

**Minutes of an ordinary meeting of the Queenstown Lakes District Council held in the Council Chambers, 10 Gorge Road, Queenstown on Thursday, 31 January 2019 commencing at 1.00pm**

**Present:**

Mayor Boulton; Councillors Clark, Ferguson, Forbes, Hill, MacDonald, MacLeod, McRobie, Miller and Stevens

**In attendance:**

Mr Mike Theelen (Chief Executive), Mr Peter Hansby (General Manager, Property and Infrastructure), Dr Thunes Cloete (General Manager, Community Services), Mr Gareth Noble (Programme Director, Property and Infrastructure), Mr Simon Battrick (Sport and Recreation Manager), Mr Chris English (Building Services Manager), Ms Katrina Ellis (Team Leader Resource Consents), Mr Naell Crosby-Roe (Communications and Engagement Manager), Mrs Lyn Zeederberg (Financial Controller), Mr Dan Cruickshank (Property Advisor, APL Property Ltd) and Ms Jane Robertson (Senior Governance Advisor); one member of the media and two members of the public

**Apologies/Leave of Absence Requests**

An apology was received from Councillor Smith (on approved Leave of Absence).

The following requests for Leave of Absence were made:

- Councillor Forbes: 13-23 February 2019
- Councillor Stevens: 14-22 February 2019

**On the motion of the Mayor and Councillor Hill the Council resolved to grant the requests for leave of absence.**

**Declarations of Conflicts of Interest**

Councillor Stevens advised that he had business interests with tables and chairs. The Mayor agreed that this could be considered a conflict and asked Councillor Stevens to step away from the table for this item.

**Matters Lying on the Table**

There were no items lying on the table.

**Public Forum**

1. Cath Gilmour

Ms Gilmour urged the Council to take an active part in Queenstown Airport's ['QAC'] Statement of Intent ['SOI'] process. She noted that recent feedback had suggested that 94% of the community did not support the airport's unmitigated growth and it was important for vital decisions about the airport's future to be made by Council and the community and not QAC.

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The Council and QAC needed to have an open, transparent and timely discussion with the community about the airport's future. It would be driven by the demands of the airlines if the Council did not actively drive it and airlines were not concerned about the costs of congestion, noise, and loss of social licence for the tourism industry. She was also concerned that the airport should not create a wedge between Wanaka and Queenstown.

Ms Gilmour questioned why QAC was deemed one of New Zealand's four regional hub airports as she considered it should be a destination airport. Overall she asked the Council to consider an acceptable level of growth for the airport and to ensure this was reflected in the SOI as this was the most appropriate instrument for the Council to set out these goals.

**2. David Mayhew**

Mr Mayhew noted that he had recently lodged a submission in response to the government's consultation on its new tourism strategy which sought to ensure growth was productive, sustainable and inclusive. He circulated his submission to the Council as he believed the issues raised were also relevant to QAC and its future.

**Special Announcements**

The Mayor advised that Queenstown would host official Waitangi Day celebrations on 6 February which was a great honour for the district. The event would also celebrate the other cultures represented in Queenstown.

**Confirmation of agenda**

The Mayor advised that he wished to add a further item to the agenda: 'Edith Cavell Bridge' as he had been informed by local resident Basil Walker that 13 February 2019 would mark 100 years since the bridge's opening. The Mayor thanked Mr Walker for making the Council aware of this important occasion.

