



***393<sup>rd</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 31<sup>st</sup> of May 2011 at 9.30 am***

**VENUE:**

Council Chambers, Fairlie

**BUSINESS:**

As per Agenda Attached

**GLEN INNES  
CHIEF EXECUTIVE OFFICER**

**26 May 2011**



## AGENDA FOR TUESDAY 31<sup>st</sup> May 2011 AT 9.30 AM

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### I. OPENING

### II. APOLOGIES

### III. DECLARATIONS OF INTEREST

### IV. BEREAVEMENTS

### V. MAYORAL REPORT

### VI. REPORTS REQUIRING COUNCIL DECISION

1. Audrey's Trees – Site Visit
2. Letter from Norman Blackmore – Mackenzie Medical Trust
3. East Road – Ben Ohau Golf Club
4. Heads of Agreement for Solid Waste – Report will be tabled
5. Disposal of Council Caravan
6. Visitor – Kelvin Cross, ULT Insurance Brokers at 1:30pm
7. Tekapo Property Group Terms of Reference
8. Consideration of Alps2Ocean Cycle Trail – Submission
9. Amendment to Delegations Manual
10. Adoption of Alpine Energy Draft Statement of Intent
11. Civic Assurance Statement of Intent 2011
12. Twizel Community Board Work Priorities

***Recommendation:*** That the Finance Committee confirm its earlier informal endorsement of the request from the Twizel Community Board to proceed early with work removing diseased trees on the SH8 tree frontage so that replanting can be undertaken in the Spring.

11. Remuneration of CWMS Zone Committee Members (*verbal report from Chief Executive Officer*)

### VII. INFORMATION REPORTS

1. Common Seal
2. Chief Executive Officer's Report

### VIII. COMMUNITY BOARDS

### IX. COMMITTEES

Receive the Minutes of the meetings of the Finance, Projects and Strategies and Planning Committees held on 24 May 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 Meeting held on 19 April, 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 19 April 2011
2. Public Excluded Minutes of the Finance Committee meeting of 24 May 2011
3. Public Excluded Minutes of the Projects and Strategies Committee meeting of 24 May 2011

<b>General Subject of Each Matter to be Considered</b>	<b>Reason for Passing the 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 19 April 2011	Commercial Sensitivity and Legal Professional Privilege	48(1)(a)(i)
Public Excluded Minutes of Finance Committee meeting 24 May 2011	To enable Council to carry on negotiations	48(1)(a)(i)
Public Excluded Minutes of the Projects Committee Meeting 24 May 2011	Commercial Sensitivity	48(1)(a)(i)
Public Excluded Minutes Tekapo Community Board Meeting 9 May 2011	Commercial Sensitivity	48(1)(a)(i)
Medical Centres Rental Policy	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 *Eversley Reserve Rating* section 7(2)(g), *Section 7 (2)(h)*, *RFP for Solid Waste Services – Contract Negotiations* Section 7(2)(b)(ii), *Lake Tekapo Property Development* Section 7(2)(b)(ii), *Medical Centres Rental Policy* 7(2)(b)(ii), *Ongoing funding support for Tourism and Development Trust* (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

Kelvin Cross – JLT Insurance Brokers

## **MACKENZIE DISTRICT COUNCIL**

**REPORT TO:** MACKENZIE DISTRICT COUNCIL  
**SUBJECT:** GENERAL ACTIVITIES REPORT  
**MEETING DATE:** 31 MAY 2011  
**REF:** PAD 2/3  
**FROM:** MAYOR

### **ACTIVITY REPORT**

#### **COUNCIL, COMMITTEE AND COMMUNITY BOARD MEETINGS ATTENDED**

19 April	Council Meeting
9 May	Tekapo & Twizel Community Boards
11 May	Mackenzie Tourism Trust Meeting. Fairlie Community Board.
19 May	Solid Waste Sub-Committee
24 May	Committee Meetings.
26 May	Attended LTP meeting with Raymond Horran at Waimate DC with elected members and staff.
31 May	Council meeting.

#### **OTHER MEETINGS AND ACTIVITIES**

20 April	Attended the Tekapo Property Group Meeting in Rolleston with the CEO.
21 April	Met with Graham Parcell regarding the ANZAC details for the A&P Show. Met with John Gilbert & Kerry Lundy from WINZ. Met with John Haynes and David McGee from the Ombudsmen's office who were here to visit Gudex Road with the CEO
25 April	Attended the ANZAC Day Memorial in Twizel and at the Mackenzie A&P Show. Opened the Show.
26-27 April	Attended the Combined Zone 5 & 6 Meeting in Christchurch with the CEO.
28 April	Met with the Community Response Group (Gabrielle Stewart, Steve Wills, Terry Donaldson, Stephanie Marsden & Dean Te Hae) with the CEO. Met with Sofie Welvaert regarding a Mackenzie Film Met with Audrey Mitchell regarding the trees near her house
4 May	Attended the Upper Waitaki Shared Vision Forum – Twizel. Guest speaker at the Fairlie Dinner Group meeting in Fairlie.
5 May	Attended the Upper Waitaki Zone Committee Meeting and Field Trip in the District.

10 May	Attended the Lake Pukaki Women's Institute Birthday Dinner in Twizel.
11 May	Had lunch with Rebecca Larking from Genesis with the CEO.
19 May	Orari-Opihi-Pareora Zone Launch at Timaru District Council. Attended Special Promotions Meeting at Peppers, Tekapo.
20 May	Met with Penny Murray to discuss Mackenzie Sustainable Trust. Spoke with Jenn Miller from Forest & Bird. Attended the Sports South Canterbury Awards in Timaru.
22-23 May	Attended the Canterbury Mayoral Forum in Christchurch.
24 May	Met with Kevin O'Neill regarding the Resource Centre.
25 May	Met with the CEO and Andrew Simpson plus others regarding the future of Tekapo. Attended LGNZ Course Governance Module 9 – Chaining Meetings.
27 May	Twizel Clinic – Met with Paardekoopers & Twizel Moteliers regarding Tourism Rating.
30 May	Met with Kate Johnson & Gabrielle Hall from the Cancer Society to discuss Relay for Life 2012.

### **RECOMMENDATION:**

1. That the report be received.

**C BARLOW  
MAYOR**



Fairlie Lions Club Inc  
5 Mt Cook Rd  
Fairlie

03 MAY 2011

*Claire Barlow*

President Ron Joll  
Telephone (03) 685 6113

Secretary Norman Blakemore  
Telephone (03) 685 8864  
Fax (03) 685 8782

30<sup>th</sup> April 2011

Mayor and Councillors  
Mackenzie District Council

It is with considerably frustration that we learn the Mackenzie Medical Trust is once again in a defunct situation. Recently Lions along with other stakeholders saw this trust revitalized which was successful as a vehicle to complete the Fairlie Medical Centre upgrade.

It is disappointing that a Twizel group chose not to support and use the Trust and this directly or indirectly lead to the current situation. However the Fairlie/Tekapo communities appreciated the role of the Trust and see it's benefits.

It should be imperative this trust always remains functional to be able to operate as projects arise, irrespective of politics, resignations etc. There should always be members from Council, Fairlie, Tekapo and Twizel with an opportunity to add another member from a district that has a major project.

With the proposal for the building of pensioner carports, the medical trust should be the ideal vehicle and within its scope to get this project completed, with two of the funding groups being charitable and the medical trust able to source additional funding. These minor projects should occur without issues.

We respectfully ask the council to facilitate the reinstatement of this Trust, as soon as possible.

Yours sincerely

*Norman Blakemore*

Norman Blakemore  
Secretary  
Fairlie Lions



## Office of the Mayor

20 May 2011

Norman Blakemore  
Secretary - Fairlie Lions Club Inc  
5 Mt Cook Road  
FAIRLIE 7925

Dear Norm

*Mackenzie Medical Trust*

Thank you for your letter dated 30 April 2011.

This letter will be put to the next Council meeting on the 31<sup>st</sup> of May and I will be in touch shortly after that.

Yours sincerely

Claire Barlow  
MAYOR



**REPORT TO:** MACKENZIE DISTRICT COUNCIL  
**SUBJECT:** EAST ROAD – BEN OHAU GOLF CLUB  
**MEETING DATE:** 31 MAY 2011  
**FROM:** ASSET MANAGER  
**ENDORSED BY:** CHIEF EXECUTIVE OFFICER  
**FILE REF:** LAN 3/4

**PURPOSE OF REPORT:**

To consider a request from the Ben Ohau Golf Club in Twizel to rip up the sealed formation on East Street and grass the area down.

**STAFF RECOMMENDATIONS:**

1. That the report be received.
2. That the Council approves the area of seal on the Council owned land known as East Street, being ripped up and relayed in grass.
3. That Ben Ohau Golf Club be responsible for all costs associated with the work and also for the reinstatement into grass.

**BERNIE HAAR**  
**ASSET MANAGER**

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

## **BACKGROUND:**



The photo shows the land that the Golf Club leases and you can see there are two entrances to the club rooms, being East Road and South Road.

## **DECISION:**

The Club official entrance is via South Road and they have no need for or desire to use East Road. This entrance was a historical entrance used during the project days.

The sealed formation is starting to deteriorate and if it is still required it will need a reseal in the near future costing about \$2,000.

The Club sees the continued potential use of this road as a traffic hazard and have requested permission to remove it.

## **CONCLUSION:**

The road is not on legal road and not part of the Twizel roading network and as it really serves no practical use, it could be ripped up and grassed down as requested by the Ben Ohau Golf Club. They will have to pay all costs associated with ripping up and disposing of the road formation along with the reinstatement in grass.

## ATTACHMENTS



P O Box 58  
Twizel

Bernie Haar  
The Assets Manager  
Mackenzie District Council  
Private Bag  
Fairlie

Dear Sir

Our club is keen to rip up and soil East Road which bisects holes number 4 and 5 on our course

This was going to be done by our Community Board many years ago-it never eventuated due to the lack of money on both sides

We believe we are now in a position where we can do this

We seek approval to rip up East Road where it encroaches onto the course

It is planned to soil and grass this area in the near future

We hope that this can be approved

Thanking you in anticipation

Malcolm Lousley [sec]

## **MACKENZIE DISTRICT COUNCIL**

**REPORT TO:** MACKENZIE DISTRICT COUNCIL

**SUBJECT:** DISPOSAL OF COUNCIL CARAVAN

**MEETING DATE:** 31 May 2011

**REF:**

**FROM:** MANAGER – COMMUNITY FACILITIES

**ENDORSED BY:** CHIEF EXECUTIVE OFFICER

### **PURPOSE OF REPORT:**

**For Council to approve of disposal of Council Caravan**

### **STAFF RECOMMENDATIONS:**

1. That the report be received
2. That Council agree to disposal of this Caravan
3. That Council advertise calling for interest in the caravan from Mackenzie Community Groups
4. If unsuccessful the caravan be disposed of using open tender or Trade me

**GARTH NIXON**  
**MANAGER – COMMUNITY FACILITIES**

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

**ATTACHMENTS:**

Pictures of Caravan

**BACKGROUND:**

Council has owned this caravan for many years

It has been previously hired out to Events organisers at a rate of \$ 20 per day

Over the last two years it has been used once and it was not hired but a contra deal struck involving cleaning up the caravan.

Annual registration costs are small, however on going warrant of fitness checks and servicing costs mount up. The last warrant cost \$ 131.00 plus registration of \$ 37.00

The local youth group has expressed some interest in the caravan as has the Lake Tekapo White Water Canoe Course.

**POLICY STATUS:**

N/A

**SIGNIFICANCE OF DECISION REQUESTED:**

Not a significant decision

**ISSUES AND OPTIONS:**

1. Sell or gift the Caravan to a Community organisation
2. Sell the caravan to the highest bidder through tender or Trade me

**CONSIDERATIONS:**

It is an old caravan with basic awning type shutters. It may be suitable for selling tickets or providing information. These days event organisers tend to use the portable gazebos for these types of functions as opposed to the caravan

The Caravan is currently registered and warranted, thus making this an ideal time for disposal without incurring extra cost.

**Legal Considerations:**

N/A

**Financial Considerations:**

Over the last 2 years we have received nothing from the hire and the year before we received \$20

The value of this caravan is hard to determine as to many it is just a box on wheels.

Looking at trade me is of little help as there is not much that is comparable.

Being registered and road legal is a significant advantage.

**ASSESSMENTS OF OPTIONS:**

The options suggested provides different methods of disposal. As it was used for Community Events perhaps it is appropriate to offer it to Community Organisations to make

bids for the Caravan. The second option being to use Trade me for disposal. This is likely to be more lucrative

**CONCLUSION:**

The Mackenzie Community are not regular users of the Caravan. Continually maintaining it seems pointless for minor returns.



# TEKAPO PROPERTY GROUP

## TERMS OF REFERENCE

### 1. Purpose

The purpose of the work described in these Terms of Reference is to develop lakefront land commonly known as VC1 and VC2 land that allows Tekapo township to grow and develop.

### 2. Scope

To achieve the purpose of this Terms of Reference, the Tekapo Property Group shall action or undertake the following:

- a) Develop appropriate plans, concepts and prepare the appropriate design and planning work necessary for a high quality development of the VC1 and VC2 land.
- b) Undertake the necessary consultation with interested parties of the VC1 and VC2 land and endeavour to achieve the aims of all parties by conciliation and negotiation. This consultation will include situations where the decision required to be made by the Tekapo Property Group may not provide a financial return but will demonstrate a strong corporate citizen ethic.
- c) Seek appropriate legal and professional advice.
- d) Ensure all statutory requirements are met as well as ensuring all ethical and moral issues that arise are dealt with in a professional and transparent manner.
- e) The Tekapo Property Group will establish the pricing for the sale of land.

### 3. Delegations

The Tekapo Property Group is a subcommittee of Council's Finance Committee.

The Tekapo Property Group have the following delegations:

- a) The authority to commit the Council to defined contract items to the value of \$10,000 (Ten Thousand Dollars + GST) without the need to consult with Council.
- b) The Council must approve all contracts over that value.
- c) Negotiate to the stage where agreement can be signed. Council retains final signing rights of any contracts for sale.
- d) All opportunities relating to the leasing of land or improvements with tenants of the VC1 and VC2 will be approved by the Council.

### 4. Reporting

The Tekapo Property Group is required to report to the Council on a quarterly basis but more frequently where delegation authorities are required to be exceeded.

## **5. Project Team Member Remuneration**

All members of the Project Team will be eligible for mileage claims as paid to Council elected members.

## **6. Tekapo Property Group**

The membership of the Group shall be appointed by Council in the first instance. The Group can co-opt members.

## **7. Finances of the Project Team**

By the 28<sup>th</sup> February in any year the Tekapo Property Group will outline its projected expenditure and revenues for the coming 12 month budget period ending 30 June for the Council. Funding will be allocated as per the budget process and will be ratified by the Council adoption of the budget.

