

Notice is hereby given that an Ordinary Meeting of Southland District Council will be held on:

Date: Wednesday, 27 April 2016
Time: 1pm
Meeting Room: Council Chambers
Venue: 15 Forth Street
Invercargill

Council Agenda

OPEN

MEMBERSHIP

Mayor	Mayor Gary Tong
Deputy Mayor	Paul Duffy
Councillors	Lyall Bailey
	Stuart Baird
	Brian Dillon
	Rodney Dobson
	John Douglas
	Bruce Ford
	George Harpur
	Julie Keast
	Ebel Kremer
	Gavin Macpherson
	Neil Paterson

IN ATTENDANCE

Chief Executive	Steve Ruru
Committee Advisor	Fiona Dunlop

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Full agendas are available on Council's Website
www.southlanddc.govt.nz

TABLE OF CONTENTS

ITEM	PAGE
PROCEDURAL	
1 Apologies	5
2 Leave of absence	5
3 Conflict of Interest	5
4 Public Forum	5
5 Extraordinary/Urgent Items	5
6 Confirmation of Council Minutes	5
REPORTS - POLICY AND STRATEGY	
7.1 Key issues and funding requests for deliberation on the Annual Plan 2016/2017	7
REPORTS - OPERATIONAL MATTERS	
8.1 Dog Registration Fees for 2016/2017	117
8.2 Food Act 2014 Delegations	127
8.3 Food Act 2014 - Combined Registration Authority	133
8.4 Forecasted Financial Position for the year ending 30 June 2016	139
8.5 Update on Te Anau Wastewater Peer Review Process	153
8.6 Approval of Unbudgeted Expenditure for the Oban Wastewater Oxidation Pond	265
8.7 Approval of Unbudgeted Expenditure by the Te Anau Community Board for the Joint Public BBQ Project with the Te Anau Kepler Lions Club	269
8.8 Elected Members Remuneration	273
8.9 Request to Transfer Ownership of the Athol Fire Station Property to the Southern Rural Fire Authority	291
8.10 Renewal of Lease of Office Space, Council's Otautau Office - Otautau and Districts Charitable Community Trust	295
8.11 Management Report	307
8.12 Building Consents and Values for February 2016	315
8.13 Resource Consents and Other Resource Management Act Items - February 2016	323

8.14	Resource Consents and Other Resource Management Act Items - March 2016	325
8.15	Venture Southland Business Plan	329

REPORTS - GOVERNANCE

9.1	Vacancy - Colac Bay Community Development Area Subcommittee	371
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PUBLIC EXCLUDED

Nil

1 Apologies

At the close of the agenda no apologies had been received.

2 Leave of absence

At the close of the agenda no requests for leave of absence had been received.

3 Conflict of Interest

Councillors are reminded of the need to be vigilant to stand aside from decision-making when a conflict arises between their role as a councillor and any private or other external interest they might have.

4 Public Forum

Notification to speak is required by 5pm at least two days before the meeting. Further information is available on www.southlanddc.govt.nz or phoning 0800 732 732.

5 Extraordinary/Urgent Items

To consider, and if thought fit, to pass a resolution to permit the Council to consider any further items which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, and the Chairperson must advise:

- (i) The reason why the item was not on the Agenda, and
- (ii) The reason why the discussion of this item cannot be delayed until a subsequent meeting.

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“Where an item is not on the agenda for a meeting,-

- (a) that item may be discussed at that meeting if-
 - (i) that item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
- (b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.”

6 Confirmation of Council Minutes

6.1 Meeting minutes of Council held on 7 April 2016

Key issues and funding requests for deliberation on the Annual Plan 2016/2017

Record No: R/16/4/4760
Author: Susan Cuthbert, Strategy and Policy Manager
Approved by: Rex Capil, Group Manager Community and Futures

☒ Decision ☐ Recommendation ☐ Information

Purpose

- 1 This report provides for decisions on the key issues and funding requests as a result of the Annual Plan (AP) submissions process.

Executive Summary

- 2 Council officers prepared a consultation document for the Annual Plan 2016/2017 that was adopted by Council on 27 January 2016 along with other information to support the consultation document. Public consultation on the consultation document and supporting information occurred from 27 January 2016 to 29 February 2016 and 263 submissions were received. In addition, informal feedback was received via social media. An oral submissions hearing was held on 7 April 2016 and 25 submitters spoke to their submissions.
- 3 At its meeting on 27 April 2016, Council will meet to resolve final issues that impact on the preparation of the final AP and supporting information. A series of issues and options (attached) reports have been prepared to assist Councillors in their decision-making. Officer recommendations resulting from these reports are included in the recommendations below.

Recommendation

That the Council:

- a) Receives the report titled “Key issues and funding requests for deliberation on the Annual Plan 2016/2017” dated 20 April 2016.
- 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) Attachment A - Local Roads - Agrees to staff preparing the draft Annual Plan 2016/17 to include a project to seal the Catlins Road which includes the Slope Point Road to the first carpark and the road leading to the Waipapa Point Lighthouse.
- e) Attachment A - Local Roads - Agrees not to include project work to repair the Colac Bay Foreshore Road in the Annual Plan 2016/2017.
- f) Attachment A - Local Roads - Agrees not to include projects to seal Roslyn Road (Roslyn Bush) and Helena and Mersey Streets (Fortrose) in the Annual Plan 2016/2017.
- g) Attachment B - Heritage - Agrees to staff preparing the draft Annual Plan 2016/2017 to include a \$5.00 including GST per household increase to the Regional Heritage rate - a total of \$77,095 for the District.
- h) Attachment C - Roding Rate Model - Endorses the Roding Rate Model methodology used to calculate outcomes in the Consultation Document for inclusion in the draft Annual Plan 2016/2017.
- i) Attachment D - District and Local Issues and comments - Agrees to remove the Edendale Community Centre project from the Annual Plan budget.
- j) Attachment D - District and Local Issues and comments - Agrees to forward submitters’ project suggestions to the relevant Community Board or Community Development Area Subcommittee for their follow up and investigation if considered viable.
- k) Attachment D - District and Local Issues and comments - Agrees to forward submitter objection to car parking in Argyle Street on Stewart Island to the Stewart Island/Rakiura Community Board for discussion.
- l) Attachment D - District and Local Issues and comments - Agrees to work with Public Health South to consider how a health in all policies’ approach may be developed.
- m) Attachment E - Te Anau Wastewater Discharge project - Agrees to staff preparing the draft Annual Plan 2016/2017 on the basis that it will not include

- the costs of investigating alternative options for the Te Anau Wastewater Scheme at this stage on the basis that the Te Anau Wastewater Project Committee is yet to make a recommendation to Council.
- n) Attachment E - Te Anau Wastewater Discharge project - Determines that should the Te Anau Wastewater Project Committee make a recommendation then this will be considered as unbudgeted expenditure at that time.
 - o) Attachment F - Around the Mountains Cycle Trail - Agrees to the draft Annual Plan 2016/2017 being prepared to include the Around the Mountains Cycle Trail project as previously planned.
 - p) Attachment F - Around the Mountains Cycle Trail - Agrees to complete the Deloitte review and wait for the decision from the Environment Court prior to making any decisions on the future of the project and its funding.
 - q) Attachment G - Curio Bay project - Agrees to staff preparing the draft Annual Plan 2016/2017 to include the Curio Bay project as currently scoped.
 - r) Attachment G - Curio Bay project - Consults with local ratepayers about local connection as part of the Long Term Plan 2018-2028.
 - s) Attachment H - Haast Hollyford Road - Asks staff to proceed with developing a 'high level' community consultation process that will enable the Council to develop an understanding of the range of community views that might exist in relation to the concept of developing a Haast Hollyford road via a public private partnership.
 - t) Attachment I - Rating and Finance - Agrees to staff preparing the Annual Plan 2016/2017 on the following basis:
 - u) Determines whether to grant funds to the Gore Kids Hub.
 - v) Attachment I - Rating and Finance - Agrees to staff preparing the draft Annual Plan 2016/2017 on the following basis:
 - i) That the Mabel Bush Hall Rate will be increased from \$28.64 to \$38.64 per unit (GST inclusive).
 - ii) That the Riverton Pool rate will be increased from \$20.68 to \$23.68 per unit (GST inclusive).
 - iii) That an extra \$30,000 is included to cover the costs of implementing the next phase of the community futures project to be funded via the general rate.
 - iv) That an extra \$32,500 is included to cover 2016 electoral expenses to be funded via the district operations reserve.
 - v) That Venture Southland's revised budgets will be consolidated into Council's forecasts for the 2016/2017 Annual Plan.
 - vi) That the Riverton Havelock Street kerb and channel project will be included in the NZTA 2016/2017 programme of work and the local share component be obtained.
 - vii) Agree to staff preparing the Annual Plan 2016/2017 on the basis that the Uniform Targeted Rate will be set at a level agreed at the Council meeting on 27 April 2016.

viii) Agree to staff preparing the Annual Plan 2016/2017 on the basis that the overall District Rate increase will be set at a level agreed at the Council meeting on 27 April 2016.

ix) That a number of projects will be carried forward from the 2015/2016 financial year as follows:

Area	Activity	Project Name	Amount
District	District Leadership	Digitisation Back Capture	\$190,000
District	District Leadership	Core System Review	\$750,000
District	Water	District Wide Leak Detection	\$50,000
District	Water	Project Management and Design for District Monitoring Project	\$17,000
District	Water	Various	\$8,948
District	Water	Various	\$4,982
District	Wastewater	CCTV	\$50,000
District	Wastewater	Various	\$54,300
District	Wastewater	Various	\$9,357
District	Regulatory Services	District Plan	\$75,000
District	Regulatory Services	District Plan	\$100,000
District	Roads and Footpaths	Various	\$686,153
Dipton	District Leadership	Information Board	-\$1,000
Limehills	Stormwater	Mechanical Cleaning	\$11,695
Lumsden	Community Services	Upgrade Railway Heritage Area	-\$25,625
Nightcaps	Community Services	Interior Painting	-\$14,666
District	Wastewater	Treatment Upgrade Stage 1	\$400,000
District	Wastewater	Treatment Upgrade	\$300,000
Riverton/Aparima	Roads and Footpaths	Widenings	\$105,884
Riverton/Aparima	Roads and Footpaths	Kerb work on Havelock Street	\$130,000
Riverton/Aparima	Roads and Footpaths	Streetlight Renewal	\$5,000
Stewart Island/Rakiura	Solid Waste	replace 8 plastic rubbish bins with stainless steel	\$13,000
Stewart Island	Stormwater	Rectify Main Road flooding at DOC	\$40,000
District	Water	Contact Tanks	\$66,430
District	Wastewater	Lateral Replacements	\$124,761
District	Water	Replace reservoir tanks ahead of schedule (Kakapo)	\$85,000
District	Community Services	Curio Bay Upgrade	\$815,000
Tuatapere	Roads and Footpaths	General Maintenance	\$5,000
Orawia	Community Services	Reroof	\$21,200
District	Water	Increase Storage	\$22,303
Otautau	Community Services	Upgrade Camping Ground	\$220,000
Winton	Roads and Footpaths	Footpath reclamation & lichen Spray	\$8,000

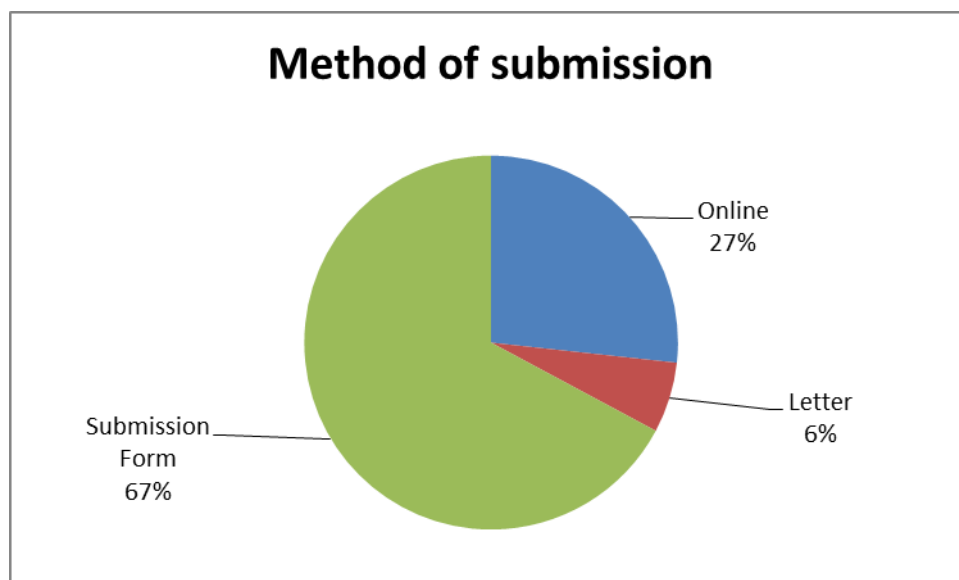
Winton	Community Services	Levelling Plots and resew grass	\$15,000
Winton	Community Services	Skate Park upgrade	\$50,000
Total			\$4,392,722

- w) **Notes that submissions that relate to operational matters or renewal works, requests for more information for reviews and changes to programmes or projects, have been provided to relevant officers and will be considered alongside existing work programmes and actioned as appropriate.**

Content

Background

- 4 Council is required to adopt an AP by 1 July 2016. Council officers prepared supporting information to support the development of a consultation document that was adopted by Council on 27 January 2016.
- 5 The consultation document highlighted two key issues for the District:
 - Sealing the Catlins Road including extension to Waipapa Point
 - Whether to increase the Regional Heritage rate.
- 6 The public consultation period was advertised by newspaper and radio, and the consultation document was distributed to all households in the District and posted to non-residential ratepayers.
- 7 Public consultation on the consultation document and supporting information occurred from 27 January 2016 to 29 February 2016 and 263 submissions were received. In addition comments were received via social media. An oral submissions hearing was held on 7 April 2016 and 25 submitters spoke to their submissions.



The majority of submitters chose to use the paper submission form insert as the main method of sending in a submission.

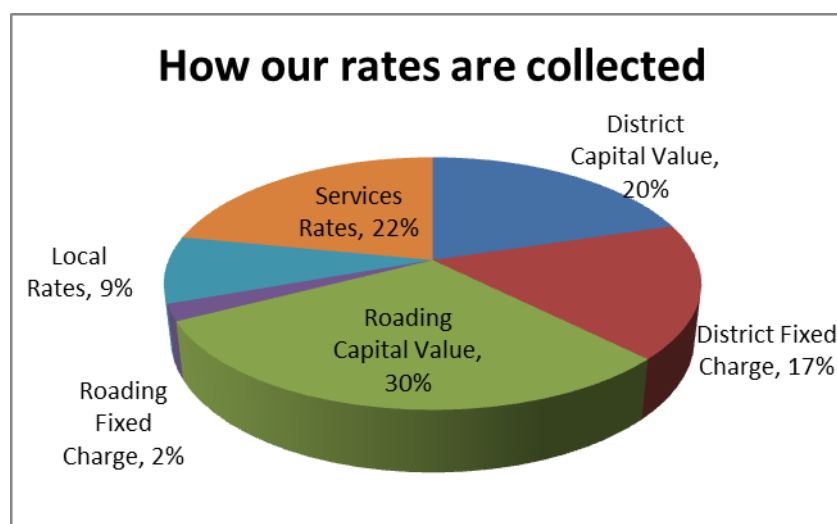
- 9 A booklet containing all the submissions was forwarded to Councillors for their consideration prior to the hearing of oral submissions on 7 April 2016.

Issues and Options Reports

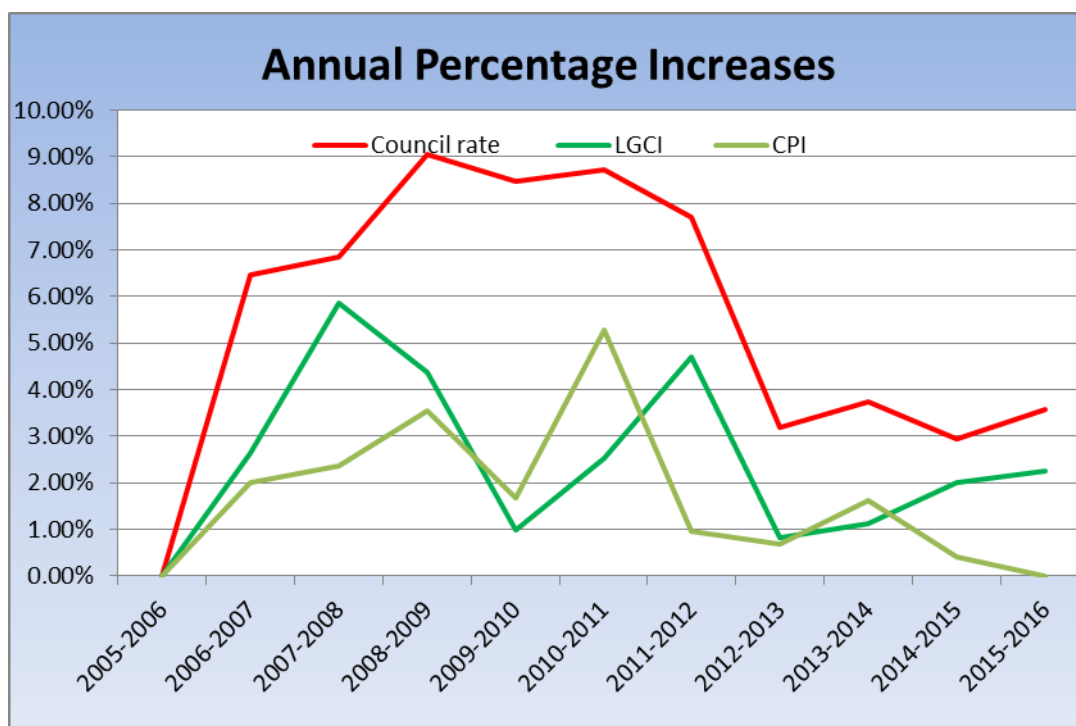
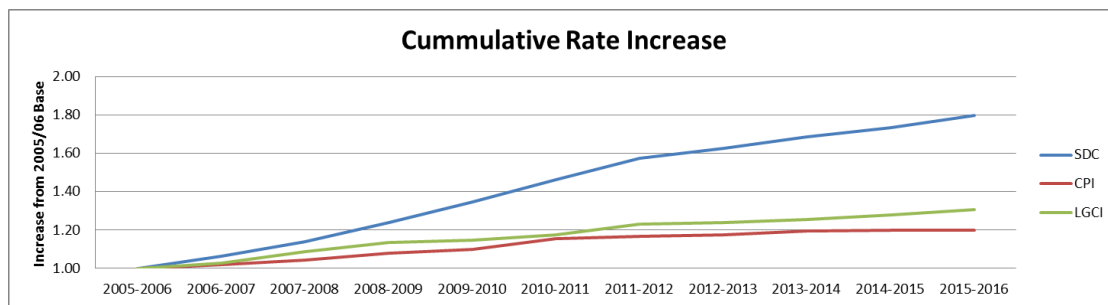
- 10 A set of issues and options reports have been prepared that form attachments to this report.
- 11 Councillors will have received a complete booklet of all the submissions. The submissions have been analysed and inform the preparation of the issues, options and recommendations as set out in the following reports.
- 12 Councillors may identify any other issues from the submissions that they wish to discuss or consider warrants a decision or action from Council.
- 13 The issues that were raised in submissions fall into five broad categories:
- i. *Changes to proposals outlined in the consultation document, on which officers have made a recommendation.* These are discussed in the attachments.
 - ii. *Funding requests and other prominent issues raised through submissions, on which officers have made a recommended response.* These are also outlined in the attachments. In all cases a response will be provided to submitters.
 - iii. *Matters for further consideration*
Other submissions raised issues that require further investigation. Where appropriate, these will be considered as part of preparing for the Long Term plan. Some other requests may be considered as part of the policy forward work programme.
- 14 Due to the financial constraints the Council is operating under, including the need to stay within the parameters of its Financial Strategy, officers are only recommending budget and other changes where a proposal is sufficiently robust, clearly aligns with Council's priorities, and has significant and broad community backing. In some cases, it is considered more appropriate to respond to the issue as part of the preparations for the Long Term Plan rather than as an AP process.
- 15 In 2016, Quotable Value (QV) undertook a review of the rating values (RV) throughout the Southland District. The revaluation is undertaken on behalf of Council every three years.
- 16 The changes to land or capital values as a result of the revaluation process does not result in any more or less rates collected rather it changes how the total rates to be collected are spread across the ratepayers.
- 17 The below table outlines by sector the changes to capital values as a result of the revaluation and the rates payable by these sectors in 2015/2015 and 2015/2016, along with changes to the numbers of properties within each sector. The last two columns show the percentage change between the two years of rates paid and capital value.

Comparison of outcomes current and previous year								
Sector	2015/16			2016/17			Rates increase 2015/16 to 2016/17	CV increase 2015/16 to 2016/17
	Rating units	Capital value (\$M)	Sector rates (\$000)	Rating units	Capital value (\$M)	Sector rates (\$000)		
Dairy	801	\$ 5,101	\$ 8,080	810	\$ 6,041	\$ 8,583	6.2%	18.4%
Forestry	177	\$ 110	\$ 910	178	\$ 127	\$ 921	1.2%	15.5%
Farming (non-dairy)	3,020	\$ 8,382	\$11,134	2,945	\$ 9,439	\$11,467	3.0%	12.6%
Industrial	329	\$ 296	\$ 1,071	331	\$ 319	\$ 1,088	1.6%	7.9%
Commercial	461	\$ 286	\$ 1,831	454	\$ 274	\$ 1,871	2.2%	-4.1%
Residential	8,010	\$ 1,652	\$14,232	8,021	\$ 1,621	\$14,740	3.6%	-1.9%
Lifestyle	2,423	\$ 1,078	\$ 3,051	2,417	\$ 1,035	\$ 3,007	-1.4%	-4.0%
Other	292	\$ 824	\$ 1,202	291	\$ 898	\$ 1,224	1.8%	8.9%
Mining	22	\$ 13	\$ 267	19	\$ 15	\$ 267	0.0%	16.3%
Total	15,535	\$17,742	\$41,778	15,465	\$19,770	\$43,168	3.33%	11.4%

- 18 There will never be a direct relationship between the increase/decrease in capital values to the rates paid by each sector. This is due to the different ways Council uses to spread the rates across ratepayers ie: water charge, fixed rate for those connecting. The table below indicates how our rates are collected. Local rates (9%) are collected one third by a fixed amount per rating unit and the balance by land value. Although the roading rate is spread by capital value, to arrive at how much of the roading rate will be applied to a sector, a methodology is applied to determine this allocation using a number of factors including tonnage and capital value.



The below table outlines how our rates increases have tracked compared to the Consumer Price Index (CPI) and the Local Government Index (LGI).



Factors to Consider

Legal and Statutory Requirements

- 19 Council must, in the course of the decision-making process:
 - a) seek to identify all reasonably practicable options and
 - b) assess the options in terms of their advantages and disadvantages.
- 20 Before making a decision, Council may request or consider comment or advice from Council officer or any other person in respect of the proposal.

Community Views

- 21 Community views on the issues affecting the AP were gathered via submissions during a one month public consultation period. The submissions and informal feedback received represent the views of the Southland District residents, ratepayers and customers.

Costs and Funding

- 22 The financial implications of each of the options for the proposals and impact on rates were set out in the consultation document. Additional details have been included in the issues and options paper where relevant.

Policy Implications

- 23 Changes to the Fees and Charges Schedule were included in the consultation document. If Council decides to make changes on the basis of submissions, these will be reflected in the Annual Plan 2016/2017. The nature of the changes will determine the impact on rates and funding.

Analysis

Options Considered

- 24 Please see the attachments for a full list of the options for each issue.

Assessment of Significance

- 25 Council's deliberations and decision-making on the issues that will inform the development of the AP, and the setting of rates, is considered to have a high level of significance. Individual issues have differing levels of significance.

Recommended Option

- 26 It is recommended that Council makes decisions on each of the issues set out in the attachment to this report.

Next Steps

- 27 Following Council's deliberations and decision-making, Council officers will develop the draft Annual Plan and pre-sent it for adoption at Council on 29 June 2016.

Attachments

- A Issues and Options Paper - Annual Plan 2016 2017 - Local Roads [View](#)
- B Issues and Options Paper - Annual Plan 2016 2017 - Heritage Topic [View](#)
- C Issues and Options paper - Annual Plan 2016 2017 - Roading Rate Model [View](#)
- D Issues and Options paper - Annual Plan 2016 2017 - District and Local Issues and Comments [View](#)
- E Issues and Options paper - Annual Plan 2016 2017 - Te Anau Wastewater Discharge Project [View](#)
- F Issues and Options paper - Annual Plan 2016 2017 - Around the Mountains Cycle Trail [View](#)
- G Issues and Options paper - Annual Plan 2016 2017 - Curio Bay Project [View](#)
- H Issues and Options - Annual Plan 2016 2017 - Haast Hollyford Road [View](#)
- I Issues and Options paper - Annual Plan 2016 2017 - Rating and Finance [View](#)
- J Annual Plan 2016 2017 - Schedule of projects to be carried forward from the 2015 2016 financial year [View](#)

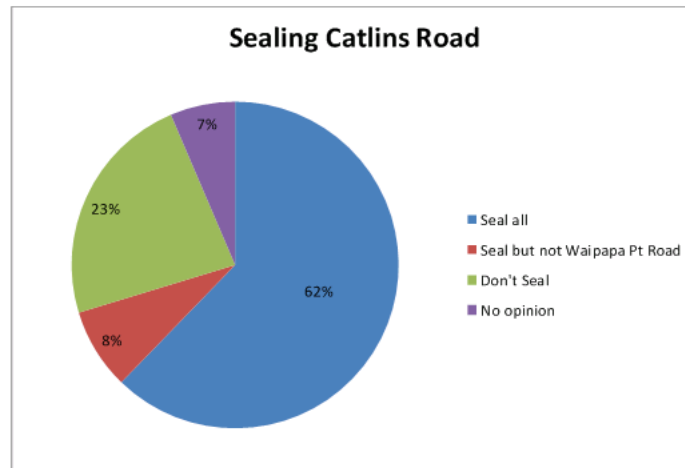
Local Roads

Background

- 1 Submissions on local roads were centred on the project to seal the Catlins Road, the Colac Bay Foreshore Road and other local issues.
- 2 The consultation document included options for the project to seal the Catlins Road. This project was outlined in the 10 Year Plan and is for the sealing of the final section of the road from Haldane to Curio Bay, including the Slope Point Road up to the first carpark.
- 3 Following the inclusion of this project in the 10 Year Plan, an on-site geotechnical testing and analysis was undertaken. This analysis determined that there are higher than anticipated requirements for design features and gravel material. It is estimated that an additional \$2 million (54% funded from NZTA) is needed to carry out this project, making the total project cost estimate \$6 million (excluding Waipapa Point).
- 4 A proposal to include an extra section of road into this improvement project was identified during the development of a business case. The extra section of road leads to the Waipapa Point Lighthouse, finishing at the Department of Conservation carpark. This road is currently gravel and the cost to seal it is estimated at \$1.15 million. Sealing both sections of road together would be a more cost effective option.
- 5 The New Zealand Transport Agency (NZTA) indicated a contribution of 54% of the \$7.15 million project cost. NZTA has provisionally approved funding for this project, but the percentage has not yet been confirmed. If NZTA funding is at 54%, Council's share of the project cost would be \$3.29 million. It is proposed to complete the project over two years to minimise disruptions to road users. If NZTA funding is not approved, the project will not go ahead.
- 6 The consultation document outlined four options:
 - Option 1 - Sealing the Catlins Road, from Haldane to Curio Bay, including the Slope Point Road to the first carpark and the road leading to the Waipapa Point Lighthouse.
 - Option 2 - Sealing the Catlins Road, from Haldane to Curio Bay, including the Slope Point Road to the first carpark but NOT the road leading to the Waipapa Point Lighthouse.
 - Option 3 - Not sealing any of the roads.
 - Option 4 - No opinion.

Summary of Submissions

- 7 Submissions were grouped into three main topics - Sealing the Catlins Road, the Colac Bay Foreshore Road and general roading issues.
- 8 Of submissions on the Catlins Road project, 62% supported sealing both sections of the road (Option 1). A total of 8% preferred Option 2 (to seal only the section from Haldane to Curio Bay). An additional 23% did not support any sealing of these roads and 7% indicated no preference for any of the options put forward.



- 9 Submitters who supported sealing the roads gave a number of reasons. Safety of both locals and tourists was a general concern, as well as providing an adequate level of service for the growing traffic volumes in the Catlins. Submitters also noted the corrugation of gravel roads and the high number of crashes and near misses. Some submitters also supported the project because of its contribution to the growth of tourism in Southland.
- 10 Submitters who opposed the project primarily did because of concerns about affordability and because they wanted other roading projects to be prioritised. Repair of the Colac Bay Foreshore Road was raised most frequently as an alternative project that should be supported.
- 11 Other issues raised relating to the Catlins Road included the ability of tourists to drive safely on gravel roads and the need for adequate signage to avoid safety hazards. Four submitters also suggested a toll road in the Catlins to contribute to capital and maintenance costs.
- 12 Repair of the Colac Bay Foreshore Road was raised by 42 submitters. Submitters believe that the road should be repaired to support tourism, for environmental reasons and for the safety of tourists and locals, including school children.
- 13 General issues raised in relation to local roads included requests to seal Roslyn Road and Mersey Street, Fortrose. There was also a request from the Riverton Community Board for a subsidy of \$35,000 for the Havelock Street kerb and channel project to be completed within the 2016/2017 financial year.
- 14 Some submitters also expressed general concern about the safety of gravel roads throughout the district and maintenance of roads in rural areas. There was also a submission suggesting that speed limits should be lowered in the Catlins area.
- 15 Some submissions discussed the costs of tourism in relation to roading across the district, suggesting that this industry should contribute a higher proportion of the costs of roading.

Issues

- 16 Key issues raised in submissions were:
 - Whether to undertake the project to seal the Catlins Road and, if so, whether to include the sealing of the road to Waipapa Point Lighthouse.
 - The repair of the Colac Bay Foreshore Road.
 - Sealing of Roslyn Road (Roslyn Bush) and Helena and Mersey Streets (Fortrose).
 - Whether there should be a contribution from the roading budget toward the Havelock Street kerb and channel project.

Options

Sealing the Catlins Road

17 The Council released the following options for consultation:

- Option 1 - Seal the Catlins Road, from Haldane to Curio Bay, including the Slope Point Road to the first carpark and the road leading to the Waipapa Point Lighthouse.
- Option 2 - Seal the Catlins Road, from Haldane to Curio Bay, including the Slope Point Road to the first carpark but NOT the road leading to the Waipapa Point Lighthouse.
- Option 3 - Not seal any of the roads.

Option 1: Seal the Catlins Road, including the Slope Point Road to the first carpark and the road leading to the Waipapa Point Lighthouse

Impact on Rates:

- This project is forecast to cost \$7.15 million and is likely to be funded at 54% by NZTA. The local share of 46% will be funded via a loan over 20 years.
- Council starts loan repayments the year following when the costs are incurred. The annual loan repayment for this project will be \$105,658 in 2017/2018 and \$262,258 for all remaining years of the loan term.

Advantages:

- The seal extension will provide a safer road and encourage economic growth by making key tourist attractions more accessible and enhancing visitor driving experience along the full journey.
- Locals will also benefit from sealing of these roads.
- Traffic volume is growing in this area and sealing these roads will meet user needs and expectations.
- Progressing this project is likely to allow Council to take advantage of a 54% NZTA subsidy and access regional funds which need to be utilised by June 2018. Delaying the project will see the subsidy rate reduce to 51% in future years.
- Sealing both roads together would be cheaper than undertaking each section as a separate project.

Disadvantages:

- Although an NZTA subsidy (regional funds) is available to Council, there will be some cost to ratepayers.
- Some submitters perceive that other roads in the district should be prioritised over these roads.

Option 2: Seal the Catlins Road, from Haldane to Curio Bay, including the Slope Point Road to the first carpark but NOT the road leading to the Waipapa Point Lighthouse

Impact on Rates:

- This project is forecast to cost \$6 million and is likely to be funded at 54% by NZTA. The local share of 46% will be funded via a loan over 20 years. The annual loan repayments for this project will be \$105,658 in 2017/2018 and \$218,863 for the remaining years of the term of the loan.

Advantages:

- This proposal was supported in the 10 Year Plan.
- The seal extension will provide a safer road.
- Locals will also benefit from sealing of the Catlins Road from Haldane to Curio Bay.
- Traffic volume is likely to grow in this area and sealing these roads will meet user needs and expectations.

Disadvantages:

- Not sealing Waipapa Road will mean a key tourist attraction is less accessible than it would be if it were sealed.
- This option does not mitigate or address the likely flow on effects from increased traffic on the road to Waipapa Point Lighthouse.
- Safety issues would still arise on the gravel road to Waipapa Point Lighthouse.
- If the road to Waipapa Point Lighthouse is sealed in the future to meet demand, this is likely to cost more than progressing the sealing of both roads together and the NZTA subsidy through regional funds will not be available in future (post June 2018).
- Although the NZTA subsidy (regional funds) is currently available to Council, there will be some cost to ratepayers.
- Some submitters perceive that other roads in the district should be prioritised over this road.

Option 3: Not seal any of the roads**Impact on Rates:**

- Maintenance of the roads will continue to be a mixture of rates and NZTA funding. If there is no loan, then there is no immediate impact on rates.

Advantages:

- No upfront capital cost to ratepayers.

Disadvantages:

- Does not attempt to mitigate the road safety risk in this area.
- There would be a substantial increase in maintenance costs to meet the required level of service. In the long term, this can only be achieved by an increase in rates or a reduction in service.
- Does not take advantage of the additional funding subsidy from NZTA.
- Does not encourage tourism and economic growth in the Catlins area.
- Sealing the Catlins Road was supported in the 10 Year Plan.
- The levels of service will remain at the status quo but will require significant additional maintenance investment.

Repair of the Colac Bay Foreshore Road

- 18 Although the Colac Bay Foreshore Road was not discussed in the consultation document, Council received a number of submissions requesting that it be repaired.
- 19 Council has two options in relation to this issue:
- Option 1 - Amend the Annual Plan 2016/2017 to repair the Colac Bay Foreshore Road; or
 - Option 2 - Not amend the Annual Plan 2016/2017.

Option 1: Amend the Annual Plan 2016/2017 to repair the Colac Bay Foreshore Road**Impact on Rates:**

- The impact on rates depends on the capital cost of the work and this has not been estimated yet. What is known is the foreshore protection works will not be subsidised by NZTA because the road is not the only access to the Colac Bay township.

Advantages:

- Submitters have suggested that repairing the Colac Bay Foreshore Road would provide a safer option for children travelling on school buses, surfers and tourists. However, it could be argued that a lack of traffic adjacent to the beachfront may improve safety.
- The road was also used by tourists and, in addition, submitters have noted environmental benefits to its repair.

Disadvantages:

- The cost of this project would be 100% funded through district rates.
- NZTA have indicated that NO subsidy would be available to repair the road.
- The cost of trying to protect the full length of the Colac Foreshore Road for infinitum without NZTA subsidy will be very expensive.
- The cost of providing and maintaining extended protection works along the foreshore road will either be alternative to or additional to maintaining the protection works that are adjacent to built-up areas of the township.

Option 2: Not amend the Annual Plan 2016/2017**Impact on Rates:**

- If there is no amendment to the Annual Plan 2016/2017, then there is no impact on rates.

Advantages:

- No cost to ratepayers at this stage.
- This option allows Council to be more flexible. Not including a project to repair this road in the Annual Plan 2016/2017 allows Council to undertake further investigation prior to including information in its planning documents.

Disadvantages:

- Submitters have raised concerns about safety, environmental issues and the impact on tourist experience.

Discussion and AnalysisSealing the Catlins Road

- 20 Generally, the Council has decided not to undertake additional road sealing activities on its local roads because of the ongoing future maintenance costs and constrained budget. However, the Catlins Road is an extraordinary situation where NZTA is recognising safety issues and the high visitor volumes placing demand on this infrastructure. Sealing the Catlins Road would not signify that Council or NZTA is changing its overall position on road seal extension.
- 21 The Council has proposed to seal the Catlins Road, including the road to Waipapa Point Lighthouse (Option 1) to increase road safety and encourage economic growth and tourism in the Catlins. By taking the opportunity to receive additional NZTA funding, this proposal is timely and offers significant benefits to ratepayers at relatively minimal cost. Public submissions indicate strong support for the proposal.
- 22 The Council has considered the cost of the proposed project and its benefits and assessed that it would be a prudent use of resources.
- 23 The proposed option to seal the Catlins Road, including the road to Waipapa Point Lighthouse, has been made because of the additional NZTA funding for this project. This increases the equity and affordability of the project as the cost is shared more fairly between local and central government and there is a lower burden on Southland District ratepayers to fund capital works.

Repair of the Colac Bay Foreshore Road

- 24 Council bases its decisions to maintain or improve any section of road in the district in part on the availability of an NZTA subsidy. When deciding whether to grant a subsidy or not, NZTA considers whether the road is essential or whether there is an alternative.
- 25 The section of Colac Bay Foreshore Road that is affected by coastal erosion is not an essential road. State Highway 99 is only 360 metres away and is a viable alternative route.

- 26 Maintaining or improving this road would fall within the NZTA category of Preventative Maintenance. This category covers protection from river and coastal erosion, but is only approved where the road is essential for access to property.
- 27 Properties fronting Colac Bay Foreshore Road can be accessed from either end of the remaining parts of the road or from State Highway 99.
- 28 Council is currently focused on the protection works that are already established along the Colac Bay Foreshore Road. These works are affordable and protect land that is adjacent to houses and businesses. They will be funded from existing local and roading budgets.
- 29 Council is proposing to obtain resource consent to allow rock protection work to be carried out from time to time. Under this consent, some remedial work is proposed at the south end of the existing protection. This would terminate the protection in a way that does not accelerate erosion in the same way the blunt end works do now. It is hoped that a single lane unsealed access road can be provided through this section, however, this will only be viable while sea levels allow it to be maintained cost effectively.
- 30 If the coastal erosion continues to increase then maintenance costs will become excessive and the section of road will need to be closed permanently.

Local roading requests

- 31 A summary of officer comments in relation to local roading requests raised in submissions is provided in the table below:

Issue	Comment
Sealing of Roslyn Road (Roslyn Bush) and Helena and Mersey Street (Fortrose) and School Road	<p>At present there is no funding available for seal extensions on low volume access roads such as those submitted on. There are approximately 90km of unsealed road in the district with average daily vehicle counts above 90. It is very difficult for Council to obtain NZTA funding for seal extensions due to funding criteria requirements.</p> <p>The current focus is on maintaining the existing roading asset base, particularly with the continued reduction in funding contribution from NZTA.</p> <p>Traffic counts were undertaken on Roslyn Road for the week commencing 4 June 2015 (Mill Road North End) and the week commencing 11 June 2015 (Kennington Roslyn Bush Road end). The average daily vehicle counts were 98 and 61 respectively. As a result of previous submissions from the residents of Roslyn Road, there has been increased monitoring of this road using Roadroid.</p>

Recommendation

That the Council:

- a) Agrees to staff preparing the draft Annual Plan 2016/17 to include a project to seal the Catlins Road which includes the Slope Point Road to the first carpark and the road leading to the Waipapa Point Lighthouse.
- b) Agrees not to include additional funding to repair the Colac Bay Foreshore Road in the Annual Plan 2016/2017.
- c) Agrees not to include projects to seal Roslyn Road (Roslyn Bush) and Helena and Mersey Streets (Fortrose) in the Annual Plan 2016/2017.

Excerpts from Public Submissions on Local Roads

Sealing the Catlins Road

No	TRIM Record	Name	Option	Catlins comments
1	2016/02/1042	Sheryl Gavin	1	
3	2016/02/1216	Angela Coleman	1	
5	2016/02/1218	Brian William McFaul	2	Fair enough, seal the main road. If they can't drive down then secondary roads, they definitely shouldn't have a licence.
6	2016/02/1219	T and D McKenzie	1	I am personally all for the sealing of the roads to go ahead. My only concern is the meantime is to make sure all the signage is up to date and easy for tourists and visitors to get to their destinations. Currently in Fortrose there is a major problem with people stopping in awkward places to get their bearings as signs are minimal or not in good spots. It needs to be paint by numbers; sort of easy for these foreigners. They always need to know they are heading in the right direction without stopping in the middle of the road!
7	2016/02/1220	Terry Toner	1	It's a must - it is one of Southland's coastal jewels.
8	2016/02/1221	Rodney Joshua Leitch	1	Traffic flow will only increase - may as well do it now!
9	2016/02/1244	Angela Gibbs	1	
10	2016/02/1253	Wayne Muntz	1	Just do it. Lots of people using the road.
11	2016/02/1252	Diane Botting	1	Only if NZTA provide their share of funding.
12	2016/02/1251	Russell James Martin	1	
13	2016/02/1270	Brian McArthur Henderson	3	Don't like big Government doing what they please and having us pay for everything, taken our money to pay for Auckland's infrastructure at our expense and trashing our economy and driving us out our communities.
14	2016/02/1271	Claire Marie Horrell	1	
15	2016/02/1273	M David and Barbara Morrison	1	
16	2016/02/1338	Anita Geeson	1	
17	2016/02/1342	Stephen Wade Gamble	3	With such a ridiculous increase in cost abandon this project.
18	2016/02/1343	Iris Faye Everett	1	If contractors are going to be there why not get it all done Option 1.
19	2016/02/1348	Kevin John Millord	3	There is not a high crash rate. People drive slow has to the gravel and would not be on the road if was known that the scenic route was safer and faster. The southern scenic route also give the local economy a little extra and so they can survive the winter months. So for now Venture Southland and Catlin charitable trust are trying to kill off Tokanui - FACT.
21	2016/02/1373	Greta Buckingham	1	I am writing in support of Councils plan to tarseal the Catlins Road, from Haldane to Curio Bay, including the Slope Point Road to the first carpark and the road leading to Waipapa Point Lighthouse. This will make the roads safer to drive on for all using them.
22	2016/02/1375	Philip Anthony Harraway	1	As a frequent user of these roads both privately and commercially I support the option of sealing these roads. Tourist numbers have grown significantly in this area. Being in the transport industry I hear a lot of comments about the road condition, and having to avoid traffic. Improving these roads has to enhance the area giving better access to our destinations and most importantly in my view safety. It is hard for trucks to move too far left and indeed large vehicles of any type on these roads on the steeper parts around Haldane corrugations are a major factor also in the most part I support Option 1, but would settle for Option 2 if it came to a vote.
23	2016/02/1376	South Catlins Charitable Trust C/- Greta Buckingham	1	Our Trust supports option 1 to seal all the roads listed. Tourist numbers are greater now than a few years ago. Many accidents and near misses happen on the unsealed roads. School buses use the Haldane to Curio Bay and Slope Point roads. A sealed road is much easier to drive at a safer speed.

Item 7.1 Attachment A

No	TRIM Record	Name	Option	Catlins comments
24	2016/02/1378	Toi Toi Lions C/- Bruce Hall	1	Tourists have accidents on gravel roads.
25	2016/02/1383	Brian and Jennifer McCoy	2	
26	2016/02/1385	Lynsey Stratford	1	I strongly urge you to approve and prioritise Option 1. We have lived on the Haldane Curio Bay Road for the past six years and each year the number of road users on that road, and the Slope Point and Waipapa Roads increases rapidly. Immediate intervention is required to keep both locals and visitors safe. Sealing the road will meet your aims of: 1. Reducing the social cost of crashes 2. Supporting economic productivity and growth by enabling visitor journeys 3. Providing a transport system that supports a choice of safe modes. Each year we have visitors call at our house requiring assistance following crashes - fortunately to date there have been no significant injuries that we have attended but our neighbours have had some very bad accidents to deal with. We are very worried about the safety of our family and friends on the road. Our children's school bus uses this road. Almost every time we use the road during the tourist season we see an example of dangerous driving by tourists. Most common is driving in the middle of the road (tourists seem to follow the tracks made by vehicle wheels). In many cases their speed is too fast but in all cases having a vehicle in the middle of the road on blind corners and hills is terrifying. I grew up in the UK and know from experience that overseas visitors do not know how to drive on New Zealand's unsealed roads. It takes years of experience to do so safely. Sealing the road would be safer as overseas visitors have experience driving on sealed surfaces. Most important would be the marking of a centre line - tourists will know where the centre of the road is and that will address the majority of problems we see. Tourists don't want to endanger themselves and will use their experience and common sense to stay safe. A minority in our community object to sealing the road as they fear it will encourage drivers to go faster. I believe that sealing the road will still be safer for my family but I would like to see the speed limit on the road lowered to 70 along the whole stretch. In terms of providing tourists with a quality, safe travel experience, I believe sealing the road is very important. The number of visitor cars on our road has been steadily increasing year on year. The approval of the Curio Bay Heritage Centre will no doubt increase this. The quality of the road surface is extremely poor year round. Corrugations in it make the journey unpleasant and hard on vehicles. Grading the road causes as many issues as it solves - the surface reverts to corrugations within a day or two. We always experience an increase in accidents or vehicles sliding across the road surface after grading. It is like driving on marbles and tourists don't know how to deal with it. A particular hazard is the large piles of gravel that accumulate at the sides of the roads after grading. I hope very much that you will consider my views and approve the sealing of this important tourist route.
28	2016/02/1403	Leslie Clifford Frisby	1	These are terrible roads to travel on made worse by the tourist traffic which has increased immensely over the years. Not many days when not accident on these roads. Tourists do not know how to drive on gravel roads.
30	2016/02/1404	Sue and Tracy Beck	1	I think it is better to seal all of this at once even though most of the accidents appear to be on the Haldane/curio/slope point roads. Waipapa Point is very busy and accidents would occur if this becomes the only piece of gravel road.
31	2016/02/1405	Lachlan McKenzie Curio Bay Boutique Accommodation	1	South Catlins is home originally for me where I am still involved in numerous businesses from farming to tourism as well as having friends and family who live and work on the roads being proposed to seal. This road including the no exit roads to Waipapa Point and Slope Point are now well known routes for tourists which has created an increase in use. Reasons I believe Option 1 must be the priority: <ol style="list-style-type: none"> 1. Tourist numbers have increased and with that accidents because of the type and quality of the roads (not used to driving on gravel roads). Only serious accidents are being recorded and I am talking to people in that district that are regularly pulling tourists back onto the road (minor accidents). 2. Safety of these roads for children. Tarseal roads, with road markings will mean this area will be safer for children. 3. Economic growth improves with quality roading. While tourism numbers are increasing and creating some economic growth tarsealing all these roads will open the market to more tourists and therefore improve the economic wellbeing of existing businesses and create opportunities for new businesses. 4. Economic growth will help increase the population because of more employment opportunities which is critical for a small more isolated part of Southland. 5. The farming sector will also benefit from quality roading, as making the quality of roading better will reduce costs of maintenance and wear and tear (for locals and Council).

No	TRIM Record	Name	Option	Catlins comments
32	2016/02/1407	Sarah and Basil McLean Progress Valley Farms Ltd	2	From a safety point of view I think the sealing of the road is paramount and should be carried out as soon as possible. This is promoted as a scenic route to tourists who have nil or at best very limited experience driving on gravel roads with no median strip for guidance and to remind them which side of the road to drive on. I have on many occasions seen cars abandoned where they have run off the road and have also had to help a couple who were stranded with a car that had crashed and no cell phone reception. I had to take them to Tokanui and sort vehicle recovery and somewhere for them to spend the night as there was no public transport until the next day. This cost myself considerable inconvenience but I felt a moral obligation to help them being local and knowing the area. I have also seen (too many to count) examples of poor driving and near misses on this stretch of road and avoid driving on it if I can. We also run a baleage contracting business. We have to use this road to access farms. This is far from ideal as you can imagine. It would not be so bad if it was not promoted as a tourist route. We are busiest over summer through to early April when a lot of foreign visitors are driving around. This is an extremely busy stretch of road and in my view is totally unacceptable from a safety point of view - combining the potentially fatal mixture of gravel, sharp cornering, numerous blind corners, vision impairing dust over the whole of summer, inexperienced drivers with no local knowledge of where they are going, frustrated local drivers, campervans and agricultural machinery.
33	2016/02/1411	Pip and Julian Blair	1	Sealing the remainder of the Catlins Road including Slope Point is a necessity for the region, especially for safety on our roads. The Waipapa Point lighthouse road has significant amounts of local traffic as well. Stock trucks and service trucks regularly travel the road, as well as locals going to the popular lighthouse area. Ratepayers should be aware it would not only be providing tourists with safer roads, but also the locals that share the roads with them. The ongoing issue with tourist driving skills, or lack of them, does not just apply to upper Southland and the Lakes District. Tourists struggle with driving on the right side of the road even more on gravel roads where there is no lines to guide them. We feel it is important to seal all these three roads in the area.
34	2016/02/1423	Duncan and Rebecca Cook	1	We feel this should be on top of the agendas as this road is causing a lot of problems with tourists and heavy traffic. The upkeep on this section of road is ridiculous. If it is sealed there will be less accidents, the vehicle maintenance will be far less. We are assisting with tourists going off the road at our own cost and time, which can muck a whole day up at times. This is very important to us.
35	2016/02/1424	Karl and Glenda Watson	1	
36	2016/02/1426	Doreen Manson	1	Four cars ran off the road at Haldane and Slope point. Saturday, 13 February and Tuesday, 16 February 2016.
37	2016/02/1429	Stephen Bruce Ferguson Alliance Group Ltd	1	As the livestock rep for the Tokanui area, I use the Haldane Road as often as anyone and really struggle with the number of tourists and their lack of ability driving on gravel. The Ratepayers deserve to have the right of access to these areas without the constant threat of meeting a tourist on the wrong side of the road.
38	2016/02/1431	Barbara J Thomson	1	This was in the 1950's my grandmother's favourite Sunday drive. Though I have vivid memories of my babysitter being carsick (several times) on the way re Fortrose from Invercargill, (then unsealed). Though now resident in the North Island, I continue to use the Catlins Road when possible and to commend it to friends'. Though our cars get nimbler, my contemporaries get older and to have the treasure of Curio Bay and Slope Point easily accessible will be reassuring.
41	2016/02/1433	Al Weir	1	This is a great use of taxpayer's funds. Hopefully the whole lot can be sealed long overdue.
42	2016/02/1435	Micheal and Leesa Wright The Balloon Farming Company Ltd	1	The amount of serious accident that occur on this road is increasing proportionately with the volume of tourist that are visiting New Zealand.
43	2016/02/1436	Raewyn Joy Lowe	2	I support this road being sealed due to the high amount of road accidents I have come across in this area.
44	2016/02/1440	Dorothy Hay	1	I support Option 1. Having previously lived in the area for 23 years and on the Haldane - Curio Bay Road we saw MANY tourists come to grief. Most had no idea how to drive on gravel and adjust their speed to suit the conditions. It became a safety issue with locals expected to either pull them back on the road or to call emergency services. Locals became very aware of their unpredictable actions on narrow windy roads. Dust was an issue with visibility at times VERY limited, BADLY corrugated roads especially on the hills and after the grader had been loose gravel all issues. These roads are school routes and not acceptable with children on board. Roads serving a farming community with trucks and tractors using them and being publicised as being on the Southern Scenic route (Waipapa Point and Slope Point) - carrying the numbers of tourists and locals that they do need to be upgraded.

Item 7.1 Attachment A

No	TRIM Record	Name	Option	Catlins comments
45	2016/02/1445	Donald Hay	1	I support Option 1. As a driver now delivering product I travel on these roads frequently. My van (and I) don't like the narrow roads, corrugations, dust, gravel and some tourists inability to cope with the gravel. Previously I did live in the area for 23 years so have had plenty of experience myself along with other locals at negotiating the listed above obstacles. These roads are on a school bus route, carry trucks of all sizes, locals and tourists and emergency services (especially ambulance) on a regular basis so the community have to date been very tolerant to put up with the gravel roads and what comes with them. With the Southern Scenic route being as popular as it is and Slope Point and Waipapa Point listed as sights to see many visitors must wonder what they've struck when they hit the gravel to Waipapa or at the top of the hill in Haldane or the Curio Bay end. With traffic becoming heavier these roads must be sealed for the safety of locals and all that use them.
48	2016/02/1454	Mary Earwater	1	
49	2016/02/1455	Mary Earwater Tokanui/Otara/Waikawa branch Rural Women NZ	1	Of the seven members who voted I was the only one against the sealing and another wasn't so worried about the side roads.
50	2016/02/1456	Liz O'Connor Titiroa Transport Ltd	1	Our trucks travel these roads regularly and the current state of the gravel roads are hazardous. The Catlins is also a popular tourist route and sealing these roads will eliminate the number of accidents as some tourist are not confident at driving on gravel roads.
52	2016/02/1467	Chris Shaw	3	The community cannot afford this and the subsidy is too low. This is even more true now that the Waipapa Point Road is included. Tourism items need to be funded nationally.
53	2016/02/1473	Lynley McKay	3	I/We acknowledge the importance of tourism in Southland. However, I / we do not support the funding of the Catlin Road from Haldane to Curio Bay including Slope Point Road to the first car park and road leading to the Waipapa Point Lighthouse. The reasons for no support for the above are based in our instance on the Southland District Councils input in maintaining the Colac Bay Foreshore Road. The Colac Bay people and local district feel ignored. I / we acknowledge global warming and the effect it is having on some coastal roads. Had the Southland District Council taken the appropriate steps, as discussed at open meetings, when necessary to keep the Foreshore Road adequately maintained we would not be in this position of road closure as we are today Colac Bay Foreshore Road needs urgent long term repairs then maintenance.
54	2016/02/1475	Riki Dallas Oraka Aparima Runaka Inc	3	We acknowledge the importance of Tourism in Southland, However we don't support the funding of Options 1 or 2. We support the councils input to maintaining the Colac Foreshore Road Colac Bay. The Runaka community of Oraka feel ignored by Council. Had the council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
55	2016/02/1476	Rowan Ward	3	Sort out the Colac bay foreshore road like you promised.
56	2016/02/1477	Hannah Bickley	3	
58	2016/02/1479	Jo Shearing	3	
59	2016/02/1480	Brett Freeman	3	I support fixing the Colac Bay Foreshore road First before any of these roads be improved.
60	2016/02/1481	Mrs Judith Ward	3	
61	2016/02/1482	Brad Johnston	3	
62	2016/02/1483	Ashley Barker	3	
63	2016/02/1485	Rachael Verhaegh Livestock Improvement Co-op	2	
64	2016/02/1486	Georgina Tritt	3	
65	2016/02/1488	Elfi Menpes	3	
67	2016/02/1489	Amber Shearing	3	
68	2016/02/1490	Charles Hamish Mason	1	The road is absolutely shocking and dangerous a total of 4 tourists that we know about have sun out of control on the corrugations in the last five days.
69	2016/02/1490	Crosbie and Candice Grieve	2	

No	TRIM Record	Name	Option	Catlins comments
70	2016/02/1492	Sandra Joy Smith	1	I support the sealing of these roads. There are high numbers of tourists on these roads every day, many of these travellers have never driven on gravel, they drive too fast on the gravel and often don't move out of the way for other cars, they like to be in the middle of the road: There is a high number of accidents and cars running off the road, not to mention the many near misses we see or hear about on a regular basis.
71	2016/02/1494	Sally Branreth	1	This area is extremely dangerous. I've seen a number of crashes and travel this way often.
72	2016/02/1495	Daniel Knowles	1	
73	2016/02/1498	Paul Watson Curio Bay Christian Fellowship	2	Waipapa Point Road would be good but not so vitally important.
74	2016/02/1513	Mrs Dee McKenzie, Leader of Tokanui Waimahaka Plunket	1	To Whom it may Concern. I am writing on behalf our local Plunket Group in support of Option 1 and to get Waipapa Point Lighthouse Road sealed along with the other proposed roads. We are currently a group of around 25 local families (Waihopai Toetoes Ward) who all have children ranging from the age of 0-5years old. Waipapa Point is a very special destination for these families. With picnics, swimming, walking, bird watching, seal lion spotting and gazing at the lighthouse to be done, they find it is the perfect spot for their young children to explore and learn in a safe environment. Not only is this destination important but it is important that these families can get to their destination safely. Waipapa Point Road is known as a road where there are some serious car crashes. The gravel at times can be very 'thick and soupy' and also has very tight/blind/narrow corners that are catching people out and especially drivers who are not used to the conditions. Waipapa Point is getting to be a more and more popular destination for locals and visitors and as there is only one road to this destination it is imperative that it is reachable in the safest way possible. Please tar seal this road. Kindest regards, Dee McKenzie - Leader Tokanui Waimahaka Plunket.
76	2016/02/1515	Craig Drain	3	Fix Colac Bay first.
77	2016/02/1516	Vivienne Spriggs	3	
78	2016/02/1518	Raewyn King	3	
79	2016/02 1517	Brooke Scott	1	
80	2016/02/1519	Leanne Shaw	3	
81	2016/02/1520	Bernette Hogan	3	
82	2016/02/1522	Lorraine Dallas	3	
83	2016/02/1521	Deb Burtenshaw	3	I do not feel that our money should be spent on sealing these roads, when you are doing nothing about the Colac Bay Foreshore road. That must be retained for the good of the community and ratepayers. It is vital to our community and lifestyle that this road remains open, we are already suffering a decline in tourist to the area because of it. In the past week you have spent untold dollars resealing our street (Shrewsbury st) in Riverton which did not need sealing, surely this money could have been better spent. Tourists are still going to travel to the Catlins regardless of whether the roads are sealed or not. It is part of the experience.
85	2016/02/1524	Kere Menzies	3	
86	2016/02/1525	Tracy Sargeant	3	Colac Bay foreshore road needs attending to keep it open either two or one way due to erosion from the sea. Why can't big boulders be placed in the part where the road is washed away?
87	2016/02/1526	Carol Clark	2	I have chosen Option 2 not including the Waipapa Road because the road to the lighthouse does not have hills like the Slope Point Road. Excluding the Waipapa Road will reduce the overspend. How can the Council staff and contractors get the estimation so wrong? 71 percent of capital expenditure is roads. this is the Councils core business. Not sealing the Catlins Road should not be an option as more and more tourists are using the road each year and with the number of accidents increasing so does the threat of a fatality. If Department of Conservation are putting more parking at Curio Bay, and consent has been granted for a visitors Centre then the road needs to be sealed to complete the project. Another reason for sealing the road is that the "Bush Road" to Tokanui is getting more use by tourists trying to avoid the gravel and get back to sealed road at Tokanui. "The bush road is not suitable for large camper vans as it has a number of blind corners.
88	2016/02/1528	Lisa Ramsay	3	

Item 7.1 Attachment A

No	TRIM Record	Name	Option	Catlins comments
89	2016/02/1577	Megan Colling	3	You can't look after the sealed roads there are now. Other small community roads are being closed due to being too expensive to maintain yet we can afford to do all of this?
90	2016/02/1530	Rebecca McKay	3	
91	2016/02/1531	Heather Skeggs	3	
92	2016/02/1532	Nick and Dani Stratford	1	We farm, live and operate a small accommodation business in Curio Bay. Our dairy farm is on the Haldane-Curio Bay road and we also have family and friends living on this road. 1. Tourist numbers are increasing and with that accidents because of the type and quality of the roads. Only serious accidents are being recorded and crashes still happen quite often. My husband pulled out a number of people in the last few months and so did our neighbours. 2. Safety of these roads also for children and cyclists. The road is very dangerous when the grader has just been through. 3. Economic growth improves with quality roading. Some of our guest decide not to use the unsealed road (because they are worried about accidents) and so miss out on great sights and experiences in the Catlins, e.g. Slope Point and Waipapa Point with the big sea lions. Only hardy cyclists opt for the unsealed coastal route with most taking the longer option via Tokanui. We think tourism numbers would increase in the Catlins if the proposed roads would be sealed.
94	2016/02/1547	Megan Souness	3	
95	2016/02/1548	Miranda Hunter	1	I am a shareholder of a property located near Curio Bay, I support the proposed sealing of the Catlins Road, Slope Point and Waipapa Point. Reasons that I believe this is the best option are as follows; <ol style="list-style-type: none"> 1. There are a large number of accidents on this road (many of which go unreported), the Managers on our property have helped at six minor accidents outside their property this summer. Tourists are not used to driving on unsealed roads, and accidents markedly increase following grading of the road. 2. Tourism is very important to the Catlins (and NZ). It is likely that sealing the road will increase tourist numbers as the road to acting as a deterrent to some. This would create benefit to the local tourism industry - and the local community as a whole - more jobs and opportunities could result. 3. Families are at the heart of any community, sealing the road would provide a safer environment for children travelling to and from school, and make it easier to attract new families to the area (especially farm staff). 4. The farming sector will benefit through better access and hopefully less ongoing maintenance costs. Thank you for the opportunity to submit Regards Miranda Hunter
96	2016/02/1549	Kim and Tim Barker	1	We live on this Waipapa Point/Lighthouse Road. It is incredibly dangerous with tourists travelling at high speeds. Often we are fixing fences which tourists have crashed into. It is unsafe to walk on this road. Incredibly scary to our children.
97	2016/02/1550	Colin and Dot McDonald	1	The whole road needs sealed and passing lanes or pullover spots on the road to Invercargill. There also needs to be a proper camp and stop the freedom camping, 40 - 80 campers at Fortrose and Waipapa and Weirs Beach to Niagara/Slope Point and a paid person travelling round to enforce the ban on freedom camping we also need more toilets. Tourists should be charged a fee when booking or entering NZ to cover costs. Need toilets at place the tourists stop.
98	2016/02/1551	Stevie-Rae Blair Te Ao Mārama Inc	1	Te Ao Mārama supports Option 1 which will have positive safety outcomes for road users.
99	2016/02/1553	Rachel Guise	3	
100	2016/02/1564	Paul Clark	1	Investment in the Southern Scenic Route is worthy as up and coming tourism destination for Southland.
101	2016/02/1566	Marguerite Buckingham	2	It would be good to have Option 1 done but as the road to Waipapa is not so dangerous it could probably wait but option 1 is absolutely necessary to save the numerous accidents.
102	2016/02/1567	Joelle Maree Osborn	1	Due to an influx of tourists these roads are becoming more dangerous, crash rate is up and the condition of the road isn't lasting very long due to traffic numbers.
103	2016/02/1567	Peter Hugh McMillan	1	These roads are becoming busier with tourist traffic most of whom are unaccustomed to driving on gravel roads therefore dangerous to themselves and other road users.
104	2016/02/1569	Raymond Keith Rankin	1	Increased traffic on these roads causing rapid deterioration of surface resulting in greater danger.

No	TRIM Record	Name	Option	Catlins comments
105	2016/02/1570	Nathan James McKay	1	I think being part of the Catlins Coastal route this road needs to be sealed for the safety of ourselves and tourists.
106	2016/02/1571	Jennifer Merlyn Campbell	1	As these roads are on the Heritage trail and been used by tourists who are unaccustomed to driving on gravel roads it is dangerous to them plus other users.
107	2016/02/1572	Graham Carter Bruce	1	With the increase in tourism a gravel road is not acceptable.
108	2016/02/1573	Emma Hayley Osborn	1	There would be less dust and it would be safer for me and my sister to travel on.
109	2016/02/1574	Jo Russell	1	Unsealed roads is a danger to all drivers especially tourists. Assume tourist numbers will increase.
110	2012/02/1575	Richard Osborn	1	As a regular user of these roads I feel that due to the increased trafficking by often incompetent drivers that sealing is the only option to help make it safer for my family and I to use. I have also noticed that the condition of these roads is often bad and ongoing maintenance struggles to keep up. I feel that the speed restrictions have helped but damage is mainly done by inexperienced drivers.
111	2016/02/1576	C R Campbell	1	As my daughter and son in law own a holiday home on Slope Point Road I am a regular user. I am amazed by the amount of accidents that occur on this stretch of road. The majority of these accidents appear to be vacationers that are being directed to various points on the "heritage trail" and not being used to gravel roads become a major concern. "Heritage trail" and unsuitable roads. It seems crazy to me to promote the "Heritage trail" to tourists putting them into a road situation they have never faced before and many can't cope with.
113	2016/02/1586	Sheryl Monique Dickey Cleaning Business (15 years)	1	I clean the Waikawa and Weirs Beach public toilets and Waipapa Point toilets eight times a week over the summer months. Driving on the road to each location, is the most hazardous part of my job.
116	2016/02/1592	Kimme Hawkins	1	Due to having a visit and staying there found the gravel road to be very dangerous and tourists do not know how to handle or drive on it needs to be sealed and made safer.
117	2016/02/1591	Lynda Turner-Heaton	1	Our church group went for a day out (picnic) one Sunday afternoon to Waipapa Lighthouse. For all the tourist out there as well, it would have been better to have a sealed road their campervans to negotiate. The gravel road was OK, but we found it quite bumpy and corrugated for our car trip so a campervan.
118	2016/02/1590	Nicola Faye Campbell McKay	1	As a frequent user to Slope Point with a caravan on the back I feel these roads need to be sealed with the amount of tourists we come across and the erratic driving they display not to mention cars off the road we have passed I believe sealing the road would be beneficial.
119	2016/02/1596	Justine Parker	1	We see a lot of accident victims. 906 is due to losing control on loose gravel. Roads need to be widened and also please seal high crash zones first this may save someone's life!!!
120	2016/02/1598	Andrew Wilson and Justine Parker	1	Support sealing the roads and widened in appropriate areas. Also request that areas of the road that are prone to accidents be sealed in the first year. We do not support sealing of Waipapa Point first after all the work that has been done over the years to get crash sites sealed!
121	2016/02/1600	Kay Costly	1	Have been surprised at how good the gravel roads have been kept BUT have seen a lot of roads get themselves into trouble - traffic on these roads has been very heavy over weekend and Monday - think it would improve visitor numbers if roads were sealed.
122	2016/02/1601	Joanne Bronwyn Leith	1	The amount of tourist that have never driven on unsealed roads do not know how to cope when driving on them.
123	2016/02/1603	Chris Leistnes	1	NZ is a wonderful country and we were most impressed with the infrastructure but most surprised that this road should not be tarred as it is situated in a very beautiful area and the state of the road makes it difficult to reach and surely affects the tourism potential in a negative manner.
124	2016/02/1604	Mariam Bachler and Jerome Teil	1	We are visitors and we would like the road tar-sealed.
125	2016/02/1606	Leslie Saunders	1	Coming from South Africa where in certain parts the roads are in a poor condition and from Fiji where the roads are now being upgraded it was wonderful to travel NZ roads. On numerous occasions my friend and I praised the quality of NZ's main and secondary roads. Hence it was disappointing to encounter the gravel road to Slope Point after it had been raining all that day!. The South Island is such a gem to travel and the gravel road with its attendant risks detracts from the overall experience.
126	2016/02/1607	Lucy Hume	1	We lost control on the road and crashed. We support the sealing of the road.
127	2016/02/1608	L Sneddon	1	With a Motorhome van it is too dangerous to travel on the road.

Item 7.1 Attachment A

No	TRIM Record	Name	Option	Catlins comments
128	2016/02/1609	Evan Koehler	1	I was travelling the area and a paved road would have been a huge positive. I would have stayed longer in the area.
129	2016/02/1610	Jennifer Recker and Sebastian Henning	1	We are guests at the Slope Point Backpackers. It's a wonderful place to stay. But the roads are terribly, unsuitable and dangerous!!!
130	2016/02/1611	Georgina Glendinning	1	
131	2016/02/1612	Dylan Perry-Leith	1	Seal the road.
132	2016/02/1613	Dion Leith	1	Seal the road please!
133	2016/02/1615	Jasmine Grey	1	
134	2016/02/1616	Luke Vincent Guillard	1	Seal it all extra safety for all culture and ages.
135	2016/02/1617	Caleb Jesse Grey	1	
136	2016/02/1619	John Harold Wilson	1	The gravel is dangerous for people unused to driving in those condition.
137	2016/02/1620	Jennifer Joan Wilson	1	There are a lot more tourists coming into this area who are not used to the gravel roads and so there are a lot of accidents.
138	2016/02/1612	Cheri Marie Hodgson	1	I travel these roads every day for work and they are very hard on my car due to the corrugated bumps and you end up drifting further left than is safe.
139	2016/02/1622	Steve Wayne Douglas Taylor	1	We have been in an accident because of the state of the road and tourists not knowing how to drive on the gravel.
140	2016/02/1623	Ricklon John Corry	1	I believe sealing the safest option.
141	2016/02/1624	Juke Robert William Durry	1	
142	2016/02/1625	Callie Callahan	2	
143	2016/02/1626	Fiona Cloze	2	
144	2016/02/1627	Sandra Earwaker	2	
145	2016/02/1628	Cheryl Leith	1	Safety on our roads, safety as a school bus route, increased tourism numbers - to manage this better.
146	2016/02/1629	Marc Beale	1	
147	2016/02/1630	Kylie Manson	1	
148	2016/02/1631	Beth Beale	1	Please.
149	2016/02/1632	Katrina Templeton	2	To have markings on the road may help drivers stay on the correct side of the road.
150	2016/02/1633	Christine Crosbie	1	
151	2016/02/1634	Frances Okeroa Scoullar	1	The amount of tourist driving on these roads has heightened most are not used to gravel. It doesn't take long for potholes to occur which makes it unsafe driving.
152	2016/02/1636	Brendan Gerard Fahey	1	
153	2016/02/1637	Trevor Gordon Sell	1	

No	TRIM Record	Name	Option	Catlins comments
155	2016/02/1639	Laura Davis	1	<p>I strongly support the immediate sealing of the Catlins Road, from Haldane to Curio Bay including the Slope Point Road to the first carpark, and the road leading to the Waipapa Point Lighthouse. On September 9th 2008, my family and I were on a sightseeing trip around the Catlins when we were involved in a head-on crash with another vehicle, on Haldane-Curio Bay Rd, on the corner about 600m north of the intersection with Watson Road. The vehicle we crashed into was a ute, driven by a local, Rata Smith. The crash was caused by a number of factors. As with many car accidents, speed and carelessness were a factor. The corner also had very poor visibility because of tall flax bushes on either side of the road. We recently visited the area again and we found that some of the flax has been removed from the inside of the corner, which is good to see, but there is still room for improvement as far as visibility. I would like to see all vegetation from the inside corner to be removed, so that it is clear whether or not there is oncoming traffic. But I believe the crash would never have happened if the road had been sealed. Our driver had far less control over the vehicle because of the gravel road. Not only that, but the camber of the road was unexpectedly angled, caused our vehicle to swerve too far to the right as we were rounding the corner. This put us in front of the oncoming vehicle, and our driver couldn't stop in time. If the road had been sealed, our driver could have had more control, staying in his lane. Even if he had still been on the wrong side of the road, perhaps he could've stopped faster and our crash wouldn't have been so severe. As it was, the accident was very serious and has had a huge and lasting impact on our whole family. My much loved brother sustained a near fatal brain injury, and because of our remote location it took a long time to get him flown to a hospital in Invercargill. He was stabilized there, and immediately flown to Dunedin hospital where he received life-saving neurosurgery.</p> <p>The following weeks and months were a very hard time for all of us. My brother needed two more long surgeries, was in a medically induced coma for 12 days, all together he spent weeks in hospital and even more time in a rehabilitation facility. We are very lucky to still have him with us. I myself sustained long term injuries. Among other things, my pelvis wasn't badly twisted, resulting in years of painful physical therapy, but I still have issues with mobility and have had to resort to using a cane to get around. I have been dealing with chronic pain for over seven years now, which has not only taken its toll physically, but mentally as well. Experiencing a trauma like a car accident at 14 years old is one thing, but dealing with 7 years of pain and illness following has been unimaginable. It's held me back immensely with my education, and I am still currently unable to work or study and I have to rely on the sickness benefit in order to have any kind of independence. This is not the life I want to live at 21 years old. And I believe it could have all been prevented seven years ago, if we had never crashed. I still have PTSD and a big fear of driving. As a result I'm still unable to get my driver's licence and seriously lack independence. Aside from my own problems, it's been difficult watching my brother live his life with such a serious brain injury. Him and I were very close before the accident and it's been painful to see the changes in his personality. I also feel for my mother, who has had to try and help us both through this. Seeing as it was her partner who was driving, I know she feels some responsibility for the crash. I can't begin to imagine how that must feel for her. The crash has taken away a huge part of our lives. I would do anything to go back and stop it from happening. But I know that I can't. Something I can do however is support the sealing of those dangerous roads. It gives me such anxiety knowing that there are so many drivers (many of whom are tourists, driving rental cars, most likely unused to driving on the left side of the road) on those narrow, windy, gravel roads. Unfortunately, a lot of drivers don't make the necessary adjustments to drive appropriately on those roads. Given the amount of traffic in that area, and the condition of the roads, I have no doubt that more accidents will occur. I hate to think of how that might affect people and their families. If it can be prevented (and I believe a lot of accidents will be prevented if the roads are fixed) it might as well be. Not only to save more families from living the nightmare my family has endured, but to save the huge costs that result from these accidents. The Catlins is such a beautiful area and it deserves to be explored and appreciated. Perhaps improving the quality of roads will also bring more tourism to the area, giving people more confidence to explore the area safely. Especially given that a huge number of those tourists drive rental vans and campers. I'm sure the council is aware of the safety issues and the number of accidents that have already occurred. I hope they can consider the emotional cost of these accidents too. I believe it's their responsibility to take action now, and make these roads as safe as possible. If we don't learn from these past accidents, no good can come from it. You can't put a price on people's safety, and saving lives should always be first priority.</p>
156	2016/02/1640	Rhiannon Stubbs	1	
157	2016/02/1641	Emma Bennet	1	
158	2016/02/1643	Janice Burton The Southern District Health Board	1	Supportive - The Council's proposed option is our preferred option, which will have positive safety outcomes for road users and the local communities.

Item 7.1 Attachment A

No	TRIM Record	Name	Option	Catlins comments
160	2016/02/1645	Laura McPartlon	1	
161	2016/02/1646	Lauren Frame	1	I know of people who have been affected by this road in serious car accidents this is a serious issue to address and help prevent any more tragic car accidents on this road! Haldane-Curio Bay road needs to be sealed.
162	2016/02/1647	Nyssa Payne-Harker	1	
163	2016/02/1648	Hannah Payne-Harker	1	In support of people who I know that are affected by a car accident that was a result of the bad road condition.
164	2016/02/1658	Stacey Robinson Toi Tois Playcentre	1	It is essential for roads to be sealed in this area. We have parents and children travelling on these roads to attend playcentre. I feel sealed roads are safer: more efficient for them to travel on.
165	2016/02/1659	Kenneth Gordon Davidson	2	
166	2016/02/1663	Geraldine and Kevin Taylor	3	I acknowledge the importance of Tourism in Southland. However I don't support the funding of Options 1 and 2. I support the Councils' input to maintaining the Colac Bay Foreshore Road Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps openly discussed at meetings we would not be in this position of road closure as we are today. At the Colac Bay meeting, road closure never came up and was never an option. The option was a single land gravel road so where's our single lane gravel road?
167	2016/02/1665	Peter Gordon Poole	2	Gravel road maintenance very bad.
168	2016/02/1674	Ross William Foster	1	
169	2016/02/1675	William Henry Foster	1	For a 92 year old it is very dangerous to drive on.
170	2016/02/1676	Mrs Elizabeth Foster	1	Take out the bumps and some of the bends in the road.
171	2016/02/1677	Helen Audrey Foster	1	As a very frequent user of Slope Point Road over the years and as there is now a huge amount of visitors using the road. The condition of it has become dangerous. Many tourists have no idea how to drive on gravel roads, never moving over for oncoming vehicles. We have assisted in getting many a vehicle back on road after an accident. Would like to see road safer for everyone to drive on. Thanks.
172	2016/02/1678	Shelley Berry	1	As this road is used by tourists and locals alike, by sealing this road it would be much safer to use. I would feel more confident using it.
175	2016/02/1683	Dianne Miller, Chairperson South Catlins Promotions Incorporated	1	To Whom it may concern, I write on behalf of South Catlins Promotions Inc to unreservedly offer our support for the upgrade and tar sealing of the Waipapa Point Road. The upgrade of this road in conjunction with the Haldane - Curio Bay road will vastly improve the quality of life for the local residents and the community who live in these remote regions. These people work hard supporting their families and running businesses. This is a very highly-used, no - exit gravel road which just makes it harder and more dangerous for them and their families. The Waipapa Point Road leads to a very popular recreational and scenic area used by locals and a much wider community. This area offers paua gathering and fishing, not to mention geological, With the ever- increasing tourist numbers visiting our amazing area to enjoy the views and wild life the accident rates have increased accordingly. Many of our visitors have no experience of gravel roads. The conditions of this road can deteriorate quickly due to the high usage, weather conditions or just the grader loosening up the surface gravel, turning it into a huge hazard. In our remote areas these accidents cause stress, trauma, and at times, serious injury to the victims and place a huge burden on the decreasing number of emergency volunteers. Our volunteers must take time away from their employment/businesses to deal with incidents. This situation could be avoided by the tar sealing of these roads. The upgrading of this road will increase the economic potential and accessibility to these areas and by allowing a wider range of traveller to visit, as restrictions are in place on some rental vehicles regarding gravel road usage. Again I would offer South Catlins Promotions full support for the tar sealing of the Waipapa Point Road. historical, scenic and environmental interest. Yours faithfully Dianne Miller (Mrs) Chairperson

No	TRIM Record	Name	Option	Catlins comments
176	2016/02/1686	Doug Davidson AA Automobile Association	1	<p>We note the information contained in the plan regarding the Curio Bay Haldane Road along with the proposed option of extending the sealing to include the Waipapa Point Lighthouse Road. The AA has conveyed its support for the upgrade of the Curio Bay Haldane Road in submissions to both the SDC LTP and the Regional Land Transport Plan and we would like to take this opportunity to reiterate this support, inclusive of the proposed extension including the Waipapa Point Lighthouse Road in the sealing project. The sealing of this road will cater to a likely increase in traffic and will improve the safety of all road users in the area. We note the plan refers to proposed upgrading of facilities at Curio Bay which include the construction of a carpark and toilets as well as camping ground facility upgrades and development of further walking tracks in the area. We are pleased to support these proposals which we see as being positive for tourism in Southland. One of the flow on effects of increased tourism is, of course, a likely increase in traffic being generated in the area which further validates our support for the road sealing project referred to above.</p> <p>While striking of rates is not a primary concern for our organisation many of our members are of course ratepayers and as a general comment we are pleased to see that the roading budget for 2016/2017 is forecast to be less than what was proposed in the Long Term Plan, after allowing for the funding of the proposed Catlins Road sealing. We are pleased to note the Council's view that a 54% NZTA funding contribution is "likely to be approved" for the Catlins project. We thank you for the opportunity to make this submission on behalf of our organisation and our Southland members.</p>
177	2016/02/1687	Carole Elder	3	I acknowledge the importance of Tourism in Southland. However I do not support the funding of option 1 or 2. I support Councils input to maintaining the Colac Bay Foreshore Road in Colac Bay. The Colac Bay people feel ignored by Council. Had the council taken the steps as openly discussed at meeting we would not be in this position of road closure as we are today.
178	2016/02/1688	Rowena Taylor	3	I acknowledge the importance of Tourism in Southland. However I do not support the funding of option 1 or 2. I support Councils input to maintaining the Colac Bay Foreshore Road in Colac Bay. The Colac Bay people feel ignored by Council. Had the council taken the steps as openly discussed at meeting we would not be in this position of road closure as we are today.
179	2016/02/1690	Doug Nesbit	2	We have a crib at Slope Point and travel this road frequently. We have come across many tourists having accidents on the gravel roads, as they do not know how to drive on these roads. Probably a lot of these accidents are not reported.
180	2016/02/1694	Zane Rawiri Clifton-Clark	1	Sealing the roads.
181	2016/02/1695	Andrew Davis	1	I suffered a severe traumatic brain injury in a car crash on Haldane-Curio Bay Road in September 2008, which has had a devastating effect on my life in the 7.5 years since, which will likely persist for the rest of my life. This crash would have been significantly less likely to occur if the camber on the corner was consistent with most safe roads, if visibility around the corner had not been impeded by flax bushes, and if the road had been properly sealed. I revisited the scene of the crash last weekend, and while I have never had any memory from the crash or events following the crash, it would seem visibility has been slightly improved by cutting back flax bushes, but the corner would likely be considerably safer if a more permanent solution was put in place. If sealing the road to the Waipapa Point Lighthouse would delay the sealing of the other road, then I would prefer Option 2, but believe that sealing all roads would be worthwhile in the interest of the safety and comfort of tourists and local residents.
182	2016/02/1696	Pamela Yorke Scobies Transport/Springburn Farms	1	We fully support Option 1 of sealing all of these roads. Purely for the following reason, we believe that the reason we are not receiving adequate service on our local Southern and Eastern Southland gravel roads, is due to the fact that the maintenance contractors have to spend all their time and resources on keeping this road up to spec for the tourist traffic. The Contractor has confirmed this to recently when we have had significant issues with some local gravel roads. We would also hope that this road will be built so as to allow for wide loads to be transported down it. This needs to be taken into consideration for the future, if there is economic growth in this area. We would hope also that the road reinstatement around the Chaslands road - where it blew out, will be reinstated so that we can get wide, long loads around this. As the current temporary fix, would be questionable, leaving us unable to deliver buildings along this road economically.
183	2016/02/1697	Pamela and Bradley Yorke Lazy Dolphin Lodge	1	Very essential with the increasing number of tourists on the road currently. Already in this current tourist season you can see a change in peoples holiday behaviour. There are definitely more people travelling in vehicles, ie not in arranged tour groups. With the improvements that are going to be made in the Curio Bay area, this number will only increase. The impact on the Southern Southland area economically can only improve with this major investment.
184	2016/02/1698	Justin Muschamp VetcoLtd Edendale	2	This is a frequently used road by visitors unused to gravel roads. Sealing this would improve safety of contractors and local residents who need to share this road with these lesser experienced visitors.

Item 7.1 Attachment A

No	TRIM Record	Name	Option	Catlins comments
185	2016/02/1699	Robert Allan Youldon	3	I am in favour of Option 3. That is to not seal anymore of the Catlins road. Council has been considering letting some sealed road revert back to unsealed, due to the cost of maintaining sealed roads. That being the case. Why should SDC be considering sealing more unsealed roads?
186	2016/02/1700	Brian William McFaul NZMCA - Southland	1	As frequent users of this network of roads we support the council in its endeavours to complete the sealing of the coastal route. The bulk of our membership are senior citizens, conscientious and appreciate all the effort regarding roading especially in this area. In retrospect we acknowledge the value we are receiving for paying all those hard earned taxes (local and national) continuing to enhance the networks.
187	2016/02/1701	Brian William McFaul Toi Toi Tokanui Lions Club	1	Our members are very conversant with the roads concerned, and fully endorse council in their endeavours to complete sealing of the coastal route et al. Several are also in their local Volunteer Fire Brigade and are well aware of all the issues concerning tourists on gravel roads.
188	2016/02/1702	Noell Anderson	3	I acknowledge the importance of Tourism in Southland. However I do not support the funding of Options 1 or 2. I support Council's input to maintaining the Colac Bay Foreshore Road in Colac Bay. The Colac Bay people feel ignored by Council. Had the council taken the steps as openly discussed at meeting we would not be in this position of road closure as we are today.
189	2016/02/1703	Gavin Ronald Paterson	3	I acknowledge the importance of Tourism in Southland. However I do not support the funding of Options 1 or 2. I support Council's input to maintaining the Colac Bay Foreshore Road in Colac Bay. The Colac Bay people feel ignored by Council. Had the council taken the steps as openly discussed at meeting we would not be in this position of road closure as we are today.
190	2016/02/1704	Robert Turner	1	
191	2016/02/1705	Alan Stacey McKay	3	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
192	2016/02/1706	Ernie Tyler	3	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
193	2016/02/1707	H R Evans	3	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
194	2016/02/1708	Bryan Eric Barnes	3	The cost of roading has to be looked at. Fuel prices have reduced so costs should be lower. The contractors need to be chosen carefully as most are not very productive. Not sealing any of the roads unless Transit NZ covers 54% of the cost.
195	2016/02/1710	Kathryn Elizabeth Marshall	1	I support Option 1. It makes sense to seal the road to the lighthouse as this will reduce the number of accidents on the road. This will also mean our volunteers in the fire brigade and ambulance are not attending as many crashes from a busy unsealed road.
196	2016/02/1711	Allan William Marshall	1	We support Option 1. This will make a safer bus run but also make the road a safer place for all. The high crash rate is a big draw on our local volunteers who would prefer to be doing their main line of work.
197	2016/02/1724	Trevor Warren Smith	1	This is essential to make the roads safer for both tourists and local people.
198	2016/02/1723	Margaret Hopkins	1	Fund the sealing of the Catlins Road, from Haldane to Curio Bay, including the Slope Point Road the first carpark and the road leading to the Waipapa Point lighthouse.
199	2016/02/1726	Jacqueline Carol Luke	3	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
200	2016/02/1727	David McKay	3	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.