**On the motion of the Mayor and Councillor MacDonald the Council resolved that:**

- a. The agenda be confirmed with the addition of a further item entitled 'Edith Cavell Bridge Acknowledgement' to be considered as part of the Chief Executive's report;**
- b. The reason it is not on agenda is that the Council was advised of the item after the agenda papers had been published;**
- c. The reason it cannot be delayed to a future meeting is that the 100<sup>th</sup> anniversary of the bridge opening will occur before the next scheduled meeting.**

**Confirmation of minutes**

**On the motion of the Mayor and Councillor Stevens the Council resolved that the minutes of the meeting held on 13 December 2018 be confirmed as a true and correct record.**

*Councillor MacLeod abstained from voting because he was not present at the meeting.*

*Councillor Stevens withdrew from the meeting.*

**1. Tables and Chairs Licences in a Public Place – Fee Review**

A report from Dan Cruickshank (Property Advisor, APL Property Ltd) presented options for increasing fees for Licences to Place Tables and Chairs in a Public Place. The report compared current rates with assessed current market rates, observing that the rates had not altered since the policy was adopted in 2006. However, the report recommended that the Council partially increase rents for the next renewal, as it would increase table and chair rents towards market but help stagger the increase to enable a transition in pricing. This would enable operators to plan ahead and budget for the cost of rent increasing.

The report was presented by Mr Cruickshank and Mr Hansby.

Councillor Ferguson stated that the Council as landlord should be doing what it could to help these businesses succeed and he was concerned about the requirement to vacate chairs/tables by 10pm. He acknowledged that the report was not to determine this question but he considered it was a matter requiring further investigation. The view was also expressed that licensees would accept the proposed fee increases more readily if all the income derived was allocated to town centre projects. Mr Hansby advised that the fees were not increasing immediately to market rate and future investment in projects would be in line with further increases.

The Council observed that the fees had not been reviewed since 2006 and asked staff to ensure that they were left for such a long period again.

**On the motion of the Mayor and Councillor MacDonald it was resolved that**

- 1. Note the contents of this report;**
- 2. Approve increasing fees for Tables and Chairs Licences in a Public Place in accordance with the following schedule at the next renewal in the Wanaka ward in September 2019 and Queenstown ward in December 2019:**

Location	Proposed rate per m <sup>2</sup> (ex GST) per annum
Queenstown Mall	\$200
Queenstown Lakefront	\$160
Beach and Shotover Streets	\$140
Remaining Queenstown Pavements	\$140
Arrowtown – Buckingham Street	\$70
Remaining Arrowtown Pavements	\$70
Wanaka Waterfront	\$100
Remaining Wanaka Pavements	\$70
Glenorchy	\$35

3. Agree that fees for Tables and Chairs Licences in a Public Place be reviewed again prior to the 2020 renewal.

2. **Governance Framework for the CAPEX 3 Waters Programme**

A report from Belinda Evert (Programme Manager) presented the Capex 3 Waters Programme Governance Framework for Council approval and sought agreement for the associated changes to the final delegation authority levels for the Chief Executive and Mayor. The report explained that the complexity and scale of the 3 Waters Capex Programme had led to a bundled (grouping of projects) approach to take this work to market. Council had approved the LTP and programme budgets within the plan, but the size of the 'bundles' would exceed the present delegation which allowed the Chief Executive Officer together with the Mayor or Deputy Mayor to commit the Council to a transaction (or to terminate or vary any transaction) limited to a maximum of \$7,500,000 (capital expenditure). There were eight bundles of work with a forecasted spend of over \$ 7,500,000 for the next 12 months of the LTP. Accordingly, the report recommended the following change to the Delegations Register:

*1c: In the case of other transactions in relation to the CAPEX 3 Waters Programme, the power of the Chief Executive Officer together with the Mayor or Deputy Mayor to commit the Council to a transaction (or to terminate or vary any transaction) is limited to spend approved in the LTP budget.*

The report was presented by Mr Hansby and Mr Noble.

**On the motion of Councillors McRobie and Clark it was resolved that the Council:**

1. Note the contents of this report; and

**2. Approve the proposed CAPEX 3 Waters Programme Governance Framework and associated changes to the financial delegation of authority levels of the Chief Executive and Mayor.**

**3. Queenstown Lakes - Central Otago Regional Sport and Recreation Facility Strategy**

A report from Simon Battrick (Sport and Recreation Manager) presented the final draft of the Queenstown Lakes–Central Otago Regional Sport and Recreation Facility Strategy for Council adoption prior to public consultation, before presenting a report back to Council before 30 June 2019.

