



Mackenzie

DISTRICT COUNCIL

Unconfirmed MINUTES

Ordinary Council Meeting

3 August 2021

**MINUTES OF MACKENZIE DISTRICT COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE COUNCIL CHAMBERS, FAIRLIE
ON TUESDAY, 3 AUGUST 2021 AT 9.30AM**

PRESENT: Mayor Graham Smith, Deputy Mayor James Leslie, Cr Anne Munro, Cr Stuart Barwood, Cr Murray Cox, Cr Emily Bradbury, Cr Matt Murphy

IN ATTENDANCE: Angela Oosthuizen (Acting Chief Executive), Tim Harty (General Manager Operations), Alexis Gray (General Manager People and Culture), Tim Mulcock (Transition Manager), Aaron Hakkaart (Planning Manager), Arlene Goss (Governance Advisor), Chris Clarke (Communications Advisor), David Codyre (Acting Finance Manager), one member of the media.

1 OPENING

The Mayor declared the meeting open and gave a karakia.

2 APOLOGIES

Paul Numan (General Manager Corporate Services) sent an apology to the meeting.

3 VISITORS

Miles O'Connor from Bancorp Treasury attended by Zoom at 10am.

A new citizen and her family attended for a citizenship ceremony at 10.30am.

4 DECLARATIONS OF INTEREST

There were no declarations of interest.

5 BEREAVEMENTS

The Mayor read out the following bereavements and a moment of silence was observed.

- Carol Jean Crawford, wife of Selwyn Crawford. Farmer.
- Baby Rosa Callaghan, daughter of Callum and Andrea.

6 MAYOR'S REPORT

6.1 MAYORAL ACTIVITIES REPORT

The Mayor outlined the highlights of his report. It was a busy month. The Mayor's Taskforce for Jobs was doing well and had received funding for the coming year. The target for Mackenzie was getting 50 people into jobs in the coming year.

Most of the remits outlined in his report had been passed at the Local Government New Zealand annual general meeting.

RESOLUTION 2021/96

Moved: Cr Stuart Barwood

Seconded: Cr Emily Bradbury

That the report be received.

CARRIED

6.2 ACTING CHIEF EXECUTIVE'S REPORT

The acting chief executive updated the councillors on the Long Term Plan. She was making good progress with audit enquiries and the consultation document should be finalised later in the week. She would call an extraordinary meeting to adopt this when the dates were confirmed.

There has been some positive engagement with Moeraki and Arowhenua Runanga.

Statutory deadlines have been moved out for the annual report. The team has started working on it.

Destination Mackenzie has received about 120 submissions to date - good quality feedback. Engagement had been lower than hoped for at the drop-in sessions. The acting chief executive said she was concerned about the timelines for the project and would work with Beca to firm these.

Regarding the three waters project, Mackenzie was still working through what it all meant, including the impact on the financial position and debt held by Council. Also looking into what it would mean for rural water users. The biggest concern was the loss of representation and loss of a voice for the local community. Would continue to work through this in the next eight weeks.

The Mayor said he had written a report on the three waters proposal which he would circulate to the councillors and media. There was also a lot of information on the DIA website which would be put on the Mackenzie website over the next few weeks.

Cr Barwood asked for a package of information for the Mackenzie community. The Mayor said that his report covered some of this but he was also awaiting further financial information. The Mayor said there were benefits and disadvantages to the proposal. Cr Murphy was worried that Council would be forced to make a decision without having the necessary detail.

Tim Harty said he had a project underway to get all the information needed and bring it back to council as quickly as possible.

Cr Murphy was concerned about the number of resignations from staff. Discussion was held on recruitment and how gaps would be filled in the meantime.

RESOLUTION 2021/97

Moved: Cr Matt Murphy

Seconded: Cr Murray Cox

That the report be received.

CARRIED

7 REPORTS

7.1 QUARTERLY PORTFOLIO REPORT BANCORP TREASURY SERVICES

The purpose of this report was to inform Council of the performance of its bond market investment.