No	TRIM Record	Name	Option	Catlins comments
201	2016/02/1728	Russell Molloy	3	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
202	2016/02/1730	Deen Elizabeth McKay	3	I fully acknowledge the importance of tourism in Southland and most definitely do not support either Options 1 or 2. In my view, it is Council's fundamental obligation to maintain their existing resources, of which roading is one of them. If Council continue to ignore the Colac Bay Foreshore Road erosion, it will soon not only be an economic problem but also an environmental one once the sea enters the old dump site, creating a totally unnecessary financial blow-out.
203	2016/02/1731	Martin and Valerie Rabbidge	1	We travel that road frequently with a high percentage of tourists travelling the roads, with many single vehicle accidents being witnessed. These people cannot handle driving on gravel roads.
204	2016/02/1732	Colin and Margaret Crump	1	We consider Option 1 high priority for both the local population and the increasing tourist use of these roads.
205	2016/02/1735	Warren Bevin	3	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
206	2016/02/1736	Leo Austin	3	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
207	2016/02/1738	Ross Davies	1	<p>Sealing of Catlins Roads - I am supporting the immediate sealing of the Catlins Road, from Haldane to Curio Bay including the Slope Point Road to the first carpark, and the road leading to the Waipapa Point Lighthouse, so long as the Waipapa Point addition does not delay the sealing of the others. I am from Dunedin and have spent the last 7 years travelling and working around New Zealand, mostly in the tourist industry as a Relief Manager.</p> <p>The cost of accidents. In September 2008 my son and daughter were injured in a head-on motor vehicle accident on the Haldane-Curio Bay Road; on a sightseeing trip with family. This was on the 35kmph corner about 600m north of the intersection with Watson Road. The vehicle they hit was driven by a local resident. Altogether there were four people hospitalised. The most seriously injured was my son. He received a serious brain injury and was evacuated by helicopter first to Kew Hospital, and then to Dunedin Hospital for immediate surgery. Two more lots of surgery, 12 days in ICU, weeks in the neurosurgery ward, and then a month of assessment and rehabilitation followed. With the other three hospital admissions, plus disrupted lives and vehicle loss, it is not hard to imagine costs greater than \$100,000 two months after the accident.</p> <p>My son is managed under the Serious Injury Unit of ACC, which reflects the permanent aspects of his injury and the likelihood of long-term/permanent requirements for support. He remains unfit for work and is not living independently but he's still working on those aspects. Costs for this on-going support may be pushing the accident costs towards half a million dollars after seven years, with many more decades to come. My daughter has on-going post-traumatic issues and it has been a significant event for the rest of the family with many intangible costs. Big and small, actual and emotional, this one accident has had a big cost to my family and to the country. This accident was life-changing for our family, but is probably a mere blip on the overall number of accidents that have occurred on these roads over recent years. The total costs and effects of the many accidents must be huge, and growing. This accident was found to be the result of careless driving but most accidents arise from carelessness, more or less. A big factor was also the road design (or lack of it) with a significant part of the corner obscured by vegetation. More importantly, it is highly unlikely that the accident would have occurred had the road been sealed.</p> <p>Changes to the road For the first time since the accident we returned to the scene of it just this last weekend. My son has no memory of the accident or the aftermath, and never will. My daughter has bad memories of the accident and aftermath. My wife and I and my other son just remember the aftermath. We all decided it was time to face our fears and (re)visit the scene. It was a good experience for us. We liked the huge "Slow down. High Crash Area" signs (although surely they are a stop-gap measure?). And it looked like the flax bushes had been removed from much of the inside of the corner. We were concerned however to see recent marks of a vehicle off the road at the same corner. It seems like a single vehicle rolled off the road there just last week, probably a result of carelessness on the gravel road. It looks like some of the lessons have not been heeded i.e. that unsealed roads are hazardous, particularly to visitors from out of the district. Seven years on people are still coming to grief on that corner and I sure on lots of other corners as well.</p>

Item 7.1 Attachment A

No	TRIM Record	Name	Option	Catlins comments
				<p>Priority for sealing We would agree that the first priority for sealing needs to be the road from Haldane to Curio Bay. This is obviously a major through-route. It seems ironic that the Southern Scenic Highway has been sealed but the route that is more attractive for tourists has remained unsealed. What we used of the Haldane to Curio Bay road seemed to be in reasonable condition with a minimum of corrugations and potholes. The Slope Point Road is different. We stayed at the backpackers there and drove out to the point. The corrugations are bad. The corrugations on the steeper sections are dangerous. If drivers from out of the district are at risk on the unsealed roads generally, the risk must be amplified on corrugated sections on the hills. If the road remains unsealed for much longer, hopefully maintenance can be increased in frequency to improve the surface to reduce potential loss-of control accidents. We didn't get as far as the road to Waipapa Point lighthouse, but guess it is similar to the Slope Point Road in terms of levels of use and condition of the road. If it can be sealed at the same time as the rest, that would be wonderful. But I'd hope that sealing of the other roads is not delayed at all by the inclusion of the Waipapa Point Road.</p> <p>Benefits to the local residents During our 20 hours in the Slope Point area, we realised that moving around the area must be stressful for the local residents; I imagine it something like vehicular Russian roulette. Hazardous roads combined with a big proportion of drivers unused to unsealed roads and many of them unused to driving on the left must all add up to local residents having to anticipate head-on collisions much of the time. This is no way to have to go about daily life. Sealing the roads will benefit the local residents with less dust and wear and tear on their vehicles. But generally they will have coped with those effects over the years. Much of the benefit from tourism generally is felt outside the area, yet it is the local residents who face the real risks every day from the industry.</p> <p>Other roads in the region The Purakaunui Falls are one of the iconic scenes in the Catlins. Significant parts of the road(s) there are unsealed and hazardous to all. Hopefully this is on a programme for sealing in the near future. Secondly we were surprised by the large proportion of tourists in Invercargill who arrived or left via the Catlins. Some of these are likely to avoid the unsealed routes and zoom through. If they can be given safe routes to locations like Slope Point and Waipapa Point then they are more likely to spend longer in the region, and spend more money while there. A good proportion of tourists are independent, and well-researched. You are less likely to capture them with unsafe roads.</p> <p>Duty of Care I hope that there is not diminished enthusiasm for improving the roads because most of the accidents are caused by drivers who are not local and arise from inexperience and carelessness. The accident I've recounted here impacted on a local resident, literally. And it falls to the locals to pick up the pieces from many of the accidents, and open their doors to the victims (as happened with the instance involving my family). I am sure the locals want to improve the safety of their roads. I feel there is a wider responsibility as well, regional and national. Many of these tourists are visitors in your region and our country. I'd like to think that we all have a duty to keep them safe, where practical and reasonable. They are our guests and we want them to enjoy New Zealand safely.</p> <p>Summary</p> <ul style="list-style-type: none"> - Accidents cost money, and some accidents cost a lot of money. Costs of one accident on the road in question will exceed a million dollars. - Changes made to improve sight-lines for drivers and provide huge warning signs are good but accidents are still happening and the unsealed roads remain as a significant cause.- Sealing needs to be prioritised and begun as soon as possible. Maintenance on unsealed roads needs to be increased to reduce the hazards. - It must be awful for local residents going about their normal lives while wondering about the next accident they will encounter or be involved in. - There are other roads in the region that need to be prioritised as well, starting with the road(s) to Purakaunui Falls. - There are huge potential benefits to the wider Southland area from safety improvements to the roads through the Catlins including those to promoted tourist locations. - We all have a duty of care to do what we can to look after visitors. - The high costs and effects of continual vehicle accidents on unsealed roads to tourist locations require you to either seal the roads or stop promoting the locations.
208	2016/02/1750	Patsy Gordon	1	
209	2016/02/1757	Owen Lindsay Jennings	1	I travelled over the roads mentioned in Option 1 on 25 February 2016 and I am fully supportive of these roads being sealed. They were in a poor state and unsafe for the volume of traffic these areas are attracting. As I live at Otara, I am very familiar with the increased traffic numbers.

No	TRIM Record	Name	Option	Catlins comments
210	2016/02/1758	Tom and Wendy Holder	3	The sealing of the Catlins road is directly going to benefit both the commercial (tourism) and industrial (roading, gravel) sectors and yet we see these areas have decreased roading rates. Farming (non-dairy) has had no increase in road usage and dairy minimal, if any, since last rates set, yet both these areas (sectors) are carrying a huge increase. Young Road, Branhholme is constantly in disrepair and should have been sealed years ago, it is high usage as a short cut. Yet we who require access to our property from Young Road are now going to be heavily subsidising the sealing of the Catlins road, when we ourselves live with daily potholes and judder ruts. Farming both dairy and non-dairy should not be heavily increased by road rates. Also note the rate of serious accident on the Catlins road is low in comparison to many intersections and roads (eg Milford) around Southland (make example being Five Rivers - Mossburn - Te Anau road, high accident rates).
211	2016/02/1761	Kate Stratford	1	Fund the sealing of the Catlins Road, from Haldane to Curio Bay, including the Slope Point Road the first carpark and the road leading to the Waipapa Point lighthouse.
213	2016/02/1765	Barbara Pearl Bennett	1	Safety for everyone. What about School Road? People are regularly asking for help after being caught out and stranded on School Road. Recently a Dutch couple spent the whole night in their car stuck on School Road.
214	2016/02/1766	Simon Jeremy Bennett	1	For safety.
215	2016/02/1767	Mary Napper	2	But have a special rate on businesses in the area, including Tokanui and Niagara as they are who benefits.
216	2016/02/1769	Russell Hawkes Environment Southland	1	<p>This submission has been prepared on behalf of the Southland Regional Transport Committee. The Otago Southland Regional Land Transport Plan 2015-2021(RLTP) was produced by the Otago and Southland Regional Transport Committees using a pan-regional approach where the two committees meet jointly to ensure all cross boundary issues were being addressed and that regional planning was aligned between the regions.</p> <p>The RLTP was included in the Southland District Council Curio Bay-Haldane Road Improvement Project. The consultation process for the RLTP received 109 submissions supporting Southland Improvement Projects, of which 89 specifically supported the inclusion of the Curio Bay-Haldane Road project in the RLTP and subsequently the National Land Transport Programme. The number of submissions in support of a project far exceeds the number of submissions received on Southland projects in the past reflects the community's desire to see improvements to the road take place. As a result of this, the Regional Transport Committee included Curio Bay-Haldane Road project as the highest priority for local road funding and also allocated the project for funding from the remaining Southland "R" fund pool.</p> <p>This project has subsequently been identified as a priority within the local road network under the Government Visiting Drivers Signature Project. Extending the project, as included in the RLTP, to include the Waipapa Point Lighthouse Road will not result in a variation being required to the RLTP and does not trigger the Regional Transport Significance Policy.</p> <p>On page 11 of the Annual Plan consultation document comment is made regarding Curio Bay and development plans for the area. This development will result in increasing visitor numbers to the area and also travel to the major tourist attractions in the Curio Bay-Haldane area.</p> <p>Based on submissions received by the Regional Transport Committee the proposed developments at Curio Bay, the Regional Transport Committee supports the proposed option on page 5 "Sealing the Catlins Road from Haldane to Curio Bay, including the Slope Point Road to the first car park and the road leading to the Waipapa Point Lighthouse". Thank you for the opportunity to make a submission on the District Council's Draft Annual Plan 2016/2017.</p>
219	2016/02/1773	Gwen Sales	1	It makes sense to do this work all at once rather than doing it piecemeal over several years.
220	2016/02/1774	Riverton/Aparima Community Board	1	
221	2016/02/1775	Leeann Dusten	1	I believe the Catlins Road should be sealed and maintained. It is only going to grow more with tourists using it not less so it is the Council's best interest to do this for everyone's safety.
222	2016/02/1776	Tony Blair Downer	1	I would like to see this road sealed as it is a safety concern with the tight corner and step grades. Plus the amount of Tourist now using the road is a concern.
223	2016/02/1777	Aaron Hugh Campbell	1	I would recommend the chip sealing of this road as I would think it would be a positive move in terms of road safety, as there are a large amount of Tourist drivers using this section of road.
224	2016/02/1778	Cassie Eade	3	

Item 7.1 Attachment A

No	TRIM Record	Name	Option	Catlins comments
225	2016/02/1780	Federated Farmers Taniith Robb	4	<p>3.1 Federated Farmers has no view on whether the remainder of the Catlins road should be sealed, including the Slope Point Road to the first carpark and the road leading to the Waipapa Point Lighthouse.</p> <p>3.2 We support Council seeking 54% of the funding required for the project from the New Zealand Transport Agency (NZTA). We agree that the project should not proceed if the NZTA funding is not approved.</p> <p>3.3 Considering the significance of the road as a tourist route, and that the main issue is road safety in relation to tourist use, it is appropriate that central government funds the majority of the new seal.</p> <p>3.4 If the project proceeds, Federated Farmers considers that repayment of the loan should not fall on general ratepayers, as the expected benefits from sealing the Catlins Road will only directly accrue on the commercial sector.</p> <p>3.5 As such, we support the use of a targeted rate for the commercial sector (most likely to directly benefit from tourism) to pay for Council's contribution to sealing the Catlins Road.</p> <p>Decision sought That Council seeks funding from the NZTA for 54% of the cost of sealing the remainder of the Catlins road; and that Council's contribution to the sealing of the road comes from a targeted rate from all commercial businesses located along the Catlins Road and the Southern Scenic Route.</p>
226	2016/02/1781	Vicki Haywood	3	This is not a wise use of this money when the council cannot/choose not to maintain existing southland roads. I find this mind boggling that you are planning to spend millions of dollars on sealing a road and you will not spend a tiny portion of this on an existing road that is becoming worse each day that you have your heads in the sand... namely the Colac Bay foreshore Road, this is a public road used by many and a scenic access to this seaside town. If this road was fixed when it was brought to the councils attention it would have cost a lot less and saved a lot of grief for this seaside town and the business/home owners. If you cannot maintain roads that are already there don't spend millions of dollars on something new. It's to rocket science. Who would have thought in 2016 we would still have a council that does not listen to those that matter "The People".
227	2016/02/1782	Wendy Joy Baker	1	Praise/support - For proposed sealing of specific Catlin's roads especially Waipapa Point Road. Praise/support.
228	2016/02/1785	Dave Wilson The Roding Company Ltd	1	Sealing will be of great benefit to Southland tourism and preferably should have been undertaken when the R funding was offered.
229	2016/02/1788	Christine Ellen Henderson	1	As the Catlins road is an increasingly important tourist highway I would like the Council to apply to the Minister of Tourism to help fund the extra \$3 million rather than have it an extra financial burden on ratepayers.
231	2016/02/1791	Ray Willett	1	I support Option 1 - money well spent!
232	2016/02/1792	LM and AME van Adrichem	1	An accident by the storm. The campervan left road and fell on its side due poor road conditions and the storm.
233	2016/02/1798	Aaron Russell Dickie	2	
234	2016/02/1803	Adrian Stoll	1	Important with tourism, traffic volumes have steadily increased since ongoing route put in place.
235	2016/02/1797	Alan Wilson	1	
236	2016/02/1801	Ashley Waddick	1	Safer for people, not capable driving on gravel.
237	2016/02/1795	Barry Elwyn Brown	1	Seal the road please.
238	2016/02/1804	Kathryn Stevenson	1	As principal of the Tokanui school I wish to support the sealing of the above roads that our school bus travels on for safety of our school children.
239	2016/02/1802	Lara Globermann	1	
240	2016/02/1793	Lyn and Mike Helliwell	1	We are New Zealanders and use to gravel roads, but was very uneasy driving along Slope Road on 27/2/2016. The verge looked very unstable and proof was 10 minutes later one campervan went over the edge then half an hour later a second campervan went over. Something needs to be done before someone gets killed.
241	2016/02/1794	Michael Tope	1	My 6 berth campervan left road and fell on its side due to poor road condition.

No	TRIM Record	Name	Option	Catlins comments
242	2016/02/1800	Sandra Duff	1	Felt would be safer with the amount of tourists not used to driving on gravel.
243	2016/02/1802	Toni Vermeulou	1	
244	2016/02/1799	Tracey Lochhead	1	Important to seal road for tourism. Today we stopped at an accident with German tourists which would have been avoided. This is an amazing area and as a New Zealander I would love to encourage more people to come and visit (safety).
245	2016/02/1801	Ian Brinsdon	3	
246	2016/02/1805	Joel Briggs	3	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
247	2016/02/1806	John Dave and Elizabeth Anne Houliston	3	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
248	2016/02/1815	Gavin Douglas Short	1	
249	2016/02/1814	Janelle Barbara Short	1	
250	2016/03/1842	Stewart and Jocelyn Reece	3	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
251	2016/02/1829	James Imlach NZ Motor Caravan Association Inc	1	The New Zealand Motor Caravan Association (NZMCA) SUPPORTS Option 1: fund the sealing of the Catlins Road, from Haldane to Curio Bay, including the Slope Point Road to the first carpark and the road leading to the Waipapa Point Lighthouse. The NZMCA is a membership-based organisation with over 63,500 individual members who enjoy motor caravanning across New Zealand. The Association operates three members' only certified self-contained motor caravan parks across Southland (Te Anau, Lumsden and Niagara). Local member feedback confirms these are popular roads and agree sealing them will be beneficial for motor caravanners visiting and exploring Southland. Yours faithfully, New Zealand Motor Caravan Association Inc.
252	2016/03/1840	Doug Speden	4	
253	2016/03/1841	Ellen and Graham Jones	3	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
254	2016/03/1850	Karen and Patrick Westenra	3	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
255	2016/03/1843	Pani Grey	1	Put tollgates at Chaslands to Fortrose ends. Make the tourist user pays. Issue ratepayers with two or five swipe cards per household so they aren't paying twice. The cost of the tollgates and cards will be self-funded.
256	2016/03/1844	Stephen Peter John Thomas	1	Put in tollgates, one at Fortrose and one at Chaslands. Make the tourist user pays. Issue ratepayer households with a number of swipe cards so they don't have to pay to use tollgates. Then ratepayers aren't hit twice unfairly. Why should only ratepayers be funding the road upgrade. That is unfair.

Item 7.1 Attachment A

No	TRIM Record	Name	Option	Catlins comments
257	2016/03/1880	Ray Wilkins On behalf of Wilkins Farming	3	<p>We would like to comment on the above proposed development – in principle we are not necessarily opposed to it. However, as a six figure SDC ratepayer we would like to say that if any district-wide ratepayers money is used, we see it as inappropriate spending. In economic terms, user pays is generally considered to lead to a good allocation of resources – and the sealing of the Catlins Road therefore should be funded in conjunction with the tourist economy. It should not be subsidised by the wider ratepayer base, the vast majority of whom will have little or no connection with tourism. We would suggest that Council make a serious roading development plan in all Southland rural areas – and that the rates are spent in the area they are collected. In particular, we would like to propose the following suggestions –</p> <ol style="list-style-type: none"> 1. Challenge the existing assumptions. An example of this is at a recent meeting with Ian Marshall to discuss the possible sealing of a rural road, he mentioned a new type of seal that was more cost effective and may well be suitable. This is what we mean – think differently about how you can approach the rural network, rather than take a blanket approach to it. 2. Consider augmenting your current staff with some additional experts in roading and finance. 3. Separate Southland into different geographic zones – and ensure that the rates are spent in the same section in which they are paid. 4. Have the stated aim to tar seal all rural roads within a given timeframe. We note that many rural roads are the same as they were 50 years ago. 5. Continue to develop alternative funding streams. <p>Respectfully Ray Wilkins On behalf of Wilkins Farming</p>
258	2016/03/1970	Jean Elizabeth Fallow	2	<p>Considering lower farm incomes, you need to budget accordingly and not put up rates willy-nilly. I believe the main Haldane-Curio Bay Road should be sealed but not the side roads at this stage. Please look after the people who live in NZ first. I hope you are considering straightening some of the bends and humps on the road! Good signage should suffice on the gravel roads.</p>
259	2016/03/1971	Russell Rawlings	1	<p>Get Todd Barclay and shake the shit out of him. You can seal the roads as in Option 1 but pressure the government for more funds as they get plenty from the tourist dollar. They have heaps of funds for Auckland roads and North Island roads. Start standing up for Southland for change.</p>
260	2016/03/1975	Ian Lowe	1	<p>Go for it. Infrastructure has to be a priority in the Southland District.</p>
261	2016/03/1976	Tom Rouse	2	<p>Only seal major roadways as this appears to be SDC policy elsewhere in SDC area.</p>
262	2016/03/1986	Ross and Donna McKenzie	3	<p>I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.</p>
263	2016/03/2282	Stewart Dawson	3	<p>I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today. Reopen our Heritage Road as was agreed at the public meeting.</p>

Please note: The grey shading indicates a late submission.

Colac Bay Foreshore Road

No	TRIM Record	Name	General Comments
20	2016/02/1458	Philip and Maree Newell	<p>This submission is sent in the hope of making a case for repairing the road in Colac Bay. We strongly believe that it makes sense to repair the road in Colac Bay for, but not limited to, the following reasons:</p> <ol style="list-style-type: none"> 1. It is a fabulous scenic tourist road. 2. It is of significant commercial importance to businesses in Colac Bay. 3. There is the potential to harness the local community for resources, such as rocks for sea wall, machinery for shifting and local knowledge of what has worked in the past to prevent further erosion. 4. It is a wonderful resource for surfers. On a day suitable for surfing it is not unusual to see 20 to 50 surfers and sightseers using the beach near that road. 5. Many members of the local community and local organisations are strongly in favour of repairing the road and sea wall. 6. If the sea wall is breached, then the old dump on the land side of the road will leach into the sea and cause a major environmental disaster, which will have to be repaired at much greater cost as it could affect surfers and swimmers on the Colac Bay beach. 7. It is much easier and safer for vehicles and residents to exit Colac Bay from the surfers' end rather than the Colac Bay Tavern. Many drivers avoid exiting the Colac Bay Tavern exit when driving towards Riverton and Invercargill. 8. It is also safer for the school bus to drop children off using the Colac Bay Tavern exit. Also, when leaving for Riverton with school children, it is much easier and safer for the school bus to use the surfers' end exit. <p>We sincerely request that you give this issue your serious consideration and confirm by return email that you have received this submission. We would appreciate your comments on each of the above points raised in writing once you have had time to review this submission.</p>
25	2016/02/1383	Brian and Jennifer McCoy	<p>We (Brian and Jennifer) McCoy would support the repair of Colac Foreshore Road ahead of sealing the road to the Waipapa Point Lighthouse. We believe that the council should consider if they are living up to their goals as set out in the below statement especially in relation to point and point 4 below. "Council started talking with residents and ratepayers about the roading issue several years ago, and held roadshows around the region 18 months ago. From those discussions, several clear messages came out.</p> <ol style="list-style-type: none"> 1. Our roads are our lifeblood - everyone in the community depends on them and safety is very important. 2. Do not take sealed roads back to gravel. 3. Our gravel roads need more work. 4. Talk to the people in the community more. <p>This submission is to make a case for repairing the road in Colac Bay. We strongly believe it makes sense to repair the road in Colac Bay for but not limited to the following reasons.</p> <ol style="list-style-type: none"> 1. Great scenic tourist road. 2. Of significant commercial importance to businesses in Colac Bay. 3. There is the potential to harness the local community for resources such as rocks for sea wall, machinery for shifting and local knowledge of what has worked in the past to prevent further erosion. 4. A great resource for surfers. On a day suitable for surfing it is not unusual to see 20 to 50 (in total) surfers and watchers using the beach near that road. 5. Many of the local community and local organisations we believe are strongly in favour of repairing the road and sea wall. 6. If the road is breached by the sea which could happen in a very large storm then the old dump on the land side of the road will likely leach into the sea and cause major environmental problems for the surf beach and swimming beach. 7. It is much easier and safer for vehicles and residents to exit Colac Bay from the surfers end rather than the Colac Bay tavern exit. Many drivers avoid exiting the Colac Tavern exit when driving towards Riverton and Invercargill. 8. For the School Bus it is safer to drop kids off using the Colac Bay Tavern exit. When leaving for Riverton with school kids it is much easier and safer for the School Bus to use the Surfers end exit. <p>I hope you give this serious consideration and please confirm by return that you have received this submission. I would hope when you have had time to consider this submission that you address each of these points and comment on them separately in written form. Signed Brian and Jennifer McCoy</p>

Item 7.1 Attachment A

No	TRIM Record	Name	General Comments
53	2016/02/1473	Lynley McKay	The Colac Bay people and local district feel ignored. I acknowledge global warming and the effect it is having on some coastal roads. Had the Southland District Council taken the appropriate steps, as discussed at open meetings, when necessary to keep the Foreshore Road adequately maintained we would not be in this position of road closure as we are today I acknowledge the importance of tourism in Southland, and the state the Colac Foreshore Road is having on this in our rohe.
54	2016/2/1475	Riki Dallas Oraka Aparima Runaka Inc	We acknowledge the importance of Tourism in Southland, However we don't support the funding of Options 1 or 2. We support the councils input to maintaining the Colac Foreshore Road Colac Bay. The Runaka community of Oraka feel ignored by Council. Had the council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
55	2016/02/1476	Rowan Ward	Keep Colac Bay Foreshore Road open.
59	2016/02/1480	Brett Freeman	This needs remedied and re-opened as soon as possible even down to one lane if required.
60	2016/02/1481	Mrs Judith Ward	This road needs to be repaired to maintain the character of the bay.
67	2016/02/1489	Amber Shearing	Keep it open!
77	2016/02/1516	Vivienne Spriggs	Colac Bay foreshore needs to be fixed!
78	2016/02/1518	Raewyn King	This road needs to be maintained as it alone is a place to be able to access the beach easily.
81	2016/02/1520	Bernette Hogan	Seal the road.
82	2016/02/1522	Lorraine Dallas	Road needs repairing for survival of community.
83	2016/02/1521	Deb Burtenshaw	I do not feel that our money should be spent on sealing these roads, when you are doing nothing about the Colac Bay Foreshore road. That must be retained for the good of the community and ratepayers. It is vital to our community and lifestyle that this road remains open, we are already suffering a decline in tourist to the area because of it. In the past week you have spent untold dollars resealing our street (Shrewsbury st) in Riverton which did not need sealing, surely this money could have been better spent. Tourists are still going to travel to the Catlins regardless of whether the roads are sealed or not. It is part of the experience.
85	2016/02/1524	Kere Menzies	This is a well used road that needs to be maintained to prior States. I am happy to pay for its repair and maintenance. It is irritant to me and my whanau and we want to keep using it as we have for many years.
86	2016/02/1525	TRACY SARGEANT	Colac Bay foreshore road needs attending to keep it open either two or one way due to erosion from the sea. Why can't big boulders be placed in the part where the road is washed away?
88	2016/02/1528	Lisa Ramsay	Please keep the Colac Foreshore Road open.
99	2016/02/1553	Rachel Guise	This road needs to be kept open. This is important to local people so should not be ignored. Make this happen!
166	2016/02/1663	Geraldine and Kevin Taylor	I acknowledge the importance of Tourism in Southland. However I don't support the funding of Options 1 and 2. I support the Councils' input to maintaining the Colac Bay Foreshore Road Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps openly discussed at meetings we would not be in this position of road closure as we are today. At the Colac Bay meeting, road closure never came up and was never an option. The option was a single land gravel road so where's our single lane gravel road?
177	2016/02/1687	Carole Elder	I acknowledge the importance of Tourism in Southland. However I do not support the funding of Options 1 or 2. I support Councils input to maintaining the Colac Bay Foreshore Road in Colac Bay. The Colac Bay people feel ignored by Council. Had the council taken the steps as openly discussed at meeting we would not be in this position of road closure as we are today.
178	2016/02/1688	Rowena Taylor	I acknowledge the importance of Tourism in Southland. However I do not support the funding of Options 1 or 2. I support Councils input to maintaining the Colac Bay Foreshore Road in Colac Bay. The Colac Bay people feel ignored by Council. Had the council taken the steps as openly discussed at meeting we would not be in this position of road closure as we are today.
189	2016/02/1703	Gavin Ronald Paterson	I acknowledge the importance of Tourism in Southland. However I do not support the funding of Options 1 or 2. I support Councils input to maintaining the Colac Bay Foreshore Road in Colac Bay. The Colac Bay people feel ignored by Council. Had the council taken the steps as openly discussed at meeting we would not be in this position of road closure as we are today.

No	TRIM Record	Name	General Comments
191	2016/02/1705	Alan Stacey McKay	Council needs to stop treating ratepayers like second-class citizens and give them some respect. Council is there to represent the people! I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
192	2016/02/1706	Ernie Tyler	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
193	2016/02/1707	H R Evans	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
194	2016/02/1708	Bryan Eric Barnes	The development of the Around the Mountains Cycle Trail should be stopped until the benefits of all the costs can be proven. Our Mayor said at the public meetings that no ratepayers money would be spent on this project. These monies should be used on other projects more beneficial to Southland. I am not happy with the Council ignoring the residents of Colac Bay concerns regarding the closure of the Foreshore Road. There must be some experts in New Zealand that have dealt with similar situations, ie Hokitika. Environment Southland should have some financial input.
199	2016/02/1726	Jacqueline Carol Luke	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
200	2016/02/1727	David McKay	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
201	2016/02/1728	Russell Molloy	Colac Foreshore Road - I think it is disgusting how this road has been left to deteriorate. The foreshore erosion should have been sorted over a year ago. Wake up and listen to the people! I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
202	2016/02/1730	Deen Elizabeth McKay	I fully acknowledge the importance of tourism in Southland and most definitely do not support either Options 1 or 2. In my view, it is Council's fundamental obligation to maintain their existing resources, of which roading is one of them. If Council continue to ignore the Colac Bay Foreshore Road erosion, it will soon not only be an economic problem but also an environmental one once the sea enters the old dump site, creating a totally unnecessary financial blow-out.
206	2016/02/1736	Leo Austin	Please maintain the Colac Foreshore Road. This road is so important to the whole area. I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
224	2016/02/1778	Cassie Eade	My main concern here is that the council have failed the Colac Bay community in not providing the toilets for the popular surfing area known as "trees". The toilets were promised to the community and the promise has not yet been fulfilled. My other main concern is that we can spent millions on a rail trail but the council cannot continue to rock the Colac Bay foreshore to protect the road that is being washed away. and by not doing this you are causing the small businesses of Colac Bay to suffer as the tourism traffic they rely on so much is now dwindling. This is not good enough, small communities should not be forgotten and this is exactly what has happened with Colac Bay. Colac Bay needs funding allocated to the community to continue the rock wall protection before it is too late!!!!!!!!!!!!
226	2016/02/1781	Vicki Haywood	This is not a wise use of this money when the council cannot/choose not to maintain existing southland roads. I find this mind boggling that you are planning to spend millions of dollars on sealing a road and you will not spend a tiny portion of this on an existing road that is becoming worse each day that you have your heads in the sand... namely the Colac Bay foreshore Road, this is a public road used by many and a scenic access to this seaside town. If this road was fixed when it was brought to the councils attention it would have cost a lot less and saved a lot of grief for this seaside town and the business/home owners. If you cannot maintain roads that are already there don't spend millions of dollars on something new. It's to rocket science. Who would have thought in 2016 we would still have a council that does not listen to those that matter "The People".

Item 7.1 Attachment A

No	TRIM Record	Name	General Comments
245	2016/02/1801	Ian Brinsdon	Service - Colac Bay and many of its residents are ignored by the SDC. The way our local engineer sees fit to prolong any process is unacceptable - ie Trees toilets (8 years). I do not agree whatsoever in any roading development until existing roads are brought up to satisfactory standards i.e. Colac Bay Foreshore Road had adequate maintenance been done on this road we wouldn't be in the situation we are today.
246	2016/02/1805	Joel Briggs	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
247	2016/02/1806	John Dave and Elizabeth Anne Houliston	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
250	2016/03/1842	Stewart and Jocelyn Reece	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
253	2016/03/1841	Ellen and Graham Jones	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
254	2016/03/1850	Karen and Patrick Westenra	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today. The wall that has been repaired is working well but if the rest is left in disrepair it will ALL get washed away. Let's get it fixed now.
262	2016/03/1986	Ross and Donna McKenzie	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today.
263	2016/03/2282	Stewart Dawson	I acknowledge the importance of tourism in Southland. However, I do not support the funding of Options 1 or 2. I support the Council's input to maintaining the Colac Foreshore Road, Colac Bay. The Colac Bay people feel ignored by Council. Had Council taken the steps as openly discussed at meetings, we would not be in this position of road closure as we are today. Reopen our Heritage Road as was agreed at the public meeting.

General

No	TRIM Record	Name	General Comments
15	2016/02/1273	M David and Barbara Morrison	Some gravel roads are too narrow and dangerous where you can't see ahead. A lot of gravel roads have corrugations and pot holes.
24	2016/02/1378	Toi Toi Lions C/- Bruce Hall	Seal all roads. To make it more safe for tourists to the area.
101	2016/02/1566	Marguerite Buckingham	I know there is a great demand to keep our gravel roads in good order and I appreciate you do get a grader to us asap if we phone you but the corrugations are so bad. No matter what speed they actually throw vehicles around and are quite dangerous. I think the grades needs to go much deeper on the bad parts of the road.

No	TRIM Record	Name	General Comments
176	2016/02/1686	Doug Davidson AA Automobile Association	<p>We note the plan refers to proposed upgrading of facilities at Curio Bay which include the construction of a carpark and toilets as well as camping ground facility upgrades and development of further walking tracks in the area. We are pleased to support these proposals which we see as being positive for tourism in Southland. One of the flow on effects of increased tourism is, of course, a likely increase in traffic being generated in the area which further validates our support for the road sealing project referred to above.</p> <p>While striking of rates is not a primary concern for our organisation many of our members are of course ratepayers and as a general comment we are pleased to see that the roading budget for 2016/2017 is forecast to be less than what was proposed in the Long Term Plan, after allowing for the funding of the proposed Catlins Road sealing. We are pleased to note the Council's view that a 54% NZTA funding contribution is "likely to be approved" for the Catlins project. We thank you for the opportunity to make this submission on behalf of our organisation and our Southland members.</p>
184	2016/02/1698	Justin Muschamp VetcoLtd Edendale	I think gorse should not be the only noxious weed sprayed. It should also include ragwort, holly sycamores etc.
186	2016/02/1700	Brian William McFaul NZMCA - Southland	On a personal note and with support from other members, a general bouquet regarding the state of the network generally. Please pass same onto Fulton Hogan and any others that it concerns.
187	2016/02/1701	Brian William McFaul Toi Toi Tokanui Lions Club	On a personal note and with support from other members, a general bouquet to all regarding the state of the network generally. Please ensure these compliments are passed on to all concerned including Fulton Hogan.
208	2016/02/1750	Patsy Gordon	We, the residents of Roslyn Road, request that Roslyn Road be sealed. The dust in the summer is not healthy. We realise that the Council is keeping the upkeep up to date but we believe the only solution is to seal the road.
212	2016/02/1764	R F and S M Crosbie	Helena and Mersey Street, Fortrose off Tokanui Gorge Road Highway (approximately 500 metres) needs tar sealed as it is being used as main road lots of times since top of Neva Street was made No Exit. Plus is badly corrugated most of the year. Also need street lighting along Moray Terrace especially near toilet area.
215	2016/02/1767	Mary Napper	Maintenance of rural roads. Why do we have to "notify for service". We seem to never get the road graded unless we ask.
220	2016/02/1774	Riverton/Aparima Community Board	The Riverton/Aparima Community Board wishes to make a submission to the Annual Plan seeking a subsidy from the roading budget toward the Havelock Street kerb and channel project. The Board is contributing \$130,000 from rates/reserves and are seeking an amount of \$35,000 (approximately 30% subsidy) to complete this project in its entirety within the 2016/2017 financial year.
227	2016/02/1782	Wendy Joy Baker	<ul style="list-style-type: none"> - More roadside grass mowing especially at intersections (for safety visibility reasons) and around SDC signage. - Inspections of SDC signage, and road signage, to make sure they are in good condition etc. - Sealing of Mersey Street in Fortrose.
228	2016/02/1785	Dave Wilson The Roading Company Ltd	Insufficient road rehabilitation is being completed. This year only 8 km and less next year. Traditionally a minimum of 20-25 kms is required to maintain the roads. SDC's own modelling showed that 35-45km/yr would be required to maintain at an acceptable level. Why have the road maintenance costs increased significantly? Is this a result of lack of competition within the maintenance contracts? Drainage and gravel maintenance have previously been tendered separately. Has the reduction in renewals affected the cost of maintenance work within the maintenance contracts? Renewals have been regarded as the best method to reduce maintenance costs over time. NZTA policy is to sweat the asset. They are taking a risk with SDC's asset. Who will pay if the experiment fails and maintenance costs increase significantly. There are some small jobs programmed such as Lumsden Cemetery Road...will these be open tendered? With the increase of tourism traffic and heavy vehicles in the region, safety is a big concern. Rough roads increase risk. Safety improvements such as realignments and corner improvements are required but are not evident in the current programme.
230	2016/02/1790	CCS Disability Action Mary Obrien	<p>Footpath, car parks, community facilities upgrades and development. The Southland Regional Development Strategy states that the matter that concerns Southlanders most is depopulation. The strategy also states that Southland needs to be well connected and that strong social cohesion is necessary to achieve the goals of the strategy. The inability to access the community can lead to isolation, this means that people are often unable to carry out activities such as maintaining or gaining employment, doing their shopping at the local shops, attending community functions or attending medical appointments either locally or in the main centres. Factors that contribute to this are complex. However the inability to access the build environment because of poor quality foot paths, steep curbs, and inaccessible carparks, absence of access ramps or accessible toilets often influences the decision to leave a community.</p> <p>Many of these barriers can be addressed by the council ensuring that planned maintenance and new facilities comply with the Standards New Zealand Design for Access and Mobility – Buildings and Associated Facilities NZS 4121:2001 and that the planning also addresses the Accessible Route as described in NZS 4121.</p>

Item 7.1 Attachment A

No	TRIM Record	Name	General Comments
			<p>We recommend that as well as complying with the above standard that the Council consult with a Barrier Free Auditor and the Disabled Community regarding the above projects.</p> <p>Ensuring rural towns are accessible will mean that people who have lived the greater part of their lives in these towns will be able to remain in their home town and be part of the social fabric of their unique communities and that they do not contribute to the depopulation of Southland.</p> <p>National Access Related Projects</p> <p>Inquiry into the future of Mobility Services</p> <p>The Transport and Industrial Relations Select Committee has launched an inquiry into the future of mobility services. We recommend that the Council submit on this important inquiry and that its submission is informed by consultation with the Disabled Community. CCS Disability Action is willing to support the council with this submission.</p>
238	2016/02/1804	Kathryn Stevenson	Safety on these roads for our school buses, cars slide off the road on a regular basis because of inexperience driving on gravel roads.
255	2016/03/1843	Pani Grey	Put tollgates at Chaslands to Fortrose ends. Make the tourist user pays. Issue ratepayers with two or five swipe cards per household so they aren't paying twice. The cost of the tollgates and cards will be self-funded.
256	2016/03/1844	Stephen Peter John Thomas	Put in tollgates, one at Fortrose and one at Chaslands. Make the tourist user pays. Issue ratepayer households with a number of swipe cards so they don't have to pay to use tollgates. Then ratepayers aren't hit twice unfairly. Why should only ratepayers be funding the road upgrade. That is unfair.
257	2016/03/1880	Ray Wilkins On behalf of Wilkins Farming	<p>We would like to comment on the above proposed development – in principle we are not necessarily opposed to it. However, as a six-figure SDC ratepayer we would like to say that if any district-wide ratepayers money is used, we see it as inappropriate spending. In economic terms, user pays is generally considered to lead to a good allocation of resources – and the sealing of the Catlins road therefore should be funded in conjunction with the tourist economy. It should not be subsidised by the wider ratepayer base, the vast majority of whom will have little or no connection with tourism. We would suggest that Council make a serious roading development plan in all Southland rural areas - and that the rates are spent in the area they are collected. In particular, we would like to propose the following suggestions –</p> <ol style="list-style-type: none"> 1. Challenge the existing assumptions. An example of this is at a recent meeting with Ian Marshall to discuss the possible sealing of a rural road, he mentioned a new type of seal that was more cost effective and may well be suitable. This is what we mean – think differently about how you can approach the rural network, rather than take a blanket approach to it. 2. Consider augmenting your current staff with some additional experts in roading and finance. 3. Separate Southland into different geographic zones – and ensure that the rates are spent in the same section in which they are paid. 4. Have the stated aim to tar seal all rural roads within a given timeframe. We note that many rural roads are the same as they were 50 years ago. 5. Continue to develop alternative funding streams.

Regional Heritage Rate

Background

- 1 The Southland Regional Heritage Committee is a joint committee between Invercargill City Council, Gore District Council and Southland District Council. Each household throughout Southland pays a Regional Heritage rate which contributes to the Southland Regional Heritage Fund. The fund is administered by the joint committee.
- 2 The Southland Regional Heritage Fund assists local museums to catalogue, preserve, curate and display items or collections of relevance to regional and local heritage. Funding is provided to established museums with multiple collections of regional significance that are managed and operated by full time professional staff as well as to local museums through a contestable funding process.
- 3 Museums throughout Southland are categorised based on various factors relating to the importance and relevance of those collections within a regional context and receive funding accordingly.¹
- 4 As part of the Annual Plan 2016/2017 process, a request was received from the Southland Museum and Art Gallery (SMAG) that the Regional Heritage rate be increased from \$34.17 per annum (inclusive of GST) to \$49.23 per annum (inclusive of GST) which is an increase of \$15.06, or 44%. SMAG requested that the councils of the Southland region provide further financial resources towards regional heritage, in order to enable SMAG to achieve some key strategic goals with regard to cataloguing and storage of collection items.
- 5 As a result, Council included a proposal in its consultation document to increase the heritage rate as follows:

Regional Heritage rate	Funding	Impact on rates	Impact on community (levels of service)
Option 1 - Our proposed option - A rate increase of \$5.00 plus GST.	Through rates.	\$5.00 including GST per household - a total of \$77,095 for the District.	Exceeds 10 Year Plan increase, but provides some funding for the museum to carry out projects.
Option 2 - A rate increase as per the 10 Year Plan (inflation adjustment).	Through rates.	84 cents including GST per household - a total of \$12,901 for the District.	Increase consistent with 10 Year Plan.

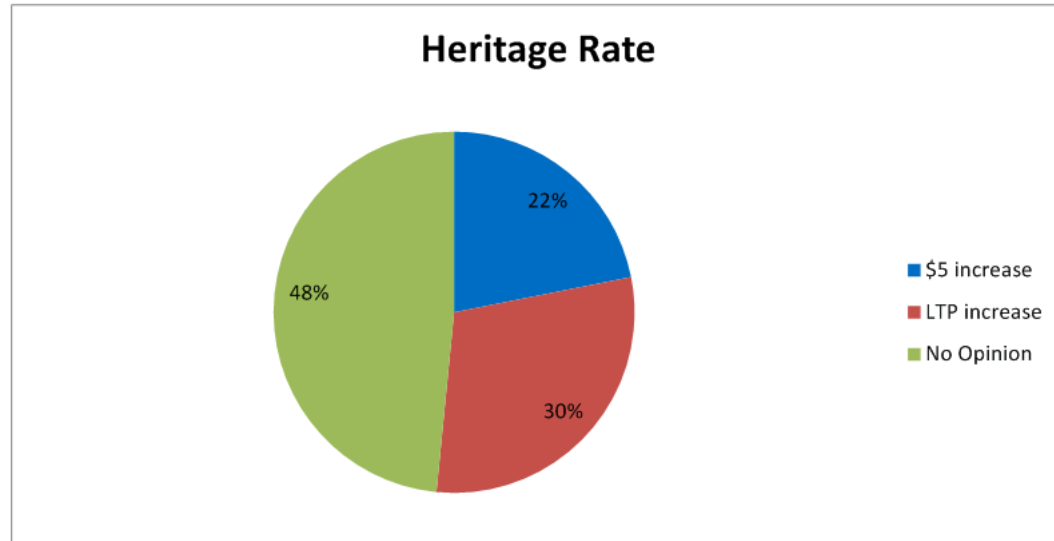
Note: the proposal did not include an option to increase the heritage rate at the amount requested by SMAG. However, Invercargill City Council (ICC) consulted with its residents and ratepayers on the basis its preferred option was to increase the Southland Regional Heritage rate by \$5.00 to match what Southland District Council was asking ratepayers to contribute and also, to raise ICC's grant provided to the museum by \$10.00 per ratepayer.

The Gore District Council is consulting on two options, its preferred option is the status quo LTP increase, option 2 is a \$5.00 increase.

¹ Note: the District Heritage rate provides for contestable funding of the operational expenses of local museums within the Southland District and is administered by Southland District Council as a separate fund.

Consultation

- 6 A total of 99 submissions expressed a preference on the funding of the Regional Heritage rate. The full submissions can be found in the submissions booklet.
- 7 Of the total 263 submitters, a total of 42 submitters supported the proposal to fund the Regional Heritage rate by an increase of \$5.00 (Option 1); 57 submitters supported a rate increase as per the 10 Year Plan (Option 2), 93 submitters had no opinion on the topic (Option 3) and 71 did not comment.



- 8 A total of 32 comments from submitters were received on this topic. Submitter numbers are: 5, 6, 11, 16, 17, 18, 19, 31, 37, 39, 51, 52, 68, 69, 83, 85, 87, 97, 98, 101, 158, 167, 185, 186, 187, 198, 226, 229, 231, 242, 259 and 260.
- 9 The comments from submitters were mixed, with 20 submitters not supportive of the \$5.00 increase, two neutral and nine supportive of the increase. Comments related mainly to cost concerns and a concern that the recipient museum which would be likely to benefit from the funding was not within the Southland District. However, it should also be noted that the cataloguing project has wider application across all museums in Southland, including those in Southland District.

Issue

Council needs to consider what increase should be agreed for the Regional Heritage Rate.

Options

- 10 The options for Council's decision making are:

Option 1: Increase the Regional Heritage rate by \$5.00 (GST incl) per household as per the draft 2016/2017 Annual Plan

Impact on Rates:

- The proposed increase is already in the draft Annual Plan 2016/ 2017 budget so there is no change

Advantages:

- Assist in the cataloguing and research at Southland Museum in a more timely manner.

Disadvantages:

- Cost burden to ratepayers.
- Lack of detail provided on the exact use of the additional funding and limited business case for it

Option 2: Increase the Regional Heritage rate by 84¢ (GST incl) per household as per the 10 Year Plan**Impact on Rates:**

- The draft budget would be adjusted downward as the draft budget included in the draft 2016/2017 Annual Plan included a proposed \$5.00 (GST inc) per household.

Advantages:

- Less of a cost burden to ratepayers.
- Consistent with original signals around regional heritage funding levels provided in the 2015-2025 Long Term Plan

Disadvantages:

- Cataloguing will take longer to complete.
- Could be inconsistent with the ICC stance, depending on the final decision of ICC

Discussion and Analysis

- 11 As was highlighted in the original staff report to Council on this matter, the supporting information provided in support of the original request for a \$34.17 increase to the Regional Heritage Rate was limited. This was reflected in Council's discussion at that time and resulted in a Council decision to frame the proposal in the Annual Plan consultation document on the basis of a lower level of support of \$5.00 inclusive of GST.
- 12 The submission process, as outlined above, expressed no strong preference, although there seemed to be confusion about the increase being distributed across the District which was never part of the original proposal.
- 13 The majority of the submissions received supported a rate increase as per the 10 Year Plan which is an inflation adjustment. However due to the specific need of SMAG to catalogue and preserve its regional collection at this point in time, it is recommended that the funding of \$5.00 GST incl GST be provided and that this be tagged specifically for use for cataloguing and preserving of the SMAG's regional collection. It is also recommended that any future requests for Council support for on going cataloguing, research and storage work in regards to SMAG, require a comprehensive business case to be included prior to it being presented to Council for consideration. Hence, SMAG should be advised that it should NOT be assumed that this level of funding will be ongoing beyond the 2016/2017 financial year.

Recommendation

That the Council:

- a) Agrees to staff preparing the draft Annual Plan 2016/2017 to include a \$5.00 (GST inclusive) per household increase to the Regional Heritage rate - a total of \$77,095 for the District.

Excerpts from comments from Public Submissions on the Regional Heritage rate

No	TRIM Record	Name	Regional Heritage rate	Regional Comments
5	2016/02/1218	Brian William McFaul	2	Everybody has to become more judicious and compliant. We must live within our means. Yes we want this and want that but the almighty \$ rules! Not necessarily personally but for the rank and file #2 is the only option. Good luck folks.
6	2016/02/1219	T & D McKenzie		I'm not really sure about this one, I'm leaning towards Option 2 as Option 1 is a lot of money to be sitting in their bank accounts. It would have to be proved that the money would be used as stated. I see them running perfectly fine in the meantime, are they not?
11	2016/02/1252	Diane Botting	1	Museum in Invercargill will need supporting in its upgrade plans. History is important to preserve.
16	2016/02/1338	Anita Geeson	2	I have a problem with the assumption, as reported in the Southland Times and indicated by the wording in the Consultation Document, that the \$5.00 increase is to fund extra staff at the Southland Museum. Monies - that is our rated Heritage levy - are held by the Regional Heritage Committee. Funds can only be accessed by application which must be considered along with all applications received at each six monthly funding round. To say that the increase is for the sole benefit of the Southland Museum & Art Gallery Trust is presumptuous. Paul Horner is reported as saying that the increased rating money from the Regional Heritage Fund would pay for two new technicians to put items into a digital database. Other Museums/ Heritage Centres in the SDC area are achieving this work, to a professional level, using volunteers following help from the Roving Museum Officer who is funded by the Regional Heritage Committee. Maybe it would be more equitable for extra staff to also be employed by the Regional Heritage Committee. They would then be available to assist wherever the need was greatest rather than working only at one museum. Is there any reason why Southland Museum couldn't also make use of volunteer help? Invercargill has a high number of tech savvy, community minded retirees who may well be interested if the opportunity were made available to them. There are several other significant historical projects underway in the SDC area. Their funding requirements, and help needed, shouldn't be compromised by the fact that one museum has allowed itself to accumulate a back log of work. \$5.00 is a significant increase for many ratepayers. The SDC and Gore Council areas include many rural dwellers who are dealing with financial difficulties this year. Given that this amount will have an inflationary increase each year the pressure will be ongoing.
17	2016/02/1342	Stephen Wade Gamble	3	No Increase. You have just given them \$55,000 grant. No to any further \$5.00 per household.

Item 7.1 Attachment B

No	TRIM Record	Name	Regional Heritage rate	Regional Comments
18	2016/02/1343	Iris Faye Everett	1	\$5.00 per year is not going to break anyone.
19	2016/02/1348	Kevin John Millord	2	There has been too much waste and too high (wages) pays going out and all the money goes to only the wealth few.
31	2016/02/1405	Lachlan McKenzie Curio Bay Boutique Accommodation	2	Increasing economic growth.
37	2016/02/1429	Stephen Bruce Ferguson Alliance Group Ltd	1	Any more monies raised for Regional Heritage should go to maintaining the Waikawa museum.
39	2016/02/1432	Peter Fordyce Gutsell Otautau Museum	2	Firmly believe that money collected from this area stays in this area. Our own museum currently runs chocolate wheels, book sales and tea stalls to prop up our own museum. Pleased with the way SDC funds Te Hikoi, Waikawa. Gore have their own museum to look after which they do well. If Invercargill wish to catalogue and research let them do it from their own rate take. My rates in Otautau are more than I would pay on an equivalent property in Invercargill. Shall certainly be applying for funding in our own Otautau museum from SDC. Thought - Let us put the boot on the other foot. Imagine the outcry were SDC to ask the city for funding to finish the cycle trail.
51	2016/02/1462	Janice Templeton	1	I am in favour of the increase as long as this means that the funds are still allocated to the small museums as they have been in the past and not a large percentage going to the Southland museum. I am not in favour of it being increased to more than \$5.00 (note Southland Times article 19 February 2016).
52	2016/02/1467	Chris Shaw	2	No sensible argument has been made for the increase of \$5.00. Cataloguing should have been done already.
68	2016/02/1490	Charles Hamish Mason	1	Does regional mean the whole of Southland? If so that would be fair as it is my opinion that the rest of Southland would benefit eg Te Anau, Queenstown, Invercargill etc because most tourists just pass through to their destinations.
69	2016/02/1490	Crosie and Candice Grieve	2	I find it hard to believe that the proposed budget of \$400,000 to catalogue the museum collection, including the employment of four people, is needed to do the job.
83	2016/02/1521	Deb Burtenshaw	1	If it takes an extra \$5.00 to keep Colac Bay Road open, so be it. But of course we are already paying through the nose for a cycle trail that is of no benefit to us down here on the coast, and again I refer to my previous comments re the waste of money sealing roads that don't need it.
85	2016/02/1524	Kere Menzies	2	I do not support this. Especially if it will be used to fund any upgrades to the Invercargill museum.

No	TRIM Record	Name	Regional Heritage rate	Regional Comments
87	2016/02/1526	Carol Clark	2	A rate increase as per the 10 Year Plan. Very little Council funding goes towards District Museums, and they find ways to be self-supporting. Southland Museum and Art Gallery should be treated as a business model.
97	2016/02/1550	Colin and Dot McDonald	1	Tourism shouldn't be subsidised by farming.
98	2016/02/1551	Stevie-Rae Blair Te Ao Mārama	1	Te Ao Mārama supports the \$5.00 increase to the regional heritage fund. We will support changes through the Gore District Council and Invercargill City Council.
101	2016/02/1566	Marguerite Buckingham	1	I feel \$5.00 is not a huge increase and I would be happy to pay it.
158	2016/02/1643	Janice Burton The Southern District Health Board	3	Neutral - Not appropriate for us to comment on funding issues.
167	2016/02/1665	Peter Gordon Poole	3	Rates high enough.
185	2016/02/1699	Robert Allan Youldon	2	I feel the increase should be in accordance with the 10 Year plan. That is, a rise of only 0.84. This will deliver an estimated budget of \$538,000.
186	2016/02/1700	Brian William McFaul NZMCA - Southland	2	As the majority of our members are superannuitants, but do have a strong affinity with their/our heritage, option two is the preferred choice obviously and naturally.
187	2016/02/1701	Brian William McFaul Toi Toi Tokanui Lions Club	2	It is surely pertinent at this time to definitely go with the 10 Year Plan, any other would be deemed excessive.
198	2016/02/1723	Margaret Hopkins	1	A rate increase of \$5.00, including GST. So long as the Heritage Fund is available district-wide and not primarily for Southland Museum and Art Gallery then I support the suggested increase. Heritage is an important aspect of Southland communities. Storing, protecting, interpreting and displaying taonga/treasures needs good financial support. There are long term gains for communities who are able to use heritage sites and museums to attract visitors.
226	2016/02/1781	Vicki Haywood	3	No rates increase if you can't listen to the people!!
229	2016/02/1788	Christine Ellen Henderson	1	It will be good to secure the future of Southland Museum and Art Gallery. However, it requires proper public consultation about the various ways that maybe available utilising present buildings as well as in Invercargill CBD. "Waste not, want not".
231	2016/02/1791	Ray Willett	1	We must preserve our history.
242	2016/02/1800	Sandra Duff	3	Do not like here.
259	2016/03/1971	Russell Rawlings	2	Strongly opposed to Option 1. If you increase it, still won't be enough they'll just want more and more. In other words, forget it.
260	2016/03/1975	Ian Lowe	?	Disagree, heritage activities need to be user pay funded.

Roading Rate Model

Background

Methodology

- 1 During the 10 Year Plan process, Council updated its Roothing Rate Model. The update simplified the methodology, increased transparency and addressed some of the concerns that were expressed in previous submissions. The Roothing Rate Model contains three components, summarised in the table below:

Component	Calculation
1. Fixed charge: A Uniform Targeted Rate (UTR) reflecting the benefit that everyone receives from access to the roading network.	Approximately 6.8% of the total roading revenue required by Council. This reflects 10% of the amount required after the Council has calculated the heavy vehicle differential.
2. Differential for heavy vehicle usage: reflecting the demand that different users place on Council's roads.	1. Determines a fixed charge per tonne (currently set at \$1.20). 2. Estimates tonnage for each land use sector using information provided by Infometrics Limited. 3. Multiplies tonnage by the fixed charge.
3. Rate charged according to property value: for general roading costs (eg signage).	Allocates remaining amount among all ratepayers based on a consistent rate in the dollar for all sectors. The rate in the dollar is obtained using the total capital value of all applicable rating units.

Table 1: Components of the Roothing Rate Model

Data

- 2 There are three data inputs used in the Roothing Rate Model. Two were updated for the Consultation Document.

Data	Comment
Rating information	Provides the number of rating units, land value and capital value. This information is based on Quotable Value data within the Southland District Council rating database.
Tonnage information	Gathered from various sources by Infometrics Limited. To allow for unavailable data or out of date data, assumptions may be made by Infometrics Limited. During the last update of the Roothing Rate Model, it was agreed that tonnage would be updated based on a three year average.
Financial information	Indicates the amount required to fund the proposed activities of the Transport team. This information is provided by the Finance team. The revenue requirement to fund the activities of the Transport team may change as a result of other decisions made during the Annual Plan process. Changes in rating information may also occur prior to the adoption of the Annual Plan 2016/2017.

Table 2: Data inputs in the Roothing Rate Model

Outcomes

- 3 The Roding Rate Model outcomes that were indicated in the Consultation Document are detailed in Table 3 below:

Sector	2015/2016 Rating units	Sector rates (\$000)	2016/2017 Rating units	2016/2017 Sector rates (\$000)
Dairy	801	4,837	810	5,037
Forestry	177	770	178	773
Farming (non-dairy)	3,020	4,625	2,945	4,742
Industrial	329	406	331	404
Commercial	461	400	454	384
Residential	8,010	1,233	8,021	1,165
Lifestyle	2,423	644	2,417	585
Other	292	132	291	132
Mining	22	247	19	248
Total	15,535	13,294	15,465	13,470

Table 3: Roding Rate Model outcomes provided in the Consultation Document

Summary of Submissions

- 4 A total of three submissions commented on the Roding Rate Model. The full submissions can be found in the submissions booklet. Submission numbers are: 17, 114 and 225.
- 5 Feedback on the Roding Rate Model and outcomes was mixed. One submission (Submission No. 17) stated that the forestry sector is underrated and that an increase in forestry production will result in further damage to local roads.
- 6 Another submission (Submission No. 114) from the Southland Farm Forestry Association asserted that greater effort needs to be made to quantify unallocated tonnage in other sectors (eg baleage and palm kernel extract). The submitter contended that some of this information is available and that not quantifying this tonnage has an impact on the share of costs paid by other sectors. The Southland Farm Forestry Association submission commended Council for engaging with stakeholders but noted that ongoing engagement with industry would allow Council to be more efficient and effective.
- 7 The submission from Federated Farmers (225) noted that the increase in roding rates for dairy and farming (non-dairy) sectors is higher than other sectors. This submission also raised concerns regarding the tonnage estimates used for industrial and commercial sectors and requested that updated tonnage data is used for the Annual Plan 2016/2017 or the heavy differential is shared evenly between all sectors that move freight.
- 8 Federated Farmers also opposed Uniform Targeted Rate (UTR). In the current model UTR makes up 10% of the revenue requirement following the calculation of the heavy vehicle differential. This is around 6.8% of the total revenue. Federated Farmers has submitted that UTR be calculated as 20% of the total revenue requirement.
- 9 The submission from Federated Farmers contended that tourism should be considered separately to the commercial sector within the Roding Rate Model.

Issues

- 10 Submitters raised the following key issues:
- Equity of model outcomes;
 - Tonnage (currency of data and assumptions made for unquantified tonnage);
 - Inclusion of tourism in the commercial sector; and
 - Engagement with industry.

Options

- 11 Council could choose:
- Option 1: Endorse the Roding Rate Model provided in the Consultation Document; or
 - Option 2: Make changes to the Roding Rate Model.

Option 1: Endorse the Roding Rate Model provided in the Consultation Document

Impact on Rates:

- If Council maintains the methodology used in the Consultation Document, the outcomes should be relatively consistent when Council adopts the Annual Plan 2016/2017. However, outcomes are likely to differ slightly because decisions relating to roading activity may change revenue requirements and there may be changes to rating data.

Advantages:

- The rationale used to calculate the Roding Rate Model for the Consultation Document is consistent with the 10 Year Plan. Council considered community views in preparation for the 10 Year Plan and decided that the Roding Rate Model was an appropriate method to apportion costs.
- Although consensus among sectors regarding tonnage would be difficult to achieve, the Roding Rate Model considers both the unquantified tonnage of the dairy sector and the intensified road use of the forestry sector by applying an 'other use' multiplier.

Disadvantages:

- Rate Model provides a method to apportion cost shares among road users but different stakeholders may contend that components should be adjusted to achieve better outcomes for their sector.

Option 2: Make changes to the Roding Rate Model

Impact on Rates:

- Impacts will vary depending on the nature of changes made and will be different for each sector. Since changes would mean that rates would vary for all sectors, Council would need to re-consult on an amended Roding Rate Model.

Advantages:

- Sectors will experience different outcomes depending on the changes made. Changes requested by a submission from the forestry sector could increase the cost share for the dairy sector. Submission 17 requests that an increased share is paid by the forestry sector. Federated Farmers requests that the industrial and commercial sectors pay a higher share of costs.

Disadvantages:

- Making significant changes to the Rooding Rate Model would mean that stakeholders who had not previously submitted may be affected and without the chance to submit before adoption of the Annual Plan 2016/2017.
- Council would need to re-consult on any amendments to allow all parties to submit on the new outcomes. This would mean that Council would not meet the deadline to adopt its Annual Plan.
- As with advantages, disadvantages will depend on the nature of the changes made and would not affect all sectors equally.

Discussion and AnalysisEquity of Outcomes

- 12 The Rooding Rate Model is a tool to distribute rooding costs through rates. No model or methodology will ever be exact however; Council considered the model carefully before it was adopted during the 10 Year Plan process.
- 13 Any amendments to the Rooding Rate Model for the Annual Plan 2016/2017 would need to be subject to public consultation because they would change the outcomes for all sectors. Submitters who may not have submitted during the consultation period may wish to submit on any amendments. An additional submission period would mean that Council would not be able to meet the deadline for adoption of the Annual Plan 2016/2017 in June 2016.
- 14 The submission from Federated Farmers identified that the increase in rooding rates has not occurred evenly for all sectors. Changes for each sector have occurred for a number of reasons. There have been changes to the number of units, following a review of our rating structure. Some contiguous units have been consolidated and this will impact on the UTR component of the model. There has also been a Quotable Value (QV) update on property values. At this stage there has been no change to the tonnage data from the 10 Year Plan.
- 15 Table 4 details the increase or decrease in rates for each sector and provides a brief explanation of the change. In reading Table 4 it is important to consider what proportion of total Capital Value each sector comprises. Although a sector may have had an increase in Capital Value, it may still comprise a relatively low proportion of the total capital value.

Sector	Sector change	Reason for change
Dairy	4.1%	Increase of nine rating units and an increase in Capital Value (CV) of almost a billion dollars.
Forestry	0.4%	Increase of one rating unit and increase in CV of almost \$17 million. Although this is an increase, the total CV remains relatively low compared to some other sectors.
Farming (non- dairy)	2.5%	Although there was a decrease in rating units, CV increased by over \$1 billion for this sector.
Industrial	-0.4%	Slight increase in CV and number of rating units but the CV remains low as a proportion of the total and the sector has had a slight rates decrease.
Commercial	-4.0%	Decrease in CV and number of rating units.
Residential	-5.5%	Increase in number of rating units and decrease in CV.
Lifestyle	-9.2%	Decrease in CV and decrease number of rating units.
Mining	0.2%	Slight decrease in rating units. Although there is an increase in CV, it remains low overall relative to the value of other sectors.

Sector	Sector change	Reason for change
Other	0.2%	A decrease in rating units and slight increase in CV. A differential has also been applied to the 'other' sector, because it contains a number of community groups and associations.
Total	1.3%	

Table 4: Percentage increase/decrease for each sector and explanation of outcomes.

- 16 Federated Farmers requested the increase of the UTR component of the Roding Rate Model to 20%. The UTR reflects the general benefit to all ratepayers of roading. Changing the UTR to 20% would have a significant impact on residential ratepayers.

Tonnage

- 17 One submission relates to adjusting the model to reflect the intensive road use of the forestry sector. Another relates to unquantified tonnage moved by the dairy and farming (non-dairy) sectors. Council considered both of these issues during the review of the Roding Rate Model and the model contains an 'other use' multiplier. This is to reflect unquantified tonnage moved by a sector, outside of the primary production tonnage. The 'other use multiplier' effectively adds an additional 10% to the tonnage calculated for the forestry and dairy sectors.
- 18 For the dairy sector, this reflects 'input' tonnage such as grains and feed and livestock moved for wintering and on Gypsy Day. For the sector, this reflects the impacts of intensive road use during certain time periods and the location most plantations at the edges of Council's roading network.
- 19 Submission 225 suggests that tonnage data is updated for the Annual Plan 2016/2017 or that the heavy vehicle differential is shared across sectors that move freight. During the 10 Year Plan process, it was decided that tonnage would be calculated on a three year rolling average. This means that the impact of including 2015 data would not be as significant as if it were updated annually.
- 20 Tonnage was not updated for the Consultation Document because at the time the Consultation Document was released Infometrics Limited indicated that the best time for Council to obtain updated data is in March/April each year. Infometrics has since updated its advice and advised that data from the Agricultural Census 2015 will not be available until May. Updating tonnage data prior to the availability of final data from the Agricultural Census 2015 would increase the number of assumptions used in modelling.
- 21 Officers do not support the suggestion to share the heavy vehicle differential across sectors that move freight. Previous tonnage data collected across many years indicates that tonnage is not distributed evenly throughout these sectors. Officers suggest that the use of previous data would be a much more accurate reflection of the movement of tonnage by each sector.
- 22 Submission 225 suggests that tonnage is significantly underestimated for the commercial and industrial sectors. Council's last tonnage update for the industrial sector was largely comprised of data relating to fertiliser usage. The commercial sector was set at an estimated value of 200,000 tonnes, in consideration of tonnes from supermarket, other food, and retail and tonnes from visitors. The 200,000 minimum threshold set for the commercial and industrial sectors was set in consultation with Infometrics Limited.

Engagement with Industry

- 23 In relation to engagement with industry stakeholders to achieve value and efficiency, the Transport team remains committed to developing and maintaining positive relationships. The relationship between the Transport team and industry stakeholders such as Fonterra is a testament to this commitment.
- 24 Fonterra has been very supportive of Council's collaborative approach and are dedicated to road safety. Council anticipates the continued support of Fonterra through the Eyes and Ears programme. This programme involves Fonterra employees calling Council to notify if there is a service fault or failure.
- 25 The Transport team responds to these notifications as soon as possible to reconcile service issues and support Fonterra where they can. Support options include Council's service contractors, professional engineering service providers, asset teams, Road Roid service and drone mapping and surveillance capability.
- 26 As a result of this excellent professional relationship, Fonterra has supported Council with volumes of Road Roid (network condition data) and have also provided access to milk collection genesis data. Milk collection data has been invaluable in determining the actual heavy freight task demand of the Fonterra fleet.
- 27 Southland District Council is the largest road controlling authority in New Zealand and its roads and bridges are around 85% utilised in any given day during milk collection season. Actual usage information improved the accuracy of data used by the Transport team significantly. Previously metro counters indicated approximately 100 tanker movements per day however; Fonterra's genesis data confirmed that actual movements were 175 to 180 per day.

Tourism

- 28 Submission 225 suggests that the inclusion of tourism in the commercial sector is inappropriate and that there should be a targeted rate for this sector.
 - 1 Rating units involved in tourism are difficult to identify because of the diverse nature of the sector and the limitations of QV rating categories. For example, some properties may operate as bed and breakfasts although their predominant land use is classified differently (eg farming non-dairy or residential).
 - 2 Inclusion of commercial food providers in the tourism sector would also need to be considered because these rating units service both locals and visitors. Similarly, a number of other commercial premises would provide services to both groups.
 - 3 A significant amount of tourist traffic comes from outside of the Southland region, for example tourists traveling to Southland from Otago. It would be difficult to ensure that the rating units creating this demand were in the Southland District (eg, vehicle hire premises which are likely to be predominantly in Queenstown).
 - 4 Tourism data is difficult to assess because of the diversity of the sector, buses, campervans, supplies for commercial accommodation and food premises. Since this tonnage is captured elsewhere (predominantly in the commercial sector) officers do not believe that there would be significant value in adding a separate tourism sector to the Roding Rate Model. Adding a separate sector for tourism would significantly increase the number of assumptions required within the proposed model.

Recommendation

That the Council:

- a) Endorses the Roading Rate Model methodology used to calculate outcomes in the Consultation Document for inclusion in the draft Annual Plan 2016/2017.

Excerpts from Public Submissions on Roding

Total submitters: Four

No	TRIM Record	Name	General Comments
17	2016/02/1342	Stephen Wade Gamble	Roding allocation, Forestry is underrated already yet with 30% increased production will determinate our roads 30% more.
114	r/2016/2/1587	Alistair Wilson Southland Farm Forestry Association	We are pleased that Council is about to consult with stakeholders on roading issues. This stems from the roading roadshows a few years ago. Collecting rates and spending the funds is only one part of the equation. We believe engagement with stakeholders is a worthwhile way to leverage value from your resources and protect our assets. With the introduction of the new roading rate model we would like to see every effort made to capture all tonnage moving on our roads. We realize the effects of non-allocated tonnage is not as severe using this model but at a cost allocation of around \$1.20 per tonne it is worth the effort to allocate the costs where they originate. Baleage is probably the biggest tonnage that is not allocated. This should be allocated to the dairy and also the pastoral sectors. The percentage share should be taken from dairy model data. The other major freight movements that should be included are Palm Kernel Extract. The data for PKE is available in the National Freight Demands study and Statistics NZ data.
225	r/2016/02/1780	Federated Farmers Tanith Robb	<p>4. ROADING RATE MODEL</p> <p>4.1 We are concerned to note that while Council has referenced a 1.3% overall increase in rates, that overall dairy sector rates are set to rise 4%, farming (non-dairy) set to rise 2.5% while residential, industrial, commercial and lifestyle rates are all set to fall.</p> <p>4.2 We are concerned that Council has not stated up-front that the overall increase in rates has not been apportioned evenly between industries and is in fact an increased rate directly on farming.</p> <p>4.3 We also note that tonnage figures for Council's Roding Rate Model have not been updated, as updates are not available for all sectors.</p> <p>4.4 As noted in our submission on Council's 10 Year Plan, the Road Rating Model uses tonnage rates from the primary production sector, but not tonnage information from other sectors. We consider that the industrial and commercial sectors' roading rates are significantly underestimated as a result, which means these costs fall back on farmers.</p> <p>4.5 We consider it is imperative that Council improves the reliability and soundness of the Road Rating Model by obtaining tonnage data for the Commercial and Industrial sectors, and proportionately increasing their share of the heavy vehicle usage rates, thereby improving the fairness of the model.</p> <p>4.6 We note that updated data will be available in March/April each year. We recommend Council uses the data to update the 2016/2017 Annual Plan. If Council decides to wait until 2017/2018 to use this data, we consider that the heavy vehicle differential should be evenly distributed across the primary, commercial, and industrial sectors through a targeted rate.</p> <p>4.7 We continue to strongly oppose the decrease in the UTR for the roading rate model as proposed in the draft 10 Year Plan. The use of the UTR has dropped from 10% of the total roading revenue to 6.8%. This does not adequately reflect the general benefit that the roading network provides to all ratepayers.</p> <p>4.8 The general benefit of the roading network to all ratepayers is significantly underestimated by the Council's road rating model and the proposal to decrease the UTR was not informed by any discussion with the community or supported by any rationale. A person living in rural Southland needs our roads to get to their job in Invercargill, just as much as a concrete operator needs to use them to collect gravel, just as much as a dairy company needs them to pick up milk from a farmer each day.</p> <p>4.9 Tourism is currently captured under the commercial category, but it is clear that tourist operations are significant beneficiaries of a working district roading network, and demonstrably contribute to the amount of traffic on the District's roads.</p> <p>4.10 We support the use of targeted rates in the tourism sector to ensure that other road users are not subsidising the roading rates of those businesses that directly benefit from tourism in the region.</p>

Item 7.1 Attachment C

			<p>Decisions sought:</p> <ul style="list-style-type: none">• That Council urgently seeks to address the inequity of the roading rate model by ensuring a more equitable increase in rates increases between rate payer groups and obtain tonnage data for the commercial and industrial sectors, and reallocating the roading rate costs each year as the data is collected. If updated tonnages cannot be incorporated until next year, we recommend that Council address the inequity of tonnage rates by distributing the heavy vehicle differential across the primary, commercial, and industrial sectors through a targeted rate.• That Council increases the UTR portion of the roading rates to 20%, to recognise that all ratepayers benefit from the roading network, not just farmers; and that Council introduces a new differential category that targets accommodation and tourist businesses to recover costs associated with tourism's impact on the roading infrastructure.
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District and Local Issues and Comments

Background

- 1 As part of the Annual Plan public consultation process, submitters may raise any issue they wish. In 2016, submitters have raised a range of issues that relate to district wide issues as well as issues that are managed at a local level.
- 2 As part of the budget planning process estimates meetings are held by the local Community Board (CB) or Community Development Area Subcommittee (CDA). At this meeting, a discussion is had about what projects are scheduled for the financial year 2016/2017 as per the 10 Year Plan. Any changes or additions are added at the estimates meeting and put into the Consultation document for the draft Annual Plan 2016/2017 so the public is aware of any changes from the 10 Year Plan.

Feedback and submissions

Local

- 3 A total of 17 submissions were received relating to local issues and comments. The full submissions can be found in the submissions booklet.
- 4 Submission numbers which include local issues and comments are: 75, 84, 174, 252, 3, 8, 229, 47, 98, 29, 119, 120, 227, 158, 41, 46, 11, 27, 212 and 231.

District

- 5 A total of six submissions were received relating to district issues and comments. The full submissions can be found in the submissions booklet.
- 6 District issues submitter numbers were: 98, 110, 158, 184, 205 and 227.
- 7 Submissions that set out requests are summarised below. All other comments made by submitters are noted:

Local Comments

	Topic	Council Officers' Comment
46	Submitter requests a group of four beech trees in Ivy Russell Reserve to be lowered or removed as she cannot consider solar heating as an option.	The trees are on a Council reserve. The Community Engineer will work with the submitter and Community Board to resolve this issue. Part of this process will be asking for written evidence and photographic documentation from the licensed solar heating company that confirmed that the four beech trees impede the installation of solar panels as a heating option for the property.
41	Submitter questions the provision of free Wi-Fi at the Te Anau Library.	Free Wi-Fi is now seen as a core service in New Zealand and international libraries and is provided with minimal cost by Central Government. The provision of a dedicated Wi-Fi space takes away any perceived interference of other library users and better suits all parties.

Item 7.1 Attachment D

75, 84, 158, 174, 252	<u>Edendale Community Centre</u> Five submitters commented on the Edendale Community Centre location (75, 84, 158, 174 and 252). Four opposed the proposed location and one was supportive of the project.	At the Edendale/Wyndham Community Board meeting on 22 March 2016 it was agreed to no longer pursue the investigation of a community centre in Edendale. This was primarily in response to the Edendale Rugby Club's withdrawal from the project. The Community Board is interested in working with Council to identify options regarding potential reallocation of both the tagged reserves and the development contribution levy, to other projects. They are open to new projects such as a walkway/cycleway linking the two towns and they wish to consult with the local community in the near future about alternative options.
11, 27, 158	<u>Woodlands Walking Track</u> Three submitters commented on this (158, 11 and 27). One supported the project. Two submitters opposed the Woodlands walking track project on the grounds of cost.	The Woodlands walking track project is being funded by several different avenues and not solely by reserves. The project in the Long Term Plan was discussed by the Community Development Area Subcommittee and community views were supportive of the initiative to create a link from the township to Kingswood Bush reserve. This will promote exercise, health and wellbeing. The internet issues in Moreton Mains have been discussed with Venture Southland as they have been able to help with a similar issue in another part of the Southland District.
3	<u>Suggested projects</u> One submitter suggested at Monkey Island shower block, request to fund a large water tank, two freshwater showers (outside) and a new sewerage system/toilets.	Council provides a shelter shed and public toilets at this location. New toilets are not proposed until 2024/2025. However tourism is increasing in this area, the timing of new facilities will be reviewed as part of the next Long Term plan process.
119 120	Two submitters suggested toilets at Slope Point.	Council already provides public toilets at Curio Bay, Weirs Beach, Tokanui, and Fortrose. The Department of Conservation currently provides toilets at Waipapa Point Lighthouse and Waipohatu reserve. Staff consider that this is an appropriate amount of toilets for the wider area. The Weirs Beach toilet is approximately 5.5 km from the Slope Point car park.
29	One submitter suggested allocating some funds for repainting of Waiau River bridge railings.	This issue will be passed on to the Roading department to be dealt with as part of routine maintenance activities.
8	One submitter suggested using the old BNZ building in Wyndham.	The BNZ building is on hold pending the outcome of the facilities review that is being undertaken for Wyndham by Venture Southland.
229	One submitter wanted more consultation on the Four Square building in Lumsden and improved drainage and amenity at the Lumsden cemetery.	The submitter expressed concern regarding the demolition of the former Four Square building, and in particular the façade of the building. This building was privately owned, and had no specific protection under the Southland District Plan and no specific recognition from Heritage New Zealand. The owner sought and obtained all necessary resource and building consents from the Council for the demolition of the building and the redevelopment of the site.

227	Submitter 227 asked if a "Welcome Pack" to new people that have moved to SDC area (is there something that is sent out to new ratepayers?)	Venture Southland is finalising an updated version of the Welcome to Southland pack and will advertise its availability online. The focus is on distributing to new migrants and employers.
231	<u>Milford Sound</u> One submitter raised concerns about the congested traffic at Milford Sound.	Council will continue to work with stakeholder organisations (DOC and MDA) to advance planning for Milford as part of the Milford Opportunities project. Management of traffic on the Milford Road is an NZTA issue.
47	<u>Objection to Projects</u> One submitter objected to the proposed project plans for car parking in Argyle Street on Stewart Island.	The project scope was originally for long term parking and not anticipated to be used by frequently moved vehicles. This objection will be discussed with the Community Board.
227	<u>Maintenance</u> Submitter 227 asked for the regular maintenance of the Matarua Island's War Memorial.	This area is being regularly mown. The monument itself will be repaired in 2016.
212	One submitter has asked for street lighting to be installed along Moray Terrace especially near toilet area.	Street lighting is not currently provided for in the Fortrose township. The lighting at the corner of Moray Terrace and Tokanui Gorge Road Highway is there for the purposes of road safety. However there may now be a demand for some amenity lighting near the toilet, with the increase in use of the freedom camping area along the foreshore. A solar powered light may be considered, if the Ward is able to fund it. This will be considered as part of the next Long Term Plan.

District Comments

Sub no	Topic	Council Officers' Comment
110, 205	<u>Freedom Camping</u> Submitter 110 thinks there is a real issue with people not using facilities provided. Submitter 205 would like to see a 10 - 15 km zoning so if there is a holiday park or camping ground in that area, no freedom camping allowed.	During the review of the Freedom Camping Bylaw in 2015, Council considered the problems caused by freedom camping such as the unlawful disposal of rubbish and wastes. Accommodation providers raised concerns that Council is giving away a product for free, and was acting in opposition to holiday park operators. The Freedom Camping Act 2011 permits freedom camping in the District. Council decided to adopt a bylaw that both restricts and prohibits freedom camping in some locations. Under the Act Council could not make a bylaw that has the effect of prohibiting freedom camping in all the Council controlled areas in its District.
		A prohibited zone around holiday parks would be unlawful, as the Freedom Camping Act 2011 does not permit councils to take into account the impact of freedom camping on holiday parks. The current bylaw was considered to be a suitable balance between minimising problems from freedom camping, and enabling responsible freedom camping.
158	<u>HiAP</u> Submitter 158 stated "We value our existing relationships with staff within SDC and would like to build on this by supporting that a Health in all Policies (HiAP) approach is adopted by Council. We would welcome the opportunity to discuss this further with you."	Council is open to working with the Public Health South team and considering how a health in all policies approach may be developed.
184	One submitter has asked that the noxious weed spraying programme include ragwort, holly and sycamores etc.	Council's current noxious weeds spraying programme targets broom, gorse and ragwort in accordance with its responsibilities under the Regional Pest Management Strategy. Council has contractors in place that spray noxious plants growing on all roadsides, including boundary roads adjacent to physically formed and maintained roads within the boundaries of the Council. There is no plan at this stage to extend the programme.

227	<p><u>Customer Service</u> Letters of Replies to Submitters more relevant to submission please (not just a standard letter), ie my LTP reply letter did not refer to anything I mentioned in my submission/presentation. It takes a lot of time, effort (and money) to submit/present to plans/policies and this should be respected (as it has been with other councils I have submitted to in past year).</p>	<p>All public submissions are appreciated and welcomed by Council. Council is constantly trying to become more efficient and effective. As part of Council's ethos, our process changed for reply letters for submissions as part of the 10 Year Plan 2015-2025 so as to streamline the response process. All submissions are welcomed and are given careful consideration. Every individual submission is read and considered by the Councillors as part of the deliberations process. The minutes from these deliberations are publically available. Councillors are asked to make resolutions on any changes to the Annual Plan that have occurred as part of the submissions process. The key decisions that have resulted in changes to the Annual Plan are included in a reply letter to all submitters. This year, Council received 263 submissions to the Annual Plan and if Council were to customise each reply it would be an expensive and time consuming exercise to customise each response.</p>
	<p>More compassion for complainants, like myself, that obviously care about issues ie unkempt grounds at war memorial.</p>	<p>As a customer focused organisation Council is continuously striving to deliver a great service to its clients. Council reviews the feedback it receives as part of their ongoing customer support training.</p>
	<p>Reporting, education, and infringements regarding dog control (discuss). Praise for some information within the report: http://www.southlanddc.govt.nz/assets/Dog-Control-Annual-Report-2015.pdf</p>	<p>Council operates a 24 hour response service for stock on roads. Where inadequate fencing is found to be the cause, an Animal Control Officer will work with the owner of the property to prevent recurrence. From time to time Council carries out education about this issue.</p>
	<p>More education around importance of checking fencing/gates; stock getting onto other people's properties and on roads (I do note/praise the article in Fiordland Advocate entitled 'wandering stock cause concern on rural roads' in February). I have been concerned about stock on roads for a while and recently came across some and helped prevent them from getting on the highway near dark.</p>	
98, 158	<p><u>Sewerage</u> Submitter 98 supports the other updates and on-goings in the community and continues to support updated sewerage systems for rural Southland towns.</p> <p><u>Communities with unreticulated sewerage</u> Submitter 158 also commented that for communities with unreticulated sewerage systems eg Waikaka that further discussion is required. If reticulated systems are not a viable option then as a minimum engagement with property owners and occupiers on how to use and maintain their wastewater disposal systems will be required. Other options could include a user-pays service to clean septic tanks on a regular basis in these communities.</p>	<p>Previous wastewater schemes were constructed with the assistance of Ministry of Health subsidy funding and Council meaning residents of those townships only contributed around one third of the total capital cost. Since funding has been withdrawn residents of any future proposal are likely to face a greater financial impact. Where communities do express a need or desire to move towards a reticulated wastewater scheme Council staff will undertake the appropriate level of investigation including consultation with the wider community. Council also provides a septic tank cleaning programme in townships such as Woodlands where there is no reticulated system. In that instance residents are rated for a clean out on a three yearly cycle.</p>

Issues

- 8 Are any changes required to the Annual Plan budgets?

Recommendation

That the Council:

- a) Agrees to remove the Edendale Community Centre project from the Annual Plan budget.
- b) Agrees to forward submitters' project suggestions to the relevant Community Board or Community Development Area Subcommittee for their follow up and investigation if considered viable.
- c) Agrees to forward the submitter objection to car parking in Argyle Street on Stewart Island to the Stewart Island/Rakiura Community Board for discussion.
- d) Agrees to work with Public Health South to consider how a health in all policies' approach might be developed.

Excerpts from Public Submissions on Local Issues and comments

No	TRIM Record	Name	Submission Topic Secondary	General Comments
75	2016/02/1514	Russell Agnew	Edendale Community Centre	I believe this is the wrong place for this to be built. It won't work being a part of the Rugby Club rooms. It appears that the Rugby Club will end up having priority use of the "Community" building during rugby season. It should be a completely separate building not attached to any club - so it can be available to anyone in the community. What was wrong with the original plan to demolish the old town hall and build a new centre there? That would be the best place - central to the township. There is not enough parking space at the recreation grounds - I'm sure the Rugby Club will appreciate people parking on the field during winter!
84	2016/02.1523	Sharron Caughey	Edendale community centre	<p>I am against the plan to build a new community centre attached to the Edendale Rugby Club building.</p> <ol style="list-style-type: none"> 1 The building should be placed in an area where the main township is - the town is expanding to the east not the west. There are very few people living on that side of the train tracks. Perhaps in the general area where the old dump used to be might be a better idea 2 Having spoken to several Rugby Club members and asked them what their thoughts would be should I have an event booked in the new building during rugby season. I was told that the Rugby Club would have the ability to over ride any bookings as rugby came first and if there was a game on the same day they would automatically have the building. Also the Rugby Club doesn't seem to look after/maintain their building now - it won't improve! The Rugby Club is hanging out for this new building to happen so they won't have to spend any money on upgrades themselves. 3 Not enough parking area. Again if there is a rugby game on there is no room for anyone else to park. On occasion now there has been functions at the Bowling Club, Rugby Club and Vintage Club where there has hardly been enough room for everyone to park. <p>Thank you.</p>
174	2016/02/1594	J B Mason	Edendale Community Centre	It has never been publically identified in the planning of our community that the redevelopment of the Edendale Rugby Club was the ideal site for a new Community Centre. The reason for placing the Centre in the sportsground was faulty. Edendale is expanding towards Wyndham and there are better sites closer to the community. Such as the old town hall or Melvin Street to Ferry Road. The proposal to spend up to \$850,000 is not sustainable for a township of approximately 475 people.
252	2016/03/1840	Doug Speden	Edendale Community Centre	It should be in the centre of the community, not at the sports ground. \$850,000 for the centre is too high for a small community.

Item 7.1 Attachment D

No	TRIM Record	Name	Submission Topic Secondary	General Comments
3	2016/02/1216	Angela Coleman	Monkey Island	Monkey Island shower block, request to fund a large water tank, two freshwater showers (outside) and a new sewerage system/toilets. This place is very popular and one of the few free campsites in NZ. Over Dec/Jan/Feb the water tank emptied.
8	2016/02/1221	Rodney Joshua Leitch	Council owned building and heritage in Wyndham.	There are more than enough holes in the main street of Wyndham. I know the chairwoman of the local community board has an interest in a digger contracting firm, but I hope that money - heritage money perhaps? - can be set aside for the old BNZ (ex SDC Library) and museum. This Council would be derelict in its duty if it were to use the ex cost of earthquake legislation to let these buildings go.
229	2016/02/1788	Christine Ellen Henderson	Lumsden Cemetery Consultation - Heritage Buildings	Support improved drainage and amenity at Lumsden cemetery. Consultation - Lack of public consultation regarding the Four Square building in Lumsden's future has been really upsetting. I wish the Council to set up a working party to find creative ways for public input/funding/adaptable re-use of public/ratepayer owned heritage buildings ASAP.
41	2016/02/1433	Al Weir	WiFi at Te Anau Library	Do we really need to be providing free wireless and a room to use it in? I'm a traveller myself but when I go overseas I don't expect the local libraries to provide my Wi-Fi. It has turned the library into a less pleasant environment.
46	2016/02/1446	Joan R Scarlet	Lower Beech Trees in Ivy Russell Reserve	There is a group of four beech trees in Ivy Russell Reserve next to houses that is blocking the sun in winter. My request is to have them lowered or removed as I can not consider solar heating as an option.
47	2016/02/1447	Susan E Ford	Project plans for car parking in Argyle Street, Stewart Island	<p>"Related Documents - Draft Schedule of Projects for 2016-2017", see "Stewart Island/Rakiura", Project Description 26607 824-A ' a new car parking area" From the above description, I suppose that the proposed new car parking area is the greensward immediately fronting my home at 5 Argyle Street. Further, it seems the proposal is to turn the greensward into slant parking. This is not advisable on Count 1, on behalf of the character of the community; it is impossible on Count 2, on behalf of myself.</p> <p>Count 1: at a time when we are being encouraged in efforts to 'beautify' the village, and when one stretch of lawn has already been removed from Argyle Street to form parking, it is ridiculous to concrete over yet another area. This is quite central to the village. It is much used by pedestrians en route to/from 'Bunkers Backpackers' further up this cul-de-sac, and by those taking the pedestrian-only lane to Bay Motels. Argyle Street may also receive even more pedestrian traffic once the Heritage Centre is completed on the area between Argyle Street and Main Road, but not extra vehicles - locals will utilise parking on Main Road.</p>

No	TRIM Record	Name	Submission Topic Secondary	General Comments
				<p>There is ample parking around the hotel, the shop, on Main Road, along Elgin Terrace and up Ayr Street, some of which could be better designed if more parking were genuinely required. Vehicular traffic up Argyle Street consists mainly of Department of Conservation vehicles (which use the car park at the rear of its building) but not visitors to DOC who park at the front door on Main Road, medical centre patrons - with good parking facilities on-ground, the fire service - which now has its own park. The school has a rear entry/exit on Argyle Street - though this is used mainly by little pedestrians as the school's main entrance and vehicle drop-off point with parking is on Ayr Street. And there is no restriction on any parallel parking on either side of the road (except, ironically, that caused by existing car parking facilities ...). As you will have noticed, this is an area much used by pedestrians and only occasionally by vehicles. More car parking is totally surplus to requirements, and would result in a bleak expanse of tarmac at the expense of an attractive grassed area.</p> <p>Though few people would benefit from increased car parking on this quiet cul-de-sac, the stretch of green-space from the rear of the hotel up as far as the pedestrian-only lane is important to the look of the village. When the Heritage Centre is completed, the green space to the 'north' of Argyle Street will disappear. It is imperative then that the vista from the boundary of the hotel up the remaining length of Argyle Street should remain grassed on aesthetic grounds, and for the visual benefit of pedestrian tourists who are the main users. Our community green spaces are being eroded instead of increased. The loss of this particular piece is totally unnecessary and serves no purpose.</p> <p>Count 2: as my home at 5 Argyle Street is the only house affected by such a proposal, I am bound to have a personal opinion. I would point out that both bedrooms and our sitting room overlook Argyle Street and the full range of the draft proposed parking.</p> <p>The main users of this slant parking would have to be evening drivers, from social occasions at the fire station perhaps, parties at the Department of Conservation, or occasionally pub patrons. I am already familiar with the inevitable goodnight whoops and yells, the cranking up of car radios, and the starting and running of car engines (and resultant exhaust fumes which require me to close all windows). I am not a party-spoiler and have lived resignedly with the occasional parties conducted around us at full volume, and will continue to do so with as much grace as I can muster. But car headlights are another thing altogether:</p>

Item 7.1 Attachment D

No	TRIM Record	Name	Submission Topic Secondary	General Comments
				<p>And this is the thing which makes a car park outside my house unfeasible. Car headlights from slant parking would shine directly into all those rooms that face onto Argyle Street, that is, my sitting room and both of our bedrooms. The home would no longer be able to be lived in under such circumstances.</p> <p>Further, the value of the house would be seriously affected, of course. It would hardly be saleable at any price, let alone for its current value, for who would want to buy a home in a car park? Not forgetting, of course, that the greensward is the only patch of land protecting my home from car parks immediately opposite the house (fire station) and adjacent to it (the new slant parking on one side and the medical centre car park on the other). Just how many more cars are there on Stewart Island to encourage to park on this cul-de-sac?</p> <p>In summary, the loss of further community green-space is highly undesirable from an aesthetic point of view when thousands of dollars are being spent reinstating and enhancing such spaces elsewhere. It is totally unnecessary and a waste of \$30,000 of ratepayer money. It is unfeasible on purely 'people first' grounds, putting me personally in an impossible situation - unable to live here but unable to sell up and move away for the financial predicament that would ensue.</p> <p>I am sure that when the planning aspects (planned on paper only) are considered alongside the detrimental side-effects (actual situation), the undesirability of this project will be readily acknowledged and deleted from the Draft Annual Plan accordingly. I look forward to seeing this unnecessary expense deleted and the Plan amended in due course.</p>
29	2016/02/1406	Alexandree and Naderhda Firioubine	Roading project	We would like to suggest allocating some funds for repainting of Waiau River bridge railings.
119	2016/02/1596	Justine Parker	Toilets and Signs	Toilets needed at Slope Point. Teacup sign needs to be removed at T intersection (Haldane Curio Bay and Slope Point Road intersection) we have many people walking into our home wanting a cup of coffee when the council has closed down little shop next door. Please can the teacup be covered up?
120	2016/02/1598	Andrew Wilson and Justine Parker	Toilets and Signs	Toilets at Slope Point. Toilets needed at Slope Point walk way to stop people sitting on the side of the road.

