

QLDC Council
30 April 2015

Report for Agenda Item: 14

Department: CEO Office

Chief Executive's Monthly Report

Purpose

- 1 To update the Council on recent activities and progress on achieving Council priorities.

Recommendation

- 2 That Council:
 - a. **Note** the report, including the revised notification date for the District Plan;
 - b. **Approve** expenditure of \$70,000 (excluding GST) to resolve remaining costs associated with the transfer of the Gun Club as part of Project Shotover;
 - c. **Direct** the Chief Executive to commence acquisition of the disputed section of Mead Road under the Public Works Act, without prejudice to the Council's position on road ownership.

Prepared by:



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Chief Executive

13/04/2015

1. Update: Progress on QLDC 2014/15 Work Programme

1. Core Infrastructure and services:

1.1. **Asset Management Plans (AMP) complete (1 February):**

Complete: Asset Management Plans and Thirty Year Infrastructure Strategy have been closed off following final comments from Auditors.

1.2. **Award new 3 Waters contract (1 April):**

Complete: The 3 Waters contract was awarded to Veolia on 30 March 2015 following a review by the Mayor, Portfolio Councillors and Chief Executive. Savings and contract improvements have been achieved through the tender process. Veolia and QLDC Officers are now working through the transition plan for the new contract start up on 1 July 2015.

1.3. **Complete the draft Queenstown town centre (Inner Links) transport strategy (1 March):**

Complete: The draft strategy is to be consulted on in April and May 2015 and reported to Council in June 2015.

1.4. **Complete the Economic Network Plan (1 April):**

Complete: The Economic Network Plan was included in the March Council agenda for information.

1.5. **Commence development of Stage One of the Shotover Wastewater Treatment Plant (30 June):**

Negotiations with the preferred proposer have now reached a satisfactory conclusion. The Otago Regional Council will consider the resource consent applications at a hearing on 24 April 2015. All submitters have agreed to the consent conditions and will not be attending the hearing. The Chief Executive will consider a recommendation to award the contract on 24 April 2015.

The Wakatipu Gun Club has an agreed lease and automatic right of renewal for the land proposed for the Project Shotover Treatment Plant. A draft agreement has been negotiated with the club which requires QLDC to obtain all consents and manage the relocation of the Gun Club facilities to an area within the buffer zone for the Victoria Landfill. The draft agreement is capped at \$257,692.70 (excluding GST). This is based on estimates received by the club and has been tested against pricing within Project Shotover. This budget makes no provision for internal costs in managing the project.

More recently, additional costs associated with the filling of an area on the proposed new Gun Club site have arisen. This is a requirement of the landfill operator to ensure shooting does not occur over water to prevent contamination of the land. These costs are not within budget and are estimated at \$70,000 (excluding GST). There is sufficient budget within the current financial year due to the late start of the project. Council approval is sought to increase the budget for Project Shotover by the total amount of \$330,000 (excluding GST), along with authority to re-negotiate this agreement to a simple cash settlement

thereby eliminating the possibility of additional cost associated with shifting the facilities.

1.6. Confirm a decision whether to trial metering within one water supply scheme (1 April):

Complete: The first of 500 water meters have begun to be installed across the Queenstown Lakes District as part of a project to better understand water use across the district. Properties were selected at random for the one-year trial. They include apartments, lifestyle blocks, businesses and homes in all of the areas serviced by a reticulated Council water supply. QLDC staff will make contact with the property owners during the trial to gather information about occupancy and other factors which impact on water usage. This information will help the Council to refine the way it calculates future water demand.

1.7. Complete wastewater options reports for Cardrona and Glenorchy (30 June):

Cardrona: The project is on track for the June Council meeting. Economic evaluations of options are underway. Key stakeholder meetings are scheduled for 20 April (review long list of options) and 18 May (review shortlist of options). A first draft will be completed by the start of May. It should be noted, however, that a lack of stakeholder consensus on a preferred option may delay progress.

Glenorchy: The project is on track for the June Council meeting. Further assessments have been completed on site options as requested by the community through the consultation process. Next steps include communication back to the community on project risks, site locations and payment options followed by workshop with commercial business owners. A first draft will be completed by the start of May.

1.8. Complete Glenorchy Airport Reserve Management Plan (1 December):

Council resolved to publicly notify the draft Glenorchy Airport Reserve Management Plan at the March Council meeting. Public notification commenced on 6 April. Submissions are being received until 12 June.