Miles O'Connor from Bancorp Treasury joined the meeting by Zoom. He noted it was good that Council had not made a capital loss. He then gave an overview of the current investment situation - both what was happening in New Zealand and globally.

He outlined the situation of Mackenzie District Council being able to borrow easily and at quick notice from the LGFA fund. It was possible to borrow up to \$20 million. MDC was not subject to a guarantee, which meant it would not be responsible for the debts of other councils. If Council wanted to borrow more than \$20 million it would be possible to become a guaranteeing borrower. He offered to construct a portfolio.

The acting chief executive said that given Council would go into the LTP as a borrower, she felt it would be a good idea to follow up on this.

Councillors asked about options for an investment portfolio. Returns from managed funds had been good recently. The key question was whether Council wanted to take on the risk of managed portfolios.

Mr O'Connor was thanked for his presentation and he left the meeting.

The meeting adjourned at 10.30am for the citizenship ceremony and reconvened at 11.04am.

7.2 COUNCIL FINANCIAL REPORT

Finance Manager David Codyre went through the highlights in the report and noted that changes would be made between now and the time of the annual report.

There was an operating surplus of \$3.2million. The reason was the additional Covid stimulus funding, and expenditure had not been as high as thought in some areas, such as the district plan review.

\$10million of capital expenditure would be carried forward into the first year of the Long Term Plan, related to water projects.

Consultancy fees were higher than usual. Some cost centres were over and some under and these needed more work to get a global view.

The acting chief executive suggested a variance report at each level so councillors could see more details about where the money went.

Cr Munro asked for information about vested assets. David Codyre said he was planning to bring vested assets into the financials in the next few weeks.

RESOLUTION 2021/98

Moved: Cr Anne Munro

Seconded: Cr Matt Murphy

That the financial report for Mackenzie District Council to June, 2021 be received.

CARRIED

7.3 ADOPTION OF SUBMISSION ON THE NBA EXPOSURE DRAFT

The purpose of this report was to allow Council to consider and adopt a submission on the Exposure Draft of the Natural and Built Environments Bill.

The Mayor said this was a strong submission. Planning Manager Aaron Hakkaart joined the meeting and provided the background to this issue. The submission articulated all the concerns that came from the previous councillor workshop.

Cr Barwood expressed concern that roads needed shingle and staff could not access it. He questioned whether the submission was strong enough.

The planning manager said this was an initial submission about how Council wanted to be part of the process and be 'at the table' when the details were worked through. Council could take a stronger position once the detail was available. This would also go through a select committee process next year.

Cr Bradbury said the submission was written well and she was happy to move that it be adopted.

RESOLUTION 2021/99

Moved: Cr Anne Munro

Seconded: Cr Stuart Barwood

1. That the report be received.

CARRIED

RESOLUTION 2021/100

Moved: Cr Anne Munro

Seconded: Cr Stuart Barwood

2. That Council adopt the submission on the Exposure Draft of Natural and Built Environments Bill for lodgement.

CARRIED

7.4 ROUND 5 TOURISM INFRASTRUCTURE FUND OUTCOME

The purpose of this report was to approve Council's funding allocation into the recently announced Round 5 Tourism Infrastructure Fund (TIFF), and direct appoint a project manager to deliver the works.

General Manager Operations Tim Harty spoke to this report. There were four projects involved and his report outlined mechanisms to cover the local share of these projects.

He outlined the need to appoint a project manager and get the projects out to market. Temporary toilet facilities would be explored to move around the district as the works on public toilets took place.

This was a favourable outcome with minimal contribution from MDC. It was important to meet the timeframes and spend the money on time. The Mayor supported engaging a project manager.

Cr Barwood asked if Council should go to market for a project manager, rather than direct appoint Xyst Limited. Mr Harty said timing, understanding, and market pressures were behind the direct appointment. It was sensible to use the people who had drafted the documents to take the projects further.