No	TRIM Record	Name	Submission Topic Secondary	General Comments
227	2016/02/1782	Wendy Joy Baker	Mataura Islands War memorial,	Regular tidy maintenance of Mataura Islands War memorial (refer photo of unkempt grounds 2016). Why is so much money spent on the cycle trail and a piece of our important NZ war history isn't being regularly maintained?
			Sealing of Mersey St in Fortrose,	Sealing of Mersey Street in Fortrose.
			Immigrants.	Welcome pack to new people that have moved to SDC area (is there something that is sent out to new ratepayers?)
158	2016/02/1643	Janice Burton The Southern District Health Board	Repairs and Maintenance	Repairs and maintenance - Supportive - There are various sites across Southland where your proposed action appears warranted.
			Te Anau water supply	Te Anau Basin Water Supply - supportive - Upgrading of water supply for the Winton residents will be a positive outcome for the community towards meeting drinking water standards.
			Woodlands walking track, Community Centre project,	Woodlands walking track - Supportive, Community Centre development - Supportive. Supportive - Upgrading of water supply for the Winton residents will be a positive outcome for the community towards meeting drinking water standards.
			Winton water mains replacement,	Summary - Southern DHB appreciates the opportunity to comment on the draft Southland District Council Annual Plan 2016/2017. In conclusion we wish to highlight the value to the community and to our own organisations of a working partnership between local government and the public health service. This is especially relevant when the impact of various Council activities on population health is considered. Positive community health outcomes occur when local government remains mindful of its potential to impact upon the health of citizens. We value our existing relationships with staff within SDC and would like to build on this by supporting that a Health in all Policies (HiAP) approach is adopted by council. We would welcome the opportunity to discuss this further with you.
11	2016/02/1252	Diane Botting	Woodlands Walking track	What a waste of money. Reserve visitors few and far between and usually travel by car. Perhaps a gravelled carpark more appropriate. A walkway would be used very little and then have ongoing maintenance costs; keep reserves for something more worthwhile.

Item 7.1 Attachment D

No	TRIM Record	Name	Submission Topic Secondary	General Comments
27	2016/02/1401	Paul Sterk (Morton Mains community)	Woodlands Walking Track	Hi, In the draft Annual Plan there is the proposal to create a walking track from Woodlands to Kingswood Bush at the proposed cost of \$75,000. Our question is how many people would make use of it. Could the money not be used to help the Morton Mains community with a proper internet connection? I have been fighting with Chorus, Spark and many providers to get a proper access to the internet. The community is relying on out-dated technology, dial up or a service that is very slow and intimately. The frustrating part is that there is a fibre cable running right on our doorstep. The latest quotes we received through a provider range from \$150 to \$9,000 per connection. The community has several farms, a transport company, and people who could work from home if a proper internet connection was established. Again will a \$75,000 walk way be used a lot or can the money redirected to support a community in need for a proper internet service.
212	2016/02/1764	R F and S M Crosbie	Streetlighting	Also need street lighting along Moray Terrace especially near toilet area.

Excerpts from Public Submissions - District Issues and comments

No	TRIM Record	Name	Submission Topic Secondary	General Comments
110	2012/02/1575	Richard Osborn	Freedom camping	Still a real issue with people not using facilities provided. See this quite a bit round Slope Point Waipohatu Bush. With people movers etc leaving rubbish and toilet paper/[waste] just off tracks, parking areas. Mostly from non-kiwis.
205	2016/02/1735	Warren Bevin	Freedom camping	Freedom camping issue, would like to see a 10 - 15 km zoning so if there is a holiday park or camping ground in that area, no freedom camping allowed.
227	2016/02/1782	Wendy Joy Baker	Submissions Customer service Dog Control, Complainants Stock Control,	Letters of Replies to Submitters more relevant to submission please (not just a standard letter), ie my LTP reply letter did not refer to anything I mentioned in my submission/presentation. It takes a lot of time, effort (and money) to submit/present to plans/policies and this should be respected (as it has been with other councils I have submitted to in past year). More compassion for complainants, like myself, that obviously care about issues ie unkempt grounds at war memorial. Reporting, education, and infringements regarding dog control (discuss). Praise for some information within the report: http://www.southlanddc.govt.nz/assets/Dog-Control-Annual-Report-2015.pdf

No	TRIM Record	Name	Submission Topic Secondary	General Comments
				More education around importance of checking fencing/gates; stock getting onto other people's properties and on roads (I do note/praise the article in Fiordland Advocate entitled 'wandering stock cause concern on rural roads' in February). I have been concerned about stock on roads for a while and recently came across some and helped prevent them from getting on highway near dark.
158		Janice Burton The Southern District Health Board	Unreticulated sewerage systems, Non complying sewerage plants	Communities with Unreticulated sewerage systems eg Waikaka - Recommendation - Further discussion required. If reticulated systems are not a viable option then as a minimum engagement with property owners and occupiers on how to use and maintain their waste water disposal systems will be required. Other options could include a user-pays service to clean septic tanks on a regular basis in these communities. Non complying sewerage plants - Tuatapere, Wyndham/Edendale - supportive - We acknowledge the ongoing work that the Council is undertaking to address these issues through improving infrastructure and recommend that this approach continues to be prioritised.
98	2016/02/1551	Stevie-Rae Blair Te Ao Mārama Inc	Sewerage and other projects	Te Ao Mārama supports the other updates and on-goings in the community. We continue to support updated sewerage systems for rural Southland towns.
184	r/2016/02/1698	Justin Muschamp	Noxious Weeds	I think gorse should not be the only noxious weed sprayed. It should also include ragwort, holly sycamores etc.

Te Anau Wastewater Discharge Project

Background

- 1 An Environment Court hearing date is still to be set for the appeal by various parties against the consent granted to discharge treated wastewater at the Kepler block.
- 2 A draft peer review by Pattle Delamore Partners Limited indicates that the consented proposal does not contain any fundamental flaws. However, Pattle Delamore Partners Limited (PDP) also indicates that potential alternative treatment or disposal options may be worthy of further investigation. This draft review was provided to the Te Anau Wastewater Discharge Committee on 4 April 2016 at which time they indicated that they wanted to visit a number of alternative wastewater schemes and give the PDP report further consideration before making a recommendation to Council on which alternative option(s), if any, warrant further investigation.
- 3 The consultation document proposed that capital works be deferred from the 2016/2017 year, pending the outcome of the appeal.

Summary of Submissions

- 4 A total of six submissions commented on this topic. The full submissions can be found in the submissions booklet. Submission numbers are 98, 112, 158, 159, 203 and 218.
- 5 Two submitters supported the proposal to discharge treated wastewater at the Kepler block and two opposed this proposal. One of the opposing submitters indicated that they believed there were better options but did not specify their preferred option. The other opposing submitter preferred the use of a filtration system and subsurface irrigation close to the existing ponds.
- 6 One submitter commented on the Te Anau wastewater project as a process. The submitter was concerned about Council's credibility. The submitter supported the creation of the Te Anau Wastewater Discharge Project Committee but questioned statements regarding the cost of a sub-surface drip irrigation option. The submitter called for more transparency around all options and the assumptions that underlie them.
- 7 Council officers also made a submission on the Te Anau Wastewater Disposal Scheme, noting that if any alternative options require investigation, a detailed monitoring and investigation programme, including costs and funding, would be developed. The costs of investigating alternative options would need to be reflected in the Annual Plan 2016/2017. The costs of investigating alternative options are likely to constitute additional unbudgeted expenditure which was not included in the Long Term Plan 2015-2025.

Issues

- 8 Key issues relating to the Te Anau Wastewater Scheme are:
 - Whether the Council should defend the resource consent for the Kepler option while also considering alternative options; and
 - The cost of investigating alternative options and how this will be funded.

Options

- 9 In relation to the Annual Plan 2016/2017, there are three broad options available to Council. Council could:

- **Option 1:** Proceed with the current consented option as outlined in the Long Term Plan 2015-2025 and amended in the consultation document;
- **Option 2:** Abandon the granted consent and recommence the process from the beginning; or
- **Option 3:** Continue with the appeal while investigating any viable alternatives.

Option 1: Proceed with the consented option

Impact on Rates:

- If Council continues with the currently consented proposal, the impact on rates will be as set out in the consultation document and Long Term Plan 2015-2025.

Advantages:

- The costs associated with ongoing investigation of alternative options will not arise.
- The Kepler block proposal has been assessed as a viable option.
- It is likely that the delivery of a wastewater scheme would occur in a more timely manner.
- There is less uncertainty about whether the consent granted will be confirmed via the Environment Court process.

Disadvantages:

- Some stakeholders are not satisfied with the Kepler block proposal.
- There may be other viable alternative options.

Option 2: Abandon the current consent and recommence the process from the beginning

Impact on Rates:

- Recommencing the process is likely to result in high costs to Council. This will be reflected through rates.

Advantages:

- Council would reconsider all potentially viable options.
- Stakeholders may have increased confidence in the process.

Disadvantages:

- This option would result in high costs to Council in future and would mean that sunk costs would also be wasted. Since this activity is District funded, the costs of this option would be borne by all ratepayers.
- Recommencing the process would delay the delivery of an improved wastewater scheme.
- There is a risk that any future consent could be appealed and that any future option may not be consented.
- There is also a risk that an alternative may not be able to be delivered within the five year timeframe of the current temporary consent. This would mean that another temporary consent would be required. There is no certainty that a future temporary consent would be granted, if needed.

Option 3: Continue the appeal while exploring viable alternatives**Impact on Rates:**

- There are costs to Council associated with this option. This will be reflected through rates.

Advantages:

- Allows appeals process to be progressed while considering alternative options.
- Follows a transparent and democratic process.
- Allows viable alternatives to be investigated.
- Is likely to result in a wastewater scheme being delivered in a more timely manner than if the process was recommenced from the beginning.

Disadvantages:

- This option results in costs to Council that will be funded through rates. Since this activity is District funded, the costs of this option would be borne by all ratepayers. Many of the costs in this option are not associated with tangible deliverables including legal fees, consultants and consultation costs.
- There is likely to be ongoing media attention and this may create a risk to the reputation of Southland District Council and the perception of the Council by ratepayers.
- There is a risk that any future consent could be appealed and that any future option may not be consented.
- There is also a risk that an alternative may not be able to be delivered within the five year timeframe of the current temporary consent. This would mean that another temporary consent would be required. There is no certainty that a future temporary consent would be granted, if needed.

Discussion and Analysis

- 10 The Fiordland Sewage Options Group (FSO) and others have raised a number of environmental concerns about the Kepler proposal. These issues will be assessed by the Environment Court should the Council make a decision to defend the appeal against the consent granted. Note that this decision will be made as part of a separate order paper item on the 27 April Council meeting agenda.
- 11 To finalise the Annual Plan 2016/2017, a decision is required regarding whether Council should set aside funding to enable the consideration of alternative options for the Te Anau Wastewater Scheme. At this stage the Project Committee is not in a position to make a recommendation to Council as to which alternative(s), if any, it wishes to investigate. Having said that there is a reasonable likelihood, given the discussions to date, that a recommendation will be made in due course.
- 12 The question then arises as to whether the Council should explicitly fund such alternative investigations in the 2016/17 Annual Plan or deal with any such request as unbudgeted expenditure if and when a recommendation is received from the Project Committee.
- 13 Wastewater is funded as a district activity. It is appropriate for Council to consider the views of all ratepayers when making decisions about the Te Anau Wastewater Scheme because all ratepayers will be directly impacted by any unbudgeted expenditure. It is important to balance environmental concerns with ratepayer expectations of affordable and efficient delivery of services and infrastructure. In considering any decision to write off sunk costs and commence the process from the beginning (Option 2) or investigate other alternatives the Council should remain conscious of the financial costs and risks associated with this approach. It may also be appropriate for the Council to undertake a specific community consultation process on this issue given that it may constitute a significant decision.
- 14 In the broader Council context, the Community Futures Project has informed other communities (Ohai and Nightcaps) of the implications of district funding of wastewater. Communication with these communities has informed ratepayers that district funding means that stakeholders in decisions are all district ratepayers, not just individual communities.

- 15 Continuing with the appeal while exploring viable alternatives (Option 3) allows Council to consider the environmental impact of the consented Kepler block option without writing off sunk costs associated with the currently consented option.
- 16 Given the level of uncertainty with what option(s) might warrant further investigation, and whether a round of community consultation might be warranted it is proposed that no additional funding be included in the 2016/2017 Annual Plan at this stage. Rather Council should consider any proposal for alternative investigations once it has received a definitive recommendation from the Project Committee.

Recommendation

That the Council:

- a) Agrees to staff preparing the draft Annual Plan 2016/2017 on the basis that it will not include the costs of investigating alternative options for the Te Anau Wastewater Scheme at this stage on the basis that the Te Anau Wastewater Project Committee is yet to make a recommendation to Council.
- b) Determines that should the Te Anau Wastewater Project Committee make a recommendation then this will be considered as unbudgeted expenditure at that time.

Excerpts from Public Submissions on Te Anau Wastewater Discharge Project

No	TRIM Record	Name	Submission Topic Secondary	General Comments
98	2016/02/1551	Stevie-Rae Blair Te Ao Marama Inc	Sewerage	We continue to support updated sewerage systems for rural Southland towns.
112	2016/02/1582	Brian McCandless	AMCT and Te Anau Wastewater projects	Turning to the saga of the Te Anau Wastewater Disposal Project, this has the potential to further erode the credibility of Council. Before the public meeting at the Te Anau Club on 9 February 2016, I believed that the Fiordland Options Group was little more than a local pressure group with a clear NIMBY agenda and a distorted view of what was best for the community at large. The creation of the Te Anau Wastewater Discharge Committee seemed to be a step in the right direction to ensure a more balanced evaluation of all viable options. The allegation at the 9 February meeting that the costs of sub-surface drip irrigation option proposed by Ecotec had been skewed by the application of an artificially high contingency factor simply beggars belief. If this is true, all the credibility generated by the creation of the Wastewater Discharge Committee will be seriously eroded. Council should address this allegation openly. In order to regain some vestige of credibility in their handling of this long-running saga, Council should expose for full public scrutiny the cost: benefit- analysis of all options currently under consideration, including the Ecotec solution, together with a list of all the assumptions underpinning each option.
158	2016/02/1643	Janice Burton Southern District Health Board	Te Anau Wastewater, Unreticulated sewerage systems, Non complying sewerage plants	Te Anau Wastewater - We continue to support the original proposal. We would welcome the opportunity to submit on any alternative proposals.
159	2016/02/1644	Rex Cockburn	Sewerage Scheme	Sewerage Scheme: I feel the sewerage should be treated at existing ponds by a filtration system, then pumped underground by a drip system as close to the ponds as possible where there is plenty of land available. The land at Manapouri should be sold to recover some of the costs that have arisen by overpriced consultants, the council needs to admit their mistake and move on.
203	2016/02/1731	Martin and Valerie Rabbidge	Haast Hollyford Road	Not in favour of the Te Anau sewerage scheme going to Manapouri - there are better options.

Item 7.1 Attachment E

No	TRIM Record	Name	Submission Topic Secondary	General Comments
218	2016/02/1772	SDC staff submission	Te Anau Wastewater consent	<p>Te Anau Wastewater Consent - Pattle Delamore Partners (PDP) have been employed to undertake a peer review of the current consented option for the Te Anau Wastewater Discharge Project so as to provide an independent assessment of this option relative to any reasonable practicable alternatives. PDP has now produced a draft report which confirms that the current consented option is viable while also identifying two other reasonably practicable options, which it considers are worthy of further discussion with the Sub-Committee. The Sub-Committee will formally consider the findings of PDP and then make a number of decisions before making a recommendation to the Council as to which option it believes Council should pursue.</p> <p>Staff recommend that Council note that a project update and any changes to project funding will be tabled at the hearing of submissions on 7 April 2015. PDP has indicated that by 18 March they will have developed high level costings for the potential alternative options for comparison against the consented Kepler option. At that stage decisions will be made on which, if any warrant further investigation, with any investigation likely to run in parallel with the Environment Court Appeal. If any alternative option is to be progressed further a detailed monitoring and investigation programme will be developed in support of this.</p>

Around the Mountains Cycle Trail

Background

- 1 The Around the Mountains Cycle Trail (AMCT) is being built by the Southland District Council, in partnership with the government's New Zealand Cycle Project.
- 2 Most of the trail will be in the Southland District and the government has approved \$4.5 million to Council for the first stage of the trail - from Kingston to Mossburn. Stage One has been completed and the opening of this stage was held in November 2014. However, due to issues with a landowner changes to the trail are currently underway, with completion expected by June 2016.
- 3 Stage Two runs from Mossburn to Walter Peak Station - 23 kilometres of this section west of Mossburn has been completed (Sections 6 and 7).
- 4 Part of Stage Two, Sections 8 and 9, are subject to an Environment Court hearing to settle the issue of construction of a 19 km section of the trail in the upper Oreti River Valley. Fish & Game is opposed to the trail going through the area amid concerns about the impact it would have on trout fishing. A decision is expected by late 2016.
- 5 Ongoing trail maintenance will be funded from the part of the commission charged on bookings made through the Around the Mountains Cycle Trail website and rates.
- 6 The official trail website operator (Around the Mountains Cycle Tours Ltd) will undertake the ongoing operation and promotion of the trail.
- 7 Council has yet to decide how to fund the forecast deficit, with options including from rates, or existing reserves. The trail is now predicted to cost in excess of \$14 million, which is \$6 million more than originally budgeted.
- 8 On 9 December 2015, Councillors agreed a review of the financial aspects of the trail. Deloitte has been appointed to undertake the independent review of the way in which Council has managed the Around the Mountains Cycle Trail project. Its report is expected to be completed by May 2016.
- 9 On 27 January 2016, Council's Activities Performance Audit Committee agreed the formation of an AMCT subcommittee. The subcommittee has responsibility for overseeing, from a governance perspective, completion of the trail.

Feedback and submissions

- 10 A total of 16 submissions (6%) commented on this project. The full submissions can be found in the submissions booklet.
- 11 Submission numbers which refer to the Around the Mountains Cycle Trail are: 4, 10, 17, 40, 69, 93, 112, 158, 159, 185, 190, 194, 225, 227, 231 and 261.
- 12 Submitters' comments related to the cost and funding of the project, the location of the trail, the cost of the review of the project and general opposition to the trail. Several submitters suggested abandoning the project. Some comments referred to the cost of future maintenance and recommending a maintenance plan be put in place. Submitter 225 requested that a targeted rate on commercial businesses be used for funding the trail.

Issue

- 13 Council has previously made the decision to construct the second stage of the cycle trail. Consents have been obtained for Stage Two however a portion is currently subject to appeal.
- 14 In view of the submissions, the issue is whether Council wishes to make any final decisions now and make any changes to the 2016/2017 Annual Plan.

Option 1: To complete the Deloitte review and wait for the decision from the Environment Court prior to making any decisions on the future of the project and its funding

Advantages:

- The Environment's Court's decision will provide crucial information to informing the future of the project. Any decision to proceed needs to be undertaken with as much factual data as can be reasonably attained. The Environment Court process has the possibility to significantly change the assumptions on which the current modelling has been based. It has the ability to significantly change the potential final projected cost of the project.
- The Deloitte review will enhance Council's understanding of Council's process to date and will assist with improving any process going forward.

Disadvantages:

- The decision from the Environment Court will not be released until later in 2016 which will result in delaying any final decisions made.

Option 2: Ask staff to develop a report outlining the implications of Council not continuing with the project at this stage, with a recommendation to Council whether to proceed or not.

Advantages:

- The decision to not continue has been previously discussed at times but a comprehensive analysis of the implications has not been undertaken. This would provide Council with the necessary information on which to consider whether to continue or not.
- Should Option 2 not be approved, the report discussed in this option could still be undertaken to support the decision making of Option 1.

Disadvantages:

- Not all information would be available at the time of the submissions hearings to make an informed decision as the Environment Court decision would still not be known.
- Staff potentially would not have the time to comprehensively prepare a report for Council to consider as part of submission deliberations.

Discussion and Analysis

- 15 The Council cannot make an informed decision about the completion of the trail until the Environment Court decision is released and any relevant appeal periods have expired. Prior to the decision theoretical project planning and cost estimates can be developed but only if based on assumptions about the final decision on the consent application.
- 16 If a consent is issued it will contain conditions that will impact on the construction methodology and hence the construction and operational costs. These constraints will affect how and when the trail can be built. Conditions associated with bird nesting and fish spawning will create no-go time periods when construction will be not allowed. This will impact on the total length of construction time. It is highly likely that the completion of the trail will not be possible until the end of 2018.
- 17 The constraints and conditions discussed above will all impact on the cost estimate for the completion of the trail. The cost estimate in turn is needed to inform the Council of the cost outcome of completing the trail. Councillors will need this information along with information on the future operating costs and the likely economic benefits in order to make an informed decision whether to proceed with the completion of the trail.

- 18 The options for funding the expected cost outcome will also need to be presented to the Council to help inform the decision-making process.
- 19 No more physical construction on Stage Two of the trail can proceed until the Council resolves to proceed.
- 20 Currently, the 2016/2017 Annual Plan includes costs to complete the estimated cost of the trail of \$5.9 million. This is funded from the remaining \$500,000 of the NZ Lotteries grant. At this stage the 2016/2017 Annual Plan shows the overall funding of the shortfall as 50% from the existing Strategic Assets reserve and 50% from Loan funding, the repayments of which would commence in 2017/2018. This final decision on funding is still to be made by Council. Additionally \$41,000 of maintenance costs for the trail is included in the Annual Plan, with funding of \$5,000 from commissions and the balance from the General Rate.

The cost of the project included in the 2016/2017 Annual Plan was based on a number of assumptions including the estimated projected cost of the appeal process. Initially the Environment Court had set aside two weeks to hear the consent appeal. Given the level of detail being heard an extra two weeks has been allowed to hear the case, as such the overall projected cost of the consent and appeal process is now estimated to be \$1.5 million.

Recommendation

That the Council:

- a) Agrees to the draft Annual Plan 2016/2017 being prepared to include the Around the Mountains Cycle Trail project as previously planned.
- b) Agrees to complete the Deloitte review and wait for the decision from the Environment Court prior to making any decisions on the future of the project and its funding.

Excerpts from Public Submissions on the topic of “Around the Mountains Cycle Trail”

No	TRIM Record	Name	Submission Topic Secondary	General Comments
4	2016/02/127	Helen Prendergast	AMCT	Why does it not support Southland business and go Te Anau. We are having them leave Queenstown and then send them back to Queenstown. But Southland pays to maintain (crazy). Should continue south or Queenstown pay.
10	2016/02/1253	Wayne Muntz	AMCT	Very very concerned at the blowout in the cost. Whoever is in charge of this project need to resign or fired Donald Trump style forthwith and be charged with fraud and how much will the review cost?, plenty I'm guessing.
17	2016/02/1342	Stephen Wade Gamble	AMCT	Cycle Trail - Not be funded by ratepayers and are not used any rate.
40	2016/02/1434	John F Turner	AMCT	The cost of the trail is out of hand and no more money should be spent until what has been spent to date is funded other than using ratepayer's money. I support the trail but not at the expense of the ratepayers. Mayor Tong has stated it would not be a cost for the ratepayer.
69	2016/02/1490	Crosbie and Candice Grieve	AMCT	Compromise or scrap the Upper Oreti part of the cycle trail as both development and long term maintenance costs will be a burden as ratepayers for many years to come. Money would be better spent on maintenance of country roads with the increasing number of tourists and larger trucks on the roads. Consider reducing the open speed limit on gravel roads.
93	2016/02/1540	Robert James Anderson	AMCT	Why not leave the trail at Centre Hill. There are gravel roads all the way to Water Peak. Use the money to complete the trail to Te Anau. Call this the Hodgkinson link.
112	2016/02/1582	Brian McCandless	AMCT	A review of the inept management of the cycle trail project is clearly necessary but is equally clearly insufficient. Coming as it does in the wake of that other white elephant, the Te Anau Manapouri Airport, Council needs to go much further to recover some vestige of credibility in the eyes of ratepayers. I seem to recall that Mayor Tong's election manifesto included a pledge that, unlike the airport, no additional ratepayer money would be spent on completing the project. Does the Mayor stand by this pledge? If so, where is the additional funding to be found? The business case for initiating the project in the first place should be exposed to ratepayers, along with a cost-benefit analysis to show that completing the project is the least worst option at this stage. My own view is that there is little or no benefit to be gained by completing a project so clearly out of control, when all the evidence over the past two years shows that cyclists are conspicuous by their absence on the sections of the trail completed so far. If Council cannot accept that cancellation of the project is a viable option, a referendum should be held to decide its future. The last thing this District needs is a \$14 million cycle trail with no cyclists to join the \$8 million airport with no aircraft as twin monuments to the folly of the Council.

Item 7.1 Attachment F

No	TRIM Record	Name	Submission Topic Secondary	General Comments
158	2016/02/1643	Janice Burton Southern District Health Board	AMCT	We continue to recommend that a maintenance plan is developed which explicitly outlines how this project will be funded and associated responsibilities.
159	2016/02/1644	Rex Cockburn	AMCT	Cycle Trail Stage Two has already cost \$4 million. The current final estimate of \$10 million is out of control. As a ratepayer I believe this project should be abandoned. I believe before any further development takes place, the council should have a referendum to see what the rate payers would agree to do. The trail starts at Kingston and ends at Walter Peak. Southland's ratepayers are expected to pay for it and it will bring no benefit to the wider area of Southland. Looking at the past records of the SDC budget blowouts the total trail could end up costing \$20 million. Our current mayor at the last election campaigned and told us that this trail would never cost the ratepayers anything.
185	2016/02/1699	Robert Allan Youldon	AMCT	I do not ride a bicycle, and from my experience very few cyclists see the benefit of a cycle trail going from nowhere to nowhere. I have seen cyclists on the Queenstown - Lumsden Highway, where there is a cycle track only five metres away. They prefer to ride on the hard surface of the road where they find it easier than the softer surface of the cycle track. The cycle track between Lumsden and Mossburn with the concrete posts in it appear to me to be hazardous to the only three cyclists I have seen on the track, in around twenty times I have travelled that road. It is my understanding that it was a promised undertaking by the now Mayor, His Worship Gary Tong, during the election campaign, that there would be no burden on the ratepayer for the construction and/or maintenance of the cycle trail. To now keep that undertaking, there is only one acceptable outcome. Abandon the trail now, and the expensive Environment Court costs. Accept it as yet another ill-conceived concept. Right it off, and cut the losses, in favour of another future burden on the ratepayers. When the Prime Minister, John Key spoke of cycle trails throughout the country he said one of the benefits would be to reduce the unemployment. How well did that work out? The full cost of construction and maintenance of the cycle track, and potential gains should be put before the ratepayers and public meetings held to answer questions. Then a referendum of all ratepayers on this issue should be held, as to call a halt to the cycle track, or to go ahead and meet the predicted expenditure from rates.
190	2016/02/1704	Robert Turner	AMCT	I urge Council to put completion of the Around the Mountains Cycle Trail on hold indefinitely. Please respect your ratepayers by not using any more of their funds including reserves on such a mismanaged project.

No	TRIM Record	Name	Submission Topic Secondary	General Comments
194	2016/02/1708	Bryan Eric Barnes	AMCT	The development of the Around the Mountains Cycle Trail should be stopped until the benefits of all the costs can be proven. Our Mayor said at the public meetings that no ratepayers money would be spent on this project. These monies should be used on other projects more beneficial to Southland. I am not happy with the Council ignoring the residents of Colac Bay concerns regarding the closure of the Foreshore Road. There must be some experts in New Zealand that have dealt with similar situations, ie Hokitika. Environment Southland should have some financial input.
225	2016/02/1780	Federated Farmers Tanith Robb	AMCT	<p>7.1 Federated Farmers is concerned that the overall cost of the project is now predicted to reach \$14 million, which is \$6 million more than originally budgeted.</p> <p>7.2 The draft Annual Plan indicates that a review of the way in which Council has managed the cycle trail project will be carried out in February-March 2016.</p> <p>7.3 The Annual Plan does not state where the funding for the review or the extra money for the project will come from.</p> <p>7.4 Federated Farmers strongly objects to the extra funding required being taken from rates revenue. We consider that Council should seek additional funding from central government, or other external sources as indicated in the 2014/15 Annual Plan. In the Plan, Council assured ratepayers that it would use rates funding as a last resort.</p> <p>7.5 If Council is forced to use rates revenue for some of the project, we recommend a targeted rate for those in the accommodation, food, and visitor servicing industries likely to receive direct benefit from the increased traffic expected from the cycle trail.</p> <p><i>Decision sought:</i> Respect the promise made in 2014/2015 Annual Plan that rates funding would be a last resort for the cycle trail. If additional funding is required through rates, this should be obtained through a targeted rate on commercial businesses along the cycle trail.</p>
227	2016/02/1782	Wendy Joy Baker	AMCT	No rate increase. There has been too much of ratepayer money spent on cycle trail http://www.stuff.co.nz/national/76779760/southland-district-council-and-fish--game-set-forenvironment- court-battle-over-around-the-mountains-cycle-trail
231	2016/02/1791	Ray Willett	AMCT	Around the Mountains Cycle Trail. The ever increasing "chaos" in Milford Sound.
261	2016/03/1976	Tom Rouse	AMCT	Pleased to see a review happening. We would like to see trail operated by a trust and that trust must be responsible for funding. I do not want to contribute rate money to cycle trail that primarily benefits Queenstown.

Curio Bay Project

Background

- 1 Council is currently working with Department of Conservation (DOC) and the South Catlins Development and Environmental Charitable Trust to implement a sustainable long term wastewater treatment solution for the Curio Bay reserve. This work is part of a wider project to help improve the overall visitor experience at the reserve.
- 2 Resource consent has been granted for the discharge of treated wastewater from the plant. This allows for the construction and operation of wastewater treatment facilities for the reserve with the long term goal of also connecting the wider community. Work will begin on the wastewater project in mid-2016.
- 3 The treatment solution based on membrane technology would treat the effluent to an extremely high standard which is in keeping with the unique status of the area. The plant is identical to one operated by DOC at its Papatowai campsite further up the Catlins coast.

Summary of Submissions

- 4 A total of eight submissions commented on this topic. The full submissions can be found in the submissions booklet.
- 5 Submission numbers which refer to the Curio Bay project are 6, 23, 37, 158, 176, 183, 216 and 230.
- 6 Broadly, all submissions on this topic supported the Curio Bay project. Some submissions commented that key infrastructure such as wastewater and camping facilities should be prioritised over walking tracks and interpretation. However, other submissions focused on the importance making sure that all aspects of the visitor experience, including tracks and interpretation, were considered.
- 7 Two submissions raised the issue of wastewater connections for local residents and one of these submissions highlighted the need for a plan which detailed costs and timing.
- 8 Some submitters focused on the economic benefits and potential for tourism growth and also noted the likelihood of high traffic volumes and the link between this project and the sealing of the Catlins Road.
- 9 A submission from CSS Disability Action focused on the importance of inclusivity in the design and construction of any facilities in Curio Bay.

Issues

- 10 A key issue raised in submissions on the Curio Bay project is whether to plan for connection of local residents to the wastewater scheme at this stage. At present, it is only planned that the plant will service the upgraded reserve.

Options

- 11 Council has two options relating the Curio Bay project, these are:
 - Option 1: Amend the scope of the Curio Bay project to include connection to the wastewater scheme for local ratepayers.
 - Option 2: No changes to the Curio Bay project at this stage. Consideration would be given to connections for local residents as part of a separate project phase.

Option 1: Amend the scope of the Curio Bay project to include connection to the wastewater scheme for local ratepayers.

Advantages:

- Allows local residents and ratepayers to consider the timing of any upgrades to their septic systems and align these with the potential for connection to the wastewater scheme.

Disadvantages:

- There has been no formal consultation regarding connection of local residents to date.
- Amending the scope prior to public consultation is not good practice and likely to result in confusion for ratepayers. This may create a risk for Council.
- Options on funding and contributions for connection of residents have not been fully explored at this stage.

Option 2: No changes to the Curio Bay project at this stage. Consideration would be given to connections for local residents as part of a separate project phase.

Advantages:

- Allows Council to consult formally with the local community regarding this issue.
- Provides an opportunity for all connection costs and funding options to be investigated by Council.
- Ensures that the Curio Bay project, in its current form, is progressed with clarity and a clear scope and deliverables.

Disadvantages:

- Does not address uncertainty around local connection at this stage.

Discussion and Analysis

- 12 The current scope of the Curio Bay project is to install a wastewater treatment plant to service the Council reserve, with an opportunity to offer connection to local properties at some point in the future.
- 13 To include the issue of local connections without consultation or adequate investigation of costs and funding is likely to create confusion and result in inconsistent information being provided by Council.
- 14 Officers have indicated that once the current phase has been progressed further, a separate project phase will be developed, focusing on connection for local ratepayers. This project phase would involve public consultation and formal analysis of costs and funding options.
- 15 Since the phase involving connection for local ratepayers would be an issue of public interest, it would be appropriate to develop and consult on this project phase as part of the Long Term Plan 2018-2028.

Recommendation

That the Council:

- a) Agrees to staff preparing the draft Annual Plan 2016/2017 to include the Curio Bay project as currently scoped.
- b) Consults with local ratepayers about local connection to the Curio Bay wastewater scheme as part of the Long Term Plan 2018-2028.

Excerpts from Public Submissions on the Curio Bay Project

No	TRIM Record	Name	Submission Topic Secondary	General Comments
6	2016/02/1219	T and D McKenzie	Curio Bay	I think concentrate on the major issues. It's taken 15 years to get to this point so get the wastewater and camping facilities sorted first. Information/visitor centre will be wonderful bases. More walking tracks and information panels are very expensive and I don't believe they are needed "what is currently there us more than sufficient".
23	2016/02/1376	South Catlins Charitable Trust C/- Greta Buckingham	Curio Bay	We are a small community trying to achieve this project. Our aims are to protect and manage the reserve and wildlife for people to enjoy in the future. We hope Council will continue to help and support us to complete our aims. Thank you.
37	2016/02/1429	Stephen Bruce Ferguson Alliance Group Ltd	Curio Bay	Curio Bay Development, the facilities need to be upgraded, but forget the huge expense of a new heritage centre, we already have one at Waikawa.
158	2016/02/1643	Janice Burton Southern District Health Board	Curio Bay	This was a previously identified un-reticulated community with expanding visitor numbers that this project addresses. This is an excellent outcome.
176	2016/02/1686	Doug Davidson AA Automobile Association	Curio Bay and Roothing Rate Model	We note the plan refers to proposed upgrading of facilities at Curio Bay which include the construction of a carpark and toilets as well as camping ground facility upgrades and development of further walking tracks in the area. We are pleased to support these proposals which we see as being positive for tourism in Southland. One of the flow on effects of increased tourism is, of course, is a likely increase in traffic being generated in the area which further validates our support for the road sealing project referred to above. While striking of rates is not a primary concern for our organisation many of our members are of course ratepayers and as a general comment we are pleased to see that the roading budget for 2016/2017 is forecast to be less than what was proposed in the Long Term Plan, after allowing for the funding of the proposed Catlins Road sealing. We are pleased to note the Council's view that a 54% NZTA funding contribution is "likely to be approved" for the Catlins project. We thank you for the opportunity to make this submission on behalf of our organisation and our Southland members.
183	2016/02/1697	Pamela and Bradley Yorke Lazy Dolphin Lodge	Curio Bay	With the building of the Curio Bay Wastewater, I believe it is essential that a plan is developed for the local residents to also become connected, alongside the camping ground, so that there is good use of the local infrastructure. With local houses/buildings consented or not, having huge loads placed on the septic tank systems, which in some cases will be very old, there needs to be some questions raised on environmental issues. As no doubt there will be costs to individuals around this, then getting some sort of plan formulated is very important. I have been asked by some of the local landowners when this will happen? This issue needs to be addressed.
216	2016/02/1769	Russell Hawkes Environment Southland	Curio Bay	

Item 7.1 Attachment G

No	TRIM Record	Name	Submission Topic Secondary	General Comments
230	2016/02/1790	CCS Disability Action Mary Obrien	Disability Services Curio Bay	<p>CCS Disability Action believes that the Southland District Council can put "People First" by ensuring that all people can access all aspects of the built environment and the community. This will allow people to obtain and maintain employment; join the life of the community and to access essential services. This in turn will help to address the concerns regarding the depopulation of Southland.</p> <p>Curio Bay Project</p> <p>The new facilities planned for Curio Bay will attract more visitors to the area including both New Zealanders and international travellers with access requirements. Disability increases with age and both the New Zealand and the international Baby Boomer population who are retired or are retiring have the desire and the financial resources to travel. This means that the demand for accessible facilities will increase and the council needs to work to capture this growing market.</p> <p>It is understood that planning is well under way for this facility. However we strongly recommend that the plans are reviewed by a Barrier Free Auditor and the Disabled Community to ensure that the new facilities are accessible. It has been our recent and consistent experience across New Zealand that many new facilities are not accessible. Addressing access at the planning stage prevents expensive retrofitting to make buildings accessible.</p>

Haast Hollyford Road

Background

- 1 Haast Hollyford Highway Ltd (HHHL) is promoting a scheme to build and operate a new 136 km toll road from Haast to Hollyford.
- 2 The proposal is to build the road a Build Own Operate Transfer (BOOT) scheme on the road corridor land that was owned by the Southland and Westland District Councils. HHHL has proposed that the two Councils grant a concession for a period of 30 years with ownership of the road being transferred to the two Councils at the end of the concession period.
- 3 At a Council meeting on Wednesday, 22 April 2015, the Council passed a number of resolutions which recognised that the Haast Hollyford Road project potentially has merit but further information is needed to enable an informed consideration of the project. Council also agreed that it should undertake a community consultation process before it makes a decision on whether to approve the project.
- 4 Officers have been in contact with HHHL seeking a range of information upon which to base an analysis of the proposal. In response they have provided references to a number of historical reports, a number of which are more than ten years old, or resent the overview presentations that they have presented to Council in recent years.
- 5 The road is intended to provide significantly improved access between the West Coast and Milford Sound, which is a tourist attraction of national significance visited by around 580,000 people per annum. One of the major benefits of the proposal is seen to include the significant reduction in the travel times for vehicles wanting to access Milford Sound from the West Coast. The creation of the road would reduce the travel distance from Haast to Milford Sound by some 355 km or four-five hours driving time.

Feedback and submissions

- 6 A total of four submissions commented on this topic. The full submissions can be found in the submissions booklet.
- 7 Submitter numbers are: 4, 165, 203 and 217.
- 8 One submitter suggested the road made sense, one considered it vital for Southland, one was concerned by the lack of Council support for the project and one wanted Council to look at the Haast Hollyford Road as a high priority item to achieve within the next five years.

Issue

- 9 There is a need for Council to decide how it wishes to respond to the submissions received on this issue as part of the current Annual Plan consultation process.

Options

Option 1: To wait on the receipt of further information from HHHL prior to making any decision around whether to support the project.

Advantages:

- Further information from HHHL about the proposed project will provide crucial information about how the project could impact on Southland District ratepayers in the long term.
- Further information will allow the Councillors to make an informed decision and fulfil their legal obligations in terms of decision making under the Local Government Act.

Disadvantages:

- A delay in supporting the project as proposed by HHHL could raise a public perception that the Council is deliberately delaying the project and is effectively stalling the project by inaction.
- There is a risk that HHHL does not have the information that Council is seeking.

Option 2: Ask staff to proceed with development of a consultation document based on the information that Council does have.**Advantages:**

- Council will be able to seek an initial understanding of the range of views that might exist about the Haast Hollyford proposal without committing significant resources to a project evaluation process.
- There is a statutory requirement for the Council to undertake community consultation before putting a proposal such as this forward to Government for approval.

Disadvantages:

- The information upon which the Council will be able to develop the consultation document could subsequently prove to be misleading.
- It is likely that there will be a need for further community consultation to be undertaken again in the future if and when Council receives information that allows it to develop a more comprehensive understanding of the actual HHHL proposal or any other proposal that might be put forward.

Discussion and Analysis

- 10 The proposal to develop the Haast Hollyford Road has been around for a number of years. HHHL suggest that the development of the new road would provide economic development benefits to both Southland and the West Coast by making it easier, amongst other things, for visitors to access Milford Sound and the Fiordland area.
- 11 There is a need for Council to consider where the development of this road might sit in terms of priorities for the further development of the roading network across Southland as a whole. While it is proposed that much of the cost of developing the Haast Hollyford road would be funded by a private developer and a toll road proposal there will be a significant level of public resources that need to be allocated to advancing this project particularly given that the road will need to remain in Council ownership.
- 12 The question that therefore arises is where would the development of this road sit within the overall roading priorities for the Southland District? In recent years Council's roading budget has become more constrained as it has had to 'tighten its belt'. In response to the fiscal restraints within which it is operating Council has had to prioritise its spending and look for efficiency gains to enable it to maintain the existing roading network. The question that needs to be asked is where do Southland communities see the development of the Haast Hollyford road relative to the development and maintenance of the existing roading network? How would, for example, the farming community which currently funds much of the district's roading network rank the development of the Haast Hollyford road relative to other rural roading priorities? This is a question that is best answered via a structured community consultation process.
- 13 The development of the Haast Hollyford as a toll road means that the project will need to be approved by the Minister of Transport. Before approval is given the Minister needs to be satisfied that:
 - There is a feasible toll free route available.
 - That the councils have carried out adequate community consultation on the proposal.
 - That there is a good level of public support for the proposed project.

- That the tolling scheme is an efficient and effective way of meeting a transportation need.
- 14 At this stage the Council has not engaged with the Minister of Transport to develop an understanding of how he would view the Haast Hollyford proposal in relation to the above criteria. This is something that will be done once the Council has developed an understanding of the range of views that might exist within its own communities on the concept of developing a Haast Hollyford road.

Recommendation

That the Council:

- a) Asks staff to proceed with developing a 'high level' community consultation process that will enable the Council to develop an understanding the range of community views that might exist in relation to the concept of developing a Haast Hollyford road via a public private partnership.

Excerpts from Public Submissions on Haast Hollyford Road

No	TRIM Record	Name	Submission Topic Secondary	General Comments
4	2016/02/127	Helen Prendergast	Haast Hollyford Road	Look at Haast Hollyford Road makes sense to a loop instead passing Queenstown or waiting for Queenstown to find a way to claim Milford.
165	r/2016/02/1659	Kenneth Gordon Davidson	Haast Hollyford Road	This road is vital for Southland especially Te Anau as the extra travellers using this road will help Te Anau become more financially independent the Southland District Council should appoint a delegation not necessarily Councillors to meet with the Haast Hollyford Highway delegations so this project can get started.
203	2016/02/1731	Martin and Valerie Rabbidge	Haast Hollyford Road	Concern at Council's lack of support for the Haast-Hollyford road while overspending on cycleway which is of no great benefit to Southland ratepayers in general.
217	r/2016/02/1771	Janet Horrell	Haast Hollyford Road	There have been years of discussions, researching and investigations on the above. The majority of residents in the Southland District Council area want this road to be reality. It's time to bring it to fruition. That road must become a reality. Costs will be a toll - the toll will be sent to cover the cost of upkeep and maintenance - any excess could be used for the roading programme in the Southland District. Letters to the editor in the Southland Times newspaper support this project. Example - Auckland Harbour Bridge - was paid for by tolls. Tolls were stopped when the bridge was paid for. What an error that Council made - people were happy paying that toll but it was stopped. Now that area has a roading problem and no funds to cover the costs. Summary - I submit that the Haast Hollyford Road should be a high priority item for the SDC to achieve in the next five years.

Rating, Finance and Funding Requests

Background

- 1 A number of submissions were received in relation to Council's Finances, Rates, Grants, Fees and Charges.
- 2 The Consultation Document showed the draft financial statements for the 2016/2017 year and the proposed increase in the total rate take of 3.3% from 2015/2016 as well as the reasons for this increase. The Consultation Document also showed changes to local projects and new projects planned for the 2016/2017 year in comparison to the 10 Year Plan.

Feedback and submissions

Community views

- 3 A total of 18 submissions (7%) commented on Finance and Rating topics. The full submissions can be found in the submissions booklet.
- 4 Submitter numbers were: 7, 13, 18, 19, 52, 66, 115, 154, 173, 185, 210, 215, 218, 220, 225, 227, 258 and 259.
- 5 Submissions that set out requests are summarised below. All other comments made by submitters are noted.
- 6 Submitter 115 (Barry Crean of the Mabel Bush Hall Committee) requests an increase to the Mabel Bush Hall rate of \$10.00 (GST inclusive) per household per year. This will increase the current uniform targeted rate per SUIP of a rating unit from \$28.64 to \$38.64 per unit (GST inclusive) (34.9%).
- 7 Submitter 154 (Karen Westenra of the Riverton & Districts Baths Society Inc) requested an increase to the Riverton Pool rate of approximately \$9.00 per unit (\$15,000 per annum). This will increase the current uniform targeted rate per SUIP of a rating unit from \$20.68 to \$30.00 per unit (GST inclusive) (45.1%).
- 8 Submitter 173 requested a grant for the Gore Kids Hub. A specific amount was not included in the submission.
- 9 Submitter 218 (Council staff officers) have requested the following amendments to financial content of the draft Annual Plan 2016/2017 for the purposes of accuracy or clarification:
 - a) **Community and Futures** - Asked for additional \$30,000 to be included in the Annual Plan to support the next phase of the community planning and community futures implementation.

Staff recommend to Council that the \$30,000 be included in the final Annual Plan 2016/2017 and that funding be from the general rate.

- b) **Electoral Expenses** - In December 2015 Council were advised that the Southern District Health Board (SDHB) commissioner would be in place post October 2016. This means that the Southern District Health Board does not need to participate in the October 2016 elections. As part of the historical election process for Southland District Council (SDC), the electoral officer also incurred costs for arranging the electoral process for the SDHB within the SDC electoral boundaries. Direct costs relating to the SDHB were billed by SDC to SDHB along with a portion of indirect costs (eg post).

Both income and costs relating to the SDHB have been included in the 2016/2017 year as part of the 10 Year Plan. As SDHB are no longer required to have an election, the associated electoral income and expenditure needs to be revised.

Staff recommend that the monetary changes be made to the budget resulting in an increase in general rates of \$32,500 in relation to electoral expenses.

- c) **Forecasting** - As part of the forecasting occurring at the end of the second quarter of 2015/2016 financial year, a number of projects planned to be undertaken in 2015/2016 have been identified as not being able to be completed by 30 June 2016. These projects are now expected to be completed in 2016/2017. This will mean that the project's, costs and funding identified in 2015/2016, will be carried forward into 2016/2017.

Please note that an updated project schedule and changes to project funding will be tabled at the submission hearing on 7 April 2016.

- e) **Venture Southland Annual Plan 2016/2017** - Council's share of Venture Southland is 42%, and therefore 42% of the income expenditure, assets and liabilities of Venture Southland are consolidated into Council's financial statements. There are no significant differences to the financial statements for the 2016/2017 year from what was proposed in the 2015-2025 10 Year Plan. The minor differences from the 10 Year Plan forecast for 2016/2017 are as follows (Council's 42% share): Other income increased by \$94K which will offset the decrease in grant income of \$46K and the increased expenditure of \$49K. These changes result in a forecast break even financial performance, consistent with what was proposed in the 10 Year Plan. The movements in the balance sheet are not significant and are as a result of updated actual financial position amended for the anticipated budget changes. Please note, the budgeted grant from SDC to Venture Southland has remained unchanged from what was included in the 2015-2025 10 Year Plan for 2016/2017 and agrees to Council's grant included in the 2016/2017 Annual Plan.

Staff recommend that Council receive the updated forecast financial statements for Venture Southland for 2016/2017 and direct staff to consolidate Council's share into the 2016/2017 Annual Plan.

- 10 Submitter 220 (Riverton/Aparima Community Board) requested a subsidy from the roading budget toward the Havelock Street kerb and channel project. The Board is contributing \$130,000 from rates/reserves and are seeking an amount of \$35,000 (approximately 30% subsidy) to complete this project in its entirety within the 2016/2017 financial year.
- 11 Submitter 225 (Federated Farmers) commented on the Uniform Targeted rate (UTR) and rates affordability. Federated Farmers sought:
 - a) that a decision that the UTR is used to fund activities which benefit all residents equally, including District Leadership and Support, some Community Development; and Representation and Advocacy;
 - b) that Council funds all of these activities' costs currently attributed to the general rate using a UTR; and
 - c) that Council increases the proportion of rates revenue from the uniform annual general charge and certain targeted rates set on a uniform basis from 25.62% to 30% for 2016/2017.

Federated Farmers oppose the forecast rates increases for farmers and consider these are inappropriate and unsustainable; and that Council reviews its proposed expenditure and cuts non-essential spending to increase rates affordability for its ratepayers; and that Council recognises that rural ratepayers are already paying significantly more rates than urban residents, and seeks to ensure that use of capital value-based rates are kept to a minimum so disproportionate amounts of rural rates is not exacerbated.

- 12 Submitter 258 asked if the fees and charges were blanket charges on all Resource Management fees.

Options and Discussion

13 Mabel Bush Hall Rate

Option 1: Agree to staff preparing the Annual Plan 2016/2017 on the basis that the Mabel Bush Hall Rate will be increased from \$28.64 to \$38.64 per unit (GST inclusive)

Option 2: Agree to staff preparing the Annual Plan 2016/2017 on the basis that the Mabel Bush Hall Rate will be maintained at its current level of \$28.64 per unit (GST inclusive).

The Mabel Bush Hall Committee agreed to request an increase in the hall rate of \$10.00 (GST incl) per unit.

Council staff note the following:

- The proposed increase is significant, 35% on 2015/2016 rate (\$10.00 per unit)
- The Mabel Bush hall committee were requested to advise of rate increases prior to the finalisation of the consultation document so that any significant increase could be brought to the public's attention, they did not meet the required deadline.
- Public have not had the opportunity to comment on this proposed increase.
- The Ward Councillors support the proposed increase in the Hall rate.

14 Riverton Pool Rate

Option 1: : Agree to staff preparing the Annual Plan 2016/2017 on the basis that the Riverton Pool rate will be increased from \$20.68 to \$23.68 per unit (GST inclusive).

Option 2: Agree to staff preparing the Annual Plan 2016/2017 on the basis that the Riverton Pool Rate will be increased from \$20.68 to \$30.00 per unit (GST inclusive).

Option 3: Agree to staff preparing the Annual Plan 2016/2017 on the basis that the Riverton Pool Rate will be maintained at its current level of \$20.68 per unit (GST inclusive).

The Riverton & Districts Baths Society (Inc) agreed to request an increase in the pool rate to \$30.00 (GST incl) per unit.

Council staff note the following:

- The proposed increase is significant, 45% on 2015/2016 rate (\$9.32 GST inclusive per unit)
- The Riverton Pool Committee request was not received prior to the finalisation of the consultation document, and therefore any significant increase was not able to be brought to the public's attention.
- The public have not had the opportunity to comment on this proposed increase.
- It was noted at the Community Board meeting on 16 November 2015 where the estimates for the next year were considered the board recommended that the pool

rate to collect be set at \$34,037 (GST incl) or \$20.68 per unit which is the same amount as that allocated for the previous year 2015/2016.

- The Community Board does not support the full amount proposed in the submission by the Riverton and Districts Baths Society, however they would support an increase of \$3.00 per unit to the current rate.

15 Grant Request - Gore Kids Hub

Option 1: Agree to staff preparing the Annual Plan 2016/2017 on the basis that no grant will be provided to Gore Kids Hub.

Option 2: Agree to staff preparing the Annual Plan 2016/2017 on the basis that Council will grant an annual sum of monies to Gore Kids Hub.

In making its request to receive a grant, Gore Kids Hub did not specify an amount. The request was received after the draft budget was completed and as such was not in the Consultation Document and is not in the budget.

16 Increase for Community Futures Budget

Option 1: Agree to staff preparing the Annual Plan 2016/2017 on the basis that an extra \$30,000 is included to cover the costs of implementing the next phase of the community planning and community futures projects to be funded from general rates.

Option 2: Agree to staff preparing the Annual Plan 2016/2017 on the basis that no further allowance will be included to cover the costs of implementing the next phase of the community planning and community futures projects.

The proposal is to fund the extra costs from general rates.

17 Increase budget for electoral expenses

Option 1: Agree to staff preparing the Annual Plan 2016/2017 on the basis that an extra \$32,500 is included to cover 2016 electoral expenses to be funded from general rates.

Option 2: Agree to staff preparing the Annual Plan 2016/2017 on the basis that no further allowance will be included to cover 2016 electoral expenses.

Due to the Southern District Health Board not participating in the 2016 elections, Southland District Council will bear the whole cost of the elections.

18 Venture Southland Forecasts

Option 1: Agree to staff preparing the Annual Plan 2016/2017 on the basis that Venture Southland's revised budgets will be consolidated into Council's accounts.

Option 2: Agree to staff preparing the Annual Plan 2016/2017 on the basis that Venture Southland's budgets are not consolidated into Council's accounts.

19 Increase budget for Riverton Havelock Street kerb and channel project

Option 1: Agree to staff preparing the Annual Plan 2016/2017 on the basis that Council contribute \$35,000 from Riverton local rate or Riverton reserves.

Option 2: Agree to staff preparing the Annual Plan 2016/2017 on the basis that Council contribute \$35,000 from district Roading budget.

Option 3: Agree to staff preparing the Annual Plan 2016/2017 on the basis that the work be included in the NZTA 2016/2017 programme of work and that the local share component be obtained.

The Riverton/Aparima Community Board has requested a contribution from Councils roading budget towards the Havelock Street Kerb and Channel project.

If Council agrees to contribute district funds to the project, there is the potential that this could be perceived as setting a precedent.

20 Uniform Targeted Rate

Option 1: Agree to staff preparing the Annual Plan 2016/2017 on the basis that the Uniform Targeted Rate remain set at 25.62%.

Option 2: Agree to staff preparing the Annual Plan 2016/2017 on the basis that the Uniform Targeted Rate will be set at a level agreed at the Council meeting on 27 April 2016.

Under legislation, Council is only able to fund 30% of its rates by way of a fixed amount across ratepayers. Collecting fixed rates means that a greater share is paid by residential ratepayers. In the Consultation Document, Council proposed to collect 25.62% of its rates through a Uniform Fixed Charge.

Council uses multiple rate types, including a roading targeted rate, to share the burden of rates across all sectors of the community. As such, it is not considered that there is a need to increase the percentage of uniform charges to the maximum allowable 30% at this stage.

21 Rates Increase

Option 1: Agree to staff preparing the Annual Plan 2016/2017 on the basis that the overall District Rate increase will be 3.33%.

Option 2: Agree to staff preparing the Annual Plan 2016/2017 on the basis that the overall District Rate increase will be set at a level agreed at the Council meeting on 27 April 2016.

Council is aware that rates affordability is a significant issue and that rates can place a particular burden on members of the Southland District community. Council maintains the consideration of rates affordability at the forefront of its operational and policy-making processes.

22 Carry forward projects from 2015/2016

Please see schedule J for the full list of projects.

Option 1: Agree to staff preparing the Annual Plan 2016/2017 including the projects carried forward from the 2015/2016 financial year as set out in the schedule tabled at the 7 April 2016 submission hearing. Agree to the removal of projects started during 2015/2016 that are currently included in the Annual Plan for 2016/2017 as set out in the schedule tabled at the 7 April 2016 submission hearing.

Option 2: Agree to staff preparing the Annual Plan 2016/2017 on the basis that no projects will be carried forward from the 2015/2016 financial year and no projects deleted from 2016/2017.

Option 3: Agree to staff preparing the Annual Plan 2016/2017 on the basis that the following projects will be carried forward from the 2015/2016 financial year or removed from the draft Annual Plan for 2016/2017 (to be agreed at the meeting):

Recommendation

That the Council:

- a) Determines whether to grant funds to the Gore Kids Hub.
- b) Agrees to staff preparing the draft Annual Plan 2016/2017 on the following basis:
 - i) That the Mabel Bush Hall Rate will be increased from \$28.64 to \$38.64 per unit (GST inclusive).
 - ii) That the Riverton Pool rate will be increased from \$20.68 to \$23.68 per unit (GST inclusive).
 - iii) That an extra \$30,000 is included to cover the costs of implementing the next phase of the community futures project to be funded via the general rate.
 - iv) That an extra \$32,500 is included to cover 2016 electoral expenses to be funded via the district operations reserve.
 - v) That Venture Southland's revised budgets will be consolidated into Council's forecasts for the 2016/2017 Annual Plan.
 - vi) That the Riverton Havelock Street kerb and channel project will be included in the NZTA 2016/2017 programme of work and the local share component be obtained.
 - vii) Agree to staff preparing the Annual Plan 2016/2017 on the basis that the Uniform Targeted Rate will be set at a level agreed at the Council meeting on 27 April 2016.
 - viii) Agree to staff preparing the Annual Plan 2016/2017 on the basis that the overall District Rate increase will be set at a level agreed at the Council meeting on 27 April 2016.
- ix) That a number of projects will be carried forward from the 2015/2016 financial year as follows:

Area	Activity	Project Name	Amount
District	District Leadership	Digitisation Back Capture	\$190,000
District	District Leadership	Core System Review	\$750,000
District	Water	District Wide Leak Detection	\$50,000
District	Water	Project Management and Design for District Monitoring Project	\$17,000
District	Water	Various	\$8,948
District	Water	Various	\$4,982
District	Wastewater	CCTV	\$50,000
District	Wastewater	Various	\$54,300
District	Wastewater	Various	\$9,357
District	Regulatory Services	District Plan	\$75,000
District	Regulatory Services	District Plan	\$100,000
District	Roads and Footpaths	Various	\$686,153
Dipton	District Leadership	Information Board	-\$1,000
Limehills	Stormwater	Mechanical Cleaning	\$11,695
Lumsden	Community Services	Upgrade Railway Heritage Area	-\$25,625

Item 7.1 Attachment I

Nightcaps	Community Services	Interior Painting	-\$14,666
District	Wastewater	Treatment Upgrade Stage 1	\$400,000
District	Wastewater	Treatment Upgrade	\$300,000
Riverton/Aparima	Roads and Footpaths	Widenings	\$105,884
Riverton/Aparima	Roads and Footpaths	Kerb work on Havelock Street	\$130,000
Riverton/Aparima	Roads and Footpaths	Streetlight Renewal	\$5,000
Stewart Island/Rakiura	Solid Waste	replace 8 plastic rubbish bins with stainless steel	\$13,000
Stewart Island	Stormwater	Rectify Main Road flooding at DOC	\$40,000
District	Water	Contact Tanks	\$66,430
District	Wastewater	Lateral Replacements	\$124,761
District	Water	Replace reservoir tanks ahead of schedule (Kakapo)	\$85,000
District	Community Services	Curio Bay Upgrade	\$815,000
Tuatapere	Roads and Footpaths	General Maintenance	\$5,000
Orawia	Community Services	Reroof	\$21,200
District	Water	Increase Storage	\$22,303
Otautau	Community Services	Upgrade Camping Ground	\$220,000
Winton	Roads and Footpaths	Footpath reclamation & lichen Spray	\$8,000
Winton	Community Services	Levelling Plots and resew grass	\$15,000
Winton	Community Services	Skate Park upgrade	\$50,000
Total			\$4,392,722

Excerpts from Public Submissions on Rating and Finance

No	TRIM Record	Name	Submission Topic Secondary	General Comments
7	2016/02/1220	Terry Toner	Reserves	Worrying to see reserves disappearing at such rate. Hope the future is not as bad as forecast.
13	2016/02/1270	Brian McArthur Henderson	Rates affordability	I don't like you putting rates up just to get more money, to pay for no benefit to us. Try getting us our money we over paid back.
18	2016/02/1343	Iris Faye Everett	Rates affordability	Do not raise rates or dog registration.
19	2016/02/1348	Kevin John Millard	Rates affordability	I believe the council and government are out of control. There are NOT looking at the benefit of a whole community but only the wealthier families first NOT last.
52	2016/02/1467	Chris Shaw	Rates affordability	Lots of issues are going wrong for the community including cost blow-out for the Around the Mountains Cycle Trail, poor estimates of costs for the Catlins roading project, the Te Anau sewerage. We pay good money to Council officers but the service provided is poor.
66	2016/02/1421	Barbara Poynton	Rates affordability	Dear Council members, I own a property up Paterson Inlet, Stewart Island and have done so since 1970. I receive no services at all to this property ie road, sewerage, refuse etc and no rabbits. Over the past 46 years I have paid \$50,000 plus in rates, for what?. I read your 2016 forward plan and would you tell me what you intend to give in the way of services to my property. Maybe a dispensation would be in order or considered in lieu of services not received. Yours faithfully Barbara Poynton.
115	2016/02/1593	Barry Crean	Mabel Bush Hall rate	At the committee's AGM on 25 June 2016 it was agreed to request an increase in the hall rate of \$10.00 (GST incl) per household. Minutes attached for your information.
154	2016/02/1638	Karen Westenra Riverton & District Baths Society	Riverton Pool rate	See full submission.

Item 7.1 Attachment I

No	TRIM Record	Name	Submission Topic Secondary	General Comments
173	r/2016/02/1682	Bronwyn Grant Gore Kids Hub Charitable Trust Representative	Grant request	<p>Dear Councillors, Gore Kids Hub provides a one-stop-shop of support services for families with children under the age of five years. It supports the wellbeing and education of adults and their children while the children learn, develop and form friendships, and encourages collaboration between organisations to ensure that families in the Eastern and Northern Districts have access to everything they need to support them in their journey as a family. The actual Kids Hub Building is up and running as of 1 February 2016. The Trust owns the building debt free to the tune of \$1.3 million. It currently houses a Toy Library, Play Centre, Parents Centre and Barnardos. We have regular bookings for Bowen Therapy, Toolbox Workshops, Women's Sexual Health Clinics, Well Child Checks and one-off bookings from other related outside organisations, hence well on the way to fulfilling the "dream" of a one-stop shop for families with children under five. We have had new families joining each of the organisations since relocating and opening at the Kids Hub and there is an air of excitement and anticipation as we work on collaborating and becoming a true inter-agency/organisation Hub. It was always the Trust's intention to complete the Playground at the same time as the building however due to the necessity for Playcentre and Toy Library to be relocated and operational out of the Hub for February 2016, plus time and financial constraints the Trust focused on building completion. This achieved, we are now fundraising to complete the project which provides for a specialist playground for children under the age of five years catering for children up to the age of 12 years. The publicly accessible playground is an essential part of the strategy to make the Kids Hub a true 'one stop shop' for the community. Through the use of the playground, a wide cross-section of the community will be 'introduced' to the Kids Hub space and hopefully be encouraged to step inside. The equipment is chosen specifically to cater for our pre-school and primary children to encourage skill development and physical activity. The playground is to be fully fenced, surfaced and will cost \$362,925.41 in total with equipment installed. It sits alongside the Hockey Turf, Multisport Complex and part of a wider recreational plan for the surrounding area. We have already raised \$87,137.25 towards the completion of the Public Playground and have many fundraisers in place for the rest of 2016 in an effort to get the Playground installed by year end. We are limited in the grant applications we can access having already applied, mostly successfully, for funds to complete the building. The Trust is intending to apply to the Gore District Council for a further contribution to the project as part of their Annual Plan process. While physically located in Gore, this facility will be utilised by many people who reside in the Southland District Council, much the same as the users of the St James Theatre.</p>

No	TRIM Record	Name	Submission Topic Secondary	General Comments
				This is a truly unique project and like Stadium Southland is located outside the SDC boundaries but serves to meet the needs of the Southland District residents. The Kids Hub Charitable Trust asks that the Southland District Council consider making a financial contribution to this project through their Annual Plan process. We would also request to speak to the submission should this opportunity arise. Thank you for your time in considering this request. I look forward to a date and time that we can speak further.
185	r/2016/02/1699	Robert Allan Youldon	Rates affordability	RATES - it is my belief that councils throughout the country are obliged to do better for less. Any Council rate expenditure should be greatly scrutinised as to its cost effectiveness and any rates rise to have outstanding justification if above the rate of national inflation.
210	2016/02/1758	Tom and Wendy Holder	Restructure	We also wish to object to the Southland District Council increase in expenditure in the area of employee expenses. A restructure generally takes place in business to reduce costs not increase cost. Any Council restructure should be fully disclosed to the ratepayers as we are the ones that "foot the bill".
215	2016/02/1767	Mary Napper	Infrastructure	Stop improving the infrastructure in Ohai and Nightcaps. We need to be realistic about the future for these towns.
218	2016/02/1772	SDC Staff Submission	Community and Futures project, Electoral expenses, Forecasting, Te Anau Wastewater consent, Venture Southland,	<p>Community and Futures Project - Request that an additional \$30,000 be included in the Annual Plan to support the next phase of the community planning and community futures implementation. Staff recommend to Council that the \$30,000 be included in the final Annual Plan 2016/2017 and that funding be from general rates.</p> <p>Electoral Expenses - In December 2015 we were advised that the Southern District Health Board (SDHB) commissioner would be in place post October 2016. This means that the Southern District Health Board does not need to participate in the elections to be held in October 2016 for a new board. As part of the historical election process for Southland District Council (SDC) the electoral officer also incurred costs for arranging the electoral process for the SDHB within the SDC electoral boundaries. Direct costs relating to the SDHB were billed by SDC to SDHB along with a portion of indirect costs (eg post). Both income and costs relating to the SDHB have been included in the 2016/2017 year as part of the Long Term Plan. As SDHB will no longer be having an election both income and expenditure needs to be revised. The following is an estimate of the revision required: General Recovery income to be decreased by \$46,000 and Election costs decreased by \$13,500 (being the income received from SDHB at the last election and the direct costs incurred relating to them). This is a net increase to SDC ratepayers of \$32,500.</p> <p>Staff recommend that the above monetary changes be made to the budget resulting in an increase in general rates of \$32,500.</p>

Item 7.1 Attachment I

No	TRIM Record	Name	Submission Topic Secondary	General Comments
				<p>Forecasting - As part of the forecasting occurring at the end of the second quarter of 2015/2016 financial year a number of projects planned to be undertaken in 2015/2016 have been identified as not being able to be completed by 30 June 2016. These projects are expected to be completed now in 2016/2017. This will mean that the project works, costs and funding identified in 2015/2016 will be now included in 2016/2017. It is possible that the 2015/2016 project cost will be adjusted on inclusion in the 2016/2017 Annual Plan, and appropriate funding changes made. The details of these projects and where they are to be funded from will be provided once forecasting has been completed which is expected to be in mid-March.</p> <p>Staff recommend that Council note that an updated project schedule and changes to project funding will be tabled at the hearing of submissions on 7 April 2016.</p> <p>Te Anau Wastewater Consent - Pattle Delamore Partners (PDP) has been employed to undertake a peer review of the current consented option for the Te Anau Wastewater Discharge Project so as to provide an independent assessment of this option relative to any reasonable practicable alternatives. PDP has now produced a draft report which confirms that the current consented option is viable while also identifying two other reasonably practicable options, which it considers are worthy of further discussion with the subcommittee. The subcommittee will formally consider the findings of PDP and then make a number of decisions before making a recommendation to the Council as to which option it believes Council should pursue.</p> <p>Staff recommend that Council note that a project update and any changes to project funding will be tabled at the hearing of submissions on 7 April 2015. PDP has indicated that by 18 March it will have developed high level costings for the potential alternative options for comparison against the consented Kepler option. At that stage decisions will be made on which, if any warrant further investigation, with any investigation likely to run in parallel with the Environment Court appeal. If any alternative option is to be progressed further a detailed monitoring and investigation programme will be developed in support of this.</p> <p>Venture Southland Annual Plan 2016/2017 - Attached are the updated financial statements provided by Venture Southland for the 2016/2017 year. Council's share of Venture Southland is 42%, and therefore 42% of the income expenditure, assets and liabilities of Venture Southland are consolidated into Council's financial statements. There are no significant differences to the financial statements for the 2016/2017 year from what was proposed in the 2015-2025 10 Year Plan.</p>

No	TRIM Record	Name	Submission Topic Secondary	General Comments
				<p>The minor differences from the 10 Year Plan forecast for 2016/2017 are as follows (Council's 42% share): Other income increased by \$94K which will offset the decrease in grant income of \$46K and the increased expenditure of \$49K.</p> <p>These changes result in a forecast break even financial performance, consistent with what was proposed in the 10 Year Plan. The movements in the balance sheet are not significant and are as a result of updated actual financial position amended for the anticipated budget changes. Please note, the budgeted grant from SDC to Venture Southland has remained unchanged from what was included in the 2015-2025 10 Year Plan for 2016/2017 and agrees to Council's grant included in the 2016/2017 Annual Plan.</p> <p>Staff recommend that Council receive the updated forecast financial statements for Venture Southland for 2016/2017 and direct staff to consolidate its share into the 2016/2017 Annual Plan.</p>
220	2016/02/1774	Riverton/Aparima Community Board	Roading budget subsidy	<p>The Riverton/Aparima Community Board wishes to make a submission to the Annual Plan seeking a subsidy from the roading budget toward the Havelock Street kerb and channel project. The Board is contributing \$130,000 from rates/reserves and are seeking an amount of \$35,000 (approximately 30% subsidy) to complete this project in its entirety within the 2016/2017 financial year.</p>
225	2016/02/1780	Federated Farmers Taniith Robb	Uniform Targeted rate	<p>2. UNIFORM TARGETED RATE (UTR)</p> <p>2.1 Overall, 2016 is shaping up to be another tough year for farmers, and most farmers' rates bills will be significant. Federated Farmers considers that this is an appropriate time for Council to address the disproportionate amount of rates that farmers in the District have to pay.</p> <p>2.2 We recommend that Council increases the UTR and reduces reliance on property value-based rates in order to increase the equity of rating allocation and lessen the cost of rural rates bills.</p> <p>2.3 Property values are not an accurate reflection of a ratepayer's ability to pay rates. This year, many farming families will have to use debt to pay their rates.</p> <p>2.4 Property values are only one measure of overall wealth, and no measure of relative income, particularly between different types of ratepayers. Therefore, reliance on property values as a measure of either of these factors does not lead to equitable outcomes.</p> <p>2.5 Council does not know the income or net wealth of their ratepayers, both of which are significantly better indicators of ability to pay than relative property value. All Council knows is the ratepayers' assessed property values and, more broadly, social demographic statistics. This is insufficient information on which to base a compulsory tax with the purpose of reflecting 'ability to pay' principles.</p>

Item 7.1 Attachment I

No	TRIM Record	Name	Submission Topic Secondary	General Comments
				<p>2.6 The UTR is the most effective and equitable funding tool where benefits from an activity can be considered to accrue equally to all ratepayers; or where all ratepayers can be assumed to have equal access to an activity and therefore to receive equal benefit.</p> <p>2.7 A farming property should not contribute a disproportionate amount to the activities funded by it, where that property has no greater impact than that of a residential property, or where the direct benefits are not captured by the farming property.</p> <p>2.8 In tough times, residential ratepayers can access the government's rates rebate scheme, which offers a subsidy of \$605 for residential ratepayers with an income below \$24,250. Agricultural land is specifically excluded from the scheme, which means farmers could be facing thousands in rates bills adding further to their negative net farm income.</p> <p>2.9 In terms of the Regional Heritage Rate, Federated Farmers has no view on whether this should be increased by \$5 in 2016/2017. However, if Council decides to proceed with increasing the Rate, we strongly recommend that the UTR is increased by at least \$5 in order to accommodate the additional Rate.</p> <p>2.10 If the UTR is not increased, the balance of rates is further shifted in favour of property value based rates, which is inequitable and inappropriate in the case of Council activities that benefit all ratepayers equally.</p> <p>2.11 Federated Farmers believes that where Council activities benefit all residents equally, ratepayers should pay the same amount, for example, District Leadership and Support, some Community Development (destination promotion and related activities should be funded as a targeted rate paid only by those commercial ratepayers who receive direct benefit from the promotion of the District as a tourism destination), and Representation and Advocacy.</p> <p>Decision sought That the UTR is used to fund activities which benefit all residents equally, including District Leadership and Support, some Community Development; and Representation and Advocacy; That Council funds all of these activities' costs currently attributed to the general rate using a UTR; and That Council increases the proportion of rates revenue from the uniform annual general charge and certain targeted rates set on a uniform basis from 25.62% to 30% for 2016/2017.</p>
225	2016/02/1780	Federated Farmers Tanith Robb	Rates affordability	<p>5. RATES</p> <p>5.1 In the 2016/2017 year, Council is proposing to overall rate increase of increase 3.33%. However, many farmers are facing individual rates increases of over 10%.</p> <p>5.2 We strongly oppose this increase in rates for rural landowners. These increases are</p>

No	TRIM Record	Name	Submission Topic Secondary	General Comments
				<p>significant, particularly as farmers, with relatively higher value properties required to make a living from, are already paying a relatively greater amount in rates. Consideration of this relative increase as a percentage does not do a great job of explaining the actual cost impact of rating decisions across different ratepayers.</p> <p>5.3 For a farmer (non-dairy) that paid \$4,733 in rates last year, in 2016/2017 they will face an 11% increase, which represents an extra \$524 in rates for the year ahead. For a residential ratepayer paying \$1,936 last year, they are facing a 3.7% rates increase, and a total increase of \$73. Some dairy farmers are facing 12.5% increases, or \$1,817 extra, which is more than many residential ratepayer's total rates bill.</p> <p>5.4 By increasing rural ratepayers' rates to this degree, Council is exacerbating an existing discrepancy.</p> <p>5.5 The draft Annual Plan suggests the change in rates is partly a result in the 2015 revaluation. This highlights the flaws in relying on property value to determine rates allocation.</p> <p>5.6 Farming families are hugely disadvantaged by Council's use of capital value based rates. The current value of the UTR does not completely address the huge imbalance of rates burden in the District.</p> <p>5.7 A farming property should not contribute a disproportionate amount to Council activities, where that property has no greater impact than that of a residential property, or where the direct benefits are not captured by the farming property. This is why we are such strong proponents of the uniform annual general charge.</p>
				<p>Decision sought We oppose the forecast rates increases for farmers and consider these are inappropriate and unsustainable; That Council reviews its proposed expenditure and cuts non-essential spending to increase rates affordability for its ratepayers; and That Council recognises that rural ratepayers are already paying significantly more rates than urban residents, and seeks to ensure that use of capital value-based rates are kept to a minimum so disproportionate amounts of rural rates is not exacerbated.</p>
225	2016/02/1780	Federated Farmers Taniith Robb	Fees and Charges	<p>6. FEES AND CHARGES</p> <p>6.1 Federated Farmers notes that Council fees and charges in regards to food safety and alcohol licensing are increasing and there are some new fees</p> <p>6.2 Overall, we support a 'user-pays' system, and support the increased fees and charges, provided these are a reasonable reflection of the underlying costs of the activity.</p>

Item 7.1 Attachment I

No	TRIM Record	Name	Submission Topic Secondary	General Comments
227	2016/02/1782	Wendy Joy Baker	Rates affordability	No rate increase. There has been too much of ratepayer money spent on cycle trail. http://www.stuff.co.nz/national/76779760/southland-district-council-and-fish--game-set-forenvironmentcourt-battle-over-around-the-mountains-cycle-trail
258	2016/03/1970	Jean Elizabeth Fallow	Fees and Charges/ Rates affordability	Resource management fees - For fees to double seems excessive to me. Are these blanket charges for all applications? How does the Commerce Commission view these charges?
259	2016/03/1971	Russell Rawlings	Rates affordability	It's no problem for you to increase our rates but what do you think we all are? We can't reach up to the sky and get more and more. It seems the more we pay the less we get back in way of things getting done at Winton. For example, how about decent footpaths and trees trimmed that cause blocked drains and flooding in winter.

Category/ Town	Activity	Group	Project Name	Business Unit	Account	Financial Year	15-16 Budget	Amount to include in 16-17	Owner	Officers Comment	Funding*
District	District Leadership	District Support	Digitisation Back Capture	Knowledge Management	Software - Acquisition LOS	15-16	\$750,000	\$190,000	Damon Campbell	Since the completion of the LTP project planning has identified that the majority of the budget will be spent in the 2016/2017 financial year when the files are sent to the vendor for digitisation. Additional costs are to be moved into 2016/17 due to delays in appointing the fixed term position and the timing of the TRIM upgrade with a new Go live date of 1 August 2016. \$500,000 of the 15-16 budget was included in the draft Annual Plan.	Loan
District	District Leadership	District Support	Core System Review	Information Management	Software - Acquisition LOS	15-16	\$1,000,000	\$750,000	Damon Campbell	Core System review programme of work is to be finalised which will ultimately push out spend to future years. Have allowed for \$250,000 for the current year to cover preliminary consultants and any quick wins that have been identified.	Loan
District	Water	Water	District Wide Leak Detection	District Water	Water - Acquisition LOS	15-16	\$50,000	\$50,000	Ian Evans	District Monitoring Project WAT950 deferred to 16/17 to enable meters to be installed first.	Loan
District	Water	Water	Project Management and Design for District Monitoring Project	District Water	Water - Acquisition LOS	15-16	\$17,000	\$17,000	Ian Evans	District Monitoring Project WAT987 for PM & Design Metering delayed due to the deferral of WAT950.	Loan
District	Water	Water	Various	District Water	Staff Costs LOS	15-16	\$25,625	\$8,948	Ian Evans	Allowance for internal staff time to reflect projects deferred	Loan
District	Water	Water	Various	District Water	Staff Costs Renewal	15-16	\$81,594	\$4,982	Ian Evans	Allowance for internal staff time to reflect projects deferred	Loan
District	Wastewater	Wastewater	CCTV	District Sewerage	C C T V Inspections	15-16	\$50,000	\$50,000	Ian Evans	Work is deferred to 2016/2017 due to the unavailability of suitable equipment in Southland until late 2016.	Reserves
District	Wastewater	Wastewater	Various	District Sewerage	Staff Costs LOS	15-16	\$64,425	\$54,300	Ian Evans	Allowance for internal staff time to reflect projects deferred	Loan
District	Wastewater	Wastewater	Various	District Sewerage	Staff Costs Renewal	15-16	\$90,273	\$9,357	Ian Evans	Allowance for internal staff time to reflect projects deferred	Loan
District	Regulatory Services	Resource Management	District Plan	Resource Planning/Policy	General Projects	14-15	\$75,000	\$75,000	Simon Moran	Limited expenditure has occurred during the current year with the biodiversity mediation/appeal process on hold. Funds needed to be carried forward to 2016/2017 as: The Around the Mountain Cycle Hearing has shown that there will be pressure to completed a district wide landscape assessment. This along with still waiting for ES to give a clear direction on whether they will have provisions in the Water & Land plan covering biodiversity or not.	Reserves
District	Regulatory Services	Resource Management	District Plan	Resource Planning/Policy	Plan Changes	14-15	\$100,000	\$100,000	Simon Moran	Limited expenditure has occurred during the current year with the biodiversity mediation/appeal process on hold. Funds needed to be carried forward to 2016/2017 as: The Around the Mountain Cycle Hearing has shown that there will be pressure to completed a district wide landscape assessment. This along with still waiting for ES to give a clear direction on whether they will have provisions in the Water & Land plan covering biodiversity or not.	Reserves
District	Roads and Footpaths	Roads and Footpaths	Various	Roading - District Wide	Seal Rd Resurface - Renewal	15-16	\$4,486,917	\$686,153	Joe Bourque	Significantly lower prices received in the tender process and a significant drop in the bitumen index will result in being significantly under budget at year end. Budget for 2016/2017 is expected to be tight so that the variance should be carried forward.	Reserves/Loan
Dipton	District Leadership	District Support	Information Board	Operating Costs - Dipton	General Projects	16-17	\$1,000	-\$1,000	Leighton Hare	work started on 16/17 project for an information board early.	Reserves
Limehills	Stormwater	Stormwater	Mechanical Cleaning	Stormwater Drainage - Limehills	Maint - Project	14-15	\$11,695	\$11,695	Moir Tinnock	The Community Board have advised that this project will be undertaken in the 16/17 financial year as this stormwater drains were sprayed this year and would be of more value to delay mechanical cleaning until 16/17.	Reserves
Lumsden	Community Services	Parks and Reserves	Upgrade Railway Heritage Area	Playground - Lumsden	Improvements - Renewals	16-17	\$0	-\$25,625	Bruce Miller	\$25,625 project 823A budgeted in 16/17 year to be brought forward to 15/16 for under 5yr playground and dust suppression at the railway station.	Reserves
Nightcaps	Community Services	Hall	Interior Painting	Hall - Nightcaps	Improvements - Renewals	16-17 & 17-18	\$0	-\$14,666	Kevin McNaught	Interior painting project brought forward to be done this year funded by reserves	Reserves
District	Wastewater	Wastewater	Treatment Upgrade Stage 1	Sewerage Scheme Riversdale	Sewerage - Acquisition LOS	15-16	\$400,000	\$400,000	Ian Evans	Project WW502 - Treatment Plant upgrade stage 1 & Project WW509 consultant work and land purchase to be deferred to 2016/2017 as still awaiting Environment Southland consent.	District Funded - Loan
District	Wastewater	Wastewater	Treatment Upgrade	Sewerage Scheme Riversdale	Sewerage - Acquisition LOS	15-16	\$300,000	\$300,000	Ian Evans	Project WW502 - Treatment Plant upgrade stage 1 & Project WW509 consultant work and land purchase to be deferred to 2016/2017 as still awaiting Environment Southland consent.	District Funded - Loan
Riverton/Aparima	Roads and Footpaths	Roads and Footpaths	Widenings	Street Works - Riverton	Improvements - Acq LOS	13-14	\$105,884	\$105,884	Greg Erskine	This project is being undertaken in conjunction with the Roading Team, agreement on the final design has delayed construction until the 16/17 year.	Reserves /Loan
Riverton/Aparima	Roads and Footpaths	Roads and Footpaths	Kerb work on Havelock Street	Street Works - Riverton	Concrete Kerbs - Renewal	15-16	\$176,778	\$130,000	Greg Erskine	This project is for 750 metres of new street kerb and channel in Havelock Street. Applying for NZTA subsidy through annual plan so will not be started before 30 June, 2016. Project 822A	Reserves /Loan
Riverton/Aparima	Roads and Footpaths	Roads and Footpaths	Streetslight Renewal	Street Works - Riverton	Street Lighting - Acquis LOS	15-16	\$5,000	\$5,000	Greg Erskine	Carry forward to 16/17, more value delaying for a year. Project 776A	Reserves

r14R/21ARSL

Item 7.1 Attachment J

Category/ Town	Activity	Group	Project Name	Business Unit	Account	Financial Year	15-16 Budget	Amount to include in 16-17	Owner	Officers Comment	Funding*
Stewart Island/Rakiura	Solid Waste	Solid Waste	replace 8 plastic rubbish bins with stainless steel	Refuse Collection - Stewart Is	Improvements - Renewals	15-16	\$13,000	\$13,000	Brendan Gray	Scope of work being re-assessed after Kaka's now entering bins. Change of bin design required from original. Relies on successful visitor levy application to proceed. Most likely defer to 16/17	Capital Grants
Stewart Island	Stormwater	Stormwater	Rectify Main Road flooding at DOC	Stormwater Drain - Stewart Is	Stormwater - Acquisition LOS	15-16	\$40,000	\$40,000	Ian Evans	Project STO376 - rectify Main St flooding at DOC on hold until the DOC building proceeds.	Reserves
District	Water	Water	Contact Tanks	Water Supply Te Anau	Water - Renewal	15-16	\$66,430	\$66,430	Ian Evans	Project WAT678 - contact tanks at WTP delayed until 16/17	District Funded - Loan
District	Wastewater	Wastewater	Lateral Replacements	Sewerage Scheme Te Anau	Sewerage - Renewals	15-16	\$948,882	\$124,761	Ian Evans	Project WW619 - Laterals delayed until 2016/2017	District Funded - Loan
District	Water	Water	Replace reservoir tanks ahead of schedule (Kakapo)	Water Supply Kakapo	Water - Renewal	15-16	\$85,000	\$85,000	Ian Evans	RW136 to be completed in 2016/2017 in conjunction with an additional project	Reserves
District	Community Services	Parks and Reserves	Curio Bay Upgrade	Curio Bay Reserve (SDC Costs)	Improvements - Acq LOS	15-16	\$970,000	\$815,000	Ian Evans	project 782A Curio Bay Upgrade only to be partially completed in 15/16. Anticipating approval from Council in April 2016 and paying for \$155,000 of work before the end of June 2016. The remaining \$815,000 to be deferred to 2016/17.	Loans/Reserv es
Tuatapere	Roads and Footpaths	Roads and Footpaths	General Maintenance	Street Works - Tuatapere	Maint - General	15-16	\$5,000	\$5,000	Leighton Hare	Maintenance not required this year. Will be used in future years from reserves when there is a reasonable amount of work to be completed.	Reserves
Orawia	Community Services	Hall	Reroof	Hall - Orawia	Buildings - Renewal	15-16	\$21,200	\$21,200	Kevin McNaught	This project has been deferred till the next year so they can raise funds and get no loan	Reserves/Ext ernal Funding
District	Water	Water	Increase Storage	Water Supply - Eastern Bush	Water - Acquisition LOS	15-16	\$22,303	\$22,303	Ian Evans	Project WAT60 -Increase Storage has been deferred to 2016/2017 to be carried out with plant upgrade	District Funded - Loan
Otautau	Community Services	Council Buildings/Propert y	Upgrade Camping Ground	Holt Park Camping Ground	Buildings - Acquisition LOS	15-16	\$240,000	\$220,000	Greg Erskine	Stage 1, New ablution block out to tender. Delays due to investigation and design. Construction to commence in the new financial year. Carry forward \$220,000	Reserves
Winton	Roads and Footpaths	Roads and Footpaths	Footpath reclamation & lichen Spray	Street Works - Winton	Maint - Project	15-16	\$10,000	\$8,000	Moirra Tinnock	Project deferred as a trial is required to be undertaken of this product to remove moss and lichen before the contractor is engaged to undertake \$10K of work. Trial of approx. \$2K will be undertaken in April 2016. Surplus to be carried forward to 16/17 Project 804A	Reserves
Winton	Community Services	Cemeteries	Leveling Plots and resow grass	Cemetery - Winton	Maint - Planned	15-16	\$15,000	\$15,000	Moirra Tinnock	Project is deferred to 16/17 as more cost effective methods need to be investigated regarding sourcing of materials before engaging a contractor. Project CE0013	Reserves
Winton	Community Services	Parks and Reserves	Skate Park upgrade	Winton Parks & Reserves	Improvements - Acquis Demanc	15-16	\$50,000	\$50,000	Moirra Tinnock	Project needs to go through to 16/17 as project is currently under limited notification process which will not be completed by the end of June 16. Project 819A	Parks Contributions

* Where projects were originally budgeted to be fully or partially funded by rates, the funds will be transferred to a relevant reserve as part of the 2015/16 year end process, and thus the carry forward projects are typically funded from these reserves.

