



Around the Mountains Cycle Trail Project Subcommittee

OPEN MINUTES

Minutes of a meeting of Around the Mountains Cycle Trail Project Subcommittee held in the Council Chambers, 15 Forth Street, Invercargill on Wednesday, 15 November 2017 at 3.07pm.

PRESENT

Chairperson Brian Dillon
Mayor Gary Tong

Councillors Stuart Baird
Julie Keast
Ebel Kremer

IN ATTENDANCE

Councillor Douglas (3.09pm – 3.57pm)

Chief Executive	Steve Marshall
Group Manager Services and Assets	Ian Marshall
Group Manager Community and Futures	Rex Capil
Chief Financial Officer	Anne Robson
Communications Manager	Louise Pagan
Publications Specialist	Chris Chilton
Committee Advisor	Fiona Dunlop

1 Apologies

There were apologies from Councillor Duffy.

Moved Mayor Tong, seconded Chairperson Dillon and **resolved:**

That the Around the Mountains Cycle Trail Project Subcommittee accept the apology.

2 Leave of absence

There were no requests for leave of absence.

3 Conflict of Interest

There were no conflicts of interest declared.

4 Public Forum

There was no public forum.

5 Extraordinary/Urgent Items

There were no Extraordinary/Urgent items.

6 Confirmation of Minutes

Resolution

Moved Cr Kremer, seconded Cr Baird **and resolved:**

That the Around the Mountains Cycle Trail Project Subcommittee confirms the minutes of extraordinary meeting, held on 3 May 2017 as a true and correct record of that meeting.

Reports for Recommendation

7.1 Options for Funding the Around the Mountains Cycle Trail

Record No: R/17/11/26655

Chief Financial Officer – Anne Robson was in attendance for this item.

Miss Robson advised that the purpose of the report was for the Subcommittee to recommend to Council the decision on how to fund the balance of costs to date for the

Around the Mountains Cycle Trail be consulted on as part of the 2018-2021 Long Term Plan.

The Meeting noted that Council had previously deferred the decision on how it was going to fund the net cost (ie the difference between costs to date and external funding received) of developing the Around the Mountain Cycle Trail until the Deloitte report and the Environment Court decision had been received. Both have now been received. Council is still in the process of deciding how it will complete the trail after deciding that the proposed Oreti River option is no longer a feasible option.

Miss Robson further advised that this paper explores the issues of when Council wants to make the funding decision on the net cost to date, how it wants to fund it and the level of consultation, if any, it wishes to undertake. The decision on how to fund any costs to complete the trail is not part of this report and it is suggested that that decision be made at the time that Council decides how and if to complete the trail.

The Meeting further noted that a version of this report has been to the Finance and Audit committee for discussion. The committee agreed to recommend to Council that how the trail be funded be consulted on as part of the 2018-28 Long term Plan. They also noted that their preferred option on which to consult was funding by way of a 30 year loan collected by a fixed amount per rating unit.

(During discussion on the item, Councillor Douglas joined the meeting at 3.09pm.)

Resolution

Moved Mayor Tong, seconded Cr Kremer **and resolved:**

That the Around the Mountains Cycle Trail Project Subcommittee:

- a) **Receives the report titled "Options for Funding the Around the Mountains Cycle Trail" dated 8 November 2017.**
- b) **Determines that this matter or decision be recognised as significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Recommends to Council that the decision on how to fund the net cost to date of \$4.6 million incurred to develop the Around the Mountains Cycle Trail be made as part of the 2018-2028 Long Term Plan.**
- e) **Recommends to Council that options to be consulted on for funding include:**
 - i) **The preferred option is funding by way of loan over 30 years, with loan repayments collected by way of the uniform annual general rate.**
 - ii) **Funded by the Strategic Asset Reserve, with no repayments of the**

reserve.

- iii) **Funded 50% by way of a loan over 30 years, with repayments collected by way of the uniform annual general rate and 50% funded by the Strategic Assets Reserve, with no repayments of the reserve.**
- f) **Recommends to Council that the decision on how to fund the \$4.6 million be included as part of the 2018/2028 Long Term Plan consultation document as prescribed in terms of Section 93C of the Local Government Act 2002.**
- g) **Recommends to Council that it amends the Revenue and Financing Policy to include funding of the loan repayments for the Around the Mountains Cycle Trail from the uniform annual general rate.**

7.2 Around the Mountains Cycle Trail Business Case development

Record No: R/17/11/26833

Group Manager, Services and Assets – Ian Marshall was in attendance for this item.

Mr Marshall advised that the purpose of the report was to inform the Committee of progress with the development of a business case for options to progress the Cycle Trail project and to seek the Subcommittees direction on the consultation process to be adopted, in particular whether the issue should be included in the Long Term Plan consultation document and if so how should it be framed.

The Meeting noted that the report discusses the process and progress on the development of a business case on the future development of the Around the Mountains Cycle Trail. The business case is still being developed. It is proposed the final draft will be included in the Council meeting agenda set down for 13th December 2017.

Mr Marshall also advised that the options for the process to use to consult the Community on the preferred option are included in this report and that the preferred option is Option 2.

The Meeting noted that option 2 is that the Subcommittee recommends to Council:

- That Council adopt the Business Case and the preferred option.
- The cost of the option is added to the Long Term Plan financial plan
- The issue is specifically flagged in the Long Term Plan consultation document and the cost identified.
- The options using this model would be “Do the preferred option” or “Do the absolute minimum”.

Resolution

Moved Mayor Tong, seconded Cr Keast **and resolved:**

That the Around the Mountains Cycle Trail Project Subcommittee:

- a) **Receives the report titled “Around the Mountains Cycle Trail Business Case Development” dated 9 November 2017.**
- b) **Determines that this matter or decision be recognised not significant in terms of Section 76 of the Local Government Act 2002.**

- c) Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**

- d) Provide feedback on the draft of the Around the Mountain Cycle Trail Business Case.**

- e) Indicates to staff, that while it will make a final decision at a subsequent meeting that it is likely to recommend to Council that it should consult on its preferred option in the 2018-2028 Long Term Plan consultation document.**

The meeting concluded at 3.57pm.

CONFIRMED AS A TRUE AND CORRECT RECORD AT A MEETING OF THE AROUND THE MOUNTAINS CYCLE TRAIL PROJECT SUBCOMMITTEE HELD ON WEDNESDAY 15 NOVEMBER 2017.

DATE:.....

CHAIRPERSON:.....