

**Minutes of an ordinary meeting of the Queenstown Lakes District Council held in the Council Chambers, 10 Gorge Road, Queenstown on Tuesday 30 June 2015 commencing at 1.00pm**

**Present:**

Mayor Vanessa van Uden; Councillors Aoake, Cocks, Ferguson, Forbes, Gilmour, MacLeod, Stammers-Smith and Stevens

**In attendance:**

Mr Adam Feeley (Chief Executive Officer), Mr Stewart Burns (Chief Financial Officer), Mr Peter Hansby (General Manager, Infrastructure), Mr Marc Bretherton (General Manager, Planning and Development), Mr Matthew Paetz (District Plan Manager), Mr Ulrich Glasner (Chief Engineer), Mr Lee Webster (Manager, Regulatory), Mr Blair Devlin (Manager, Resource Consenting), Mr Tony Pickard (Senior Planner – Policy), Mr Craig Barr (Senior Planner – Policy), Ms Kim Banks (Senior Planner – Policy), Mr Paul Speedy (Manager, Strategic Projects and Support), Ms Kristy Rusher (Senior Solicitor), Mr Michael Walker (Solicitor), Mr Tony Tudor (Quantity Surveyor, RLB Limited), Mrs Joanne Conroy (Property Manager, APL Property Ltd), Mrs Jan Maxwell (Arts and Events Facilitator), Ms Heather Morhart (Corporate Planning and Performance Advisor/Events Facilitator) and Ms Jane Robertson (Governance Advisor); 3 members of the media and approximately 50 members of the public

**Apologies**

Apologies were received from Councillors Gazzard and Lawton (both on approved leave of absence).

**Declarations of Conflicts of Interest**

Councillor Gilmour advised that she had a conflict of interest in respect of item 3 ('Plan Change 50 Queenstown Town Centre – Ratification of Commissioner Decision') as she was a property owner in the area affected by the Plan Change. She stated that she would leave the room for the item.

Councillors Gilmour and Cocks advised that they would take no part in the discussion for item 6 ('Plan Change 44 Henley Downs: Commissioners') as they were both the Commissioners discussed in the report. They agreed to withdraw from the table for this item.

Councillor Stevens stated that he had a greater than 10% financial interest in hospitality businesses in the district and questioned whether he should therefore withdraw from the meeting for discussion of item 10 ('Local Alcohol Policy – report on additional research'). He was reluctant to do so because he considered he could make a valuable contribution. The Chief Executive advised that this could be deemed a material conflict and recommended that Councillor Stevens sit back from the table for this item.

Also in relation to item 10, Councillor MacLeod advised that a business he owned possessed an on-licence, but the sale of alcoholic beverages was not the primary source of income from the business. He sought clarification if he too should withdraw from the table for the item. The Mayor recommended that Councillor MacLeod do so as this could also be deemed a conflict of interest.

Councillor Cocks advised in relation to item 10 that he was a member of the District Licensing Committee but would not derive any benefit from the Council's decision. The Mayor advised that it was appropriate for him to remain in the meeting for the item.

### **Matters Lying on the Table**

There were no matters lying on the table.

### **Confirmation of agenda**

The agenda was confirmed without addition or alteration.

### **Public Forum**

1. Simon Hayes

Mr Hayes urged the Council to continue efforts to persuade NZTA to review the options for the new Kawarau Falls Bridge. He noted that NZTA was now focussing on congestion at the BP roundabout but he questioned how they could accept that this was due to increased traffic without also factoring this into the BCR for the new bridge. He asked why they continued to use three year old data and described the current proposal as 'the wrong option and a \$20M mistake'.

2. Alyson Hutton (Brown and Company Planning Group), Noel Dunlop (Wakatipu Community Church)

Mrs Hutton stated that the church had concerns about the rules for the Medium Density Subzone relating to the land between Hansen Road and the Shotover River fronting the north side of SH6. The church had plans to build a new church in this area but had concerns about the rule requiring a structure plan for all the land within the area, without which any development would be deemed a prohibited activity. She noted that it was very difficult for landowners to undertake a structure planning exercise over land owned by multiple parties and under the current rules the first to develop the land would have to do so over all the land covered by the rule. She detailed the various problems with this and asserted that the proposed rule was neither efficient nor effective. She suggested other ways in which the Council could achieve the same outcome and asked the Council to reconsider the prohibited status before notification.

3. Scott Paterson, Chief Executive, Queenstown Airport

Mr Paterson expressed concern about rules in the new Residential Chapters permitting an increased density in medium density residential zones as this would allow more residences to be built in the area affected by the outer control air noise control boundary near the airport. He noted that covenants and strict building standards could address noise effects but the airport still had concerns about the potential impact of the new rule. He asked the Council not to approve

this change, both for the future of the airport and the residents who would have to live in houses impacted by noise.

4. Ralph Hanan

Dr Hanan favoured siting the new Kawarau Falls Bridge in a different site from the one proposed by NZTA. He noted that the group opposing the current proposal had tried without success to obtain the NZTA report reviewing the options until intervention by Hon Bill English. He was concerned that the report only reviewed two options (the current site and Boyd Road), neither of which he considered would relieve the congestion. He criticised NZTA's use of data from three years ago and questioned why the new assessment had resulted in a lower BCR. He expressed concern that NZTA was not listening to community concerns and seemed to be determined to site the bridge where they wanted to. He did not believe that a further review of the project would result the government deciding to scrap it.

5. Bill Sharpe

Mr Sharpe presented traffic counts taken at the BP roundabout and Kelvin Heights turn-off. These figures showed that 58% of traffic turned east at the roundabout (in the direction of Lake Hayes). The investigations also showed that 42% of vehicles used McBride Street rather than travelling through the roundabout. He believed that these figures proved the NZTA claim was incorrect that 70% of traffic turned left at the roundabout to go to Queenstown. He considered that this demonstrated that the NZTA modelling was outdated and did not reflect changed circumstances.

