



## **TWIZEL COMMUNITY BOARD**

### **Membership:**

John Bishop (Chairman)  
Bruce White  
Phil Rive  
Pat Shuker  
Cr Russell Armstrong

*Notice is given of a meeting of the Twizel Community Board to be held  
on Monday October 6, 2014, at 4.00pm.*

**VENUE:** Council Service Centre, Twizel

**BUSINESS:** As per agenda attached

WAYNE BARNETT  
CHIEF EXECUTIVE OFFICER



## **Twizel Community Board**

Agenda for Monday, October 6, 2014

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### **APOLOGIES:**

An apology has been received from chairman John Bishop. He has asked Phil Rive to chair the meeting on his behalf.

### **DECLARATIONS OF INTEREST**

### **MINUTES:**

Confirm and adopt as the correct record the minutes of the meeting held on Monday, August 25, 2014.

### **MATTERS UNDER ACTION**

### **REPORTS:**

1. Financial Report (to be circulated before the meeting).
2. Ward member's report (verbal report).
3. Reports from members who represent the community board on other committees (verbal report).

### **GENERAL BUSINESS:**

1. Letter from Lou Ochsner, Twizel Early Learning Centre (attached).
2. TPDA Lease Agreement (update from Garth Nixon).
3. Public Consultation Twizel Medical Centre (attached for information).

## **MACKENZIE DISTRICT COUNCIL**

### **MINUTES OF A MEETING OF THE TWIZEL COMMUNITY BOARD HELD IN THE COUNCIL SERVICE CENTRE, TWIZEL ON MONDAY, AUGUST 25, 2014 AT 4.05PM**

#### **PRESENT:**

John Bishop (Chairman)  
Bruce White  
Pat Shuker  
Phil Rive  
Cr Russell Armstrong

#### **IN ATTENDANCE:**

Cr James Leslie  
Claire Barlow (Mayor)  
Wayne Barnett (Chief Executive)  
Garth Nixon (Community Facilities Manager)  
Geoff Horler (Utilities Manager)  
Arlene Goss (Committee Clerk)  
18 members of the public

#### **APOLOGIES:**

There were no apologies.

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

There were no declarations of interest.

#### **MINUTES:**

Resolved that the minutes of the meeting of the Twizel Community Board held on July 28, 2014, be confirmed and adopted as the correct record of the meeting.

**Phil Rive/Bruce White**

#### **DISCUSSION ON THE PUBLIC MEETING REGARDING THE LAND SALE TO MERIDIAN ENERGY, HELD AT THE TWIZEL EVENTS CENTRE ON AUGUST 23, 2014**

The chairman tabled a letter from Rick Ramsay regarding the Meridian proposal and said the community board members had considered it. A copy of that letter is attached to these minutes.

The chairman said that although the public were not entitled to speak at the meeting unless asked, he would like to ask those present if they wished to raise any new points or issues that had not been raised previously, or discussed at the public meeting on Saturday. Nobody spoke.

The chairman summarised the points raised at the public meeting. He said the community board had received the message that people wanted to see the building sited differently. A suggestion was made at the public meeting that council sells an alternative site to Meridian cheaply to encourage them to move their building from the bowling green site. The

chairman asked Cr Smith, who is the chairman of the Finance Committee, to explain the problems involved in doing this.

Cr Smith said it was not as simple as what was proposed at the public meeting. The land belonged to the entire district and selling it cheaply would require a public consultation process and the consent of the entire district.

A member of the public spoke to say it wasn't about giving Meridian a discount but giving them financial support to help them move to a different location.

Cr Smith said the money raised in land sales goes into the real estate account. This goes towards reducing rates, and into projects like the new public toilets.

Cr Armstrong said if the council shifted Meridian to the south, Meridian would end up with more land at the same price, and he thought that would be a good deal for them.

The chairman said he had spoken to Mat Bayliss on the phone since the public meeting and had asked if Meridian were prepared to move the building. They do not want to move it. On hearing this, the community board had to consider "do we want to lose the development altogether?"

Cr Armstrong questioned this as he believed that Mat Bayliss had shown he was listening to the community. The chairman said if the council told Meridian to move the building it would be a long and expensive process and we could lose the deal.

