



Mackenzie

DISTRICT COUNCIL

MINUTES

Ordinary Council Meeting

12 April 2022

**MINUTES OF MACKENZIE DISTRICT COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE COUNCIL CHAMBERS, FAIRLIE, AND ON ZOOM
ON TUESDAY, 12 APRIL 2022 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 (Chief Executive), David Adamson (Acting General Manager Operations), Paul Numan (General Manager Corporate), Alexis Gray (General Manager People and Culture), Fiona McQuade (Property and Commercial Manager), Martin Homisan (Economic Development Manager), Arlene Goss (Governance Advisor), Sandy Hogg (Finance Manager), Joni Johnson (Engineering Manager), Keiller Macduff (Timaru Herald), Lydia Stoddart and Kath Low (ChristchurchNZ), Wendy Smith and Raewyn Bell (South Canterbury Chamber of Commerce), Miles O'Connor (Bancorp).

1 OPENING

The Mayor opened the meeting and welcomed everyone. He noted that those present in the council chambers had undertaken a negative RAT test for Covid.

2 APOLOGIES

There were no apologies.

3 VISITORS

At 10.40am Lydia Stoddart and Kath Low from ChristchurchNZ presented their report to Council, on the agenda as item 6.3.

At 11.00am Wendy Smith and Raewyn Bell from the South Canterbury Chamber of Commerce presented their report to Council, on the agenda as item 6.4.

At 11.45am Miles O'Connor from Bancorp joined the meeting to discuss item 6.8: LGFA Joint and Several Guarantee Report.

4 DECLARATIONS OF INTEREST

There were no declarations of interest.

5 BEREAVEMENTS

The Mayor remembered Fairlie man, Vic Braddick, and a moment of silence was observed.

6 MAYOR'S REPORT

5.1 MAYORAL ACTIVITIES REPORT

The Mayor took his report as read and asked for any questions. Most of the meetings he attended were held online.

Cr Munro asked about a meeting with the Ministry of Social Development. This was related to aged people in the community. The meeting did not include any discussion of funding, but was more related to need.

Discussions with the district health board included concern about the number of staff who were away sick with Covid.

There was good engagement from the business community with Te Manahuna Ki Uta/Destination Mackenzie.

A new trail manager has been hired for Alps2Ocean.

The Mayor said changes to road user charges were a concern. David Adamson said staff were involved in this and a presentation would come to a future meeting or workshop.

The Mayor said at the mayoral forum the mayors agreed they wanted this money to go towards roads, not other forms of transport. They were worried about inequalities in funding being created. Submissions close on April 22. Cr Munro said this was an important submission considering the length of roading in the district.

The Mayor then commented on his work with South Island Rowing. This was a great organisation to work with. There were 1400 rowers and 1200 supporters at the event, so a very busy time. It was an important event for local businesses.

RESOLUTION 2022/19

Moved: Cr Emily Bradbury

Seconded: Deputy Mayor James Leslie

That the report be received.

CARRIED

7 REPORTS

6.1 CHIEF EXECUTIVE'S REPORT

The chief executive updated the councillors on the production of the annual report, and recent work with auditors. She was very pleased to receive an unqualified audit opinion today. This would allow Council to adopt the Annual Report at this meeting.

Work was moving towards the adoption of the annual plan. The finance manager was presenting the draft annual plan to community boards this week.

The pre-election report was underway and the chief executive would work on this over the next couple of months.

Te Manahuna Ki Uta/Destination Mackenzie consultation sessions with the community were going well and showed Council was on the right track. Engagement was open for another few weeks.

Regarding Covid, the rate of infection was coming down. The Mayor had advocated for RAT tests to be distributed via rural post delivery and this was happening now. Council was currently reviewing its vaccination policy and was preparing for a planned return to the office on May 2.

Things were moving with water reforms. Requests had been received for asset information and financial information. The model being proposed was not the best model and needed to be reconsidered. Another tranche of funding was planned by the government, but Council needed to consider this carefully due to some requirements attached to this funding.

The chief executive then outlined current recruitment efforts and new staff who would be starting shortly.

The customer services report showed a number of service requests still open - many related to solid waste due to the introduction of the new green bins. David Adamson said a large number of jobs were in the process of being actioned. The chief executive said request data also needed a tidy up, and requests needed to be responded to and followed up with the customer.

RESOLUTION 2022/20

Moved: Cr Anne Munro

Seconded: Cr Murray Cox

The report be received.

CARRIED**6.2 COUNCIL MONTHLY FINANCIAL REPORT - FEBRUARY 2022**

Finance manager Sandy Hogg took the report as read. Everything is tracking as expected.

In the March report staff would be showing a forecast to the end of the financial year. Sandy Hogg explained how the financial report would change to make it clearer to read.