**On the motion of Councillors Gilmour and MacLeod it was resolved that the Council suspend Standing Orders to allow the public forum to extend for longer than 30 minutes.**

6. David Hay

Mr Hay advised that the Facebook page established to support the campaign to change the location of the new Kawarau Falls Bridge had received 1156 'likes' and he presented seven supportive comments from the page. He believed that this was a fair representation of the large number of people who believed that a bridge at the current site was a costly mistake.

7. Kirsty Sharpe

Mrs Sharpe questioned why NZTA had not taken into account the Henley Downs subdivision and the further development of Frankton Flats as it should be planning the development of a bridge that could cater for future growth. She cited many other factors that would increase the population to the east and south of Frankton and expressed concern that this growth had not been fully taken into account. She noted that government departments had a history of under-estimating population and development growth in the Queenstown Lakes District, adding that the burgeoning growth pointed to the need for a bridge to be built to the east of the proposed site so that it did not cut through the residential area.

8. Kevin Connor

Mr Connor considered that reports to date about the Kawarau Falls Bridge had been inadequate and asserted that NZTA was afraid of the unknown. He did not accept that a reassessment of the options should be time-consuming, stating that it should take months rather than years. He noted that Queenstown's efforts to change the site of the replacement bridge were supported by many other townships in Southland.

9. Olivia Wensley (Anderson Lloyd Lawyers)

Ms Wensley spoke on behalf of Allenby Farms Ltd. She noted that they were owners of part of Mt Iron and objected to inclusion of their land in Schedule 23.8.1. of the Vegetation Chapter as a Significant Natural Area. She noted that the land was a working farm and the owners saw themselves as guardians of its natural values. She asked the Council to take into account the owners' strong views and either remove the area from Schedule 23.8.1 or include it in an amended form which omitted a portion of land.

10. Tony Bennetts

Mr Bennetts stated he was a truck driver in Queenstown and travelled frequently through Frankton. He believed it made sense to adopt the alternative site for the Kawarau Falls Bridge. He disliked the attitude that Queenstown had to take this option already presented or get nothing. He supported retaining the existing bridge for light traffic.

11. Peter McMeeking

Mr McMeeking advised that he had undertaken a survey of traffic movements the previous Friday in Frankton and had discovered that many turned off the bridge and into McBride Street. He added that 70% of traffic going to Queenstown had to travel through Frankton. He believed that the new Eastern Access Road would have a significant impact on traffic flow.

12. Vince Jones, Glenorchy Community Association

Mr Jones advised that the criteria for selecting a new sewerage system were the best possible scheme with the lowest capital and operational costs. He added that Glenorchy was a low income area and the community did not want anyone to feel the necessity to leave because of the cost. He observed that other assessments indicated that capital and operational costs would be lower for the STEP/STEG system and he asked that the recommendation in the agenda report be amended to allow these options to be investigated further.

13. Ian Kirkland

Mr Kirkland noted that discussions had been taking place since 1992 about establishing a sewerage scheme in Glenorchy. He commended Ulrich Glasner for presenting information that most people understood and asked the Council to make a decision so that Glenorchy people knew where they were going.

14. Trish Fraser

Mrs Fraser presented a submission on behalf of herself and Paul Fraser, Bruce Farmer, Paul Chapman, Niki Gladding, Mark Grubb and Mark Spencer. She agreed that a sewerage scheme that would provide for the future growth of the township was needed in Glenorchy but asserted that STEP systems were more

affordable for small communities than conventional gravity reticulation. She presented costings which showed a difference of almost \$3million in capex cost between the recommended option ('Option B') and a STEP system. She asked the Council to add to its resolution on the agenda item the need for there to be further evaluation of the option selection assessment process.

15. Eric Hopgood

Mr Hopgood spoke about Hawthenden Farms (Wanaka), expressing the view that properties near the town centre should be developed first. He did not consider that the proposal had had regard to the 20/20 priorities which had determined that in-fill should occur first. The result was a development wedged in, neither allowing for farming activity or proper development.

16. Colin Goldthorpe (Clinical Psychologist), Hine Marchand (Salvation Army), Nicki Mason (Happiness House).

The speakers expressed support for the adoption of the LAPP, stating that they all worked in social service agencies and had observed the effect of psychoactive substances on young people in particular. Mr Goldthorpe stated that there had been a noticeable increase in demand for support services when these products had become available, noting that there had been a similarly noticeable decline in referrals when they had been banned. He noted that there was new research on the effect of these products on brain function and what were once deemed 'safe' products were now producing adverse effects. They urged Council to continue to lobby central government on this issue and commended Lee Webster for all his work to develop the LAPP.

17. Cath Gilmour

Ms Gilmour advised that she owned a property in the area covered by Plan Change 50 and had made two submissions to the Plan Change. She supported some aspects of the commissioners' recommendations but was disappointed overall that the Plan Change did not have a stronger commitment to affordable housing. She did not believe that a Council resolution to apply the provisions of Plan Change 24 had been followed through and if the Council was of a mind to adopt the recommendations she asked that the resolution also enshrine the Council's commitments to affordable housing.

18. Hebe Hilhorst, Victoria Boulton and Tatjana Reid (Wakatipu High School)

Mesdames Hilhorst, Boulton and Reid presented information about the '2015 Youth Declaration' which had been developed at the Aotearoa Youth Conference held in Auckland earlier in 2015. The declaration contained 15 key policy areas (broadly aligned with parliamentary select committees) for which different statements were developed during the course of the conference. They addressed the Council on three of the policies and the recommendations which had been developed for each: civic engagement, education, and ethics and equity.

