

Minutes of an ordinary meeting of the Queenstown Lakes District Council held in the Armstrong Room, Lake Wānaka Centre, Wānaka on Thursday 14 December 2023 commencing at 1.00pm

Present:

Mayor Glyn Lewers; Councillors Bartlett, Bruce, Cocks, Ferguson, Guy, Smith, Tucker, White, Whitehead and Wong

In attendance:

Mr Mike Theelen (Chief Executive Officer), Mr Tony Avery (General Manager, Property and Infrastructure), Mr Ken Bailey (General Manager, Community Services), Ms Meaghan Miller (General Manager, Corporate Services), Mr Jeremy Payze (Senior Management Accountant – Projects), Mrs Jeannie Galavazi (Senior Parks and Reserves Planner), Mr Luke Place (Senior Policy Advisor), Ms Jane Robertson (Senior Governance Advisor); no members of the media and one member of the public

Apologies/Leave of Absence Applications

An apology was received from Councillor Gladding.

The following requests for leave of absence were made:

- Councillor Tucker: 15 December 2023 – 5 January 2024
- Councillor Ferguson: 22 December 2023 – 5 January 2024
- The Mayor: 22 December 2023 – 6 January 2024
- Councillor Bartlett: 20-22 February 2024
- Councillor Wong: 18-25 May 2024

On the motion of the Mayor and Councillor Bartlett the Queenstown Lakes District Council resolved that the apology be accepted and the requests for Leave of Absence be approved.

Motion carried.

Declarations of Conflict of Interest

No declarations of conflict.

Matters Lying on the Table

There were no matters lying on the table.

Special Announcements

There were no announcements.

Public Forum

1. Olivia Egerton (Director, Te Atamira)

After a full year of operation, Ms Egerton detailed why she considered Te Atamira an essential service for the community. She highlighted the financial benefits of the arts and culture adding that art served to inform every aspect of wellness and was the one true global language. Thirty groups regularly used Te Atamira but community hire rates did not cover the centre's operating costs and Te Atamira was looking for financial support to allow it to continue to operate and fulfil its vision.

Confirmation of Agenda

On the motion of the Mayor and Councillor Bruce the Queenstown Lakes District Council resolved that the agenda be confirmed without addition or alteration.

Motion carried.

Confirmation of minutes

16 November 2023 (Ordinary meeting)

Councillor Whitehead noted an amendment to the draft minutes, as she had also recorded her vote against the substantive resolution on item 1 ('Endorsement on the Queenstown Airport Corporation Draft Master Plan 2023.')

In item 1, 'cross way runway' was corrected to 'cross wind runway'.

On the motion of the Mayor and Councillor White the Queenstown Lakes District Council resolved that the minutes of the ordinary meeting of the Queenstown Lakes District Council held on 16 November 2023 as amended be confirmed as a true and correct record.

Motion carried.

1. **2024 Queenstown Airport Corporation Statement of Expectations**

A report from Meaghan Miller (General Manager, Corporate Services) presented the Queenstown Airport Corporation's ('QAC') 2023 Statement of Expectations ['SOE'] for approval. The report also recommended that the Council approve moving to a three yearly cycle to produce a SOE in order to be in line with the three yearly production of a Long Term Plan.

Ms Miller presented the report. She noted that the original SOE circulated with the agenda papers had been changed by a recommendation from the Audit, Finance & Risk Committee at the meeting held on 12 December 2023, as well as by a communication with elected members the previous day. She added that some changes sought by Councillors had not been accepted because they were largely covered by the additional points put in place by the Audit, Finance & Risk Committee. The amended version of the SOE was circulated and it was recommended that the words 'as amended' be added to part 2 of the resolution.

It was noted that a representative of QAC had attended the Audit, Finance & Risk Committee meeting and had accepted the Committee's resolution. The Committee had also resolved to note the offer from the QAC Chair to brief the Committee on the QAC Master Plan implementation programme.

Councillor Whitehead advised that she did not support the recommendation to move to a three yearly cycle to produce a SOE and supported continuation of the status quo. She asked for this part of the recommendation to be voted on separately.

There was further discussion with members speaking both in support and against a three-yearly SOE. It was noted that agreement to producing a three-yearly SOE did not preclude the Council preparing a SOE at any time.

**It was moved (Councillor Bruce/Councillor Guy)
That the that the Queenstown Lakes District Council:**

- 1. Note the contents of this report;**
- 2. Approve the Queenstown Airport Corporation Statement of Expectation 2024 as amended;**
- 3. Authorise the Mayor to sign the letter on behalf of Council; and**

Motion carried unanimously.