14/6/2016

Dog Registration Fees for 2016/2017

Record No: R/16/3/3525
Author: Michael Sarfaiti, Environmental Health Manager
Approved by: Bruce Halligan, GM - Environment and Community

☒ Decision ☐ Recommendation ☐ Information

Purpose

- 1 To set the dog control fees for the 2016/2017 year.

Executive Summary

- 2 Council's dog control fees must be prescribed by resolution. It is proposed to continue the current fees for the 2016/2017 year, other than the addition of a proposed new fee concerning the withdrawal of infringements.

Recommendation

That the Council:

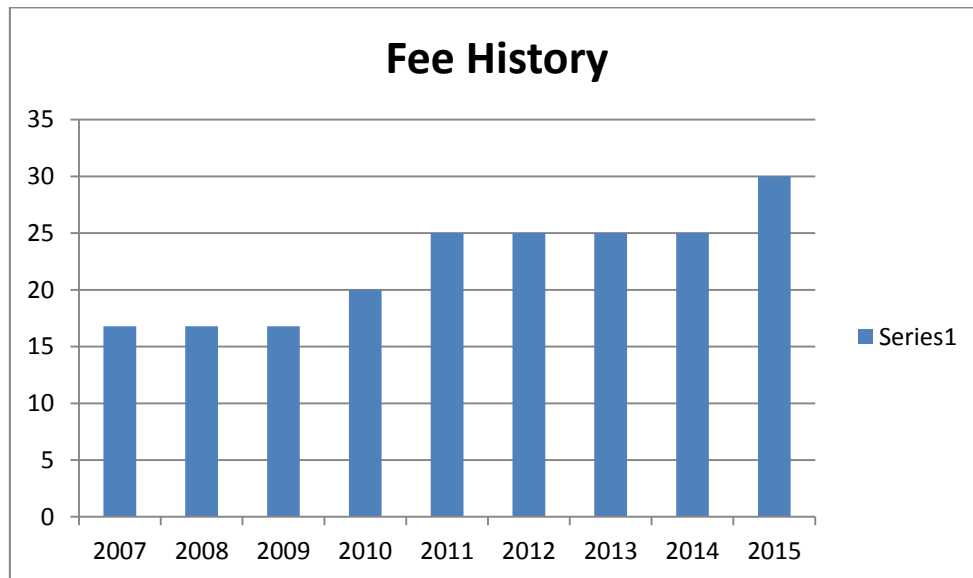
- a) **Receives the report titled "Dog Registration Fees for 2016/2017" dated 14 April 2016.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision making provisions 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) **Sets the dog control fees in Attachment A for the 2016/2017 registration year.**
- e) **Publicly notifies the fees in the Southland Times on Saturday, 4 June 2016 and Saturday, 11 June 2016.**

Content

Background

- 3 The Dog Control Act 1996 requires territorial authorities to set dog control fees. The Council currently has approximately 13,000 registered dogs within its District.
- 4 The Dog Control service operates a register of dogs, investigates complaints about dogs, monitors the District, and promotes responsible dog ownership.
- 5 The Dog Control business unit is staffed by a manager, one full-time and two part-time dog control officers, a customer services officer and a number of casual rangers.

- 6 Council has a combined dog pound with the Invercargill City Council. Council has a licence to occupy the pound with an exclusive licence to use five of the 28 kennels.
- 7 The dog registration fee history is as follows:



Issues

Continuation of fees

- 8 It is proposed to continue the current fees, with the exception of one new fee as described below. The proposed fees for 2016/2017 are in **Attachment A**.

New fee

- 9 It is proposed to introduce a new fee of \$30.00, for withdrawal of infringements. Infringement fines are referred to the Courts for collection after the objection period has closed. Occasionally infringements are waived when the infringements are with the Court for collection, and Council is required to pay the Court a fee for withdrawing an infringement. This fee enables Council to recover this cost when it is reasonable to do so.

Reserve

- 10 Currently the dog control reserve is about \$280,000. There are a number of reasons why the reserve should not be used to offset fees:
- Keeping fees lower for longer.
 - Two new licensing systems are being introduced in dog control (multiple dogs and registration discounts), and the costs associated with this are not fully known.
 - A reserve is sensible in the event that more pound capacity is needed in future.
 - Increasing costs relating to health and safety and vehicle operations.

Proposed discounts

- 11 It is proposed to introduce discounts into dog registration fees in 2017/2018. Discounts are proposed for good behaviour and microchipping, neutering and effective containment. Information about the proposed fees will be sent in the dog registration packs sent out to all dog owners in June this year.

- 12 These discounts, along with the transition period, were approved by Council during the recent dog control bylaw review.
- 13 Some information concerning the proposed discounts is in **Attachment B**.

Factors to Consider

Legal and Statutory Requirements

- 14 Section 37 of the Dog Control Act 1996, that is concerned about fee setting, is in Attachment C.
- 15 The Council is legally required to set the fees by resolution and to subsequently publicly notify these fees.

Community Views

- 16 Members of the community will have an opportunity to express their views on the registration fees when they are publicly notified.

Costs and Funding

- 17 The dog control service is funded mainly from registration fees, and also from infringements, and fees and charges. Council has resolved that dog control is to be fully funded by fees and charges.

Policy Implications

- 18 There are no specific policy and plan considerations.

Analysis

Options Considered

- 19 There are no options, Council must set dog control fees by resolution and may make any changes to the proposed fees in **Attachment A** as it sees fit.

Analysis of Options

That Council sets the dog control fees in Attachment A for the 2016/2017 registration year, with any amendments as it sees fit.

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• The recommended fees are considered suitable for the District.	<ul style="list-style-type: none">• None identified.

Assessment of Significance

- 20 This review is considered to be not significant in accordance with Council's Significance and Engagement Policy.

Recommended Option

- 21 Not applicable.

Next Steps

- 22 Council's decision will be publicly notified in the Southland Times and also on Council's website; and the fees will come into effect on 1 July 2016.

Attachments

- A Proposed Dog Control Fees [View](#)
- B Information about the proposed discounts in 2017/18 [View](#)
- C Section 37 of the Dog Control Act [View](#)

DOG CONTROL FEE SCHEDULE**EFFECTIVE 1 JULY 2016****(All fees GST inclusive)**

Registration - Dog (non-working)	\$30.00
A dog impounded by SDC released to a SDC authorised rehoming provider for either fostering or rehoming (initial registration only)	Free
Registration - Working Dog	\$30.00
Late Registration - All Dogs	50%
Dog Control	
Dog hearing lodgement fee	\$100.00
Multiple dog licence application fee	\$50.00
Sale of collars	\$9.00
Withdrawal of infringement fee, per infringement	\$30.00
Microchipping	
Microchipping of a dog registered by SDC	Free
Commercial breeders that require more than four pups to be microchipped per registration year, per dog, for the fifth and subsequent dog	\$30.00
Dog Impounding Fees	
Impounding of dogs	\$100.00
Sustenance of impounded dog per day or part thereof	\$15.00
Euthanasia	\$40.00

Changes to dog Registration in July 2017

Council is introducing new dog registration fees from 1 July 2017. The proposed fees are as follows:

Registration - Dog (non-working)	\$90.00
Less discounts:	
(a) Fencing or a controlled property	\$20.00
(c) The dog is microchipped as required by the Dog Control Act 1996; and there has been no written warning, barking abatement notice, seizure or infringement under the Dog Control Act 1996 from 1 July 2016 onwards relating to any dog owned by the person applying for the registration	\$30.00
(c) The dog is neutered or spayed	\$10.00
Registration fee inclusive of (a), (b), and (c)	\$30.00
Registration - Working Dog	\$30.00
Late Registration - All Dogs	50%

The purposes of the new fees are to encourage responsible ownership, and to reduce the number of dog wandering and aggression incidents.

If you have a non-working dog, you will need to do the following to get all the discounts available:

1. Fencing

To receive the fencing discount, ensure that your dog is contained on your property in one of the following ways:

- A fully fenced property; or
- A fenced or portable enclosure; or
- A dog motel; or
- A kennel with an enclosed run attached; or
- A leash attached to a running wire.

2. Good behaviour and microchipping

If you want your dog to be microchipped, you can get it done for free at one of Council's free microchipping sessions. Check out Council's website to see when the next session is near you, or ring Dog Control.

Council is adopting a clean slate approach to good behaviour. Only incidents of irresponsible dog ownership from 1 July 2016 will be taken into account. From July 2018 onwards, only the previous two year's history will be taken into account with the good behaviour discount.

3. Neutering or spaying

Council will give you a discount for neutering or spaying of your dog if:

- **Dogs neutered or spayed up to 31 May 2016:**
 - Council's records show that your dog is neutered or spayed, but only if recorded by Council before 1 June 2016; or

- You advise that your dog has been neutered or spayed in the dog registration application form.
- **Dogs neutered or spayed from 1 June 2016:**
 - For the first registration for a pup, you will automatically receive the neutering discount for the first year of registration; or
 - You have provided evidence from a vet that your dog has been neutered or spayed, such as a receipt or a certificate.

Section 37 Dog Control Act 1996

Territorial authority to set fees

- (1) The dog control fees payable to a territorial authority shall be those reasonable fees prescribed by resolution of that authority for the registration and control of dogs under this Act.
- (2) Any resolution made under subsection (1) may—
 - (a) fix fees for neutered dogs that are lower than the fee for dogs that have not been neutered;
 - (b) fix fees for working dogs that are lower than the fee for any other dog, and may limit the number of working dogs owned by any person which qualify for lower fees under this section;
 - (c) fix different fees for the various classes of working dogs;
 - (d) fix fees for dogs under a specified age (not exceeding 12 months) that are lower than the fee that would otherwise be payable for those dogs;
 - (e) fix, for any dog that is registered by any person who demonstrates to the satisfaction of any dog control officer that that person has a specified level of competency in terms of responsible dog ownership, a fee that is lower than the fee that would otherwise be payable for that dog;
 - (f) fix by way of penalty, subject to subsection (3), an additional fee, for the registration on or after the first day of the second month of the registration year or such later date as the authority may fix, of any dog that was required to be registered on the first day of that registration year;
 - (g) fix a fee for the issue of a replacement registration label or disc for any dog.
- (3) Any additional fee by way of penalty fixed under subsection (2)(f) shall not exceed 50% of the fee that would have been payable if the dog had been registered on the first day of the registration year.
- (4) In prescribing fees under this section, the territorial authority shall have regard to the relative costs of the registration and control of dogs in the various categories described in paragraphs (a) to (e) of subsection (2), and such other matters as the territorial authority considers relevant.
- (5) Where any 2 or more territorial authorities have formed a joint standing or joint special committee in accordance with section 7, the resolution of that committee under subsection (1) may fix different fees in respect of dogs kept in the different districts, having regard to the costs of registration and dog control in the districts concerned.
- (6) The territorial authority shall, at least once during the month preceding the start of every registration year, publicly notify in a newspaper circulating in its district the dog control fees fixed for the registration year.
- (7) Failure by the territorial authority to give the public notice required by subsection (6), or the occurrence of any error or misdescription in such public notice, shall not affect the liability of any person to comply with this Act or to pay any fee that is prescribed by the territorial authority under subsection (1).
- (8) No increase in the dog control fees for any year shall come into effect other than at the commencement of that year.”

Food Act 2014 Delegations

Record No: R/16/3/3303
Author: Michael Sarfaiti, Environmental Health Manager
Approved by: Bruce Halligan, GM - Environment and Community

☒ Decision ☐ Recommendation ☐ Information

Purpose

- 1 To make delegations under the Food Act 2014.

Executive Summary

- 2 The Food Act 2014 came into fully into force on 1 March 2016. Council may wish to delegate certain functions and duties under this Act to the Chief Executive, who may then in turn sub-delegate to staff.

Recommendation

That the Council:

- a) Receives the report titled “Food Act 2014 Delegations” dated 4 March 2016.
- b) Determines that this matter or decision be recognised as 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) Delegates all of its responsibilities, duties and powers under the Food Act 2014 and Regulations made under it to the Chief Executive; except the following:
 - (i) Section 173 (2) Agreement to combine functions with other territorial authorities.
 - (ii) Section 176 Transfer of functions to other territorial authorities or regional councils.
 - (iii) Section 179 Transfer of function to chief executive of Ministry of Primary Industries.
 - (iv) Section 182 Change revocation etc of any transfer under Section 179.
 - (v) Section 205 Power to fix fees.

The Chief Executive has the power to sub-delegate any of the responsibilities, duties and powers.

Content

Background

- 3 Council has a delegations register, for the purpose of the efficient provision of services. The Food Act 2014 (the Act) came into force on 1 March 2016, and Council has not made any delegations under this Act.
- 4 At the time of writing, the Ministry for Primary Industries is developing national systems for councils to use, in regard to registration of food businesses, and uploading inspection data.
- 5 The Act is being implemented over a three year transition period, ending on 28 February 2019.
- 6 Environmental Health staff from the Gore District and Invercargill City Councils have jointly sought advice from Council’s solicitor for recommended delegations. These are recommended below for adoption.

Issues

- 7 Councils have a number of roles, functions, and duties under the Act such as:
- provision of advice; and
 - the dissemination of information on matters relating to
 - performing the function of a registration authority; and
 - carrying out enforcement and other regulatory responsibilities.
 - carrying out the role of a recognised agency; and
 - to manage and train its staff to carry out functions and activities in relation to this Act.
 - to manage verification functions.
 - to investigate non-compliance and complaints regarding.
 - to respond to recalls and to respond in an emergency situation.
 - to perform administrative functions relating to this Act.
- 8 This report proposes to delegate all powers needed to be exercised on a day to day basis at a staff level, if the Council's functions and duties are going to be undertaken successfully.
- 9 The delegation will give the Chief Executive the power to appoint food safety officers.

Factors to Consider

Legal and Statutory Requirements

- 10 Clause 32 of the 7th Schedule of the Local Government Act 2002 enables Council to make the recommended delegations in this report.
- 11 Council's solicitor has drafted the recommended delegations in this report. He recommends that this delegation along with the delegations register follows the format of having a section on statutory functions with delegations to the Chief Executive with the power for him to sub-delegate any of the responsibilities, powers etc to staff unless sub-delegation is expressly excluded.

Community Views

- 12 There is no requirement to consult, as delegations are an operational matter. The delegations as proposed will assist with the efficient and cost effective implementation of the Act for communities and customers.

Costs and Funding

- 13 Delegations are an efficiency that will reduce Council and staff time in undertaking the delegated duties.

Policy Implications

- 14 There are no policy implications.

Analysis

Options Considered

- 15 The options are whether or not to delegate.

Analysis of Options

Option 1 - That Council adopts the following delegation:

- 16 Delegates all of its responsibilities, duties and powers under the Food Act 2014 and Regulations made under it to the Chief Executive; except the following:
- (i) Section 173 (2) Agreement to combine functions with other territorial authorities.
 - (ii) Section 176 Transfer of functions to other territorial authorities or regional councils.
 - (iii) Section 179 Transfer of function to Chief Executive of Ministry of Primary Industries.
 - (iv) Section 182 Change revocation etc of any transfer under Section 179.
 - (v) Section 205 Power to fix fees.
- 17 The Chief Executive has the power to sub-delegate any of the responsibilities, duties and powers.

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• Efficient delivery of services.• Cost savings.	<ul style="list-style-type: none">• None identified.

Option 2 - That Council does not adopt the delegations in whole or in part.

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• None identified.	<ul style="list-style-type: none">• The Council would not be able to effectively and efficiently deliver services under the Act.

Assessment of Significance

- 18 The delegation is not considered significant in relation to Council's Significance and Engagement Policy.

Recommended Option

- 19 Option 1 is recommended for the efficient and effective administration of the Act. Should Council choose not to make these delegations, then a number of decisions will be subject to delays, having to be considered by Council at its meetings.

Next Steps

- 20 I will present a report to the Chief Executive with recommendations for sub-delegations, who may then sub-delegate some or all of his delegated powers to staff.

Attachments

There are no attachments for this report.

Food Act 2014 - Combined Registration Authority

Record No: R/16/3/3378
Author: Michael Sarfaiti, Environmental Health Manager
Approved by: Bruce Halligan, GM - Environment and Community

☒ Decision ☐ Recommendation ☐ Information

Purpose

- 1 To support the creation of a combined registration authority under the Food Act 2014.

Executive Summary

- 2 The Food Act 2014 enables Southland District Council (SDC) to combine with other councils to create a combined registration authority. The “Ease of Doing Business” work currently being undertaken under the Southland Regional Development Strategy has highlighted a desire from industry to see uniformity across councils for regulatory matters. A combined registration authority will meet these expectations.

Recommendation

That the Council:

- a) **Receives the report titled “Food Act 2014 - Combined Registration Authority” dated 14 April 2016.**
- b) **Determines that this matter or decision be recognised as 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) **Authorises the Chief Executive to enter into a written agreement to combine with one or more southern territorial authorities for the purpose of performing the function of a registration authority under the Food Act 2014 in the combined district of the territorial authorities that are parties to the agreement.**

Content

Background

- 3 The Food Act 2014 (the Act) enables SDC to combine with other councils to create a combined registration authority.
- 4 Most food businesses are required to register with the local council. Registration is an administrative process where the business completes an application form at set intervals with the payment of a fee, and information about the business is recorded in the council’s register.
- 5 Registration is separate to SDC’s verification function. Verification is the term used in the Act for auditing of food premises, and is conducted by SDC’s Environmental Health Officers or third party Auditors.

The New Food Act Approvals

- 6 There are two new types of Council approval for food businesses, food control plans and national programmes. Which one is needed depends on the type of business. Higher risk businesses due to extensive food handling, such as restaurants and takeaways, need a food control plan, and lower risk businesses such as dairies and service stations will need the national programme.
- 7 A food control plan sets out what steps a business making or selling higher-risk foods needs to take to make safe food. A national programme is a less onerous approval process, with the controls summarised as “People, Places, Product, and Processes”.

Environmental Health Contracts

- 8 The following is the current environmental health contracting arrangements:
- GDC contracts SDC for environmental health services.
 - Both Clutha District (CDC) and Central Otago District (CODC) Councils have entered recent contracts for ICC to provide some environmental health services. Queenstown Lakes District Council (QLDC) up to recently provided food licensing services to CODC.
 - Dunedin City Council (DCC) and QLDC currently do not provide environmental health services to other councils.

Buy-in from other Councils

- 9 Staff from GDC and ICC have expressed interest in a combined registration authority with SDC.
- 10 Staff have not had discussions with any other councils concerning this issue. It is feasible that CDC and CODC may wish to combine with the Southland councils, given their current contractual arrangements with ICC.

Issues

Ease of doing business

- 11 SDC staff are currently involved in an ease of doing business discussion, as part of the Regional Development Strategy. Industry representatives have expressed a desire to reduce inconsistencies between local councils, and are seeking more uniformity.
- 12 The recommendation of this report is one step towards achieving more uniformity among the councils.

Different registration software systems

- 13 ICC and SDC use Pathway software for registration purposes, whereas GDC uses Authority software. CDC and DCC also use Pathway, but QLDC uses TechOne, and CODC uses NCS (Napier Computer Systems).
- 14 Any councils that wish to combine that have different systems will have some technical difficulties.
- 15 To avoid technical difficulties, each individual council may wish to record registration data on their own systems, rather than in one centralised register, during the three year transition period of the Act (ending on 28 February 2019).

- 16 Despite this, each council can use the same documentation and processes, achieving the uniformity that is desired by industry.
- 17 In other words staff believe that a virtual combined registration authority may be the best way of operating any combined registration authority in the short-term. From a customer point of view, the combined authority would appear to be one entity, though in practice registration data would be held on each of the councils' systems.

Fees

- 18 Under the new legislation, the registration fee is separate to the verification fee. The proposed 2016/2017 registration fee at SDC is \$73, for an existing business. A comparison cannot be provided with other councils at present, as none have adopted the new fee structure as recommended by the Ministry for Primary Industries cost recovery guidance, published in September 2015.
- 19 A combined authority should ideally have the same registration fee. This may be an issue to consider in the near future, but staff do not regard it as an issue that should hinder the potential formation of a combined registration authority.

One Council providing the registration service

- 20 An option is for one council to perform the registration function for the combined authority. During the three year transition period, councils may wish to retain their own systems. This is because during this period councils have exclusivity of verification for food businesses with templated food control plans within their Districts, and so will want to have ready and accurate access to registration data for these premises.
- 21 Also, councils will now be able to compete against each other for verification of food businesses operating under a National Programme. Under the former legislation, councils could not offer health inspection services to food businesses in neighbouring councils' districts. For this reason, there may be some reluctance to have only one council performing this function as this may give the council a competitive advantage.
- 22 There have been no discussions about the new competitive element of the new Act. Clearly, councils cannot make anti-competitive arrangements with each other. At this point, there is no intention for SDC officers to seek business in other council districts, though this may change if additional income is warranted and there is spare capacity in the team.

Factors to Consider

Legal and Statutory Requirements

- 23 The recommendation of the report is enabled under Section 173 of the Act:

173 Functions of territorial authority

- (2) A territorial authority may, by written agreement, combine with one or more other territorial authorities for the purpose of performing the function of a registration authority referred to in subsection (1)(a) in the combined district of the territorial authorities that are parties to the agreement.
- (3) If two or more territorial authorities have combined under subsection (2), they may designate any of them as the territorial authority responsible for performing the function of a registration authority for the combined district.

Community Views

- 24 There is no requirement to consult, as this is an operational matter.

Costs and Funding

- 25 There are no cost implications. Forms, procedures and so on can be developed by environmental health staff. This is under the assumption that software will not need to be updated, which will be the case if SDC continues to use its existing registration system.

Policy Implications

- 26 There are no policy implications.

Analysis

Options Considered

- 27 The options are whether or not to support a combined registration authority.

Analysis of Options

Option 1 - Authorises the Chief Executive to enter into a written agreement to combine with one or more southern territorial authorities for the purpose of performing the function of a registration authority in the combined district of the territorial authorities that are parties to the agreement

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• Uniformity and consistency in the registration process in Southland.• Working together where the legislation enables combined work.• Sharing of costs and expertise.	<ul style="list-style-type: none">• Some difficulties expected in working through current inconsistencies.• Additional staff time needed to implement a combined agency.

Option 2 - Status quo, Council will be the registration authority for the Southland District

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• SDC's registration systems are effective and there is no functional need to combine with another agency.	<ul style="list-style-type: none">• Does not meet the expectations being raised from the industry during the Ease of Doing Business discussions.

Assessment of Significance

- 28 This issue is not considered significant in relation to SDC's Significance and Engagement Policy.

Recommended Option

- 29 Option 1 is recommended.

Next Steps

- 30 Should either/both ICC or GDC resolve similarly, then the CEO may then enter into written agreements with them.

Attachments

There are no attachments for this report.

Forecasted Financial Position for the year ending 30 June 2016

Record No: R/16/4/5499
Author: Susan McNamara, Management Accountant
Approved by: Anne Robson, Chief Financial Officer

☒ Decision ☐ Recommendation ☒ Information

Purpose

- 1 To inform Council of the forecasted changes to the 2015/2016 Long Term Plan budget and to seek approval where necessary for anticipated unbudgeted expenditure included in the forecasts.

Executive Summary

- 2 Forecasting the financial position for the year ended 30 June 2016 is intended to provide information at an earlier stage of the year of any changes from what was included in the Long Term Plan.
- 3 Forecasting enables the organisation at all levels to understand the anticipated year end position and expected cashflow. It will also assist with decisions and priorities for spending being made across the organisation.
- 4 The budgeted expenditure included in the Long Term Plan for the 2015/2016 year was set nine months before the start of the financial year. Forecasting allows a formal process to communicate to Council and the Executive Leadership Team (ELT) any known changes. The net amount by business units is shown in Attachment A.
- 5 Approval is also sought for expenditure that has been identified as part of this process that has either not been included or amended from the amount included in the Long Term Plan for 2015/2016.

Recommendation

That the Council:

- a) **Receives the report titled “Forecasted Financial Position for the year ending 30 June 2016” dated 19 April 2016.**
- 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) **Approve the forecasted changes to Council’s year-end financial position.**

Content

Background

- 6 For the first time forecasting of the year end position has been completed during the 2015/2016 financial year. Forecasting has been completed twice during the year aligned with the internal corporate reporting. This was in November and March for the preceding four month period.
- 7 The second round of forecasting has been undertaken by Council staff during the first two weeks of March with the February financial results being available for reference. Council staff were asked to forecast the year end position with any changes that have occurred since the October forecast was undertaken.
- 8 Forecasting is not intended to involve the time and effort undertaken in the annual budgeting process. A methodology was developed by finance (including discussion with some budget managers) and the ELT that is expected to identify any issues without a significant time commitment.
- 9 Budget managers were requested to include forecasts for their business units where the expected overall outcome would vary from the budget in the Long Term Plan by specified tolerance levels. These net levels were set at \$1,000 for Council-owned halls; between \$1,000 and \$10,000 for townships (depending on their operational expenditure in the current year) and \$10,000 for all District business units. The maximum limit of \$10,000 was set in line with the delegation held by the Chief Executive in relation to him approving unbudgeted expenditure.
- 10 Finance reviewed the impact that the organisational review and vacancies will have on wages to the end of June 2015-2016. Where significant variation has been identified a forecast has been included. Across the organisation it is forecast that wages will be \$370K under the budget included in the Annual Plan.
- 11 No forecasting has been completed in relation to non-cash expenditure eg depreciation, revaluation of fixed assets.
- 12 During the second round of forecasting a reasonable number of adjustments have been made. To provide an overview of these Attachment A provides details of business units where there has been a significant dollar variation. Attachment B shows the changes that have been made a business unit level due to changes to projects, that are not part of the staff submission for the on the draft Annual Plan 2016/2017.
- 13 Attachment A shows the net adjustment by the individual business units, rather than every individual line adjustment. These have been split between district and local business units, showing the forecast change for each round. A summary of the commentary from the budget manager has been included.
- 14 Forecasting is to be used for the performance measure included in Asset Management Plan/Activity Profiles for capital financial sustainability. The performance measure is entitled financial sustainability, with a purpose to encourage the activity to be managed cost effectively. The specific measure is 'that capital work is completed on time and to be within budget as determined by the forecast completed at the end of the second quarter'. This will be measured from the forecasted information completed with this second round of forecasting.

- 15 During the second round of forecasting a number of projects have been identified as not being expected to be completed during 2015/2016. Some of these projects have been deferred to 2016/2017 and been included as a staff submission on the draft Annual Plan. As the detail of these projects has been included in the staff submission they have not been included again in this report. Projects that have been deleted entirely or are now expected to be completed 2017/2018 or later have been included in Attachment B. Projects moved out beyond 2016/2017 financial year will be included in the relevant draft Annual Plan.

Issues

- 16 Historically Council has been in the position of having surplus cash funds, with limited or no debt. The Long Term Plan indicates that Council will go into debt in the 2017/2018 financial year. When this occurs variations from the expected cashflow for the year will need to be understood to ensure appropriate cash management. It is expected that forecasts provided by the organisation will assist with this.
- 17 It is expected that the organisation will improve their forecasting as more iterations of the forecasting process are completed.
- 18 Forecasting provides an additional process to gain approval for anticipated unbudgeted expenditure during the year. Using the forecasting process for approval of multiple items of additional expenditure should reduce the number of individual reports needed to be handled by Council. Council will still need to approve some expenditure items separately where the expenditure is large enough to need to be considered individually or where the expenditure has arisen outside the forecasting timelines. There are two reports on the Council agenda today, which have arisen outside the forecasting timelines.

Factors to Consider

Legal and Statutory Requirements

- 19 Council needs to ensure that community views are considered for all matters deemed significant under the Significance and Engagement Policy. Where Council staff were aware significant projects are being deferred from 2015/2016 in October 2015 they have been included in the draft Annual Plan for 2016/2017. Examples of these projects include changes to the Southern Scenic Route, Mararoa Bridge and digitisation.
- 20 Council staff must ensure that all expenditure is carried out within approved delegations. The current financial delegations only allow the Chief Executive to approve unbudgeted expenditure up to \$10,000.

Community Views

- 21 Consultation was held with the community for the expenditure included in the 2015/2016 budget as part of the Long Term Plan.
- 22 Expenditure (both capital and operational) relating to townships has been discussed with the relevant Community Board or Community Development Area Subcommittee before being included in this forecast.
- 23 The community has had an opportunity to comment on some of the changes in operational expenditure where policies and bylaws have been out for consultation. An example of this is the change in income for annual liquor licence fees.

Costs and Funding

- 24 Forecasting completed shows that overall net effect on the statement of Financial Performance for the year is a reduction to the Net Surplus of \$5.64M. \$571K has been identified in the second round of forecasting. This has moved the expected surplus after tax from \$2.499M to an expected deficit after tax of \$3.356M. A difference in the actual revaluation of forestry assets and depreciation could have a major impact on this result. An example of this was in 2014-2015 where the actual depreciation differed to budget by \$4.3M.
- 25 Forecasting has also shown a net reduction of \$10,578M in capital work being completed in the current financial year. Of this \$4.13M is included in the staff submission to be included in the Annual Plan for 2016/2017. This reduction is broken down by activity on the following table.

<i>Activity</i>	<i>Amount to Carry Forward to 2016/2017</i>
Community Services	\$1,065,909
District Leadership	\$939,000
Roads and Footpaths	\$927,037
Solid Waste	\$13,000
Stormwater	\$40,000
Wastewater	\$888,418
Water	\$254,663

Policy Implications

- 26 There are no significant policy implications.

Analysis

Options Considered

- 27 The options are whether or not to approve, in full or part, the forecasted adjustments to the financial statements and additional expenditure in the Long Term Plan.

Analysis of Options

Option 1 - Approve the forecasted changes to Council's year end financial position. This expenditure is not included in the Long Term Plan for 2015/2016

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • Council is informed of anticipated changes from the Long Term Plan for 2015/2016. • Council has had the opportunity to prioritise expenditure to be incurred in the current financial year. • Council staff are able to purchase services as required to provide services to the community in the most appropriate 	<ul style="list-style-type: none"> • None identified

manner.	
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Option 2 - Approve part the forecasted changes to Council's year end financial position. This expenditure is not included in the Long Term Plan for 2015/2016

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • Council is informed of anticipated changes from the Long Term Plan for 2015/2016. • Council has had the opportunity to prioritise expenditure to be incurred in the current financial year • Council considers that the additional expenditure is not a current priority and does not need to be incurred. 	<ul style="list-style-type: none"> • Processes may be delayed where further approval needs to be sought from Council before committing to additional expenditure.

Option 3 - Not approve the expenditure in Attachment B. This expenditure is not included in the Long Term Plan for 2015/2016

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • Council is informed of anticipated changes from the Long Term Plan for 2015/2016. • Council has had the opportunity to prioritise expenditure to be incurred in the current financial year 	<ul style="list-style-type: none"> • Processes may be delayed where further approval needs to be sought from Council before committing to additional expenditure.

Assessment of Significance

- 28 The content of this report is deemed significant under the Significance and Engagement Policy as the financial impact in Attachment C is greater than the \$2M included as a measure of financial impact in the Significance Policy.
- 29 The deferral of the Southern Scenic Route, Mararoa Bridge and the digitisation project have been debated with regard to whether they are an issue that has a major/long term effect to either the District or a local community. As these items have only changed in timing to be delivered now in 2016/2017 it has been decided no major/long term exists as the community will be able to make submissions on these projects as part of the Annual Plan process.
- 30 As the projects have been deferred rather than removed no additional engagement of the community is required beyond the Annual Plan process.

Recommended Option

- 31 Option 1 to receive the forecasted adjustments to the financial statements and approve the expenditure in Attachment B not included in the Long Term Plan for 2015/2016.

Next Steps

- 32 To advise managers of the approval of additional expenditure for the 2015/2016 financial year.
- 33 Ensure that deferred projects approved by Council during deliberations for the Annual Plan are included in the Annual Plan for 2016/2017 financial year.

Attachments

- A Forecasted Net Expenditure Adjustment by Business Unit (March) [View](#)
- B Forecasted Changes to Projects in the 2015/2016 Financial Year [View](#)
- C Forecasted Statement of Comprehensive Revenue and Expenditure [View](#)

FORECASTED NET EXPENDITURE ADJUSTMENTS BY BUSINESS UNIT

Business Unit	Net Amount in March round	Net Cost Reduction or Additional	Net Amount for the year	Net Cost Reduction or Additional	Funding Source	Summary Reason
<i>District Business Units</i>						
Various Business Units	15,000	Reduction	15,000	Reduction	Reserve	Adjustment to wages
Various Business Units	248,000	Reduction	248,000	Reduction	Internal charge to other business units	Adjustment to wages
Financial Services	102,896	Reduction	143,360	Reduction	Internal charge to other business units	Adjustment to wages, reduction in LINZ, Quotable NZ fees and Insurance offset by additional training, postage and insurance brokerage fees.
Knowledge Management	190,000	Reduction	690,000	Reduction	Loan	Part of Digitisation project to be deferred to 2016/2017.
Information Management	15,000	Additional	88,000	Additional	Internal charge to other business units	Estimate for year of expected software licence fees and maintenance on equipment, where 2015/2016 budget was under estimated. Additional consultant costs to cover vacant positions, offset by adjustment to wages.
Information Management	750,000	Reduction	750,000	Reduction	Loan	Programme of work yet to be finalised which will push the work into future years
Secretarial Services	59,000	Reduction	59,000	Reduction	Internal charge to other business units	Adjustment to wages offset by increased advertising costs
Strategy and Communication	5,000	Additional	5,000	Additional	Internal charge to other business units	New online submission form developed for the Annual Plan
Chief Executive	255,000	Additional	233,351	Additional	Reserves	Adjustment to wages and increase in consultant costs offset by reduction in cell phone charges and legal fees.
Around the Mountains Cycle Trail	526,868	Additional	263,154	Reduction	Loan/Reserves	Adjustment to estimated costs of consent in the second round. Previously reduction in expected income offset by budgeted

Item 8.4 Attachment A

Business Unit	Net Amount in March round	Net Cost Reduction or Additional	Net Amount for the year	Net Cost Reduction or Additional	Funding Source	Summary Reason
						expenditure on stages 8 & 9 not being completed in the current year
Property Sales	63,872	Reduction	63,872	Reduction	Reserves	Sales of land for Greenhills quarry and part of stopped roads
Property Administration	57,000	Additional	57,000	Additional	Reserves	Additional Employees in place
Water Services	55,000	Reduction	87,000	Reduction	Reserve	Adjustment to wages and the cost of the Hansen 8 upgrade project has been split over three business units. The amount charged to this business unit has been completed under budget.
District Water	149,663	Reduction	199,663	Reduction	Loan	Balancing up of projects deferred at a town level along with WAT950 & WAT987 District Monitoring Project deferred to 2016/2017 to enable meters to be installed first.
District Sewerage	962,418	Reduction	962,418	Reduction	Loan	Balancing up of projects deferred at a town level along with CCTV work deferred to 2016/2017 due to unavailability of suitable equipment. Also an allowance for peer review being completed by Pattle Dalmore.
Building Regulation	178,545	Additional	178,545	Additional	Reserve	Reduction in consent income received offset by adjustment in wages
Dog and Animal Control	20,000	Reduction	1,000	Additional	Reserve	Additional income from dog registration offset by previous adjustment to licence fee income reduced due to Council resolution to have fee discounts instead of the responsible owner licence. Also income reduced as free microchipping to continue. Additional costs for pound maintenance as underestimated.
Resource Consent Processing	168,658	Additional	209,542	Additional	Reserve	Additional legal and consultant costs in relation to a consent appeal that is non-recoverable. along with reduction in consent and compliance monitoring income with reports improving efficiency of visits and level

Business Unit	Net Amount in March round	Net Cost Reduction or Additional	Net Amount for the year	Net Cost Reduction or Additional	Funding Source	Summary Reason
						of monitoring required.
Resource Planning/Policy	175,000	Reduction	175,000	Reduction	Reserve	Work on the District Plan not completed during the year due to mediation/appeal process on hold.
Council and Councillors	15,000	Additional	15,000	Additional	Reserve	Payment of communication payment for three years.
Council contributions/Grants	15,000	Additional	15,000	Additional	Reserves	Funding for Pork Pie and Lonely Girl
Roading – District Wide	651,662	Reduction	1,266,637	Reduction	Loan	Lower costs due to tender prices received combined with a low bitumen price. Change in scope/timing of projects is offset by reduced income from NZTA.
Waikaia Forest	10,403	Additional	771,628	Additional	Reserve	Maintenance on tree in river. No harvesting occurring this financial year so no income being received with a small offset from costs reduced to reflect this.
Work Schemes	12,000	Additional	12,000	Additional	Reserve	Net effect of reduced income due to reduced staffing level.
Toilets – Colac Bay Playground	2,000	Additional	2,000	Additional	Reserve	Increase in cleaning and maintenance
Toilets – Colac Bay East End	1,500	Additional	1,500	Additional	Reserve	Increase costs for portaloos hire offset by reduced cleaning costs
Toilets – Garston	45,578	Additional	-	No effect		Amount capital project reduced in October round now reinstated.
Toilets – Lumsden	2,207	Additional	2,207	Additional	Reserve	Budget held in separate business unit for maintenance
Toilets – Nightcaps	8,400	Reduction	8,400	Reduction	Reserve	Budget for maintenance has not been required this year
Toilets – Orepuki Hall	3,050	Additional	3,050	Additional	Reserves	Increase in usage requiring additional supplies and a repaint completed before the 150 th celebrations
Library – Riverton	20,000	Reduction	20,000	Reduction	Reserve/ Internal charge to other business units	Adjustment to wages

Item 8.4 Attachment A

Business Unit	Net Amount in March round	Net Cost Reduction or Additional	Net Amount for the year	Net Cost Reduction or Additional	Funding Source	Summary Reason
Toilets – Cosy Nook	1,200	Additional	1,200	Additional	Reserve	Budget needed for maintenance
Stewart Island sewerage	50,000	Additional	50,000	Additional	Development Contributions	Additional project required at ponds. Report included in Council agenda 27 April 2016 for approval.
Toilets Thornbury Playground	1,500	Additional	1,500	Additional	Reserve	To allow for maintenance work to be completed
<i>Local Business Units</i>						
Browns Street Works	1,000	Additional	1,000	Additional	Reserves	Tree trimming required under power lines
Dipton Operating costs	1,000	Additional	1,000	Additional	Reserves	Work begun on Information Board earlier than 2016/2017.
Edendale Hall	477,400	Reduction	477,400	Reduction	Grants/Reserves, Contribution levies	Building project removed as included in 2016/2017 draft annual plan. Offset by repayment of grant received from Transpower.
Garston Playground	3,500	Additional	3,500	Additional	Reserves	Installation of concrete surround at playground agreed with the CDA
Limehills Operating Costs	5,994	Additional	5,994	Additional	Reserves	Restore the Limehills War Memorial from funds received in 2014/2015.
Limehills Stormwater	11,695	Reduction	11,695	Reduction	Reserves	Community Board advised the project to be undertaken in 2016/2017 as drains have been sprayed this year.
Limehills Beautification	1,000	Additional	1,000	Additional	Reserves	Finished a project from 2014/2015 tidying the Community Centre car park area.
Lumsden refuse collection	4,000	Additional	4,000	Additional	Reserves	Additional demand on bins requiring more frequent collection
Lumsden Stormwater	11,000	Reduction	11,000	Reduction	Reserves	Investigation project STO187 completed for less than budget.
Lumsden Cemetery	5,960	Additional	5,960	Additional	Reserves	Drainage required around graves, previously approved by Council
Lumsden Recreation Reserve	1,215	Additional	1,215	Additional	Reserves	Increase in insurance cost for the year.
Lumsden Playground	25,625	Additional	25,625	Additional	Reserves	Project for under 5 year old playground and dust suppression budgeted in 2016/2017 started in 2015/2016.

Business Unit	Net Amount in March round	Net Cost Reduction or Additional	Net Amount for the year	Net Cost Reduction or Additional	Funding Source	Summary Reason
Mossburn Operating Costs	7,000	Additional	7,000	Additional	Reserves	Funds donated to hall for flood repairs and information kiosk
Mossburn Street Works	25,730	Additional	25,730	Additional	Reserves	Asphalt footpath in Devon Street requested by CDA.
Mossburn Playground	3,321	Additional	3,321	Additional	Reserves	Upgrade of border to be funded from funds received in 2014/2015.
Nightcaps Street Works	1,400	Additional	1,400	Additional	Reserves	Additional work required to footpath due to house fire and slip. This is the net additional cost as NZTA is provided a contribution.
Riverton Harbour	2,000	Additional	2,000	Additional	Reserve	Public Liability Insurance required for the first time
Stewart Island Jetties	14,000	Additional	14,000	Additional	Reserve	Funded from a \$20k grant received in 2014/15 from the Stewart Island visitor Levy. Quote from Entech for \$14,000.00.
Recreation Reserve - Glenburn	6,000	Additional	6,000	Additional	Reserve	several small projects being completed, all from arboretum reserves
Winton Memorial Hall	410,000	Additional	410,000	Additional	Reserve	Additional \$385,000 funds for project CC0042 approved by Council on 27 January 2016 per & \$25,000 approved on 9 March 2016

FORECASTED CHANGES TO PROJECTS IN THE 2015/2016 FINANCIAL YEAR

Business Unit	Net Amount in March round	Net Cost Reduction or Additional	Net Amount for the year	Net Cost Reduction or Additional	Funding Source	Summary Reason
<i>District Business Units</i>						
Toilets – Athol	24,483	Reduction	24,483	Reduction	Loan/Reserve	Project completed
Lumsden Sewerage	24,000	Reduction	24,000	Reduction	District Sewerage	WW141 for a new manhole not required as alternative methodologies adopted to repair the wet well.
Ohai/Nightcaps water supply	30,000	Reduction	30,000	Reduction	District Water	WAT344 for bypass tank to clarifier is being deferred to 2018/2019
Stewart Island sewerage	50,000	Additional	50,000	Additional	Development Contributions	Additional project required at ponds. Report included in Council agenda 27 April 2016 for approval.
<i>Local Business Units</i>						
Edendale Hall	477,400	Reduction	477,400	Reduction	Grants/Reserves, Contribution levies	Building project removed as included in 2016/2017 draft annual plan. Offset by repayment of grant received from Transpower.
Limehills Beautification	1,000	Additional	1,000	Additional	Reserves	Finished a project from 2014/2015 tidying the Community Centre car park area.
Lumsden Playground	25,625	Additional	25,625	Additional	Reserves	Project for under 5 year old playground and dust suppression budgeted in 2016/2017 started in 2015/2016.
Manapouri Hall	-	-	27,290	Additional	Reserve	2016/2017 project being completed early, offset by grant income.
Mossburn Street Works	25,730	Additional	25,730	Additional	Reserves	Asphalt footpath in Devon Street requested by CDA.
Nightcaps Hall	-	-	14,666	Additional	Reserve	Interior painting project brought forward to be done this year.
Tuatapere Hall	26,000	Reduction	26,000	Reduction	Reserve	One project was brought forward and done in 14/15
Wallacetown Stormwater	60,000	Reduction	60,000	Reduction	Reserve	Project STO760 - Outfall improvement deleted by the CDA
Winton – Street works	8,000	Reduction	8,000	Reduction	Reserve	Project deferred as a trial is required to be undertaken of this product to remove moss

Business Unit	Net Amount in March round	Net Cost Reduction or Additional	Net Amount for the year	Net Cost Reduction or Additional	Funding Source	Summary Reason
						and lichen before the contractor is engaged to undertake \$10K of work. Trial of approx. \$2K will be undertaken in April 2016. Surplus to be carried forward to 16/17 Project 804A

Item 8.4 Attachment C

Forecasted Statement of Comprehensive Revenue and Expense

		10 Year Plan 2015-2016 (\$000)	Amounts Carried Forward from 2014- 2015 (\$000)	Forecast Changes from October 2015 (\$000)	Forecast Changes from February 2016 (\$000)	Forecasted Result for 2015-2016 (\$000)
Revenue						
Rates		42,149	-	-	-	42,149
Other revenue		8,066	-	(654)	218	7,630
Interest and Dividends		425	-	-	-	425
NZTA		14,180	-	(1,544)	(204)	12,432
Grants and Subsidies		4,256	-	(2,619)	(91)	1,546
Other Gains/(Losses)		422	-	-	-	422
Vested Assets		-	-	-	-	-
Development and Financial Contributions		128	52	-	-	180
		69,626	52	(4,816)	(78)	64,784
Expenditure						-
Employee Benefit Expenses		10,767	-	(13)	(357)	10,397
Depreciation and Amortisation	1	21,589	-	-	-	21,589
Finance Costs		20	-	-	-	20
Other Council Expenditure	1	34,751	263	269	851	36,135
		67,127	263	256	493	68,140
OPERATING SURPLUS/(DEFICIT)		2,499	(212)	(5,073)	(571)	(3,356)
Share of Associate Surplus/(Deficit)		-	-	-	-	-
SURPLUS/(DEFICIT) BEFORE TAX		2,499	(212)	(5,073)	(571)	(3,356)
Income Tax Benefit		-	-	-	-	-
SURPLUS/(DEFICIT) AFTER TAX		2,499	(212)	(5,073)	(571)	(3,356)
Gain/(Loss) on Property, Plant and Equipment Revaluations	1	21,091	-	-	-	21,091
TOTAL COMPREHENSIVE REVENUE AND EXPENSE		23,590	(212)	(5,073)	(571)	17,735

The 10 Year Plan for 2015-2016 is the consolidated result of Council, Venture and SIESA

1 No adjustment has been made to the budgeted amount in the 10 Year Plan for depreciation, revaluation of infrastructure assets and revaluation of forestry assets in the forecasting process

Update on Te Anau Wastewater Peer Review Process

Record No: R/16/4/5071
Author: Ian Evans, Strategic Manager Water and Waste
Approved by: Ian Marshall, Group Manager Services and Assets

☒ Decision ☐ Recommendation ☐ Information

Purpose

- 1 To provide an update to Council on the progress made to advance the Te Anau Wastewater Discharge Project given the findings contained in the draft PDP peer review and draft addendum (both attached), and seek a decision as to whether Council wishes to defend the appeal to the Environment Court in regard to the Kepler option.

Executive Summary

- 2 Pattle Delamore Partners (PDP) were engaged to undertake a peer review of the current consented option for the Te Anau Wastewater Discharge Project. The Committee was briefed on the findings in the draft PDP report (**Attachment A**) at a two day workshop held on 9 and 10 February where it was agreed that a number of alternatives warranted further desktop investigation to determine if further physical investigation works should be progressed.
- 3 The outcome of this further work is presented as Addendum 1 (**Attachment B**) which makes recommendations around the potential alternatives. In brief the report identified treatment at the oxidation ponds with pumping to the Smith block as the most suitable alternative to compare against the consented Kepler option.
- 4 The assessments included in this report also need to be considered alongside legal and planning advice which recommends that the Council should not abandon the current Kepler option until it has a similar level of certainty in relation to any alternative option that it may wish to consider.
- 5 Given the need for the Council to indicate to the Environment Court by 27 May 2016 whether it wishes to continue with the consented Kepler option it is important that the Council make a decision on whether it wishes to defend the appeal at its meeting on 27 April 2016. The Project Committee have recommended that Council should defend the appeal but in parallel enter discussions with the appellants to explore potential areas of agreement. A draft copy of the proposed response to the Environment Court outlining how Council proposes to progress the appeal is attached (Attachment C).
- 6 The Committee also want to continue with its consideration of alternative options and are seeking approval for \$50k of unbudgeted expenditure to enable this work to continue.

Recommendation

That the Council:

- a) Receives the report titled “Update on Te Anau Wastewater Peer Review Process” dated 14 April 2016.
- b) Determines that this matter or decision be recognised as 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) Approves the \$261,377.82 of unbudgeted expenditure incurred as a result of undertaking the peer review.
- e) Determines that it wishes to pursue the Kepler resource consent and therefore will be defending the appeals before the Environment Court if no prior agreement is reached with the appellants.
- f) Notes the content of the draft Memorandum to the Environment Court and delegates authority to the Chief Executive to finalise the Memorandum, have it filed with the Environment Court and otherwise manage the defence of Council’s position through any mediation and/or Environment Court hearing process.
- g) Delegates authority to the Chief Executive to enter into discussions with Fiordland Sewage Options and other appellants to the Kepler resource consent to explore the areas of common interest prior to a formal Environment Court mediation process.
- h) Approves unbudgeted expenditure of \$50,000 to enable the Te Anau Wastewater Discharge Project Committee to carry out further investigation of potential alternatives.
- i) Requests that the Te Anau Wastewater Discharge Project Committee report back to Council by the meeting scheduled for 20 July 2016 with a progress report on the outcomes of its work and a suggested way forward.

Content

Background

- 7 Pattle Delamore Partners (PDP) were engaged to undertake a peer review of the current consented proposal for the Te Anau Wastewater Discharge Project. The peer review was intended to provide an independent assessment of the consented option relative to any other reasonably practicable alternatives and to provide the starting point for the development of the business case to Council for undertaking the project.

- 8 The consented option involves removing the current discharge from the Upukerora River and pumping, via a newly constructed pipeline, the treated wastewater to a land treatment/disposal site north of Te Anau Airport Manapouri, and is similar in nature to a number of other wastewater schemes across the country. Consent for this proposal was granted by independent commissioners in January 2015.
- 9 PDP has presented its draft report which confirms that the consented Kepler option is viable and does not identify any 'fatal flaws'. This assessment is consistent with the Commissioners' decision that the effects of the discharge on the receiving environment would be less than minor.
- 10 The draft report also identified two other sites that potentially have a lower 25 year net present value when compared to the consented option. PDP noted, however, that there was a need for further discussion with the Project Committee to determine whether the differences were sufficient to warrant further investigation given that they could be viewed as not significant over a 25 year period.
- 11 It is important to recognise that PDP's findings are based on a 'desktop study' and that at some point serious consideration of any alternative would require significant physical investigation work and subsequent consent application. As such the risk profile for exploring an alternative is different to the risk profile associated with the Kepler option.
- 12 The Committee is still considering the findings of the PDP peer review work and are seeking approval for additional funding to enable this consideration to continue. At their meeting on 4 April the Committee resolved to recommend continuing with the current appeal process while also undertaking further work to understand and further develop potential alternatives.
- 13 Following further technical consideration, which is outlined in the Addendum 1 report attached one of the options identified by PDP (the Slee option) is considered as being a high risk option and therefore should not be the subject of further investigation. PDP do, however, propose that should the Committee be of the view that further investigations should be undertaken into an alternative option then those investigations should be undertaken in relation to the Smith block option (Smith option).
- 14 The Committee have not accepted the PDP recommendations at this stage. Instead they would like to undertake visits to other wastewater treatment plant sites before giving further consideration to the PDP recommendations.
- 15 Proposals for a modified Kepler option are provided for information at this stage and will be considered further through the mediation process as the appeal to the current consented option is progressed.
- 16 Before committing to any significant expenditure on consideration of the Smith alternative (or any other) Council will need some surety around access to the land on which alternative might be developed both for investigation work as well as commitments around long term ownership of or access to the property(s) should the Council decide to proceed further. This is best managed through a Memorandum of Understanding (or similar) negotiated with the landowner(s). It is important that the Council have a level of certainty around its ability to access the property(s) before it makes a significant investment in further investigations. No work would be undertaken until a suitable agreement is able to be negotiated.

Issues

- 17 The Environment Court has directed that the Council is to elect by no later than 27 May 2016 whether it wishes to pursue the Kepler block resource consent application before the Court. It is appropriate that the Committee should make a recommendation to Council in relation to how it should respond to this direction from the Court.
- 18 The Project Committee is also seeking approval for additional unbudgeted expenditure to enable it to continue to consider the findings of the PDP peer review and undertake site visits to other wastewater schemes around NZ.

Factors to Consider

Legal and Statutory Requirements

- 19 There are a number of provisions in both the Local Government Act 2002 and the Resource Management Act 1991 that need to be considered.
- 20 In relation to the Local Government Act 2002 (LGA) it is noted that all Council decisions are subject to the decision-making provisions detailed in Part 6 of the Act. In broad terms these provisions require that the Council assess the advantages and disadvantages of each reasonably practicable option. The extent of consideration given should have regard to the level of significance of the proposed decision.
- 21 Under section 10 of the LGA the purpose of local government is described as including meeting the needs of communities for “good quality” local infrastructure. Good quality is defined as meaning infrastructure and services that are efficient, effective and appropriate to present and future circumstances. Under section 14 local authorities are required to operate in a prudent and business-like manner.
- 22 In relation to the Resource Management Act 1991 it is noted that the Kepler Block disposal site has been granted all necessary resource consents, and designated for treated wastewater disposal by a panel of independent Commissioners. These consents (but not the designation) are subject to an appeal to the Environment Court. To confirm the consents, an agreement needs to be reached with the Appellants, or failing agreement, the Court needs to confirm the grant of consent following a hearing.
- 23 The advice that has been received from legal counsel is that the Council should not surrender the Kepler consents, until it has in place, and beyond challenge, the consents needed for any alternative scheme that it may choose to pursue.
- 24 It is noted that it will not be possible, by 27 May 2016, for the Council to have investigated any alternative disposal scheme in detail let alone seek consent for such an alternative. Given the advice received from counsel it is therefore recommended that the Council indicate to the Environment Court that it wishes to pursue the Kepler consents.
- 25 A draft legal response back to the Environment Court has been prepared and is included as Attachment C. This indicates that Council are willing to enter into Court appointed mediation and sets out a timeline for exchange of evidence should the mediation process not be successful.
- 26 During any mediation process the alternative Kepler options identified in the PDP report can be discussed with the appellants. If an agreement cannot be reached, evidence will then need to be finalised and a hearing held. Realistically, to get through the Environment Court process is expected to take a year.

- 27 If the consents are confirmed by the Court, this does not commit the Council to constructing the Kepler Scheme. Rather it gives Council the right to do so which does not have to be exercised. Alternatives can continue to be considered if that is the wish of the Council.
- 28 When considering alternative options it is important to remember that they must demonstrate the same level of minimal environmental effect as demonstrated through the consent for the Kepler proposal. Counsel has also advised that any alternative consent application carries the same level of risk of being appealed.

Community Views

- 29 Under Section 78 of the Local Government Act 2002 the Council is required to consider the range of community views that might exist in making any decisions.
- 30 It is clear that there are a number within the Te Anau and Manapouri communities who are concerned about the current Kepler consented option. The Fiordland Sewage Options Group (FSO) has made it clear that it will actively challenge the Kepler consented option.
- 31 As part of the resource consent process, FSO and others have raised a number of environmental concerns about the Kepler proposal. It is reasonable for the Council to assume that the environmental issues will be appropriately assessed by the Environment Court.
- 32 Given that the wastewater activity is treated as a district wide activity, and funded accordingly, it is appropriate that the Council also consider the views of other wastewater users and district wide ratepayers in general as they are also required to fund the costs and risks associated with the options chosen by the Council.
- 33 It is reasonable to expect that, in addition to appropriately addressing, the environment impacts of any proposal, there will be ratepayers who also expect the Council to manage the financial aspects of the project in a prudent and cautious way. Hence, the Council should not, for example, write off the historical investment that has been made in getting to the current point without good reason and should be conscious of the financial costs and risks associated with pursuing an alternative option.

Costs and Funding

- 34 To date costs associated with the PDP peer review stand at close to \$250K. As this is essentially unbudgeted expenditure it requires approval by Council. The Committee are also seeking approval for an additional \$50K to enable it to continue to assess the PDP recommendations and consider whether it should recommend formal investigation of an alternative to the Kepler scheme. As part of these deliberations the Committee have indicated a desire to visit a number of other wastewater schemes to develop a more comprehensive understanding of alternatives and how they are managed.
- 35 It is important to remember that all work on potential alternatives to Kepler undertaken to date has been desktop work. To more fully understand the impact of environmental effects it will be necessary to undertake extensive investigation work, particularly if it is to be used as part of a future resource consent process. The \$50K requested by the Committee would not cover the cost of any alternative option(s) investigation work. At best it would allow for a scoping of the investigation works that might be needed. Undertaking any investigation works will need to be subject to a further unbudgeted expenditure request from Council. Any such expenditure will need to be treated as an operational expense and funded accordingly.

Since July 2013, approximately \$1.3 million has been spent through the investigation and consenting stages of the project on the Kepler option. There is an estimated \$300K further expense required through the appeal process. These costs are currently being treated as a capital expense.

In order to control costs it is preferable to limit the number of options that are put forward for further investigation. If it is eventually asked by the Committee to make a decision on funding investigations for an alternative option Council will need to be satisfied that the costs and benefits (including risks) of pursuing an alternative outweigh the costs and benefits of pursuing the Kepler option. While the Net Present Value assessment included in the draft PDP report contains some level of assessment it has not been subjected to a comprehensive risk assessment process. It would seem appropriate for this work to be undertaken as part of the next phase of work.

Policy Implications

- 37 The longer the consenting process takes, the greater the chance becomes that any new consents will be assessed against new policies and rules. In particular, the National Policy Statement for Freshwater Management 2014 ("NPS") requires Environment Southland to develop freshwater quality limits, and impose conditions to meet these. There is currently uncertainty about when those limits will be finalised, and what they will be via the Water and Land 2020 process.
- 38 The preference for wastewater to be discharged to land rather than water is a well-known concept within the region. It arises in the operative Regional Policy Statement (RPS) in Policy 5.4, and is duplicated in the proposed RPS at Policy WQUAL.7. In both the operative and proposed RPS, the preference is to be used when discharge to land is practicable, and when the adverse effects are not significant.
- 39 Council has shown that it is practicable to discharge to land in the Kepler Block scheme, and in its decision to grant resource consent, the Commissioners stated that the proposal would be well within the significant adverse effect threshold under the operative RPS. The key environmental outcome of the proposal is that the discharge is to land, and not to the Upukerora River, which better meets stakeholder expectations and environmental preferences, as identified in both the RPS mentioned above, as well as in the NPS. Any alternative option would also need to meet these criteria.
- 40 The District Plan provisions will also apply to any new consent application with that alternative requiring either a land use consent or a designation as is currently in place at Kepler. This would likely require notification and a hearing.
- 41 The decision on the notification path (ie non/limited/publically notified) will depend on the likely level of effects and whether they extend beyond the broadly adjoining properties. For example, disposal adjacent to an urban boundary is more likely to be considered as needing to be publically notified whereas the sites further away from the urban boundary would potentially be subject to limited notification.
- 42 Setbacks outlined in the current and proposed plan will apply around the designation which could further restrict site selection and available land for future expansion, with it being unlikely that these could be reduced by way of consent conditions.

Analysis

Options Considered

- 43 There are three options identified. These are to continue with the current consented option at the Kepler (Option 1), to abandon the Kepler option and pursue an alternative (Option 2) or a Hybrid option (Option 3).
- 44 Under Option 1 the Council would defend the appeal against the Kepler consented option through the Environment Court process and then make a decision on how it moved forward following receipt of a Court decision. It would not investigate any alternative options in the interim.
- 45 Under Option 2 the Council would abandon the current Kepler consent process and pursue an alternative site.
- 46 Under Option 3 the Council would continue to pursue the Kepler consent while undertaking investigations into a possible alternative site. The costs associated with the alternative investigations would need to be treated as an operational expense and funded accordingly.

Analysis of Options

Option 1 - Continue with current consented option

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• Time and cost of future investigations will not be incurred.• Subject to outcome of the appeal the Council will have long term certainty on future wastewater discharges.• The costs of the appeal process will continue to be capitalised.• Consenting process already well advanced and designation is in place.• Is consistent with the adopted Long Term Plan.• Peer review has not identified any fundamental flaws with the consented proposal.	<ul style="list-style-type: none">• Further opposition likely through Environment Court process.• Risk that it might not constitute the least cost option.

Option 2 - Abandon the consent and restart a new consenting process

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • Likely to be popular with appellants. • Provides clarification into suitability of an alternative land within the Te Anau Basin. 	<ul style="list-style-type: none"> • Goes against legal advice. • Introduces significant uncertainty around getting a consent at an alternative site. • There is risk of an alternative being appealed as with the Kepler proposal. • Alternative site may not prove to be viable or as having more advantages than the Kepler option. • All costs to date would have to be written off and funded from rates. • Costs associated with this investigation will be written off if no suitable site is identified or if full NPV costs are greater than Kepler. • Consenting process will need to start from scratch with associated costs and risks not yet understood. • Likely that it would not be seen as financially prudent and business like and therefore in breach of the Local Government Act 2002. • Risk that the Council may incur a loss under section 44 of the Local Government Act if the decisions were to be subsequently set aside.

Option 3 - Hybrid of both above options whereby any investigations would run in parallel with the appeal process

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • Provides greater certainty and reduces risks by ensuring that alternative investigations continue while pursuing consent for Kepler option. • Consenting process already well advanced and designation in place. • A modified Kepler option (if acceptable to all parties) could be progressed without having to vary the consent. • Council would still have option of pursuing an alternative scheme even if consent for Kepler option is confirmed. 	<ul style="list-style-type: none"> • Costs of investigation of alternative will need to be treated as operational expense and funded accordingly. • Risk that a suitable alternative may not be found. • Risk that any alternative investigated option will also be appealed. • Council will be incurring costs for pursuing two options at once. It could be argued that the financially prudent approach would have been to pursue alternative once it is known whether Kepler consent is confirmed.

Assessment of Significance

- 47 Any decision to abandon the current Kepler consented option would require the write off of the significant expenditure incurred by Council to date. This includes some \$1.3 million of expenditure currently held on the balance sheet for investigations since 2013. This expenditure would need to be written off and funded. In addition the Council would effectively be writing off the investment in the work completed prior to 2010 that have previously been funded. The quantum of this write off would exceed the financial threshold for unbudgeted expenditure in the Significance and Engagement Policy.
- 48 Officers are of the view that a decision to abandon the Kepler consent either now, or at some stage in the future, would constitute a significant decision. As such there would be a reasonably strong argument that the Council should consult on any such proposal particularly given the financial consequences and change in policy that such a decision would represent.
- 49 A decision to continue with the current consented option (Option 1) would be consistent with the direction that the Council has been pursuing for a number of years and with the Council's adopted 2015 Long Term Plan. Hence, officers are of the view that a decision to adopt this option would not be significant.
- 50 The hybrid option (Option 3) would represent a continuation of the current option while also developing an understanding of the costs associated with investigating the Smith option alternative.
- 51 If the investigation costs of exploring any alternative are expected to exceed \$500,000 then this would breach the unbudgeted expenditure threshold in the Significance and Engagement Policy. As such a decision to commit to such expenditure, particularly while continuing with the Kepler option would likely constitute a significant decision.
- 52 Council is not, however, being asked to recommend the incurrence of such a level of investigation works at this stage. This is a decision that will need to be made, following consideration of a future report, once the Project Committee have determined the range of alternative options that they propose the Council should investigate. At this stage the Committee are simply seeking additional funding to support their ongoing consideration of the PDP peer review report in relation to the potential investigation of alternative options. Once the Committee has made a decision on which alternative option(s) it wants to investigate it will need to have these works scoped and then seek approval from Council for such investigations and the associated expenditure. As a result it is seen as reasonable to conclude that adoption of Option 3 would not constitute a significant decision at this stage.

Recommended Option

- 53 Option 3 is the recommended option. It enables the Council to continue with pursuing consent for the Kepler option while allowing the Project Committee to continue with its consideration of the PDP peer review to enable it to determine whether it wishes to recommend investigation of an alternative option(s).

Next Steps

- 54 The next steps will include:
- Finalisation and filing of the Memorandum to the Environment Court indicating that Council wishes to pursue its consent for the Kepler option.

- Commence discussions with FSO and the appellants to the Kepler option to explore potential areas of common ground.
- The Project Committee would visit other wastewater schemes around NZ to enable it to consider a range of possible alternative schemes and further consider the draft PDP peer review report.
- The Project Committee would bring a recommendation on any proposed investigation programme back to Council for approval.

Attachments

- A Draft - Review of Te Anau Wastewater Treatment and Disposal Options [View](#)
- B Response from Pattle Delamore - Comments on review of Te Anau Wastewater Treatment and Disposal Options Addendum 1: Additional Options [View](#)
- C Memorandum of Counsel for Southland District Council before the Environment Court [View](#)

Contract No. 120/15/15/23

Review of Te Anau Wastewater Treatment and Disposal Options

✦ Prepared for

Southland District Council

December 2015

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Quality Control Sheet

TITLE Review of Te Anau Wastewater Treatment and Disposal Options

CLIENT Southland District Council

VERSION Draft Version 1

ISSUE DATE 8 December 2015

JOB REFERENCE A02909200R001.docx

SOURCE FILE(S) A02909200

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Limitations:

This report has been prepared on the basis of information provided by the Te Anau Wastewater Discharge Project Committee. Pattle Delamore Partners Ltd (PDP) has not independently verified the provided information and has relied upon it being accurate and sufficient for use by PDP in preparing the report. PDP accepts no responsibility for errors or omissions in, or the currency or sufficiency of, the provided information.

This report has been prepared by PDP on the specific instructions of the Te Anau Wastewater Discharge Project Committee for the limited purposes described in the report. PDP accepts no liability if the report is used for a different purpose or if it is used or relied on by any other person. Any such use or reliance will be solely at their own risk.

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Executive Summary

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F
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Table of Contents

SECTION	PAGE
Executive Summary	ii
1.0 Introduction	1
1.1 Purpose of Report	1
1.2 Scope of Report	2
1.3 Review Procedure	2
1.4 Background	3
1.5 Stakeholder Meetings	3
1.6 Reports and Information Reviewed	4
2.0 Basis of Design	7
2.1 Existing WWTP and Disposal System	7
2.2 Influent Flow and Load	7
2.3 Effluent Characteristics	10
2.4 Existing Discharge Consent	11
2.5 Effects on the Upukerora River	11
2.6 Consenting	14
2.7 Statutory Acknowledgements and Te Tangi a Taurira	14
3.0 Review of the Kepler Scheme	15
3.1 System Description	15
3.2 Flows and Loads	17
3.3 Operation and Maintenance	17
3.4 Land Treatment Concept	20
3.5 Assessment of Environmental Effects	23
3.6 Expandability	29
3.7 Cost Estimates	29
4.0 Alternative Treatment and Disposal Options	32
4.1 Longlist of Disposal Options	32
4.2 Shortlist of Practicable Disposal Options	35
4.3 Wastewater Treatment Plant Upgrades	36
5.0 Analysis of Shortlisted Alternatives	43
5.1 Option 1: Slow Rate Irrigation to the Smith Block	43
5.2 Option 2: Rapid Infiltration Close to the WWTP	47
5.3 Option 3: Outfall to the Upukerora River	54
5.4 Option 4: Dual Discharge	55
5.5 Existing WWTP and Outfall to the Upukerora River	58
6.0 Evaluation of Treatment and Disposal Options	60
6.1 Cost Estimates	60
6.2 Advantages/Disadvantages Summary	64
6.3 Multi-Criteria Analysis	64

D
R
A
F
T

7.0	Discussion and Recommendations	67
7.1	Discussion	67
7.2	Recommendations	69

Table of Figures

Figure 1: Existing Te Anau WWTP	8
Figure 2: Kepler Scheme	16
Figure 3: Actiflo® <i>Source - Veolia Water Technologies</i>	37
Figure 4: IDEAL In-Pond System <i>Source - EDI</i>	39
Figure 5: MBR System <i>Source - GE Water and Process Technologies</i>	40
Figure 6: Option 1 - Smith Scheme	44
Figure 7: WWTP Upgrade C	49
Figure 8: Option 2 - RI in the Vicinity of the WWTP	51
Figure 9: Foreshore Lakes <i>Source - Google Earth (12/1/2014)</i>	52

Table of Tables

Table 1: Influent Flow Projections	9
Table 2: Existing Effluent Characteristics and Contaminant Loads	10
Table 3: Existing WWTP Nutrient Contribution to the Upukerora River	12
Table 4: CAPEX Estimate for the Kepler Scheme	30
Table 5: WWTP Upgrade Options Effluent Quality	41
Table 6: Cost Estimates	63
Table 7: Options Advantages/Disadvantages Summary	65
Table 8: Multi-Criteria Analysis	66

Appendices

Appendix A: Summary of Stakeholder Meetings
Appendix B: Influent Wastewater Characterisation
Appendix C: Future Nutrient Contribution to the Upukerora River for each WWTP Upgrade Option
Appendix D: RI Groundwater Technical Memorandum
Appendix E: Cost Estimates
Appendix F: Schematic Process Flow Diagrams
Appendix G: Multi-Criteria Analysis

1.0 Introduction

Pattle Delamore Partners (PDP) was engaged in August 2015 by a project committee established by the Southland District Council (SDC) to undertake an independent review of the proposed and recently consented Te Anau wastewater treatment and land disposal scheme (herein referred to as the Kepler Scheme) and to investigate alternative wastewater treatment and disposal options.

This report reviews information prepared by SDC's consultants used for the resource consent application for the Kepler Scheme as well as reviewing cost estimates for the scheme.

This report also investigates alternative 'reasonably practicable' wastewater treatment and disposal options to the Kepler Scheme that may be available. This report then undertakes a comparison of the Kepler Scheme against these other practicable options.

PDP has had no involvement with this project previously and is approaching this study in a fresh and independent manner.

1.1 Purpose of Report

The purpose of this peer review is outlined in the terms of reference prepared by the Project Committee which outlined the following:

This Peer Review is being commissioned so that the Council can receive an independent assessment of the feasibility of the current consented option (Kepler Scheme) and its advantages and disadvantages relative to the other reasonably practicable options which might exist for developing an appropriate wastewater treatment and disposal system for Te Anau.

Much of the Peer Review will, in relation to the current consented option, be in the nature of an 'audit' of the work completed to date. It should, however, also critically examine and comment on the key assumptions/parameters upon which the current option relies.

The Peer Review is to also identify, and then evaluate the current consented option against the other reasonably practicable options which might exist. As part of this assessment process the Reviewer is to consider whether the IDEAL and SDI solution being promoted by the community group Fiordland Sewage Options Incorporated (FSO) is a reasonably practicable option.

The Peer Review is being commissioned because of the considerable period of time that has elapsed since the project was originally conceived and the desirability of ensuring that the option to be implemented constitutes the most appropriate option.

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1.2 Scope of Report

The scope of this peer review has been outlined in the terms of reference prepared by the Project Committee. After reviewing this scope PDP prepared a methodology for the review work which is summarised as follows:

- a. Examine key assumptions used for the design of a wastewater treatment and disposal scheme for Te Anau;
- b. Assess the feasibility of the consent scheme (Kepler Scheme) including examining key design assumptions and review the potential environmental effects associated with the scheme;
- c. Undertaken stakeholder meetings to obtain stakeholder views on the Kepler Scheme and views on potential alternative options;
- d. Identify and evaluate a longlist of alternative options, including an evaluation of alternative options promoted by the FSO;
- e. Identify and evaluate a shortlist of 'practicable' alternative options;
- f. Develop concept level cost estimates for the Kepler Scheme and for each shortlisted option, including capital, operating and whole-of-life costs;
- g. Evaluate the Kepler Scheme against the shortlisted alternative options, including consideration of any advantages/disadvantages/risks of each option and consideration of social, cultural, environmental and economic criteria;
- h. Provide recommendations with regards to where to from here.

The scope of this report is a high-level desk top assessment and further field investigations and analysis will likely be required prior to making a decision to proceed with any alternative option to the Kepler Scheme. These investigations are outside the scope of this report.

1.3 Review Procedure

As instructed by the Project Committee, all reports prepared by PDP are to be issued to the Project Committee for approval prior to distribution to any other party including SDC.

In accordance with best practice procedures for peer review work as outlined in the IPENZ Practice Note 02 (June 2003), PDP intends to send a courtesy copy of this draft report to MWH for comment about one week after the draft report goes to the Committee. PDP has reviewed work undertaken by MWH relating to the Kepler Scheme and PDP has discussed various aspects of the review with Mr Roger Oakley of MWH.

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PDP intends to issue a final version of this report after comments have been received from the Project Committee and other parties as directed by the Project Committee.

1.4 Background

The Te Anau Wastewater Treatment Plant (WWTP) currently discharges treated effluent into the Upukerora River. The river discharges into Lake Te Anau approximately 900 m further downstream from the location of the effluent discharge.

SDC has been planning a move away from discharging treated wastewater to the river since submitters requested investigations into land disposal during a 1995 discharge consent process.

In 2004, a 10-year consent was granted by Environment Southland for the ongoing discharge to the river; and as part of this consent, SDC was required to investigate a long-term solution to avoid the wastewater ending up in the Upukerora River and Lake Te Anau. During the term of the consent, SDC spent a number of years investigating options to find an alternative disposal method. This work culminated in the selection of the preferred option of land disposal via centre pivot irrigation at the Kepler Block, a site around 19 km from the WWTP.

In 2013, SDC applied for consent for the disposal of treated wastewater onto land at the Kepler Block and the associated discharges to air. Following notification of the application by Environment Southland, there were 150 submissions, with 140 of these in opposition to the proposal. A hearing was held over several days during July, November and December 2014, and the consents were subsequently granted in early 2015.

The consents are now subject to an appeal by Fiordland Sewage Options Incorporated (FSO) and two private individuals.

The Te Anau Wastewater Discharge Project Committee has been formed to manage delivery of the proposed wastewater scheme. The current peer review process was initiated, with the members of the Committee agreeing on the terms of reference of this review.

1.5 Stakeholder Meetings

PDP met with a number of stakeholder groups in Te Anau and Invercargill from 7 to 10 September 2015. Meetings were held with:

- ✧ Te Anau Wastewater Discharge Project Committee;
- ✧ The general public via a Drop In Session;
- ✧ Te Anau Community Board;
- ✧ Fiordland Sewage Options (FSO);

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- ✧ Manapouri Community Development Area (CDA) Subcommittee;
- ✧ Guardians of Lake Manapouri, Monowai and Te Anau;
- ✧ Fish and Game (Te Anau);
- ✧ Mark Deaker (Te Anau Community Board member who was absent at the earlier meeting with the Te Anau Community Board);
- ✧ Environment Southland;
- ✧ Te Ao Marama Inc;
- ✧ Southland District Council;
- ✧ Fish and Game (Invercargill).

Additionally, a phone conference was subsequently held with a representative of the Department of Conservation Mr Ken Murray. Prior to the stakeholder meetings mentioned above, PDP also met with Mr Peter Riddell from Ecogent Ltd in Auckland, a consultant working with the FSO. A summary of these discussions is outlined in Appendix A. In general, all parties were supportive of the current review process, and open to the consideration and evaluation of the various alternative options against the consented option.

Throughout the duration of PDP's review there have been various email correspondence and discussions with Mr Riddell of Ecogent Ltd about potential rapid infiltration effluent disposal and treatment options.

On 10 November PDP's Rob Docherty presented an update of the findings to the Project Committee via a PowerPoint presentation. This was followed on the same day by a public drop in session from 5 pm until 6:30pm where the same PowerPoint was presented. There were about 12 people in attendance including members of the Project Committee, the SDC Mayor Mr Garry Tong and Ivan Evans from SDC.

Subsequent to the PowerPoint presentation a Technical Memorandum was presented by PDP and sent to the Project Committee on 25 November to address a question from the Project Committee member around the rapid infiltration option and groundwater flows.

1.6 Reports and Information Reviewed

The following reports were provided to PDP by SDC and are listed in date order:

- ✧ *Te Anau Sewage Resource Consent Site Investigation Report and Recommendations*, MWH, April 2001
- ✧ *Te Anau Sewage Treatment and Disposal System Design Concept and Site Investigation Recommendations*, MWH, December 2001

- ✧ *Te Anau Sewage Treatment Plant - Hydrogeological Investigations*, MWH, July 2002
- ✧ *Te Anau Wastewater Treatment System Resource Consent Application and Supporting AEE-final*, MWH, June 2004
- ✧ *Te Anau Wastewater and Stormwater Strategic Development Summary Document on Future Population and Development Area - Internal Draft*, MWH, February 2002
- ✧ *Te Anau Sewerage Development Investigation of Possible Irrigation Sites*, MWH, September 2006
- ✧ *Te Anau Sewerage Scheme Development Initial Consideration of Future Treatment & Disposal Options*, MWH, October 2006
- ✧ *Te Anau Wastewater Irrigation Investigation-Report on Wastewater Irrigation Site Evaluation Assessment*, Manapouri, HydroServices Ltd, May 2007
- ✧ *Te Anau Sewerage Status Report on Improvement Strategy for Treatment and Disposal*, MWH, October 2007
- ✧ *Te Anau Sewerage - WWTP to Kepler Block Rising Main – Draft*, MWH, December 2008
- ✧ *Kepler Farm Site Assessment, Soil Infiltration and Irrigation Simulation Report*, HydroServices Ltd, January 2013
- ✧ *Proposed Irrigation of Treated Wastewater on Kepler Farm Preliminary Assessment of Environmental Effects on Te Anau Airport*, MWH, January 2013
- ✧ *Proposed Irrigation of Treated Wastewater On Kepler Farm Bird Strike Risk Assessment*, MWH, March 2013
- ✧ *Te Anau Wastewater Flow Report*, MWH, June 2013
- ✧ *Te Anau Wastewater Irrigation Assessment of Effect on Groundwater*, MWH, July 2013
- ✧ *Te Anau Wastewater Treatment Plant Discharge onto Land and to Air Resource Consent Application*, MWH, September 2013
- ✧ *Te Anau Trickling Filter Odour Control Modelling*, MWH, September 2013
- ✧ *October to September 2014 Groundwater Investigation – Manapouri*, MWH, October 2014
- ✧ *Te Anau Wastewater Irrigation Scheme to the Kepler Block-Odour Management Plan-Draft 1*, MWH, November 2014

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- ✧ *Te Anau Wastewater Irrigation Scheme to the Kepler Block-Environmental Management Plan-Draft 1, MWH, November 2014*

In addition to the reports listed above, PDP has been provided with the submissions received by Environment Southland, evidence presented at the resource consent hearing and the report prepared by the Consent Hearing panel.

Various other 'post hearing' documents have been provided to PDP from SDC including correspondence received from various stakeholders and recent cost estimates for the Kepler Scheme which have been prepared by MWH.

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2.0 Basis of Design

Key criteria and assumptions which form the basis of design of a wastewater treatment and disposal scheme for Te Anau are outlined in the following sections. These criteria have been considered in our review of the Kepler Scheme as outlined in Section 3 and for the development of alternative options as outlined in Section 4 and Section 5.

2.1 Existing WWTP and Disposal System

The existing Te Anau WWTP is located approximately 500 m north-east of Te Anau Township adjacent to the Upukerora River approximately 900 m from Lake Te Anau as shown in Figure 1.

The WWTP comprises of a recently installed 3 mm mechanical screen and screenings compactor and three oxidation ponds operated in series. Treated effluent is discharged to the Upukerora River via a 6-cell constructed wetland and pipe outfall.

The ponds have a total area of 4.7 ha, with Pond 1 at 3.3 ha and Pond 2 and Pond 3 each at 0.7 ha. The depth of Pond 1 varies from around 2.5 m at the north end to around 1.0 m at the southern end, and the average depth of Pond 2 and Pond 3 is around 1.2 m. Based on existing influent flows, the pond system has an average retention time of 35 to 60 days.

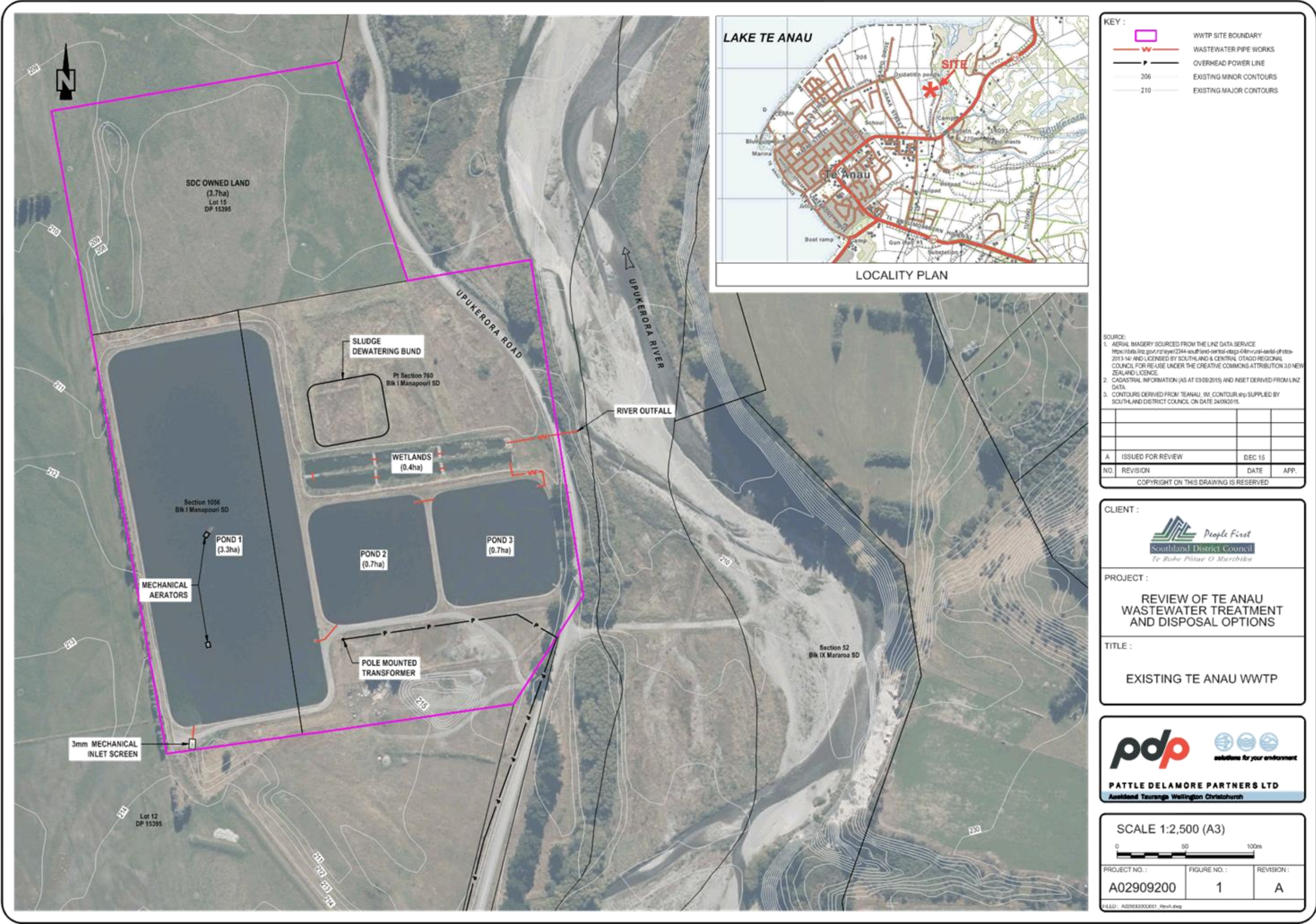
Two mechanical aerators are installed within Pond 1 which assist the natural wind induced pond mixing and provide supplementary oxygen to atmospheric oxygen transfer and algal photosynthesis.

2.2 Influent Flow and Load

2.2.1 Flows

Existing influent flows to the WWTP are outlined by MWH in the report *Te Anau Wastewater Flows Report* (MWH, 2013). PDP has reviewed influent flow data provided by SDC from 2010 to 2012 which is generally consistent with the flows outlined in the MWH report.

PDP notes that the influent flows to the existing WWTP are highly seasonal and are characterised by lower winter flows and higher summer flows typical of a holiday destination such as Te Anau. The influent flows are also characterised by a peak wet-weather flow (PWWF) of approximately 2.5 times the average daily flow (ADF). This indicates that the Te Anau wastewater collection system is prone to some inflows of stormwater and groundwater infiltration. PDP notes that many wastewater schemes in New Zealand have a higher wet-weather flow 'peaking factor' than Te Anau and that the Te Anau peaking factor is not considered to be excessive.





MWH also estimated future summer and winter peak flows based on various growth projections, with winter defined as the period from 1 May through to the 31 August, and summer from 1 September through to 30 April. PDP has assumed that these flows are the projected peak dry-weather flow (PDWF) for these periods. The MWH report does not outline the predicted ADF for the summer and winter period, nor does the report outline the predicted future average annual flow or the PWWF. Consequently, the initial assessment undertaken by MWH for the resource consent application applied the projected summer and winter PDWFs as ADFs which resulted in the overestimation of the loading rate for the Kepler Scheme, and consequently also overestimated the nitrogen leaching from the Kepler Scheme as discussed further in Section 3.5.1. This issue was identified at the consent Hearing, and subsequently MWH provided estimates of the projected 2040 winter and summer ADF of 880 m³/d and 1,520 m³/d respectively as outlined in paragraph 71 of the Hearing report.

PDP has been unable to find the annual ADF and the PWWF MWH projected in year 2040; however, applying the winter and summer period outlined above and applying the same peaking factor as at present, PDP has calculated these flows which are outlined in Table 1. This table also outlines the winter and summer ADF determined by MWH at the Hearing and the PDWFs as per the 2013 MWH report based on a moderate growth scenario.

