

Minutes of an ordinary meeting of the Queenstown Lakes District Council held in the Council Chambers, 10 Gorge Road, Queenstown on Thursday 12 December 2019 commencing at 1.00pm

Present:

Mayor Boulton; Councillors Clark, Copland, Ferguson, Gladding, Lewers, MacDonald, MacLeod, Miller, Shaw and Smith

In attendance:

Mr Mike Theelen (Chief Executive Officer), Ms Meaghan Miller (General Manager, Corporate Services), Mr Stewart Burns (General Manager, Finance, Legal and Regulatory), Mr Peter Hansby (General Manager, Property and Infrastructure), Dr Thunes Cloete (General Manager, Community Services), Ms Alice Balme (General Counsel), Mr Tony Pickard (Transport Strategy Manager), Ms Michelle Morss (Strategy and Development Manager), Mr Naell Crosby-Roe (Governance, Engagement and Communications Manager), Mrs Jeannie Galavazi (Senior Parks and Reserves Planner), Ms Zoe Burton (Legal Counsel), Mr Aaron Burt (Senior Planner, Parks and Reserve), Ms Marie Day (Senior Advisor, Community Liaison and Policy), Mr Markus Benter-Lynch (Project Manager) and Ms Jane Robertson (Senior Governance Advisor); four members of the media and approximately 45 members of the public

Apologies/Leave of Absence Applications

The following request for leave of absence was made:

- Councillor Niki Gladding: 20-29 February 2020

On the motion of the Mayor and Councillor MacDonald it was resolved that the Council approve the request for leave of absence.

Declarations of Conflicts of Interest

No declarations were made.

Special Announcements

The Mayor referred to the eruption of Whakaari White Island that had taken place on 9 December 2019 that had resulted in several fatalities and left a number of people with severe burns. He also acknowledged the hard work of the rescuers and those who were caring for the injured.

The Mayor paid tribute to the recent donation by Sir Eion Edgar and Lady Jan Edgar of \$1M for local charitable purposes across the district. He stated that this was a magnanimous gesture, meriting formal recognition. The Mayor presented Lady Edgar with a bouquet of flowers. Sir Eoin thanked the Mayor for the acknowledgement, stating he had been lucky in life and wished to put something back into the community.

Public Forum

1. Peter Newport

Mr Newport perceived a crisis in local media. Much published news now was unchecked media releases but real news prepared by trained journalists had to be paid for and journalists were the most expensive part of New Zealand media. He asked the Council to support journalism training by establishing a Media Support and Journalism Training Fund and engaging the Massey School of Journalism as a partner.

2. Lauren Mentjox (Lime Scooters) and Andrew Ellis (Lime Scooters)

Ms Mentjox detailed Lime's vision of convenience and sustainability and its desire to launch in Queenstown.

3. Kirsty Sharpe (Speaking as president of Queenstown Grey Power)

Grey Power members strongly opposed Lime operating in the Queenstown CBD because the area was too small. Footpaths were crowded, narrow and meant for foot traffic only. Queenstown did not need Lime and Mrs Sharpe urged the Council to reject Lime's approach.

4. Nicola Tompkins

Ms Tompkins asked Council to reject Lime Scooters starting in Queenstown. They could not go up hills or travel on cycle tracks so they were not a transport solution. If the trial went ahead, she asked the Council to keep scooters off footpaths and require riders to wear helmets.

5. Mark Wilson

Mr Wilson stated that he had been blind since birth and he used a white stick to walk around Queenstown. Mobility was a source of empowerment for the blind but another vehicle on the footpath, particularly one that gave no audible signal, could endanger the space for him. The risks of introducing Lime into Queenstown were too high and Mr Wilson asked Council to reject the idea.

6. Judy Williamson

Ms Williamson opposed Lime beginning operations in Queenstown but if a trial went ahead, she wanted the Council to research it to ensure safety and to determine if it met community needs. She questioned if scooters would reduce congestion, as vans had to collect them at the end of the day.

7. Duncan Edwards (Speaking on behalf of Age Concern and Wakatipu Senior Citizens)

Age Concern and Wakatipu Senior Citizens opposed a trial of Lime Scooters because of safety concerns. Scooter accidents were well documented and they posed a particular risk to vulnerable and elderly people. Queenstown had a good cycle infrastructure but the scooters could not operate on these surfaces so were not a realistic transport option.

8. Greg Miller (Speaking on behalf of Kelvin Peninsula Community Association)

Mr Miller stated that he was a big fan of scooters in certain places but Queenstown was not such a place. A Lime Scooters trial in the CBD was contrary to aims for it to be pedestrian friendly. He was very unsure about the likely success of scooters in the Queenstown CBD.

On the motion of the Mayor and Councillor MacLeod the Council resolved that Standing Orders be suspended to allow the Public Forum to continue past 30 minutes.

9. Pierre Marston (Speaking on behalf of Extinction Rebellion)

Mr Marston detailed the various extreme weather events that had occurred over the last month. The Council could choose to facilitate the expansion of the airport or start looking at a solution for achieving lowered carbon emission targets. Council should not seek to maximise profits.

10. AJ Mason

Mr Mason asked the Council not to pass the new Standing Orders in their current form. He did not object to all aspects of them but understood that Council could not adopt them partially. Much of what they proposed raised the bar for democratic participation and they sent the public the wrong message without enhancing processes. He asked the Council to have another go at reviewing the Standing Orders.

11. Anna Mickell, Chief Executive, Queenstown Chamber of Commerce

Ms Mickell stated that the Chamber of Commerce supported introducing alternative transport but it did not support Council entering into a MoU with Lime. The Chamber believed the approach was flawed and poorly planned. She suggested that Council reject Lime's approach and go to market instead to see what other options were available.

12. John Hilhorst

Mr Hilhorst expressed concern about the balance of power in the proposed QAC QLDC Steering Group. He urged the Council to form a Council subcommittee instead to work through the SOI process and report its recommendations so that all could share in that voice.

Mr Hilhorst thanked the Council for preparing item two, proposing to reverse the proxy decision made about the Mayor's attendance at QAC Board meetings.

13. Sally Stockdale

Mrs Stockdale stated that she no longer wished to speak about the Statement of Intent, as Mr Hilhorst had satisfactorily expressed her views.

14. Michael Clark

Mr Clark expressed concern that the buildings constructed under the present building code would not be strong enough to withstand heavy snowfalls. The world's heaviest snowfall had just been recorded and in an extreme winter, most rooves in the district would not be able to withstand the weight of heavy snow.