Cr Armstrong did not believe Meridian had spent money on the plans they had drawn up to date. They might have spent time but not money.

The chairman said as soon as Meridian picked their preferred builder they would have to pay for the plans. This land had always been zoned commercial and had always been available, and this community board had no desire to change it to green space.

Cr Armstrong said just because it's for sale "you don't have to sell it".

A member of the public wanted to comment. The chairman said he was not asking for questions from the floor at that moment.

Phil Rive said he would like to say why he supported Meridian going in the spot they desire. He believed there were more people who thought it was a great idea than people who opposed it. He was voting in support of those people. Although there were people who were against it, it was not unanimous.

Cr Armstrong said if Phil Rive had been at the public meeting he would have seen there was opposition.

The chairman said he had consulted with a lot of people who were not at the public meeting and had seen a groundswell in support of the proposal.

Cr Armstrong wondered why these people weren't at the meeting.

Somebody said those who were against the proposal were most likely to attend.

Pat Shuker said she did not mind where Meridian went but the majority of the people did not want to lose the bowling green and she would be voting on behalf of the majority of the people.

Bruce White said he appreciated the variety of views. He believed it was an attractive building. When making decisions it was with the best intentions and with the information he had been given. He wanted to stick with the community board's original decision to support the proposal.

Cr Armstrong agreed it was a nice building but he wanted it shifted to the side.

Bruce White believed a lot of people were in favour of it going where it was planned and said he would put a motion to the meeting. His motion was: that the Twizel Community Board recommends to Council that the sale and purchase agreement with Meridian Energy Ltd go ahead as previously agreed.

This was seconded by Phil Rive and a vote was taken. The motion was supported by the chairman, Bruce White and Phil Rive. Cr Armstrong and Pat Shuker voted against the motion. Therefore the motion passed with three votes for and two votes against.

Resolved that the Twizel Community Board recommend to Council that the sale and purchase agreement with Meridian Energy Ltd go ahead as previously agreed.

**Bruce White/Phil Rive**

The Mayor asked to speak. She said this had not been an easy decision but the elected members had given it a lot of thought and time. She believed there was a silent majority. Addressing the public she said they had elected their community board members to make decisions on their behalf and it had been a difficult decision to make. She believed the community board were making a good decision for the long term future of the district. This was democracy working. It would be very rare for the council to go against the wishes of the community board. She wanted to stand by the community board for the decision they had made.

Cr Armstrong asked the chairman why he had not been invited to a meeting/workshop of community board members held in advance of the public community board meeting. The chairman said he had believed that Cr Armstrong's conflict of interest, declared at previous meetings, still applied and that Cr Armstrong would not be contributing to the debate or voting on the issue.

Cr Armstrong said the community board members had come to this meeting ready to make a decision. Cr Armstrong asked why have a meeting before this one? The chairman said there were a lot of issues to work through.

Various comments were made by members of the public. Approximately 10 members of the public stood up and left the meeting. Eight remained in the room.

Rick Ramsay spoke from the floor and asked if there was a requirement for the earlier meeting/workshop to be notified. No, because no resolutions were passed. It was considered to be the same as community board members phoning each other.

Cr Armstrong was concerned that he had not been invited to the earlier meeting/workshop. The chairman apologised to Cr Armstrong and said it was not intentional.

Pat Shuker said when she arrived at the earlier meeting/workshop the chairman had already written down what the decision of the community board would be. The chairman denied that there was a decision written out in advance of her arriving. Community board members had written notes. There was further discussion on this matter.

A member of the public said he was amazed to hear what happened and it did not feel like democracy. He said the community board were not listening to the people. He did not think what was being requested was huge, "it's only 50 meters". The chairman said this had been fully discussed and it was time to move to the next item on the agenda.

## **TWIZEL COMMUNITY BOARD MATTERS UNDER ACTION:**

### **Twizel Public Toilets:**

Garth Nixon said the new public toilet is going well and due for completion in September.

