

QLDC Council  
11 August 2016

Report for Agenda Item: 1

Department: Property & Infrastructure

Supply Boundary Adjustment – Special Housing Areas

Purpose

To seek Council approval to extend where applicable the water supply and wastewater service boundaries for the proposed Special Housing Areas accepted by Council and approved by the Minister.

Recommendation

That Council:

1. **Note** the contents of this report;
2. **Agree** that, where applicable, subject to resource consents being granted for the proposed development and any upgrade requirements being met by the SHA proponents, the Queenstown Lakes District Council (QLDC) water supply and wastewater service boundaries will be extended to allow servicing of the proposed Special Housing Areas at:
  - a. Shotover Country
  - b. Queenstown Country Club
  - c. Bridesdale Farm
  - d. Arthurs Point

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1/08/2016

Reviewed and Authorised by:



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1/08/2016

## **Background**

- 1 All of the SHA areas are conditional on resource consent being granted and upgrades being undertaken where required. They have been reviewed and recommended to the Minister by QLDC and subsequently approved by the Minister.
- 2 The SHA applications and associated information provided to Council for approval included infrastructure reports highlighting whether it was proposed to use Council services to service the development areas. Infrastructure peer review reports were completed on behalf of Council that confirmed whether there was capacity in the existing servicing network or what upgrades may be required.
- 3 Agreements have been entered into with all SHA proponents recording requirements for upgrades if necessary to allow the areas to be serviced by Council owned infrastructure.
- 4 To effectively process resource consent applications for these SHA areas confirmation is required from Council that the supply boundaries will be extended to meet associated demand if relevant resource consents are granted. This confirmation of the ability to connect to Council services is required to mitigate any adverse effect on Council of any proposal to connect to Council services.

## **Comment**

- 5 This report is to resolve an unforeseen technical issue. Council is satisfied with the proposals to utilise Council infrastructure to service the SHA areas dependent on any required upgrades being undertaken. The technical issue is that when processing resource consents that propose use of Council water and waste water infrastructure only developments within approved scheme boundaries will be looked upon favourably.
- 6 Accepting to extend supply/scheme boundaries to cater for the approved SHA areas will overcome this technicality.
- 7 The resolution proposed states to extend boundaries where applicable. That is because not all SHA area proponents have proposed to use both Council water and wastewater services. This current proposal to extend scheme boundaries is only supporting the proposals and agreements that have been made to date in relation to the SHA areas and which services they proposed to utilise.
- 8 There are no adverse effects from this proposal to extend scheme boundaries that have not been considered when the SHA areas were being assessed prior to recommendation to the Minister.

## **Options**

- 9 Option 1 Accept the proposal to extend supply boundaries water supply and wastewater service boundaries where applicable

*Advantages:*

- 10 Reduced health risk compared to a privately maintained and operated scheme

*Disadvantages:*

- 11 Increased demand on existing infrastructure.

- 12 Option 2 Do not accepting the water supply and wastewater service boundaries adjustment

*Advantages:*

- 13 No increase of operation and maintenance for additional infrastructure.

*Disadvantages:*

- 14 Breach of deed conditions.

- 15 Applicants losing trust in Council's decision making processes.

- 16 Possible further private supply schemes run by private entities.

## **Significance and Engagement**

- 17 This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy because the decision has nearly no impact to the existing ratepayers.

## **Risk**

- 18 This matter relates to the strategic risk SR1 – future development needs of the community, as documented in the Council's risk register. The risk is classed as high. This is because of economic, social, environmental and reputational risks.
- 19 A key element of this risk is meeting the current and future development needs of the community. Whilst there is an element of environmental protection to this risk, the risk relates more to the economic and social consequences of not meeting development needs. The matter therefore can be considered to terminate the risk by providing the service.

## **Financial Implications**

- 20 The developer will be responsible for infrastructure connections and the provision of appropriate infrastructure to support the development.
- 21 It is acknowledged that there will be some ongoing infrastructure maintenance costs.

## **Council Policies, Strategies and Bylaws**

22 The following Council policies, strategies and bylaws were considered:

- Water Supply Bylaw 2008

23 This matter is not included in the 10-Year Plan/Annual Plan

- No budget necessary.

## **Local Government Act 2002 Purpose Provisions**

24 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by providing infrastructure to an agreed level of service which is safe to use and affordable.
- Can be implemented through current funding under the 10-Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

## **Consultation: Community Views and Preferences**

25 No further consultation has been undertaken in association with this request.

26 Council has provided for a community feedback process during the SHAs review and recommendation process. Any feedback assisted in informing Council's decision-making.

## **Attachments**

A Map of SHA areas where supply boundary extension is required

Attachment A – Map of SHA areas where supply boundary extension is required

