

**Wanaka Community Board
25 October 2017**

Report for Agenda Item: 4

Department: Property & Infrastructure

Proposed new Easement – Aurora Energy Ltd

Purpose

The purpose of this report is to consider granting approval for an easement in relation to the proposed new Aurora substation on the corner of Riverbank and Ballantyne Roads.

Recommendation

1 That the Wanaka Community Board:

1. **Note** the contents of this report;
2. **Approve** the following easement in relation to the proposed substation:
 - i) In-ground electricity easement over Lot 1 DP 306149 as shown in pink on the scheme plan in attachment A; and

Subject to the following conditions:

- a) Aurora to notify and liaise with QLDC in advance of any onsite works so that they can oversee and provide input relating to the existing in ground infrastructure, and ensure access to the dog pound is maintained;
 - b) The work site to be evidenced by before and after photographs or video to be provided by the applicant;
 - c) A comprehensive safety plan must be prepared and implemented, at the applicant's cost, to ensure a safe environment is maintained around the subject site;
 - d) Certificate of public liability insurance to be provided;
 - e) Reinstatement of the area to be completed immediately following installation and to the satisfaction of QLDC's Property and Infrastructure Department. Reinstatement to include any fencing.
 - f) Within 3 months of completion of the work, the applicant to provide QLDC with a surveyed easement and signed Deed of Easement.
3. **Approve** that no easement fee be paid by Aurora.

4. **Delegate** authority to approve final terms and conditions of the electrical easements, including location, and execution authority to the General Manager – Property & Infrastructure.

Prepared by:



Dan Cruickshank
Property Advisor – APL

10/09/2017

Reviewed and Authorised by:



Peter Hansby
GM, Property & Infrastructure

10/10/2017

Background

- 2 Council owns a freehold block of land on the corner of Ballantyne and Riverbanks roads encompassing 2.34047 hectares. It is unencumbered freehold land known as Lot 1 DP 306149 and contained in certificate of title 24140. The land was purchased from the adjoining owner, Mr Gordon, in 2001 to facilitate legalisation of the physical road alignment. The Wanaka Dog Containment facility is on the site.
- 3 In 2011, Council agreed to sell an area of 5400 square metres of the land to Aurora for a new substation. The process has been on-going for some time due to numerous complications with the subdivision. Title is due to issue shortly. Aurora has been working in the background on plans for the substation, including having designated the land for Electricity Substation and Ancillary Purposes.
- 4 The physical road alignment on the Ballantyne-Riverbank road intersection is not on the legal road alignment. Normally Aurora would be entitled to install overhead and in-ground electricity cables on a road without the need for easements. In this case, the road is not legal road and therefore Aurora may require easements for their infrastructure through the formed road at some point in the future. This request considers only the in-ground easements marked in pink.

- 5 The easement marked in pink and labelled “A” was approved as a Right of Way to the Aurora substation site on Lot 2 as part of the land sale to give access to the site. It also includes the ability for Aurora to convey water and sewage, but not for electricity. The proposal is to include an electricity easement in this location.
- 6 There are currently no in-ground services in Ballantyne road, but they do exist in the right of way over Lot 1 providing services to the dog pound. These existing assets will require detection and management by Aurora when the other services are installed.

Comment

- 7 The intention of Council and Aurora in undertaking a subdivision and sale of the land was to enable a substation to be built in this location to facilitate the on-going supply of electricity to the area. It is only through the detailed planning process that the need for easements through the dog pound land and formed road have become apparent.
- 8 If approved, the conditions relating to the easement are as follows:
 - a. Aurora to notify and liaise with QLDC in advance of any onsite works so that they can oversee and provide input relating to the existing in ground infrastructure, and ensure access to the dog pound is maintained;
 - b. The work site to be evidenced by before and after photographs or video to be provided by the applicant;
 - c. A comprehensive safety plan must be prepared and implemented, at the applicant’s cost, to ensure a safe environment is maintained around the subject site;
 - d. Certificate of public liability insurance to be provided;
 - e. Reinstatement of the area to be completed immediately following installation and to the satisfaction of QLDC’s Property and Infrastructure Department. Reinstatement to include any fencing.
 - f. Within 3 months of completion of the work, the applicant to provide QLDC with a surveyed easement and signed Deed of Easement.
- 9 We recommend that the easement fee be waived in this instance. The fee is to reimburse Council for the loss of land value in having an easement registered on the land. For the area on the dog pound site, an easement has already been granted and registering the electricity easement will not further devalue the land.
- 10 The fee otherwise would have been:

