



## Otorohanga Community Board

# AGENDA

28 SEPTEMBER 2017

**4.00pm**

A presentation will be made by Carolyn Christian, on behalf of the  
Otorohanga District Development Board

Members of the Otorohanga Community Board

Mr Alan Buckman  
Mrs Katrina Christison  
Mrs Liz Cowan  
Mr Neville Gadd  
Mr Paul McConnell (Chair)  
Mr Peter Coventry

Minutes Secretary: Mr CA Tutty (Governance Supervisor)

# OTOROHANGA COMMUNITY BOARD

28 SEPTEMBER 2017

Notice is hereby given that an Ordinary meeting of the Otorohanga Community Board will be held in the Council Chambers, 17 Maniapoto Street, Otorohanga on Thursday 28 September 2017 commencing at 4pm.

21 September 2017

**DC Clibbery**  
**CHIEF EXECUTIVE**

## AGENDA

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**PRESENT**

**IN ATTENDANCE**

**APOLOGIES**

**PUBLIC FORUM**

**ITEMS TO BE CONSIDERED IN GENERAL BUSINESS**

Domain Toilets – roofing replacement and re-opening this facility for public use.

**CONFIRMATION OF MINUTES – 24 AUGUST 2017**

**DECLARATION OF INTEREST**

**ITEM 28                    PROPOSED LEASE OF KIWIRAIL LAND**

**To:**                        **Chairperson and Members  
Otorohanga Community Board**

**From:**                   **Chief Executive**

**Date:**                    **28 September 2017**

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**Relevant Community Outcomes**

- Ensure services and facilities meet the needs of the Community

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**Executive Summary**

It is proposed that Council leases an area of approximately 9000 square metres on the eastern side of the railway lines through Otorohanga, to be used as an extension of the public space being developed in the Huiputea area.

**Staff Recommendation**

That The Otorohanga Community Board authorises the Chief Executive to enter into a 9 year lease from KiwiRail of an area of approximately 9000 square metres along the eastern side of the rail lines in central Otorohanga.

**Report Discussion**

In recent times Council staff have been in discussion with KiwiRail regarding the potential for Council to lease a strip of land on the eastern side of the rail lines through Otorohanga that in part adjoins other land owned or managed by Council around 'Lake Huiputea'.

As Members may be aware there is now an agreement with the Maori owners of larger area of land around the Huiputea Tree that Council will manage this land and make it available for public use, and in recent times Council's management efforts have seen this area, and the Council owned land around the lake, start to become an attractive and useable public open space. This is a real change from the past when the Huiputea area was one of the least attractive places in the community.

The last significant remaining obstacle to the development of this area as an open space has however been the presence of a very untidy long narrow strip of land owned by KiwiRail alongside the railway. The previous lease of this area to a local person was however about to expire, and Council staff have taken this opportunity to explore the potential of Council becoming the tenant of this land, with a view to incorporating at least part of it into the Huiputea open space.

This has culminated in Council being offered a 9 lease lease of this area, which is of just over 9000 m<sup>2</sup>, for 'beautification' at rental of \$600 + GST per annum, subject to escalation of 2% per annum. The lease would commence on 1 October 2017.

This area is outlined in solid black on the plan on the following page, whilst the Maori owned land is the light solid outline and the Council land has the light dashed outline.



Kiwirail lease, Maori and Council land areas at Huiputea

**Other Costs**

The inclusion of this additional area (or at least half of it) in the Huiputea open space will inevitably have some additional costs.

The fences that exist are generally in poor condition and not even along the boundaries of the lease area. As such all of those fences would have to be removed and disposed of and at least 250 metres of new boundary fence (probably a 7 wire) installed.

The land itself is also in poor condition. The more northerly part is largely grassed and has been grazed by horses, but weeds and rubbish are present on it. The southernmost part has become overrun by blackberry and other invasive weeds and is currently unusable. Some areas closer to the rail lines have been coarsely metalled, and it is suspected that some heavy concrete debris may be on or near the surface in some places.

As such several days of earthmoving work are likely to be required to bring the area up to a suitable standard for grassing.

Once grassed it would be envisaged that the area would be mowed by Council staff in conjunction with the mowing that they are currently undertaking of the Maori land.

