

COUNCIL MEETING

MINUTES of a Meeting of the **ASHBURTON DISTRICT COUNCIL** held in the Council Chamber, 5 Baring Square West, Ashburton, on Thursday 24 September 2009, commencing at 1.30 pm.

PRESENT: His Worship the Mayor, M B O'Malley; Councillors R C Beavan, N A Brown, I J Burgess, K L Holmes, R J Kilworth, J A Kingsbury, L J Leadley, J Sparks, P W Reveley and B A Tasker.

In attendance Chief Executive, Manager Democracy & Community Services, Community Planning Manager and Committee Secretary.

Three members of the public attended.

APOLOGIES: Crs J A Everest and K W P Lowe **Sustained**

The Mayor reported the death of Sir Howard Morrison. As a mark of respect Council stood and observed a moment's silence.

The opening prayer was offered by Pastor David Hyslop.

Extraordinary Business

"That pursuant to Section 7(2)(A) of the Local Government Official Information and Meetings Act 1987 the following item be introduced as extraordinary business and considered with the public excluded as item 4.11:

- Council Controlled Organisations

Reason for urgency: To meet Audit review requirements

Leadley/Holmes **Carried**

Confirmation of Minutes

"That the minutes of the meeting of Ashburton District Council held on 13 August 2009, be taken as read and confirmed."

Burgess/Kilworth **Carried**

"That the minutes of the Extraordinary meetings of Ashburton District Council held on 27 August and 17 September 2009, be taken as read and confirmed."

Leadley/Kilworth **Carried**

Mayor's Report

"That the report be received."

Tasker/Kingsbury **Carried**

Chief Executive's Report

"That the report be received."

Tasker/Holmes **Carried**

Barrhill Chertsey Irrigation Ltd - AGM

"That the Deputy Mayor Cr Leadley, and the Chairman of Finance and Community Services Committee Cr Holmes, be appointed as proxies for the Ashburton District Council for the purposes of the AGM of Barrhill Chertsey Irrigation Ltd 2009."

Kilworth/Burgess **Carried**

Electoral Matters

The Chief Executive reported that a response has been received from the Minister of Health who has acknowledged that having the District Health Board elections at the same time as council elections, and using a different voting system, is not satisfactory, however any change would require an Act of Parliament.

Resource Management Act Process

The RMA Amendment Bill 2009 is now available with most clauses in the amended Act commencing on 1 October 2009. The document will be analysed and reported back through the Environmental Services Committee.

Operations Committee – 27 August 2009

“That the report and minutes of the Operations Committee meeting held on 27 August 2009, be received.”

Tasker/Leadley

Carried

Carry-Over of Funds from 2008-2009 Annual Plan to 2009/2010

“That the requested carry-overs from the 2008-2009 Annual Plan to 2009-2010, as detailed in this report, be recommended to Council for approval.”

Tasker/Brown

Carried

Environmental Services Committee – 10 September 2009

“That the report and minutes of the Environmental Services Committee meeting held on 10 September 2009, be received.”

Kilworth/Leadley

Carried

Finance & Corporate Services Committee – 17 September 2009

“That the report and minutes of the Finance and Corporate Services Committee meeting held on 17 September 2009, be received.”

Holmes/Brown

Carried

The Property Manager, Finance Manager and Operations Manager attended the meeting at 1.47 pm.

Aquatic Centre / Stadium Project – Site Options

The Manager Democracy & Community Services reported that the Stadium Complex Trust support the recommendation in respect of two sites but express a strong desire that the process be carried out with as little expense as possible. Photos showing the proposed sitings at the A&P Showgrounds and Domain were tabled. It was noted that the sites, which are approximations, have been reconfigured to maximise site availability.

Cr Kilworth recommended that a time limit be placed on the receipt of the report from Opus International and that the Opus report be peer reviewed.

Cr Leadley asked for a progress report on the previously considered South Street site, which had been generally accepted as an option. The Operations Manager said that the NZ Transport Agency had concerns with this site which could possibly be addressed by a second bridge. The Regional Transport programme includes provision for a second bridge in the 10 year programme and further investigation of this option is programmed for next year.

The Chief Executive confirmed the South Street area was one of the first preferences following work undertaken by the Stadium Complex Trust.

Cr Holmes spoke against the recommendation to investigate two sites. He considers that the timeframe referred to in the report is too long and, in his view, believes that only the Domain site, being the Trust's preferred option, should be progressed, noting that the Trust have a set time to raise funds and have been delayed three months already.

Cr Beavan also opposed the recommendation and the A&P Showgrounds option. He said that evidence has shown the importance of the facility being located close to the CBD.

The Chief Executive explained that the high level analysis carried out to date indicates that there are no critical issues with either site, however until such time that the next level of detail is found, there can be no certainty. The resource consent process too, requires investigation to the next level. Mr Lester said that Council would face a higher risk by focusing on only one site at this stage.