### **Traffic Issues at Maitland Place and Irishman Drive:**

Garth Nixon said Bernie Haar has proposed a solution to the traffic issues, minus the traffic island at this stage. A report will be presented at the next meeting.

## **FINANCIAL REPORT TO JUNE, 2014:**

The purpose of this report was to update board members on the financial performance of the Twizel Community as a whole for the period to June, 2014. The chairman asked if members had any questions.

Cr Armstrong asked if the money coming back from the Twizel office theft was included in the report. Garth Nixon said the money was paid back last week and this shows in the report.

The chairman asked regarding the item operational maintenance in Twizel reserves. It was \$5,175 over budget. Garth Nixon said we pulled the mowing out of this account and two public toilets were included in the account, which explains the extra costs.

The item Twizel Information Centre has no figure. Garth Nixon said the money was taken from that account and put into the administration account when information centre services were moved in house.

Resolved that the report be received.

**Russell Armstrong/Phil Rive**

## **VERBAL UPDATE ON TWIZEL WATER SUPPLY UPGRADE:**

Geoff Horler said this project was moving ahead. At the next community board meeting he will have a full report on what has been found during the pipe investigation. The desired water pumps have been decided on and will be pre-purchased and stored on site, so when it's time to put them in they are ready to go.

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

Cr Russell Armstrong said council has voted to stay with the First Past the Post voting system for the next two elections.

The council supports the High Country Medical Trust and has instructed staff to get an engineering design and costing, and prepare a statement of proposal to go out for public consultation.

The Cancer Society and Heart Foundation gave a presentation to councillors on smoke free public areas.

Regarding the Twizel land sale to Meridian, after a lengthy debate Council signed a Sale and Purchase Agreement with Meridian. At that meeting Cr Leslie asked for reassurance that this resolution did not rule out his suggestion that the building be moved to the south and allow for community consultation. Cr Armstrong said he declared a conflict of interest and took no part in the debate or vote on this issue at the council meeting.

## **REPORTS FROM MEMBERS WHO REPRESENT THE COMMUNITY BOARD ON OTHER COMMITTEES:**

Bruce White is a member of the Community Care Trust and said the trust will reapply for funding at the next Twizel Community Board meeting.

## **VISITOR: SHAUN NORMAN FROM THE CLIMBING WALL GROUP:**

Shaun Norman spoke to the community board about his idea to install a “bouldering” wall made from chip board with climbing holes in it, so people can climb in the Twizel Events Centre. Blue mats would be put down below the wall for safety for climbers and would be lifted up when the wall is not in use to provide a smooth surface for ball players.

A question was asked about how far into the room this would intrude. Not far. The first option is to drill holes in the existing wall. The second option would be to put framing up and install a new wall in with holes. Bruce White asked if it would prevent the basketball hoops from rolling into the corner. No. No extra loading on the sprung floor. The wall would be made from chipboard or plywood, but Mr Norman preferred chipboard because it fits with what is already there.

The chairman asked Mr Norman if he has funding organised. Not yet because he was looking for approval first. He believed it would take about \$6000 for the whole job. He has talked to a painter about having the new wall presented the same as the current wall, to blend in. The chairman asked Garth Nixon if he had any problems with this. He replied no.

Resolved that the Twizel Community Board ask Shaun Norman to come up with a full concept plan for a climbing wall in the Twizel Events Centre and bring it back to the community board.

**Russell Armstrong/Phil Rive**

## **GENERAL BUSINESS:**

### **DISCUSSION ON THE SALE OR DEMOLITION OF THE OLD PUBLIC TOILETS:**

Garth Nixon said he has signalled in the Mackenzie Messenger that the community board will be talking about this. Bruce White asked what the toilets would be worth if demolished or taken away whole. This hasn't been explored yet.

The chairman said the community board needed to find out if there was anyone interested in taking it away, if not what was the cost to demolish it. Cr Armstrong said hopefully we could get it moved at no cost.

Bruce White suggested advertising it in the Press or Otago Daily Times. Garth Nixon asked if the community board had a view to what happened to that site. What if someone wants to develop on that site?

The chairman wants to do some advertising and see if someone wants to take it away. Cr Armstrong suggested the members listen to everyone's opinions and then debate.