RESOLUTION 2021/101

Moved: Cr Murray Cox

Seconded: Cr Emily Bradbury

2. That Council endorse delivery of the full suite of projects funded through the Tourism Infrastructure Fund Round 5, and further that
3. That Council support the funding of the required local share for each project from the budgets outlined within this report, and further that
4. That Council endorse the direct appointment of Xyst Limited to program manage the delivery of all four projects to the time frame required, and further that
5. That staff are required to report back on delivery of the program at each Engineering and Services Committee

CARRIED

7.5 AD HOC GRANT APPLICATIONS

The purpose of this report was to consider a formal process for ad hoc grant requests. Also to approve a retrospective application for an ad hoc grant from the Aoraki Foundation for annual financial support for the year to December 2020, and a grant request from the South Canterbury Chamber of Commerce for 2022 and 2023 Business Excellence Awards.

Transition manager Tim Mulcock said Council had been paying these grants for a number of years and it was necessary to follow the correct process. The business awards had requested a two year payment and there had been some discussion on whether Mackenzie would have its own business awards, but this would be a future decision. The councillors preferred to approve one year of funding.

Cr Munro asked if the name 'ad hoc' was appropriate. The name community grants was suggested.

Cr Leslie asked about the scholarship fund that had been topped up each year. Mr Mulcock said this budget would provide money towards this if it was considered a good use of the money.

RESOLUTION 2021/102

Moved: Cr Anne Munro

Seconded: Cr Stuart Barwood

2. That Council resolves to establish an additional budget of \$15,000 for the 2021-2022 financial year to allow for budgeted funding of any approved community grant requests. This would be funded from general rates.
3. That Council resolves to retrospectively approve the annual grant of \$1,000 (no GST) from the Grants and Donations budget to the Aoraki Foundation Support Fund for the year to December 31 2020.
5. Approve a grant of \$2,500 plus GST for sponsorship of the South Canterbury Business Excellence Awards for the year from July 1 2021 to June 30 2022.

CARRIED

7.6 ADOPTION OF DELEGATIONS MANUAL REVISIONS

The purpose of this report was for Council to consider adoption of a revised Delegations Manual. Transition manager Tim Mulcock noted a last minute change to the authority to negotiate loan interest rates. This delegation had changed from general manager corporate services and finance manager, to general manager corporate services and chief executive.

RESOLUTION 2021/103

Moved: Deputy Mayor James Leslie

Seconded: Cr Emily Bradbury

That Council adopt the proposed changes to the Delegations Manual dated July 2021

CARRIED

7.7 JUNE REPORT FROM SOUTH CANTERBURY CHAMBER OF COMMERCE

This report was taken as read. There were no questions.

RESOLUTION 2021/104

Moved: Cr Murray Cox

Seconded: Cr Anne Munro

That the information be noted.

CARRIED

7.8 SUBMISSIONS TO REPRESENTATION REVIEW PROPOSALS

The purpose of this report was to receive and consider public submissions to proposed changes to council and community board representation, and to approve the final public notice.

Governance advisor Arlene Goss took the report as read and explained the reason for including recommendation 4 as an option, which related to the rates impact of expanding the community board boundaries.

Cr Cox said Council was only considering representation at this stage and was not considering rates.

Cr James Leslie said he was against the proposal and preferred that all councillors be elected at large. The proposal did not address the issue it was trying to solve, which was the imbalance of population across the district. He considered this to be a band-aid. Councillors represented the district as a whole, therefore people should be elected on their merits rather than where they lived.

Cr Murphy disagreed and believed the proposal would ensure fair representation across the district. Electing at large might result in an imbalance.

The Mayor added that issues were often different up country, from down country and this needed to be recognised.

Cr Munro said Cr Leslie might be right but this was a council in transition and the next six years would determine the right outcome.

Cr Murphy said he would move recommendation 3 as he supported bringing community board boundaries in line with ward boundaries. This was seconded by Cr Cox and passed.