The Mayor encouraged the students to convene a forum at school for discussing the implications of the Council's District Plan Review as this was something which would have a long-term effect on everyone in the community.

*The meeting adjourned at 2.28pm and reconvened at 2.40pm.*

**On the motion of Councillors Gilmour and MacLeod it was resolved that Standing Orders be reinstated.**

**1. 10 Year Plan Adoption**

A covering report from Meaghan Miller (General Manager, Corporate Services) introduced the final 2015-25 10 Year Plan for adoption, summarising the statutory provisions and consultative processes, the external and internal submissions approved for funding and the rating implications of the proposed budget. Volumes 1 and 2 of the 10 Year Plan were appended to the report as separate documents.

Mr Burns joined the table and advised of some minor amendments to the report recommendation. He advised that since preparation of the report the Plan had been audited and had received a clean audit. He noted that there were some minor typographical errors and editorial corrections still to do but he was nonetheless happy to recommend the Plan's adoption.

Councillor Cocks congratulated staff involved in compiling the 10 Year Plan, in particular commending Gaynor Webb for covering during Mr Burns' absence. The Mayor also thanked the Councillors for their work, noting that it had been a heavy workload, also coinciding with the District Plan Review. She observed that the economies made in previous years had now provided the Council with headroom to invest in significant projects for the community.

**On the motion of Councillors Cocks and Aoake it was resolved that the Council adopt the 2015-2025 10 Year Plan pursuant to sections 83, 83A, 85, 95 and 102 of the Local Government Act 2002.**

*Councillor Gilmour abstained from voting.*

**2. Statement of Intent, Queenstown Airport Corporation 2015/16**

A covering report from Stewart Burns (Chief Financial Officer) introduced the final Statement of Intent for the Queenstown Airport Corporation for 2015/16 in accordance with Sections 64 and 64 of the Local Government Act 2002. The Council had originally reviewed the draft Statement of Intent at its meeting held on 26 February 2015 and had made various suggestions for changes to the document and the Board of Directors had since considered these comments and approved a number of amendments.

Mr Paterson joined the table. He advised that the revised Statement of Intent also included updated financial forecasts and detailed the strong growth experienced at the airport over recent months. In reply to questions he commented further on the airport's future direction, its growth objectives and the anticipated effects of introducing evening flights.

**On the motion of Councillors MacLeod and Cocks the Council resolved that the Statement of Intent for**

**2015/16 for the Queenstown Airport Corporation be received.**

*With the agreement of Councillors, the Mayor advised that the order of the agenda would be altered and item 7 ('Glenorchy Community Sewerage Scheme') would be brought forward so that the people remaining in the public gallery could hear the discussion.*

## **7. Glenorchy Community Sewerage Scheme**

A report from Ulrich Glasner (Chief Engineer) discussed the options for a community wastewater scheme in the Glenorchy township and assessed the cost for each option. The report recommended that Concept Option B – Glenorchy Sewerage Scheme be advanced using Treatment/Disposal Site Option 2 – Peninsula Site combined with Reticulation Option 1 – Hybrid Gravity/Pressure Sewer Reticulation and the Treatment Process Option 2 – Package Treatment Plant.

Mr Glasner and Mr Hansby joined the table. Mr Glasner advised of a correction to one of the cost estimates in the report. He also advised that the Medical Officer of Health had recently confirmed that Public Health South was fully in support of the proposal to install a community sewerage scheme. He paid tribute to the input of the community into the project and their work with staff to identify the best solution.

Consideration was given to the concerns raised in the Public Forum about the selection of the recommended option over the Septic Tank Effluent Pumping ('STEP') system and the requests for the Council to re-evaluate the option selection assessment process in light of investigations which indicated the lower overall cost of the STEP system. The Council agreed to amend the recommendation to allow for a further assessment of the options.

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

- 1. Note the contents of this report and in particular:**
  - a. Status quo is not an option going forward.**
  - b. The final project plan and costings will need to go to the Glenorchy Community for a vote of support.**
  - c. The recommendations to move this project forward to detail design, assessment of environmental effects and resource consent.**
- 2. Approve Concept Option B – Glenorchy Sewerage Scheme for the Glenorchy Township using a hybrid gravity/pressure sewer system reticulation combined with a package treatment plant and land application area located at the Peninsula Site, provided it is confirmed by re-evaluation of the Septic Tank Effluent Pump ('STEP') option.**

3. Authorise staff to initiate the re-designation process for the Peninsula Site.
4. Authorise staff to initiate the assessment of environmental effects and to prepare and lodge the resource consent application for the discharge of wastewater to land with the Otago Regional Council.
5. Authorise staff to undertake the detailed design as required and prepare more detailed costings for the project.
6. Authorise staff to continue to consult with the Glenorchy community over the scheme costs and resident cost contributions.
7. Take the final project plan to the community for a vote of support.
8. Direct staff to report back to the Council over the outcome of the re-designation, assessment of environmental effects, resource consent application, community consultation/vote and project costings to get approval to proceed with the tender process.

*The meeting returned to the original order of the agenda items.*

*Councillor Gilmour left the meeting at 3.15pm.*

### **3. Plan Change 50 Queenstown Town Centre Zone – Ratification of Commissioners' Decision**

A report from Marc Bretherton (General Manager, Planning and Development) introduced the Commissioners' recommendation on submissions to Plan Change 50 Queenstown Town Centre Zone and sought ratification of it as a Council decision for notification. The report also discussed the key differences in the Commissioners' decision from the Plan Change as originally notified.

Marc Bretherton and Janette Campbell from Meredith Connell joined the table. There was further discussion about the changes from the original to the present recommended provisions and the appeal processes and timeframes. Members were reminded that their only options available were to adopt or reject the recommendations in full.