Total Area	~550 m ²
Rateable Land value	\$2.35/m ² x 30% = \$0.71
Easement Fee	\$390.50 (plus GST)

- 11 It should be noted that this report does not consider the roading and traffic aspect of the resulting work, which will be dealt with through a review by Council's Resource Management engineers.
- 12 The substation activity in relation to Council's Dog Pound site has been previously reviewed and approved by Council, as part of the Agreement for Sale Purchase between Aurora and Council for the site and when the site was designated for Electricity Substation and Ancillary Purposes.
- 13 All costs incurred in granting the easement are to be met by the applicant.

Options

- 14 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:
- 15 Option 1 Approve the easement as detailed above over Lot 1 DP 306149 and subject to the conditions above, with no easement fee payable.

Advantages:

- 16 Will facilitate the construction of an electricity substation to enable ongoing supply in this area.

Disadvantages:

- 17 Will result in a further encumbrance on Council land.

- 15 Option 2 Approve the easement as detailed above over Lot 1 DP 306149 and subject to the conditions above, and with the easement fee payable.

Advantages:

- 16 Will facilitate the construction of an electricity substation to enable ongoing supply in this area.

- 17 Will generate a small easement fee for Council.

Disadvantages:

- 18 Will result in a further encumbrance on Council land.

- 19 Option 3 Not approve the easement as detailed above over Lots 1 DP 306149.

Advantages:

- 20 Will not further encumber Council land.

Disadvantages:

- 21 Will not facilitate the construction of an electricity substation to enable ongoing supply in this area.

22 This report recommends **Option 1** for addressing the matter as it will enable Aurora to build the substation on the site as intended, with very little impact on Council land.

Significance and Engagement

23 This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy because it involves minimal impact to a freehold property.

Risk

24 This matter relates to operation risk OR011A, 'Decision Making'. The risk is classed as moderate. A perpetual property right on the land does carry some risk to Council for any future development, and this risk needs to be highlighted when considering approving the easement.

Financial Implications

25 As the applicant will pay all fees associated with granting the easements, no costs will be incurred. If the recommendation is approved to waive the easement fee, income of \$390.50 (plus GST) will be foregone.

Council Policies, Strategies and Bylaws

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

- Easement Policy 2008

27 The recommended option is consistent with the principles set out in the named policy/policies, apart from waiving the fees. Council has approved waiving the easements fees from time to time where appropriate.

28 This matter is not included in the 10-Year Plan/Annual Plan and does not have any impact on it.

Local Government Act 2002 Purpose Provisions

29 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 helping facilitate an Aurora substation to better supply electricity to Wanaka township;
- 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

- 30 The persons who are affected by or interested in this matter are the residents of the Queenstown lakes District.
- 31 Aurora designated the site for Electricity Substation and Ancillary Purposes following public notification. No further consultation is anticipated.

Attachments

- A. Aurora Scheme Plan numbered 3C/30C/056 version 2, showing Lot 2 to be sold to Aurora, and the proposed in-ground electricity easement.



Lot 99
DP 445766

Ballantyne Road (Legal Corridor)

LOT3
Ballantyne Road
(Physical Formation)

LOT4

LOT1

LOT2

Riverbank Road

Gravel Driveway

Dog Pound

Parking Area

Earth Bund

Earth Bund

Deer Fence

Post and Wire Fence

LEGEND:

 UNDERGROUND EASEMENT

FOR INFORMATION ONLY

AMENDMENT	DRN	CKD	DATE	AMENDMENT	DRN	CKD	DATE	AMENDMENT	DRN	CKD	DATE	DESIGNED	NW	8.17	REFERENCES	RIVERBANK SWITCHING ZONE SUBSTATION		SCALE	N/A
Original Issue	OZ	TK	8.17									DRAWN	OZ	8.17		EASEMENT PLAN			
Underground easement only shown	BK	JM	10.17									CHECKED	TK	8.17					
												APPROVED							
												FILE	BC-30C-056						
												NETWORK							



3C/30C/056

SHEET 1 OF 1 ISSUE 1A