

QLDC Council
26 May 2016

Report for Agenda Item: 9

Department: Property & Infrastructure

Easement – Wanaka Holiday Park

Purpose

The purpose of this report is to consider an in-ground easement over reserve land for the purposes of laying 11kV electrical cables, replacing overhead cables, as part of the Wanaka Lakeview Holiday Park redevelopment.

Recommendation

That Council:

1. **Note** the contents of this report;
2. **Approve** an underground easement over Recreation Reserve Section 12 BLK XV TN of Wanaka subject to section 48 (1)(d) of the Reserves Act 1977, in favour of Aurora Energy Limited subject to the following conditions;
 - a. Aurora Energy Limited to notify and liaise with QLDC Infrastructure Department in advance of any onsite works so that they can oversee and provide input relating to existing in ground infrastructure;
 - b. Operating health and safety plan to be received;
 - c. Certificate of adequate public liability cover to be received;
 - d. Reinstatement of the area to be completed immediately following installation and to the satisfaction of QLDC's Infrastructure Department. Reinstatement to include any fencing or other structures.
3. **Agree** that notification of the intension to grant the easement is not required as the statutory test in section 48(3) of Reserves Act 1977 is met for the reasons set out below;
4. **Delegate** authority to approve final terms and conditions, including location, and execution authority to the General Manager – Property & Infrastructure; and
5. **Agree** to the exercise of the Minister's consent (under delegation from the Minister of Conservation) to the granting of an easement to Aurora Energy Limited over Section 12 BLK XV TN of Wanaka.

Prepared by:



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29/04/2016

Reviewed and Authorised by:



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Planner: Parks & Reserves

4/05/2016

Background

- 1 Council administers the reserve known as Wanaka Campgrounds and Showgrounds, legally described as Section 12 BLK XV TN of Wanaka, Certificate of title OT8A/952, and classified as Recreation Reserve. The extent of the reserve is illustrated in Attachment A.
- 2 Works are to commence in 2016 to redevelop the Lakeview Holiday Park in Wanaka, including the demolition of the existing ablution block and redevelopment of new facilities.
- 3 An existing overhead electricity line runs through the site, which will be removed and replaced with an underground cable to run from an existing ground mounted transformer, through to Stone Street. The proposed cable route will follow the existing internal road until it meets the public road reserve.
- 4 The length of cable required in the Council reserve is approximately 174m, the location is shown on the Attachment B plan.
- 5 No works can commence on the redevelopment of the site until the necessary easements have been put in place for the new electricity supply.

Comment

- 6 The works include the placement of 11kV electricity cables. This requires a trench to be dug within which the cables will be laid. Prior to trenching commencing, cable and service locations and potholing is to be undertaken utilising a small excavator and hand digging to confirm the cable route.
- 7 Once the cable route has been determined, a 14-20 tonne digger will be brought to the site and trenching will commence. The cable trench will be excavated to a depth of at least 1.2m and a minimum width of 300mm. The cable installation will be in accordance with AS/NZS 3000. The cable will be laid directly in an open cut trench with a minimum of 800mm of cover. All sub transmission cables shall be installed in thermally stable backfill from Downer EDI Parkburn Quarry with a thermal resistivity less than or equal to 1.20Cm/Watt when fully dried out.
- 8 The cable installation is to have orange cable marker tape complying with AS/NZS2648.1 and positioned at approximately 50% of its depth of cover. The electricity cable will be spaced 300mm (minimum) from other service authorities' parallel plant or greater, if required by those service authorities.

- 9 As per QLDC's Easement Policy 2008, both an application fee along with a one off underground services easement fee are applicable. In accordance with the policy, the easement fee is calculated at \$9,010.76 plus GST.

Land value of property	= \$6,600,000
Size of property	= 11,470 m ²
Easement size	= 174 m (l) x 0.3m (w) = 52.2m ²

Calculation:

\$6,600,000 / 11,470 m ²	= \$575.41 / m ²
30% of \$575.41	= \$172.62 / m ²
\$172.62 x 52.2 m ²	= \$9,010.76 plus GST

- 10 Given that the proposed easement replaces overhead powerlines, Council may choose to waive the fee i.e. one encumbrance is being replaced with another. It should be noted however that there is no easement currently registered against the title for the overhead lines and it is not known whether an easement fee, or similar, was charged at the time of installation.
- 11 Under the Reserves Act 1977, Ministerial consent is required before an easement can be granted over a reserve. This consent is now delegated to Council and must be granted prior to the easement being lodged with LINZ.
- 12 Granting an easement is permitted by the Reserves Act 1977, however, such easements must be publicly notified in accordance with Section 48(2) unless it can be shown that people's ability to enjoy the reserve is not affected and that there is no long term effect on the land. These matters are considered below:

Does the easement affect the ability of people to use and enjoy the reserve?