Cr Leslie asked what the land was zoned for. All of Market Place is zoned commercial.

Cr Armstrong said it would be hard to build a new shop when there were already empty shops in town. He thought it would look better if those shops were full and the space was a green area.

The chairman said one suggestion received previously was for it to become a bike storage area.

Cr Armstrong would like to see the building pulled down by Christmas and gone. The chairman said it was currently occupied by the radio station and we needed to tell them we were not going to push them out. They are trying to get a lease agreement with the school to move there.

The toilets are not separate to the rest of the building. The old toilets will be closed when the new public toilets open.

#### DISCUSSION ON SECURITY CAMERAS ON TWIZEL:

Garth Nixon said there are problems with the existing security camera system. He has no budget to replace this and is talking to people about a new proposal. At the moment the two cameras are only as good as the life of the batteries. We missed catching someone who set fire to the public toilets because the batteries went flat. Current system is out of date and old.

The chairman suggested Garth Nixon speaks to a local person with expertise in this. Garth Nixon will report to the next meeting. He would like to see security cameras for all of Market Place, covering the main entrances, the play area and the public toilets.

#### EMAIL FROM MALCOLM DODDS REGARDING ROAD SURFACES:

The chairman summarised an email from Malcolm Dodds regarding road surfaces. This is attached to the agenda. Garth Nixon said the roading manager has been dealing with Chorus directly and they have promised to deal with this problem within the next 3-4 weeks.

Discussion was held on the location of the inspection hatch and the fact it has slumped. Cr Armstrong believed it should be shifted off the road.



The other area of concern was the rear of the new Four Square. The chairman said he couldn't see the hot mix mentioned in the email. Garth Nixon said this is no longer obvious now. This area has been on the community board projects list with a view to tidying it up. He suggested extending the tar seal tongue and sealing to the edge of the car park in asphalt, and getting some markings in that area. Final design would be up to the board and the money available.

Resolved that the Twizel Community Board instructs council staff to work with Chorus and make right the problem with the manhole on the corner of Mackenzie Drive and Ostler Road as soon as possible.

**John Bishop/Pat Shuker**

#### EMAIL FROM AMY LAMB REGARDING CHRISTMAS DECORATIONS:

Discussion was held on what had happened in the past at Christmas in central Twizel. There are a few decorations left but not many, some were stolen.

The chairman said the community board could support this and the shop keepers could also support it.

A member of the public said there were still lights sitting in a tree by the old corner café. She was not sure if they still work.

Garth Nixon said when Market Place was redecorated there was a sleeve put in to hold a Christmas tree. He has talked to people about decorations, in recent years these have been solar powered lights and the school has contributed. Someone needed to take ownership of the decorations and that could either be the community board or the TPDA.

A member of the public said she was a member of the TPDA and they would be prepared to be responsible but the biggest problem was that the decorations got vandalised. Involving the school children in making decorations might reduce the damage.

The chairman asked her how much they TPDA were looking for. She suggested \$500. The Mayor asked if businesses would sponsor a good decoration each. Cr Armstrong also offered to use his equipment to transport a tree and install it at no cost to the community board. He also offered to provide storage space for the decorations. The chairman thanked him.

Resolved that the Twizel Community Board gives \$500 towards the cost of town Christmas decorations.

**Russell Armstrong/Bruce White**

#### EMAIL FROM RICK RAMSAY REGARDING THIRD RAFT CONSTRUCTION AT OHAU B CANAL:

Rick Ramsay was at the meeting to answer questions on this item. He spoke regarding the history of activity on the canal. The third raft needs to be operational by November 1. He would like it to be out of the way by Labour weekend, but there is a risk this would not happen, however it would not be blocking the boat launching ramp. The chairman said the community board did receive complaints last time because the last raft was considered to be in the way at Labour weekend.

Cr Smith asked from the floor if this was the last raft to be built. Rick Ramsay said this was the last consented raft.

#### LATE ITEMS:

The chairman has received information from Laurie Forestry regarding the removal of trees from the shore of Lake Pukaki. They are aware of people camping in some areas and intend to leave some trees on one point used by campers. It's a LINZ project and they would like to keep the community board informed. There has been some controversy regarding the taking of trees to date.