In terms of budgeting it is suggested that initial expenditure to bring the leased land up to the desired standard might be in the \$10,000 to \$15,000 range, and that average maintenance costs thereafter (mainly comprised of mowing) would be around \$2,000 per annum.

These expenditures are considered to be very reasonable for the positive effect that they are likely to have both on the recreational potential of the Huiputea area and also (perhaps even more valuable) the aesthetic improvement associated with the removal of a particularly ugly area in the centre of the community.

Whilst these expenditures may be good value it is however noted that there is not currently any budget allocation available in the Otorohanga Parks and Reserves account in the current financial year that could reasonably be used to meet the cost of undertaking the initial improvements required to the lease area.

Despite this it is suggested that the opportunity to take control of this area should be grasped. At Councils meeting of 19 September 2017 it gave its approval for this area to be leased on the terms described.

**Other Matters**

Council's leasing of the land in question would remove one of the barriers that currently separates the main western body of the Otorohanga township from the open space being created at Huiputea.

This, together with some other recent developments, might give grounds to consider the potential of having a pedestrian level crossing over the railway lines in the centre of Otorohanga, at either the north or south ends of Wahanui Crescent, to make Huiputea more accessible.

In particular it is believed that enhancing the connection of the Huiputea open space and the CBD would significantly enhance the potential for community events to make use of Huiputea, particularly in the summer months.

**Dave Clibbery**  
**CHIEF EXECUTIVE**

**ITEM 29                    ROUTINE ENGINEERING REPORT – MAY TO AUGUST 2017**

**To:                         Chairperson and Members  
                              Otorohanga Community Board**

**From:                     Engineering Manager**

**Date:                     28 September 2017**

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**Relevant Community Outcomes**

- The Otorohanga District is a safe place to live
  - Ensure services and facilities meet the needs of the Community
- 

**Executive Summary**

This is a routine report on engineering matters relating to the Otorohanga Community for the period May to July 2017.

**Staff Recommendation**

It is recommended that the report be received.

**Report Discussion**

**Contract 963 - Roads Maintenance  
(Inframax Construction)**

Contract 963 came to a successful conclusion on 3 July 2017, with Inframax handing the network over in a good state of repair, having completed the majority of the outstanding and ongoing work so that very few service requests and no urgent works remained. In the opinion of the Engineering Manager and roading staff, Inframax have performed admirably as the maintenance contractor for Council over the last five years. Budget for C963 for the 2016/17 financial year was \$2,279,000 and the actual cost was \$2,032,632, a saving of \$246,368.

**Contract 1025 - Roads Maintenance  
(Services South East (NZ) Ltd.**

Services South East (NZ) Ltd (SSE) took over the Council maintenance contract on 3 July and they have made a good start. There have been very few comments from the community about the “new” Contractor, which is a good indication of a successful handover. Over the last few weeks there has been a few comments feeding back on the state of the roads due to the consistent rain which is causing pot holes and slips on the network.

Overall, the roading network continued to function well during the winter weather. A few minor issues have arisen such as culverts blocking and a couple of larger culverts now require replacement. This work has been scheduled for when stream flow levels have reduced. A resource consent request is also underway for an additional large culvert on Morrison Road near Aotea that is needed as a result the floods earlier in the year blocking up the tidal area to the south of the road.

The areas of road treated over the last year with KOBM continue to perform well. No additional metal has been added and no grading has taken place. The level of service improvement (far fewer corrugations) has now been validated and the cost savings / additional cost calculation can only be completed once the areas require re-working. Results are looking very promising.

Logging operations on Kaimango are now complete for the season and the road has held up quite well, remedial work is now underway.

**Contract 1058 - LED Streetlight Upgrade**

This contract is currently out for tender and closes on 22 September, with work planned to commence this year. There may be a Contractor’s resourcing issue due to other Councils undertaking the same work at the same time, which may result in the work being done later in the financial year.

**C1038 - Mangawhero Bridge Strengthening Works, Otewa Road**

This contract is for the strengthening of this bridge to a class 1 standard, and at the same time the sub-structure underneath will be maintained and painted. This work has been awarded to TBS Farnsworth, with work planned to start in November once river levels have fallen and the rain has stopped.