Table 1: Influent Flow Projections					
Year		2012		2040	
Season		Winter	Summer	Winter	Summer
ADF	(m ³ /d)	600	1,000	880	1,520
PDWF	(m ³ /d)	850	1,800	1,300	2,800
ADF	(m ³ /d)	850		1,300	
PWWF	(m ³ /d)	2,100		3,200	
<div>Notes:</div> <div><div>1.</div><div>ADF=Average daily flow, PDWF=Peak dry-weather flow and PWWF=Peak wet-weather flow;</div></div> <div><div>2.</div><div>Data for year 2012 is based on measured influent flows to the WWTP based on pump run hours;</div></div> <div><div>3.</div><div>Data for 2040 has been extrapolated by MWH based on population projections and by applying the same per person flow rates as at present.</div></div>					

Data from the new flowmeter installed at the WWTP in about September 2015 would need to be checked to confirm the influent flows outlined in Table 1, particularly during the holiday period (i.e. to determine the summer PDWF) and also to confirm the PWWF. This detailed information would be needed for any detailed design work irrespective of which option is selected.



2.2.2 Influent Loads

No sampling and analysis has been undertaken to date of the influent wastewater to characterise the contaminant concentrations and loads entering the WWTP. Characterisation of the influent wastewater would be required to design a replacement high-rate biological WWTP upgrade. However, as the Kepler Scheme proposes to utilise the existing WWTP, previous investigations have focused on the current and future treated effluent characteristics rather than the influent characteristics.

For the purpose of investigating alternative wastewater treatment and disposal as outlined in Section 5.0, in the absence of influent characteristic data, PDP has estimated the influent loads by applying typical per capita contaminant loads and applying the population data determined by MWH. The results of this assessment are outlined in Table B-1 in Appendix B. Sampling and analysis would be required to confirm these design influent characteristics if a high-rate biological WWTP upgrade option were pursued.

2.3 Effluent Characteristics

The effluent quality from the existing WWTP is monitored by quarterly sampling and analysis in accordance with the existing discharge consent. PDP has reviewed effluent quality data which is summarised in Table 2 together with the effluent loads which have been calculated as the product of the mean concentration and ADFs outlined in Table 1.

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Table 2: Existing Effluent Characteristics and Contaminant Loads			
Parameter ¹	Mean Concentration (g/m ³)	Winter	Summer
		Mean Load (kg/d)	Mean Load (kg/d)
TSS	53	32	53
cBOD ₅	21	13	21
NH ₄ -N	15	9	15
TON-N	0.8	0.5	0.8
TN	23	14	23
TP	6	3.7	6.2
E. coli (MPN)	1,306	n/a	n/a
<p>Notes:</p> <p>1. TSS=Total suspended solids, cBOD₅=Carbonaceous biochemical oxygen demand, NH₄-N=Ammoniacal-nitrogen, TON-N=Total oxidised nitrogen, TN=Total nitrogen, TP=Total phosphorus, E. coli=Escherichia coliform bacteria;</p> <p>2. Mean contaminant concentrations are based on quarterly sampling and analysis from 2009 to 2015 provided by SDC.</p>			



The data outlined in Table 2 is generally consistent with the data outlined in Table 2-2 of the consent application (MWH, 2013). PDP notes that the effluent concentrations are generally typical of an oxidation pond system with a relatively long retention time and with some mechanical mixing/aeration.

2.4 Existing Discharge Consent

The existing discharge consent No. 202636 was granted by Environment Southland in 2004 for a 10 year period. This short-term consent imposed minimal requirements with regard to effluent quality; however, it required SDC to explore options and develop a long-term plan for the treatment and disposal of wastewater from Te Anau.

This consent permits SDC to discharge an average dry weather flow of up to 2,500 m³/d of treated effluent to the Upukerora River and higher flows during wet-weather events. The consent requires SDC to monitor the water quality parameters of the discharge, and water quality parameters in Lake Te Anau and upstream and downstream of the discharge in the Upukerora River.

2.5 Effects on the Upukerora River

The Upukerora River is a small/medium sized braided river which flows for around 50 km from the Western flanks of the Livingston Mountains to Lake Te Anau.

From our review of previous reports, PDP has been unable to find information quantifying the contaminant load contribution from the Te Anau WWTP to the Upukerora River, nor any site specific ecological investigations to assess the impact of the discharge.

In the absence of this data, PDP has undertaken a preliminary assessment to quantify the mean annual daily contribution of nitrogen and phosphorus from the existing WWTP to the Upukerora River as outlined in Table 3. This assessment has utilised river flow and up-stream in-river quality data provided by Mr Chris Jenkins of Environment Southland¹ and effluent flow and quality obtained from quarterly sampling and analysis undertaken by SDC in accordance with Consent 202636.

PDP has undertaken a mass-balance assessment to compare the calculated against the measured downstream in-river total nitrogen (TN) and the total phosphorus (TP) loads (using down-stream in-river data provided by SDC in accordance with Consent 202636). For both TN and TP the results were within 20% indicating a reasonable level of accuracy; however, the measured and calculated downstream ammoniacal-nitrogen (NH₄-N) concentrations differ by around 75% indicating that the NH₄-N data is less reliable.

¹ Chris Jenkins, personal communication, 22 September 2015.



Table 3: Existing WWTP Nutrient Contribution to the Upukerora River

	Unit	Up-Stream	Existing			Future (2040)		
			WWTP	Down-Stream	Contribution	WWTP	Down-Stream	Contribution
Flow	m ³ /d	510,000	850	510,850	0.2%	1,300	511,300	0.3%
NH ₄ -N	g/m ³	0.02	15	0.04	63%	20	0.07	77%
	kg/d	7.7	13	20.4		26	33.7	
TN	g/m ³	0.23	23	0.27	14%	30	0.31	25%
	kg/d	117	20	137		39	156	
TP	g/m ³	0.01	6.1	0.02	50%	6.5	0.03	62%
	kg/d	5.1	5.1	10.2		8.5	13.6	

Notes:

1. NH₄-N=Ammoniacal-nitrogen, TN=Total nitrogen, TP=Total Phosphorus;
2. Flow data for the Upukerora River provided by Mr Chris Jenkins of Environment Southland for the period from 2014 to 2015;
3. Median water quality data for the Upukerora River and the WWTP discharge provided by SDC for the period from 2009 to 2015.

As indicated in Table 3, at present the annual TN and TP load contribution from the WWTP to the Upukerora River is significant at around 14% and 50% respectively. In the future, if the flows were to increase in accordance with the population growth outlined Table 1, assuming there is no upgrade to the existing WWTP then the TN and TP load contribution to the Upukerora River would increase to around 25% and 62% respectively.

The WWTP also likely contributes significantly to the suspended solids and visible turbidity/colour (due to algae) as well as *E. coli* in the Upukerora River.

2.5.1 Water Quality Standards

Lake Te Anau is classified as "Natural State" in the operative Regional Water Plan (2010) for Southland and the standard for these waterbodies is that the natural quality of the water shall not be altered. The Environment Southland website indicates that Lake Te Anau currently has excellent water quality.

The ANZECC (2000) default trigger value for NH₄-N in upland rivers (over 150 m elevation) is 0.01 g/m³. This compares to an existing median in-river NH₄-N concentration downstream of the WWTP discharge of around 0.04 g/m³, therefore, this trigger level is currently being exceeded by the existing discharge.

The ANZECC (2000) guideline (recalculated by NIWA 2002) for a 99% level of protection (the default value for ecosystems with high conservation value) for



nitrate-nitrogen ($\text{NO}_3\text{-N}$) is 4.9 g/m^3 . Conservatively assuming all of the TN in the downstream monitoring is made up of nitrate-N, this guideline is currently being met (i.e. $0.27 \text{ g/m}^3 < 4.9 \text{ g/m}^3$). PDP notes that the Regional Water Plan $\text{NH}_4\text{-N}$ guideline value of 1.03 g/m^3 for a Hill surface water body and the ANZECC $\text{NO}_3\text{-N}$ guideline value of 4.9 g/m^3 are currently being achieved despite the significant $\text{NH}_4\text{-N}$ and TN contribution from the WWTP to the Upukerora River.

There is no specific TP standard given in the Regional Water Plan for Hill water bodies. The ANZECC (2000) default trigger value for TP in upland rivers for slightly disturbed ecosystems is 0.026 g/m^3 . This standard is currently being met (but only just) downstream of the WWTP discharge with a TP concentration of 0.02 g/m^3 as shown in Table 3.

Fish and Game indicate that the Upukerora River is fishable for virtually its entire length, and that annual spawning migration of brown and rainbow trout occurs via the river. Sizable resident fish (dominated by rainbow trout) are found in large pools in the uppermost reaches. The recent Hearing report indicates that there are presently no indications the existing discharge adversely affects the habitat of trout and salmon.

There is likely to be a significant change to water quality standards set by Environment Southland in the near future through the proposed Water and Land Plan which is expected to be notified in early 2016. These changes are likely to be in accordance with the recent National Policy Statement (NPS) for Freshwater Management (Ministry for the Environment, 2014). For example, the attribute tables in the NPS give the following numerical attributes relating to nutrients for Attribute State 'A' (highest quality) rivers:

- ∴ For protection of ecosystem health:
 - $\text{NO}_3\text{-N}$ (Toxicity) (g/m^3): annual median of ≤ 1.0 , annual 95th Percentile of ≤ 1.5 (high conservation value systems).
 - $\text{NH}_4\text{-N}$ (Toxicity) (g/m^3): annual median of ≤ 0.03 , annual 95th Percentile of ≤ 0.05 (99% protection level).

PDP notes that the Upukerora River is presently meeting the $\text{NO}_3\text{-N}$ attribute level for Attribute State 'A' rivers down-stream of the WWTP discharge, however, the $\text{NH}_4\text{-N}$ level is not being achieved.

PDP notes that the corresponding numerical attributes relating to Attribute State 'B' are presently being achieved upstream and downstream of the WWTP discharge which are as follows:

- $\text{NO}_3\text{-N}$ (Toxicity) (g/m^3): annual median of ≤ 2.4 , annual 95th Percentile of ≤ 3.5 .
- $\text{NH}_4\text{-N}$ (Toxicity) (g/m^3): annual median of ≤ 0.24 , annual 95th Percentile of ≤ 0.40 (95% protection level).



2.6 Consenting

The discharge consent application for the Kepler Scheme (MWH, 2013) included input from various stakeholders and considered relevant planning requirements and presented an Assessment of Environmental Effects (AEE). Key aspects of the AEE have been reviewed by PDP and are discussed in Section 3.

Given the depth of comment that PDP has received relating to the Kepler Scheme from some of the stakeholder groups, it would appear that there is reasonable likelihood that the Kepler Scheme in its current form would be appealed to the Environment Court. On the other hand, if an alternative option was favoured and pursued, then a new Resource Consent would have to be obtained which would require significant stakeholder engagement and further investigations to support an AEE and new consent application. The risk around 'consentability' and the likely time and cost implication for obtaining a new consent for alternative wastewater treatment and disposal options are further discussed in Section 4 and Section 5.

2.7 Statutory Acknowledgements and Te Tangi a Tauira

The Crown has acknowledged Ngāi Tahu's cultural, spiritual, historic, and traditional association to Te Anau via Statutory Acknowledgements (Ngāi Tahu Claims Settlement Act 1998). Areas subject to Statutory Acknowledgements include Lake Manapouri, Lake Te Anau and the Waiau River.

These Acknowledgements have implications for processes under the Resource Management Act, including consent applications, in that regard must be had for them in any decision making process.

The Iwi Management Plan Te Tangi a Tauira, which includes policies and management guidelines for natural resource and environmental management would also need to be fully considered during any consent process under S104(1)(c) of the RMA.

Te Tangi a Tauira includes a schedule and maps of recorded archaeological sites, it is noted that a village was historically located at the mouth of the Upukerora River. The village is known to have been used during food gathering and the exact spot has been lost but it would have been "very close" to the existing ponds. It was one of only a few inland villages recorded by the first Pakeha explorers, and this place is important to iwi. Any proposed works in this area may therefore have implications for archaeological and cultural effects.

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3.0 Review of the Kepler Scheme

The following sections describe the proposed Kepler Scheme and outlines PDP's review of the operating and maintenance requirements, the anticipated environmental effects and associated risks as well as a review of cost estimates for the scheme.

3.1 System Description

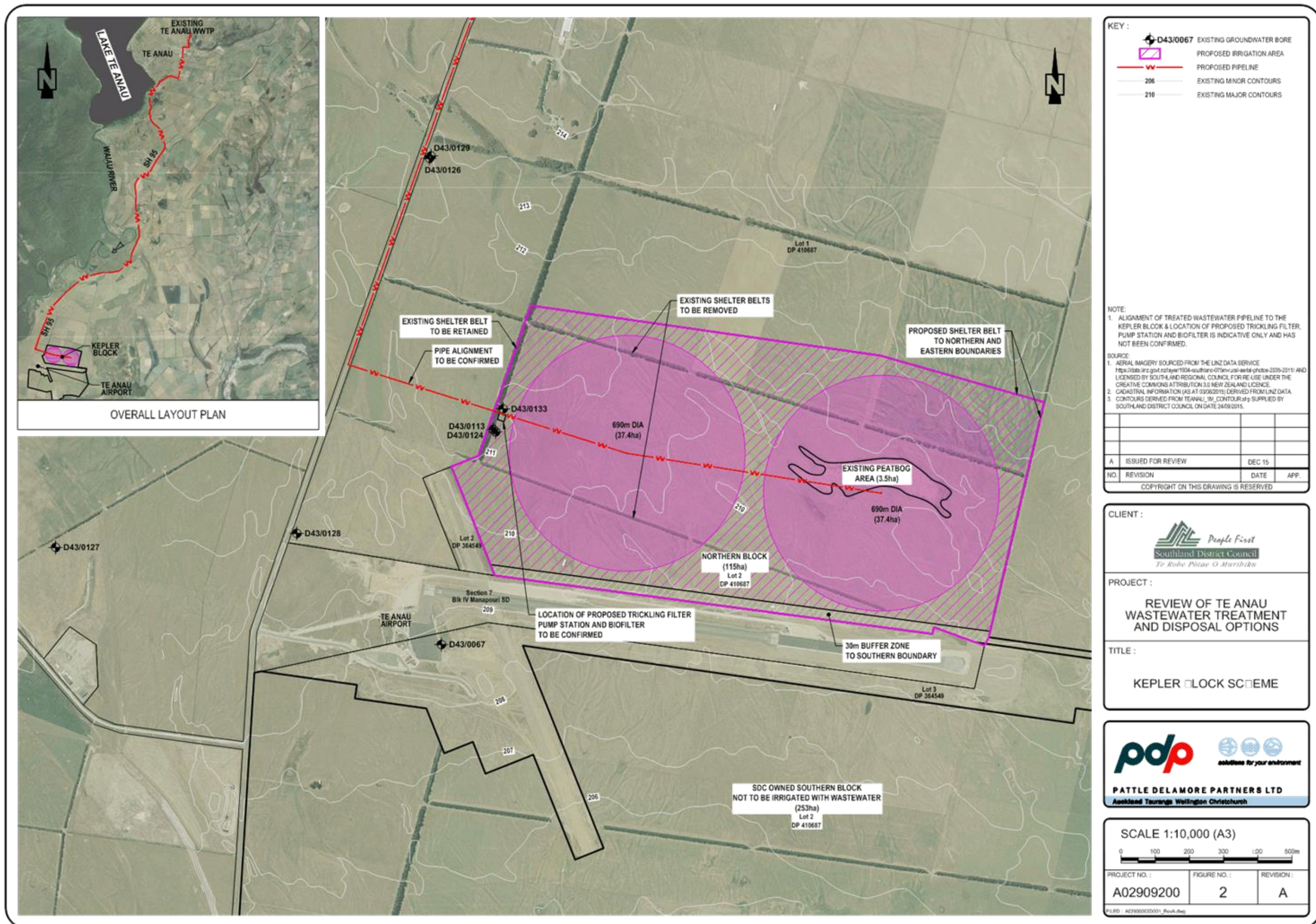
The consented Kepler Scheme will utilise the existing Te Anau WWTP for bulk removal of contaminants after which treated effluent will be transferred to an irrigation site at the Kepler Block. The Kepler Block is located approximately 18.3 km to the South of Te Anau between SH 95 and the Kepler Mire and is adjacent to the Te Anau Airport as indicated in Figure 2.

The designated effluent irrigation site (referred to as the Northern Block) has a net area of 115 ha (excluding buffer zones and shelter belts) of which 70 ha is proposed to be irrigated using two centre pivot irrigators (referred to as CP1 and CP2). The Northern Block was purchased by SDC from Landcorp Farming Ltd as part of a 375 ha land purchase, however, only the Northern Block will receive effluent irrigation during the 25 year consent period.

Key infrastructure items proposed for the recently consented Kepler Scheme are outlined as follows:

- ✧ **Te Anau WWTP:** Earthworks and pipework modifications to provide 10,000 m³ of additional pond storage for wet-weather flow balancing.
- ✧ **Pump station and pipeline:** A pump station located at the existing WWTP discharging to an 18.3 km long 300NB transfer pipeline along SH 95 to the Kepler Block.
- ✧ **Odour treatment facility** (at Kepler Block): bark-bed biofilter, biological trickling filter and chemical dosing system.
- ✧ **Pump station** (at Kepler Block): pump sets to recirculate effluent through the trickling filter and a second set of pumps to discharge to the irrigation system.
- ✧ **Irrigation System:** Two 345 m long centre pivot irrigators, pipework, site development, fencing and shelter belt removal and reinstatement, tracks for pivot drive wheels, peat bog development, water tanks and connection to the existing farm water supply, control and telemetry system.

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3.2 Flows and Loads

Key flow and loading criteria for the Kepler Scheme for the year 2040 design horizon is summarised as follows:

- ✧ Annual average daily flow (ADF): 1,300 m³/d;
- ✧ Winter ADF: 880 m³/d (1 May to 31 August) and Summer ADF: 1,520 m³/d (1 September to 30 April);
- ✧ Maximum flow in transfer pipeline: 52 L/s (i.e. 4,500 m³/d if pumping for 24 h/d);
- ✧ Areal hydraulic loading rate: 680 m/yr (70 ha irrigation area);
- ✧ Areal nitrogen loading rate: 190 kg N/ha/yr (70 ha irrigation area and assuming a future average TN concentration of 28 g/m³).

PDP notes that the maximum design flow that the transfer pipeline can accommodate when pumping for 24 h/d (4,500 m³/d) is greater than the 2040 PWWF (3,800 m³/d). Given that an additional 10,000 m³ of storage is to be provided at the WWTP for balancing flows during wet-weather, the sizing of this pipeline at 300NB for 52 L/s is likely to be conservative. However, as no detailed hydrological assessment has been undertaken to confirm the maximum period that irrigation at the Kepler Block may need to stop during extreme wet-weather and therefore what size the pipe needs to be using the 10,000 m³ storage, PDP has assumed a pipe sizing of 300NB for the Kepler Scheme at this stage.

3.3 Operation and Maintenance

Operating and maintaining the Kepler Scheme will involve operating and maintaining equipment at the Te Anau WWTP, the transfer pipeline and the odour treatment facility and irrigation equipment at the Kepler Block.

3.3.1 Te Anau WWTP

The existing Te Anau WWTP requires minimal operator input and the proposed upgrades will add only minor additional operator input and maintenance requirements at the WWTP.

3.3.2 Odour Management System

PDP has confirmed that assuming a pipeline alignment via SH 95 the transfer pipeline from the WWTP to the Kepler Block will have a length of around 18.3 km. Due to the long retention time in the transfer pipeline, anaerobic conditions will develop in the pipeline due to the decay of algal biomass present in the treated effluent. PDP notes that assuming an internal diameter of 300 mm, the average retention time in the transfer pipeline for the 2012 flows outlined in Table 1 will be around 1.6 days. Therefore, without provision for odour treatment, odorous hydrogen sulphide gas (H₂S) will be released at the

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Item 8.5 Attachment A



Kepler Block and could also be released at air valves which will be required at high points and at regular intervals along the pipeline. The odour management system proposed by MWH includes activated carbon filters at air release valves along the length of the pipeline and a bark-bed biofilter plus a biological trickling filter and chemical dosing system at the end of the transfer pipeline at the Kepler Block.

Activated carbon filters are a reliable means of preventing objectionable odours from being released from air valves. PDP anticipates that if correctly sized and periodically replaced (approximately every 5 to 10 years), then odour is unlikely to be an issue along the pipeline.

Unlike an activated carbon filter which is a physical/chemical adsorption process, bark-bed biofilters and trickling filters are biological processes which utilise bacteria to oxidise H_2S to oxidised forms of sulphur. H_2S present in gaseous form will be extracted via a ventilation system and treated in the biofilter, whereas H_2S that remains dissolved in the effluent will be biologically oxidised in the trickling filter. The chemical dosing system is proposed to chemically oxidise any residual H_2S present in the wastewater prior to irrigation.

Biofilters are commonly used in New Zealand and typically perform well if adequately sized and designed. The biofilter design will need to make provision for an automated sprinkler system to keep it moist and media replacement around every 10 years. PDP considers that the proposal to continuously recirculate effluent through the trickling filter even when the pipeline is not operational will ensure adequate performance of the biological trickling filter in the event of intermittent operation of the transfer pipeline. PDP has not verified process modelling undertaken by MWH for the preliminary sizing of the trickling filter (MWH, 2013). However, PDP considers that the risk of objectionable odour generation at the end of the pipeline and at the irrigators is very low if properly designed, operated and maintained.

3.3.3 Irrigation System

The proposed irrigation pump station will discharge to two centre pivot irrigators each rotating around a centre pivot.

Within the footprint of CP2 there is a wetland/bog area (identified in Figure 2) formed by a hard-pan layer which restricts infiltration in this area. This bog comprises an area of approximately 4 ha. SDC proposes to limit the application of effluent to this area using automated valves to shut-off selected sprinklers on CP2 as it rotates. PDP notes that this level of control requires careful programming but is feasible. It is also noted that the 70 ha irrigation area assumed for the nitrogen loading assessment has assumed that no effluent will be applied to the peat-bog area.



The consent allows a maximum daily irrigation rate of 4,500 m³/d in summer and 2,000 m³/d in winter. This corresponds to an average irrigation depth of 6.4 mm/d and 2.9 mm/d over the 70 ha irrigation area in summer and in winter respectively. However, although the consent allows for daily irrigation rates outlined above, applying the projected average daily flow (ADF) in 2040 as outlined in Table 1 the annual average irrigation depth in year 2040 is expected to be 1.9 mm/d and this equates to a total annual irrigation application depth of 680 mm/yr.

An annual irrigation depth of 680 mm/yr is in excess of the amount lost due to evapotranspiration minus precipitation (i.e. the moisture deficit) which is typically around 400 mm at other irrigation schemes in New Zealand and would likely be less in Te Anau. As noted in the AEE, the loading rate of 680 mm/yr will lead to drainage of effluent into the groundwater, which is not necessarily a fatal flaw for the scheme, but it does mean that there will be losses of contaminants, particularly nitrogen, into the groundwater. This is discussed further in Section 3.3 and Section 3.4.

3.3.4 Crop Management

The crop system proposed for the Kepler Block will involve no stock grazing and will involve regular harvesting of the cut-and-carry pasture crop (ryegrass). MWH has assumed that the value of this crop will offset some of the costs to operate the scheme. It is understood that farm operations would be undertaken by external agricultural contractors and the baleage would be on-sold to local dry stock farmers or used on the Kepler Farm by Landcorp. Fonterra Rules prevent feeding out of crop which has received municipal wastewater irrigation of this quality to lactating dairy cows, however, pasture crops irrigated with municipal effluent are routinely feed-out to dry stock animals in New Zealand.

Modelling undertaken by Hydroservices Ltd indicates that supplementary nitrogen fertiliser will need to be added in order to maximise crop yield. Additional trace element fertiliser inputs will also be required to maintain a suitable soil nutrient balance and trace elements and this would be determined based on the results of annual soil testing.

Ensuring that regular cropping operations occur in a timely manner and when weather conditions are favourable, and ensuring that the operation of the overall irrigation scheme continues uninterrupted, will require very careful management and detailed coordination by the WWTP Operator and Farm Manager. PDP notes that this can be challenging for council staff inexperienced in agricultural and effluent irrigation activities, however, similar council operated schemes have been successfully operated in this manner in New Zealand. An example of a successfully managed cut-and-carry wastewater land treatment scheme is Taupo District Council's (TDC's) 240 ha wastewater irrigation scheme. PDP has liaised with TDC to obtain details including costs and revenue associated with the Taupo

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Item 8.5 Attachment A



scheme which is further discussed in Section 3.5.2. An example of a less profitable scheme which makes less revenue from cropping and selling the grass is Kaipara District Council's Mangawhai land treatment system which is also discussed in Section 3.5.2.

3.3.5 Environmental Monitoring

The recently granted consent for the Kepler Scheme will require on-going monitoring and reporting as follows:

- ✧ Treated effluent – flows measured continuously and periodic testing for contaminant parameters;
- ✧ Crop – testing at each harvest, including testing for dry matter content and nitrogen content;
- ✧ Soils – soil quality and nutrient levels tested periodically to identify nutrient deficiency (e.g. to assess fertiliser requirements) and to identify any toxicity issues;
- ✧ Groundwater – contaminant parameters tested periodically (two up-gradient and two down-gradient bores);
- ✧ Odour – annual odour monitoring report.

The consent also requires calculation and reporting of the theoretical annual average nitrogen leaching losses to groundwater as determined using the Overseer model (applying actual measured parameters for the areal nitrogen loading and nitrogen content of the crop).

PDP notes that environmental monitoring requirements for land disposal of treated wastewater are typically more onerous and costly than for surface water or rapid infiltration disposal systems. PDP also notes that the consent does not require lysimeter monitoring and analysis to verify the results of theoretical leaching modelling which is sometimes required for land treatment schemes in New Zealand.

3.4 Land Treatment Concept

The intention of the Kepler Scheme is to provide further treatment of the effluent using the land and crop system. The term 'land treatment' is used to describe the treatment of the effluent provided by the land and crop system. The following sections outline how a land treatment system achieves removal of contaminants and why nitrogen is a key contaminant parameter of concern.

3.4.1 Contaminant Removal

Suspended solids and insoluble carbonaceous biochemical oxygen demand (cBOD) discharged onto land (e.g. as algal biomass in the treated effluent) is readily assimilated into soil matter.



Microbial contaminants and pathogens (typically measured as *E. coli*) naturally die-off over time in the root zone, in the vadose zone (unsaturated zone below the root zone) and in the groundwater zone. Land treatment systems can provide effective treatment of these contaminants provided there is adequate depth to groundwater and adequate separation between the irrigation site and any surface water bodies or groundwater users. The anticipated microbial contaminant removal from the Kepler Scheme and potential environmental effects are further discussed in Section 3.4.

The nutrient key elements present in the effluent consist of nitrogen, sulphur, phosphorus, potassium, calcium and magnesium and are considered beneficial for plant growth. However, some nutrients are regarded as contaminants if lost from the soil as runoff to waterways or via leaching to groundwater. Nitrogen is the key element in this category, which in the form of nitrate (NO_3^-) is highly mobile and has a high potential for leaching. Most fine grained soils (e.g. containing clay or silt particles) are effective at adsorbing phosphorus and losses of phosphorus from a land treatment system are typically minimal if soils are not overloaded.

3.4.2 Nitrogen Loading

The nitrogen loading rate which is anticipated at the 70 ha Kepler Block Irrigation Area in year 2040 due to effluent irrigation is around 190 kg N/ha/yr. This is based on an average annual flow rate of 1,300 m³/d and an average TN concentration of 28 g/m³ presented in the further evidence from K. Lockyer at the Hearing (note that the average effluent TN concentration will increase in the future as the retention time in the oxidation ponds is reduced).

Cut-and-carry pastures system without stock grazing have been shown to be sustainable with nitrogen loading rates of up to 600 kg N/ha/yr at some sites in New Zealand with minimal nitrogen losses to groundwater. This loading rate is much higher than that which can be sustained for a grazed pasture system where the majority of the nutrient loads are returned to the ground in the waste products from grazing stock. A typical nitrogen loading rate for a grazed pasture system is 150 kg N/ha/yr (e.g. it is a permitted activity in Southland to irrigate dairy shed effluent to grazed pasture in summer at a nitrogen loading rate of 150 kg N/ha/yr).

3.4.3 Operating Regime and Nitrogen Losses

While an appropriately designed land treatment system will operate very effectively when sunshine hours and ground temperatures are optimal for plant growth, nutrient losses are inevitable when irrigation is continued when soils are fully saturated or in the winter when plant growth is limited.

The ideal operating regime for an effluent land treatment system is a soil moisture 'deficit irrigation regime'. A deficit irrigation regime makes provision

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Item 8.5 Attachment A



for storage of effluent over the winter months so that irrigation can be stopped during wet-weather and sometimes also stopping irrigation in winter. However, the storage requirements and associated costs for this type of scheme can be significant. Where overall (annual) losses from a system can be shown to be relatively small, consents have been granted for some effluent land treatment/disposal schemes in New Zealand operating all year round without implementing a soil moisture deficit model (e.g. Taupo and at Fonterra Lichfield). However, in general it is becoming more common for schemes to be consented and operated in accordance with a deficit irrigation regime.

Just as a new WWTP at Te Anau will not remove 100% of the nitrogen from the effluent without very advanced processes and very high costs, an optimised land treatment system to achieve very low levels of nitrogen leaching losses also carries significant cost. The overall nitrogen removal rate which is likely to be achieved from the Kepler Scheme is discussed in Section 3.5.2.

3.4.4 Phosphorus Losses

PDP notes that Overseer modelling undertaken by MWH as part of the original AEE predicted very low phosphorus losses from the irrigation area (0.1 kg TP/ha/yr) and commented that due to the extensive unsaturated soil zone (e.g. approximately 4 m) phosphorus removal by adsorption onto clay layers and precipitation in the unsaturated zone would be significant. However, PDP notes that soil P-retention information was not provided in the consent application, therefore, it is impossible to accurately determine at what time in the future the soils may become saturated with phosphorus (i.e. to confirm that this date is beyond the lifetime of the consent).

Although the Hearing panel did not require soil testing for phosphorus retention and an assessment of when phosphorus saturation is likely to occur (instead recommended 5-year sampling and analysis), PDP considers that it is prudent to undertake this investigation prior to committing to the Kepler Scheme (and similarly for any other land treatment option) to confirm that phosphorus losses in the future will not be problematic.

3.4.5 Other Contaminants

Following the presentation by Rob Docherty of PDP to the Project Committee on 10 November 2015, a member of the Committee raised concerns regarding effluent containing hormones (e.g. estrogen) sprayed to crops and whether this could cause problems to cattle fed on such crops, particularly with regards to pregnancy issues². Research indicates that the levels of such compounds from municipal sewage treatment plants in New Zealand are low, many of which are below detection levels. A preliminary review of this literature by PDP indicates that such low levels of these types of organic compounds are unlikely to cause

² Allan Youldon, personal communication, 11 November 2015.



problems to cattle pregnancy or lactation. It is understood that baleage crop from the Kepler Block would be fed to dry stock cattle, sheep or deer and not to dairy cows.

Other potential contaminants of concern in raw effluent include heavy metals such as arsenic, cadmium, chromium, copper, lead, mercury and zinc. Although these metals are typically present in low levels in untreated domestic effluent, such metals settle out in an oxidation pond system and become bound in the sludge layer at the bottom of the ponds. The Kepler Scheme does not propose to irrigate pond sludge to land at the Kepler Block, therefore, heavy metals are unlikely to be a concern.

3.5 Assessment of Environmental Effects

A key benefit of the Kepler Scheme is that the discharge of treated wastewater to the Upukerora River will cease and the contaminant concentrations in this river will reduce downstream of the existing discharge. The discharge of contaminants to Lake Te Anau will also reduce under the Kepler Scheme. However, the actual improvement effect that this might have on the river and lake biota would need to be quantified and at present ecological studies have not been undertaken at the Upukerora River. Such a study would be required to quantify any possible improvement in River water quality if the existing WWTP discharge were to be removed.

Potential adverse environmental effects associated with the Kepler Scheme include effects on soils, groundwater, surface water and effects of odour and spray drift. Potential adverse effects on soils will be limited to the designated disposal area and can often be rectified with suitable fertiliser inputs and are not discussed further in this report.

PDP has reviewed the Assessment of Environmental Effects (AEE) prepared by MWH for the Kepler Scheme and key information and review comments are outlined in the following sections.

3.5.1 Effects on Groundwater

As discussed in Section 4.1.1, the key contaminant likely to impact on groundwater quality is nitrogen. PDP notes that the original AEE predicated that nitrogen leaching from the irrigation area could be 180 kg N/ha/yr. PDP notes that this is a very high nitrogen leaching rate. For comparison, typical nitrogen leaching losses from dairy farms with wintering support in the Southland region are 39 to 114 kg N/ha/yr and intensive sheep/beef/deer pasture systems are 8 to 23 kg N/ha/yr³.

³ G. Ledgard (2014). An Inventory of Nitrogen and Phosphorus Losses from Rural Land Uses in the Southland Region. Environment Southland, 2014.



However, during the consent hearing it was determined that an incorrect annual areal nitrogen loading rate was used in this early analysis which resulted in an incorrect leaching rate of 180 kg N/ha/yr. Revised analysis by Mr East presented at the Hearing, based on average summer and winter flows rather than peak summer and winter flows, estimated nitrogen leaching losses of 46 kg N/ha/yr underneath the centre pivot irrigators and 32 kg N/ha/yr across the designated irrigation area. Based on this assessment a condition of the consent requires modelling to be undertaken on an annual basis to determine the theoretical nitrogen leaching. This modelling is to apply the actual flows and loads associated with the treated wastewater, fertiliser inputs and harvested crop.

PDP has used the Overseer model (Version 6.2.0 released in April 2015) to review the expected nitrogen leaching rate estimated for future flows and loads at the end of the consent period (2040). PDP notes that together with the applied areal hydraulic and nitrogen loading rates and soil and climatic data, the predicted nitrogen leaching rate is sensitive to the mass of crop that the modeller predicts can be harvested and also the amount of supplementary nitrogen fertiliser applied. Results from this analysis indicate that nitrogen leaching could range from 25 to 45 kg N/ha/yr based on an assumed crop production rate ranging from 10 to 17 t DM/yr and supplementary fertiliser application rate of 0 to 150 kg N/ha/yr. PDP also notes that the accuracy of nitrogen leaching loss estimates using the Overseer model is generally considered to be around $\pm 20\%$ ⁴. Therefore, based on this assessment, the results of the PDP Overseer modelling are generally consistent with the results of modelling outlined in the Hearing report. PDP also notes that after subtracting the nitrogen losses from the existing sheep/deer/beef farming operation (assumed to be around 15 kg N/ha/yr) the net increase in nitrogen leaching losses due to the proposed effluent irrigation is expected to be around 18 kg N/ha/yr.

During the Hearing it was determined that insufficient data was available to confirm the characteristics of the groundwater system, particularly with regards to the groundwater flow direction. Further investigations and peer review work in 2014 concluded that the groundwater flow direction at the Northern Block was likely to be in a north-west direction towards the Waiau River. South of the airport (where wastewater irrigation is not proposed under the current consent) the groundwater flow is likely in a south-west direction towards Lake Manapouri at Frasers Beach. Groundwater modelling undertaken by Mr East (and peer reviewed by MWH and Mr Hughes on behalf of Environment Southland) concluded that a maximum groundwater mounding height of 0.5 m could develop directly under the irrigation area but that this was unlikely to alter the groundwater flow direction.

⁴ Foundation for Arable Research (2013). A Peer Review of Overseer in relation to modelling nutrient flows in arable crops, January 2013.



PDP notes that the Kepler Scheme will increase the nitrogen concentration of the groundwater under the irrigation area and in the groundwater plume flowing towards the Waiau River. Data presented by Mr East and MWH predicted that the nitrate-nitrogen ($\text{NO}_3\text{-N}$) concentration will increase from the existing $\text{NO}_3\text{-N}$ level of around 0.4 to 1.4 g/m^3 to about 4.5 g/m^3 . PDP notes that this is less than the $\text{NO}_3\text{-N}$ concentration encountered beneath many dairy farms in New Zealand and is less than the maximum acceptable value outlined in the New Zealand Drinking Water Standards for $\text{NO}_3\text{-N}$ of 11.4 g/m^3 .

PDP has reviewed the groundwater investigations undertaken as part of the further investigation required by the Hearing panel and has not found any flaws in the approach taken with the investigations nor the interpretation of the results obtained from the data analysis. PDP notes that the groundwater system at the Kepler Block is complex, and further site investigations and on-going groundwater monitoring would need to be undertaken to further understand the groundwater system. However, in our opinion the predicted future $\text{NO}_3\text{-N}$ concentration of about 4.5 g/m^3 is not excessive, and when put into context, it does not necessarily mean there is an adverse effect on the receiving environment. This is discussed further in Section 3.5.2. Due to the uncertainty around the groundwater flow direction, the consent requires ongoing monitoring of the piezometric surface both up and down gradient of the irrigation site.

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3.5.2 Effects on Surface Water and Overall Nitrogen Removal

It is proposed to operate the centre pivot irrigators at the Kepler Scheme even when there is light to moderate rain. This is unusual for an effluent irrigation system in New Zealand and this will need to be very carefully managed by the operator to ensure that surface ponding and runoff does not occur as a result. PDP notes that during and after moderate to extreme wet-weather events in the past, ponding has been observed at the site as shown in a number of photos which have been provided to PDP from various parties. During these occasions the irrigation of effluent will need to be stopped and the additional 10,000 m^3 of storage provided at the Te Anau WWTP will need to be utilised. This will require careful intervention by the operator and if correctly implemented, the risk of runoff from the site will be minimal. Nonetheless, as with most wastewater irrigation systems, the risk of surface runoff cannot be entirely eliminated.

Further to Section 3.5.1, contaminants will be discharged to surface water via the discharge of the groundwater plume to surface water. Based on investigations by Mr East and MWH as discussed in Section 3.5.1, it is likely that the groundwater flow direction is towards and discharges into the Waiau River, which ultimately flows into Lake Manapouri. MWH considered the minimum flow in the Waiau River (115 m^3/s) and the impact of the nitrogen leaching from the Kepler Block. This assessment predicted an increase in the TN concentration in the Waiau River of around 0.005 g/m^3 and pointed out that this change in contaminant concentrations would be undetectable. MWH used a similar mass-



balance calculation to demonstrate that the effect on Lake Manapouri would also be very small.

PDP has quantified the overall nitrogen removal efficiency of the Kepler Scheme in order to compare the nitrogen removal efficiency of the Kepler Scheme with alternative wastewater treatment and disposal options discussed in Section 5. Based on the areal nitrogen loading rate of 190 kg N/ha/yr as discussed in Section 3.3.2 and a maximum predicted leaching rate of 32 kg N/ha/yr as discussed in Section 3.5.1, the land treatment system can be considered to have a TN removal efficiency of approximately 83%. When also considering the nitrogen removal achieved in the existing Te Anau WWTP (approximately 50% removal), the overall nitrogen removal efficiency is approximately 91%. This is a very high level of nitrogen removal for a wastewater treatment scheme and a significant upgrade of the existing Te Anau WWTP would be required to achieve this same performance as discussed in Section 4.3.

3.5.3 Effects of Odour and Spray Drift

With the provision for the odour treatment outlined in Section 3.3.2, PDP considers that the likelihood that objectionable odour would be detectable from the Kepler Block is very low.

Given that the treated effluent does not received disinfection prior to irrigation (other than from natural sunlight incident on the WWTP ponds) and therefore could potentially contain pathogens, spray drift has the potential to impact on public health.

During the consent Hearing there was considerable discussion on spray drift, including the distance that various sized water particles could potentially travel during various wind speeds, and spray nozzle selection to minimise the discharge of fine droplets which are more prone to drift. The Hearing Panel concluded that there would be no risk to public health from spray drift beyond the site boundary provided that the following conditions were implemented:

- a) Sprinkler nozzle selection to ensure that the median droplet size exceeds 1,700 microns;
- b) Precipitation sensors to be installed on the southern boundary of the site and irrigation to be adjusted or stopped if spray detected;
- c) Fixed sprinklers are not operated within 75 m of the southern boundary of the site when the wind is from the northeast sector and exceeds 6 m/s;
- d) A buffer zone of 30 m to be provided between the site and the airport;
- e) Shelter belts to be planted and maintained along the northern, western and eastern site boundary comprising of three rows of radiata pine and/or Douglas fir.



While PDP agrees that the above mitigation measures will minimise the risk of spray drift impacting public health, we note that items b to c above will require significant operator input as automated irrigation control using wind speed and precipitation sensors is not proposed. PDP also notes that the airport is also used as a public venue, therefore, any spray drift to the south could be detrimental to the facility and also to possible future development at this site.

3.5.4 Bird Strike

Several submitters including the Fiordland Aero Club and Mr Hagen raised concerns about the potential risk to aircraft using the airport as a result of a bird strike which could increase as a result of the irrigation activity. Mr Hagen also referred the Hearing panel to comments made by Mr Williams regarding birds attracted to his farm after he began irrigating. Mr Beale prepared an assessment of the bird strike risk for SDC which recommended a range of passive bird deterrent measures. This assessment was reviewed by the Te Anau Airport Committee and the Civil Aviation Authority and the Hearing Panel concluded that they agreed with Mr Beale that the proposed management regime would exert a level of control on bird numbers in the vicinity of the airport what does not exist under the current farming regime. The Hearing Panel also recommended enforceable conditions regarding ongoing bird control measures.

PDP is currently assisting the Ministry of Defence to assess wastewater treatment and disposal options at the Ohakea Airbase where issues around bird strike have been raised and various technical experts have provided advice. In general the accepted expert view appears to be that bird activity will likely increase as a result of surface irrigation, but the magnitude of the bird strike risk increase is variable and is difficult to quantify. Mitigation measures at Ohakea and at the Dunedin Airport involve bird culling. PDP agrees with the Hearing Panel that careful management of bird activity will be required. PDP also considers that mitigation measures beyond passive deterrents may be required as their will be increased bird activity in the irrigation area.

3.5.5 Summary

In summary, PDP considers that the environmental effects of the Kepler Scheme are generally consistent with the findings of the resource consent Hearing report.

Nitrogen will be the key groundwater contaminant of concern and nitrogen leaching will impact on the groundwater quality and ultimately the Waiau River and Lake Manapouri. However, PDP notes that the magnitude of this leaching is likely to be less than a typical Southland dairy farm, and the overall nitrogen removal achieved by the proposed Kepler Scheme is likely to be around 91% which is very high for a wastewater treatment scheme and is significantly higher than the 50% achieved by the existing WWTP. Based on the information presented in the AEE, removal of phosphorus could be greater than 99% and

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Item 8.5 Attachment A



microbial contaminants in the groundwater 200 m beyond the site boundary are unlikely to be detected.

3.5.6 Risks

While the consent conditions will eliminate or mitigate many of the risks associated with Kepler Scheme, certain risks cannot be entirely eliminated. PDP considers that the key risks associated with the Kepler Scheme are as follows:

- a) Although reasonably well defined, there is (and likely always will be regardless of the level of investigation) some uncertainty around the groundwater flow direction, therefore, there is some risk that groundwater users and receptors other than the Waiau River could be affected by the groundwater contaminant plume from the Kepler Block. However, this risk is considered to be very low.
- b) Due to the nature of land treatment systems there is some uncertainty around the treatment performance (particularly with regards to nitrogen leaching losses) and there will be variability due to climatic variabilities. However, the impact of this risk is relatively small.
- c) Potential for inundation of the Te Anau WWTP by the Upukerora River during an extreme flood event. This risk is the same for all options that use the existing WWT and can be mitigated.
- d) If during moderate to extreme wet weather events the volume of balancing storage proves to be too small then irrigation will be forced to occur which could result in ponding and/or surface runoff. However, this risk is likely to be small.
- e) Limiting the spray drift to the confines of the site boundary could be challenging during windy conditions.
- f) Bird populations will increase and so there is a likelihood that the risk of bird strike at the airport would increase depending on the effectiveness of bird mitigation measures.
- g) In the event of poor management and/or maintenance, objectionable odour could be generated at the site. However, this risk is likely to be very small.
- h) The proposed irrigation scheme has potential to impact negatively on the airport and tourism.

PDP notes that some of the risk/concerns outlined above could also apply to alternative options investigated in Section 4.0 and Section 5.0.

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3.6 Expandability

It is understood that SDC purchased more land at the Kepler site than required for the duration of the consent to allow for a possible expansion of the Kepler Scheme in the future. The existing land treatment system (LTS) will utilise an area of 125 ha (including shelter belts and buffers) of the total 375 ha SDC owned land at the Kepler site. Of the 125 ha, an area of 115 ha is designated under the consent as available for wastewater irrigation and the net area which is proposed to be irrigated by the centre pivots is 70 ha.

While preliminary soil and hydrogeological investigations undertaken by Hydroservices Ltd indicate that the remainder of the SDC owned site is less suited to effluent irrigation than the Northern Block site where irrigation is proposed under the existing consent, given that significant additional land is available (250 ha) PDP considers that it is likely that some of this site could potential be used for an expansion of the LTS in the future.

If soil conditions were confirmed to be less favourable and/or groundwater flow was confirmed to be towards a more sensitive surface water body, then mitigation to reduce contaminant leaching may need to be adopted such as reducing the irrigation rate and/or providing storage in order to operate a scheme closer to a deficit irrigation regime.

Either way, while the Southern Block has not been considered as part of this study, it is likely to provide additional disposal capacity in the future.

3.7 Cost Estimates

PDP has received capital expenditure (CAPEX) and operating expenditure (OPEX) estimates for the Kepler Scheme prepared by MWH in September 2015. The MWH CAPEX and OPEX estimates are \$11.9M and \$0.07M/yr respectively.

3.7.1 Capital Expenditure

The CAPEX estimate prepared by MWH demonstrates that the concept design for the Kepler Scheme has been developed to a reasonable level of detail. PDP has not undertaken a detailed review of every item listed in the MWH schedule of quantities (SoQ) as this would involve further design development which is outside our scope at this stage. However, for the purpose of assessing the rough-order comparative costs of the Kepler Scheme against other practicable options, PDP has confirmed that key items have been allowed for in the cost estimates and that these costs are reasonable.

Provision for contingency in a project budget allows for unscheduled items which have not been considered at this stage (prior to detailed design), as well as allowing for unforeseen costs which can eventuate during construction. PDP considers that the contingency allowed for in the MWH SoQ at 15% is low for this stage of design development and PDP has increased the contingency to 20%.

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Item 8.5 Attachment A



This is lower than the 30% contingency used by PDP for the alternatives on the basis that the level of design development undertaken for the Kepler Scheme is higher than for the alternatives and that reasonably conservative rates have been applied.

A summary of the CAPEX estimate for the Kepler Scheme is outlined in Table 4. This summary outlines the estimated project costs 'looking forward' from 1 January 2016 and does not include the cost of the land purchase and other costs incurred by SDC up until this date. PDP has included a cost allowance for an appeal of the Kepler Scheme to the environment court but has not allowed for internal SDC costs. A breakdown of this estimate is included in Appendix E.

Table 4: CAPEX Estimate for the Kepler Scheme	
Item	CAPEX Estimate (\$M)
WWTP Upgrades	\$0.50
Pump Station and Transfer Pipeline	\$5.50
Irrigation System	\$1.60
Odour Management	\$1.10
Contractors Preliminary and General (10%)	\$0.90
Total Construction	\$9.60
Engineering (10%)	\$1.00
Contingency (20%)	\$1.90
Environment Court	\$0.30
Total CAPEX (excl. GST)	\$12.80

3.7.2 Operating Expenditure

The OPEX estimate prepared by MWH is \$0.07M. Operating costs include electricity, chemical, operation and maintenance of the existing WWTP, transfer system and irrigation equipment as well as farm/pasture management at the Kepler Block site. MWH has also assumed that the value of the harvested pasture crop will offset some of the OPEX for the overall scheme.

PDP notes that the OPEX for the Kepler Scheme is highly sensitive to the costs recovered from the sale of the baleage crop from the 'cut-and-carry' operation. MWH has estimated that the 115 ha designated disposal site (of which 70 ha will be irrigated) will produce an average of 10.1 t DM/ha/yr valued at \$375 t DM. This equates to an income of \$436K/yr for a total production of 1,160 t DM/yr.



PDP has obtained details from Mr Kevin Sears⁵ of Taupo District Council (TDC) with regards to ryegrass pasture production and operating costs for the Taupo 'cut-and-carry' Land Treatment Scheme (LTS). Although crop yields and cost information will differ to that for Te Anau for a variety of reasons, this information provides some basis for comparison. The Taupo Scheme currently irrigates effluent at an average areal hydraulic and nitrogen loading rate of around 800 mm/ha/yr and 350 kg N/ha/yr respectively (the consented maximum nitrogen loading rate is 550 kg N/ha/yr). On average this scheme generates a crop of 11.5 t DM/ha/yr which is sold as 650 kg wrapped silage bales at \$65 to \$88/bale (depending on the DM and protein content of the bale). For a typical year this corresponds to an average value of \$350/t DM. The 12,000 bales produced annually from the Taupo Scheme are typically sold to 12 to 15 repeat customers who are responsible for transporting the bales from a storage area at the LTS. The value of the 12,000 bale crop generated from the 240 ha Taupo LTS is around \$1.0M (\$1.2M when also considering the additional 3,000 bales produced from the TDC owned 40 ha non-irrigation area) which provides a considerable offset to the \$1.8M annual cost to operate Taupo's wastewater infrastructure.

In contrast to the Taupo Scheme, Kaipara District Council's (KDC) Mangawhai LTS is an example of a smaller (approximately 40 ha of irrigated area) and less profitable system. KDC has struggled to secure repeat customers for the harvested crop and has also struggled to secure reliable contractors to undertake the cutting operations. As a result, PDP understands that net income costs recovered from the sale of the baleage crop from this cut-and-carry operation have been very limited during some seasons. As discussed in Section 3.3.4, good management of the farming operation will be critical to the financial success of the Kepler Scheme.

For the purpose of this report PDP has considered two scenarios for the potential cost recovered from the sale of the baleage crop generated from the 115 ha Irrigation area as follows:

1. Scenario 1: 10 t DM/ha/yr at \$350/t DM/yr valued at \$400K/yr;
2. Scenario 2: 33% of the above.

PDP notes that for Scenario 1 the net OPEX estimate for the Kepler Scheme is a cost of \$220K/yr. For Scenario 2 the net annual OPEX is \$490K/yr. A breakdown of the OPEX for the Kepler Scheme is included in Appendix E. Both of these PDP OPEX estimates are significantly higher than the OPEX estimated by MWH.

⁵ Kevin Sears, personal communication, 9 October 2015.



4.0 Alternative Treatment and Disposal Options

This section outlines a longlist of possible alternative wastewater disposal options for Te Anau. From this longlist, a shortlist of practicable disposal options has been selected and wastewater treatment plant (WWTP) upgrade requirements and options are discussed.

4.1 Longlist of Disposal Options

A long-list of alternative options for wastewater disposal is outlined as follows:

- ✧ Slow rate irrigation (land treatment);
- ✧ Rapid infiltration to land;
- ✧ Outfall to the Upukerora River;
- ✧ Outfall to Lake Te Anau;
- ✧ Dual discharge;
- ✧ Deep Bore Injection;
- ✧ Evapotranspiration bed;
- ✧ Non-potable reuse;
- ✧ Potable reuse;
- ✧ Onsite disposal.

4.1.1 Slow-Rate Irrigation (Land Treatment)

An alternative slow-rate irrigation (SRI) site to the Kepler Block could provide 'land treatment' and disposal of wastewater. SRI could involve spraying the wastewater to the surface or could involve methods such as subsurface drip irrigation (SDI). However, where larger areas of land are required in order to provide land treatment (e.g. 70 ha at a hydraulic loading rate of 2 to 6 mm/d as proposed at the Kepler Block), spray irrigation is typically adopted as costs are of the order of \$8K/ha for a centre pivot system compared with \$50K/ha for SDI.

There are likely to be many sites in the vicinity of Te Anau with topography, soil and hydrogeological conditions suitable for SRI of wastewater. Other key site selection criteria include finding a site with a large enough area (e.g. around 70 ha for capacity up to year 2040) and with a landowner who is willing to sell the land to SDC or entering into a long term lease agreement. One site that PDP has investigated is the Smith Block located off Sinclair Rd approximately 6 km north-east of the Te Anau WWTP. Further details of this option are outlined in Section 5.1.

4.1.2 Rapid Infiltration to Land

Rapid infiltration (RI) involves the rapid disposal of effluent to the underlying groundwater, with the land system (i.e. soil and vegetation) providing very little treatment (particularly for coarser grained soils/gravels and when there is



minimal soil depth before contact with the groundwater). RI systems typically involve hydraulic loading rates of >10 mm/d to >1 m/d and typically involve a basin, trench, low pressure effluent disposal (LPED) or SDI. High hydraulic loading rates require high permeability strata (e.g. sand or gravels). To avoid creating a groundwater 'mound' that reaches the ground surface, RI systems are often located adjacent to a surface water body or where there is adequate depth to the groundwater. Due to the limited depth to groundwater and coarse underlying soils at the Te Anau WWTP site, an RI system would require an upgrade of the WWTP in order to minimise the environmental effects on the groundwater and surface water bodies (e.g. the Upukerora River and Lake Te Anau). An upgrade of the WWTP would also be required to avoid algae blocking discharge pipework (particularly for SDI which uses drip emitters which are prone to blockage) and also avoid algae reducing the permeability of the disposal area over time.

It should be noted that the environmental benefit provided by RI over a direct discharge to surface water would largely be limited to the benefit provided by improved dilution and mixing/dispersion to surface water (i.e. where the groundwater ultimately discharges into the surface). However, discharge via the ground can offer social and cultural benefits including alignment with values of iwi (i.e. discharge of wastewater via Papatuanuku) and also minimising the visual impact of the discharge.

Possible RI sites investigated by PDP include land adjacent to the WWTP and at the edge of the Upukerora River. Further details of these RI options are outlined in Section 5.2.

4.1.3 Outfall to the Upukerora River

For this option to be entertained it is reasonable to assume that a high level of treatment will be required. From PDP's initial discussion with local Iwi, Fish and Game and a number of other stakeholders, this approach would very likely face opposition. However, given that this is the existing discharge method, this option has been investigated further as outlined in Section 5.3.

In addition, the Project Committee has also requested that the existing outfall with no improvement in treatment be included in the options analysis as it provides a useful baseline against which to compare other options.

4.1.4 Outfall to Lake Te Anau

A 1.0 km long pipeline from the existing outfall in the Upukerora River could be installed along Upukerora Road to an outfall into Lake Te Anau beyond the shore line to a depth of 15 m or lower. While the construction of such an outfall is feasible from an engineering perspective, and would reduce the effects on the Upukerora River, this option is likely to face opposition from a number of stakeholders, including local Iwi and possibly also from local community and

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Item 8.5 Attachment A



tourism groups. Wastewater outfalls direct to lakes are rare in New Zealand and it would likely be difficult to obtain a resource consent for this option. For these reasons, a lake outfall option has not been considered further.

4.1.5 Dual Discharge

A dual discharge option could involve land treatment of effluent via SRI in the summer and a discharge to surface water or via RI during winter and wet-weather conditions. This approach allows for the best performance from the land system (e.g. minimising nitrogen leaching losses and maximising pasture production).

The disadvantages of this option is that a significant upgrade of the WWTP would likely be required to allow for discharge to groundwater/surface water, therefore, the overall costs for the scheme will be high as in effect this option involves two separate wastewater schemes. However, this option has been investigated further as outlined in Section 5.4.

4.1.6 Shallow or Deep Bore Injection

Shallow or deep bore injection involves disposal of wastewater to the groundwater, ideally beneath a confining formation and into a deeper aquifer. Shallow or deep bore injection requires a high quality effluent prior to discharge to avoid fouling of the surface of the bore/well. Deep bore injection of treated domestic wastewater has not been used in New Zealand, and costs for the investigations required to design a deep bore injection system would be significant and there would be a relatively high degree of uncertainty around the performance of this system. For these reasons deep bore injection of effluent has not been considered further.

The only reasonable sized community scheme in New Zealand that PDP is aware of using bore injection of effluent is the Russel township scheme in Northland, which uses relatively shallow bores at less than around 30 m deep. A shallow bore disposal method is somewhat similar to rapid infiltration discussed in Section 4.1.2 and Section 5.2.

4.1.7 Evapotranspiration Beds

Evapotranspiration beds dispose of wastewater to the atmosphere by evapotranspiration. This option is not suited to the climatic conditions at Te Anau where precipitation exceeds evapotranspiration for most of the year, therefore, the land area required for evapotranspiration would be very large. For this reason, this option has not been considered further.

4.1.8 Non-potable Reuse

Non-potable reuse of wastewater from Te Anau could involve SRI (land treatment) to local farms for pasture irrigation or to recreational parks or the

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Te Anau Golf Course. These options require a higher level of treatment than required for SRI to a designated wastewater disposal area (specifically with regard to microbial contaminants) as well as much more stringent monitoring requirements. These users are also unlikely to 'want' the wastewater outside of dry summer months, therefore, an alternative disposal route will also need to be provided. Therefore, due to the high costs associated with this option and the practicality of finding multiple disposal sites, this option has not been considered further.

4.1.9 Potable Reuse

Potable water reuse (e.g. safe to drink) would require an upgrade to the WWTP consistent with the Upgrade D outlined in the Section 4.3, followed by an advanced tertiary treatment process such as reverse osmosis. This WWTP would also need to incorporate sophisticated control and monitoring. As it would be significantly more expensive to construct and operate this system than the shortlisted options outlined in the following section, this option has not been considered further.

4.1.10 Onsite Disposal

The option of replacing the Te Anau WWTP with individual onsite wastewater treatment (e.g. composting toilets or septic tank/package treatment plants) and disposal systems at every house and business residence currently serviced by the scheme has not been considered further due to the impracticality and high costs of this option.

4.2 Shortlist of Practicable Disposal Options

From the longlist of possible disposal options outlined in Section 4.1, a shortlist of 'practicable' alternatives to the Kepler Scheme is identified for further investigation as follows:

- ✧ Option 1: Alternative slow-rate irrigation (land treatment and disposal) at the Smith Block;
- ✧ Option 2: Rapid infiltration in the vicinity of the Te Anau WWTP;
- ✧ Option 3: Outfall pipe to the Upukerora River;
- ✧ Option 4: Dual discharge, with slow-rate irrigation at the Smith Block and rapid infiltration in the vicinity of the Te Anau WWTP.

Upgrades to the existing Te Anau wastewater treatment plant (WWTP) to achieve a quality of effluent appropriate for these shortlisted options are discussed in the following section.

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Item 8.5 Attachment A



4.3 Wastewater Treatment Plant Upgrades

For any wastewater treatment and disposal scheme the 'disposal' mechanism is always the most difficult part to select. Once the disposal mechanism is selected, this then determines the amount of treatment required to be provided by the WWTP. Factors which need to be considered when determining the quality of treated effluent are the environmental effects, technical considerations and the social and cultural factors.

For this report it is considered that the level of treatment provided by the existing WWTP is satisfactory for the SRI of effluent at the Kepler Block and it has been assumed that this same quality will be appropriate for any alternative SRI scheme.

At this conceptual development stage of the RI or river outfall options it is difficult to know what level of treatment will be required as the detailed investigative work has not yet been undertaken. A comprehensive Assessment of Environmental Effects (AEE) would be required before confirming the level of treatment required for each option. Therefore, for this report PDP has looked at five options for wastewater treatment which range from using the existing WWTP (oxidation ponds) in the present configuration through to replacing the existing WWTP with a 'Best Practice' mechanical WWTP capable of producing highly treated effluent. While there are a variety of different treatment methods to achieve the same effluent quality, for this report PDP has chosen methods which are proven to perform in a reliable and robust manner in the New Zealand context. These options are summarised as follows:

- ✧ Existing: Oxidation ponds with no upgrades;
- ✧ Upgrade A: Oxidation pond with tertiary treatment;
- ✧ Upgrade B: Enhanced pond-based secondary treatment with tertiary treatment;
- ✧ Upgrade C: Full mechanical secondary treatment with tertiary treatment;
- ✧ Upgrade D: Enhanced full mechanical secondary treatment with tertiary treatment.

Descriptions of the four upgrade options outlined above are discussed in the following sections and a summary of the effluent quality achievable for each upgrade option and a comparison against the effluent quality from the existing oxidation pond WWTP is outlined in Section 4.3.5. Further details and cost estimates are outlined in Section 5 and schematic process flow diagrams of each of the conceptual options are included in Appendix F.

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4.3.1 Upgrade A: Oxidation Pond System with Tertiary Treatment

Upgrade A involves retaining the existing oxidation ponds and adding tertiary processes downstream of the ponds to remove solids (predominantly algae), reduce phosphorus and to provide disinfection.

Algae present in oxidation pond effluent is difficult to remove with conventional filtration processes, however, some filtration/flotation processes can remove algae effectively. Following algae removal, disinfection can be achieved using an ultraviolet disinfection unit (UV). Removing a significant amount of nitrogen using the existing oxidation ponds will not be possible even if a tertiary denitrification process were added (e.g. a denitrifying filter, bark-bed filter or Biofiltro® worm bed system) as there is limited nitrogen in oxidised form (e.g. nitrate-nitrogen) in the treated effluent from the oxidation ponds. These systems are also not compatible with a chemical phosphorus removal process unless used together with an additional solids separation unit.

Chemical precipitation of phosphorus is the most common and simple method of reliably reducing phosphorus concentrations and typically involves dosing a metal salt (e.g. alum) directly upstream of the separator unit. The separator unit then removes the chemical sludge together with the algae biomass and other residual organic solids. The most reliable systems for combined algae removal and chemical phosphorus removal involve chemical assisted dissolved or induced air flotation, microfiltration, or the Actiflo® high rate clarification process shown in Figure 3.

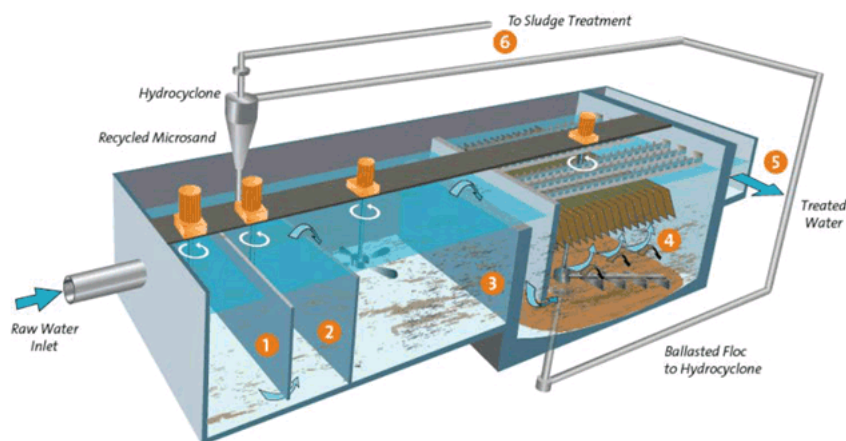


Figure 3: Actiflo® Source - Veolia Water Technologies



PDP has assumed that the use of an Actiflo system and UV disinfection unit for an 'Upgrade A' option. Such a system is operating successfully at the Ngaruawahia WWTP in the Waikato and the same council is also planning to install an Actiflo system at the Huntly WWTP.

A chemical phosphorus removal and Actiflo system will require a higher level of operator input than the existing WWTP, together with ongoing chemical dosing (e.g. alum and an organic polymer for flocculation of the algae solids). Sludge generated from the process will also need to be disposed of.

Note that an alternative 'Upgrade A' approach without provision for phosphorus removal could utilise a Biofiltro or similar process followed by UV disinfection, however, PDP has not investigated this option in this report.

4.3.2 Upgrade B: Enhanced Pond System with Tertiary Treatment

Upgrade B involves an upgrade of the pond system to improve biological nutrient removal (BNR), principally for additional nitrogen removal. The enhanced pond system would be followed by chemical phosphorus removal, tertiary filtration and UV disinfection.

One approach could involve modifications to form a continuous-fill sequencing batch reactor (SBR) system by using part of the existing WWTP pond infrastructure. Similar to a tank-based SBR process, this would involve sequential mixing, aeration, settling and decant phases to promote growth of nitrifying and denitrifying bacteria for additional nitrogen removal. Modifications to form an efficient in-pond biological reactor using the existing WWTP ponds will require partitioning off one end of Pond 1. Some additional embankments would be required in the pond and the perimeter embankments would probably need increasing in height to increase the active water depth in the SBR. A significant upgrade to the mechanical aeration and mixing system would be required together with a decanter or floating pump. One example of this type of system is the proprietary Intermittently Decanting Extended Aeration Lagoon (IDEAL) system which has been developed by a USA company called EDI and is shown in Figure 4. This type of system has been installed at Watercare's Omaha WWTP north of Auckland.

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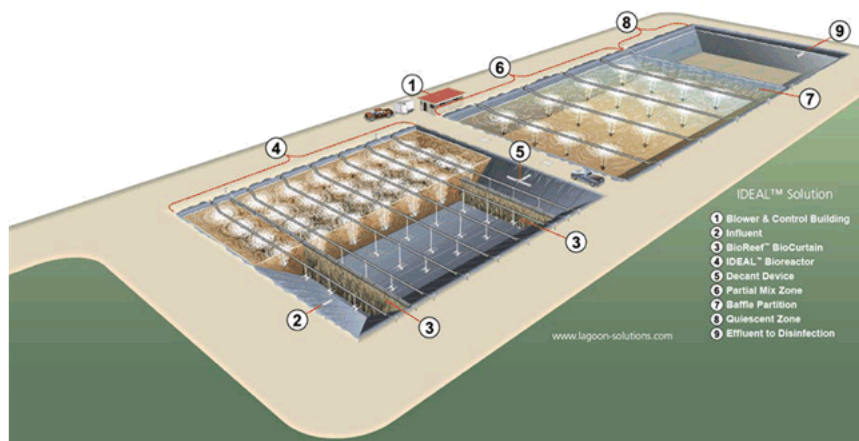


Figure 4: IDEAL In-Pond System Source - EDI

A high rate biological treatment system such as this will require wasting of sludge (dead bacteria utilised in the treatment process) from the biological reactor. The quantity of sludge generated by this process will be greater than that for the existing WWTP and greater than for an Upgrade C or D scenario as discussed in the following sections. One approach to sludge management could be to store the sludge in the existing Pond 2 and/or Pond 3 (which would both be redundant) and to periodically de-sludge these ponds via a dredging operation as currently undertaken at the site. Alternatively, continuous dewatering and offsite sludge disposal could be undertaken. An enhanced pond system will likely need to utilise a portion of the existing Pond 1 for balancing peak wet-weather flows.

Upgrade B will achieve some additional nitrogen removal, and could be implemented together with chemical phosphorus removal and UV. Due to the shorter retention times in the smaller but more efficient biological treatment system, algal growth will be minimised and the need for more complex and chemical intensive tertiary filtration/flotation is avoided.

4.3.3 Upgrade C: Full Mechanical WWTP using MBR

Upgrade C involves a tank-based full mechanical activated sludge based biological WWTP together with an ultrafiltration membrane. This system is called a Membrane Bio-Reactor (MBR) and is capable of a higher level of nitrogen removal than the pond based systems described in Upgrade A and Upgrade B. Upgrade C would also include chemical phosphorous removal and provide a high level of disinfection.

Recent cost reductions in membrane technology have made MBR systems competitive or in some cases more cost effective than conventional BNR systems.

The membranes are submerged in a tank and effectively replace the clarifier, tertiary filter and UV used in a conventional BNR system, while the longer solids retention time provided in the system reduces the quantity of sludge produced. A typical MBR WWTP is shown in Figure 5.

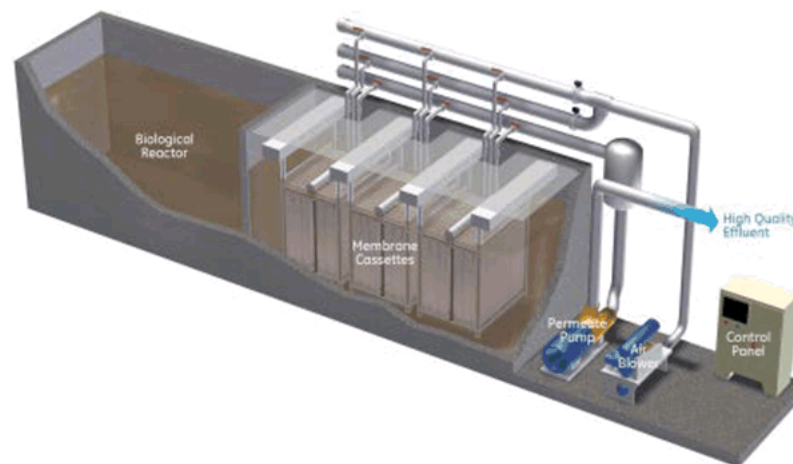


Figure 5: MBR System Source - GE Water and Process Technologies

An MBR requires fine screening (1.0 mm) and grit removal upstream of the MBR to avoid fouling and abrasion of the membrane pores which are typically 0.1 to 1.0 microns in size. However, membranes are not adversely impacted by algae in the same way as a conventional clarifier and tertiary filter are. An MBR system requires periodic membrane replacement (e.g. every 8 to 12 years) which adds a significant operational cost.

This technology has been used in New Zealand for about 10 years and is becoming more widely used where very high quality (well treated) effluent is required. The Rotorua WWTP is an example where MBR technology is currently being used (since 2009) to treat about 33% of the effluent (of the total average daily flow of around 18,000 m³/d) and RDC is considering expanding the MBR capacity to treat 100% of the flow and then discharge it into Lake Rotorua. Other New Zealand MBR examples include the Turangi WWTP and the Te Aroha WWTP, and MBR systems are proposed at the Pukekohe WWTP and at the Helensville WWTP in the near future. A small MBR has system has also recently been installed in the Southland District at Department of Conservation campground in the Catlins.



4.3.4 Upgrade D: Enhanced Full Mechanical WWTP using MBR

Upgrade D would comprise of an MBR system outlined as Upgrade C with the addition of supplementary chemical dosing of carbon to achieve further nitrogen removal.

Requirements for the quality of effluent able to be produced by Upgrade D come at a higher cost due to increased chemical usage, increased health and safety requirements (if using ethanol or methanol is for supplementary carbon dosing) and additional sludge production.

4.3.5 Effluent Quality Achievable for each Upgrade Option

Table 5 provides a rough-order outline of the expected median effluent quality achievable with each of the upgrade scenarios outlined above. The existing effluent quality from the Te Anau WWTP has been included in Table 5 for comparison purposes.

Table 5: WWTP Upgrade Options Effluent Quality						
Upgrade Option	Treatment Plant	Median Effluent Quality Achievable ¹				
		TSS (g/m ³)	BOD (g/m ³)	TN (g/m ³)	TP (g/m ³)	E. coli (cfu/100mL)
Existing ²	Oxidation ponds	<50	<30	<30	<6.5	<10,000
A	Retain oxidation ponds, chemical P removal, Actiflo® and UV	<10	<10	<25	<1.0	<100
B	Pond-based SBR, chemical P removal, tertiary filter and UV	<10	<10	<15	<1.0	<100
C	Tank-based MBR, chemical P removal	<2	<2	<10	<0.5	<10
D	Tank-based MBR, chemical P removal and carbon dosing for enhanced N removal	<2	<2	<5	<0.5	<10
Notes: 1. TSS=Total suspended solids, BOD=Biochemical oxygen demand, TN=total nitrogen, TP=Total phosphorus, E. coli=Escherichia coli; 2. Based on results from SDC quarterly effluent sampling and analysis from 2009 to 2015.						



Table 5 indicates that a tertiary treatment process at the existing oxidation ponds (Upgrade A) could remove significant solids, BOD and phosphorus from the effluent and provide reasonable disinfection. However, the oxidation ponds would need to be replaced with Upgrade B, C or D in order to significantly reduce nitrogen in the effluent.

PDP notes that an Upgrade D could achieve 90% removal of nitrogen (based on assumed influent and effluent total nitrogen (TN) concentrations of 50 g/m³ and 5 g/m³ respectively) which is comparable to the expected overall performance of the Kepler Scheme as discussed in Section 3.4.4. The effluent produced from Upgrade C or D will have a very high visual clarity and will appear similar to river water.

4.3.6 Future Nutrient Loads Discharged for each Upgrade Option

A preliminary assessment of the expected improvement to the nutrient concentrations discharged to the Upukerora River for each WWTP upgrade scenario is included in Appendix C. This assessment assumes that all nutrients discharged via a RI system or river outfall would ultimately end up in the Upukerora River. While this assumption will be correct for a river outfall scenario, the nutrient loads discharged to the Upukerora River via an RI system will be considerably less if the groundwater flow direction at the RI disposal site flows toward Lake Te Anau rather than towards the Upukerora River. However, at present information about the groundwater flow direction at the WWTP site is not known and this would need to be determined as part of the next phase of investigation if an RI option was to be advanced. Details of a RI disposal system are further discussed in Section 5.2.

The assessment in Table 3 and Appendix C indicates that under an Upgrade D scenario, the WWTP total nitrogen (TN) and total phosphorus (TP) contribution to Upukerora River could be reduced from the current levels of 13% and 50% respectively to 3% and 6% respectively. By year 2040 when the flow rate from the WWTP is expected to increase from the current average daily flow of 850 m³/d to 1300 m³/d, the contribution of TN and TP would increase to 23% and 54% respectively based on the 'existing WWTP' and this would reduce to 5% and 8% respectively for Upgrade D. Upgrade D represents a significant reduction to the nutrient loads discharged to the Upukerora River and the downstream in-river concentrations would likely be below ANZECC guidelines levels. For the purpose of this report, cost estimates for each WWTP upgrade option have been prepared and are discussed further in Section 5.0.

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5.0 Analysis of Shortlisted Alternatives

The alternative options presented in this report are conceptual at this stage and further engineering investigations and will be required prior to confirming the viability of these options. Any new option would also require a new resource consent which will need to include a comprehensive assessment of environmental effects (AEE) similar to that which has been prepared for the Kepler Scheme.

PDP notes that any new WWTP infrastructure at the site of the existing WWTP would need to be located on an elevated building platform above the flood level of the Upukeora River in the event that the River were to burst its banks and flood the site. All the options considered in this report, including the Kepler Scheme, will require protection of the existing WWTP from the river in flood.

5.1 Option 1: Slow Rate Irrigation to the Smith Block

The Smith Block is a 196 ha pastoral farm presently owned by Mr Philip Smith which is located approximately 6 km to the north east of the WWTP on elevated ground approximately 100 m above Lake Te Anau between Sinclair Road and the Upukeora River as shown in Figure 6. The Smith Block was visited by PDP in September 2015 and it is a site favoured by the FSO group. Based on preliminary discussions between PDP and Mr Smith it would appear that he is open to selling the land or entering into a long term lease agreement with SDC.

Note that as previously discussed, the Kepler Scheme provides a baseline against which alternative slow-rate irrigation (SRI) options can be compared. PDP has considered two different variations for SRI at the Smith Block which are outlined as follows:

- ✧ Option 1A: Assumes the same design parameters for the Smith Block Scheme as have been used for the Kepler Scheme (e.g. 300NB transfer pipeline and the same odour treatment system and centre pivot irrigation system);
- ✧ Option 1B: Assumes that a 10,000 m³ aerated lagoon is used at the Smith Block to provide odour treatment (replacing the biofilter, biological trickling filter and chemical dosing system) and to provide additional storage and greater operational flexibility and to allow for a smaller diameter pipeline (250NB) to transfer treated effluent from the WWTP to the Smith Block.

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Item 8.5 Attachment A





5.1.1 Flows and Loads

The design flow and loading criteria for Option 1A will be equivalent to the Kepler Scheme as outlined in Section 3.2.

For Option 1B the design flow and loading criteria will be equivalent to the Kepler Scheme with the exception that the maximum flow in the transfer pipeline will be 32 L/s (i.e. 2,800 m³/d if pumping for 24 h/d) rather than 52 L/s (i.e. 4,500 m³/d if pumping for 24 h/d).

Option 1B assumes that with 10,000 m³ of storage at the WWTP and 10,000 m³ of storage at the Smith Block, then PWWFs can be adequately balanced to avoid the need to transfer a higher flow from the WWTP to the Smith Block. However, this would need to be confirmed as no flow balancing modelling has been undertaken at this stage. Provision for storage at the Smith Block will also mean the irrigation system will not be required to operate whenever the transfer pipeline is operating (i.e. it will provide greater operational flexibility).

5.1.2 WWTP Upgrade

For Option 1A and Option 1B it is assumed that there would be no upgrade to Te Anau WWTP other than raising the embankments to Pond 1 to provide 10,000 m³ of additional storage.

5.1.3 Transfer Pipeline

The length of the transfer pipeline from the WWTP to the Smith Block is approximately 6 km. The diameter of the transfer pipeline for Option 1A is assumed to be 300NB and the diameter of the transfer pipeline for Option 1B is assumed to be 250NB.

Due to the higher elevation of the Smith Block above the WWTP (100 m) compared with the maximum elevation of the pipeline to the Kepler Block (50 m), pumping effluent from the WWTP to the Smith Block will require higher pressure pumps and a higher pressure rated pipeline than that required for the Kepler Scheme. Alternatively, an inter-stage pump station (i.e. two pump stations) and a lower pressure pipeline could be used.

5.1.4 Slow-rate Irrigation Scheme

On first inspection by PDP, the soil and topography at the eastern half of the Smith Block appears to be similar to the Kepler Block and suitable for wastewater irrigation, while sloping/undulating ground and finer grained soils at the western half of the site are likely to be unsuitable for wastewater irrigation.

Again, in order to minimise costs, PDP has assumed that Option 1A and Option 1B will not be operated as a deficit irrigation system. As discussed in Section 3.5, the most cost effective irrigation method to distribute the effluent across the required 70 ha net irrigation area is by using spray irrigation. For the purpose of



this report PDP has assumed that this would utilise three centre pivot irrigators in order to achieve the area within the constraints of the site boundary and areas of suitable topography, while also maintaining a 50 m offset to the natural waterway at the south-west boundary of the site. Note that other spray irrigation methods such as solid-set (e.g. fixed) spray irrigators could potentially be used, however, solid-set irrigation would be a higher cost alternative.

5.1.5 Odour Management

The risk of objectionable odour release along the length of the transfer pipeline and at the Smith Block will be less than for the Kepler Block due to the shorter length of the transfer pipeline and hence the shorter retention time. However, odour is still a key consideration and provision for odour treatment has been considered for Option 1A and Option 1B.

For Option 1A and Option 1B PDP has assumed that carbon filters will be required on air release valves along the length of the transfer pipeline.

For Option 1A PDP has assumed the same odour treatment as for the Kepler Scheme (i.e. biofilter, biological trickling filter and chemical dosing system). PDP notes that the retention time in a 300NB transfer pipeline to the Smith Block based on the 2012 winter ADF ($600 \text{ m}^3/\text{d}$) is approximately 17 hours compared with 52 hours to the Kepler Block.

For Option 1B the retention time in the 250NB transfer pipeline to the Smith Block based on the 2012 winter ADF ($600 \text{ m}^3/\text{d}$) is approximately 12 hours. PDP considers that in this instance a submerged pipe outlet into an aerated lagoon/storage pond would provide adequate odour treatment. This aerated lagoon could be located at the Smith Block with maximum separation from neighbouring properties.

5.1.6 Operation and Maintenance

Operation and maintenance requirements for the Smith Block Scheme will be similar to that required for the Kepler Scheme.

As outlined in Section 3.2, this will involve operating and maintaining equipment at the Te Anau WWTP, the transfer pipeline, and the odour treatment facility/aerated lagoon and irrigation equipment at the Smith Block. PDP notes that while the Smith Block is closer to the WWTP than the Kepler Block, the pumping costs to the Smith Block will be higher (estimated at \$46K/yr compared with \$28K/yr for the Kepler Block).

Maintenance costs will also be greater for the Smith Block due to the additional pump station (or higher pressure pumps) and additional centre pivot irrigator.

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5.1.7 Risks/Disadvantages

Key risks/disadvantages which could be an issue with this option are outlined as follows:

- ✧ Possible negative effects on existing neighbouring groundwater users (this would need to be quantified by further investigations if this option was pursued);
- ✧ Relatively close proximity to the unnamed stream to the west of the site and to the Upukerora River (e.g. 50 m) compared with greater distance separating the Kepler Scheme from surface water bodies. Further investigation will be required to confirm that sufficient distance is available (particularly with regard to microbial attenuation) which will depend on factors such as the distance to groundwater.
- ✧ Nitrogen leaching from the irrigation area via the groundwater will likely discharge into the Upukerora River and the effects of leaching from the Smith Scheme are likely to be greater than for the Kepler Scheme given that there will be significantly less dilution in the Upukerora River than the Waiau River (e.g. around 6 m³/s versus 115 m³/s). Contaminants discharged from the Smith Block further up the Upukerora River under this option compared with the existing discharge location could have a greater impact on the river (e.g. a greater length of the river will be affected).
- ✧ Many of the same risks as identified in Section 3.5.5 for the Kepler Scheme will also apply for a similar scheme located at the Smith Block.

5.2 Option 2: Rapid Infiltration Close to the WWTP

For the purpose of this report PDP has considered an RI disposal system in the vicinity of the existing WWTP. While other possible sites may be available further away from the WWTP, these will involve similar WWTP upgrades and similar disposal infrastructure together with a longer transfer pipeline to the disposal site. Therefore, an RI system located further away from the WWTP will involve greater capital and operating costs than the options presented in this report.

5.2.1 Flows and Loads

Key flow and loading criteria for a WWTP Upgrade and RI disposal system for the year 2040 design horizon is summarised as follows:

- ✧ Average daily flow (ADF): 1,300 m³/d;
- ✧ Winter ADF: 880 m³/d (1 May to 31 August) and Summer ADF: 1,520 m³/d (1 September to 30 April);



- ✧ Peak dry weather flow (PDWF): 2,800 m³/d (used for WWTP sizing);
- ✧ Contaminant loads for a replacement WWTP (Upgrade B, C and D) are as outlined in Appendix B.

It is assumed that the existing WWTP ponds would be utilised to balance PWWFs and that the discharge to the RI disposal site could continue during wet-weather. Therefore, the maximum design flow in the transfer pipeline to the RI disposal site is 32 L/s (i.e. 2,800 m³/d if pumping for 24 h/d).

5.2.2 WWTP Upgrade

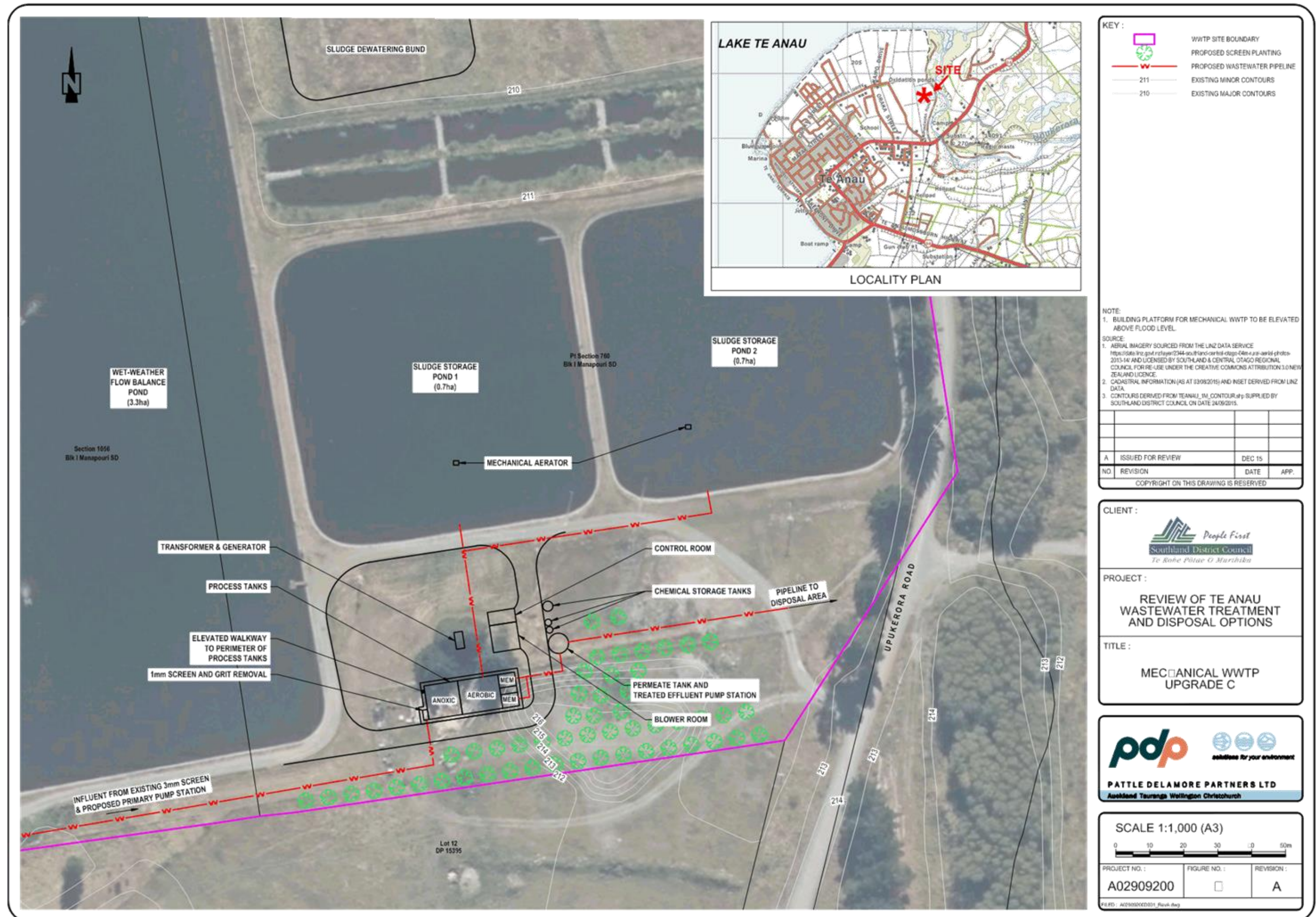
The effluent quality required for RI of effluent to land in the vicinity of the WWTP will need to be confirmed after undertaking detailed investigations, AEE and stakeholder input. Therefore, for the purpose of this report, a range of WWTP upgrade options have been considered (Upgrade A through to Upgrade D) and a schedule of quantities outlining the key infrastructure items for each WWTP upgrade option is included in Appendix E.

Two RI disposal options are discussed in the following section, this first involving subsurface irrigation adjacent to the WWTP (Option RI-1) and the second involving a subsurface disposal trench adjacent to the Upukerora River (Option RI-2). As discussed in the following section, the first approach involves a discharge to the groundwater system and the second involves a diffuse discharge to the Upukerora River.

At this preliminary stage PDP considers that in order to minimise the environmental effects on the Upukerora River and obtain a 25 year consent, Option RI-1 would require a WWTP Upgrade B (e.g. an effluent quality of BOD/TSS/TN/TP of 10/10/15/1 g/m³) whereas Option RI-2 would require a WWTP Upgrade C or higher (e.g. a median effluent quality of BOD/TSS/TN/TP of 2/2/10/0.5 g/m³).

Conceptual layout drawings of all WWTP upgrade options have not been prepared at this stage, however, the footprint required for a fully mechanical MBR WWTP Upgrade C is shown in Figure 7.

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5.2.3 Effluent Disposal

Given the close proximity to urban areas, spray irrigation is not considered to be feasible in the vicinity of the WWTP. Two potentially feasible options for RI adjacent to the WWTP are shown in Figure 8 and are described as follows:

- ✧ Option RI-1: Subsurface irrigation or infiltration basin adjacent to the WWTP;
- ✧ Option RI-2: Subsurface trench adjacent to the Upukeora River.

