



Order Paper for a meeting

**HEARING OF SUBMISSIONS:**

**for a**

**Cardrona Water Scheme**

to be held on

Tuesday, 2 August 2022

commencing at 1.00pm

Via

Zoom

### **9.12 ITEMS OF BUSINESS NOT ON THE AGENDA WHICH CANNOT BE DELAYED**

A meeting may deal with an item of business that is not on the agenda where the meeting resolves to deal with the item and the Chairperson provides the following information during the public part of the meeting:

- (a) the reason the item is not on the agenda; and
- (b) the reason why the discussion of the item cannot be delayed until a subsequent meeting.

*s. 46A (7), LGOIMA*

Items not on the agenda may be brought before the meeting through a report from either the chief executive or the Chairperson.

**Please note** that nothing in this standing order removes the requirement to meet the provisions of Part 6, LGA 2002 with regard to consultation and decision-making.

### **9.13 DISCUSSION OF MINOR MATTERS NOT ON THE AGENDA**

A meeting may discuss an item that is not on the agenda only if it is a minor matter relating to the general business of the meeting and the Chairperson explains at the beginning of the public part of the meeting that the item will be discussed. However the meeting may not make a resolution, decision or recommendation about the item, except to refer it to a subsequent meeting for further discussion.

### **REFERENCE:**

Queenstown Lakes District Council Standing Orders adopted on 12 December 2019.

**QUEENSTOWN LAKES DISTRICT COUNCIL**

**HEARING OF SUBMISSIONS:  
FOR THE  
CARDRONA WATER SUPPLY SCHEME**

**PANEL MEMBERS**

**Councillor Lewers**

**Councillor Clark**

**Councillor Smith**

**Chair of hearing panel to be determined at beginning of hearing.**

## HEARING OF SUBMISSIONS:

### **Cardrona Water Supply Scheme**

Agenda for a hearing of submissions on the Cardrona Water Supply Scheme to be held via Zoom on Tuesday 2 August 2022 beginning at 1.00pm

<b>Item</b>	<b>Page Number</b>	<b>Report Title</b>
		<b>Election of Chairperson</b>
		<b>Apologies</b>
		<b>Declarations of Conflict of Interest</b>
		<b>Confirmation of Agenda</b>
1	Page 5	<b>Officer report: Hearing of Submissions and Objections, for Cardrona Water Supply Scheme</b>
	Page 14	<b>Attachment A: Register of Submissions</b>
	Page 15	<b>Attachment B: Submissions in full</b>
	Page 98	<b>Attachment C: Statement of Proposal</b>



2 August 2022

Hearing for the  
Cardrona Water Supply Scheme

**Department:** Property & Infrastructure

**Title | Taitara:** Hearing of Submissions and Objections, for Cardrona Water Supply Scheme

**PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO**

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1. The purpose of this report is to present public submissions and objections received by the Queenstown Lakes District Council (QLDC) on the notified proposal to increase the current 2021-2031 Ten Year Plan (TYP 21/31) budget and associated debt recovery in the current 2021 Development Contribution Policy (DCP 2021), to invest in a Council community drinking water supply scheme for Cardrona Valley, including the Cardrona Village (the village) and the Mount Cardrona Station (MCS) development. The hearing has been scheduled to allow submitters and objectors to appear and speak to their submission.
2. A table of the submissions and objections is included as **ATTACHMENT A** of this report, and each submission is provided as attachment in **ATTACHMENT B**.


**RECOMMENDATION | NGĀ TŪTOHUNGA**

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That the Hearing Panel:

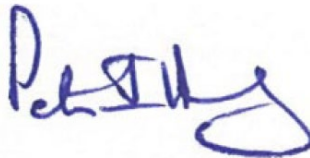
- a. **Note** the contents of this report.
- b. **Hear and Consider** the verbal and written submissions received on the proposal to increase the current 2021-2031 Ten Year Plan (TYP 21/31) budget and associated debt recovery in the current 2021 Development Contribution Policy (DCP 2021), to invest in a Council community drinking water supply scheme for Cardrona Valley, including the Cardrona Village (the village) and the Mount Cardrona Station (MCS) development;
- c. **Give full consideration** to the submissions and objections received.
- d. **Recommend to Council**, based on the submissions received, the position of the panel to increase the current 2021-2031 Ten Year Plan (TYP 21/31) budget and associated debt recovery in the current 2021 Development Contribution Policy (DCP 2021), to invest in a Council community drinking water supply scheme for Cardrona Valley, including the Cardrona Village (the village) and the Mount Cardrona Station (MCS) development.

Prepared by:



Brandon Ducharme  
Three Waters Strategic Manager –  
Property & Infrastructure  
20/07/2022

Approved by:



Pete Hansby  
General Manager –  
Property & Infrastructure  
20/07/2022

## CONTEXT | HOROPAKI

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1. In December 2020 the Council resolved to delegate authority to its Chief Executive to enter into a Development Agreement to participate with Cardrona Valley WTP Limited (CVWTP) in the procurement of a new Council community drinking water supply scheme with a connection to the Cardrona Village. Funding was subsequently provided in the 2021 Ten Year Plan for the project.
2. The capital budgets included in the 2021 Ten Year Plan need to be increased to fund the latest cost estimates revealed following detailed design and development for procurement. The cost increases result in a consequent increase in the development contributions and targeted capital water supply rate required to fund the investment.
3. The increase is considered significant, so as to require additional public consultation under the Special Consultative Procedure.
4. On 2 June 2022 the Full Council authorised officers to publicly notify the Statement of Proposal for public submissions and appointed a hearing panel consisting of Councillors Clark, Ferguson, Gladding, and Lewers to hear submissions and make a recommendation on the status of the Cardrona Valley Water Supply Investment for a decision to be made by the Full Council on 11 August 2022.
5. The Statement of Proposal was published on 17 June 2022 and submissions closed on 18 July 2022.
6. The hearing panel is to give full consideration to every submission and objection received, before deciding how to proceed with the proposal. The recommendation of the hearing panel is to be brought to the Full Council, where a decision on the proposal can then be made.

## SUBMISSIONS

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7. Twenty Six (26) public submissions have been received. Four (4) of those submitters have requested to be heard.
8. The submissions have been formatted and incorporated into a table for ease of reference (ATTACHMENT A).
9. One (1) of these submissions is from the Body Corporate 391030, representing 44 titled units as part of the 2326 Cardrona Valley Road (locally referred to as Benbrae Resort apartments) in support of the proposal. Representatives of Cardrona Ltd. which currently provides water services to the 44 unit Benbrae Resort apartments previously opposed the proposed Council community drinking water supply scheme and was part of the judicial review of the decision by QLDC to engage with MCS on a development agreement.
10. One (1) of these submissions is from Te Whatu Ora Southern - Southern District Health Board in support of the proposal. Prior to the Taumata Arowai—the Water Services Regulator Act 2020, Southern District Health Board was the drinking water assessor

reporting to the Ministry of Health under the previous legislation, and as such has an informed view in support of the proposal.

11. Thirteen (13) of these submissions have been submitted via James Gardner Hopkins as representative of Cardrona Water Supply Ltd (CWSL), the largest incumbent private water scheme in Cardrona. These submissions oppose the proposal. The submissions received contain an email dated July 15 2022 from CWSL to potential submitters requesting that they make a submission. The email contains an error in that it overstates the proposed development contribution figures from the Statement of Proposal (Attachment C). It suggests the costs of connection will be \$40,455 per dwelling unit equivalent. But this would be the entire development contribution for a new residential lot (includes water supply (\$16,490), and wastewater (\$15,850), reserve improvements (\$2,434), community infrastructure (\$3,808), transportation (\$1,873)). The costs of connection for existing residential lots moving from private schemes to the proposed Council community drinking water supply scheme would be \$16,490 per dwelling unit equivalent as stated in the Statement of Proposal.
12. Officers are unsure how CWSL or its agent could have been mistaken given that the Statement of Proposal is clear and the correct figures were discussed with the Cardrona Village Residents and Ratepayers Association in public meetings on 19 May 2022 and 4 July 2022. All but one of these submissions retain the CWSL mailout in their submission in the Attachment B.
  - a. Of those who oppose the proposal many are part of the same group that would be excluded from the need to connect or the levying of availability charges, as agreed as part of the resolution of the judicial review proceedings. Despite that, many of these submitters oppose on the basis of cost.

13. Of the submissions, the positions and associated number are as follows:

Position	Number of Responses
Neutral	1
Oppose	20
Support	5*
<b>Grand Total</b>	<b>26</b>

\* One of these submissions represents a group of 44 units under a Body Corporate.

14. The following general themes summarise points made in the submissions.

Neutral

- No immediate need or desire for a Council community drinking water supply scheme
- But desire the option for a connection in the future, and does not wish to be subject to an availability charge in the meantime.

Oppose

- Current water services (level of services, safety, quality and volume) are viewed as sufficient.
- Growth (whether enabled by infrastructure or permitted by zoning) is not desired.
- Cost is perceived to be unaffordable.
- Cost is perceived to be a duplicate for those who have already paid for private servicing.
- Environmental concerns over the use of fresh water for potable use in a sensitive and constrained catchment.
- Council's usual rating policies and application of availability charges and targeted capital water supply rates under the Rating Powers Act and Local Government Act seems unfair.
- Concern over commercial case for delivery model that involves developers.

Support

- Enables growth and development for multiple development stakeholders.
- Health benefits, increase to property value, and improved level of service benefits flow on to Cardrona residents through growth.
- Consistent level of service end to end across Cardrona.
- Costs of infrastructure are rising.
- Opportunity is unique, time-bound and will not be available in future.
- Sustainable development whereby water is managed by one operator.
- New legislation will bring increased costs, best mitigated by economies of scale under single entity operations.
- Modern Council community drinking water supply scheme will be compliant with new drinking water regulations and quality rules.

15. A quantitative summary of those that are neutral or oppose, and those that support the proposal is tabulated below.

Position	Oppose	Neutral	Support	TOTAL**
Number of Submissions	20	1	5*	26
<b>Themes in submissions - oppose/neutral</b>				
Cost/paying for private scheme and then for Council community drinking water supply scheme	11			11
Satisfied with their existing service (provided by private scheme)	13			13
Concern about compelling connection or availability charges	6			6
Wish to retain option to connect to a Council community drinking water supply scheme in the future	2	1		3
Other	5			5
Not stated	2			2
<b>Themes in submissions - support</b>				
Risks (compliance, health, costs, legislation) of private schemes			2	2
Reliability and Resilience benefits of a Council community drinking water supply scheme			3	3
Best option and limited time opportunity to provide a Council community drinking water supply scheme			3	3
Enables sustainable development			3	3
Not stated			2	2

\* One of these submissions represents a group of 44 units under a Body Corporate.

\*\* The totals do not add to the number of submissions because some submissions are reflected in multiple themes.

16. The Hearings Panel must give full consideration to the submissions received. There is no distinction to be made in terms of weight that may be applied to submissions between those who wish to speak to their submission and those who elect not to.

## CONSULTATION PROCESS | HĀTEPE MATAPAKI:

### SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

This matter is of high significance, as determined by reference to the Council's Significance and Engagement Policy based on the impacts assessment below



Consideration	Impact	Context
Importance to the Queenstown Lakes District	Low negative impact district wide, high positive impact for the local township	While the proposal is relative to a small township only - The district wide impact of funding is low relative to the positive impact both locally and district wide of providing safe, reliable and quality community drinking water supply scheme in a small township.
Community interest	High impact with positive outcome	The proposal involves a material change to services in Cardrona Valley through provision of a community drinking-water-supply scheme, though consistent with the intention recorded in the Ten Year Plan.
Consistency with existing policy and strategy	Low Impact with Positive outcome	The proposal aligns with council's over-arching objective to provide safe, reliable, and quality 3-water services to enable growth and sustain businesses and communities.
The impact on the Council's capability and capacity	Low negative impact on Council's capacity, and high positive impact on risk/resourcing via outsourcing.	As with wastewater the developer carries the construction risk and thereby reduces overall demand on council's resources.  Developer led projects have been a proven success model (such is demonstrated through the Cardrona Wastewater Treatment Plant project) that deliver key infrastructure without consuming valuable Council CAPEX delivery resources.
Climate change	Low impact with positive outcomes	The sustainable water demand design parameters align with QLDC Climate Change Action Plan and central government's declaration of Climate Emergency and a whole-of-government response.
Mana whenua	High impact with positive outcomes	The proposal relates to 3-waters which are of high interest to Mana Whenua and has a positive effect on the use of allocated freshwater by proposing to enable options for centralising efficient management of natural resources so that water can managed most efficiently through growth in Cardrona.

17. The persons who are affected by or interested in this matter are all property owners within proposed area of service for the proposed Council community drinking water supply scheme in Cardrona.

18. The Council has consulted on investment in Cardrona Valley for the proposed Council community drinking water supply scheme in the 2021 Ten Year Plan. These consultations have been ongoing since 2020 and with further engagement in 2022. Council officers will continue to work with the Cardrona Residents and Ratepayers Association over the course of any consultation.

## **RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA**

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19. This matter relates to the Regulatory/Legal/Compliance risk category. It is associated with RISK00012 Core infrastructure is Insufficient- Poor infrastructure planning and RISK00031 Ineffective management and governance over legislative compliance within the QLDC Risk Register. This risk has been assessed as having a high inherent risk rating.
20. The approval of the recommended option will support the Council by avoiding risks through formal use of Special Consultative Procedure. This shall be achieved by providing the opportunity to formally engage with the community on this matter.

## **FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA**

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21. The proposal under this Statement is to increase the budget included in the 2021-2031 Ten Year Plan to invest in a QLDC owned and operated community drinking water supply scheme for Cardrona Valley (Option 1 in Attachment C Statement of Proposal).
22. QLDC's investment to provide the Council community drinking water supply scheme has been revised up from \$8.1M in the current 2021-2031 Ten Year Plan (with a further \$1.5M staged outside the ten-year window) to an estimate of \$17.2M. The proposal also requires a change to the 2021 Development Contribution Policy (DCP 2021) to reflect the revised development contributions required to recover debt to fund the investment.
23. Refer to the Attachment C Statement of proposal for proposed funding details including the proposed targeted capital water supply rate.

## **COUNCIL EFFECTS AND VIEWS | NGĀ WHAKAAWEAWE ME NGĀ TIROHANGA A TE KAUNIHERA**

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24. The following Council policies, strategies and bylaws were considered:
  - Cardrona 2020 (2003) - To provide for the cost-effective reticulation of water and sewerage as the population increases and this becomes more economically viable.
  - Water and Sewerage Schemes – Small Communities (2004) - Sewerage and water need to be funded by the community that benefit.
  - Growth Management Strategy (2007) - Infrastructure is provided in a way that supports high quality development located in the right places while adhering to the principles of sustainable development and ensuring that the environmental qualities of the district are protected.
  - 2021 Policy on Development Contributions & Financial Contributions.
  - Significance and Engagement Policy
  - Integrated Three Waters Bylaw
  - 30-Year Infrastructure Strategy



- Three Waters Asset Management Plan

25. The recommended option is consistent with the principles set out in the named policy/policies.

26. This matter is already included in the Ten-Year Plan and Annual Plan but requires additional funding.

### **STATUTORY RESPONSIBILITIES**

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27. The consideration process follows that required by section 83 of the Local Government Act 2002 (LGA).

### **ATTACHMENTS | NGĀ TĀPIRIHANGA**

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A	Submissions Register
B	Public Submissions
C	Statement of Proposal – Cardrona Valley Water Supply Investment (17 June 2022)

<u>Index</u>	<u>Name</u>	<u>Rep</u>	<u>Position</u>	<u>Speak</u>	
1	Richard Hutchins on behalf Benbrae Apartments Body Corporate 391030		Support	No	
2	Chas & Jenny Roberts		Support	No	
3	Michael Wong of The Southern District Health Board - Te Whatu Ora Southern		Support	No	
4	Melanie Heather and Mark Hardman		Support	No	
5	Andrew Spencer of CVWTP Ltd and MCS		Support	Yes	
6a	Alexis Thornton	JGH/CWSL	Oppose	No	
6b	Alexis Thornton		Oppose	No	
7	Cade John Thornton & James D Jenneson	JGH/CWSL	Oppose	No	
8	Cardrona Water Supply Limited	JGH/CWSL	Oppose	Yes	
9	Daniel Gudsell	JGH/CWSL	Oppose	No	
10	Kathryn Ronke	JGH/CWSL	Oppose	No	
11	Philip Judge, Director of Luddle holdings Limited	JGH/CWSL	Oppose	No	
12	Martin and Kay Curtis	JGH/CWSL	Oppose	No	
13	Michael Healy	JGH/CWSL	Oppose	No	
14	Morne' Pienaar	JGH/CWSL	Oppose	No	
15	Michael and Louise Lee	JGH/CWSL	Oppose	No	
16	Russell & Judith Brown	JGH/CWSL	Oppose	No	
17a	Sarah Prenter	JGH/CWSL	Oppose	No	
17b	Sarah prenter		Oppose	Yes	
18	Sharon White	JGH/CWSL	Oppose	No	
19	Sue Bartlett	JGH/CWSL	Oppose	No	
20	Pippa Kyle		Oppose	No	
21			Oppose	No	
22	Jenny and Lionel Harris		Oppose	No	
23	Blyth Adams		Oppose	Yes	
24	Ann Lockhart		Oppose	No	
25	Kostya Marchenko		Oppose	No	
26	Jon Holmes		Neutral	No	
27	Tim Allan		Oppose	Yes	
28	Miners Rise Water Ltd		Support	No	
29	Bernard Webster	JGH/CWSL	Oppose	No	(Late)
30	Cardrona Hotel		Oppose	Yes	
31	Juliet Rowan		Neutral	No	
32	Glen Daws		Oppose	No	
33	Isabella Anderson		Oppose	Yes	
34	Willy Scurr		Oppose	No	
35	Mario Kiesow		Oppose	No	
36	Ian leslie and Peti Nohotima		Oppose	No	
37	Peter Turner of Cardrona Ltd.		Oppose	Yes	
38	Mount Cardrona Station Ltd.		Support	Yes	

## **Attachment B: Submissions in Full**

## Submission #1 : Benbrae Apartments Body Corporate

**From:** [Richard Hutchens](#)  
**To:** [Let's Talk](#)  
**Subject:** Cardrona Water Supply Submission  
**Date:** Thursday, 14 July 2022 1:19:45 PM

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We are making this submission on behalf of the Body Corporate situated at 2326 Cardrona Valley Road - formerly known as the Benbrae Resort. We are the Body Corporate Managers of this Body Corporate 391030.

