

Hearing Panel Report on Proposed Queenstown Lakes District Council Water Supply Bylaw 2015.

Purpose

To report on the Hearing Panel's consideration of submission received on the proposed Queenstown Lakes District Council Water Supply Bylaw 2015 and additionally consider and address a matter raised by Councillor Gilmour in regards to Council having the ability to fix leaks on private land.

Resolution

On the motion of Councillor Cocks and Councillor Lawton it was resolved:

That the hearings panel recommend to Council that the Queenstown Lakes District Water Supply Bylaw 2015 be adopted with the following amendments:

1. To amend Clause 8.6 to state:

a) The Council may fit a meter to monitor an ordinary use of water;

b) Extraordinary use and restricted flow supply shall normally be metered and charged for in accordance with 8.15. Where the use is for fire protection only, this supply shall not normally be metered.

2. Clarification of use of the terms 'ordinary use', 'extraordinary use' 'ordinary supply' and 'extraordinary supply'.



Title: Chair of Hearings Panel
9/11/2015

Background

On 27 August 2015, Council resolved to undertake public consultation on the proposed Queenstown Lakes District Council Water Supply Bylaw 2015.

Councillors Gazzard, Lawton and Cocks were appointed to hear submissions received.

Submissions closed on the 29 September 2015.

Only one Submission was received and the submitter did not wish to be heard, therefore there has not been a hearing.

Additional to the submission received a matter was raised by Councillor Gilmour in regards to Council having the ability to fix water leaks on private land.

The hearings panel has considered the submission and matters raised by Councillor Gilmour and is now in a position to recommend to Council the form of Bylaw to be adopted.

Submission

The submission made by Mr Davidson is attached as appendix A.

The key matters in the submission are:

- Concerned with section 8.6 – Metering.
It appears that there is no definition of what is excessive water use. There is a danger of a subjective decision being made on the water usage of a particular ratepayer, fitting a meter and charging them.
- Charging
Currently charged \$180 per annum for the Water Supply Charge. With the large percentage of unoccupied houses, the cost of installing meters must surely outweigh any additional revenue from water charges by volume unless the council is planning for the average water charge to be increased to cover the metering costs.

Requesting:

- Define excessive use. *Is it a volume usage or a water wastage measure? E.g. unrepaired leaking pipes and irrigating on a timer irrespective of need should be penalised but filling a pool once a year should not. If one ratepayer is to be charged by volume then all ratepayers should be charged by volume. Unfair to do otherwise.*
- *I am concerned the cost of installing meters, reading them and billing will more than outweigh the benefits both financial and in reducing water infrastructure strain in peak times. Either use water use restrictions or meter and charge all ratepayers by volume.*

Matter raised by Councillor Gilmour

A matter was raised by Councillor Gilmour in regards to Council having the ability to fix leaks on private land and charge the land owner for the works when necessary.

Deliberations

The hearings panel considered each of the matters raised (Attachment B) and determined the Bylaw should be adopted with amendment to clause 8.6 as discussed in the submission report and with clarification of the terms 'ordinary use', 'extraordinary use' 'ordinary supply' and 'extraordinary supply'.

Attachments

- A. Submission received
- B. Minutes of the deliberations
- C. Submission report

Proposed Water Supply Bylaw 2015

Filled Wednesday, September 23, 2015

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Proposed Water Supply Bylaw 2015

Any person or Organisation is welcome to make a submission on the Proposed Water Supply Bylaw 2015 and the Council encourages everyone with an interest to do so. Submissions close at 12pm on Thursday 30 April 2015. All submissions will be treated as public information.

I am submitting feedback as:

An individual

First Name:

Matthew

Last Name:

Davidson

Email Address:

md@sorted.kiwi.nz

Please select the statement that applies to you.

I DO NOT wish to be heard in support of my submission at a public hearing.

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This is a submission on the Proposed Water Supply Bylaw 2015.