The report was presented by Mr Battrick and Dr Cloete.

Officers confirmed that Central Otago District Council had been asked to contribute to the study but had declined, although staff time had been permitted. Central Otago District Council was awaiting the outcome of this discussion before determining its next step.

Councillor Stevens noted that funding of facilities could be questionable in the future, particularly if there was any conflict over the location of facilities.

**On the motion of Councillors Stevens and Hill it was resolved that Council:**

- 1. Note the contents of the report;**
- 2. Direct Council officers to consult with the public on the final draft Queenstown Lakes–Central Otago Regional Sport and Recreation Facility Strategy and report back to Council before 30 June 2019.**

**4. New reserve licence to the Scout Association of New Zealand (Arrowtown Scouts)**

A report from Dan Cruickshank (Property Advisor, APL Property Ltd) assessed an application from the Scout Association of New Zealand, for the Arrowtown Scouts group to have use a new licence to use the Arrowtown Community Sports Facility at Jack Reid Park. The report recommended that a licence be granted, subject to conditions.

The report was presented by Mr Cruickshank and Dr Cloete.

Councillor Stevens asked why a termination clause had been included, particularly in light of the major financial contribution made by both the Arrowtown Scouts and Arrowtown Rugby Football Club. Mr Cruickshank advised that it was simply a standard clause.

Councillor MacLeod asked why a rent review was recommended on a rental charge of \$1/year. Mr Cruickshank again observed that it was standard practice. The Mayor stated that this should be addressed at some stage.

**On the motion of Councillors McRobie and Stevens it was resolved that Council:**

- 1. Note the contents of this report;**
- 2. Approve a new licence under section 54(1)(b)&(d) of the Reserves Act 1977, to The Scout Association of New Zealand, for use of part of the Arrowtown Community Sports Facility located at Jack Reid Park with legal description Section 38 SO Blk VII Shotover SD, subject to the following conditions:**

<b>Commencement</b>	<b>TBC</b>
<b>Term</b>	<b>3 years</b>
<b>Renewal</b>	<b>Two further terms of 3 years by agreement of both parties</b>
<b>Rent</b>	<b>Pursuant to Community Facility Funding Policy (\$1 per annum at commencement)</b>
<b>Reviews</b>	<b>At renewal</b>
<b>Operating Hours</b>	<b>As agreed with Council, typically between 3-9pm on weekdays</b>
<b>Permitted use</b>	<b>Activities associated with scouting and guiding as well as the storage of equipment in secure room for use by Scouts</b>
<b>Insurance</b>	<b>N/A paid by Council</b>
<b>OPEX</b>	<b>N/A paid by Council (excl. cleaning)</b>
<b>Cleaning of venue</b>	<b>Recharge for any one-off special cleans at cost by Council</b>
<b>Safety/Suspension</b>	<b>Council to retain ability to suspend the licence for safety purposes</b>
<b>Termination</b>	<b>Council can give 1-year cancellation notice if the land is required for the 'provision of core infrastructure services' (not in the first 3 years)</b>
<b>Other</b>	<b>Licensee to ensure they act in accordance with Council resource consents or designations for the facility</b>

**Licensee to ensure that all rubbish be placed in designated rubbish bins onsite post events or training sessions**

- 3. Further requirements for room bookings will be as per the Councils Community Facility Funding Policy or its successors, and booked through the Council facility booking office**

- 4. Agree to the exercise of the Minister's consent (under delegation from the Minister of Conservation) to the granting of a new licence to The Scout Association of New Zealand for use of part of the Arrowtown Community Sports Facility located at Jack Reid Park with legal description Section 38 SO Blk VII Shotover SD,**

- 5. Delegate final licence terms and conditions and signing authority to the General Manager Community Services.**

**5. New reserve licence to the Arrowtown Rugby Football Club**

A report from Dan Cruickshank (Property Advisor, APL Property Ltd) assessed an application from the Arrowtown Rugby Football Club for a new licence to use the Arrowtown Community Sports Facility at Jack Reid Park. The report recommended that a licence be granted, subject to conditions.

