

**Minutes of an ordinary meeting of the Queenstown Lakes District Council held in the Council Chambers, 10 Gorge Road, Queenstown on Thursday 28 July 2016 commencing at 9.04am**

**Present:**

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

**In attendance:**

Mr Mike Theelen (Chief Executive Officer), Mr Peter Hansby (General Manager, Infrastructure), Mr Tony Avery (General Manager, Policy and Development), Ms Meaghan Miller (General Manager, Corporate Services), Mr Lee Webster (Manager, Regulatory), Mr Blair Devlin (Manager, Planning Practice), Mr Stephen Quin (Parks and Reserves Planning Manager), Mr David Wallace (Manager, Resource Management Engineering), Mrs Joanne Conroy (Property Advisor, APL Property Ltd), Ms Gaynor Webb (Financial Advisory Manager), Mrs Meghan Pagey (Human Resources Manager), Ms Anita Vanstone (Senior Planner – Policy) and Ms Jane Robertson (Governance Advisor); two members of the media and five members of the public

**Apologies**

Apologies were received from Councillor Forbes and Councillor Lawton and an apology from Councillor Ferguson for lateness.

**On the motion of Councillor Gilmour and Stevens the Council resolved that the apologies be accepted.**

**Leave of Absence Requests**

The following requests for Leave of Absence were made:

- Councillor Stammers-Smith: 29 July – 18 August
- Councillor Aoake - 15-28 August
- Councillor Gazzard: 27 August – 8 September

**On the motion of Councillors Gilmour and MacLeod the Council resolved that the requests for Leave of Absence be granted.**

**Declarations of Conflicts of Interest**

- Councillor Gilmour queried whether, as a Trustee of the Central Lakes Trust, which had a funding arrangement for the new cycle trails linking Queenstown Lakes to the Central Otago District, she had a conflict of interest in relation to the agenda item. The Mayor advised that she considered this was a conflict and asked Councillor Gilmour to sit back from the table for discussion of this item.

- Councillor Stammers-Smith advised that he had acted as a legal advisor to the Youngs many years previously. The Mayor stated that because of the time elapsed since this occurrence, she did not consider there was any conflict of interest.

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

**On the motion of Councillor Cocks and Aoake the Council resolved that the items 'Proposed new lease to Canterbury Westland Kindergarten Association Incorporated for the Frankton Kindergarten' and 'New Ground Lease – Kingston Community Association' be uplifted from the table for consideration at this meeting.**

### **Confirmation of agenda**

The Mayor noted that a representative from the Canterbury Westland Kindergarten Association Inc was attending the meeting to hear the agenda item and she sought the Council's agreement to defer the item until the person arrived. It was agreed to vary the agenda to delay this item.

### **Public Forum**

1. Revell Buckham, appearing on behalf of Penny Young and Rachel Young  
Mr Buckham commented on the recommendations from the hearings panel on the new lease for the Young Family to occupy recreation reserve to operate their zoological garden at Frankton. He questioned whether a reserve management plan would be prepared within 5 years and detailed various concerns and risks for the Young family under this scenario. He suggested that with so many unknowns, a preferred outcome was to grant a lease for 10 years, with the right for the Council to terminate at its discretion on (say) 2 years' notice. However, if the Council was still of a mind to tie the granting of the lease to the preparation of a Reserve Management Plan, he suggested that the lease be granted for 10 years or for a period of six months from when the Reserve Management Plan was adopted and implemented, whichever period was lesser, but in any event, not less than 5 years from 1 August 2016.
2. Kaye Parker  
Mrs Parker addressed the agenda item concerning cycle trails linking the Queenstown Lakes and Central Otago districts. She noted that such a facility would rival trails around the world and would be the longest in the South Pacific. She encouraged the Council to agree to be the controlling authority and to maintain the trails for three years, noting that there were already discussions underway with central government for alternative long-term maintenance arrangements.

*Councillor Ferguson entered the meeting at 9.12 am.*

**1. Community Lease and Licence Terms**

A report from Joanne Conroy (Property Advisor, APL Property Ltd) assessed and proposed a standard set of terms to be included in new lease and licences granted to community groups to occupy Council buildings or Council land.

Mrs Conroy and Mr Hansby joined the table.

Regard was had to the concerns with the policy expressed by the legal advisor to the Canterbury Westland Kindergarten Association Inc which were principally as follows:

- The inclusion of a termination provision of any length is opposed;
- If a termination clause is deemed necessary, five years' notice is more reasonable than two;
- The meaning of 'core infrastructure projects' needs definition;
- Clarification of the method of determining compensation is needed.

In addition, regard was had to the concern highlighted in the officer report that the Central Lakes Trust (and similar organisations) would have difficulty funding a project with only a 10 year confirmed lease.

Consideration was given to the definition provided in the proposed Break Clause policy for 'core infrastructure services'. It was suggested that this would be difficult to clarify further, as it was impossible to know what infrastructure requirements there may be in 30 years. It was agreed that the definition should recognise this and provide scope for unknown. Following further discussion 'public transport' was added so that the definition read 'drinking water supply, waste water collection and treatment, stormwater management and discharge, roading, public transport and footpaths.'

As it represented a new policy, it was agreed that the text of the break clause options presented with the report should be included in full in the resolution.

Councillor Gilmour noted that this review also provided an opportunity to standardise rent reviews, especially as many rents were only \$1/annum pursuant to the community pricing policy and it was unnecessarily onerous to review them every two years. She proposed a new policy whereby 'rent reviews shall be five yearly or consequential to any change to the community pricing policy.' Members agreed that this was a reasonable suggestion and should be added to the resolution.