15. Cath Gilmour (Speaking on behalf of We Love Wakatipu)

Ms Gilmour thanked the Council for the agenda item to rescind the decision to appoint a proxy to exercise the Council's voting rights as a shareholder of QAC.

She criticised the Council's apparent belief that QAC's business objectives should take precedence in the SOI. She was concerned that the agenda item did not address the LGA change in October 2019 that reinstated the four well-beings for local authorities (social,

economic, environmental, and cultural well-being, with none having priority). She supported the proposal of a separate Council subcommittee but questioned the role of the rest of Council in determining the terms of reference. She encouraged investigation of options other than the dual airport growth strategy.

Ms Gilmour was opposed to the new Standing Orders. She asked the Council to reinstate the right for members to record the reason for a vote against a motion. She was also opposed to any change to the public forum provisions.

16. Darryl Rogers

Mr Rogers questioned the report of extreme world weather events. Extreme weather events had always been around and the world was at no more risk now than it had ever been. He was concerned about climate alarmists and asked the Council to concentrate its Climate Change Action Plan on measurable and concrete areas.

17. Anna van Wichen

Ms van Wichen asked the Council to reject QAC's Statement of Intent. QAC needed to lose the idea that growth is good and instead to aim for reducing the number of flights. She encouraged the Council and QAC to be world leaders and promote a reduction in flights and to put the local community and the environment before profit.

18. John Halse (Safety spokesperson for 'We Love Wakatipu')

Mr Halse was opposed to the Council adopting any QAC Statement of Intent that proposed expanded air noise boundaries because more flights only meant more risk to aircraft due to wind shear.

19. Sue Gray

Ms Gray stated that she was a lawyer who dealt with emerging issues and risks associated with new sciences. 5G was still being developed but it had a human health risk and claims that 5G complied did not reassure her. The rollout of the first stage of 5G was already underway in the district but she asked the Council to intervene so that any further rollouts were delayed.

20. Wayne Foley

Mr Foley also opposed the rollout of 5G until he had all the facts. 5G was very new and there was not enough information about it to make a decision about its rollout. He suggested that the Council form a subcommittee to consider 5G and come back to Council with better quality information to enable an informed choice.

21. Georgia Todd

Mrs Todd was opposed to the installation of 5G because she did not believe that electromagnetic fields were safe. She had two young children and she did not believe that the effects of 5G were good for them. Council had a duty to protect the health of the community and it should halt the development of 5G until there was more investigation of the effects.

22. Nicolette Spice

Ms Spice stated that internationally the introduction of 5G had signalled insomnia, depression and anxiety in people. It was particularly important not to introduce such symptoms in this district because of poor access to mental health services.

23. Sheree Horomoto

Ms Horomoto stated that she, her family and her pets suffered from bad health because they lived adjacent to a 3G tower with another five antennae close by. Neighbours also had symptoms of illness, including rashes. She asked the Council to slow down the 5G roll out and to seek unbiased studies on the effects of 5G.

The Mayor thanked the speakers who had raised concerns about the introduction of 5G. He noted however, that that the Council was not involved in the 5G roll-out and its only role was in resource consenting. Nonetheless, he undertook to add it as a discussion item with Council in the new year.

On the motion of the Mayor and Councillor Shaw the Queenstown Lakes District Council resolved that Standing Orders be reinstated.

Confirmation of Agenda

On the motion of the Mayor and Councillor Lewers the Queenstown Lakes District Council resolved that the agenda be confirmed with the addition of a Joint Position Statement between QLDC and Queenstown Airport Corporation to the papers to be considered as part of item 1;

- a. The reason the statement is not on the agenda is because it is dated 6 December 2019 which is after the agenda had been prepared;**
- b. The reason the statement cannot be delayed until a subsequent meeting is because the item (Queenstown Airport Corporation Statement of Intent Process) is an item on the agenda for today's meeting.**

Confirmation of Minutes

On the motion of the Mayor and Councillor Clark the Queenstown Lakes District Council resolved that the minutes of the ordinary meeting of the Queenstown Lakes District Council held on 7 November 2019 be confirmed as a true and correct record.

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

1 Queenstown Airport Corporation Statement of Intent Process

A report from Stewart Burns (GM Finance, Legal and Regulatory) and Meaghan Miller (GM Corporate Services) presented a new process for agreeing the QAC 2020/22 Statement of Intent (SOI) for the Council's consideration. The report also recommended that in accordance with legal advice received, the Council agree the SOI for Queenstown Airport Corporation (QAC) for the 2019/20 year, on the basis that work would start immediately on the SOI for the 2020/21 financial year.

Mr Burns, Ms Miller and Ms Balme presented the report.

The Mayor advised that the three Councillors he wished to appoint to the proposed Steering Group were Councillors Clark, Lewers and Smith.

A minor error in paragraph five of the report was noted: *"This paper promotes the establishment of steering group to consist of ~~three~~ **four** elected members and three QAC directors...".* A change to the recommendation for clarity was also suggested in that parts four and five note that the SOI 2020/22 is for the 2020/21 year.

Several members spoke in support of the proposed way forward because it largely served to address the community concerns, agreeing that there was little value in continuing discussion on the modified 2019/20 SOI because it only had a few months left to run.

Councillor Shaw expressed support for establishing a Steering Group but stated that she could not support those parts of the recommendation that indicated acceptance of the modified 2019/20 SOI.

Councillor Gladding also supported the proposed Steering Group and the Joint Position Statement between QLDC and QAC, but she questioned why the 2019/20 SOI could not include the content of the agreed Joint Position Statement. Without it, she was concerned there was no obligation to respect the points of agreement and she considered if necessary for the safety of the community.

It was moved (Councillor Gladding/Councillor Shaw):

That the Board of Queenstown Airport Corporation be asked to consider the Joint Position Statement between QLDC and QAC being incorporated into the modified Statement of Intent adopted at the Council meeting on 20 August 2019.

The Mayor advised that the Board of QAC had met and agreed to the Joint Position Statement but would not meet again before the end of January 2020.

The motion was put and lost.