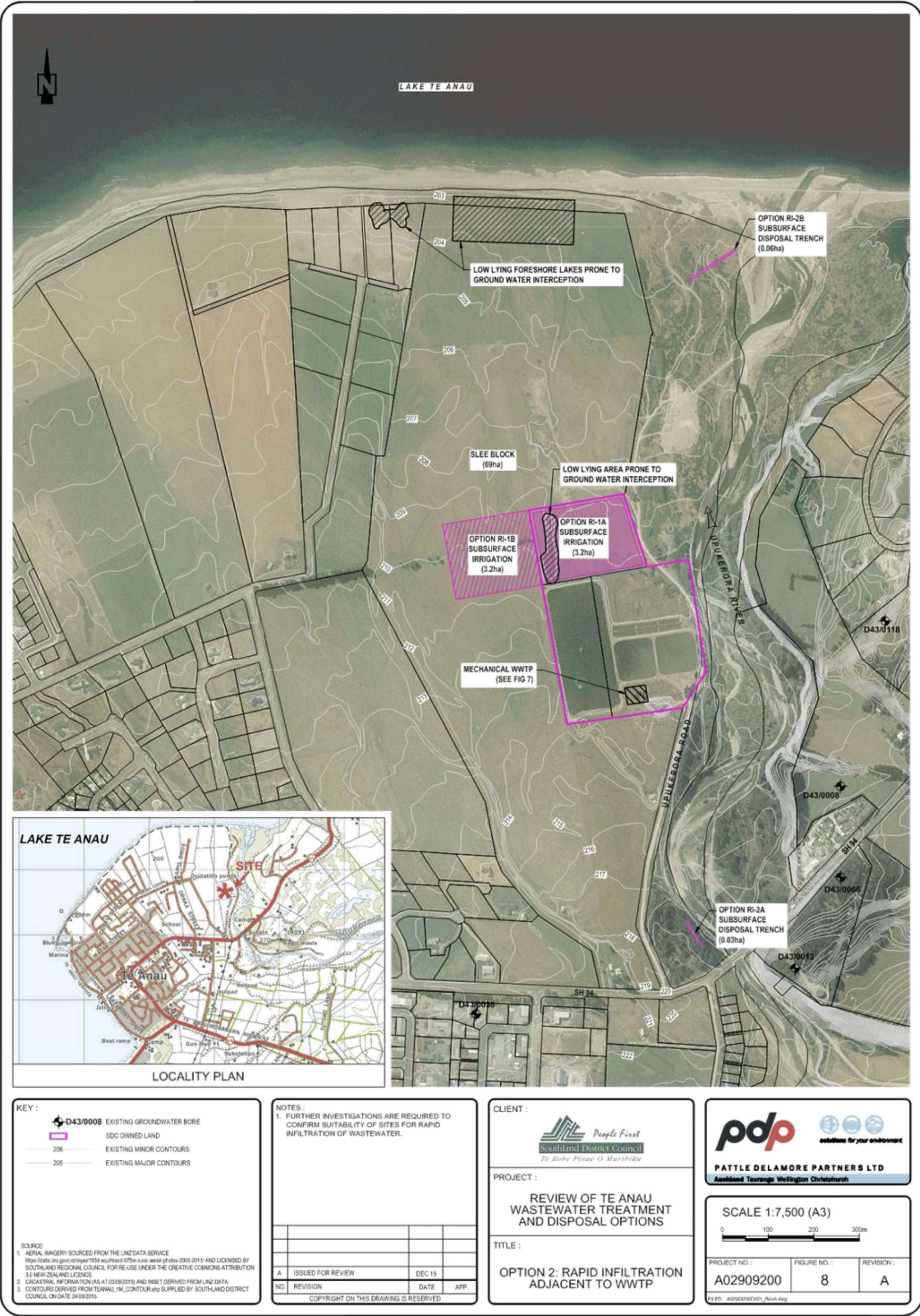
PDP issued a Technical Memorandum to the Project Committee on 13 November 2013 which discussed the above RI options and the likely effects on the groundwater system. This technical memorandum is included as Appendix D.

PDP has reviewed findings of a preliminary hydrogeological investigation undertaken at the WWTP by MWH in 2002⁶. This investigation considered the suitability of an Option RI-1 system at the designated WWTP site adjacent to the recently constructed (August 2015) sludge dewatering bund as well as the 3.7 ha SDC owned site to the north of Pond 1. Key findings of this investigation are outlined as follows:

- ✧ The depth to groundwater varies due to the undulating topography and was found to be a minimum of 0.9 m across the site (measured in May).
- ✧ The strata is predominantly coarse grained river gravels and sands, however, clay and silt layers were also encountered;
- ✧ The groundwater flow direction varied across the sites, flowing to the west at some locations, while at other locations it flowed towards Lake Te Anau (north) and the Upukeora River (east);
- ✧ Preliminary modelling indicated that an 80 m diameter (0.5 ha) infiltration basin loaded at 480 mm/d (about 2,400 m³/d) would result in groundwater mounding of 1.43 m and with a high likelihood of 'daylighting' of effluent at low areas in the vicinity of the site.

Based on this preliminary assessment, an Option RI-1 approach would require the RI disposal area to be larger and importing of gravel material to fill low lying areas. This system could utilise a network of pressurised pipes installed below ground level using low pressure effluent disposal (LPED) or subsurface drip irrigation (SDI). Topsoil could be reinstated over the top of the disposal area to minimise the visual impact of the RI system. To maintain pasture growth while irrigating at a loading rate of up to 100 mm/d, pipework would need to be located at a suitable depth which could be between 200 mm to 600 mm depending on the soil characteristics. As previously discussed, the RI would likely provide very limited further treatment of the effluent.

⁶ MWH (2002). Te Anau Sewage Treatment Plant – Hydrogeological Investigations. Prepared for Southland District Council, July 2002.





Option RI-1A utilises a 3.2 ha disposal area (2.8 ha net) on SDC owned land which would apply a maximum hydraulic loading rates of 100 mm/d based on a peak flow rate of 2,800 m³/d in year 2040. Option RI-1B utilises land owned by the Slee Family located northwest of the WWTP if this was found to be technically more advantageous. At this stage PDP has not discussed the possibility of SDC purchasing land or entering into a long term lease agreement with the Sleees but it is understood from the FSO group that the Sleees may be open to leasing land to SDC for the purpose of subsurface irrigation.

The groundwater characteristics are not well understood at these sites, however, if found to generally flow towards Lake Te Anau, then a key advantage of Option RI-1 over Option RI-2 is that the impact on the Upukerora River due to nutrients present in the effluent may be significantly less for Option RI-1 than for Option RI-2.

However, the key risk with Option RI-1 is the high likelihood of daylighting of effluent at low lying areas at the lake shore. These areas are the small foreshore lakes shown in Figure 9. These areas currently intercept groundwater, therefore, the likelihood of daylighting of effluent at these locations is considered to be high. If effluent were to enter these small lakes then it would provide nutrients which would promote the growth of algae and other adverse effects.



Figure 9: Foreshore Lakes Source - Google Earth (12/1/2014)

Further investigations are required to quantify the likelihood and consequence of daylighting of effluent at these low lying areas, and whether it would be feasible to fill these areas. PDP notes that some preliminary ground investigations have been undertaken by the FSO at the Slee Block, but more detailed investigations and analysis and landowner discussions would be required to confirm the feasibility of an Option RI-1 approach.



Option RI-2A and Option RI-2B involve a subsurface trench or rock diffuser located adjacent to the Upukerora River on the river side of the flood embankment downstream of the SH94 Bridge. There are two different options as should in Figure 8 but the concept for each is the same. A more direct groundwater flow path to the river is likely under this approach, therefore, the risk of groundwater mounding and daylighting of effluent at low lying ground and/or at the shore of Lake Te Anau is likely to be low. The disadvantage of Option RI-2A will be the discharge of nutrients to the Upukerora River, even if significantly reduced with an advanced WWTP upgrade. This issue is largely overcome with Option RI-2B.

Any structure on the river side of the flood embankment will be at risk from flood and erosion damage, however, PDP considers that for Option RI-2A the elevated location immediately downstream of the SH94 Bridge could offer reasonable protection from flood damage. PDP has not investigated land ownership and the feasibility of using this land at this stage. The risk of flood damage for Option RI-2B is more likely and this would need further consideration.

Further work is required to confirm the feasibility of Option RI-1 or Option RI-2, however, assuming that these options can be shown to be feasible, for the purpose of this report, cost estimates together with advantages and disadvantages and a multi-criteria analysis has been developed for both RI disposal options as outlined in Section 6.

5.2.4 Operation and Maintenance

Operation and maintenance requirements for all of the WWTP upgrade options considered will be significantly greater than that for the existing oxidation pond system. All mechanical equipment including pumps, mixers and blowers will be fully automated and controlled by field mounted instrumentation and a SCADA system. The SCADA system would be monitored remotely from the SDC office and/or by other contracted personnel. The plant will also require regular delivery of bulk chemicals.

A skilled operator would also be required at the WWTP. A stand-by generator would be required to maintain the operation of key plant in the event of power failure. Operator input will be greater for an Option RI-1 disposal system using subsurface irrigation than for an Option RI-2 system using a trench at the Upukerora River as the system will require regular monitoring, flushing and chemical cleaning.

Secondary solids (waste activated sludge) management is a key consideration of a high-rate biological WWTP as a greater quantity of solids will be generated than the existing WWTP. The estimated annual solids production for each of the WWTP upgrade options is included in the operating expenditure schedule included in Appendix E. Given that the existing Pond 2 and Pond 3 will be

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redundant under an Upgrade B, C or D scenario (with Pond 1 retained for wet-weather flow balancing), the most cost effective solids management approach would be to utilise this infrastructure for long-term sludge storage (with periodic duty changeover), and to carry out periodic desludging operations approximately every 20 years (as proposed for the oxidation pond system for the Kepler Scheme).

Experience at many sites in New Zealand has shown that objectionable odour from lagoon storage of secondary solids is typically no more than from a typical oxidation pond such as already in place at the Te Anau WWTP. New Zealand examples of where lagoon storage of secondary solids is currently undertaken without odour issues include the Picton WWTP, Te Aroha WWTP and the Beachlands-Maraetai WWTP.

Sludge disposal options have not been investigated in detail at this stage, but for the purpose of presenting cost estimates as outlined in Section 6 an annual operating cost allowance has been included for onsite disposal to a specially constructed mono-fill. Alternatively, off-site sludge disposal to land would require a resource consent and assessment of environmental effects. An alternative solids management system could utilise continuous geotextile bags or mechanical dewatering and disposal to landfill (at Winton), however, this sludge management option would be more expensive and has not been allowed for at this stage.

5.2.5 Risks/Disadvantages

Key risks/disadvantages which could be an issue with this option are outlined as follows:

- ✧ Possible daylighting of effluent at low lying ground including immediately adjacent to the WWTP and at the foreshore lakes (high risk for Option RI-1 but very low risk for Option RI-2);
- ✧ Nutrient entering the Upukerora River via the groundwater (low risk for Option RI-1 but high risk for Option RI-2);
- ✧ Nutrients entering Lake Te Anau via groundwater from Option RI-1 (although the effects of these nutrient on the Lake Te Anau are likely to be minor);
- ✧ Highly skilled operator required for the upgraded WWTP;
- ✧ Increased sludge production and solids management requirements.

5.3 Option 3: Outfall to the Upukerora River

This option essentially uses the existing outfall pipe into the Upukerora River but proposes upgrades to the WWTP.



5.3.1 Flows and Loads

The flows and loads for this option will be equivalent to that described in Section 5.2.1 for Option 2.

5.3.2 WWTP Upgrade

The same WWTP upgrade options have been considered for a direct outfall pipe to the Upukerora River as have been considered for a RI disposal system as discussed for Option 2.

5.3.3 Effluent Disposal

This disposal system would involve a pipe outfall to the Upukerora River similar to the existing pipe which discharges to an old river channel as shown in Figure 1. This outfall could utilise gravity (as per the existing arrangement) without the need for a treated effluent pump station. A rock gabion could be constructed to cover and protect the pipe outfall.

Again, further stakeholder consultation is required to determine the feasibility of this option, however, from initial discussions with Iwi and other groups it is expected that this approach could face significant opposition even if an advanced WWTP upgrade were to be used.

5.3.4 Operation and Maintenance

The operation and maintenance requirements for this option will essentially be similar to that for Option 2 but without requirements to operate the treated effluent pump station.

5.3.5 Risks/Disadvantages

Key risks which could be an issue with this option are outlined as follows:

- ✧ Unacceptability to Iwi;
- ✧ Likely to face public opposition even if a high level of treatment was provided;
- ✧ Highly skilled operator required at for the upgraded WWTP;
- ✧ Increased sludge production and solids management requirements;
- ✧ Disposal will be visible.

5.4 Option 4: Dual Discharge

This option is a combination of both Option 1 and Option 2 whereby effluent disposal consists of SRI to the Smith Block and RI via a trench adjacent to the Upukerora River. For the purpose of this report we have considered a scenario

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where on an annual basis 50% of the effluent disposal would be to the Smith Block and 50% would be to the RI system.

This approach allows for improved performance of the land treatment system while reducing the sizing of the transfer pipeline and irrigation area. This option will require an upgrade of the WWTP to allow for discharge to the RI system. For the purpose of this report we have considered an Upgrade B or Upgrade C which would involve a replacement WWTP as discussed in Section 4.3 but with a reduced WWTP capacity.

5.4.1 Flows and loads

For this option it is assumed that in winter all of the influent wastewater would be to the new WWTP and with disposal via RI. In summer, the influent flows to the new WWTP and RI system would continue at a reduced rate, with flows above a certain amount directed to the existing oxidation ponds and subsequently to the Smith Block SRI Scheme. It is assumed that Pond 1 would be used for balancing influent flows ahead of the new WWTP and to provide treatment prior to the Smith Block SRI Scheme.

Key flow and loading criteria for this dual discharge option for the 2040 design horizon is outlined as follows:

Smith Block:

- ✧ Annual ADF: 650 m³/d;
- ✧ Winter ADF: 0 m³/d (1 May to 31 August), and Summer ADF: 980 m³/d (1 September to 30 April);
- ✧ Peak flow in transfer pipeline: 17 L/s (i.e. 1,500 m³/d if pumping for 24 h/d);
- ✧ Areal hydraulic loading rate: 680 m/yr (35 ha irrigation area);
- ✧ Areal nitrogen loading rate: 156 kg N/ha/yr (35 ha irrigation area and assuming the existing TN concentration of 23 g/m³ will not increase in the future as the retention times will not be reduced).

WWTP Upgrade and RI adjacent to the Upukerora River:

- ✧ Annual ADF: 650 m³/d;
- ✧ Winter ADF: 880 m³/d (1 May to 31 August), and Summer ADF: 520 m³/d (1 September to 30 April);
- ✧ Peak flow: 1,500 m³/d (used for WWTP sizing);
- ✧ Influent loads for a replacement WWTP (Upgrade B, C and D) are based on the influent concentrations outlined in Appendix B and the above flows.



It is assumed that PWWFs will be balanced in Pond 1 without the need for 10,000 m³ of additional storage (e.g. no raising of the embankments at Pond 1), however, 10,000 m³ of storage would be provided at the Smith Block using an aerated lagoon to allow operational flexibility and for odour treatment as outlined in Section 5.4.5.

5.4.2 WWTP Upgrade

No further treatment of oxidation pond effluent would be required prior to discharge to the Smith Block as assumed for the Kepler Scheme and for Option 1.

A WWTP Upgrade B or Upgrade C has been considered prior to discharge to the RI system for this option as discussed in Section 5.2.2. A pump station at the inlet works will be required to transfer influent wastewater to the new WWTP and this pump station would include an overflow to Pond 1. The pump station would also have the ability to transfer wastewater from Pond 1 to the new WWTP so that Pond 1 could be used for influent flow balancing.

5.4.3 Transfer Pipeline

The transfer pipeline for this option would require a capacity of 17 L/s (for a peak daily flow rate of 1,500 m³/d if pumping for 24 h/d). The pipe diameter assumed for this option is 200NB. As assumed for Option 1, this would require high pressure pumps and a high pressure pipeline or alternatively an inter-stage pump station and lower pressure pipeline.

5.4.4 Slow-Rate Irrigation Scheme

This option assumes two 240 m long centre pivot irrigators at the Smith Block to provide a net irrigation area of 35 ha (say for a total area of 58 ha applying the same ratio of net irrigated area to total designated irrigated area as used for the Kepler Scheme). As for all SRI options, this option assumes that the irrigation area would be managed as a cut-and-carry pasture system with no stock grazing.

5.4.5 Odour Management

As for all SRI options it is assumed that carbon filters will be required on air release valves along the length of the transfer pipeline.

For this option it is assumed that a 10,000 m³ aerated lagoon would adequately manage odour at the Smith Block while also allowing greater operational flexibility as described in Section 5.1.4. The retention time in the 200NB transfer pipeline based on the summer ADF of 980 m³/d will be 4.6 hours.

5.4.6 RI Scheme

For the purpose of this report the same RI disposal system has been assumed as for Option 2 which would consist of a RI trench adjacent to the Upukerora River

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as described in Section 5.2.3. The sizing of the transfer pipeline for this option would be 200NB.

5.4.7 Operation and Maintenance

The operation and maintenance requirements for this option will essentially be those for required for Option 1 as well as those required for Option 2 (i.e. operation and maintenance of two separate systems). Considerable operator input and skill will be needed to optimise the performance of both the Smith Block Scheme and the high rate WWTP and RI scheme, particularly with regards to maintaining as constant a load as possible to the high-rate WWTP in summer while also irrigating to Smith Block.

5.4.8 Risks

Key risks which could be an issue with this option are outlined as follows:

- ✧ Added complexity operating two separate relatively complex wastewater schemes;
- ✧ The same risks as identified for the Option 1 and 2 (Kepler/Smith Schemes) and for Option 2 (RI).

5.5 Existing WWTP and Outfall to the Upukerora River

To provide a benchmark for the option comparison, the existing treatment and disposal system 'in its existing form' to the Upukerora River is included in the options comparison and is briefly discussed below. This option has been included for comparison purposes only and is not considered to be a feasible option going forward due to the reasons outlined in Section 5.5.5.

5.5.1 Flows and Loads

The flows and loads for this option will be equivalent to that described in Section 5.2.1 for Option 2 and for Option 3.

5.5.2 WWTP Upgrade

The existing treatment and disposal system is evaluated 'in its existing form' in terms of effluent quality. Minor upgrades have been allowed for (e.g. additional aerator capacity) to accommodate the flow and load increase in the future to year 2040.

This assumes that the future effluent quality will be similar to the existing effluent quality (although there will be minor increases in nitrogen and phosphorus concentrations in the future due to the reduced hydraulic retention time).



5.5.3 Effluent Disposal

This existing discharge system involves a pipe outfall to the Upukerora River via an old river channel as shown in Figure 1.

5.5.4 Operation and Maintenance

The operation and maintenance requirements for this option are very low, requiring only very limited operator input and maintenance of mechanical plant. Periodic de-sludging of the oxidation ponds will be required to be undertaken together with regular disposal of screenings from the recently installed mechanical inlet screen.

5.5.5 Risks/Disadvantages

Key issues with this option are outlined as follows:

- ✧ Unacceptable level of contaminants discharged to the Upukerora River;
- ✧ Likely to face public opposition;
- ✧ Unacceptability to Iwi;
- ✧ Overall consentability of this option is highly unlikely.

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6.0 Evaluation of Treatment and Disposal Options

This section outlines the cost estimates prepared by PDP for the shortlisted wastewater scheme options, summarises the advantages and disadvantages of each option and outlines a multi-criteria analysis undertaken to assist with the options comparison. Although not considered to be a feasible option, the existing treatment plant 'in its existing form' and disposal to the Upukerora River has also been included in this assessment to provide a benchmark for the options comparison.

6.1 Cost Estimates

To provide a reference point for calculating the costs presented in this report, the date of 1 January 2016 has been used and the costs are effective from this date forward. Therefore, any monies spend prior to 1 January 2016 on the Te Anau Wastewater Treatment and Disposal Project is not included in this assessment.

6.1.1 Capital Expenditure

Capital expenditure (CAPEX) estimates prepared by PDP for each shortlisted disposal option and a range of wastewater treatment upgrade options (Upgrade A to D) are outlined in Table 6 and a breakdown of each estimate is included as Appendix E.

It should be noted that cost estimates for the alternative options developed by PDP are broad-brush 'concept-level' estimates with an expected accuracy of +30% to -10%. The estimates have been prepared for the purpose of comparing options and these estimates should not be relied upon for capital works budgeting purposes at this stage. Further more detailed cost estimates need to be carried out for any preferred option to arrive at more reliable costs for budgeting purposes.

It should be further noted that in order to allow for a fair comparison of options, all options have assumed a similar quality of infrastructure and a similar design life (e.g. 50 years for civil structures and 25 years for mechanical plant) which is appropriate for public works infrastructure as opposed to typical agricultural infrastructure where a lesser quality and shorter design life can be appropriate.

The CAPEX estimates are subject to the following assumptions:

- ✧ Contractor's preliminary and general costs and an allowance for engineering design and supervision are included;
- ✧ A contingency allowance is included;
- ✧ Costs for additional investigations and consenting are included for alternative options to the Kepler Scheme;



- ✧ Costs for an appeal to the Environment Court for the Kepler Scheme are included;
- ✧ Costs for land purchase are included for Options 1, 2 and 4, together with costs recovered from the sale of the Northern Block at the Kepler site;
- ✧ Capital cost for replacement of plant and equipment (e.g. pumpsets, aerators and irrigators) once they reach the end of their design life (assumed to be >25 years) has not been allowed for;
- ✧ Internal SDC costs are excluded;
- ✧ Costs are based on current rates (2015);
- ✧ GST is excluded.

As the WWTP upgrades for Option 2, 3 and 4 involve greater complexity than a SRI scheme (i.e. the Kepler Scheme and Option 1), a greater allowance has been assumed for contractor's preliminary and general costs and engineering design and construction supervision. For Option 2, 3 and 4, 15% has been allowed for each of these items whereas for the Kepler Scheme and Option 1, 10% has been allowed.

A 30% contingency has also been allowed for Option 2, 3 and 4 compared with a 20% contingency for the Kepler Scheme and Option 1 as the concept designs for Options 2, 3 and 4 are less developed.

An allowance has been made for purchase of land for Options 1, 2 and Option 4. This is offset by the revenue gained from the sale of the 125 ha consented Kepler Block irrigation area (Northern Block) and this revenue has been included for Options 1, 2 and 4. Revenue from the sale of the additional 250 ha SDC owned Kepler Farm (Southern Block) or revenue from the farming activities on this land are common to all options (including the Kepler Scheme which does not require this land for the duration of the 25-year consent), therefore, this revenue has not been considered in this assessment.

6.1.2 Operating Expenditure Estimates

Annual operating expenditure (OPEX) estimates for each shortlisted option are outlined in Table 6 and a breakdown of the OPEX estimates is included as Appendix E. OPEX estimates for each option have included allowances for:

- ✧ Electricity usage;
- ✧ Chemical usage;
- ✧ Solids management;
- ✧ Operator input and maintenance requirements;
- ✧ Compliance monitoring and reporting.

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An annual maintenance allowance for each option based on 1% of CAPEX for all items excluding the main transfer pipeline and 0.5% of CAPEX for the main transfer pipelines has been included (this applies to the Kepler Scheme, Option 1 and Option 4). No allowance has been made for replacement of CAPEX items at the end of each item's design life.

These OPEX costs are based on an average annual daily flow rate of 1,300 m³/d projected for year 2040 at the end of a 25 year consent period.

OPEX for the Kepler Scheme and Option 1 and 4 allow for pasture management at the irrigation area as well as for revenue from the harvested pasture crop. As discussed for the Kepler Scheme in Section 3.6.2, the OPEX for these options is highly sensitive to the revenue from the cut-and-carry scheme, therefore, two OPEX values are presented for these options. The first OPEX value is based on costing for the Taupo Land Treatment Scheme where reasonable revenue is generated from the pasture crop, and the second where the revenue from the crop only offsets the costs to cut and bale the crop, but provides no net revenue to offset the other operating costs for the scheme.

6.1.3 Net present Value Assessment

A net-present value (NPV) assessment has been undertaken to estimate the whole-of-life costs for the each of the wastewater treatment and disposal options as shown in Table 6.

This assessment has utilised the CAPEX and OPEX estimates and has utilised a 25-year period as this is the expected duration of a resource consent. A discount rate of 5.0% has been assumed which is assumed to be the actual discount rate adjusted for inflation.

6.1.4 Summary

A summary of the cost estimates for each wastewater treatment and disposal option are outlined in Table 6.



Table 6: Cost Estimates

Disposal Option		WWTP Upgrade ¹	CAPEX ¹ (\$M)	OPEX ¹ (\$M)	25-Year NPV ¹ (\$M)
Consented Scheme	SRI to the Kepler Block	n/a	\$12.8	\$0.22 (\$0.49) ²	\$15.9 (\$19.7) ²
Option 1A	SRI to the Smith Block with the same design assumptions as assumed for the Kepler Scheme	n/a	\$10.2	\$0.23 (\$0.50) ²	\$13.4 (\$17.2) ²
Option 1B	SRI to the Smith Block with aerated lagoon	n/a	\$8.9	\$0.21 (\$0.48) ²	\$11.8 (\$15.6) ²
Option 2	RI-1A: SDI at the Snee Block	A	\$6.1	\$0.33	\$10.2
		B	\$7.0	\$0.40	\$12.3
Option 2	RI-2A: Trench adjacent to the Upukerora River	A	\$4.8	\$0.29	\$8.9
		B	\$6.1	\$0.36	\$11.1
		C	\$9.1	\$0.43	\$15.2
		D	\$9.5	\$0.54	\$17.1
Option 3	Discharge to the Upukerora River via an outfall pipe	A	\$4.0	\$0.28	\$8.0
		B	\$5.0	\$0.35	\$9.9
		C	\$8.2	\$0.42	\$14.2
		D	\$8.6	\$0.53	\$16.1
Option 4	Dual discharge: SRI to the Smith Block and RI trench adjacent to the Upukerora River	B	\$11.6	\$0.33 (\$0.46) ²	\$16.3 (\$18.0) ²
		C	\$14.1	\$0.36 (\$0.49) ²	\$19.2 (\$20.9) ²
Existing (Benchmark)	Discharge to the Upukerora River via an outfall pipe	n/a	\$0.4	\$0.12	\$2.1

Notes:

1. A range of wastewater treatment upgrades are included for each disposal option as outlined as Upgrade A to D in Section 4.3. n/a indicates that the WWTP upgrade will not improve the quality of effluent from the WWTP, however, upgrades to provide flow balancing and to provide additional capacity to maintain the existing effluent quality have been included;
2. All cost estimates are exclusive of GST, escalation and internal SDC costs and have an expected accuracy of +30% and -10%;
3. Cost estimate assume that only 33% of the value of the baleage crop is recovered.

Key findings of this financial assessment are outlined as follows:

- ∴ CAPEX for the Kepler Scheme is high compared with a WWTP upgrade and RI or river outfall option (Option 2 and 3);
- ∴ OPEX for the Kepler Scheme is low compared with a WWTP upgrade and RI or river outfall option (Option 2 and 3), which is largely due to the revenue from the sale of baled pasture. If the revenue from baled pasture is not realised then the OPEX for the Kepler Scheme will be similar to Options 2 or 3 with a WWTP Upgrade C or D.



- ✧ The NPV (e.g. whole-of-life cost) of the Kepler Scheme is similar to a WWTP Upgrade C scenario with RI-2 (Option 2) if a net income from the sale of baled pasture is assumed.
- ✧ CAPEX and NPV costs for the Smith Block Scheme are less than the Kepler Scheme, particularly if an aerated lagoon replaces the biofilter, trickling filter, and chemical dosing system used for the Kepler Scheme and the diameter of the transfer pipeline is reduced from 300NB to 250NB (Option 1B).

6.2 Advantages/Disadvantages Summary

A summary of the advantages and disadvantages/risks of each shortlisted option are outlined in Table 7.

PDP has assigned the overall 'operational risk' for each option which is also shown in Table 7.

6.3 Multi-Criteria Analysis

A multi criteria analysis (MCA) has been undertaken to allow for an evaluation of the shortlisted options on a holistic basis as outlined in Table 8. The matrix compares the social, cultural, environmental, technical and economic considerations.

The MCA method uses a set of criteria and then each option is scored against the criteria. This assessment is subjective as the criteria that are used to score against as well as the scores which are assigned are open to personal interpretation (and therefore could be open to debate). Nonetheless, a MCA provides a means of obtaining a ranking for each option which gives an indication of its viability and promotes further discussion and further evaluation of the promising options. For each criterion, each option has been scored against the other using a scoring system whereby the lowest score ('0') is the least favourable.

As a first step in this ranking process, each option has been scored by PDP (Garden, Docherty and Sky) but additional assessments could be undertaken by members of the Te Anau Wastewater Project Committee in order to obtain alternative viewpoints. The scores assigned for each of the options by PDP are further discussed in Appendix G.



REVIEW OF TE ANAU WASTEWATER TREATMENT AND DISPOSAL OPTIONS

Table 7: Options Advantages/Disadvantages Summary			
Option	Advantages	Disadvantages/Risks	Operational Risk
Consented Kepler Scheme	<ul style="list-style-type: none"> ➤ No contaminants to the Upukerora River/Lake Te Anau ➤ Beneficial re-use of the wastewater for crop production ➤ Low operator input at the WWTP ➤ Minimal chemical use ➤ Possibility for expansion of the disposal site in the future 	<ul style="list-style-type: none"> ➤ Low levels of contaminants to GW and to the Waiau River/Lake Manapouri via the GW ➤ Some uncertainty around contaminant leaching to the GW and GW flow direction ➤ High overall operator and farm manager input as quite complex to operate ➤ High SDC management input to realise farm revenue returns and balance environmental requirements ➤ Disposal system required to stop during extreme wet-weather events ➤ Potential low risk of spray drift and odour impacting on neighbours if not well managed ➤ Potential increased risk of bird strike at the airport 	Medium
Option 1 Smith Block Scheme	<ul style="list-style-type: none"> ➤ No contaminants to the Waiau River/Lake Manapouri ➤ Beneficial re-use of the wastewater for crop production ➤ Low operator input at the WWTP ➤ Minimal chemical use ➤ No risk of adversely impacting on the airport and public venue space ➤ Low OPEX (off-set by the revenue from the pasture crop) 	<ul style="list-style-type: none"> ➤ Low levels of contaminants to GW and to the Upukerora River/Lake Te Anau via the GW ➤ Some uncertainty around contaminant leaching to the GW and GW flow direction ➤ High overall operator and farm manager input ➤ High SDC management input to realise farm revenue returns and balance environmental requirements ➤ Disposal system required to stop during extreme wet-weather events ➤ Potential low risk of spray drift and odour impacting on neighbours if not well managed ➤ Less separation to waterways at the irrigation site than at Kepler ➤ Limited possibility for future expansion at the disposal site unless more land is purchased 	Medium
Option 2 RI at the Snee Block (RI-1)	<ul style="list-style-type: none"> ➤ No contaminants to the Waiau River/Lake Manapouri ➤ Less contaminants to the Upukerora River than for Option 2B ➤ Only one WWTP and disposal site to manage ➤ Disposal will not be visible ➤ Disposal system can continue during extreme wet-weather events 	<ul style="list-style-type: none"> ➤ Medium levels of contaminants to GW and to Lake Te Anau via the GW ➤ Uncertainty around GW flow direction and mounding and risk of daylighting of effluent at low lying areas ➤ High operator input at the WWTP ➤ Medium SDC management required ➤ Increased sludge production and solids management requirements ➤ Chemical use 	Medium
Option 2 RI Adjacent to the Upukerora River (RI-2)	<ul style="list-style-type: none"> ➤ No contaminants to the Waiau River/Lake Manapouri ➤ Only one WWTP and disposal site to manage ➤ Disposal will not be visible ➤ Disposal system can continue during extreme wet-weather events ➤ WWTP and disposal system could be relatively easily expanded in the future 	<ul style="list-style-type: none"> ➤ Medium to low levels of contaminants to GW and to the Upukerora River/Lake Te Anau via the GW ➤ Some uncertainty around GW flow direction and mounding and risk of daylighting of effluent at low lying areas ➤ Highly skilled operator required at the WWTP as quite complex to operate ➤ Medium SDC management required ➤ Increased sludge production and solids management requirements ➤ Chemical use ➤ May attract a shorter consent period (e.g. < 25years) with a new option required upon consent expiry 	Low to Medium
Option 3 River Outfall	<ul style="list-style-type: none"> ➤ No contaminants to the Waiau River/Lake Manapouri ➤ Existing WWTP ponds could potentially be downsized/removed to reduce visual impact ➤ Only one WWTP and disposal site to manage ➤ Disposal system can continue during extreme wet-weather events ➤ Minimal impact on GW ➤ Simple monitoring requirements 	<ul style="list-style-type: none"> ➤ Medium to low levels of contaminants to the Upukerora River/Lake Te Anau ➤ Highly skilled operator required at the WWTP (assuming an advanced WWTP is required) ➤ Medium SDC management required ➤ Increased sludge production and solids management requirements ➤ Unacceptable to Iwi and other parties ➤ Disposal structure will be visible ➤ Likely to face public opposition ➤ Shorter consent term (e.g. < 25 years) is likely with a new option required upon consent expiry 	Low
Option 4 Dual Discharge	<ul style="list-style-type: none"> ➤ Beneficial re-use of the wastewater for crop production ➤ Possibility for expansion of the disposal site in the future. ➤ No risk of adversely impacting on the airport and public venue space ➤ Low OPEX (off-set by the revenue from the pasture crop) ➤ Greater operational flexibility during wet-weather ➤ Possibility of a staged upgrade approach 	<ul style="list-style-type: none"> ➤ Medium to low levels of contaminants to GW and to the Upukerora River/Lake Te Anau via the GW ➤ Two wastewater schemes to build and operate rather than one ➤ Some uncertainty around extent of contaminant leaching to the GW and GW flow direction ➤ High operator and farm manager input required ➤ SRI disposal system required to stop during extreme wet-weather events ➤ Potential low risk of spray drift and odour impacting on neighbours if not well managed. ➤ Highly skilled operator required at the WWTP as quite complex to operate ➤ Medium to high SDC management required ➤ Chemical use 	Medium to High
Existing	<ul style="list-style-type: none"> ➤ Lowest CAPEX and OPEX 	<ul style="list-style-type: none"> ➤ Highly unlikely to be consentable 	Very Low



REVIEW OF TE ANAU WASTEWATER TREATMENT AND DISPOSAL OPTIONS

Table 8: Multi-Criteria Analysis																		
	Weighting	Wastewater Treatment and Disposal Options																
		Kepler	A	B	A	B	A	B	C	D	A	B	C	D	B	C	Existing	
			SRI at Smith (Option 1)	RI at Slee (Option 2: RI-1)	RI adjacent to the Upukerora River (Option 2: RI-2)	Outfall to the Upukerora River (Option 3)	Dual Discharge (Option 4)											
Social																		
Public health protection	4%	4	4	4	4	4	3	3	4	4	3	3	4	4	3	4	0	
Odour	4%	4	4	3	4	4	4	4	4	4	4	4	4	4	3	3	4	
Impact on community development	4%	1	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	
Impact on existing water users	4%	4	3	3	3	3	2	2	3	3	2	2	3	3	3	3	1	
Adverse land value effects	4%	2	2	2	2	2	4	4	4	4	4	4	4	4	2	2	4	
Cultural																		
Areas of cultural significance	4%	2	2	2	1	1	1	1	1	1	2	2	2	2	1	1	2	
Acceptability to local iwi	4%	4	4	4	3	3	3	3	3	3	1	1	1	1	3	3	1	
Resource reuse	4%	4	4	4	2	2	2	2	2	2	1	1	1	1	3	3	1	
Community acceptance	4%	1	3	3	3	3	2	2	3	3	1	1	2	2	3	3	1	
Aesthetics	4%	2	3	3	4	4	4	4	4	4	1	1	1	1	3	3	1	
Environmental																		
Impact on surface water	4%	4	3	3	3	3	1	2	3	4	1	1	2	3	3	4	1	
Impact on groundwater	4%	3	3	3	2	3	1	2	3	3	4	4	4	4	3	3	4	
Impact on air quality	4%	4	4	3	4	4	4	4	4	4	4	4	4	4	3	3	4	
Resilience in wet years	4%	1	1	2	4	4	4	4	4	4	4	4	4	4	3	3	4	
Overall consentability	4%	4	3	3	3	3	2	2	3	3	1	1	2	2	3	3	0	
Technical																		
Overall risk	4%	2	2	2	2	2	3	3	3	3	4	4	4	4	3	3	4	
Operational complexity	4%	2	2	3	2	2	3	3	2	2	3	3	2	2	1	1	4	
Constructability	4%	4	4	4	3	2	4	2	4	4	4	2	4	4	4	4	4	
Operational resilience	4%	2	2	2	3	3	3	3	3	3	3	3	3	3	2	2	4	
Ability for expansion	4%	4	2	2	3	3	4	4	4	4	4	4	4	4	2	2	4	
Economic																		
Whole-of-life cost (NPV)	\$M	\$15.9	\$13.4	\$11.8	\$10.7	\$12.6	\$8.9	\$11.1	\$15.2	\$17.1	\$7.9	\$9.9	\$14.2	\$16.1	\$18.0	\$20.9	\$2.1	
Cost Score	20%	9.0	11.0	12.3	13.1	11.6	14.6	12.8	9.6	8.0	15.3	13.8	10.4	8.9	7.3	5.0	20.0	
Total Score (high score is better)	100	67	70	71	72	71	73	71	75	74	70	67	69	69	62	62	72	
Total (excl. Economic)	80	58	59	59	59	59	58	58	65	66	55	53	59	60	55	57	52	
Notes:																		
1. For all social, cultural, environmental and technical criteria the lowest score ('0') is least favourable and highest score ('4') is most favourable.																		

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7.0 Discussion and Recommendations

7.1 Discussion

The key findings of this review are outlined as follows:

- a) All of the shortlisted wastewater treatment and disposal options investigated in this report involve the discharge of some contaminants to the environment, most significantly nitrogen and phosphorus, and these contaminants will ultimately end up in a surface water body (e.g. a river and/or lake).
- b) All of the options have different advantages and disadvantages and no option has a clear advantage over all other options.
- c) The Kepler Scheme or a similar slow rate irrigation (SRI) option such as the Smith Scheme (Option 1) will discharge relatively low levels of nitrogen and very low levels of phosphorus to the groundwater and ultimately to surface water (e.g. the Waiau River or the Upukerora River respectively). For both schemes the nitrogen load discharged to groundwater per hectare of wastewater irrigation area will be similar or less than a typical dairy farm.
- d) SRI to the Smith Block (Option 1) is more cost effective than the Kepler Scheme due to the shorter length of transfer pipeline required. The cost advantage of the Smith Scheme is greater if using an aerated lagoon for odour management and flow balancing (e.g. Option 1B). This approach would be appropriate at the Smith site given the remoteness of the location.
- e) The key disadvantage of the Smith Scheme compared with the Kepler Scheme from an environmental perspective is that nitrogen leaching from the wastewater irrigation site will discharge into the Upukerora River where it will not be diluted to the same extent as if discharged to a larger river such as the Waiau River (even though the annual mass load of the nitrogen leached from the irrigation site is assumed to be the same). Furthermore, compared with the existing WWTP discharge location to the Upukerora River, the Smith Block will discharge contaminants into the Upukerora River further upstream, therefore, a greater reach of the river will be affected compared with the short reach of river affected by the existing WWTP discharge location below the SH94 bridge. However, the relatively low level of nitrogen discharged from the Smith Block would likely be acceptable for a 25-year consent period, therefore, Option 1B could be worth investigating further.
- f) It is unlikely that a long-term consent (e.g. 25 years) could be obtained for the existing discharge direct to the Upukerora River without a

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significant WWTP upgrade. PDP believes that a consent for direct discharge to the Upukerora River with an Upgrade A may not be granted and a 10 year consent may only be granted for an Upgrade B. A 25 year consent period may be granted for Upgrade C or D (as they provide a similar level of overall treatment to the Kepler Scheme), however, these latter options do not offer a NPV cost advantage over the Kepler Scheme. Therefore, it is recommended that Option 3 is not considered further.

- g) While a dual discharge (Option 4) has a number of advantages over other options, it has a higher NPV than the Kepler Scheme, therefore, it is recommended that Option 4 is not considered further.
- h) For disposal using rapid infiltration (Option 2) using a trench adjacent to the Upukerora River (RI-2) PDP considers that an Upgrade C or D would be required to obtain a 25 year consent period (a lesser consent period could likely be obtained with Upgrade B, however, Upgrade A may not obtain a consent). However, as for Option 3, there is no cost advantage in pursuing a WWTP upgrade C or D with an Option RI-2 disposal system compared with the Kepler Scheme, therefore, it is recommended that Option 2: RI-2 is not considered further.
- i) If it could be demonstrated that the contaminants discharged to groundwater using an Option 2: RI-1 (Slee) disposal system (e.g. subsurface irrigation adjacent to the WWTP) would flow towards Lake Te Anau and not towards the Upukerora River, and if the effects on Lake Te Anau could be demonstrated to be minor, then a 25 year consent may be granted for this disposal mechanism if using an WWTP Upgrade B. It is considered unlikely that a 25 year consent would be granted for Upgrade A for this disposal option. However, it should be noted that this option would very likely require the filling-in of the low lying areas adjacent to the WWTP and the foreshore lakes to avoid impacting on these waterways. This would require landowner discussions (e.g. the Slee's and the owners of the smaller sections at the lakeshore adjacent to the Slee Block) and could be problematic.
- j) Considering the technical advantages and disadvantages and costs of each option we believe that Option 1B (Smith) and Options 2: RI-1 (Slee) are similar. Therefore, the question is: *is the NPV of \$12M for the Option 1B (Smith) and \$13M Option 2B (Slee) worth pursuing compared with an NPV of \$16M for the Kepler Scheme?*
- k) PDP believes that the potential cost savings offered by Option 1B (Smith) of \$4M and Option 2B (Slee) of \$3M over a 25 year period compared with the Kepler Scheme may not be worth pursuing further. However, this can only be confirmed after discussion between the Project Committee, SDC and subsequently the wider community and after undertaking further investigations to quantify the risks and to refine the cost estimates.

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- l) It should be noted that the costs of any further investigations would not be recovered if these investigations concluded that Option 1B or Option 2B were not feasible and/or consents were not subsequently granted.

7.2 Recommendations

On the basis of this report it is recommended that:

- a) Discussions are undertaken between the Project Committee and SDC to determine whether or not the cost savings are worthwhile pursuing.
- b) If the savings are considered worthwhile pursuing, then further discussions are undertaken with the Smith and Slee and other affected landholders.
- c) Further discussions are undertaken with stakeholder groups and the wider community.
- d) If the Option 1B (Smith) and Option 2 (Slee) are still considered to be feasible then further investigations are undertaken to confirm the technical feasibility and costs of these options.

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REVIEW OF TE ANAU WASTEWATER TREATMENT AND DISPOSAL OPTIONS

Appendix A: Summary of Stakeholder Meetings

Item 8.5 Attachment A

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Appendix B: Influent Wastewater Characterisation

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REVIEW OF TE ANAU WASTEWATER TREATMENT AND DISPOSAL OPTIONS

Appendix C: Future Nutrient Contribution to the Upukerora River
for each WWTP Upgrade Option

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Item 8.5 Attachment A



Appendix D: RI Groundwater Technical Memorandum

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Appendix E: Cost Estimates

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Item 8.5 Attachment A



Appendix F: Schematic Process Flow Diagrams

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G - 1

REVIEW OF THE ANAU WASTEWATER TREATMENT AND DISPOSAL OPTIONS

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Appendix G: Multi-Criteria Analysis

SOCIAL

Public Health Protection: The Kepler Scheme and Option 1 have scored highly as SRI of effluent to a designated irrigation site where public access is restricted and with adequate separation to groundwater and surface water will ensure a high level of public health protection. All of the WWTP upgrade options have made provision for disinfection prior to discharge, with Upgrade C and D providing a slightly higher level of protection than Upgrade A and B.

Odour: The Kepler and Smith Schemes will have a low risk of generating objectionable odour with carbon filters at air release valve and a biofilter and enclosed trickling filter at the end of the pipe. For Option 1B and Option 4 where the length of transfer pipeline is shorter and an aerated lagoon is proposed in place of the biofilter and trickling filter, the risk of odour is considered to be slightly higher but still acceptable. For Option 2 and 3, the risk of objectionable odour at the WWTP will not be greater than that at the existing WWTP.

Impact on Community Development: The Kepler Scheme has potential to impact on community development at the airport area, as it will essentially “lock up” land adjacent to the Airport making it unavailable for any other development for the foreseeable future. Development (of significance to the wider community) adjacent to the Smith Block is considered to be unlikely (therefore Option 1 will not impact on community development), and Options 2, 3 and 4 are also unlikely to impact on community development as the location of the WWTP will be unchanged from its existing location.

Impact on Existing Water Users: Assuming that the groundwater flow direction is away from existing groundwater users at the Kepler Block (as the investigations by MWH have indicated) then the Kepler Scheme will have minimal effect on existing water users and will therefore score high. Higher treatment options (Upgrade C and D) and discharge to the Upukerora River (either directly or via the groundwater) also score high. The lesser treatment WWTP upgrade options (Upgrade A and Upgrade B) score lower as they will have more impact on existing water users (e.g. recreational users of the lower Upukerora River).

Adverse Land Value Effects: SRI options (e.g. the Kepler Scheme and Option 1 and 4) could have an impact on the land values of surrounding properties whereas Options 2 and 3 which use an RI trench adjacent to the river or a river outfall are likely to have no effect on land values.

CULTURAL

Areas of Cultural Significance: PDP is not aware of any areas of cultural significance at the Kepler Block or at the Smith Block, however, the existing WWTP site utilised by all of the options is understood to be located close to an early Maori settlement. Therefore, all options have scored low against this criteria, but those involving additional earthworks in the vicinity of the WWTP have scored worse.

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Acceptability to local iwi: Discharge of waste direct to water is culturally unacceptable to iwi and discharge via Papatuanuku (land) is desirable. Therefore, the Kepler Scheme and Option 1 score highly, whereas Option 3 scores poorly. Options 2 and 4 also score high but not as high as the other options, because passing the treated wastewater through a stone trench/bed may provide an acceptable level of contact with land, depending on the specific design and subject to site specific assessment by local iwi.

Resource Reuse: SRI effectively utilises the wastewater as a resource for crop production (providing water and nutrients for crop uptake), therefore, the Kepler Scheme and Option 1 and 4 score highly whereas Option 2 and 3 do not.

Community Acceptance: Due to the opposition to the Kepler Scheme from various stakeholder groups this option has scored poorly as has the option for discharge to direct to the river with only a moderate improvement to water quality (Upgrade A and B). The Smith Scheme has scored quite high. Rapid infiltration generally scores lower than slow rate irrigation.

Aesthetics: Option 2 has scored high as the discharge will be hidden from view. SRI options 1 and 4 score marginally lower as the site is unlikely to be visible to the general public but will be visible to neighbours, the Kepler Scheme scores lower still as the site is located next to an airport facility, and an outfall pipe to the river (Option 3) scores the lowest (in the context of the location being a fairly pristine environment right next to a National Park).

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ENVIRONMENTAL

Impact on Surface Water: The Kepler Scheme scores the highest together with Option 4 (dual discharge). Option 2 (RI) with a WWTP Upgrade D also scores high, with WWTP upgrades producing lesser effluent quality scoring progressively less for both a direct river outfall or RI.

Impact on Groundwater: The Kepler Scheme scores high as do river outfall options (Option 3) and a WWTP Upgrade D option with RI (Option 2). RI options producing lower effluent quality score progressively less.

Impact on Air Quality: The impact on air quality for each option is essentially equivalent to that outlined above for odour.

Resilience in Wet Years: The SRI options score low against this criteria, however, Option 4 scores higher as the SRI scheme would be stopped during winter. Options 2, 3 and 4 score high as the discharge will be able to continue in all-weather conditions.

Overall Consentability (note that this is from the current point in time looking ahead): The Kepler Scheme scores highest as a consent has already been granted for this scheme. Although the consent has been appealed, consideration of a possible court case has been included in the 'cost' assessment criteria. Other SRI options (Option 1 and 4) score second highest (assuming suitable topography, soil conditions, separation to groundwater and acceptance of neighbouring properties) as the concept is similar to the Kepler Scheme). RI schemes (Option 2) with a high level of treatment (Option 2C and 2D) also score quite high. A discharge to the river via an outfall pipe (Option 3) scores lowest against this criteria.



G - 3

REVIEW OF THE ANAU WASTEWATER TREATMENT AND DISPOSAL OPTIONS

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TECHNICAL

Overall Risk: The criteria relates to the overall operating risk to the scheme when considering all the advantages and disadvantages/risks with each option as outlined in Table 7.

Operating Complexity: The SRI options (Kepler Scheme, Option 1 and Option 4) score low against this criteria compared with a relatively simple WWTP upgrade all located at one site. The more simple WWTPs and disposal systems score higher. The more advanced WWTP upgrades options for Option 2 and 3 involving a greater level of complexity score progressively lower.

Constructability: All options are considered to be relatively straight forward to construct, although constructing an enhanced in-pond system will be challenging while keeping the existing WWTP in operation due to issues such as the risk of pond leakage with the additional mixing and aeration energy required.

Operational Resilience of the System: The SRI options (Kepler Scheme and Options 1 and 4) score lower against this criteria than the WWTP upgrades and RI or river outfall options (Option 2 and 3) as the latter will be less affected by climatic variabilities and also only involve operating equipment at a single site.

Ability for Expansion: The Kepler Scheme and Options 2, 3 and 4 score high here as it is assumed that these schemes can be relatively easily expanded in the future (beyond the 25 year consent period although a new resource consent and an additional assessment of environmental effects would be required). Option 1 scores lower as additional suitable land for an expansion of the wastewater irrigation scheme at the Smith Block in the future may not be available.

ECONOMIC

Cost: The scores for this criteria are based on the net present value costs (e.g. whole-of-life costs) for each option, with the option with the lowest NPV cost assigned full marks (e.g. 20 out of 20) and the option with the highest NPV cost assigned a score of 5 out of 20. The scores for the other options have been prorated between these scores.

Jenny Labruyere

From: Daniel Garden <daniel.garden@pdp.co.nz>
Sent: Wednesday, 30 March 2016 5:41 p.m.
To: Allan Youldon; Gary Tong; Shirley Mouat; mowat.ariki@xtra.co.nz; Rachel Cockburn; mark deaker; Cr Ebel Kremer; Cr Lyall Bailey
Cc: Ian Evans; Robert Docherty; Steve Ruru; Louise Pagan; Jenny Labruyere
Subject: RE: DRAFT2 - Review of Te Anau WWTP and Disposal Options - Addendum 1: Additional Options

Hi Allan

Thanks for your comments on our Addendum report which are very comprehensive, show a depth of understanding and highlight some important points.

I have responded to your points below in [blue](#) and have also numbered them for ease of reference.

Some of the key points you have identified may require further discussion at the Meeting of 4 April.

Regards,

Dan

Daniel Garden - MIPENZ CPEng | Senior Environmental Engineer
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From: Allan Youldon [mailto:himnself@xtra.co.nz]
Sent: Monday, 28 March 2016 10:15 a.m.
To: Gary Tong; Daniel Garden; Shirley Mouat; mowat.ariki@xtra.co.nz; Rachel Cockburn; mark deaker; Cr Ebel Kremer; Cr Lyall Bailey
Cc: Ian Evans; Robert Docherty; Steve Ruru; Louise Pagan; Jenny Labruyere
Subject: Re: DRAFT2 - Review of Te Anau WWTP and Disposal Options - Addendum 1: Additional Options

I have now read PDP Draft 2 Review of 23.3.2106, and make the following comments for consideration at the meeting of 4th April.

1. I question the statement "This Kepler Relocation Option would require no change to the existing consent as outlined in the following sections." Our view is that no change will be required to the conditions of the existing consent which we have received from SDC as Version 6 dated 27 November 2014. Our view here would need to be confirmed by Legal Counsel.
2. The ability for 500m3 of storage at the Kepler Block is not within the present Consent. In fact storage was spoken of during the Consent Hearing and was, I feel deliberately omitted from the Consent. This would need a variation of the Consent, or a new Consent. I believe that no storage and/or treatment at the Kepler Block was a condition expressly opposed by Landcorp when selling the land to SDC. Note that the storage tank would be empty most of the time but would provide contingency storage to provide operational flexibility. The Consent conditions do not exclude a storage tank at Kepler. SDC indicated to us that Landcorp is/was against a storage lagoon at Kepler. We understand that Landcorp's concerns relate to the possibility of objectionable odour from the lagoon and possible bird attraction. For this reason we have allowed for a storage tank rather than a lagoon. The tank would have a roof on it with foul air extracted to the biofilter for treatment (along with foul air from the pump station and trickling filter). This concept would need to be discussed with Landcorp, but we would be surprised if there was opposition to an enclosed tank with foul air extraction and treatment.

3. The proposed Modified Kepler Proposal is for three centre pivots. The Consent stipulates Two Centre Pivots. This change would also need a variation to the Consent, or a new Consent. The Consent conditions refer to a 'spray irrigator system' but does not specifically mention 'Two Centre Pivots'. I understand that an earlier version of the consent conditions did refer to Two Centre Pivots, but this was removed. Therefore, a variation to the Consent of a new Consent should not be needed, however, our view here would need to be confirmed by Legal Counsel.
4. These proposed changes would probably need to be notified as a variation of the Resources Consent, or a new Consent lodged. This would open up the process for further submissions, at least on these changes. As above, a variation or a new consent should not be needed, however, our view here would need to be confirmed by Legal Counsel.
5. Reducing the area to be irrigated at the Kepler Block would increase the Hydraulic loading rate to 820mm/year. An increase of 140mm/year, onto land which is susceptible to surface flooding under normal conditions without any additional irrigation. To clarify, the annual hydraulic loading rate would not change under the Kepler Relocated Option, however, we have suggested that the annual hydraulic loading rate could be increased under the Kepler Relocated MF Treatment Option while still achieving the nitrogen and hydraulic loading limits of the consent. We understand that ponding at Kepler presently occurs at some areas during extreme wet-weather conditions and not under normal conditions. As the proposed 10,000m³ of storage at the WWTP will allow for storage of effluent during these extreme weather times (and no irrigation) the risk of ponding will not increase with the annual increased hydraulic loading rate.
6. I am pleased to see the admission of a Health Risk with the Kepler System, and appreciate any mitigation to this Risk. I consider the elimination of this Risk as most desirable and subsurface as the optimum option of achieving this. As discussed with the Smith and Slee subsurface drip irrigation (SDI) options, the key issue with SDI is that a large irrigation area is needed to remove nitrogen and a large area of SDI is expensive. Public health risks with spray irrigation of oxidation pond quality effluent is mitigated with appropriate buffer zones, shelterbelts and shut-off of the irrigators during high winds as proposed under the original Kepler Option and this Kepler Relocated Option. However, public health risks can be further mitigated with spray irrigation by providing a higher level of disinfection (e.g. membrane filtration). Therefore, membrane filtration and spray irrigation further mitigates public health concerns while also achieving the environmental requirements.
7. The assessment of a 250mm ID pipe from Te Anau WWTP to Kepler Block doesn't appear to have considered the need for rapid drawdown of the treatment ponds to create storage for any forecast of high rainfall, and/or the inability to irrigate for whatever reason. The 10,000m³ of storage at the oxidation ponds would only be used when irrigation couldn't take place due to high rainfall or winds. The storage would remain empty at all times other than when not irrigating. Therefore, there will be no need for rapid drawdown of the storage to 'create' storage.
8. I note there are no isolation valves estimated for in the transfer pipelines to Kepler or Smith Blocks. There was mention of having isolation valves at every kilometre or so. You estimated \$80,000 for one valve. The addition isolation valves could add a considerable amount to any pipeline. There was also mention of a pig to put through the pipeline to clean it. There will be need to have the facilities to introduce, and to remove the pig. Would it be domestic water to flush the pig through the pipeline? If so can Te Anau water supply cater for such a demand, especially in summer? The \$80K included in our cost estimates is a Lump Sum item for supply and installation of 18 line valves for isolating sections of the pipeline and not for one valve only. It is anticipated that fouling of the treated effluent transfer pipeline will be minimal and regular flushing or pigging of the 18.3km pipeline will not be required. However, pigging would be one way to 'clean' this pipeline if this was found to be required at some time in the future. Therefore, at this stage it has been assumed that a pig launcher and receiver would not be installed, but these could be added in the future if required.
9. There has also been mention of drain valves for the ability to drain isolated sections of the pipeline. These would prevent large sections of the pipeline spilling in the case of a rupture, and/or maintenance. Sections could then be emptied into tankers and returned to the treatment ponds. A longsection of the 18.3km pipeline shows that the pipeline will rise from an elevation of around RL210m at the WWTP, to a high point of around RL250m at around 7km, and then gradually fall back to around RL210m at Kepler. Therefore, if the pipeline needed to be emptied (required very

infrequently) then the majority of the effluent could either be drained back to the WWTP and to Kepler rather than transferring using tanker trucks. There will likely be some localised low points along the pipe length where a Tee and a drain/scour valve will be needed and we have allowed for two of these in our cost estimates (note that detailed design has not been undertaken at this stage). Therefore, the volume of effluent that would need to be removed at drain points will be much less than the total volume in the 18.3km pipeline.

10. Your suggestion of a Modified Kepler System suggested visual impact would be lessened. The visual improvement would be minimal, especially from the air by visitors flying into or out of this area. Agreed that the irrigators would still be seen from the air.
11. By the commentary in the top paragraph page 7, are we to believe that the present Consented Option will deliver 48 tons of solid matter to the irrigation site at the Kepler Block annually? That would be 1,200 tons of solid matter over the consent period. We have estimated the solids accumulation in the oxidation ponds at 48 tons dry matter per year (based on year 2040 flows). These solids will need to be periodically removed from the oxidation ponds (as at present) but should not be confused with the quantity of solids irrigated at Kepler which will be less than this and will be predominately algae biomass.
12. 2.2.3 Leads us to believe that 36 hours is the worst case retention time in the pipeline to the Kepler Block. This disregards the time the system is shut down for any reason. ie. Additional 96 hours being two days before harvest and two days to harvest. I gave you photographs at the workshop of flooding lasting for at least 15 days on the Kepler Block. There is also Maintenance, Breakdown, and the Flushing spray nozzles. Section 2.2.3 states that the average daily flow and average hydraulic retention time in year 2015 will be 600 m³/d and 36 hours respectively. The flow will increase over the life of the consent (as the population grows) and the average hydraulic retention time will decrease. Agreed that the retention time will be more when irrigation is required to stop for an extended period. The odour treatment facility will mitigate odour at these times.
13. Which raises another problem for the Kepler System. You have allowed \$25,000 for flushing water. Where will the clean water to flush the nozzles come from? I believe the Rural System is stretched to the limit now. Flushing of the irrigators at Kepler will use the existing rural water supply. We have allowed for a flushing water storage tank so that the instantaneous demand on the supply will be low.
14. The "Sunk costs to date are excluded" and the Appeal Costs included to all the systems. I feel this is not comparing apples with apples, and slanting the costs towards the Consented Scheme. The cost of the Kepler Scheme to date which is \$1.3m (as mentioned by SDC CEO at the Workshop) is also not included in the Capex or the NPV. This is an important point and we have purposely assessed the costs in this way. Our Brief is to assess options looking forward from this point in time and not looking back to assess whether or not the best option was selected in the past prior to any monies being spent. Therefore, sunk costs to date have been excluded, and costs only considered from now looking forward. This naturally favours the Kepler Option as you have pointed out.
15. It was my understanding that the preferred option was Sub-Surface Irrigation for the Kepler Block. Refer to item 6 above regarding the need for a large and costly SDI area for nitrogen removal. Even with a large SDI area it is more uncertain than for a surface spray irrigation system how the SDI system will perform in terms of nitrogen removal (as the SDI has more potential for effluent to bypass the topsoil and root zone and discharge direct to the groundwater).
16. I calculate there to be 89,866,000 litres in 18.3Km 250mm pipeline to the Kepler Block, and 29,462,500 litres in the pipeline to Smith Block. All be it that to pump to Smiths there is a 75m head but two pump stations. Your estimates are for the same cost of an initial pump to move a considerable amount more to the Kepler Block, which also has a height difference. There are also a lot more bends and friction losses to be considered. Will it be the same price for the pump in both scenarios as is priced? Volume in Kepler pipeline=898m³=898,000L and volume in Smith pipeline=295m³=295,000L. However the volume of effluent in the pipeline has little bearing on sizing the pump station as key sizing parameters are the maximum design flow rate and the total head (the total head being a combination of the elevation head and the dynamic head which includes both the energy losses due to friction and energy losses due to bends and fittings (minor losses). The maximum design flow rate will be the same whether to Kepler or to Smith (we have assumed 37L/s = 3,200 m³/d) however the total head is different at each site. Our preliminary hydraulic assessment shows that with a 250mm pipeline the total head pumping to Kepler will be

- around 75m and the total head pumping to Smiths (via two pump stations) will be around 125m. Therefore, the sizing of the pumps will be similar for both options (just with a second set of pumps at midway to Smiths). However, the electricity costs will be more for Smiths (estimated at around \$46K/yr in year 2040) than for Kepler (around \$25K/yr in year 2040). These costs have been factored in to our cost estimates. Note that the additional pumping costs to Smiths is minor in the overall scheme costs (as reflected in the NPV costs).
17. Smith Block pipeline problems has the same as for additional valves (just not as many) as the Kepler Block. The fact that the pipeline is uphill all the way to Smiths means that it will be relatively easy to drain this pipeline back to the WWTP if needed. With membrane filtration at the WWTP, pigging of the transfer pipeline is very unlikely to be needed. Therefore, the Smith MF Option has these advantages over Kepler. As discussed in the report, the Smith MF Option also has a lower risk of generating objectionable odour, and occasional hydrogen sulphide generation during extended periods of no irrigation can likely be managed with chemical dosing only without the need for a trickling filter and biofilter.
 18. I take it that land is available from Write for lease or sale for the irrigation of treated sewage onto his land. Is this correct? As outlined in Section 2.5 of our report, Mr Wright has indicated that he is not particularly interested in selling or leasing land to SDC for the purpose of wastewater disposal.
 19. I found the information for the Slee Block contained in the last paragraph on page 20 to be confusing, especially with regard to the estimates on second last page. We can talk more about this at the meeting if needed. Essentially we are saying that the Slee option carries more risk and has more uncertainties than the Kepler Relocated or Smith MF options. Even if problems associated with adverse effects to the lower Slee property and the neighbouring pond on Kaipo Drive can be resolved (e.g. by SDC purchasing these properties), a shorter term consent may only be attainable and a further upgrade of the WWTP could be needed to remove more nitrogen in the future for re-consenting. For comparison, the Smith MF Option will discharge less nitrogen to the environment (as leaching from the irrigation area), with a similar nitrogen load discharged to the environment as the current land use if grazing was removed from the whole Smith farm of 196 ha. Therefore, the Smith MF Option is considered to be a less risky long-term option than Slee's (and less costly after the 25 year term even if a consent can be obtained for 25 years). If there was a significant cost advantage in the Slee option then it could be worth considering further, but our assessment indicates that the Slee Option does not have a significant cost advantage.
 20. The contingency for the Slee Block is highest of all. There must be a reason for this. A higher contingency has been allowed for the Slee Option as it involves greater construction risks and overall scheme risks than other options. Risks are associated with ground works to convert the existing oxidation ponds to an in-pond activated sludge system (IDEAL) while there are further risks keeping the existing WWTP operational while the ponds are converted to this new process. Stoney ground conditions also impose risk for installing a significant array of subsurface pipes using conventional methods at the Slee Block. There are also a number of other unknowns with the Slee option which could add further costs including possible compensation or purchase of the adjacent property at Kaipo Drive (as the pond will likely be impacted by the wastewater disposal scheme). The Smith and Kepler Options don't have these added risks hence the lower contingency allowance.
 21. I believe that Environment Southland want to remove a considerable amount of gravel from the lower level of the Upukarora River. Some of that could be used to mitigate any area where day lighting may occur in Slee's land. Agree that gravel from the lower Upukarora River could be suitable to fill low lying areas on the Slee Block and the adjacent property for a Slee disposal option and we have allowed \$12/m³ for this in the Slee options assuming that the river gravels are available.
 22. There probably needs to be discussions with Meridian Energy regarding the flooding of the lower reaches of Slee's land. They are charged with the responsibility of controlling Te Anau Lake level within certain parameters. If the Slee Option was to be pursued further then discussions with Meridian to clarify this aspect could be worthwhile.
 23. A general comment. Why are the figures (the font) contained in the Pre Design Estimates so small? I found them difficult to read. Was this intentional, or am I just getting old? Apologies for the small font, but we were trying to fit all CAEPX estimates on a single page.

24. I feel we now need to talk to other interested parties to get their standpoint on the issues we are considering before we can move forward. I feel it would be of value to gather information from different sites to improve our knowledge. Undertaking field investigations at multiple sites (e.g. Smiths and Slee) could be undertaken but this will add costs.
25. I omitted the added cost of consolidating the wheel tracks in the Kepler Block. Without this land being compacted there is every likely hood of the wheels of the center pivot irrigators sinking into the ground. I estimate there to be around 18km of such work to be carried out. This will be in addition to the \$20,000 allowed for the bridges over the bog. Our cost estimates for the Kepler Option has included costs for bridging over the peat bog, however, consolidating the ground where the centre pivot wheels will travel over the remainder of the Kepler Block is unlikely to be required and therefore has not been allowed for.

I reserve the right to add to these comments on 4th April meeting.

Regards.

Allan Youldon.

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**BEFORE THE ENVIRONMENT COURT
AT CHRISTCHURCH**

IN THE MATTER of the Resource Management Act 1991 and of appeals
under section 120 of the Act

BETWEEN **FIORDLAND SEWERAGE OPTIONS INCORPORATED**

(ENV-2015-CHC-9)

RUTH AND LANCE SHAW

(ENV-2015-CHC-10)

ALISTAIR JOHN PATON-MCDONALD

(ENV-2015-CHC-11)

Appellants

AND **SOUTHLAND REGIONAL COUNCIL**

Respondent

AND **SOUTHLAND DISTRICT COUNCIL**

Applicant

MEMORANDUM OF COUNSEL FOR SOUTHLAND DISTRICT COUNCIL

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MRC-841021-14-362-V1 r/16/4/5076

MAY IT PLEASE THE COURT:

- 1 Following the Court's directions issued on 21 December 2015 the Southland District Council has continued with a process to investigate a range of additional alternatives to the proposal that is subject to these appeals.

DECISION

- 2 The Southland District Council as Applicant has decided to continue with the application for the consents needed to disposal of treated waste water at the Kepler farm site that is subject to these appeals.

MEDIATION

- 3 The Applicant consents to and would like to participate in Environment Court assisted mediation of these appeals. It is understood by the Applicant that all parties have previously consented to mediation.
- 4 Therefore the Applicant proposes:
- (a) Mediation is to be held in Te Anau.
 - (b) There will be three people in attendance for the Southland District Council.
 - (c) It is estimated that mediation could take 1 – 2 days.
 - (d) It is proposed that mediation be arranged at a time that suits the Court but could be in the weeks of 7, 20 or 27 June 2016.

EVIDENCE EXCHANGE TIMETABLE

- 5 In the event that mediation does not resolve all matters the following timetable for the exchange of evidence is proposed:
- (a) Applicant's evidence in chief 30 September 2016;
 - (b) Respondent Councils' evidence in chief 31 October 2016;
 - (c) Appellants' evidence in chief 30 November 2016; and
 - (d) Rebuttal evidence from Applicant and Respondent Councils 23 December 2016.
- 6 It is estimated that the hearing could take 2 weeks and should preferably be held in Te Anau.

MRG-841021-14-362-V1 r/16/4/5076

DATED this day of April 2015

M R Garbett
Counsel for Southland District Council (Applicant)

DRAFT

MRG-841021-14-362-V1 r/16/4/5076

Approval of Unbudgeted Expenditure for the Oban Wastewater Oxidation Pond

Record No: R/16/3/3704
Author: Ian Evans, Strategic Manager Water and Waste
Approved by: Ian Marshall, GM - Services and Assets

☒ Decision ☐ Recommendation ☐ Information

Purpose

- 1 To seek Council's approval to spend \$55,000 plus GST, unbudgeted expenditure to fund the upgrade aeration equipment for the Oban wastewater oxidation pond.

Executive Summary

- 2 The influx of cruise ship visitors to Oban has recently caused significant operational problems at the township's wastewater oxidation ponds.
- 3 To manage the additional load as a result of high visitors it is proposed to install a new, more efficient aerator on the pond at a cost of \$55,000 plus GST. As this expenditure is unbudgeted it requires Council approval.
- 4 Given that the expenditure is required as a result of increasing demand over the holiday period it is appropriate that the project is funded from the development contribution reserve which currently has \$264,045 available.

Recommendation

That the Council:

- a) Receives the report titled "Approval of Unbudgeted Expenditure for the Oban Wastewater Oxidation Pond" dated 19 April 2016.
- b) Determines that this matter or decision be recognised as 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) Approves the request to spend an unbudgeted amount of \$55,000 on the upgrade of the aeration to the Oban wastewater oxidation pond to be funded from Development Contributions.

Content

Background

- 5 Increased visitor numbers from the larger cruise ships stopping at Stewart Island have recently been causing operational issues at the Oban township wastewater oxidation pond site.
- 6 In February 2016 the pond almost turned over as a result of reduced Dissolved Oxygen (DO) caused by an increase in load from the number of visitors to the township. In response to the issue Downer brought an additional aerator over to the pond to try to stabilise the ponds through the remainder of the season.
- 7 While this action was successful it has resulted in an almost doubling of the site power bill for February. Given that this is likely to become an annual issue Water and Waste officers are recommending the replacement of both aerators with a single more energy efficient diffused air aerator which will provide sufficient aeration at less than the running costs of the current set up. The aerator is similar to one installed in the Winton pond last year and which is working well.
- 8 As this is essentially unbudgeted expenditure it requires Council approval, however as it is proposed to fund through Development Contributions collected for such increases in demand there will be no impact on rates.

Issues

- 9 The main issue identified is the risk to compliance with resource consent conditions over the tourist season.

Factors to Consider

Legal and Statutory Requirements

- 10 The report will deal with the legal requirement of obtaining approval for this additional expenditure.

Community Views

- 11 None identified at this stage.

Costs and Funding

- 12 This is currently unbudgeted expenditure hence requiring Council approval.
- 13 The value of the project is for \$55,000 plus GST to be funded from Development Contributions.
- 14 The Oban Development Contributions Reserve has \$264,045 as of 30 June 2015.
- 15 Estimated monthly power costs for the proposed new aerator are \$1,250 whereas current power costs for the two aerators currently in place are \$2,300 providing a payback within five years.

Policy Implications

- 16 None identified at this stage.

Analysis

Options Considered

- 17 Either approve or not the unbudgeted expenditure.

Analysis of Options

Option 1 - Approve expenditure

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• Project can commence subject to Council approval.• Long term savings in electricity.	<ul style="list-style-type: none">• None identified.

Option 2 - Do not approve expenditure

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• None identified.	<ul style="list-style-type: none">• Risk no non-compliance with resource consent issues.• Ongoing high electricity costs.

Assessment of Significance

- 18 Not considered significant.

Recommended Option

- 19 It is recommended that that the project is approved and that expenditure is funded from the Oban Development Contribution Reserve.

Next Steps

- 20 Commence project.

Attachments

There are no attachments for this report.

Approval of Unbudgeted Expenditure by the Te Anau Community Board for the Joint Public BBQ Project with the Te Anau Kepler Lions Club

Record No: R/16/3/3585
Author: Nick Lewis, Community Engineer
Approved by: Ian Marshall, GM - Services and Assets

☒ Decision ☐ Recommendation ☐ Information

Purpose

- 1 To seek Council's approval to spend \$11,439, excluding GST, unbudgeted expenditure to fund the purchase of a public BBQ unit for joint project with Te Anau Kepler Lions Club.

Executive Summary

- 2 The Te Anau Kepler Lions Club have been in discussions with the Te Anau Community Engineer and Venture Southland Community Development Planner to provide another public BBQ at Lions Park. The Te Anau Community board were advised the total project cost, as per quotes received by the Kepler Lions, to be approx. \$24,000.00 including GST
- 3 The Kepler Lions have approached the Te Anau Community Board for assistance in funding for the BBQ unit component of this project. The Te Anau Community Board has not budgeted to spend any money on this project.
- 4 The Board has requested approval to spend \$11,439, excluding GST, to be funded from the Board's general reserve.

Recommendation

That the Council:

- a) **Receives the report titled "Approval of Unbudgeted Expenditure by the Te Anau Community Board for the Joint Public BBQ Project with the Te Anau Kepler Lions Club" dated 19 April 2016.**
- b) **Determines that this matter or decision be recognised as 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) **Approves the request of the Te Anau Community Board for approval of unbudgeted amount of \$11,439, excluding GST, to be funded from the Board's general reserve as the Board's share of a joint public BBQ project with the Te Anau Kepler Lions Club.**

Content

Background

- 5 The Te Anau Kepler Lions Club have been in discussions with the Te Anau Community Engineer and Venture Southland Community Development Planner to provide another public BBQ at Lions Park, as per the existing public BBQ installed at the Te Anau Lakefront area, adjacent the Te Anau Boat Club mariner. The Kepler Lions have approached the Te Anau Community Board for assistance in funding for the BBQ unit component of this project.
- 6 The Te Anau Community Board had assisted for the similar past project with the Fiordland Rotary Club by purchasing a two cooktop BBQ unit, the remainder of the project saw Rotary construct and install the unit, shelter and electrical connection. This past unit was costed at \$10,987, excluding GST, and was installed prior to Christmas 2014. This facility is located adjacent to the boat harbour on the Te Anau Lakefront and has been very well utilised by both the local community and visitors alike.
- 7 Approval is sought to spend this unbudgeted amount of \$11,439, excluding GST, to be funded from the Board's general reserve account.

Issues

- 8 The only issue identified is that of unbudgeted expenditure which this report is seeking to resolve.

Factors to Consider

Legal and Statutory Requirements

- 9 None identified.

Community Views

- 10 The Te Anau Community Board at its December 2015 meeting resolved to contribute to this project based on the estimated total cost of \$11,439, excluding GST.
- 11 This project is by a local community group, the Te Anau Kepler Lions Club.

Costs and Funding

- 12 The Te Anau Community Board at its December 2015 meeting resolved to contribute to this project based on the estimated total cost of \$11,439, excluding GST, to be funded from the Board's general reserves, being the BBQ unit component.
- 13 The Te Anau Community board were advised the total project cost, as per quotes received by the Kepler Lions, to be approx. \$24,000.00 including GST (the group is not GST registered). Report R/15/11/21210.
- 14 This joint public BBQ projects construction and installation costs are the responsibility of the Kepler Lions Club, which they have gained funding for. The Te Anau Community Board provided written support for the Kepler Lions Club's own funding applications. Ownership of the BBQ unit and shelter will remain that of Council.
- 15 The Board has previously resolved to commit funds towards installation of water connection to the proposed site for water supply tap and/or fountain and the ongoing operational/ maintenance costs under the Parks & Reserves General Budget, being electricity through the

existing Electricity Budget and maintenance through Maint – Equipment Budget. Electricity budgets will be adjusted once usage figures are evaluated. As per the Boat Harbour BBQ it is user responsibility for cleaning with the Kepler Lions Club monitoring and cleaning as required.

- 16 The Te Anau Community Board's general reserve currently has a budget of \$325,433, with forecast budget of \$222,035.

Policy Implications

- 17 None identified at this stage.

Analysis

Options Considered

- 18 Either approve or not the unbudgeted expenditure.

Analysis of Options

Option 1 - Approve expenditure.

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• Project can commence subject to APAC approval to accept tender.• A community lead initiative providing a new asset can be provided.	<ul style="list-style-type: none">• None identified.

Option 2 - Do not approve expenditure.

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• None identified.	<ul style="list-style-type: none">• Project delayed or cancelled.• A community lead initiative providing a new asset not being provided.

Assessment of Significance

- 19 Not considered significant.

Recommended Option

- 20 Approve expenditure.

Next Steps

- 21 If expenditure is approved, arrange for purchase of the BBQ unit and notify Kepler Lions Club of ETA for unit, Kepler Lions Club to proceed with remainder of the construction and installation parts of the project. If not approved, notify the Te Anau Kepler Lions Club of decision.

Attachments

There are no attachments for this report.

Elected Members Remuneration

Record No: R/16/4/4877
Author: Sheree Marrah, Finance Manager
Approved by: Anne Robson, Chief Financial Officer

☒ Decision ☐ Recommendation ☐ Information

Purpose

- 1 The purpose of this report is to establish the levels of Elected Members remuneration for the period 1 July 2016 to 30 June 2017 in accordance with the requirements of the Remuneration Authority.

Executive Summary

- 2 The Remuneration Authority (RA) is currently seeking confirmation on the proposed remuneration for Elected Members for the period 1 July 2016 to 30 June 2017.
- 3 The RA calculates the level of remuneration for the Mayor, Councillors and Community Board members. The approach used is consistent with the outcome of the 2013 Elected Members Remuneration review, subject to a few minor changes. The calculation of the Mayor and Councillor salaries is determined from a model which is intended to reflect a number of factors including the size and complexity of a local authority.
- 4 The RA are proposing a base remuneration level increase for inflation, of between 1.5% to 3.0% depending on the Authority's size index. The proposed inflation applied to Council's remuneration is 2.5%.
- 5 The RA also allocates a pool of funds for disbursement to Elected Members for additional duties. This pool has been increased from 150% of the Councillor's base salary to 200% (\$51,455). The RA has also removed the caps on payments to individual councillors for additional duties.
- 6 Council are required to endorse the proposed base salaries and advise of the allocation of the pool to the various positions of additional duties to the RA by 16 May 2016. Once the RA has considered information from all councils a formal determination will be issued.

Recommendation

That the Council:

- a) Receives the report titled “Elected Members Remuneration” dated 19 April 2016.
- b) Determines that this matter or decision be recognised as 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) Adopts to recommend Option 1 of this report to the Remuneration Authority for proposed Elected Members remuneration for the period 1 July 2016 to 30 June 2017, being:
 - Accept inflation rate increase from 2015/16 of 2.5% on all remuneration.
 - Allocate 150% of the pool for additional responsibilities (rather than the maximum allowed of 200%).
 - Allocate the pool for additional responsibilities as follows:
 - Deputy Mayor (40%).
 - Policy Committee Chair (20%).
 - Venture Southland Director (15%).
 - Activities Performance Audit Committee Chair (25%).
 - Available for Councillors contributing to the development of the District Plan (50%).
- e) Requests that staff provide the necessary information to the Remuneration Authority by the required date.
- f) Requests that staff provide a report for information to all Community Boards of the proposed remuneration for the period 1 July 2016 to 30 June 2017.

Content

Background

- 7 The RA sets the framework for the remuneration and reimbursement of local government Elected Members. This includes:
- The Mayor;
 - The Deputy Mayor;
 - Councillors;
 - Community Board members; and

- Chairpersons Council Committees, and
- Chairpersons Community Boards.

The current approach for 2015/2016

- 8 In 2013 the RA, in consultation with representatives of local government, completed a major review of the way in which remuneration is set for Elected Members of local authorities. The revised approach was based on job evaluation and an assessment of the hours involved in undertaking governance and representation functions. This approach has the following features:
- a) The RA sets base salaries for Elected Members of regional and territorial authorities, and for Community Boards.
 - b) A pool will be available to each council to provide additional remuneration for members who take on additional responsibilities, such as filling the role of Deputy Mayor or chairing a Committee of Council. The amount of money in this pool will be capped at the equivalent of 150% of the base councillor salary.
 - c) A measure of the relative size and complexity of each Council's business activities, called the 'size index', has been developed.
 - d) Salaries of Mayors and Chairpersons of regional councils are based on the size index for the Council.
 - e) A base Councillor salary is set for each Council, based on the size index for the Council.
 - f) Salaries for Councillors with additional responsibilities are set based on representations from councils, with a cap on total additional salary cost per council expressed as a multiple of the Council's base Councillor salary.
 - g) Community Board Elected Members' salaries are based on the population base for the community.
 - h) Every three years the Authority will review the process for setting size indices, and the relationships between size indices and remuneration.
 - i) Every year the Authority will recalculate size indices, which will determine any appropriate general increase in salaries as a result of CPI changes, and determine remuneration based on the relationships developed at the previous triennial review. No base Councillor remuneration will decrease as a result of this recalculation.
 - j) Levels of remuneration could be reviewed if significant change to legislation affecting the role and responsibilities of local government elected representatives occurred.

The approach for 2016/2017

- 9 The RA has requested confirmation of Elected Members remuneration for the period 1 July 2016 to 30 June 2017. The approach is consistent with that applied in 2013, other than the following changes:

- 10 The RA are proposing that Southland District Council base salaries increase by 2.5% from 2015/2016. The base remuneration levels for Elected Members are as follows:

Role	2015/2016 Base Remuneration	2016/2017 Proposed Base Remuneration
Mayor	\$105,900	\$108, 548
Councillor	\$25,100	\$25,728

Community Board	2015/2016 Remuneration (Chairperson)	2016/2017 Proposed Remuneration (Chairperson)	2015/2016 Remuneration (Member)	2016/2017 Proposed Remuneration (Member)
Stewart Island/Rakiura	\$2,600	\$2,665	\$1,300	\$1,333
Wallacetown	\$2,600	\$2,665	\$1,300	\$1,333
Otautau	\$7,000	\$7,175	\$3,500	\$3,588
Riverton/Aparima	\$6,200	\$6,355	\$3,100	\$3,178
Tuatapere	\$4,200	\$4,305	\$2,100	\$2,153
Edendale-Wyndham	\$4,400	\$4,510	\$2,200	\$2,255
Winton	\$8,600	\$8,815	\$4,300	\$4,408
Te Anau	\$10,000	\$10,250	\$5,000	\$5,125

- 11 The amount available to supplement base remuneration for Councillors with additional responsibilities has increased from 150% of base Councillor remuneration to 200%. Therefore the maximum amount available to allocate for additional responsibilities in 2016/2017 is \$51,455.
- 12 The caps on individual Councillors for additional duties have been removed. Previously these caps were 40% for Deputy Mayor and 25% for other positions.

Remuneration of Councillors for additional responsibilities

- 13 As noted above the RA's model for remuneration proposes that up to an additional 200% of the base remuneration for a Councillor be available to remunerate the deputy mayor, chairs of committees and portfolio holders, eg Venture Southland, for additional responsibilities.
- 14 The RA is seeking feedback from Council on how the pool of 200% for additional responsibilities for these positions should be allocated. Feedback provided to the RA will be used by them to inform the allocation of additional funds to the total remuneration pool and accordingly set the determination. Some of the additional amount is able to be retained for allocation during the development of District Plans.

- 15 Currently Southland District Council has allocated the additional remuneration of 150% of a base councillor salary as follows:

Role	2015/2016 Base Remuneration Uplift
Deputy Mayor	40%
Policy Committee Chair	20%
Venture Southland Director	15%
Activities Performance Audit Committee Chair	25%
Available for Councillors contributing to the development of the District Plan	50%
TOTAL	150%

- 16 The amount allocated for developing and adopting a District Plan is intended to recognise the additional demands on Councillor time during this period.

Issues

- 17 The key issue is the allocation of the additional funds available to the various Councillors with additional responsibilities. There is an additional 50% of a base salary available for distribution (\$12,863), bringing the total pool available to those with additional responsibilities to \$51,455.
- 18 Below are three potential options for distribution of the pool for those with additional responsibilities:
- Option A - No change to the pool allocation from 2015/2016. Council decides not to use the additional 50% available this year, staying with the current uplift of 150%.
 - Option B - Allocate the 200% on a pro-rata basis consistent with the 2015/2016 allocation.
 - Option C - Allocate the 175% on a pro-rata basis consistent with the 2015/2016 allocation. This means that half of the additional 50% available this year would not be applied to Councillors.

Role	2015/2016 Base Remuneration Uplift	2016/2017 Base Remuneration Uplift (Option A)	2016/2017 Base Remuneration Uplift (Option B)	2016/2017 Base Remuneration Uplift (Option C)
Deputy Mayor	40%	40%	53%	47%
Policy Committee chair	20%	20%	27%	23%
Venture Southland director	15%	15%	20%	18%
Activities Performance Audit Committee chair	25%	25%	33%	29%
Available for Councillors contributing to the development of the District Plan	50%	50%	67%	58%
TOTAL	150%	150%	200%	175%

Please note, in the instance that the Council committee structure changes subsequent to the October 2016 elections, Council will be required to submit an amended elected members remuneration proposal to the RA for consideration and once approved an amended determination will be released.

Factors to Consider

Legal and Statutory Requirements

- 19 There are no legal considerations relevant to this issue.

Community Views

- 20 There are no requirements to consult with the community in respect of this issue. The position of the Southland District Council in relation to this issue is unlikely to impact on the perception of public value, as payments received by Elected Members of Southland District Council and Community Boards are not high in terms of the national range.

Costs and Funding

- 21 Due to a timing difference in when the 10 Year Plan was adopted and the Elected Members Determination being issued for 2015/2016, there is currently a shortfall in Council's budget for Elected Members of \$55,043. This shortfall has therefore carried forward into the 2016/2017 budget. The 2016/2017 Annual Plan currently reflects a budget of \$563,013 for all Elected Members. The proposed options would require funds of \$619,481 (Option 1), \$632,346 (Option 2), or \$625,912 (Option 3). How this increase would be funded needs to be discussed and agreed. Options include an increase to rates, pay from possible operational savings, funding from reserves or a mixture of these options.

Policy Implications

- 22 The RA will publish a determination following the receipt of information from local authorities. This determination will create a need for changes to Council's Elected Members Remuneration and Reimbursement Policy. An approved policy will be provided to the RA in due course.

- 23 Changes to this policy will reflect amendments to remuneration rates. Communications allowances, travel time payments and mileage rates will remain unchanged.
- 24 We note that in the instance Council's committee structure changed, a proposal would need to be provided to the RA to amend the Elected Members Remuneration determination to align with the revised structure.

Analysis

Options Considered

- 25 If Council does not provide information to the RA, it will not be able to influence the allocation of remuneration. We also note that it is an election year and higher remuneration levels may assist in attracting new/more electoral candidates.
- 26 It is therefore recommended that Council respond to the RA acknowledging the 2.5% base rate increase and advising of the desired allocation of additional responsibilities of Committee chairs and portfolio holders.

Analysis of Options

- 27 **Option 1 - Accept the base salaries as proposed for all Elected Members and retain the allocations for additional responsibilities consistent with the current year (totalling 150% of base Councillor salary) (\$15,156 increase from 2015/2016 budget)**

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • Lesser impact on the ratepayer if funding from rates. • Consistent salary increase across all Elected Members. 	<ul style="list-style-type: none"> • Full pool available for allocation is not used. • Councillors are not uplifting the additional allowance and accordingly remuneration may fall behind other local authorities.

- 28 **Option 2 - Accept the base salaries as proposed for all Elected Members and increase the Elected Member allocations for additional responsibilities on a pro-rata basis consistent with the current year (totalling 200% of base Councillor salary) (\$28,021 increase from 2015/2016 budget)**

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • Full utilisation of the pool available for allocation. • Higher remuneration rates for Councillors with additional responsibilities. 	<ul style="list-style-type: none"> • Bigger impact on the ratepayer. • Significant increase in salaries in one financial year for those with additional responsibilities.

