



UNCONFIRMED MINUTES

Extraordinary Council Meeting

25 June 2019

**MINUTES OF MACKENZIE DISTRICT COUNCIL
EXTRAORDINARY COUNCIL MEETING
HELD AT THE COUNCIL CHAMBERS, FAIRLIE
ON TUESDAY, 25 JUNE 2019 AT 9.39AM**

PRESENT: Mayor Graham Smith, Cr Anne Munro, Cr Stuart Barwood, Cr Chris Clarke

via ZOOM: Deputy Mayor James Leslie, Cr Russell Armstrong, Cr Paul Hannagan

via Conference call: Stuart Grant

IN ATTENDANCE: Suzette van Aswegen (Chief Executive Officer), Paul Numan (General Manager Corporate Services), Adrian Hodgett (Finance Manager), Bernie Haar (Engineering Manager), Charlotte Borrell (Governance Advisor)

1 OPENING

The Mayor opened the meeting.

2 APOLOGIES

There were no apologies.

3 DECLARATIONS OF INTEREST

There were no declarations of interest.

4 REPORTS

4.1 ADOPTION OF THE ANNUAL PLAN 2019/20

PURPOSE OF REPORT

The purpose of this report is for Council to adopt the 2019-2020 Annual Plan.

The Finance Manager tabled a list of corrections to the document (attached) and explained the corrections are minor and do not affect figures. Councillors discussed corrections to be made before agreeing on the amended resolution including the list from the Finance Manager.

Attachments

- 1 Annual Plan and Rates Resolution errors

RESOLUTION 2019/58

Moved: Cr Anne Munro

Seconded: Cr Stuart Barwood

1. That the report be received.

CARRIED

2. Mayor/Chris That pursuant to section 95(1) of the Local Government Act 2002, the Council adopts the 2019-2020 Annual Plan attached, to take effect from 1 July 2019, with the corrections and amendments listed below:

- Page 44 – last sentence before Urban Sewerage Rates. Should be 2019/20, not 2018/19
- Page 49 - Group A should be 4.03% Industrial Land Properties & 25.97% Commercial Businesses. Group B should be 19.75% Commercial Accommodation businesses and 40.25% Secondary Accommodation properties.
- Page 50 – Top line should be 2019/20, not 2018/19. Also split should be 14% fixed charges and 86% rates in the dollar based on capital value
- Page 50 – Economic Development Rate – Should be 2019/20, not 2018/19. Also split should be 67.56% fixed charges and 32.44% rate in the dollar based on capital value.
- Page 54 – Tourism and Promotion Rate. Total should be \$13,400.00, not \$134,00.00 (Comma is in the wrong place!!!)
- Page 14 explanation to what is included in “Other 34%” be added.
- Page 17 remove the “% of rates/\$100 spend” pie chart column.
- Page 16 under “Twizel Information Centre” add “subject to review and consultation with the community.”

RESOLUTION 2019/59

Moved: Cr Stuart Barwood

Seconded: Cr Anne Munro

3. That staff be given the delegation to make minor formatting and grammatical amendments prior to publication.

CARRIED

RESOLUTION 2019/60

Moved: Cr Chris Clarke

Seconded: Cr Stuart Barwood

4. That the Council informs the public of the adoption of the Annual Plan 2019-2020 and its contents.

CARRIED

4.2 RATES RESOLUTION REPORT

PURPOSE OF REPORT

The purpose of this report is to meet the requirements of Section 23 of the Local Government (Rating) Act 2002 which requires that rates must be set by resolution. The recommendations also relate to the due dates for payment of rates and the penalties regime.

The Finance Manager supplied a list of corrections to the document and explained the corrections do not affect figures. The resolution was amended by Council to reflect these changes.

RESOLUTION 2019/61

Moved: Cr Anne Munro

Seconded: Cr Chris Clarke

1. That the report be received.

CARRIED

RESOLUTION 2019/62

Moved: Cr Stuart Barwood

Seconded: Cr Chris Clarke

2. That the Mackenzie District Council resolves to set the following rates under the Local Government (Rating) Act 2002, on rating units in the Mackenzie District for the financial year commencing on 1 July 2019 and ending on 30 June 2020 and sets the due dates for the payment of the rates and associated penalties for unpaid rates as also set out below.