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

- 1. Agree that Council establishes a QAC QLDC Steering Group to comprise the Mayor; three Councillors (to be**

named); the QAC Chair; three QAC Directors (to be confirmed by QAC); and the QLDC and QAC Chief Executives;

2. Receive the modified Statement of Intent (as approved by the QAC on 20 August 2019) for 2020 - 2022 for the Queenstown Airport Corporation;
3. Confirm the Joint Position Statement between Queenstown Lakes District Council and Queenstown Airport Corporation, signed by the Mayor and Chair of QAC and dated 6 December 2019.
4. Agree the Statement of Intent dated 20 August 2019 in accordance with section 65 of the Local Government Act 2002 for the express purpose of closing out the process and enabling Council to commence work on the new SOI 2020/22 (for the 2020/21 year);
5. Direct the Chief Executive to convene urgently the approved steering committee to commence agreeing on a new SOI 2020/22 (for the 2020/21 year).

Councillor Shaw voted against the motion.

2 Proxy for Queenstown Airport Corporation

A report from Alice Balme presented a proposal for the Council to rescind the decision of Council on 24 October 2019 to appoint a proxy to exercise its voting rights as a shareholder of the Queenstown Airport Corporation (QAC), noting that instead the Office of the Mayor will be appointed proxy as and when required in the future.

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

1. Note the contents of this report;
2. Rescind the decision that appointed a proxy for QLDC as shareholder of QAC with no restrictions on 24 October 2019.
3. Agree that (as required) the Office of the Mayor will be appointed proxy for QLDC as a Shareholder of the Queenstown Airport Corporation in accordance with clause 14.3 of the Constitution for the duration of the current Council term subject to restrictions as required and subject to the proxy being exercised in accordance with the Council's direction.

3 Lime Scooters

A report from Tony Pickard (Transport Strategy Manager) detailed the risks and benefits of micro mobility and assessed whether the Council should enter into a Memorandum of Understanding (MOU) for a trial period for dockless e-scooters with Lime Technology Limited (Lime). The report recommended that the Council enter into a MOU because it represented a balanced approach to changing technology and transport innovation, whilst balancing public concerns about safety and lack of infrastructure.

Mr Hansby and Mr Pickard presented the item.

Mr Pickard acknowledged the views expressed in the Public Forum. He accepted the concerns about the commercial scale of the proposed operation but noted that technology would continue to surprise and this represented an opportunity to work with an industry leader. He noted that NZTA allowed low powered vehicles to operate on roads and footpaths. The Council's powers over controlling the operation had been examined which had led to the recommended option of the MOU.

There was discussion about whether scooter accident statistics were available. Mr Pickard advised that Auckland may soon have some evidence available. Statistics would also be available through ACC.

Concern was expressed about potential problems with where scooters were left. Mr Pickard noted that such issues as well as the specific area in which any trial and was to be undertaken and any emergency cessation clauses could be considered under the terms of the MOU which was still in a draft form. Similarly, the specifics of the trial had not been confirmed and would be discussed further as part of the MOU.

Councillor Clark suggested that if approved, the trial start in April. She observed that this was generally a quieter time for tourists, but would also present winter conditions of ice and grit as well as warmer weather later in the year. However she questioned the practicality of the scooters operating in the CBD only. Councillor Smith also questioned the proposed trial in the CBD as he considered the real benefits would be found outside the CBD. He considered that a different product should be considered. Mr Hansby noted that the staff were acting on the approach made by Lime who had specified the nature of the trial. He noted that the Council may prefer going through a RfP process.

On the motion of Councillor Clark and Councillor Shaw it was resolved that the Council:

- 1. Note the contents of this report;**
- 2. Authorise officers to enter into a Memorandum of Understanding (MOU) with Lime for the operation of e-scooters in Queenstown subject to a later start date; and**
- 3. Agree to provide public notification about the trial at least two weeks prior to its commencement.**

Councillors Ferguson, Gladding and Miller voted against the motion.

4 **QLDC Freedom Camping Control Bylaw 2019**

A report from Jeannie Galavazi (Senior Planner, Parks and Reserves) presented the proposed Queenstown Lakes District Council Freedom Camping Control Bylaw 2019 for adoption following completion of the special consultative procedure under the Local Government Act 2002.

Dr Cloete, Mrs Galavazi and Ms Burton resented the report.

The Mayor thanked Councillors and staff for completing this work within the timeframe available. Whilst not seeking an immediate answer, Councillor MacLeod asked staff to explain why this matter had been omitted from the work programme. He also asked for an addition to the recommendation, that a thorough review of the Freedom Camping Control Bylaw be undertaken in the next 18-24 months.

Councillor Clark expressed frustration at the situation, stating that central government also needed to take some responsibility for managing freedom camping. Mrs Galavazi advised that a freedom camping working group that existed within MBIE was tasked with developing options and recommendations for changes to the freedom camping system over the long-term, ultimately via a review of the Freedom Camping Act 2011.

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

- 1. Note the contents of this report;**
- 2. Note that all submissions and feedback received through this consultation will be fed into the responsible camping strategy work that is currently underway;**
- 3. Approve the Hearings Panel recommendation to amend the Queenstown Lakes District Council Freedom Camping Control Bylaw 2019;**
- 4. Determine that the Queenstown Lakes District Council Freedom Camping Control Bylaw 2019 is:**
 - a. Necessary to protect the areas for which freedom camping is prohibited or restricted, to protect the health and safety of people who may visit the areas, or to protect access to the areas.**
 - b. The most appropriate and proportionate way of addressing the perceived problem in relation to the areas.**
 - c. Not inconsistent with the New Zealand Bill of Rights Act 1990.**

5. **Approve the revocation of the Queenstown Lakes District Council Freedom Camping Control Bylaw 2012 effective from 13 December 2019;**
6. **Adopt the Queenstown Lakes District Council Freedom Camping Control Bylaw 2019 with the Bylaw coming into effect on 13 December 2019; and**
7. **Agree that a full and comprehensive review of the Freedom Camping Control Bylaw will be undertaken in the next 18-24 months.**

5 Luggate Red Bridge Recreation Reserve

A report from Jeannie Galavazi (Senior Planner, Parks and Reserves) advised that under the Reserves Act 1977 freedom camping was prohibited at the Luggate Red Bridge reserve. Through the submission process on the proposed QLDC Freedom Camping Control Bylaw 2019, a number of submitters had commented on freedom camping at this location and the report concluded that there was sufficient evidence to indicate that freedom camping at the Luggate Red Bridge reserve was appropriate. The report therefore recommended that to allow a restricted amount of freedom camping at the site, the Council uplift the prohibition of freedom camping at Luggate Red Bridge Reserve by exercising its delegated Minister of Conservation consent under section 44(1) of the Reserves Act 1977.