- 29 **Option 3 - Accept the base salaries as proposed for all Elected Members and increase the Elected Member allocations for additional responsibilities on a pro-rata basis consistent with the current year (totalling 175% of base Councillor salary) (\$21,587 increase from 2015/2016 budget)**

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • 50% utilisation of the pool available for allocation. • Higher remuneration rates for Councillors with additional responsibilities. • Gradual increase in salary over two years/two pay review periods. 	<ul style="list-style-type: none"> • Impact on the ratepayer. • Increase in salaries in two or more financial years for those with additional responsibilities. • Councillors are not uplifting the full additional allowance and accordingly remuneration may fall behind other local authorities.

The financial impact of each of these options are outlined in Attachment 2 of this report.

Assessment of Significance

- 30 This matter is not considered significant as it is a routine operational matter.

Recommended Option

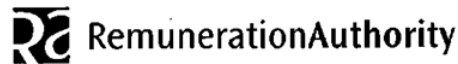
Option 1 - Accept the base salaries as proposed for all Elected Members and retain the allocations for additional responsibilities consistent with the current year (totalling 150% of base Councillor salary).

Next Steps

- 31 Staff to provide Council's response on Elected Members remuneration and allocation of pool for additional responsibilities for 2016/2017 year to the RA by the required deadline of 16 May 2016.
- 32 Staff to circulate a report to all Community Boards advising them of the proposed increase in Community Board Chair and member salaries.
- 33 Finance staff to provide a copy of the Elected Members Determination to payroll staff to implement from 1 July 2016.

Attachments

- A Letter from Remuneration Authority regarding Elected Members Remuneration from 1 July 2016 [View](#)
- B Total Proposed Elected Member Remuneration for 2016/2017 [View](#)



17 March 2016

Mr Gary Tong
Mayor
Southland District Council
PO Box 903
INVERCARGILL 9840

**COPY FOR YOUR
INFORMATION**

Dear Mayor Tong

Elected Members' Remuneration from 1 July 2016

This letter provides information about your elected members' base remuneration for the period from 1 July 2016 to 30 June 2017, and it follows the letter sent by this Authority to your Chief Executive on 1 December 2015 setting out the process the Authority will follow this year in setting remuneration for elected members. In that letter we also included a copy of a report we issued in 2012 entitled "Remuneration setting proposals for local authorities: 2013 and beyond". You can access that report at <http://remauthority.govt.nz/clients-remuneration/remuneration-for-local-government-elected-officials/>.

This letter also requires your action. It is necessary for you to provide additional information to the Authority, on the forms provided with this letter, in order for the Authority to make an accurate determination for your Council for the 2016/17 year. That information is required by Monday 16 May at the latest.

Background

In addition to the 2012 report, during 2015 the Authority commissioned HayGroup to review a sample group of councils and establish both the size and changing nature of local representation. In undertaking this work the Authority obtained information that gave it some confidence in the size of the job of elected members and the increasing demands on them.

It also received feedback on the ability of a council to recognise the additional responsibilities undertaken by some members and it has taken this into consideration in its decision making.

There were two areas in which the Authority did not get sufficient information to have confidence in the scope of elected members' undertakings. The first is the time commitment required to effectively fulfil council responsibilities and the second is the additional time commitment and responsibilities that flow from the district or regional plan hearing process.

The remuneration element of the review that the Authority undertook in 2012 was only partially implemented due to the significant increases, and occasional decreases, that would have resulted. The Authority assessed that such a change would not have been acceptable to communities at a time when both urban and rural New Zealanders faced rating and financial challenges and most working people received only modest increases in remuneration.

Given the Authority's continuing concern regarding aspects of the information available to it this year, we are again deferring full implementation whilst a new review of the remuneration

Remuneration Authority

PO Box 10084, Morrison Kent House, 105 The Terrace, Wellington, New Zealand
Telephone 04 499 3068 Facsimile 04 499 3065 Email info@remauthority.govt.nz

framework is undertaken. This work will take place over the coming year and, as proposals develop, the Authority will engage further with local government.

For this year the Authority has decided to implement increases between 1.5% and 3%, phased in bands, with the larger metropolitan areas receiving 1.5% and those councils with more modest current remuneration being increased up to 3%. This has been introduced in four bands based on the Authority's size index.

Base Remuneration 2016/2017 Mayor and Councillors

Under this approach the following will be the **base** remuneration for you and your elected members.

Role	2015/16 remuneration	2016/17 remuneration
Mayor	\$105,900	\$108,548
Councillor	\$25,100	\$25,728

Community Boards

The base remuneration for your community boards is outlined on a separate sheet attached. This is based on your current structure; if that structure changes because of a representation review we will need to do a recalculation.

These figures exclude any payments for additional responsibilities. If you wish to apply for such a payment for a community board for 2016/2019 it is necessary to submit Form C (see below). Payment for additional responsibilities for community boards apply to the whole board.

Payment for additional duties

To recognise the concerns reflected in our review about the ability to appropriately address the additional duties of some elected members, the Authority has decided to increase the amount available to supplement base remuneration from 150% of the councillor remuneration to 200%. Therefore the maximum amount available for your council for this purpose is \$51,455. The Authority has also decided to respond to concerns raised by councils by removing the 40% and 25% caps on the payment to individual councillors for additional duties.

The Authority has not amended the maximum amount of additional duty payments available for community boards, which remains at 30%.

The Authority is not making any changes to the provisions for payment for elected members participating in district or regional planning hearing processes in this determination, but we have agreed with LGNZ to set up a working group to find a solution that will be permitted under the legislation. We anticipate that the Authority's 2017/18 determination will address the matter.

What you need to do now

Attached to this letter are four forms for completion. The first two are compulsory. The others are for your use when they are relevant to your council.

1. The Mayor's **vehicle information form** will enable the Authority to make the correct adjustment to the Mayor's remuneration where necessary. *You must submit this form even if the Mayor will not be provided with a vehicle.*
2. Form A is a schedule of your **proposed positions and remuneration**. You must complete and submit this form.
3. Form B is the information required for each position that the council wishes to recommend for **additional payments**. Please note that the description needs to apply to all the positions a member holds. For example, if the deputy mayor also chairs a committee, one additional payment should be proposed to cover all the duties.
4. Form C is the information required when a council wishes to apply for an **additional duties payment for a community board**.

As in previous years, councils are not required to allocate the total amount of funds available.

The forms are also available as Word documents on the Authority's website at this address <http://remauthority.govt.nz/local-government/>.

In order for the Authority to release its determination prior to 1 July 2016, we require these returns no later than Monday 16 May, so we would appreciate hearing from you as soon as possible.

We consider that the most efficient way for you to return the forms would be to scan your set into a pdf file and attach to an email to info@remauthority.govt.nz.

If you have any questions regarding the above information please forward them by email to info@remauthority.govt.nz.

Yours sincerely

Fran Wilde
Chair

cc Chief Executive, Southland District Council

Enclosures

1. Mayor's car information form
2. Positions form (Form A)
3. Additional payments for positions form (Form B)
4. Additional payments for a community board form (Form C)

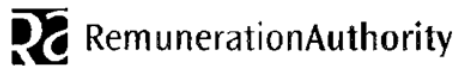
Item 8.8 Attachment A



Remuneration Authority

Council Community Boards Chair and Member Salaries 2016

Council	Community Board Name	Chair salary \$	Member salary \$
Southland District	Stewart Island/Rakiura Community	2,665	1,333
Southland District	Wallacetown Community	2,665	1,333
Southland District	Otautau Community	7,175	3,588
Southland District	Riverton/Aparima Community	6,355	3,178
Southland District	Tuatapere Community	4,305	2,153
Southland District	Edendale-Wyndham Community	4,510	2,255
Southland District	Winton Community	8,815	4,408
Southland District	Te Anau Community	10,250	5,125



Council Mayor or Chair Vehicle Information Form

Councils decide whether or not a car is to be supplied and on what basis. The determinant is what is most cost effective for Council and ratepayers.

Please use this form to confirm or reconfirm car provision details.

Name of Council: _____

Does the Council supply a vehicle to the Chair or Mayor? YES / NO
If "yes" please complete the table below.

Make and model	
Date of Purchase	
Total on the road cost to Council on purchase GST inclusive	\$
Is the car for Chair/Mayoral use only? <i>"Chair/Mayoral use only" means that the car can be used by other officers, can be driven home and garaged by the Chair/Mayor but does not permit any private use.</i>	YES / NO
If "no" above then please confirm percentage of private use. <i>"Full private use" is normally assessed by the Authority at 20%. Where a larger or smaller usage is claimed supporting information is required (such as log books).</i>	%

Car value deduction calculation example:

If value of car = \$38,000 incl. GST and
% of private use = 20%

$\$38,000 \times 41\% \times 20\% = \$3,116$ This is the amount to be deducted from the Chair's/Mayor's salary.

Remuneration Authority March 2016



Remuneration Authority March 2016

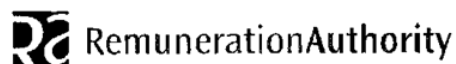
FORM B

Information about each position recommended for additional payments



NAME OF COUNCIL	
POSITION TITLE	
NUMBER OF POSITIONS WITH THAT TITLE	
POSITION DESCRIPTION <i>Specify additional responsibilities over and above the basic councillor role - covering duties, delegations, deputising and reporting obligations</i>	
ADDITIONAL TIME <i>Estimation of extra time involved in carrying out the additional responsibilities</i>	
BASE COUNCILLOR SALARY The 2016 base councillor salary for your council	\$
RECOMMENDED ADDITIONAL PAY Amount recommended for additional pay	\$
TOTAL REMUNERATION	\$

Remuneration Authority March 2016

FORM C**Proposed additional duties
payment for community board**

NAME OF COUNCIL	
NAME OF COMMUNITY BOARD	
COMMUNITY BOARD CHAIR <i>Confirmation the board chairperson is carrying out the additional roles as set out in Appendix B of the Remuneration Authority's April 2013 document "Local Authority Elected Member Remuneration Setting 2013 (excl. Auckland)"</i>	YES/NO
ADDITIONAL ROLE OR RESPONSIBILITY <i>Describe the role and list the additional responsibilities. NB extra pay cannot normally be sought for individual board members - it should be for the whole board</i>	
ADDITIONAL TIME <i>Estimated extra time involved in carrying out the extra responsibilities</i>	
BASE COMMUNITY BOARD SALARY <i>The 2016 base community board salary for this board</i>	\$
RECOMMENDED ADDITIONAL PAY <i>Amount recommended for additional pay per board member (to a maximum of 30%)</i>	\$
TOTAL REMUNERATION	\$

Remuneration Authority March 2016

Southland District Council
Total Elected Members Remuneration

			Per Person 2015/2016	Per Person 2016/2017	2015/2016	OPTION 1 2016/2017	OPTION 2 2016/2017	OPTION 3 2016/2017
Mayor	TONG	1	105,900	108,548	105,900	108,548	108,548	108,548
Deputy Mayor	DUFFY	1	35,115		35,115	36,019	39,450	37,734
APAC Chair	BAILEY	1	31,375		31,375	32,160	34,304	33,232
Policy Chair	DOBSON	1	30,120		30,120	30,874	32,589	31,731
VS Directorate	MACPHERSON	1	28,865		28,865	29,587	30,874	30,230
District Plan			12,550		12,550	12,864	17,152	15,008
	KREMER, BAIRD, DILLON, KEAST, FORD, DOUGLAS, PATERSON, HARPUR	8	25,100	25,728	200,800	205,824	205,824	205,824
Councillors					444,725	455,876	468,741	462,307
Stewart Island	Chairperson	1	2,600	2,665	2,600	2,665	2,665	2,665
Stewart Island	Members	5	1,300	1,333	6,500	6,665	6,665	6,665
Wallacetown	Chairperson	1	2,600	2,665	2,600	2,665	2,665	2,665
Wallacetown	Members	5	1,300	1,333	6,500	6,665	6,665	6,665
Otautau	Chairperson	1	7,000	7,175	7,000	7,175	7,175	7,175
Otautau	Members	5	3,500	3,588	17,500	17,940	17,940	17,940
Riverton/Aparima	Chairperson	1	6,200	6,355	6,200	6,355	6,355	6,355
Riverton/Aparima	Members	5	3,100	3,178	15,500	15,890	15,890	15,890
Tuatapere	Chairperson	1	4,200	4,305	4,200	4,305	4,305	4,305
Tuatapere	Members	5	2,100	2,153	10,500	10,765	10,765	10,765
Edendale-Wyndham	Chairperson	1	4,400	4,510	4,400	4,510	4,510	4,510
Edendale-Wyndham	Members	5	2,200	2,255	11,000	11,275	11,275	11,275
Winton	Chairperson	1	8,600	8,815	8,600	8,815	8,815	8,815
Winton	Members	5	4,300	4,408	21,500	22,040	22,040	22,040
Te Anau	Chairperson	1	10,000	10,250	10,000	10,250	10,250	10,250
Te Anau	Members	5	5,000	5,125	25,000	25,625	25,625	25,625
					159,600	163,605	163,605	163,605
TOTAL FORECASTED REMUNERATION					604,325	619,481	632,346	625,912

Request to Transfer Ownership of the Athol Fire Station Property to the Southern Rural Fire Authority

Record No: R/16/3/4355
Author: Kevin McNaught, Strategic Manager Property
Approved by: Ian Marshall, GM - Services and Assets

☐ Decision ☐ Recommendation ☐ Information

Purpose

- 1 To seek Council approval to the request from the Southern Rural Fire Authority to transfer ownership of the Athol Fire Station property from Council to the Authority.

Executive Summary

- 2 Council is the owner of the Athol Fire Station property. Since 2003, the Southern Rural Fire Authority has covered the costs for rates, insurance and repairs and proposes more internal renovations.
- 3 Officers have no issue with the request on the proviso that Council has first option to purchase should the property be disposed of in the future. This is the basis of which the Waikawa Fire Station was transferred in 2007.

Recommendation

That the Council:

- a) Receives the report titled “Request to Transfer Ownership of the Athol Fire Station Property to the Southern Rural Fire Authority” dated 19 April 2016.
- b) Determines that this matter or decision be recognised as 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) Resolves to transfer the Athol Fire Station property being Lot 1, DP 12002 and contained in CFR SL9A/254 to the Southern Rural Fire Authority for \$1.00.
- e) Resolves that the transfer be subject to a condition in the Agreement for Sale and Purchase that should the Southern Rural Fire Authority wish to sell or transfer ownership of the property, it shall be first offered back to Council for \$1.00.
- f) Resolves that the Agreement for Sale and Purchase be executed under Council’s seal.

Content

Background

- 4 In 1988 the Upper Mataura Pest Destruction Board transferred land for 10 cents to the Southland County Council for the site of the proposed Athol Fire Station.
- 5 While significant research has not been undertaken, it appears that the building when constructed was funded locally with some levy funds and a loan from the Council. The details are not really important at this point as the objective was to build a fire station which was achieved.
- 6 Since 2003 the Southern Rural Fire Authority has covered the costs for rates, insurance and repairs and proposes more internal renovations. As all operating costs are funded by Southern Rural Fire, they have requested that the ownership of the property be transferred to them.
- 7 There is no issue with the request as it is similar to what has happened at Waikawa in 2007. As part of that transfer, and what has been suggested here, is that the transfer happens on the basis that before Southern Rural Fire Authority sell or transfer ownership of the property, it must be first offered back to Council for \$1.00.
- 8 What this process allows is for Council to be aware of what is happening, approve it, get the property back or negotiate some other agreement.
- 9 What is likely to happen with these types of properties in the amalgamation of the firefighting entities is unknown at this stage, however making it a condition of sale as opposed to registering a caveat on the title, creates a form of contract between the parties that requires some discussions to take place.
- 10 It is acknowledged that not having a caveat registered on the title does carry a risk in that the property could subsequently be transferred. This risk is mitigated to a degree given the contract provision and the parties involved. The costs of the registration process will exceed the value that might be gained.

Issues

- 11 Staff see no issues with the request, however the only unknown is what happens when the firefighting agencies are amalgamated as is currently proposed. This is not seen as an issue should the property still be required for a fire station, however if that is not the case, a decision would need to be made at that time.

Factors to Consider

Legal and Statutory Requirements

- 12 None identified, however the condition of sale as suggested would protect Council's interest, provided the parties remember it is theirs as nothing is registered on the title.

Community Views

- 13 None canvassed, however the ownership is still aligned to its intended use, a fire station. Council's position will be taken to represent the community.

Costs and Funding

- 14 No costs to Council, Southern Rural Fire can present Council with the Agreement for Sale and Purchase.

Policy Implications

- 15 None identified.

Analysis

Options Considered

- 16 Agree with the request or not.

Analysis of Options

Option 1 - Agree with the request

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• Asset no longer Council's asset or responsibility.• Removes any financial or health and safety responsibilities.	<ul style="list-style-type: none">• None identified.

Option 2 - Decline request

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• Asset remains in Council ownership.	<ul style="list-style-type: none">• Council retains overall financial and health and safety responsibilities for the property.

Assessment of Significance

- 17 Not considered significant.

Recommended Option

- 18 Agree with the request.

Next Steps

- 19 Notify Southern Rural Fire Authority so that the transfer can be arranged.

Attachments

- A Transfer of Ownership - Athol Fire Station and Land - 16 Paddys Alley, Athol [View](#)



Phone: 0800 77 33 63

When replying please quote: 160/15/1/2 M Grant

4 March 2016

Southland District Council
PO Box 903
Invercargill 9840

Attention: Kevin McNaught
Property Manager

Dear Kevin

Transfer of Ownership - Athol Fire Station and Land - 16 Paddys Alley, Athol

Southern Rural Fire Authority took over management of the Athol Volunteer Rural Fire Force (VRFF) in 2003 after the amalgamation of all rural fire authorities in the Southland Region with the formation of the Southern Rural Fire District.

Athol Fire Station is owned by Southland District Council, however since 2003 Southern Rural Fire Authority has covered all costs associated with the fire station including rates, insurance and R&M.

Last year the Athol VRFF suffered a significant decline in volunteers for various reasons however the membership is now healthy with an influx of new members from the community.

We are about to commence some internal renovations to the fire station to create a more welcoming atmosphere and space for the volunteers to operate. We think it would be appropriate to transfer ownership to the Southern Rural Fire Authority.

In 2007, Southland DC transferred ownership of the Waikawa Fire Station to Southern Rural Fire Authority which has proved beneficial since that time.

This letter is a formal request to the Southland District Council to investigate the possibility of transferring the property to the Southern Rural Fire Authority. In 2007, Southland District Council approved the transfer with the proviso that the Southland District Council had first option should the land be disposed of in the future.

Thanks you for considering this request.

Yours faithfully

A handwritten signature in black ink, appearing to be "Mike Grant", written over a series of horizontal lines.

Mike Grant
CHIEF EXECUTIVE

PO Box 903, Invercargill 9840 | Ph. 0800 77 33 63 | www.southernruralfire.org.nz
r/15/3/3510

Renewal of Lease of Office Space, Council's Otautau Office - Otautau and Districts Charitable Community Trust

Record No: R/16/3/4498
Author: Virginia Dillon, Property Officer
Approved by: Ian Marshall, GM - Services and Assets

☒ Decision ☐ Recommendation ☐ Information

Purpose

- 1 The purpose of the report is to approve the issue of a renewal lease to the Otautau and Districts Community Charitable Trust over offices at the Council's Otautau office.

Executive Summary

- 2 The Otautau and Districts Community Charitable Trust lease of office space at Council's Otautau office expires on 30 April 2016.
- 3 The lease makes provision for a right of renewal for a further term of two years from 1 May 2016.

Recommendation

That the Council:

- a) Receives the report titled "Renewal of Lease of Office Space, Council's Otautau Office - Otautau and Districts Charitable Community Trust" dated 19 April 2016.
- b) Determines that this matter or decision be recognised as 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) Determines that the Otautau and Districts Community Charitable Trust be offered a renewal lease of space at the Southland District Council office located at 176 Main Street, Otautau for a term of two years from 1 May 2016 at an annual rental of \$1,250 plus GST.

Content

Background

- 4 The Otautau and Districts Community Charitable Trust have leased space at the Council's Otautau office for several years.

- 5 The most recent lease was issued for two years from 1 May 2014.
- 6 The current lease expires on 30 April 2016 and contains a right of renewal for a further term of two years.
- 7 The annual rental is to be reviewed upon renewal.
- 8 In a letter dated 23 March 2016 (attached) the Trust has exercised its right of renewal and asked that the annual rental remain at \$1,250 plus GST.

Issues

- 9 No issues identified.

There is no known reason for increasing the annual rental charged.

Factors to Consider

Legal and Statutory Requirements

- 10 A copy of the lease to the Trust is enclosed for the Council's information.

Community Views

- 11 The views of Council are deemed to represent those of the community.

Costs and Funding

- 12 There are no direct costs to the Council in the lease renewal.

Policy Implications

- 13 No policy implications identified.

There is no current delegation to Council staff to deal with the matter – which is why it is being submitted to the Council.

Analysis

Options Considered

- 14 There is only one option to consider and that is to issue a renewal lease as provided for.
- 15 The Trust has complied with all conditions of its current lease and is, therefore, entitled to be issued with a further lease.

Analysis of Options

Option 1 - Issue of a renewal lease

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">It will be in Council's financial interests to continue to have office space at its Otautau office leased to tenants where appropriate.	<ul style="list-style-type: none">None identified.

Assessment of Significance

- 16 Not considered a significant activity.

Recommended Option

- 17 The Officer recommends that a renewal lease be issued.

Next Steps

- 18 The Trust will be advised of the Council's decision and documentation will be sent for signing.

Attachments

- A Part Signed - Agreement for Lease between SDC and Otautau and Districts Community Charitable Trust [View](#)
- B Otautau and Districts Community Charitable Trust Lease Confirmation [View](#)



When replying please quote: s2264/0176 Mrs V Dillon

24 March 2014

Otautau and Districts Community Charitable Trust
C/- PO Box 4
Otautau 9641

Dear Janice

Lease of Office Space, Otautau

Your letter dated 5 February 2014 refers.

I am pleased to advise that Council has approved the issue of a further lease as follows:

Term: Two years from May 2014.

Rental: \$1,250 plus GST per annum (no change).

I now enclose lease documentation in duplicate. Please sign both originals as indicated and return them to me for completion by Council. You may leave them at the Council's Otautau office with a request that they be delivered to me.

Please contact me if you have any queries.

Yours faithfully

Virginia Dillon (Mrs)
PROPERTY OFFICER/STATUTORY OFFICER

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r/14/3/4137

AGREEMENT FOR LEASE
SOUTHLAND DISTRICT COUNCIL
OTAUTAU AREA OFFICE

AGREEMENT made this day of 2014

BETWEEN the **Southland District Council** a body corporate under the Local Government Act 1974 (hereafter called "the Lessor") of the one part

AND **Otautau and District Community Charitable Trust** (hereafter called "the Lessee") of the other part

WHEREBY the Lessor in exercise of its powers under the Local Government Act 2002 agrees to lease and the Lessee agrees to take a lease of the premises described in the Schedule hereto for the purposes of offices for its officers engaged in Rural Southland Youth Trust functions, duties and responsibilities and for the storage of tools, equipment used in the normal course of Rural Southland Youth Trust operations from the office UPON AND SUBJECT to the following covenants, conditions and provisions as set out herein PROVIDED HOWEVER that if any provisions set out in the said Schedule shall be in conflict with any of the following covenants conditions powers and provisions the provisions of the Schedule shall prevail.

SCHEDULE

LOCATION: Main Street, Otautau.

PREMISES: THAT part of the office building owned by the Lessor and situated in Main Street, Otautau containing 1,743 m² more or less being Section 1, Block 1, Town of Otautau and Lots 2 and 3, Deposited Plan 7870 comprised in Certificate of Title 2A/823 being more particularly one office space on the ground floor of the building as more particularly delineated in black ink on the plan attached hereto together with the right for the Lessee, its servants, agents and visitors (in common with the Lessor, other Lessees and occupiers and their respective servants, agents and visitors) to pass and repass along or over the entranceway on Main Street and Alderley Street to the building and hallways, staircases, landings and to use any conveniences provided and the further right for the Lessee, its servants, agents to park vehicles in the parking area provided on the premises on the eastern side of the building off Alderley Street.

TITLE REFERENCE: Certificate of Title 2A/823 - Southland District Council

TERM: Two years commencing on 1 May 2014 and ending on 30 April 2016.

RIGHT OF RENEWAL: One right of renewal for a further term of two years.

RENTAL: Yearly rental of \$1,250.00, plus GST

HOW RENT PAYABLE: The rent to be payable by equal quarterly payments of \$312.50, plus GST. The first payment to be made on the 1st day of May 2014 and thereafter in the months of August, November and February in each and every year.

COVENANTS by or on behalf of the Lessee, its executors, administrators, successors and assigns as follows:

1. THAT the Lessee will duly and punctually pay the said rent to the Lessor at the times and in the manner specified above and in the said Schedule without any deduction and clear of all exchange or other charges and without any demand therefor being made by the Lessor.
2. THAT the Lessee will at all times during the term hereby created keep the interior of the demised premises and the doors and windows, locks, keys, fastenings, fixtures and fittings thereof other than as used in common with other occupiers in good clean and tenable and serviceable condition and repair (fair wear and tear and natural causes and damage by fire flood earthquake or inevitable accident without neglect of the Lessee alone excepted) and will at the expiration or sooner determination of the said term quietly yield up the demised premises and the said parts thereof in the like good, clean tenable and serviceable condition and repair except as aforesaid.
3. THAT the Lessee will permit the Lessor or the agents of the Lessor with or without workmen and others at all reasonable times to enter for the purposes of viewing the condition and state of repair of the said demised premises and at the Lessor's expense make good all defects which the Lessor is hereby required to make good and remaining therein one month's notice requiring the Lessor to remedy such defects as aforesaid shall have been given to the Lessor and generally repair amend and renew the said premises or any other parts of the building or any pipes, drains and so forth in connection therewith (such work to be done at such times and in such manner as to cause as little inconvenience as practicable to the Lessee).
4. THAT the Lessee will not make or cause to be made any structural alterations to the demised premises or any interior partitions or landlord's fixtures therein without the Lessor's written consent first had and obtained.
5. THAT the Lessee will not assign, sublet or otherwise part with the possession of the said demised premises or any part thereof for the whole or any part of the term hereby created.
6. THAT the Lessee will not at any time during the term hereby created do or suffer any act or omission whereby any policy or policies of insurance held by or on behalf of the Lessor against loss or damage to the said building or any part thereof by fire or otherwise shall or may become void or voidable or whereby the rate or rates of premium thereon may be increased and all expenses incurred by the Lessor in or about any renewal of such policy or policies or obtaining fresh policies in respect of the said building as are rendered necessary by a breach by the Lessee of this covenant shall be borne by the Lessee.



7. THAT the Lessee will paint, affix or write such name plates or signs and in such manner and places only as the Lessor shall permit and also will before the expiration of the said term remove from the said premises all name plates or signs that may be painted, affixed or written thereon making good all damage caused to the premises by such removal.
8. THAT the Lessee will during the said term use the said premises for the purpose stated in the Agreement and for other purposes reasonably incidental thereto only and will not allow any persons to sleep or dwell therein at night.
9. THAT the Lessee will not use nor permit to be used any part of the demised premises for any noisome, noxious or offensive trade or business or do or suffer any act or omission which may be a disturbance nuisance or annoyance to the Lessor or any of its tenants or the occupiers or owners of the remainder of the said buildings or of any adjoining building.

COVENANTS by or on behalf of the Lessor his executive, administrators, successors and assigns as follows:

10. THAT the Lessor will insure the premises against damage by fire and earthquake.
11. THAT subject to the Lessee paying the rent hereby reserved and observing all and singular the covenants and conditions on the Lessee's part herein contained or implied the Lessee shall quietly hold and enjoy the said demised land and premises throughout the said term without any interruption by the Lessor or any person claiming under him.
12. THAT the Lessor will pay all rates and taxes and any ground rent payable in respect of the said premises.
13. THAT the Lessor will keep and maintain in good and tenantable weatherproof repair and condition the roof and outer walls of the said building.
14. THAT the Lessor will keep and maintain in good order and condition all water drainage and electric connections to the demised premises and the drainage and electric systems connected with the said building so that the service to the demised premises shall be at all times effective PROVIDED HOWEVER that the Lessor shall not be under any liability in respect of any want of repair or defect in either of the said systems caused by improper careless or abnormal use thereof by the Lessee or any of its servants or agents and such shall at all times be made good by the Lessee.

PROVISOS AND AGREEMENTS between the Lessor and the Lessee and their respective executors, administrators, successors and assigns as follows:

15. THAT if any property of any kind which may in the demised premises shall be injured or destroyed by inflow or discharge of water in any manner whatsoever the Lessor shall be under no liability in respect thereof and no part of the loss or damage occasioned thereby shall be borne or payable by the Lessor.

16. THAT if and whenever the premises hereby agreed to be demised or any buildings substituted therefor or otherwise subject to these presents or any lease executed in pursuance hereof shall be destroyed or damaged by fire earthquake act of God or inevitable accident so as to be unfit for use by the Lessee for the purpose of the said business of the Lessee either the Lessor or the Lessee may by notice to the other of them within one month after the happening of such destruction or damage determine the said term any rent then paid in advance of the date of determination being refundable and that if the said premises or any part thereof shall be damaged by any of the aforementioned events but not so as to be unfit for use by the Lessee as aforesaid then the Lessor shall forthwith reinstate the same and that upon such destruction or damage as aforesaid and if the policy or policies effected by the Lessor shall not have been vitiated or payment of the policy moneys refused in whole or in part in consequence of some act or default of the Lessee or of the servants or agents of the Lessee the said rent or a fair and just proportion thereof according to the extent of the damage done shall be suspended and cease to accrue or be payable until the said premises shall have been reinstated.
17. THAT if any dispute shall arise as to any matter whatsoever in connection with this Lease such dispute shall be referred to the determination and award of one arbitrator if the parties so agree but otherwise to two arbitrators one to be appointed by each party to the dispute and their umpire pursuant to and so as to have all the incidents and consequences of an arbitration under the Arbitration Act 1996.
18. THAT the Lessor shall be entitled to distrain immediately if and when the Lessee shall make default for twenty-one days in payment of the said rent whether formally or legally demanded or not.
19. THAT if and whenever the said rent or any part thereof shall be in arrear or unpaid for the space of twenty-one days after the same shall become due whether legally or formally demanded or not or if the Lessee shall make default in the due observance or performance of any covenant condition, provision or agreement whether positive or negative contained or implied herein or in the said lease then and in such case it shall be lawful for the Lessor to re-enter upon and take possession of the said demised premises or any part thereof in the name of the whole and thereupon the said term shall cease and determine.
20. THAT if the Lessee shall fail or neglect to keep perform or observe all or any of the covenants, conditions, provisions or agreements herein contained expressed or implied and on the Lessee's part to be kept performed or observed it shall be lawful for but not obligatory upon the Lessor to do keep perform and observe the same and the Lessor its agents, employees and workmen are hereby authorised and entitled for such purpose or purposes at all reasonable times to enter into and upon the said premises or any part or parts thereof and any and all moneys expended by it or incurred in connection therewith shall be recoverable from and immediately paid by the Lessee.
21. THAT the covenants and provisions implied in leases by the Property Law Act 2007 shall not be implied herein.




22. THAT if the Lessee shall during the express term hereby granted pay the rent hereby reserved and observe and perform the covenants and conditions on the part of the Lessee herein contained and implied up to the expiration of the said term and shall have given notice to the Lessor at least three months before the expiration of the said term of the desire of the Lessee to take a renewed lease of the said premises then the Lessor will at the cost of the Lessee in all things in the same manner as is provided by this lease grant to the Lessee a renewed lease of the said premises for one further term of the same duration as this present lease at a rental to be agreed on between the parties and failing such agreement to be determined by arbitration in the manner hereinbefore provided such renewed rental to be in any event no less than the present rental such lease to contain the same covenants conditions and agreements as are herein contained except this present provision for renewal PROVIDED HOWEVER that this clause shall have no force or effect unless in the said Schedule it is stated affirmatively that a right of renewal is to appertain to this lease.
23. THAT each party shall bear its own costs and expenses of and incidental to the preparation and completion hereof and of any formal memorandum of lease subsequently entered into as hereby covenanted and of any survey thereby required.
24. THAT the Lessee shall have no right of action against the Lessor nor shall the Lessor be liable in any manner for any loss or discomfort which may be suffered by the Lessee by any act or omission on the part of any of the other occupiers or tenants of other parts of the said building of which the demised premises form part.
25. THAT the expression "the Lessor" shall where the context permits or requires include all the Lessors if more than one and executors, administrators, successors and assigns of each Lessor AND that the expression "the Lessee" shall also where the context permits or requires include all other persons executing this deed (other than the Lessor) and all the Lessees (as above defined) jointly and severally if more than one and the executors, administrators, successors and permitted assigns of each Lessee and generally the successors in title of each such Lessee all the Lessees if more than one being jointly and severally bound by and liable under the covenants conditions provisions and agreements herein contained or implied whether expressed therein to be jointly and severally liable or not all being principal parties hereto and waiving as against the actual Lessee all rights as guarantors or sureties the foregoing reference to permitted assigns not to be interpreted in derogation from the absolute prohibition against assignment contained in clause 6 hereof AND that where the giving of notice is herein referred to it shall mean in the case of notice given by the Lessor notice in writing signed by or on behalf of the Lessor either delivered personally or posted by registered post to the Lessee or to any one of the Lessees if more than one addressed to his last known place of abode or business or posted by registered post to or left at the registered office of the Lessee or any one of the Lessees if more than one or left at or upon the demised premises addressed to the Lessee or to any one of the Lessees and in the case of notice given by the Lessee shall mean notice in writing signed by the Lessee either delivered personally or posted by registered post to the Lessor at his last known place of abode or business or left at or posted by registered post to the registered office of the Lessor.

26. THAT if the Lessee has paid the rent hereby reserved and observed and performed the covenant's conditions and provisions hereof, the Lessee may apply for a renewal by giving notice in writing to the Lessor not later than three months before the expiration of the said term of its desire to obtain a renewal of this lease, then provided that in the opinion of the Lessor the said premises are not required for other purposes of the Lessor, the Lessor shall at the expense of the Lessee grant to the Lessee a renewal of this lease for a further term of two years at such yearly rental as shall be agreed by the Lessor and the Lessee and upon and subject to like covenants, conditions and restrictions as are herein contained (excepting this present right of renewal).

IN WITNESS WHEREOF these presents have been executed by or on behalf of the parties hereto this _____ day of _____ 2014.

THE COMMON SEAL of THE
SOUTHLAND DISTRICT COUNCIL
was hereunto affixed in the
presence of: _____)
_____)
_____)
_____)

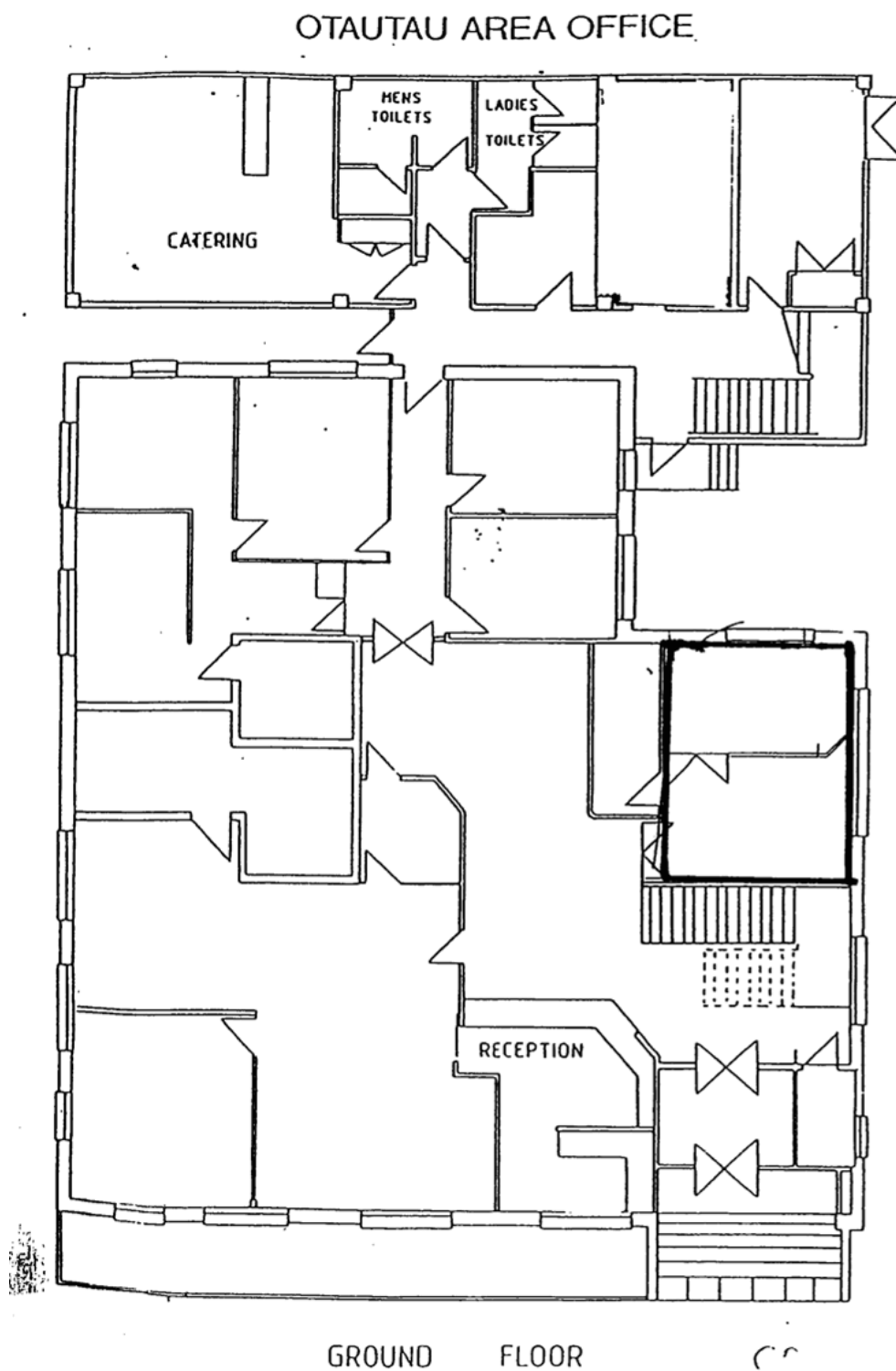
Mayor

Chief Executive

SIGNED for and on behalf of
OTAUTAU AND DISTRICT
COMMUNITY CHARITABLE TRUST
in the presence of: _____)
_____)
_____)
_____)

P. A. H.
Chairperson

J. R. Booth
Secretary



Handwritten signatures and initials.



Otautau
Community
Trust

ZOLA AYSON

Community Development Co-ordinator

Southland District Council Office, Main Street, Otautau
Phone: 0800 732 732 – ext. 3670 Mobile: 027 737 3670
Email: office@otautautrust.org.nz Web: www.otautautrust.org.nz

Otautau & Districts Community
Charitable Trust
C/- J DeClifford
P O Box 4
Otautau 9641

23 March 2016

Southland District Council
P O Box 903
Invercargill 9840

Attention: Virginia Dillon

Dear Virginia

Re: S2264/0176 Mrs V Dillon

On behalf of the trustees of the Otautau and Districts Community Charitable Trust we would like to confirm a renewal of a 2 year lease of the office space at the Council's Otautau office with a further right of renewal after two years.

As you are aware our trust is governed by a dedicated group of busy volunteers and our funding is reliant on grant approvals from various funders. The Otautau Community Worker who is employed by our Trust offers a very valuable service to the residents of Otautau and the surrounding districts.

We would appreciate it if you would not review the rental amount and leave it at the existing fee of \$359.38 incl GST per quarter.

We thank you and look forward to our continuing partnership.

Yours faithfully

Janice DeClifford
Treasurer

Management Report

Record No: R/16/4/5169
Author: Steve Ruru, Chief Executive
Approved by: Steve Ruru, Chief Executive

☐ Decision ☐ Recommendation ☒ Information

Chief Executive

Te Anau Wastewater

- 1 The Te Anau Wastewater Discharge Project Committee met on 4 April 2016 to consider an Addendum 1 to Pattle Delamore Partners (PDP) draft peer review report and consider the recommendation that the Committee should make in relation to the appeal against the Kepler resource consent.
- 2 The draft PDP peer review report confirms that the consented Kepler option is viable and has estimated costs that are broadly in line with the projections developed by MWH. It also identified, however, two other reasonably practicable options which appear to have a net present value that is less than the Kepler option. The Addendum 1 report recommends that these two alternatives be narrowed down to one option being the Smith block option.
- 3 The committee did not feel they had sufficient information yet to narrow the options down to one alternative and so chose to keep other options open for consideration. Members of the committee also felt they needed to see for themselves similar treatment plants and discharge systems operating around the country. To that end they requested an itinerary be developed for the committee to visit such sites and that funding be sought from Council to enable their work to continue.
- 4 The committee also resolved to recommend to Council that it defend the appeal against the Kepler resource consents and enter into discussions with Fiordland Sewerage Options and other appellants to explore the areas of common interest prior to a formal Environment Court mediation process.

Local Government Reform

- 5 In mid-March the Minister of Local Government Minister, Hon Peseta Sam Lotu-liga, announced the details of his proposed Better Local Services legislative reform package.
- 6 Government have had concerns about the overall performance of the local government sector for some time. These concerns have also been reflected in, for example, the LGNZ Reputation Survey work. There is also widespread recognition of a number of significant strategic challenges affecting the sector including:
 - Demographic changes with some areas dealing with large population growth while others are seeing a declining and/or ageing population.
 - Economic shifts recognising that national, regional and sub-regional economies are more interdependent than ever before.
 - Environmental pressures with rising standards and the need to ensure that local infrastructure and communities are resilient to the effects of climate change and natural disasters.

Item 8.11

- Technological changes presenting significant opportunities to deliver smarter services and do things differently. Ratepayers expect councils to keep up with changes in technology.
- 7 These factors are combining to create a desire to see a significant lift in the performance of the sector. While the central government desire for change has been around for some time it is seen that change has not occurred due to public concern about the loss of local democracy which, in turn has meant that desire to see improvements to governance and service delivery arrangements for the future has been lost. In other words the current reorganisation arrangements do not allow for a reorganisation that is focused solely on improving the performance of service delivery or infrastructure provision.
- 8 To address these issues the Better Local Services package of changes, which is expected to be introduced to Parliament before June 2016 via a proposed amendment to the Local Government Act 2002, includes:
- providing more flexible approaches to reorganisation including an enabling of council-led reorganisations
 - giving the Local Government Commission enhanced powers so that it can take a more pro-active role including initiating reform proposals, rather than just reacting to reorganisation proposals
 - making greater use of CCOs, particularly in regard to the management of water and transport services, with improved accountability tools to safeguard democratic control
 - giving greater ability to transfer functions between territorial authorities and regional councils
 - facilitate joint governance arrangements for areas of common and/or shared interest while protecting the integrity of arrangements for iwi in Treaty settlements or other legislation that provide for their involvement in resource management
 - obtaining better comparable data on service delivery, corporate accountability and community satisfaction with council performance.
- 9 Officers will continue to monitor developments in this area including consideration as to whether this Council should lodge a submission to the Local Government and Environment Select Committee once the proposed Amendment Bill is introduced to Parliament.

Local Government Commission

- 10 As part of its work on promoting and encouraging service improvement across the sector the Local Government Commission are meeting with local authorities on a regional basis to discuss local issues and the support, if any, that the Commission can provide to support service delivery improvements in each region.
- 11 The Commission are meeting with the Southland Mayors and Chair on Wednesday 13 April 2016. The Commissioners have indicated that they have a particular interest in hearing about the work that is being progressed as part of the Southland Regional Development Strategy and the CDA governance arrangements used within Southland District.
- 12 Officers will provide a verbal update on the outcomes from the meeting at the 27 April 2016 Council meeting.

Maori Land Rating

- 13 Government are currently giving consideration to a number of proposed changes to the rating and valuation of Maori freehold land with the intention of creating a system that better reflects the social and cultural values associated with Maori land.
- 14 The changes being considered include:
- Giving local authorities the power to not assess rates on Māori land that is unoccupied and unused. At present this land needs to be rated and then the rates remitted in accordance with the Council's Maori freehold land rating policies
 - Removal of the 2ha limit for non-rating of marae and urupa. This brings the law into line with the treatment of land around churches
 - Making Māori land that is subject to Ngā Whenua Rahui covenants non rateable bringing this land into line with QEII conservation covenants
 - Developing a new valuation process for Māori land that recognises the limits that multiple ownership and the cultural values associated with Maori freehold land introduce to its value.

Local Government Risk Agency

- 15 The work being undertaken by the Establishment Board looking at the business case for establishing a Local Government Risk Agency (LGRA) is now well advanced. A second series of regional workshops will occur in mid-April.
- 16 Officers understand that while there are significant challenges to establishing a commercially viable entity there is a strong desire to lift the performance of the sector as a whole in the risk management space. The draft business case recommends establishing the LGRA and implementing it in two phases.
- 17 Phase 1 will focus on closing the identified information and capability gap to lift the standard of local authority risk management across the sector. For this to occur there is a need to gather information of a consistent quality about the infrastructure and assets owned by local authorities, assess their risk management maturity, and identify what needs to be done to close the gap.
- 18 Phase 2 will focus on growing and maintaining a financially sustainable risk management capability.
- 19 Alongside of the work on the LGRA work is also well advanced with the government review of the 60:40 co-funding of natural disasters (for three waters infrastructure and river control). It is understood that a discussion document will be released in the near future.
- 20 Given that this Council has traditionally not had an explicit risk mitigation programme in place in this area the proposed changes to the 60/40 regime will be of significance. Officers see it as important that Council proactively review the way in which it manages the risks it faces in this area. Some work has already been started in this area.

National CDEM Strategy

- 21 The Ministry of Civil Defence & Emergency Management has commenced work on a new National CDEM Strategy which they are required to have developed by the end of 2017.
- 22 It is understood that the intention is to trigger a significant 'step-up' in the approaches to manage risk and resilience across the New Zealand including a move to focussing on the management of risks rather than disasters.

Building Liability Framework

- 23 Work is continuing with a review of the joint and several liability regime that local authorities face in relation to building control. It is understood that current government thinking is to introduce a regime under which territorial authorities will have a 'low cap' under a joint and several liability regime. Such a cap will be accompanied by improved consumer protection.
- 24 It is understood that a discussion document, outlining options for a cap on liability and a possible scheme to protect consumers from the 'uncollectable share' in a capped regime is planned for release in the near future.

Freshwater National Policy Statement

- 25 A discussion document was released by the Minister for the Environment in mid-February, marking the next stage of Freshwater Reform.
- 26 The document proposes some piecemeal changes to the National Policy Statement for Freshwater Management 2014, a new Regulation addressing stock access to waterways, a new Freshwater Improvement Fund, and other new water related measures which could range from changes to the RMA through to non-statutory industry standards and other guidance.

Local Government Benchmarking and Performance Measurement

- 27 Council was one of 26 NZ Council's to participate in the PWC Local Government Benchmarking Survey which is undertaken across both NSW and now NZ. Some 79 NSW Councils also participate in the survey meaning that there is a very rich database of other local authorities against which this Council's performance is being measured.
- 28 The areas of practice covered by the survey include Workforce, Finance, Operations, Risk Management, Corporate Leadership, Service Delivery and Asset Management.
- 29 Officers have now received a comprehensive 120 page report that measures this Council's performance against the other Council's in the above areas. The survey provides a wealth of detailed information that will be useful for monitoring how this Council's performance changes over time but also in terms of identifying areas for improvement.
- 30 Officers are also exploring the potential to join the Local Government NZ Performance Excellence Programme as a Foundation Council. This programme is still in its developmental phase but is intended to provide a 'high level' assessment of a Council's performance. As such it operates at a different level to the very detailed range of data generated from the PWC Benchmarking Survey.

Environmental Services

Proposed District Plan variations to Create Proposed Rural Settlement Areas

- 31 Councillors will recall that a key driver for this change was to seek to facilitate the ease with which persons can construct a dwelling in several of our smaller towns which do not have a residential zone and where, under the current District Plan provisions, resource consent is often required to construct a new dwelling. This creates additional delays and costs and can act as a deterrent to these towns developing in the future. Under the new Rural Settlement Areas proposed for Athol, Curio Bay, Dipton, Drummond, Fortrose, Garston, Gorge Road, Limehills/Centre Bush, Orepuki, Thornbury, Waianiwa, Waikawa, Waimahaka, Wairio, and Woodlands, dwellings would be permitted as of right subject to a set of performance criteria being met.

- 32 This proposed change will now proceed further down the First Schedule of the Resource Management Act process with the dates for hearing of submissions to be advised in due course.

Submission to the Proposed Amendments to the Resource Management Act

- 33 The Council's submission largely supports the content of the 140 page Local Government New Zealand submission on the proposed changes, while raising the specific local concerns. This includes the suggestion that councils should pay compensation to private owners if their use of their property is significantly impeded by planning controls e.g. by the requirement to protect an area to maintain biodiversity.
- 34 The proposed amendments suggest a series of changes around streamlining Resource Management Act Plan-making processes, and also streamlining the processes required for undertaking low level work with minor environmental impact. The Council submission supports these changes, which have significant potential to reduce the costs and timeframes for these processes.

Bathurst Takitimu Coal Mine

- 35 An application to extend the current Bathurst Takitimu coal mine to the northwest, into the area known as "Black Diamond", has been lodged and the decision on whether this application will be notified or non-notified still to be made at the time of writing this report.
- 36 While historically mining activity has occurred in the general locality for 100 years plus, the Takitimu mine has been the subject of two previous Southland District Council resource consent processes in recent years, with both consents being granted subject to a series of conditions.
- 37 The latest consent application, if granted, would see the mining activity move further in a northerly direction, away from the Nightcaps Township.

Ease of Doing Business - SoRDs

- 38 Council is continuing to support the SoRDs Ease of Doing Business Action Team. As part of this work Focus Group discussions are being arranged with business leaders which should assist with teasing out what the key blockages are to doing business in Southland and assist the Ease of Doing Business team with development of a recommended Action Plan. There has been considerable work done already in the Southland regulatory environment to minimise cross-boundary inconsistencies in planning rules, and to align processes such as having a combined Building Consent application form. There is considerable further potential to continue and develop this work further.
- 39 Another matter that has been discussed is the ease of entry into councils' regulatory systems for the customer and whether this can be enhanced and/ or streamlined to a single point of entry. Some research is currently being done on best practice examples from elsewhere in New Zealand and Australia.
- 40 The Ease of Doing business team contains some Council officers but also a number of private sector practitioners and a Ngai Tahu representative. These parties are volunteering their time free of charge and are bringing very valuable perspectives to discussions.

Services and Assets

Te Anau Airport - Manapouri

- 41 Certificated Airports Part 139 rule has recently changed requiring consultation with the authority to confirm our aerodrome status as to whether it needs to be certified in the new category of Qualifying Aerodrome. This process is underway now.
- 42 Consultation for the continued compliance for the GNSS Approach system is underway with Airways New Zealand and Airport Management as a result of our previous provider removing their business from New Zealand.
- 43 Larger than normal large aircraft movements have been recorded so far this season requiring additional staffing resources; benefiting the community as a whole.

Around the Mountain Cycle Trail (ATMCT)

- 44 Deloitte are making good progress with the ATMCT review. They are now well advanced with the documentation review and are in the process of interviewing the parties that have been heavily involved with the project.
- 45 The second week of Environment Court hearing concluded on the 11th of March 2016. A joint site inspection was held last week between SDC consultants and Fish and Game personnel to try and narrow down the number of issues in dispute. This was fruitful. At the current rate of progress another two weeks of hearing is needed in order for all witnesses to be heard. The next Court session is planned for the week starting 9th May 2016. The final week is tentatively set down for the week starting 20th June 2016. A decision from the Court is not likely until late in 2016 and then there will be an appeal period to wait out.

Community and Futures

Community Futures Project

- 46 This project is, using Ohai and Nightcaps as a pilot, looking at how Council might manage the issues associated with communities with changing demographics. The issues need to be assessed from both an infrastructure and community futures perspective.
- 47 A stakeholder's forum and community engagement workshop were held in Otautau, Ohai and Nightcaps during February and March 2016. These workshops were intended to be the start of an ongoing community engagement process through which help identify the key issues that might arise from these changes and start to look at what some of the solutions might be.

Annual Plan

- 48 The community consultation process for the 2016/17 Annual Plan has recently been completed with Council receiving some 260 submissions. Verbal submissions were heard on 7 April 2016. Issues raised through the submission process included the proposed sealing of the Catlins Road, maintenance of the Colac Bay foreshore road, the overall level of Council rating given the current downturn in the agricultural industry, Te Anau wastewater and the cost of the Around the Mountain Cycle Trail.
- 49 Council will make decisions on the submissions received at the Council meeting on 27 April 2016. From there officers will proceed with development of the Annual Plan document itself prior to it being presented to the 29 June 2016 Council meeting for adoption. At this meeting Council will also be asked to set the rates for the 2016/17 financial year.

Recommendation

That the Council:

- a) Receives the report titled “Management Report” dated 18 April 2016.

Attachments

There are no attachments for this report.

Building Consents and Values for February 2016

Record No: R/16/3/3381
Author: Kevin O'Connor, Manager - Building Control
Approved by: Bruce Halligan, GM - Environment and Community

☐ Decision ☐ Recommendation ☒ Information

Summary/Comments:

- Building consent numbers for February 2016 were down by only 1% from those of February 2015, but project values were back by 51%. Eight months into the financial year, total consent numbers are back by 13% and project values back by 33%. Dwelling alterations and commercial building number are up slightly with project values back on the previous year. New dwelling and farm building number were back.

	<u>No.</u>	<u>2016</u> \$	<u>No.</u>	<u>2015</u> \$
1. Dwellings	10	2,018,500	13	3,408,000
2. Additions to Dwellings	20	506,290	14	509,000
3. Commercial/Industrial Buildings	7	1,291,650	5	3,921,000
4. Swimming/Spa Pools	0	0	0	0
5. Heating Units	14	66,300	14	64,900
6. Garages	7	120,445	1	8,000
7. Farm Buildings	13	301,900	17	679,000
8. Houses for Removal	0	0	2	240,000
9. Cowsheds	1	500,000	3	1,000,000
10. Miscellaneous	5	23,500	4	37,000
11. Certificates of Acceptance	1	20,000	4	41,000
TOTAL	<u>78</u>	<u>4,848,585</u>	<u>7777</u>	<u>9,907,900</u>

	<u>2016</u>	<u>2015</u>	<u>Variation %</u>
Total consents for month	78	77	1.30
Total consents for year	628	725	13.38 -
Total project values for month	4,848,585	9,907,900	51.06 -
Total project values for year	54,721,149	82,006,083	33.27 -
Average Residential Cost	201,850	262,154	
Average House Area (m ²)	213.33	218.88	
Number of Inspections Carried Out	379	443	

Recommendation

That the Council:

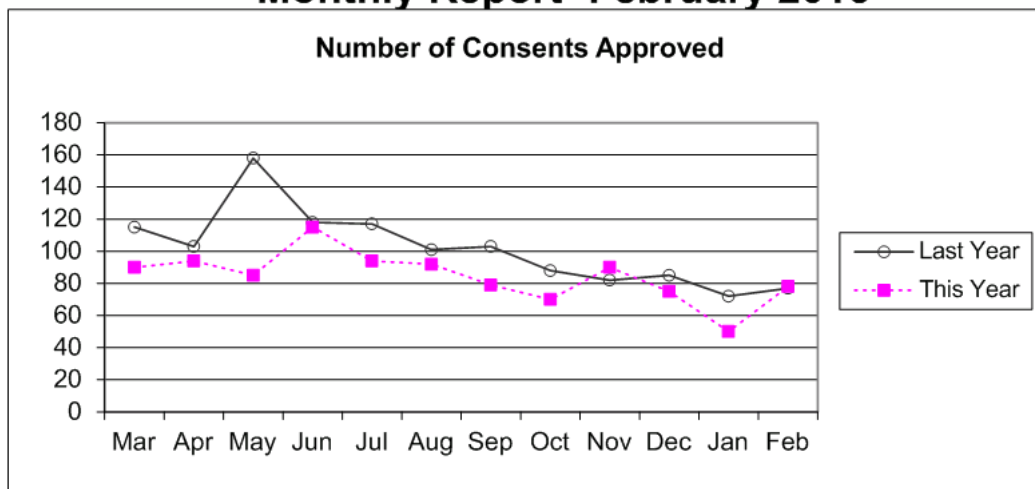
- Receives the report titled "Building Consents and Values for February 2016" dated 27 April 2016.

Attachments

- A Appendix A - Consents Database Graph February 2016 [View](#)
- B Appendix B - Building Consents 5-Year Records - February 2016 [View](#)
- C Appendix C - Building Consents 5-Year Records - Values - February 2016

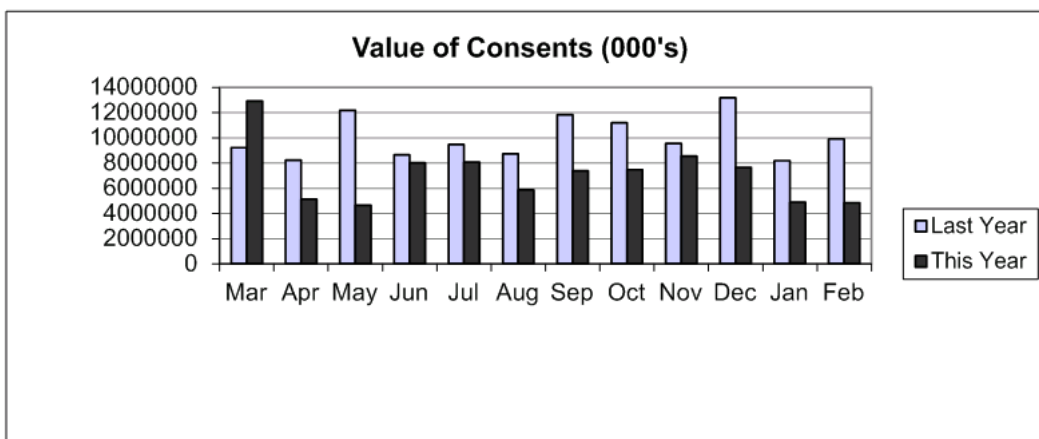
Southland District Council Building Consents

Monthly Report -February 2016



Percentage Changes - Total Consents

From:	Last month	56.00%
	This month last year	1.30%
	Cumulative year this month last year	-16.98%



Percentage Changes - Total Dollars

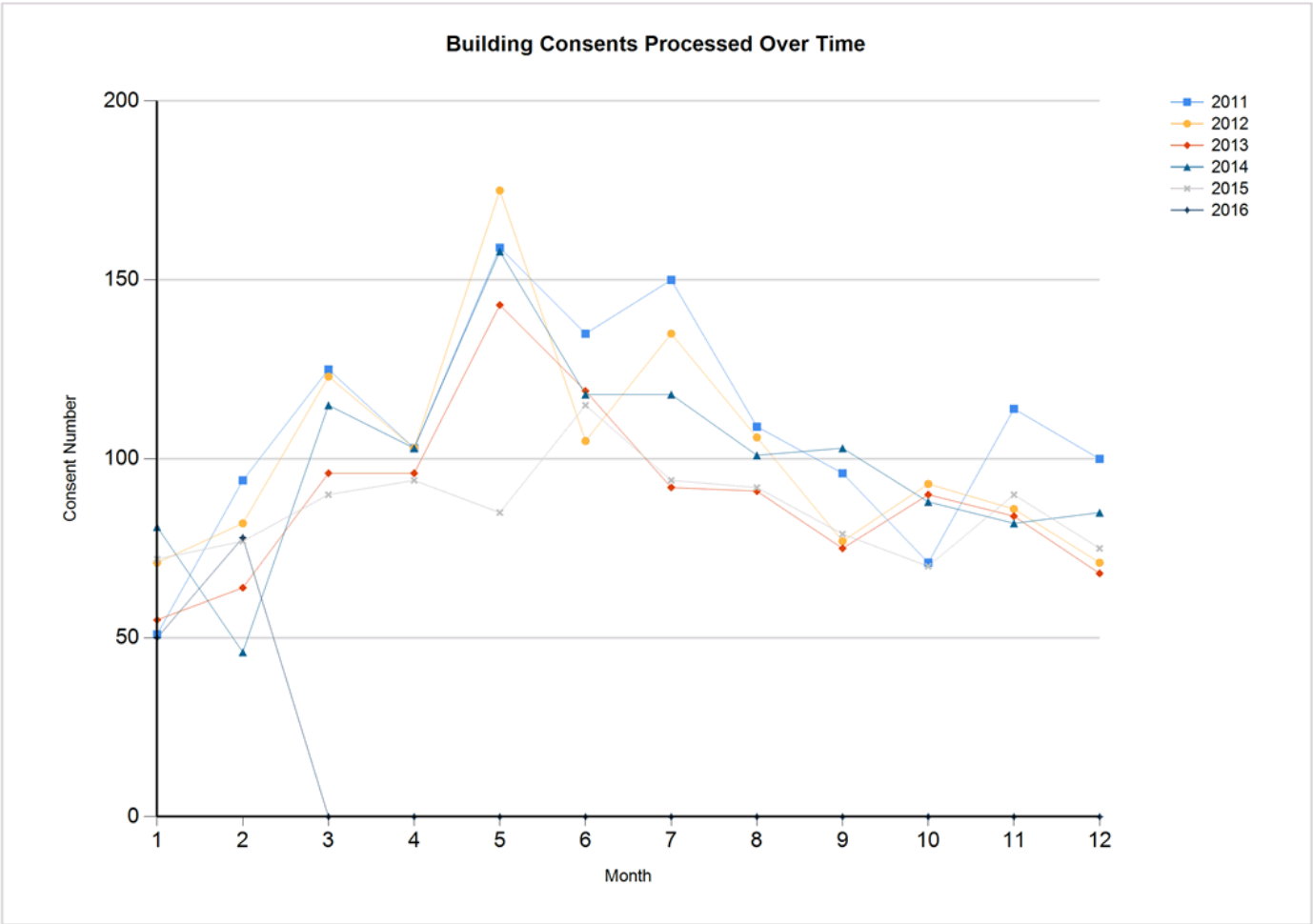
From:	Last month	-0.80%
	This month last year	-51.06%
	Cumulative year this month last year	-28.99%

Item 8.12 Attachment B

Building Consent Issued Numbers

Decision Month	2011	2012	2013	2014	2015	2016	Total
January	51	71	55	81	72	50	380
February	94	82	64	46	77	78	441
March	125	123	96	115	90	0	549
April	103	103	96	103	94	0	499
May	159	175	143	158	85	0	720
June	135	105	119	118	115	0	592
July	150	135	92	118	94	0	589
August	109	106	91	101	92	0	499
September	96	77	75	103	79	0	430
October	71	93	90	88	70	0	412
November	114	86	84	82	90	0	456
December	100	71	68	85	75	0	399
Total	1307	1227	1073	1198	1033	128	5966

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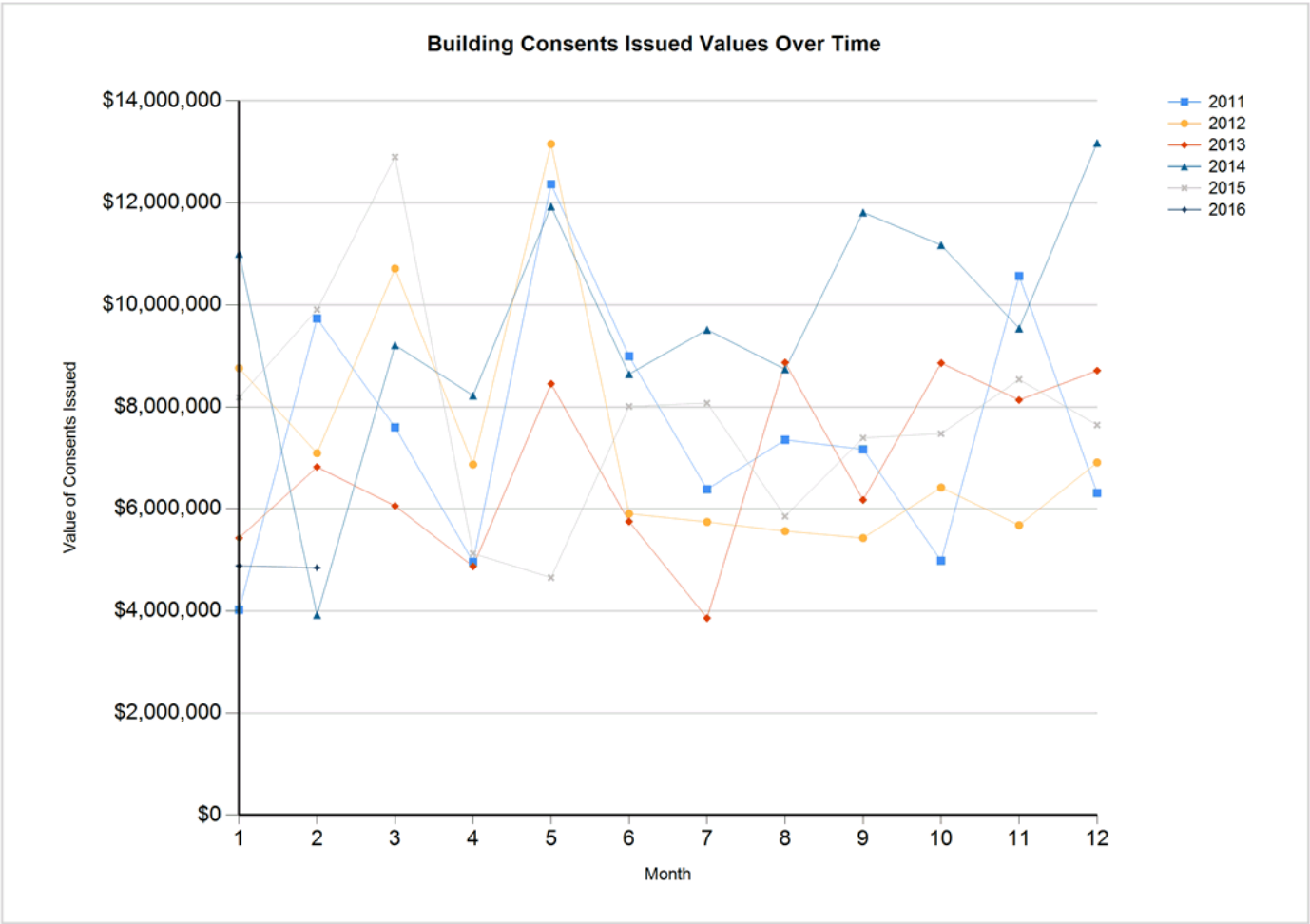
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Item 8.12 Attachment C

Building Consent Issued Values

Decision Month	2011	2012	2013	2014	2015	2016	Total
January	\$4,021,572	\$8,761,841	\$5,430,178	\$11,004,801	\$8,187,785	\$4,887,663	\$42,293,840
February	\$9,732,414	\$7,094,309	\$6,822,148	\$3,923,722	\$9,907,900	\$4,848,585	\$42,329,078
March	\$7,600,703	\$10,712,479	\$6,061,045	\$9,212,772	\$12,900,191		\$46,487,190
April	\$4,964,437	\$6,871,776	\$4,875,339	\$8,223,725	\$5,127,436		\$30,062,713
May	\$12,367,256	\$13,153,910	\$8,452,973	\$11,929,819	\$4,653,849		\$50,557,807
June	\$8,993,150	\$5,907,098	\$5,755,189	\$8,642,715	\$8,010,777		\$37,308,929
July	\$6,385,423	\$5,745,579	\$3,863,110	\$9,514,841	\$8,076,255		\$33,585,207
August	\$7,355,012	\$5,564,201	\$8,869,939	\$8,738,431	\$5,855,620		\$36,383,202
September	\$7,169,800	\$5,429,701	\$6,177,080	\$11,813,442	\$7,393,073		\$37,983,096
October	\$4,986,424	\$6,420,178	\$8,861,336	\$11,173,980	\$7,475,727		\$38,917,645
November	\$10,567,085	\$5,682,807	\$8,136,544	\$9,540,239	\$8,538,326		\$42,465,001
December	\$6,314,712	\$6,911,079	\$8,710,688	\$13,174,785	\$7,645,900		\$42,757,164
Total	\$90,457,987	\$88,254,958	\$82,015,569	\$116,893,272	\$93,772,839	\$9,736,248	\$481,130,873

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Resource Consents and Other Resource Management Act Items - February 2016

Record No: R/16/3/3297
Author: Jenny Green, Senior Resource Management Planner - Consents
Approved by: Bruce Halligan, GM - Environment and Community

☐ Decision ☐ Recommendation ☒ Information

Item 8.13

Resource Consents and Other Resource Management Act Items - February 2016

- 1 Attached for the Councillors' information is a schedule of the non-notified resource consents and other Resource Management Act items processed by the Resource Management department staff, under delegation from the Council, during February 2016.
- 2 An average processing time of 16.5 working days from receipt of all required information was achieved for the 10 non-notified consents processed. All consents were processed within the 20 working day statutory timeframe.
- 3 No "other" items were processed during this timeframe.
- 4 Please note the number of applications processed was lower this month with 10 non-notified consents being processed.
- 5 If any Councillor has any specific query regarding an individual application, they should contact the relevant staff member who processed the application, as identified on the schedule.

Recommendation

That the Council:

- a) Receives the report titled "Resource Consents and Other Resource Management Act Items - February 2016" dated 3 March 2016.

Attachments

- A Council - 27 April 2016 - Resource Consent and Other Resource Management Act Items - February 2016

Application Number	Applicant	Address	Ward	Description of Application	Working Days (from receipt of all information)	Total Costs Incurred	Processing Officer	Decision Date
2014/53180	W S Ward and J M Ward	2 Severn Street, Riverton South	Waiau Aparima	Urban subdivision - Two new allotments	19	900.00	Jennifer Green	1/02/2016
2015/53242	Horizon Flowers NZ Limited	1482 Lorne Dacre Road Grove Bush - Mabel Bush	Winton Wallacetown	Transportable house on same location as existing building for workers	19	500.00	Kelwyn Osborn	4/02/2016
2015/53244	A G Taylor and M M Taylor	628 Gallagher Road, West Dome	Mararoa Waimea	Earthworks- Gravel extraction - 18,000 m ³	20	500.00	Kelwyn Osborn	4/02/2016
2015/53255	K J Sutherland Contracting	16 Feldwick Road, Feldwick	Waiau Aparima	Earthworks- Gravel extraction 15,000 m ³	12	900.00	Theresa Cameron	9/02/2016
2015/53257	L R Squires and L P Squires	114 Elgin Terrace, Stewart Island	Stewart Island Rakiura	Urban & Fiordland Rakiura Zone - Boundary adjustment	20	500.00	Marcus Roy	12/02/2016
2016/53005	P L McKerchar	627 Norman Road, Browns	Winton Wallacetown	Two Lot Subdivision	17	500.00	Jennifer Green	29/02/2016
2016/53007	Fantail Rise Limited	528 Tokanui Gorge Road Highway, Gorge Road	Waihopai Toetoes	Rural Subdivision - Two new allotments	10	740.00	Jennifer Green	9/02/2016
2016/53007	Fantail Rise Limited	528 Tokanui Gorge Road Highway, Gorge Road	Waihopai Toetoes	Rural Subdivision - Two new allotments	10	740.00	Jennifer Green	9/02/2016
2016/53008	Lapsley Family Trust	56B View Street, Manapouri	Mararoa Waimea	Urban Subdivision - Boundary adjustment	17	500.00	Olivia Krielen	15/02/2016
2016/53009	Southland District Council	680 Centre Hill Road, Centre Hill	Mararoa Waimea	Earthworks - Gravel extraction 5,000 m ³	20	360.00	Marcus Roy	23/02/2016
2016/53010	R V Beauchamp	30 Meldrum Street, Winton	Winton Wallacetown	New dwelling that breaches recession planes	11	500.00	Olivia Krielen	17/02/2016

Resource Consents and Other Resource Management Act Items - March 2016

Record No: R/16/4/5141

Author: Jenny Green, Senior Resource Management Planner - Consents

Approved by: Bruce Halligan, Group Manager Environmental Services

☐ Decision

☐ Recommendation

☒ Information

Resource Consents and Other Resource Management Act Items - March 2016

- 1 Attached for the Councillors' information is a schedule of the non-notified resource consents and other Resource Management Act items processed by the Resource Management Department staff, under delegation from the Council, during March 2016.
- 2 An average processing time of 14.94 working days from receipt of all required information was achieved for the 17 non-notified consents processed. One consent was not processed within the 20 working day statutory timeframe due to a data inputting error.
- 3 Also processed during this timeframe were (2) Section 221(3) Variation of Consent Notice applications.
- 4 Please note the number of applications processed was consistent this month with 17 non-notified consents being processed.
- 5 If any Councillor has any specific query regarding an individual application, they should contact the relevant staff member who processed the application, as identified on the schedule.

Recommendation

That the Council:

- a) **Receives the report titled "Resource Consents and Other Resource Management Act Items - March 2016" dated 8 April 2016.**

Attachments

- A Report to Council - 27 April 2016 - Resource Consents and Other Resource Management Act Items - March 2016 [View](#)

Application Number	Applicant	Address	Ward	Description of Application	Working Days (from receipt of all information)	Total Costs Incurred	Processing Officer	Decision Date
2015/53181	R W Preston and K J Preston	65 Low Road Gladfield - Bayswater	Waiau Aparima	Erect a shed breaching front boundary setback.	6	500.00	Theresa Cameron	3/03/2016
2015/53232	Ministry of Education	10 Salford Street Edendale	Waihopai Toetoes	Urban Subdivision - Four Lots - Subdivision of school site.	13	500.00	Jennifer Green	8/03/2016
2015/53252	Riverton Holiday Park	43 Richard Street Riverton Rocks	Waiau Aparima	Add two accommodation units onto the site and to have 18 sites for campervans. Change the entry and exit points of traffic. Add new on-site advertising sign. Replace existing sign with new sign.	1	500.00	Kelwyn Osborn	31/03/2016
2015/53259	I W Beck	713 Otautau Nightcaps Road Waikouro	Waiau Aparima	Rural Subdivision - Two new allotments - split consent see 360/10/15/260.	19	600.00	Olivia Krielen	2/03/2016
2015/53260	I W Beck	713 Otautau Nightcaps Road Waikouro	Waiau Aparima	American style barn- Breach of recession plane - split consent see 360/10/15/159.	19	240.00	Olivia Krielen	2/03/2016
2016/53011	P T Dawson	(Temporary Address only) 525A Flora Road East	Winton Wallacetown	Change of conditions to 360/10/09/232 - to shift the building platform.	20	696.00	Kelwyn Osborn	3/03/2016
2016/53012	Fiordland New Life Church	6 Blatch Road Te Anau	Mararoa Waimea	Locate dwelling within 150 metres of neighbours dwelling.	16	600.00	Theresa Cameron	8/03/2016
2016/53013	L C Duffell and B Nicolson	18 Waikawa Curio Bay Road Niagara	Waihopai Toetoes	Rural Subdivision.	19	978.00	Jennifer Green	17/03/2016
2016/53014	RD Petroleum Limited	381 Boundary Road Isla Bank	Waiau Aparima	Install a new 20,000 litre diesel storage tank.	20	500.00	Kelwyn Osborn	8/03/2016
2016/53015	Halder Dairies Limited	161 Makarewa Browns Road Lochiel	Winton Wallacetown	Rural Subdivision- Two new lots.	18	740.00	Kelwyn Osborn	10/03/2016
2016/53016	Balfour Returned Services Association	89 Queen Street, Balfour	Mararoa Waimea	Urban Subdivision - One new allotment.	22	500.00	Marcus Roy	14/03/2016
2016/53020	Farmlands Co-Operative Society Limited	10 Otautau Wreys Bush Road Otautau	Waiau Aparima	Rural Subdivision - Two new allotments.	18	500.00	Jennifer Green	21/03/2016
2016/53022	A M Kennedy and A T Kennedy	228A Roslyn Road Roslyn Bush	Winton Wallacetown	To construct a dwellinghouse with 150 metres of existing dwelling. Outside of existing building platform.	18	360.00	Marcus Roy	17/03/2016
2016/53023	McMaster Building Limited	30 Albion Street Athol	Mararoa Waimea	Build a garage within 4.5 metres of a paper road. South and West recession plane breached.	17	500.00	Olivia Krielen	16/03/2016
2016/53024	C R Shaw and E J Shaw	1000 Seaward Downs Gorge Road, Ashers	Waihopai Toetoes	Relocating an additional dwelling to a property less than 50 ha.	1	500.00	Jennifer Green	17/03/2016
2016/53029	M W Eade and C J Eade	31 Milton Street Riverton South	Waiau Aparima	"Retrospective consent for an existing dwelling, land use consent for a dwelling extension and garage which breach the front yard and recession plane requirements."	15	500.00	Marcus Roy	22/03/2016

Application Number	Applicant	Address	Ward	Description of Application	Working Days (from receipt of all information)	Total Costs Incurred	Processing Officer	Decision Date
2016/53032	Ronaki Dairy Limited Partnership	118 Turnbull Road Kauana	Winton Wallacetown	Farm workers' accommodation.	12	500.00	Olivia Krielen	21/03/2016
2016/53037	A M Kennedy and A T Kennedy	228A Roslyn Road Roslyn Bush	Winton Wallacetown	Section 221 - Variation to consent notice - see 360/10/16/22.	18	360.00	Marcus Roy	17/03/2016
2016/53038	L R Squires and L P Squires	114 Elgin Terrace Stewart Island	Stewart Island Rakiura	Section 221 - Cancel an existing Consent Notice.	7	120.00	Marcus Roy	17/03/2016

Venture Southland Business Plan

Record No: R/16/4/5609
Author: Steve Ruru, Chief Executive
Approved by: Steve Ruru, Chief Executive

☒ Decision ☐ Recommendation ☐ Information

Purpose

- 1 To enable Council to consider and provide feedback on the draft 2016/17 Venture Southland Business Plan.

Executive Summary

- 2 Each year Venture Southland develops a Business Plan detailing its proposed activities, key performance indicators and budget.
- 3 The Business Plan is required to be developed in accordance with the Venture Southland Agreement 2014 – 2017 and the Letter of Expectation sent by each Council. The Agreement outlines the information to be included in the Business Plan and the process to be followed as it is developed.
- 4 Officers are of the view that the draft Business Plan does not currently meet the requirements as set out in the Venture Southland Agreement and also does not adequately reflect this Council's priorities as detailed in its Letter of Expectation.
- 5 It is proposed that Venture Southland be asked to revise the draft Business Plan to address the points raised in this report and then bring a revised draft back to Council for its consideration.

Recommendation

That the Council:

- a) **Receives the report titled “Venture Southland Business Plan” dated 20 April 2016.**
- b) **Determines that this matter or decision be recognised as 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) **Asks Venture Southland to revise its draft 2016/17 Business Plan so that it meets the requirements set out in the Venture Southland Agreement 2014 – 2017 and Council Letter of Expectation and provide a further draft to Council for its comment and feedback prior to it being released for public consultation.**
- e) **Asks Venture Southland to provide an allocation of resources against individual projects and activities throughout the Business Plan.**
- f) **Seeks feedback on how Venture Southland would propose reallocating resources and priorities if it does not achieve the level of external funding indicated in the draft Business Plan.**
- g) **Asks Venture Southland to clarify its proposed contribution, including level of resourcing, to the Southland Regional Development Strategy.**
- h) **Seeks clarification of the outputs that Venture Southland proposes delivering against the Community Development Activity for the \$731,484 of Southland District Council funding allocated to this activity.**
- i) **Asks Venture Southland to work with Council officers to agree on priorities to be delivered within the level of resource allocated to the Community Development Activity.**
- j) **Asks Venture Southland to include in the Business Plan a set of financial statements that are compliant with the provisions of the Local Government Act 2002 and Generally Accepted Accounting Practice.**
- k) **Asks Venture Southland to revise the Key Performance Indicators so that they have a specific outputs focus.**

Content

Background

- 6 The Annual Business Plan is required to be developed in accordance with the Venture Southland Agreement 2014 – 2017. The Agreement outlines the information to be included in the Business Plan and the process to be followed as it is developed.
- 7 As part of the agreed process Council provided its letter of expectation to Venture Southland on 30 October 2015 following a workshop facilitated by Venture Southland with combined Council representatives in early October 2015.
- 8 As a result of this Venture Southland has prepared various iterations of a draft annual Business Plan to which Council officers have provided feedback. The main feedback issues identified have related to clearly identifying resource allocation against outcomes, clearly identifying key performance indicators against which it is proposed Venture's performance should be measured and clarifying the relationship that Council has as a purchaser of services.
- 9 Attached is a copy of the report (Attachment A) and 2016-17 Draft Business Plan (Attachment B) that have been received from Venture Southland. This is the third draft received and is now provided to Council for its feedback.

Issues

- 10 There is a need for the Council to consider and provide feedback to Venture Southland on the draft 2016/17 Business Plan.

Factors to Consider

Legal and Statutory Requirements

- 11 Venture Southland is a Joint Committee of the Invercargill City Council, Gore District Council and Southland District Council. As such it is not a legal entity in its own right but rather everything it does is undertaken in the name of its 'shareholder' Councils.
- 12 Venture Southland is required to comply with the legislative framework within which the three shareholding Councils operate including the Local Government Act 2002. It is also required to operate in accordance with the Venture Southland Agreement 2014 – 2017.

Community Views

- 13 Community views will be sought during the usual public submission process going out on the 29 April 2016, and any additional amendments would be considered.

Costs and Funding

- 14 The proposed Venture Southland budget for delivery of the proposed services is outlined in the draft Business Plan.
- 15 The proposed Southland District Council funding level, of \$1.742 million, is consistent with the 2015 Long Term Plan and remains at the same level as 2015/16.

Policy Implications

- 16 Under the Venture Southland Heads of Agreement there is a requirement for Venture to prepare an Annual Business Plan that sets out the proposed activities and budget.

- 17 Clause 8.2.7 of the Agreement requires that Venture should include the specific details for each activity it undertakes:
- The performance measures to be used to measure delivery of the agreed level of service
 - How performance is to be assessed and measured
 - How the cost of service delivery is to be met or funded
 - How the risks are to be managed
 - What penalties are to be applied for non-performance
- 18 Clause 8.1 requires, amongst other things, that the Business Plan sets out:
- A description of each project to be undertaken
 - The role that VS will play in its delivery
 - A description of the likely benefits from the project and a split of the public and private benefits that will be delivered
 - Expected completion date
 - Performance measures for the project
 - Estimated cost
- 19 The outputs specified in the Business Plan are then required to be reflected in a Joint Purchase Agreement. In the past the Councils have not agreed an explicit purchase agreement with VS. It is proposed, however, that such an Agreement be negotiated this year.
- 20 Under clause 8.2 VS is also required to prepare each year an Annual Report that details performance against the Business Plan including the preparation of financial statements that comply with the requirements in section 98 of the Local Government 2002 and comply with Generally Accepted Accounting Practice (GAAP).
- 21 The draft Business Plan as presented does not fully comply with a number of the provisions outlined above.

Southland District Council Officer Comments

- 22 The following are generic comments provided to assist Council with its consideration of the draft Business Plan and to assist with the provision of the feedback required to Venture Southland. The list of points is not exhaustive. Rather it is an attempt to capture the main points that Council might wish to consider.

Resource Allocation

- 23 A traditional business plan details proposed resource allocation against specific outputs of the organisation. This requirement is also reflected in the Business Plan requirements included in the Venture Southland Agreement and in the Letter of Expectation that Council sent in October 2015.
- 24 Officers are of the view that the current draft of the Plan does not meet the requirements in the Agreement nor provide an adequate explanation of the proposed allocation of resources against different activities and projects. In turn this will make the development of a Joint Purchase Agreement difficult. It is therefore recommended that Council ask Venture to provide a specific allocation of resources against each major project and activity.
- 25 Throughout the document reference is made to *“the extent of this programme is dependent on additional funding being sourced.”* Council should seek feedback on the consequences to

the overall work programme of Venture Southland if the external funding is not sourced and how it is proposed that the previously allocated resource to these outcomes be reallocated?

- 26 It is acknowledged that much of the resource allocated is in staff time. Staff time and resource has a dollar value – and Council is interested in how such resource is allocated against outcomes so that it can consider the cost and benefits and the relative effectiveness of the different activities. This is also consistent with service delivery review requirements to be undertaken as per section 17a of the Local Government Act 2002.

Financial Statements

- 27 At present the Business Plan includes a very simple Operating Statement rather than a full set of financial statements which comply with GAAP. As such it will be difficult for Venture to meet the Annual Report requirements in the Venture Southland Agreement and as required under the Local Government Act 2002. It cannot compare actual performance against budget if no formal budget was set and approved in the Business Plan at the start of the year.
- 28 Officers are of the view that Venture should be asked to include a full set of GAAP compliant financial statements in its Business Plan.

Regional Development Strategy

- 29 As part of its letter of expectation Council made it clear that it saw supporting implementation of the Southland Regional Development Strategy (SoRDs) as a priority project.
- 30 Other than a brief reference to providing support to the implementation of SoRDs, and a number of comments about the background to it, the Plan does not provide a clear outline of the level of support that Venture envisage providing to the next phase of SoRDs in the 2016/17 financial year nor how it would 'trade-off' other priorities should the level of resourcing needed exceed the assumptions that it is currently making. SoRDs is also not identified in the proposed performance measures.
- 31 It is acknowledged that there is, to some degree, a lack of clarity around what level of input SoRDs might demand until the current Action Teams have completed their work. Venture is, however, activity involved in a number of these Action Teams and hence will have a good sense of the direction that they are each taking and therefore the likely demands on Venture Southland. Certainly, it should be able to make a number of assumptions about these demands and provide an outline of the level of risk associated with the assumptions made.
- 32 It is recommended that Council asks that further information be included in the Plan about the level of resource that Venture envisages being allocated to the implementation of SoRDs and how it would reprioritise its workload to support SoRDs should there be a need to do so.

Community Development Activity

- 33 In the past Venture has used the title of Community Development to refer to the work that it performs for this Council in local Community Development. The draft of the Business Plan uses the various titles throughout the document referencing Community Development, Rural Community Engagement and Regional Community Development. There is a need for the use of consistent terminology throughout the document. Officers are also of the view that it is local Community Development that is the output sought by this Council and hence assurance should be sought that this is the activity that is to be delivered.
- 34 The draft plan identifies that Southland District Council contributes \$731,484 towards Community Development and that it is the only Council purchasing this activity. Officers are of the view that Council should seek confirmation of the outputs delivered for this level of resource and whether they are simply those detailed on pages 24 – 25 of the Plan or whether there are other outputs which are not identified.

Item 8.15

35 Officers are also of the view that they should work with Venture Southland to revise the proposed Community Development activities, projects and key performance indicators to better reflect this Council's priorities. Council has developed a list of strategic priorities and it is important that the Venture Southland community development activities and KPIs align with these priorities. At present they do not align.

36 As a minimum Council expects the Community Capacity and Capability Building outcomes itemised as part of the letter of expectation to be included as priority KPIs – along with other priorities to be identified as the next part of the draft plan development.

Purchaser/Provider Roles

37 The relationship that Council has established through the Venture Southland Agreement is based on the principles inherent in a purchaser/provider split.

