



**ANNUAL GENERAL MEETING
DRAFT MINUTES**

Date: Wednesday October 19, 2016 at 5.30pm
Location: The Supper Room, Queenstown Memorial Centre – 1 Memorial Street, Queenstown

1. PRESENT:

Tony McQuilkin, Geoff Owen, Michael Walker, John and Mary Thompson, John Edmonds, Angus Welsh, Lindsay Williams, Mark Townsley, Mandy Kennedy, Lou Vicente, Lawrence Montague, Kerry Dunlop, Alan Nelson, Mary Jowett, Lisa Cooper, Marion Borrell, Nicole Fairweather, Danielle Sherman, Clark Pirie, Brian Fitzpatrick

2. APOLOGIES:

Sir Eion Edgar – Patron, Ken Swain, Liz and Peter Cruikshank, John Stark, Melissa Davidson, Simon Smith, Mike and Jane Burdon, Britta Taylor, Carey Vivian, Stephen Quin, Lisa Nilsen

3. CHAIRMAN'S WELCOME:

Chairman welcomed all to the 2016 AGM of the Queenstown Trails Trust.

4. CONFLICT OF INTEREST:

Non noted

5. MINUTES:

The minutes of the last AGM held on October 14, 2015 previously approved as draft minutes at QTT meeting are now formally adopted as a true and accurate record.

Moved Lindsay Williams / Carried John Edmonds

6. MATTERS ARISING FROM PREVIOUS MINUTES:

No matters arising – all matters covered in CEO report

7. FINANCIAL REPORTS:

AW-Treasurer presented the financial statements for the year ending June 30, 2016. Starting with the balance sheet AW presented \$351k of total assets – these are the core funds for the running of the organisation. Non-current assets equating to \$243k term deposits which are long-term. AW reiterated that having such core funds was very healthy for the organisation and that all in all the financial position of the Trust is very strong and this is a great comfort to trustees. All debts including that of purchasing the Motatapu are now paid off. Other major expenses include track maintenance and consultants' fees. AW advised the financials have been signed off by the QTT Chairman and trustees and accounts have been duly reviewed by KPMG of Christchurch. No questions from attendees.

Moved Angus Welsh / Carried John Thompson

8. CONFIRMATION OF AUDITORS:

Trustees to appoint KPMG of Christchurch to review QTT's financial accounts. Chairman moved QTT to re-appoint KPMG for the period July 01, 2016 to June 30, 2017, with the indicative fee for financial review services of \$2,650.00+.

Moved Tony McQuilkin / Carried Michael Walker

9. CHAIRMAN'S REPORT:

The Chairman's Annual Report was read in conjunction with a PowerPoint presentation.

As Chairman of the Queenstown Trails Trust, it is my pleasure to provide our annual report.

The trails are being well used we have seen a 10% growth in the past financial year with over 211,000 trail journeys on the network. In terms of economic benefit for the region the trails network has contributed over \$14m in the past year and it is pleasing to see trail-related business ventures thriving and new businesses opening. I believe the community holds in high regard the developing network of trails. We really appreciate the volunteer support from the community especially around events from which the QTT generates funds to reinvest in our trail network. The good thing is the trails are being used and enjoyed.

Earlier this year we farewell Kaye Parker who has been such a tremendous asset to the Trust for the past 5 years. We have two part-time employees our CEO Mandy Kennedy and in March this year welcomed Louise Vicente who takes care of the marketing, our Official Partners and Friends of the Trust programme on behalf of the Trust. We are a small operation that has plenty to do and are fortunate to have the services of Mandy and Louise who are committed, competent, enthusiastic and professional.

The Trust remains in a stable financial position with over \$500,000 in funds as of 30 June 2016. Excluding trail maintenance and development, the operating expenses of the QTT are nearly covered by our income streams. In the 15/16 financial year the QTT spent \$109,000 on trail upgrades and maintenance.

Be assured there is plenty of planning for future trails, which have varying gestation periods. In many cases QTT is the facilitator and we are not in control of the timeline.