Please enter your submission below.

Your submission should include which parts of the bylaw you support or oppose and the reasons for your views.

I am concerned with section 8.6 Metering. It appears that there is no definition of what is excessive water use. There is a danger of a subjective decision being made on the water usage of a particular ratepayer, fitting a meter and charging them.

So it appears from my reading of this section that if a ratepayer happens to come to the attention of the council. It is then concluded that they are an excessive user of water then a meter is fitted and they are charged on a volume basis. Meanwhile other ratepayers can use as much water as they like and pay the uniform water supply charge rate.

I am currently charged \$180 per annum for the Water Supply Charge. With the large percentage of unoccupied houses in Wanaka the cost of installing meters must surely outweigh any additional water charges by volume. Unless the council is planning for the average water charge to be increased to cover the metering costs.

Wanaka and the QLDC are very lucky to have so many absentee ratepayers who for a vast majority of the year have a minimal strain on the town's infrastructure. I can understand when the town fills up in December/January the water supply is likely near breaking point. Surely measures detailed in section 8.5.3 such as no unattended watering of gardens and similar measures would be a far more cost effective way to manage water use in peak times.

What would you like the Council to do?

Does the bylaw need to be changed or have we got it right? Please be as precise as possible in explaining what you are seeking from the Council relating to the Proposed Water Supply Bylaw 2015.

Define excessive use. Is it a volume usage or a water wastage measure? e.g. unrepaired leaking pipes and irrigating on a timer irrespective of need should be penalised but filling a pool once a year should not.

If one ratepayer is to be charged by volume then all ratepayers should be charged by volume. Unfair to do otherwise.

I am concerned the cost of installing meters, reading them and billing will more than outweigh the benefits both financial and in reducing water infrastructure strain in peak times.

Either use water use restrictions or meter and charge all ratepayers by volume.

Appendix B - Water Supply Bylaw minutes



Minutes of a meeting to consider the submission received on the proposed QLDC Water Supply Bylaw 2015 held in the Council Chambers, 10 Gorge Road, Queenstown on Tuesday 3 November 2015 commencing at 1.10pm

Present:

Councillor Lyal Cocks (Chair), Councillor Mel Gazzard and Councillor Ella Lawton

In attendance:

Mr Anthony Hall (Principal Enforcement Officer), Mr Ulrich Glasner (Chief Engineer), Mrs Deborah Lind (Manager, Strategy and Performance) and Ms Jane Robertson (Governance Advisor)

Appointment of Chair

On the motion of Councillor Lawton and Councillor Gazzard it was resolved that Councillor Cocks chair the meeting.

1. Proposed QLDC Water Supply Bylaw 2015 Submission Report

Consideration was given to a report from Anthony Hall (Principal Enforcement Officer) which set out the details of the submission received on the proposed bylaw, the relief sought by the submitter, the legal and policy parameters raised by the submission, and based upon these, a recommended response on each of the submission points.

The panel noted that the submitter did not want to speak at a hearing.

Deliberations

Members noted the submitter's concern that excessive water use was not defined. The panel accepted the staff advice that it was not possible to define excessive water use until the water meter trial currently underway had concluded. Accordingly, it was agreed that reference to excessive water use should be removed from clause 8.6.

Consideration was given to the submitter's other concern that the cost of installing water meters and charging users had the potential to out-weigh the revenue generated. Instead, the submitter favoured water use restrictions or metering all and charging by volume used.

Mr Hall advised that it was not intended to use the bylaw to charge for water on a volume basis. He reiterated that until the end of the water meter trial, the Council could not determine 'excessive use'. Accordingly, he recommended amending clause 8.6 to remove reference to providing the Council with the ability to fit a meter and charge for excessive water use.

