of the water supply/sewerage system/stormwater system plus the value of any capital additions made since that time and less the value of depreciation charged since the date of the valuation.

L = Capital reserve balance with water supply/sewerage system/stormwater system as at 1 July each year. (The reserve may be in funds or overdrawn resulting in a positive or negative balance.)

R= Number of connectable properties (or properties for stormwater) contributing to the asset as at 1 July each year.

Appendix 1 details the new Financial Contributions calculated in line with Council Policy.

Council should note the significant increase in both Tekapo Water and Sewer resulting mainly from valuation changes and bringing to account Financial Reserve Contributions paid in advance by Tekapo Enterprises Ltd in the 2009 financial year which reduced the Capital Reserve deficit used to in the calculation.

## **SIGNIFICANCE OF DECISION REQUIRED:**

The decision required is considered routine.

## **RECOMMENDATION:**

It is recommended that Council adopt the Financial Contributions detailed in Appendix 1.

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## FEES AND CHARGES



*Lake Pukaki. Photo: Steve McLellan*

## **MACKENZIE DISTRICT COUNCIL**

**REPORT TO:** MACKENZIE DISTRICT COUNCIL  
**SUBJECT:** PROPOSED SOLID WASTE CHARGES  
**MEETING DATE:** 19 APRIL 2011  
**REF:** FIN 4/11  
**FROM:** SOLID WASTE MANAGER  
**ENDORSED BY:** CHIEF EXECUTIVE OFFICER

### **PURPOSE OF REPORT:**

To consider solid waste charges for the 2011/2012 year.

### **STAFF RECOMMENDATIONS:**

1. That the report be received.
2. That the proposed solid waste charges for be adopted and that they be effective immediately.

**CARL MACKEY**  
**SOLID WASTE MANAGER**

**GLEN INNES**  
**CHIEF EXECUTIVE OFFICER**

## **PROPOSED SOLID WASTE CHARGES 2011/12**

I am proposing some increases in charges as well as some decreases.

At this stage in our RFP process some of these changes would appear to be academic, particularly the bag prices.

- I have made no change to the recycle bag price as I would like to see the public encouraged to recycle as much as possible.
- I have decreased the white ware charges as these are always taken away by the scrap metal merchants.
- The invoice charge we charge commercial customers has not been lifted for some time and the new charge reflects the true cost of operating this service and paying the transport and disposal costs.

With the new wheelie bin system it will be almost impossible to work out what effect this will have on the RRP income. Commercial customers will still be dumping rubbish but hopefully less people who have a bag or two to drop off will no longer do so.

Proposed new charges are as follows:

### **Recycle Bags**

.80c each or \$4.00 for five (no change)

### **Rubbish Bags**

\$2.00 each, \$10.00 for 5 bags (an increase of .30c per bag)

### **Recyclable Materials**

\$8.00 m<sup>3</sup> for commercial customers (an increase of \$1.00)

### **Rubbish**

\$70m<sup>3</sup> (an increase of \$10.m<sup>3</sup>)

### **Mattresses**

Single \$12, Double and larger \$25 (reflects difficulty of disposal)

### **White ware**

\$10.00 (drop in price to encourage people to bring in these recyclable items rather than dumping them in the riverbed)

### **Computers**

\$12 for each hard drive and screen.

### **Car Bodies**

\$50.00

### **Human Bodies**

(Dependant on amount of recoverable metal pins and plastic hips)

**Tyres:**

- car \$5.00
- 4wd \$8.00
- truck \$20.00
- tractor \$30.00

**Green waste**

\$15.00 an increase of \$3.00

(I would like to increase this considerably more to recover what I spend on shredding and screening, however there is considerable public resistance to paying for green waste dumping, evident by the amount we find dumped illegally. The major concern with this is pest weeds such as old man beard and mint being dumped on river banks and forestry blocks becoming established and causing considerable cost in the future to eliminate.

**Commercial Customer Invoice Charge**

\$315.00 (an increase of \$83.00. This is necessary to recover the cost of this service)

# **MACKENZIE DISTRICT COUNCIL**

**REPORT TO:** MACKENZIE DISTRICT COUNCIL

**SUBJECT:** ALPS2OCEAN JOINT COMMITTEE - TERMS OF REFERENCE

**MEETING DATE:** 19 APRIL 2011

**REF:** LAN 7/9

**FROM:** CHIEF EXECUTIVE OFFICER

## **PURPOSE OF REPORT:**

To approve the terms of reference for the Alps2Ocean Joint Committee.

## **STAFF RECOMMENDATIONS:**

1. That the report be received.
2. The Terms of Reference for the Joint Committee (Appendix A) be adopted.

**GLEN INNES**  
**CHIEF EXECUTIVE OFFICER**



## **ATTACHMENTS:**

### Appendix A: Alps2Ocean Joint Committee – Terms of Reference

## **BACKGROUND:**

Waitaki and Mackenzie District Council, along with our tourism agencies Waitaki Development Board and Mackenzie Tourism and Development Trust (the Governance Group) are working together with Department of Conservation (DOC), Land Information New Zealand (LINZ), Waimate District Council, Environment Canterbury (ECAN), Otago Regional Council (ORC), Land Transport New Zealand (LTNZ) and Meridian Energy Ltd and Ministry of Economic Development to build the Alps2Ocean Cycle Trail.

A group (referred to as the Alps2Ocean Governance Group) has been operating very successfully over the last 18 months. This group supported by the chief executives has successfully demonstrated a trail from Mt Cook to Oamaru is feasible and will provide significant economic benefit to the districts. This group successfully obtained a grant of \$2.75m from the Ministry of Economic Development. Members of the Governance Group are:

Mike Nielson (Chair)	Ohau Lodge
Michael Ross	WDC CEO
Glen Innes	MDC CEO
Rob Young	DOC
Denis Calleson	Hermitage Hotel
Phil Brownie	MTDT
Annabel Berry	WDB
Thunes Cloete	WDC

The contract with the Ministry is a joint venture between Mackenzie and Waitaki District Councils and the Mackenzie Tourism and Development Trust.

The role of the Mackenzie Tourism and Development Trust is to provide management and accountability services on behalf of the councils to the Ministry. It is not an equity partner in the joint venture.

It is also being proposed that a company jointly owned by Waitaki and Mackenzie District Councils be established. This is subject to a special consultative procedure in each district.

### **Purpose of Entity**

The Governance Group has stated that the key to the long term success and longevity of the Cycle Trail is in the governance structure created at the Trail's inception. The Trail must be free to access; with large parts on public land (administered by DOC, ECAN, LINZ Meridian, LTNZ or the local authorities).

The governance structure must be robust and effective as it will be responsible for governance and management during both the future development and operations of the Trail. The key characteristics that the governance structure must have in this regard are:

- It must be credible, accountable and representative of the community, yet maintain a degree of independence from commercial stakeholders;

- It must operate in a business like, professional manner to be credible to international and local tourism operators and to drive innovative business opportunities which create income to support the maintenance and development of the Trail;
- It must be free from political bias, triennial uncertainty and excessive conservatism.
- A structure which ensures that any income is reinvested in the Trail asset – the governance entity itself having a “not for profit” purpose;
- The structure must be enduring and capable of managing changes in membership over time;
- It must have the ability to gain legal access to crown land and enter into binding contractual arrangements;
- It must have the ability to network and maximise wider business opportunities;
- It must have the ability to attract investment and manage income streams.
- It will limit personal liability to decision makers who act prudently, within the entity’s purpose and not for personal gain.

It must provide a sound framework for governance requiring all decisions to be made in accordance with a documented set of rules (deed, constitution or Statement of Intent).

This report addresses the terms of reference for the joint committee of Mackenzie and Waitaki Districts.

In particular the following Joint Committees roles are:

- Monitor construction of the joint venture project
- Acting on behalf of the shareholders
- Providing opportunity for stakeholder participation

### ***Monitor Construction of the Joint Venture Project***

The Governance Group have done an outstanding job in developing the Trail concept and in obtaining funding to build the track. Key contracts have been let and it is planned to have another stage open in October 2011.

The funding agreement for the \$2.75m grant with the Ministry of Economic Development is between Waitaki and Mackenzie District Councils, with Mackenzie Tourism and Development Trust acting as agent, administering the funds.

As the councils are responsible to the Crown for this grant, it is appropriate that a formal structure be established to manage and monitor this aspect of the project.

### ***Acting on behalf of the Shareholders***

A key aspect of the structure is that the councils delegate their responsibilities to act on behalf of the shareholder for a number of matters.

This recommended to avoid duplication of effort by each council and to provide one set of rules by which decision making can be clear and consistent. An essential element in the councils creating the proposed CCO Company is to ensure council’s financial risks are appropriately managed free from political vagaries.

It is proposed the committee have delegated authority to:

- Recommend to constitution of a CCO company
- Recommend the appointment Directors (in accordance with an adopted directors appointment policy)
- Review and recommend Statements of Intent.
- To oversee and monitor the interest of the Councils
- To discuss other matters relating to the shareholding

This structure is similar to a structure put in place by Nelson City and Tasman District.

### ***Stakeholder Participation***

The Alps2Ocean Cycle Trail crosses the properties of DOC, ECAN, LINZ, Meridian, LTNZ, MDC, WDC, Waimate DC and up to 30 land owners. These groups have strong stakeholder interest in the Trail. They will also have a direct business relationship with the proposed company (the beneficiary of land access agreements).

In addition to these stakeholders, the communities along the way will have a strong interest in the track operation as neighbours, business owners and tourism operators.

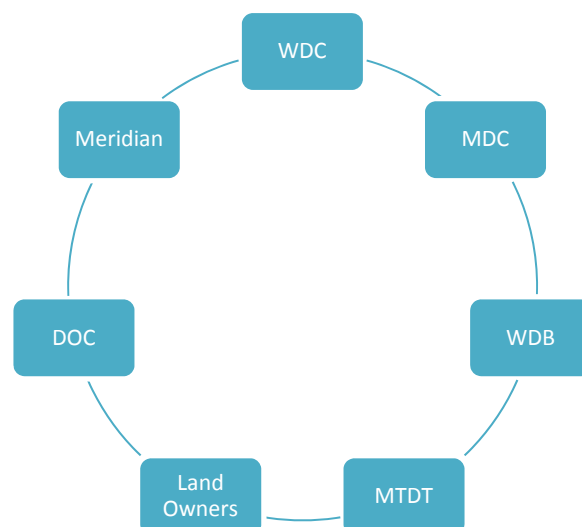
The joint committee or trust is an ideal mechanism to manage these expectations. All community stakeholders benefit from the appointment of an elected representative. Additionally it is proposed that key stakeholders, DOC, Meridian be offered the opportunity to appoint a representative.

The tourism and development sector can be represented by an appointee from each of the Mackenzie Tourism and Development Trust and the Waitaki Development Board.

An appointee selected from a meeting of private land owners is also suggested.

### **Proposed Committee**

Regardless of whether a trust or committee structure is selected it is recommended the following committee be made.



It is expected the committee would be supported by senior officers of each Council and the two tourism and development organisations.

## **POLICY STATUS:**

The recommendations in this report are consistent with previous Council resolution on the Alps2Ocean Governance Structure.

## **SIGNIFICANCE OF DECISION REQUESTED:**

The decision to adopt the term of reference for a joint committee is not significant.

## **ISSUES AND OPTIONS:**

The following options are the most likely scenarios that apply to the establishment of an entity to operate, maintain and develop the Alps2Ocean Cycle Trail.

### **Option 1 – Joint Committee**

That the councils could establish a joint committee, under LGA2002 sch7 clause (30).

A joint committee is considered a useful body to manage the councils' joint interests in a CCO. Nelson City and Tasman District Councils have established such a committee to review statements of intent, recommend directors/trustees. This structure also provides a vehicle to manage the current joint venture between the councils. A joint committee provides good opportunities for stakeholder involvement.

The establishment of the joint committee is simpler than a CCO, and is considerably simpler and more cost efficient to operate.

It **is recommended** that the Mackenzie and Waitaki Councils form a joint committee to establish, monitor and communicate with the proposed CCO and manage the existing joint venture.

### **Option 2 – CCO Trust**

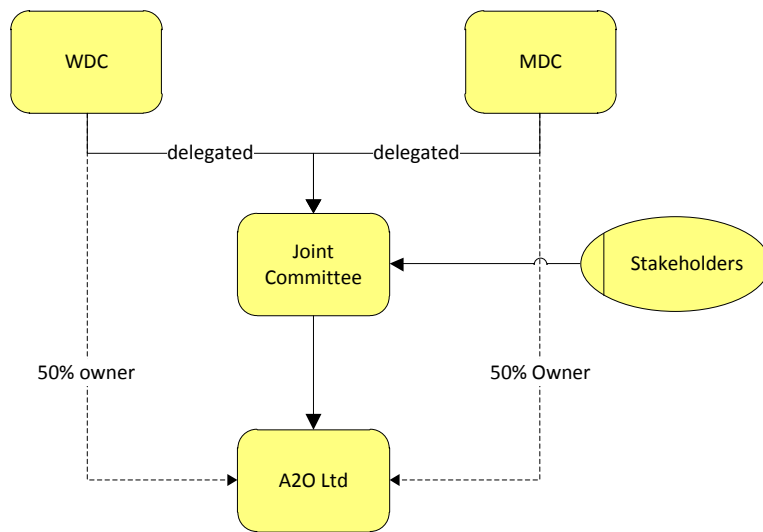
The establishment of a trust by way of trust deed is a common structure. It is also a common structure among Cycle Trails. The Mackenzie Tourism and Development Trust, Wakatipu Trails Trust and Waikato River Trails Trust are examples.

The terms of the trust deed and the appointment of representatives to the trust can be very similar to a joint committee. There may be some benefits in a trust as it is seen as independent of the councils. The disadvantages are however that as a CCO it will have substantial governance costs, when compared with a joint committee. These include separate accounts, audit fees, requirement to produce a Statements of Intent and report performance. The councils may resolve, under s7 LGA 2002, to exempt the trust due to the nature and scope of the activities of the trust.

This structure is **not recommended** as it does not provide significant additional benefits over a joint committee for the additional compliance costs a CCO creates.

## Preferred Option

Option 1 is the preferred option. The following chart shows the proposed organisation structure and the relationships.



## **CONSIDERATIONS:**

### **Legal Considerations:**

#### **Local Government Act 2002 (LGA)**

The relevant provisions of the LGA are:

- Joint Committees Sch7 cl 30 and 31.

Most provisions for joint committees are the same as committees of Council except that Joint Committees continue to exist beyond the date a new Council comes into office. This means that appointees will remain in place until appointments are renewed post-election.

The majority of members need not be elected representatives, however at least 1 member of the committee must be. In the case of the joint committee there must be one member from each Council. (2 elected members in total). An employee may not be a member of a committee.

The committee must have 3 members in total. This proposal well exceeds this limit.

#### *Waitaki District Council*

Waitaki District Council is considering an identical report, on 29 March 2011.

### **Financial Considerations:**

There will be some cost to operating the joint committee.

These costs will include meeting fees (for non elected members), travel expenses, secretarial fees and meeting sundry expenses (hire and catering). These costs should be able to be absorbed within Councils' existing governance budgets.

It is proposed the joint committee have a delegation to spend up to \$5,000 (\$2,500 each council) annually on governance advice. This advice may include director recruitment costs, director remuneration data, or advice on SCI content.

It is proposed the Mackenzie Tourism and Development Trust provide administrative support to the committee. They will invoice costs to the councils on a 50:50 share.

### **Other Considerations:**

#### **Community Views**

In the view of the Governance Group, the positive response to this consultation is an important aspect of the cycle trail proposal and its feasibility in that it signifies public acknowledgment that the proposal has the potential to result in significant benefits to the region. Community support of this kind is also an important part of the stated vision and objectives of the National Cycleway Project, in particular, the objective of engaging communities.