At the Body Corporate's Annual General Meeting held on 17th June, 2022, the Body Corporate passed the following Resolution:

The Body Corporate supports the proposed Cardrona Valley Water Supply Scheme in principle, subject to such Scheme imposing reasonable and justifiable costs.

For and on behalf of Body Corporate 391030

Kind regards,

Richard Hutchens  
Director  
Queenstown Management Limited



[www.queenstownmanagement.co.nz](http://www.queenstownmanagement.co.nz)

## Brandon Ducharme

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**From:** Charles Roberts  
**Sent:** Wednesday, 13 July 2022 10:29 AM  
**To:** Let's Talk  
**Subject:** Re: Cardrona Water Supply Submission

Thanks Rebecca. I am out of the district that week so will be unable to attend.

The only point I would have added is that the Cardrona Community Water Scheme is an opportunity for QLDC to show some leadership in the area of local infrastructure development. An area of activity, which in the NZ context, has too often been subject to politicking as opposed to what is in the best long term interests of communities.

Regards Chas Roberts.

> On 13/07/2022, at 10:06 AM, Let's Talk <letstalk@qldc.govt.nz> wrote:

>

> It's scheduled for 25 July. If you're keen I would pass your details on to our governance team to arrange timing etc.

>

> Cheers

> Rebecca

>

> -----Original Message-----

> From: Charles Roberts

> Sent: Wednesday, July 13, 2022 10:04 AM

> To: Let's Talk <letstalk@qldc.govt.nz>

> Subject: Re: Cardrona Water Supply Submission

>

> Giddy Rebecca,

>

> What is the hearing date?

>

> Chas.

>

> On 13/07/2022, at 9:58 AM, Let's Talk <letstalk@qldc.govt.nz> wrote:

>>

> Kia ora Chas,

>>

> Thanks for your email. This email is to acknowledge that we have received your submission.

>>

> Would you like to speak at a hearing in support of your submission?

>>

> Kind regards

> Rebecca

>>

>>

>>

> Rebecca Pitts | Engagement and Communications Team Leader |

> Kaiaataki whakapā Chief Executive's Office | Queenstown Lakes

> District Council

> P: +64 3 450 2221 M: 021 062 5205

> E:

>>

>>

> Please note: I am in the office Monday-Friday, 8.00am-3.00pm.  
 >>  
 >>  
 >>  
 > -----Original Message-----  
 > From: Charles Roberts  
 > Sent: Wednesday, June 22, 2022 2:52 PM  
 > To: Let's Talk <letstalk@qldc.govt.nz>  
 > Subject: Cardrona Water Supply Submission  
 >>  
 > Dear QLDC,  
 >>  
 > We submit in support of QLDC proposal to increase budgets and debt  
 > recovery required to partner with Mount Cardrona Station in the  
 > provision of a water supply scheme for the Cardrona Community. Our  
 > reasons ;  
 >>  
 > 1. The opportunity for the Cardrona Community to gain access to a new, state of the art drinking water scheme,  
 is not likely to be available at any time in the foreseeable future. This particular set of circumstances seems to us to  
 be a one-off, ie the MCS development.  
 > 2. The Cardrona Village needs drinking water infrastructure in order to be able to develop in a sustainable way.  
 The current arrangements do not meet forecast future needs, in terms of volume, quality or continuity.  
 > 3. The new legislative framework proposed by 3 Waters means private water schemes, as they currently exist,  
 will become increasingly complex to operate on a day to day basis, and infrastructure upgrades will become  
 increasingly expensive to build to the standards required under proposed legislation.  
 > 4. Existing private schemes will have new risks to manage under the proposed 3 Waters legislation. In the  
 unhappy event that any household becomes sick due to contaminated water, the penalties associated with  
 governance responsibilities appear to be severe. Mitigating those risks will be expensive for small operators.  
 > 5. Costs have already doubled since the scheme was mooted. It will never be cheaper to build a drinking water  
 scheme for the Cardrona Community.  
 >>  
 > We own two properties in Cardrona, and hold two shares in a small scheme (Pure H2O Cardrona) which supplies  
 residents in Pringles Creek Road. At the earliest opportunity we will opt out of the private scheme and join the  
 Cardrona Community Water Scheme.  
 >>  
 > Roberts Family Trust Is preparing to lodge consent for a development in Cardrona which will have 15 residential  
 sections. Our intention will be to connect to the Cardrona Community Scheme if that option is available to us. >>  
 > Chas & Jenny Roberts  
 >>  
 >>  
 >>  
 >

*We fully support the proposal as outlined.*

*In our opinion the raw water sources for this supply (Pringle Creek and the Cardrona River), should be able to be managed by the planned treatment processes. Having the two sources should assist as a contingency in the event of possible raw water shortages that could be due to seasonal droughts or increased demand due to population increases in the community.*

*We believe the additional funding for the water supplies to merge with the water treatment and reticulation operation proposed by Mount Cardrona Station (MCS) Development, will expand and enhance the Three Waters infrastructure for Cardrona Village (including the local township and the residential dwellings close to the Village). If the project goes ahead, drinking water supply should meet the standards for raw water sources, treatment processes and the distribution layout as specified in the Drinking Water Standards under the Drinking Water Services Act 2021. This would mitigate the potential for further water borne disease outbreaks in Cardrona Valley.*

*In addition, this proposed water supply compliments the completed operational wastewater system in the valley. This is an excellent opportunity for Queenstown Lakes District Council to partner with MCS to see the completion and operation of both wastewater and drinking water systems in the Cardrona Valley. Furthermore, the ability to join the scheme as proposed, would allow the village to expand to the level expected in the Queenstown Lakes Spatial Plan.*

*Thank-you for the opportunity to comment on this proposal.*

We are one of the nearest residents to the proposed Cardrona River water intake.

We submit in support of option one outlined in paragraph 38.

Specifically:

“Commit the additional funding required for QLDC to proceed with MCS to invest in a community water scheme for Cardrona Valley. This option requires increase to capital budgets in the 2021-2031 Ten-Year Plan and debt recovery in the Development Contribution Policy 2021 as proposed.”

We support the proposal on the following basis:

1. That we were correctly advised that the proposed falling main will provide treated water to the water intake. More specifically, the eastern side of the Cardrona River, only a short distance from our property boundary.
2. That we have been correctly advised that the close proximity of our house to the Cardrona River intake means we will be able to connect as soon as, or shortly after, the scheme becomes operational. Any significant delay to our ability to connect could jeopardise our support.
3. That any impact on the unformed legal road from which we access our property will be entirely mitigated by the QLDC. This includes any possible disruption through construction.
4. QLDC is aware of our current desire to connect our property to the proposed community water supply.
5. The term “existing township” (with reference to the ability to amortise the cost of the development contribution over 30 years) includes our property.

We comment as follows:

1. The intent of paragraph 31 is unclear. What is meant by the “first rating year”?

“This option will be available to any properties in the village that sign up to the Targeted Capital Water Supply Rate within the first rating year of council ownership of the scheme.”

What would happen if ownership transferred near the end of a rating year? We ask that eligible properties are given a minimum of 12 months from the date ownership is transferred to the QLDC.



1. The Mt Cardrona Station (MCS) funding sponsors of this WTP project recently successfully initiated, designed, consented, contracted, constructed and commissioned the Cardrona Valley Wastewater Scheme for the benefit of the Cardrona Village, Mt Cardrona Station and Cardrona Alpine Resort catchments;
2. The Cardrona Valley Wastewater scheme capacity design and development contributions policy previously approved by QLDC was based on the DUE assessment of MCS approx. 800 DUE and balance of approx. 740 DUE for the Cardrona Village and surrounding catchment. This Wastewater scheme was constructed to accommodate Cardrona Valley catchment growth and clearly a viable Water scheme providing equivalent drinking water connections underpins the recovery of capital investment for both infrastructure investments;
3. CVWTP has invested to date approx \$2.3m in design, consenting and procurement tenders, and have commenced civil construction of enabling works. This is a shovel ready project that has been designed to accommodate the above mentioned capacity assessments;
4. Mt Cardrona Station has committed to us a staged sponsor funding/bulk contribution of up to \$6.0m for the design and construction of a fully compliant scheme (in accordance with the Water Services Act (WSA) and Drinking Water Quality Assurance Rules (DWR). Should the scheme not be approved as a wider Cardrona Valley supply scheme, we have the ability to scale back the design and build, and retain and operate the infrastructure to only service the Mt Cardrona Station developments as a compliant private scheme;
5. There does not appear to be any viable alternative that is efficient in a single infrastructure scheme that can service the entire catchment and we believe the costs in implementing any scheme project will not be any less than it is today;
6. Accordingly we are in support of the notified Statement of Proposal to increase the LTP capital budget and revise the development contributions policy, to enable the delivery of a QLDC public entity owned and operated water scheme for the Cardrona Valley;
7. We implore QLDC commissioners and councillors to prioritise capital allocation for this project to be delivered for the responsible protection of human health for Cardrona residents and visitors alike;

**From:** [James Gardner-Hopkins](#)  
**To:** [Let's Talk](#)  
**Subject:** Cardrona Water Supply submission: Alexis Thornton  
**Date:** Monday, 18 July 2022 4:41:33 PM

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Please see the below submission, which should be treated as a separate submission, including in respect of the right to be heard on the submission.

I am opposed to current Cardrona Valley residents being forced to contribute to the development of a new water scheme to benefit private interests when we already have a safe, reliable and perfectly adequate water supply in Cardrona.

**Submission #6b : Alexis Thornton**

I am opposed to current Cardrona Valley residents being forced to contribute to the development of a new water scheme to benefit private interests when we already have a safe, reliable and perfectly adequate water supply in Cardrona.

**From:** [James Gardner-Hopkins](#)  
**To:** [Let's Talk](#)  
**Subject:** Cardrona Water Supply submission: Cade John Thornton & James D Jenneson  
**Date:** Monday, 18 July 2022 4:44:32 PM  
**Attachments:** [image0.png](#)  
[Attached Message Part](#)  
[QLDC\\_submission\\_water.pdf](#)  
[Attached Message Part](#)

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Please see the below submission, in case it has not otherwise been received.

**From:** J&T Holdings

**Date:** 18 July 2022 at 3:05:55 PM NZST  
**To:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Subject:** Re: QLDC Council Water Scheme Submission -Cardrona

Good afternoon,

For the record:

'I DO NOT SUPPORT A COUNCIL WATER SCHEME IN CARDRONA'  
Cade John Thornton & James D Jenneson

Please see attached - this has also been submitted directly to QLDC.

Regards

Cade Thornton.

**From:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Date:** 15 July 2022 at 8:55:43 PM NZST  
**To:**  
**Subject:** QLDC Council Water Scheme Submission -  
Cardrona

Dear customer,

You may be aware that the Council is engaging in a formal consultation process in order to decide if it will commit to funding of a water supply scheme with Mount Cardrona Station Limited (or a related entity) to provide water to the Cardrona Village/ Township. Regrettably, the Council has not been transparent in terms of its commercial relationship with Mount Cardrona Station, and is seeking to impose significant unnecessary costs on people who are existing customers or committed to future supply with CWSL.

Council's costs are ballooning, and seem to be justified only by their wish to supply future development areas, which are unzoned, and not currently proposed for rezoning through the current Proposed District Plan process, so should not come up for development for at least 10 years (being the life of the current Plan).

The area which the Council wishes to service is shown in the "pink" shading in the below/ attached plan, and, if it proceeds now, will fund from the existing ratepayers and customers of CWSL. The costs to each potential user (and whether the Council can force connection) remain unclear, but for a connection appear to be in the region of "\$40,455" as the "Proposed Increase to Cardrona Development Contribution in the Development Contribution Policy 2021".

Various technical reports held by the Council also seem to have been withheld from being made public at this stage, let alone its financial dealings with Mount Cardrona Station Limited.

Accordingly, we seek your permission to, on your behalf, provide feedback in opposition to the Council committing to the Mount Cardrona Station Limited scheme.

If you give us your permission, we will provide feedback to the Council on your behalf. In the past, the Council has relied on "numbers" (including lack of numbers in responding), and we do not wish for this to be the case again.

If you would like us to provide feedback to the Council on your behalf, please reply to this email with 'I DO NOT SUPPORT A COUNCIL WATER SCHEME IN CARDRONA' with both your full written name, and address of property in Cardrona, and a small comment as to why you do not support the water scheme. We will collect all of your emails, attach them to a formal submission, and submit them on your behalf.

Alternatively, if you do support the water scheme, then we suggest you put this in a written submission to the Council before 5pm Monday, 18 July 2022 using the following link <https://letstalk.qldc.govt.nz/increased-investment-in-cardrona-village-water-supply> .

Warm Regards,

Cardrona Water Supply Ltd

**From:** [James Gardner-Hopkins](#)  
**To:** [Let's Talk](#)  
**Subject:** Cardrona Water Supply submission: Cardrona Water Supply Ltd (CWSL)  
**Date:** Monday, 18 July 2022 4:42:03 PM  
**Attachments:** [Fd0Oq5hX2c80Jihv.png](#)  
[dhaHSxPBp0qjZB94.png](#)  
[b16Ihev9luuCYmyj.png](#)  
[Tu5mnacuXp20hkOa.png](#)

---

Dear Hearing/ Committee members, and wider Members of the Council,

I am the water supply contract manager for CWSL.

This is a submission on the Council's proposal to increase budgets and debt recovery required to invest in a Cardrona Valley community water supply scheme, in partnership with the investors of Mount Cardrona Station.

It appeared at the Council's last meeting, that there were some concerns expressed as to potentially proceeding with this significant expenditure, when costs had increased so significantly - let alone where major questions remain unanswered as to who would ultimately pay for and/ or benefit from the Scheme; and why Mount Cardrona Station should not be left to take care of its own interests, without risk to the ratepayers.

