

Minutes of an ordinary meeting of the Queenstown Lakes District Council held in the Council Chambers, 10 Gorge Road, Queenstown on Thursday 12 December 2024 commencing at 1.00pm

Present:

Mayor Glyn Lewers; Councillors Bartlett, Bruce, Cocks, Ferguson, Gladding, Guy, Smith, Tucker, White and Wong

In attendance:

Mr Mike Theelen (Chief Executive Officer), Mr Tony Avery (General Manager, Property & Infrastructure), Ms Katherine Harbrow (General Manager, Assurance, Finance & Risk), Mr Ken Bailey (General Manager, Community Services), Mr Paddy Cribb (Finance Manager), Mr Roger Davidson (Property Director), Ms Jesse Taylor (Investment and Support Services Manager, P&I), Mr Simon Mason (Infrastructure Operations Manager), Mr Adrian Hoddinott (Operations & Contracts Manager, Parks), Ms Alyson Hutton (Planning Policy Manager), Ms Amy Bowbyes (Principal Planner, Planning Policy), Mr Naell Crosby-Roe (Stakeholder & Democracy Services Manager), Mr Jon Winterbottom (Democracy Services Team Leader), Mr Ben Scott (Web & Communications Advisor) and Ms Jane Robertson (Senior Democracy Services Advisor); two members of the media and approximately 10 members of the public

Apologies/Leave of Absence Applications

An apology was received from Councillor Whitehead.

The following requests for leave of absence were made:

- Councillor White: 8-22 January 2025
- Mayor Lewers: 3 January 2025; 13 and 17 January 2025; 22-24 January 2025

It was moved (The Mayor/Councillor Gladding):

That the Queenstown Lakes District Council resolve that the apology from Councillor Whitehead be accepted and the requests for leave of absence be approved.

Motion carried unanimously.

Declarations of Conflict of Interest

Councillor Gladding declared an interest in item 9 (“Appointment of replacement commissioners for Independent Hearing Panels for two variations to the Proposed District Plan”) and undertook to leave the meeting for this item.

Special Announcements

Mayor Lewers presented Ms Imogen Smith (Waitaha, Kāti Māmoe, Kāi Tahu) with flowers and acknowledged her successful completion of the 2024 Tuia Programme. Ms Smith acknowledged the Mayor's support over the past year and spoke briefly about the personal benefits of the programme.

Mayor Lewers made a public comment in response to the various requests that had been declined to speak in the public forum about the Fast-track Approvals Bill. More specifically, he commented about some of the proposed projects in the district, stressing that the Queenstown Lakes District Council (QLDC) had no decision-making role in the various projects put forward.

Public Forum

1. Trent Yeo, Ziptrek Limited

Mr Yeo expressed concern about the problems he was experiencing with renewing the lease he had with QLDC for land on Ben Lomond from which his business operated. He believed that the proposed conditions of lease renewal would change how his business operated and he was still not operating properly because of the landslide that had occurred in September 2023. He sought more fairness from QLDC in the lease negotiations.

2. Pierre Marasti, Extinction Rebellion: Global warming

Mr Marasti noted that November 2024 had been the second warmest November on record. He commented on the failure of successive COP conferences and his hopes that the latest conference would develop plans to slow desertification. United Nations was also failing to act and decarbonisation was now up to each individual. Electrify Wānaka sought to accelerate electrification as this had economic, environmental and health benefits and he encouraged QLDC to support this initiative.

Confirmation of Agenda

Councillor Gladding questioned the number of different items covered in the Chief Executive's report and asked whether this represented good public engagement.

It was noted that several items were approval of recommendations, either from committees or the Wānaka-Upper Clutha Community Board, and the issues had therefore been considered previously at these meetings.

It was moved (The Mayor/Councillor Cocks):

That the Queenstown Lakes District Council resolve that the agenda be confirmed without addition or alteration.

Motion carried with Councillor Gladding recording her vote against the motion.

Confirmation of minutes

24 October 2024 (Ordinary meeting)

It was moved (The Mayor/Councillor Bartlett):

That the Queenstown Lakes District Council resolve that the public part of the minutes of the ordinary meeting of the Queenstown Lakes District Council held on 24 October 2024 be confirmed as a true and correct record.

Motion carried unanimously.

1 2023-24 Annual Report

A report from Paddy Cribb (Finance Manager) introduced the Annual Report for the year ended 30 June 2024 and sought its adoption in accordance with Sections 98 and 99 of the Local Government Act 2002.