Councillor Forbes expressed concern that the no provision had been made in the Plan Change for affordable housing. In response, Ms Campbell observed that the Plan Change was enabling and contained nothing which limited or



precluded the introduction of affordable housing. It was further noted that as the landowner, the Council was able to decide what it wished to do with the land.

**On the motion of the Mayor and Councillor Cocks the Council resolved that**

- 1. Note the contents of this report;**
- 2. Agree to adopt the Commissioners' further evaluation of Plan Change 50 under s 32AA of the Resource Management Act 1991;**
- 3. Have particular regard to the further evaluation undertaken in accordance with clause 10(2)(ab) of Schedule 1 to the Resource Management Act 1991**
- 4. Agree to adopt the Commissioners' recommendations as Council decisions;**
- 5. Agree to adopt the reasons that the Commissioners give for accepting or rejecting the submissions and further submission on Plan Change 50; and**
- 6. Direct staff to notify the decision in accordance with the Schedule of the Resource Management Act 1991.**

*Councillor Stammers-Smith voted against the motion and Councillor Forbes abstained from voting.*

*Councillor Gilmour returned to the meeting at this point.*

#### **4. Consideration of feedback on the draft Queenstown Town Centre Transport Strategy**

A report from Denis Mander (Principal Planner, Infrastructure) advised of feedback received on the draft Queenstown Town Centre Transport Strategy and sought the appointment of a hearings panel to hear and consider submissions. The report recommended that the two Infrastructure Portfolio leaders be appointed to the panel (Councillors Cocks and Forbes) but also sought the appointment of two additional members to the panel.

It was noted that the objective was to hold the hearing in early July so that a report could be presented to the ordinary Council meeting on 30 July. Mr Mander clarified that 61 submissions had been received and of these, 15 wished to speak at a hearing.

Councillor Aoake and Mayor van Uden expressed an interest in being part of the hearings panel.

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

- 1. Note the contents of this report; and**
- 2. Appoint the Mayor and Councillors Aoake, Cocks and Forbes as the hearings panel to hear feedback on the draft Queenstown Transport Strategy.**

*The order of agenda items was varied to accommodate staff attendance at the meeting.*

#### **8. Cardrona Wastewater treatment plan**

A report from Ulrich Glasner (Chief Engineer) detailed the options assessed for providing wastewater and water supply infrastructure in Cardrona, advising that the preferred solution was to purchase the Baxter2009 wastewater treatment plant and disposal field along with the village water supply as soon as possible and progress the development of the Cardrona Valley Pipeline ready for construction in 2019/20.

Mr Glasner advised that the Medical Officer of Health (Public Health South) was in support of the proposed approach but had concerns about potential impacts if the project was delayed.

It was noted that a similar report had already been presented to the Wanaka Community Board at its meeting held on 17 June and the Board was fully in support of the recommended direction.

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

- 1. Note the contents of this report and in particular:**
  - a. Further work may be required to get Public Health South to accept the interim solution proposed.**
- 2. Adopt Wastewater Option 5 (Cardrona Valley Pipeline, with purchase of Baxter2009 in the interim) as the preferred way forward for wastewater treatment and disposal for Cardrona.**
- 3. Adopt Water Option 1 (Purchase of Village Water Supply) as the preferred way forward for managing the provision of potable water in Cardrona.**
- 4. Authorise Council staff to:**
  - a. Enter into a sale and purchase agreement with Baxter2009.**
  - b. Enter into a sale and purchase agreement with Cardrona Water Supply Limited.**

- c. **Begin negotiations with Mt Cardrona Station and Cardrona Alpine Resort to agree delivery options and funding arrangements in respect to the Cardrona Valley Pipeline.**
  - d. **Take the detailed business case to the community for consultation and indication of support.**
5. **Approve the following funding changes:**
- a. **Bring forward capex of \$580k into 2015/16.**
  - b. **Bring forward capex of \$858k into 2016/17.**

*Consideration of the agenda items returned to the original order.*

**5. Council Delegations to Officers and Hearings Commissioners**

A report from Michael Walker (Solicitor) proposed some amendments to delegations to Officers and Hearings Commissioners under the Resource Management Act 1991 and the Local Government Act 1974.

Mr Walker and Ms Rusher joined the table. The Council acknowledged the contribution made by Kristy Rusher during her time as Senior Solicitor at the Council and welcomed Michael Walker who had recently commenced in the position as Solicitor.

The Mayor asked staff to explain why the change to delegations was proposed. Mr Walker advised that the changes were recommended to make Hearings Commissioner powers consistent with those of Officers (Section 37 RMA); to allow resource consents and outline development plans to be lodged by an instructing department (Ss 88,176 and 176A RMA) and to allow Hearings Commissioners and Officers to grant approvals so that they can be considered at the same time as resource consents (Section 348 LGA 1974).

**On the motion of Councillors Stammers Smith and Stevens it was resolved that Council**

1. **Note the contents of this report; and**
2. **Amend as from 30 June 2015 the existing delegations to the other officers in the manner set out in Attachment A [Appendix A to these minutes].**

**6. Plan Change 44 Henley Downs: Commissioners**

A report from Matthew Paetz (District Plan Manager) recommended that Councillor Cocks replace Councillor Gilmour on the panel for this hearing so that a hearing could take place in July 2015.