GENERAL RATES

A General Rate set on the capital value of the land under Section 13 of the Local Government (Rating) Act 2002 on all rateable land. The general rate will be set differentially using the following categories based on the use and location of the land:

- Tekapo A A rate of \$0.0150202 per dollar (GST inclusive) of Capital Value
- Ohau A A rate of \$0.0017418 per dollar (GST inclusive) of Capital Value
- Tekapo B A rate of \$0.0026438 per dollar (GST inclusive) of Capital Value
- All Other Properties A rate of \$0.0010298 per dollar (GST inclusive) of Capital Value

UNIFORM ANNUAL GENERAL CHARGE

A Uniform Annual General Charge set on all rateable land under Section 15 of the Local Government (Rating) Act 2002.

- A fixed amount of \$24.64 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit.

WORKS & SERVICES RATES

Targeted rates for works and services, set under Section 16 of the Local Government (Rating) Act 2002, assessed on a differential basis as described below:

TWIZEL WORKS & SERVICES RATE

- A fixed amount of \$36 .06 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit on every rating unit situated in the Twizel community (excluding capital improvement work in the Twizel community area of benefit which is funded by Twizel Improvement rate).
- A rate of \$0.0007804 per dollar (GST inclusive) based on the capital value on every rating unit in the Twizel community ((excluding capital improvement work in the Twizel community area of benefit which is funded by Twizel Improvement rate) (as defined on a map held by Council).

The relationship between the rates in the differential category is as follows:

- a) A fixed amount per separately used or inhabited part (SUIP) of a rating unit to fund 10.00% of the targeted rate requirement
- b) A rate per dollar of capital value of the land to fund 90.00% of the targeted rate requirement

FAIRLIE WORKS & SERVICES RATE

- A fixed amount of \$59.82 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit, on every rating unit situated in the Fairlie community.
- A rate of \$0.0019825 per dollar of capital value (GST inclusive) based on the capital value on every rating unit in the Fairlie community (as defined on a map held by Council)

The relationship between the rates in the differential category is as follows:

- a) A fixed amount per separately used or inhabited part (SUIP) of a rating unit to fund 10% of the targeted rate requirement
- b) A rate per dollar of capital value of the land to fund 90% of the targeted rate requirement.

LAKE TEKAPO WORKS & SERVICES RATE

- A fixed amount of \$178.75 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit on every rating unit situated in the Lake Tekapo community.
- A rate of \$0.0002765 per dollar of capital value (GST inclusive) based on the capital value on every rating unit situated in the Lake Tekapo community (as defined on a map held by Council)

The relationship between the rates in the differential category is as follows:

- a) A fixed amount in the separately used or inhabited part (SUIP) of a rating unit to fund 48% of the targeted rate requirement

- b) A rate per dollar of capital value of the land to fund 52% of the targeted rate requirement.

RURAL WORKS AND SERVICES RATE

- A fixed amount of \$15.73 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit on every rating unit situated in the rural community.
- Ohau A
A rate of \$0.0000163 per dollar of capital value (GST inclusive) on every rating unit in the rural community.
- Tekapo B
A rate of \$0.0000248 per dollar of capital value (GST inclusive) on every rating unit in the rural Community.
- Tekapo A
A rate of \$0.0001412 per dollar of capital value (GST inclusive) on every rating unit in the rural community.
- All other rural properties
A rate of \$0.0000051 per dollar of capital value (GST inclusive) based on the capital value of the land of every rating unit in the rural community.
(as defined on a map held by Council)

The relationship between the rates in the differential category is as follows:

- a) A fixed amount per separately used or inhabited part (SUIP) of a rating unit to fund 49% of the targeted rate requirement, and
- b) Ohau A
20% of the 51% balance of the targeted rate requirement
- c) Tekapo A
20% of the 51% balance of the targeted rate requirement
- d) Tekapo B
20% of the 51% balance of the targeted rate requirement
- e) All other rural properties
40% of the 51% balance of the targeted rate requirement

SEWAGE TREATMENT RATE

Targeted rates for sewage treatment, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$42.02 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit for all rating units situated in the communities of Fairlie, Burkes Pass, Lake Tekapo and Twizel and which are connected to a community sewerage scheme.