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

1. **Note the contents of this report; and**
2. **Agree to exercise Ministerial consent under section 44(1) of the Reserves Act 1977 delegated to Council by the Minister of Conservation, to uplift the prohibition of freedom camping at Luggate Red Bridge Reserve.**

6 Easements sought by Skyline Enterprises Limited

A report from Aaron Burt (Senior Planner, Parks and Reserves) assessed an application from Skyline Enterprises Ltd ('SEL') for easements associated with their upgrade of the Skyline gondola and restaurant facilities. The report detailed why the easements were needed and concluded that it was appropriate for the Council to approve the easements and exercise the Minister of Conservation's consent to the granting of easements over Council reserve land.

Dr Cloete and Mr Burt presented the report.

Mr Burt confirmed that since preparing his report, the Affected Persons Approval (APA) had been granted but the variation decision was still in process.

Some concern was expressed that SEL continued to change aspects of the overall proposal and that the Council would ultimately end up with something that it would never have agreed to in the first place. The Chief Executive disagreed, stating that these interim steps demonstrated the practical realities of what detail emerged as the development proceeded. He added that most of the easements sought were minor modifications to allow the original proposal to proceed.

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

- 1. Note the contents of this report;**
- 2. Approve easements over Council Reserve Land as detailed in the plans prepared by Paterson Pitts Group, identified as:**
 - 3. Q4115K-64 Sheet 259 Rev A 12/07/2019**
 - 4. Q4115K-64 Sheet 260 Rev A 12/07/2019**
 - 5. Q4115K-64 Sheet 261 Rev A 12/07/2019**
 - 6. Q4115K-64 Sheet 262 Rev A 12/07/2019**
 - 7. Q4115K-64 Sheet 150 Rev B 14/05/2019**
 - 8. Q4115K-64 Sheet 151 Rev B 14/05/2019**
- 3. Direct that the approval of any easements over Council Reserve Land is subject to the following terms and conditions:**
 - a. Commencement: To be determined, and subject to conditions of resource consents RM160647 and RM171172, including any variations to those consents.**
 - b. Extent of Easements: To be confirmed prior to commencement, and subject to conditions of resource consents RM160647 and RM171172, including any variations to those consents;**
 - c. Fees: As per QLDC's Easement Policy 2008, subject to the extent of the easements being confirmed, and this shall also include outstanding application fees to be payable to the Queenstown District Council. Prior to any onsite works occurring in the easement areas, all easement fees shall be comprehensively established to the satisfaction of the QLDC, unless otherwise authorised in writing by the General Manager Community Services;**
 - d. Any landscaping/planting to delineate the Skyline Enterprises Ltd lease area, is to occur within that lease area, and not in easement area D, which shall remain entirely open and useable to the public;**
 - e. Any easement formation necessary to accommodate vehicles, the maintenance of such, including costs,**

shall be the responsibility of Skyline Enterprises Limited;

- f. Should conflicts between the public users of the reserve, and rights of way sought by SEL become apparent to QLDC, the ability to require SEL to mitigate such conflicts to the satisfaction of QLDC shall be assured;
 - g. A bond of \$5,000.00 be payable to QLDC prior to any onsite works commencing in the easement areas;
 - h. Any worksite in any easement area to be evidenced by before and after photographs, video or similar to be provided to QLDC by SEL;
 - i. Comprehensive safety plans must be prepared and implemented, at SEL's responsibility and cost, to ensure a safe environment is maintained around the subject easement sites for any physical works associated with the easement areas;
 - j. Certificate of adequate public liability cover to be received;
 - k. Reinstatement and landscaping of any disturbed areas to be completed within two months following any associated excavation/construction, or to the satisfaction and timeframes communicated by the QLDC's Community Services Department. Reinstatement to include any landscaping, fencing or other structures.
 - l. Within 3 months of completion of the work in any easement areas for which easements are sought, Skyline Enterprises Ltd to provide QLDC with a surveyed easement and signed Deed of Easement, unless otherwise authorised in writing by the General Manager Community Services.
4. Delegate authority to approve final terms and conditions, including commencement, location, extent, fees and execution authority to the General Manager Community Services, provided all relevant requirements of the Easement Policy 2008 are addressed; and
5. Agree to the exercise of the Minister's consent (under delegation from the Minister of Conservation) to the granting of the identified easements over Council Reserve Land.

7 **Smokefree Beaches Trial 2019-2020**

A report from Marie Day (Senior Advisor, Community Liaison and Policy) sought Council approval to commence a Smokefree Beaches Trial from 16 December 2019 to 31 March 2020 at the lakefront beach areas in Queenstown, Wānaka, Frankton and Glenorchy.

Ms Day and Ms Miller presented the report.

Councillor Macleod supported the proposal but questioned how it would be enforced in Wānaka, as tourist buses habitually stopped at the beach and passengers disembarked and started smoking. Ms Day noted that under the trial the Council had no power to stop people smoking, but the purpose of the trial was to provide guidance and education and smoking in public spaces.

Members noted that Lake Hayes Beach was not included in the trial. In reply, it was noted that the aim of the trial was to test the main areas to examine the overall response, after which the policy could be extended. Councillor Miller asked why vaping was not included in the trial. Ms Miller noted that because the initiative was largely educative, this could be accommodated in the trial.

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

- 1. Note the contents of this report; and**
- 2. Approve the commencement of a Smokefree (and vaping-free) Beaches Trial from 16 December 2019 to 31 March 2020 in Queenstown, Wanaka, Frankton and Glenorchy.**

8 **Action for Healthy Waterways: Submission from QLDC**

A covering report from Michelle Morss (Strategy and Development Manager, Corporate Services) presented a submission made to the Ministry for the Environment and to seek the Council's retrospective approval.

Ms Morss presented the report. She apologised that she had been unable to present the submission to Council before the closing date.

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

- 1. Note the contents of this report; and**
- 2. Approve retrospectively the contents of the 'Action for Healthy Waterways' submission.**

9 **New Council Standing Orders**

A report from Naell Crosby-Roe (Governance, Engagement and Communications Manager) presented a new set of Standing Orders to Council for consideration.

Ms Miller and Mr Crosby-Roe presented the report. An error was noted in the draft Standing Orders in 9.10 ('Distribution of the agenda') where it was intended that the circulation of agendas to elected members would remain at four clear working days. Following discussion it was agreed not to include the additional sentence at clause 18.6: '*Recording any other matters e.g. reason for the vote or abstention is not permitted.*' Further, it was noted that the additional requirement detailed under clause 14.14 for speakers to pre-register for a public forum may be waived by the Chair at any time.