The adverse impact that shorter lease terms could have on community groups' funding options was considered. Members acknowledged that for many groups an investment of \$250,000 or more was very large. In such cases it was not unreasonable for such groups to be seeking lengthy lease terms and a long notice period of lease termination. Mrs Conroy confirmed that the maximum initial lease term allowable under the Reserves Act was 33 years this was proposed as the standard for new leases on Council land for sporting, arts, cultural and service groups where their investment was over \$500,000. Members questioned why there was a difference between this

**QUEENSTOWN LAKES DISTRICT COUNCIL**

**30 JUNE 2016**

**Page 4**

category and those making a similar investment but their prior lease had expired and also those where the investment was between \$250,000 and \$500,000, particularly as this could have a negative impact on these groups when seeking funding. It was noted that with the proposed break clauses (in each case, five years), the difference in lease terms was immaterial. Accordingly, it was agreed that in each of these categories the term should be 33 years.

The Council also supported the change proposed by Councillor Gilmour for leases on Council land for sporting, arts, cultural and service groups where their investment was between \$50,000 and \$250,000 or terms of 10 years (+10+10) and the addition to the 'Termination Clause' column that it should only be invoked 'if required for core infrastructure'. In addition, Councillor Gilmour suggested that the 'Term' be retitled 'Indicative Term' [of lease] and that termination time periods be expressed in years rather than months. These suggestions were supported and included in the resolution.

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

- 1. Note the contents of this report;**
- 2. Accept the proposed standard terms and conditions for community leases shown below:**

<b>Type</b>	<b>Indicative Term</b>	<b>Termination Clause if required for core infrastructure</b>	<b>Treatment on Early Termination</b>	<b>Examples</b>
Sporting, Arts, Cultural or service group in Council building	3 years, with two renewals of 3 years each by agreement of both parties	1 year (but not in the first 3 year term)	N/A e.g. they can just walk away	DQ Qtn Arts Centre Wanaka Art Centre CAB
Sporting, Arts, Cultural or Service Group on Council Land, where their investment is less than \$50,000	3 years, with two renewals of 3 years each by agreement of both parties	1 year (but not in the first 3 year term)	Lessee can choose to remove improvements and make good or improvements revert to Council ownership	Mt Bike Club  Wanaka Bike Club  Wanaka Pony Club
Sporting, Arts, Cultural or Service Group on Council Land, where their investment is between \$50,000 and \$250,000	10 years with two renewals for a further 10 years each by agreement of both parties	2 years (but not in the first 2 years)	Lessee can choose to remove improvements and make good or improvements revert to Council ownership	Wanaka Soccer Club (proposed new lease) Wanaka Plunket assn.
Sporting, Arts, Cultural or Service Group on Council Land, where their investment is between \$250,000 and \$500,000	33 Years	5 years	Lessee can choose to remove improvements and make good or improvements revert to Council ownership	
Sporting, Arts, Cultural or Service Group on Council Land, where their	33 years	5 years	Compensation or relocation costs payable by Council.	Arrowtown Sports Trust  Wakatipu Coastguard

Type	Indicative Term	Termination Clause if required for core infrastructure	Treatment on Early Termination	Examples
investment is over \$500,000				
Sporting, Arts, Cultural or Service Group on Council Land, where the value of their asset is over \$500,000 but their prior lease has expired.	33 years	5 years	Compensation payable by Council.	Frankton Kindergarten Kingston Community Association

**3. Agree that rent reviews for sporting, arts, cultural or service groups in Council buildings or on Council land shall be five yearly or consequential to any change to the community pricing policy.**

**4. Adopt the Queenstown Lakes District Council Break Clause Policy:**

### Lessor Termination Right

**Termination Notice:** If the Lessor requires possession of the Premises for:

the provision of core infrastructure services (being drinking water supply, waste water collection and treatment, stormwater management and discharge, roading, public transport and footpaths);

then the Lessor may terminate this Lease on not less than [ ] months' prior written notice to the Lessee (**Termination Notice**). A Termination Notice may only be served on the Lessee [ ] years after the Commencement Date] [*Note: To decide whether or not Council can only terminate after a certain number of years or whether this right should be exercisable at any time*].

**Surrender of Lease:** On the expiry of the period specified in the Termination Notice the Lessee will be deemed to have surrendered the estate and interest of the Lessee in this Lease and the term will expire. The Lessee will yield up vacant possession of the Premises and [all provisions of the Lease applicable on expiry of the term will apply] / [the Lessee shall be required to leave the Premises in a clean and tidy condition but shall not be required to comply with its reinstatement and make good obligations under the Lease] [*Note: To decide whether the Lessee is required to comply with its reinstatement obligations on the termination date*]

**Compensation:** *Elect one of the following options:*

**No compensation:** The Lessee may not recover from the Lessor any damages or compensation of any kind, or obtain any order, injunction or other remedy against the Lessor as a consequence of receiving the Termination Notice or the operation of this clause.