Garth Nixon said it was worthwhile for the community board to respond to LINZ in relation to how they feel about the tree removal.

Complaints have been received about heating and lights left on in Events Centre at night. The coin box is full and there is no key to empty it. Garth Nixon has been looking at replacing the coin box. Cr Armstrong asked if the locksmith who visits the town might be in the area soon.

A member of the public said TPDA staff have gone in early and discovered heaters on all night. In the past if you were the last group to use the centre you got a bill from the council for leaving the lights on, but this hasn't been happening. People using the building should be made responsible.

Garth Nixon said things have changed in recent times. New staff are on board and working through those issues at the moment.

There was discussion on the Events Centre looking un-loved and who manages it and cleans it. Council Reception manages the bookings and there is a caretaker plus a cleaner. Garth Nixon is looking at this and at current usage.

Pat Shuker said the community patrol has often turned lights off in there. She also noted that people going into the gym were opening the doors for people who didn't have keys.

A member of the public asked if it was possible to reduce the rate to get more people using the facility. The chairman said the community board looked at this issue a while back but there were problems with it. Garth Nixon said the council policy for halls was that they were funded 20% by user charges and 80% from rates. We give a discount to local ratepayers who use the facility.

#### CLOSING COMMENTS:

The Mayor asked to make a closing comment. She said the members had made a difficult decision at the meeting but they had representative the community well, made all views well heard and she admired them for continuing to discuss other business at the meeting. The chairman thanked her and said it would not be possible to please everyone.

Rick Ramsay asked if the CB is going to address issues in his letter like parking and traffic. The chairman agreed there were some good points in his letter and some of the issues still need to be looked at.

The chief executive said he could ensure those points were considered when the traffic management plan was assessed.

**THERE BEING NO FURTHER BUSINESS  
THE CHAIRMAN DECLARED THE MEETING CLOSED AT 5.39PM**

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

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

Unconfirmed

## **TWIZEL COMMUNITY BOARD MATTERS UNDER ACTION:**

### **1. Town Projects:**

- a. Walkways:  
Tekapo Drive from Mackenzie to Glen Lyon. Levelling and re-sowing has been completed, will be rolled again in the spring. Tekapo Drive track has been sprayed.  
Front of Town from Ruataniwha to Ostler Road.
- b. Tekapo Drive:  
Levelling and re-sowing completed, rolled again in the spring. Tekapo Drive track has been sprayed. Improve irrigation. Mulch trees.
- c. Lake Ruataniwha:  
Bollard fencing – Garth Nixon said he would like to get fencing underway before tree felling starts. He is organising a fencing contractor.
- d. Greenway fencing – One greenway was recently completed, one still to complete. This is being done presently.
- e. Cemetery – plan is to finish this at the same time as other work at Lake Ruataniwha.

### **2. Twizel Public Toilets:**

Expressions of interest in the removal or development of the old toilets have been advertised for. New toilets to be finished in September.

### **3. Bike Lockup:**

More bike space to be created when old toilets and building are removed from town centre.

### **4. Twizel Youth Centre:**

No proposal has been received from the youth centre.

### **5. Overnight Camping:**

Community board to decide on locations of overnight camping areas so they can be included in schedule to new council bylaw and go out for public consultation.

### **6. Twizel Swimming Club Enquiry Regarding Pool Hire Costs:**

Garth Nixon to discuss alternative funding opportunities with the swimming club.

### **7. Traffic Issues at Maitland Place and Irishman Drive:**

Bernie Haar to update the community board at the next meeting.

### **8. Twizel Water Supply Upgrade:**

Pipe samples are being tested and results to come back to community board. Opus have also been asked to do a review of the cost of building a water scheme for Manuka Tce residents. This will go to full council.

**9. Rubbish outside Mackenzie Four Square and Events Centre:**

Garth Nixon to install a refurbished bin set between the events centre and the supermarket, and send a reply to the letter from the Four Square.

**10. Climbing wall in Twizel Events Centre:**

Shaun Norman to come up with a concept plan for a climbing wall and bring it back to the community board.