- A fixed amount of \$10.50 (GST inclusive) per water closet or urinal (after the first) for all rating units situated in the communities of Fairlie, Burkes Pass, Lake Tekapo and Twizel and which are connected to a community sewerage scheme.

(as defined on a map held by Council)

Notes for the purposes of these rates:

The sewage treatment service is treated as being provided if the rating unit is connected to a public sewerage drain. A rating unit used primarily as a residence for one household must not be treated as having more than one water closet or urinal.

EVERSLEY RESERVE SEWERAGE RATE

A targeted rate for sewerage, set under Section 16 of the Local Government (Rating) Act 2002, of A fixed amount of \$938.28 (GST inclusive) per rating unit for ratepayers in the Eversley Reserve sewerage area of benefit, (excluding those rating units which have opted to pay the lump sum contribution).

(as defined on a map held by Council)

SEWERAGE INFRASTRUCTURE RATE

Targeted rates for sewerage infrastructure, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$195.18 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit for all rating units situated in the communities of Fairlie, Burkes Pass, Lake Tekapo and Twizel and which are connected or capable of being connected to a community sewerage scheme.
- A fixed amount of \$48.79 (GST inclusive) per each water closet or urinal (after the first) per separately used or inhabited part (SUIP) of a rating unit for all rating units situated in the communities of Fairlie, Burkes Pass, Lake Tekapo and Twizel and which are connected to a community sewerage scheme.

(as defined on a map held by Council)

Notes for the purposes of these rates:

The sewerage infrastructure service is treated as being provided if the rating unit is connected to or able to be connected to a public service drain and is within 30 metres of such a drain.

A rating unit used primarily as a residence for one household must not be treated as having more than one water closet or urinal.

WATER TREATMENT RATE

A targeted rate for urban water treatment, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$42.67 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit in the communities of Fairlie, Burkes Pass, Lake Tekapo and Twizel and which

are connected to a community water supply (except those rating units receiving a metered water supply).

(as defined on a map held by Council)

Notes for the purposes of this rate:

- The water supply treatment service is treated as being provided if any part of the rating unit is connected to a Council operated waterworks except those rating units receiving a metered water supply.

WATER INFRASTRUCTURE RATE

A targeted rate for water supply infrastructure, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$337.17 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit which is connected or capable of connection to a community water supply in the communities of Fairlie, Burkes Pass, Lake Tekapo and Twizel (except those rating units receiving a metered water supply).

(as defined on a map held by Council)

Notes for the purposes of this rate

The water supply infrastructure service is treated as being provided, if any part of the rating unit is connected to a Council operated community water supply or if the rating unit is situated within 100 metres of an urban community water supply waterworks and is capable of connection and where water is not supplied and measured by meter.

METERED WATER RATE

A targeted rate under section 16 of the Local Government (Rating) Act 2002 will be assessed on every rating unit connected to a community water supply in Fairlie, Burkes Pass, Lake Tekapo and Twizel and where water is supplied and measured by meter.

- A fixed amount of \$379.84 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit which is serviced by a council water meter.

RURAL WATER SUPPLIES

Targeted rates for rural water supplies set under Section 19 of the Local Government (Rating) Act 2002, of:

- A fixed amount of \$273.61 (GST inclusive) per unit of water supplied to every rating unit serviced by the Allandale Rural water supply.
- A fixed amount of \$187.43 (GST inclusive) per unit of water supplied to every rating unit serviced by the Spur Road Rural water supply.
- A fixed amount of \$181.00 (GST inclusive) per unit of water supplied to every rating unit serviced by the Downlands Rural water supply area in the Mackenzie District.

Targeted rates for rural water supplies set under Section 16 of the Local Government (Rating) Act 2002, of:

- A fixed amount of \$225.00 (GST inclusive) per rating unit serviced by the Ashwick Opuha Rural water supply
- A rate of \$2.77 (GST inclusive) per hectare on every rating unit serviced by the Fairlie Water Race of a fixed amount per hectare.
- A fixed amount of \$30.00 (GST Inclusive) per rating unit serviced by the Fairlie Water Race.
- A fixed amount of \$453.00 (GST inclusive) per rating unit serviced by the Downlands water supply area in the Mackenzie District.