The proposed governance structure provides an on-going mechanism for community views to be heard.

#### **Publicity & Communication Considerations**

No specific communication is required, This proposal is consistent with the statement of proposal which is being consulted on.

This is considered to be a largely administrative, non controversial matter; as such this provides sufficient communication on the matter.

#### **Cultural Considerations**

Te Runaka O Arowhenua will be provided with a copy of the statement of proposal to consider their opportunity to be involved with the Alps2Ocean Cycle Trail. Parts of the Trail visit sites of importance.

#### **Social Considerations**

The joint committee, acting as shareholder will be responsible for ensuring these well beings are given proper regard. This is particularly important in its role of monitoring performance, review the SCI and connecting with the community and other stakeholders.

### **CONCLUSION:**

The establishment of a joint committee to act as shareholder and manage stakeholder expectations is a critical success factor in getting the tourism and economic benefits this project aspires to. These potential benefits are large in some of our smaller communities where opportunities are limited.

The recommended structure is most likely to realise these at the least cost to Council while providing the best opportunity for success of the Trail.

## **Appendix A:**

### **Alps2Ocean Joint Committee Terms of Reference**

#### **Purpose and Function**

The purpose and function of the Alps2Ocean Joint Committee is to:

- Monitor construction of the joint venture project
- Acting on behalf of the shareholders
- Providing opportunity for stakeholder participation

#### **Objectives and Delegations**

##### ***Monitor construction of the joint venture project***

1. To ensure the Alps2Ocean Cycle Trail is constructed from Aoraki Mount Cook to Oamaru.
2. To approve, monitor and account for the grant of \$2.75m from the Ministry of Economic Development for the construction of the Trail.
3. To represent the councils, with the Ministry in all matters regarding the grant funding agreement.
4. To seek additional funding to develop the Trail.
5. To negotiate and obtain appropriate access agreements for the entire length of the Trail
6. To establish the operating structure, resources and activities for the Trail, including protecting intellectual property and establishing business opportunities.
7. To determine the fair allocation between the Councils of costs in accordance with the joint venture agreement.

##### ***Acting on behalf of the shareholders***

8. To constitute a company to operate the Trail.
9. To recommend the transfer of all appropriate assets of the joint venture to the Company.
10. To monitor the activities and performance of the company on behalf of the shareholders, including receiving statutory reports on behalf of the shareholders.
11. To ensure statements of intent are prepared and approved by the committee in principle, prior to recommendation to the councils.
12. To establish criteria for appointing Directors to the company for approval of the councils.
13. To select Directors in accordance with the approved appointment policy for recommendation to the councils.
14. To discuss matters that relate to each Council's joint shareholding.
15. To determine the fair allocation between the Councils of costs in accordance with the shareholders agreement.

##### ***Providing opportunity for stakeholder participation***

16. To monitor the relationship between the company and stakeholders.
17. To advocate for the importance of the Trail as part of the National Cycleway and as a tourism opportunity for the Mackenzie and Waitaki districts.

### **Financial Delegation**

1. To spend up to \$5,000 per financial year to obtain advice on matters of governance of the Company.
2. To spend meeting fees and administration costs of operating meetings.
3. To spend the National Cycle Fund Grant, in accordance with the grant application and funding agreement.
4. To spend any grants received by the Joint Committee.

All expenses to be invoiced 50/50 to each Council.

### **Membership**

The Alps2Ocean Joint Committee membership will comprise of one member appointed from each of the following groups:

- Waitaki District Council
- Mackenzie District Council
- Mackenzie Tourism and Development Trust
- Waitaki Development Board Ltd
- Department of Conservation
- Meridian Energy Ltd
- Land Owners

### **Appointment Process**

The Territorial Authorities, Waitaki Development Board, Mackenzie Tourism and Development Trust, Meridian and Department of Conservation will nominate their representatives. These members will then call a meeting of land owners, who have provided access of their land for the Trail and are otherwise not represented. At this meeting nominations will be called for and a vote will be taken of the land owners to elect their representative.

### **Standing Orders**

The standing orders of Waitaki District Council, as adopted after each triennial election and amended from time to time, shall be the standing orders for this Committee, except as changed by this terms of reference.

The Joint Committee is subject to the Local Government Official Information and Meetings Act 1987.

### **Quorum**

In accordance with LGA2002 Sch7 cl 30(9)(b), the quorum shall be four (4), this being the majority of members (including vacancies).

### **Meeting Frequency**

The Joint Committee may meet as required, but must meet at least twice per year to receive a 6 monthly report, annual report and statement of intent from the company.

### **Officers**

The Chair of Committee shall be appointed by the committee. The committee shall reconsider the appointment of the chair in February of each year.



## **Term**

In accordance with LGA2002 Sch7 cl 30(7) the councils have resolved that the Joint Committee is a permanent Joint Committee and cannot be discharged unless the councils agree to the Joint Committee being discharged.

Members are appointed for a term of five years and can be reappointed for a second term of five years at the discretion of the relevant nominated bodies, except that the Council representatives must be elected representatives. In the event that an elected representative is not re-elected they will immediately cease to be a member of the Joint Committee and the Council should make a new appointment.

In the event of one or both elected members ceasing to be a member and new members having not been appointed, the quorum remains unchanged.

## **Operating Philosophy**

The Joint Committee will at all times operate in accordance with the following:

1. Be culturally sensitive observing tikanga Maori.
2. Give consideration to and balance the interests of all communities in the districts in debate and decision making.
3. Members will work in a collaborative and co-operative manner using their best endeavours to reach solutions that balance the interests of all sector of the community.
4. Promote a philosophy that the Alps2Ocean Cycle Trail is a key economic driver for the districts smaller communities.
5. The Committee will seek consensus in its decision making where at all possible. Where despite the best endeavours of members unanimous agreement is not able to be reached a decision may be taken if in the view of the significant majority it represents the best interest of all sectors of the community.
6. In the event that neither unanimous agreement is able to be reached nor a significant majority view formed, the Committee must in the first instance seek assistance from the Chief Executives of the Councils to further Committee discussions and deliberations.
7. Where the Committee is unable to reach consensus despite having sought assistance and exhausted all avenues, they must recommend that the Councils disband them and appoint a new Committee.

## **Administration**

1. The Committee is administered by the Mackenzie Tourism and Development Trust.
2. Remuneration for non elected representative members will be paid in the form of meeting fees at the following levels:
  - Half day meetings                 \$100
  - Full day meetings                 \$200
  - Travel                                 \$0.70/km

# MACKENZIE DISTRICT COUNCIL

**REPORT TO:** MACKENZIE DISTRICT COUNCIL  
**SUBJECT:** GENERAL ACTIVITIES REPORT  
**MEETING DATE:** 19 APRIL 2011  
**REF:** PAD 2/3  
**FROM:** CHIEF EXECUTIVE OFFICER

## ACTIVITY REPORT

### COUNCIL, COMMITTEE AND BOARD MEETINGS

8 March	Council Meeting
24 March	Extraordinary Meeting of Council
28 March	Twizel Community Board
29 March	Solid Waste Sub Committee Meeting Tekapo Community Board Meeting
30 March	Fairlie Community Board Meeting
1 April	Resumed Council meeting
12 April	Committee meetings
13 April	Solid Waste SubCommittee Meeting
19 April	Council Meeting

### OTHER MEETINGS AND ACTIVITIES

9 March	Alps 2 Ocean Meeting at Lake Ohau Lodge
10 March	Fortnightly meeting with Nathan Hole
11 March	Fortnightly meeting with Bernie Haar
14 March	Met with Glenn Campbell from Whitestone Ltd
15 March	Kimbell Rural Water Supply AGM School Road Water Supply AGM Ashwick Water Supply AGM
16 March	Rates and budget discussion with key staff
17 March	Fortnightly meeting with Garth Nixon Rates and budget briefing with Mayor and Deputy
18 March	Tekapo Property Group Meeting
21 March	Management Meeting
23 March	Budget run through with staff Fortnightly meeting with Bernie Haar
25 March	Met with Mayor – catch up
28 March	Management meeting
30 March	Fortnightly meeting with Paul Morris Allandale Water Supply field trip & AGM
31 March	Fortnightly meeting with Nathan Hole
1 April	Met with Lesley O'Hara
3 April	Attended opening of Opihi cycle and walk way
6 April	Management Meeting

7 April	Fortnightly meeting with Bernie Haar
8 April	Met with Stewart Mitchell in Christchurch Attended Buddle Finlay's CEO lunch in Christchurch
11 April	Attended Power Reading Course
14 April	Meeting on Tourism Trust issues with Phil Brownie, Lesley O'Hara and the Mayor Attended part of the Upper Waitaki Zone Committee Meeting
18 April	Management meeting Tourism Trust Meeting

This has been a hectic period with finalization of Council's draft budgets, writing the draft plan in a completely new format and a total of 19 meetings of Council, Board and Committees and Sub-Committees crammed into a six-week period.

### **The Annual Budgeting process and New Format Annual Plan**

I was pleased with the way the budgeting process went this year. It seemed to me that the condensed presentation of information on key issues, while knowing they could drill down into the detail when required.

The draft Annual Plan also takes on a much slimmer format this year and I think we have ended up with a publication that is much more user-friendly than its predecessors. Thanks to Hurunui District, who, in the spirit of sharing services and ideas, were very happy to allow us to plagiarise their document.

A vast amount of effort goes into these processes from both elected members and staff. Thanks everyone for their efforts – we have ended up with a product that we can be proud of.

The final test will of course be the reaction and the response of our ratepayers and others.

### **Tekapo Property Group**

The status of this group is uncertain and I would like to set it formalized as a Sub-Committee of either the Finance or Projects and Strategies Committee.

If Council is agreeable, we will draft formal terms of reference for Council's approval.

### **Meeting Workload**

The last Committee round was a very full one, with three separate sets of visitors adding to the workload.

As workloads grow, I have reservations as to whether we are asking too much of members to concentrate on policy and decision making for a period of seven hours plus travelling time.

As a suggestion, would it be preferable to split the Finance and Projects and Strategies into separate days in the same week (say Tuesday & Thursday)?

That way there are still gaps in the programme free of Council business.

The Planning Committee could associate itself with either of the meeting days.

## **Local Governance Statement**

This is a document that has to be revised and adopted every three years. It is a requirement under the Local Government Act and serves as a kind of everyman's guide to your local council.

### **Eversley Sewerage**

I have spoken with Jonathon Salter and will be able to provide further information at the meeting.

### **RECOMMENDATION:**

1. That the report be received.
2. That the Council formalizes the Tekapo Property Group as a subcommittee of either the Finance or Projects and Strategies Committee and adopts formal terms of reference at the next committee round.
3. That the Council gives consideration to splitting the timing of the Finance and Projects and Strategies Committees by having meetings on both the Tuesday and Thursday of each committee week.
4. That the Mackenzie District Council's Local Governance Statement for the current triennium be adopted.
5. That the Council if further advice is available, will discuss the Eversley Sewerage information in Public Excluded session.

**GLEN INNES**  
**CHIEF EXECUTIVE OFFICER**

# **MACKENZIE DISTRICT COUNCIL**

**REPORT TO:** MACKENZIE DISTRICT COUNCIL  
**SUBJECT:** COMMON SEAL AND AUTHORISED SIGNATURES  
**MEETING DATE:** 19 APRIL 2011  
**REF:** PAD 15/7  
**FROM:** COMMITTEE CLERK  
**ENDORSED BY:** CHIEF EXECUTIVE OFFICER

## **PURPOSE OF REPORT:**

To advise of the documents signed under the Common Seal from 5 March 2011 to 15 April 2011.

## **STAFF RECOMMENDATIONS:**

1. That the report be received.
2. That the affixing of the Common Seal to document numbers 702 to 705 be endorsed.

**ROSEMARY MORAN**  
**COMMITTEE CLERK**

Number	Detail of Document	Date Signed & Sealed
702	Contract 1188 Road Reseals Contract 2010-2011, Mackenzie District Council and Blacktop Construction.	1 March 2011
703	Street Dining Area Licence – Mackenzie District Council and Twizel Bakery Café Ltd.	22 March 2011
704	Sale of Carbon Credits to Westpac	12 April 2011
705	Contract No 1195, Lake Alexandrina Bridge Replacement Mackenzie District Council and Fulton Hogan Ltd	14 April 2011

# **MACKENZIE DISTRICT COUNCIL**

**REPORT TO:** MACKENZIE DISTRICT COUNCIL  
**FROM:** CHIEF EXECUTIVE OFFICER  
**SUBJECT:** COMMUNITY BOARD RECOMMENDATIONS  
**MEETING DATE:** 19 APRIL 2011  
**REF:** PAD 5

## **PURPOSE OF REPORT:**

To consider recommendations (apart from those made in relation to the Budgets for 2011/2012) made by the Community Boards.

## **RECOMMENDATIONS:**

1. That the report be received.

### **TWIZEL COMMUNITY BOARD**

#### **Remuneration Authority**

2. That the Council notes that the Twizel Community Board has
    - a. noted the revised determination of the Remuneration Authority to increase Council's remuneration pool by 1.13% for 2011/12.
    - b. agrees with the continuation of the 2010/11 method of dividing remuneration among Board members and Councillors and,
    - c. endorses the payment of the following annual salaries:
      - Community Board Chairman \$3,959 pa
      - Community Board Members \$1,546 pa
- and that the Council adopts the Twizel Community Board's recommendation.

### **TEKAPO COMMUNITY BOARD:**

#### **Remuneration Authority**

3. That the Council notes that the Tekapo Community Board has
    - a. noted the revised determination of the Remuneration Authority to increase Council's remuneration pool by 1.13% for 2011/12.
    - b. agrees with the continuation of the 2010/11 method of dividing remuneration among Board members and Councillors and,
    - c. endorses the payment of the following annual salaries:
      - Community Board Chairman \$3,959 pa
      - Community Board Members \$1,546 pa
- and that the Council adopts the Tekapo Community Board's recommendation.

### **FAIRLIE COMMUNITY BOARD:**

#### **Remuneration Authority**

4. That the Council notes that the Fairlie Community Board has
  - a. noted the revised determination of the Remuneration Authority to increase Council's remuneration pool by 1.13% for 2011/12.

- b. agrees with the continuation of the 2010/11 method of dividing remuneration among Board members and Councillors and,
  - c. endorses the payment of the following annual salaries:
    - a. Community Board Chairman \$3,959 pa
    - b. Community Board Members \$1,546 pa
- and that the Council adopts the Fairlie Community Board's recommendation.

5. **Domain Trees**

- That the Council notes that the Fairlie Community Board reached an impasse regarding the request from the Mayor that it reconsider its earlier decisions not to remove three trees from the Fairlie Domain which Riverview Terrace resident Mrs Audrey Mitchell said were causing distress because they shaded her house and caused an ice hazard in the winter.
- That the Fairlie Community Board has referred the request to the Council for a decision.

**GLEN INNES**  
**CHIEF EXECUTIVE OFFICER**



### **ATTACHMENTS:**

The minutes of the meetings of the Twizel Community Boards held on 30 March 2011, the Tekapo Community Board held on 29 March 2011 and the Fairlie Community Board held on 30 March 2011.

### **BACKGROUND:**

The Community Boards have made a number of recommendations for the Council to consider.

### **POLICY STATUS:**

N/A

### **SIGNIFICANCE OF DECISIONS REQUESTED:**

No significant decisions are required.

### **CONSIDERATIONS:**

The Council delegated a range of authorities to staff and other organisations on 14 June 2005 when it also confirmed that it did not need to make any specific delegations to Community Boards to have them better perform their role.