OR

**Compensation:** On the date that the Lessee yield up vacant possession of the Premises [and complies with its reinstatement obligations] in accordance with clause 1.2 above the Lessor

will pay to the Lessee an amount (plus GST) calculated in accordance with the following formula:

$$A - \frac{A \times B}{C}$$

Where:

A = [the cost of the Lessee's improvements installed or to be installed at the Premises (as certified by a quantity surveyor)] / [the value of the Lessee's improvements installed at the Premises (as certified by a registered valuer)] or \$[ ] *[Note: Value of improvements can either be assessed or a value agreed up front between the parties]*

B = the number of days from and including the Commencement Date, or (if applicable) the earliest date on which a Termination Notice may be served, to and including the expiry of the notice period under the Termination Notice

C = the number of days from and including the Commencement Date or, (if applicable) the earliest date on which a Termination Notice may be served, to and including [insert the date the Lease would have expired if the Termination Notice had not been served]

PROVIDED that the Lessee shall not be entitled to any compensation pursuant to this clause if a Termination Notice is served after [insert date]. *[Note: To decide whether or not compensation should cease to be payable after a certain date]*

The Lessee will not otherwise recover from the Lessor any damages or compensation of any kind, or obtain any order, injunction or other remedy against the Lessor as a consequence of receiving a Termination Notice or the operation of this clause.

## **2. Proposed New Lease for the Young Family: Zoological Gardens, Frankton**

A report from Joanne Conroy (Property Advisor, APL Property Ltd) detailed the process undertaken to determine whether a new lease for the Young family to operate the Zoological Gardens in Frankton should be granted, noting that it had been publicly notified and a hearing had been held to hear submissions. The report highlighted the key considerations to which the hearings panel had had regard and presented the panel's recommendation to grant a new lease for five years, subject to conditions.

Mrs Conroy, Mr Quin and Mr Walker presented the report.

Members noted that the hearings panel's recommendations were for terms and conditions different from the policy adopted in the previous item, but observed that this indicated that the policy would not be appropriate for some situations. Consideration was also given to the applicant's request made in the public forum for a term of at least ten years and the concerns raised about what would occur if the Council was unable to prepare a Reserve Management Plan ['RMP'] for the area within the proposed five years of the lease.

The Mayor invited the members of the hearings panel to comment on the reasons behind their recommendation.

Councillors Gazzard and Aoake stated that key considerations had been a desire to allow the Youngs to continue to use the land which had been developed by their father and was now named for him, whilst balancing the needs and requests of others in the area. Submitters had sought a forward vision for the whole area which highlighted the need for a RMP and staff had been confident at the hearing that it would be possible to develop a RMP within five years. The panel had therefore suggested a lease term of five years to ensure that there was impetus to prepare a RMP within this timeframe.

There was discussion about other options for the lease and conditions but the Mayor pointed out that the suggestions presented by Mr Buckham in the Public Forum represented a solution that was acceptable to the applicant. She observed that this was an approach which provided the applicants with five more years than the recommended term, but also a reasonable timeframe for the Council to work through the preparation of a RMP.

The Chief Executive considered that the Council had the discretion within the framework of the hearings process to approve a simple extension of the lease period to recognise the uncertainty about preparing a RMP.

Mr Quin responded to questions about open access to the site. He noted that there were plans to put Council signage in place and he would work with the applicants to establish clear access. The Mayor stressed the importance of including the RMP preparation in the work plan.

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

- 1 Note the content of this report;**
  
- 2 Approve a new lease to D, R and P Young over Section 167, Block 1 Shotover Survey District, subject to the following terms and conditions:**

<b>Commencement</b>	<b>1 August 2016</b>
<b>Term</b>	<b>10 years</b>
<b>Rent</b>	<b>\$1.00 (Pursuant to Community Pricing Policy)</b>
<b>Reviews</b>	<b>None</b>
<b>Renewal</b>	<b>None</b>
<b>Termination</b>	<b>Council has the ability to give two years' notice to terminate the lease</b>
<b>Use</b>	<b>Gardens and animal enclosures and associated buildings and activities</b>

- Other**
- That free access for the public to the lease area be provided (except the buildings);**
- Consideration of Health and Safety;**
- The lessee to maintain a minimum of \$2,000,000 public liability insurance;**
- At termination, all buildings to be removed and the land reinstated;**
- Lessee to assist Council in its effort with regard to the control of invasive weed species in the Kawarau River by whatever means are deemed appropriate within the context of a management plan for the Kawarau River;**
- Lessee to provide access for Council to the lease area if remedial works are required for flooding or subsidence or to terminate if these events make continued use dangerous.**

- 3 Agree that a Reserve Management Plan for the area of and around the Zoological gardens in Frankton be prepared within three years of the lease commencement.**
- 4 Agree to the exercise of the Minister's consent (under delegation from the Minister of Conservation) to the granting a new lease to D, R and P Young over Section 167 Block 1 Shotover Survey District.**

*It was noted that item 3 had been delayed until a representative from the Canterbury Westland Kindergarten Association Inc had arrived at the meeting.*

#### **4. New Ground Lease for Kingston Community Association**

A report from Blake Hoger (Property Manager, APL Property Ltd) assessed an application for a new ground lease over Lots 1 to 7, 23 & 24 of Block VII TN of Kingston, being a Local Purpose and Recreation Reserve to formalise the use of the land for a Community Centre, Golf Club and Bowling Club. The report recommended that the lease be granted subject to several recommended conditions.



In light of the decision made earlier in the meeting establishing a new policy for community lease and licence terms, it was agreed to amend the officer recommendation by making the following alterations:

Term	<del>20 years</del> 33 years
Reviews	<del>Two yearly</del> Five yearly
Early Termination	<del>Council can give 60 months' notice...</del> Council can give five years' notice...

