

Minutes of an ordinary meeting of the Queenstown Lakes District Council held in the Council Chambers, 10 Gorge Road, Queenstown on Thursday 25 June 2020 commencing at 1.00pm

Present:

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

In attendance:

Mr Mike Theelen (Chief Executive Officer), Mr Stewart Burns (General Manager, Finance, Legal and Regulatory), Mr Peter Hansby (General Manager, Property and Infrastructure), Ms Meaghan Miller (General Manager, Corporate Services), Mr Jeremy Payze (Senior Management Accountant), Ms Carrie Edgerton (Regulatory Support, Animal Control and Parking Team Leader) and Ms Jane Robertson (Senior Governance Advisor)

Apologies/Leave of Absence Applications

An apology was received from Councillor MacLeod.

Councillor Copland requested a leave of absence for 20-31 July 2020 (inclusive).

Councillor Smith stated that from Monday 29 June 2020 he would be involved as a Commissioner in hearings of submissions on the Proposed District Plan for the next 5-6 weeks, which may affect his ability to attend Council, committee or Community Board meetings.

On the motion of the Mayor and Councillor MacDonald the Queenstown Lakes District Council resolved that the apology be accepted and the request for leave of absence be granted.

Declarations of Conflicts of Interest

Councillor Lewers declared a conflict of interest in respect of a portion of the 2020/21 Annual Plan, as he was a member of the Destination Queenstown Board. This was only applicable should the Council separately discuss the Tourism Promotion Rate for Queenstown-Wakatipu which funded Destination Queenstown.

Special Announcements

The Mayor expressed his pleasure at the Council being able to meeting in person again following many weeks of on-line meetings during the COVID-19 pandemic. He thanked Council staff, volunteers and the many not-for-profit organisations involved in welfare initiatives in response to the pandemic and referred to the ongoing programmes to assist those affected, particularly migrant workers.

Public Forum

1. Cath Gilmour (Chair, We Love Wakatipu)

Ms Gilmour commented on QAC's Statement of Intent and the Council's statutory role in determining QAC's commercial and non-commercial objectives and how these should flow through to the Statement of Intent. She detailed how she believed that Council should manage QAC and its development of an updated Statement of Intent.

Ms Gilmour asked the COVID-19 recovery plan to obtain community input, particularly from younger people so that the new focus could be on community, rather than simply being a tourist destination.

Ms Gilmour asked the Council not to demolish the Memorial Centre for the arterial route without firstly having a replacement facility in place.

2. John Hilhorst

Mr Hilhorst circulated a document entitled "Queenstown – future as an Alpine City?" which presented concept plans for the development of an alpine city at Frankton Flats on the site of Queenstown Airport. This was an option if the airport relocated. The development presented a unique opportunity to diversify the local economy and accelerate the knowledge-economy in the district as well as providing a good financial outcome for the airport.

Mr Hilhorst asked the Council to include this proposal in the Spatial Plan, District Plan, work of the recovery group and QAC's revised Statement of Intent due in October 2020.

3. David Jerram

Mr Jerram noted that the Martin Jenkins report had identified relocating Queenstown Airport as one of four different scenarios and he supported developing an Alpine City on the site. Development of this site on Frankton Flats for urban and residential use provided the best economic gain for the district.

4. Sally Stockdale (Deputy Chair, We Love Wakatipu)

Ms Stockdale expressed concern that Air NZ planned to introduce A321 Neos to increase the passenger capacity into Queenstown for the July school holidays. The use of bigger aircraft meant that QAC could reach its 2045 passenger target within the existing air noise boundary. Council needed to require QAC to make a commitment in its Statement of Intent to operating within the existing air noise boundary, without which larger aircraft could operate in an expanded air noise boundary, resulting in as many as 10.2 million passenger movements per year. She asked QAC/QLDC to conduct consultation to understand the community's desired rate of growth.

5. AJ Mason

Mr Mason spoke about the work of Shaping Our Future. The group had about one thousand members and served to provide an independent, objective medium for communities to engage and develop solutions. He commended to Council the report of the Upper Clutha Freshwater Forum. In the current pressured environment, the need for

a community participatory solution had never been stronger. Shaping Our Future recognised the big job ahead and was ready and eager to pitch in.