## **8. Tekapo Property Group**

- a) The Tekapo Property Group should hold such meetings at such times at places as it shall from time to time appoint. The rules regulated in the proceedings of the Project Team should be those set out in NZS 9202: 2003, "Model Standing Orders for Meetings of Territorial Authorities, Regional Councils and Community Boards" as adopted by the Council.
- b) Councillors are entitled to attend all meetings. Councillors do not have speaking or voting rights at meetings. The Chairman may allow Councillors to speak by invitation.
- c) Tekapo Property Group agendas will normally be issued as public excluded due to the commercially sensitive information contained within them.



# Alps2Ocean Cycle Trail – Governance Structure

19 APR 2011

## SUBMISSION FORM

I support/~~oppose~~ the intention of the Mackenzie District Council to establish a company, with Waitaki District Council to operate the Alps2Ocean Cycle trail.

I support/~~oppose~~ the Mackenzie District Council establishing a joint committee with Waitaki District Council to monitor the construction of the Alps2Ocean Cycle Trail and to look after the Councils' interest in the joint venture company on an ongoing basis, subject to the following being resolved, see (a) + (b) below.

My reasons for supporting/~~opposing~~ these proposals are as follows:

\* The CCO structure makes logical sense. Both Councils can own and operate the Cycle Trail as if it were an extension of their Parks + Reserves.

\* It provides limited liability to ratepayers if things do not go to plan.  
However: (a) – Joint committee must have elected members representing key stakeholders in the area as well as the respective Tourism Agencies. It cannot be fully controlled by Council Staff / Councillors.

(b) – Discussion needs to be held on how the CCO will operate; in particular:  
 I do/~~do not~~ wish to be heard in support of my submission at the Council meeting in Fairlie on 17<sup>th</sup> May 2011. how revenue will be earned to meet the operational requirements of the cycle trail.

Name: Andrew Hocken

Address: Po Box 17202; Greenlane 1546. Auckland.

Phone/Email: 09-5792202. 021-822969. andrew.hocken@ihug.co.nz

Please address your submission to:

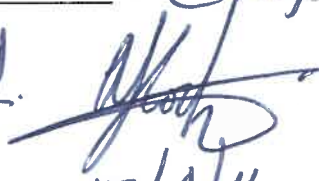
The Chief Executive Officer

Mackenzie District Council

P O Box 52

FAIRLIE

Or email to [submission@mackenzie.govt.nz](mailto:submission@mackenzie.govt.nz)

Signed.   
 15/4/11.

Closing date Monday 2 May 2011.

Summary.  
 The government has given both Districts a tremendous opportunity to increase visitor numbers to the area. The \$2-75m must be spent wisely with the Cycle Trail business managed and operated to a very high standard. The Committee must have representatives from the tourism industry and local business people!

## MACKENZIE DISTRICT COUNCIL

**REPORT TO:** FINANCE COMMITTEE

**SUBJECT:** AMENDMENT TO DELEGATIONS MANUAL

**MEETING DATE:** 24 MAY 2011

**REF:** PAD 10/4

**FROM:** MANAGER – FINANCE AND ADMINISTRATION

**ENDORSED:** CHIEF EXECUTIVE OFFICER

### **PURPOSE OF REPORT:**

For Council to decide whether to delegate certain powers to staff.

### **STAFF RECOMMENDATIONS:**

1. That the report be received.
2. That Council delegates authority to the Chief Executive Officer to undertake on Council's behalf the powers and functions described below

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

Section 35(b)	Authority to remove names from the Rating Information Database (RID).
Section 41	Authority to issue amended rates assessments.
Section 42(3)	Authority to fix interest rates to be charged on additional rates.
Section 48	Authority to issue rates invoices with rates assessments.
Section 50	Authority to issue invoices based on previous years rates.

#### **Rating Valuations Act 1998**

Section 14 and Section 16	Authority to determine whether a new valuation will be provided upon request from an owner or ratepayer.
Section 34(4)	Authority to determine to alter a valuation or decline to alter a valuation.

and further allows the Chief Executive Officer power to delegate these powers and functions to the Manager, Finance and Administration.

3. That in the interests of efficiency the Manager, Finance and Administration is authorized to sub-delegate to the Revenue Officer the following powers and functions.

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

Section 35(b)	Authority to remove names from the Rating Information Database (RID).
Section 41	Authority to issue amended rates assessments.
Section 48	Authority to issue rates invoices with the rates assessments.

### **Rating Valuation Act 1998**

Section 14 and Section 16	Authority to determine whether a new valuation will be provided upon request from an owner or ratepayer.
Section 34(4)	Authority to determine whether to alter a valuation or to decline to alter a valuation.

**PAUL MORRIS**

**MANAGER – FINANCE & ADMINISTRATION**

**GLEN INNES**

**CHIEF EXECUTIVE OFFICER**

**ATTACHMENTS:**

None.

**BACKGROUND:**

The Revenue Officer has undertaken a review of relevant sections relating to Council's delegations under the Local Government (Rating) Act 2002 and Rating Valuation Act 1998. There are however some gaps that need to be filled. It is therefore recommended that the Delegations Manual be amended to incorporate the following.

Council delegates authority to the Chief Executive Officer to undertake on Council's behalf the powers and functions described below

**Local Government (Rating) Act 2002**

Section 35(b)	Authority to remove names from the Rating Information Database (RID).
Section 41	Authority to issue amended rates assessments.
Section 42(3)	Authority to fix interest rates to be charged on additional rates.
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Section 50	Authority to issue invoices based on previous years rates.

**Rating Valuations Act 1998**

Section 14 and Section 16	Authority to determine whether a new valuation will be provided upon request from an owner or ratepayer.
Section 34(4)	Authority to determine to alter a valuation or decline to alter a valuation.

and further allows the Chief Executive Officer power to delegate these powers and functions to the Manager, Finance and Administration.

**Further Delegations:**

In the interests of efficiency the Manager, Finance and Administration is authorized to sub-delegate to the Revenue Officer the following powers and functions.

**Local Government (Rating) Act 2002**

Section 35(b)	Authority to remove names from the Rating Information Database (RID).
Section 41	Authority to issue amended rates assessments.
Section 48	Authority to issue rates invoices with the rates assessments.

**Rating Valuation Act 1998**

Section 14 and Section 16	Authority to determine whether a new valuation will be provided upon request from an owner or ratepayer.
Section 34(4)	Authority to determine whether to alter a valuation or to decline to

	alter a valuation.
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**SIGNIFICANCE OF DECISION REQUIRED:**

The decision required is considered to be routine.

**CONCLUSION:**

It is recommended that the above delegations be approved and the Delegation Manual be adjusted accordingly.

## MACKENZIE DISTRICT COUNCIL

**REPORT TO:** FINANCE COMMITTEE

**SUBJECT:** ALPINE ENERGY LIMITED – DRAFT STATEMENT OF CORPORATE INTENT 2011-2014

**MEETING DATE:** 24 MAY 2011

**REF:** FIN 9/3/3

**FROM:** MANAGER – FINANCE AND ADMINISTRATION

**ENDORSED BY:** CHIEF EXECUTIVE OFFICER

### **PURPOSE OF REPORT:**

As part of the Targets and Objectives placed on Council in the Commercial Activities in the LTCCP, the Council is required to review the Statement of Corporate Intent for Alpine Energy Limited on an annual basis.

### **STAFF RECOMMENDATIONS:**

1. That the report be received.
2. That the draft Statement of Corporate Intent for the year ended 30 June 2011 and two subsequent years be adopted.



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

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

**ATTACHMENTS:**

Appendix 1: Draft Statement of Corporate Intent for Alpine Energy Limited.

**BACKGROUND:**

The draft Statement of Corporate Intent (SCI) for Alpine Energy Limited (AEL) has been provided to the shareholders. The SCI will be formally adopted and issued by AEL, subject to shareholder comments before 30 June 2011. The last day for comments on the draft SCI is 31 May 2011. It appears that this year there will be no meeting to approve the SCI.

The SCI for the 2011/14 period is consistent with those presented in previous years. AEL has, over the past few years, experienced large growth in demand and as such its current network configuration requires a significant capital injection. This cannot be phased and is a step change. AEL will need to borrow to achieve this goal.

The ordinary dividend will remain at 18.3 cents per share or 90% of consolidated tax paid profit (excluding customer capital contributions), whichever is greater. This is consistent with last year's SCI. This level is predicted to remain consistent out to 2014 and is consistent with last year's SCI.

**CONCLUSION:**

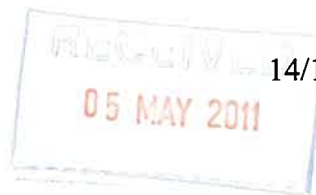
I recommend that the Council approves the Statement of Corporate Intent as presented.



# ALPINE ENERGY

DELIVERING ENERGY TO YOU

Alpine Energy Limited  
Meadows Road, Washdyke  
P.O. Box 530, Timaru, New Zealand  
Telephone (03) 687-4300  
Facsimile (03) 684-8261  
email: mailbox@alpineenergy.co.nz



RJH

14/1, 66/1, 65/1

5 May 2011

## Shareholders

The General Manager, Timaru District Holdings Limited, P O Box 522, Timaru

The Chief Executive, Waimate District Council, P O Box 122, Waimate

The Chief Executive, Mackenzie District Council, P O Box 52, Fairlie

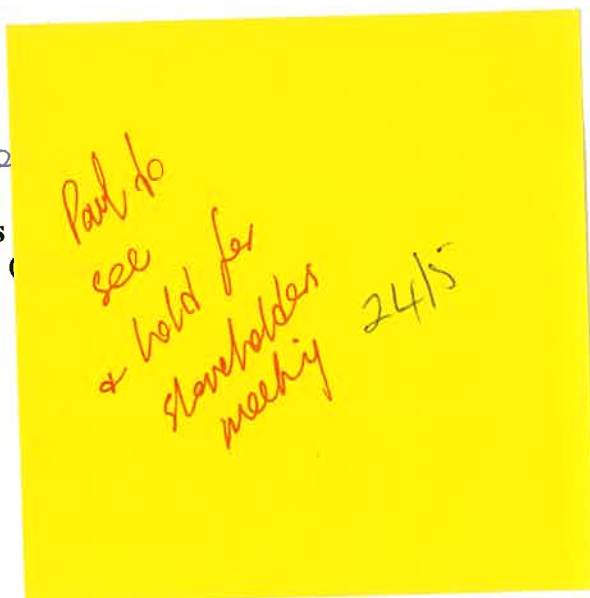
Mr T Simpson, Secretary, LineTrust South Canterbury, P O Box 540, Timaru

## Draft Statement of Corporate Intent 2011-14

Please find attached the Draft Statement of Corporate Intent 2011-14.

Yours faithfully

PP **Andrew Tombs**  
Chief Executive







**ALPINE ENERGY LTD**

**STATEMENT OF  
CORPORATE INTENT**

**2011/14**

March 2011

## **ALPINE ENERGY LIMITED**

### **2011 STATEMENT OF CORPORATE INTENT**

Alpine Energy Limited (the "Company") is an energy company (as that term is defined in the Energy Companies Act 1992). The Company's growth opportunities have been developed according to the Electricity Industry Reform Act 1998. This statement of corporate intent sets out the overall intentions and objectives for the Company for the trading period of 1 April 2011 to 31 March 2012 and the two succeeding financial years.

**(a) The Objectives of the Company**

■ **Mission**

To ensure continuing commercial success by:

- Providing safe, efficient, reliable and cost-effective energy delivery that promotes efficient and sustainable energy use.
- Encouraging the use of and utilising natural resources to support the production and consumption of electricity.
- Providing asset management services.

■ **Business Plan Goals**

- **Shareholders**

To pursue business policies which will maximise the value of the company in the medium and long term.

- **Customers**

To provide customers with the safe, efficient, economic and reliable delivery of energy and services.

- **Efficient Use Of Resources**

To promote energy efficiency and effective utilisation of resources under our management.

- **Human Resources**

To be regarded as a fair and reasonable employer in our region and a company for whom staff are proud to work.

- **Public and Social Responsibility**

To be a law abiding and responsible company.

**(b) Nature and Scope of Activities to be Undertaken**

The Company's business will primarily be that of quality energy delivery, water resource utilisation, and infrastructure asset ownership and management.

The Company, through a subsidiary company, NetCon Limited, is also involved in contracting activities which support and develop the Business.

Consistent with its objectives the Company will pursue activities designed to ensure the efficient utilisation of its capital assets and human resources.

Opportunities for investment in activities consistent with its Mission, will be investigated by the Company.

The Company will consult with its shareholders on any proposed investment in activities other than the safe, efficient, reliable and cost effective delivery of energy.

**(c) Proprietorship Ratio**

The ratio of shareholders' funds to total assets will be maintained at not less than 50 percent.

Total assets will comprise all the recorded tangible assets of the Company at their value as defined in the Company's statement of accounting policies.

Consolidated shareholders' funds of the Company will comprise the total issued capital, the balance of undistributed profits and all revenue and capital reserves.

**(d) Accounting Policies**

The Company's accounting policies will comply with the legal requirements of the Companies Act 1993 and be consistent with generally accepted accounting principles. Financial statements will conform to the Financial Reporting Standards as required by the Financial Reporting Act 1993.

The Company's electricity distribution network has been maintained to a sustainable standard while being depreciated in the financial accounts.

Details of the current accounting policies and their application are contained in Appendix A.

**(e) Financial Performance Targets**

The Company has developed financial performance targets to be used to instigate productivity improvements in each of the main business units and these will comprise specific measurable standards monitored for each unit. The following performance measures have been established for the Group:

	2011/12	2012/13	2013/14
(i) The ratio of net profit after tax to shareholders funds:	7.5%	7.5%	7.5%
Note: A ratio in the range of 7% to 8% is acceptable.			
(ii) Net Tangible Assets per Share:	\$2.60	\$2.70	\$2.75
(iii) Earnings per Share:	24.4 cents	23.7 cents	23.9 cents
(iv) Ordinary Dividend per Share:	18.3 cents	18.3 cents	18.3 cents

**Financial Projections**

	\$M	\$M	\$M
Revenue	45.0	46.7	48.5
Operating Expenses	31.6	33.6	35.4
Operating Surplus before Tax	13.4	13.1	13.1
Income Tax	3.4	3.3	3.3
<b>Net Operating Surplus after Tax</b>	<b>10.0</b>	<b>9.8</b>	<b>9.8</b>
<b>Shareholders' Funds</b>	<b>111.3</b>	<b>113.4</b>	<b>115.6</b>
Current Assets	4.9	5.5	5.9
Non-current Assets	150.6	161.4	171.3
Total Assets	155.5	166.9	177.2
Current Liabilities	9.8	10.6	11.2
Non-current Liabilities	34.4	42.9	50.4
Total Liabilities	44.2	53.5	61.6
<b>Net Assets</b>	<b>111.3</b>	<b>113.4</b>	<b>115.6</b>
<b>Customer Capital Contributions</b>	<b>1.3</b>	<b>1.3</b>	<b>1.4</b>
<b>Capital Expenditure</b>	<b>21.2</b>	<b>16.3</b>	<b>15.7</b>

**(f) Operating Performance Targets**

The Company has developed annual operating performance targets to show how its quality of service to customers and consumers is focussed. Apart from the consequences of extreme weather events, Alpine Energy seeks to be in the top quartile of New Zealand line companies and its annual operating targets below are based on this criteria.