**On the motion of Councillor Cocks and Aoake it was resolved that the Council:**

- 1. Note the contents of this report;**
- 2. Grant a lease over Local Purpose and Recreation Reserve being Lots 1 to 7, 23 & 24 of Block VII TN of Kingston in favour of the Kingston Community Association for the purposes of a Community Centre subject to the following terms and conditions;**

<b>Commencement</b>	<b>1 July 2016</b>
<b>Term</b>	<b>33 years</b>
<b>Rent</b>	<b>Pursuant to Community Pricing Policy</b>
<b>Reviews</b>	<b>Five yearly</b>
<b>Use</b>	<b>Community Centre with subleases to Golf and Bowling Clubs</b>
<b>Assignment/Sublease</b>	<b>At Council's sole approval/discretion</b>
<b>Liability Insurance</b>	<b>\$2 million</b>
<b>Expiry Conditions</b>	<b>Remove improvements and make good or improvements revert to Council ownership at the election of Council.</b>
<b>Early Termination</b>	<b>Council may give five years' notice of early termination if the land is required for the 'provision of core infrastructure services'; Compensation is payable pursuant to Council's standard compensation clause.</b>
- 3. Agree to the exercise of the Minister's prior consent (under delegation from the Minister of Conservation) to the granting of a lease to the Kingston Community Association over Lots 1 to 7, 23 & 24 of Block VII TN of Kingston.**

**4. Delegate signing authority to the General Manager, Property and Infrastructure.**

**5. Change of Guarantors – Queenstown Commercial Parapenters**

A report from Joanne Conroy (Property Advisor, APL Property Ltd) sought Council approval to vary a lease agreement with Queenstown Commercial Parapenters Ltd for the group's take off area on Ben Lomond. The variation sought was to replace a number of the current guarantors of the lease with new guarantors to reflect the current directors of the company. The report recommended that the Council approve the change in guarantors so that the current company directors would be responsible for the lease obligations.

Mrs Conroy presented the report.

Councillor Stammers-Smith spoke against the report recommendation stating that it was normal commercial practice to retain the old guarantors in case the business became insolvent. Councillor Stevens disagreed, stating that the proposed guarantors were now the individuals operating the business and there was no reason to hold others responsible who now had no involvement. He considered that as a number of the current guarantors were proposed to be new guarantors, there was cohesion between the two groups.

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

- 1. Note the contents of this report;**
- 2. Approve the removal of the following Guarantors from the lease to Queenstown Commercial Parapenters Limited:  
W J Brundell, A J Grant, C Gut, N Grant, RG McCrostie, T D McGeorge, J C Newton, C Murphy, S Smith  
  
And replace them with:  
B Casey, S Erceg, D Eller, B Haskell, J S McMurtrie, G Y Millet, T Rold and G J Taylor**
- 3. Approve the above changes in Guarantors for the Queenstown Commercial Parapenters lease as delegated to Council by the Minister of Conservation.**
- 4. Include a new clause in the lease requiring the Lessee to have a current CAA Adventure Aviation Operations Certificate and that all activities on the land are undertaken in accordance with the Health and Safety at Work Act 2015 (and its subsequent regulations).**

5. **Delegate signing the “Deed of Acknowledgement of Change of Guarantors” to the General Manager, Property and Infrastructure.**

*Councillor Stammers-Smith recorded his vote against the motion.*

## 6. **Management of tracks on Coronet Peak and Glencoe Stations**

A report from Stephen Quin (Parks and Reserves Planning Manager) assessed a request from the QEII National Trust for the Council to be responsible for the management of various tracks on Coronet Peak and Glencoe Stations and maintain them to the associated track standards. The report recommended that the Council accept this responsibility, subject to various recommended conditions.

The report was presented by Mr Quin and Mr Hansby.

There was further discussion about the responsibility for maintenance, in particular, the role of the Arrowtown Village Association [‘AVA’]. Councillor Stevens reported that there had been discussions about the establishment of a Memorandum of Understanding and whilst the AVA had been taking responsibility for walking tracks for some time, they neither had the people nor the resources to maintain cycle tracks which were of a higher standard. He added that the proposal represented a great opportunity and it was important to acknowledge the work of the AVA and the generosity of benefactors.

Council agreed that representation on the governing group should be determined when the Council was assigning elected member roles at the start of the new triennium.

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

1. **Note the contents of this report;**
2. **Agree to accept the request from the QEII National Trust to undertake responsibility for the management of the following tracks on Coronet Peak and Glencoe Stations; maintaining them to the associated track standards:**
  - **Long Gully Track – Coronet Peak Station: Grade 3 or 4 standard as per the New Zealand Cycle Trail Standards**
  - **Green Gate Track – Coronet Peak Station: Grade 3 or 4 standard as per the New Zealand Cycle Trail Standards**
  - **Deep Creek to Coronet Creek Track – Coronet Peak Station: Grade 3 or 4 standard as per the New Zealand Cycle Trail Standards**

- **Bush Creek – Coronet Peak Station: Grade 3 or 4 standard as per the New Zealand Cycle Trail Standards**
- **Water Race Trail (to be formed) – Coronet Peak Station: Grade 3 or 4 standard as per the New Zealand Cycle Trail Standards**
- **Sawpit Gully – Coronet Peak Station: Back Country Adventure or Back Country Comfort standard as per SNZ HB 8630:2004 – Tracks and Outdoor Visitor Structures**
- **New Chum Gully – Glencoe Station: Back Country Adventure or Back Country Comfort standard as per SNZ HB 8630:2004 – Tracks and Outdoor Visitor Structures**
- **Saddle Exit Trail (to be formed) – Coronet Peak Station: Grade 3 or 4 standard as per the New Zealand Cycle Trail Standards**
- **Tobin’s Drop – Glencoe Station: Back Country Adventure standard as per SNZ HB 8630:2004 – Tracks and Outdoor Visitor Structures**
- **New Chums Ridge Track – Glencoe Station: Grade 3 or 4 standard as per the New Zealand Cycle Trail Standards**
- **Peters Way – Glencoe Station: Back Country Adventure or Back Country Comfort standard as per SNZ HB 8630:2004 – Tracks and Outdoor Visitor Structures**
- **Miners Trail – Glencoe Station: Back Country Adventure or Back Country Comfort standard as per SNZ HB 8630:2004 – Tracks and Outdoor Visitor Structures**
- **Brackens Gully – Glencoe Station: Back Country Adventure or Back Country Comfort standard as per SNZ HB 8630:2004 – Tracks and Outdoor Visitor Structures**