Mr Cribb and Ms Harbrow presented the report, noting that QLDC had received an unqualified audited. The report showed that costs had increased alongside strong growth in the region with an increased number of rating units. The report also revealed a high overall turnover and Queenstown Airport had provided a larger dividend than expected, again indicative of increased activity. Debt levels were largely in line with budget although impacted by factors outside QLDC control (such as high interest rates and extreme weather events).

Councillor Gladding was critical of aspects of the report and its overall clarity. In her view, some activities were grouped awkwardly, smaller projects were often concealed in larger ones and variance explanations were not always clear. These matters needed to be addressed before the next Long Term Plan was produced.

It was moved (Councillor Guy/Councillor Barlett):

That the Queenstown Lakes District Council resolve to:

- 1. Note the contents of this report;**
- 2. Adopt the draft Annual Report for the year ended 30 June 2024 pursuant to sections 98 and 99 of the Local Government Act 2002, as recommended by the Audit, Finance and Risk Committee.**

Motion carried with Councillor Gladding voting against the motion.

2. Capital Works December 2024 Reforecast

A report from Jeremy Payze (Senior Management Accountant) presented proposed amendments to the capital works programme budgets as originally set out in the 2024/34 Long Term Plan. The report sought approval of the proposed amendments.

Ms Harbrow, Mr Avery and Ms Taylor presented the report and responded to various questions. Officers acknowledged that in some cases, staff vacancies were holding back progress with projects but there were efforts underway to recruit as fast as possible.

Councillor Smith advised that he did not intend to support reforecast recommendations going forward as this implied an acceptance that the organisation was not achieving its performance objectives for delivery of capital works.

It was moved (Councillor Tucker/Councillor Bartlett):

That the Queenstown Lakes District Council resolve to:

- 1. Note the contents of this report; and**
- 2. Approve all proposed budget changes in accordance with Attachment A of the 'Capital Works – December 2024 Reforecast' report.**

Motion carried with Councillor Gladding and Councillor Smith voting against the motion.

3. Local Government Funding Agency 350% Debt Ratio

A report from Paddy Cribb (Finance Manager) sought approval for officers to review options in relation to applying for the Local Government Funding Agency updated bespoke Revenue to Net Debt ratio of up to 350% (currently 285%).

Mr Cribb and Ms Harbrow presented the report. It was noted that this was a potential new debt arrangement and supported the government directive for territorial authorities to explore other ways of raising funds. It represented a future option for QLDC and was only a proposal to investigate at this stage and any approval to proceed would require a separate Council approval.

It was moved (Councillor Bruce/Councillor White):

That the Queenstown Lakes District Council resolve to:

- 1. Note the contents of this report; and**

2. **Approve Council officers reviewing options of borrowing up to 350% of revenue which is currently available via the Local Government Funding Agency.**

Motion carried unanimously.

4. **Transport Funding Options – Response to the 2024-2027 National Land Transport Programme**

A report from Simon Mason (Infrastructure Operations Manager), Brent Pearce (Strategy & Infrastructure Planning Manager), Jesse Taylor (Investment and Support Services Manager) and Alison Tomlinson (Strategic Asset Manager) presented options for reprioritising QLDC's 2024/25 – 2026/27 transportation capital expenditure programme following New Zealand Transport Agency's (NZTA) adoption of the 2024-27 National Land Transport Programme. The proposed allocation from NZTA was \$11.9 million less than what Council officers had assumed would be available when developing capital and operational expenditure budgets for the period 2024/25 to 2026/27. For this reason, the report also sought Council approval of an updated three-year transportation capital expenditure budget for the same period, possible via the funding available (without the NZTA subsidy).

Mr Avery and Ms Taylor presented the report and responded to questions.

There was further discussion about which option provided the best overall outcome with some members expressing support for the other options identified. Officers acknowledged that working without funding assistance had the advantage of providing flexibility and consolidating budgets was an option to complete more work.

It was moved (Councillor Bartlett/Councillor Gladding):

That the Queenstown Lakes District Council resolve to:

1. **Note the contents of the report;**
2. **Approve the recommended 2024/25 - 2026/27 transport capital expenditure programme in accordance with Attachment A of the 'Transport Funding Options – Response to the 2024-27 National Land Transport Programme' report; and**
3. **Note that approval of recommendation (2) will enable QLDC to maximise approved 2024-27 National Land Transport Programme funding.**

Motion carried unanimously.