- (i) Electricity Line Losses < 6% per year
- (ii) Average Interruption Duration (SAIDI) < 180 minutes of interruption p.a.
- (iii) Average Interruption Frequency (SAIFI) < 1.5 interruptions per customer

**(g) Dividend Distribution Policy**

The Company will, subject to a solvency certificate being signed by Directors, distribute to its Shareholders either the target dividend shown under Section (e) (iv), or not less than 90% of Group Profits from Operations, excluding customer capital contributions, whichever is the greater.

The Board of Directors of the Company will include within its report on the operations of the Company (prepared after the end of each financial year) a statement recommending the maximum amount of dividend (if any) payable by the Company in respect of its equity securities.

Quarterly interim dividends will be paid out on 30 September, 31 December, 31 March and the final dividend on 31 July subject to completion of the Annual General Meeting.

**(h) Information to be Provided to Shareholders**

The Company will provide information which complies with the requirements of the Companies Act 1993, the Energy Companies Act 1992, and the Financial Reporting Act 1993. The following information will be available.

Half yearly reports will be delivered to the Company's shareholders within 2 months after the end of each reporting period. These reports will comprise:

- (i) a report from the directors covering the operations for the half year period, including significant activities of the Company in regard to its associate company investments; and
- (ii) financial statements, including a statement of financial position and a statement of profit and loss.

Annual reports will be delivered to the Company's shareholders within three months of the end of each financial year and will comprise:



- (i) a report from the directors covering the operations for the year, including significant activities of the Company in regard to its associate company investments;
- (ii) audited consolidated financial statements for the financial year in respect of the Company and its subsidiaries (if any);
- (iii) auditors' report on the financial statements and the performance targets (together with other measures by which performance of the Company has been judged in relation to the Company's objectives).

The Company's audited consolidated financial statements will comprise the following:

- \* Income Statement
- \* Balance Sheet
- \* Statement of cash flows
- \* Statement of changes in equity
- \* Details of all transactions entered into during the financial year by the Company or any of its subsidiaries and certain other bodies
- \* Such other statements as may be necessary to fairly reflect the financial position of the Company and its subsidiaries (if any), the resources available to it or them and the financial results of the operations.

Information for disclosure for the separated line and energy businesses prepared for the purposes of the Electricity (Information Disclosure) Regulations 1994 will be delivered to the Company's shareholders within three weeks of the information being published in the New Zealand Gazette.

Draft statements of corporate intent will be delivered to the Company's shareholders within one month of the end of each financial year.

Shareholders may request further information or reports from the Directors, and the Company shall supply this information to all Shareholders in such manner as shall from time to time be agreed between the Company and Shareholders.

**(i) Procedures for Acquisition of Interests in Other Companies or Organisations**

As a general policy, any proposed investment by the Company in other companies or organisations will be required to meet the weighted average cost of capital (WACC) of the investments being considered, which shall reflect the market cost of debt and the market cost of equity.

All investment proposals will be considered by the Company's Board of Directors and in respect of any acquisition which has a value greater than 5% of the value of the total assets of the Company, as disclosed in the statement of financial position published in the preceding annual report of the Company, recommendations will be made for shareholders approval.

**(j) Transaction Details**

The following information is disclosed in terms of Section 39(2)(i) of the Energy Companies Act 1992:-

- Contractual arrangements with the District Councils include:-
  - \* Development, installation and maintenance of community lighting facilities.
  - \* Road and Footpath Sealing:- re-sealing of cable trenches and restoration of footpaths etc after underground cabling and new subdivisions.
  - \* Negotiation of a contribution towards the overhead line to underground conversion programme.

All transactions between the Company and its Shareholder District Councils will be conducted on a commercial basis. Charges between the parties made for services provided as part of the normal trading activities of the Company, are incorporated into the operating costs and revenues of the Company.

**(k) Further Matters**

The Company intends to investigate, consider and if appropriate, acquire interests in electricity lines related activities to the extent that such opportunities become available to the Company.

The maintenance and development of the total reticulation system of the Company will be a prime responsibility for the Company and shall be charged for on a fair and reasonable basis while acknowledging that some cross subsidisation among customers may occur.

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## APPENDIX A

### STATEMENT OF ACCOUNTING POLICIES

Financial statements will be prepared in accordance with Generally Accepted Accounting Practice in New Zealand. They will comply with the New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for profit oriented entities.

#### **(a) Basis of preparation**

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies will be consistently applied to all the periods presented, unless otherwise stated.

##### *Entities reporting*

The financial statements for the "Parent" are for Alpine Energy Limited as a separate legal entity.

The consolidated financial statements for the "Group" are for the economic entity comprising Alpine Energy Limited, and its subsidiaries and associates.

The Company and Group are designated as profit oriented entities for financial reporting purposes.

##### *Statutory base*

Alpine Energy Limited is a company registered under the Companies Act 1993.

The financial statements are prepared in accordance with the requirements of the Financial Reporting Act 1993 and the Companies Act 1993.

##### *Functional and presentation currency*

The Company's and Group's financial statements are presented in New Zealand dollars, which is the Company's and Group's functional and presentation currency.

##### *Historical cost convention*

The financial statements are prepared under the historical cost convention, as modified by the revaluation of certain assets as identified in specific accounting policies below.

#### **(b) Critical accounting estimates and judgements in applying the entity's accounting policies**

The preparation of financial statements in conformity with NZ IFRS requires management to make certain critical accounting estimates and judgements that affect the application of policies and reported amount of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. These estimates and judgements form the basis for making judgements about the carrying values of assets and liabilities, where these are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying judgments are regularly reviewed. Any changes to estimates are recognised in the period if the change affects that period, or in future periods if the change also affects future periods.

#### **(c) Principles of consolidation**

##### *(i) Subsidiaries*

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Alpine Energy Limited and the results of all subsidiaries for the year. Alpine Energy Limited and its subsidiaries together are referred to in financial statements as the Group or the consolidated entity.



Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights.

The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

Subsidiaries which form part of the Group are consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the Group's share of the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between subsidiary companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries will be changed where necessary to ensure consistency with the policies adopted by the Group.

#### *(ii) Associates*

Associates are all entities over which the Group has significant influence but not control, generally evidenced by holding of between 20% and 50% of the voting rights. Investments in associates are accounted for by the Group by using the equity method of accounting and are initially recognised at cost.

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates will be changed where necessary to ensure consistency with the policies adopted by the Group.

Associates are accounted for at cost in the Parent financial statements.

#### **(d) Revenue recognition**

Revenue comprises the fair value for the sale of goods and services, excluding Goods and Services Tax, rebates and discounts and after eliminating sales within the Group. Revenue is recognised as follows:

##### *(i) Sales of goods*

Sales of goods are recognised when a Group entity has delivered a product to the customer. Retail sales are usually in cash or by bank transfer. The recorded revenue is the gross amount of sale.

*(ii) Sales of services*

Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

*(iii) Interest income*

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income.

Interest income on impaired loans is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

*(iv) Construction contracting*

Contract revenue and expenses related to individual construction contracts are recognised on completion of each contract.

*(v) Rental income*

Rental income is recognised on an accruals basis in accordance with the substance of the relevant agreements.

*(vi) Dividend income*

Dividend income is recognised when the right to receive payment is established.

*(vii) Grants*

Assets constructed for which a government grant is received are recorded net of the grant. Grants received are recognised in the Income Statement when the requirements under the grant agreement have been met. Any grants for which the requirements under the grant agreement have not been completed are carried as liabilities until all the conditions have been fulfilled.

**(e) Capital and operating expenditure**

Capital expenditure relates to expenditure incurred in the creation of a new asset and expenditure incurred on existing reticulation system assets to the extent the system is enhanced.

Operating expenditure is that expenditure incurred in maintaining and operating the property, plant and equipment and investment properties of Alpine Energy Limited.

**(f) Taxation**

Income tax expense in relation to the profit or loss for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable on the taxable profit from the current year, plus any adjustments to income tax payable in respect of the prior year. Current tax is calculated using rates that have been enacted or substantially enacted by balance date. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference

is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

**(g) Goods and Services Tax (GST)**

The Income Statement is prepared so that all components are stated exclusive of GST. All items in the statement of financial position are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

**(h) Leases**

*(i) The Group is the lessee*

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

*(ii) The Group is the lessor*

Assets leased to third parties under operating leases are included in property, plant and equipment in the balance sheet. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

**(i) Impairment of non financial assets**

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets that have an indefinite useful life including goodwill, are not subject to amortization and are tested annually for impairment irrespective of whether any circumstances identifying a possible impairment have been identified. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

**(j) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

**(k) Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.



### **(l) Investments and other financial assets**

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held to maturity investments and available for sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at the initial recognition and re-evaluates this designation at every reporting date.

#### *(i) Financial assets at fair value through profit and loss*

This category has two sub categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

#### *(ii) Loans and receivables*

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

#### *(iii) Held to maturity investments*

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

#### *(iv) Available for sale financial assets*

Available for sale financial assets are non derivatives that are either designated in this category or not classified in any other the other categories. They are included in non current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset of a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available for sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

### **(m) Foreign currency**

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Foreign currency differences arising on retranslation are recognised in profit or loss.

### **(n) Inventories**

Inventories are stated at the lower of average cost and net realisable value.

**(o) Contract work in progress**

Contract work in progress is stated at cost less amounts invoiced to customers. Cost includes all expenses directly related to specific contracts.

**(p) Investment properties**

The initial cost of investment properties is the value of the consideration given to acquire the assets plus the value of other directly attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended service. Investment properties are revalued annually, using the fair value approach, by an independent registered valuer who has a working knowledge of the location and category of the investment property. Fair value gains and losses are recognised in the Income Statement.

**(q) Property, plant and equipment**

All property, plant and equipment is stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation of property, plant and equipment is calculated using diminishing value income tax rates so as to expense the cost of the assets over their useful lives. The rates are as follows:

- Buildings 1% - 2.5%
- Plant and Equipment 7.5% - 50%
- Motor vehicles 15% - 26%
- Reticulation system 1.4% - 10%

The assets' residual value and useful lives are reviewed and adjusted if appropriate at each balance sheet date.

Capital work in progress is not depreciated until commissioned.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

**(r) Non-current assets held for sale**

An asset is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than continuing use. On classification as 'Held for Sale', non current assets and disposal groups are recognised at the lower of carrying amount and fair value less costs to sell. Impairment losses on initial classification as 'Held for Sale' are included in the income statement.

**(s) Intangible assets***Software costs*

Software costs have a finite useful life. Software costs are capitalised and written off over the useful economic life of 2 to 5 years.

Costs associated with developing or maintaining computer software programs are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets.

Direct costs include the costs of software development employees and an appropriate portion of relevant overheads.

#### *Easements*

Assets sited on easements will normally be renewed at the end of their economic life in the same location that they are currently housed. On this basis the easement itself has an infinite life. Easements are recorded at cost and are tested annually for any sign of impairment.

#### **(t) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

#### **(u) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

#### **(v) Share Capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

#### **(w) Provisions**

Provisions for legal claims, service warranties and rental obligations are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

#### **(x) Employee benefits**

Liabilities for wages and salaries, including non-monetary benefits, annual leave, and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for nonaccumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

The liability for employee entitlements is carried at the present value of the estimated future cash flows.

#### **(y) Dividends**

Provision is made for the amount of any dividend declared on or before the end of the financial year but not distributed at balance date.

Dividend distribution to the Company shareholders is recognised as a liability in the Company's and Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

**(z) New standards and interpretations not yet adopted**

The Company only adopts new accounting standards once they have been issued and are effective.

DRAFT

## **MACKENZIE DISTRICT COUNCIL**

**REPORT TO:** FINANCE COMMITTEE  
**SUBJECT:** CIVIC ASSURANCE STATEMENT OF INTENT 2011  
**MEETING DATE:** 24 MAY 2011  
**REF:** FIN 1/4/3  
**FROM:** MANAGER – FINANCE AND ADMINISTRATION  
**ENDORSED:** CHIEF EXECUTIVE OFFICER

### **PURPOSE OF REPORT:**

To provide Council with Civic Assurance Statement of Intent for the year ended 31 December 2011 and the two subsequent years.

### **STAFF RECOMMENDATIONS:**

1. That the report is received, and the information noted.

<b>PAUL MORRIS</b>	<b>GLEN INNES</b>
<b><u>MANAGER – FINANCE &amp; ADMINISTRATION</u></b>	<b><u>CHIEF EXECUTIVE OFFICER</u></b>



## **ATTACHMENTS:**

Appendix 1: Civic Assurance 2011 Statement of Intent.

## **BACKGROUND:**

Civic Assurance provide insurance and superannuation services to the local government sector.

Currently Civic Assurance provide cover for Council in the following areas.

<b>INSURANCE TYPE</b>	<b>WHAT DOES IT COVER?</b>
<b>Fidelity Guarantee</b>	<i>“Indemnifies the Insured for loss of money or other property through any fraudulent or dishonest act or acts committed by Employees and Elected Representatives acting alone or in collusion with others.”</i>
<b>Civil Defence</b>	<i>“Indemnifies the Insured for emergency civil defence costs arising out of or in connection to a civil defence event.”</i>
<b>Motor Vehicles</b>	<i>“Indemnifies the insured for accidental loss or damage to all vehicles, mobile plant and equipment, vehicular equipment and similar assets owned, used, hired, leased or under the care, custody and control of the Insured.”</i>

Council’s other policies are held with other insurance companies.

Council’s default superannuation scheme is held with Civic.

The Canterbury earthquake has put financial pressure on all insurers. For example, as at 5<sup>th</sup> April 2011 AM Best Co had downgraded the financial strength rating of New Zealand fire and general insurer AMI Insurance Ltd from A+ to A- due to losses from the Canterbury earthquake. LAPP has been downgraded for the second time to B from an A rating. LAPP is not able to provide any more cover for reticulation and flood protection assets until at least 30 June 2011 or suitable reinsurance cover and/or government support is in place. With LAPP, two lead reinsurers have declined to offer further immediate cover. Civic has been put on an A Under Review rating watch.

Thursday, 21 April 2011

The Twizel Community Board wishes to proceed with next years work programme prior to the commencement of the 2011/12 financial year.