**It was moved (Councillor Bruce/Councillor Guy)
That the that the Queenstown Lakes District Council:**

- 4. Agree to produce a Statement of Expectation three yearly in advance of the Long Term Plan process, the next Statement of Expectation being in the 26/27 financial year.**

Motion carried on a show of hands (8:3), with Councillors Bartlett, Smith and Whitehead recording their votes against the motion.

2. Capital Works 2023-24 December Reforecast

A report from Jeremy Payze (Senior Management Accountant) presented proposed amendments to Queenstown Lakes District Council's ('OLDC') capital works programme budgets as set out in the 2023/24 Annual Plan. The report recommended that the changes be approved.

Mr Burns and Mr Payze presented the report.

Mr Burns circulated an updated schedule (attachment) which contained changes to lines 55 and 56 (Wakatipu New Waste Facilities and Wānaka New Waste Facilities).

Mr Burns introduced the programme changes, noting that they involved a significant deferral of work as the carry forwards approved earlier in 2023/24 had resulted in too much capital expenditure to deliver. Further, it was evident that the market could not deliver \$200M worth of work. Accordingly, officers had reviewed the draft LTP to reprioritise capital works, to take account of the financial constraints in years 1 and 2 and to align projects with the same approach in the Annual Plan. Other projects that did not meet those criteria had been deferred.

In response to a question from Councillor Cocks, Mr Burns confirmed that one of the projects deferred was demolition of the existing house at 516 Ladies Mile which would not now occur for about 2.5 years. Site clearance work at Ballantyne Road was also proposed for deferral.

Councillor Smith expressed concern that notwithstanding the financial challenges, deferral was serving to create future complexities. He was also critical that officers had determined that funding was no longer available for certain projects as these projects had been approved by Council in the Annual Plan.

On the motion of Councillor Bartlett and the Mayor it was resolved that the Queenstown Lakes District Council:

- 1. Note the contents of this report.**
- 2. Approve all proposed budget changes in accordance with Attachment A of the 'December 2023 Capital Works Reforecast' report; and**
- 3. Note that approval of recommendation (2) will be offset with increases which will be incorporated into the draft LTP2024-34 budgets.**

Motion carried with Councillor Cocks and Councillor Smith recording their votes against the motion.

3. **Lakeview Subdivision Underground services easements for Queenstown Lakes District Council over the James Clouston Memorial Park and Lakeview Recreation Reserves, Queenstown**

A report from Jeannie Galavazi (Senior Parks and Reserves Planner) assessed several water and sewage underground services easements in favour of Queenstown Lakes District Council (QLDC), over the James Clouston Memorial Park and the Lakeview Recreation Reserve, Queenstown for the right to drain water and sewage, both of which were needed for the proposed Lakeview development. The report recommended that the easements be approved, subject to conditions.

Mrs Galavazi and Mr Bailey presented the report.

On the motion of Councillor Smith and Wong it was resolved that the Queenstown Lakes District Council:

1. **Note the contents of the report; and**
2. **Approve the following underground services easements over Council Reserve Land, legally described as:**
 - a. **James Clouston Memorial Park Recreation reserve, Lot 1 DP 524367, Right to drain water, Area A – 921m² (12.9 to 15.5m wide)**
 - b. **Lakeview Recreation Reserve, Lot 1 DP 7498, Right to drain sewage, Area B - 100m² (4.4 to 4.7m wide)**
 - c. **Lakeview Recreation Reserve, Lot 1 DP 7498, Right to drain sewage, Area C - 76m² (5.9m wide)**
 - d. **Lakeview Recreation Reserve, Lot 1 DP 7498, Right to drain water, Area D - 555m² (4.5 to 5.9m wide)**
 - e. **Lakeview Recreation Reserve, James Clouston Memorial Park Recreation Reserve Lot 1 DP 7498, Right to drain sewage, Area E - 230m² (2.1 to 4.4m wide)**
 - f. **The easement areas have a combined total of approximately 1,882 m².**
3. **Direct that the approval of the easements over Council reserve land is subject to the following conditions:**
 - a. **Easement Fees to be determined and paid in accordance with Council's Easement Policy 2008.**

- b. Reinstatement and landscaping of any disturbed areas to be completed to the satisfaction of the QLDC Parks team.**
- 4. Agree that notification to grant the easement is not required, as the statutory test in Section 48(3) of the Reserves Act 1977 is met for the reasons set out in this report;**
- 5. Delegate authority to approve final terms and conditions, and execution authority to the General Manager Community Services, provided all relevant requirements of the Easement Policy 2008 are addressed; and**
- 6. Agree to exercise the Minister's consent (under delegation from the Minister of Conservation) to the granting of the identified easements over Council Reserve Land.**

Motion carried unanimously.