Ms Miller observed that the Standing Orders still gave the Mayor considerable discretion to choose his own style of governance but adoption of the new version would align the Council with best practice. Further, reviews of the Standing Orders could occur at any time, noting however that changes required a 75% majority.

Councillor Smith supported speakers pre-registering for public forum but suggested that this should be permitted up to the time of the meeting. The Chief Executive stated that pre-registration had been trialled over the last few meetings and had proved to be useful in helping the meeting to run more smoothly

Councillor Gladding questioned the provisions for emergency meetings and asked that limitations could be used. It was noted that there was a clear difference between extraordinary and emergency meetings and the latter could only be called when very urgent matters had to be addressed.

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

- 1. Note the contents of this report; and**
- 2. Adopt the proposed new Standing Orders.**

Councillor Gladding and Councillor Shaw recorded their votes against the motion.

10 **Code of Conduct**

A covering report from Alice Balme (General Counsel) and Meaghan Miller (GM Corporate Services) presented a revised QLDC Code of Conduct based on the LGNZ Best Practice recommendations for adoption.

**On the motion of Councillor Lewers and Councillor Clark it
was resolved that the Council:**

- 1. Note the contents of this report;**

- 2. Adopt the revised Queenstown Lakes District Council Elected Members Code of Conduct 2019;**
- 3. Adopt the revised terms of reference for the Elected Members Conduct Committee;**
- 4. Agree to adhere to the standards of behaviour expected from elected members in the exercise of their duties; and**
- 5. Authorise the Chief Executive to create a list of three independent investigators (in consultation with the Mayor) including but not limited to a list of independent investigators provided by LGNZ.**

11 2019/20 Capital Works Programme First Reforecast

A covering report from Peter Hansby (GM Property and Infrastructure) presented proposed amendments to the 2019:20 capital works programme for all Queenstown Lakes District Council capital projects for the Council's consideration and approval.

Mr Hansby and Mr Burns presented the report. Attachment B was circulated.

Several minor matters were raised. A request was made for the cycling track on Ballantyne Road to be disconnected from the road for children to use.

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

- 1. Note the contents of this report; and**
- 2. Approve the budget changes proposed and detailed in Attachment A.**

12 Chief Executive's Report

A report from the Chief Executive presented for adoption:

- The proposed meeting schedule for 2020;
- Committee/subcommittee Terms of Reference;
- A proposed new childcare allowance for inclusion in the 'Reimbursement of Expenses and/or Payment of Allowances to Elected Members'; and
- The amended policy for Reimbursement of Expenses and/or Payment of Allowances to Elected Members'.

The report also recommended the appointment of Councillor Clark as the Council representative on Te Roopu Taiao for the 2019-22 triennium.

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

- 1. Note the contents of this report;**

2. Adopt the meeting schedule for 2020;
3. Adopt the Terms of Reference for the Planning and Strategy Committee; Infrastructure Committee; Community and Services Committee; Audit, Finance and Risk Committee; Appeals Subcommittee; Chief Executive Performance Review Committee; Governance Subcommittee; District Licensing Committee and Dog Control Committee;
4. Agree to the introduction of a childcare allowance within the 'Reimbursement of Expenses and/or Payment of Allowances to Elected Members';
5. Adopt the amended 'Reimbursement of Expenses and/or Payment of Allowances to Elected Members';
6. Appoint Councillor Clark as the Council representative on Te Roopu Taiao for the 2019-22 triennium

Resolution to Exclude the Public

On the motion of the Mayor and Councillor Ferguson the Queenstown Lakes District Council resolved that the public be excluded from the following parts of the meeting:

The general subject of each matter to be considered whilst the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

Confirmation of minutes

Item 5 Cardrona Valley Waste Water Scheme Budget Reforecast

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
5. Cardrona Valley Waste Water Scheme Budget Reforecast	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)

Agenda Items

Item 11a **Chief Executive's Report**

Item 12 **Alternative Car Parking, Queenstown - Request for Proposals**

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
<p>11a. CE's Report:</p> <p>a. Appointment of External Members of Audit, Finance and Risk Committee</p> <p>b. Appointment of Directors to Queenstown Airport Corporation and Invercargill Airport Corporation</p>	<p>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:</p> <p>a) protect the privacy of natural persons (including deceased natural persons);</p>	<p>Section 7(2)(a)</p>
<p>12. Alternative Car Parking, Queenstown - Request for Proposals</p>	<p>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:</p> <p>h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities;</p> <p>i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);</p> <p>j) prevent the disclosure or use of official information for improper gain or improper advantage</p>	<p>Section 7(2)(h)</p> <p>Section 7(2)(i)</p> <p>Section 7(2)(j)</p>

This recommendation 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 3.50pm.

The meeting came out of public excluded and concluded at 4.10pm.

CONFIRMED AS A TRUE AND CORRECT RECORD

MAYOR

DATE

Attachment A - Summary of proposed project changes - November 2019 Capex Reforecast