Specifically, the felling of the trees on the State Highway 8 frontage and creating landscaped mounds ready for spring planting

From the Community Board Point of view it is desirable to start the work in May as opposed to after July, for the following reasons

- Winter ground conditions are likely to prevent further work on this site until August
- By having the major earthworks completed by the start of winter this will allow planting in early spring to make the most of the better growing conditions early on in the season.
- An early start will mean less water requirement better growth and better establishment period
- We have a current market for the logs which will off set the costs of this work.
- Whitestone Roading are prepared to carry the cost of this work into the 2011/12 financial year.

The Twizel Community has been advised of this work through the Twizel Update on the 6<sup>th</sup> of April and it is included in the Draft Annual Plan Summary which will be sent out today.

The Twizel Community Board Chairman also plans further consultation through the Twizel update and consulting with specific residents.

The Twizel Community Board Seeks Council approval to proceed with this work.

Chairman Peter Bell .....

Phil Rive .....

Elaine Curin .....

Kieran Walsh .....

John Bishop .....

Weekly Issue No. 293, 22 July 2010

*Twizel - A Great Place To Be....*

## Welcome to issue #293

### Twizel Green Space Strategy - Main Road

The Community Board as part of the Green Space Strategy is about to remove two lots of pines from the Main Road frontage near the north entrance.

The trees to be removed are Pinus Ponderosa. All other mature trees will stay apart from one or two untidy trees that will come out at the same time. Stage 2 from the DOC office to the south entrance is likely to be done next year.

The trees will be pushed over with a large digger, stumps cut off and removed. The ground will be restored back to tidy condition, and trees replanted in a grove similar to the group of pines that is to be removed. Trickle irrigation system to be installed.

The trees to be planted are likely to be deciduous trees for their autumn colours.

This approach is taken from the Twizel Planning document 'Twizel the Future Starts Today'.

This latest plan of action differs from the approach outlined in the Green Strategy. The Strategy talks about getting a professional landscape plan done as we were originally proposing a more complicated plan of new plantings to be well established before any mature trees were removed.

Unfortunately, with the speed in which the Fungi disease has caused major die back in the Pinus Ponderosa, we have changed our plan. They have quickly become extremely ugly- not a good look for our Town frontage. So we are now working to the simple plan outlined above. The final goal is still the same- to replace the pine trees.

The present landscape design of groves of 25 odd trees spread out works well. The open spaces between the groves provide viewing windows into the Town and there are enough trees to make the walkway interesting.

The Community Board no longer feel that we now need to have an expensive professional landscape plan done. The area has extensive automatic irrigation so keeping the planting in the same place is a good idea.

For plant species we are happy to use our community Facilities Manager, Garth Nixon who has years of experience in amenity horticulture in and around parks gardens and trees.

I am happy to answer any questions.

**Peter Bell, phone: 4350562**

**On behalf of the Community Board**

All personal advertisements to be paid at time of placement. Rates: Classified Ads from \$2.00 (see office for details). Business Ads from \$5.00. Please email in word, jpg or publisher file: [tpda@twizel.com](mailto:tpda@twizel.com)  
Editor: Kevin Moore Ph 4350 066 Fax 435 0086. TPDA Office Hours: Mon - Fri 10 am to 1pm.

**Please send ads and articles in before Monday 1 pm**

## DATES TO REMEMBER

Every Monday	Beginners Tai Chi, Resource Centre 1.30pm
Every Monday	Yoga, Community Centre, 6pm
Every Monday	Advanced Tai Chi, Resource Centre 10am
Every Tuesday	Twizel Toy Library, 10 - 12pm.
Every Tuesday	Plunket mothers coffee group 10.30am
2nd Tue of month	Women's Institute 7.30pm 435 0855
Every Thursday	Op Shop open 1pm - 4pm
Every Thursday	Climbing Wall 7pm - 9pm
Every Thursday	Patchwork Group 10am - 3pm Church Hall
Every Thursday	Advanced Tai Chi, Events Centre 10am
3rd Wed of month	Green Fingers Garden Club meeting, 435 0616
Last Tues of month	TPDA meeting, 7.30pm at office
Last Thurs of month	Book Discussion Group, 7.30pm. 435 0366

**Twizel Kindergarten Quiz Night 12 August**  
**Twizel Annual Winter Ball 14 August**



## Twizel Medical Centre High Country Health

### Surgery Hours:

Mon-Fri 9am-1pm and 2pm-5pm

**Closed every day between  
1pm and 2pm**

**Ph. 03 4350 777. Urgent A/H 0274 382 777  
Emergencies 111**

## Counselling at Twizel Medical Centre

Free service with referral from GP or  
Practice Nurse, or phone 021 746898.

## **MACKENZIE DISTRICT COUNCIL**

**REPORT TO:** MACKENZIE DISTRICT COUNCIL  
**SUBJECT:** COMMON SEAL AND AUTHORISED SIGNATURES  
**MEETING DATE:** 27 May 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 16 April 2011 to 27 May 2011

### **STAFF RECOMMENDATIONS:**

1. That the report be received.
2. That the affixing of the Common Seal to document numbers 706 and 707 be endorsed.

**KERI-ANN LITTLE**

**FOR-**

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

Number	Detail of Document	Date Signed & Sealed
706	Authorised Signatories – Public Corporate Client Authority To Meares Williams Lawyers for Easement Instrument (right to convey water in gross), in favour of Mackenzie District Council, grantor Pekachu Development Ltd, Clayton Road and Monument Road, Fairlie Subdivision	12 May 2011
707	Fairlie Trunk Watermain Replacement 2010/11 Contract 1194 - Mackenzie District Council and Meyer Construction Ltd	27 May 2011

## MACKENZIE DISTRICT COUNCIL

**REPORT TO:** MACKENZIE DISTRICT COUNCIL  
**SUBJECT:** GENERAL ACTIVITIES REPORT  
**MEETING DATE:** 31 MAY 2011  
**REF:** PAD 2/3  
**FROM:** CHIEF EXECUTIVE OFFICER

### ACTIVITY REPORT

#### COUNCIL, COMMITTEE AND BOARD MEETINGS

19 April	Council Meeting
9 May	Tekapo & Twizel Community Board meetings.
11 May	Fairlie Community Board meeting.
24 May	Forestry Board and Committee Meetings.
26 May	Attended LTP meeting with Raymond Horran at Waimate DC with elected members and staff.
31 May	Council Meeting.

#### OTHER MEETINGS AND ACTIVITIES

20 April	Attended a Tekapo Property Group meeting in Rolleston with the Mayor.
21 April	Met with John Haynes and David McGee from the Ombudsmen's office regarding Gudex Road.
26-27 April	Attended the Combined Zones 5 & 6 Meeting in Christchurch with the Mayor.
28 April	Met with Community Response Group (Gabrielle Stewart, Steve Wills, Terry Donaldson, Stephanie Marsden & Dean Te Hae) with the Mayor. Had fortnightly meeting with Garth Nixon.
29 April	Held monthly staff meeting.
4 May	Civil Defence Meeting in Rangiora.
5 May	Had fortnightly meetings with Bernie Haar & Nathan Hole.
6 May	Met with Lesley O'Hara and regarding the Tourism Trust.
9 May	Alps 2 Ocean Governance Committee Meeting at Lake Ohau.
10 May	Management meeting.
11 May	Met with Kyle Cameron from Deloitte, along with Paul Morris regarding the Tourism Trust. Fortnightly meeting with Paul Morris. Lunch with Rebecca Larking from Genesis and the Mayor. Met with Dean Te Hae from Community Response

	Group (met with them on 28 April)
12 May	Meeting regarding Solid Waste. Fortnightly meeting with Garth Nixon.
16 May	Met with Charles Anderson regarding road legalisation issue on Clayton Road.
18 May	Fortnightly meeting with Bernie Haar.
19 May	Attended the Tekapo Promotions Meeting in Tekapo with the Mayor and Garth Nixon
20 May	Fortnightly meeting with Nathan Hole.
22-23 May	Attended the Canterbury Mayoral Forum in Christchurch with the Mayor.
25 May	Met with the Mayor and Andrew Simpson plus others regarding planning for the future of Tekapo. Fortnightly meeting with Paul Morris.
27 May	Fortnightly meeting with Garth Nixon.
30 May	Management Meeting.

**RECOMMENDATION:**

1. That the report be received.
2. That Council consider whether or not it wishes to amend its expenses policy to provide for mileage reimbursement of 74cents per kilometre for the first 5,000 km

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

### Zone 5 and 6 Meeting

This combined meeting of all south Island authorities was held over two days in Christchurch on 26-27 April 2011. The Mayor and I represented Council.

The following are some of the key points I gleaned from the meeting.

#### *Freedom Camping*

Gisborne District has adopted quite a different response to the freedom camping issue, advocating that any regulatory intervention necessary to deal with illegal parking, trespass, littering or pollution target those actions and not freedom camping *per se*.

They are concerned that freedom camping as a legitimate activity on the East Coast is at risk. Despite that the government has since drafted legislation that will allow for instant fines to be introduced. If we are of a mind to do this our bylaw will need some technical tweaking. Garth Nixon is working on that.

#### *Building Control*

The Timaru District drew attention to the Department of Building and Housing's proposal to centralise or regionalise building consent processing. Mayor Annear was critical of the absence of consultation with the sector and the effect of both models of reducing the role of local government to that of a policeman. She was concerned that it removed all opportunity to influence the process and would require that conditions and requirements imposed remotely were enforced locally.

Her views were widely supported by the meeting.

#### *Roading Issues*

Some serious concerns about roading were raised by Eugene Bowen and Lawrence Yule.

With the current emphasis on roads of national significance, pressure is likely to come upon local authorities' maintenance budgets and there is a risk of losing our share of the cake. The last kilometre of road is under some threat. The fact that local roads comprise half of the network and carry half of the nation's traffic is not appreciated and the current Minister is not overly sympathetic to our cause. He believes that there is scope for driving more efficiency out of local roading budgets.

In response, LGNZ will commission some research on the true economic value that rural roading provides to the country. It needs sound facts to support those who are challenging the concept of a interlinked roading network serving the whole of the community.

#### *Water Issues*

Work emerging from the Land and Water forum is a key priority for the current government, with legislation expected to be introduced this parliamentary term bring a new way of looking at the management of water.

#### *Biodiversity Bill*

The content of this Bill are of concern with the prospect of additional responsibilities being landed upon the sector with no accompanying resource allocation. Submissions along these lines have been made to Government.

#### *Smarter Government*

This project has been driven by Minister Hyde with a timeframe of 2014 for changes to be introduced. The report contains observations about the size and sustainability of smaller units of local government, the relevance of regional councils and possible application of the



Auckland Council elsewhere. Whether these are more than straws in the wind remains to be seen. It was suggested that the whole project might depend upon Rodney's Hyde's political survival. (He was deposed as leader of Act immediately after the meeting, although retaining his ministerial responsibilities.)

### *Upcoming election*

Little more in the way of major policy development affecting the sector is anticipated prior to the election. Next term may well be a different matter. LGNZ feels that it needs a Minister of Local Government within the Cabinet. Currently it feels the lack of a champion for local government at national level.

### *Canterbury Earthquakes and Their Implications*

This was covered by the Christchurch Deputy Mayor, the Director of Civil Defence and a Geomorphologist Ngaire Button pointed out that the role of elected members including community board members was not well spelt out in civil defence emergencies and there was an equal need for them to be trained as well as staff. She pointed out that the longer timeframe given to strengthen earthquake prone buildings prior to the quakes was driven by the fear that valuable heritage would be lost otherwise.

John Hamilton felt that the size of the emergency proved a watershed for evaluating the adequacy of current arrangements. His observations included:-

- The sheer size of the emergency caught everyone out
- In the early stages they had made it up as they went
- A pool of energetic and enthusiastic volunteers needed firm management
- No room for procrastination or patch protection.
- Attitudes generate sound relationships
- Need to appoint top people to key roles in the civil defence structures at elected and staff level
- Earthquakes different from other emergencies - response needs to be well thought through in advance
- Role of controllers vital
- Huge lessons for business continuity – those able to continue either well prepared or very lucky.

### *Local Government Funding Agency*

This new development offers local government superior debt terms, better credit quality, economies of scale and access to offshore markets. It has been very professionally established and offers, we were told savings of around 0.4% on the cost of debt. It is a very high level example of the advantages of sharing services.

More investigation of its possibilities for Mackenzie is warranted.

### *Other Speakers and topics*

These included:-

Bill Bayfield on Shared Services in the Bay of Plenty

Hon Paula Bennett on social development and programmes for youth and families

Angela Foulkes on the work of the Remuneration Authority

Jan Francis on the Mayors' taskforce for jobs

### Vehicle allowances

We have received advice from the Remuneration Authority of their response to the recent increase in the rate for which IRD will allow an employer to pay a tax free mileage allowance. This has moved from 70 cents per kilometre to 74 cents per kilometre.

While stressing they are not obliged to follow this precedent as elected members aren't employees, they have made the following determination:-

With effect from 1 July, the Authority will approve requests from councils to increase the mileage rate in their expense policies from 70 to 74 cents for the first 5,000 kilometres of travel. The Authority will not be making any adjustment to mileage rates over 5,000 kilometres.

Councils wishing to implement the increase will be required to approve and submit a new allowance and expenses policy that includes the change.

A formal resolution on the matter is required.

## **MACKENZIE DISTRICT COUNCIL**

**REPORT TO:** MACKENZIE DISTRICT COUNCIL

**FROM:** CHIEF EXECUTIVE OFFICER

**SUBJECT:** COMMUNITY BOARD RECOMMENDATIONS

**MEETING DATE:** 31 MAY 2011

**REF:** PAD 5

### **PURPOSE OF REPORT:**

To consider recommendations made by the Community Boards.

### **RECOMMENDATIONS:**

1. That the report be received.

#### **TWIZEL COMMUNITY BOARD**

1. **Water Supply**

The Council notes the Board's recommendation that a temporary chlorination plant be installed to provide protection for the Twizel Water Supply from harmful bacteria and viruses (but not from cryptosporidium) and assessors feedback from the public on this matter before actioning the recommendation.

2. **Community Transport Service**

The Council notes the Board's support in principle for a community transport service for Twizel as advocated by the Twizel Community Patrol Group Steering Committee and its desire to be involved before a final decision on the project is made.

3. **Twizel Rating Boundary**

The Council notes that Peter Bell, John Bishop, Kieran Walsh, the Chief Executive Officer and Manager – Finance and Administration be appointed at the subcommittee to investigate the extension of the Twizel Community Rating Boundary with particular regard to the desired outcomes for the Community and the impacts of an extended rating base on adjoining areas and that a draft proposal be developed by the end of 2011.

4. **Upper Waitaki Shared Vision Forum**

That the Council notes that Kieran Walsh has been appointed the Twizel Community Board's representative on the Upper Waitaki Shared Vision Forum.