**On the motion of Councillors Stammers-Smith and Aoake it was resolved that Council:**

- 1. Note the contents of this report; and**
- 2. Appoint Councillor Cocks to replace Councillor Gilmour on the Hearings Panel for Plan Change 44.**

**9. Wanaka Pool: Preliminary Design and Procurement Options**

A report from Marc Bretherton (General: Manager Planning and Development) set out the outcomes of the preliminary design and peer review, presented costings and sought direction from Council on the timing of delivery of the new pool based on the revised costings, noting that there were two alternative scenarios. The first option ('A') was to bring the project forward (commencing January 2016) to make savings from project delivery efficiencies and to minimise the cost escalation risk. The alternative (option 'D') was to defer the project until after 2019/20 to ensure additional funding sources could be secured while avoiding increased operating deficits which will occur once the new pool begins operation. The report noted that of the four options presented, continuing with the current timeline was deemed the worst and recommended that the Council select either option 'A' or option 'D'.

Marc Bretherton and Tony Tudor (Quantity Surveyor, RLB Limited) joined the table.

It was noted that there was still uncertainty about the exact cost of the recommended options.

There was further discussion about the risks of bringing the funding forward and the questions that this might raise about the Council's procurement processes. There was also concern if community fundraising did not reach its target of \$1.8million that rates would be higher than the currently anticipated \$184/household and the impacts on the present funding model. Members considered whether the item should be delayed pending further legal advice on these issues. Councillor MacLeod stated that he was opposed to deferring the item as he believed that there was an overwhelming desire in the Wanaka community for the project to be progressed.

The Chief Executive suggested that if the Council was of a mind to bring the project forward, it could make this conditional upon obtaining further advice around implications for the funding model and procurement probity. Councillors supported this proposal and the resolution was amended accordingly.

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

- 1. Note the contents of this report, and in particular that:**
  - a. Recommendations to the preliminary design includes additional floor space/separation distances; extension to the Learn To Swim Pool; and a spa pool;**

- b. The costs of these changes are within the amended budget for the Ten Year Plan;
  - c. The proposed project timeline for delivery of the new pool creates inefficiencies of approximately \$400-500k, which could be removed if the project was brought forward by one year;
  - d. The net increase in operating deficit from the current pool at Plantation Road to the proposed new pool is approximately \$666k per annum;
  - e. Delaying the project will give rise to estimated escalation costs which are approximately the equivalent to savings achieved from not incurring the additional operational deficit;
  - f. Of the Options A-D presented in this report, continuing with the current timeline is rated as the worst of all options.
2. Approve Option A for the commencement of the new pool project commencing in January 2016 on a negotiated basis with the current main contractor, subject to further advice around implications for the funding model and procurement probity and with the consequential budgetary changes that:
- a. \$6,213,000 of funding is brought forward from the 2015/16 year to supplement the existing \$601,000 in order to adequately cash flow a proposed January 2016 construction start on the complex.
  - b. Approve the balance of the proposed \$12,281,000 LTP funding for expenditure in the 16/17 year.

*Motion carried with the Mayor recording her vote against the motion.*

*Councillors MacLeod and Stevens withdrew from the table for item 10.*

#### **10. Local Alcohol Policy – Report on additional research**

A report from Lee Webster (Manager, Regulatory) advised of situation at present with territorial authorities and the adoption (or not) of a Local Alcohol Policy. He advised that some guidance could be gleaned from the cases processed to date but stressed the particular challenges for the Queenstown Lakes District. Accordingly, he recommended the establishment of a working party which contained elected members, agency representation, licensees, policy planners and a legal advisor. The aim of this working party would be to determine if a Local Alcohol Policy was needed in 2015/16 or if the development should be delayed while further policy and practice emerged.

Mr Webster joined the table. He stated that in addition to the letter from New Zealand Police circulated prior to the meeting indicating support for the report recommendation, he had also been advised by the Medical Officer of Health (Public Health South) of support for the proposed way forward.

**On the motion of Councillors Ferguson and Stammers-Smith it was resolved that the Council:**

- 1. Note the contents of this report;**
- 2. Accept that further investigation to establish the need for a Local Alcohol Policy in the 2015/2016 is required.**
- 3. Appoint the Mayor and Councillors Aoake and Lawton to participate in a working party to determine the need for a Local Alcohol Policy in 2015/2016.**
- 4. Direct the Manager, Regulatory to report back to Council by 30 June 2016, determining if a Local Alcohol Policy is needed and when.**
- 5. Direct the Manager, Regulatory to develop a draft Local Alcohol Policy should further investigation establish that a Local Alcohol Policy is needed in 2015/2016, and to report back to Council by 30 June 2016.**

#### **11. Local Approved Products Policy 2015**

A report from Lee Webster (Manager, Regulatory) presented the final version of the Council's Local Approved Products Policy following completion of the special consultative procedure.

**On the motion of Councillors Gilmour and Aoake it was resolved that the Council:**

- 1. Note the contents of this report;**
- 2. Accept the recommendation of the Local Approved Products Policy Hearing Panel to adopt the Local Approved Products Policy 2015.**
- 3. Adopt the Local Approved Products Policy 2015.**
- 4. Agree to write to the Minister for Health to support a ban on psychoactive substances.**

*The Mayor left the meeting at 4.19 pm and the Deputy Mayor took the Chair.*

**12. Plan Change 49 Earthworks – Ratification of Commissioner Decision**

A covering report from Tony Pickard (Senior Planner – Policy) introduced the Commissioner recommendation (attached to the report) on submissions to Plan Change 49 Earthworks and sought its ratification as a Council decision for public notification.

*The Mayor returned to the meeting at 4.20pm.*

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

- 1. Note the contents of this report;**
- 2. Agree to adopt the Commissioner recommendation as a Council decision; and**
- 3. Direct staff to notify the decision in accordance with the 1<sup>st</sup> schedule of the Resource Management Act 1991.**

**13. District Plan Review: Residential Chapters**

A report from Matthew Paetz (District Plan Manager) introduced the proposed District Plan residential chapters

Consideration was given to the concerns raised in the Public Forum by the Wakatipu Community Church and the Queenstown Airport about the potential impacts of provisions contained within the chapters on future developments that they proposed.