This policy was amended on 29 January 2008 when the Council resolved to delegate to the Fairlie, Tekapo and Twizel Community Boards, the following responsibilities:

- The ability to consider requests from local organizations for financial assistance in the form of grants, where budget exists for such matters and subject to no one grant exceeding \$1,000.
- The ability to appoint local representatives to organizations within the community board area and other organizations where local representation is requested.
- The ability to authorize, within approved budgets, board members' attendance at relevant conferences and/or training courses.
- The ability to provide or withhold affected persons approval for planning applications on land adjoining Council owned land within the community board area.
- The ability to approve routine changes in policy affecting locally funded facilities within the community board area.

In the absence of delegated authority to the Community Boards on other matters, the Council has the opportunity to note and consider the issues raised and matters promoted on behalf of the Townships by their Boards and to endorse them where appropriate.

# **MACKENZIE DISTRICT COUNCIL**

## **MINUTES OF THE MEETING OF THE TWIZEL COMMUNITY BOARD HELD IN THE SERVICE CENTRE TWIZEL ON MONDAY 28 MARCH 2011 AT 4.00 PM**

### **PRESENT:**

Peter Bell (Chairman)  
Cr John Bishop  
Elaine Curin  
Phil Rive  
Kieran Walsh

### **IN ATTENDANCE:**

Claire Barlow (Mayor)  
Cr Annette Money  
Glen Innes (Chief Executive Officer)  
Paul Morris (Manager – Finance and Administration)  
Garth Nixon (Community Facilities Manager)  
Bernie Haar (Asset Manager)  
John O'Connor (Utilities Engineer)  
Frank Ledingham (Manager – Roading)  
Rosemary Moran (Committee Clerk)

### **I APOLOGIES:**

There were no apologies.

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

Peter Bell stated that in order for his business to maintain EU status for exporting honey he needed to comply with new water regulations, which included a requirement for the water he used to be free of e.coli. Accordingly, Mr Bell declared his interest and indicated that he would not be taking part in any discussions about the Twizel Water Supply.

### **III MINUTES:**

Resolved that the Minutes of the meeting of the Twizel Community Board held 14 February 2010 be confirmed and adopted as the correct record of the meeting.

**Phil Rive /John Bishop**

### **WARD MEMBER'S REPORT:**

Cr Bishop reported that at its budget meeting on 24 March 2010 the Council had resolved to reduce the proposed budget for the **Twizel Public Toilets** from \$36,000 to \$4,000 because of the uncertain future of the building. The budget would fund a repaint and minor maintenance.

Cr Bishop reported that the Solid Waste Subcommittee was to meet on 29 March 2011 to consider proposals from two preferred contractors for a **new solid waste contract**. These proposals had been shortlisted from the ten originally received.

He said the Council has indicated its intention to collect an additional \$20 on the rate for **waste collection** in the District's townships; there would be a consequent decrease in the General Rate. This was an interim move pending a new targeted rate for the service.

He noted that expressions of interest in filling a **vacancy on the Mackenzie Tourism and Development Trust** would be called for in June 2011.

Cr Bishop advised that the Pukaki Airport Board had accepted a tender of \$270,000 for the construction of a **hangar at the Pukaki Airfield**.

He advised that the Mayor and Deputy Mayor had met with the Board of High Country Health and it was intended that the Council would meet with Board members in Twizel on 19 April 2011 with the view to advancing the renewal of the **Twizel's medical facilities**.

#### **IV     REPORTS:**

##### **1.     BUDGETS FOR 2011/2012:**

The Chairman said he was unhappy that he and other Community Board members had received their agendas just before the meeting. He asked that the issue be addressed so that it did not recur.

The Chief Executive Officer introduced the budget report and explained how the Twizel Community Board's budgets were made up, ie the Twizel Works and Services Rate, the General Rate, the Township Refuse Collection Rate and Flat Charges for Water and Sewer Services.

The Board considered the draft budgets in detail with explanations from the Manager – Finance and Administration, the Utilities Engineer, the Manager – Roading, the Asset Manager and the Community Facilities Manager.

##### **Donations and Grants**

Resolved that the budget for the Twizel Information Centre be decreased by \$5,000 in recognition that the earlier payment had been clearly indicated as a one-off contribution.

**John Bishop /Kieran Walsh**

The meeting was adjourned at 6.05 pm for tea and reconvened at 6.36 pm.

##### **Township Projects:**

The Chief Executive Officer advised that recreation reserve-related projects could be eligible for support from funds generated by the Lake Alexandrina Reserve leases. He recommended that any applications to the Council for project funding from the reserve be accompanied by details of the level of support the Community Board was prepared to commit to the project – eg 50% in funds or voluntary labour.

The Board members assessed the following list of proposed projects and prioritised them for funding as follows:

- |                          |          |
|--------------------------|----------|
| 1. Greenway Improvements | \$15,000 |
|--------------------------|----------|

2. Market Place Footpath Link	\$10,000
3. SH Frontage - felling and planting	\$32,000
4. Boat Ramps	\$5,000
5. NW Arch verges	\$5,000
6. Lake Ruataniwha Road and Carpark	\$10,000
(For forming and finishing and car park and defer sealing for a year. Request recreation reserve funding from Mackenzie District Council )	
7. Footpath maintenance	\$43,000
8. Market Place for scheme assessment only	\$5,000
<b>TOTAL</b>	<b>\$124,000</b>

9. Information Centre Planter
10. Car Park Reseals (The Asset Manager recommended the Board consult with the Community, noting the issue needed to be addressed eventually)
11. Boat Ramps
12. Market Place Car Parks (draft budget reduced by \$25,000)

Resolved that the above projects 1 to 9 be adopted for funding in the 2011/2012 year.

**Kieran Walsh /Phil Rive**

The Manager – Finance and Administration advised that with the above amendments the proposed rates for 2011/12 would increase by 4.75%.

Resolved that the draft budgets for 2011/2012 with the above amendments be recommendation for adoption by the Mackenzie District Council

**Phil Rive/Kieran Walsh**

## **LATE ITEM**

### **REMUNERATION AUTHORITY DETERMINATION:**

Resolved that pursuant to the Local Government Official Information and Meetings Act 1987 the verbal report from the Chief Executive Officer “Remuneration Authority Determination” be considered.

**Peter Bell/Phil Rive**

The report was not included on the Agenda because it was not available in time. Consideration of the issue at this meeting is required to enable the Chief Executive Officer to meet the Remuneration Authority’s deadline of 1 May 2012 which would be before the Community Board’s next meeting.

### **Remuneration Authority Determination**

The Chief Executive Officer advised that the Remuneration Authority’s revised determination had increased the pool for the remuneration of the District’s elected members by 1.31%. He said he would be recommending to the Council that the pool be allocated in the same way as had previously been agreed. This would have the effect of increasing the community board chairmen’s stipend from \$3,908 per annum to \$3,959 and the community board members’ from \$1,526 to \$1,546.

Resolved that the Twizel Community Board:

1. notes the revised determination of the Remuneration Authority to increase Council’s remuneration pool by 1.13% for 2011/12.
2. agrees with the continuation of the 2010/11 method of dividing remuneration among Board members and Councillors.
3. endorses the payment of the following annual salaries:

- Community Board Chairman \$3,959 pa
  - Community Board Members \$1,546 pa
- and that these recommendations be referred to the Council for its consideration.

**Phil Rive/Kieran Walsh**

**THERE BEING NO FURTHER BUSINESS THE  
CHAIRMAN DECLARED THE MEETING CLOSED AT 5.50 PM**

**CHAIRMAN:** \_\_\_\_\_

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

# **MACKENZIE DISTRICT COUNCIL**

## **MINUTES OF THE MEETING OF THE TEKAPO COMMUNITY BOARD HELD IN THE LAKE TEKAPO COMMUNITY HALL ON TUESDAY 29 MARCH 2011 AT 5.00 PM**

### **PRESENT:**

Murray Cox (Chairman)  
Peter Maxwell  
Ian Radford  
Peter Munro

### **IN ATTENDANCE:**

Claire Barlow (Mayor)  
Glen Innes (Chief Executive Officer)  
Paul Morris (Manager – Finance and Administration)  
Garth Nixon (Community Facilities Manager)  
Bernie Haar (Asset Manager)  
John O'Connor (Utilities Engineer) (for part of the meeting)  
Frank Ledingham (Manager - Roading) (for part of the meeting)  
Rosemary Moran (Committee Clerk)

### **I APOLOGY:**

Resolved that an apology be received from Alan Hayman.

**Peter Maxwell/Peter Munro**

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

There were no Declarations of Interest.

### **III MINUTES:**

Resolved that the Minutes of the meeting of the Tekapo Community Board held on 14 February 2011 be confirmed and adopted as the correct record of the meeting.

**Peter Maxwell/Ian Radford**

### **MATTERS UNDER ACTION:**

#### **1. Community Board Page on Council Website**

The Chairman advised that he would be meeting with the IT Manager regarding information to put on the Community Board Page.

#### **2. Dishwasher and Fridge/Chiller:**

The Community Facilities Manager advised that prices for the appliances would be presented to the next meeting.

#### **3. Sign for Observation Area Lochinver:**

It was advised that the matter was in hand but had yet to be completed.

**4. Bus Park Signs – Church of the Good Shepherd:**

The Asset Manager undertook to raise the issue at his meeting with the contractors the following day.

**5. Rabbits:**

The Community Facilities Manager advised that provision for rabbit control had been made in the budgets for 2011/12.

The issue to be retained on the Action Points list pending more information from the Regional Council.

**6. Rock Sculpture:**

It was advised that Prue Blake was with coordinating the Lake Tekapo Art Group, Ed Sullivan and the artist regarding the relocation of the sculpture from the Community Hall grounds.

**7. Lakeside Drive Walkway:**

It was advised that part of the track had been gravelled and the lights were to be installed. The Community Facilities Manager undertook to liaise with Pete Speedy and Carl Burtscher regarding the extension of the walkway to the Winter Park. He advised that signs were to be put up at each end of the walkway and he also would arrange to remove the rock which was in the middle of the track.

The Chairman suggested that when the playground and stormwater projects had been completed a decision could be made on extending the walkway further.

**8. Alexandra Terrace Seal Extension:**

The Asset Manager advised that he had written to all property owners regarding the opportunity to have their driveways sealed as part of the project. Whitestone Contracting was to advise their firm price for sealing the road and two driveways. He said that NZTA had declined to widen the entrance throat off the State Highway; the road would be formed up to the existing intersection. He noted that he would be asking the owner of a frontload skip in Alexandra Terrace to relocate it to preclude damage to the new seal from the six-wheel truck which serviced it.

The Asset Manager also undertook to remove the upstand from the water pipe at the old effluent dump station in the area.

## **IV REPORTS:**

**1. BUDGETS FOR 2011/2012:**

This Chief Executive Officer introduced the draft budgets for the Tekapo Community Board for 2011/12. He said Council has begun consideration of its budgets and so far had increased the general rate by 3.29%. This provided some certainty for the Board in setting its rates.

The Community Board considered the draft budgets and made the following amendments:

**Governance:**

Resolved that the budget for Members' Expenses be increased by \$2,000 for training/conferences.

**Peter Maxwell/Peter Munro**

The meeting was adjourned at 5.55 pm for tea and reconvened at 6.26 pm

**Tekapo Community Centre:**

Resolved that an additional \$5,000 be included in the budgets for planned maintenance for the Tekapo Community Hall kitchen.

**Peter Munro/Ian Radford**

**Township Projects**

It was agreed that local community groups be invited to submit proposals for community projects which could be included in the Council's Long Term Plan.

**Tekapo Domain:**

Resolved that the budget for the Domain expenditure be increased by \$20,000 for capital improvements, such improvements to be funded from the Land Subdivision Reserve.

**Peter Maxwell /Peter Munro**

The Manager – Finance and Administration advised that with the amendments made by the Community Board, the rate increase stood at 5.7%.

Resolved that the Draft Budgets for 2011/2012 with the above amendments be recommended to the Council for adoption.

**Ian Radford/Peter Munro**

**LATE ITEM**

**REMUNERATION AUTHORITY DETERMINATION:**

Resolved that pursuant to the Local Government Official Information and Meetings Act 1987 the verbal report from the Chief Executive Officer "Remuneration Authority Determination" be considered.

**Murray Cox/Peter Maxwell**

The report was not included on the Agenda because it was not available in time. Consideration of the issue at this meeting is required to enable the Chief Executive Officer to meet the Remuneration Authority's deadline of 1 May 2012 which would be before the Community Board's next meeting.

**Remuneration Authority Determination**

The Chief Executive Officer advised that the Remuneration Authority's revised determination had increased the pool for the remuneration of the District's elected members by 1.31%. He said he would be recommending to the Council that the pool be allocated in the same way as had previously been agreed. This would have the effect of increasing the community board chairmen's stipend from \$3,908 per annum to \$3,959 and the community board members' from \$1,526 to \$1,546.



Resolved that the Tekapo Community Board:

1. notes the revised determination of the Remuneration Authority to increase Council's remuneration pool by 1.13% for 2011/12.
2. agrees with the continuation of the 2010/11 method of dividing remuneration among Board members and Councillors.
3. endorses the payment of the following annual salaries:
  - Community Board Chairman \$3,959 pa
  - Community Board Members \$1,546 pa

and that these recommendations be referred to the Council for its consideration.

**Ian Radford/Peter Munro**

**THERE BEING NO FURTHER BUSINESS THE  
CHAIRMAN DECLARED THE MEETING CLOSED AT 8.12 PM**

**CHAIRMAN:** \_\_\_\_\_

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

# **MACKENZIE DISTRICT COUNCIL**

## **MINUTES OF THE MEETING OF THE FAIRLIE COMMUNITY BOARD HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON WEDNESDAY 30 MARCH 2011 AT 5.00 PM**

### **PRESENT:**

Owen Hunter (Chairman)  
Julia Bremner  
Ron Joll  
Graeme Page  
Ashley Shore

### **IN ATTENDANCE**

Claire Barlow (Mayor)  
Glen Innes (Chief Executive Officer)  
Paul Morris (Manager – Finance and Administration)  
Bernie Haar (Asset Manager)  
Garth Nixon (Community Facilities Manager)  
John O'Connor (Utilities Engineer)  
Frank Ledingham (Manager – Roading)  
Rosemary Moran (Committee Clerk)

## **II     APOLOGIES:**

There were no apologies.

## **III    DECLARATION OF INTERESTS:**

There were no declarations of interest.

## **I     COMMUNITY FORUM:**

The Mayor introduced Mrs Alison Neil and Dr Paula Hyde to the meeting. She explained that they had attended to support her request that the Community Board reconsider its earlier decisions not to remove three trees from the Fairlie Domain which Riverview Terrace resident Mrs Audrey Mitchell said were causing distress because they shaded her house and caused an ice hazard in the winter.

The Mayor said she understood that the Board had already considered the issue in 2007, twice in 2008 and again in 2009; however she had promised Mrs Mitchell that she would raise it again. The Mayor said she was concerned about Mrs Mitchell's health and safety. She considered that as a good neighbour the Community Board should remove the trees. She understood the Board's fear that an unwelcome precedent could be created but was of the opinion that all such requests should be considered on their merits. She said that Mrs Mitchell had indicated she was prepared to fund the cost of removing the trees and replacing them with more suitable species. She noted the measures which Mrs Mitchell had already undertaken to mitigate the shading problem on her property.

Alison Neill said she supported the Mayor's request. She explained that she was familiar with the saga; she had visited Mrs Mitchell at her invitation on cold frosty mornings and could verify that there was a problem. She did not consider Mrs Mitchell was making a mountain out of a molehill. She could see that Mrs Mitchell's house was shaded by the trees for a long period. She acknowledged that while people enjoyed and valued Fairlie's glorious trees, she had to compare that with Mrs Mitchell's need for sunlight. Mrs Neill said old folk needed sunlight for their health and wellbeing. She questioned that the trees should be valued more highly than Mrs Mitchells' health.

Paula Hyde said she knew Mrs Mitchell well and was aware of her problem with the trees. She referred to a letter she had written to the Community Board about the issue in 2008 and said the situation had not changed since then.