38 In accordance with the purchaser/provider split model the Council set out, in its letter of expectation, its priorities as a purchaser of services. In doing this Council identifies what services are needed to meet the needs of its communities; it assesses these services against the greater Council context with regards to equity and effectiveness in comparison to all areas of Council business; and assesses whether the cost of the services being purchased represents a fair price to pay for the outputs that are being delivered.

39 As the provider of the service Venture Southland is required to focus on the delivery of what is being purchased by Council (and from its other purchasers of services); the efficient and effective delivery of those outputs and ensuring that it operates as a successful business in doing so. Ultimately, Venture Southland is accountable to the 'shareholder' Councils in their ownership capacity for its performance as a business.

40 Ultimately, Council needs to be confident that the Business Plan reflects its priorities as a purchaser, that the price which it is paying to achieve delivery of the agreed services is reasonable and that the proposed performance of Venture Southland is satisfactory given its ownership role.

41 Officers are of the view that there is further work needed before they could recommend to Council that the thresholds which it should be expecting Venture Southland to meet both in their capacity as a purchaser of their services and as their owner could be regarded as being met.

42 A number of the areas in which officers believe that there is room for Venture Southland to improve its business planning (eg performance measurement framework, linkage of its strategic framework to Council priorities and financial management) were reflected in Council's Letter of Expectation with a request that workshops be set up between the two organisations to enable a level of dialogue to occur and agreement reached about the timeframes within which improvements could be made. Unfortunately, these workshops have not occurred within the original timeframes proposed. A new timetable has, however, now been set. Officers will report back to Council on the outcomes from these workshops as appropriate.

Analysis

Options Considered

43 There are two options to consider:

- Endorse the draft 2016/17 Business Plan as received
- Ask for further changes to be made prior to endorsing the draft Business Plan.

Analysis of Options

Option 1 – Endorse draft Business Plan

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• Would allow for a Plan to be finalised more quickly which is of importance given that the process is now running significant later than the original timetable set.	<ul style="list-style-type: none">• Would result in adoption of a Plan that is not consistent with the Venture Southland Agreement or this Council's priorities.

Option 2 – Ask for Changes

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• Will ensure that the Plan reflects the Council's priorities and provides a basis for holding Venture Southland accountable for its performance.	<ul style="list-style-type: none">• Will potentially delay production of the final Business Plan.

Assessment of Significance

- 44 The issues in this report are not considered to be significant. Council is simply providing feedback on the draft Venture Southland Business Plan which will be subject to community consultation and further consideration by the Council before being finally approved.

Recommended Option

- 45 It is recommended that Venture Southland be asked to make changes and revise its draft Business Plan in accordance with the comments included in this report.

Next Steps

- 46 Venture Southland would prepare a revised Business Plan which would need to come back to Council for further consideration.

Attachments

- A Report to Council - 27 April 2016 - Venture Southland Business Plan 2016/17 Draft for Council review. [View](#)
- B Venture Southland - Business Plan 2016 2017 DRAFT for Council 27 April [View](#)

Venture Southland Business Plan 2016/17 Draft for Council review.

Record No: R/16/4/5341

Author: Hunter Andrews, Communications Manager Venture Southland

Approved by: Rex Capil, Group Manager Community and Futures

☒ Decision

☐ Recommendation

☐ Information

Purpose

- 1 To review and endorse the Draft Venture Southland Annual Business Plan 2016-17.

Executive Summary

- 2 Each year Venture Southland prepares an annual business plan outlining the plan of work to be undertaken by the organisation in the following year. This is a public document which once approved by stakeholders goes out for public consultation.
- 3 The annual business plan is based on the letter of expectation(s) that is provided to Venture Southland by its three stakeholders. The letter outlines the stakeholder priorities for the year as owner and also as a purchaser of services.
- 4 This newly formatted document has been crafted to clearly show the key areas of work Venture Southland plan to undertake: Regional strategies, assessments and advocacy, diversification of Southland's economy, business services, efficiency and competitiveness, energy efficiency, attracting and retaining skilled workforce, international education, destination promotion, conference attraction, events and rural community engagement.
- 5 The above headings used in the document incorporate all the work undertaken. Initially the draft, unformatted document (from December 2015) was presented to align to the council priorities, however many of the activities undertaken cover numerous priorities and therefore make this difficult to present.
- 6 Following a meeting with SDC in January 2016, Venture Southland was advised that the document should show: 1) Purpose/Objective - what is Venture Southland going to achieve, 2) Programme of work - how is and what is Venture Southland going to do to meet the objectives, 3) Measure what is the outcome for the region/council in Venture Southland doing this work, ie what is the benefit for the region.
- 7 The document uses the following sections under each major heading:
- 8 What is this? This provides detail on what the initiative is.
- 9 How is this initiative funded? This shows the amount of funding for each initiative, splitting out the council and external funding. The challenge, as outlined in the report dated 14 December 2015 in response to expectation 1 of the letter of expectation, "planning and accounting for work at a project level", is how the staff resource is applied to initiatives. Without staff completing timesheets it is not possible to report at this level. Therefore a comment is added to each initiative that they will include varying amounts of staff time/resource. Timesheets were trialled for nine months in 2014, however it was decided that the cost outweighed the benefit. It is important to consider that Venture Southland has approximately \$500,000 of budget that can be applied to projects. This is funding that isn't applied to staff salaries, overheads (rent, computers etc) or related to surplus generating activities. Of this \$500,000, \$270,000 goes towards destination marketing. For some

activities the amount of work undertaken will depend on additional funding being sought, for example the Regional Research Institute is dependent on the bid being approved and Central Government funding being received.

- 10 What are the benefits for Southland? This shows the benefits and refers to the council priorities such as increasing GDP, creating new businesses etc. The document shows what the ratepayer gets for their contribution towards Venture Southland.
- 11 What projects are planned/continuing for this year? This section details the work planned, and provides some context around how each activity relates to the initiative
- 12 Key performance indicators. This section shows how Venture Southland is going to measure its performance. It is difficult to measure the outcome of many of the activities undertaken. For example a contribution to GDP. Venture Southland cannot measure how GDP increased or decreased as a result of the work undertaken. What can be measured is the output ie Venture Southland supported seven businesses through the Lean Management programme, and the feedback received from local business regarding their productivity increases.
- 13 Each quarter Venture Southland will report to Council on what has been achieved. When the annual business plan is adopted, work will continue to develop and agree a reporting template through a workshop of owner Council representatives.
- 14 It is scheduled for the Draft Annual Plan to be adopted by Venture Southland's Joint Committee on 18 April 2016 before going out to public submission on 29 April 2016. The finalisation of the document and commitment of each stakeholder is to occur in May, as outlined in the Venture Southland Agreement 2014-2017.

Recommendation

That the Council:

- a) **Endorse the report titled "Venture Southland Business Plan 2016/17 Draft for Council review." dated 12 April 2016.**

Content

Background

Work has been undertaken to provide council with a Draft Annual Business Plan for consideration and endorsement as stated in the letter of expectation received on the 30 October 2015.

Issues

There are no significant issues that have been identified prior to the development of this plan as all three councils have provided their letters of expectation to Venture Southland.

Factors to Consider

Legal and Statutory Requirements

There are no specific legal requirements as the document is in draft form and Venture Southland is requesting endorsement from Council as per the letter/s of expectation.

Community Views

Community views will be sought during the public submission process commencing on the 29 April 2016, and any additional amendments will be considered.

Costs and Funding

There are no additional costs or funding required outside of existing operational budgets to complete this plan, other than those noted in the Draft Annual Business Plan.

Policy Implications

There are no policy implications relating to the draft document.

Analysis

Options Considered

There are two options to consider:

- 1 Receive and endorse the draft annual business plan
- 2 Not receive and endorse the draft annual business plan.

Analysis of Options

Option 1 –

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • Endorsement from Council supports Venture Southland to address the requirements of the letter of expectation. • This promotes clarity of purpose and a partnership approach between Councils and Venture Southland 	<ul style="list-style-type: none"> • No endorsement would restrict Venture Southland's ability to deliver on behalf of Council their priorities as stated in the letter of expectation • Without a shared vision and purpose Venture Southland and Council would not be aligned in their priorities.

Option 2 –

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • No advantages 	<ul style="list-style-type: none"> • Venture Southland's ability to deliver services on behalf of Council would be compromised.

Assessment of Significance

Recommended Option

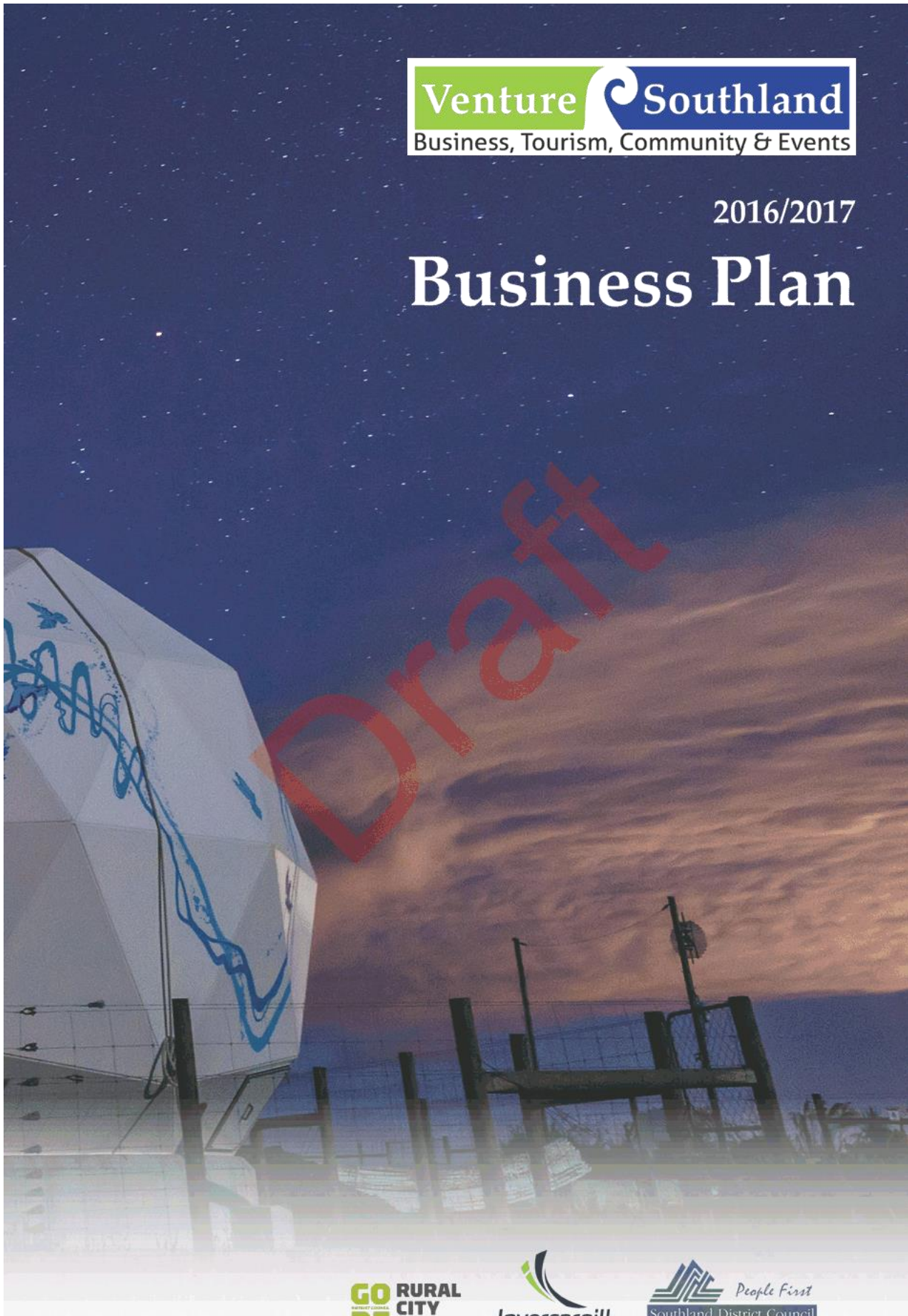
In accordance with Council's Significance and Engagement Policy the decision is not considered significant.

Next Steps

Council endorsement provides support and confirmation of the work programme Venture Southland plan to undertake and will enable the document to progress to public submission process on 29 April 2016, following Venture Southland Joint Committee adoption on 18 April 2016.

Attachments

A Venture Southland - Business Plan 2016 2017 DRAFT for Council 27 April



Contents

3 Executive Summary

4 About Us

5 CEO & Chair Report

6 Regional Strategies, Assessments & Advocacy

8 Diversification of Southland's Economy

10 Business Services, Efficiency and Competitiveness

12 Energy Efficiency

14 Attracting and Retaining Skilled Workforce

16 International Education

18 Destination Promotion

20 Conference Attraction

22 Events

24 Rural Community Engagement

26 Funding & Priorities

26 Financials

28 Council Priorities 2016/2017

FRONT COVER: AWARUA SATELLITE GROUND STATION

2

Executive Summary

This document outlines the 2016-17 programme of work for Venture Southland. It is in response to the three council stakeholders' priorities and specific projects that contribute to making Southland one of the most attractive and prosperous areas in New Zealand.

This document provides detail on what initiatives are to be undertaken, how it is to be resourced and the benefits for Southland and its people.

This document comprises the following major initiatives which summarise the areas of work:

Regional Strategies, Assessments and Advocacy

Venture Southland is an entity which focuses on the region in its entirety, providing a voice for the region. This is of significance when undertaking strategies, assessments and advocacy. For example, the Southland Regional Development Strategy and the Southland Cycling Strategy align with Venture Southland's work, assessing future demand and opportunities.

Diversification of Southland's Economy

Venture Southland identifies opportunities to diversify Southland's economy, investigate its potential and where applicable, seek investment to make it happen. The opportunities must complement what is already here. Some areas of focus are the continued development of the Awarua Satellite Tracking Station, where Venture Southland coordinates Earth observation contracts with international partners; and the aerial magnetic survey, which is mapping the region and will allow new and existing businesses to make informed decisions.

Business Services, Efficiency and Competitiveness

Venture Southland provides support and services to the Southland business community to encourage efficient practices. This ranges from the coordination of Lean Manufacturing and Lean Dairy to the delivery of the Regional Business Partner Programme and the Business Mentors Programme. These programmes provide access to New Zealand Trade & Enterprise capability training vouchers on a matched basis. Venture Southland also coordinates research and development projects through Callaghan Innovation.

Energy Efficiency

Venture Southland promotes energy efficiency initiatives such as The Wood Energy South Project, in partnership with Energy Efficiency and Conservation Authority (EECA), promoting and educating businesses on the advantages of converting from industrial fossil fuel boilers to wood boilers.

Attracting and Retaining Skilled Workforce

Venture Southland works to attract and retain skilled workers through marketing Southland to visitors. In 2015, the organisation commissioned The Southland Regional Labour Market Assessment in order to best predict the region's

workforce requirements up until 2031. The assessment indicated that the region would require 12,000 additional employees by 2031. Additional work in this area is being considered but will be dependent upon funding.

International Education

Venture Southland works in partnership with Southland schools and the Southern Institute of Technology to support the Education Southland collective marketing initiative that focuses on the promotion of Southland as a quality educational destination to education agents, parents and students.

Destination Promotion

Venture Southland and Destination Fiordland are focused on maximising the benefits of increasing the number of visitors to the region. Both Regional Tourism Organisations undertake various promotional initiatives including digital material, brochures, trade, special interest, and local campaigns and events. They also engage with Tourism New Zealand, participate in the Regional Tourism Organisation network (RTONZ), Tourism Industry Association New Zealand, Tourism Export Council and i-SITE network activities.

Conference Attraction

Conferences provide significant economic benefit from the event itself and attendees extending their visits or returning with friends and family at a later date. Venture Southland is committed to securing as much nationwide conference-related revenue for the region as possible. A range of promotional and marketing materials is developed by Venture Southland to complement conference bids (including online and alongside destination marketing activities).

Events

Southland has a nationwide reputation for the quality and quantity of events in the region and they add diversity, vibrancy and lift community spirit. Venture Southland coordinates and supports numerous events of all sizes throughout the region including the ever popular ILT Kidzone, Southland Festival of the Arts, Southland District Council Holiday Programme and provides support to the annual Burt Munro Challenge.

Rural Community Engagement

Southland has strong and thriving rural communities which provide a quality of life not found elsewhere. Venture Southland is proud to provide assistance and support for these communities through a varied range of projects and initiatives. The organisation conducts stakeholder engagement, administers of funds on behalf of SDC, Southland Regional Heritage Committee and others and also provides support for local community groups with community funding planning and advice. There is a close alignment between SDC Community Futures group and the community development team which is reflected in the number of collaboration projects.

About Us

Mission Statement

To actively work with groups and organisations to identify opportunities and facilitate the development of projects and initiatives that will enhance the prosperity and quality of life of Southland communities.

What are we?

Established in 2001, Venture Southland is a joint committee of council. This unique model is known throughout New Zealand as a positive example of regional co-ordination and co-operation.

We promote the benefits of an integrated approach with community organisations working together, and leveraging support and resources. The business, destination marketing, events and conferences, and community development teams collaborate on many projects to maximise benefits.

Venture Southland is funded through contributions from the Invercargill City, Southland District and Gore District Councils (our stakeholders) and the Community Trust of Southland. As a regionally co-ordinated body, Venture Southland is able to access significant external project funding not normally available to local authorities.

Strategic Goal

Promoting the positive aspects of Southland and identifying and facilitating the development of projects of regional significance in association with local organisations.

Business Development

Proactively identifying and promoting opportunities for diversification, employment and business growth in Southland.

Destination Promotion

Promoting Southland as a quality destination for visitors, skilled migrants, investors, students and conferences and events, to assist in destination management and visitor industry development.

Regional Community Development

Supporting groups and organisations and providing advocacy for community services.

Local Government

Providing the most cost effective manner of delivering the above activities for households and businesses.

Strategic Plan Vision

Venture Southland will ensure that all activities are in accordance with and support the visions and strategic plans of each party.

Who are we?

Senior Management Team

- **Paul Casson**
Chief Executive
- **Stephen Canny**
GM Business & Strategic Projects
- **Bobbi Brown**
GM Tourism Events & Community

Joint Committee

- **Trevor Johnston** (Chair)
- **Robin Campbell**
- **Thomas Campbell**
- **Cr Gavin Macpherson**
Southland District Council
- **Cr Ian Pottinger**
Invercargill City Council
- **Cr Cliff Bolger**
Gore District Council
- **Ali Timms**
Environment Southland

Advisory Sub Committee

- **Trevor Johnston** (Chair)
- **Mayor Tim Shadbolt**
Invercargill City Council
- **Cr Peter Kett**
Invercargill City Council
- **Cr Ian Pottinger**
Invercargill City Council
- **Margot Hishon**
Community Trust of Southland
- **Penny Simmonds**
Southern Institute of Technology
- **Mayor Gary Tong**
Southland District Council
- **Cr Gavin Macpherson**
Southland District Council
- **Robin Campbell**
- **Thomas Campbell**
- **Mayor Tracy Hicks**
Gore District Council
- **Cr Cliff Bolger**
Gore District Council
- **Cr Doug Grant**
Gore District Council
- **Wayne Harpur**
Iwi
- **Andrew Leys**
Otago Southland Employer's Association
- **Cr Ross Cockburn**
Environment Southland
- **Cr Robert Guyton**
Environment Southland
- **Allan Baird**
Southland Federated Farmers
- **Ria Bond**
NZ First List MP
- **Sarah Dowie**
MP for Invercargill
- **Todd Barclay**
MP for Clutha Southland



CEO & Chair Report

"Our role is to contribute to making the Southland region one of the most attractive and prosperous areas in New Zealand."



Paul Casson
CEO



Trevor Johnston
Chair

Venture Southland promotes the positive aspects of Southland by being proactive in identifying opportunities to endorse Southland as a quality destination for visitors, skilled migrants, investors, students and conferences and events. Our priority over the next twelve months is to continue to ensure Southland is seen as a desired region that people want to visit, live, work and study in.

Venture Southland has a team of very skilled and professional people across business, tourism, community and events, with experience both locally and internationally. We also have many nationalities and cultures who work within the teams and who can provide additional support to our business and community teams.

The 2016/2017 Business Plan has been developed in consultation with the Invercargill City Council, Southland District Council, and Gore District Council, who have identified key priority areas and projects for the region.

International influences such as the economic impact of dairy prices and commodities, and the slowdown of the Asia Pacific Rim and Europe continue to provide challenges for Southlanders. Despite this, the region continues to experience significant increases in visitor numbers and international students.

Achieving a balance between economic and community expectations is critical to ensure we maintain and grow opportunities for all in our community.

Venture Southland recently won a tender process for the Government's Regional Business Partner Programme. This is jointly funded by New Zealand Trade and Enterprise and Callaghan Innovation and will run over the next four years. Venture Southland is very proud to have been regularly rated as a top performing Regional Business Partner and this announcement confirmed the performance of the organisation and the government's further commitment to supporting Southland businesses of all sizes and sectors to innovate and grow. New Zealand's economy is built on its regional business activities, and Southland has a dynamic business community which punches above its weight, producing fifteen per cent of all New Zealand's tradeable exports despite having only 2.1% of the population.

Venture Southland is also one of the delivery agencies working closely to support and contribute to the Southland Regional Development Strategy. The Strategy initiated by the Mayoral Forum describes a long term unified regional approach, building on local energy and leadership to deliver growth and change.

Our role is to contribute to making the Southland region one of the most attractive and prosperous areas in New Zealand. By working with our stakeholders and partners we can collaborate to achieve this.

We are proud to lead the Venture Southland team on behalf of our three Councils to achieve the priorities set within the current business plan.

Paul Casson & Trevor Johnston

Major Initiatives

Regional Strategies, Assessments & Advocacy

What is this?

As a regional organisation Venture Southland is able to act in the best interests of the region as a whole, rather than being confined by traditional council boundaries. This is evident when preparing and facilitating strategies, assessments and advocating on the region's behalf.

How is this initiative funded?

All initiatives include varying amounts of staff time.

Direct expenditure on these initiatives is:

- \$30,000 from Stakeholder funding
- \$50,000 Investigation, Assessment and Impetus funding received from the Community Trust of Southland

For funding to be approved from the Investigation, Assessment and Impetus funding which is a contestable internal fund, they must align with the Southland Regional Development Strategy. Allocations are approved by the Joint Committee.

What are the benefits for Southland?

- Better communication with Central Government agencies using one voice for the region.
- Southland's future requirements for infrastructure and people are provided for.
- The views of the Southland public are represented when legislative changes happen, ensuring greater advocacy for the region.
- Better share of government funding for initiatives such as cycle trails, WWI commemorations and environment and heritage projects.

What projects are planned/continuing for this year?

Southland Regional Development Strategy

The strategy, initiated by the Mayoral Forum, describes a long term unified approach building on local energy and leadership to deliver growth and change.

All of the activities undertaken by Venture Southland align with the foundations of the Strategy.

For example, the diversification initiatives undertaken will lead to a balanced economy with strong social cohesion. This will produce the resilience required to counter the impact of mega-trends such as international commodity price fluctuations, the south to north population drift, the lure of the city and job losses in traditional industries.

The matter that concerns Southlanders most, and key objective of the Regional Development Strategy, is depopulation, which is highlighted by the Southland Workforce Strategy 2014-2031.

Key work undertaken to address the need to lift the working age population of Southland to meet the primary challenges set forth in the Southland Regional Development Strategy will include:

- Creation of opportunities for the existing workforce to increase their skillset.
- Ensuring school leavers have a smooth transition from study to primary industry careers in Southland through working with schools, primary industry training institutes and employers.
- Attracting employees with skillsets that are either in demand or currently lacking in the region.
- Assisting with the development and expansion of existing local businesses.
- Building business efficiency and competitiveness.
- Diversifying the regional economy.
- Attracting new complementary businesses.

Venture Southland is a service delivery organisation or has staff involved in the following action groups:

- Governance group, alongside the Director
- People Attraction Action Team
- Industry Extension Action Team
- Ease of Doing Business Action Team
- Innovation/New Industry Action Team
- Inclusive Communities Action Team
- Welcome to Southland Action Teams
- Other action groups as required

Southland Digital Strategy - Telecommunications

Venture Southland continues to advocate on behalf of Southland businesses and communities. Much of Southland's productive sector and a significant proportion of support industries are based in rural areas where internet and mobile coverage remains slow, unreliable or unavailable. This poor coverage adversely affects many industries, for example tourism, agricultural operators and forestry.

It also affects the quality of life in rural communities and impacts on the ability to attract staff and residents.

The Southland Digital Strategy continues to seek improvement of mobile cellular coverage, rural broadband deployment and urban broadband deployment.

Southland Cycling Strategy

Southland boasts many mountain biking tracks, a purpose built indoor velodrome and new products including the new Around the Mountains Cycle Trail. There are a number of potential trails particularly around Gore, Te Anau and the Catlins.

Southland has a unique opportunity to grow and evolve into a world-class cycling destination for local, domestic and international visitor markets. This will generate significant economic input for our local and regional communities. Within New Zealand, the Government's investment in cycling through various funding initiatives has resulted in a number of projects and also significant levels of investment. Subsequently, Tourism New Zealand's key focus is to position New Zealand as a premier cycling destination.

Major Initiatives

Regional Heritage Planning and Development

Venture Southland will support the Southland Regional Heritage Committee (SRHC) with the implementation of the Southland Heritage Research Project including further investigation into regional storage requirements and regional operational planning and structuring. Please see "Rural Community Engagement" section for further information on specific support and projects to be assisted with. As required, support for the Southland Museum and Art Gallery redevelopment options will also be provided as well as assistance for individual heritage related projects such as those located in Curio Bay and Waikaia.

Southland Visitor Strategy

Updating the Southland Tourism Strategy of 2005, the Southland Visitor Strategy is outlining the challenges and opportunities for the region for the upcoming years. The focus is to maximise the benefit from increasing numbers of visitors and consider that their needs are catered for with the provision of adequate infrastructure, product and experiences.

With buoyant and new markets, eased accessibility and development of new products the visitor industry continues to be an industry of the future for Southland, complementing other key industries of agriculture and manufacturing. Currently this is the region's third largest export industry and has been identified as a key extension industry through the Southland Regional Development Strategy.

Key to this strategy is the framework that focuses development around:

- Enhanced experiences with product and community development.
- A sustainable industry through strong relationships and insights.
- Communicating distinct Southland propositions.

Volunteer Sector Investigation

A review of the 2010 Community Organisation Needs Assessment (CONA) will be undertaken and will be expanded to also focus on obtaining an understanding of the Southland volunteer sector and the people who make up this sector (many as volunteers).

Key desired outcomes include:

Obtain an understanding of the volunteer sector in Southland

- How many groups are there?
- What services do they provide for Southland?
- What is their role and importance?
- How many groups have a paid person supporting them?
- What are the challenges for community groups?

Identify the pressures / issues from the 2010 CONA research and how things have changed six years on.

Obtain a greater understanding of the 'make up' of community groups in terms of the type of people who are volunteering:

- Who are the people that are volunteering – what is the average age of the people who are volunteering?
- Why do they volunteer?
- How many groups do volunteers belong to (on average)?
- What are the challenges for volunteers?

Identify areas of focus for the future. Is it possible to suggest certain

scenarios for how the volunteer sector will look like in the future.

Anecdotally from working in and alongside local communities, Venture Southland is aware that a lot has changed in the past five years in the volunteer sector. There are increasing pressures on both communities and the people in them. While volunteering is only one sector of the wider community, it is an important one which provides key services.

Reviewing the CONA research now will give us a better understanding of where things are at and how we can further support and service our local communities.

Key Objectives

Successfully facilitate the completion of the following:

- Southland Cycling Strategy
- Southland Visitor Strategy
- Volunteer Sector Research
- Swimming Pool Heating Assessments
- Regional Export Value Research

Support the implementation of the following:

- Southland Regional Development Strategy
- Southland Regional Labour Market Strategy 2014-2031
- Southland Digital Strategy
- Southland Regional Heritage Research 2016
- Southern NZ Cruise Destination Strategy 2016
- Catlins Tourism Strategy Review 2016
- Around the Mountains Cycle Trail Business and Marketing Plan
- Creative New Zealand's Regional Arts Pilot 2016-17

Continue to provide advocacy for the following:

- Improvements to internet and mobile services and coverage (through the Digital Strategy)
- Electricity Authority submitted to on cheaper public network pricing

Digital Entitlement Programme promoted to Southland businesses and organisations

Production of economic data at a local authority level in time for the Councils' planning processes

Provision of support and advice towards the development of cycleways in Gore

Facilitated a stakeholder's meeting to progress the Southland Museum and Art Gallery Redevelopment project

Support the Southland Regional Heritage Committee to lead the Southland Museum Network Concept Design and Development Project as initiated by the Southland Mayoral Forum.

Participate in the Milford Opportunities Project

Major Initiatives

Diversification of Southland's Economy

What is this?

Venture Southland works to identify opportunities for investment which are complementary with the regional economy and ensure they are promoted to relevant domestic and international markets. Opportunities include silica, oat based health and wellness foods, aquaculture, oil, gas and lignite exploration, tourism and satellite tracking.

Venture Southland's role is to investigate the potential of these opportunities. Some of the projects are ongoing. It is important to have relevant and up to date information available so that when the time is right, an investor will take up the opportunity.

How is this initiative funded?

All initiatives include varying amounts of staff time.

Direct Expenditure on these initiatives is:

- Awarua Satellite Ground Station is expected to bring in \$180,000 of revenue in 2016/17, with \$25,000 of direct expenditure expected.
- \$100,000 is committed towards the interpretation of the Aerial Magnetic study information.
- \$15,000 membership contribution towards Film Otago Southland Trust.
- Expenditure on the Regional Research Institute is dependant on the Southland proposal being successful in the initial phase of selection.
- \$20,000 budgeted to be spread over all initiatives for incidental expenditure.

Other funding will be sourced or allocated from contestable internal funds if the Joint Committee deem the initiative is beneficial for Southland and meets the stakeholders priorities.

What are the benefits for Southland?

- Reduction of Southland's dependency on a narrow range of industries by creating new industry within Southland, allowing Southland to weather any potential market downturns.
- Job creation, both directly through new industries and indirectly, through service organisations. For example a potential oat processing plant will create jobs in the factory, but also in organisations which are required to service the plant. These roles may be filled by Southlanders, or bring new people into the region.
- Increase in the average household income of Southlanders through high value industries, such as satellite tracking. These industries require specialist skills and bring revenue into the region.
- Investment from outside the region (and New Zealand), therefore increasing Southland's gross domestic product.

What projects are planned/continuing for this year?

Awarua Satellite Ground Station

Venture Southland coordinates Earth observation contracts at the Awarua satellite ground station and other locations within the region. This creates new business in Southland as the services required by Venture Southland's international partners are provided by Southland businesses.

Remote sensing satellites orbit the earth about 12.5 times each day at altitudes between 400 and 800 kilometres, scanning the earth at radio and optical frequencies. Amongst other things, Remote Sensing Satellites are typically used to monitor land use, oil pollution and ship movements, and provide Search and Rescue assistance. The satellites are generally in polar orbit and the earth is rotating underneath them. The only two places they can consistently download the data they collect on each orbit are over the North and South Poles. There are many downloading stations near the North Pole, but few in the Southern Hemisphere. Awarua offers excellent look-angles to spacecraft over the Tasman Sea and the Southern Ocean, including all of New Zealand's Exclusive Economic Zone.

Regional Research Institute

Venture Southland's plan of work encourages industry innovation clusters to develop solutions to match new industry opportunities. Venture Southland is facilitating the Regional Research Institute bid, which hopes to secure central government funding for three years to develop research capabilities in Southland - dependent on approval and funding from central government.

Precision Agriculture

This concept in farm management uses new precise technologies such as image and satellite positioning technology, providing soil, crop and nutrient level information from specific sites to enable exact adjustments and calculations of farm inputs. By using and developing new technology, new industries are created, which in turn creates new business, provides efficiency tools and extends existing industries.

As part of increasing investment into Southland, Venture Southland, in partnership with Environment Southland, is developing a framework for consenting coastal aquaculture projects in conjunction with iwi and sector stakeholders.

Aerial Magnetic Study

Venture Southland is facilitating the aerial magnetic and radiometric surveys; geological and soils mapping; and the assessment, interpretation and publishing of the data collected.

\$100,000 of funding has been approved to interpret data in addition to stakeholder contributions.

The Aeromagnetic survey provides potential new businesses the information to make informed decisions on:

- Identification of natural hazards, particularly in relation to geological hazards such as fault lines and areas of potential geological slipping.

b) Identification of quantitative information in relation to Southland's water resources, which will be of significant value for the region's communities, industries and agricultural water supplies in the future.

This information when combined with Venture Southland's to-poclimate information will provide potential land purchasers and developers with comprehensive climate, soils and geological mapping. This will provide efficiency tools for effective use of land and water.

Information will also support council submissions to central government around issues such as earthquake-prone building legislation and natural hazard management.

Film and Television

Venture Southland will continue to support the Film Otago-Southland Trust to promote and develop local film industry opportunities, capacity and capability.

Twenty film and television production companies shot footage in 2015 around various parts of Southland, totalling 56 full filming days. Interest in using the diverse locations around the region is steadily growing as producers worldwide become aware of the production cost savings that can be made by using southern locations.

The increased use of Southland's unique locations is complemented by the steady stream of digital media students graduating from the Southern Institute of Technology, providing a skilled workforce based in and around Southland.

Key Objectives

Identify 6 opportunities for investment which are complementary with the regional economy and ensure they are promoted to relevant domestic and international markets.

- Facilitate 6 investment opportunities.

Completion of the aerial magnetic and radiometric surveys; geological and soils mapping; and the assessment, interpretation and publishing of the data collected.

- Aerial Magnetic & Radio Surveys completed and data available to Stakeholders

Coordinate earth observation contracts at the Awarua satellite ground station and other locations within the region.

- Deliver services to 5 international satellite and space organisations

In partnership with Environment Southland, develop a framework for consenting coastal aquaculture projects in conjunction with iwi and sector stakeholders

- Target water space identified and environmental investigations commenced

Produce and promote a proposal for funding for a regional research institute, building on Southland's unique advantages in satellite Earth observation.

Major Initiatives



AWARUA SATELLITE GROUND STATION

Major Initiatives

Business Services Efficiency & Competitiveness

What is this?

Venture Southland offers business services to Southland businesses, such as business advice referral services, funding support, and facilitating mentoring services. This is to ensure Southland businesses are operating as efficiently as possible and to encourage research and development and innovation.

In addition, Venture Southland runs specific business efficiency services such as Lean Manufacturing and Dairy Lean "Farm Tune" and facilitates business innovation programmes such as new product development workshops and digital enablement training.

Programmes delivered through business services enables extension of existing businesses and industry.

How is this initiative funded?

All initiatives include varying amounts of staff time.

Direct Expenditure on these initiatives is:

- \$200,000 is received from the Callaghan Innovation and New Zealand Trade and Enterprise to deliver the Regional Business Partner programme. This covers some of the staff cost that goes towards business services.
- \$10,000 of other expenditure is budgeted.
- Lean Management and Lean Dairy (Farm Tune) are largely funded by the participants in the programme, with a subsidy from New Zealand Trade and Enterprise and Dairy NZ. This offsets the direct expenditure of \$100,000 that is budgeted for 2016/17.

What are the benefits for Southland?

- Improved business efficiency, competitiveness and profitability.
- Increased investment into Southland and growth of existing, or creation of new industries; increased gross domestic product of the region.
- Increased likelihood of success for start-up businesses. Assessment of opportunities means businesses are more likely to respond positively to challenges.
- Business efficiency through Lean processes in the manufacturing and dairy industries. Lean workshops allow for greater productivity, which creates growth, greater profitability, and quality of life for Southlanders.
- Improved engagement with a wide variety of organisations through provision of support and assistance. This also provides an understanding of the challenges they face.
- Additional funding will be brought into the region, for both business support and research and development, creating business opportunities in Southland.

What projects are planned/continuing for this year?

Lean Management

In 2012 Venture Southland trialled a Lean Management Programme for Southland manufacturing and service based businesses to help them identify and eliminate waste from their operations, with the aim to improve process and workplace efficiency, quality and safety. The programme was delivered by internationally recognised lean thinking expert Clinton Yeats.

Venture Southland coordinate Lean Manufacturing and Lean Dairy, taking participants through a six-month programme. Southland businesses that participate in the Lean process are seeing efficiency gains of, on average, 25% and up to 60%.

Participating organisations pay for the programme and Venture Southland facilitation is provided by stakeholder funding.

Business Services

Venture Southland recently won a tender process by the Callaghan Innovation and New Zealand Trade and Enterprise to facilitate the Regional Business Partner Programme for four years (2016-2019). The Regional Business Partner Programme provides support to local businesses. This is either in the form of direct support, or by accessing New Zealand Trade & Enterprise capability training vouchers on a 50/50 matched basis, with up to \$200,000 available to be allocated each year.

This involves:

- Business training
- Business assessments
- Business mentor training and promotion
- Science and technology grants facilitation

Venture Southland also coordinates research and development projects through Callaghan Innovation. Venture Southland assists businesses to access research and development project, growth and student grants as well as a wide range of technical development support.

Business Survey

Venture Southland conducts an annual survey of over 500 businesses in Southland. This provides an understanding of the issues faced by these businesses and informs the target needed for direct resourcing. For example the 2015 survey saw 51% of respondents report that staff retention and attraction was a key issue going forward. This led to Venture Southland facilitating the Southland Regional Labour Market Assessment.

Item 8.15 Attachment B

Key Objectives

- Deliver four Research and Development and innovation events/programmes.

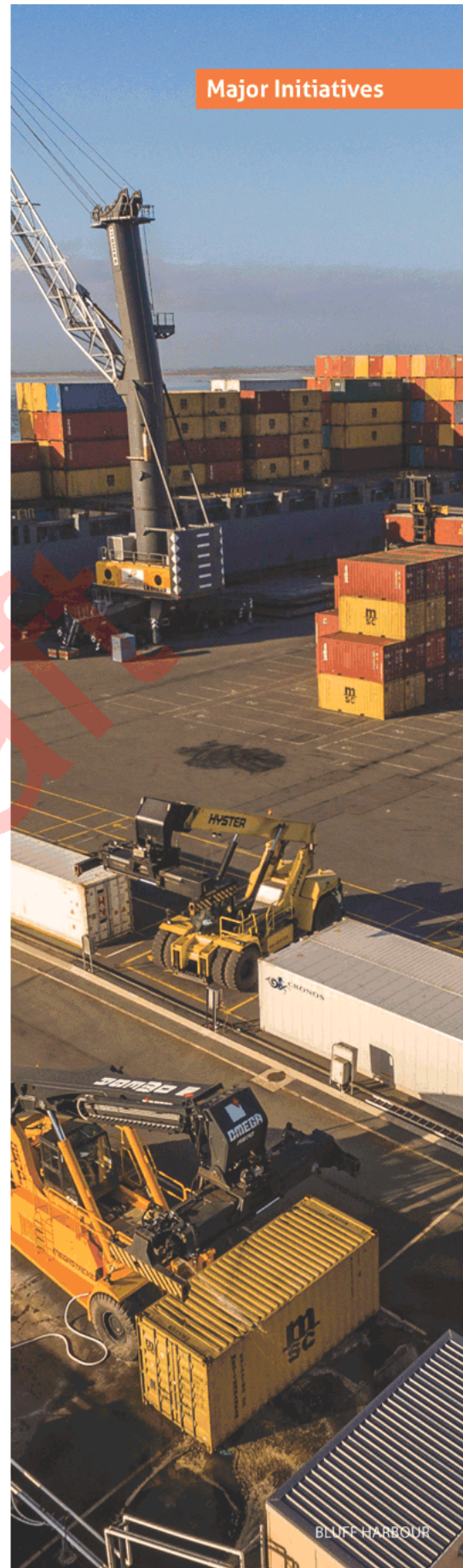
Facilitate the Regional Business Partner Programme

- \$200,000 in funding allocated to Southland businesses
- 50 Mentor Client Matches
- Complete 140 Client Assessments
- 50 mentors trained

Coordinate and promote business efficiency through Lean Manufacturing and Lean Dairy in Southland.

- Deliver Lean Management training to seven businesses
- 12 farms participate in Dairy Lean
- 30 Businesses attend other lean support initiatives including site-visits, networking and the Southland Lean Forum

Development of a report identifying gaps within Invercargill business / industry and tourism and what is needed to fill those gaps



Major Initiatives

Energy Efficiency

What is this?

Venture Southland has a number of projects that aim to promote energy efficiency and alternative fuel sources in Southland. This is one of the ways Venture is promoting business efficiency and competitive advantages.

How is this initiative funded?

All initiatives include varying amounts of staff time.

Direct Expenditure on these initiatives is:

- \$50,000 of funding is received from Energy Efficiency and Conservation Authority to manage the Wood Energy South project, and also reimbursement for some expenditure on this project (on a case by case basis). This offsets a portion of the staff time contributed to the project
- \$7,000 of additional expenditure budgeted for this initiative

What are the benefits for Southland?

- Reduction of operating costs and improved business competitiveness and profitability.
- New industry created by the recovery and processing of waste wood in wood boilers.
- Businesses achieve growth and success in the long term through operating in a sustainable and efficient way.
- Air quality in Southland is maintained through the promotion of low emission energy sources, essential to providing the quality of life Southlanders are accustomed to.
- Long term environmental benefits.
- Minimised potential health issues.
- \$1.5 million of funding available to assist Southland businesses in the conversion process.

What projects are planned/continuing for this year?

Outside of the projects highlighted below, Venture Southland is always supporting and promoting new and ongoing industry creations around sustainable and efficient energy use.

Electric Vehicle

As a sustainable outreach, Venture Southland has had its own electric car for a year and it has received a lot of positive media attention. The Mitsubishi i-MiEV has become affectionately known as Sparky and can average 100km of travel between charges. Its running costs equate to \$362 of electricity every 10,000km traveled compared to \$1,758 for an equivalent petrol engine vehicle.

Venture Southland will support the roll-out of charging stations in strategic locations in Southland.

Wood Energy South

The Wood Energy South Project, in partnership with Energy Efficiency and Conservation Authority (EECA), promotes and educates businesses on converting from industrial fossil fuel boilers to wood boilers. Wood energy boilers use a readily available waste resource. Funding is available from EECA of up to \$1.5 million over three years.

The project aims to:

- Establish new heat plants in commercial and industrial processes
- Lower energy-related carbon emissions
- Improve air quality
- Demonstrate the cost and life-cycle benefits of wood-fuelled boilers

There are currently nine wood boiler systems in commercial, education and local government operations around Southland including Splash Palace, Environment Southland, Slinkskins - Hazlett & Sons Group, McCallum's Dry Cleaning and a number of schools. Wood energy boilers use a renewable energy source, have lower life cycle costs and provide a healthier and safer working environment.

Methane

Venture Southland is aiming to streamline the process of methane recovery off dairy farms. The objective is to develop a general specification for a standardised methane recovery system for a range of different dairy farms. The principle behind the trials is to demonstrate the use of methane as an energy source to significantly reduce electricity use of farms as well as demonstrating the environmental benefits in Southland. This technology and the associated case studies could then be applied to similar farms, process industry or even human effluent treatment systems.

Key Objectives

- Facilitate two initiatives and opportunities associated with precision agriculture
- Switch 0.15 PJ of boiler capacity to waste wood fuel
- Pool heating assessments completed for Riverton, Riversdale, Otautau, Fiordland, Tuatapere, Manapouri and Hauroko
- Facilitated a professional development programme in partnership with EECA and The Bio Energy Association of New Zealand



Major Initiatives

Attracting & Retaining Skilled Workforce

What is this?

Southland, like other regions, is facing a workforce shortage due to an aging population. For business to grow, skilled staff are required. Venture Southland is active in attracting migrants to the region, and also ensuring the skilled workers remain in the region. Without people, new businesses and new industries cannot develop, and existing industries cannot be extended.

In 2014 Venture Southland commissioned the Southland Regional Labour Market Assessment from the University of Waikato, to provide insight into the expected labour market conditions in Southland for 2014 to 2031. The assessment used historical population data to project future labour supply and demand. These are some of the key findings from the assessment:

- The Southland population has been reasonably stable since 2006; however both the number and proportion of people aged 65 or above has increased. Indications are that this will result in a lack of labour supply in future years unless the balance is addressed.
- Southland has very high workforce participation (73.8% vs national average of 69% in 2015). Almost all industries face an aging workforce.
- Although the population is expected to be reasonably stable for the period covered by the assessment, the workforce is expected to drop by 6,000 or 12% by 2031 due to an aging population.
- Southland's labour demands are forecast to increase by between 4,000 (0.5% growth rate) and 12,000 (1.5% growth rate) people depending on growth over this period.
- The projected net labour market shortage is approximately 5,000 by 2023, rising to 12,000 by 2031. It is projected that this trend will begin from 2016.
- Options to minimise the impact of Southland's changing demographic on the workforce include, but are not limited to:
 - a) Increasing labour force participation by existing workers, older workers, women and youth
 - b) Increasing migration and attraction of skills

Labour challenges were further highlighted by the 2015 business survey which saw 51% of respondents report that staff retention and attraction was a key issue going forward.

Overall the report highlights the need for the Southland region to develop plans to increase its labour supply to meet the projected demand. Southland is not alone with this challenge, which highlights the importance of implementing a strategy now to minimise the impact in an increasingly competitive market.

The Southland Regional Development Strategy has also set a population target of 110,000, an increase of 14,000 from the current population.

How is this initiative funded?

All initiatives include varying amounts of staff time.

The extent of this programme is dependent on additional funding being sourced.

Direct Expenditure on these initiatives is:

- \$20,000 of direct expenditure on this initiative

Venture Southland promote the region in a range of ways, so expenditure will be greater than above, but it indirectly benefits this initiative.

What are the benefits for Southland?

- An effective skilled workforce is maintained and developed in the business sector.
- More large scale events will be attracted to Southland due to an increased population base. The higher the population the more attractive the region becomes to promoters.
- Diversity within the community is expanded and cultural experiences grow for every Southlander.
- Social services, health and emergency services enjoy security in service retention and possibility of growth due to population increases.
- Industry and investment is attracted to the region due to skilled and pre-existing workforce. This in turn lifts the population as businesses expand to support new industry and housing needs.

What projects are planned/continuing for this year?

The Southland Regional Development Strategy used the findings of the Southland Regional Labour Market Assessment to create the underlying objective of increasing Southland's population from approximately 95,000 to 105,000 by 2025 and 110,000 by 2030. Venture Southland has been active in labour attraction since its inception and as a result Southland was recognised as New Zealand's third most desirable destination for migrants.

Venture Southland is the Regional Tourism Organisation for Southland and markets Southland to visitors. This is a significant function for attracting migrants and aligns well with the need for attracting additional migrants, both domestic and international, to Southland. As part of this role, Venture Southland operates the regional promotional website www.southlandnz.com.

This site, as well as other online media formats, plays an integral role in attraction and promotional activities for Southland. There is significant commonality between the promotional messaging used for migrants and tourists. Utilising these channels creates promotional efficiencies.

Venture Southland runs and facilitates a wide range of programmes targeting workforce demands, including the Regional Business Partner Programme and the Lean Management and Dairy programmes. The Regional Business Partner Programme provides business support and funding via training vouchers

for businesses, whilst Lean promotes business efficiency. If a business is run efficiently then it reduces the need for additional labour, which in turn has a positive impact on the workforce demand.

Assisting New Southlanders

Digital:

Venture Southland has a dedicated section on the www.southlandnz.com website to assist those thinking of, or committed to relocating to the region. There is very accessible information on the region, the community, lifestyle, healthcare, transport, sports and the arts and a section dedicated to moving to Southland.

Welcome to Southland Packages:

Venture Southland is updating the Welcome to Southland packages with all the information required to make the move to Southland as streamlined and easy as possible. This includes employer/employee checklists, pre-arrival information and settlement support material.

Attract Skilled People:

Venture Southland can assist employers looking for personnel with a certain skillset that may be highly sought after domestically. Venture Southland, where practical, attends trade shows and targets potential employees to meet the specific requirements of Southland employers.

Other strategies will be used depending on funding.

Key Objectives

- Deliver 2 management skills workshops, based on regional workforce need.
- Complete and circulate welcome to Southland packages to new employers and other sectors.
- To have 11 youth employment programmes operating in Southland.
- To have trained 30 'youth friendly' employers in the region.
- To have all secondary schools in Southland actively participating in the Southland Youth Futures.



Major Initiatives

International Education

What is this?

The Education New Zealand Regional Partnership Programme is designed to support the development and growth of international education in selected regions of New Zealand. It is a partnership and collaboration between international education providers and local educational representative groups, local government, economic development agencies, and the international education industry. Over the past decade the international education sector in Southland has developed increasingly with significant investment, relationship building and direct marketing and delegations overseas. These initiatives have resulted in a steady growth in international student numbers in the Southland region.

In 2015 the Southland Mayoral Forum commissioned the development of the Southland Regional Development Strategy to build a common view and approach to economic and social development using one of the greatest assets of the region – its people and their determination to succeed. The desired equation was simple: Southland will become an attractive place for more people to move to and live in. The strategy identified a small number of priority areas of development, culture and lifestyle, industry growth and extension especially in agriculture, tourism and particularly international education, together with the innovation of new industries of the future.

How is this initiative funded?

All initiatives include varying amounts of staff time.

The extent of this programme is dependent on additional funding being sourced.

What are the benefits for Southland?

For Southland, success as a quality provider of international education will contribute to a range of economic, social, cultural and community benefits. The connection to local government and regional development outcomes is important for the sustainability of this initiative and also for the reputation of the region as a preferred educational destination. Benefits include:

- Increased economic activity in the region through an increase in international student numbers. New businesses may be created, with an increase in gross domestic product and household incomes.
- International exposure of Southland through students sharing their positive experiences with family and friends. Families of the students often visit, thus increasing visitor nights in the local economy.
- Southland increases its cultural diversity through international students.
- An increased workforce is created by many of the students remaining in Southland once they have completed their studies.

What projects are planned/continuing for this year?

Venture Southland has worked in partnership with Southland schools and the Southern Institute of Technology to support the Education Southland collective marketing initiative that focuses on the promotion of Southland as a quality education destination to education agents, parents and students.

Venture Southland will seek approval from the Southland Regional Development Strategy, (SoRDS) Welcome to Southland Immigration and Education action team, for endorsement to a regional approach for International Education.

The organisation will work with Education New Zealand to refresh the Regional International Education Partnership and collaborative model in conjunction with the primary, secondary, and tertiary sectors. This work will increase access to employment opportunities but also to address the predicted labour skill shortfall in the future.

Venture Southland will conduct a workshop for industry representatives to discuss the development of a Regional Education Strategy, and review and update the Regional International Education Strategy with Education New Zealand (ENZ).

Consult with stakeholders to gain support for the Southland Education Alliance (SEA) concept.

It is clearly evident that a well-managed, co-ordinated and integrated export education sector known for its quality will assist the region in achieving positive outcomes.

Key Objectives

- Review and update the Regional International Education Strategy with Education New Zealand.
- Successful implementation of the Regional International Education Partnership Programme.
- Establish an International Education Governance Group for Southland.
- The appointment of a Southland Education Alliance (SEA) coordinator.



Major Initiatives

Destination Promotion

What is this?

Venture Southland is focused on maximising the regional benefits of increasing the number of tourists for the region. Promotion of the region nationally and internationally through consistent marketing and communication to strengthen the Southland brand is essential to drive demand, alongside product development which gives reasons to spend more and stay longer.

How is this initiative funded?

All initiatives include varying amounts of staff time.

Direct Expenditure on these initiatives is:

- \$270,000 for destination promotion marketing excluding Destination Fiordland and the Invercargill iSITE.
- \$10,000 for regional promotional material.
- \$290,000 of direct expenditures for the Invercargill iSITE, offset by revenue from commissionable sales, advertising, retail and booking fees of \$130,000.
- \$210,000 (net) operational funding for Destination Fiordland.

What are the benefits for Southland?

- New businesses, job opportunities other significant economic benefits are created through tourism.
- A strong and resilient tourism sector in New Zealand presents opportunities to further diversify Southland's economy.
- In a more densely populated region, with increased visitors, Southlanders benefit from the attraction of services such as hospitality, transport, education and retail.
- A vibrant, active and diverse culture is enhanced by visitors.

What projects are planned/continuing for this year?

As well as promoting Southland as a great place to visit, Venture Southland promotes Southland as a destination full of unique activities and experiences as well as highlighting the region's competitive advantages.

Providing the Regional Tourism Organisation (RTO) functions for Southland, Venture Southland and Destination Fiordland engage and build relationships with Tourism New Zealand, participate in Regional Tourism Organisation network (RTONZ), Tourism Industry Association New Zealand (TIANZ), Tourism Export Council (TEC) and i-SITE network activities to ensure Southland has a voice at a national level.

Destination Fiordland receives staff funding from Venture Southland in addition to funding from the Te Anau Community Board and subscriptions from its members. Destination Fiordland is a separate RTO charged with marketing Fiordland. Venture Southland undertakes various promotional initiatives including digital, brochures, trade, special interest, i-SITE and local campaigns and events. Campaigns are also directed at markets such as major domestic populations, the North Island, Australia, and China. These are to build awareness and a positive perception of Southland, targeting groups to grow the tourism contribution to Southland's economy and society while

also expanding opportunities over seasons and communities.

Develop the Southland Tourism Sector

A strong tourism industry is based on effective portfolio of natural and cultural attractions, which are supported by a proactive and capable provision of tourist services and infrastructure. Venture Southland contributes to this through industry advocacy locally and nationally, direct consultation and advice with private and public tourism related operations and developments. Key projects within this include the contribution to the Southland Regional Development Strategy, the cluster development project to build growth throughout the region and the implementation of various strategies (including Visitor, Cruise, Cycling and Sub-regional).

Media Engagement

Developing both new and existing relationships with media is an important mechanism to market Southland via constructive media commentary. Media channels such as magazines, websites, social media, newspaper, radio and TV broadcast provide affordable and genuine stories that achieve a reach beyond traditional advertising. To achieve this Venture Southland pitches region-wide opportunities for media, supports and hosts media visitations and works with local events and operators.

Digital Marketing

Venture Southland continues to focus on digital marketing channels, using web, social media, and targeted email to make information available to audiences around the world 24/7. The key is to deliver quality content that is interesting and relevant, so Venture Southland focus on acquiring content such as imagery, video, entertaining and enlightening editorial that will engage with its digital audiences. This is across every channel that is available such as southlandnz.com, facebook, newzealand.com, instagram, and tripadvisor.

Develop Trade Channels and Commissionable Tourism Product

Developing trade channels which direct business to Southland in return for commission payment is a key method for growing the tourism economy. Venture Southland develops these networks by attending trade shows such as TRENZ, Kiwilink and TNZ Market Workshops, fostering relationships with trade partners who have complementary target markets and hosting visiting trade operators in the Southland region. A goal for the region is to facilitate the development of trade product by working with councils, existing and potential businesses to develop products and attractions that generate commission for these trade channels.

Market Insights

Understanding the nature of current and future demand and pressure is important to providing stakeholders with the best advice for future development. To benefit from the variety of information sources available, Venture Southland works closely with Statistics New Zealand, MBIE and project based consultants to provide timely insights on tourism related activity and forecasts. A visitor flow analysis is undertaken by researching current Southland visitor characteristics and behaviour to ensure that the visitor experience

Major Initiatives

and benefits to Southland are optimised. Accurate knowledge of visitation to certain destinations or attractions can assist in future-planning of not only infrastructure but also visitation time-frames.

Marketing Campaigns

Each year Venture Southland embarks on marketing campaigns targeting different potential visitors to the region.

- On your Doorstep – Locals campaign
- Secrets of the South – National Campaign (major NZ populations)
- South Island Road Trips – Australian Campaign (with TNZ)
- Generous Southern Coast – Chinese Campaign (with Tourism Waitaki and Enterprise Dunedin)
- Southlandnz.com, Southland Visitor Guide and Social Media
- Special Interest – Fishing, Food, Walking and Cycling (Around the Mountains Cycle Trail)
- Southern Scenic Route – Touring
- Destination Event Promotions – such as Burt Munro Challenge, Bluff Oyster and Food Festival, World Shearing and Wool Handling Championships, and Hokonui Fashion Awards

Marketing through the i-SITE

Venture Southland manages the Invercargill i-SITE based at the Southland Museum and Art Gallery. The i-SITE network plays a crucial role in the day-to-day hands-on marketing and promotion of the region and connection to other regions. Visitors and residents get a personal one-on-one experience with a staff member who provides advice on the region and its activities, and opportunities to book local businesses offerings.

Marketing Alliances

Venture Southland participates in marketing alliances including SOUTH (Christchurch International Airport Initiative), Pure Southern Lands (Tourism Waitaki, Enterprise Dunedin and Destination Clutha) and Southern Scenic Route (Destination Queenstown, Destination Fiordland, Enterprise Dunedin and Destination Clutha). Marketing alliances provide a cost effective and efficient way to allow various industry sectors to have a presence in a highly competitive global environment. These alliances also assist in building strong regional networks and industry clusters to promote Southland as an attractive destination to live, learn, do business and visit.

Development of the Emerging Chinese Visitor Market

The number of Chinese tourists to Southland has increased significantly particularly around the Chinese New Year. China's growing middle-class has seen sustained growth in visitor arrivals to New Zealand over the last five years. Increased air capacity from the direct carriers, China Southern Airlines, Air New Zealand and Air China, has assisted in making it easy for these tourists to get to Southland. At least three quarters of all visitors who arrive in Christchurch, travel elsewhere in the South Island. Venture Southland is partnering with the SOUTH initiative, TNZ Kiwilink China, Generous Southern Coast promotion, and the development of collateral and communications for Chinese market (itineraries, brochures and digital).

Review of Regional Tourism Organisation's Operations

Investigate the strategic and operational issues and opportunities for the region associated with combining the Destination Fiordland and Venture Southland Regional Tourism Organisation functions. Complete a review of the strategic and operational merger opportunities between Destination Fiordland and Venture Southland Regional Tourism Organisations, to ensure that the appropriate level of service and maximum benefits are achieved for the appropriate level of investment. Currently these are separate entities, although funding is provided to Destination Fiordland from Venture Southland.

Key Objectives

Media Engagement

- Generate 52 media pieces with 18 media famils

Develop Trade Channels

- Engage with 105 IBO/wholesale/trade agents through a minimum of four Trade Shows presenting regional profile and product offerings of 60 Southland operators
- Participate in eight International Marketing Alliance activities and develop three trade itineraries/campaigns

Marketing and Promotional Campaigns

- 18 campaigns facilitated as part of annual programme

Digital Marketing

- Growth of consumer/trade digital databases (+5%), social media community (+12%) and website traffic (+8%)
- 120 operators, 24 destination events, and 24 events articles listed online through Southlandnz.com and Newzealand.com

Engagement with Industry

- Facilitate three regional tourism workshops and engage with 100 tourism operators within the Southland region
- Participate in nine national tourism activities (including Tourism New Zealand, RTONZ; TIANZ; SOUTH, i-SITE and TEC)

Tourism Development

- Undertake research to identify gaps for tourism product in Invercargill and Western Southland and research into current Southland visitor characteristics and behaviour
- Develop five collateral pieces (itineraries, channels) for emerging Chinese markets
- Assist with the development of four new trade ready tourism sector products

Visitor Information

- Undertake review of operations with growth of total sales income by 14% per annum

Development of the Invercargill i-SITE review findings for the consideration of the associated visitor information network requirements across the region.

Create tourism marketing packages with a specific focus on the Chinese Market

Investigate the strategic and operational issues and opportunities for the region associated with combining the Destination Fiordland and Venture Southland Regional Tourism Organisation functions.

Major Initiatives

Conference Attraction

What is this?

Venture Southland collaborates with local event organisers to promote the Southland region and its facilities as conference destination. To promote the region Venture Southland positions Invercargill specifically as a value based destination, with world class facilities and differentiated propositions (including food, heritage, entertainment and recreation). The wider Southland region is positioned as an accessible incentive destination to complement the facilities found in the major centres of Invercargill, Gore and Te Anau.

How is this initiative funded?

All initiatives include varying amounts of staff time.

Direct Expenditure on these initiatives is:

- \$12,000 of direct expenditure conference support and promotion
- The majority of the cost in this area is staff time, including design of promotional materials

What are the benefits for Southland?

- Increased job opportunities to support the delivery of hosting large events and conferences. Retail, transport, venues, attractions, café, restaurants and entertainers all benefit from conferences.
- Increased bed nights. According to government statistics, conference delegates from outside the region spend 2.9 nights in the region and spend \$483 per night (MBIE1).
- Domestic delegates from outside the host region spend \$250 million dollars per annum. (MBIE1). Venture Southland sees securing a growing share of that spend in the region as a key priority.
- Quality experiences attract visitors back to Southland. Conference attendees are encouraged to return with family and friends, providing significant economic benefit to the region.
- More businesses are created to service the conference sector such as hospitality, supporting in turn more employment.

What projects are planned/continuing for this year?

Promoting Southland as a Conference Destination

On behalf of the region, Venture Southland undertakes a variety of marketing activities to build its perception as conference destination. Key activities include the development of the Conference and Incentives manual, the direct marketing campaigns to professional conference organisations (PCOs) and representation at "MEETINGS" (annual national conference tradeshow). A range of promotional and marketing materials are also developed to complement bids (including online and alongside the Regional

Tourism Organisation destination marketing activities).

One of the key benefits and areas of support that Venture Southland is able to provide is visitor information and itineraries that attract visitors and extend their length of stay. Often when a conference is being held, the partners of the attending delegates also visit and are looking for things to do and visit including "Southland" experiences and attractions. Venture Southland also works with businesses and organisations to develop new or enhance existing tourist products. This can create further reasons for people to extend the length of stay of their visit or to return again.

Venture Southland is committed to working alongside stakeholders to enhance the appeal of Southland as a conference destination. This includes understanding why bids are both successful and unsuccessful and then using this to enhance future bids or mitigate shortcomings where possible.

Support for Organisations to Attract and Organise Conferences

Venture Southland works alongside individual organisations to strategise and develop competitive bids. This includes the conceptualisation of bids, the development of conference networks and capability building of current and potential conference organisations. Venture Southland administers the Conference Incentive fund in collaboration with the partial funder Invercargill Licensing Trust.

Bid support include information on:

- Venue, accommodation, entertainment, incentives and catering options.
- Itineraries for delegates, pre and post conference.
- Transport plans and other logistical considerations.
- Marketing materials such as print and digital brochures and imagery.

Key Objectives

- Prospect 50 conference opportunities, undertaking 12 bids to attract 6 additional conferences
- Represent the region through 4 events/activities and industry channels
- Undertake an investigation of Southland destinations (Te Anau and Gore) as potential conference destinations



Major Initiatives

Events

What is this?

Southland is known for high quality events which add diversity, vibrancy and a sense of well-being to the region's residents and ratepayers. Venture Southland believes that events are an important aspect of our approach to develop and promote Southland as an attractive place to live, study, work and visit.

How is this initiative funded?

All initiatives include varying amounts of staff time.

Direct Expenditure on these initiatives is:

- \$420,000 for facilitating, supporting and promoting events, offset by \$390,000 contributions from funders.

Events facilitated by Venture Southland aim to break even.

What are the benefits for Southland?

- Visitors are attracted to the region, encouraging them to not only visit Southland for the event, but to stay longer and to return again.
- The diversity of Southland is showcased to the rest of NZ and the world via promotional opportunities - our culture, heritage, community focus, quality of life and lifestyle.
- Economic growth is stimulated.
- The 'Southland Brand' is reinforced and communicated.
- Communities connect through events, contributing to a sense of 'well-being' and community pride.
- Enhanced recreational, cultural and sporting opportunities are created for Southlanders, enhancing their quality of life.

What projects are planned/continuing for this year?

Southland boasts a range of events appealing to a variety of people and across different sectors - the arts, culture, heritage, community, sporting, recreational and entertainment. From events organised and delivered at a local level which showcase diverse community opportunities and help connect communities (farmers' markets, sporting events and Christmas parades etc.) through to events which put Southland on the map nationally and internationally (world sporting events, conferences and iconic events). It is important to note that the benefits are different for each and just as important as each other. Southland has a number and range of high quality events - due to an extremely enabling and supportive funding environment alongside a passionate and proactive community.

ILT Kidzone Festival

ILT Kidzone is held for six days each July, during the school holidays. This ever-popular event is targeted at school age children,

particularly those under 12 years old, along with their caregivers or whanau. It offers a range of activities, including arts and crafts, creative cooking, robotics, sports, bicycles, and entertainment.

This event attracts 11,000 attendees each year, including a number from outside the region. As well as the attendees, it involves over 200 volunteers, without whom the event would not be possible. Venture Southland won the Regional Trust Power Volunteer award in 2014, recognising the impact of volunteers on this event.

Southland Festival of the Arts

Venture Southland programmes and co-ordinates the Southland Festival of the Arts in April/May of each year. The festival has been run annually since 2009 and provides something for everyone, including families.

The Southland Festival of the Arts is a showcase of creative excellence featuring imported and local arts activities. An exciting array of events in all genres - theatre, music, dance, literary arts and galleries, offers the public a wide variety of entertainment opportunities.

Southland District Council Holiday Programme

Venture Southland manages the annual SDC holiday programme. This sees Venture Southland staff traverse the Southland district, bringing a range of activities to Southland's holidaying school children in January each year.

World Shearing Championships 2017

Venture Southland is assisting the New Zealand Shearing Foundation to organise the event with funding applications and event promotion. Venture Southland is also involved with the organisation of events around the region that will complement this world class event to be held in Invercargill February 2017.

Burt Munro Challenge

Venture Southland provides support to this iconic event, which is run by the Southland Motorcycle Club. As Southland's largest event, this event brings national and international visitors to the region and every opportunity is taken to extend the visitors' length of stay and maximise their spending.

Scheduling

While there is a range and number of different events throughout the region, better scheduling and coordination at a regional level would ensure fewer clashes and possible clustering of events (to create an even longer stay and better experience). Improved understanding of the impact and benefit of events (social and economic) would be beneficial in order to support future funding contributions and visitor satisfaction. Incorporating events into the wider destination promotional focus and campaigns would also highlight the key role they play in attracting visitors. Finally, identifying ways to support the delivery of events in terms of those who run them is also a key area of focus.

Event Impact Assessment and Event Feasibility

Events are heralded to have significant benefit to a community, and the development of new events can act as a key tool to stimulate economic and social activity. Venture Southland works to understand the impact an event has on its community and environment, to ensure that its benefits are realised and that potential risks can be mitigated. This includes the assessment of potential events and provision of support to assist with events success.

Venture Southland Events Calendar

Matariki Festival - June 2016
 ILT Kidzone Festival - July 2016
 Burt Munro Challenge - November 2016
 Santa KidsCan Run - December 2016
 SDC Holiday Programme - January 2017
 Summer Sounds and Waitangi Day Concert - January 2017
 Buskers Festival - January 2017
 Shakespeare in the Park - January 2017
 Southland Festival of the Arts April - May 2017

Fiordland Events – Via Destination Fiordland

Big 3 Hunting and Fishing Competition - June 2016
 Fiordland Fishing Competition - October 2016
 Milford Mountain Classic Cycle Race - January 2017

Key Objectives

- Facilitate events that generate spectatorship of 40,000 per annum and support other regional events with spectatorship of 40,000 per annum (refer to Venture Southland Events Calendar).
- Three event impact assessments undertaken to investigate the social and economic benefits
- 52 promotional activities undertaken across various media, trade, campaign and digital programmes.
- Facilitate two workshops to investigate opportunities to cluster with event organisers and provide event planning advice to other community events.
- Provide marketing support to 32 events per annum through marketing initiatives such as website, social media, competitions, design, publishing and sponsorship advice.
- Investigate the feasibility of two new regional events.
- Development of a platform for reviewing and planning coordination of events across the region.
- Created a Tourism / Events calendar combining all Invercargill facilities.
- Establishment and/or further development of two events in the Southland region.



Major Initiatives

Rural Community Engagement

What is this?

Southland is known for its strong and vibrant communities which contribute to a quality of life not found elsewhere. Venture Southland is proud to play a part in supporting local communities and maintaining this proud Southland community spirit, particularly in rural areas.

The approach is twofold and relies on a relationship approach of working alongside local people and groups (at their pace and where they live/in their neighbourhoods) and secondly partnering with Councils, community funders and other stakeholders on a range of projects and initiatives. The projects are many and varied. These activities support the outcomes of making rural Southland a desirable place to live, grow up, run a business, raise a family and enjoy a safe and satisfying life.

The work programme undertaken by Venture Southland reflects this approach and it can be split into four main areas: community funding, building community capacity and capability, local community initiatives and significant projects.

It is also acknowledged that there is close alignment between the SDC Community and Futures group and the Venture Southland Community Development team. This will be reflected with the collaborative approach progressing on a number of projects, some of which are detailed in the key objectives and listed as Council priorities.

How is this initiative funded?

This initiative is fulfilled with an integrative Venture Southland approach across the Business, Tourism, Events and Community teams.

The majority of the cost is staff time, predominantly undertaken by the Community Development team.

Individual projects and initiatives may be funded by other community and central government funders and support is provided to access this funding.

What are the benefits for Southland?

- Community supported and initiated projects (strong communities in turn promote private investment)
- Increased capability of residents to sustain and grow their communities
- Maintaining and enhancing the quality of life opportunities which Southland is known for - which in turn can play a role in maintaining and growing our population

In the previous year, the Community Development team provided varying levels of support for about 200 not for profit community groups. This included support to prepare and submit funding applications, of which 181 were successful. This resulted in funding of \$1.9 million secured from community and central government funders for a range of diverse Southland community projects.

24

Please note that the return and benefit is not necessarily limited to the size of the project – a variety of projects are supported which reflect the diversity of rural communities.

What projects are planned/continuing for this year?

Venture Southland provides facilitation, support and advice for community groups, residents, external agencies and Council staff (in particular the SDC Community and Futures group).

This requires ongoing collaboration alongside a number of our partners including our three Councils, the Community Trust of Southland and the Southland Regional Development Strategy. Also, the Department of Conservation, Cruise NZ, Sport Southland, Department of Internal Affairs (Lotteries), Ministry of Social Development, Te Ao Marama Inc, Clutha Development Trust and Clutha District Council, Environment Southland, Southland Regional Heritage Committee (SRHC), Sport NZ, Te Puni Kokiri, Meridian, Creative Communities NZ, Invercargill Licensing Trust, Southland Museum and Art Gallery, Heritage South, Community Law Centre, NZ Police, Neighbourhood Support NZ, Emergency Management Southland and numerous community organisations and funders.

The organisation also links the threads of projects on behalf of community groups and residents to assist in bringing them to fruition and listens to and learns from residents to understand what is happening in local communities, including opportunities and challenges.

Community Capacity and Capability Building

Venture Southland aims to build community capacity by educating and empowering people to take on important roles in their communities and developing knowledge and skills so groups can more easily source both funding and human resources to achieve desired outcomes.

Local Initiatives

Venture Southland supports local communities with a significant number of local initiatives that address and enhance many aspects of the community. Many are identified in regional plans and strategies and a higher level of support and involvement (often facilitation) is required to assist with complex local initiatives.

Significant Projects

Venture Southland will continue its support for significant projects within the region, alongside Southland District Council and other stakeholders and community groups detailed in the key objectives.

Community Funding

Venture Southland engages regularly with regional and national funding stakeholders to ensure an understanding of the wider

Major Initiatives

community funding picture. It also assists local community groups with funding, planning, advice & project coordination and administers key funds on behalf of partners.

Key Objectives

Community Capacity and Capability Building

- Undertake a review of the Community Organisation Needs Assessment (CONA) (see page 7 Volunteer Sector Investigation) and report on key findings to the Southland District Council.
- Participate in a review of the level of support that is provided to community groups following completion of the CONA project (see page 7).
- Develop, design and deliver a Community Leadership Programme to support community volunteer development and community organisation capability and capacity building, alongside SDC.
- Develop a human asset mapping inventory and develop a community organisation resource bank alongside the SDC Community and Futures group
- Initiate a district wide community facility stocktake and develop future facility planning protocols and guidelines
- Further development of the community planning approach to link in with the development of the Southland Regional Development Strategy (see page 6 and 7) and the SDC Community and Futures group's work associated with the Community Futures project.
- One series of workshops to be held throughout Southland to educate the local community about a relevant issue i.e. Health and Safety for community groups

Local Initiatives

- A minimum of 100 community groups assisted to promote and lead their own development and community projects; and to leverage off and connect to national and regional initiatives.

Significant Projects

- Interpretation panels on Stage 1 of the Around the Mountains Cycle Trail are completed
- Implementation of the Around the Mountain Cycle Trail Business and Marketing Plan and associated operational structure review requirements (see Page 7)
- Facilitate community planning opportunities, as a result of the follow up from the Community Futures project, for Ohai and Nightcaps
- Support the delivery and implementation of the findings from SDC's Service and Public Facility Provision in Wyndham project
- Lead the project design, development and delivery for an assessment of the future provision requirements of public community facilities for Stewart Island/Rakiura
- Facilitate the implementation of the Curio Bay Tumu Toka

Vision, including the Natural Heritage Centre development, camp ground upgrade, DOC and SDC infrastructure upgrades

Community Funding

- A minimum eight funds administered on behalf of SDC/SRHC/ John Beange Fund/Sport NZ/Creative Communities NZ/ Wyndham Charitable Trust/Stewart Island Rakiura Visitor Levy over two rounds per annum
- Support a minimum of 100 local community groups with funding, planning, advice & project coordination

Funding & Priorities

Financials

Budgeted Statement of Financial Performance for the Year 2016/2017.

Overview of Income & Expenses

**Income/Grants
(Council Contribution)**

Invercargill City Council	1,769,907
Southland District Council	1,742,000
Gore District Council	57,249
Environment Southland	20,000
Total Grants	3,589,156

**Other Income
(External Funding)**

Other Income	1,310,778
Interest	30,000
Invercargill i-Site	130,553
Total Other Income	1,471,331

Total Income

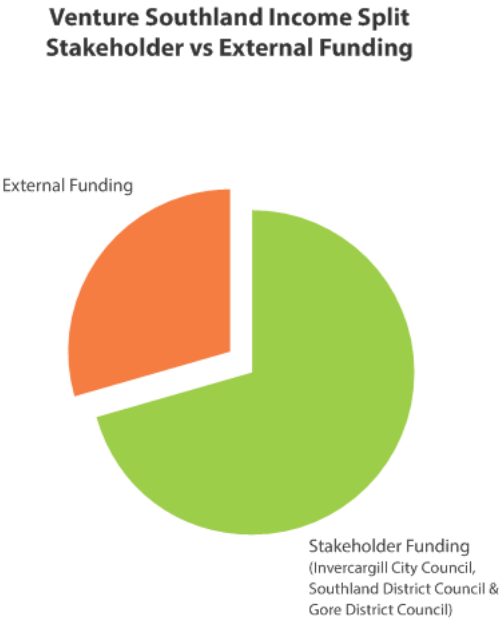
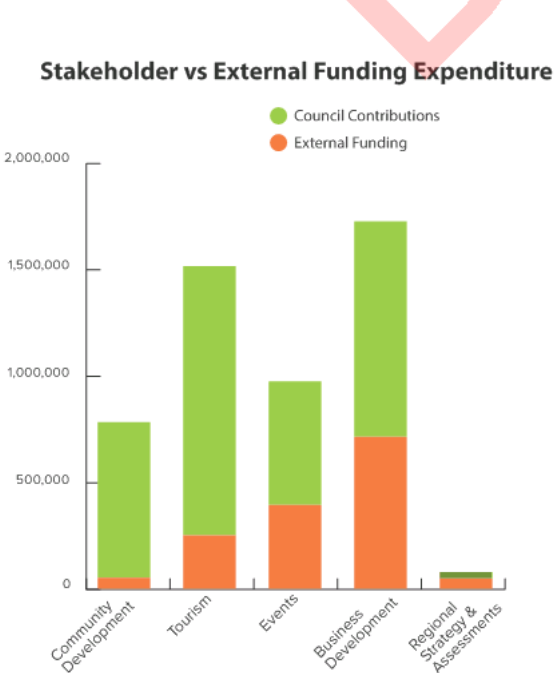
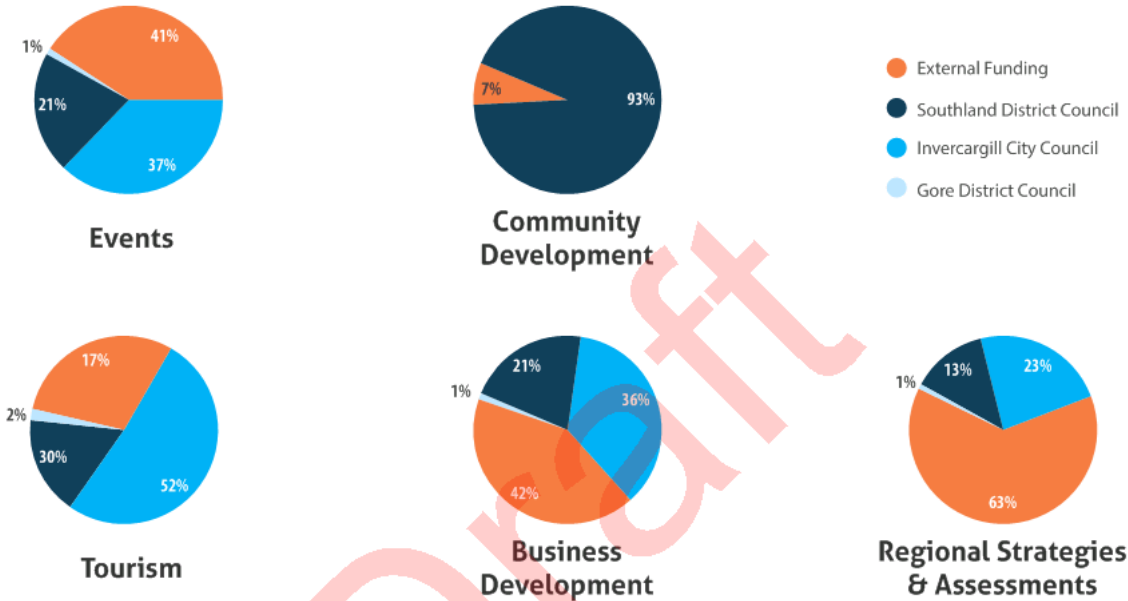
		External Funding	Council Contribution
Expenses			
Community Development	781,484	54,633	731,484
Tourism	1,509,827	253,168	1,265,610
Events	971,182	396,432	580,507
Business Development	1,717,993	716,624	1,011,554
Regional Strategies & Assessments	80,000	50,474	30,000
Total Expenses	5,060,486	1,471,331	3,589,156
Net Surplus/(Deficit)	Nil	Nil	Nil

Note: Expenditure on each area of activity shown above, are the costs directly associated with that area plus an allocation of overheads such as rent, administration staff costs etc

Funding & Priorities

Financials

Graphic demonstration of Income



Funding & Priorities

Council Priorities 2016/2017

Venture Southland is expected to deliver outputs which contribute to improving the outcomes which are valuable to the Southland region and enhance the prosperity and quality of life of its communities.

These tables show where the activities Venture Southland undertakes on behalf of its three Council stakeholders meet the priorities set by the three Councils annually. Many of the activities meet several of the priorities.

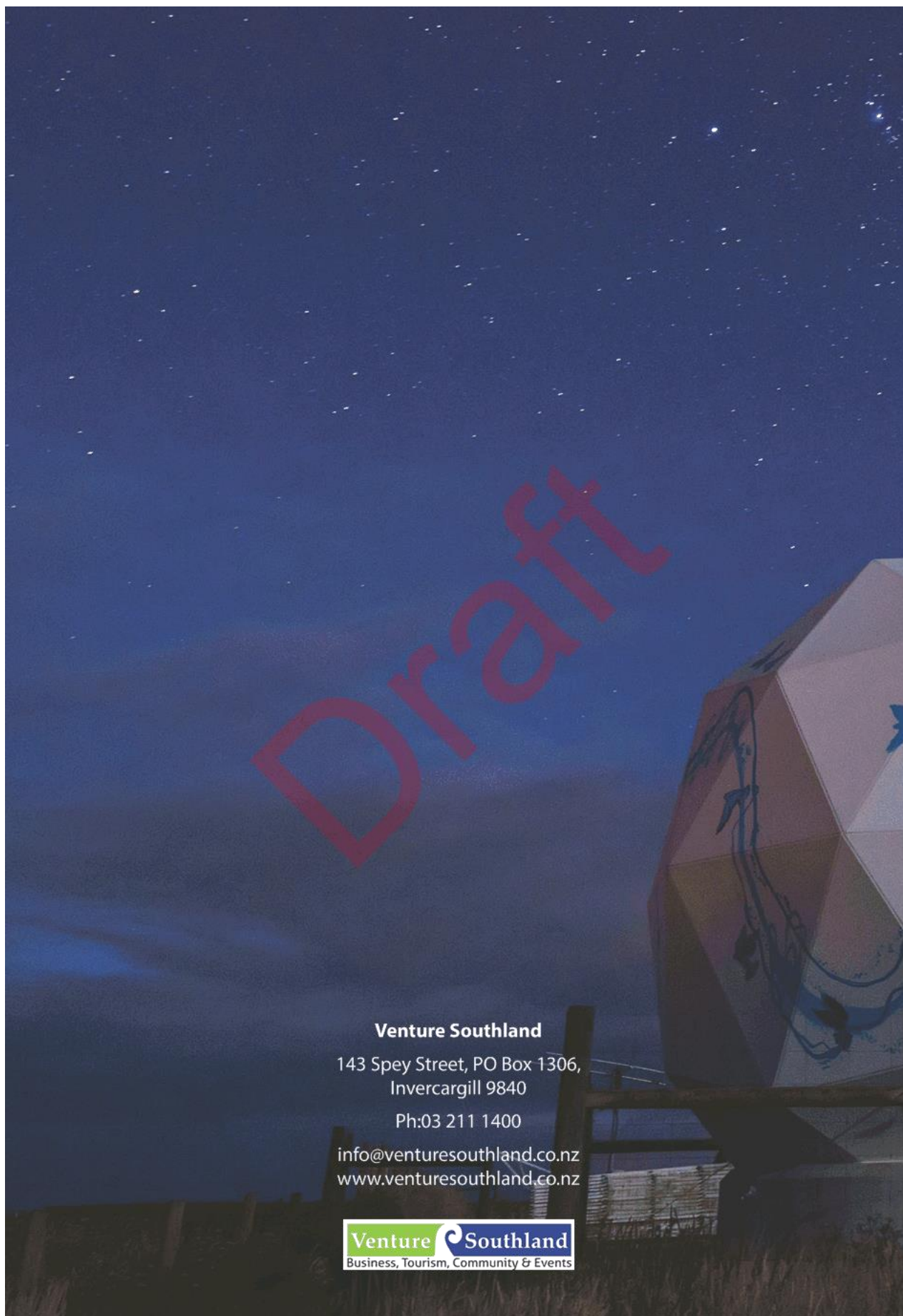
- Increase in the number of new businesses to the region
- Increase in regional gross domestic product
- Increase in population
- Increase job opportunities for all reflected in unemployment below the national average
- Increase in household income
- Increase in the number of visitor nights and tourist occupancy rate
- Increase in the contribution to Southland's economy from International students

	Increase new businesses	Increase regional domestic product	Increase population	Increase job opportunities	Increase household income	Increase tourist occupancy	Increase international students
Conference Attraction							
Support, advice and promotion	•	•		•	•	•	
Creative Arts							
Support, advice and promotion		•			•	•	
Energy Efficiency							
Methane Recovery	•	•		•	•		
Wood Energy South	•	•	•	•	•		
Pool Heating Assessments	•	•	•				
Business Services & Efficiency							
Lean Dairy		•		•	•		
Lean Management		•		•	•		
Regional Business Partner Programme	•	•	•	•	•		
Research and Development funding	•	•	•	•	•		
Business Survey							
Attracting & Retaining a Skilled Workforce							
Promote Southland	•		•	•	•		

Item 8.15 Attachment B

Funding & Priorities

	Increase new businesses	Increase regional domestic product	Increase population	Increase job opportunities	Increase household income	Increase tourist occupancy	Increase international students
Diversification of Southland's Economy							
Awarua Satellite Ground Station	•	•		•	•		
Regional Research Institute	•	•	•	•	•		
Aerial Magnetic Study	•	•	•		•		
Film and Television Opportunities	•	•	•	•	•	•	
Aquaculture	•	•	•	•			
Oat Based Health and Wellness	•	•	•	•			
Tourism	•	•	•	•	•	•	
Regional Strategies, Assessments & Advocacy							
Southland Digital Strategy	•	•		•	•		
Southland Regional Development Strategy	•	•	•	•	•	•	•
Southland Cycling Strategy	•	•		•	•	•	
Southern NZ Cruise Destination Strategy	•	•		•	•		
Around the Mountains Marketing Plan	•	•		•	•	•	
Southland Visitor Strategy	•	•		•	•	•	
Catlins Tourism Strategy	•	•		•	•	•	
Volunteer Sector Research	•	•		•	•	•	
Regional Export Value Research	•	•		•			
Southland Regional Labour Market Strategy	•	•	•	•	•		
Events							
Support, advise and promotion	•	•	•	•	•		
ILT Kidzone	•	•	•	•			
Southland Festival of the Arts	•	•	•	•			
Burt Munro Challenge	•	•	•	•			
Buskers Festival	•		•				
Shakespeare in the Park	•		•				
Summer Sounds Concerts	•		•				
SDC Holiday Programme	•		•				
Santa Kids Run	•		•				
Matariki Festival	•		•				
Destination Promotion & Visitor Attraction							
Marketing Campaigns	•	•	•	•	•	•	•
Media Engagement	•	•	•	•	•	•	•
Digital Marketing	•	•					
Develop Trade Channels	•	•	•	•	•	•	•
Develop Commissionable Product	•	•	•	•	•	•	•
Participate in Marketing Alliances	•	•	•	•	•	•	•
Develop Itineraries	•	•	•	•	•	•	•



Vacancy - Colac Bay Community Development Area Subcommittee

Record No: R/16/3/4316

Author: Alyson Hamilton, Committee Advisor/Customer Support Partner

Approved by: Rex Capil, Group Manager, Community and Futures

☐ Decision

☒ Recommendation

☐ Information

- 1 The Colac Bay CDA subcommittee has two vacancies due to the resignations of Mrs Julie Guise and Mrs Carole Elder.
- 2 The process to fill the vacancies on a CDA subcommittee is via one of the following options;
 - Advertisements placed in local information bulletins
 - Holding of a public meeting
 - Notices strategically placed throughout the affected township
- 3 In this particular case the Colac Bay CDA decided to invite nominations via a mail drop throughout the Township and surrounding area.
- 4 As a result two nominations were received for the CDA namely Mr Ian Brinsdon, a resident who is retired farmer and Mr Graeme McKenzie, a resident of the Township and operates as a Business Manager.
- 5 At its meeting held on 17 March 2016 the Colac Bay CDA supported the nominations of Mr Brinsdon and Mr McKenzie and recommend that the nominations be endorsed by Council.

Recommendation

That the Council:

- a) **Receives the report titled “Vacancy - Colac Bay Community Development Area Subcommittee” dated 19 April 2016.**
- b) **Determines that this matter or decision be recognised as 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) **Confirms the Colac Bay Community Development Area Subcommittee’s recommendation that Mr Ian Brinsdon and Mr Graeme McKenzie be appointed to fill the vacancies on the Subcommittee.**

Attachments

There are no attachments for this report.