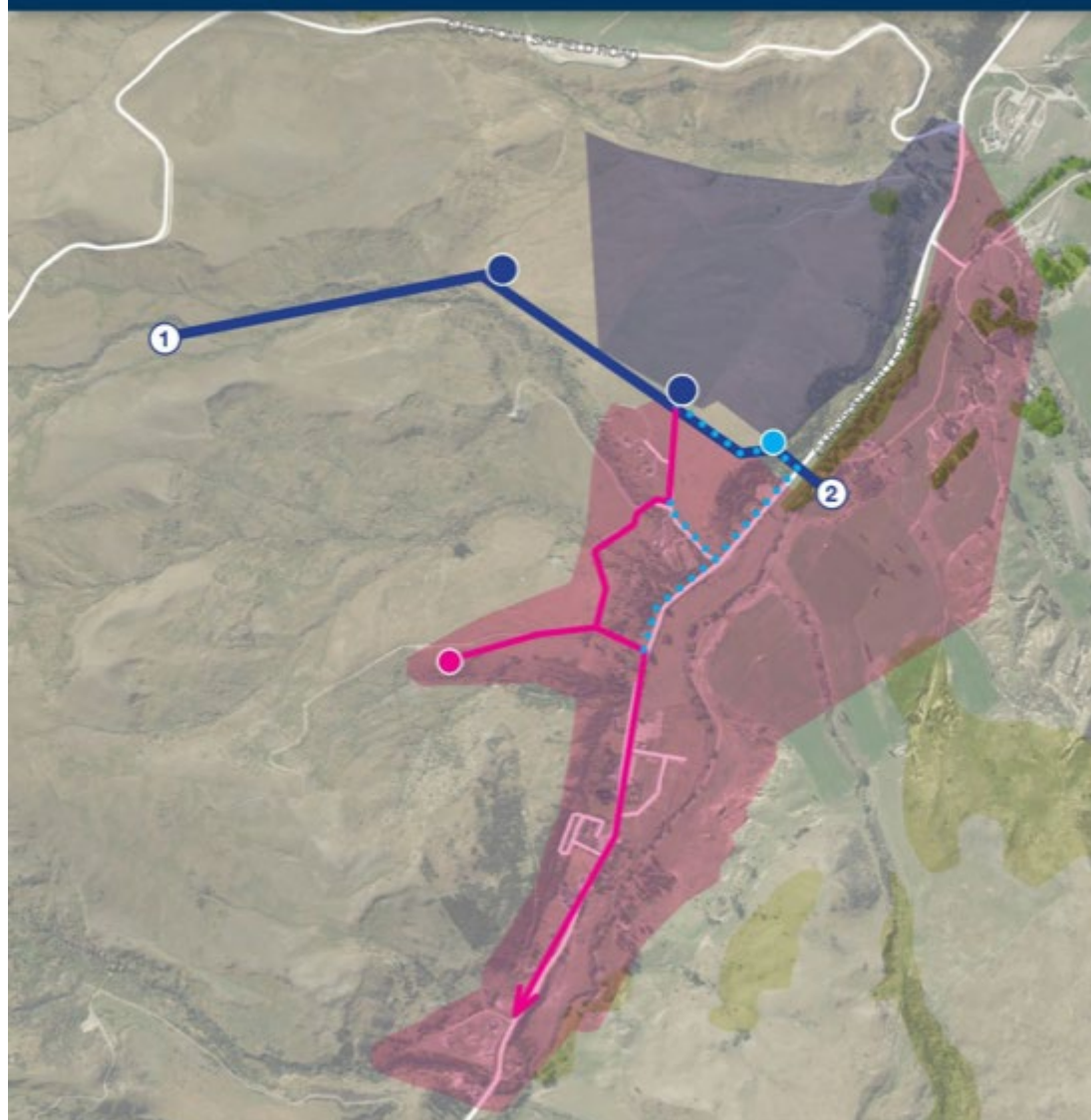
CWSL has raised its concerns previously, and asks the Hearing Committee, and wider Members of the Council to take those previous concerns into account as part of this submission (if necessary, assisted by its officers to obtain CWSL's previous communications, noting that officers should be there to assist the Elected Members in making decisions on behalf of the Council).

CWSL is concerned that its previous concerns have generally fallen on deaf ears.

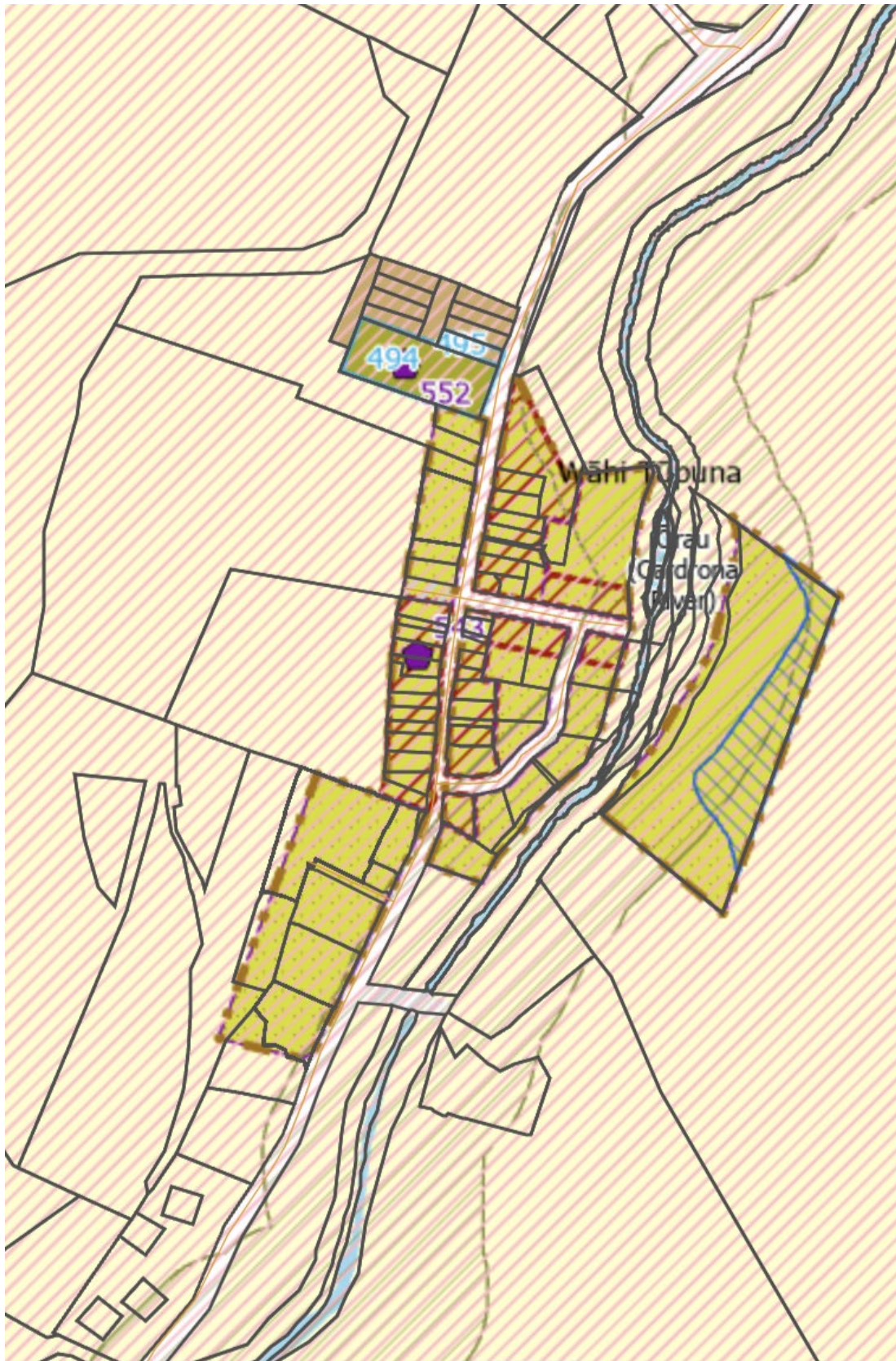
The area which the Council wishes to service is shown in the "pink" shading in the below/ attached plan, and, if the Scheme proceeds is presumably the areas from which it will seek to fund the Scheme. It will be immediately apparent that the "pink" area extends far beyond the existing zoned opportunities for development. The zoned opportunities, recently settled through the Council's PDP process are shown in the following plan (the "mustard" areas, representing the Cardrona Settlement Zone.

If the Council is going to remain true to its word that it will not seek to recover costs from those who are currently provided with (or contractually committed to be provided with) water by CWSL then it is unclear how the Council can reasonably recover costs. CWSL provides (or is contractually committed to provide) 90% of the Cardrona township, as shown on the last plan below/ attached, in the green shading. Furthermore, CWSL is supported by 90% of those customers in its opposition to the Scheme, as shown by the "X"-marks (their opposition will be sent separately, as separate submissions).

# Proposed Cardrona Water Supply Scheme











The costs to each potential user (and whether the Council can force connection) remain unclear, but for a connection now appear to be in the region of "\$40,455" as identified in the Table2: "Proposed Increase to Cardrona Development Contribution in the Development Contribution Policy 2021". This is a different figure to that stated at Table 4: "Proposed development contribution" of \$16,490.

Council's costs are ballooning. In that light, it seems unclear why it wishes to supply future development areas, which are unzoned, and not currently proposed for rezoning through the current Proposed District Plan process, so should not come up for development for at least 10 years (being the life of the current Plan). They are potential development beyond the life of the 10 year Long Term Plan.

Various technical reports held by the Council also still seem to have been withheld from being

made public at this stage, let alone its financial dealings with Mount Cardrona Station Limited.

CWSL requests that the Council not proceed with the Scheme. Let Mount Cardrona Station address its own needs. At the very least, leave the zoned Township out of the proposal. It is already well served by a safe and efficient water supply company. The Council's proposal risks being (if it is not actually) an improper exercise of power to promote trade competition in water supply functions, through a JV with Mount Cardrona Station, at unnecessary cost to the ratepayers, including the owners and occupiers of land already supplied within the Cardrona Village and its zoned opportunities.

CWSL wishes to speak to its submission at any hearing.

Kind regards

James



**JAMES GARDNER-HOPKINS**

**Consultant | Advisor | Project Manager**

**M: 021 277 1425 | T: 09 889 2776 | E: [james@jgh.nz](mailto:james@jgh.nz)**

**[www.jgh.nz](http://www.jgh.nz)**

*Disclaimer: This e-mail may contain information which is confidential and/or privileged. If you are not the intended recipient you may not disclose, copy, or use the information contained in it. If you have received this e-mail message in error, please delete it and notify me. Please also note: I do not currently provide legal services.*

*Thank you.*

**From:** [James Gardner-Hopkins](#)  
**To:** [Let's Talk](#)  
**Subject:** Cardrona Water Supply submission: Daniel Gudsell  
**Date:** Monday, 18 July 2022 4:41:46 PM  
**Attachments:** [image001.png](#)

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Please see the below submission, which should be treated as a separate submission, including in respect of the right to be heard on the submission.

**From:** Daniel Gudsell | ABODO  
**Date:** 18 July 2022 at 7:57:57 AM NZST  
**To:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Subject:** RE: QLDC Council Water Scheme Submission -Cardrona

'I DO NOT SUPPORT A COUNCIL WATER SCHEME IN CARDRONA'  
Daniel Gudsell

Having already paid for a connection with Cardrona Water (required as part of my resource consent) I am not interested in paying again for the council to duplicate water supply.

---

**From:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com) <[cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)>  
**Sent:** Sunday, 17 July 2022 2:49 pm  
**To:** Daniel Gudsell | ABODO  
**Subject:** Fwd: QLDC Council Water Scheme Submission -Cardrona

**To: Subject: QLDC Council Water Scheme Submission -Cardrona**

Dear customer,

You may be aware that the Council is engaging in a formal consultation process in order to decide if it will commit to funding of a water supply scheme with Mount Cardrona Station Limited (or a related entity) to

provide water to the Cardrona Village/ Township. Regrettably, the Council has not been transparent in terms of its commercial relationship with Mount Cardrona Station, and is seeking to impose significant unnecessary costs on people who are existing customers or committed to future supply with CWSL.

Council's costs are ballooning, and seem to be justified only by their wish to supply future development areas, which are unzoned, and not currently proposed for rezoning through the current Proposed District Plan process, so should not come up for development for at least 10 years (being the life of the current Plan).

The area which the Council wishes to service is shown in the "pink" shading in the below/ attached plan, and, if it proceeds now, will fund from the existing ratepayers and customers of CWSL. The costs to each potential user (and whether the Council can force connection) remain unclear, but for a connection appear to be in the region of "\$40,455" as the "Proposed Increase to Cardrona Development Contribution in the Development Contribution Policy 2021".

Various technical reports held by the Council also seem to have been withheld from being made public at this stage, let alone its financial dealings with Mount Cardrona Station Limited.

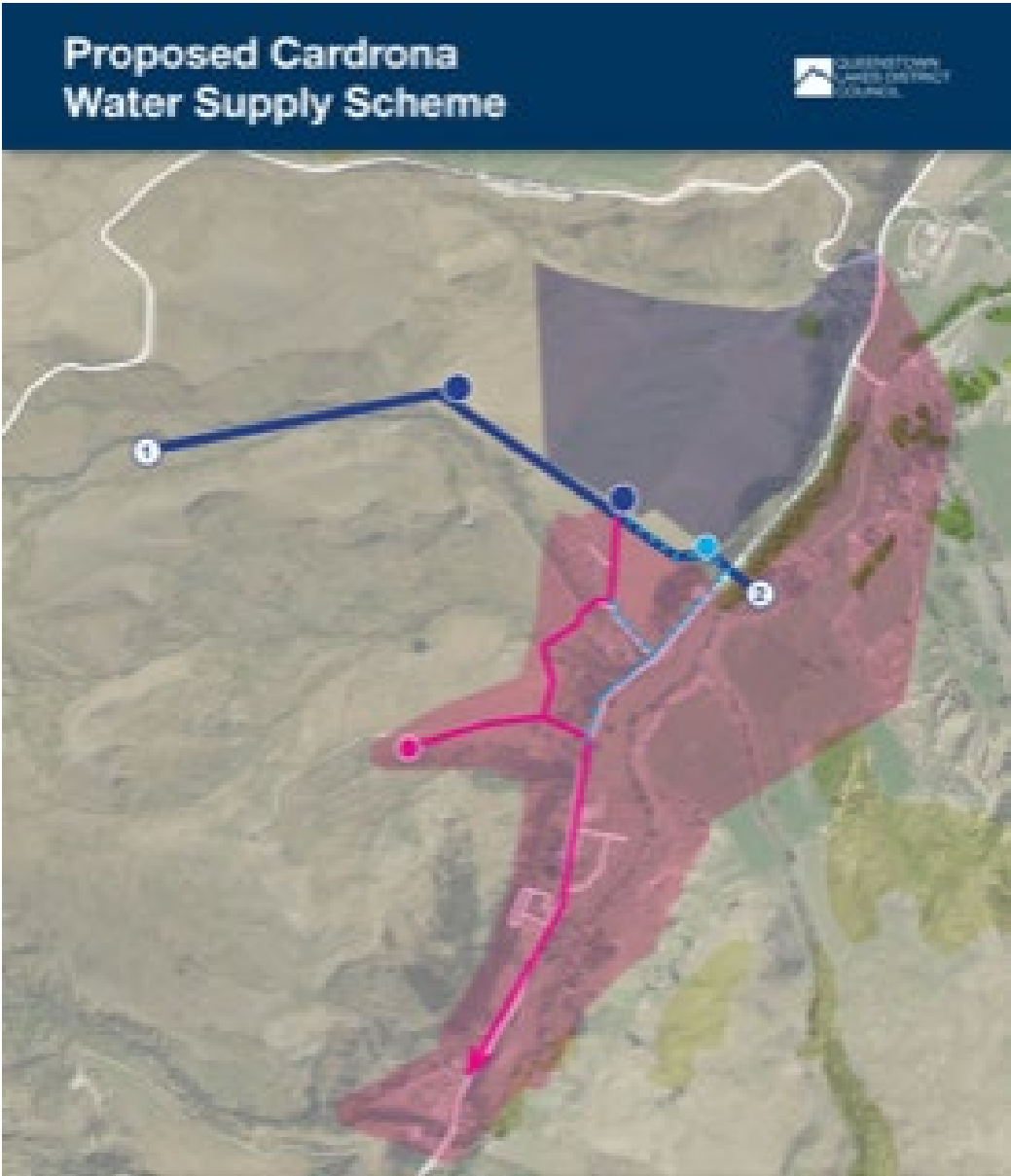
Accordingly, we seek your permission to, on your behalf, provide feedback in opposition to the Council committing to the Mount Cardrona Station Limited scheme.

If you give us your permission, we will provide feedback to the Council on your behalf. In the past, the Council has relied on "numbers" (including lack of numbers in responding), and we do not wish for this to be the case again.

If you would like us to provide feedback to the Council on your behalf, please reply to this email with 'I DO NOT SUPPORT A COUNCIL WATER SCHEME IN CARDRONA' with both your full written name, and address of property in Cardrona, and a small comment as to why you do not support the water scheme. We will collect all of your emails, attach them to a formal submission, and submit them on your behalf.

Alternatively, if you do support the water scheme, then we suggest you put this in a written submission to the Council before 5pm Monday, 18 July 2022 using the following link <https://letstalk.qldc.govt.nz/increased-investment-in-cardrona-village-water-supply> .

Warm Regards,



Submission #10 : Kathryn Ronke

**From:** [James Gardner-Hopkins](#)  
**To:** [Let's Talk](#)  
**Subject:** Cardrona Water Supply submission: Kathryn Ronke  
**Date:** Monday, 18 July 2022 4:41:47 PM  
**Attachments:** [com\\_samsung\\_android\\_email\\_attachmentprovider\\_1\\_2351\\_RAW\\_1657915431712](#)

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Please see the below submission, which should be treated as a separate submission, including in respect of the right to be heard on the submission.

**From:** "kat.n.girlz"  
**Date:** 16 July 2022 at 8:11:24 AM NZST  
**To:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Subject:** RE: QLDC Council Water Scheme Submission -Cardrona

I DO NOT SUPPORT this COUNCIL WATER SCHEME IN CARDRONA

The costs to join are nothing short of ridiculous, blatant daylight robbery - particularly when there is already an adequate water supply already in place.

