

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

**Present:**

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

**In attendance:**

Mr Mike Theelen (Chief Executive Officer), Mr Peter Hansby (General Manager, Property and Infrastructure), Ms Meaghan Miller (General Manager, Corporate Services), Mr Tony Avery (General Manager, Planning and Development), Mr Stewart Burns (General Manager, Finance, Legal and Regulatory), Dr Thunes Cloete (General Manager, Community Services), Mr Dan Cruickshank (Property Advisor, APL Property Ltd), Mr Ulrich Glasner (Chief Engineer), Mr Anthony Hall (Manager, Regulatory), Mr Tom Grandiek (Monitoring, Enforcement and Environmental Team Leader), Ms Sian Swinney (Alcohol Licensing Team Leader), Mr Aaron Burt (Senior Parks and Reserves Planner), Ms Briana Pringle (Parks and Open Spaces Planning Manager), Ms Alice Balme (Legal Counsel), Mr Brendan Peet (Associate Counsel, via Zoom), Mr Simon Mason (Infrastructure Operations Manager), Mr Brandon Ducharme (Senior Infrastructure Development Engineer) and Ms Jane Robertson (Senior Governance Advisor); one member of the media and approximately 10 members of the public

**Apologies/Leave of Absence Applications**

An apology was received from Councillor Ferguson.

**On the motion of the Mayor and Councillor MacLeod the Queenstown Lakes District Council resolved that the apology be accepted.**

The following requests for Leave of Absence was made:

- Councillor MacLeod: 13-17 December 2020
- Councillor Shaw: 21 December 2020 – 22 January 2021

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

**Declarations of Conflicts of Interest**

No declarations were made.

*Councillor Miller entered the meeting at 1.02pm.*

## Special Announcements

Mayor Boulton acknowledged the recent death following a short illness of former Councillor, Lex Perkins. He paid tribute to his contribution to the community and to the Arrowtown area in particular.

## Public Forum

1. Blyth Adams (Chair, Cardrona Valley Residents and Ratepayers Society Inc): Proposed Cardrona Valley Water Supply Scheme  
Mr Adams stated that the Society opposed the proposed new Council water scheme in Cardrona. The current water schemes had capacity for growth, consents, the necessary infrastructure and the overall support of the community. He believed that the Council was trying to push this decision through which was unacceptable to the community. The Council working with a developer was regarded with suspicion in the community and there were rumours of \$40,000+ connection fees. He asked the Council to reject the staff recommendation to enter into a development agreement.
2. James Gardner-Hopkins (Counsel for Cardrona Water Supply Limited): Legal considerations - new Council-MCS Cardrona Water Supply Scheme  
Mr Gardner-Hopkins raised concerns about the Council's decision-making processes with regard to establishing a new water supply in Cardrona. He cited poor transparency and inadequate consultation, adding that consultation needed to be to be genuine and to follow accepted principles. He also considered there was a high level of misinformation and changed information as well as omissions from the feedback presented in the report and appendices. He was concerned that the Council was recklessly proceeding with the project due to the risk of judicial review and this bordered on misfeasance which, if upheld, would expose the Council to damages.
3. Julie Scott (Queenstown Lakes Community Housing Trust): Council guarantee in favour of QLCHT; Transfer of land at Jopp Street to QLCHT  
Ms Scott spoke in support of items 1 and 9 on the agenda, asking the Council to approve both matters, being an extension of the present loan guarantee for the trust's funding from the Central Lakes Trust and the final agreement to transfer Council land at Jopp street to the trust for the development of community affordable housing. She noted that the latter had been a long time in coming and the trust was in the final stages of planning the development with plans to start building in the new year.
4. Pierre Marasti (Extinction Rebellion): Climate change et al  
Mr Marasti highlighted the various extreme weather events that had occurred recently throughout the world, noting that November 2020 had been the warmest November on record. New Zealand had recently experienced floods and there were likely to be more extreme weather events this summer. Although the government had recently declared a climate emergency this needed to be followed by tangible actions but no decisions had been made that would have a significant impact upon global warming. Tangible reductions to carbon emissions would be an effective measure of success on combatting climate change.