The panel supported the following change to clause 8.6:

~~An ordinary use of water maybe metered (subject to Council reserving the right to fit a meter and charge where it considers water use is excessive, or for a meter to be fitted at the Customers request) and the cost of such use shall be as prescribed in the Local Government (Rating) Act 2002, sections 9, 15 to 19, and sections 101 to 103.~~

The Council may fit a meter to monitor an ordinary use of water.

Extraordinary use and restricted flow supply shall normally be metered and charged for in accordance with 8.15. Where the use is for fire protection only, this supply shall not normally be metered.

There was further discussion about the concepts of 'ordinary use' and 'extraordinary use'. Members observed that the definitions provided in the draft bylaw were of 'extraordinary supply' and 'ordinary supply' and clarification of the terminology was necessary before adopting the bylaw. Mr Hall undertook to obtain legal advice on which term was preferable and whether it would be stronger to provide both definitions.

Councillor Lawton observed that there were a significant number of spa pools and tubs in the community and she was concerned that regular refilling of these items would result in extraordinary use. It was noted that consideration could be given in the future to charging for extraordinary use, but at present it was not possible for the Council to determine excessive use and as noted above, the provisions related to charging for excessive use would be removed from the bylaw.

Consideration was also given to a point raised by Councillor Gilmour that Council should have the ability to enter private land to fix leaks and charge the land owner for the works, when necessary. The report noted that under the Local Government Act the Council already had the ability to enter private land to undertake works and charge the land owner. It was noted therefore that no change to the text of the bylaw was necessary.

On the motion of Councillor Cocks and Councillor Lawton it was resolved that the hearings panel recommend to Council that the Queenstown Lakes District Water Supply Bylaw 2015 be adopted with the following amendments:

- Clause 8.6
- Clarification of use of the terms 'ordinary use', 'extraordinary use', 'ordinary supply' and 'extraordinary supply'.

The meeting concluded at 1.53pm.

Appendix C - Water Supply Bylaw Submission Report

Proposed Queenstown Lakes District Council Water Supply Bylaw 2015 Submission Report

Background

One submission was received regarding the proposed Queenstown Lakes District Council Water Supply Bylaw 2015.

Additional to the submission received, a matter was raised by Councillor Gilmour in regards to Council having the ability to fix leaks on private land and charge the land owner for the works.

Submission

The subject submission made by Mr Davidson is attached as appendix A.

The key matters in the submission are:

- Concerned with section 8.6 – Metering. It appears that there is no definition of what is excessive water use. There is a danger of a subjective decision being made on the water usage of a particular ratepayer, fitting a meter and charging them.

- Charging:

Currently charged \$180 per annum for the Water Supply Charge. With the large percentage of unoccupied houses in installing meters must surely outweigh any additional water charges by volume. Unless the council is planning for the average water charge to be increased to cover the metering costs.

Requesting:

- Define excessive use. Is it a volume usage or a water wastage measure? E.g. unrepaired leaking pipes and irrigating on a timer irrespective of need should be penalised but filling a pool once a year should not. If one ratepayer is to be charged by volume then all ratepayers should be charged by volume. Unfair to do otherwise.
- Concerned the cost of installing meters, reading them and billing will more than outweigh the benefits both financial and in reducing water infrastructure strain in peak times. Either use water use restrictions or meter and charge all ratepayers by volume.

Officers Consideration:

- **Water Meter Trial**

The proposed Bylaw provides Council the ability to install water meters as part of the control of water supply.

In April, 2015 installation of the first of 500 water meters began to be installed across Queenstown Lakes District as part of a project to understand water use across the District. The installation of these meters is still in progress.

This project will enable the improved management of our water supply and its demand, to ensure an effective and efficient water and wastewater network. The project will enable Council to assess:

- a) the range of costs of installing meters across different schemes in the District;
- b) the technical issues associated with meter installations;
- c) the potential reduction in water usage as a result of metering;

- d) the water leakage that is currently occurring on private property; and
- e) the relative costs and benefits of metering.