**subject to the following conditions:**

- a) Tracks being formed by Soho Property Limited to the to the above standards;**
- b) A QLDC agreed representative oversees the formation of the tracks and inspects the tracks following their formation to ensure their compliance with the above standards;**
- c) The QEII National Trust being the controlling authority for the public access easements over the tracks;**

- d) A memorandum of understanding between the QEII National Trust, Soho Property Limited, the Department of Conservation, the Queenstown Trails Trust, the Arrowtown Village Association and QLDC being established;
- e) QLDC being represented on a governing body made up of representatives of the memorandum of understanding to agree decisions for any events or commercial activities on the tracks, track upgrades or major repairs proposed, or any other decisions impacting the use, maintenance funding and standard of the tracks;
- f) Queenstown Trails Trust to obtain resource consents as required to develop the trails;
- g) Soho Property Limited maintain all tracks for the first three years following all track formation; and
- h) The QLDC contribution to the maintenance of the tracks to not exceed \$10,000 per annum, and to be effective three years from completion of all track works. This maintenance budget could be supplemented by revenue from events or commercial activities.

*Councillor Gilmour left the meeting at 10.10 am.*

## **7. Cycle trails linking Queenstown Lakes to Central Otago districts**

A report from Stephen Quin (Parks and Reserves Planning Manager) assessed the proposal for the Council to accept responsibility for the management of new cycle trails linking Queenstown Lakes to the Central Otago District. The report recommended that the Council take on this responsibility, subject to several recommended conditions.

The report was presented by Mr Quin. He clarified questions in relation to maintenance costs and trail locations. The Mayor noted that whilst the recommendation committed the Council to the new sections of the Wanaka – Luggate and Kawarau Gorge trails, it was not responsible for major engineering works on these trails.

**On the motion of the Mayor and Councillor Stammers-Smith it was resolved that the Council:**

- 1. Note the contents of this report; and**
- 2. Agree to be the controlling authority for the private land easements in the Queenstown Lakes District required to form the Wanaka – Luggate and Kawarau Gorge trails;**

- 3. Agree to assist with the branding and marketing of the trail network;**
  
- 4. Agree in principle to maintain the new sections of the Wanaka – Luggate and Kawarau Gorge trails, that don't already have existing maintenance agreements for three years, at \$1,000 per km per annum from the time each section is opened. Final agreement is subject to the following conditions:**
  - a) At the end of the three years the Council has no obligation to continue maintenance;**
  - b) The Chief Executive approving detailed engineering designs for trail sections requiring engineering input;**
  - c) All parts of the trail not requiring engineering input being developed and maintained to Grade 1 or 2 standard as per the QLDC Cycle Trails and Tracks Design Standards and Specifications;**
  - d) NZTA approval for all works proposed in proximity to the highway;**
  - e) That geotechnical engineering and structural engineering assessment reports are provided for all sections requiring engineering input;**
  - f) Engineers and contractors producer statements are provided following the implementation of all trail sections requiring engineering input;**
  - g) That all resource and buildings consents, as necessary, are obtained for the implementation of the trails, and development is in accordance with those consents; and**
  - h) That Queenstown Lakes District Council maintenance is for routine vegetation and surface maintenance only and does not include any maintenance related to trail or associated structure failures.**
  
- 5. Delegate to the Chief Executive the final agreement to maintain the trails.**

*Councillor Gilmour re-entered the meeting at 10.14am.*

8. **Proposed amendment of the Council Road Naming Policy & alignment of this policy with AS/NZS 4819:2011**

A report from Warren Vermaas (Land Development Engineer) proposed amendments for the Council's approval to the Council Road Naming Policy to align with national requirements and to simplify the wording used to describe the procedure for naming a legal road in order to make the Council Road Naming Policy more efficient and effective.

The report was presented by Mr Wallace and Mr Avery.

Members questioned whether the two whanau names contained in the policy should be retained in light of the fact that these groups and personalities could change in the future. Following further discussion, it was agreed that the policy would stop after the words 'It is also a courtesy to consult with local whanau.'

In reply to comment from the Mayor, Mr Wallace confirmed that the \$360 proposed fee for non-complying standard applications was based on four hours of work at \$90/hour.

Mr Wallace highlighted an addition to part 3 (1) of the policy 'Procedure for Naming and Legal Road', namely:

*(h) if APA is not received from all parties submissions from those parties will be provided with the application or evidence will be provided of written communication with or from the parties identifying that they are either not in support or are indifferent to the proposal and do not wish to comment.*

An amendment to part 3(3) of the proposed policy was agreed:

*If in accordance with policy it is approved by a Council officer, if not in accordance with the policy it will go to Property Subcommittee or Wanaka Community Board who will first consider the proposal....'*

There was discussion about including the current fee in the policy as it was noted that any future change to the fee would require the policy also to be altered. It was noted that the intent had been to provide clarity on the charges. Following consideration, members agreed that part 7 of the policy should be amended to read:

*The cost processing different types of road naming application will be set by the Council from time to time.'*

A hyperlink from the policy to the current charges on the website would ensure that customers could still access this information.