The report was presented by Mr Cruickshank and Dr Cloete.

Councillor Stevens acknowledged the work of Simon Spark and Murray Bennett and other Trustees of the Arrowtown Community and Sports Centre Trust.

**On the motion of the Councillors McRobie and Stevens it was resolved that the Council:**

- 1. Note the contents of this report; and**
- 2. Approve a new licence under section 54(1)(b)&(d) of the Reserves Act 1977, to Arrowtown Rugby Football Club, for use of part of the Arrowtown Community Sports Facility located at Jack Reid Park with legal description Section 38 SO Blk VII Shotover SD, subject to the following conditions:**

<b>Commencement</b>	<b>TBC</b>
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<b>Term</b>	<b>3 years</b>
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<b>Renewal</b>	<b>Two further terms of 3 years by agreement of both parties</b>
<b>Rent</b>	<b>Pursuant to Community Facility Funding Policy (\$1 per annum at commencement)</b>
<b>Reviews</b>	<b>At renewal</b>
<b>Operating Hours</b>	<b>(TBC) Tuesday &amp; Thursday 3.00 pm - 9.00pm, Saturday 9.00am – 11.00pm on match days (approximately Feb to Aug)</b>
<b>Permitted use</b>	<b>Rugby training and game day matches. Includes the use of 2 rooms on game day at no charge for the first 10 years, plus 1 use for meetings per month during the season</b>
<b>Special use</b>	<b>2 booking per year of the facility for fundraising and club event purposes, confirmed annually at no charge</b>
<b>Insurance</b>	<b>N/A paid by Council</b>
<b>OPEX</b>	<b>N/A paid by Council (excl. cleaning)</b>
<b>Cleaning of venue</b>	<b>Proposed fee of \$250 per month during rugby season, plus any one-off fee for special use/events</b>
<b>Safety/Suspension</b>	<b>Council to retain ability to suspend the licence for safety purposes</b>
<b>Termination</b>	<b>Council can give 1-year cancellation notice if the land is required for the 'provision of core infrastructure services' (not in the first 3 years)</b>
<b>Other</b>	<b>Licensee to ensure they act in accordance with Council resource consents or designations for the facility</b>

**Licensee to obtain a club liquor licence, if alcohol is to be sold and consumed onsite**

**Licensee to be provided space for a designated/secure refrigerator in the store room next to the main bar**

**Licensee to ensure that all rubbish be placed in designated rubbish bins onsite post events or training sessions**

**Further requirements for room bookings will be as per the Council's Community Facility Funding Policy or its successors**

3. **Agree to the exercise of the Minister's consent (under delegation from the Minister of Conservation) to the granting of a new licence to the Arrowtown Rugby Football Club for use of part of the Arrowtown Community Sports Facility located at Jack Reid Park with legal description Section 38 SO Blk VII Shotover SD,**
  4. **Delegate final licence terms and conditions and signing authority to the General Manager Community Services**
6. **Proposal to approve a special consultative procedure for the identification of priority transport and pedestrian thoroughfares**

A report from Chris English (Building Services Manager) presented a Statement of Proposal that identified priority thoroughfares within the district and recommended that the Council approve the use of the special consultative procedure to consult with the community on priority thoroughfares as required by the Building (Earthquake-prone buildings) Amendment Act 2016. The report noted that identification of these priority transport and pedestrian thoroughfares would assist the Council to identify priority buildings in the district.

The report was presented by Mr English.

Councillor Stevens observed that whilst there was a low number district-wide, a high proportion of affected areas were in Arrowtown.