Confirmation of Agenda

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

Confirmation of Minutes

On the motion of Councillor Miller and Councillor Clark the Queenstown Lakes District Council resolved that the public part of the minutes of the ordinary meeting of the Queenstown Lakes District Council held on 4 June 2020 be confirmed as a true and correct record.

1. Adoption of 2020/21 Annual Plan

A covering report from Meaghan Miller (General Manager, Corporate Services) and Stewart Burns (General Manager, Finance, Legal and Regulatory) presented the Council's 2020/21 Annual Plan for adoption. The report detailed how the COVID-19 pandemic had required urgent consideration of an amended budget after the release of the draft Annual Plan in March. The result was now an average rates increase for 2020/21 of 1.59%. In consideration of the impact across the community of the pandemic, the report also recommended that the Council approve a reduction to the rates penalty for late payments in 2020/21 from 10% to 5%.

Ms Miller and Mr Burns presented the report.

The Mayor acknowledged the work by officers and elected members to reduce the average rates rise from an initial figure of 6.76%, particularly in light of the major impact upon the Council's revenue stream due to the COVID-19 crisis.

Councillor Ferguson acknowledged the huge amount of work to reduce the rates rise, noting however that despite the more modest increase achieved, he had been seeking a greater reduction. He believed that the Council needed to look more closely at its spending in the next Long Term Plan. Notwithstanding this reservation, he indicated support for the recommendation to adopt the 2020/21 Annual Plan.

Councillor Shaw also thanked staff for their work on the budget and acknowledged all those who had made submissions. She noted that a large number of submissions had been requests for community grants but much of this funding had already been pre-allocated in 2018-19. She signalled her wish in the Long Term Plan for Council to determine early in the process which organisations needed operational expenses and to identify criteria for how to allocate grants.

Councillor Shaw also noted that a large number of submissions had opposed the proposed rates increase and she considered that more could be done to reduce operational expenditure. To this end, she indicated a wish to add a further point to the recommendation that the Council agree to an internal review of its consultant spend.

Councillor Smith expressed support for Councillor Shaw's addition to the recommendation and agreed with the request to review the management of community grants in the Long Term Plan.

Councillor Gladding supported the requests to review the processes for community grants, adding that she had also been very disappointed about the small amount of funding that had not been pre-allocated. She also expressed concern that the Council had retained much of its original capital programme in the Annual Plan. She asserted that this was contrary to a number of submitters who had asked the Council to pause projects that were not necessary at this time, referring in particular to the Queenstown arterial route and Lakeview project. She asked the Council to create space in the next Long Term Plan for the activities of the climate action group and stated that in light of her concerns, she was unable to support adoption of the 2020/21 Annual Plan.

The Chief Executive suggested appropriate wording to encapsulate Councillor Shaw's intent with respect to a review of the consultant spend and Councillor Shaw accepted the revised wording. The Mayor agreed to add it to the motion, stating that no amendment was necessary, as there was no motion yet on the table.

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

- 1. Note the contents of this report; and**
- 2. Adopt the Council's 2020/21 Annual Plan pursuant to section 95(2A) of the Local Government Act 2002;**
- 3. Agree to reduce the penalty on rates that are paid late for the 2020/21 financial year from 10% to 5% of the unpaid balance; and**
- 4. Direct the Chief Executive to undertake a review of consultancy spend by the organisation.**

Councillor Gladding recorded her vote against the motion.

2. 2019/20 Capital Works Programme – Third Reforecast

A report from Peter Hansby (General Manager, Property and Infrastructure) introduced proposed budget changes to the capital works programme, the detail of which was contained in the attachment to the report.

Mr Hansby and Mr Payze presented the report.

On the motion of Councillor MacDonald and Councillor Lewers it was resolved that the Queenstown Lakes District Council:

- 1. Note the contents of this report;**
- 2. Approve the budget changes proposed and detailed in Attachment A [see Attachment A to these minutes].**
- 3. Queenstown Lakes District Council Dog Control Bylaw 2020 and Dog Control Policy 2020**

A report from Carrie Edgerton (Regulatory Support, Animal Control and Parking Team Leader) detailed the purposes of the Dog Control Bylaw and Dog Control Policy and described the public process that the Council had followed to review them. She highlighted the three main issues upon which consultation had been undertaken (dog access on Queenstown Hill Walkway, Buckingham Street and Matakauri Park), but noted that the recommendation was to adopt the bylaw and policy without change from the documents initially notified for public consultation.