The Mayor referred to the need for two sites to be identified before the consent process begins. He said that Council needs to lead the process on behalf of the ratepayers who will be contributing significantly to the project.

Cr Kilworth would not support the notion of a third site and believes that the further work about to be undertaken on the two proposed sites will give certainty to what is required for the next 50 years.

“That Council approves the technical investigation / assessment of

- i) the Ashburton Domain (picnic ground and tennis court area); and
- ii) the A&P Showgrounds

to determine their suitability as sites for an aquatic centre / stadium.

Kilworth/Sparks

A show of hands gave 7 for and 3 against and the motion was

Carried

Council supported the suggestion that a time limit be placed on Opus to report back and that their report be independently peer reviewed.

The Chief Executive advised that consultation with the public will refer to all of the other site investigations, including detailed work on the key sites. The public will have access to all of this information to ensure they are well informed of the process that Council and the Stadium Complex Trust have undertaken.

Council agreed that the community needs to be part of the decision making and Council needs to know the community's view before capital expenditure is committed.

Cr Holmes asked that Council be given the opportunity to see the brief before it is sent to the consultant. His expectation is that Opus will have considerable knowledge of the sites' requirements, therefore the process shouldn't take four months. Cr Holmes reiterated his opposition to both sites being investigated and the timeframe and process being committed to.

The Mayor referred to the RMA process which requires that all possibilities be investigated to eliminate concerns. He believes that the timeframe will be less than the proposed four months.

The Chief Executive explained that because the proposal doesn't comply with the District Plan, a resource consent will be required. Mr Lester said that another key part of the process is the special consultation process which will show whether there is widespread support from the community; this consultation will ensure a more straightforward consent application process.

The Operations Manager advised that Opus will be immediately advised of Council's decision and timeframe. Mr Rouse said that Opus have indicated they would be able to commence investigation work next week and confirmation of this will be sought. Because the proposed facility will place significant demands on existing infrastructure it will be necessary to determine whether off site work will be required. The Operations Manager will brief Opus on the technical investigation / assessment information presented in the report to Council and Councillors will be provided with detail on the Opus briefing. Mr Rouse said that this will be new work and any time savings will relate to the model that Opus has.

It was suggested that the outcome of the consultation process may indicate the need for a referendum, however the Mayor cautioned that Council would need to be mindful that debate on this matter has highlighted varying interpretations of knowledge. He said that a referendum may risk misinformed decision.

1. That Opus International Consultants be invited to provide a price proposal to carry out the investigation / assessment work.
2. That the Opus investigation work be peer reviewed by an independent consultant.
3. That Council approves a budget of up to \$95,000 to carry out the investigation / assessment work and requests that the consultant's report be received at the Council meeting on 17 December 2009.
4. That following the technical assessment Council will decide on one site to go out for public consultation using the special consultative procedure.
5. That the proposed timeframe for the special consultative procedure is approved."

Kilworth/Burgess

A show of hands gave 7 for and 3 against

Carried

Crs Beavan, Holmes and Reveley recorded their votes against the motion.

Ashburton Golf Club – Lease Application

The Mayor gave notice that he would withdraw from discussion and decision on the basis of a perception of his bias. In a statement to Council he said that it would be appropriate to step aside from consideration of this matter, as he did when it was referred to the Property & Investment Subcommittee, because, in the intervening period he has been made aware, in no uncertain terms, that there is a perception in certain quarters that he is biased over the issue and has prejudged the matter. The Mayor categorically stated this is not the case but in the interests of Council and the appearance of fairness, he would withdraw from debate and Council's decision.

The Mayor left the meeting at 2.38 pm.

The Deputy Mayor took the Chair.

The Chief Executive spoke about the change to the designation of land north of the site under discussion which Council has identified for the purposes of the Business Estate and roading development. Mr Lester said the Development Plan hasn't identified any change of use for this site and it is therefore appropriate that Council retains ownership of it. He said the terms and conditions will ensure that the proposal will be independent of the golf course and any buildings associated with that. Discussions have been held with NZTA who agree that lighting, traffic and outlook issues could be mitigated through consent conditions.

It was noted that the lease conditions are specific and restrictive to ensure that Council has the ability to review the lease at the end of the 10 year timeframe.

The Property Manager advised that the area proposed to be used by the Golf Club equates to at least 50% of the two titles. Mr Rooney said that the total site would be leased but the use for the golf driving range would, at an estimate, take 50% of the site – 40% of residual land required to be sub-leased. In respect to permitted uses, the main lease document would make it clear that it is a golf driving range, however it could be included that land would also be available to non members of the Golf Club – this would need to be clarified. Mr Rooney said that the shape of the residual land would change with roading requirements and without water services, the land which is designated Rural A, would be unsuitable for the activities usual in this zoning.