Staff circulated large scale maps of the different residential zones for the Council's review.

*The Mayor left the meeting at 4.22pm and the Deputy Mayor took the Chair.*

Mr Paetz noted that the airport had raised concerns about permitting medium density development in Frankton. He advised that staff were already in discussions with the airport on this issue and whilst the airport's importance for the district was acknowledged, this needed to be balanced with the district's critical housing issues and Frankton's potential for intensification. He recommended that the Council make no change to the proposed chapter at this time and allow staff to continue working with the airport on a possible resolution. He added that only a small area of land on the northern area of State Highway 6 was within the outer control noise boundary.

He proposed a similar response to the Wakatipu Community Church, suggesting that they be encouraged to make a submission seeking the change they sought when the chapter was publicly notified rather than making amendments ad hoc at the meeting.

*The Mayor returned to the meeting at 4.27pm.*

In relation to the Medium Density Residential rules, Councillor Gilmour suggested that instead of offering the non-notification incentive on a development achieving a 6 star rating five years after the zone is made operative, that the time limit instead be within five years of resource consent being received. She believed that this would provide a greater incentive to undertake the development as well as being an anti-land-banking initiative. Mr Paetz stated that he considered the relaxation of the density standards would be a greater incentive for development and the requirement to action within five years was in place anyway. However, he agreed that there could be value in having more discussion about options to decouple the two incentives and suggested that further consideration be given to the issue in a workshop.

Councillor Stevens questioned the reference to the Arrowtown Design Guidelines in rule 7.6.1, noting that they were now 9 years old consideration should be given to updating them. Mr Paetz agreed and undertook to give more thought on how the design guidelines could be reviewed.

Councillor Stevens asked about investigations undertaken into the capacity of existing infrastructure. Mr Paetz noted that this had been undertaken as part of the Section 32 assessment and could be provided for his review.

Councillor Cocks suggested that activity centres within the Medium Density Residential zone include schools. He also asked that the area of Scurr Heights by the school be included in the Wanaka residential zone maps.

A question was raised about the omission of the former primary school site from the central Wanaka maps. Mr Paetz advised that all designated sites had been excluded at this stage but further consideration would be given to them in stage 2 of the District Plan Review.

**On the motion of Councillors Gilmour and Ferguson it was resolved that the Council:**

- 1. Note the contents of this report and in particular:
  - i. The Resource Management issues associated with the current provisions;**
  - ii. The RMA Section 32 evaluations;**
  - iii. The proposed provisions, as amended.****
- 2. Accept the provisions, as amended.**
- 3. Note that the entire package will be brought back for Council's final approval along with other provisions forming stage one of the District Plan Review, prior to public notification.**
- 4. Authorise officers to make further minor changes to the Section 32 evaluation reports, guidelines and provisions without further recourse to the Council, where this is necessary to:**



- i. **Ensure consistent numbering and formatting of the proposed District Plan text;**
- ii. **Fix identified minor errors and/or omissions;**
- iii. **Ensure continuity with other proposed provisions.**

**14. District Plan Review: Proposed Tangata Whenua Chapter**

A report from Tony Pickard (Senior Planner – Policy) introduced the proposed Tangata Whenua chapter to the Council for acceptance.

The Mayor asked about levels of engagement with local tangata whenua. Mr Pickard advised that feedback from Kai Tahu ki Otago and Te Ao Marama had not been in accord but staff wished to be non-partisan and it was recommended therefore that the chapter be adopted for consultation as drafted. He noted that there was an acceptance from both that their concerns could be addressed via the submissions process.

*Councillor Gilmour left the meeting at 4.53 pm.*

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

1. **Note the contents of this report;**
2. **Accept the content of the Tangata Whenua Chapter and Section 32 evaluation;**
3. **Note that the entire package will be brought back for Council's final approval along with other provisions forming stage one of the District Plan Review, prior to public notification.**
4. **Authorise officers to make further minor changes to the Section 32 evaluation reports, guidelines and provisions without further recourse to the Council, where this is necessary to:**
  - i. **Ensure consistent numbering and formatting of the proposed District Plan text;**
  - ii. **Fix identified minor errors and/or omissions;**
  - iii. **Ensure continuity with other proposed provisions.**

*Councillor Gilmour re-entered the meeting at 4.54 pm.*

**15. District Plan Review: Proposed Heritage Chapter**

A report from Tony Pickard (Senior Planner – Policy) introduced the Historic Heritage provisions for the District Plan Review for the Council's acceptance, following further consultation on the Inventory of Protected Features.

A request was made to extend the heritage precinct in Marine Parade to include the Memorial Gates and the Bathhouse. In reply it was noted that these items were not related to each other, were not pre-1900 and were on designated reserve and therefore covered by the Reserve Management Plan. By contrast, the precinct had been confined to an authentic heritage group, the elements of which had a connection with other. Councillors accepted these reasons but asked that the map be amended so that none of the grassed area was included. A request was also made to reference the historic nature of the Memorial Gates, pathway and bathhouse in the Reserve Management Plan.

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

- 1. Note the contents of this report;**
- 2. Accept the content of the revised Historic Heritage Chapter and Section 32 report.**
- 3. Note that the entire package will be brought back for Council's final approval along with other provisions forming Stage 1 of the District Plan Review, prior to public notification.**
- 4. Authorise officers to make further minor changes to the Section 32 and Provisions without further recourse to Council, where this is necessary to:**
  - a. Ensure consistent numbering and formatting of the proposed District Plan text; and,**
  - b. To fix identified minor errors and/or omissions.**
  - c. Ensure continuity with other proposed provisions.**

**16. District Plan Review: Resort Zone provisions – Jacks Point**

A covering report from Matthew Paetz (District Plan Manager) introduced the Jacks Point provisions which formed part of the Resort Zone provisions for the Council's acceptance.