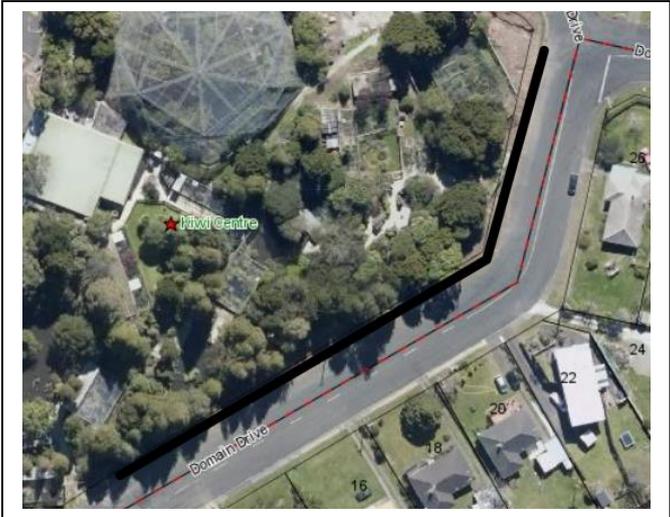
**C1053 - Footpath Construction and Maintenance 2017/18**

Design and commencement of a contract for footpaths is currently being undertaken. The construction of new sections of footpath include Alex Telfer Drive in Otorohanga and Charleton Street in Kawhia. The contract will consist of these two capital lengths and approximately 395m<sup>2</sup> of maintenance or renewals, which will be defined during the footpath condition rating survey in November / December. In addition to this work approximately 150m of kerb and channel will be replaced in Domain Drive adjacent to the Kiwi House.



Alex Telfer Drive footpath location

Domain Drive kerb and channel replacement



**Otorohanga/Waipā Water Supply/Plant**

Allens United have successfully completed the installation of commercial property water meters within the Otorohanga town site.

The vast majority of the properties within the town site are now metered.

The replacement of a section of water main on Domain Drive has also been completed.

Income from water consumption in Otorohanga is down by 21%.

**C1054 – Otorohanga Water Meter Reading**

This contract was awarded to MeterOne based in Putaruru, who have successfully completed their first round of meter reading.

**C1039 - Otorohanga Reservoir Upgrade**

This work is now complete and the reservoir is in service.

**Otorohanga Sewerage Treatment**

The wastewater treatment has again functioned well over the last three months with no significant operational issues. The preparation work to refurbish the second wet cell is underway with the cell taken off line and the plants ordered. The physical works will start in early summer when the cell has had time to drain, although with the current weather this could be delayed.

A survey of the sludge in the retention pond has revealed a far larger amount than anticipated, which is having an impact on retention time and will need to be addressed. Planning is underway to do so and a report will be completed, as this work has not been budgeted in this financial year.

### **Otorohanga Community Stormwater Drainage/Flood Protection**

Driven by a national decision and due to the recent stopbank failure at Edgecumbe, Waikato Regional Council were asked to commission Tonkin and Taylor to undertake a risk assessment of all urban stop banks. This took place on 24 July and we have not received the report, although a copy is promised as soon as it is available. Initial comments from the Regional Council identified that the soil was saturated and cannot stand the hoof pressure of the stock under these circumstances.

**Roger Brady**  
**ENGINEERING MANAGER**

**ITEM 30                    CALCULATION OF TARGETED WATER RATES COSTING**

**To:                            Chairperson and Members  
                                  Otorohanga Community Board**

**From:                        Engineering Manager**

**Date:                         28 September 2017**

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**Relevant Community Outcomes**

- Ensure services and facilities meet the needs of the Community
  - Manage the natural and physical environment in a sustainable manner
- 

**Executive Summary**

In answer to questions raised by Mrs Cowan in the last Community Board Meeting, this report details how the targeted water rate is calculated, why the amount charged has increased over the last five years, and compares Council's costs to other Councils.

**Staff Recommendation**

It is recommended that the report be received.

**Report Discussion**

The total number of new water meters installed to-date is 1,216 at a cost of \$671,106 (\$552 per meter on average) and \$45,000 has been carried over to complete the remaining difficult meters, bringing the total budgeted cost for this exercise to \$716,106.