1.9. Complete priority elements for the Wanaka Transport Strategy (30 June):

Work is proceeding in three strands:

- **Parking:** Parking surveys were completed in March 2015, and the results discussed with the Community Board at its regular monthly workshop in April. From here, an options report will be produced for discussion with the Board at its regular May workshop.
- **Roading network review:** A fee proposal has been received for a desktop review of the roading network recommendations of the 2008 Wanaka Transportation and Parking Strategy. This is currently being reviewed with NZ Transport Agency. If this work proceeds as planned a report will be completed by mid-June 2015.

- **Cycling and Walking:** Development of network options will follow the NZTA business case approach. It is intended to workshop scenarios and options with the Wanaka Community Board and stakeholders in mid-May. This work will link with the Upper Clutha Tracks Network Strategy that is near completion

1.10. Complete, with NZ Transport Agency, construction of Glenda Drive and associated roads project (30 June):

Physical works are underway at present. Within the overall project, elements have been re-jigged to manage risks around potential delays in the delivery of materials and to coordinate with the construction timing of the adjoining Grant Road roundabout.

This means that the physical construction of the Glenda Drive state highway roundabout will not be completed until October this year. Nevertheless, access to Pak'n'Save and Mitre 10 properties – which were driving the timeframe for the project – will be achieved by mid-May 2015.

2. Community Services and Facilities

2.1. Library Services:

(a) Implement RFID and self-checkout (31 March):

The business case has now met with general approval and implementation of self-check and RFID is now in train with a goal of introducing in June 2015.

(b) Complete an options paper for Frankton library (31 March):

Consultation is being undertaken currently through the Long Term Plan process.

2.2. Wanaka Sports Facility:

(a) Whole of life cost estimates complete (30 August):

Complete.

(b) Designation change complete (1 December):

Complete.

(c) Construction commenced (30 June):

Closed tender underway, construction on schedule to begin mid-May, all building consents have been submitted with issue expected prior to May.

2.3. Award long-term outsourced lease of campgrounds (1 November):

Complete.

2.4. Complete review of vegetation management contracts (1 October):

Complete.

- 2.5. **Public Art Policy prepared (30 June):**
Complete.
- 2.6. **Secure designation change for Arrowtown Sports Facility site (31 March):**
Application lodged. Submissions close 24 April. Hearing set down for 9 June. The agreement between Council, the Queenstown Lakes Community Housing Trust, Sports Facility Trust and one neighbour is being finalised. Affected Party Approvals are being sought.
- 2.7. **Complete a review of the Queenstown Bay component of the Sunshine Bay to Kelvin Heights Foreshore Management Plan (30 June):**
Public notification of the intent to review the Queenstown component of the reserve management plan occurred on 1 April. Submissions are being received until 5 June. Next steps are to prepare an initial draft review of the Queenstown component of the reserve management plan, resolve overarching objectives, hold a Councillor workshop, receive submissions, identify key stakeholders and consult.

3. Regulatory functions and Services

- 3.1. **Establish Practice Statements for consenting (30 June):**
New Practice Notes on the Shotover Country Zone acoustic rule and Wanaka Airport have been finalised and are available on the website. Practice Notes on landscape assessments and engineering reports being finalised currently.
- 3.2. **Implement 2014 Enforcement Strategy (30 June):**
Key areas of impact for the month have included:
 - Alcohol bar monitoring of high/very high risk rated premises;
 - Extending the litter trial in the Queenstown CBD;
 - Monitoring of 21 resource consents and follow up action for an additional nine.
- 3.3. **Review the Liquor Bylaw (1 December):**
Complete.
- 3.4. **Notify trade-waste and water supply bylaws (1 December):**
Complete.
- 3.5. **Review Local Alcohol Policy/Local Approved Products and/or changes to the District Plan or a bylaw (30 June):**
LAPP – A report was included in the March Council meeting, and consultation is currently being undertaken on a proposed LAPP. Consultation is from 25 March to 30 April 2015.

LAP – Meetings with licensees have been arranged for April to discuss the issues regarding alcohol related harm in our community and possible solutions.

4. Environment

4.1. **Notification of Stage 1 of the District Plan (31 May):**

Stage 1 of the review is now anticipated to be notified in August. This is due to unanticipated workloads associated with SHAs, additional consultation and recruitment difficulties. The wider post-notification programme is being worked through currently and will be circulated in full to Councillors with commentary when in a suitable draft form.

5. Economic Development

5.1. **Adopt Economic Development Strategy (1 October):**

Complete.