**11. Security cameras for Market Place:**

Garth Nixon to investigate further and report back to the community board.

**12. Manhole on the corner of Mackenzie Drive and Ostler Road:**

The community board has instructed staff to work with Chorus and make right this problem as soon as possible.

**13. Christmas Decorations for Market Place:**

The community board has resolved to give \$500 towards the cost of decorations.



25<sup>th</sup> August 2014

Dear Wayne/Claire,

Here at Twizel Early Learning Centre (TELC), we are currently reviewing our Long Term Strategic Plan. We are constantly assessing community needs and, in the recent past, have extended our opening hours and remained open during traditional shut-down periods in response to demand. Both these changes have been met with enthusiasm and well supported by the community.

Over the past five years, our roll has grown considerably. We are currently pushing towards maximum capacity. This is not an ideal situation for our rapidly growing town, as we are currently the only early childhood centre offering work friendly hours and care for Under 2's.

At present, we are licensed for just 7 Under 2 children (due to our lack of room). These being the only spaces available for a whole town's worth of babies! Also, considering that our centre services both Omarama and Mt.Cook, Under 2 care is very under-represented for the area.

Therefore, we are investigating the need for expansion and also the possibility of providing a 'three-age-group' centre. This would allow us to cater for each developmental stage more specifically. For example, currently we have Under 2's and Over 2's. At present, in our Under 2 room we have babies of 5mth and 7mth mixing with children of 20mth. I'm sure you can sympathise that it can be difficult to persuade the older (more mobile) children to be aware of babies crawling on the floor! A three-age-group centre could potentially split as follows: 3mth-15mth, 15mth-3yrs, 3yrs-5yrs.

We are aware that Twizel is a growing town and we wish to do everything we can to make it an attractive place for people to move to and bring up their families.

Looking to the near future, we will be unable to accommodate many of the working parents in Twizel if we are unable to find a solution to our lack of space. This may inhibit the attraction of new families to our area, and therefore limit growth opportunities for our town.

Over the past year, we have been in contact with Twizel Area School Board of Trustees (TAS BOT) in regard to our situation. We approached them last year to request an extension of our boundary. We were granted a small shift of the boundary, but, whilst providing more outdoor space for the children, this will in no way assist us in expanding our building size and capacity. This boundary change still sits with the MoE Lawyers for approval.



We feel strongly that our community is particularly lacking in ECE care for under 2's. We are currently experiencing a baby boom in Twizel and its surrounding area - figures that we have received from the Royal NZ Plunket Society show that 20 babies have been born in the Twizel/Mt.Cook/Omarama area between 1<sup>st</sup> January and 30<sup>th</sup> June 2014 (this doesn't take into account any babies that have been registered with He Oranga Pai rather than Plunket). The TELC Board is eager to provide pre-school education/childcare services which will benefit the whole community.

TELC currently operates as a not for profit charity, and occupies a site owned by the Mackenzie District Council on a peppercorn lease. This lease is due for renewal next year.

With no option for expansion on our current site, a change of location seems to be the only solution. This would potentially mean that we would need to start paying a hefty lease, forcing us to raise parent paid fees considerably. Twizel is also limited in the availability of suitable rental properties.

We feel that our only feasible option is to start afresh and embark on creating a purpose built Centre. We write requesting any assistance that MDC may be able to offer us in finding a suitable piece of land on which to do this.

This project would be a large undertaking for our Board, therefore, we are open to any suggestions that you may have.

We are also contacting the Twizel Community Board for their input.

We look forward to your thoughts and advice.

Yours Sincerely,

Lou Ochsner

Secretary

On Behalf of TELC Inc Board

# Statement of Proposal – Twizel Medical Centre For Public Consultation

## **INTRODUCTION:**

Council would like to make decisions related to the proposed new medical centre at Twizel at its next council meeting on October 28, 2014. Council would also like to provide the community with an opportunity to have input. This Statement of Proposal sets out the details of the special consultative process and seeks input.

If you would like to have a say on this matter, please use the attached submission form.