URBAN STORMWATER RATE

A targeted rate for urban stormwater set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$41.60 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit which is situated in the communities of Fairlie, Lake Tekapo and Twizel. (as defined on a map held by Council)

DISTRICT ROADING RATE

Targeted rates for Mackenzie District Roding, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$78.67 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit on every rating unit (excluding Mount Cook Village) situated in the Mackenzie District.
- Tekapo A
A rate of \$0.0020677 per dollar (GST inclusive) of Capital Value.
- Ohau A
A rate of \$0.0002397 per dollar (GST inclusive) of Capital Value.
- Tekapo B.
A rate of \$0.0003639 per dollar (GST inclusive) of Capital Value.
- All other district properties
A rate of \$0.000144 per dollar (GST inclusive) of Capital Value.
(as defined on a map held by Council)

The relationship between the rates in the differential category is as follows:

- a) A fixed amount per separately used or inhabited part (SUIP) of a rating unit to fund 35% of the targeted rate requirement, and
- b) Ohau A
10% of the 65% balance of the targeted rate requirement
- c) Tekapo A
10% of the 65% balance of the targeted rate requirement

d) Tekapo B

10% of the 65% balance of the targeted rate requirement

e) All other rural properties

70% of the 65% balance of the targeted rate requirement

URBAN SOLID WASTE RATE

A targeted rate for solid waste, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$265.41 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit for all rating units to which Council provides the service.

TWIZEL IMPROVEMENT RATE

A targeted rate for fund capitalised improvement work in the Twizel community area of benefit, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$54.35 (GST inclusive) per separately used or inhabited part (SUIP) of a rating unit situated in the Twizel Community. (as defined on a map held by Council)

TOURISM AND PROMOTION RATE

Targeted rates for Mackenzie District tourism and promotion, set under Section 16 of the Local Government (Rating) Act 2002, of.

- A fixed amount of \$6.67 (GST inclusive) per separately used and inhabited part (SUIP) of a rating unit on every rating situated in the Mackenzie District.
- A rate of \$0.0006797 per dollar of capital value (GST inclusive) based on the land use of all commercial businesses (excluding commercial accommodation businesses and secondary accommodation properties).
- A fixed amount of \$100.00 (GST inclusive) per rating unit on Industrial land properties.
- A rate of \$0.0006031 per dollar of capital value (GST inclusive) based on the land use on the rateable capital value of the land of all commercial accommodation businesses (excluding commercial businesses, secondary accommodation properties and industrial land properties).
- A rate of \$0.0003015 per dollar of capital value (GST inclusive) based on the land use on the rateable capital value of the land of all secondary accommodation properties (excluding commercial business, commercial accommodation businesses and industrial land properties).

Currently the 2019/20 split of the rate requirement is 14.00% fixed charges and 86.00% rates in the dollar based on capital value.

ECONOMIC DEVELOPMENT RATE

Targeted rates for economic development, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$10.00 (GST inclusive) per separately used and inhabited part (SUIP) of a rating unit on every rating situated in the Mackenzie District.
- A rate of \$0.0000998 per dollar of capital value (GST inclusive) based on the land use on the rateable capital value of the land of commercial businesses, and industrial land properties.

ALPS TO OCEAN RATE

A targeted rate for Alps to Ocean activities, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$23.12 (GST inclusive) per separately used and inhabited part (SUIP) of a rating unit on every rating situated in the Mackenzie District.

RURAL CATTLE STOP MAINTENANCE RATE

A targeted rate for rural cattle stop maintenance, set under Section 16 of the Local Government (Rating) Act 2002, of

- A fixed amount of \$61.25 per cattle stop or part thereof, on those rating units or parts of rating units benefitting.

FIXED CHARGES

Under section 21 of the Local Government (Rating) Act 2002, the Council is limited to setting fixed charges, excluding charges for water and sewer, at 30% of the total revenue from all rates sought by the Council.

The Mackenzie District Council has complied with section 21 of the Local Government (Rating) Act 2002 as excluding water and sewer charges, fixed charges as a percentage of the total rates amount to 16.80%.