## Confirmation of Agenda

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

## Confirmation of Minutes

29 October 2020

**On the motion of the Mayor and Councillor Lewers 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 29 October 2020 be confirmed as a true and correct record.**

### 1. **Request for Council Guarantee in favour of the Queenstown Lakes Community Housing Trust**

A report from Stewart Burns (General Manager, Finance, Legal and Regulatory) assessed a request from the Queenstown Lakes Community Housing Trust for the Council to extend an existing guarantee of up to \$2,000,000 for the purpose of supporting the Trust's extension of the loan from Central Lakes Trust for a further five years. The report recommended that the Council approve this request.

Mr Burns presented the report.

Members expressed support for the trust's work. The Mayor suggested it was likely to be the best example of its type currently operating in New Zealand.

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

- 1. Note the contents of this report; and**
- 2. Approve extending the existing Deed of Guarantee in favour of the Queenstown Lakes Community Housing Trust (or its nominee) for an amount of \$2.0m to secure the extension of the loan from Central Lakes Trust for a further five years, provided that the Trust indemnifies Council against all liabilities arising out of the discharge of its obligations under the Guarantee.**

### 2. **Shotover River Bylaw 2021**

A report from Tom Grandiek (Monitoring and Enforcement Team Leader) presented a review of the Shotover River Bylaw 2015. The report concluded that a bylaw was the most appropriate way of restricting public access to the Shotover River Concession Area for the purposes of maritime safety and an update of the bylaw, the draft

Shotover River Bylaw 2021, was presented. The report recommended that the Council adopt the draft bylaw in order to commence public consultation using the special consultative procedure.

Mr Burns, Mr Hall and Mr Grandiek presented the report.

Councillor Smith stated that he was aware of tension arising from a range of users who sought opportunities to use the river alongside Shotover Jet's exclusive access right. He anticipated that the Council may receive submissions seeking to explore greater opportunities for a variety of users on the Shotover River.

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

- 1. Note the contents of this report;**
  - 2. Agree that a bylaw is the most appropriate way of restricting public access to the Shotover River Concession Area for the purposes of maritime safety in accordance with section 155(1) of the Local Government Act 2002;**
  - 3. Adopt the Statement of Proposal and draft Shotover River Bylaw 2021 for the purpose of public consultation;**
  - 4. Approve the commencement of the special consultative procedure in accordance with section 83(1) of the Local Government Act 2002 in relation to the proposal to review the Shotover River Bylaw 2015 under section 160 of the Local Government Act 2002; and**
  - 5. Appoint Councillors Clark, Lewers and Smith to hear and consider the submissions on the proposal and make recommendations to the Council on adoption of the reviewed Shotover River Bylaw.**
- 3. Temporary Christmas Day and Boxing Day 2020 Alcohol Ban – Queenstown & Wānaka**

A report from Sian Swinney (Alcohol Licensing Team Leader) assessed a proposal from NZ Police to introduce an alcohol ban in Queenstown and Wanaka CBDs for Christmas and Boxing Days 2020.

Mr Burns, Mr Hall and Ms Swinney presented the report.

It was noted that the use of drugs was also a problem in the district and the Council may have to introduce measures to address these in the future.

Ms Swinney reported that Frankton Beach and Arrowtown were not included in the proposed ban, but based on the experience with Crate Day she did not anticipate that drinkers would relocate.

The Mayor acknowledged the efforts of the local police force to combat the problems arising from alcohol mis-use, noting however that police could not be everywhere so they relied on members of the community to alert them to issues, provided it was safe to do so.