Line #	Directorate	Programme	Project Code	Project Description	Budget 2019-20	New / Increased Budget	Budget Transfer	Budget Deferred	Brought Forward	Surplus	3 Waters PMO Programme	Budget Forecast	Total Change to 2019/20	Budget Comments
1	CEO	Buildings	000814	Civic Heart	3,073,987			-1,573,987	0	0		1,500,000	-1,573,987	Defer to 21/22. Remaining balance for Project Manawa development design and master planning in conjunction with Ngāi Tahu.
2			000493	Project Connect New Office Accommodation	21,983,846			-21,833,846	0	0		150,000	-21,833,846	Defer to 21/22. Project Manawa design being progressed through Civic Heart project in conjunction with Ngāi Tahu.
3	CMTY	Libraries	000886	Wakatipu Library Service	1,027,060		-700,000					327,060	-700,000	Transfer \$700k to project 001004 516 Ladies Mile Development. Project will be reviewed through Library Strategy
4			000929	District - Mobile facility	150,000		-150,000					0	-150,000	Transfer \$150k to project 001004. Project will be reviewed through Library Strategy
5	INF		000230	AMP Improvements - Libraries	30,510		-18,306	0	18,306	0		30,510	0	Bring forward \$18k from 20/21 and transfer out to project 000231 AMP Improvements Property.
6		Buildings	001004	516 Ladies Mile Development	196,743		850,000					1,046,743	850,000	Transfer in \$150k from project 000929 and \$700k from project 000886 to cover initial community building renovations, car parking/access, designations and interim works to the depot.
7			000730	Luggate Hall Replacement	2,358,379	0	0	-1,500,000				858,379	-1,500,000	Defer to 20/21. Design to be completed March 2020. Construction timing of delivery dependent on 3rd party funding confirmation of \$1.78m. Forecasted final costs for all parties is \$4.2m to complete.
8			NEW	Arranmore Heritage Building (Barn) Emergency Strengthening	0	0	55,000	0	0	0		55,000	55,000	Transfer \$40k in from Kingston Library Renewals project 000880, and \$15k from Old High School Block B project 00773 for emergency strengthening works to new Arranmore Heritage Building.
9			000880	Kingston Library Renewals	40,680	0	-40,000	0	0	0		680	-40,000	Strengthening works completed 18/19. Transfer \$40k to new Arranmore Heritage Building emergency strengthening.
10			000773	Old High School Block B	45,510		-26,600	0	0	0		18,910	-26,600	Air conditioning/heating no longer required as advised by users. Transfer \$15k to Arranmore Heritage Building emergency strengthening and \$11.6k to Old St John Building project 000959.
11			000958	Qtn Old St John Building Fire Reinstatement	23,400		11,600	0	0	0		35,000	11,600	Transfer in \$11.6k from Old High School Block B project 000773 for change of use to Laundry consent. Will result in additional income through lease.
12			000231	AMP Improvements - Property	71,681		29,548	0	0	0		101,229	29,548	Transfer in \$18k from project 000230 AMP Improvements Libraries and \$11k from project 000467 AMP Improvements Buildings to cover assessment reports.
13			000467	AMP Improvements - Buildings	26,451		-11,242	0	0	0		15,209	-11,242	Transfer out to project 000231 AMP Improvements Property.
14			000964	Wanaka Rec Centre Prefab	244,791		345,400	0	0	0		590,191	345,400	Increased budget of \$345k required due to tenders above budget. Fund through Gas Capture Facility project 000745 surplus.
		Buildings and Libraries Total			29,273,038	0	345,400	-24,907,833	18,306	0	0	4,728,911	-24,544,127	
15	CEO	Information Management	000145	ICT Projects	385,436	0	300,000	0	0	0		685,436	300,000	\$250k required for on premise ICT infrastructure (replacement of end of life storage/servers) and \$50k required for technology for Council Chambers. \$75k to be transferred from GIS project 000151. \$225k new budget required. Fund through Gas Capture Facility project 000745 surplus.
16			000151	GIS software and projects	127,250	0	-75,000	0	0	0		52,250	-75,000	Reduced external consultancy required for GIS Enterprise upgrade. Transfer out \$75k to new project for on premise storage system.
		Information Management Total			512,686	0	225,000	0	0	0	0	737,686	225,000	
17	INF	Solid Waste	000745	Gas Capture Facility	1,876,100	0	-570,400	0	0	-1,305,700		0	-1,876,100	Costs will now be covered through Opex - Capex surplus to be reallocated to other Capex projects.
		Solid Waste Total			1,876,100	0	-570,400	0	0	-1,305,700	0	0	-1,876,100	
18	CMTY	Venues and Facilities	000836	Alpine Aqualand building renewals (HJ)	340,441		-240,000	0	157,731	0		258,172	-82,270	Transfer \$240k to QEC Roof & Ventilation improvements project 000998 for initial costs incurred in planning and design and to remove ceiling tiles.
19			000913	Artificial Turf Programme	2,522,089		-2,400,000					122,089	-2,400,000	Transfer to QEC Roof and Ventilation improvements
20			000112	Athenaeum Hall Improvements	0		67,788					67,788	67,788	Significant repairs required to hall roof not budgeted. Budget to come from 5 other Athenaeum Hall projects which will no longer go ahead to cover the additional costs.
21			000797	Athenaeum Hall - Renewals (Watershed)	11,187		-11,187					0	-11,187	
22			000843	Athenaeum Hall - Alarm panel	9,365		-9,365					0	-9,365	
23			000889	Athenaeum Community Hall	37,066		-37,066					0	-37,066	Transfer to Athenaeum Hall roof capex project 000112 due to reprioritisation
24			000985	Athenaeum Hall - Supper room	5,085		-5,085					0	-5,085	
25			000986	Athenaeum Hall - Exterior woodwork	5,085		-5,085					0	-5,085	
26	INF		000998	QEC Roof and Ventilation improvements	2,327,000		2,640,000	0	0	0		4,967,000	2,640,000	Transfer in \$240k budget from Alpine Aqualand building renewals project 000836 to separately allocate the costs incurred to date for removal of the ceiling tiles.
		Venues and Facilities Total			5,257,318	0	0	0	157,731	0	0	5,415,048	157,731	
27	CMTY	Parks and Reserves	New	Frankton Campground	0	858,000	0	0	0	0		858,000	858,000	Project to develop the Frankton campground in line with the responsible camping strategy to return the campground to short-term recreation accommodation only. This includes playground and landscaping design, asbestos surveys/removal, site clearance, tree removal, as well as construction/upgrade works to existing kitchen and ablution facilities. There is the intention that part or all be repaid for by the new incoming lessee at the camp.
28			000917	Arrowtown Skate Park	159,000	0	0	-130,000				29,000	-130,000	Estimate \$439k. Defer to 21/22. Additional budget required to be considered through 21/22 LTP process
29			000428	Queenstown Gardens Development Plan	1,271,999	0	0	-750,000				521,999	-750,000	Defer to 20/21. Delay due to consenting issues.
30			000926	McBride Park car parking	86,190	0	66,000	0	0	0		152,190	66,000	Transfer in \$66k from project 000058 Wakatipu Minor Improvements (roading) to cover increased costs on agreed tender.
		Parks and Reserves Total			1,517,189	858,000	66,000	-880,000	0	0	0	1,561,189	44,000	
31	INF	Transport	000058	Wakatipu Minor Improvements (roading)	892,585	0	-66,000	0	0	0		826,585	-66,000	Transfer out \$66k to project 000926 McBride Park car parking to cover increased costs on agreed tender.
32			000788	Queenstown Parking Improvements	2,410,110	0	0	-500,000	0	0		1,910,110	-500,000	Defer \$500k to 21/22. Boundary St project awaiting consent notification. Ballarat St project removed.
33			000914	Travel Management QT	1,838,413	0	0	-1,500,000	0	0		338,413	-1,500,000	Defer \$1.5m to 21/22. As above.
34			000529	Town Centre Arterials	5,676,909	0	0	-4,900,000	0	0		776,909	-4,900,000	Defer \$4.9m to 21/22. Dependent on NZTA approved business case.
35			000868	Wakatipu Active Travel Network	8,362,142	0	0	-7,065,000	0	0		1,297,142	-7,065,000	Defer \$7m to 21/22. Recently approved business case has now defined the programme.
36			000527	Queenstown Public Transport Hub in CBD	5,324,275	0	0	-5,200,000	0	0		124,275	-5,200,000	Defer \$5.2m to 20/21. In final phase of detailed business case, still to be completed.
37			000850	Queenstown Town Centre Pedestrianisation	3,811,644	0	0	-2,100,000	0	0		1,711,644	-2,100,000	Defer \$2.1m to 21/22. Dependent on NZTA approved business case.
38			000747	Frankton Flats Masterplan	277,927	0	-50,000	0	0	0		227,927	-50,000	Transfer \$50k to project 001008 Ladies Mile Masterplan.