Kathryn

----- Original message -----

**From:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Date:** 15/07/22 20:55 (GMT+12:00)  
**To:** Subject: QLDC Council Water Scheme Submission -Cardrona

Dear customer,

You may be aware that the Council is engaging in a formal consultation process in order to decide if it will commit to funding of a water supply scheme with Mount Cardrona Station Limited (or a related entity) to provide water to the Cardrona Village/ Township. Regrettably, the Council has not



been transparent in terms of its commercial relationship with Mount Cardrona Station, and is seeking to impose significant unnecessary costs on people who are existing customers or committed to future supply with CWSL.

Council's costs are ballooning, and seem to be justified only by their wish to supply future development areas, which are unzoned, and not currently proposed for rezoning through the current Proposed District Plan process, so should not come up for development for at least 10 years (being the life of the current Plan).

The area which the Council wishes to service is shown in the "pink" shading in the below/ attached plan, and, if it proceeds now, will fund from the existing ratepayers and customers of CWSL. The costs to each potential user (and whether the Council can force connection) remain unclear, but for a connection appear to be in the region of "\$40,455" as the "Proposed Increase to Cardrona Development Contribution in the Development Contribution Policy 2021".

Various technical reports held by the Council also seem to have been withheld from being made public at this stage, let alone its financial dealings with Mount Cardrona Station Limited.

Accordingly, we seek your permission to, on your behalf, provide feedback in opposition to the Council committing to the Mount Cardrona Station Limited scheme.

If you give us your permission, we will provide feedback to the Council on your behalf. In the past, the Council has relied on "numbers" (including lack of numbers in responding), and we do not wish for this to be the case again.

If you would like us to provide feedback to the Council on your behalf, please reply to this email with 'I DO NOT SUPPORT A COUNCIL WATER SCHEME IN CARDRONA' with both your full written name, and address of property in Cardrona, and a small comment as to why you do not support the water scheme. We will collect all of your emails, attach them to a formal submission, and submit them on your behalf.

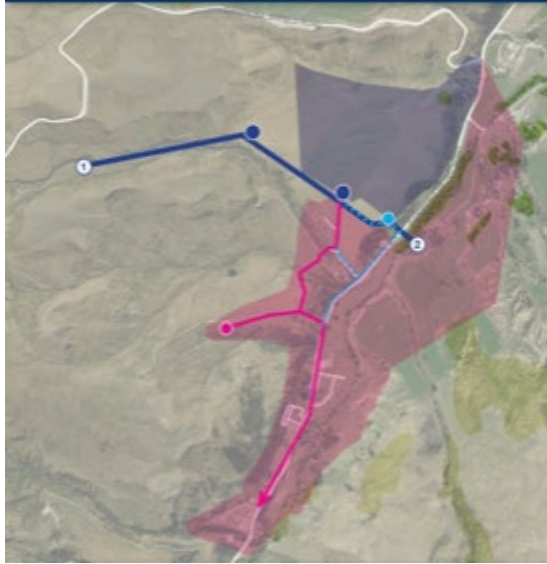
Alternatively, if you do support the water scheme, then we suggest you put this in a written submission to the Council before 5pm Monday, 18 July 2022 using the following link <https://letstalk.qldc.govt.nz/increased-investment-in-cardrona-village-water-supply> .

Warm Regards,

Cardrona Water Supply Ltd



## Proposed Cardrona Water Supply Scheme



**From:** [James Gardner-Hopkins](#)  
**To:** [Let's Talk](#)  
**Subject:** Cardrona Water Supply submission: Luddle Holdings Limited  
**Date:** Monday, 18 July 2022 4:42:18 PM

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Please see the below submission, which should be treated as a separate submission, including in respect of the right to be heard on the submission.

**From:** Philip Judge  
**Date:** 18 July 2022 at 3:19:27 PM NZST  
**To:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Subject:** RE: QLDC Council Water Scheme Submission -Cardrona

I DO NOT SUPPORT A COUNCIL WATER SCHEME IN CARDRONA

I already have commitment to attached to existing supply system, why would I want to pay twice, and at a far higher figure.

Philip Judge,

Cheers Philip

Sent from [Mail](#) for Windows

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**From:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Sent:** Monday, 18 July 2022 3:12 pm  
**To:**  
**Subject:** Fwd: QLDC Council Water Scheme Submission -Cardrona

Sent from my iPhone

Begin forwarded message:

**From:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Date:** 18 July 2022 at 1:44:12 PM NZST  
**To:** Philip Judge Accountant  
**Subject:** Fwd: QLDC Council Water Scheme Submission -Cardrona

Hi

Can you please respond to this email urgently so we can lodge the submission against by 5 pm today

Thanks

Kathy

Sent from my iPhone

Begin forwarded message:

**From:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)

**Date:** 17 July 2022 at 2:48:47 PM NZST

**To:**

**Subject: Fwd: QLDC Council Water Scheme Submission  
-Cardrona**

**To:**

**Subject: QLDC Council Water Scheme  
Submission -Cardrona**

Dear customer,

You may be aware that the Council is engaging in a formal consultation process in order to decide if it will commit to funding of a water supply scheme with Mount Cardrona Station Limited (or a related

entity) to provide water to the Cardrona Village/ Township. Regrettably, the Council has not been transparent in terms of its commercial relationship with Mount Cardrona Station, and is seeking to impose significant unnecessary costs on people who are existing customers or committed to future supply with CWSL.

Council's costs are ballooning, and seem to be justified only by their wish to supply future development areas, which are unzoned, and not currently proposed for rezoning through the current Proposed District Plan process, so should not come up for development for at least 10 years (being the life of the current Plan).

The area which the Council wishes to service is shown in the "pink" shading in the below/ attached plan, and, if it proceeds now, will fund from the existing ratepayers and customers of CWSL. The costs to each potential user (and whether the Council can force connection) remain unclear, but for a connection appear to be in the region of "\$40,455" as the "Proposed Increase to Cardrona Development Contribution in the Development Contribution Policy 2021".

Various technical reports held by the Council also seem to have been withheld from being made public at this stage, let alone its financial dealings with Mount Cardrona Station Limited.

Accordingly, we seek your permission to, on your behalf, provide feedback in opposition to the Council committing to the Mount Cardrona Station Limited scheme.

If you give us your permission, we will provide feedback to the Council on your behalf. In the past, the Council has relied on "numbers" (including lack of numbers in responding), and we do not wish for this to be the case again.

If you would like us to provide feedback to the Council on your behalf, please reply to this email with ' with both your full written name, and address of property in Cardrona, and a small comment as to why you do not support the water scheme. We will collect all of your emails, attach them to a formal submission, and submit them on your behalf.

Alternatively, if you do support the water scheme, then we suggest you put this in a written submission to the Council before 5pm Monday, 18 July 2022 using the following link <https://letstalk.qldc.govt.nz/increased-investment-in-cardrona-village-water-supply> .

Warm Regards,

Cardrona Water Supply Ltd

<image0.png>

Submission #12 : Martin & Kay Curtis

**From:** [James Gardner-Hopkins](#)  
**To:** [Let's Talk](#)  
**Subject:** Cardrona Water Supply submission: Martin & Kay Curtis  
**Date:** Monday, 18 July 2022 4:42:07 PM  
**Attachments:** [image0.png](#)

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Please see the below submission, which should be treated as a separate submission, including in respect of the right to be heard on the submission.

----- Forwarded Message -----

**Subject:** Fwd: QLDC Council Water Scheme Submission -Cardrona  
**Date:** Mon, 18 Jul 2022 13:34:03 +1200  
**From:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com) <[cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)>  
**To:** James Gardner-Hopkins

Sent from my iPhone

Begin forwarded message:

**From:** Martin Curtis  
**Date:** 17 July 2022 at 9:02:20 PM NZST  
**To:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Subject:** Re: QLDC Council Water Scheme Submission -Cardrona

To Cardrona Water Supply Ltd.

I DO NOT SUPPORT A COUNCIL WATER SCHEME IN CARDRONA.

Martin & Kay Curtis ;

We do not support the proposed council water scheme for Cardrona for two reasons. Mainly because the current water scheme provided by CWSL is excellent and of the highest quality. Secondly the council's proposed development contribution charge is quite outrageous and totally unaffordable by us as long time residents of Cardrona.

Yours sincerely  
Martin & Kay Curtis.

On Fri, Jul 15, 2022 at 8:55 PM [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com) <[cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)> wrote:

Dear customer,

You may be aware that the Council is engaging in a formal consultation

process in order to decide if it will commit to funding of a water supply scheme with Mount Cardrona Station Limited (or a related entity) to provide water to the Cardrona Village/ Township. Regrettably, the Council has not been transparent in terms of its commercial relationship with Mount Cardrona Station, and is seeking to impose significant unnecessary costs on people who are existing customers or committed to future supply with CWSL.

Council's costs are ballooning, and seem to be justified only by their wish to supply future development areas, which are unzoned, and not currently proposed for rezoning through the current Proposed District Plan process, so should not come up for development for at least 10 years (being the life of the current Plan).

The area which the Council wishes to service is shown in the "pink" shading in the below/ attached plan, and, if it proceeds now, will fund from the existing ratepayers and customers of CWSL. The costs to each potential user (and whether the Council can force connection) remain unclear, but for a connection appear to be in the region of "\$40,455" as the "Proposed Increase to Cardrona Development Contribution in the Development Contribution Policy 2021".

Various technical reports held by the Council also seem to have been withheld from being made public at this stage, let alone its financial dealings with Mount Cardrona Station Limited.

Accordingly, we seek your permission to, on your behalf, provide feedback in opposition to the Council committing to the Mount Cardrona Station Limited scheme.

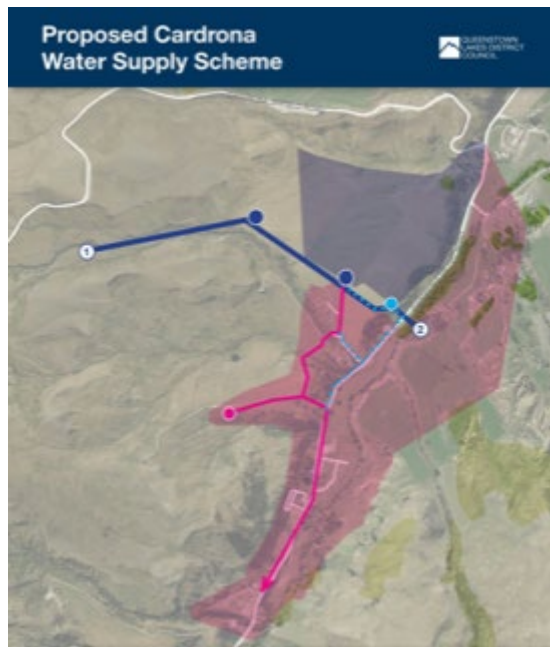
If you give us your permission, we will provide feedback to the Council on your behalf. In the past, the Council has relied on "numbers" (including lack of numbers in responding), and we do not wish for this to be the case again.

If you would like us to provide feedback to the Council on your behalf, please reply to this email with 'I DO NOT SUPPORT A COUNCIL WATER SCHEME IN CARDRONA' with both your full written name, and address of property in Cardrona, and a small comment as to why you do not support the water scheme. We will collect all of your emails, attach them to a formal submission, and submit them on your behalf.

Alternatively, if you do support the water scheme, then we suggest you put this in a written submission to the Council before 5pm Monday, 18 July 2022 using the following link <https://letstalk.qldc.govt.nz/increased-investment-in-cardrona-village-water-supply> .

Warm Regards,

## Cardrona Water Supply Ltd





Submission #13 : Mike Healy

**From:** [James Gardner-Hopkins](#)  
**To:** [Let's Talk](#)  
**Subject:** Cardrona Water Supply submission: Michael Healy  
**Date:** Monday, 18 July 2022 4:41:39 PM  
**Attachments:** [image0.png](#)

---

Please see the below submission, which should be treated as a separate submission, including in respect of the right to be heard on the submission.

**From:** Mike Healy  
**Date:** 18 July 2022 at 12:53:30 PM NZST  
**To:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Subject:** Re: QLDC Council Water Scheme Submission -Cardrona

Thank you,

We do not agree with the QLDC water supply proposal, as we already have an agreement with the existing service provider and in accordance with our approved resource consent.

Please act on my behalf.

Michael Healy

On Fri, 15 Jul 2022 at 20:55, [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com) <[cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)> wrote:

---

Dear customer,

You may be aware that the Council is engaging in a formal consultation process in order to decide if it will commit to funding of a water supply scheme with Mount Cardrona Station Limited (or a related entity) to provide water to the Cardrona Village/ Township. Regrettably, the Council has not been transparent in terms of its commercial relationship with Mount Cardrona Station, and is seeking to impose significant unnecessary costs on people who are existing customers or committed to future supply with CWSL.

Council's costs are ballooning, and seem to be justified only by their wish to supply future development areas, which are unzoned, and not currently proposed for rezoning through the current Proposed District Plan process, so should not come up for development for at least 10 years (being the life of the current Plan).

The area which the Council wishes to service is shown in the "pink" shading in the below/ attached plan, and, if it proceeds now, will fund from the existing ratepayers and customers of CWSL. The costs to each potential user (and whether the Council can force connection) remain unclear, but for a connection appear to be in the region of "\$40,455" as the "Proposed Increase to Cardrona Development Contribution in the Development Contribution Policy 2021".

Various technical reports held by the Council also seem to have been withheld from being made public at this stage, let alone its financial dealings with Mount Cardrona Station Limited.

Accordingly, we seek your permission to, on your behalf, provide feedback in opposition to the Council committing to the Mount Cardrona Station Limited scheme.

If you give us your permission, we will provide feedback to the Council on your behalf. In the past, the Council has relied on "numbers" (including lack of numbers in responding), and we do not wish for this to be the case again.

If you would like us to provide feedback to the Council on your behalf, please reply to this email with 'I DO NOT SUPPORT A COUNCIL WATER SCHEME IN CARDRONA' with both your full written name, and address of property in Cardrona, and a small comment as to why you do not support the water scheme. We will collect all of your emails, attach them to a formal submission, and submit them on your behalf.

Alternatively, if you do support the water scheme, then we suggest you put this in a written submission to the Council before 5pm Monday, 18 July 2022 using the following link <https://letstalk.qldc.govt.nz/increased-investment-in-cardrona-village-water-supply> .

Warm Regards,

Cardrona Water Supply Ltd



Submission #14 : Morne Pienaar

**From:** [James Gardner-Hopkins](#)  
**To:** [Let's Talk](#)  
**Subject:** Cardrona Water Supply submission: Morne Pienaar  
**Date:** Monday, 18 July 2022 4:42:13 PM  
**Attachments:** [image0.png](#)

---

Please see the below submission, which should be treated as a separate submission, including in respect of the right to be heard on the submission.

**From:** morne pienaar  
**Date:** 18 July 2022 at 2:21:10 PM NZST  
**To:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Subject:** Re: QLDC Council Water Scheme Submission -Cardrona

Morne' Pienaar

I DO NOT SUPPORT A COUNCIL WATER SCHEME IN CARDRONA  
Reasons :

- Financial : I do not understand, support or can afford contributing over \$40 000 to a council water scheme
- No need / requirement to change : I receive, and have received good quality water from the Cardrona water scheme for the last 17-18 years

Thanks  
Morne Pienaar

On Friday, July 15, 2022, 08:55:32 PM GMT+12, [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com) <[cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)> wrote:

Dear customer,

You may be aware that the Council is engaging in a formal consultation process in order to decide if it will commit to funding of a water supply scheme with Mount Cardrona Station Limited (or a related entity) to provide water to the Cardrona Village/ Township. Regrettably, the Council has not been transparent in terms of its commercial relationship with Mount Cardrona Station, and is seeking to impose significant unnecessary costs on people who are existing customers or committed to future supply with CWSL.

Council's costs are ballooning, and seem to be justified only by their wish to supply future development areas, which are unzoned, and not currently proposed for rezoning through the current Proposed District Plan process, so should not come up for development for at least 10 years (being the life of the current Plan).

The area which the Council wishes to service is shown in the "pink" shading in the below/ attached plan, and, if it proceeds now, will fund from the existing ratepayers

and customers of CWSL. The costs to each potential user (and whether the Council can force connection) remain unclear, but for a connection appear to be in the region of "\$40,455" as the "Proposed Increase to Cardrona Development Contribution in the Development Contribution Policy 2021".

Various technical reports held by the Council also seem to have been withheld from being made public at this stage, let alone its financial dealings with Mount Cardrona Station Limited.

Accordingly, we seek your permission to, on your behalf, provide feedback in opposition to the Council committing to the Mount Cardrona Station Limited scheme.

If you give us your permission, we will provide feedback to the Council on your behalf. In the past, the Council has relied on "numbers" (including lack of numbers in responding), and we do not wish for this to be the case again.

If you would like us to provide feedback to the Council on your behalf, please reply to this email with 'I DO NOT SUPPORT A COUNCIL WATER SCHEME IN CARDRONA' with both your full written name, and address of property in Cardrona, and a small comment as to why you do not support the water scheme. We will collect all of your emails, attach them to a formal submission, and submit them on your behalf.