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

- 1. Note the contents of the report;**
  - 2. Declare, by resolution, that temporary alcohol restriction areas be implemented between 8:00am Friday 25 December to 6:00am Sunday 27 December 2020 within the highlighted areas in Schedule 3 map (7) Queenstown, and map (8) Wānaka (for both Queenstown and Wānaka;**
  - 3. Authorise public notification of the alcohol restriction area by publication in the Otago Daily Times, Southland Times, Mirror, Mountain Scene and the Wānaka Sun, along with placing information on online forums such as QLDC's Facebook page and website; and**
  - 4. Authorise officers to display appropriate signage in conspicuous locations in or adjacent to the geographical areas to be subject to the temporary ban.**
- 4. Queenstown Commercial Ltd - Underground Service & Wetlands Easements**

A report from Dan Cruickshank (Property Advisor, APL Property Ltd) assessed an application for underground services easements by Queenstown Commercial Ltd over recreation and local purpose (utility) reserves. The report noted that public notification of the proposal was not required because the easements would not create any long-term permanent effect on the reserve nor affect the ability of people to use and enjoy the reserve. Accordingly, the report recommended that the Council approve the easements.

Mr Cruickshank, Mr Burt and Dr Cloete presented the report.

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

- 1. Note the contents of this report;**
- 2. Approve granting underground service and wetland easements over recreation and local purpose (utility)**

- reserves [as identified in Attachment A to these minutes] for the following;
- a. Recreation Reserve Lot 206 DP 471696, Right to convey water in favour of Lots 1 & 2 DP 531988. Easement areas identified as A and B.
  - b. Recreation Reserve Lot 206 DP 471696, Right to convey water (irrigation) in favour of Lots 1 & 2 DP 531988. Easement areas identified as A and G.
  - c. Recreation Reserve Lot 206 DP 471696, Right to convey gas in favour of Lot 2 DP 531988. Easement area identified as A.
  - d. Recreation Reserve Lot 206 DP 471696, Right to convey electricity (in Gross) in favour of Electricity Southland Limited. Easement area identified as A.
  - e. Local Purpose (Utility) reserve Lot 322 DP 380680, Recreation Reserve Lot 313 DP 333981, Recreation Reserve Lot 307 DP 322452, Recreation Reserve Lot 321 DP 379403, Right to drain water (in Gross) in favour of Queenstown Lakes District Council. Easement areas identified as J, K, L, F & G.
  - f. Recreation Reserve Lot 321 DP 379403, Right to drain water (Wetlands) (in Gross) in favour of Queenstown Lakes District Council. Easement area identified as M.
3. Agree that notification to grant the easements is not required, as a statutory test in Section 48(3) of the Reserves Act 1977 is met for the reasons set out in this report; and
  4. Require that easement fees are charged as per policy; and
  5. Delegate approve of final terms and conditions, and execution authority to the General Manager Community Services; and
  6. Agree that the exercise of the Minister's prior consent (under delegation from the Minister of Conservation) to the granting of the easements over:
    - a. Lot 206 DP 471696 – Recreation Reserve
    - b. Lot 322 DP 380680 – Local Purpose (Utility) Reserve
    - c. Lot 313 DP 333981 - Recreation Reserve
    - d. Lot 307 DP 322452 - Recreation Reserve
    - e. Lot 321 DP 379403 - Recreation Reserve

5. **466 & 516 Frankton-Ladies Mile Land Exchange**

A report from Dan Cruickshank (Property Advisor, APL Property Ltd) assessed an application from Queenstown Commercial Ltd ('QCL') to exchange land between 516 Frankton-Ladies Mile and the adjoining private property at 466 Frankton Road. The report noted that an equal area of land would be exchanged, removing an existing accessway that was not needed and realigning the boundary of QCL's property. The Council would benefit from the exchange by providing an additional road frontage to 516 Ladies Mile. The Council recommended that the application be approved because it would deliver beneficial realignment of property boundaries for both parties and increase their potential use.

Mr Cruickshank and Mr Hansby presented the report.