RESOLUTION 2021/105

Moved: Cr Matt Murphy

Seconded: Cr Murray Cox

1. That the report be received.
2. That Council receives and considers the submissions to the representation review proposals.
3. That Council makes no amendments to the original proposal, in that:
 - a) Council comprises of the Mayor and seven councillors elected from three wards, and
 - b) community board boundaries are expanded to fit the ward boundaries, and instructs staff to prepare and publish a final notice to that effect.

CARRIED

Cr James Leslie asked for his vote against the motion to be recorded in the minutes.

LATE ITEMS FROM THE SUPPLEMENTARY AGENDA

1.1 ECONOMIC DEVELOPMENT STRATEGY

The purpose of this report was to present the Mackenzie District Council Economic Development Strategy for adoption.

Economic Development Manager Martin Homison joined the meeting. He said the councillors workshopped this strategy and assisted in its development.

Mr Homison thanked them for their engagement. The strategy will be followed up with an implementation stage and he was looking forward to updating Council on this. Cr Cox thanked him and the General Manager Corporate Services for their work on this strategy.

Cr Munro suggested it would be helpful to have a report at future Commercial and Economic Development meetings outlining how projects were aligning with this strategy. The Mayor said he looked forward to the strategy being delivered.

RESOLUTION 2021/106

Moved: Cr Emily Bradbury

Seconded: Cr Murray Cox

1. That the report be received.

CARRIED

RESOLUTION 2021/107

Moved: Cr Murray Cox

Seconded: Deputy Mayor James Leslie

2. That the Economic Development Strategy be adopted by Council.

CARRIED

1.2 RATES RESOLUTION - SECTION 50 OF THE LOCAL GOVERNMENT (RATING) ACT 2002

The purpose of this report was to meet the requirements of Section 50 of the Local Government (Rating) Act 2002, which states that Council may deliver a rates invoice for not more than 25% of the rates payable in the previous year if it is not able to deliver a rates assessment at least 14 days before:

- a) The date on which the first instalment of rates for the current year is payable in a case where the rates have been set by resolution of the local authority under section 23 of the Local Government (Rating) Act 2002, or
- b) The date one calendar year after the date when the first payment of rates for the previous year was payable in a case where no resolution has been made under Section 23 of the Local Government (Rating) Act.

The acting chief executive said this report was put forward because Council had been unable to strike rates due to the delay with the Long Term Plan.

The matter was significant under Council's Significance and Engagement Policy. There was no requirement for a funding impact statement to be done. Council had taken legal advice which had been followed.

RESOLUTION 2021/108

Moved: Cr Stuart Barwood

Seconded: Cr Anne Munro

1. That the report be received.
2. That the Mackenzie District Council resolves to deliver a rates invoice for 25% of the rates that are payable in the previous year.
3. That the due dates of the rates invoice is 20 September 2021.
4. That pursuant to sections 57 of the local Government (Rating) Act 2002, the Council prescribes the following penalty be added to unpaid rates:

A penalty of 10% 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 3 August 2021. The penalty charge will be applied on so much of any rates levied before 1 July 2021 which remain unpaid on 3 August 2021.

CARRIED

8 COMMUNITY BOARD RECOMMENDATIONS

There were no community board recommendations at this meeting.

9 CONFIRM COUNCIL MINUTES

9.1 MINUTES OF ENGINEERING AND SERVICES COMMITTEE MEETING - 20 APRIL 2021

RESOLUTION 2021/109

Moved: Cr Stuart Barwood

Seconded: Cr Emily Bradbury

1. That the Minutes of the Engineering and Services Committee Meeting held on Tuesday 20 April 2021 be received and the recommendations therein be adopted.

CARRIED

9.2 MINUTES OF COMMERCIAL AND ECONOMIC DEVELOPMENT COMMITTEE MEETING - 20 APRIL 2021

RESOLUTION 2021/110

Moved: Cr Stuart Barwood

Seconded: Cr Anne Munro

1. That the Minutes of the Commercial and Economic Development Committee Meeting held on Tuesday 20 April 2021 be received and the recommendations therein be adopted.