2015/2016 Projects

- Over the past year we delivered extensions to the Kelvin Peninsula Loop track in the form of two new beach coves.
- Finalised work on the Glenda Drive track, the upper trail on the Twin Rivers trail saw investment of additional water treatments and surfaces along with general maintenance work.
- \$300,000 grant from MBIE MGR to joint venture with QLDC maintenance to the Queenstown Trail
- Twin Rivers Trail Kawarau River Slip Project (complete this month), thanks to the team at RPL for their generous and valuable support of this project and for their commitment to maintaining both the upper and lower trails which run alongside the Kawarau River for the next 15 years.
- The Trust is working with the Department of Conservation on a joint venture for upgrade to the Lake Hayes Track (commenced October)

Very significant has been the Trust Executive successfully applying for leveraged funding from MBIE, the benefits of which will show in the 16 / 17 financials. This is an example of the QTT extracting greater value from every dollar we spend, by cross subsidization.

AHEAD:

- Planning commenced on for the Coronet Loop Track – one of the 18 tracks agreed with the QEII Trust National Covenant on Soho Properties.
- Planning underway for a loop trail connecting Jack's Point via Hanley Downs to Frankton and the Lake Wakatipu Ride into Queenstown
- Central Otago Queenstown Trail Linkages Project. Connecting Queenstown to Cromwell, Wanaka to Cromwell and Cromwell to Alexandra and beyond. This will be huge and all credit to the steering group including Sir Eion Edgar and Kay Parker for bringing together \$25 million for this project. The QTT will fully supportive as the project takes shape.

We are grateful to be the chosen charity for the Queenstown Marathon and The Pioneer Epic MTB events with funds from the both events being allocated to the Twin Rivers Trail Lower Kawarau River Slip project. The Motatapu event loan has been paid off in full and we saw an increase in financial support from both our Friends of the Trust and Official Partners.

November 2015 saw the launch of our new 10 Year Strategic Plan which is a guide to ensure the trails are kept to world-class standard by way of improvements, completing the outstanding and working on a plan to better connect the existing recreational trails to provide enhanced commuter routes for our community and visitors to the district. The Trust will work on partnerships and accessibility for future trail developments and stable revenue streams for long-term planning and development.

It was very pleasing to see that New Zealand Cycle Trail Inc. the government appointed body overseeing the network of trails in New Zealand following a peer review and case study was especially complimentary of the QTT, around governance, management and strategy. Mandy can take well deserved recognition here.

I would like to acknowledge the very significant contribution of Vanessa van Uden representing the Queenstown Lakes District Council as a Trustee of the Queenstown Trails Trust over a period of 8 years; Vanessa has stepped down from her Trustee role.

Also I acknowledge the valued input of two other trustees Carry Vivian and John Thompson who have served the Trust each for 9 years, and are required to step down. Both have provided enormous personal input and assistance to the trust, and their efforts will be recognized. John just keeps on tirelessly working for this community.

I would like to formally acknowledge the support provided by our Official Partners, Friends of the Trust, Landowners and Sponsors, and volunteers who have worked closely with us over the past year. The relationship and support of Russel Hamilton representing Soho Properties is amazing.

Finally to the Board of Trustees, including our two new trustees Michael Walker and Mark Townsley our executive team, DoC and QLDC, thank you all for your support, efforts and advice – all of which is very much appreciated.

Tony McQuilkin
Chairman – Queenstown Trails Trust
18 Oct 2016

10. CEO REPORT

The CEO's Report was read in conjunction with a PowerPoint presentation.

Kia Ora and welcome to the 2016 AGM of the Queenstown Trails Trust.

The 2015/2016 year seems to have passed in a flash with plenty of trail related projects being worked on and the arrival of 'Queenstown Trails for the Future 2015-2025', our 10-year plan keeping us focused on the tasks at hand and for the future. We hope you are enjoying the trails and have noticed the maintenance work that has been undertaken on the Queenstown Trail from February through to July to ensure our trails are the best they can possibly be and continue to be one of the most highly used trails in the Great Rides network. We have received some wonderful feedback from many trail users commenting on the improved trail surface and gradients – we very much appreciate this feedback.