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

- 1. Note the contents of this report;**
  - 2. Approve the exchange of land between 516 Frankton-Ladies Mile and 466 Frankton-Ladies Mile at nil consideration as shown on the Maven South plan with drawing number C160 Rev C dated August 2020; and**
  - 3. Agree that Council's approval to undertake this land exchange, along with any sale and purchase agreements relating to it shall be limited to a period of 3 years from the date of this resolution; and**
  - 4. Delegate final terms and conditions, along with any associated agreements, minor alignment, area changes and signing authority, to the Chief Executive of Council.**
6. **New reserve licence to the Queenstown Mountain Bike Club for BMX jump park at Kerry Drive, Queenstown Hill**

A report from Dan Cruickshank (Property Advisor, APL Property Ltd) assessed an application from the Queenstown Mountain Bike Club for a licence over recreation reserve at Kerry Drive for a new jump park. The report recommended that approval be given, subject to recommended conditions.

Dr Cloete and Ms Pringle presented the report.

Councillor Smith observed that the existing jump park in Gorge Road was regarded as a stunning example of such a park and asked why the club was seeking to move a world-class facility. Ms Pringle confirmed that the licences were independent and in approving a new licence, the other licence did not expire.

It was noted that parking to be developed near the site could also be used by people using the Queenstown Hill walking track.

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

- 1. Note the contents of this report;**
- 2. Grant a new licence over recreation reserve under section 54(1)(c) of the Reserves Act to The Queenstown Mountain Bike Club Inc, for use of the site as a BMX Jump Park located at Kerry Drive, Queenstown Hill with legal description Lot 4 DP 447835, subject to the following conditions:**

<b>Commencement</b>	<b>TBC</b>
<b>Renewal</b>	<b>One further term of 10 years by agreement of both parties</b>
<b>Rent</b>	<b>Subject to the Community Facility Funding Policy (\$1 per annum at commencement)</b>
<b>Permitted Use</b>	<b>As a BMX Jump Park</b>
<b>Operating Hours</b>	<b>Limited to between 10am and 9pm in summer and 10am and 5pm in winter, with daylight hours clause during autumn and spring.</b>
<b>Insurance</b>	<b>Lessee to hold Public Liability Insurance of at least \$2,000,000</b>
<b>Safety/Suspension</b>	<b>Council to retain ability to suspend or vary the licence for safety or other purposes</b>
<b>Tree management</b>	<b>The lessee will be responsible for implementing a tree and fire management plan for the licence area and immediate vicinity</b>
<b>Termination</b>	<b>Council can give 2-years cancellation notice</b>
<b>Other</b>	<b>Track design/placement must be approved by Council's Parks team All events must be approved by Council</b>



7. **Jacks Point Road Exchange**

A report from Dan Cruickshank (Property Advisor, APL Property Ltd) advised of a 2007 Council resolution to stop and exchange legal roads at Jacks Point, noting however that Jacks Point now wished to vary the agreement and instead amalgamate the road areas with adjoining properties. The report noted that Council engineers supported the proposal because an alternative link road would be vested between Jacks Point and Kelvin Heights and a site would be secured for a new Council reservoir. Accordingly, the report recommended that the Council rescind the 2007 resolution and agree to initiate the new road stopping transfer and vesting.

Mr Cruickshank, Mr Hansby and Mr Glasner presented the report.

Councillor MacDonald stated that the report had been difficult to follow and the diagrams unclear. Mr Hansby apologised for the complexity noting that the situation was not helped by a complicated process that had extended over 13 years.

Councillor Clark spoke in support of a new road through to Kelvin Heights being developed. It was noted however, that although legal access would be made available, it may not result in the development of a formal road.