Dr Hyde suggested there was nothing special about the trees in question and that most residents would not be aware of them. She asked how much the community valued them compared with the Peace Avenue trees. She noted that while she was not at liberty to discuss the particular effect the trees had on Mrs Mitchell's health, they did have a medical effect. She said that she had referred in her 2008 letter to the potential hazard of ice around Mrs Mitchell's house. She considered it would not look good if Mrs Mitchell was to slip and be injured because of an ice hazard on her property of which the Community Board was aware.

Dr Hyde said she could not understand why the trees should not be removed and replaced. She did not consider the risk of setting a precedent should be an issue in this case.

Ashley Shore said he had consulted a number of residents about their views but had not received a clear cut answer.

The Chairman said that he was aware of about six other residents who would demand further trees to be removed should the Board approve Mrs Mitchell's request. He acknowledged that the Board had inherited a problem with an overgrown hedge in the domain. He noted that the way Mrs Mitchell's house was sited was unfortunate in that her lounge was on the south side of the building which did not provide the opportunity for it to benefit from much sunlight.

Dr Hyde said Mrs Mitchell had said she originally got the sun when she first moved into the house but did not now.

Ron Joll said he had been involved in the earlier discussions. He considered the trees were valuable - as was Mrs Mitchell's good health; he was prepared to accept a compromise however he was aware of the pressure that removing the trees would bring to have others cut down. He noted that it took a long time for trees to grow and warned that the costs involved in removing them and replacing them, along with remediation of the area, would be significant.

Mr Joll said he had taken a series of photographs at about ten minute intervals on the shortest day in 2009. He noted the photographs showed a shadow cast on the roof of Mrs Mitchell's house which moved across quite quickly and was gone by 10.00 am. His observation was that effect of shadow from the trees after 10.00 am was negligible.

Cr Page said his compromise would be to remove the centre tree of the three to see what effect that would have. He was also aware that there would be pressure from other residents to have more trees removed from the Township.

The Mayor said she was also aware that more people could ask for more trees to be removed; however she considered that the consequences of not removing the trees in question could provoke a more adverse reaction from the community because of a perception of negligence by the Board in terms of the health and safety of a ratepayer.

Ashley Shore asked if the Board could be liable if an identified health and safety risk was not addressed.

The Chief Executive Officer said the Council had a tree policy and the removal of trees because of problems caused by shading was provided for in that policy. He suggested that the circumstances of Mrs Mitchell's issue warranted the Board making an exception from what it might normally do. He warned that if the Board held to its earlier decisions there was the potential for a court order to be sought for the removal of the trees.

The Chairman thanked Mrs Neill and Dr Hyde for attending. He assured them that the Board would reconsider the matter. The visitors left the meeting at 5.30 pm.

#### **IV MINUTES:**

Resolved that the Minutes of the meeting of the Fairlie Community Board held on 16 February 2011 be confirmed and adopted as the correct record of the meeting.

**Ron Joll/Ashley Shore**

#### **Footpath Budgets**

In response to concern expressed by Ashley Shore regarding the expenditure of the footpath budget, the Asset Manager advised that the Board's first priority need to be the maintenance of existing assets before the construction of new footpaths. He noted that the footpaths on Gall Street and Main Street (from Moreh to the town boundary) were in need of resurfacing.

#### **Communicating Community Board Decisions:**

Cr Page asked why the decision to approve the provision of a supermarket trolley park on the footpath outside the Four Square Supermarket and associated work, had been communicated only verbally to the applicants, Ashley and Melanie Shore. The Chief Executive Officer acknowledged that a letter should have been sent. He suggested that in future it would be standard practice to email copies of correspondence to community board chairs to ensure that communication processes were completed following board decisions on matters put before their meetings.

#### **VII PUBLIC EXCLUDED:**

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

1. Fairlie Water Main Tender

<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>
--	--	---

Fairlie Water Main Tender

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: *Fairlie Water Main Tender* Section 7(2)(b)(ii)

**Graeme Page/Ron Joll**

The Community Board continued in Open Meeting.

## **V      REPORTS:**

### **1.    BUDGETS FOR 2011/2012:**

The Manager – Finance and Administration referred to the draft budgets and the Fairlie Community Board's responsibility to recommend to the Council a level of rates for 2011/2012.

He said the draft budgets represented 'business as usual' with the addition of a budget for projects which had been identified during the Township walkabout.

The Community Board considered the draft budgets in detail and made the following decisions:

#### **Mackenzie Community Centre**

Resolved that quotes be obtained for the painting of the stadium and authority be delegated to the Chairman and Julia Bremner to progress the project.

**Owen Hunter/Ashley Shore**

#### **Resolved:**

1. That the Fairlie Works and Services Reserve be reduced by \$17,000 to fund the projects budget of \$17,000.
2. That an application be made to Council for a \$15,000 grant from the Lake Alexandrina Reserve for the maintenance of Strathconan Park, the Fairlie Domain and the Strathconan Swimming Pool.

**Ron Jull /Julia Bremner**

Resolved that the budgets for 2011/2012 be adopted with the above amendments.

**Ron Joll/Ashley Shore**

## **DOMAIN TREES:**

The Chairman asked the Community Board to consider the request from the Mayor to review previous decisions not to remove three trees from the Fairlie Domain which Riverview Terrace resident Mrs Audrey Mitchell said were causing her distress because they shaded her house and caused an ice hazard in the winter.

The Community Facilities Manager referred to the presentations which the Board had heard earlier in the meeting. He suggested that, while Dr Hyde had pointed out the potential hazard of ice around Mrs Mitchell's house and that it would not look good if Mrs Mitchell was to slip and be injured because of an ice hazard on her property which the Community Board was aware of, icing was caused by Fairlie's heavy frosts rather than the presence of trees, and residents were aware of the need to mitigate ice hazards on their properties.

### **Motion**

That the middle one of the three trees in the Fairlie Domain which Mrs Mitchell wanted removed, be removed.

**Owen Hunter/Graeme Page**

The motion was defeated.

### **Motion:**

That three trees in the Fairlie Domain which Mrs Mitchell wanted removed, be removed.

**Julia Bremner/Ashley Shore**

The motion was defeated.

### **Motion**

That the Community Board's previous decisions not to remove the three trees in the Fairlie Domain which Mrs Mitchell wanted removed, be endorsed.

**Ron Joll/Graeme Page**

The motion was defeated.

Resolved that because the Community Board had reached an impasse, the request from the Mayor that it reconsider its earlier decisions not to remove three trees from the Fairlie Domain which Riverview Terrace resident Mrs Audrey Mitchell said were causing distress because they shaded her house and caused an ice hazard in the winter, be referred to the Council.

**Julia Bremner/Ashley Shore**

## **LATE ITEM**

### **REMUNERATION AUTHORITY DETERMINATION:**

Resolved that pursuant to the Local Government Official Information and Meetings Act 1987 the verbal report from the Chief Executive Officer "Remuneration Authority Determination" be considered.

**Murray Cox/Peter Maxwell**

The report was not included on the Agenda because it was not available in time. Consideration of the issue at this meeting is required to enable the Chief Executive Officer to

meet the Remuneration Authority's deadline of 1 May 2012 which would be before the Community Board's next meeting.

### **Remuneration Authority Determination**

The Chief Executive Officer advised that the Remuneration Authority's revised determination had increased the pool for the remuneration of the District's elected members by 1.31%. He said he would be recommending to the Council that the pool be allocated in the same way as had previously been agreed. This would have the effect of increasing the community board chairmen's stipend from \$3,908 per annum to \$3,959 and the community board members' from \$1,526 to \$1,546.

### **Resolved that the Fairlie Community Board:**

1. notes the revised determination of the Remuneration Authority to increase Council's remuneration pool by 1.13% for 2011/12.
2. agrees with the continuation of the 2010/11 method of dividing remuneration among Board members and Councillors.
3. endorses the payment of the following annual salaries:
  - Community Board Chairman \$3,959 pa
  - Community Board Members \$1,546 paand that these recommendations be referred to the Council for its consideration.

**Ron Joll/Julia Bremner**

**THERE BEING NO FURTHER BUSINESS  
THE CHAIRMAN DECLARED THE MEETING CLOSED AT 10.10 PM**

**CHAIRMAN:** \_\_\_\_\_

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

# **MACKENZIE DISTRICT COUNCIL**

## **MINUTES OF A MEETING OF THE FINANCE COMMITTEE HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY 12 APRIL 2011 AT 9.40 AM**

### **PRESENT:**

Graham Smith (Chairman)  
 Claire Barlow (Mayor)  
 John Bishop  
 Peter Maxwell  
 Annette Money  
 Graeme Page  
 Evan Williams (from 10.00 am)

### **IN ATTENDANCE:**

Glen Innes (Chief Executive Officer)  
 Paul Morris (Manager – Finance and Administration)  
 Garth Nixon (Community Facilities Manager)  
 Rosemary Moran (Committee Clerk)

### **I APOLOGY:**

There were no apologies.

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

Cr Page noted his interest in the Lake Alexandrina Reserve, in that his wife owned a hut at the Reserve; 'Lake Alexandrina Reserve Funds Policy' was the subject of a report on the Agenda

### **II MINUTES**

The Minutes of the previous meeting of the Finance Committee held on 1 March 2011, including such parts as were taken with the Public Excluded, were confirmed and adopted as the correct record of the meeting.

**Graeme Page/Evan Williams**

### **MATTERS UNDER ACTION:**

#### **1. Medical Facilities:**

The Chief Executive Officer explained that the Council had requested a report on the funding of District medical facilities, including the level of rental income



received. The Community Facilities Manager noted a further issue was the use of the funds generated from the sale of the doctors' residence in Fairlie.

**2. Mackenzie Retirement Villas:**

The Community Facilities Manager said that the Fairlie Lions Club had declined to provide the \$2,482.00 as requested but had offered a \$500.00 contribution. In order to avoid the GST issue, it had been tentatively suggested that the Lions take over the project. If the Lions Club formally agreed to do this, the Council's agreed contribution of \$3,442 would then be required as a donation the Lions.

**VI VISITORS:**

The Chairman welcomed Aoraki Foundation Trustees, Chairman Nigel Davenport and Ken McKenzie. Mr McKenzie referred to the background of the Foundation and the Trustees, noting that the Mackenzie District was represented by John Bishop.

He said that the Foundation had initially been project driven; however it was now proposing to launch an endowment fund.

Mr McKenzie explained that the Foundation was not a Council Controlled Organisation and to that end the respective regional mayors as senior leaders in their communities were asked to nominate their appointees to the Trust; the appointees did not have to be councillors.

Cr Williams joined the meeting at 10.00 am.

Mr McKenzie said the Foundation had proposed that a joint representative be nominated for the Waimate and Mackenzie Districts, as had originally been recommended. This recent proposal arose because the funding which had been sought from Alpine Energy Ltd had not eventuated to the extent anticipated thus obviating the reason for the separate representation. He said the proposal was being put forward for consideration by the two councils and if the councils did not agree, the status quo would remain.

Nigel Davenport gave a power point presentation which referred to the Foundation's Integrated Funding Approach and Funding Levels. It outlined the Purpose of the Organisation, named the Trustees and referred to Project Progress to Date, Overall Funding and Specific Examples of Funding Support. A copy of the presentation is attached to this record as Appendix A.

Mr Davenport referred to the Foundations plans to launch an endowment fund, and explained its necessity for the wellbeing and self sufficiency of the Foundation.

Mr McKenzie referred to issues involved in attracting endowment funding noting that to be successful it was necessary to have the right person approach appropriate potential donors with care and sensitivity. He noted the ability for endowment funding to come from people who loved the district they lived in and had a desire to support it by making appropriate provision in their wills.

Mr Davenport explained that the Foundation was not a fund raiser; applications for funding would normally be made through other entities such as the Aoraki Gaming Trust or Mid and South Canterbury Community Trust. Those entities could use the Foundation to channel applications. Approaches to the Foundation would normally be made by the Trustee who was the relevant community's representative.

The Chairman thanked the visitors who left the meeting at 10.35 am.

The meeting was adjourned for morning tea at 10.35 am and reconvened at 11.35 am.

### **III     REPORTS:**

#### **1.   FINANCIAL REPORT – FEBRUARY 2011:**

This report from the Manager – Finance and Administration was accompanied by the financial reports for the period to February 2011.

The Manager – Finance and Administration spoke to his report.

Resolved that the reports be received.

**Claire Barlow/Graeme Page**

### **VI     VISITORS:**

The Chairman welcomed Geoff Barry, Sport Canterbury Chief Executive Officer, and Verna Parker, South Canterbury Sport and Young People Manager. The visitors thanked the Committee for the opportunity of their meeting with the elected members.

Mrs Parker distributed information which referred to the Canterbury West Coast Sports Trust, Sport South Canterbury, Community Benefit, Working Alongside Council, Sport Development, Young People, Physical Activity and Funding Being Sought for 2011/2012.

Mr Barry further explained the function and role of the Trust, the issues on which it was strategically focussed and how it was bound by those strategies in relation to the Mackenzie District.

He said a major focus of the Trust was about participation in physical activity; the Trust was conscious of backing those sports and activities in schools where such participation could be demonstrated.

In response to Cr Smith's enquiry about the level of contribution to the Trust by other local authorities, Mr Barry suggested it would rely on what each community considered was important.

Mrs Parker explained that the projects in the Mackenzie District included work in schools, falls prevention and green prescription programmes and school holiday programmes.

She said there was also opportunity for local teachers and coaches to travel to training courses in Timaru. She noted her recent involvement in a Fairlie community initiative to encourage local sports clubs and groups to work collaboratively which could help a limited volunteer base in the 700 population to be more effective in managing the 16 sports on offer.

She said there had been five local finalists in the 2010 South Canterbury Sports Awards and local elite performers were doing well.

Mr Barry referred to the \$837,000 per capita grant which the Trust received from SPARC; however than was not allocated on that basis. Mr Barry suggested that dialogue be established with the view to developing a sport and recreation strategic plan to enable the District to become eligible for funding from that source.

Cr Money suggested that there was a lack of information regarding the sort of support which Mackenzie schools would appreciate. Mrs Parker said that the Sport South Canterbury Young People Advisor, Lee King, had worked with the schools over the previous two years and identified the need to improve children's skills especially in the transition from primary to high school period. She also supported school programmes and improvement of activity levels at intervals and lunch times.

Cr Money questioned whether the benefit of Council's investment in the Trust was spread evenly across the District.

Mrs Parks said that the Trust had not been involved in the Twizel and Tekapo schools, health programmes had been run in Twizel and Fairlie and holiday programmes offered in Twizel and Fairlie. She highlighted Sport South Canterbury's limited resources of six staff covering three local authorities, 15 schools, the green prescription and falls prevention programmes and young persons' activities; three staff were part time and three full time.

Mr Barry reiterated the benefits of establishing a District sports structure because in reality it was not possible to cover all the sports across all the schools in the Districts; choices had to be made.

The Chairman thanked the visitors for attending.

The meeting was adjourned for lunch at 12.45 pm and reconvened at 1.25 pm.

### III **REPORTS:**

#### 3. **POLICY RELATING TO THE USE OF RENTAL INCOME RECEIVED FROM THE TWO LAKE ALEXANDRINA SETTLEMENTS:**

This report from the Manager – Finance and Administration provided a draft policy relating to the use of rental income received from the two Lake Alexandrina settlements.

Resolved that the report be received.

**Annette Money/Peter Maxwell**

Resolved:

1. That Council maintain a balance in the reserve equal to 15% of the accumulated income earned during the preceding three years as an emergency fund and be considered Priority 1.
2. That Council continue to fund Rural Township Reserve expenditure and be considered Priority 2.
3. That any projects of planned improvements to the Lake Alexandrina Reserve as consulted with the two Lake Alexandrina groups and included in Councils Long-Term Plan have call on the funds after satisfying recommendations 2 and 3 above.
4. That Council fund other community reserve expenditure for capital projects where the community concerned funds 50% of the cost from local sources.