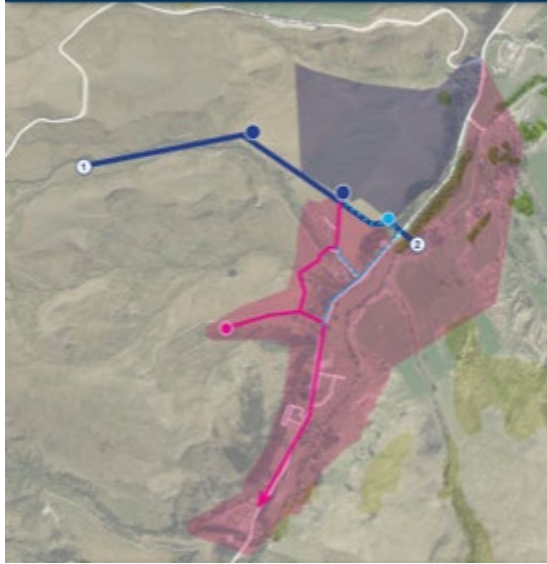
Alternatively, if you do support the water scheme, then we suggest you put this in a written submission to the Council before 5pm Monday, 18 July 2022 using the following link <https://letstalk.qldc.govt.nz/increased-investment-in-cardrona-village-water-supply>.

Warm Regards,

Cardrona Water Supply Ltd



## Proposed Cardrona Water Supply Scheme



**From:** [James Gardner-Hopkins](#)  
**To:** [Let's Talk](#)  
**Subject:** Cardrona Water Supply submission: Puawananga Properties Ltd  
**Date:** Monday, 18 July 2022 4:41:54 PM  
**Attachments:** [image002.png](#)

---

Please see the below submission, which should be treated as a separate submission, including in respect of the right to be heard on the submission.

**From:** Michael Lee  
**Date:** 18 July 2022 at 2:13:29 PM NZST  
**To:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Subject:** RE: QLDC Council Water Scheme Submission -Cardrona

Hi Kathy,

Puawananga Properties Ltd own 3 properties in cardrona

Puawananga Properties Ltd is owned by Michael and Louise Lee.

WE DO NOT SUPPORT A COUNCIL WATER SCHEME IN CARDRONA.

REASON WE DO NOT SUPPORT A COUNCIL WATER SCHEME IN CARDRONA

Cardrona Water Supply is a long established community water supply network that has provided a water supply service to Cardrona village for many years with Council's initial endorsement and has and continues to provide a relatively low cost , efficient and safe water supply to the village area.

We do not consider that the imposition of a Council backed Joint Venture undertaken together with a private development company will provide a safer more efficient water supply network to our properties, or the village in general, without a significant unnecessary capital cost . We understand from Cardrona Water Supply Ltd (CWSL) that the costs for " a connection appear to be in the region of "\$40,455" as the "Proposed Increase to Cardrona Development Contribution in the Development Contribution Policy 2021"".

This cost , or anything within the order of this cost, is a hugely excessive amount for a water connection to any property , and is particularly outrageous for properties that already have paid for a connection to a council endorsed community scheme and paid for the ongoing maintenance of that network through the annual charges, that have allowed a high level of water supply to be paid to the properties within the district by CWSL.

We have also contributed costs towards future water connections that are available from the upgrading of CWSL's current network, and in accordance with their Water take consent to allow for the development of our three properties that have been approved by Resource Consent as part of Cardrona Village Ltd's overall development of part of their land and consider that the development of these properties can be continued with by connection to CWSL's network ., without any requirement to be connected to a Council owned/supported scheme in the future.

WE PROVIDE CWSL WITH OUR APPROVAL TO REPRESENT OUR VIEWS ON THE FORMAL CONSULTATION PROCESS.

Regards

**Michael Lee**

Director

Please note –Airey Consultants, **Takapuna** office hours:  
Mon, Tues, Thurs, Fri: 8.30am – 5.00pm  
**Weds: 7.00am – 1.00pm**

**AIREY CONSULTANTS LTD**



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Please consider the environment before printing this email.

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**From:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com) <[cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)>

**Sent:** Monday, 18 July 2022 1:43 pm

**To:** Michael Lee

**Subject:** Fwd: QLDC Council Water Scheme Submission -Cardrona

Can you please reply urgent to this email so we can lodge joint submission by 5pm today.

Thankyou

Kathy

Sent from my iPhone

Begin forwarded message:

**From:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)

**Date:** 17 July 2022 at 2:48:47 PM NZST

**To:**

**Subject:** Fwd: QLDC Council Water Scheme Submission -Cardrona

**To:**

**Subject:** QLDC Council Water Scheme Submission -Cardrona



Dear customer,

You may be aware that the Council is engaging in a formal consultation process in order to decide if it will commit to funding of a water supply scheme with Mount Cardrona Station Limited (or a related entity) to provide water to the Cardrona Village/ Township. Regrettably, the Council has not been transparent in terms of its commercial relationship with Mount Cardrona Station, and is seeking to impose significant unnecessary costs on people who are existing customers or committed to future supply with CWSL.

Council's costs are ballooning, and seem to be justified only by their wish to supply future development areas, which are unzoned, and not currently proposed for rezoning through the current Proposed District Plan process, so should not come up for development for at least 10 years (being the life of the current Plan).

The area which the Council wishes to service is shown in the "pink" shading in the below/ attached plan, and, if it proceeds now, will fund from the existing ratepayers and customers of CWSL. The costs to each potential user (and whether the Council can force connection) remain unclear, but for a connection appear to be in the region of "\$40,455" as the "Proposed Increase to Cardrona Development Contribution in the Development Contribution Policy 2021".

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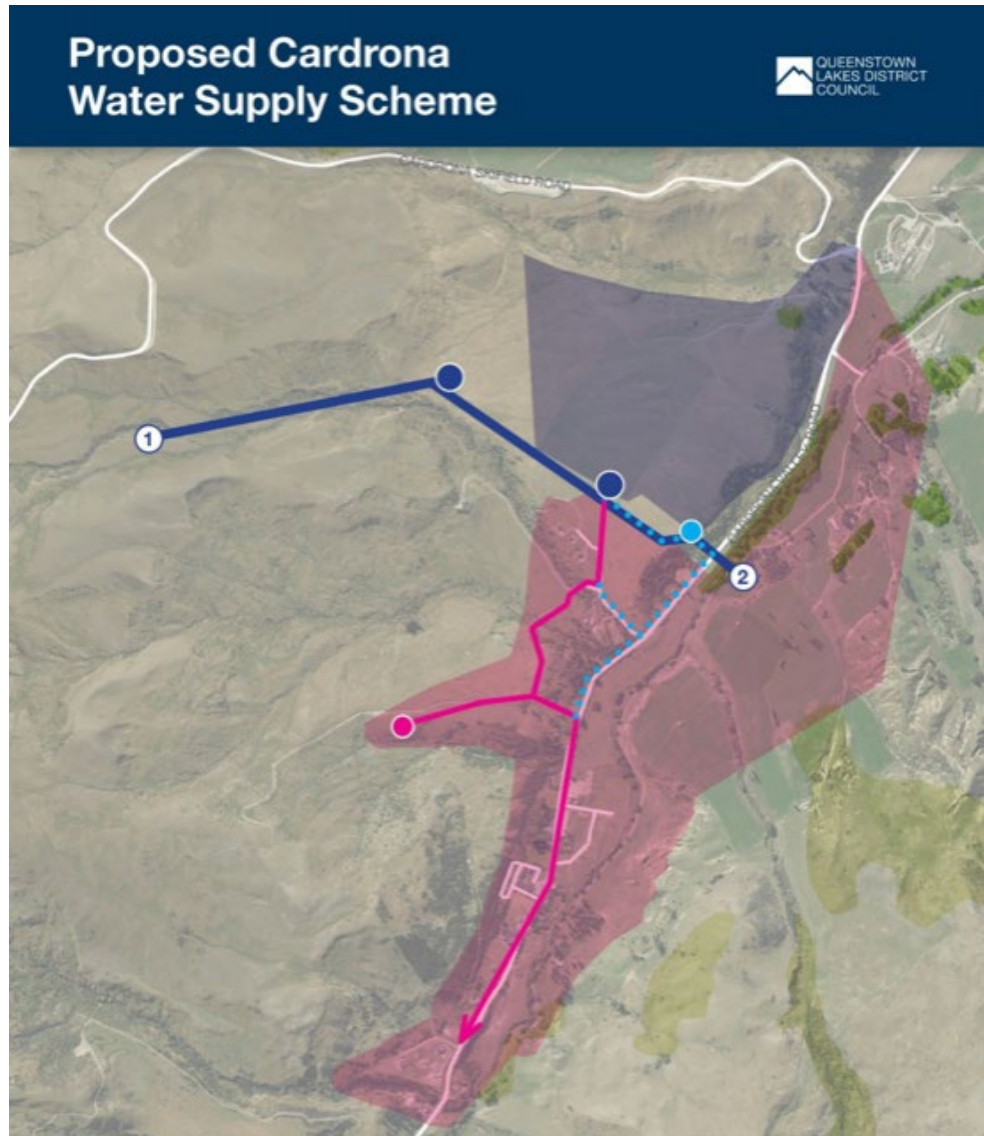
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link <https://letstalk.qldc.govt.nz/increased-investment-in-cardrona-village-water-supply> .

Warm Regards,

Cardrona Water Supply Ltd



**From:** [James Gardner-Hopkins](#)  
**To:** [Let's Talk](#)  
**Subject:** Cardrona Water Supply submission: Russell Brown, Judith Brown  
**Date:** Monday, 18 July 2022 4:42:01 PM  
**Attachments:** [image0.png](#)

---

Please see the below submission, which should be treated as a separate submission, including in respect of the right to be heard on the submission.

**From:** Russell & Judith Brown  
**Date:** 16 July 2022 at 1:56:01 PM NZST  
**To:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Subject:** Re: QLDC Council Water Scheme Submission -Cardrona

I DO NOT SUPPORT A COUNCIL WATER SCHEME IN CARDRONA  
Russell Brown,

We are very happy with our existing compliant scheme for which we have paid.

Sent from my iPad

On 15/07/2022, at 8:55 PM, "[cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)"  
<[cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)> wrote:

Dear customer,

You may be aware that the Council is engaging in a formal consultation process in order to decide if it will commit to funding of a water supply scheme with Mount Cardrona Station Limited (or a related entity) to provide water to the Cardrona Village/ Township. Regrettably, the Council has not been transparent in terms of its commercial relationship with Mount Cardrona Station, and is seeking to impose significant unnecessary costs on people who are existing customers or committed to future supply with CWSL.

Council's costs are ballooning, and seem to be justified only by their wish to supply future development areas, which are unzoned, and not currently proposed for rezoning through the current Proposed District Plan process, so should not come up for development for at least 10 years (being the life of the current Plan).

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can force connection) remain unclear, but for a connection appear to be in the region of "\$40,455" as the "Proposed Increase to Cardrona Development Contribution in the Development Contribution Policy 2021".

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Accordingly, we seek your permission to, on your behalf, provide feedback in opposition to the Council committing to the Mount Cardrona Station Limited scheme.

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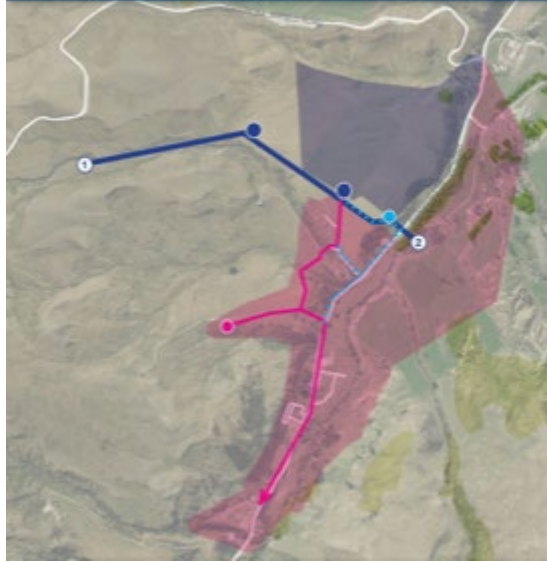
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Alternatively, if you do support the water scheme, then we suggest you put this in a written submission to the Council before 5pm Monday, 18 July 2022 using the following link <https://letstalk.qldc.govt.nz/increased-investment-in-cardrona-village-water-supply> .

Warm Regards,

Cardrona Water Supply Ltd

## Proposed Cardrona Water Supply Scheme



Submission #17a : Sarah Prenter

**From:** [James Gardner-Hopkins](#)  
**To:** [Let's Talk](#)  
**Subject:** Cardrona Water Supply submission: Sarah Prenter  
**Date:** Monday, 18 July 2022 4:41:57 PM  
**Attachments:** [image0.png](#)

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Please see the below submission, which should be treated as a separate submission, including in respect of the right to be heard on the submission.

**From:** Sarah Prenter  
**Date:** 16 July 2022 at 7:52:40 AM NZST  
**To:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Subject:** Re: QLDC Council Water Scheme Submission -Cardrona

I do not support a council water scheme in Cardrona because we have an existing Water supplier that meets all of our current and future community requirements .

Council has not or refuses to provided any actual evidence of who they will service. They will not provide any ACTUAL cost of this scheme to the existing Cardrona residents that they are targeting. QLDC have formally 'withheld' information detailing the relationship and development of the proposed Scheme with Mount Cardrona Station.

I submit my opposition to join any proposed council scheme.

Sarah Prenter

On Fri, 15 Jul 2022, 8:55 pm [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com),  
<[cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)> wrote:

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Dear customer,

You may be aware that the Council is engaging in a formal consultation process in order to decide if it will commit to funding of a water supply scheme with Mount Cardrona Station Limited (or a related entity) to provide water to the Cardrona Village/ Township. Regrettably, the Council has not been transparent in terms of its commercial relationship with Mount Cardrona Station, and is seeking to impose significant unnecessary costs on people who are existing customers or committed to future supply with CWSL.

Council's costs are ballooning, and seem to be justified only by their wish to supply future development areas, which are unzoned, and not currently proposed for rezoning through the current Proposed District Plan process, so should not come up for development for at least 10 years (being the life of the current Plan).

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Various technical reports held by the Council also seem to have been withheld from being made public at this stage, let alone its financial dealings with Mount Cardrona Station Limited.

Accordingly, we seek your permission to, on your behalf, provide feedback in opposition to the Council committing to the Mount Cardrona Station Limited scheme.

If you give us your permission, we will provide feedback to the Council on your behalf. In the past, the Council has relied on "numbers" (including lack of numbers in responding), and we do not wish for this to be the case again.

If you would like us to provide feedback to the Council on your behalf, please reply to this email with 'I DO NOT SUPPORT A COUNCIL WATER SCHEME IN CARDRONA' with both your full written name, and address of property in Cardrona, and a small comment as to why you do not support the water scheme. We will collect all of your emails, attach them to a formal submission, and submit them on your behalf.

Alternatively, if you do support the water scheme, then we suggest you put this in a written submission to the Council before 5pm Monday, 18 July 2022 using the following link <https://letstalk.qldc.govt.nz/increased-investment-in-cardrona-village-water-supply> .

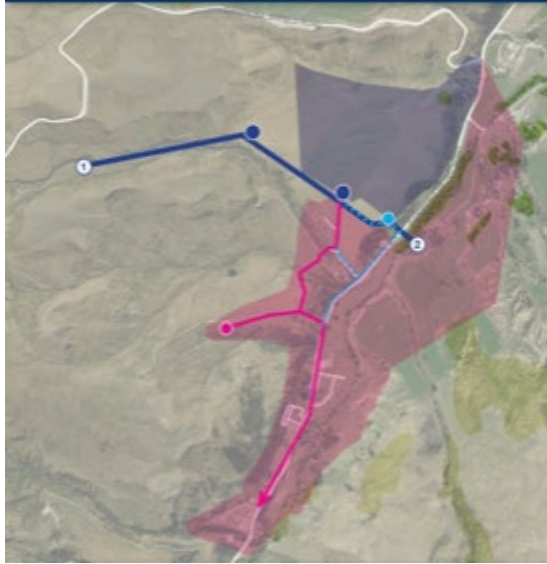
Warm Regards,

Cardrona Water Supply Ltd





## Proposed Cardrona Water Supply Scheme



Submission #17b : Sarah Prenter

Dear Councillors and all consultants that you have engaged for this project.

I do not support a council water scheme in Cardrona because we have an existing Water supplier that meets all of our current and future community and development requirements. There is and has been a repeated lack of transparency throughout your whole dealings with the Cardrona Community and your latest position to "withhold" information that the Cardrona Valley Resident Rates Payers have requested is a further demonstration of QLDC's lack of insight to meet with the community and their concerns about your "Joint Venture" with Mount Cadorna Station.

QLDC is put on notice that you are acting in an Anti-competitive manner, and you will be reported to the Commission.