5. **Alliance Lessons Learnt and Implications for Capital Delivery**

A report from Katherine Harbrow (General Manager Assurance, Finance & Risk) and Tony Avery (General Manager Property & Infrastructure) presented short-term requirements for the management and governance of the Kā Huanui a Tāhuna Alliance and implications for long term capital delivery. This was as the consequence of an independent ‘lessons learnt’ review report of the performance of the Kā Huanui a Tāhuna Alliance undertaken by Mr Dave Brash, which had been reported to the Audit, Finance & Risk Committee on 11 June 2024, and responded to a resolution of that committee. The ‘lessons learnt’ report (dated May 2024) was appended to the covering report and discussed as part of the item.

The Chief Executive presented the report.

There was extensive discussion in response to the report. The actions already undertaken and those proposed to be taken to address the recommendations in the ‘lessons learnt’ report were discussed and it was noted that the actions would lead to improvements in the Council’s current reporting of capital projects.

Concern was expressed about the length of time taken to present the ‘lessons learnt’ report, the lack of governance oversight of the project and the regular budget overruns that had been presented for Council approval. Although it appeared that an Alliance was the most effective way to deliver the project, the review had identified a number of improvements that could be adopted if a future project of this scale was initiated.

It was moved (Councillor Cocks/Councillor Bruce):

That the Queenstown Lakes District Council resolve to:

1. **Note the contents of this report;**
2. **Note in particular, the proposed actions to be undertaken to address the various recommendations contained in the Alliance Lessons Learnt report.**

Motion carried with Councillor Gladding and Councillor Smith voting against the motion

6. **Electrical services and wastewater mains easement for RCL Henley Downs Limited, at a Local Purpose Reserve in Hanley’s Farm**

A report from Christina Hitchcock (Assistant Property Manager) assessed an application for an electrical services easement in favour of Aurora Energy and a wastewater easement in favour of QLDC, over Local Purpose (Drainage) Reserve, Lot 98 DP 519609 (RT 836888) and Lot 96 DP 539515 (RT 902441), in Hanley’s Farm. The report recommended that the easement be granted, subject to standard conditions, adding that public notification was not required because there would be no long-term effect on the reserve and it would not permanently affect the public’s use or enjoyment of the reserve as the infrastructure would be below ground.

Ms Hitchcock, Mr Davidson and Mr Avery presented the report. In response to questions, officers confirmed that the sewage and electrical lines would use the same (proposed) easement which would be three metres wide. It was suggested that in future, a survey plan illustrating these features should be attached to the report.

It was moved (Councillor Smith/Councillor Bruce):

That the Queenstown Lakes District Council resolve to:

- 1. Note the contents of this report;**
- 2. Approve an electrical services easement to RCL Henley Downs Limited, over Lot 98 DP 519609 and Lot 96 DP 539515;**
- 3. Approve a wastewater easement to RCL Henley Downs Limited, over Lot 98 DP 519609 and Lot 96 DP 539515;**
- 4. Require that easement fees are charged, in accordance with Council's Easement Policy 2008, payable before the registration of the easements;**
- 7. Delegate authority to approve final terms and conditions of the easement and execution authority, to the General Manager Community Services.**

Motion carried unanimously.

7. Procurement Plan for Parks Maintenance Contracts

A report from Adrian Hoddinott (Operations and Contracts Manager, Community Services) presented a procurement plan for new parks maintenance contracts with a proposed start date of 1 July 2025 and sought Council approval of it in order to go to market.

Mr Hoddinott and Mr Bailey presented the report.

There was further discussion about whether a contract of this size could make use of local suppliers. Officers observed that larger contractors could usually offer better rates but there was value in encouraging big suppliers to engage local suppliers as sub-contractors.

It was moved (Councillor Bruce/Councillor Wong):

That the Queenstown Lakes District Council resolve to:

- 1. Note the contents of this report;**

2. Approve the Procurement Plan for Parks Maintenance Contracts.

Motion carried unanimously.

The meeting adjourned at 3.22pm and reconvened at 3.27pm.