The Mayor was concerned that some expected funding had not yet been received.

There would be a delay in the reseals due to contractors needing to do some repairs before resealing. This would result in a carry forward at the end of the financial year.

Would there be a large carry over of funding related to projects? Some projects such as repairs to the council building would be carried over. Other projects would be completed on time.

Councillors were concerned they might miss out on central government funding if projects were not completed on time. David Adamson outlined the payments already received and what was still to be claimed before the end of the year. The full amount would be claimed.

There would be an unfavourable variance in consultancy costs of about \$130,000, mostly due to resourcing the Long Term Plan. Council had been unable to fill staff vacancies in the policy area.

RESOLUTION 2022/21

Moved: Cr Anne Munro

Seconded: Cr Murray Cox

That the monthly financial report for February 2022, for Mackenzie District Council be received.

CARRIED

The meeting adjourned for morning tea at 10.27am and reconvened at 10.40am.

6.3 CHRISTCHURCHNZ QUARTERLY REPORT - Q3

Lydia Stoddart and Kath Low from ChristchurchNZ joined the meeting to speak to their report, which is attached to the agenda.

Tourism operators are more positive with the border re-opened. Operators were getting good forward bookings. Kickstart applications have opened for Mackenzie businesses. Funding between 10 and 50K is available per business.

ChristchurchNZ will be contracting an event deliverer to deliver a community-driven festival for Matariki. The event deliverer has approval from the three Runanga. A lot is happening in this space.

Regarding visitor spend, the Omicron environment means this was not great. The forward outlook is more optimistic. The key opportunity for winter is the domestic market.

There is pent up demand in the market and positivity, as well as some difficulties in terms of inflation, and discretionary spending is down. They would be encouraging the domestic market and Australian visitors. Mackenzie would be encouraged as a great winter road trip.

After two years there was a sense of optimism that the situation has turned.

The Mayor thanked the visitors for their enthusiasm and passion towards Mackenzie.

Cr Munro asked for clarification on who was involved in the Matariki event and this was explained by Lydia Stoddart. Other questions were asked about events and how to encourage these. There was the potential for local capability building in the district to help local people with their events.

The Mayor thanked the speakers for attending the meeting.

RESOLUTION 2022/22

Moved: Cr Murray Cox

Seconded: Cr Anne Munro

That the information be received.

CARRIED

6.4 SOUTH CANTERBURY CHAMBER OF COMMERCE - QUARTERLY REPORT - JAN - MARCH 2022

Wendy Smith and Raewyn Bell joined the meeting and went over the main points of their report. They were experiencing a lot more engagement from Fairlie businesses seeking one-on-one support.

They had recently run an immigration workshop for businesses and there was significant engagement. The change to visas was explained, including the pay rate for migrants and the rules around this.

Other matters included the Covid support payments for businesses, which were a lifeline for some. Most of the work to date had been on survival for businesses and they were now moving into recovery and regeneration. The Chamber has seen businesses across South Canterbury having major cashflow issues. For some businesses it might be the right decision to make was to close.

Cr Cox asked if there were many enquiries from new businesses wanting to move to Mackenzie. Yes there were some new businesses starting, often because people had lost their jobs and were starting something new.

Cr Munro thanked the chamber for their work over the past few months. It was difficult times. The business excellence awards were coming up and it would be interesting to see the applications.

RESOLUTION 2022/23

Moved: Cr Murray Cox
Seconded: Cr Emily Bradbury
That the report be received.

CARRIED**6.5 QUARTERLY INFOMETICS REPORT - DECEMBER 2021**

Martin Homison outlined the main points in his report, which is attached to the agenda.

RESOLUTION 2022/24

Moved: Cr Emily Bradbury
Seconded: Deputy Mayor James Leslie
That the Infometrics Quarterly Economic Report for the Mackenzie District be received.

CARRIED

Miles O'Connor from Bancorp joined the meeting and Item 6.8 LOCAL GOVERNMENT FUNDING AGENCY (LGFA) JOINT AND SEVERAL GUARANTEE REPORT was brought forward and discussed at this point.

6.6 APPROVAL FOR EXEMPTION TO THE PROCUREMENT POLICY - TEKAPO CCTV SYSTEM

This report asked Council to approve an exception to the Procurement Policy to allow for the direct purchase of CCTV equipment and installation in Tekapo, from Allied Alarms at a cost of \$90,987.00.

Engineering manager Joni Johnson requested an exemption to the policy because Allied Alarms had done a lot of work helping Council design the CCTV system, and calling for two more quotes would put them at

a disadvantage. They were known for a good reputation and had worked with Council in the past, providing good value for money.

The Mayor said this was reasonable. Allied Alarms were ready to go and could install the system by the end of June.