5.2. **Review of Film Office functions within QLD (31 March):**

An initial letter to stakeholders has been prepared and is currently with the Mayor for review. The GM Corporate Services is scheduled to meet with the Trust on 15 April 2015 to outline the intended review of Council's funding.

5.3. **Proposed Queenstown Convention Centre – Report to Council on:**

(a) **Preferred operating model;**

No progress this month.

(b) **Alternative ratings model (30 September):**

Revised ratings tables and benefit analysis included in Long Term Plan consultation material.

5.4. **Lakeview Development:**

(a) **Complete plan change (30 June):**

Final legal submissions received. A recommendation is anticipated from the hearing panel for consideration in April/May 2015.

(b) **Complete new titles (1 April):**

The Lakeview Land Swap proposal was publicly notified on 7 April 2015. The submission period closes 8 May 2015.

(c) **Decision on the NTT Hot Pool development (1 April):**

No progress this month.

5.5. **Establish a Housing Accord (30 June):**

Complete. Expressions of interest for Special Housing Areas are to be considered by Council at the April Council meeting.

5.6. **Facilitate a Narrows Ferry Resource Consent application and decision (30 June):**

A stakeholder meeting was held to address matters of scope and determine a final proposal. Agreements in principle are yet to be finalised with key stakeholders. Preparation of a resource consent

application and further consultation with neighbours, mooring owners, boat shed owners and other parties is on hold until these agreements are progressed.

6. Local Democracy

- 6.1. ***Adopt Public Engagement and Significance Policy (1 December):***
Complete.
- 6.2. ***Complete Otago Regional Performance Benchmarking report (1 December):***
Complete.

7. Service

- 7.1. ***Implement new H&S requirements (30 June):***
Complete: A new H&S reporting framework was reviewed and agreed in March, whereby departments will now capture and report key Health & Safety information on a monthly basis. This framework will commence from April.

The 2015 Health, Safety & Wellbeing Policy has now been confirmed and is in place. The responsibilities of staff outlined in this document will feed into the 2015/2016 performance review and agreement process.

Online Accident, Incident and Hazard reporting via CiAnywhere (TechnologyOne front end) will be in place by 30 June 2015.

8. Financial management

- 8.1. ***Post TechOne implementation review of financial management and reporting (31 January):***
Complete.
- 8.2. ***Deliver Annual Plan (30 June):***
Part of Long Term Plan process (see below).
- 8.3. ***Deliver Long Term Plan (LTP) (30 June):***
The consultation document and supporting information was adopted by Council on 24 March 2015. The mandatory period of public consultation concludes on 30 April 2015. The LTP audit is programmed for completion in early April.
- 8.4. ***Complete Annual Report (1 November):***
Complete.
- 8.5. ***Review Development Contribution & Financial Contributions Policies (30 June):***
A revised policy based on the revised 10 Year capex programme and including reductions to the reserve land contribution will be consulted on in parallel to the LTP.

8.6. ***Contribute to the LGNZ Local Government Funding Review (31 March):***

Consultation on the draft paper is complete and will be finalised by the Working Group on 23 April.

8.7. ***Risk management – complete Mitigation and Management Schedule (31 January):***

Complete.

Other matters: Frankton Marina Development and Lease Agreement

Council approved a 2014/15 budget for the Frankton Marina development of \$50k. A development and lease agreement was executed between Lakes Marina Projects Ltd (LMP) and the Council in December 2014, and a resource consent was granted in February 2015 to LMP. The budget has now been fully expended, and it had been anticipated that any further involvement with QLDC would be minimal and accommodated within existing budgets.

However, an appeal by adjacent residents of the resource consent decision has now created project uncertainty from an LMP perspective. The matters under appeal are centred on proposed environment effects of development during construction and traffic impacts (both during construction and into the future) on Sugar Lane and the State Highway 6 intersection. LMP has communicated their intent to progress the project and commit to the appeal process.

In order to progress the development and lease agreement to final execution, further costs (legal and valuation advice) of approximately \$25k-\$30k are anticipated for negotiations and amendments required to the documentation. These costs can be transferred from uncommitted capital expenditure budgets of projects which have not progressed.

Mead Road

The Chief Executive advised the Wanaka Community Board at its meeting held on 15 April 2015 that there were ongoing issues regarding access to and ownership of Mead Road within the Hunter Valley Station. As a result of the discussion, the Board resolved as follows:

The Wanaka Community Board resolve to request Council and/or Council officers to bring finality to the legal status of the disputed section of Mead Road along the Hunter Valley Station by taking such steps as are necessary, including (if required) acquisition of the disputed section of road under the Public Works Act.