4. Queenstown Lakes District Council Submissions

A report from Erin Auchterlonie (Policy Advisor) presented the Council's submissions to the Environment Select Committee on its Inquiry into Climate Adaptation; to the Ministry for the Environment (MfE) on Helping Nature and People Thrive – Exploring a Biodiversity Credit System (BCS) for Aotearoa New Zealand; and to the MfE on its proposed National Policy Statement on Natural Hazard Decision-Making.

Mr Place presented the report.

On the motion of Councillor Whitehead and Wong it was resolved that the Queenstown Lakes District Council:

- 1. Note the contents of this report;**
- 2. Approves retrospectively the contents of the submission to the Environment Select Committee on its Inquiry into Climate Adaptation;**
- 3. Approves retrospectively the submission to the Ministry for the Environment (MfE) on Helping Nature and People Thrive – Exploring a Biodiversity Credit System (BCS) for Aotearoa New Zealand; and**
- 4. Approves retrospectively the submission to the MfE on its proposed National Policy Statement on Natural Hazard Decision-Making (NPS NHD).**

Motion carried unanimously.

5. **Chief Executive's Report**

A report from the Chief Executive presented a summary of items discussed at recent Standing Committee meetings and the Wānaka -Upper Clutha Community Board meeting held on 30 November 2023.

The Chief Executive introduced the report. He noted that the Audit, Finance & Risk Committee request for a workshop on the compliance framework and policy, risk framework and policy did not need Council approval but as all Councillors were invited it was appropriate to acknowledge the request. Similarly the Audit, Finance & Risk Committee had added requirements for the QAC Master Plan that had been added to the SOE and it was appropriate to approve these measures at the same meeting.

On the motion of Councillor Wong and Councillor Bruce it was resolved that the Queenstown Lakes District Council:

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

Audit, Finance and Risk Committee (5 October 2023)

2. **Note that officers will hold a workshop covering the compliance framework and policy, risk framework and policy, and three lines of defence model, and that members of the Audit, Finance & Risk Committee and Councillors are invited to that workshop;**
3. **Request officers to produce a draft Development Agreement and Commercial Investment Policy with supporting guidance documents (for the purposes of developing, agreeing, executing and reporting on development, partnering and commercial agreements) for consideration by Council;**

Wānaka-Upper Clutha Community Board

3. **Agree that vesting of the following reserves be approved:**
 - i. **Northlake Investments Limited RM211044 – Local Purpose (Access and Services) Reserve. Lot 1037, being 400m².**
 - ii. **Orchard Road Holdings RM220897 – Local Purpose (Access) Reserve. Lot 101, being 115m².**

Subject to the following works being undertaken at the applicant's expense.

- i) **Compliance with the conditions of Resource Consents RM211044 and RM220897 (and any subsequent variations) which include:**
- **The formation of a sealed pathway on the reserve to meet the Grade 2 standard of the QLDC Cycle Trail and Track Design Standards & Specifications (2016);**
 - **Provision of a potable water supply point to be provided at the boundary of the reserve lot;**
 - **The registration of a fencing covenant under s6 of the Fencing Act 1978 on the reserve to vest in QLDC to protect the Council from liability to contribute towards any work on a fence between any public reserve vested in or administered by the Council and any adjoining land;**
 - **The registration of a Consent Notice (or alternative encumbrance) on any land within the development adjoining the reserve, to ensure any fences on land adjoining, or boundaries along any reserve, shall no greater than 1.2m in height, and be 50% visually permeable;**
 - **A three-year maintenance period by the consent holder commencing from vesting of the reserve; and**
 - **A maintenance agreement for reserve prepared and approved (signed) by the Parks & Open Spaces Planning Manager specifying how the reserves will be maintained during the maintenance period.**
- ii) **Vesting of reserves to be undertaken in accordance with the QLDC Vesting of Roads and Reserves Policy; and**
- iii) **Presentation of the reserve in accordance with Council's policies.**

Audit, Finance and Risk Committee (12 December 2023)

4. **Agree the incorporation of the following risk mitigation measures for the Queenstown Airport Corporation ('QAC') Draft Master Plan 2023:**
- **A capital reporting framework to be approved by QLDC, based on the gateway approach signalled by QAC for the Master Plan, including but not limited to programme/project delivery framework, status of**

investment projects against budget forecasts (%forecast v %complete) and programme (schedule), contingency, issues and risk, scope changes, assurance findings (including high-level reporting for bi-annual QAC Board and Full Council)

- Project milestone reporting and exception reporting (including dividends), to be considered by this committee (AFR), noting that the major shareholder will expect to be informed of such matters
- Expectations regarding dividends
- Details on borrowing arrangements
- Shadow credit rating reporting
- Details of programme assurance framework (incorporating three lines model)

Motion carried unanimously.

The meeting concluded at 1.57pm.

MAYOR

DATE