Cr Beavan recommended that an additional clause be included in the lease agreement to ensure that the facility will be available to the public, on a fee paying basis.

The Chief Executive said there would be an option to consider extending the lease, however if Council had an alternative use at that time, then the lease would expire.

Cr Kilworth expressed reservations about the value of the land to this and future Councils. She said that this area has been of interest and to date Council is yet to decide what it will do with that land. Reverse sensitivity, because of use as a golf driving range, would make it difficult for future councils. Cr Kilworth said that Council will not get to realise the true value of that land.

Cr Tasker also considers this land to be of significant value to Council and, because the District Plan review is still in progress, there may be other options that should be considered. Cr Tasker referred to similar requests for use of this land that Council has rejected in the past and said that she believes there would be another way for the Golf Club to provide this facility.

Cr Leadley said that with the likely need for land to be taken in the future as part of the SH1 expansion, Council would be left with an area of land that would be unsuitable for lifestyle blocks and difficult to use. He believes the proposal provides an appropriate buffer between residential and commercial / recreational. The proposal is in accordance with the purpose of Golf Club which will be required to undertake a notified consent process.

Cr Holmes also supported the recommendation and considers the lease agreement gives Council sufficient notice and a 10 year timeframe to determine a future use for this land.

“That the request be approved subject to:

- Appropriate screen planting on the outside boundary of the range
- A lease for a period of ten years
- The Ashburton Golf Club obtaining a resource consent.
- That the facility be available for public use on a fee ”

Holmes/Brown

A show of hands gave 7 for and 2 against (Tasker and Kilworth)

Carried

Council adjourned for afternoon tea at 2.55 pm and resumed at 3.10 pm.

***Ashburton Aquatic Park Charitable Trust Private Plan Change
– Final consideration of change to Ashburton District Plan***

- “1. That the report be received.
2. That the Ashburton Aquatic Park Charitable Trust Private Plan Change to the Ashburton District Plan be approved in accordance with Clause 17, Schedule 1 of the Resource Management Act 1991, so that the Council seal can be affixed to the decision and the District Plan be amended in accordance with the decision.”

Kilworth/Tasker

Carried

Council Grant Scheme 2009-2010

Because a number of reserve boards and hall societies received funding this year, Cr Brown suggested that a separate funding allocation be budgeted annually for this. The matter will be addressed by the Property & Investment Subcommittee.

“That the report of the Working Party meeting held on 17 September, 2009, be received and the grants listed confirmed.”

Holmes/Brown

Carried

Ashburton District Council Bylaws Infringement Notices – Findings of Council Workshop

The Regulatory Manager was in attendance.

- “1. That the report be received; and
- 2 That the level of fines identified in this report be confirmed.”

Kilworth/Sparks

Carried

Extraordinary Business Council Controlled Organisations

“That Council reconfirms its exemption the Ashburton Community Water Trust from the requirements of a council controlled organisation.”

Holmes/Leadley

Carried

Business taken with the public excluded (3.20 pm)

“That the public be excluded from the following parts of the proceedings of this meeting:

The general subject of each matter to be considered while 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:

Item no	General subject of each matter to be considered:	In accordance with Section 48(1) of the Act, the reason for passing this resolution in relation to each matter:
5.1.1	Council – 13/08/09 <ul style="list-style-type: none">• Electricity Ashburton Shareholders• Ashburton Business Estate• Property Matter [now in open meeting] <ul style="list-style-type: none">• Art Gallery / Museum (decision to proceed with proposal)• Sale of Council land & buildings• Reserve 1957 - declassification	Section 7(2)(a) Protection of privacy ..persons Section 7(2)(h) Commercial activities Section 7(2)(h) Commercial activities
5.1.2	Extraordinary Council – 27/08/09 <ul style="list-style-type: none">• BCI Ltd• Art Gallery / Museum• Aquatic Park Charitable Trust	Section 7(2)(h) Commercial activities Section 7(2)(h) Commercial activities Section 7(2)(h) Commercial activities

5.1.3	Extraordinary Council – 17/09/09 [now in open meeting] <ul style="list-style-type: none"> • Contract C563 – Business Estate Stage 1 – utility services & roading • Methven Heritage Project 	
5.1.4	Finance & Community Services – 17/09/09 <ul style="list-style-type: none"> • Ashburton Railway Station mediation • Aquatic Park Charitable Trust • Property Matters • Police report • BCI Irrigation Ltd 	Section 7(2)(h) Commercial activities Section 7(2)(h) Commercial activities Section 7(2)(h) Commercial activities Section 7(2)(f) Maintain conduct of public affairs Section 7(2)(h) Commercial activities
5.2	Barrhill Chertsey Irrigation Ltd	Section 7(2)(h) Commercial activities
5.3	Ashburton Contracting Ltd – AGM	Section 7(2)(h) Commercial activities
5.4	Electricity Ashburton Shareholder Committee Appointment	Section 7(2)(h) Commercial activities
5.5	Tinwald Borefield Development	Section 7(2)(h) Commercial activities
5.6	Contract C565 Reseals & Preseal Repairs 2009-10	Section 7(2)(h) Commercial activities
5.7	Property Matter	Section 7(2)(h) Commercial activities