5. **Unauthorised Tree Felling On The SH 8 Tree Belt**

The Council endorses the Board's recommendation that Peter Nicol be warned in writing that if he removes any more trees from the Community greenbelt the matter will be referred to the Twizel Police.

### TEKAPO COMMUNITY BOARD:

6. **Lake Tekapo Community Hall – Dishwasher and Fridge**

That the Council note the Board has authorized the Community Facilities Manager to purchase a second hand dishwasher and double door fridge for the Lake Tekapo Community Hall.

7. **Criticism Of Flying Fox Project**

That Council notes the Board's decision to thank Ms Satterwaite for her comments and advise her that the flying fox was part of the playground project which would provide an amenity for children; that it had been sited with sensitivity to the landscape and views, complied with the height restrictions in the District Plan and was part of an overall plan for the Village Centre area.

8. **Walking and Cycling Strategy For The Mackenzie**

That the Council notes that the proposed Walking and Cycling Strategy for Lake Tekapo is to be raised at the meeting to be hosted by the Lake Tekapo Promotions Association on 19 May 2011 as one of the community facilities projects being fostered by the Community Board and that following the LTPA meeting, interested parties will be invite to attend a workshop facilitated by staff, to progress the development of a Walking and Cycling Strategy.

9. **Sustainable Futures Trust – Upper Waitaki Shared Vision Forum**

That the Council notes that Murray Cox has been appointed the Tekapo Community Board representative on the Upper Waitaki Shared Vision Forum and that Peter Munro is to be the alternative representative.

### FAIRLIE COMMUNITY BOARD:

10. **Strathconan Park Croquet Site**

That the Council endorses the Board's support for the Mackenzie Rugby Football Club's proposal to redevelop the former Croquet Club area in Strathconan Park.

11. **Mackenzie Community Centre Lighting Equipment**

That the Council endorses approval of the Mackenzie Theatre Group taking ownership and control of the lighting equipment and that an agreement for the change of ownership of the lighting equipment will be formalised between Council and the Mackenzie Theatre Group and that the agreement include:

- A schedule of the equipment, including its condition, and the level to which it would be maintained.
- Arrangements for its insurance.

12. **Mackenzie Community Centre**

That the Council endorses the Board's approval of expenditure for the recovering of the seats and notes that the quotes will be sought for:

- Painting the stadium walls
- Painting the theatre backdrop and pillars
- Cleaning and painting the stadium ceiling

And that the Chairman will have power to act to accept a quote for painting.

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

### **ATTACHMENTS:**

The minutes of the meetings of the Twizel Community Boards held on 9 May 2011, the Tekapo Community Board held on 9 May 2011 and the Fairlie Community Board held on 11 May 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 FAIRLIE COMMUNITY BOARD HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON WEDNESDAY 11 MAY 2011 AT 7.00 PM

### PRESENT:

Owen Hunter (Chairman)  
Ron Joll  
Ashley Shore

### IN ATTENDANCE

Glen Innes (Chief Executive Officer)  
Garth Nixon (Community Facilities Manager)  
Bernie Haar (Asset Manager)  
Rosemary Moran (Committee Clerk)

## II APOLOGIES:

Resolved that apologies be received from Julia Bremner and Graeme Page.

**Ron Joll/Ashley Shore**

Apologies were noted from the Mayor and the Manager – Finance and Administration.

## III DECLARATION OF INTERESTS:

There were no Declarations of Interest.

## IV MINUTES:

Resolved that the Minutes of the meeting of the Fairlie Community Board held on 30 March 2011, including such parts as were taken with the Public Excluded, be confirmed and adopted as the correct record of the meeting with the corrections as highlighted to the following resolution:

### ***Remuneration Authority Determination***

Resolved that the Fairlie Community Board:

1. notes the revised determination of the Remuneration Authority to increase Council's remuneration pool by **1.31%** 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                      **\$1,583 pa**

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

**Ashley Shore/Ron Joll**

### MATTERS ARISING:

#### **Gall Street Footpath**

The Asset Manager advised that the underlying issue with the request from St Joseph's School for a footpath to be constructed on the west side of Gall Street was

that a Telecom pole outside the school was preventing the school buses from turning. This was why the children were required to get off school buses at the Gall Street/Hamilton Street intersection and walk down to the school. He said he had undertaken to ask Telecom to shift the pole and associated structure.

## **V      REPORTS:**

### **1.    FINANCE REPORT TO MARCH 2011:**

This report from the Manager – Finance and Administration provided an update for Board members on the financial performance of the Fairlie Community for the period to March 2011.

Resolved that the report be received.

**Ashley Shore/Ron Joll**

The Chief Executive Officer undertook to seek explanations for:

- financial contributions
  - Strathconan Park administration budget
  - Grants and donations budget
- and email them to the Board members.

Resolved that the footpath surfacing project (budget of \$15,480) be deferred until the Spring.

**Own Hunter/Ron Joll**

### **2.    STRATHCONAN PARK CROQUET SITE:**

This report from the Community Facilities Manager was accompanied by a letter from the Mackenzie Rugby Football Club advising that it intended to clean up the croquet area and pull down a hedge to provide a third practice field for the seniors and a playing field for Saturday morning rugby.

Resolved:

1. That the report be received.
2. That the Mackenzie Rugby Football Club's proposal to redevelop the former Croquet Club area in Strathconan Park be supported.

**Ron Joll/Ashley Shore**

### **3.    MACKENZIE COMMUNITY THEATRE LIGHTS:**

This report from the Community Facilities Manager was accompanied by a proposal from the Mackenzie Theatre Group that it take over the ownership of the lighting equipment which would include being responsible for any maintenance required.

Resolved:

1. That the report be received.

2. That the Fairlie Community Board approves of the Mackenzie Theatre Group taking ownership and control of the lighting equipment.
3. That an agreement for the change of ownership of the lighting equipment be formalised between the Council and the Mackenzie Theatre Group and that the agreement include:
  - a schedule of the equipment, including its condition, and the level to which it would be maintained;
  - arrangements for its insurance.

**Ashley Shore/Ron Joll**

4. MACKENZIE COMMUNITY CENTRE:

This report from the Community Facilities Manager was accompanied by a letter from the Mackenzie Theatre Group, which expressed gratitude for the progress made in maintenance of the Community Centre. It also referred to the painting of the theatre walls. The merits of completing all the painting at one time were debated, even though this would overspend the budget for the current year.

Resolved:

1. That the report be received.
2. That the Fairlie Community Board approves expenditure for the recovering of the seats.
3. That quotes be sought for:
  - painting the stadium walls
  - painting the theatre backdrop and pillars
  - cleaning and painting the stadium ceiling.
4. That the Chairman have power to act to accept a quote for painting.

**Ashley Shore/Ron Joll**

6. REPORTS FROM MEMBERS WHO REPRESENT THE BOARD ON OTHER COMMITTEES:

Ron Joll reported on the Financial Governance 101 Workshop run by Local Government New Zealand, which had intended in Dunedin. He said it had been interesting and worthwhile.

Owen Hunter advised that he had been part of the Lions working bee to clean the walls of the stadium. He noted that the project had been very well supported and most of the work had been completed.

7. PEACE AVENUE TREES TRIMMING:

Ashley Shore referred to concerns about the slash, which had been left behind after Peace Avenue trees had been pruned.

The Community Facilities Manager explained that the clearing of the slash was a separate project and issues of timing had resulted in a delay in taking the debris away. He undertook to pass on the concerns to Transit the State Highway authority that had undertaken the work.



9. TARGETED FAIRLIE SEWERAGE INFRASTRUCTURE RATES:

The Chief Executive Officer briefed the Board on the advice he had received from Jonathon Salter of Simpson Grierson regarding challenges to rating procedures for Eversley Reserve.

As a result of that advice, the Fairlie Sewerage Infrastructure rate levied against Eversley property owners would be refunded. The ability to connect to the sewerage was not available as at 1 July 2010. Approximately \$4,000 was involved.

10. FOOTPATH REPAIRS:

The Asset Manager explained that while the section of the footpath at the corner of the Ski Shack and the Chemist shop was in private ownership, it made practical sense to have Council's contractor attend to any minor maintenance issues rather than drag matters out.

11. FAIRLIE RESOURCE CENTRE:

Ron Joll noted that the lease of the building occupied by the Resource Centre had expired. The Chief Executive Officer advised that Kevin O'Neill was negotiating with the owner to renew the lease.

**THERE BEING NO FURTHER BUSINESS  
THE CHAIRMAN DECLARED THE MEETING CLOSED AT 8.00 PM**

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

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

## MACKENZIE DISTRICT COUNCIL

### MINUTES OF THE MEETING OF THE TEKAPO COMMUNITY BOARD HELD IN THE LAKE TEKAPO COMMUNITY HALL ON MONDAY 9 MAY 2011 AT 7.30 PM

#### PRESENT:

Murray Cox (Chairman)  
Alan Hayman  
Peter Maxwell  
Peter Munro  
Ian Radford

#### IN ATTENDANCE:

Claire Barlow (Mayor)  
Glen Innes (Chief Executive Officer)  
Garth Nixon (Community Facilities Manager)  
Rosemary Moran (Committee Clerk)

#### I APOLOGIES:

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 Tekapo Community Board held on 30 March 2011, including such parts as were taken with the Public Excluded, be confirmed and adopted as the correct record of the meeting with the corrections as highlighted to the following resolution:

##### ***Remuneration Authority Determination***

Resolved that the Tekapo Community Board:

1. notes the revised determination of the Remuneration Authority to increase Council's remuneration pool by **1.31%** 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                      \$1,583 pa

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

**Ian Radford/Peter Maxwell**

#### VISITOR:

The Chairman welcomed Sam Staley from the Balmoral Army Camp, who attended to provide an update for the Community Board on the tenure review process in which the Defence Department and Braemar Station were involved. He said the substantive proposal

had been accepted by Braemar Station and signed off by the Commissioner of Crown Lands but had to be finally confirmed.

Mr Staley said that alongside the tenure review process, the Defence Department had applied for a designation under the Mackenzie District Plan for the land, which had been acquired from Balmoral Station in 2003. This designation would formalise the Army's use of the land. He said the proposal was to be publicly notified and he encouraged members to read it and make submissions.

The Chairman thanked Mr Staley who left the meeting at 7.15 pm.

### **III MINUTES (Continued):**

#### **MATTERS UNDER ACTION:**

##### **Council Website:**

The Chairman said he had arranged for a Tekapo Community Board page to be created on the website and intended to provide content by the end of May 2011. He said the page could also be employed to provide information about the community facilities workshops and invite submissions on proposals.

##### **Snow Clearing – Council Briefs:**

The Chief Executive Officer undertook to include a note in the *Council Briefs* to encourage people to be more proactive in clearing footpaths and generally assisting in snow events. It was also noted that the *Council Briefs* could be used to advise of the new Tekapo Community Board page on Council's website.

##### **Lake Tekapo Community Hall – Dishwasher and Fridge:**

The Community Facilities Manager provided options and prices for second hand commercial dishwashers and fridges.

Resolved that Community Facilities Manager be authorised to purchase a second hand dishwasher and double door fridge for the Lake Tekapo Community Hall.

**Peter Maxwell/Alan Hayman**

##### **Seats on Walkway**

Cr Maxwell advised that he would install the seat, which Sam Simpson had supplied for the walkway.

##### **Lakeside Drive Walkway**

The Community Facilities Manager advised that directional signage was required for the walkway and the lights were due to be installed.

##### **Alexandra Terrace Seal Extension**

It was noted that the rubbish skip in the area needed to be relocated to preclude damage being done to the new seal by the waste contractor's truck.

### **IV REPORTS:**

#### **1. FINANCIAL REPORT:**

This report from the Manager – Finance and Administration provided an update for Board members on the financial performance of the Tekapo Community for the period to March 2011.

Resolved that the report be received.

**Alan Hayman/Ian Radford**

The Chief Executive Officer undertook check if the grant from Meridian had been paid to the Community Board.

2. CORRESPONDENCE – COLIN MCLAREN:

The Community Board considered two letters from Colin McLaren regarding Buses and Planning and Trees and Autumn Colours. They were accompanied by a draft response to Mr McLaren from the Chairman.

The Chairman said that both issues had been canvassed at the community facilities workshops.

Resolved that the Chairman's draft response be approved for forwarding to Mr McLaren.

**Ian Radford/Peter Maxwell**

3. CORRESPONDENCE – BIDDY SATTERTHWAITE:

This letter from Ms Satterthwaite referred to the playground project and in particular, the flying fox, which she considered, should be removed to protect the iconic nature of the lakefront.

Resolved that Ms Satterthwaite be thanked for her comments and advised that the flying fox was part of the playground project which would provide an amenity for children; that it had been sited with sensitivity to the landscape and views, complied with the height restrictions in the District Plan and was part of an overall plan for the Village Centre area.

**Murray Cox/Peter Maxwell**

The Chairman undertook to respond to Ms Satterthwaite.

Cr Maxwell requested that the old tree trunks near the flying fox site be removed.

4. CORRESPONDENCE FROM JENNIFER AND ALEXANDER WALLACE:

This letter from the Mr and Mrs Wallace suggested that a central function centre be built in the Township. It was accompanied by a copy of the response from the Community Facilities Manager.

Resolved that the letter and response be received.

**Murray Cox/Peter Maxwell**

5. WARD MEMBER'S REPORT:

Cr Maxwell advised he intended to update the Board Members on the activities of the Tekapo Property Group and that due to the confidential nature of the information he would do that with the Public Excluded.

6. REPORTS FROM MEMBERS WHO REPRESENT THE BOARD ON OTHER COMMITTEES:

Murray Cox said progress at the **Regional Park** included new kiosks and signage in car parks and replanting of the SH8 Lilybank Road corner with tussocks and grasses.

He said it was intended to re-shingle the car parks before winter and that a water tank trailer would be delivered in Spring to be used for irrigation and fire fighting in the Park. Some of the pipework for tanks in the park was also to be renewed.

Peter Munro said progress had slowed a little for the **Footbridge Committee**; fundraising was on going and applications for funding had been made to charitable trusts.

Mr Munro said the last year had been frustrating for the **White Water Canoe Trust** due to the uncertainty of the Meridian/Genesis issue, flooding and the cancelling of releases. Damage to the riverbed had precluded white-water events being held.

Mr Munro said the canoe course was a viable and valuable facility for the Lake Tekapo community, the events could be spectacular and attractive and offered a point of difference for the Township. He said the facility needed to be fostered and developed. The Chief Executive Officer undertook to pass on Mr Munro's comments when he met with Genesis later in the week.

V GENERAL:

1. WALKING AND CYCLING STRATEGY FOR THE MACKENZIE:

Peter Munro presented a background paper for a proposed Walking and Cycling Strategy for Lake Tekapo and the surrounding area.

Board members noted the value of documenting the existing tracks and walkways and adding potential extensions and developments.