**Annette Money/Evan Williams**

### IV **PUBLIC EXCLUDED:**

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

1. Sale, Lot 2, Mackenzie Drive, Twizel
2. Eversley Reserve
3. High Country Health and Mackenzie Medical Trust (briefing)

<b><u>General subject of each matter to be considered</u></b>	<b><u>Reason for passing this resolution in relation to each matter</u></b>	<b><u>Ground(s) under Section 48(1) for the passing of this resolution</u></b>
Sale Lot 2, Mackenzie Drive Twizel	Legal Professional Privilege	48(1)(a)(i)
Eversley Reserve	Legal Professional Privilege	48(1)(a)(i)
High Country Health and Mackenzie Medical Trust	To enable the Council to carry on 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: *Lot 2, Mackenzie Drive, Twizel* and *Eversley Reserve* Section 7(2)(g) and *High Country Health and Mackenzie Medical Trust* Section 7(ii)(i).

**Claire Barlow/Graeme Page**

The Committee continued in Open Meeting.

**SPORT CANTERBURY:**

The Chairman referred to the recommendation that the Council's contribution to Sport Canterbury be increased by 25% for the 2011/2012 year.

The Manager – Finance and Administration advised that the proposed budget for 2011/2012 for Sport Canterbury was \$4,533.00.

Resolved that the Council's contribution to Sport Canterbury for the 2011/2012 year be confirmed at \$4,533.00.

**Graeme Page/Evan Williams**

**AORAKI FOUNDATION:**

Cr Bishop signalled his wish for the Mayor to replace him as her appointee to the Aoraki Foundation. It was agreed that the issue be included on the Agenda for the Council meeting on 19 April 2012.

Resolved that the recommendation that the Mackenzie and Waimate Districts revert to appointing one joint representative to the Aoraki Foundation be rejected.

**Graeme Page/Evan Williams**

**THERE BEING NO FURTHER BUSINESS THE  
CHAIRMAN DECLARED THE MEETING CLOSED AT 2.50 PM**

**CHAIRMAN:** \_\_\_\_\_

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

# **MACKENZIE DISTRICT COUNCIL**

## **MINUTES OF A MEETING OF THE PROJECTS AND STRATEGIES COMMITTEE HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY 12 APRIL 2011 AT 2.55 PM**

### **PRESENT:**

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

### **IN ATTENDANCE:**

Glen Innes (Chief Executive Officer)  
Bernie Haar (Asset Manager)  
Frank Ledingham (Manage – Roading) for part of the meeting  
John O'Connor (Utilities Engineer) for part of the meeting  
Rosemary Moran (Committee Clerk)

### **I APOLOGY:**

There were no apologies.

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

There were no Declarations of Interest.

### **III MINUTES:**

Resolved that the Minutes of the meeting of the Projects and Strategies Committee held on 1 March 2010, including such parts as were taken with the Public Excluded be confirmed and adopted as the correct record of the meeting.

**Graham Smith/Annette Money**

Resolved that the Minutes of the meeting of the Solid Waste Subcommittee held on 29 March 2010, including such parts as were taken with the Public Excluded be received

**Claire Barlow /John Bishop**

### **IV REPORTS:**

#### **1. ASSET MANAGER'S MONTHLY REPORT:**

This report from the Asset Manager referred to Clayton Road Seal Widening, Twizel Water Supply, Fairlie Water Supply Trunk Main Replacement, Project Progress, Roading, Essential Services and Solid Waste.

Resolved that the report be received.

**Claire Barlow/Graham Smith**

**Twizel Water Supply:**

Power:

The Utilities Engineer referred to increased energy costs and on-going efforts to obtain a competitive quotation from energy suppliers.

Temporary Disinfection:

Cr Bishop noted that the Community Board wished to consult with the public regarding the temporary disinfection of the Twizel Water Supply and he undertook to liaise with the Community Board Chairman.

Resolved that the temporary disinfection of the Twizel Water Supply be highlighted as an issue of interest in the draft Annual Plan for 2011/2012.

**Annette Money/Claire Barlow**

The meeting was adjourned at 3.25 pm and reconvened at 3.30 pm.

Resolved:

1. That the awarding of the Seal Widening Contract 199 to Sicon Ltd for a price of \$103,045.00 be confirmed.
2. That the awarding of the Contract 1195 to Fulton Hogan Ltd for the replacement of the Lake Alexandrina Bridge for a price of \$53,690.80 be confirmed.

**Evan Williams/Graham Smith**

2. BRIDGE REPLACEMENT PROGRAMME:

This report from the Asset Manager provided an opportunity for the Committee to review the Bridge Replacement Strategy and determine if the various structures should be replaced, removed or handed back to the benefitting landowners.

Resolved that the report be received.

**Evan Williams/Claire Barlow**

Resolved that:

1. Bridge No 1 Otama Stream be replaced.
2. Bridge No 7 Long Gully Bridge be replaced
3. Bridge No 9 Fraser Road #2 Bridge be replaced.
4. Bridge No 13 Coal Pit #2 Bridge be replaced.
5. Bridge No 19 Pioneer Park Bridge be replaced.
6. Bridge No 26 Goodmans Road not be replaced when it can no longer be maintained in a safe condition for light vehicles.
7. Bridge No 28 Oldfields Road Bridge be replaced.
8. The Council negotiate the handing back of Bridge No 3 Morris Road Bridge to the landowner on whose land it is placed.
9. Bridge No 41 Clayton Settlement Road Bridge be replaced when required.
10. Bridge No 58 Single Hill Bridge be replaced.
11. Bridge No 70 the Grampians Bridge not be replaced.

12. Bridge No 73 Stoney River Bridge be removed as soon as possible and not replaced – subject to consultation.
13. Bridge No 79 Lake Alexandrina Bridge be replaced.
14. Bridge No 78 Black Birch Stream Bridge be replaced.
15. Bridge No 89 Mowbray Stream Bridge be replaced when eventually required.
16. Bridge No 92 Stoney River Bridge be removed as soon as possible and not replaced.
17. Bridge No 93 Fox Peak Road be replaced.

**Evan Williams/Graham Smith**

The Chairman and the Asset Manager undertook to consult with the owners of the Morris Road Bridge.

Resolved that Bridge No 78 Cass River Bridge be replaced, subject to a substantial contribution from the landowner to the funding of the local share of the cost of replacement.

**Claire Barlow Annette Money**

Resolved that investigations be made into the legal implications of closing the top end of the Godley Road before the Cass River Bridge.

**Graeme Page/Evan Williams**

3. TWIZEL WATER SUPPLY:

This report from the Asset Manager was accompanied by the report from Opus Consultants Ltd *Twizel Water Supply - Options Update* dated February 2011.

Resolved that the report be received.

**Graham Smith/John Bishop**

Resolved that preliminary investigations be undertaken to confirm the viability of proposed new sources for the water supply for Twizel.

**John Bishop /Graham Smith**

**V GENERAL BUSINESS:**

1. CAPITAL WORKS PROGRAMME:

The Chairman referred to the desirability of completing the capital works programme in an appropriate annual time frame.

The Chief Executive Officer suggested it would be helpful to set clear, realistic milestones for capital works projects.

2. POLICY ON BANKING, DEPRECIATION AND PAYMENT OF LOANS:

The Chairman referred to the potential for unwelcome pressure on Council's financial reserves given the large capital works projects which were on the pipeline.

The Manager – Finance and Administration said one of the driving forces behind the legislation for the Long Term Planning process was to ensure that councils remained sustainable. To that end the Council would have the opportunity to adopt



a long term financial strategy which would consider the impact of the decisions made on capital expenditure projects undertaken, five, ten, twenty years out; the Council would need to paint a picture of how it would remain sustainable in the long term. This would require a raft of policy changes which would enable the intergenerational impact of decisions to be identified and considered.

He said it would no longer be appropriate to consider projects in isolation – they would have to be measured in terms of their impact not only on the relevant local community but also on the District as a whole.

The Mayor noted that the Long Term Plan process would require a large commitment from Councillors in terms of the time needed to develop the necessary policies and strategies. She suggested that it could be appropriate for that to happen outside of the normal committee and council meetings schedule. She acknowledged that long term plans needed to be able to adapt to changing circumstances, but noted that the Council was required in its planning to be thinking of the intergenerational impacts of its decisions.

The Manager – Finance and Administration said that changes to the Local Government Act required that the Council set a limit on its rates rises and borrowings and the Council would be compared against those standards in the three-yearly Pre-Election report. He advised that The Society of Local Government Managers had developed a Best Practice Guide which Audit NZ had adopted as a benchmark; therefore the days were gone when councils could merely change the dates in their plans and move projects forward.

### 3. REVIEW OF COUNCIL COST CENTRE CHARGES:

In response to the Chairman's desire for a review, the Chief Executive Officer advise that it could be beneficial to group all overheads in a separate cost centre which would focus attention more finely.

### 4. ESTABLISHMENT OF A ROADING SUBCOMMITTEE:

The Chairman asked for the Committee's opinion on his proposal that a roading subcommittee be established which he considered would relieve some of the burden on the Projects and Strategies Committee.

The Chief Executive Officer suggested that given the low level of discretionary funding in the roading budgets it was reasonable to assume that activity in roading would be related mainly to maintenance, apart from the minor improvements.

Cr Williams noted that much of the work in roading was done on the basis of it being reactive rather than proactive.

The Asset Manager was of the opinion that there would be little to be gained by removing a chunk of the Committee's business to another forum which would add a further set of meetings, reports etc. He suggested that if there was a problem with the status quo in about six months, then that problem could be addressed at that time.

**VI PUBLIC EXCLUDED:**

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

1. Waimate/Mackenzie Shared Service Meeting

<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>
Waimate/Mackenzie - Shared Services Meeting	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:

*Waimate/Mackenzie Shared Services Meeting* Section 7(2)(b)(ii)

**Graham Smith/Claire Barlow**

**THERE BEING NO FURTHER BUSINESS  
THE CHAIRMAN DECLARED THE MEETING CLOSED AT 5.35 PM**

\_\_\_\_\_  
**CHAIRMAN**

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

# **MACKENZIE DISTRICT COUNCIL**

## **MINUTES OF A MEETING OF THE PLANNING COMMITTEE HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY 12 APRIL 2011 AT 10.30 AM**

### **PRESENT:**

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

### **IN ATTENDANCE:**

Glen Innes (Chief Executive Officer)  
 Nathan Hole (Manager – Planning and Regulations)  
 Rosemary Moran (Committee Clerk)

### **V VISITORS:**

The Chairman welcomed South Canterbury Rural Fire Officer Rob Hands to the meeting.

Mr Hands gave a brief overview of the function of the South Canterbury Rural Fire Committee and the Council's role. He noted that ownership and responsibility for the plant and equipment used in the District remained with the Council.

He explained that the rural fire tankers used solely to control rural fires outside the urban areas of Fairlie, Tekapo and Twizel were stored in the local urban volunteer fire brigade facilities.

Mr Hands referred to the Rural Fire Committee's replacement strategy and guidelines. He noted in particular his anxiety about the Tekapo situation in that it was remote from supporting resources and the current tanker held only 1,800 litres. The capacity of a new tanker would be 6,000 litres. He said the Defence Department played no part in rural fire control apart from a Memorandum of Understanding that it would help if it could.

He explained the specifications for the replacement tanker and his on-going negotiations with the National Rural Fire Authority for such appliances to be eligible for subsidy funding because although they were stored within urban areas (which was at odds with the subsidy funding policy), the predetermined response did not provide for them to attend fires within urban areas. He said if the Council approved funding for the replacement Tekapo appliance, he would be applying to the Authority for subsidy funding.

In response to a query from Cr Page, Mr Hands explained that the replacement schedule in Council's Long Term Plan complied with the SCRFC's replacement strategy and guidelines. It was noted that after 2017, no major capital expenditure was anticipated for plant and equipment.

The Chairman thanked Mr Hands who left the meeting at 11.35 am.

The meeting was adjourned at 11.35 am and reconvened at 5.40 pm.

# **I APOLOGIES:**

There were no apologies.

## **II DECLARATIONS OF INTEREST:**

There were no declarations of interest.

### **III MINUTES:**

The Minutes of the meeting of the Planning Committee held on 1 March 2011 were confirmed and adopted as the correct record of the meeting.

**Graeme Page/Graeme Smith**

#### **IV REPORTS:**

##### **1. SOUTH CANTERBURY RURAL FIRE COMMITTEE STATEMENT OF INTENT:**

This report from the Manager – Planning and Regulations was accompanied by the draft 2011/2012 Statement of Intent for the South Canterbury Rural Fire Committee.

Resolved:

1. That the report be received.
2. That the Draft South Canterbury Rural Fire Committee Statement of Intent for 2011/2012 be adopted.

**Claire Barlow/Peter Maxwell**

##### **2. DOG CONTROL FEES AND LEVEL OF SERVICE:**

This report from the Manager – Planning and Regulations recommended dog control fees for 2011/12 and discussed property visits using existing staff.

Resolved that the report be received.

**Peter Maxwell /Claire Barlow**

Resolved:

1. That the following dog fees for 2011/2012 be adopted:
  - Working dogs \$13.50
  - Domestic dogs \$61.50
  - Selected owners \$36.50
2. That the increased level of service of undertaking some property visits using existing staff capacity be accepted.

**Graeme Page/Graham Smith**

3. ENVIRONMENT COURT APPEAL – ALLAN TIBBY SUBDIVISION CONSENT, PUKAKI DOWNS:

This report was accompanied by a copy of the appeal and sought approval to mediate the appeal on behalf of the Council.

Resolved:

1. That the report be received.
2. That authority be delegated to the Manager – Planning and Regulations to mediate on behalf of the Council, the appeal of a subdivision consent by Allan Tibby, Pukaki Downs.

**Peter Maxwell/Annette Money**

4. MACKENZIE PROPERTIES RIGHT-OF-WAY LEASE:

This report from the Manager – Planning and Regulations was accompanied by the lease document for a limited term lease for access across Council owned REC-P land.

Resolved:

1. That the report be received.
2. That the Committee agrees to the use of the land for a two way access rather than single lane entry only as previously resolved on 14 December 2010.

**Graham Smith/Annette Money**

Resolved that the lease, with an amendment that the annual charge be reduced to \$450.00 plus GST, be forwarded to Mackenzie Properties Ltd for signing.

**Graeme Page/Evan Williams**

5. PLANNING AND REGULATORY 2011/12 FEES AND CHARGES:

This report from the Manager – Planning and Regulations sought to amend the Planning and Regulatory fees and charges for 2011 /2012.

Resolved:

1. That the report be received.
2. That the Planning and Regulatory fees attached to this record, be adopted for 2011/12.

**Graeme Smith/Annette Money**

**RURAL FIRE APPLIANCE FOR LAKE TEKAPO:**

The Manager – Finance and Administration referred to the presentation by South Canterbury Rural Fire Officer Rob Hands and in particular the replacement of the Lake Tekapo Rural Fire Tanker. He said the \$85,000 provision for the item remained in the draft budgets for 2011/2012.

Resolved that the budget of \$85,000 for the Lake Tekapo Rural Fire Tanker be confirmed.

**Peter Maxwell/Claire Barlow**

**THERE BEING NO FURTHER BUSINESS THE  
CHAIRMAN DECLARED THE MEETING CLOSED AT 6.10 PM**

**CHAIRMAN:** \_\_\_\_\_

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

### RESOURCE MANAGEMENT FEES AND CHARGES

The following fees and charges shall apply to all Resource Management applications for the period 1 July 2011 to 30 June 2012. It is Council policy to recover all fair and reasonable costs associated with processing of applications for resource consents, administration supervision and monitoring of resource consents in accordance with Section 36 of the Resource Management Act 1991.