## **PURPOSE:**

Section 90 of the Local Government Act 2002 requires all local authorities to adopt a policy on significance. This policy sets out our approach to determining the significance of proposals and decisions.

If matters arise for council decisions that are beyond the scope anticipated by the Long-Term Plan, the council must follow the provisions of the Significance Policy in determining the decision-making process.

This Statement of Proposal relates to a decision currently before the council that is beyond the provisions of council's Long-Term Plan (2012-2022).

## **BACKGROUND:**

On February 19, 2013, council resolved to accept in principal a proposal from the High Country Medical Trust. The proposal contemplated council transferring its interest in the existing Twizel Medical Centre into a proposed new medical centre. Council was also asked to allow the medical trust a perpetual lease of land for the proposed new centre.

Council instructed staff to negotiate suitable terms and conditions for these requests. The terms and conditions need to be approved by council before final acceptance.

An agreement has now been finalised with the following key provisions:

- The trust intends to develop a new medical centre on a 2,700m<sup>2</sup> site which is at present part of the Twizel Golf Club lease.
- Council will negotiate a partial surrender of the Golf Club lease to accommodate the site.
- Council will undertake a subdivision (boundary adjustment) of one of the titles within the Golf Club lease.
- Council and the trust will enter into a perpetual ground lease for the new site.
- Council will lend the trust a sum equal to the current rating valuation of the existing medical centre property. It is contemplated that the existing medical centre will be sold to recover the value of this loan. This arrangement effectively gifts the existing medical centre to the Trust in a liquid state. Council would retain the risk associated with the sale process for the existing medical centre.

## **SIGNIFICANCE OF DECISION:**

Under the Council's Significance Policy, any decision to sell, abandon or dispose of any of council's strategic assets will be regarded as significant.

Council's listed strategic assets include:



- Medical Centres at Fairlie and Twizel.
- All Council's parks, recreation reserves, sports fields and facilities held under the Reserves Act 1977 or otherwise.

Council's 2012-2022 Long Term Plan contemplated the sale of the existing Medical Centre at Twizel but this was linked to the expectation that council would retain ownership of a new centre. The Long Term Plan did not anticipate a perpetual lease being entered into for a portion of the Twizel Golf Club land.

The above factors are sufficient to trigger a requirement for a special consultative procedure in relation to the proposed agreement with the High Country Medical Trust.

### **ISSUES & OPTIONS:**

In February, 2013, council agreed in principal to a proposal from the High Country Medical Trust. That proposal contemplated the value of the existing medical centre at Twizel being provided to the trust. The mechanism contemplated at that time was not the same as that which is now proposed. It was originally contemplated that the trust would raise mortgage funding against the security of the existing facility. It is recognised that this would be an inefficient mechanism.

It is now proposed that council provides funding directly to the trust by way of a loan as soon as a construction contract is finalised for the new medical centre. This arrangement aids cash flow for the trust and is quite simple. It does place some transitional costs on council, and places the sale realisation risk on council. The amount proposed to be loaned to the trust is the rating value of the existing facility (\$330,000).

The proposed location of the new medical centre on Mackenzie Drive is the same as was contemplated when council considered the trust proposal in February, 2013. Negotiations are well advanced between the Medical Trust and the Twizel Golf Club, with council staff involved in an administrative capacity.

As noted above, council's 2012-2022 Long Term Plan did not contemplate the provision of a perpetual lease for part of the Golf Club land. As such it is necessary for this proposal to be publically consulted.

It is a requirement of the Resource Management Act that any land that is subject to a lease longer than 33 years be defined as a separate title. The proposed site is part of a larger title and it is proposed to undertake a boundary adjustment to align the title with the required area. The balance land would be included in the larger title within the Golf Club lease.

The expected cost of completing the boundary alteration and serving the new medical centre site is \$32,250 plus the cost of physical works and engineering approval fees, but this includes \$9,407.19 in developer contributions (which are payable to council). The proposed agreement allocates these costs to council. The costs are of a capital nature and are not included in council's Long-Term Plan.