- 13 While there would be some temporary minor disruption during the installation of the cables, long term there would be no detrimental effect on the ability of the public to use and enjoy the reserve. Once the installation is complete, users of the reserve would be unaware that any changes that have been made to the reserve.

Does the easement create any long term permanent effect on the reserve?

- 14 Aside from during the installation process, this easement will not affect the ability of the reserve to provide for its current purpose. As the infrastructure will be underground, it is considered that the creation of the easement will not have any long term effect on the reserve.
- 15 Taking into account the above factors, it is not considered that the easement will permanently affect the reserve or the ability of people to use and enjoy the reserve.

Options

16 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.

17 Option 1 Council can grant the easement over Recreation Reserve Section 12 BLK XV TN of Wanaka and charge the Easement Fee.

Advantages:

18 Overhead powerlines can be removed and replaced with underground cables.

19 Redevelopment of the Wanaka Holiday Park can proceed as planned.

20 Council will receive an Easement Fee of \$9,010.76 plus GST.

Disadvantages:

21 The easement area will not be available for other utility infrastructure.

22 Access to the reserve will be temporarily limited.

23 Option 2 Council can grant the easement over Recreation Reserve Section 12 BLK XV TN of Wanaka and waive the Easement Fee.

Advantages:

24 Similar to Option 1 however the Council may deem it reasonable not to charge the easement fee given the proposed easement replaces another encumbrance.

Disadvantages:

25 Similar to Option 1.

26 Option 3 Council can decline the easement over Recreation Reserve Section 12 BLK XV TN of Wanaka.

Advantages:

27 The Reserve will not be encumbered by a new easement.

Disadvantages:

28 The developers will either leave the overhead powerlines or seek alternative routes which may result in greater impact to existing infrastructure, the public and users of the reserve.

29 This report recommends **Option 1** for addressing the matter as it will enable the redevelopment of the holiday park to proceed as planned and will eliminate a section of existing overhead lines.

Significance and Engagement

30 This matter is of low significance, as determined by reference to the Council's Significance and Engagement policy because it does not involve a Council strategic asset, is of low importance to the Queenstown Lakes District, is not of interest to the general community, is not inconsistent with policy and strategy and does not impact on Council's capability and capacity.

Risk

31 This matter relates to operation risk OR011A: decision making. The risk is classed as moderate. A perpetual property right contained in the recreational reserve does carry risk to Council for any future development, and this risk needs to be highlighted when considering approving the easement.

Financial Implications

32 Council must decide whether it is reasonable to impose the easement fee of \$9,010.76 plus GST in accordance with the easement policy.

33 All costs associated with the survey and registration of the easement on Council's title will be paid for by the applicant.

Council Policies, Strategies and Bylaws

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

- Significance & Engagement Policy 2014 – the proposal is a matter with low significance in terms of this policy as it does not impact Council's strategic assets, affect a large number of residents, ratepayers and the environment and is not expected to create a community interest in the matter.
- Easement Policy 2008 – the application is consistent with the policy.
- 10-Year Plan/Annual Plan – the matter is not included in the 10-Year Plan/Annual Plan as the applicant will pay all costs.

Local Government Act 2002 Purpose Provisions

35 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 allowing the continuation of electricity cabling underground at no cost to Council.;
- 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

36 No consultation is envisaged or required by Council as it has low significance with regard to the Significance & Engagement Policy 2014, is consistent with s10 of the Local Government Act and is not included in the 10-Year Plan/Annual Plan.

Attachments

- A Reserve Plan
- B Plan of cable route



Attachment A

The map is an approximate representation only and must not be used to determine the location or size of items shown, or to identify legal boundaries. To the extent permitted by law, the Queenstown Lakes District Council, their employees, agents and contractors will not be liable for any costs, damages or loss suffered as a result of the data or plan, and no warranty of any kind is given as to the accuracy or completeness of the information represented by the GIS data. While reasonable use is permitted and encouraged, all data is copyright reserved by Queenstown Lakes District Council. Cadastral information derived from Land Information New Zealand. CROWN COPYRIGHT RESERVED

Attachment B – Plan of Cable Route