DIFFERENTIAL CATEGORIES

GENERAL RATE

The Council adopts the following differential categories based on the use and location of the land for the purposes of the general rate:

Tekapo A

Ohau A

Tekapo B

All Other Properties

The relationship between the rates set per differential categories is as follows:

Tekapo A	10% of the total rate requirement
Ohau A	10% of the total rate requirement
Tekapo B	10% of the total rate requirement
All Other Properties	70% of the total rate requirement

RURAL WORKS & SERVICES RATE

The Council adopts the following differential categories for the purposes of the Rural Works & Services Rate:

Category

Tekapo A

Ohau A

Tekapo B

All other rural properties

The relationship between the rates set per differential categories is as follows:

Tekapo A	20% of the balance of the targeted rate requirement
Ohau A	20% of the balance of the targeted rate requirement
Tekapo B	20% of the balance of the targeted rate requirement
All other rural properties	40% of the balance of the targeted rate requirement

DISTRICT ROADING RATE

The Council adopts the following differential categories based on the use and location of the land for the purposes of the District Roding rate:

Tekapo A

Ohau A

Tekapo B

All other district properties

The relationship between the rates set per differential categories is as follows:

Tekapo A	10% of the balance of the total rate requirement
Ohau A	10% of the balance of the total rate requirement
Tekapo B	10% of the balance of the total rate requirement
All other district properties	70% of the balance of the total rate requirement

TOURISM AND PROMOTION RATE

The Council adopts the following differential categories based on the use and location of the land for the purposes of the Mackenzie District tourism and promotion.

Commercial Businesses

All rateable properties within the Mackenzie District identified as the principal use of the land being commercial business (excluding accommodation providers).

Industrial Land properties

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

Commercial Accommodation Businesses

All rateable properties within the Mackenzie District identified as accommodation providers and where the principal use of the land is commercial accommodation businesses.

Secondary Accommodation Properties

All rateable properties within the Mackenzie District identified as accommodation providers but where the principal use of the land is not commercial accommodation business.

Definitions:

- Tekapo A - all separate rating units in the former Tekapo Ward, used for hydroelectric power generation (as more particularly defined on valuation roll number 2530015901).
- Ohau A - all separate rating units in the former Twizel Ward used for hydroelectric power generation (as more particularly defined on valuation roll number 2532000701A).
- Tekapo B - all separate rating units in the former Tekapo Ward, used for hydroelectric power generation (as more particularly defined on valuation roll number 2530018400).
- All other properties - all separate rating units in the Mackenzie District other than Tekapo A, Ohau A and Tekapo B.
- All other rural properties - all separate rating units in the rural community other than, Tekapo A, Ohau A, Tekapo B and Mount Cook Village.
- Rural community is defined as the area of the Mackenzie District excluding the community areas of benefit of Twizel, Lake Tekapo, Fairlie and Mount Cook Village.
- All other district properties- all separate rating units in the Mackenzie District other than Tekapo A, Ohau A, Tekapo B and Mount Cook Village.

DUE DATE FOR PAYMENT OF RATES

All rates will be payable in four instalments on due dates as follows:

Instalment number	Due Date
One	20 September 2019
Two	20 December 2019
Three	20 March 2020

Four

20 June 2020

PENALTIES

That pursuant to sections 57 and 58 of the local Government (Rating) Act 2002, the Council prescribes the following penalties to be added to unpaid rates:

- a) A penalty of 10% of the amount of any instalment that has been assessed after 1 July 2019 and which is unpaid after the due dates will be applied on:
- 22 September 2019
 - 22 December 2019
 - 22 March 2020
 - 22 June 2020
- b) A further 10% penalty will be added to unpaid rates from previous financial years unpaid on the later of 5 working days after the date of the resolution or 1 July 2019. The penalty charge will be applied on so much of any rates levied before 1 July 2019 which remain unpaid on 3 July 2019.
- c) A further 10% penalty will be added to unpaid rates from previous financial years to which a penalty has been added under (b) if the rates remain unpaid on 3 January 2020.

PAYMENT OF RATES

That rates shall be payable at any of the following places:

Council offices, 53 Main Street, Fairlie (between the hours of 8.30 am to 5.00 pm, Monday to Friday, excluding public holidays) and Market Place, Twizel (between the hours of 8.30 am to 5.00 pm Monday to Friday).

CARRIED

Councillors agreed they are available to speak to the public regarding the rates. Staff are also available to answer questions from the public. The Mayor thanked everyone for their hard work.

The Meeting closed at 9.56am.

The minutes of this meeting were confirmed at the Ordinary Meeting of the Mackenzie District Council held on 13 August 2019.

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CHAIRPERSON