Resolved:

1. That the proposed Walking and Cycling Strategy for Lake Tekapo be raised at the meeting to be hosted by the Lake Tekapo Promotions Association on 19 May 2011 as one of the community facilities projects being fostered by the Community Board.
2. That following the LTPA meeting, interested parties be invited to attend a workshop facilitated by staff, to progress the development of a Walking and Cycling Strategy.

**Murray Cox/Peter Munro**

2. SUSTAINABLE FUTURES TRUST - UPPER WAITAKI SHARED VISION FORUM:

Resolved that Murray Cox be appointed the Tekapo Community Board representative on the Upper Waitaki Shared Vision Forum and that Peter Munro be the alternate representative.

**Peter Maxwell/Ian Radford**

3. PLAYGROUND PROJECT:

In response to a question from the Mayor regarding the availability of funding for the playground project, the Chairman noted that it was one of a number of local initiatives; however, a formal application to the Community Board for funding had yet to be received. He the project would be among those discussed at the LTPA meeting on 19 May 2011.

The Chief Executive Officer said that there would be a number of projects competing for funding from the Lake Alexandrina Reserves Fund and that each would be expected to provide 50% of the amount required. He said funds would be granted on the recommendation of community boards rather than individual groups

4. CIVIL DEFENCE OFFICER:

The Chairman requested that recently appointed Civil Defence Officer Ray Gardner be invited to the next Community Board meeting to discuss civil defence arrangements for Lake Tekapo.

**VI PUBLIC EXCLUDED:**

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

1. Lake Tekapo Property Development

<b>Reason for passing General subject of each matter to be considered</b>	<b>Ground(s) under this resolution in relation to each matter</b>	<b>Section 48(1) for the passing of this resolution</b>
Lake Tekapo Property Development	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: *Lake Tekapo Property Development*- section 7(2)(b)(ii) - to protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of the person who supplied it.

**Peter Maxwell/Peter Munro**

**THERE BEING NO FURTHER BUSINESS THE  
CHAIRMAN DECLARED THE MEETING CLOSED AT 9.05 PM**

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

# MACKENZIE DISTRICT COUNCIL

## MINUTES OF THE MEETING OF THE TWIZEL COMMUNITY BOARD HELD IN THE SERVICE CENTRE TWIZEL ON MONDAY 9 MAY 2011 AT 3.00 PM

### PRESENT:

Peter Bell (Chairman)  
Cr John Bishop  
Elaine Curin  
Kieran Walsh  
Phil Rive (from 4.17 pm)

### IN ATTENDANCE:

Claire Barlow (Mayor)  
Glen Innes (Chief Executive Officer)  
Garth Nixon (Community Facilities Manager)  
Bernie Haar (Asset Manager)  
John O'Connor (Utilities Engineer)  
Rosemary Moran (Committee Clerk)

### I APOLOGY:

Resolved that an apology be received from Phil Rive for lateness.

**Peter Bell/Phil Rive**

### II DECLARATIONS OF INTEREST:

Peter Bell restated 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 on 30 March 2011, including such parts as were taken with the Public Excluded, be confirmed and adopted as the correct record of the meeting with the corrections as highlighted to the following resolution:

#### ***Remuneration Authority Determination***

Resolved that the Twizel Community Board:

1. notes the revised determination of the Remuneration Authority to increase Council's remuneration pool by **1.31%** 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* *\$1,583 pa*

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

**John Bishop/Elaine Curin**

#### ACTION POINTS:

##### **Security Cameras**

The Community Facilities Manager advised that the cameras had been installed on 6 May 2011.

#### **IV REPORTS:**

##### 1. FINANCE REPORT TO MARCH 2011:

This report from the Manager – Finance and Administration provided an update for Board members on the financial performance of the Twizel Community for the period to March 2011.

Resolved that the report be received.

**John Bishop /Kieran Walsh**

The Chief Executive Officer undertook to investigate:

- road signs capital expenditure
- Twizel Information Centre
- Reserves administration.

and email Members with the information.

##### 2. TWIZEL WATER SUPPLY:

The Community Board considered the report from the Utilities Engineer, which referred to the Twizel Water Supply Source, Resource Consent, Water Usage, Pumping System. Water Treatment, Water Testing, Health (Drinking Water) Amendment Act 2007, NZ Drinking Water Standards, Ministry of Health Public Health Grading System, Council's Programme to Upgrade, Temporary Disinfection of Water Supply, Walkerton Ontario - May 2011 and Community Consultation.

Peter Bell vacated the Chair in favour of the Vice-Chairman, Kieran Walsh.

Comment on the Twizel Water Supply from Hakai Tane, the response to the comment from the Utilities Engineer and a letter from Twizel resident Kate Rogers were circulated to the Board members.

The Utilities Engineer spoke to the issue and answered questions.

Resolved that the report be received.

**John Bishop/Elaine Curin**



Resolved that the Twizel Community Board recommends to the Council that a temporary chlorination plant be installed to provide protection for the Twizel Water Supply from harmful bacteria and viruses (but not from cryptosporidium).

**John Bishop/Elaine Curin**

Elaine Curin requested that the decision and the rationale supporting it be publicly notified.

Peter Bell resumed the Chair.

3. COMMUNITY WORKER'S REPORT:

This was the report from the Twizel Community Worker for the period 3 March 2011 to 30 March 2011.

Resolved that the report be received.

**Elaine Curin/John Bishop**

4. WARD MEMBERS REPORT:

Cr Bishop reported:

- that Lake Alexandrina Reserves funding was available for projects on reserve land, subject to 50% of the funding being raised locally;
- that the *Relay for Life* would be held in Twizel on 10 March 2012;
- that one company had been selected to manage the District's recycling operations and Resource Recovery Parks - 140 litre bins would be used to collect residual waste, 240 litre bins to collect recyclables and crates to collect glass; some work remained to be completed before a contract was signed;
- that boxing had been installed for the new hangar at the Pukaki Airport;
- that the Council had met with High Country Health to discuss the proposed Twizel Medical Centre project;
- that he had removed steel posts and chains from greenways in the Twizel Township, except for those on Mackenzie Drive;
- that he had begun pruning trees along Ohau Road in conjunction with the Ben Ohau Golf Club.

5. REPORTS FROM MEMBERS WHO REPRESENT THE BOARD ON OTHER COMMITTEES:

Cr Bishop reported that Twizel Events Centre caretaker James Leslie had submitted his resignation effective from 30 June 2011. The Community Facilities Manager undertook to convene a meeting to discuss his replacement.

## IV GENERAL:

### 2. REGIONAL COUNCIL BUS SERVICE/RATES:

The Chairman welcomed the secretary of the Twizel Community Patrol Group, Graham Palmer, to the meeting.

The Chief Executive Officer provided background about the Twizel to Timaru weekly bus service which was currently subsidised by Environment Canterbury rates.

The Chairman said the Heartlands Resource had investigated taking on a community car offered by Waimate District Council but this had been proved too small for the Township's requirements.

The Community Board also considered a letter from Michael McKibbin of Geraldine Transport which operated the current bus service. It was accompanied by recent passenger statistics and information.

Mr Palmer said the Twizel Community Patrol Group had been approached by Environment Canterbury to see if it would be interested in combining its patrol activities with the operation of a community vehicle to transport residents to Timaru for medical treatments. He said such a service had been proposed twice previously but had not eventuated. He said the Group had undertaken to pursue the proposal because it could work in conjunction with its current system of drivers and personnel. A steering committee had been formed which had decided to form a new trust the *Twizel Community Patrol and Vehicle Trust*. It was proposed to use a Toyota Camry vehicle to transport people locally and a mobility van to take people to Timaru. This van could also be rented to sports groups for weekend use.

Mr Palmer said a further meeting was to be held on 25 May 2011 to progress the formation of the new trust. He said while funding was uncertain, the Group intended to utilise the best of the Geraldine and Waimate Trusts models as its basis. He noted that one of the Trusts had offered a vehicle to Twizel. Following the meeting, it was intended to convene a public meeting when trustees would be appointed.

Mr Palmer noted:

- it was proposed to provide an on-demand service from Mondays to Thursdays to enable people to keep appointments with specialists in Timaru;
- volunteer drivers would be used;
- the service would be for medical purposes only – not shopping trips
- the Trust would decide if Lake Tekapo and/or Fairlie residents could make use of the service.

The Chairman said it appeared that from January 2012 Environment Canterbury funding would no longer be available for the current bus service; but could be made available to support a community initiative.

He thanked Mr Palmer who left the meeting at 4.14 pm.

Phil Rive joined the meeting at 4.17 pm.

Resolved:

1. That the Twizel Community Patrol Group Steering Committee's proposal for a community transport service be supported in principle.
2. That the Community Board be involved before a final decision on the project is made.

**John Bishop /Peter Bell**

1. 2013 SOUTH ISLAND COMMUNITY BOARDS' CONFERENCE:

It was noted that the cut-off date for expressions of interest in hosting the event had been missed; however, it was likely travel costs to Twizel would have proved to be prohibitive.

3. TWIZEL COMMUNITY RATING BOUNDARY:

The Chief Executive Officer advised that the exercise to consider extending the Twizel Community Rating Boundary would relate to the 2012/13 rating year. He recommended that over the next 12 months an analysis of the issues and options should be developed.

Resolved:

1. That Peter Bell, John Bishop, Kieran Walsh, the Chief Executive Officer and Manager – Finance and Administration be appointed as the subcommittee to investigate the extension of the Twizel Community Rating Boundary with particular regard to the desired outcomes for the Community and the impacts of an extended rating base on adjoining areas.
2. That a draft proposal be developed by the end of 2011.

**Peter Bell/Kieran Walsh**

The Chairman undertook to convene the first meeting of the subcommittee before the end of June 211.

4. UPPER WAITAKI SUSTAINABLE FUTURES TRUST:

Resolved that Kieran Walsh be appointed the Twizel Community Board's representative on the Upper Waitaki Shared Vision Forum.

**Peter Bell/Phil Rive**

5. UNAUTHORISED TREE FELLING ON THE SH 8 TREE BELT:

The Community Facilities Manager advised that a number of trees had been unlawfully felled in the greenbelt at the southern end of the township. He said that as the trees belonged to the Twizel community he had consulted the Twizel police who considered that a charge of wilful damage could be brought against the perpetrator Peter Nicol. The Community Facilities Manager said it seemed that the trees might have been removed in order to provide visual access to the commercial area behind them.

Resolved that Peter Nicol be warned in writing that if he removes any more trees from the Community greenbelt the matter will be referred to the Twizel police.

**Peter Bell/John Bishop**

The Chairman undertook to prepare an article for publication in the Twizel Update in the Spring asking the community to respect Council property, especially the community's greenbelt areas, and not use them for the dumping of rubbish, parking of vehicles or removal of trees.

**THERE BEING NO FURTHER BUSINESS THE  
CHAIRMAN DECLARED THE MEETING CLOSED AT 4.46 PM**

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

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

## **MACKENZIE DISTRICT COUNCIL**

### **MINUTES OF A MEETING OF THE FINANCE COMMITTEE HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY 24 MAY 2011 AT 9.30 AM**

#### **PRESENT:**

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

#### **IN ATTENDANCE:**

Glen Innes (Chief Executive Officer)  
Paul Morris (Manager – Finance and Administration)  
Keri-Ann Little (Relief Committee Clerk)

#### **I APOLOGIES:**

There were no apologies.

#### **II LATE ITEM**

The Chief Executive Officer requested a late item be added to the agenda, being a presentation from the Mackenzie Tourism and Development Trust.

Resolved That a presentation from the Mackenzie Tourism and Development Trust be added to the agenda on the grounds that the matter was urgent and could not be deferred to a later date.

**Graeme Smith/Claire Barlow**

#### **III MINUTES**

Resolved That the minutes of the previous meeting of the Finance Committee held on Tuesday 12 April 2011, including such parts as were taken with the Public Excluded were confirmed and adopted as the correct record of the meeting.

**Claire Barlow/Annette Money**

#### **MATTERS UNDER ACTION:**

##### **1. Tekapo Property Matters:**

The parties have accepted the concept plan for the development of the camping ground land. Following formal approval of the subdivision, 40% of the purchase price will be deposited with the Council's Solicitors.

**2. Twizel Land Sale:**

Some concern was expressed that negotiations had been recommenced with the proposed purchaser of land at Twizel, following an earlier Council decision to withdraw from a sale and purchase agreement.

The Manager – Finance and Administration explained that Council's earlier instructions had been to obtain a better price for the land, given that the costs of subdivision were greater than first anticipated.

Resolved That negotiations should proceed with the original party to the sale of Twizel land, subject to a fresh valuation of the land being obtained together with a commitment to build within a certain time frame.

**Annette Money/Evan Williams**

**IV VISITOR:**

**Alps2Ocean Joint Committee – Terms of Reference**

Stephen Halliwell (Advisor to the Alps2Ocean Cycle Trail) presented his report on the terms of reference for the Alps2Ocean Joint Committee and answered question from elected members.

He advised that the Waitaki District Council had already adopted these terms of reference.

Resolved That the terms of reference for the Alps2Ocean joint committee as detailed below be adopted.

**Claire Barlow/Evan Williams**

**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

## **IV VISITOR:**

### **Andrew Hocken - Submission Form Alps2Ocean Cycle Trail**

The Chairperson welcomed Mr Hocken to the Meeting. He expanded on his written submission, which was supportive of Council's intention to create a company with Waitaki District Council to operate the Alps2Ocean Cycle Trail.

He stressed the need for key stakeholders to be represented on the joint committee and believed more thought needed to be given to how the operational costs of the trail would be funded.

The Chairperson thanked Mr Hocken for his comments and arranged for him to receive a copy of the terms of reference for the joint committee.

The meeting was adjourned for morning tea at 10.49am and reconvened at 11.08am.

**V      REPORTS:**

1. FINANCIAL REPORT – FEBRUARY 2011:

This report from the Manager – Finance and Administration was accompanied by the financial reports for the period to March 2011.

The Manager – Finance and Administration spoke to his report.

Resolved that the report be received.

**Graeme Page/Evan Williams**

**V      REPORTS:**

2. BANCORP QUARTERLY REPORT

The Manager – Finance and Administration spoke to this report which summarised the performance of Council's investment portfolio, compared with a benchmark portfolio for the quarter ending 31<sup>st</sup> March 2011.

Resolved that the report be received.

**Annette Money/Evan Williams**

**VI      PUBLIC EXCLUDED:**

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

1. Financial assistance for Mackenzie Tourism and Development Trust.

<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>
Financial assistance for the Mackenzie Tourism and Development Trust	To enable Council to carry on negotiations	Section 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 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, is as follows: *Section 7 (2)(h)*.

**Annette Money/Evan Williams**

The Committee continued in Open Meeting.

Due to the lateness of the hour it was agreed that the meeting would be adjourned to allow the other Committees to attend to their business.