Ms Edgerton presented the report. She advised that signage and additional waste disposal facilities (litter and dog faeces) would be installed at Matakauri Park before the end of the following month.

There was discussion about the issues that had generated submissions in opposition. Councillor Clark asked staff to publicise more widely the areas in the district where dogs could be exercised off the leash.

On the motion of Councillor Clark and Councillor Miller it was resolved that the Queenstown Lakes District Council:

- 1. Note the contents of this report;**
 - 2. Approve the Hearings Panel recommendation to adopt the Queenstown Lakes District Council Dog Control Bylaw 2020 and Dog Control Policy 2020, incorporating no changes following consideration of public feedback from the submissions;**
 - 3. Adopt the Queenstown Lakes District Council Dog Control Bylaw 2020 and Dog Control Policy 2020 with the Bylaw coming into effect on 26 June 2020.**
- 4. Chief Executive's Report**

A report from the Chief Executive presented:

- A proposed remit to Local Government New Zealand's Annual General Meeting regarding water bottling for retrospective approval;

- The Council's submission to the COVID-19 Recovery (Fast-Track Consenting) Bill 2020 for retrospective approval;
- Details of recent meetings held and the items considered.

There was further discussion about the Council's submission about the COVID-19 Recovery (Fast-Track Consenting) Consenting Bill 2020, in particular the request for the Queenstown Arterial Project to be included as a Schedule 2 item.

Councillor Gladding observed that the Queenstown Arterial Project would require demolition of the Memorial Centre, but before this occurred there needed to be an equivalent performing facility in place. Such a development needed community consultation and she was concerned that consultation would be compromised if the arterial project was already largely enabled through inclusion in Schedule 2.

The Chief Executive noted that the example of the Queenstown Arterial Project was only to demonstrate that it was a consentable project and that it was a project appropriate to the fast tracking process. He added that a designation simply protected the right to do something, but any potential future removal of the Memorial Centre would still be subject to consultation pursuant to the Local Government Act 2002.

Councillor Gladding asked the Mayor to consider the parts of the recommendation separately, and he agreed to do so.

It was moved (Councillor Lewers/The Mayor)

That the Queenstown Lakes District Council:

- 1. Note the contents of this report;**
- 2. Adopt retrospectively the QLDC Remit on Water Bottling and approve it to be submitted as a remit at the Local Government New Zealand Annual General Meeting in Wellington in August 2020.**

The motion was carried unanimously.

It was moved (Councillor Lewers/The Mayor)

That the Queenstown Lakes District Council:

- 3. Approve retrospectively the Council's submission to the COVID-19 Recovery (Fast-Track Consenting) Bill 2020.**

The motion was carried with Councillor Gladding recording her vote against the motion.

Resolution to Exclude the Public

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

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

Confirmation of minutes (Ordinary meeting of Council, 4 June 2020)

- Item 5a: Chief Executive’s Report: Additional Budget for Lakeview Project*
- Item 6: Acquisition of land on Trench Hill Road, Quail Rise*
- Item 7: Cardrona Valley Waste Water Scheme Update and Funding Confirmation*

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
5a. Chief Executive’s Report: Additional budget for Lakeview Project	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);	Section 7(2)(i)

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
6. Acquisition of land on Trench Hill Road, Quail Rise	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: h) enable any local authority holding the information to carry on, without prejudice or disadvantage, commercial activities; i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);	Section 7(2)(h) Section 7(2)(i)
7. Chief Executive End of Term Review	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 deceased natural persons);	Section 7(2)(a)

This recommendation is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act or Section 6 or Section 7 or Section 9 of the Official Information Act 1982 as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above with respect to each item.

The meeting went into public excluded at 2.00pm and which point it adjourned briefly. It recommenced in public excluded at 2.03pm.

PUBLIC EXCLUDED

Confirmation of minutes

On the motion of the Mayor and Councillor Smith it was resolved that the Queenstown Lakes District Council confirm the minutes of the public excluded section of the ordinary meeting held on 4 June 2020 as a true and correct record.

On the motion of the Mayor and Councillor Smith the Queenstown Lakes District Council resolved that the public be readmitted to the meeting.

The meeting came out of public excluded and concluded at 2.04pm.

CONFIRMED AS A TRUE AND CORRECT RECORD

MAYOR

DATE