The Mayor observed that the proposed hourly rate had been fully consulted on in the recent review of Planning and Development fees and charges but noted that in future it was important to ensure that all fees and charges were reviewed as part of the Annual Plan process.

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

- 1. Note the contents of this report and the proposed changes to the existing Road Naming Policy;**
- 2. Adopt the revised Council Road Naming Policy from 1 August 2016 as amended;**
- 3. Agree that fees for processing road naming policy will be charged according to the fees schedule as set by the Council from time to time.**

*The meeting adjourned at 10.35 am and reconvened at 10.49am. Councillor Aoake was not present in the meeting when it reconvened.*

#### **9. Vesting of Roads and Reserves Policy**

A covering report from Blair Devlin (Manager, Planning Practice) presented a new 'Vesting of Roads and Reserves Policy' for dealing with requests for the vesting of roads and reserve land with Council where interested remain registered on the Computer Freehold Register.

Mr Devlin presented the report. He circulated an amended proposed policy which had been prepared in response to Councillor feedback on the initial draft.

*Councillor Aoake re-entered the meeting at 10.51am.*

In relation to the proposed costs schedule, it was agreed that the policy should not contain specific charges but comment that the 'charges would be in accordance with the schedule agreed by the Council from time to time.'

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

- 1. Note the contents of this report; and**
- 2. Adopt the Vesting of Roads and Reserves Policy dated 28 July 2016 as amended.**

*It was noted that the representative from the Canterbury Westland Kindergarten Inc had arrived at the meeting and it was therefore agreed to consider item 3 next in the meeting.*

#### **3. Proposed new lease to Canterbury Westland Kindergarten Incorporated for the Frankton Kindergarten**

A report from Joanne Conroy (Property Advisor, APL Property Ltd) assessed the application for a new lease to the Canterbury Westland Kindergarten Incorporated for the Frankton Kindergarten premises, for which the lease (granted to Central Otago Kindergarten Association) had expired in September 2015. The report recommended that a new lease be granted subject to several recommended conditions.



In light of the decision made earlier in the meeting establishing a new policy for community lease and licence terms, it was agreed to amend the officer recommendation by making the following alterations:

Term	<del>20 years</del> 33 years
Reviews	<del>Two yearly</del> Five yearly
Early Termination	<del>Council can give 60 months' notice...</del> Council can give five years' notice...

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

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

**2. Approve a new lease to the Canterbury Westland Kindergarten Incorporated over Lot 2 DP 392200 subject to the following terms and conditions:**

<b>Commencement</b>	<b>1 March 2016</b>
<b>Term</b>	<b>20 years</b>
<b>Rent</b>	<b>Pursuant to Community Pricing Policy</b>
<b>Reviews</b>	<b>Two yearly</b>
<b>Use</b>	<b>Operation of a Kindergarten and ancillary services</b>
<b>Assignment/Sublease</b>	<b>With Council approval</b>
<b>Liability Insurance</b>	<b>\$2 million</b>
<b>Expiry Conditions</b>	<b>Improvements revert to Council ownership if no new lease granted with no compensation</b>
<b>Early Termination</b>	<b>Council can give 60 months' notice of early termination if the land is required for the 'provision of core infrastructure services'. Compensation payable is pursuant to Council's standard compensation calculation clause.</b>

**3. Delegate signing authority to the General Manager, Property and Infrastructure.**

**10. Navigation Safety Bylaw – Amendments**

A report from Lee Webster (Manager, Regulatory) presented the new Navigation Safety Bylaw, which was an amalgamation and simplification of the Navigation Safety Bylaw 2014 and the Waterways and Ramp Fees Bylaw 2014, for adoption so that public consultation could occur.

Mr Webster presented the report. He noted that he was aware of several editorial changes to the draft bylaw which were minor in the overall context. He also noted that checks would be undertaken to ensure consistency of references throughout (for example: Kawarau Falls control gates.)

Further consideration was given to clause 8.4 of the draft bylaw which placed responsibility of the person in charge of the vessel for the other persons on board, specifically the conditions which could put them or others on board at risk. It was suggested that 'mental attributes' should be added as there may be other than physical health issues which could make going out in a boat more dangerous.

There was discussion about the payment of fees and how they would be enforced. Mr Webster also commented on when regulations would be developed by the Ministry of Transport, noting however, that the Harbour Master also had statutory powers under the Maritime Act.

Ms Webb joined the table and commented how this revenue was applied to waterways activities. She noted that the majority went to waterways facilities whilst a residual amount contributed to stormwater operations.

The Mayor directed that part 5 of the recommendation appointing a hearings panel be deleted as she considered it was the responsibility of the new Council to hear and adopt the bylaw. For clarity, it was also agreed to note in the resolution that the bylaws had been amalgamated.

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

- 1. Note the contents of this report;**
- 2. Approve for public consultation the proposed amendments and the amalgamation of the Navigation Safety Bylaw and Waterways and Ramp Fees Bylaw, resulting in a combined Navigation Safety Bylaw.**
- 3. Approve the proposed fee schedule for public consultation.**
- 4. Direct that a review of the fees and charges for maritime structures is undertaken, to develop a single consistent process, with fair and reasonable charges reflecting the size and location of the maritime structure, to be reported back to Council by December 2016.**

**11. Budget Carry Forwards for 2016/17**

A report from Gaynor Webb (Team Leader Planning Support) sought Council approval to adjust the budget for the 2016/17 financial year to incorporate carry forwards requested.