The meeting adjourned at 2:20pm

The meeting was resumed at 4:12pm.

## **V     REPORTS:**

### **3.   UNBUDGETED EXPENDITURE:- PRELIMINARY SUBDIVISION EXERCISE IN TEKAPO**

This report requested Council approval of unbudgeted expenditure of up to \$32,718.16 + gst for a preliminary subdivision exercise for Tekapo land.

Cr Maxwell spoke in support of this report.

Cr Smith and Cr Bishop expressed the need for a signed commitment from interested parties before incurring more costs.

Motion That Council not proceed with this preliminary subdivision exercise until it has a firm commitment from purchasers of the land.

Graeme Page/John Bishop

Motion defeated on a show of hands 2/4.

Resolved That Council invite a representative from Robin Hughes Development Ltd to explain to the Council the property group's strategy for developing this land before proceeding further.

**Peter Maxwell/Claire Barlow**

It was agreed that the remaining items on the agenda would be dealt with at the Council Meeting on 31<sup>st</sup> May 2011.

## **THE CHAIRMAN DECLARED THE MEETING CLOSED AT 4:45PM**

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

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

# MACKENZIE DISTRICT COUNCIL

## MINUTES OF A MEETING OF THE PROJECTS AND STRATEGIES COMMITTEE HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY 24 MAY 2011 AT 2.30 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  
Julie Hadfield (Committee Clerk)

### **I APOLOGIES:**

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 12 April 2011, including such parts as were taken with the Public Excluded be confirmed and adopted as the correct record of the meeting.

**G Smith/E Williams**

Resolved that the Minutes of the meeting of the Solid Waste Subcommittee held on 13 April 2011, including such parts as were taken with the Public Excluded be received

**G Smith/E Williams**

### **IV REPORTS:**

#### **1. ASSET MANAGER'S MONTHLY REPORT:**

This report from the Asset Manager referred to  
Project Progress - Clayton Road Seal Widening, Twizel Water Supply (including disinfection), Fairlie Water Supply Trunk Main Replacement, Solid Waste Review.

Project Progress – Lake Alexandrina Bridge Replacement, Clayton Settlement Rd Bridge Deck Replacement, Twizel Oxidation Pond Upgrade, Alexandra Terrace (Tekapo) Formation and Seal, School Road Stock Water Race Consent.

Roading – Road Issues, Bridge Repairs, Minor Improvements, Footpath Reseals, Unsealed Road Metalling, Unsealed Road Grading, Reseals, North Opuha Bridge.

Essential Services & Solid Waste.

## **V MATTERS ARISING:**

### **CLAYTON ROAD WIDENING:**

Councillors expressed concern about the need to defer the balance of this work and were disappointed that the full work programme was not able to be completed.

The Chief Executive Officer advised that he issued instruction to staff that in future all work should be tendered before 31<sup>st</sup> December in any one year.

A copy of that memo was tabled at the meeting. He shared the elected members' disappointment.

### **TWIZEL WATER SUPPLY TEMPORARY DISINFECTION:**

The Asset Manager noted that a decision to proceed with temporary disinfection of the Twizel Water Supply would be dependent on the outcome of public submissions which were to close on 3<sup>rd</sup> June 2011.

### **FAIRLIE WATER SUPPLY TRUNK MAIN REPLACEMENT:**

This project was going well.

### **SOLID WASTE REVIEW:**

The Asset Manager advised that this project was going well but also drew members attention to the fact that finalising new arrangements for Solid Waste was absorbing a large amount of staff time.

### **ROADING:**

Frank Ledingham spoke to his section of the Asset Management report.

#### ***ALEXANDRA TERRACE ENTRANCE***

The Asset Manager advised that NZTA had declined to do the upgrading work itself and he was not in favour of the work being shared.

#### ***CLAYTON ROAD BRIDGE DECKING***

It had not proved feasible to widen the replacement decking but the alignment could be altered if Council so required.

#### ***CONDITION OF RURAL ROADS***

Elected members felt there had been a drop-off in the general standard of rural roading maintenance. Staff shared some of those concerns and the Asset Manager urged elected members to pass on any concerns they had as soon as possible so remedial action could be taken. They did not need to wait until a Committee meeting.

**RESEAL REPAIRS**

The repair work that Fulton Hogan had committed to would now be completed in the Spring.

**WATER:**

John O'Connor spoke to his section of the Asset Management report.

**SOLID WASTE:**

The Asset Manager advised that work was underway to remove as much of the stored recycled materials from the Recovery Parks. He intended to get the Parks in as tidy a condition as practical before handing over to an external Contractor. Staff were also exploring with the Contractor, opportunities for third parties to purchase the VCU.

Resolved that the report be received.

**A Money/G Smith**

**Resolved:**

That the Committee confirms that the unspent balance of the funds in the Rural Minor Improvement budget be carried forward into the 2011/12 year.

**A Money/G Smith**

**III PUBLIC EXCLUDED:**

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

RFP for Solid Waste Services – Contract Negotiations

<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>
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RFP for Solid Waste Services Contract Negotiations	Commercial Sensitivity	48(1)(a)(i)
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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: *RFP for Solid Waste Services – Contract Negotiations* Section 7(2)(b)(ii)

**J Bishop/C Barlow**

The Committee continued in Open Meeting.

**THERE BEING NO FURTHER BUSINESS  
THE CHAIRMAN DECLARED THE MEETING CLOSED AT 3.30 PM**

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

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

# **MACKENZIE DISTRICT COUNCIL**

## **MINUTES OF A MEETING OF THE PLANNING COMMITTEE HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY 24 MAY 2011 AT 3.50 PM**

### **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)  
 Julie Hadfield (Committee Clerk)

### **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 12 April 2011 were confirmed and adopted as the correct record of the meeting.

**A Money/C Barlow**

### **MATTERS ARISING:**

Cr Maxwell asked about Pukaki Downs Appeal.

The manager, Planning and Regulation advised that he had attended the mediation hearing the previous day where the matters in contention had been resolved

The Chief Executive Officer noted a slight error in the Dog Control fees schedule attached to the last minutes where the heading should be 2011/12, not 2010/11.

#### **IV     REPORTS:**

##### **1.     HERITAGE PROTECTION FUND:**

This report from the Manager – Planning and Regulations was for the Committee to consider two applications to the Council’s Heritage Protection Fund.

It was clarified that unallocated funds from one year were carried forward and that it wasn’t against the policy for two applications to be made for linked projects. A further allocation of \$5,000 was included in the draft budgets for 2011/12

##### **Resolved:**

1.     That the report be received.
2.     That the Committee allocates the Mackenzie Co-Operating Parish \$3,503.07 in accordance with the Heritage Protection Fund Policy to contribute to maintenance work proposed to be undertaken on St Stephen’s Church in Fairlie.

**G Page/C Barlow**

**THERE BEING NO FURTHER BUSINESS THE  
CHAIRMAN DECLARED THE MEETING CLOSED AT 4.00 PM**

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

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



# **MACKENZIE DISTRICT COUNCIL**

## **MINUTES OF A MEETING OF THE MACKENZIE DISTRICT COUNCIL HELD IN THE SERVICE CENTRE, TWIZEL, ON TUESDAY 19 APRIL 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)  
Garth Nixon (Community Facilities Manager)  
Rosemary Moran (Committee Clerk)

### **I OPENING:**

The Mayor welcomed everyone to the meeting.

She noted that the pressure of Council business had limited her opportunities for communication with Councillors in recent weeks, but reminded them not to hesitate to phone or email with any issues they had.

The Mayor also drew attention to the meeting protocols covered in the *Good Practice Guide*. These include the need for meeting preparation, focused debate and concentration on issues rather than personalities.

### **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 Gwendoline Malthus, Margaret Inman and Lorraine Allen. 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 /Annette Money**

**Appointment to Aoraki Foundation:**

The Mayor advised that she would be considering her appointment to the Aoraki Foundation.

**VI REPORTS REQUIRING COUNCIL DECISIONS:**

**1. DRAFT ANNUAL PLAN:**

The Council considered the Draft Annual Plan for 2011–2012. A copy of the Summary document was distributed.

It was agreed that the following be included:

- Graphs illustrating spending in both the Summary and the Annual Plan documents.
- Information about the Government Rates Rebate Scheme in the Summary document.

The Chief Executive Officer undertook to check that the wording regarding the ten-year flood risk in Fairlie was technically correct.

Resolved that the Draft Annual Plan for 2011 – 2012 and the Summary document, with the above amendments, be adopted.

**Graeme Smith/Annette Money**

**2. LOCAL GOVERNANCE STATEMENT:**

The Council considered the Draft Local Governance Statement for 2011.

It was noted that the delegations manual was to be reviewed and an amendment to the Freedom Camping Bylaw was required. A copy of the Hurunui District Council Freedom Camping Bylaw 2011 was distributed for information.

Resolved that the draft Local Governance Statement for 2011 be adopted.

**Annette Money/Peter Maxwell**

**XI ADJOURNMENT:**

The meeting was adjourned at 10.20 am for morning tea and reconvened at 10.40 am.

**VI REPORTS REQUIRING COUNCIL DECISIONS (Continued):**

**3. MACKENZIE TOURISM AND DEVELOPMENT TRUST – STATEMENT OF INTENT:**

This report from the Manager – Finance and Administration was accompanied by:

- the Mackenzie Tourism and Development Trust's Statement of Intent for the year ending 30 June 2012 and Two Subsequent Years
- the Forecast Profit and Loss Statement for the year ended 30 June 2012 and Two Subsequent Years, and
- the Trust Deed establishing the Mackenzie Tourism and Development Trust.

Resolved that the report be received.

**Graham Smith /Annette Money**

Resolved that, as the Statement of Intent for Mackenzie Tourism and Development Trust did not comply with the Local Government Act 2002 or its own Trust Deed, it be rejected and the Trust requested to produce a compliant Statement of Intent, with the assistance of Council staff if required.

**Annette Money/Evan Williams**

#### 4. MACKENZIE TOURISM DEVELOPMENT TRUST RATING:

This report from the General Manager of the Mackenzie Tourism and Development Trust outlined 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

Resolved that the report be received.

**Evan Williams/Graham Smith**

Cr Maxwell, who was also a Trustee, said the General Manager's proposal had arising from the workshop with the Councillors. He said the new rate was trying to achieve greater fairness. He was confident that it was fair and reasonable but emphasised that the Councillors needed to have good background knowledge to back it up. He noted the good work undertaken by the Trust for the District, and in particular the gaining of \$2.75m for the development of the Alps2Ocean Cycleway, which would not otherwise have been possible.

Cr Smith supported Cr Maxwell's comments.

Cr Page suggested that there was a perception that some commercial businesses did not gain advantages from the activities of the Trust. He mentioned Gibson Bros in Fairlie and hardware stores as examples of such businesses.

Cr Maxwell said that over the previous five years, he personally had spent \$50,000 buying equipment from Aorangi Electric in Fairlie to support his tourism business and when he had rebuilt his house for use as a bed and breakfast operation, he had bought about \$20,000 worth of steel from Gibson Bros. He said this was a message which needed to be promulgated in the community.

The Chief Executive Officer tabled a commentary on the proposal which referred to What Was Involved, How the Funds were Proposed to be Used, How Much was Involved, Consultation, the Urgency Which Had Been Highlighted, A Bigger Problem and An Alternative Way Forward. The commentary included three recommendations.

Cr Maxwell said the Trust was seeking support from the Council to ensure its future in light of circumstances such as the Canterbury earthquakes which were beyond its control.

Cr Money supported the Chief Executive Officer's recommendations.

Cr Bishop said he supported the Trust but not at any cost; the Trust had to live within its budgets.

Cr Williams agreed with Cr Bishop's comments. He also supported the proposed independent review.

Cr Smith said he was supportive of the Trust and did not want to see it lost to the District. He suggested some problems could be alleviated if the targeted ratepayers accepted the proposed increase. He suggested they be surveyed to find out if it had support. He considered that a rate increase might not solve all the problems, and the Tourism and Leisure report, which the Chief Executive Officer had circulated, had referred to the downturn in tourism industry and how such problems might be addressed.

Cr Smith supported the proposed independent review and stated he did not want the Council to lose confidence in the Trust.

In response to a question from Cr Page, Cr Maxwell said the Tekapo Community Board had not formally considered supporting the i-SITE, however he had discussed the issue with the Chairman who had suggested that if the Board were to subsidise it, the i-SITE might become a type of service centre for the Township as a trade-off.

The Mayor said it was obvious that the i-SITE would always run at a loss; did the Council wish to fund that from the ratepayers who benefited from the information and services it provided and to what extent?

The Mayor suggested that more time was required to enable the Council to investigate the Trust's proposal and she supported the Chief Executive Officer's recommendations

**Resolved:**

1. That the Council not commit to further rating or other funding of the Mackenzie Tourism and Development Trust until it has obtained an independent view of the Trust's viability, although some potential form of assistance by loan may be foreshadowed in the Annual Plan.
2. That Deloitte be engaged to undertake the review for the quoted price of \$5,000 plus GST and disbursements.
3. That the Council requests the Draft Statement of Intent from the Mackenzie Tourism and Development Trust be amended or rewritten to meet the requirements of the Trust Deed and the Local Government Act 2002 and that the budgets be revised to reflect the current trading outlook

**Graeme Page /John Bishop**

**Resolved:**

1. That the Trust be advised of the Council's decisions and requested to continue its current trading activities.

2. That the Trust be advised of Council's commitment to explore all avenues to provide on-going support.

**Graham Smith /Annette Money**

It was agreed that the Mayor and Cr Maxwell liaise with the Chief Executive Officer regarding the wording about the proposed targeted rate which should be included in the Draft Annual Plan and Summary document.

The Chief Executive Officer circulated copies of the proposed Terms of Reference for the independent review of the Trust and invited comment from the elected members to be provided to him by the next day.

5. **FEES AND CHARGES FINANCIAL CONTRIBUTIONS:**

This report from Manager – Finance and Administration sought Council's approval of the level of financial contributions for the year commencing 1 July 2011.

Resolved that the report be received.

**Annette Money/Peter Maxwell**

Resolved that Financial Contributions 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

**Graeme Page/Graham Smith**

7. **PROPOSED SOLID WASTE CHARGES:**

This report from the Solid Waste Manager was accompanied by a schedule of proposed Solid Waste Charges for 2011/2012.

Resolved that the report be received.

**Graham Smith/Graeme Page**

Resolved that the following solid waste charges be adopted and that they be effective immediately:

**Recycle Bags**

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

**Rubbish Bags**

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

**Recyclable Materials**

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

**Residual Rubbish**

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

**Mattresses**

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

**Whiteware**

\$10.00 (a reduction 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

**Tyres:**

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

**Green waste**

\$15.00 (an increase of \$3.00)

**Commercial Customer Invoice Charge**

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

**Graham Smith/Evan Williams**

**XI ADJOURNMENT:**

The meeting was adjourned at 12.24 pm for lunch and reconvened at 1.30 pm.