Line #	Directorate	Programme	Project Code	Project Description	Budget 2019-20	New / Increased Budget	Budget Transfer	Budget Deferred	Brought Forward	Surplus	3 Waters PMO Programme	Budget Forecast	Total Change to 2019/20	Budget Comments
39			000739	Wanaka Town Centre Masterplan	2,325,728	0	0	-1,795,000	0	0		530,728	-1,795,000	Defer \$335k to 20/21 and \$1.46m to 21/22. Single stage business case for network optimisation to run 2019-2021 to define the programmes. Detailed business cases to be completed 20/21.
40			001008	Ladies Mile Masterplan	80,000	0	50,000		0	0		130,000	50,000	Transfer in \$50k from project 000747 Frankton Flats Masterplan.
41			000903	Shotover Bridge Arthurs Point	0		0	0	500,000	0		500,000	500,000	Bring forward \$500k from 28/29 to progress business cases for potential second crossing (Edith Cavell Bridge duplication)
42			000580	Ballantyne Road	3,904,839			-3,457,289				447,550	-3,457,289	Defer \$3.5m to 20/21. A Detailed Business Case was prepared for the upgrade to Ballantyne Road and approved for funding assistance by NZTA in May earlier this year. The approved NLTP total cost budget is \$6.4m with a 51% subsidy. Safety improvements include; a sealed surface, a low speed environment by design and one metre wide sealed shoulders to allow for walking and cycling. Detailed design is underway and expected to be complete February 2020, with construction works planned to align with the 2020/21 sealing season.
		Transport Total			34,904,571	0	-66,000	-26,517,289	500,000	0		8,821,282	-26,083,289	
43	INF	Water Supply	000887	Hanley's Farm new Reservoir (Coneburn)	2,317,924			-2,317,924				0	-2,317,924	Defer to 21/22
44		Waste Water	000937	Hanley's Farm PS & Rising/Falling mains (Coneburn)	924,260			-924,260				0	-924,260	Defer to 21/22
45			001006	CBD to Frankton WW Reticulation	0	0	0	0	80,000	0		80,000	80,000	Bring forward \$80k from 21/22 to support business case development (e.g. design and QS)
		3 Waters (Non PMO) Total			3,242,185	0	0	-3,242,185	80,000	0	0	80,000	-3,162,185	
46	INF	Building	000286	Lakeview - Other Infra	2,801,247			-2,801,247	0	0		0	-2,801,247	Defer 50% \$1,400,623 to 20/21 & balance to 21/22
47		Transport	000285	Lakeview Development - Transportation	1,183,069			-1,063,069				120,000	-1,063,069	Defer to 20/21
48			000794	Lakeview Development Road and Public Realm	2,556,243			-2,386,243				170,000	-2,386,243	Defer \$794 to 20/21 & balance to 21/22
49			000893	Lakeview Development Market Square	1,791,501	0	0	-1,661,501	0	0		130,000	-1,661,501	Defer to 21/22
		Lakeview Total			8,332,060	0	0	-7,912,060	0	0	0	420,000	-7,912,060	
50	INF	Three Waters PMO	000366	Recreation Ground new WW Pump Station	3,267,525						460,821	3,728,346	460,821	
51			000625	Project Pure WWTP upgrade	891,220						-7,393	883,827	-7,393	
52			000892	Project Shotover WWTP upgrade	348,979						1,780,104	2,129,082	1,780,104	
53			000858	Kingston HIF Stormwater new scheme	800,542						6,635	807,178	6,635	
54			000779	Hawea WW Cxn to Project Pure WWTP	356,300						3,052,841	3,409,141	3,052,841	
55			000888	Arrowtown new WPS & bores	1,757,918						131,200	1,889,118	131,200	
56			000944	North Wanaka new WW conveyance scheme	1,024,783						256,754	1,281,537	256,754	
57			000369	Capell Ave Hawea Watermain extension	676,770						27,058	703,828	27,058	
58			000863	Kawarau Bridge Remarks Pk WW Rising Main	212,996						687,122	900,118	687,122	
59			000883	Luggate new WWPS & Cxn to Project Pure	809,417						-54,395	755,022	-54,395	
60			000728	N East Frankton Stormwater conveyance	2,413,224						445,632	2,858,856	445,632	
61			000553	Frankton WS Rising Main (Robertson St)	326,841						17,685	344,525	17,685	
62			000281	Shotover Country Rising Main (bridge)	1,426,459						1,133,261	2,559,720	1,133,261	
63			000280	Shotover Country WS new WTP	2,275,218						4,755,835	7,031,053	4,755,835	
64			000762	Beacon Point new Water Treatment Plant	885,660						-512,617	373,043	-512,617	
65			000875	Two Mile new Water Treatment Plant	300,000						-31,182	268,818	-31,182	
66			000778	Quail Rise Reservoir Falling Main	651,672						-560,221	91,451	-560,221	
67			000777	Quail Rise Reservoir Rising Main	839,692						-504,945	334,746	-504,945	
68			000790	Ladies Mile Reservoir & WS trunk mains	1,981,659						-1,552,927	428,732	-1,552,927	
69			000939	Arrowtown new Reservoir	1,939,791						-1,532,030	407,761	-1,532,030	
70			000518	Beacon Point new Reservoir	4,511,610						-1,752,337	2,759,274	-1,752,337	
71			000942	Kelvin Peninsula new Reservoir	1,137,426						-653,827	483,599	-653,827	
72			000936	Quail Rise new Reservoir	2,383,380						-1,054,412	1,328,969	-1,054,412	
73			000943	Project Pure FOG Treatment facility	81,440						-78,662	2,778	-78,662	
74			000871	Project Shotover FOG Treatment facility	123,789						-120,906	2,883	-120,906	
75			000283	Lakeview Development SW servicing	1,245,988						-895,725	350,263	-895,725	
76			000385	Lakeview Development WS servicing	426,016						-379,394	46,623	-379,394	
77			000384	Lakeview Development WW servicing	271,312						-4,901	266,412	-4,901	
78			000786	Ladies Mile HIF Stormwater new scheme	594,209						-578,187	16,022	-578,187	
79			000771	Ladies Mile HIF Wastewater new Scheme	574,778						-558,864	15,914	-558,864	
80			000817	Ladies Mile HIF Water Supply new scheme	930,080						-893,487	36,593	-893,487	
81			000909	Kingston HIF Wastewater new scheme	2,972,452						-278,407	2,694,045	-278,407	
82			000930	Kingston HIF Water Supply new scheme	1,641,944						-288,467	1,353,478	-288,467	
83			000941	Wanaka Water Trunk Main stage 1	4,491,532						-3,848,706	642,825	-3,848,706	
84			000938	Wanaka Water Trunk Main stage 2	335,940						-311,641	24,299	-311,641	
85			000945	Anderson Heights new SW pipeline	553,337						-542,188	11,149	-542,188	
86			000791	Belfast Rd new SW pipeline	54,420						-49,954	4,466	-49,954	
87			000946	Belfast Terrace new SW pipeline	1,138,736						-1,126,241	12,495	-1,126,241	
88			000907	Kawarau Place duplicate SW pipeline	83,403						-53,137	30,266	-53,137	
89			000878	Magnolia Place duplicate SW pipeline	75,282						-55,196	20,086	-55,196	
90			000922	Queenstown SW upgrades existing pipes	74,840						-70,347	4,493	-70,347	
91			000947	Windsor Place - Edinburgh Dr new SW pipe	87,489						-77,440	10,050	-77,440	
92			000847	Aubrey Rd Rec Reserve SW detention pond	27,344						-15,184	12,160	-15,184	
93			000950	Bills Way SW pipeline replacement	286,200						-113,647	172,553	-113,647	
94			000899	Bremner Park Rd - Lake new SW outlet	57,929						-43,120	14,809	-43,120	
95			000905	Luggate New WTP, PS & pipeline to airport	1,870,953						-1,045,960	824,993	-1,045,960	
96			000023	Luggate WW reticulation extension	377,313						-273,085	104,228	-273,085	
97			000949	Mt Aspiring College SW drainage upgrade	679,218						-448,802	230,415	-448,802	
98			000371	Three Parks catchment new SW outlet	208,943						-173,149	35,794	-173,149	
99			000948	Wiley Rd - Beacon Pt new SW outlet	343,470						-116,942	226,528	-116,942	
100			000345	Arthur's Point WTP minor upgrades	370,627						-370,627	0	-370,627	
101			000361	Glenorchy Reservoir upgrade	1,187,165						-176,109	1,011,056	-176,109	
102			000001	Glenorchy WS Bore upgrades	203,600						-131,069	72,531	-131,069	
103			000940	Glenorchy WS new WTP and building	722,780						-596,762	126,018	-596,762	
104			000881	Hawea WTP minor upgrades	203,600						-203,600	0	-203,600	
105			000464	Project Shotover - Disposal Field	18,189						-18,189	0	-18,189	
106			000862	Quail Rise HIF WW servicing	63,691						-58,126	5,565	-58,126	
107			000279	Shotover Country WS new Bore PS	242,079						-201,511	40,568	-201,511	
108			000781	Willow Place WWPS Rising Main upgrade	2,641,380						-2,460,790	180,590	-2,460,790	
		Three Waters PMO Total			56,480,551	0	0	0	0	0	-12,119,857	44,360,694	-12,119,857	
		Grand Total			141,395,698	858,000	0	-63,459,367	756,037	-1,305,700	-12,119,857	66,124,811	-71,170,888	