CARRIED

9.3 MINUTES OF PLANNING AND REGULATIONS COMMITTEE MEETING - 20 APRIL 2021

RESOLUTION 2021/111

Moved: Cr Stuart Barwood
 Seconded: Cr Anne Munro

1. That the Minutes of the Planning and Regulations Committee Meeting held on Tuesday 20 April 2021 be received and the recommendations therein be adopted.

CARRIED

9.4 MINUTES OF STRATEGY COMMITTEE MEETING - 20 APRIL 2021

RESOLUTION 2021/112

Moved: Cr Stuart Barwood
 Seconded: Cr Anne Munro

1. That the Minutes of the Strategy Committee Meeting held on Tuesday 20 April 2021 be received and the recommendations therein be adopted.

CARRIED

9.5 MINUTES OF AUDIT AND RISK COMMITTEE MEETING - 18 MAY 2021

RESOLUTION 2021/113

Moved: Cr Stuart Barwood
 Seconded: Cr Anne Munro

1. That the Minutes of the Audit and Risk Committee Meeting held on Tuesday 18 May 2021 be received and the recommendations therein be adopted.

CARRIED

9.6 MINUTES OF COUNCIL MEETING - 22 JUNE 2021

RESOLUTION 2021/114

Moved: Cr Stuart Barwood
 Seconded: Cr Anne Munro

That the Minutes of the Council Meeting held on Tuesday 22 June 2021 be received and confirmed as an accurate record of the meeting.

CARRIED

9.7 MINUTES OF COUNCIL MEETING - 6 JULY 2021

RESOLUTION 2021/115

Moved: Cr Stuart Barwood
 Seconded: Cr Anne Munro

That the Minutes of the Council Meeting held on Tuesday 6 July 2021 be received and confirmed as an accurate record of the meeting.

CARRIED

9.8 MINUTES OF COUNCIL MEETING - 29 JUNE 2021

RESOLUTION 2021/116

Moved: Cr Stuart Barwood
 Seconded: Cr Anne Munro

1. That the Minutes of the Council Meeting held on Tuesday 29 June 2021 be received and the recommendations therein be adopted.

CARRIED

10 PUBLIC EXCLUDED

RESOLUTION TO EXCLUDE THE PUBLIC

RESOLUTION 2021/117

Moved: Cr Emily Bradbury
 Seconded: Mayor Graham Smith

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
10.1 - Downlands Water Scheme - Joint Committee Agreement	s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for

		withholding would exist under section 6 or section 7
10.2 - Fairlie Building and Twizel Event Centre Upgrades - Initial Assessments	s7(2)(f)(i) - the withholding of the information is necessary to allow free and frank expression of opinions by or between or to members or officers or employees of any local authority	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
10.3 - Appointments to Water Zone Committees	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
10.4 - Minutes of Public Excluded Commercial and Economic Development Committee Meeting - 20 April 2021	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
10.5 - Minutes of Public Excluded Planning and Regulations Committee Meeting - 20 April 2021	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
10.6 - Minutes of Public Excluded Strategy Committee Meeting - 20 April 2021	s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

<p>10.7 - Minutes of Public Excluded Audit and Risk Committee Meeting - 18 May 2021</p>	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
<p>10.8 - Minutes of Public Excluded Council Meeting - 22 June 2021</p>	<p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
<p>10.9 - Minutes of Public Excluded Council Meeting - 6 July 2021</p>	<p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
<p>10.10 - Minutes of Public Excluded Council Meeting - 29 June 2021</p>	<p>s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
<p>1.3 Supplementary Agenda - Legal Advice Rates</p>	<p>s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for</p>

		withholding would exist under section 6 or section 7
CARRIED		

RESOLUTION 2021/118
Moved: Mayor Graham Smith
Seconded: Deputy Mayor James Leslie
That Council moves out of Closed Council into Open Council.
CARRIED

The Meeting closed at 2.07pm.

The minutes of this meeting were confirmed at the Ordinary Council Meeting held on 14 September 2021.

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CHAIRPERSON