Properties were selected at random for a one-year trial. They include apartments, lifestyle blocks, businesses and homes in all of the areas serviced by a reticulated Council water supply. The trial is in addition to the water metering already undertaken in Luggage and most of Lake Hayes, where properties are already connected to water meters.

It is likely that the findings from the project will be able to be reported back to Council at the end of the 2016 calendar year.

- **“Excessive use” is not defined in the proposed Bylaw:**

In the current Bylaw “excessive use” is not defined. At present, until the completion an analysis of the water meter trial it is not appropriate to define “excessive use”.

At the completion of the trial, fees associated with excessive use maybe considered necessary; however, before charges can be implemented they will need to be addressed in the Queenstown Lakes District Council (QLDC) Revenue and Funding Policy.

In consideration of the above, it is considered appropriate to amend the proposed clause 8.6 to ensure that is it clear that Council does not intend to charge for ordinary use beyond the fees already prescribed in rates. Please note, this does not mean that water supply cannot be restricted as per clause 8.5.3, discussed further below.

The proposed amended provision below has been has been considered by Council’s Solicitor.

8.6 Metering

~~An ordinary use of water maybe metered (subject to Council reserving the right to fit a meter and charge where it considers water use is excessive, or for a meter to be fitted at the Customers request) and the cost of such use shall be as prescribed in the Local Government (Rating) Act 2002, sections 9, 15 to 19, and sections 101 to 103.~~

The Council may fit a meter to monitor an ordinary use of water.

Extraordinary use and restricted flow supply shall normally be metered and charged for in accordance with 8.15. Where the use is for fire protection only, this supply shall not normally be metered.

- **Section 8.5.3 - Restriction or prohibition of use**

The Council may at any time, by public notice, restrict or prohibit the use of water for any one or more of the following purposes;

- (a) The use of irrigation systems of any sort, or other outside watering; and*
- (b) Any other reason Council sees as reasonable in the circumstances that apply at the time.*

Any action contrary to the public notice shall be a breach of this Bylaw.

Any such restriction or prohibition applies until public notice is given that the restriction or prohibition has been rescinded.

The above provision in the proposed Bylaw enables the restriction of water supply during times of high demand and low rainfall. This enables the management and continued supply of water to the district.

Council has historically put in place restrictions across the district as required, often controlling the use of irrigation and hose pipes e.g. watering of gardens.

- **Charging**

In regards to the charging queries raised by the submitter, for clarification it is not intended to utilise the proposed bylaw to charge for water use on a volume basis. As discussed above, Council is not in a position to determine excessive use; therefore it is proposed to remove the provision to enable Council to charge for excessive use.

In general, Council is not in a position to consider charges for water use until the completion of the water meter trail. Subject to the findings in the water meter trail, a new Bylaw maybe required to implement any proposed changes to the current charging policy.

Summary

In consideration of the submission received, Council is not in a position at this time to define excessive use. Therefore clause 8.6 has been amended to reflect this.

In general, Council is not in a position to consider charges for water use until the completion of the water meter trail.

Section 8.5.3 - Restriction or prohibition of use, gives Council the ability to restrict supply during times of high demand and limited supply.

The options to consider are:

- a) That the panel recommends to Council that the Queenstown Lakes District Council Water Supply Bylaw 2015 be adopted with amendment to clause 8.6 as proposed.
(Recommended)
- b) To amend the proposed bylaw following deliberations.

Matter raised by Councillor Gilmour

A matter was raised by Councillor Gilmour in regards to Council having the ability to fix leaks on private land and charge the land owner for the works when necessary.

This matter has been considered by Council's Solicitor who has confirmed that under the Local Government Act Council does have the ability to enter private land to undertake works if necessary and can charge the landowner for these works.

It is also necessary to have the charges considered in the QLDC revenue and funding policy, it is understood this policy will be begin to be reviewed at the end of this year providing opportunity for the subject fees to be included.