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

- 1. Note the contents of this report;**
- 2. Agree to rescind the previous Council approval from the 14<sup>th</sup> March 2007 relating to the 'Proposed stopping of legal road – Woolshed Road, Jacks Point'; and**
- 3. Approve initiation of the procedures of section 114, 116 117 & 120 of the Public Works Act 1981 to undertake the road stopping, vesting and disposal as shown on the attached plans by Southern Land T4006-C7 (stopping) and Construction Survey 2007.LRA.s01.Rev G (vesting); and**
- 4. Approve the road exchange being completed for Nil consideration; and**
- 5. Approve the acquisition of land for a new reservoir site from Jacks Point Land Limited or Henley Downs Farms Holdings Limited (location to be agreed) being completed for Nil consideration by agreement pursuant to the Public Works Act 1981 (PWA) for water reservoir and treatment purposes; and**
- 6. Agree that the stopping and disposal of road shall be conditional on the provision of an in-ground**

infrastructure easement, of acceptable location and width to the Council; and

7. Agree that Council's approval to undertake this additional road stopping, sale and vesting process, along with any sale and purchase agreements relating to it shall be limited to a period of 3 years from the date of this resolution; and
8. Delegate final terms and conditions, along with any associated agreements and consent notices to facilitate the legalisation and to provide any approvals for the placing or removal of easements, minor alignment, area changes and signing authority, to the Chief Executive of Council.

8. **Request to update Officer Delegations under the Resource Management Act 1991**

A report from Fiona Blight (Manager, Resource Consents) sought Council approval of changes to the staff delegations. Change was needed in the first instance to reflect a newly introduced section of the RMA (91F) enabling a non-notified application to be returned after a certain period and secondly to re-delegate delegations to other Council officers from a currently vacant Council Officer role that was on hold until the 2021/2022 financial year.

Mr Avery presented the report.

Councillor Smith questioned the delegation to the Planning Policy Manager to amend a plan or proposed plan if directed by a national policy statement and whether such a decision should not also seek the input of elected members. Mr Avery advised that all delegations had an element of discretion and whilst a delegation may be provided to a lower level, it may not always be taken up.

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

1. **Note the contents of this report; and**
2. **Approve the updated Delegations Register [Attachment B to these minutes] which reflects changes to Council Officer Delegations under the Resource Management Act 1991.**

9. **Transfer of land at Jopp Street, Arrowtown to the Queenstown Lakes Community Housing Trust**

A report from Katie Russell (Policy Planner) presented a proposal to transfer Council land at Jopp Street to the Queenstown Lakes Community Housing Trust for

perpetually affordable housing. The report recommended that the transfer of land be approved.

Mr Avery presented the report. He confirmed that the process had taken a considerable time to achieve, including the final steps of obtaining the Minister's approval.

Councillor MacDonald spoke in support of the recommendation, observing that it represented a significant step towards achieving the target for new affordable homes in the district.

Councillor Copland thanked those involved in achieving the transfer as the housing development would be a great addition for Arrowtown.

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

- 1. Note the contents of this report;**
- 2. Authorise the Chief Executive to finalise the transfer of (Lot 2 DP 300390) Jopp Street for \$1.00, subject to applicable encumbrances being placed on the title to ensure the legacy is maintained to the Queenstown Lakes Community Housing Trust to be used for community affordable housing in perpetuity, and**
- 3. Confirm that the yield of at least 65 affordable housing units at Jopp Street is adequate.**

**10. QLDC Integrated Three Waters Bylaw and Administration Manual 2020**

A report from Simon Mason (Infrastructure Operations Manager) presented the QLDC Integrated Three Waters Bylaw and Administration Manual 2020 for adoption following completion of the special consultative procedure and a hearing conducted by Councillor MacLeod, Councillor Gladding and Councillor Lewers.

Mr Hansby, Mr Glasner and Mr Mason presented the report.

Councillor MacLeod advised that he wished to add to the recommendation in order to respond to a concern raised in the hearing that measurement was a vital part of managing water bodies. Accordingly, he put forward an addition to the officer recommendation that sought the development of a policy relating to monitoring of the receiving environment. He had originally sought to achieve this via a change to the bylaw, but staff had advised that it would be better addressed via a policy development.