The Otorohanga targeted water rate is calculated as follows:

- The cost of maintaining the water reticulation network, 70 percent of the operational and routine maintenance costs of the water treatment plant (30% charged to the Waipa Rural Water Scheme) and associated depreciation used for capital renewal works are added together.
- Any recovery shortfalls for the previous year are then added to the balance, over recoveries are subtracted.
- The income obtained from metered charges is then deducted from this cost to arrive at a net cost.
- This net cost is divided by the number of properties receiving water which are not charged for metered water.
- The targeted water rate for the year is set using the estimates for that year and are therefore set in advance.

There are three major contributing factors to the increase in the targeted water rate for 2017/18 year namely:

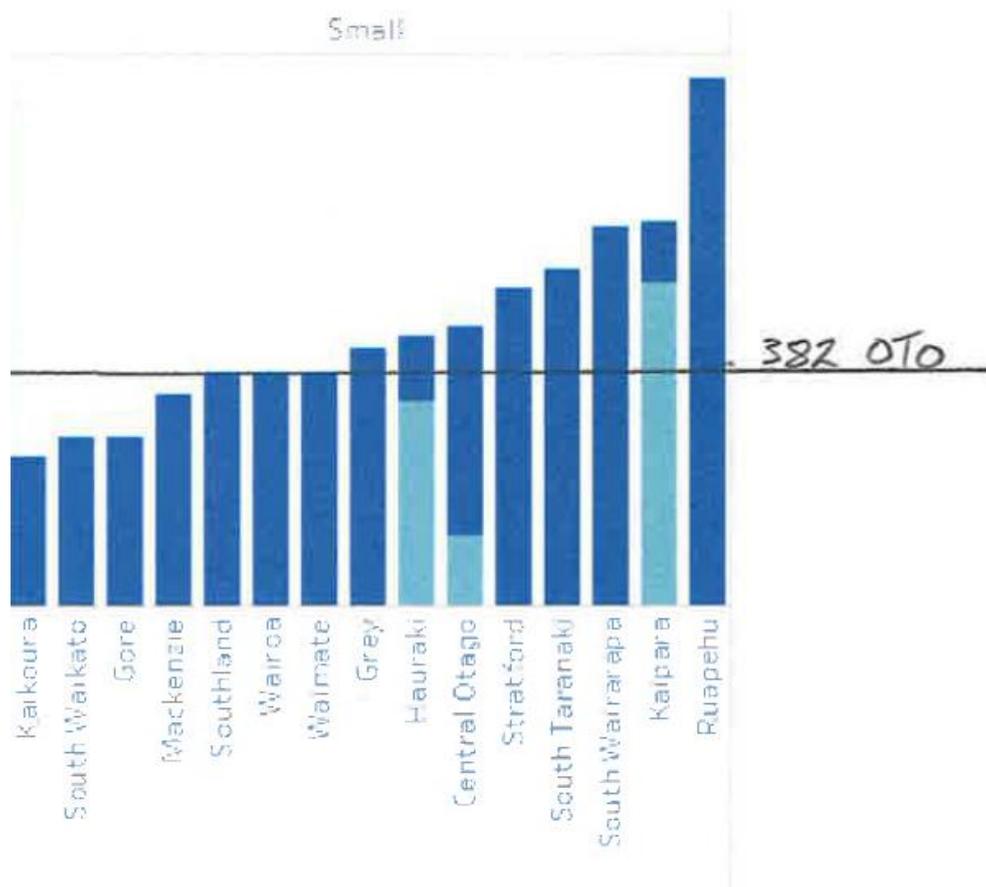
- A net increase in the depreciation costs of \$42,578 as a result of needing to depreciate the new meters.
- A net increase in operating costs and routine maintenance costs of \$53,047 in the 2016/17 year. The majority of this cost was asset maintenance where pipes and equipment broke and had to be replaced along with additional staff time for increased reporting and a concerted effort to comply with the requirements of both the Waikato District Health Board and Waikato Regional Council. The challenges around complying are due to the age of the plants and increased standards since they were built.
- An under recovery on the income from metering of \$28,875 due to the weather being so wet and people using less water.

The Water New Zealand National Performance Review for 2015/16 provides some useful statistics derived from other Councils.