### **SCOPE OF DECISION:**

Council will consider the following aspects of the decision to support the High Country Medical Trust:

- To provide \$330,000 equity from the existing Twizel Medical Centre towards the new Twizel medical facility. These funds would be allocated by way of an interest free loan that only becomes repayable if the new facility is sold by the trust.

- To provide a site for the new facility on council owned land at a peppercorn rental in perpetuity. However, if the facility is sold to a commercial provider the rent will be amended to market value.
- To undertake a subdivision (boundary adjustment) to create a site for the proposed medical centre. The estimated cost for the subdivision is \$32,250 plus the cost of physical works and engineering approval fees.

### **ALTERNATIVE PROPOSALS:**

Council's primary objective in considering the request from the High Country Medical Trust is to encourage the continued provision of medical services at Twizel. Council's 2012-2022 Long-Term Plan contemplates the construction of a new medical centre being financed largely through community fund raising, but with council ownership of the assets.

The High Country Medical Trust initiative is well organised and has strong community support. It is expected that this initiative will be successful and as such, unlikely that the business model contemplated in the Long-Term Plan will be able to be implemented. The only theoretical alternative option for council would be to withhold support for the project.

The existing medical centre facility was obtained from the government as a medical centre and has been used continuously as a medical centre. There is an understanding within the community that the equity within the centre will be used to support medical services in the future. This understanding is supported by council's approach to the sale of the medical centre house at Fairlie. When discussing the Fairlie Medical Centre house council resolved:

1. That Council agrees to amend the Long Term Council Community Plan to remove medical houses from the list of Strategic Assets.
2. That Council establishes a capital reserve for medical facilities in the District and that the proceeds of the sale of doctors' residences be credited to this account.
3. That the principal amount within the capital reserve be protected for possible future requirements and that interest be accumulated and directed as appropriate to the needs of the district.

The second part of this consultative process relates to the provision of a lease site to the High Country Medical Trust at a peppercorn rental. Alternative options would be to:

- a) Not provide a site; or
- b) To purchase or use an alternate site.

Not providing a site would severely inhibit the trust's proposal and be detrimental to the provision of medical services at Twizel.

The site selected is optimal because of its location. It is available because the Twizel Golf Club is willing to allow its removal from their lease. Any alternative site would be less satisfactory and most likely more expensive.

The final part of the consultative process relates to council funding of the subdivision process for the establishment of the site. This cost was not contemplated in the Long-Term Plan. Council could seek to recover this cost from the trust. The impact of this would be to reduce the viability of the project.

Council may consider including the costs of the subdivision and physical works in the loan value which would be repayable fortnightly if the medical centre is sold in the future.

# Mackenzie District Council High Country Medical Trust SUBMISSION FORM

**We welcome your submission.**

**You can post, fax, email or hand deliver it by 3pm on Friday, October 24, 2014.**

## Please use this form for your submission

- ☐ I wish to be heard in support of my submission  
☐ I **do not** wish to be heard in support of my submission

Full name of submitter: \_\_\_\_\_

Postal address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Submissions to the Twizel Medical Centre Proposal will be heard at the council chambers in Fairlie on **Tuesday, 28 October, 2014**. If you wish to be heard, you will need to keep your presentation to 10 minutes maximum. Councillors will have read your written submission prior to the meeting.

**Please return to the Mackenzie District Council  
 53 Main Street or P O Box 52, Fairlie 7949, by email at  
[submissions@mackenzie.govt.nz](mailto:submissions@mackenzie.govt.nz) or Fax: (03) 685-8533  
 Enquiries: (03) 685-9010 or 0800 685-8514**

### **SCOPE OF DECISION:**

Council will consider the following aspects of the decision to support the High Country Medical Trust:

- To provide \$330,000 equity from the existing Twizel Medical Centre towards the new Twizel Medical Centre. These funds would be allocated by way of an interest free loan that only becomes repayable if the new facility is sold by the medical trust.
- To provide a site for the new facility on council-owned land at a peppercorn rental in perpetuity.
- To undertake a subdivision (boundary adjustment) to create a site for the proposed medical centre. The estimated cost for the subdivision is \$32,250 plus the cost of physical works and engineering approval fees. Council is proposing to pay this cost.

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