Sparks/Kingsbury

Carried

Business taken with the public excluded now in open meeting

Awarding of Contract C565 : Reseals And Pre-Seal Repairs 2009-10

“That the tender of Ashburton Contracting Ltd in the sum of Three Million One Hundred and Ninety Eight Thousand Seven Hundred and Fifty Seven Dollars and seventy two cents for Contract 565: ‘Reseals and Preseal Repairs, Ashburton District, 2009/2010’ is accepted”

Kilworth/Tasker

Carried

Variation of Lease – 1 Range Street

“That subject to the current lease being assigned from Designline International Holdings Ltd to Spray-Marks Roadmarking Ltd, the lease be varied by the provision of an additional clause; viz

That at the expiry of the current term on 31 October 2011, the lessee (Spray-Marks Roadmarking Ltd) shall have the option to either renew the lease in accordance with the ‘Deed of Renewal and Variation of Lease’ dated 20 May 2008, or shall have the option to freehold the property at the market value pertaining at that time as established by registered valuers who shall be independently commissioned by the lessor and lessee.”

Holmes/Kingsbury

Carried

Sale of Freehold Land – Cnr Arundel-Rakaia Gorge Road & McFarlanes Road

The Property Manager reported that the highest tenderer yesterday confirmed that the tender submitted is their highest price.

“That approval be given to accept the tender from Mt Alford Station Ltd (as agent) and Sydney Osbourne Symonds (as agent) in the sum of \$287,032 (GST inclusive) for the purchase of the land located at the corner of Arundel-Rakaia Gorge Road and McFarlanes Road, described as RS32797 being 7.2843ha contained in CT CB93/152 and RS 34064 being 9.7251 ha contained in CT CB10k/214.”

Holmes/Kilworth

Carried

Freeholding of Glasgow Leased Land – 4 Bryant Street

“That approval be given to the freeholding of the land to the lessee (Ashburton TV & Audio Ltd), at 4 Bryant Street, described as Lot 49 DP 18524 at market value to be determined by a registered valuer.”

Holmes/Tasker

Carried

Freeholding of Glasgow Leased Land – 10 & 12 Bryant Street

“That approval be given to the sale of the Council freehold land at 10 & 12 Bryant Street, Tinwald, at a market price to be established by a registered valuer, to Longway Holdings Ltd, subject to Longway Holdings purchasing the lessee’s interest in the title.”

Brown/Leadley

Carried

Geoff Geering Drive – Section Sale

“That approval be given to accept an unconditional offer of \$100,000 for Lot 48 in the Geoff Geering Drive subdivision.”

Holmes/Kingsbury

Carried

Ashburton Contracting Limited – Annual General Meeting

“That Mr Philip Dunstan be reappointed to the Board of Ashburton Contracting Limited, for a period of three years from the Annual General Meeting of 27 October 2009.”

Kilworth/Holmes

Carried

Electricity Ashburton Limited — Shareholder Committee

“That David Ward be appointed to the Electricity Ashburton Shareholder Committee for a term of three years.”

Holmes/Leadley

Carried

Ashburton Water Supply – Tinwald Borefield Development

- “1. That Council confirms its intention to provide a stand-alone water supply on the Tinwald side of the Ashburton River;
2. That Council approves deepening the Lagmhor Road bore as set out in Option 2 of this report; and in particular;
 - (a) the offer from Aquifer Locations Limited to fund the exploratory drilling to a maximum depth of 200m at the Lagmhor Road bore is accepted;

- (b) if the exploratory drilling locates a suitably yielding aquifer (≥ 60 litres/sec), Council will reimburse Aquifer Locations Ltd the costs of the exploratory drilling estimated at \$30,000 exc GST and pay Aquifer Locations Ltd the originally contracted success fee of \$5,000 excluding GST.”

Leadley/Tasker

Carried

Ashburton Licensing Trust Offer of Purchase – County Building

“That Council agrees to sell the current Art Gallery and Museum building (the County building) (*legally described as Lot 1 DP 48853 held in C.T. 27k/319*) to the Ashburton Licensing Trust for \$1.8 million plus GST, including but not limited to all conditions contained in the agreement dated 3 July 2009.”

Holmes/Reveley

Carried

The meeting concluded at 5.08 pm.

Confirmed this 3rd day of November 2009 by

MAYOR