I am aware that QLDC are using illegal practices issuing Resource Consent with Cardrona owners that have existing Connections Agreements with Cardrona Water Supply Limited. The commission clearly states

The Commission enforces the Commerce Act to promote competition in markets for the long-term benefit of consumers.

- The Commerce Act prohibits anti-competitive agreements between businesses, such as agreements to fix prices or to carve up markets. It also makes it illegal for businesses to abuse a dominant market position.
- Anti-competitive behaviour is bad for consumers and businesses as they can end up paying higher prices or having reduced choice of goods or services

The Commerce Act prohibits:

- agreements that substantially lessen competition in a market
- agreements that fix, maintain or control prices (also known as cartel conduct)
- agreements that restrict output or capacity, or allocate markets or customers
- a person or business taking advantage of their dominant position in a market for an anti-competitive purpose
- a person or business specifying a minimum price at which its goods or services can be sold by another (also known as resale price maintenance).

I submit my personal opposition in the capacity of 3 holdings as 3 objections to joining or in progressing with any scheme to develop a new water system.

QLDC has not carried out the necessary due diligence with the Cardrona Community residents and QLDC have acted unlawfully with their anti-competitive consultation process.

Kind regards

Sarah Prenter

[www.staycardrona.nz](http://www.staycardrona.nz) - self catering properties

**From:** [James Gardner-Hopkins](#)  
**To:** [Let's Talk](#)  
**Subject:** Cardrona Water Supply submission: Sharon White  
**Date:** Monday, 18 July 2022 4:41:39 PM  
**Attachments:** [image0.png](#)

---

Please see the below submission, which should be treated as a separate submission, including in respect of the right to be heard on the submission.

**From:** Sharon White  
**Date:** 18 July 2022 at 1:02:40 PM NZST  
**To:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Subject:** Re: QLDC Council Water Scheme Submission -Cardrona

Hi,

Replying to the proposed water supply scheme:

'I DO NOT SUPPORT A COUNCIL WATER SCHEME IN CARDRONA'  
When we already have one why should we pay 40k per connection?

Many thanks,

Sharon White

On Fri, Jul 15, 2022 at 8:55 PM [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
<[cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)> wrote:

Dear customer,

You may be aware that the Council is engaging in a formal consultation process in order to decide if it will commit to funding of a water supply scheme with Mount Cardrona Station Limited (or a related entity) to provide water to the Cardrona Village/ Township. Regrettably, the Council has not been transparent in terms of its commercial relationship with Mount Cardrona Station, and is seeking to impose significant unnecessary costs on people who are existing customers or committed to future supply with CWSL.

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to Cardrona Development Contribution in the Development Contribution Policy 2021".

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Accordingly, we seek your permission to, on your behalf, provide feedback in opposition to the Council committing to the Mount Cardrona Station Limited scheme.

If you give us your permission, we will provide feedback to the Council on your behalf. In the past, the Council has relied on "numbers" (including lack of numbers in responding), and we do not wish for this to be the case again.

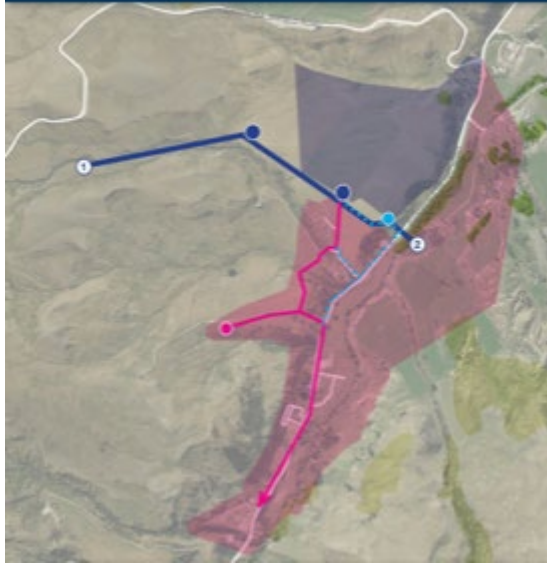
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Warm Regards,

Cardrona Water Supply Ltd

## Proposed Cardrona Water Supply Scheme



Submission #19 : Sue Bartlett

**From:** [James Gardner-Hopkins](#)  
**To:** [Let's Talk](#)  
**Subject:** Cardrona Water Supply submission: Sue Bartlett  
**Date:** Monday, 18 July 2022 4:42:39 PM  
**Attachments:** [image0.png](#)

---

Please see the below submission, which should be treated as a separate submission, including in respect of the right to be heard on the submission.

**From:** Sue Bartlett  
**Date:** 17 July 2022 at 7:27:05 PM NZST  
**To:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Subject:** Re: QLDC Council Water Scheme Submission -Cardrona

Thanks respond on my behalf

Kind regards  
Sue

Sue Bartlett  
Academic Manager  
Queenstown Resort College

[www.qrc.ac.nz](http://www.qrc.ac.nz)

On 17/07/2022, at 2:46 PM, [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com) wrote:

FYI

Sent from my iPhone

Begin forwarded message:

**From:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Date:** 15 July 2022 at 8:55:30 PM NZST  
**To:**



**Subject: QLDC Council Water Scheme  
Submission -Cardrona**

Dear customer,

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2021".

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Warm Regards,

Cardrona Water Supply Ltd



**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

**From:** [pippa.kyle](#)  
**To:** [Let's Talk](#)  
**Subject:** Cardrona Water Supply submission  
**Date:** Friday, 15 July 2022 11:56:47 AM

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Tēnā koutou QLDC

Thankyou for providing opportunity to respond to the QLDC Cardrona drinking water proposal.

To summarise my response is:

- the financial proposal for local ratepayers is too expensive, and therefore I cannot support the proposal.

The reasons for my decision are:

1. I already have a reliable source of drinking water with a private system that is meeting Taumata Arowai standards
2. My water scheme has invested to upgrade and maintain the system so as to meet the new drinking water standards
3. Therefore the personal financial cost of connecting to the proposed MCS / QLDC system (\$16,000 + \$800 per annum + \$ water usage) economically does not add up when already I have invested in the private drinking water scheme which offers so many other advantages - including control / volume of water / quality of water to name a few.
4. The charging of an availability fee is unfair when already I am paying for a well established private water scheme which has a ORC permit. My understanding of the new national 3 waters governance and Taumata Arowai drinking water standards, is that it was not designed to take over private schemes - it was to make drinking water safe. Therefore council should not be in a position to pressurise rate payers into joining a new scheme by charging availability fees when there is a safe alternative for the property owner. And particularly as we had to make our drinking water scheme safe from now in 2022. We did not have choice to wait an indeterminate time when a new QLDC scheme may be up and running.
5. I am concerned that the charging of such high fees for local ratepayers creates a real conflict because the whole process of council authorising this joint drinking water development with MCS is to give the green light to a few property developers to make a lot of money. This infrastructure will enable subdivisions to proceed in an environment that many ratepayers did not and still do not consider is suitable for urban spread. It is a fragile alpine ecosystem. This elephant in the room should be debated again.

MCS is going ahead but the district plan did not allow for more developments to proceed. This is almost a betrayal of trust for local ratepayers. So it is incongruous to be charging us a high premium to feather the coats of the property developers.

This raises many questions about council's integrity in promoting such a process on the back of a major property developer. Other supporters of the new joint MCS / QLDC drinking water scheme have vested interests to also make a lot of money from property development.

Council should be standing by the local ratepayers, and if council wishes to proceed to the new scheme to enable a high quality drinking water system for the area, then current ratepayers should be able to join the scheme at zero or at a much reduced rate, than has been calculated.

Otherwise MCS should be covering the whole cost, as they are only to gain as some others.

6. I am concerned that council is attempting to influence ratepayers into supporting the scheme by placing a threat which is namely: where will the future pipeline be laid? This seems to me to be manipulative. If the council deem that the village needs a new drinking water pipeline then it should be laid in the most efficient engineering design, that in the future will allow the majority of properties to connect.

7. We all recognise that if a new pipeline and drinking water system is developed, the ORC consents of the private schemes are less likely to be renewed in the future. So inevitably drinking water will need to be supplied to all properties and that will be a requirement for council to undertake if there are no alternative sources of drinking water. Therefore planning for this eventuality would have to be considered. I do not consider that where the pipe is laid is dependent on whether property owners show interest at the current time. This type of approach would not result in the most efficient / optimal design.

8. Inevitably, acknowledging points 6 & 7 above, If the optimal design produced an efficient drinking water scheme I would like to have the option to join at a later date. If it is a QLDC or one of the water entities owned I would hope as a ratepayer that would be an option, especially if the ORC consent my drinking water scheme runs from would no longer be available.

So in summary, I cannot support the current proposal and its financial commitment. I raise several points which I would very willing to discuss further with QLDC.

Nga mihi

Pippa Kyle

## Brandon Ducharme

---

**From:** Let's Talk  
**Sent:** Tuesday, 19 July 2022 8:30 AM  
**To:** Brandon Ducharme  
**Subject:** FW:

---

Ben Scott (he/him) | Web & Communications Advisor | Kaiārahi Matihiko  
Queenstown Lakes District Council



E:

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**From:** [REDACTED]  
**Sent:** Monday, 18 July 2022 3:51 PM  
**To:** Let's Talk <letstalk@qldc.govt.nz>  
**Subject:**

Hi QDLC,

In relation to the proposed Cardrona water supply scheme [REDACTED] our response is as follows:

- We are currently a shareholder in Pure H2O Cardrona, which is proving to be a reliable, safe and cost effective water supply option for us.
- We currently have ORC resource consent for water take until 2042.
- The shareholders of Pure H2O Cardrona cooperate well in managing the scheme.

Based on the above-mentioned our position is we see no immediate need to cease using Pure H2O Cardrona and join the councils proposed scheme.

Further to the above:

- If Pure H2O Cardrona becomes unviable we would likely put in our own private water system and lastly explore joining the council scheme.
- We feel incurring an annual availability fee whilst not using the scheme is unreasonable only on the basis that the members of 2 other schemes in the valley have had these costs waived due to legal challenges.

Rachel [REDACTED]  
[REDACTED]

Submission #22 : Jenny & Lionel Cooney

**From:** [jenny.harris](#)  
**To:** [Let's Talk](#)  
**Subject:** Cardrona water supply submission  
**Date:** Monday, 18 July 2022 4:51:52 PM

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We already have a water supply to our chalets and are happy to keep the same supply at this point in time.  
Jenny and Lionel cooney

Thanks

### Submission on Cardrona Water Supply

As previous Chair of the Cardrona Valley Ratepayers Association, I have been involved with about the waster water and proposed fresh water schemes in the Cardrona.Valley for some length of time.

I disagree with the proposed expenditure for the following reasons:

- The 5 private water companies in eh valley have sufficient water allocations to service the current and future residents and businesses including underdeveloped land. There is more than adequate water for the next twenty years.
- The Cardrona Valley Water Supply Investment, 17 June 2022, is misleading about compliant water supply systems i.e “Safe “drinking water. All water schemes in the valley are fully complaint.
- Despite best endeavours to find information from QLDC about the full costs of the proposed new scheme, there is no visibility to explain the increased costs.
- Council appears to be pushing, at unnecessary haste, a water supply scheme in partnership with a private developer. Essentially, rate payers will subsidise that development.
- QLDC would be irresponsible to spend upwards \$20 million in a rural area that has 45 full time residents. This capital would go along way to improve Wanaka’s water supply infrastructure, or an area such Glenorchy where it will support considerably more residents.
- The proposed extended zone for future water supply is largely on either rural farm land and is also in area of ONL and ONF which is contrary to the variations QLDC is also currently looking at change under landscape Schedules 21.22 and 21.23 in the District Plan.

I wish to speak to my submission.

Blyth Adams



Submission #24 : Ann Lockhart

Oppose

Submission #25 : Kostya Marchenko

Cardrona village seems to be aimed more at holidaymakers at an upscale end of the market. It does nothing to improve housing affordability for people living and working in Queenstown lakes region. It is also a poorly selected site for development with number of environmental challenges as described in the submission. Why should ratepayers be supporting this instead of supporting services in already established townships such as Wanaka, Queenstown, etc?

**Brandon Ducharme**

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**From:** Jon Holmes  
**Sent:** Monday, 11 July 2022 10:32 AM  
**To:** Let's Talk  
**Subject:** Cardrona Water Supply submission

Hi QDLC,

In relation to the proposed Cardrona water supply scheme, as a resident in Gin and Raspberry Lane our response is as follows:

- We are currently a shareholder in Pure H2O Cardrona, which is proving to be a reliable and cost effective water supply option for us. Currently our cost for water supply is in the order of 75% of the councils proposal excluding the development contribution.
- We currently have ORC resource consent for water take until 2042.
- The shareholders of Pure H2O Cardrona cooperate well in managing the scheme.

Based on the above-mentioned our position is we see no immediate need to cease using Pure H2O Cardrona and join the councils proposed scheme.

Further to the above:

- In the future if financially or other, if Pure H2O Cardrona becomes unviable we would seek to join the council scheme.
- We feel incurring an annual availability fee whilst not using the scheme is unreasonable only on the basis that the members of 2 other schemes in the valley have had these costs waived due to legal challenges.

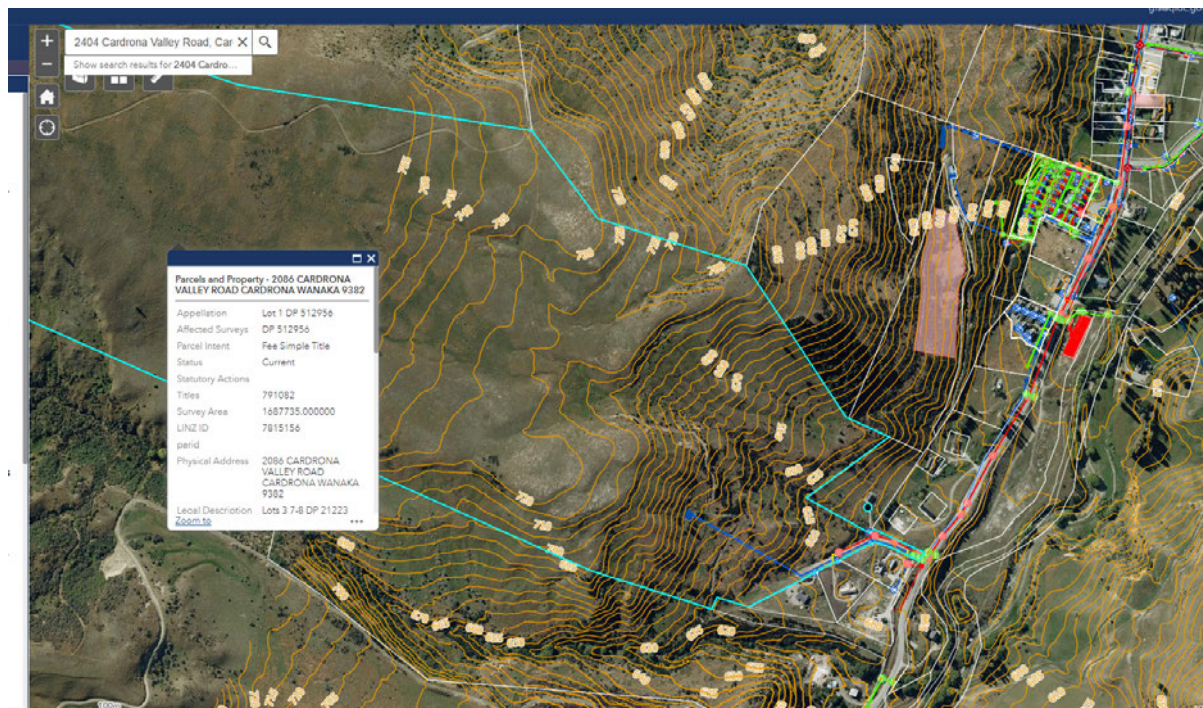
Regards,  
Jon Holmes

Although I acknowledge the logic and potential benefits of a council-owned water supply for the Cardrona township, QLDC has not yet provided sufficient information to satisfy my concerns. Key concerns include the following:

1. Section 30 of the Statement of Proposal (SOP) states that "properties within the existing township" will be able to amortise the cost of the development over 30 years via the Targeted Capital Water Supply Rate (TCWSR). My property is within the proposed service area of the Cardrona Water Supply, but is not within the existing township. This implies that I will have to pay the \$16,490 as a lump sum, which I do not wish to do.
2. The SOP also states that residents will only be able to commit to the TCWSR if they commit within the first year. Even if I was able to commit to the TCWSR, QLDC has not provided any indication of how long it would be before the scheme is extended to my property, which is approximately 1 km from the existing village. Committing to the TWSCR could result in me paying additional rates for years before water reached my property. Why should I support something that may never be supplied to my property whilst I own it?
3. QLDC has declined a ratepayer request for information about expected demand and design of the proposed Cardrona Water supply. How can I support something when Council will not respond to genuine information requests?
4. QLDC claims that the existing water supplies need to be combined to support development in the Cardrona area. This implies that potential developments in the area do not yet have adequate water rights, and will be stalled if ORC will not issue additional water rights. In my opinion, continuous development is an unsustainable ponzi scheme, and we must stop when our environment cannot sustain any more development. ORC has indicated that Otago rivers are over-allocated, and that water allocations will be progressively reduced in future. The present owners of water rights are obliged to maintain supply to their existing and planned customers, not to support new potential developers who do not have legal access to water resources. This concern could have been allayed if QLDC had released the Fluent Solutions Memo of 15 October 2020 regarding Mt Cardrona Valley-water demand estimates and demand management.