**On the motion of the Mayor and Councillor MacDonald it was resolved that the Council:**

- 1. Note the contents of this report;**
- 2. Note the contents of this report and in particular the Statement of Proposal and requirement to consult with the community in regard to identifying priority transport and pedestrian thoroughfares to assist in the subsequent identification of earthquake prone priority buildings as required by the Building (Earthquake-prone Buildings) Amendment Act 2016.**
- 3. Adopt the Statement of Proposal as part of a Special Consultative Procedure.**
- 4. Appoint the Planning and Strategy Committee to consider submissions received and report back to full Council.**

#### **7. Amendments to RMA Register of Delegations**

A report from Katrina Ellis (Resource Consents Team Leader) presented proposed changes to the Resource Management Act 1991 register to reflect the disestablishment of the staff role 'Manager Planning Practice' and the creation of the role 'Principal Planner Resource Consents'.

The report was presented by Ms Ellis.

**On the motion of Councillors MacLeod and Forbes it was resolved that the Council:**

- 1. Note the contents of this report;**
- 2. Amend from 31 January 2019, the existing Resource Management Act 1991 delegations to Council Officers and appointed Commissioners [as set out in Attachment A].**

#### **8. Amendment to QLDC Standing Orders**

A report from Naell Crosby-Roe (Manager, Communication and Engagement) presented proposed changes to the Council's Standing Orders in relation to management of the Public Forum. The report noted that previous version of Standing Orders provided the Chair with the discretion not to hear public forum speakers on topics subject to a submission and hearing or quasi-judicial process, but only under the title of 'restrictions'. The amended Standing Orders added the word 'discretionary' to clearly differentiate from the new 'mandatory restrictions' (sections 14.14A and 15.2A), the result being that a speaker in public forum may not speak on an

item subject to a submissions and hearings or quasi-judicial process, but this does not affect their ability to speak on other matters.

The report was presented by Mr Crosby-Roe.

**On the motion of Councillors MacDonald and MacLeod it was resolved that the Council:**

- 1. Note the reasons for amending the Queenstown Lakes District Council Standing Orders and;**
- 2. Adopt the proposed amendments to the Queenstown Lakes District Council Standing Orders.**

## 9. Sensitive Expenditure Policy

A covering report from Lyn Zeederberg (Financial Controller) presented an amended Sensitive Expenditure Policy for Council adoption (to the extent that it applied to elected members). The amendments proposed were as follows:

- a. *Definitions section – inclusion of definition for conflict of interest;*
- b. *Para 1.6 – changes to approval of sensitive expenditure to facilitate efficient processes within QLDC:
 
  - i. *sensitive expenditure incurred by elected members to be approved by the GM Finance, Legal & Regulatory (previously the Mayor);*
  - ii. *sensitive expenditure incurred by the Mayor to be approved by the GM Finance, Legal & Regulatory (previously chairperson or deputy chairperson of the Audit, Finance & Risk Committee);**
- c. *Para 1.7 – new paragraph regarding review of sensitive expenditure and reporting to Audit, Finance and Risk Committee;*
- d. *Para 2.2.3 a) changes:
 
  - i. *approval of 5 star or luxury accommodation to be approved by the Chief Executive in all instances (previously as per above for elected members and Mayor);*
  - ii. *clarification of per diem to be consistent with updated Travel Expenses Reimbursement policy;**
- e. *Para 2.3 – entertainment and hospitality to be pre-approved by a member of ELT (previously the Mayor or Chief Executive); and*
- f. *Para 2.5.3 – new paragraph added regarding financing of staff engagement activities.*

The report was presented by Mrs Zeederberg. She advised of an additional amendment to the Sensitive Expenditure Policy:

*Expenditure which is incurred (but not explicitly approved by Council) by elected members will be reviewed by the General Manager – Finance, Legal & Regulatory or General Manager – Corporate Services for compliance with this policy.*

*Expenditure by the Mayor which is incurred (but not explicitly approved by Council) will be reviewed by the General Manager – Finance, Legal & Regulatory or General Manager – Corporate Services for compliance with this policy.*