**XII VISITORS:**

The Mayor welcomed High Country Health directors Bruce White, Chairman Simon Williamson, Priscilla Cameron, Dave Pullen, Rosalie Smith and Shirley Bond.

Simon Williamson said the directors wanted to explain to Council their aspirations for a new medical centre for Twizel. He referred to the inspection earlier in the day of preferred sites and noted that there could also be further options. He said the directors didn't know the implications of using any of the sites or how difficult they might be to obtain. He noted that it was a reasonably urgent project for Twizel.

Mr Williamson said it would be necessary to raised \$1m or more locally and asked if Council could donate the proceeds from the sale of the existing medical centre against which the company could then borrow.

Mr Williams referred to a new Trust Deed which had the directors had commissioned noting there were a few amendments yet to be made. He said it was important to finalise the Trust Deed in order to begin fundraising. He said the directors were hoping that having seen the new Trust Deed, the Council would hand over the shares in High Country Health to the directors.

Rosalie Smith said the new Trust would be known as the High Country Medical Trust and had been developed using the Kurow Trust model. Under the terms of the new Trust, High Country Health would be owned by shareholders who would also be the Trustees of the High Country Medical Trust. She said this would alleviate the confusion that had resulted from the existing shareholders being the Mackenzie Medical Trustees.

Ms Smith went on to explained details relating to the election of directors, and the automatic transfer of shares to new directors.

Cr Smith clarified that the intention of the directors was for the Board of High Country Health and the Trustees of the High Country Medical Trust to be the same people. Mr White confirmed that, noting it was how both the Kurow and East Otago Trusts operated.

In response to Cr Page's question regarding the Council's involvement, Mr Williamson said Council could nominate a Trustee if it so desired. Ms Smith said that would require a change to the current Trust Deed.

The Mayor explained that if Council provided funds for buildings, those buildings would need to be vested in the Council to protect the ratepayers' investment.

Mr Williamson said that if anything untoward happened the buildings would revert to Council ownership.

The Chief Executive Officer said the directors seemed to be advocating that the Council contribute funds towards a new facility but not own it. If that were the proposition, the Council would need to take legal advice.

Ms Smith said if the Council did have a major involvement in the project, the new Trust Deed would have to be amended to incorporate Mackenzie District Council membership.

Mr Williamson undertook to provide an updated copy of the new Trust Deed.

Ms Smith said that advice from their lawyer George Berry was that there was no legal requirement for the Mackenzie Medical Trust to be the shareholders of High Country Health Ltd. The two entities were quite separate. She suggested the current shareholder were in an illegal situation because the constitution of High Country Health Ltd required the shareholders to be members of a charitable organisation which they were not, because they had resigned from the Mackenzie Medical Trust; therefore they were holding the shares illegally.

The Mayor said that until Council had obtained advice on the proposed new Trust, it could not comment. However, she supported the directors' intentions for the medical centre project and hoped that the whole community would get behind it. She said that would only happen when community was satisfied that High Country Health Ltd's activities were transparent; up until now the community had felt excluded from decision making.

Mr Williams said that until the new Trust deed was in place it would not be possible to go public. He acknowledged that while there had been bad blood between the Council and High

Country Health in the past, his hope was that everyone could now work together for what was best for Twizel.

Cr Williams expressed his support of a new medical centre for Twizel. He noted that in Fairlie the Council owned the buildings which the doctors used for their practice. He asked if it was intended that High Country Health Ltd would run the practice in Twizel as well as owning the buildings.

Mr Williamson confirmed that the Trust would own the buildings and run the practice.

Cr Bishop asked the directors exactly what they wanted from the Council.

Mr Williamson said that because of the amount of money that would be needed for a new facility, it would like the proceeds from the sale of the existing building, or a proportion of the proceeds, to use as collateral for a loan.

Cr Smith said he supported the directors' objective, which was to make sure Twizel had good medical facilities. The Council was keen to assist. It did not wish to run the business. He said the proposed new Trust structure would need to be examined in more detail before a commitment could be made.

Cr Maxwell asked if there was a business plan around the financing and operation of the new facility.

Mr Williamson said the rough cost per square metre was known. At the moment the business was paying for itself.

Mr White said the business was currently making \$40,000 to \$50,000 per year; it had been losing \$60,000 per year.

There was a discussion about potential sites. Mr Williamson said the golf club site would be the first choice and second choice would be the site on Rhoboro Road.

Mr Williamson then referred to High Country Health's debt to Council. He said the directors would be happy to pay off \$60,000 immediately.

The Chief Executive Officer said that the total debt was around \$90,000. The High Country Health directors had accepted that. Council had provided a proposal for the repayment of the debt but it had not been signed off by High Country Health. Council had offered a repayment scheme on a concessional basis but the OCR interest rate plus 4% had been questioned by Mr White. He said the document needed to be signed.

Mr White said the document had been bypassed because their lawyer had not been happy with it.

Mr Williamson said he understood that \$90,000 was the sum owed and that the concession was that was that the interest component would not be due be for ten years.

The Chief Executive Officer explained that the Mackenzie District Council was the owner of the medical centre buildings and was also owed a debt of \$90,000. There was no formalised agreement for the repayment of the debt. The Council was not receiving rent for the buildings to which it was entitled. In concessional terms, he suggested the rent should at least cover the costs of the rates and insurance which the Council was meeting. He said those issues needed to be resolved before anything else.



The Mayor suggested that if the lawyer was not happy with the debt repayment proposal then it needed to be sorted out as soon as possible.

Mr White suggested that if Council accepted the directors' proposal everyone could move on.

The Manager – Finance and Administration explained that it was not possible to provide a further concession in terms of forgiving the \$30,000 interest portion of the debt because it would have to be written back against what had already been provided as subsidies for the works and services rates for the three communities and the District. This would raise their rates levels. He clarified that for him to account for the interest properly it would have to be returned to where it had been taken from.

Mr Williamson hoped that once the debenture issue had been sorted, the Trust Deed and shareholding could be considered.

The issue of the existing shareholders was discussed and the Chief Executive Officer suggested that Council's lawyer talk with Mr Berry because the directors had raised issues about which the Council had not previously been aware.

The Chief Executive Officer asked if the directors had consulted the District Plan to determine if its preferred sites were correctly zoned.

The Mayor recommended that they consult with the Manager – Planning and Regulations to ascertain if the preferred sites were indeed practical options.

Mr Williamson thanked the Council for meeting with the directors. He reiterated that everyone was trying to achieve the goal of a new medical centre for Twizel.

The Mayor thanked the visitors who left the meeting at 2.13 pm.

## **VI REPORTS REQUIRING COUNCIL DECISIONS (Continued)**

### **8. ALPTS2OCEAN JOINT COMMITTEE – TERMS OF REFERENCE:**

This report from the Chief Executive Officer sought approval for the terms of reference for the Alps2Ocean Joint Committee.

Resolved that the report be received.

**Graeme Page/Peter Maxwell.**

It was suggested that Clause 15 of Appendix A of the Terms of Reference be amended to include "liabilities".

Resolved that that approval of the Terms of Reference be deferred until the agreement between the Mackenzie and Waitaki District Councils had been formalised.

**Graeme Page/Annette Money**

### **6. FEES AND CHARGES::**

This was a schedule of proposed fees and charges for Asset Management, GIS, Resource Management, Environmental Health, Dog Control, Building Consent, Sale of Liquor and

Gambling Machine Licensing, Swimming Pools, Hall Hires, Cemeteries, Pensioner Housing and Miscellaneous Sales and Services for 2011/2012.

Cr Smith proposed that there be reduced swimming pool charges for pensioners. The Chief Executive Officer suggested that could be considered before the next swimming season.

It was noted that the date on the fees for the Twizel Events Centre should be corrected to 2011/2012.

It was also noted that, to reflect the wishes of the Twizel Community Board and Events Centre Committee, the fees for the Twizel Events Centre should remain unchanged.

Resolved that the schedule of fees and charges for Asset Management, GIS, Resource Management, Environmental Health, Dog Control, Building Consent, Sale of Liquor and Gambling Machine Licensing, Swimming Pools, Hall Hires, Cemeteries, Pensioner Housing and Miscellaneous Sales and Services for 2011/2012 be adopted with the following amendments:

- that the fees for the hire of the Twizel Events Centre remain unchanged
- that the sewerage upgrade charge for Lake Tekapo Urban area be reviewed at a later date.

**Annette Money/Peter Maxwell**

#### 9. ELECTED MEMBERS' REMUNERATION:

This report from the Chief Executive Officer referred to the determination of the Remuneration Authority that would apply from 1 July 2011 until 30 June 2012.

Resolved that:

1. The Council notes the advice from the Remuneration Authority dated 24 March 2011 of an indicative pool for members' remuneration of \$108,095 for the 2011/12 year.
2. That the Council makes no change in its method of allocating the pool of remuneration between Council and its community boards and that all councillors are remunerated equally.
3. That the Council noted the support of its three community boards for no change in the method of allocating this pool.
4. That the Council therefore recommends to the Remuneration Authority that the following salaries apply from 1 July 2011:
 

• Mayor (separately determined)	\$53,100pa
• Councillors, including Deputy Mayor and Committee Chairs	\$15,839pa
• Community Board Chairs	\$3,959 pa
• Community Board Members	\$1,583 pa

**Annette Money/Graham Smith**

#### 10. CHIEF EXECUTIVE OFFICER'S REPORT:

This report from the Chief Executive Officer referred to Council, Committee and Board Meetings, Other Meetings and Activities, the Annual Budgeting Process and New Format Annual Plan, Tekapo Property Group, Meeting Workload, Local Governance Statement and Eversley Sewerage.

Resolved that the report be received.

**Annette Money/Peter Maxwell**

The meeting workload was discussed. Cr Smith suggested it was up to the Chairs of Committees to keep things moving.

Cr Bishop supported him and suggested that to make best use of meeting time, Councillors make an effort to understand the issues before they arrived.

The Manager – Finance and Administration recommended that another meeting day be scheduled because of the upcoming need for Council to adopt a range of significant policy decisions required for the Long Term Planning process.

The Mayor requested that an effort be made to avoid too many documents being tabled at meetings. This would assist Councillors to arrive better prepared.

Crs Maxwell and Williams supported the reservation of Tuesdays as a potential extra meeting day. This would enable Councillors to make other commitments in full knowledge of their Council commitments.

Resolved:

1. That the meeting schedule remain unchanged in the meantime.
2. That meetings of the Finance Committee conclude at 12.30 pm.
3. That all agendas be dispatched to Councillors on time.
4. That Committee Chairmen be invited to discuss the Agenda content with the Chief Executive Officer
5. That an extra Tuesday each month be reserved as a potential meeting day.

**Annette Money/Evan Williams**

Resolved that the Tekapo Property Group be formed as a subcommittee of the Finance Committee and that formal Terms of Reference for the subcommittee be adopted at the next meeting of the Finance Committee.

**Peter Maxwell /Evan Williams**

## **XI ADJOURNMENT:**

The meeting was adjourned at 3.10 pm for afternoon tea.

During the adjournment the Councillors met with John O'Neill to discuss his representing the Council on the Upper Waitaki Shared Vision Forum.

The meeting was reconvened at 4.15 pm.

## **UPPER WAITAKI SHARED VISION FORUM**

Resolved that John O'Neill be appointed to represent the Mackenzie District Council on the Upper Waitaki Shared Vision Forum.

**VII INFORMATION REPORTS:****1. COMMON SEAL**

This report from the Committee Clerk advised of documents signed under the Common Seal from 5 March 2011 to 15 April 2011.

**Resolved:**

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

**Graeme Page/Graham Smith**

**VIII COMMUNITY BOARD RECOMMENDATIONS:**

This report from the Chief Executive Officer was accompanied by the minutes of the meetings of the Twizel Community Board held on 28 March 2011, the Tekapo Community Board held on 29 February 2011 and the Fairlie Community Board held on 30 March 2011.

**Resolved:**

1. That the report be received.
2. **TWIZEL COMMUNITY BOARD**

**Remuneration Authority**

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:
  - i. Community Board Chairman \$3,959 pa
  - ii. Community Board Members \$1,583pa

and that the Council adopts the Twizel Community Board's recommendation.

**3. TEKAPO COMMUNITY BOARD:****Remuneration Authority**

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:
  - iii. Community Board Chairman \$3,959 pa
  - iv. Community Board Members \$1,583 pa

and that the Council adopts the Tekapo Community Board's recommendation.

4. **FAIRLIE COMMUNITY BOARD:**

**Remuneration Authority**

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:
    - v. Community Board Chairman \$3,959 pa
    - vi. Community Board Members \$1,583 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.

**Annette Money/Graham Smith**

Resolved that the Council consider the Fairlie Community Board's request to make a decision on the removal of trees from the Fairlie Domain following an onsite inspection on 14 June 2011.

**Annette Money/Evan Williams**

**IX COMMITTEES:**

Resolved that 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, be received.

**Evan Williams/John Bishop**

**X CONFIRMATION OF MINUTES:**

Resolved that the minutes of the meetings of the Mackenzie District Council held on 8 March 2011 and 24 March 2011, including such parts as were taken with the Public Excluded, be confirmed and adopted as the correct records of the meetings.

**Evan Williams /Annette Money**

**XI PUBLIC EXCLUDED:**

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

1. Solid Waste – Request for Proposals
2. Eversley Reserve Rating

**General subject  
of each matter**

**Reason for passing  
this resolution in  
relation to each**

**Ground(s) under  
Section 48(1) for  
the passing of**

<b>to be considered</b>	<b>matter</b>	<b>this resolution</b>
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Solid Waste Requests for Proposals	Commercial Sensitivity	48(1)(a)(i)
Eversley Reserve – Rating	Legal Professional Privilege	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 *Eversley Reserve Rating* section 7(2)(g).

**Graham Smith/Evan Williams**

**THERE BEING NO FURTHER BUSINESS,  
THE MAYOR DECLARED THE MEETING CLOSED AT 4.55 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 has been 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 Road Reserve.

***This project has been included in the Budgets for 2011/12***

3. Review the 'Seal Past Houses' policy.

***Still to be done.***

### **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 ***Confirmation of these statements will be dealt with at the next Finance Committee Meeting Council has already resolved to request changes in the statement from the Tourism and Development Trust.***

## **CHIEF EXECUTIVE OFFICER**

**27 May 2011**

### **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 met all parties on 21 April 2011 and will be reporting to Council with his findings.*

### **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.*

### **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 responses to follow up email.*

**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.

**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. *Completed.*

### **Alps2 Ocean Cycleway**

Adopt Terms of Reference for Joint Committee. *Completed.*



## **MANAGER – PLANNING AND REGULATIONS**

***24 March 2011***

### **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.

***Report on Agenda***

### **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***