A request was made for a rule to be added protecting night sky glare.

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

- 1. Note the contents of this report and in particular:**
  - i. The Resource Management issues associated with the current provisions.**
  - ii. The RMA Section 32 Evaluation.**
  - iii. The proposed provisions as amended.**
- 2. Agree to accept the provisions as amended.**

- 3. Note that these provisions will be brought back for Council's final approval along with other provisions forming stage 1 of the District Plan Review, prior to statutory consultation and public notification.**
- 4. Authorise officers to make further minor changes to the Section 32 Evaluation reports and provisions without further recourse to the Council, where this is necessary to:**
  - i. Ensure consistent numbering and formatting of the proposed District Plan text; and**
  - ii. To fix identified minor errors and/or omissions.**
  - iii. Ensure continuity with other proposed provisions.**

**17. District Plan Review: Vegetation Chapter**

A report from Craig Barr (Senior Planner – Policy) presented the proposed District Plan vegetation chapter (comprising: indigenous vegetation, wilding exotic trees and protected trees) for the Council's acceptance.

Staff were asked to comment further on the request made in the Public Forum not to include part of Allenby Farms as a Significant Natural Area. Staff reported that the issue had been under discussion for several years but there was no ecological reason to exclude the area identified. Members observed that the area sought by Allenby farms for exclusion was adjacent to a residential zone with generally flat topography.

**On the motion of Councillors Stammers-Smith and Aoake it was resolved that the Council:**

- 1. Note the contents of this report and in particular:**
  - i. The Resource Management issues associated with the current provisions.**
  - ii. The RMA Section 32 Evaluation.**
  - iii. The proposed provisions.**
- 2. Accept the provisions.**
- 3. Note that these provisions will be brought back for Council's final approval along with other provisions forming stage 1 of the District Plan Review, prior to statutory consultation and public notification.**
- 4. Authorise officers to make further minor changes to the Section 32 Evaluation reports and provisions without further recourse to the Council, where this is necessary to:**
  - i. Ensure consistent numbering and formatting of the proposed District Plan text; and**

- ii. To fix identified minor errors and/or omissions.**
- iii. Ensure continuity with other proposed provisions.**

On behalf of the Council, the Mayor acknowledged the significant amount of work undertaken by Planning and Development staff to complete the chapters presented at the meeting in preparation for notification of Stage 1 of the District Plan Review.

## **18. Mayor's Report**

A report from the Mayor:

- a) Set out the functions and meetings attended during the period 3-30 June 2015;
- b) Sought a correction to the confirmed minutes of the Council meeting held on 24 March 2015;
- c) Advised of the recommendations from the Wanaka Community Board in relation to the Cardrona wastewater and water supply options;
- d) Presented updates from the three Portfolio Leaders;
- e) Summarised the items from and appended the minutes of the following meetings:
  - Property Subcommittee, 28 May 2015
  - Resource Consent Commissioner Appointment Committee, 28 May 2015 (draft minutes)
  - Property Subcommittee, 17 June 2015 (draft minutes)
- f) Detailed the actions taken from previous Council meetings:

*The Chief Executive left the meeting at 5.15 pm.*

The Mayor detailed some of the discussion which had taken place between herself and the Hon Dr Nick Smith (Minister of Building and Housing and Minister of the Environment) during their recent meeting.

*The Chief Executive re-entered the meeting at 5.20pm.*

Councillor Cocks undertook to clarify to whom the tender had been awarded for the Brownston Street parking project.

Councillor Gilmour provided a verbal update on an item from the actions list (track maintenance standards), noting that she had recently discussed the issues having cycled the Frankton Track with staff and Asplundh representatives. She noted that the item could now be removed from the actions list.

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

- 1. Note the report;**
- 2. Approve the following alteration to the confirmed minutes of the ordinary Council meeting held on 24 March 2015:**

**Removal of the words: 'terms of reference of the Resource Consent Commissioner Appointment Subcommittee'.**

- 3. Grant a new ground lease to the Wanaka Watersports Facility Trust over approximately 800m<sup>2</sup> of Recreation Reserve known as Section 31 Blk III Lower Wanaka SD, subject to the following terms:
  - a. 33 year term;**
  - b. Rent pursuant to the Community Pricing Policy and reviewed every 2 years;**
  - c. Resource and building consent being granted;**
  - d. Construction to be completed within 3 years of lease approval;**
  - e. Building materials to be on site only once construction has commenced;**
  - f. Maintenance of building and landscape obligations to be agreed.**
  - g. Ownership of improvements to transfer to Council on lease expiry.**
  - h. Any risks relating to flooding or branches falling from trees to be borne by the Lessee;**
  - i. No storage of equipment (including boats and trailers) outside of the building.**
  - j. Other terms as deemed required by Council.****
- 4. Grant affected party approval covering the proposed building to the Wanaka Watersports Facility.**
- 5. Grant affected party approval to the Wanaka Watersports Facility for the resource consent application to Otago Regional Council for the proposed bund.**
- 6. Delegate final terms and conditions of the ground lease and execution authority to the General Manager, Infrastructure.**
- 7. Exercise the Minister's prior consent (under delegation from the Minister of Conservation) to the granting of the new lease.**

#### **19. Chief Executive's Monthly Report**

A report from the Chief Executive provided updates on progress with the 2014/2015 work programme.

Contrary to what was stated in the report, it was noted that the Audit and Risk Committee had not occurred on 19 June 2015 due to adverse weather conditions.