8. Chief Executive's Report

A report from the Chief Executive:

- a. Presented QLDC's appeal to the Otago Regional Council on its representation arrangements for the 2025 local elections for retrospective approval;
- b. Recommended the appointment of Warwick Lampp as the QLDC's Electoral Officer and that candidate names be sorted in random order on QLDC voting documents in 2025;
- c. Recommended approval of a new lease over reserve land to the Otago Regional Council in order to site an Air Quality Monitoring Station in Kawarau Falls;
- d. Recommended approval of a new lease over reserve land to enable the Arrowtown Village Association to use as a storage area for civil defence equipment;
- e. Recommended approval of the Draft Te-Taumata-o-Hakitekura Ben Lomond and Te Tapunui Queenstown Hill Reserve Management Plan for public notification and appointment of Councillors Ferguson, Guy, Tucker and Wong to a hearing panel to hear and consider submissions received on the draft RMP;
- f. Recommended approval of an Electrical Easement in favour of Aurora Energy over Sargood Drive Recreation Reserve;
- g. Recommended adoption of a new Protected Disclosures (Protection of Whistleblowers) Policy and revoke the existing Policy from March 2017; and
- h. Recommended approval of Queenstown Airport Corporation's (QAC's) proposed framework for capital reporting.

Protected Disclosures (Protection of Whistleblowers) Policy

Councillor Gladding asked for an additional point to be added to 7.1 of the proposed policy:

Disclosure is not protected if a discloser discloses to others not on a confidential basis and not for the purposes of seeking advice.

She considered that this was needed in order to match the wording contained in the Protected Disclosures (Protection of Whistleblowers) Act 2022 and to ensure the policy was comprehensive (without needing to refer to the Act). Mr Noble responded, clarifying that the Act provided that 'A discloser is entitled to protection even if they also make the disclosure to another person, as long as they do so on a confidential basis; and for the purposes of seeking advice about whether or how to make a protected disclosure in

accordance with this Act.’ He noted that the purpose of the policy was not to replicate the Act but was intended to be clear where disclosure was relevant. He considered that this point could be addressed in training, adding that once adopted, the policy would be promulgated to staff, contractors/subcontractors and volunteers via a detailed communications plan.

QAC’s Proposed Framework for Capital Reporting

Councillor Gladding suggested that the proposed framework was missing key assumptions and these needed to be added. Following discussion, the Mayor ruled that the key assumptions had been clearly explained during QAC’s masterplan process and no further amendment was needed to the proposed framework.

The Mayor declined a request for each part of the resolution to be taken separately.

It was moved (Councillor Tucker/Councillor Ferguson):

That the Queenstown Lakes District Council resolve to:

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

Otago Regional Council Representation Review

2. **Approve retrospectively QLDC’s appeal to the Otago Regional Council on its representation arrangements for the 2025 local elections;**

Delegation under Local Government (Rating) Act 2002

3. **Delegate the responsibilities, duties and powers under the Local Government (Rating) Act 2002 section 98E to the General Manager Finance, Assurance & Risk and the Finance Manager;**
4. **Agree pursuant to Section 12 of the Local Electoral Act 2001 to appoint Warwick Lampp as QLDC Electoral Officer;**
5. **Agree pursuant to Section 31 of the Local Electoral Regulations 2001 to arrange candidate names in random order on QLDC voting documents for the 2025 local election.**

**Otago Regional Council Air Quality Monitoring Station Lease
in Kawarau Falls**

6. Agree to grant a new lease, in accordance with section 54(1) of the Reserves Act 1977 to the Otago Regional Council over Lot 88 DP 19735 subject to the following terms and conditions:

Commencement	1 November 2024
Term	10 years
Renewal	Two rights of 5 years by agreement of both parties
Rent	\$1.00 + GST (if charged)
Insurance	Requirement to have public liability insurance of \$2 million

**Arrowtown Village Association Civil Defence Storage lease in
Jack Reid Park**

7. Agree to grant a new lease, in accordance with section 54(1) of the Reserves Act 1977 to the Arrowtown Village Association over; Part of Section 38 Block VII Shotover SD (Jack Reid Park) subject to the following terms and conditions:

Commencement	1 October 2024
Term	5 years
Renewal	One right of renewal of 5 years by agreement of both parties
Rent	Subject to the Community Facility Pricing Policy
Location	Within the alcove at the rear of the Arrowtown Community Centre
Permitted Use	Storage of a mini cube container (1.8m x 1.8m x 1.8m) containing civil defence equipment.
Reviews	At renewal (plus consequent to any review of the Community Facility and Funding Policy)