Mrs Webb presented the report and Mr Hansby also joined the table. Mrs Webb circulated an updated spreadsheet of proposed carry forwards which had resulted from reconciliations undertaken and invoices processed at the end of the financial year. The total of the updated spreadsheets represented a reduction from that contained in the agenda, principally due to the fact that the contractor for Project PJ Shotover had recovered one month on the project schedule.

The Mayor observed that there were various Parks and Reserve projects upon which there had been no expenditure and questioned whether this indicated a lack of need for the project. She did not accept that poor weather conditions would have impacted for 12 months. Mr Hansby advised that these represented individual budgets within a contract that was already awarded, meaning that the project was committed. He added that playgrounds had limited suppliers meaning that there could be delays in getting materials sourced and the projects underway. Councillor Gilmour stated that she was aware of another supplier able to work in Queenstown and the Mayor asked for this to be followed up.

Mr Hansby noted that the spreadsheet signalled that officers had made good progress on delivering the capital programme which currently sat at 68% of reforecast. The Mayor observed however that this meant one third of projects were not being done. She considered that better project planning should address issues with sourcing overseas materials.

The Mayor asked if the Narrows Project was still current. In reply it was noted that it still needed to be part of the work plan to understand what was required and some direction would be sought from Council on this.

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

- 1. Note the contents of this report; and**
- 2. Authorises adjustments to the budgets for the 2016/17 financial year in order to provide for capital expenditure carry forwards of \$22,917,255.**

**12. Local Government Reform Submission**

A covering report from Meaghan Miller (General Manager, Corporate Services) presented information about the Cabinet Paper on Local Government Reform ('Better Local Services Reforms') upon which submissions were sought, closing on 28 July 2016. The report presented draft submissions prepared by LGNZ and SOLGM and appended a proposed submission by the Council for consideration and approval.

Ms Miller presented the report.

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

- 1. Note the contents of this report;**
- 2. Endorse the SOLGM and LGNZ submissions on Local Government Reform; and**
- 3. Approve the QLDC submission on Local Government Reform.**

**13. QLDC Organisational Health Safety and Wellbeing Performance**

A report from Meghan Pagey (Human Resources Manager) presented information detailing how the Council was fulfilling its statutory health and safety responsibilities.

Mrs Pagey presented the report.

Councillor Gazzard observed that this information was also presented in the Council's monthly report and he questioned if reporting in both media was necessary. The Mayor advised that the Council had a statutory duty to demonstrate its oversight of the organisation's health and safety, adding that if the same information was being presented in Council agendas, it did not need also to be included in the monthly report.

**On the motion of Councillors Aoake and Gazzard it was resolved that Council note the report.**

**14 Mayor's Report**

A report from the Mayor:

- a) Set out the functions and meetings attended during the period 24 June 2016 to 28 July;
- b) Presented recommendations from the Wanaka Community Board meeting held on 13 July 2016 in relation to (i) a licence to occupy for the Wanaka Farmers and Gardeners Market Inc; (ii) reserve land contributions and reserve improvements off-sets – Northlake Investments Ltd; and (iii) adoption of the Allenby Park concept plan;
- c) Sought a change to a previous Council resolution appointing the membership of the hearings panel for the Nuisance Bylaw;
- d) Presented Portfolio Leader reports; and
- e) Summarised the items from and appended the minutes of the following meetings:
  - Audit and Risk draft minutes (15 June 2016) (In the Public Excluded part of the meeting)
  - Property Subcommittee minutes (23 June 2016)
  - Property Subcommittee draft minutes (5 July 2016)
  - Resource Consent Commissioner Appointment Subcommittee draft minutes (5 July 2016) (In the Public Excluded part of the meeting)
  - Wanaka Community Board draft minutes (13 July 2016)
  - Property Subcommittee draft minutes (9 June 2016)
- f) Detailed the actions taken from previous Council meetings

Questions were raised about the apparent delay in implementing new time limited parking restrictions as a trial over the winter, particularly as winter was now well advanced. Mr Hansby was invited to the table and explained that staff had considered the Council's resolutions from the last meeting gave insufficient authority to commence the trial.

The Mayor asked staff to consider ways of reporting back the outcomes of the 16 audits conducted by Downers and Veolia.

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

- 1. Note the report;**
- 2. Alter the following resolution made at the ordinary meeting held on 28 April 2016:**

**Appoint Councillors Aoake, Ferguson and MacLeod to participate in a hearing panel to consider and hear submissions on the proposed Queenstown Lakes District Nuisance Bylaw 2016.**

***So that the resolution shall now read:***

**Appoint Councillors Aoake, Ferguson, MacLeod and the Mayor to participate in a hearing panel to consider and hear submissions on the proposed Queenstown Lakes District Nuisance Bylaw 2016.**

### **Recommendations from Wanaka Community Board**

#### **Licence to Occupy for Wanaka Farmers and Gardens Market Inc**

- 3. Grant a new licence to the Wanaka Farmers and Gardeners Market Inc over part of Recreation Reserve legally described as Section I Block L Town of Wanaka, certificate of title 130939 known as Pembroke Park subject to the following terms:**
  - a. Term to be for a period of 3 years, with two further renewals of 3 years each by mutual agreement of both parties;**
  - b. Operating day and hours to be limited to Sundays between 10am and 2pm;**
  - c. Rent pursuant to the Community Pricing Policy;**
  - d. Rent reviewed every 3 years in accordance with the Community Pricing Policy;**

- e. Termination to be possible within 3 months' notice by Council;
  - f. Public Liability Insurance of \$2 million to be provided;
  - g. Operating health and safety plan to be received;
  - h. Applicant to ensure appropriate food and liquor licenses are held if required;
  - i. Public access to be maintained at all times, including the pathway. Adequate safety measures to be put in place to ensure public safety is maintained;
  - j. Market to sell domestically sourced handcrafted goods, with exclusion placed on the sale of manufactured or imported goods;
  - k. Reinstatement of the area to be completed within 2 hours of closing;
  - l. Craft market permitted to operate from the same area, subject to the craft market holding a current licence or hire agreement.
4. Delegate authority to approve final terms and conditions and execution authority to the General Manager, Property and Infrastructure.