**On the motion of Councillors MacLeod and Stevens it was resolved that the Council note the report.**

### Confirmation of Minutes

The following amendments were agreed to the minutes of the ordinary Council meeting held on 3 June 2015:

Page 6, line three: 'She noted that there were already ~~water~~ capacity issues at the Arrowtown School....'

Pages 7-8: (Amendments underlined)

#### 1. **Special Housing Areas Expressions of Interest ['EOI']: Assessment and Recommendations**

A report from Matthew Paetz (District Plan Manager) assessed 13 Expressions of Interest for Special Housing Areas for the Council to consider for recommendation to the Minister for Building and Housing. The report recommended that four proposals be recommended to the Minister.

...

He added that HASHA was much stricter about the provision of infrastructure than the Resource Management Act and that infrastructure could also include social infrastructure.

In response to concerns expressed in the Public Forum about the robustness of the assessment matrix, Mr Bretherton stated that it had been developed from an existing lead policy and whilst some of the ratings were arbitrary he believed that the matrix provided a fair assessment of each proposal. He acknowledged that some of the categories were binary so scores were often repeated but considered that it accurately reflected the lead policy. He agreed that the matrix did not take into account planning context or history.

...

Discussion then focused on the officer's recommendation to recommend the Special Housing Areas 'Shotover Country', 'Arthurs Point North', 'Onslow Road' and 'Highview Terrace' to the Minister of Building and Housing.

Councillor Gilmour did not support the officer recommendation. She expressed concern that once a recommendation was made the Council would have little ability to ensure the urban design, sustainability and infrastructural prerequisites in its lead policy would be adhered to. She believed that further investigation was needed on all four proposals to ensure that the community did not end up paying for infrastructural upgrades. She also considered that negotiation was needed to ensure lead policy criteria were met, including affordability and community housing retention. She acknowledged the

importance of balancing housing needs with retaining the special character of Arrowtown, but stressed that the Council and the community needed to look more broadly at the issue of affordable housing. She put forward an alternative motion which proposed further assessments and consideration by Council before any proposals were recommended to the Minister of Building and Housing.

Consideration was given to the alternative motion. Councillor Forbes expressed some concern about the Highview Expression of Interest ....

**On the motion of Councillors Gilmour and Aoake it was resolved that the public part of the minutes of the ordinary meeting of the Queenstown Lakes District Council held on 3 June 2015 as amended be confirmed as a true and correct record.**

Councillor Gilmour advised that she remained concerned about the level of detail to be provided in a Councillor's 'Disclosure of Pecuniary and Other Specified Interests' and the fact that this information would be published on the Council's website. The Mayor advised that she agreed with her concerns and asked the Chief Executive to give further consideration to how this could be managed.

**Resolution to exclude the Public**

**On the motion of Councillors Aoake and Stammers-Smith 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 9: Gorge Road and Shotover Street Premises (Attachment C)**

**Item 12: Wanaka Office Upgrade Project Update**

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
9. Gorge Road and Shotover Street Premises	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: g) Maintain legal professional privilege	Section 7(2)(g)

**QUEENSTOWN LAKES DISTRICT COUNCIL**

**30 JUNE 2015**

**Page 24**

<p>12. Wanaka Office Upgrade Project Update</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>i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);</p>	<p>Section 7(2)(i)</p>
---	---	------------------------

**Agenda items:**

- Item 20: Appointment of Hearing Commissioner(s) to hear and determine an application for resource consent under the Housing Accords and Special Housing Areas Act 2013**
- Item 21: New Lease over historic Old Church, Romans Lane, Arrowtown**
- Item 22: Events Funding Applications 2015-16**

<p><b>General subject to be considered.</b></p>	<p><b>Reason for passing this resolution.</b></p>	<p><b>Grounds under Section 7 for the passing of this resolution.</b></p>
<p>20. Appointment of Hearing Commissioner(s) to hear and determine an application for resource consent under the Housing Accords and Special Housing Areas Act 2013</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 that of deceased natural persons</p>	<p>Section 7(2)(a)</p>
<p>21. New lease over historic old church, Romans Lane, Arrowtown</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) necessary to 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>Section 7(2)(h)</p> <p>Section 7(2)(i)</p>



22. Events Funding Applications	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:  b)ii) protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.	Section 7(2)(b)(ii)
---------------------------------	--	---------------------

**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 non-public at 5.30pm.*

*The meeting moved out of public excluded and concluded at 6.15pm.*

**CONFIRMED AS A TRUE AND CORRECT RECORD**

---

**M A Y O R**

**30 July 2015**

---

**D A T E**

Appendix A

Delegations from Council to Officers under the RMA and LGA 1974

<b>Resource Management Act 1991</b>		
<b>Section</b>	<b>Description</b>	<b>Delegated to</b>
37	Power to extend time periods as provided in this section	Resource Consenting Manager  Hearings Commissioner
88	Power to lodge a resource consent application	<b>General Manager Infrastructure</b>  <b>General Manager Planning and Development</b>  <b>General Manager Corporate Services</b>
176	Power to give written consent in relation to land subject to Council designation	<b>General Manager Infrastructure</b>  <b>General Manager Planning and Development</b>  Manager Parks and Commercial Operations
176A	Power to request changes & to waive requirement for an outline plan  <b>Power to lodge an outline plan</b>	<b>General Manager Infrastructure</b>  <b>Manager Parks and Commercial Operations</b>  Resource Consenting Manager

<b>Local Government Act 1974</b>		
<b>Section</b>	<b>Description</b>	<b>Delegated to</b>
348	Power to grant or decline an application to lay out or form any private road or private way, or grant or reserve a right of way over any private way, in the district.	<b>Senior Planner</b>  <b>Subdivision Planner</b>