**Miners Rise Water Limited and 2086 CARDRONA VALLEY ROAD CARDRONA WANAKA (Lot 1 DP 512956)**

1. Miners Rise Water Limited (MRW) is the private owner of the Rising Pump, Water Mains and Treated Water Reservoirs that is located on Lot 1 DP 512956 owned by Mt Cardrona Station (MCS) and is situated at the southern end of the Cardrona Valley Road QLDC proposed new trunk main supply pipeline (refer attached plan);
2. This privately-owned water scheme currently sources its bulk water supply from the privately owned Cardrona Water Supply water network under a bulk supply agreement, and in turn resupplies under individual supply agreements the Miners Rise subdivision households comprising of 5 Residential Lots, plus the Lot 1 building platform and balance 168 Ha land;
3. As directors of MRW we are seriously concerned that under the Water Services Act (WSA) and Drinking Water Quality Assurance Rules (DWR), as a Secondary supplier we are not in a financial position to upgrade infrastructure to meet the legislative and compliance framework, nor are we able to meet all the operational and compliance obligations ahead. To continue status quo as a private scheme seems high risk for the human health of those whom we supply;
4. Furthermore, we have received no assurance from our primary water supplier Cardrona Water Supply Limited or QLDC as owner of the road reserve carrying the current Cardrona Valley Road mains network, that they intend to meet all the likely infrastructure and capacity upgrades, and provide assurance of a compliant and safe community drinking water scheme.
5. Accordingly, we wish to submit that a significant benefit of a QLDC owned Cardrona Valley community scheme is that MRW as a private scheme will have a public entity to request consideration for the vestment of the MRW private infrastructure/easements and therefore ensure the long-term surety of compliant infrastructure and safe drinking water supply for the Miners Rise residents and other expanded future connections outlined below;
6. The Mt Cardrona Station Lot 1 comprises an area of 168 Hectares (comprising 97 Ha ski area sub zone and balance rural general including the Miners Rise consented building platform), that is accessed from the Cardrona Valley Road and Miners Rise road network, and falls within the proposed Cardrona Valley Water Service Catchment Area. Given the proximity of this Lot to the Cardrona Valley settlement zone boundary it is highly likely within the next 10 years that this land will be either rezoned or able to be consented for further residential and visitor accommodation/recreational activities in some form, and therefore will require additional drinking water supply connections;
7. Accordingly, MRW is in support of the notified Statement of Proposal to increase the LTP capital budget and revise the development contributions policy, to enable the delivery of a QLDC public entity owned and operated water scheme for the Cardrona Valley. As a result, a new compliant Cardrona Valley Road water main network can be upgraded/constructed to service the southern Cardrona Valley catchment with safe and reliable drinking water to both the existing Miners Rise users, and to enable the Mt Cardrona Station 168 Ha land that is connected to Miners Rise to also have safe and reliable access to treated drinking water when it is further developed.
8. Miners Rise Water installation is shown on the plan below.



**Submission #29 : Bernard Webster**

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**From:** James Gardner-Hopkins  
**Sent:** Wednesday, July 20, 2022 11:21 PM  
**To:** Let's Talk <letstalk@qldc.govt.nz>  
**Subject:** Fwd: Fwd: QLDC Council Water Scheme Submission -Cardrona

Please accept this as a late submission, and, if accepted, including rights to appear.

**From:** Bernard Webster  
**Date:** 19 July 2022 at 7:40:10 AM NZST  
**To:** [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com)  
**Subject:** Re: QLDC Council Water Scheme Submission -Cardrona

I do not support a council water scheme in Cardrona because we have an existing Water supplier that meets all of our current and future community requirements .

Council has not or refuses to provided any actual evidence of who they will service. They will not provide any ACTUAL cost of this scheme to the existing Cardrona residents that they are targeting. QLDC have formally 'withheld' information detailing the relationship and development of the proposed Scheme with Mount Cardrona Station.

Sent from my iPhone

On 15/07/2022, at 8:55 PM, [cardronawatersupplyltd@gmail.com](mailto:cardronawatersupplyltd@gmail.com) wrote:

You may be aware that the Council is engaging in a formal consultation process in order to decide if it will commit to funding of a water supply scheme with Mount Cardrona Station Limited (or a related entity) to provide water to the Cardrona Village/ Township. Regrettably, the Council has not been transparent in terms of its commercial relationship with Mount Cardrona Station, and is seeking to impose significant unnecessary costs on people who are existing customers or committed to future supply with CWSL.

Council's costs are ballooning, and seem to be justified only by their wish to supply future development areas, which are unzoned, and not currently proposed for rezoning through the current Proposed District Plan process, so should not come up for development for at least 10 years (being the life of the current Plan).

The area which the Council wishes to service is shown in the "pink" shading in the below/ attached plan, and, if it proceeds now, will fund from the existing ratepayers and customers of CWSL. The costs to each potential user (and whether the Council can force connection) remain unclear, but for a connection appear to be in the region of "\$40,455" as the "Proposed Increase to Cardrona Development Contribution in the Development Contribution Policy 2021".

Various technical reports held by the Council also seem to have been withheld from being made public at this stage, let alone its financial dealings with Mount Cardrona Station Limited.

Accordingly, we seek your permission to, on your behalf, provide feedback in opposition to the Council committing to the Mount Cardrona Station Limited scheme.

If you give us your permission, we will provide feedback to the Council on your behalf. In the past, the Council has relied on "numbers" (including lack of numbers in responding), and we do not wish for this to be the case again.

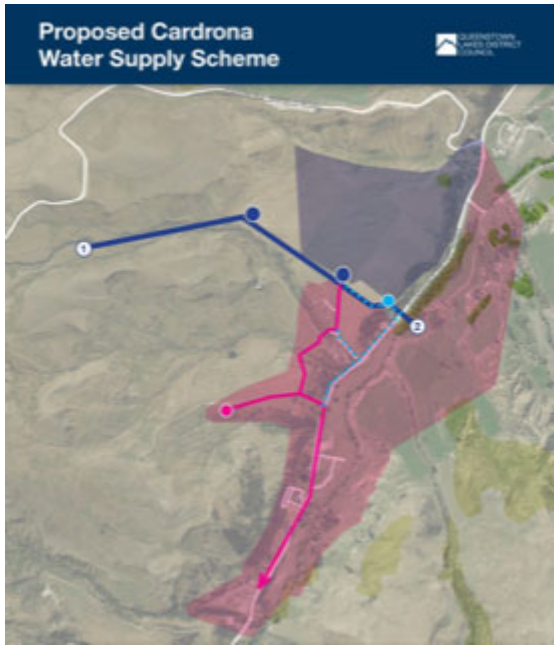
If you would like us to provide feedback to the Council on your behalf, please reply to this email with 'I DO NOT SUPPORT A COUNCIL WATER SCHEME IN CARDRONA' with both your full written name, and address of property in Cardrona, and a small comment as to why you do not support the water scheme. We will collect all of your emails, attach them to a formal submission, and submit them on your behalf.

Alternatively, if you do support the water scheme, then we suggest you put this in a written submission to the Council before 5pm Monday, 18 July 2022 using the following link <https://letstalk.qldc.govt.nz/increased-investment-in-cardrona-village-water-supply> .

Warm Regards,

Cardrona Water Supply Ltd







17<sup>th</sup> July 2022.

As the largest user of the existing water supply network (Cardrona Water Supply Ltd, which was mainly installed to supply the Cardrona Hotel) we have purchased allocations of water for both our existing business and any future development on our remaining undeveloped land. We also own 2294 Cardrona Valley Rd which has a residential allocation.

It is understood that the current potable water consents allocated to the Mount Cardona Station development by ORC are not sufficient for the project to be financially viable, meaning the development cannot be completed without further water consents being obtained.

In the meantime, it appears that the main reason given by QLDC for incurring costs to ratepayers, is because of health risks. The major outbreak, which is constantly referred was in August 2012 (10 years ago). Contamination of any type can happen with any water supply, including council supply. The current water suppliers in the Cardrona Valley consistently meet all the required drinking water standards as prescribed by QLDC and ORC. On the basis of this, it appears that scare tactics are being used to justify the new QLDC water supply system.

We understand that the scope of the project cost has not been fully costed by QLDC at this time. We also understand, that one of the reasons for this being that the owners of the five private water companies in the Cardona Valley, have indicated they are not willing to sell their consents to QLDC. Therefore, if QLDC are unable to secure increased water allocations thorough the procurement of the only now available water systems (ORC having stated that no further water allocations are available, in fact the valley is over allocated), we are unsure exactly what is being budgeted for.

In our considered opinion, the driver for the new QLDC/MCS water supply has not come from the community demands but from a private business. This, while incurring significant cost to rate payers. The proposed agreement between QLDC and MCS has not been disclosed and we are sceptical around the justification for the proposed costs.

Additionally, we feel that in the current climate, it is irresponsible for QLDC to be spending significant rate payers' money when 3 waters is on the horizon. This, especially when 3 waters has not been clarified; how this will look and when it will be happening. We feel that this expenditure on behalf of ratepayers should be put on hold until clarification around 3 waters is known and not pushed through in haste.

Council appears to be duplicitous around this consultation process. To our knowledge, residents of the Cardrona Valley have not been consulted on the 1<sup>st</sup> budget, let alone a proposed increase in the budget.



The proprietors of Cardrona Hotel Ltd have no interest (nor the funds after 2 years of covid) to pay again for water we already have a contracted right to! We oppose the budget increase and debt recovery.

Cade J Thornton & James D Jenneson.

Submission #31 : Juliet Rowan

I have only recently bought a property at Cardrona so I write my submission with a somewhat limited knowledge. However, I have read the proposal thoroughly and looked through related documentation in an effort to gain a full picture of the issue and while I understand the need to ensure a safe and stable drinking water supply for the Cardrona valley and I do not oppose a unified scheme as such, I think the proposal places a large cost burden on current residents and ratepayers in the area affected by the proposal. I feel that the QLDC's comparisons with cities like Tauranga (where I live most of the time) are in some senses meaningless because ratepayers and developers there do not have the same level of geographical and physical challenges - and therefore financial challenges - to overcome in terms of connection to new schemes.

I fear the unpredictability and variability of the cost of connection is the worst part of the QLDC proposal and it is not simply enough to blame escalating construction costs. I would support a more equitable proposal that did not leave some ratepayers likely facing huge bills but others facing lesser cost when essentially in the end most people will have no choice long-term but to sign up.

For that reason, I am neutral on the proposal.

I strongly oppose this proposal for the following reasons:

1. There is not enough transparency on the deal made between MCS & QLDC.
2. The QLDC should not be spending a massive amount of ratepayer money on a new water system when there is already adequate water supply/quality in Cardrona with the existing systems.
3. We have recently built our new house in Cardrona &, as part of our resource consent, we have a water bore & treatment system that has a minimum of 20 years of usefulness ahead of us.
4. We do not want the proposed pipeline to be within 100m of our property boundary as we do not want to be charged an availability rate for a water system that we do not want or need.
5. We are vehemently opposed to the MCS development in its entirety as it does not fit in with the Cardrona ONL classification.
6. We are vehemently opposed to the MCS development in its entirety as it does not fit in with the proposed QLDC landscape schedule for the Priority Area of Cardrona. All of the items detailed in the proposed PA Landscape Schedule (i.e. the flora, fauna & ONL) will be negatively effected by all of the activities that occur within the MCS Special Zone (i.e. the MCS Special Zone is not a closed bubble - the entire Cardrona ONL outside of the Special Zone will suffer due to the MCS activities occurring inside the Special Zone).

Submission #33 : Isabella Anderson

totally oppose the Mt Cardrona Stn/QLDC water proposal and the cost to ratepayers to implement it.

the development has not been conducted with full disclosure of information to the community, the cost is continually rising from what was initially proposed.

people who already have water supplies should not be required to join

Submission #34 : Willy Scurr

We don't think that investing in a water supply company is the right thing to be spending ratepayer money at the moment. We feel there is no need to rush this decision especially when there is no real clarity on what 3 Waters is going to look like. We feel that there are many more important things to be directing ratepayer money towards especially in this current economic climate.

We don't like that, once again the council seems to working alongside a developer to get what they want at the expense of those living around the development. It also seem that the rules change for the developer to get what they want, it feels like the spend is happening simply because a developer is ready.

1. I already have a reliable source of drinking water with a private system that is meeting Taumata Arowai standards
2. My water scheme has invested to upgrade and maintain the system so as to meet the new drinking water standards
3. Therefore the personal financial cost of connecting to the proposed MCS / QLDC system (\$16,000 + \$800 per annum + \$ water usage) economically does not add up when already I have invested in the private drinking water scheme which offers so many other advantages - including control / volume of water / quality of water to name a few.
4. The charging of an availability fee is unfair when already I am paying for a well established private water scheme which has a ORC permit. My understanding of the new national 3 waters governance and Taumata Arowai drinking water standards, is that it was not designed to take over private schemes - it was to make drinking water safe. Therefore council should not be in a position to pressurise rate payers into joining a new scheme by charging availability fees when there is a safe alternative for the property owner. And particularly as we had to make our drinking water scheme safe from now in 2022. We did not have choice to wait an indeterminate time when a new QLDC scheme may be up and running.
5. The charging of an availability fee is also unfair when considering that two private water schemes Cardrona Water Supply Limited and Cardrona Limited will be exempt from such fees. I find it very concerning that not all private water schemes are treated equal.

Kind regards

Mario Kiesow



Cardrona Valley Water Scheme Proposal Submission

The key considerations for us that came out of the proposal document and subsequent discussions with QLDC and others are:

Viable and compliant water supply infrastructure already exists in Cardrona Village servicing many of the residents and businesses there. These schemes have a permitted capacity to support more than 500 households, based on the QLDC target of 1000 litres per day supply for each. Other properties not supplied by these providers have invested in their own individual supply capability.

There has been considerable investment throughout the community to ensure that these potable water supplies are compliant with the new Taumata Arowai standards.

MCS is committed to building a water scheme in order to service their subdivision. This will happen regardless of QLDC's involvement, or not.

QLDC have indicated that the storage and treatment headworks that MCS will initially build are scalable to a higher capacity, should supply from it be expanded beyond the MCS subdivision at some point in the future.

QLDC have also indicated that any pipe network is readily configurable, adaptable and upgradeable, and can take multiple routes as required for supply.

There will need to be some form of primary water main linking the two main consumption areas, Cardrona Village and the MCS subdivision.

QLDC have indicated that debt recovery in the form of a commitment to a future connection and the ongoing charges associated with that, is one of the key considerations for the route of this primary water main and it is not determined by the most logical or economic path.

A disparity has been created in the community treating ratepayers unequally depending on who their water provider is.

Projected costs have doubled in the last two years.

Our conclusion from this is that:

**QLDC should NOT commit the extra funds required to undertake this proposal at this point in time.** (Item 38.2 in the Statement of Proposal)

QLDC should adopt a longer term outlook instead of trying to quickly leverage off a Public Private Partnership Scheme to the detriment of adopting a well thought out long term plan.

MCS should build and operate what is required to service their subdivision while the existing schemes in the village continue to supply their customer networks, and those new customers that are anticipated as coming online with currently consented development.

Proper consultation and long-term modelling should be undertaken with regards a 10 – 50 year timeframe that sets out to determine a supply framework that treats all users equally and identifies the rating base that would be needed to support that, and then design and engineer toward meeting that demand as it arises. Development in the area has proved to be sporadic and there is no certainty that subdivisions such as that at MCS will reach capacity within their projected timeframe.

The only certainty at this time is that a primary main trunk water main linking Cardrona and MCS will be necessary at some point in the future. MCS hold 68% of the water permitted across the 4 main schemes\* so it will be necessary to use this more effectively in future years, as their 1296 cubic metres per day far exceeds what is necessary to supply the 400 dwellings planned for their subdivision.

(\*Item 10 in the proposal was contradicted at the last public meeting. MCS was identified as one of the 5 schemes. With 4 schemes in the supply zone there is sufficient capacity to supply long term demand (1897 cubic metres). The Distillery is the 5<sup>th</sup> but is outside the scheme zone. As their private supply is intrinsic to their business, we think it is extremely unlikely that they would relinquish that.)

The route for this water main should be determined by the most practical and economic path and not by seeking out early adopters in order to expedite debt recovery.