**On the motion of Councillor MacLeod and Councillor Gladding it was resolved that the Queenstown Lakes District Council:**

1. Approve the development of a policy relating to monitoring of the receiving environment to ensure that the QLDC Integrated Three Waters Bylaw and Administration Manual 2020 being complied with and the Council is meeting its obligations under the Resource Management Act 1991; and
2. Agree that this policy should be developed at the same time as the 10-Year Plan to ensure it is adequately resourced.

Consideration was then given to the original recommendation.

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

1. Note the contents of this report;
2. Approve the Hearing Panel recommendation to adopt the Queenstown Lakes District Council Integrated Three Waters Bylaw and Administration Manual 2020, incorporating minor changes to the previous edition considered by Council at their Ordinary Meeting on 23 July 2020 and following consideration of public feedback from the submissions.
3. Determine that the Queenstown Lakes District Council Integrated Three Waters Bylaw is:
  - a. Necessary to provide a regulatory framework to effectively manage water supply, wastewater (including trade waste) and stormwater.
  - b. The most appropriate and proportionate way of addressing the perceived problem.
  - c. Not inconsistent with the New Zealand Bill of Rights Act 1990.
4. Approve the revocation of the Queenstown Lakes District Council Trade Waste Bylaw 2014 and Water Supply Bylaw 2015.
5. Adopt the Queenstown Lakes District Council Integrated Three Waters Bylaw and Administration Manual 2020 with the Proposed Bylaw coming into effect on 1 July 2021.

11. **Chief Executive's Report**

A report from the Chief Executive presented information about recent meetings and:

- a) Presented a submission on Commerce Commission draft decision on the Aurora Energy pricing proposal.
- b) Sought approval of a budget adjustment to allow for an upgrade of the Lake Wānaka Centre heating, ventilation and air conditioning system.

The Mayor expressed his dissatisfaction with Aurora Energy, in particular its past failures to provide for the future. He was also critical of the Dunedin City Council continuing to take dividends and expressed particular concern that Aurora's pricing proposal would disproportionately affect Wānaka and the Central Otago District. Questions also remained over whether the programme had been right-sized in the first place.

Regard was also had to the Strata Energy report that the Commerce Commission had procured to assess Aurora's Customised Price Path.

The Council's submission to the Commerce Commission was not due until 18 December which would enable further consideration of the detail, in particular, any points raised within the Strata Energy report that merited further comment. Accordingly, it was agreed to amend the recommendation to include this additional step.

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

1. **Note the contents of this report;**
2. **Ratify the contents of the submission in relation to the Commerce Commission draft decision, subject to further amendment to address the issues raised in the Strata Energy report, with the Mayor delegated authority to submit the final submission on behalf of the Council; and**
3. **Approve the reallocation of the following budgets to result in a total budget of \$202,510.00 for the Lake Wānaka Centre HVAC replacement:**
  - a. **\$15,705 - project code 000984 (Queenstown Mem Hall upgrade LED lighting)**
  - b. **\$25,850 - project code 001062 (Arrowtown Hall LED lighting)**
  - c. **\$50,000 - project code 001108 (LWC toilet replacement)**
  - d. **\$20,680 – project code 000467 (AMP Improvements – buildings).**

12. **Cardrona Valley Water Supply Scheme and Budget Integrated Three Waters Bylaw and Administration Manual 2020**

A report from Brandon Ducharme (Senior Infrastructure Development Engineer) advised of recent discussions with Cardrona Valley WTP Ltd ('CVWTP') about a possible agreement to participate in the procurement for design and construction of a dual-source drinking water scheme in the Cardrona Valley. The report noted that there were no public drinking water schemes in the Cardrona Village and the present various small and private schemes were deemed a risk to public health. Accordingly, the report sought Council authority to enter into a Development Agreement with CVWTP Ltd and to negotiate with the current providers of existing private water schemes with the aim of incorporating these into the new water supply network in Cardrona. The report noted that the ultimate goal was the development of an integrated water scheme delivering compliant drinking water to the Cardrona community with the capacity to service the growth of Cardrona for foreseeable future.

