

QLDC Council  
26 May 2016

**Report for Agenda Item: 6**

**Department: Property & Infrastructure**

**Shotover Country Borefield – Approval of Notice of Requirement**

**Purpose**

The purpose of this report is to seek approval from Council to proceed with the creation of a Designation area for the Shotover Country Borefield and to update Council on the progress of this project.

**Recommendation**

That Council:

1. **Note** the contents of this report;
2. **Approve** proceeding with the Notice of Requirement for creation of a Designation area to adequately protect the Shotover Country Borefield and associated facilities.
3. **Authorise** the GM Property & Infrastructure to provide written approval from Council for all resource consents relating to this project and as the future land administrator under Section 92 of the Resource Management Act, as a potentially affected party in terms of the Notice of Requirement.

Prepared by:



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Project Manager

5/05/2016

Reviewed and Authorised by:



Peter Hansby  
GM Property & Infrastructure

6/05/2016

**Background**

- 1 The detailed design of the Shotover Country Borefield (SOC) inclusive of treatment facilities and rising main is included in the 2015/16 Annual Plan. The construction of the borefield is included in the 2016/17 Long Term Plan.
- 2 The project contemplates an upgrade to the existing SOC borefield which is located on the banks of the Shotover River below the Shotover Country Estate.

The existing borefield consists of one bore as was constructed by Shotover Country Estate, the 'developer'.

- 3 Detailed design and tender documentation for the project will be completed in June 2016.
- 4 The outcomes of detailed design, i.e. the general physical arrangement, will be the basis for an application for Notice of Requirement to create a designation for the project assets. The proposed designation will provide the project assets with adequate protection to allow long term maintenance and operation of the assets.
- 5 At the time of writing drawings have not been developed to a suitable standard for inclusion with this report, however it is proposed that indicative drawings will be available at the 26 May Council meeting.
- 6 The existing borefield is located in privately owned rural land associated with the developer. It is proposed that in due course this land will be vested to Council as reserve. The vesting to Council of this land will be the subject of a separate report to Council. The timing of vesting will be dependent on a number of processes outside of Council's control and could take a number of months or potentially years. This land neighbours similar rural land that Council has already resolved to accept the vesting of from the developer as reserve. It is envisaged that all of the vested reserve land would be available for recreational purposes.
- 7 Easements will be created for the project assets regardless of the ownership of the land and/or subsequent vesting as reserve. The easements will ensure access to, and operation of, the project assets should the vesting of the land be delayed for an indefinite period.
- 8 A Heads of Agreement is being prepared to ensure the processes for construction and vesting of assets and land are recorded and agreed to between Council and the developer.

### **Comment**

- 9 The Council needs to make a decision to proceed, or otherwise, with a Notice of Requirement to create a Designation area for the project assets.
- 10 Should the land still be in private ownership when the application of Notice of Requirement is made, Council will need written approval from the developer as the land administrator under Section 92 of the Resource Management Act, as a potentially affected party.
- 11 Should the land be vested to Council when the application of Notice of Requirement is made, Council needs to authorise the General Manager Property and Infrastructure to provide written approval from Council, as the land administrator under Section 92 of the Resource Management Act, as a potentially affected party.

## Options

12 This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002.

13 Option 1 Not approve to proceed with the Notice of Requirement.

### *Advantages:*

14 There would be a cost saving of \$7,000 to \$8,000 should the Notice of Requirement not proceed.

### *Disadvantages:*

15 Without a Designation area the project assets may have inadequate protection given their long term importance.

16 Option 2 Approve to proceed with the Notice of Requirement to create a designated area.

### *Advantages:*

17 Adequate protection to allow long term maintenance and operation of the project assets.

### *Disadvantages:*

18 Proceeding with the Notice of Requirement will incur an additional \$7,000 to \$8,000.

19 This report recommends **Option 2** for addressing the matter.

## ***Significance and Engagement***

20 The matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy, because the project is already provided for within the Annual Plan and the decision to approve proceeding with the Notice of Requirement will only affect greater protection for the project assets.

## ***Risk***

21 This matter relates to the strategic risk SR1: Current and future development needs of the community (including environmental protection), as documented in the Council's risk register. The risk is classed as high. This matter relates to this risk because the project assets are fundamental to the future performance of the greater Queenstown water supply system.

22 The recommendation of this report addresses this risk because proceeding with the Notice of Requirement for creation of a designation area will adequately protect the Shotover Country Borefield assets and associated facilities.

## **Financial Implications**

23 Other than application fees and the cost to prepare the Notice of Requirement, which will total \$7,000 to \$8,000, there are no operational and capital costs or other budget expenditure implications resulting from the decision.

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

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

- QLDC District Plan

25 The recommended option is consistent with the principles set out in the District Plan.

26 This project is included in the 2015/16 Annual Plan and 2016/17 Long term Plan.

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

27 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 adequate protection to allow long term maintenance and operation of the project assets and subsequent stages of the project;
- 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**

28 The persons who are affected by, or interested in, this matter are the land owner/ developer.

29 The Council has begun discussions with the land owner/developer.

## **Attachments**

A Indicative drawings will be available at the 26 May Council meeting.