At our 2015 AGM I highlighted how success in the Trust's opinion would look, to recap: -

- Trails are of an exceptional level – truly world-class in construction, design and feature what we call the 'missing element'
- Increasing levels of participation in safe and active use of the trail network by residents and visitors
- More choice in the recreational trail experience for people – such as multi-day options and links to sister trails in the Central and Southland region
- A sustainable management and funding model in place that ensures a high level of maintenance of trails, associated infrastructure and development of new trails
- Trails that connect all Queenstown communities to business centres, schools, shops, activities and the wider recreational trail network

Over the past 12 months we have been travelling down the path to make the above five points a reality. I encourage you to read (if you haven't already) *Queenstown Trails for the Future 2015-2025* which encompasses these points and clearly explains how we believe the journey will unfold. We deliberately positioned our 10-year plan to be a stretch yet realistic and we know that in 10-years' time our trail network will be bigger, better connected and have increased users and stewardship. Our challenge is to ensure trail connectivity whether it be to local businesses, schools, hamlets, activities or through to Central Otago and beyond is the best trail network we can possibly deliver. Our thanks go out to the 47 different parties who freely gave their time to us in the planning stage of the strategy – your insight greatly assisted us in producing the final document.

Access is key and we work hard with a wide range of stakeholders to ensure the opportunity for walking and biking trails is alive and well into the future. We will continue to support stakeholders to extend the range of trail based experiences that will attract new visitors and increase length of stay by way of single and multi-day product offerings, maps and lobbying tourism bodies to promote the Queenstown Trail to increase international awareness.

Building upon the works undertaken in the previous financial year, we applied and were successful with a grant from the Ministry of Innovation & Employment (MBIE) Maintaining the Quality of Great Rides fund (\$300,000) for additional culverts, trail surfaces and signage.

This was a joint venture with Queenstown Lakes District Council (QLDC) and I am pleased to say stage one of project is complete - this included culverts, trail surface/gravel along with a board walk and some adjustments to trail gradients. Over the coming months we will work on the signage opportunity and identify further works via our Warrant of Fitness programme which is now an annual programme to ensure our trails are the best they can possibly be. Our thanks to QLDC for their support in this project and the contractors who did a great job.

As Tony advised the long-standing Twin Rivers Trail Kawarau River Slip project is now complete. The slip has been repaired and the trail will re-open in the coming weeks once maintenance to the closed section of the trail has been finished. I would like to recognise the support both from a project management and financial perspective from the team at Remarkables Park Ltd (RPL), we would not be in the position we are today with this section of trail and for this we are most grateful. Recognition also needs to be given to Wilson Contractors who have pulled out all stops with the repair and rebuild of this section of trail. We also note and sincerely thank RPL for the commitment they have made in respect to a 15-year maintenance agreement for both the upper and lower trails alongside the Kawarau River (part of the Twin Rivers Trail). The Kelvin Peninsula Loop saw some additional work in the extension of the trails to two beach coves, giving an additional wow factor to this beautiful and popular trail.

The Lake Hayes Trail is undergoing an upgrade – we commenced with this project last November whereby we asked the Department of Conservation (DoC) to consider in partnership with QTT to upgrade this most popular trail. Earlier this month the DoC project team commenced their work, which is envisaged to be a 10-week programme and is to be complete prior to the Christmas holidays. We cannot thank enough the local DoC team who worked very hard in seeing this project come to fruition.

In keeping with our 10-year plan, we are embarking on securing the relevant consents to form a walking/biking trail on Soho Properties land which will essentially provide a 50km loop from Arrowtown up and around Coronet Peak. This is a JV with Soho Properties who have generously agreed to form the trail. Also scoping work is underway for an easy grade trail from Jack's Point back to the Old Kawarau Bridge and/or Frankton and to form an easy/intermediate grade trail from Jardine Park to Jack's Point thus forming a seamless loop. We are working on an opportunity in relation to the Project Shotover site to provide a trail which has more direct access alongside the Shotover River to connect with the trail running alongside the Kawarau River. In addition, we have been lobbying QLDC and NZTA for greater connectivity from the recreational trail network to the CBD, businesses, schools and were delighted to see the QLDC adopt connections and bike hubs into the CBD via the QLDC's Transport Implementation Plan. A new official Queenstown Trail Map is at the printer and is due to arrive within the next week - this is a result of comments made from last year's AGM and feedback we received when compiling our strategic plan.

Trail numbers are through the roof and we have now seen over 1 million trail users since opening in 2012. We now include the Gibbston River Trail and Arrowtown's Millennium Track in our trail count data and overall we have seen user growth of 10% year on year. MBIE last week published the results of an evaluation report of the 22 Great Rides with stunning results from our trail.