Project	2011/12 Incl GST \$
Land information memorandum (LIM) per rating unit.	\$195 for 10 day and \$280 for 2 day turnaround
<b>Certificate of Title Search</b>	\$25
<b>Subdivision</b>	
Subdivision consent – less than 5 additional lots	\$615 (deposit)
Subdivision consent – more than 5 additional lots	\$1,230 (deposit)
S223 (individual application)	\$260 (deposit)
S223 & S224 combined application or individual S224	\$410 (deposit)
S226	\$360 (deposit)
Lapsing period extension	\$310 (deposit)
<b>Land Use</b>	
Alteration to heritage building	No charge
Controlled activity	\$410 (deposit)
Restricted Discretionary activity	\$410 (deposit)
Discretionary activity	\$615 (deposit)
Non complying activity	\$820 (deposit)
<b>Fees Applying to all Planning Applications</b>	
Administration (this is included in the deposit fee for each activity)	\$155
Public notification (where required)	\$2,045 (deposit)
Limited notification (where required)	\$1,025 (deposit)
<b>Plan Changes</b>	
District Plan change	\$5,115 (deposit)
<b>Other Applications</b>	
Designation	\$3,070 (deposit)
Outline plan approval	\$515 (deposit)
Outline plan waiver	\$205 (deposit)
Certificate of compliance	\$360 (deposit)
Certificate of existing use	\$360 (deposit)
Change or cancellation of conditions	\$515 (deposit)
Section 348 LGA 1974 – ROW's	\$410 (deposit)

Surrender of resource consent	\$250 (deposit)
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	2011/12 Incl GST \$										
<b>Other</b>											
Cost recovery	The application fees scheduled here are only deposit fees. If costs are incurred over and above the deposit fee the Council will recover all actual and reasonable charges. This includes mileage charged at a rate of \$0.72/km and staff time charged out at the scheduled rates below.										
Monitoring	Council policy is to recover all fair and reasonable costs associated with compliance checks on consent conditions in accordance with Section 36 of the RMA.										
Issuing an Abatement Notice	\$310										
Noise Monitoring & Noise Complaints	Council policy is to recover all fair and reasonable costs associated with compliance checks on consent conditions in accordance with Section 36 of the RMA. Responding to noise complaints is charged at \$95 per call out (based on 1 hour minimum charge, if response time exceeds 1 hour added costs will be incurred.										
Staff Charge out rates	<table> <tr> <td>Planning staff</td><td>\$86.90/hr</td></tr> <tr> <td>Senior Planning staff</td><td>\$97.10/hr</td></tr> <tr> <td>Planning Manager</td><td>\$132.90/hr</td></tr> <tr> <td>Engineering Officer</td><td>\$86.90/hr</td></tr> <tr> <td>Engineering Manager</td><td>\$132.90/hr</td></tr> </table>	Planning staff	\$86.90/hr	Senior Planning staff	\$97.10/hr	Planning Manager	\$132.90/hr	Engineering Officer	\$86.90/hr	Engineering Manager	\$132.90/hr
Planning staff	\$86.90/hr										
Senior Planning staff	\$97.10/hr										
Planning Manager	\$132.90/hr										
Engineering Officer	\$86.90/hr										
Engineering Manager	\$132.90/hr										
Council Hearings panel	Chair \$86.90 per hearing hour and member \$69.50 per hearing hour (set by Remuneration Authority)										
Independent Commissioners	\$1230/day (not more than)										
Consultants	<table> <tr> <td>Planning Consultant</td><td>\$155/hr (not more than)</td></tr> <tr> <td>Engineering Consultant</td><td>\$205/hr (not more than)</td></tr> <tr> <td>Legal Advice</td><td>\$355/hr (not more than)</td></tr> </table>	Planning Consultant	\$155/hr (not more than)	Engineering Consultant	\$205/hr (not more than)	Legal Advice	\$355/hr (not more than)				
Planning Consultant	\$155/hr (not more than)										
Engineering Consultant	\$205/hr (not more than)										
Legal Advice	\$355/hr (not more than)										

### ENVIRONMENTAL HEALTH FEES AND CHARGES

The following fees and charges shall apply to all Environmental Health applications for the Period 1 July 2011 to 30 June 2012. It is Council policy to recover all fair and reasonable costs associated with processing of applications, administration, supervision and monitoring of Environmental Health services in accordance with Section 7 of the Health (Registration of Premises) Regulations 1966.

	2011/12 Incl GST \$
ITEM	COST
Food Premises	\$205.00
Camping Ground Registration	\$155.00
Hairdressers	\$95.00
Mobile Shop (food premise)	\$205.00
Mobile Shop (set by legislation)	\$115.00
Offensive Trade	\$155.00
Transfer Fee	\$75.00
Re-Inspection Fee	At cost plus mileage

### DOG CONTROL FEES FOR 2010/11

Registration fee is GST inclusive

Neutered Domestic Dog	\$36.50	Each dog
Domestic Dog	\$61.50	Each dog
Working Dog	\$13.50	Each dog
Menacing	\$80.00	Each dog

Example of registration fees

	One Dog	Two Dogs	Three Dogs	Four Dogs	Five Dogs	Six Dogs	Seven Dogs
<b>Domestic Dog</b>	\$61.50	\$123.00					
<b>Working Dog</b>	\$13.50	\$27.00	\$40.50	\$54.00	\$67.50	\$81.00	\$94.50

Domestic dogs will be classified as those dogs which **do not** meet the definition of a working dog contained within the Dog Control Act 1996.

A **Penalty Fee for not registering a dog** will be imposed after 1 August 2011 of 50% of the appropriate fee.

For clarity, those owners that the Council's Selected Owner Policy applies, the fees are:

Neutered domestic dog	\$36.50
Domestic dog	\$36.50
Working dog	\$13.50
Menacing dog	\$80.00

**Replacement dog tags** **FREE**

### IMPOUNDING FEES

First impound	\$80.00
Additional impound of same dog	\$130.00
Daily pound fee	\$15.00

Note: the first and additional impoundment fees relate to the period 1 July 2011 to 30 June 2012.

### Call Out Fees

A call out fee of \$55 will apply and be charged to the owner of a dog that has been identified wandering or causing a minor nuisance. This fee may be imposed over and above any infringement fine that Council may issue.

All known owners will be forwarded an account for registration of their dog(s) during June 2011. All dogs of three months or more must be registered by the due date of **31 July 2011**.

Payment of registration fees can be made in instalments up to 31 July 2011. Registration fees can be made at the Fairlie and Twizel Council offices.

### Stock Control

Call out for wandering stock	\$55.00
Call out for wandering stock – second offence (within any 12 month period)	\$105.00
Call out for wandering stock – third offence (within any 12 month period)	\$205.00



**BUILDING CONSENT FEES**

The following fees and charges shall apply to all Building Consent applications for the Period 1 July 2011 to 30 June 2012. It is Council policy to recover all fair and reasonable costs associated with processing of applications, administration, supervision and monitoring of building consents in accordance with Section 219 of the Building Act 2004.

Fees are GST inclusive.

<b>BUILDING CONSENTS</b>	<b>2011/2012 Incl GST \$</b>
LODGEMENT AND ADMINISTRATION (includes building consent application, record maintenance)	\$260.00
TECHNICAL PROCESSING (under the building code and MDC alternative solutions technical manuals and planning check under the District Plan)	Building Officer \$95/hr Senior Building Officer \$120/hr Building Manager \$130/hr
INSPECTIONS (New dwelling will receive a minimum of 9 inspections, however further inspections may be required due to the complexity of the work involved)	\$155/inspection for minor projects. Major projects at scheduled staff rates and mileage at \$0.72/km.
AMENDED PLANS	At scheduled staff rates
AMENDED BUILDING CONSENT	At scheduled staff rates
SOLID FUEL FIRE (includes PIM)	\$220.00 (total fee including admin, PIM and CCC)
NZ FIRE SERVICE SECTION 46 NOTICE	At scheduled staff rates
DEMOLITION	\$105.00
CODE OF COMPLIANCE	\$80.00
WAIVERS AND MODIFICATIONS	At scheduled staff rates
<b>OTHER CHARGES</b>	
PIM- MINOR WORK (includes glasshouses, pergolas, garden sheds. small additions and garages)	\$80.00
PIM- MAJOR WORK (Dwellings, alternations/additions, commercial work, industrial work)	\$310.00
EXTRA INSPECTION (non-compliance with building requirements, including inspection for Notice to Rectify)	\$155.00 plus travel expenses
NOTICE TO FIX-base charge	At scheduled staff rates

(further costs may be incurred depending time taken to process the Notice to Fix)	
STATISTICAL RETURNS	\$125/year
FENCING OF SWIMMING POOL EXEMPTION	At scheduled staff rates.
CERTIFICATE UNDER SALE OF LIQUOR ACT (includes inspection)	\$80.00
CHANGE OF USE/EXTENSION OF LIFE	At scheduled staff rates
WAIVERS AND MODIFICATIONS	At scheduled staff rates.
SECTION 73 CERTIFICATE (building on land subject to natural hazard)	\$155.00 deposit plus scheduled staff rates.
SECTION 77 CERTIFICATE (build on 2 or more allotments)	\$155.00 deposit plus scheduled staff rates.
MARQUEES	\$105.00
WARRANT OF FITNESS (at time of application for building consent)	\$205.00
WARRANT OF FITNESS (Audit of annual warrant of fitness)	\$55.00 admin plus inspection based on scheduled staff rates
CERTIFICATE OF ACCEPTANCE:	\$255 deposit plus scheduled staff rates.
COMPLIANCE SCHEDULES	
Annual Schedule	\$55.00
New Compliance Schedule	\$180.00

**BUILDING CONSENT FEES CONT...****Other Fees and Levies**

A building research levy of \$1.02 for each \$1,000 (or part thereof) and a Ministry of Housing & Building levy of \$2.01 per \$1,000 (or part thereof) of the total value of all buildings of \$20,000 or more must be added to the consent fees scheduled on the previous page.

A building research levy of \$1.02 and a Ministry of Housing and Building levy of \$2.01 for each \$1000 or part thereof of the total value of all buildings of \$20,000 or more must be added to the above consent fee.

A Building Consent Accreditation fee of \$1.02 per \$1,000 (or part thereof) of work over the amount of \$20,000 must be added to the consent fees scheduled on the previous page.

**General**

Due to the nature and complexity of some applications (eg multi-complex units and multi storey commercial developments) a dedicated job cost centre for the project will be developed and all actual and reasonable charges will be levied to the applicant. This includes mileage charged at a rate of 72 cents/km and staff time charged out in the schedule of fees.

Council may not accept any application for Certificate of Acceptance for any major work as defined in this schedule.

Cancelled Work- Refunds may be approved on fees for the above work and subject to Council retaining actual and reasonable costs.

**Important Note**

All building consents received by the Council will be receipted. An assessment for processing the application, including the number of inspections required to be carried out to ensure compliance with the Act and Building Code will be made at that stage. A schedule of charges will be made and an invoice generated. The building consent will not be issued until the schedule of charges have been paid to the Council.

**SALE OF LIQUOR AND GAMING MACHINE LICENSING CHARGES**

	<b>2011/12 Incl GST \$</b>
<b>ON/OFF LICENCE AND CLUB LICENCE</b>	
Renewal of licence	\$793.20
Variation of licence	\$793.20
Cancellation of licence	\$793.20
Renewal and variation to licence	\$793.20
Temporary on authority	\$134.90
Temporary off authority	\$134.90
Wine licence	\$102.20
<b>ENDORSED BYO (S.28)</b>	
New licence	\$134.90
Renewal of licence	\$134.90
Variation or cancellation of licence	\$134.90
<b>MANAGERS CERTIFICATE</b>	
New certificate	\$134.90
Renewal of certificate	\$134.90
<b>OTHER</b>	
Special licence	\$64.40
APPLICATION FEE, certificate required under the sale of Liquor act with respect to Resource Management Act and Building Act	\$81.80
NEW GAMING VENUE LICENCE	\$204.40

**MACKENZIE DISTRICT COUNCIL****MINUTES OF A MEETING OF THE  
MACKENZIE DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, FAIRLIE,  
ON TUESDAY 8 MARCH 2011 AT 9.30 AM****PRESENT:**

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

**IN ATTENDANCE:**

Glen Innes (Chief Executive Officer)  
Nathan Hole (Manager – Planning and Regulations)  
Toni Morrison (Senior Planner)  
Rosemary Moran (Committee Clerk)

**I      OPENING:**

The Mayor welcomed everyone to the meeting.

**II      APOLOGIES:**

There were no apologies.

**III     DECLARATIONS OF INTEREST:**

There were no declarations of interest.

**IV      BEREAVEMENTS:**

The Mayor referred to the recent deaths of Murray Cardno, Rae Standage, Peter Bird, Allan Tiffen, John Kirkwood, Sylvia Morley and Alexandra Densem. A motion of sympathy was passed and the Chief Executive Officer was directed to pass this on to those concerned.

**V       MAYORAL REPORT:**

This was the report of Mayoral activities for the previous six weeks.

Resolved that the report be received.

**Graeme Smith/Evan Williams**

The Mayor noted that the consultation meeting with the South Canterbury District Health Board scheduled for 7 March 2011 had been cancelled.

## **VI REPORTS REQUIRING COUNCIL DECISIONS:**

### **1. MACKENZIE SUSTAINABLE FUTURES TRUST AND WORKING PARTY:**

This report from the Senior Planner provided a summary of issues and options in respect of the government's proposal to set up the Mackenzie Sustainable Futures Trust and the Upper Waitaki Shared Vision Working Party which would be charged with producing a high level spatial plan for the Mackenzie and Waitaki Basins.

Resolved that the report be received.

**Graham Smith/Graeme Page**

The Senior Planner spoke to her report and then addressed issues raised by Councillors including the appointment of a chairman for the Working Group, the short time-frame involved in the whole process and the implications of a potentially negative first report to the Minister in July 2011.

The Mayor welcomed Mackenzie Basin farmers Andrew Simpson and Martin Murray to the meeting and invited them to share their thoughts on the proposal.

Andrew Simpson said it was important to the farming community in the Mackenzie Basin that considerable thought be given to the proposal. He said if the Council wanted farmers' support to proceed it should insist on a number of conditions, including that the Working Group had a clear scope and terms of reference and that an independent, local chairperson be appointed, or if not a local, someone who had a clear understanding of the local community. He suggested that all parties should agree in principle not to submit to future processes which were part of the spatial plan. He also proposed that Council should insist that existing land uses, resource consents and current tenure review processes remained outside the scope of the Group's considerations.

Mr Simpson warned that even though the collaborative governance process might be based on the best of intentions, a change in the treasury benches could see a new political agenda and different ideals.

Martin Murray referred to his involvement in the District Plan, Plan Change 13 and tenure review processes and the considerable amount of money he had expended on an application for resource consent to irrigate. He was not in favour the Working Group being involved in any of those processes because that would mean he was being dictated to by non-locals. He said he was 60/40 against the collaborative governance proposal.

Annette Money considered it would be a positive if the influence of powerful national organisations such as Forest and Bird and the Department of Conservation could be tempered as a result of the proposed process.

Evan Williams noted that a review of the Resource Management Act 1991 had been one of the National Government's election platforms. He suggested that it would be better for the Council to be involved in the collaborative governance process so it could remain informed.

Graeme Page said that while he was not totally opposed to the process, it was difficult to buy in when so many questions remained unanswered, eg what were the Group's terms of reference?

The Mayor suggested that the terms of reference would be one of the first things the Working Group would need to establish, given that it was the Minister's intention that the Group drive the process, not the government. She questioned the alternatives Council would have if it decided not to be involved and noted the potential for positive outcomes and gains in avoiding the expense of future litigation.

Peter Maxwell asked if it might be possible to agree to be part of the process but not commit ratepayers' funds until the Minister's July 2011 review had been completed.