(The full document can be accessed via this link)

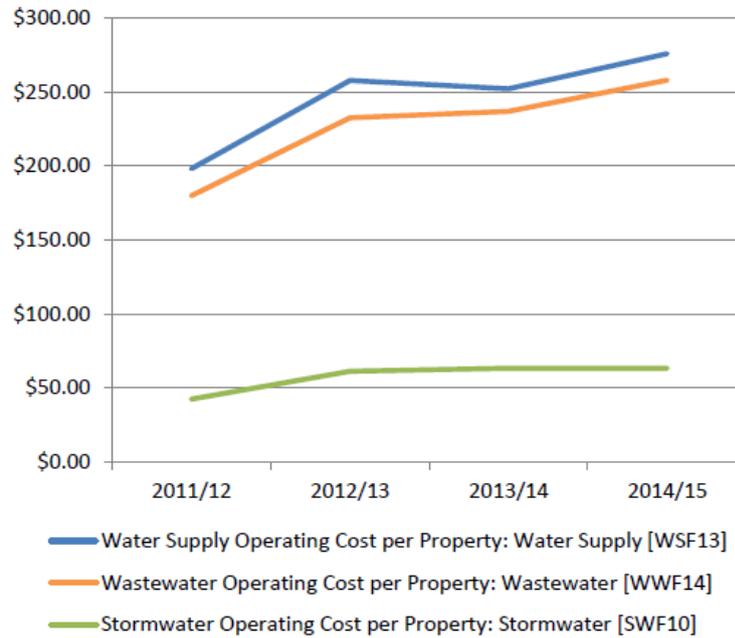
[http://www.waternz.org.nz/Attachment?Action=Download&Attachment\\_id=2071](http://www.waternz.org.nz/Attachment?Action=Download&Attachment_id=2071) )

The following graphs shows water charges for small Councils for the 2015/16 year which places Otorohanga below the average cost when compared with other smaller Councils.



Median water supply operational expenditure for small Councils have risen some \$77 from \$198 to \$275 in the three year period from 2011/12 to 2014/15, which equates to 39%. Whilst this does not present a direct comparison with the Otorohanga targeted water rate, the increase of \$25 or 10% for the 2014/15 year is similar to the 10.39% increase for the year.

Figure 4.2-4: Change in median water, wastewater, and stormwater operational expenditure per property



The conclusions that can be drawn from the 2015/16 National performance review are that:

- Otorohanga water charges are below the median level for small councils.
- Increases in the Otorohanga costs of supplying water over the last five years are similar to those experienced by other Councils.

The final calculations of where the fixed charge will be for the 175,000 litres before metered costs are incurred has not been finalised. Current indications based on two rounds of meter reading are that there will be an increase from the 2015/16 estimate due to a combination of significant reduction in the amount of water produced due to leaks being fixed and the increase in operating costs and depreciation.

Roger Brady  
**ENGINEERING MANAGER**

**ITEM 31                    OCB MATTERS REFERRED FROM 24 AUGUST 2017**

**To:                         Chairperson and Members  
                              Otorohanga Community Board**

**From:                     Governance Supervisor**

**Date:                     28 September 2017**

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**27 JULY 2017**

**CHAIR**

1. To look into the matter of communicating with the local people. e.g. by way of a Community Communication Document.

**ENGINEERING MANAGER**

1. To arrange for the presentation of the Kerb and Channel programme and revised footpath programme.

**24 AUGUST 2017**

**OTOROHANGA DISTRICT COUNCIL / OTOROHANGA COMMUNITY BOARD**

1. To hold a workshop meeting with Council regarding the future growth of the District, in particular to information being made available to the public regarding the subdivision of land and future residential land earmarked for development.
2. To hold a funding workshop prior to the next Long Term Plan.

**MRS CHRISTISON**

1. To have discussion with Mrs Rosemary Davison regarding Willows along the Waipa River embankment in particular, to them being hosts to aphids and then taking this matter up with the Regional Council.

**ENGINEERING MANAGER**

1. To investigate why the Targeted Water Rates Uniform Annual General Charge in the Community has increased since 2013.
2. To provide members with the final cost of the Water Metering installation.

**COMMUNITY FACILITIES OFFICER**

1. To investigate the ownership and maintenance arrangements of the Domain Toilet Block facility.

**GENERAL**