Stage One had a budget of \$30,000, but would cost \$42,000, so staff would work with the community board to find the additional \$12,000. Allied had agreed to hold their prices until the further stages of the project were put in place.

RESOLUTION 2022/25

Moved: Cr Stuart Barwood

Seconded: Cr Matt Murphy

1. That the report be received.

CARRIED

RESOLUTION 2022/26

Moved: Cr Murray Cox

Seconded: Deputy Mayor James Leslie

2. That Council approve an exception to the Procurement Policy to allow for the direct purchase of CCTV equipment and installation from Allied Alarms at a cost of \$90,987.

CARRIED

The meeting adjourned for lunch at 12.20pm and reconvened at 12.55pm.

6.7 PARKING AREA AT DOG KENNEL CORNER - WAKA KOTAHI

The purpose of this report was to make a recommendation on an application for a Notice of Requirement lodged by Waka Kotahi – New Zealand Transport Agency: to designate additional land adjacent to SH8 at 'Dog Kennel Corner' to provide an additional parking/viewing area (RM210141) pursuant to sections 169, 171, and 176 of the Resource Management Act 1991 (the Act).

Planning Manager Aaron Hakkaart joined the meeting to speak to this report. He said it would be difficult to refuse or change this request, as the Minister would make the final decision.

The Mayor asked if an ecological report was done for this. Yes, as well as a landscaping report and resource consent. It was noted that works were underway at the site. Did responsibility for this area remain with Waka Kotahi? Yes it would form part of the highway as part of this process and become part of the road reserve.

Cr Barwood asked if there was a condition in there for toilets. No, just a picnic table. People would be stopping there and would be requiring a toilet. Discussion took place on who would be responsible for a public toilet if there were problems at the site.

Mr Hakkaart said he would include this issue in a letter to the regional manager. The Burkes Pass toilet gets a lot of use and wasn't far away from this location.

RESOLUTION 2022/27

Moved: Deputy Mayor James Leslie

Seconded: Cr Emily Bradbury

1. That the report be received.

CARRIED

RESOLUTION 2022/28

Moved: Deputy Mayor James Leslie

Seconded: Cr Stuart Barwood

2. That the application for the Notice of Requirement lodged under RM210141 be processed on a non-notified basis pursuant to Section 169 of the Resource Management Act 1991.
3. That the Council recommends to Waka Kotahi – New Zealand Transport Agency, that in accordance with Section 171(2)(a) of the Resource Management Act 1991 that Mackenzie District Council **confirms the Notice of Requirement lodged under RM210141 without any specific conditions.**
4. Council in accordance with section 176A(2)(c), **waives the requirement for an Outline Plan for the activities associated with the construction of the parking/viewing area lodged under RM210141.**

CARRIED

6.8 LOCAL GOVERNMENT FUNDING AGENCY (LGFA) JOINT AND SEVERAL GUARANTEE REPORT

Miles O'Connor from Bancorp joined the meeting for this item.

Mackenzie District Council is currently a non-guaranteeing borrower from the Local Government Funding Agency (LGFA). As a non-guarantor, MDC is charged an additional 10 basis points (0.10%) for all LGFA sourced debt, except for Commercial Paper.

Council's Long-Term Plan projections reflect a need for borrowing more than the \$20 million LGFA non-guaranteeing limit. Should MDC not become a guaranteeing local authority Council would have to rethink its capital delivery program or incur higher interest costs.

This report asked Council to decide whether to become a guaranteeing local authority. Paul Numan introduced the report and asked Mr O'Connor to speak.

He recommended that Council joined the LGFA as a guarantor, because when you are a non-guarantor borrowing is restricted to \$20 million. There were also other considerations, as listed in his report at Item 6.8.

The Mayor asked why Council had not done this already. Because until now Council had not considered it needed to borrow more than \$20 million. Further discussion took place and Council agreed to become a guaranteeing local authority.

RESOLUTION 2022/29

Moved: Cr Emily Bradbury

Seconded: Cr Matt Murphy

1. That Council receives the LGFA Joint and Several Guarantee report.

CARRIED**RESOLUTION 2022/30**

Moved: Cr Murray Cox

Seconded: Deputy Mayor James Leslie

2. That Council becomes a guaranteeing local authority.
3. That Council approves utilising the services of Buddle Finlay to assist with the legal services required to facilitate the process for accession (joining as a guaranteeing local authority).

CARRIED*Cr Munro abstained.***6.9 ANNUAL REPORT 2020/21 FOR COUNCIL ADOPTION**

The purpose of this report was to present the Annual Report for 2020/21 for adoption.

The Audit and Risk Committee reviewed the draft Annual Report for 2020/21 at their meeting on 5 April 2022 and recommended that the Council adopt the 2020/21 Annual Report in accordance with section 98 of the Local Government Act 2002.