**Reserve Land Contributions and Reserve Improvements Off-Sets – Northlake Investments Ltd**

5. Approve the vesting of the land areas identified on the plan titled 'Northlake Wanaka – ODP Open Space Reserves and Pedestrian Connections, 1949 – SK330 dated 22 June 2016, prepared by Baxter Design Group Ltd as:
  - 3, 5 - 7, 20 - 25 as 'Local Purpose Reserve – Walkway'; and
  - 4, 18 and 19 as 'Recreation Reserve'; and
  - 8 – 11, 13, 15 & 17 as 'Local Purpose Reserve – Drainage and Recreation'in lieu of reserve land contributions payable for the proposed subdivision of these stages.
6. Approve the vesting of the land areas identified on the plan titled 'Northlake Wanaka – ODP Open Space Reserves and Pedestrian

**Connections, 1949 – SK330 dated 22 June 2016, prepared by Baxter Design Group Ltd as:**

- Lot 12, 14 & 16 as ‘Local Purpose Reserve – Drainage and Recreation’**

**and recognise that these areas may only be offset up to 50% in assessing reserve land contributions that may be payable across the proposed subdivision of these stages.**

- 7. Approve the deficit of reserve land associated with previous stages be credited by the additional reserve land provided by the ODP approved by Council on 8 June 2016, subject to Council’s legal agreement in relation to the bond held.**
  
- 8. Approve to offset the reserve improvement contributions payable for the actual cost of the reserve improvements across proposed reserves 1 – 25 as approved by the Parks and Reserves Planning Manager. Final approval is subject to the applicant demonstrating the actual costs of the improvements prior to construction of the improvements. If costs of improvements exceed reserve improvements contributions, these will be borne by the applicant.**
  
- 9. Delegate the Parks and Reserves Planning Manager to approve any future reserve improvement offsets within the area approved by the Outline Development Plan and included on the plan ‘Northlake Wanaka – ODP Open Space Reserves and Pedestrian Connections, 1949 – SK330 dated 22 June 2016, prepared by Baxter Design Group Ltd subject to the following conditions**
  - a. Northlake Investments Limited registering a fencing covenant under Section 6 of the Fencing Act 1978 on the reserves to vest in QLDC to protect the Council from liability to contribute towards any work on a fence between a public reserve vested in or administered by the Council and any adjoining land;**
  
  - b. A five year maintenance period by Northlake Investments Limited commencing from receiving s224 certificate for the reserves included within each stage of proposed subdivision; and**

**c. A developers agreement under section 207A of the Local Government Act 2002 Amendment Act 2014 detailing the stormwater operation and maintenance conditions of the reserves for the five year period, and the condition of the reserves at end of the maintenance period, shall be provided by Northlake Investments Limited and approved by the Chief Engineer and Parks and Reserves Planning Manager.**

**10. Note that the approval of reserve land in the Structure Plan area not identified on the ODP approved by Council on 8 June 2016 and any improvements on these reserves in lieu of reserve contributions will be subject to a future report.**

**Chair's Report**

**11. Adopt the Allenby Park Concept Plan.**

**15 Chief Executive's Monthly Report**

A report from the Chief Executive provided an update for the Council on recent activities and progress with achieving Council priorities. In addition, the report commented on progress to date with addressing the 10 Corrective Actions identified under the IANZ Building Control Authority Review and detailed the activities of the QLD Transport Governance Group.

The Chief Executive advised that the Council continued to maintain communication with central government on the proposed Convention Centre, with the current focus being confirming funding contributions.

**On the motion of Councillors Stammers-Smith and Cocks it was resolved that Council note the report.**

**Confirmation of minutes**

**Ordinary meeting, 30 June 2016**

Councillor MacLeod advised that the minutes required amendment to record his attendance at the meeting.

**On the motion of Councillors Aoake and MacLeod the Council resolved that the public part of the minutes of the ordinary meeting of the Queenstown Lakes District Council held on 30 June 2016 as amended be confirmed as a true and correct record.**



**Resolution to Exclude the Public**

**On the motion of Councillors Stevens and Cocks 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 – 30 June 2016**

**Item 16: Appointment of Commissioners and amending the Terms of Reference for RCCAC (Attachment C)**

**Item 22: Events Funding Applications 2016-17**

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
16. Appointment of Commissioners and Amending the Terms of Reference for RCCAC ( <u>Attachment C</u> )	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:  a) protect the privacy of natural persons, including that of deceased natural persons.	Section 7(2)(a)
22. Events Funding Applications 2016/17	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) 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 public excluded at 11.59am.*

*The meeting came out of public excluded and concluded at 12.24pm.*

**CONFIRMED AS A TRUE AND CORRECT RECORD**

---

**M A Y O R**

**24 August 2016**

---

**D A T E**