In response to a question from Cr Money, Mr Simpson said there could well be positive gains from the process. He was 60/40 in favour of it because if it went well, it could work in the farmers' favour. He suggested gains could include Council agreeing to 'rubber stamp' consents for land uses in areas which had been identified as appropriate in the spatial plan.

The Manager – Planning and Regulations said if the Council were to adopt recommendations in the spatial plan and make changes to the District Plan accordingly, resource consent processes could be simplified, and there could be an opportunity for assessment matters to be limited to those recommended by the Working Group.

He said any recommendations in a spatial plan would have to be within the scope of National and Regional Policy Statements. If the Resource Management Act 1991 was to be amended to preclude the right of the parties involved in the collaborative governance process to appeal, that could be a huge incentive to the Council to adopt the recommendations. He noted that the Council would always retain the right to decline to adopt them.

Cr Smith was of the view that the Council should participate in the process, but with conditions. He suggested that if it worked it could well prove to be a cheap investment for the Council.

Cr Bishop said he had yet to find someone who agreed with the total process, although some people could see merit in parts of it. He said he was 'sitting on the fence'.

Mr Murray suggested that the appointment of the chairperson was a major issue and the Council should dictate that the chairperson should be a local.

The Mayor pointed out there could be risks involved in such a stance in terms of the availability of an experienced local chairperson and the risks for chairperson who lived in the area. She said it was the role of the Trust and the Working Party to decide on a chairperson; the decision was neither the Minister's nor facilitator Guy Salmon's.

Mr Simpson considered the Council would be well within its rights to insist on conditions including that the chairperson be appointed locally. This could provide an opportunity to veto an appointment and withdraw from the process. In response to a comment from the Senior Planner that the Waitaki District would be entitled to similar rights, Mr Simpson considered that the process would affect the Mackenzie Basin more than the Waitaki Basin.

Cr Smith was of the view that Mackenzie's and Waitaki's interests were quite different.

The Mayor said MP Jacqui Dean had indicated that the proposed spatial plan would cover both the Waitaki and Mackenzie areas. She did not know if there could be two separate working groups and two spatial plans.

**Resolved:**

1. That the Council supports the appointment of the Mayor as a trustee of the Sustainable Futures Trust.
2. That Council provides \$5,000.00 towards funding the Group;
3. That the support of the Council in terms of (1) and (2) above is dependent on the following matters being achieved:
  - That Council is provided with representation on the Working Group and appoints a person to represent it on the Group;
  - That the Council is satisfied with the terms of reference and the scope of the matters to be considered by the Working Party, once developed; and
  - That the Council is satisfied with the chairperson appointed by the Trust.
  - That assurance is received from the Ministry for the Environment that existing resource consent and tenure review processes will not be impacted upon by the process being embarked upon.

**Graham Smith/Evan Williams**

**XV ADJOURNMENT:**

The meeting was adjourned at 10.55 am for morning tea and reconvened at 11.10 am.

**VI REPORTS REQUIRING COUNCIL DECISIONS (Continued):**

**4. PUKAKI AIRPORT BOARD STATEMENT OF INTENT:**

The Mayor welcomed Pukaki Airport Board members Bruce Anderson, Rick Ramsay and John Bishop.

Mr Anderson offered an apology from the Board Chairman Derek Kirke and presented Mr Kirke's Annual Report dated 7 March 2011. The report gave an overview of the Board's activities and referred in particular to Stages 1 to 4, Sewerage, Fuel Facility, Subdivision Sales, Crosswind Runway, Finance, Hangar, Website and The Future.

Cr Smith congratulated the Board on its new website observing that it was a big help to aviators.

He noted that the Board was requesting approval to spend an additional \$70,000 on the construction of a hangar at the airfield.

In response to a question regarding the opportunity for a return on capital from the investment in the hangar, Rick Ramsay said that it was not about getting a return; the intention was to encourage other developers. There was also the belief that another commercial operator could be attracted to the airfield by providing a hangar with facilities including an office and toilets. He noted the Board had not thought that a

house/hangar scenario would be justified. He said the development would be of good quality and the Board had tried to strike a balance between what was desirable and what would be functional and attract someone to the airport. Two prices had been obtained and the indication was that the hangar would cost \$270,000. He reiterated that there had never been an intention to gain a return on the investment.

Mr Anderson said the construction of the crosswind runway was running to schedule.

In response to a question from Cr Money, Mr Ramsay said the new building would be constructed of colour steel in accordance with the airport zone colour palette and the District Plan rules. There would be sealed access from the roadway into the hangar.

**Resolved:**

1. That the authority given to the Pukaki Airport Board to construct a hangar at the Pukaki Airfield be confirmed.
2. That \$270,000 be expended on the hangar.

**Graham Smith/Evan Williams**

Mr Anderson thanked the Council for their support.

It was noted that the Pukaki Airport Board's Draft Statement of Intent for the three years ended 30 June 2014 had been circulated to Councillors. The Manager – Finance and Administration advised that it would be the subject of discussion between him and the Board Chairman before being submitted for adoption by the Council.

**Resolved** that the Pukaki Airport Board's Draft Statement of Intent for the three years ended 30 June 2014 be received for later consideration and feedback by the Council.

**Annette Money/Peter Maxwell**

2. **MACKENZIE FORESTRY BOARD – DRAFT STATEMENT OF INTENT:**

This was the Mackenzie Forestry Board's draft Statement of Intent for the three years ended 30 June 2014.

**Resolved** that Mackenzie Forestry Board's Draft Statement of Intent for the three years ended 30 June 2014 be received for later consideration and feedback by the Council.

**Evan Williams/Graham Smith**

3. **MACKENZIE TOURISM AND DEVELOPMENT TRUST – DRAFT STATEMENT OF INTENT:**

This was the Mackenzie Tourism and Development Trust's draft Statement of Intent for the year ending ended 30 June 2012.



Resolved that Mackenzie Tourism and Development Trust's draft Statement of Intent for the year ending ended 30 June 2012 be received for later consideration and feedback by the Council.

**Evan Williams/Graham Smith**

5. TENDERS – LAKE ALEXANDRINA BRIDGE REPLACEMENT, CLAYTON ROAD SEAL WIDENING AND TWIZEL OXIDATION PONDS:

This report from the Asset Manager referred to the tender processes and sought confirmation of delegations in order to accept tenders as soon as possible to allow the projects to proceed.

Resolved:

1. That the report be received.
2. That the Mayor and Cr Page be delegated authority to consider the tenders for the Lake Alexandrina bridge replacement and accept a tender.
3. That the Mayor and Crs Page and Williams be delegated authority to consider the tenders for the Clayton Road seal widening and accept a tender.
4. That the Mayor and Crs Page and Bishop be delegated authority to consider the tenders for the Twizel Oxidation Ponds Project and accept a tender.

**Graeme Page/Graham Smith**

**VII INFORMATION REPORTS:**

1. COMMON SEAL

This report from the Committee Clerk advised of documents signed under the Common Seal from 21 January 2011 to 4 March 2011.

Resolved:

1. That the report be received.
2. That the affixing of the Common Seal to document numbers 699 to 701 be endorsed.

**Graham Smith/Evan Williams**

2 CHIEF EXECUTIVE OFFICER'S REPORT:

This report from the Chief Executive Officer referred to the Meetings he had attended, and Other Activities, Shared Services, Canterbury Earthquake, Sustainable Futures Trust, Budget/Annual Planning Round, Alps to Ocean Cycleway, Society of Local Government Mangers - Marlborough Retreat and Staffing.

Resolved that the report be received.

**Evan Williams/Graham Smith**

### 3. MINUTES – DOWNLANDS WATER SUPPLY MEETING 6 DECEMBER 2010:

Cr Smith explained the structure and functions of the Downlands Water Supply Joint Standing Committee.

Resolved that the Minutes of the meeting of the Downlands Water Supply Joint Standing Committee, held on 6 December 2011 and including such parts as were taken with the Public Excluded be received.

**Graham Smith/Evan Williams**

## **VIII COMMUNITY BOARD RECOMMENDATIONS:**

This report from the Chief Executive Officer was accompanied by the minutes of the meetings of the Twizel Community Board and the Tekapo Community Board held on 14 February 2011 and the Fairlie Community Board held on 16 February 2011.

Resolved:

1. That the report be received.

### TWIZEL COMMUNITY BOARD

#### 2. **Security**

That the Council notes the Twizel Community Board's request that costings for Trail cameras are to be made available for consideration at the Board's budget meeting.

#### 3. **Increasing Rabbit Levels – Letter from Environment Canterbury:**

That the Council notes that following appropriate advertising and obtaining of permission from the Police, a night shoot of rabbits is to be undertaken by licenced shooters and that the ammunition is to be funded from the Greenways budgets.

#### 4. **Entrance to Twizel Radio Station and Rubbish Collections over Holiday Period**

- That Council notes that in an effort to address the problem of the rubbish and mess at the entrance to the Twizel Radio Station and District Nurses' room surveillance of the area will be undertaken and those responsible for making the mess are to be persuaded to desist.
- That the Council notes that Twizel Development and Promotion Association Inc are to be advised of the action being taken to address the problem of the rubbish and mess at the entrance to the Twizel Radio Station and District Nurses' room and that a new Solid Waste Strategy would be in place by next Christmas so the perceived issues should not recur.

#### 5. **Bike Stands in Market Square**

That the Council notes that Judy Norman is to be advised that the Community Board agrees that there is a lack of bike stands in Market Square and that it intends to rationalise the existing bike stands in the Township to best advantage.

#### 6. **Appointments to Other Committees:**

That the Council notes that Elaine Curin has been appointed as the Twizel Community Board's representative on the Twizel Community Care Trust and that the Trust is to be advised of the appointment.

## TEKAPO COMMUNITY BOARD

### **7. Lake Tekapo Township Projects:**

That the Council notes that the Tekapo Community Board is to proceed to gravel and light the new Lakeside Drive walkway and make the lighting connection through to Alpine Springs and that concrete pads are to be installed under the seats on the walkway along the Lake frontage.

### **8. Increasing Rabbit Levels – Letter from Environment Canterbury:**

That the Council notes that consideration is to be given to making provision in the 2011/2012 Community Board's budgets for rabbit control in the Township.

### **9 Alexandra Terrace Seal Extension**

That the Council notes that the sealing of Alexandra Terrace is to be completed in the current year and that the project is to be funded from the Township Projects budget and/or Reserve funds.

### **10 Appointments to Other Committees:**

That the Council notes the following appointments of Board members to other committees

- Tekapo White Water Canoe Trust: Peter Munro
- Lake Tekapo Footbridge Society Inc Peter Munro
- Lake Tekapo Regional Park Murray Cox
- Lake Tekapo Playground Committee Murray Cox

## FAIRLIE COMMUNITY BOARD

### **11 Eversley Reserve Sewerage - Rates:**

That the Council notes that the Community Board has confirmed its satisfaction with the fairness of the rating arrangements made for Eversley Reserve residents to be connected to the Fairlie Sewerage Scheme.

### **12. Fairlie Tasty – Outdoor Seating**

That the Council notes that the Fairlie Community Board has authorised the removal of Fairlie Tasty's outdoor seating from the Council road reserve.

**Graham Smith/Annette Money**

### **Mackenzie Tourism and Development Trust – New Trustees:**

- 13 That the Council adopts the recommendation from the Twizel Community Board that advertising for local matters such as expressions of interest in being appointed Trustees on the Mackenzie Tourism and Development Trust not be confined to the Timaru Herald, and that local news sheets also be used, eg the Twizel Update.

**John Bishop /Graeme Page**

Resolved that the Twizel Community Board be advised:

1. That the appointment of trustees to the Mackenzie Tourism and Development Trust was not made on a geographic basis; trustees were appointed on the basis of the skills they could bring to the Board table.
2. That a vacancy on the Trust would be arising in June 2011 and a suitable candidate would be appointed at that time.

**Evan Williams/Peter Maxwell**

**IX     COMMITTEES:**

Resolved that the Minutes of the meetings of the Finance, Projects and Strategies and Planning Committees held on 1 February 2011 and 1 March 2011, including such parts as were taken with the Public Excluded, be adopted.

**Peter Maxwell /Annette Money**

**X     CONFIRMATION OF MINUTES:**

Resolved that the minutes of the meetings of the Mackenzie District Council held on 25 January 2001 and 1 March 2011, including such parts as were taken with the Public Excluded, be confirmed and adopted as the correct records of the meetings.

**Graeme Page/Graham Smith**

**THERE BEING NO FURTHER BUSINESS,  
THE MAYOR DECLARED THE MEETING CLOSED AT 2.00 PM**

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

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

## **MACKENZIE DISTRICT COUNCIL MATTERS UNDER ACTION**

### **ASSET MANAGER**

**17.2.10**

#### **Fairlie Western Catchments**

Promote Meeting with Opihi River Management Committee re management of Fairlie Creek bed.

***Completed. The Fairlie Western Catchments issue will be highlighted in the Annual Plan and the public will be invited to give their views to Council.***

**14 December 2010**

#### **Seal Past Houses Policy**

1. Note that the Council approves the request from Mrs Annette Johnston to seal 200 metres of Clayton Road in line with Council's policy by providing funding to a limit of \$10,000, and that the Council's share be funded from the Rural Roding Reserve.

***This project has been included in the Budgets for 2011/12***

3. Review the 'Seal Past Houses' policy.

### **MANAGER – FINANCE AND ADMINISTRATION**

#### **Debenture with High Country Health**

1. Enter into new loan with High Country Health Ltd incorporating the existing outstanding debenture and capitalising all outstanding interest.
2. That terms of the loan would require the new loan to be paid off over 20 years with interest for the first 10 years suspended and written off as long as High Country Health Ltd make the monthly principal repayments on time. The interest rate of the loan will be the Official Cash Rate plus 4%.
3. Put in place a structure whereby money is secured and an agreement be put in place for payment of the rental.

***Draft documentation forwarded to HCH Directors for signing.***

#### **Financial Support for Twizel Medical Centre:**

Note that Council has deferred making a decision on the request from the Mackenzie Medical Trust for seed funding for the replacement of the Twizel medical centre building, for the moment.

**8 March 2011**

Statements of Intent to be considered:

- Pukaki Airport Board
- Mackenzie Forestry Board
- Mackenzie Tourism and Development Trust ***This is included on the Agenda for the Council meeting on 19 April 2011***

#### **BERL Index**

- Provide copy to Elected Members ***Completed.***

## **CHIEF EXECUTIVE OFFICER**

**5 March 2010**

### **Purchase of Land for Twizel Sewerage Purposes**

Resume negotiations with John Lyons for the purchase of land for the Twizel Sewerage purposes once his land use consent is finalised. *Council's decision has been appealed.*

**27 August 2010**

### **Ombudsman Complaint – Opuha Driver Access Via Gudex Road:**

*The Ombudsman is to meet all parties on 21 April 2011*

### **Solid Waste Arrangements**

Communicate the new arrangements for solid waste more clearly to the community along with the reasons and rationale for the changes. *Events have moved on. A press release updating the situation was issued on Friday 15 April 2011.*

**25 January 2011**

### **Power Reading Course**

Arrange Power Reading Course for Councillors and Staff  
*Completed.*

### **Twizel Transformer**

Seek to recover from the developer the amount to have a transformer installed for a two lot subdivision in Twizel which was not fully covered by the terms of the resource consent.

*No progress has been made since the last meeting. Will follow up.*

**8 March 2011**

### **Sustainable Futures Trust**

- a) Mayor appointed to Trust *Completed*
- b) Council to provide \$5,000 funding *Completed*
- c) Council support for a) and b) dependent on:
  - o Council provided with representation on the Forum and appoints a representative
  - o Council is satisfied with ToR and scope of matters to be considered by the Forum
  - o Council is satisfied with Chairperson appointed by the Trust
  - o Council is assured that existing resource consent and tenure review processes will not be impacted upon by the Forum process.