In July 2018, the Property and Infrastructure Group engaged ArcBlue to assist in the development of its strategic procurement plan for delivering Council's ambitious 3 Waters Capex programme. As part of that work a Project Management Office (PMO) was created to deliver the 3 Waters projects. Projects were bundled into packages of work to encourage interest from the market and two panels were formed to deliver the programme (3 Waters Design and 3 Waters Contract Works). This approach has been widely supported by the industry.

In November 2018, the programme was re-baselined to reflect the new programme delivery approach.

- There are a number of variations to the programme since then, including:
 - Delays in work on Shotover Water treatment upgrades
 - Delayed spend on Frankton Flats Stormwater, Lakeview infrastructure and Kingston HIF
 - Postponed investment in 3 Waters infrastructure associated with Ladies Mile and Kelvin Heights due to a delay in private development
 - Costs associated with land purchase in Wanaka for a future reservoir
 - Project Pure wastewater treatment plant increase due to improved scope definition for capacity upgrade requirements and resilience along with Improved understanding of risk profile & market cost escalation
 - Wanaka Water Trunk main stage 2 scope change as a result of the Wanaka Water Masterplan revisit
 - Note, Programme contingency was originally incorporated into Project Budgets but is now shown as a separate line item to enable improved Governance.

In September 2019 the PMO engaged WT Partnership (Quantity Surveyors) to undertake a review of the 3 Waters programme to provide estimated 'costs to complete' for each project. This identified a number of variations in the total cost of delivering projects compared to LTP budgets. Initial estimates of project costs for the LTP were based on high-level design only and therefore accurate to +/- 30%. The more recent 'costs to complete' estimates are based on more developed designs and although the accuracy varies per project, overall the WT Partnership estimates are accurate to approximately +/- 10%.

Overall programme spend is slightly behind the 2018 re-baselined programme, however it is expected to be consistent with forecast by the end of the 19/20 financial year. The release of tenders to panel members has been broadly consistent with the programme. Five design bundles have been awarded to Design Panel members, one construction contract and two Early Contractor Engagement (ECI) bundles have been awarded to the Contracts Work Panel. It is anticipated that some significant construction projects will continue into the 2021-2022 financial year and the additional cost of delivering the programme is broadly realised in the 2021-2022 Financial year.

See attached appendix which shows the comparison of 2018-28 adjusted LTP Budgets Vs WTP Estimates (In 2019/20 \$'s).