The report included a breakdown of the economic impact of each trail for last year and showed the Queenstown Trail led the way nationally with 211,901 visitors, and economic impact of \$9 million in from international visitors and \$5.4 million from domestic visitors.

On March 5th, the 12th Motatapu was held and we welcomed 3,334 competitors to enjoy this bucket-list event. New sponsors Skoda, Air New Zealand, Garmin, Avanti and title sponsor Macpac joined the family and the Ironman team whom the Trust engage to run the Motatapu produced another stellar event. Whilst competitor numbers were down on the previous year feedback told us that 96% of surveyed competitors would rate their experience good or better, 91% indicated they would recommend taking part in the Motatapu to friends/family/colleagues with 50% indicating they would definitely return to do it all again in 2017. Entries to date are tracking well and we look forward to the 2017 event which will be held on March 4th 2017. The \$85,000 raised from the event is being directly utilised for ongoing trail development and maintenance.

Our chosen charity relationship with both the Air New Zealand International Queenstown Marathon and The Pioneer MTB event in the 2015/16 period raised in excess of \$41,000 which we have used to support the work on the Twin Rivers Trail Kawarau River project.

We truly enjoy getting out and about on the trails whenever we can, meeting the Friends of the Trust and working with our Official Partners who are so incredibly generous with their time and resources. We are committed to bringing new connecting trails into the mix and ensuring we do our best to take care of the trails in our network. None of this could be possible without the strong relationships we have on the ground in particular with the DoC and QLDC Parks & Reserves teams. Our thanks also go to Vodafone for telecommunications support, Heartland Ricoh for taking care of our in-house printing requirements, Winger Queenstown for vehicle support and McCullough and Partners for their help with the financial side of things.

Our sincere thanks to our Friends of the Trust who have volunteered their time over the past year to help us out at the Motatapu and Queenstown Marathon – you all make these events great and the Queenstown Pedallers for working with us on the very first Warrant of Fitness of the trail – we will certainly be calling on your expertise again.

Finally, from myself to our Board of Trustees, I very much appreciate your collaboration, advice and support which is exceptional – thank you.

Mandy Kennedy
CEO – Queenstown Trails Trust
18 Oct 2016

11. ELECTION OF OFFICERS:

- No election of officers
- Appointment of two new Trustees in April 2016 - Michael Walker and Mark Townsley
- Two long standing trustees standing down as per QTT trust deed John Thompson and Carey Vivian
- DoC representative – Geoff Owen and QLDC Parks & Reserves representative Stephen Quin appointed
- QLDC Mayor, Vanessa van Uden stood down after 8 years, we are awaiting advice from QLDC regarding who will be the next QLDC representative

Lindsay Williams nominated Tony McQuilkin to continue in the role of Chairman

Moved Lindsay Williams / Carried Michael Walker

Tony McQuilkin to nominate Angus Welsh to continue in the role of Treasurer
Moved Tony McQuilkin / Carried John Edmonds

12. GENERAL BUSINESS

Chairman opened the floor for general business.

- Kerry Dunlop questioned the \$34k spend on consultancy fees. MKennedy responded by answering these were the costs associated with creating the 10 year strategic plan
- Mary Jowet asked if anybody from the Trust had approached the bus company regarding bike stands? MKennedy advised the Trust has been lobbying QLDC via its Transport Strategy plan
- Mary Jowet asked if there was any progress on the development of the track between Arthurs Point and Tuckers Beach. MKennedy responded by saying this is in the 10 year plan (years 4-6)
- Lisa Cooper asked what the grade will be of the Coronet Loop trail. MKennedy responded with intermediate grade MTB trail, it will be shared use walking/MTB track.
- Kerry Dunlop asked about sealing of the trails. MKennedy advised this was identified as part of MBIE funding as an opportunity to consider (via QLDC/QTT's WOF). This is a two-fold discussion around safety, long term maintenance and recreational vs commuter/connector trails. Lindsey Williams commented that we – as the Trust have had no discussion about sealing the trails but it's apparent with the wider transportation plan in the district that it would be beneficial in some areas for better commuter traffic and that the needs of the commuter is very different from recreational users.

The Chairman thanked all for attendance, the meeting concluded at 6.30pm.