**Draft Te-Taumata-o-Hakitekura Ben Lomond and Te
Tapunui Queenstown Hill Reserve Management Plan**

8. Approve the Draft Te-Taumata-o-Hakitekura Ben Lomond and Te Tapunui Queenstown Hill Reserve Management Plan for public notification in accordance with section 41 (6) of the Reserves Act 1977;

9. Appoint four members from the Community & Services Committee to a panel (with one member as a reserve panellist) from Councillors Ferguson, Guy, Tucker and Wong to hear and consider submissions received on the Draft Te-Taumata-o-Hakitekura Ben Lomond and Te Tapunui Queenstown Hill Reserve Management Plan;

Electrical Easement in favour of Aurora Energy over Sargood Drive Recreation Reserve

10. Agree to exercise the Minister's consent and approve an electrical services easement over Sargood Drive Recreation Reserve, legally described as lot 75 DP 15833, in favour of Aurora Energy in accordance with the indicative easement plan;

Recommendations from Audit, Finance & Risk Committee

11. Adopt the Protected Disclosures (Protection of Whistleblowers) Policy and revoke the existing Policy from March 2017; and
12. Approve the Queenstown Airport Corporation's proposed framework for capital reporting.

Motion carried with Councillor Gladding voting against the motion.

Resolution to Exclude the Public

It was moved (The Mayor/Councillor Tucker):

That the Queenstown Lakes District Council resolve 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

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| Item 1A: | 101 Ballantyne Road Development Agreement 2024 |
| Item 10 | Term of Solid Waste Services Contract |
| Item 11 | Appointment of Director and Reappointment of Existing Director for the Queenstown Airport Corporation Board of Directors |
| Item 12 | Adoption of Chief Executive's KPIs |

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
<p>1a. 101 Ballantyne Road Development Agreement</p>	<p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to:</p> <p><i>Section and Grounds</i></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><i>Reason for this recommendation</i></p> <p>Premature release of this information would likely reveal Council’s negotiating position and create a potential disadvantage, whilst also inhibiting the other party in the negotiation. It is also likely to detrimentally affect the relationship between negotiating parties. Whilst there is public interest in this matter and the use of public funds, the countervailing benefit of achieving the best outcome financially and for ratepayer facilities outweighs that interest.</p>	<p>Section 7(2)(i)</p>

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
<p>10. Term of Solid Waste Contract</p>	<p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to:</p> <p><i>Section and Grounds</i> (i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p> <p><i>Reason for this recommendation</i> Council’s negotiations with WM New Zealand are commercially sensitive and disclosing these negotiations could compromise Council’s position in negotiating a longer-term contract extension or procuring a new contract for services ahead of the existing contract expiring.</p>	<p>Section 7(2)(i)</p>

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
<p>11. Appointment of Director and Reappointment of Existing Director for the Queenstown Airport Corporation Board of Directors</p>	<p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to:</p> <p><i>Section and Grounds</i> (a) Enable Council to protect the privacy of natural persons, including that of deceased natural persons</p> <p><i>Reason for this recommendation</i> To ensure the best possible recruitment outcome, candidates must be able to apply confidentially particularly in the case of candidates who are not successful. Whilst there is public interest in appointments to the Board the countervailing need to ensure high quality candidates who can deliver the best outcomes for the airport, its shareholders and community will apply in confidence outweighs such interest.</p>	<p>Section 7(2)(a)</p>

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
12. Adoption of Chief Executive's KPIs	<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>Section and Grounds</i> (a) Enable Council to protect the privacy of natural persons, including that of deceased natural persons</p> <p><i>Reason for this recommendation</i> The report deals with information regarding the Chief Executive's performance and it is therefore personal to the Chief Executive and Council only.</p>	Section 7(2)(a)

Agenda Items

Item 9: Appointment of replacement commissioners for Independent Hearing Panels for two variations to the Proposed District Plan

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
<p>9. Appointment of replacement commissioners for Independent Hearing Panels for two variations to the Proposed District Plan</p>	<p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to:</p> <p><i>Section and Grounds</i> (b) Enable Council to protect the privacy of natural persons, including that of deceased natural persons</p> <p><i>Reason for this recommendation</i> To enable the Council to consider in private the professional knowledge and capabilities of the proposed commissioners.</p>	<p>Section 7(2)(a)</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.

Motion carried unanimously.

The meeting went into public excluded at 3.39pm at which point Councillor Gladding left the meeting.

The meeting came out of public excluded and concluded at 3.42pm.

MAYOR

DATE