The completed Annual Report with Audit Opinion was tabled at the Council meeting and circulated to the elected members during the meeting.

Paul Numan updated the councillors on minor changes to the annual report since it was put to the Audit and Risk Committee last week.

An unqualified audit opinion has now been received. Mr Numan said this was a very good audit opinion and he thanked David Codyre and staff who had worked hard to get this completed.

David Codyre said the annual report process had been completed in 10 weeks. The next annual report would begin in three months. There were a few contentious issues to work through with auditors but staff were proactive to address these.

STAFF RECOMMENDATIONS

1. That Council receives this report.

RESOLUTION 2022/31

Moved: Cr Anne Munro

Seconded: Deputy Mayor James Leslie

3. That Council receives the audit opinion for the 20/21 Annual Report.
4. That Council adopts the 20/21 Annual Report with the audit opinion in accordance with section 98 of the Local Government Act 2002.

CARRIED

8 COMMUNITY BOARD RECOMMENDATIONS

7.1 MINUTES OF TWIZEL COMMUNITY BOARD MEETING - 7 MARCH 2022

RESOLUTION 2022/32

Moved: Cr Anne Munro

Seconded: Cr Emily Bradbury

1. That the Minutes of the Twizel Community Board Meeting held on Monday 7 March 2022 be received.
2. That Council notes the following resolutions passed by the Twizel Community Board:
 - That the Community Board approves in principle the painting of a mural on the wall to the east of the Market Place shops facing Two Thumb Drive, subject to the Twizel Promotions and Development Association submitting a mock-up of the proposed artwork for approval by the Community Board.
 - That the Community Board supports the removal of the block of Wilding Pines on the Glen Lyon Road Reserve from Nuns Veil Road to Opposite the Pump Track, and further, that a landscape plan be developed for replanting this area with amenity tree species. And that trees that are not wilding pines are retained.
 - That the adjoining land owners and leasee of the holiday park are consulted with before the work is carried out and if there are any problems it can come back to the community board.
 - That the Twizel Community Board supports in principle the proposal from the Twizel Heritage Group to site a historic house on the ex-project office site in Twizel on Wairepo Road, subject to council approval.
 - That the Twizel Community Board allocates \$10,000 from the township fund to the Twizel Heritage Group towards the relocation of the worker's house, subject to council approving the project.

CARRIED

7.2 MINUTES OF TEKAPO COMMUNITY BOARD MEETING - 9 MARCH 2022

RESOLUTION 2022/33

Moved: Cr Anne Munro

Seconded: Cr Emily Bradbury

1. That the Minutes of the Tekapo Community Board Meeting held on Wednesday 9 March 2022 be received.
2. That Council notes the following resolution passed by the Tekapo Community Board:
 - That the Tekapo Community Board approves the reimbursement of \$100 to member Sharron Binns for two gifts given by the community board.

CARRIED

Cr Murphy asked for a correction to the Tekapo Community Board minutes – the correct name of the sports trust on page 126 is the Lake Tekapo Community Sports and Recreation Trust.

Cr Barwood asked about the stone cladding on the Fairlie public toilets. Discussion took place on this matter, which will be raised again at the Fairlie Community Board meeting on Thursday.

7.3 MINUTES OF FAIRLIE COMMUNITY BOARD MEETING - 10 MARCH 2022

RESOLUTION 2022/34

Moved: Cr Anne Munro

Seconded: Cr Emily Bradbury

1. That the Minutes of the Fairlie Community Board Meeting held on Thursday 10 March 2022 be received.
2. That Council notes the following resolutions passed by the Fairlie Community Board:
 - That the amount of \$32,000 be approved from the Fairlie Township Project Budget to undertake Stage One works to establish a dog park on the area of land adjacent to the Opihi River/Allandale Bridge.

CARRIED

8 CONFIRM COUNCIL MINUTES

8.1 MINUTES OF COUNCIL MEETING - 8 MARCH 2022

RESOLUTION 2022/35

Moved: Cr Anne Munro

Seconded: Cr Emily Bradbury

That the Minutes of the Council Meeting held on Tuesday 8 March 2022 be received and confirmed as an accurate record of the meeting.

CARRIED

9 PUBLIC EXCLUDED

RESOLUTION TO EXCLUDE THE PUBLIC

RESOLUTION 2022/36

Moved: Cr Anne Munro
 Seconded: Cr Emily Bradbury

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
9.1 - Joint Local Alcohol Policy Review	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	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

CARRIED

RESOLUTION 2022/37

Moved: Mayor Graham Smith
 Seconded: Deputy Mayor James Leslie

That Council moves out of closed meeting into open meeting.

CARRIED

The Meeting closed at 1.39pm.

The minutes of this meeting were confirmed at the Ordinary Council Meeting held on 28 June 2022.

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CHAIRPERSON