The Chief Executive circulated modified recommendations. He advised that recommendations (1) and (2) were unchanged from the published report but a note had been added to (2) specifying that there would be a fair value exchange for third-party water assets and not the nominal value of \$1. Parts (3)(b), (6) and (7) were unchanged from the published agenda.

It was noted that the report was partially redacted and the public excluded version of the same report presented financial information and sought approval of the fiscal envelope for the project.

Councillor Gladding questioned the recommendation to delegate authority for the Chief Executive to enter into a Development Agreement, suggesting that approval to negotiate only or to have Councillor oversight of the Development Agreement were better options. She also suggested that the text 'water take consent held by Mt Cardrona Station' be amended to 'consents'. This was not supported.

Members observed that it was clear from the correspondence from Southern District Health board and Public Health South that the water supply in Cardrona did not meet contemporary health standards.

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

- 1. Note the contents of this report;**
- 2. a. Delegate the authority to the Chief Executive to enter into the Development Agreement and ancillary documents/agreements to participate in the procurement of a new water scheme including dual-source abstraction, water treatment and storage network by others, and for Council to design and construct an inbound connection to the Cardrona Village, noting that progress with the Development**

Agreement is dependent on the variation of the current water take consent held by Mt Cardrona Station to be used for urban purposes.

- b. Delegate to the CE the authority to negotiate with the current providers of existing private water schemes in the Cardrona Valley and to incorporate these into a new publicly provided water supply network for the village, based on a fair value exchange for those assets that have ongoing value in the provision of water to the village.
3. b. Note that the budget approval sought acknowledges that the capital programme for the LTP 21-31 will be formally confirmed through the normal statutory process with adoption in June 2021.
4. Delegate the authority to the Chief Engineer to implement low-flow design guidelines, water metering, and water demand management policies in establishment of a new Cardrona Water Scheme boundary with a metered pay-per use charge implemented across users.
5. Agree that the report and resolution should remain public excluded but that the Chief Executive be delegated the authority to make a public statement at an appropriate time. This report, and specifically the purchase price and/or DC credit or guaranteed capacity rights of any third party assets acquired may be made public only after all conditions of applicable agreements have been met and after full settlement has been made on the settlement date, and procurement process concluded.

*Councillor Gladding recorded her vote against the motion.*

#### **Resolution to Exclude the Public**

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

**And**

That the following persons remain because of their knowledge and expertise of matters in the following agenda items:

Items 13 and 14: Mr Dan Cruickshank

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, 29 October 2020)

- Item 6:** *Appointment of two directors to Queenstown Airport Board of Directors*  
**Item 7:** *Chief Executive Recruitment Process*

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
6. Appointments to Queenstown Airport Corporation Board of Directors	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)
7. Chief Executive Recruitment Process	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)

**Agenda items**

- Item 12:** *Cardrona Valley Water Supply Scheme and Budget Reforecast*  
**Item 13:** *Queenstown Town Centre Arterial Property Acquisitions*  
**Item 14:** *Frankton Campground – New Lease & Redevelopment*



General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
12. Cardrona Valley Water Supply Scheme and Budget Reforecast	<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>	Section 7(2)(i)
13. Queenstown Town Centre Arterial Property Acquisitions	<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) enable any local authority holding the information to carry on without prejudice or disadvantage, commercial activities;</p> <p>ii) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);</p> <p>j) prevent the disclosure or use of official information for improper gain or improper advantage.</p>	<p>Section 7(2)(h)</p> <p>Section 7(2)(i)</p> <p>Section 7(2)(j)</p>

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
14. Frankton Campground – New Lease and Redevelopment	<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) enable any local authority holding the information to carry on 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>

***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 2.31pm at which point it adjourned. The meeting reconvened in public excluded at 2.36pm.*

*The meeting came out of public excluded and concluded at 3.09pm.*

**CONFIRMED AS A TRUE AND CORRECT RECORD**

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**MAYOR**

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**DATE**