*A copy of recent correspondence will be circulated at the meeting*

**24 March 2011**

### **Local Government NZ**

Make LGNZ aware of pressure caused by the high level of subs on Councils like Mackenzie District Council which have small ratepayer bases. *Letter sent.*

### **Alps2 Ocean Cycleway**

Adopt Terms of Reference for Joint Committee. *Report on the Agenda for this meeting 19 April 2011*

## **MANAGER – PLANNING AND REGULATIONS**

***14 December 2010***

### **Mackenzie Properties Limited – Right Of Way Request, Ostler Road, Twizel:**

1. Note that the request from Mackenzie Properties Ltd for a right of way easement over Council owned REC –P land in Twizel was declined.
2. Grant a limited term lease instead of a right-of-way easement, subject to the signing of an appropriate lease agreement.
3. Terms of lease to favour single lane entry only over the REC P land to Mackenzie Properties Ltd site.
4. Bring the draft lease back to the Council for approval.

***Completed.***

***24 March 2011***

### **SCRFC:**

Invite Rob Hands to speak to budget for new fire engine for Lake Tekapo

***Completed.***

### **Animal Control Policy and Bylaw**

Due for review

## **COMMUNITY FACILITIES MANAGER**

***1 October 2010***

### **Fairlie Medical Centre**

The suggestion that the rental rate for the Fairlie Medical Centre be reviewed is yet to be actioned.

***Council now wishes to workshop this. Date to be set.***

### **Twizel Early Learning Centre**

- Make a grant of \$1,000.00 to the Twizel Early Learning Centre building project. ***Completed***
- Enter into a lease arrangement with the Twizel Early Learning Centre whereby in return for a minimal rental, the Twizel Early Learning Centre maintains the building. ***Underway***
- Review policies for providing financial assistance for community organisations by way of grants, concessional rentals or other means. ***Yet to be actioned***

# **MACKENZIE DISTRICT COUNCIL**

## **MINUTES OF A MEETING OF THE MACKENZIE DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY 24 MARCH 2011 AT 9.30 AM**

### **PRESENT:**

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

### **IN ATTENDANCE:**

Glen Innes (Chief Executive Officer)  
Paul Morris (Manager – Finance and Administration)  
Nathan Hole (Manager – Planning and Regulations)  
Bernie Haar (Asset Manager) for parts of the meeting  
Garth Nixon (Community Facilities Manager) for parts of the meeting  
John O'Connor (Utilities Manager) for parts of the meeting  
Carl McKay (Solid Waste Manager) for parts of the meeting  
Rosemary Moran (Committee Clerk)

### **I      OPENING:**

The Mayor welcomed everyone to the meeting.

### **II      APOLOGIES:**

There were no apologies.

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

The Mayor declared she would refrain from participating in the discussion of the IT Budget because her husband was the Council's IT Manager.

### **IV      DRAFT BUDGETS 2011– 2012:**

The Chief Executive Officer introduced the proposed budgets. He thanked the Councillors for their forbearance with the format which differed from that which had been presented to previous Councils.

He said rates recommendations from the Community Boards and the Rural Water Supply Committees had yet to be added to the mix and he anticipated that a further meeting might be required to consider those recommendations.

The Chief Executive Officer referred to the production of the Annual Plan and the proposal that the Council use a new format based on that developed by another council in the region.



He said the draft Annual Plan would be completed by 14 April 2011 and submitted for adoption by the Council on 19 April 2011. The period for public submissions was to be from 29 April 2011 until 3 June 2011; submissions would be heard on 14 June 2011 and the final plan which would set the budgets, rates and work programme for the year would be adopted on 28 June 2011.

The Chief Executive Officer explained that the draft budgets for each activity would be considered individually with input from relevant staff members if required.

Cr Page stated his concern about the new format for the draft budgets. He considered that, because of the lack of detail which had been presented, in order for him to make informed decisions he would need to ask many questions.

The Mayor noted that Councillors were welcome to ask questions during the process.

The Manager – Finance and Administration explained the two fundamental changes to the treatment of the accounts in the budget to 30 June 2012, viz in the areas of the allocation of overheads and the treatment of motor vehicle charge-out rates.

Resolved that the following changes in accounting treatment for the budget to 30 June 2012 be adopted:

- allocation of overheads
- treatment of motor vehicle charge-out rates.

**John Bishop /Annette Money**

The Council then considered the draft budgets and made the following amendments:

1     GOVERNANCE:

Resolved that the budget for Councillors' training be \$15,000.

**Graeme Page /Graham Smith**

It was requested that **Local Government New Zealand** be made aware of the pressure caused by the high level of subscriptions on councils like the Mackenzie which had limited resources due their small ratepayer bases.

The meeting was adjourned at 10.55 am for morning tea and reconvened at 11.15 am.

2     CORPORATE SERVICES:

Resolved that the budget for Audit Fees be increased to \$70,000.

**Graeme Page/John Bishop**

**V     ALPS TO OCEAN CYCLEWAY:**

The Mayor welcomed Waitaki District Council's Chief Executive Officer Michael Ross who attended to speak to the reports 'Alps2Ocean Cycle Trail Governance Structure' and 'Alps2 Ocean Joint Committee Terms of Reference'.

Mr Ross explained the background of the Alps to Ocean Cycleway project. He said the structure proposed for running the cycleway when it was completed was a company that would be a joint Council Controlled Organisation (CCO) with the shareholding divided

equally between the Waitaki and Mackenzie District Councils. The joint committee would oversee the operation and recommend a constitution for the CCO company, recommend the appointment of directors and review and approve Statements of Intent.

Mr Ross said the Waitaki District Council had already appointed Mike Neilson as the representative of the Waitaki Development Board on the committee and he suggested the Mackenzie District Council would recommend that Denis Callesen be appointed as the Mackenzie Tourism and Development Board's representative. Committee membership would also include representatives of stakeholders and landowners and have the task of getting the CCO company up and running.

Mr Ross said it had been proposed that the 35 private landowners affected be invited to appoint a representative on the joint committee.

Mr Ross said that it had been decided on legal advice that the necessary easements would be held in favour of each Council rather than the new entity of the joint committee. The Councils would appoint the Alps2Ocean Committee as its agent to maintain the track.

In response to Cr Page's question regarding funding for the committee, Mr Ross said it was unlikely to cost much to run; currently the members of the working group were volunteers. A decision to pay meeting fees to members would for each of the two separate councils. Waitaki had not budgeted to pay meeting fees.

He said Waitaki would probably appoint Craig Dawson as its representative and Mackenzie would appoint a councillor to sit on the joint committee. He said it had been proposed that the joint committee be delegated responsibility for approving the new company's Statement of Intent and receive the six monthly and annual reports; this would allow the structure to be as effective as possible without creating too much bureaucracy.

Mr Ross said the major concern was for the commercial operators to be able to maximise revenue opportunities from the cycleway so there would be no burden on the councils. He noted that the Alps2Ocean Company would be responsible for maintaining the toilets. He explained the Company's revenue would be generated by a portion of the fees for helicopter lifts across the Tasman River and a levy on all sales through the Company's website by operators who were approved to operate on the trail.

#### Resolved:

1. That the report be received.
2. That a joint committee with Waitaki District Council be established to monitor the joint venture construction project and to look after the Council's interest in the joint venture company, on an on-going basis.
3. That, subject to the outcome of a special consultative procedure, Council, with Waitaki District Council, establishes a company to operate the Alps2Ocean Cycle Trail.
4. That the Statement of Proposal to establish a CCO jointly with Waitaki District Council be approved.
5. That the Statement of Proposal be released as a proposal for a one month special consultative procedure, concurrently with the Waitaki District Council.
6. That the Chief Executive prepares and distributes a Summary Statement of Proposal in accordance with the Local Government Act 2002 s89.

**Annette Money/Evan Williams**

Resolved that Cr Annette Money be appointed as the Mackenzie District Council's representative on the joint committee with the Waitaki District Council.

**Annette Money Claire Barlow**

It was agreed that the Terms of Reference for the Alps2Ocean Joint Committee be submitted for adoption at the next Council meeting.

The meeting was adjourned at 12.30 pm for lunch and reconvened at 1.10 pm.

#### **IV DRAFT BUDGETS 2011– 2012 (Continued)**

##### **4. COUNCIL BUILDINGS:**

The Chief Executive Officer noted that before expenditure was committed on Council buildings detailed advice about each project would be submitted to the Council.

Cr Smith took the chair for consideration of the budget for the IT Department.

The Mayor then resumed the chair for consideration of the remainder of the cost centres.

##### **13 REGULATORY**

###### **Rural Fire**

The Manager – Planning and Regulations undertook to invite the South Canterbury Rural Fire Officer to the next Planning Committee meeting to provide information on the proposed purchase of a new fire engine for Lake Tekapo.

###### **Animal Control**

It was noted that the Animal Control policy and bylaw were up for review.

##### **14 COMMUNITY SERVICES**

It was suggested that policy be developed for public toilets in the District including the user pays concept.

Resolved that the budget for the Twizel public toilets be reduced to \$4,000.00.

**Graeme Page/Annette Money**

##### **15 SOLID WASTE**

It was agreed that a report on proposed fee increases for disposing of solid waste be presented when the meeting was reconvened on 1 April 2011.

The meeting was adjourned at 4.25 pm.

The meeting was reconvened on Friday 1 April 2011 at 9.30 am

**PRESENT:**

Claire Barlow (Mayor)  
 Crs Peter Maxwell  
 Annette Money  
 Graeme Page  
 Graham Smith  
 Evan Williams

**IN ATTENDANCE:**

Glen Innes (Chief Executive Officer)  
 Paul Morris (Manager – Finance and Administration)  
 Bernie Haar (Asset Manager) for parts of the meeting  
 Frank Ledingham (Manager – Road) for part of the meeting  
 Stephen Barlow (IT Officer) (for part of the meeting)  
 Rosemary Moran (Committee Clerk)

**II      APOLOGY:**

Resolved that an apology be received from John Bishop.

**Evan Williams/Graeme Page**

**IV      DRAFT BUDGETS 2011– 2012 (Continued)****RURAL WATER SUPPLIES' AND COMMUNITY BOARDS' BUDGETS:**

This report from the Chief Executive Officer was accompanied by:

- Minutes of the Annual General Meeting of the School Road Water Race Ratepayers held on 15 March 2011
- Minutes of the Annual General Meeting of the Ashwick/Opuha Water Race Ratepayers held on 15 March 2011
- Minutes of the Annual General Meeting of the Allandale Water Supply Consumers held on 30 March 2011
- Minutes of the meeting of the Twizel Community Board held on 28 March 2011
- Minutes of the meeting of the Tekapo Community Board held on 29 March 2011
- Minutes of the meeting of the Fairlie Community Board held on 20 March 2011

The Chief Executive Officer noted uncertainties in that the community boards wished to make bids for funding from the Lake Alexandrina Reserve. In the absence of policy he recommended that consideration of those bids be deferred until the Council had adopted a policy on the allocation of funds from the Reserve.

The Chief Executive Officer also noted that the Asset Manager would be speaking to the issue of the Fairlie Trunk Main Replacement contract later in the meeting.

Resolved:

1. That the report be received.
2. That the budget related recommendations from the 2011 Annual General Meetings of the School Road Water Race Ratepayers, the Ashwick/Opuha Water Races Ratepayers and the Allandale Water Supply Consumers be adopted.
3. That the budget related recommendations from the meetings of the Twizel Community Board held on 28 March 2011, the Tekapo Community Board held on 29 March 2011 and the Fairlie Community Board held on 30 March 2011 be adopted.

**Evan Williams/Graham Smith**

The meeting was adjourned at 10.50 am for morning tea and reconvened at 11.20 am.

Cr Williams left the meeting at 11.15 am.

**Inflation:**

In response to a question from Cr Page, the Chief Executive Officer clarified that the following Council resolution from December 2005:

*That, with the exception of major projects, an acceptable increase in rates for individual properties be the agreed level of inflation for the year.*

related to the assumptions adopted for the 2006 – 2009 Long Term Council Community Plan

The Manager – Finance and Administration undertook to provide a copy of the BERL index to the elected members.

Cr Williams re-joined the meeting at 11.25 am

**Burkes Pass Water Supply**

Resolved that Cr Graeme Page be appointed as the Council representative to liaise with Burkes Pass Water Supply ratepayers and attend meetings when required.

**Claire Barlow /Annette Money**

Cr Williams left the meeting at 12.07 pm.

The meeting was adjourned for lunch at 12.45 pm and reconvened at 1.15 pm

**Roading:**

Resolved that the budget for Rural Works and Services – Roading, be increased by \$100,000; the local share of \$46,000 to be funded from operating reserves

**Graeme Page /Graham Smith**

**Proposed Rates Increase**

The Manager – Finance and Administration advised that with the amendments made thus far, the proposed rate increase would be 5.12%.

Motion:

That the General Rate increase be 0.62%.

**Graeme Page**

The motion lapsed for want of a seconder.

**Budgets for 2011/2012:**

Resolved that the budgets for 2011/2012 as amended be adopted.

**Annette Money/Graham Smith**

Cr Page voted against the motion because he disagreed with the level of the rises in the Fairlie Community and for the General Rates.

**Interest and Dividends**

The Manager – Finance and Administration explained the opportunity for the Council to apply all interest and dividends to the General Rate which would reduce the rate rise to 0.62%; it would also affect the community board rates/

He noted that the Fairlie Community Board had expressed a desire to apply for assistance for the Fairlie Water Main Trunk renewal project.

Resolved that all income from interest and dividends be applied to the General Rate for the 2011/2012 year.

**Claire Barlow/Peter Maxwell**

Resolved that the as a further amendment to the budgets, \$11,000 from reserves be applied to the reduce the rates increase for Rural Works and Services to 4.1%

**Graham Smith /Claire Barlow**

The meeting was adjourned at 3.00 pm and reconvened at 3.15 pm.

**LATE ITEM:**

Resolved that pursuant to the Local Government Official Information and Meetings Act 1987 the Asset Manager's report 'Contract 1194 – Fairlie Trunk Main Replacement' be considered.

**Annette Money/Graham Smith**

The report was not included on the Agenda because it was not available in time. Consideration of the issue at this meeting is required to enable the Council to confirm acceptance of the tender in a timely manner.

**PUBLIC EXCLUDED:**

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

Contract 1194 – Fairlie Trunk Main Replacement

<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>
Contract 1194 - Fairlie Trunk Main Replacement	Commercial Sensitivity	48(1)(a)(i)

This resolution was 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 were as follows: *Contract 1194 – Fairlie Trunk Main Replacement* Section 7(2)(b)(ii)

**Graeme Page/Peter Maxwell**

The Council continued in Open Meeting.

**CONFIRMATION OF RESOLUTION TAKEN WITH THE PUBLIC EXCLUDED:**

**1. CONTRACT 1194 – FAIRLIE TRUNK MAIN REPLACEMENT:**

**Resolved:**

1. That the flow rate for the replacement Fairlie Trunk Water Main be confirmed as 50 litres per second plus or minus 10%.
2. That the Mackenzie District Council accepts the tender from Meyer Construction Ltd for the replacement of the Fairlie Trunk Water Main at a tender price of \$401,580.41

**Graeme Page/Graham Smith**

**APPRECIATION:**

The Chief Executive Officer thanked the Councillors for completing a successful budget round. He noted again the timeframe for the adoption of the Annual Plan and the intention to use a new format for the Plan. He said he would welcome political guidance on the new format from the Councillors and noted the Mayor's offer to provide input into the issues that should be highlighted in the report in recognition of the Council's interest in how the message was to be presented to the public.

Cr Smith thanked the Chief Executive Officer and staff for the well-presented draft budgets, noting that in the past some councils had got bogged down in confusion, suspicion and general unease. He considered the process had gone very well.

**THERE BEING NO FURTHER BUSINESS THE  
MAYOR DECLARED THE MEETING CLOSED  
AT 3.20 PM**

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

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