*In the case of ELT, the “one up” principle must be applied to the maximum extent possible. In the case of the Chief Executive, approval is required from the Mayor or chair of the Audit, Finance and Risk Committee.*

**On the motion of Councillors Forbes and Clark it was resolved that the Council:**

- 1. Note the contents of this report;**
- 2. Adopt the proposed Sensitive Expenditure policy (to the extent that it applies to elected members) as recommended by the Audit, Finance and Risk Committee including amendments to the approval process as noted in the discussion.**

#### **10. Chief Executive’s Report**

A report from the Chief Executive:

- Sought Council approval to attend a Trans-Tasman Cities Symposium in Sydney, 25-26 February 2019;
- Advised of an application from Skyline Enterprises Ltd to establish new easements to support their activities on the Ben Lomond Recreation Reserve and the need to establish a panel to hear any submissions received;
- Presented an update on discussions with Ngai Tahu Property in regard to a MoU to explore the potential for a Joint Venture to develop the Stanley Street site; and
- Presented a summary of the items from recent meetings of the Appeals Subcommittee and Audit, Finance and Risk Committee.

**On the motion of Councillors MacLeod and Stevens it was resolved that the Council:**

- 1. Note the contents of this report;**
- 2. Approve the Chief Executive attending the Trans-Tasman Cities Symposium to be held 25-26 February 2019; and**
- 3. Appoint a hearing panel comprising any two of Councillors Clark, MacDonald or Stevens to hear any submissions received on the application from Skyline Enterprises for new easements on Ben Lomond Recreation Reserve and recommend to Council.**

**10a. Edith Cavell Bridge Acknowledgement**

A report from Meaghan Miller (General Manager Corporate Services) advised that it would be the 100<sup>th</sup> anniversary of the bridge spanning the Shotover River at Arthurs Point opening on 13 February 2019. Since that time it had been known as the 'Edith Cavell Bridge' but this had never been formally resolved by the Council of the time or since. The report recommended that the omission be addressed and that the Council resolve to adopt the name officially.

**On the motion of the Mayor and Councillor MacLeod it was resolved that the Council:**

- 1. Note the contents of this report; and**
- 2. Formally adopt and affirm the name of the Edith Cavell Bridge located at Arthurs Point, as named by John Clark upon its opening in 1919.**

**Resolution to Exclude the Public**

**On the motion of the Mayor and Councillor McRobie the Council resolved that the public be excluded from the following parts of the proceedings of the meeting:**

**The general subject of the matters to be discussed while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under Section 48(a) of the Local Government Information and Meetings Act 1987 for the passing of this resolution is as follows:**

**Confirmation of minutes**

**Item 1: Stakeholder Deed for the proposed Universal Developments (Hawea) Special Housing Area (Attachment B)**

**Item 11a: North East Frankton Storm Water Project, Stage 1**

**Item 12: Lakeview Sale and Development Plan**

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.

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General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
1. Stakeholder Deed for the proposed Universal Developments (Hawea) Special Housing Area (Attachment B)	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: h) enable any local authority holding the information to carry on, without prejudice or disadvantage, commercial activities; i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);	Section 7(2)(h)  Section 7(2)(i)
11a. North East Frankton Storm Water Project, Stage 1	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);	Section 7(2)(i)
12. Lakeview Sale and Development Plan	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);	Section 7(2)(i)

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<b>General subject to be considered.</b>	<b>Reason for passing this resolution.</b>	<b>Grounds under Section 7 for the passing of this resolution.</b>
11. Landfill Gas Capture and Destruction	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);	Section 7(2)(i)

**This resolution is made in reliance on Section 48 [1] [a] of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act or Section 6 or Section 7 or Section 9 of the Official Information Act 1982 as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above with respect to each item.**

*The meeting went into public excluded at 1.42pm.*

*The meeting came out of public excluded and concluded at 1.49pm.*

**CONFIRMED AS A TRUE AND CORRECT RECORD**

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**M A Y O R**

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**D A T E**