A rush to embrace the Public Private Partnership of the wastewater scheme meant an opportunity for considerable savings was lost by simply not laying a water main at the same time that the wastewater pipe was installed. The incremental cost of a second pipe in the same trench would have been minimal compared to repeating the whole process of trenching and pipe laying at a later date. A cohesive long-term plan may have avoided this.

There was an indication from discussions with QLDC that the new water reticulation would have a fire fighting capacity, but this has not been referred to anywhere in the proposal document. Fire hydrants add another layer of complexity to the pipe network. While fire fighting capacity may be appropriate for urban areas it is of little benefit to the larger or more rural properties where the boundary, and therefore any fire hydrants, may be located several hundred metres away. Such properties would be paying for firefighting capability in the scheme that is of no benefit to them. Fire regulations will still require a suitable connection, storage volume and a hard stand area less than 90m from the dwelling, with all the costs associated with that.

As there are no guarantees the revised budget won't continue to blow out given ongoing increasing costs, there is every likelihood of further increases in the debt burden and operating costs. Consequently, the connection and consumption fees may well rise further.

### Summary

The existing suppliers can adequately cater for the community's requirements for the foreseeable future. The initial headworks at MCS will be built anyway. This could be acquired and expanded by QLDC at a later point in time when usage is forecast to require the surplus that MCS hold under their permit. This would defer the debt required to fund a community wide integrated water scheme for several years by which time the ratings base for the area will also have increased enabling a wider distribution of the costs. The pipe network is said to be flexible and adaptable and therefore readily located as required. As such it can be laid as demand requires. However, we think it would be wise to have a primary water main linking the two areas of greater population density in anticipation of a long term need to redistribute the available water. This should take the most practical and efficient route.

The cost for this (currently costed at \$4m) could be funded by the existing budget without increasing the current 10 Year Capital Budget.

In terms of our own property, we have a well maintained, high quality, and compliant water supply so we are in no rush to transition to another supplier given the considerable cost of a connection plus the further additional costs of getting the supply from the boundary to our water tank.

As we are beside the designated path of the rising and falling mains, the availability charge will be an inevitable cost for us if the proposal proceeds in this form.

Ian Leslie & Peti Nohotima

Submission #37 : Peter Turner

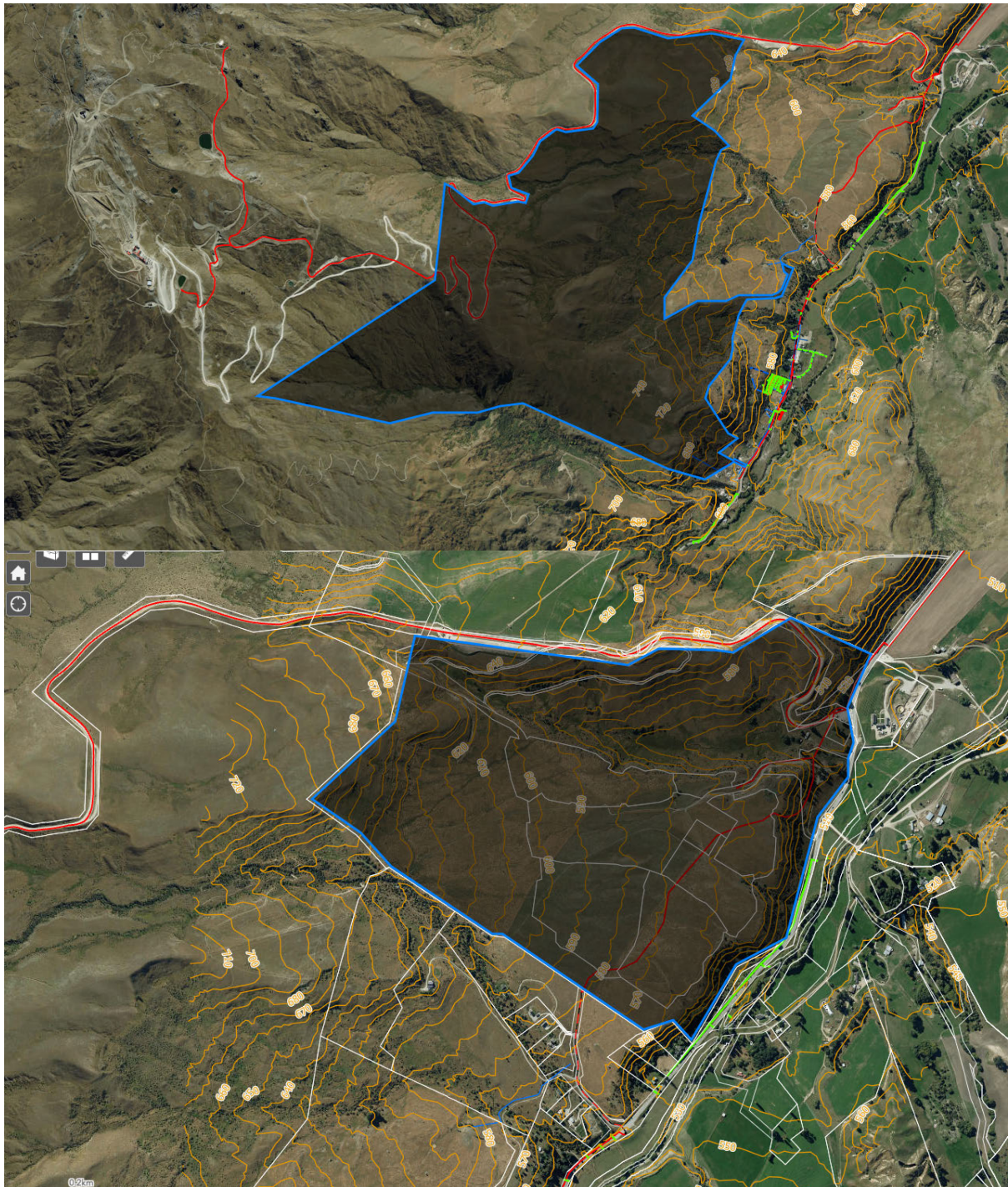
We currently have a water supply that works perfectly and is approved by the council. The cost to create a new system would send the home owners broke. The costs of the system far out way the costs and benefits which we are unsure if there are any benefits at all, We understand it is \$40,000 a home for the new system. Some of these homes would be faced with a bill that far out ways the value of there homes. We understand this is driven by a development called Cardrona Station so why are we being called on paying their development costs when we at 2326 Cardrona Valley Road have invested Millions of dollars for the current well run system. it once again seems it is the existing residents that are funding this new sub division. Surely the new sub devision should pay their own way and leave a perfectly good system in place. Has council considered how on earth would a council fresh water system even get piped to all the water feeds to the 45 units? The current water reticulation is currently run by Knuckle Peak Services, a subsidiary to Cardrona Ltd.

**Mt Cardrona Station Limited (MCS):**

1. Mt Cardrona Station (MCS) comprises the following land holdings (as shown on the attached plans) as follows:
  - a. Mt Cardrona Station Special Zone (MCSSZ) comprising the Mt Cardrona Station Village of approx. 132 Ha;
  - b. Balance land of ski area sub zone and rural general zone of approx. 450Ha;
2. The MCSSZ has a ODP zone provision maximum limit of 1,000 DUE and the infrastructure capacity assessment for the constructed wastewater scheme and proposed water scheme catchments has been agreed with QLDC at MCS catchment of 800 DUE which is more than half of the Cardrona Valley infrastructure catchment capacity assessment of approx. 1,540 DUE;
3. Mt Cardrona Station Village has consented its first stage of development and commenced on site construction. With continued purchaser demand, we foresee the 800 DUE being developed out over the next 10 years. Additionally, given the extent of the MCS landholdings (comprising an extensive area of ski sub zone) it is highly likely within the next 30 years that some of this land will be either rezoned or able to be consented for further residential and/or visitor accommodation/recreational development activities in some form. None of this should be surprising with the well-publicised extensive regional growth forecasts and spatial planning assessments to date;
4. Clearly, Mt Cardrona Station represents a significant community voice for infrastructure capacity and development contribution connections, hence we have committed staged sponsor funding/bulk contribution of up to \$6.0m to the principal Cardrona Valley WTP for the design and construction of a fully compliant scheme (in accordance with the Water Services Act (WSA) and Drinking Water Quality Assurance Rules (DWR). Should the scheme not be approved as a wider Cardrona Valley supply scheme, MCS can scale back and retain the infrastructure to only service the Mt Cardrona Station developments as a compliant private scheme;
5. The Cardrona brand has significant regional, national and global profile with a substantial contribution to regional GDP through the existing and forecasted growth in visitor experiences and accommodation offerings. We have been concerned with a perception that Cardrona carries a legacy of unsafe drinking water, and whilst there is no doubt that Mt Cardrona Station Village residents will be supplied by a new safe drinking water scheme, we would like the whole catchment to benefit from a QLDC public body owned scheme and therefore provide the surety of safe drinking water for all Cardrona residents and visitors;
6. There does not appear to be any viable alternative that is efficient in a single infrastructure scheme that can service the entire catchment and we believe the costs in any implementing any scheme will not be any less than it is today;
7. Accordingly MCS is in support of the notified Statement of Proposal to increase the LTP capital budget and revise the development contributions policy, to enable the delivery of a QLDC public entity owned and operated water scheme for the Cardrona Valley;
8. We sincerely believe the QLDC commissioners and councillors should prioritise capital allocation for this project to be delivered for the responsible protection of human health for residents and visitors alike.



9. MCS owned land is shown below.





## **Cardrona Valley Water Supply Investment**

### **STATEMENT OF PROPOSAL 17 June 2022**



## INTRODUCTION

1. Queenstown Lakes District Council (QLDC) is seeking public submissions on a proposal to:
  - a. increase the current 2021-2031 Ten Year Plan<sup>1</sup> capital budget, and
  - b. increase associated debt recovery in the current 2021 Development Contribution Policy<sup>2</sup> (DCP).

The purpose of these proposed adjustments is to invest in a community drinking water supply scheme for Cardrona Valley, including the Cardrona Village (the village) and the Mount Cardrona Station (MCS) development.

2. This is a Statement of Proposal prepared in accordance with section 83 of the Local Government Act 2002 (LGA).

## BACKGROUND

3. QLDC has a responsibility to ensure its residents and visitors have access to safe and clean drinking water.
4. Traditionally the Cardrona Village, like other small townships in the district has been serviced by a combination of small, private schemes, and rainwater for their water supply, with private onsite septic tanks or similar for servicing wastewater needs. Following various scoping reports and feasibility studies, a 2016 business case (refreshed in 2017) identified a clear need for QLDC to invest in a community drinking water supply and wastewater servicing solution for Cardrona Valley.
5. QLDC has since successfully worked with a private developer (MCS) to deliver a new wastewater scheme (including a wastewater treatment plant and inbound conveyance network) to service the Cardrona Village, the MCS special zone and the Cardrona Alpine Resort (CARL). The wastewater scheme was formally vested in QLDC in December 2021 and is now in operation.
6. The investors of Mount Cardrona Station will be proceeding with a drinking water supply scheme for its development, potentially resulting in another private scheme in the area.
7. MCS has offered the opportunity to work collaboratively with QLDC to build this scheme to a specification that will ensure compliant drinking water servicing for the whole Cardrona Village, to vest in Council as a community drinking water supply scheme. See Appendix 1 for the Scheme plan proposal.
8. In December 2020, Council resolved to delegate authority to its Chief Executive to enter into a Development Agreement to participate with MCS in the procurement of a new community drinking water supply scheme with a connection to the Cardrona Village.
9. The 2021-2031 Ten Year Plan includes an approved capital budget of nearly \$10M to be recovered in accordance with the 2021 Development Contribution Policy for this new Cardrona community drinking water supply scheme. The majority of

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<sup>1</sup> <https://www.qldc.govt.nz/your-council/council-documents/ten-year-plan-ltp>

<sup>2</sup> [https://www.qldc.govt.nz/media/cr1b3ydh/b-qldc\\_ten-year-plan\\_-vol-2-dc-policy-1.pdf](https://www.qldc.govt.nz/media/cr1b3ydh/b-qldc_ten-year-plan_-vol-2-dc-policy-1.pdf)

the funding is spread over the 2023-2025 years and recovered over 30 years of growth via development contributions and a 30-year targeted water supply rate.

## **DRINKING WATER IN THE CARDRONA VALLEY**

10. Cardrona Village is currently serviced by five small private water supply schemes each with permitted water take consents. These private schemes, whether alone or collectively, cannot provide sufficient capacity to supply the long-term demand in the village. Combining the consents of the existing schemes could service around one third of the long-term demand in the village, so an additional supply will be required to enable the village to fully develop to levels anticipated in the Queenstown Lakes Spatial Plan<sup>3</sup>.
11. Cardrona faces unique challenges for the availability of fresh water supply for allocation as drinking water. Due to the alpine high-country environment and limited supply, in tension with existing allocations in the valley, the Otago Regional Council applies a shrinking cap. This prohibits the permission of any new potable water consent takes. As a result, existing drinking-water-supply consents must be managed to maximise efficient use and supply of drinking water to sustain and minimise the environmental impact of growth.
12. Of the existing drinking water allocations in the Cardrona catchment, MCS holds the largest existing permitted water-take by volume, seconded by the existing permitted village schemes. The proposal includes provision for these private schemes to be integrated into the community drinking water supply scheme in the future if they wish, in line with the QLDC Three Waters Vesting and Acquisition of Private Schemes Policy 2021<sup>4</sup>.
13. Work undertaken since the proposed water-supply scheme was included in the 2021-2031 Ten Year Plan and Development Contribution Policy 2021 has revealed that the scheme will be more expensive to deliver than was initially budgeted. Because the increase is considered significant under the QLDC Significance and Engagement Policy 2021<sup>5</sup>, QLDC has decided to consult the public through this statement of proposal.

## **THE PROPOSAL**

14. The proposal is to increase the budget included in the 2021-2031 Ten Year Plan and associated debt recovery in the current Development Contribution Policy 2021, to invest in a QLDC owned and operated community drinking water supply scheme for Cardrona Valley (Option 1). The proposal is to increase the capital budgets and development contributions used to fund the capital costs within the 2021-2031 Ten Year Plan and Development Contribution Policy 2021, as per Appendix 2 and 3.
15. QLDC's investment from 2021-2022 to provide the water scheme has been revised up from \$8.1M (with a further \$1.5M staged outside the ten-year window) to an estimate of \$17.2M. As with the joint funding model used to deliver the wastewater scheme, MCS will make a bulk payment up front to fund the initial

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<sup>3</sup> <https://www.qldc.govt.nz/your-council/council-documents/queenstown-lakes-spatial-plan>

<sup>4</sup> <https://www.qldc.govt.nz/media/hv4bxvy3/acquisition-and-vesting-of-private-3-waters-scheme-policy-draft-rev-1-16-12-2021.pdf>

<sup>5</sup> [https://www.qldc.govt.nz/media/fvmkuxm0/qldc\\_significance-and-engagement-policy\\_feb21-final.pdf](https://www.qldc.govt.nz/media/fvmkuxm0/qldc_significance-and-engagement-policy_feb21-final.pdf)

and staged capital costs. A comparison with the 2021-2031 Ten Year Plan capital budgets and the revised inflated costings is summarised below (\$000s).

**Table 1: Summary of revised capital costings**

Financial Year	Capital Cost in TYP 21/31 (\$000)	Revised Capital Cost (\$000)
2021/22	\$1,400	\$400
2022/23	\$6,676	\$200
2023/24	\$0	\$10,906
2024/25	\$0	\$5,092
2025/26	\$0	\$0
2026/27	\$0	\$584
2027/28	\$0	\$0
2028/29	\$0	\$0
2029/30	\$0	\$0
2030/31	\$0	\$0
<b>TOTAL</b>	<b>\$8,076</b>	<b>\$17,182</b>
10 Year +	\$1,500	\$0
MCS bulk payment	\$1,500	\$6,000
<b>Total</b>	<b>\$11,076</b>	<b>\$23,182</b>

16. The proposal also requires a change to the Development Contributions Policy 2021 to reflect the required capital cost estimates and required development contributions. These changes are summarised below and relate to page 215 and 236 of the Development Contributions Policy 2021 in the 2021-2031 Ten Year Plan.

**Table 2: Summary of proposed increases to DCP 2021**

Contributing area	Water supply development contribution		Total cash contribution	
	DCP 2021	Proposed increased in DCP 2021	DCP 2021	Proposed increased in DCP 2021
Cardrona Village	\$8,490	\$16,490	\$32,455	\$40,455
MCS zone	\$7,920	\$20,070	\$28,455	\$40,605

*See Appendix 2 and 3 for details on proposed increase to figures in the Ten-Year Plan 2021.*

**Table 3: Summary of revised capital costings**

PRIVATE DEVELOPER AGREEMENT SCHEMES – WATER SUPPLY CARDRONA (uninflated \$s)		
Component	Existing Capital Costs in DCP 2021	Proposed capital costs in DCP 2021
WS Headworks (Intake, PS, Rising Main, Storage, Treatment)	\$8,611,183	\$12,455,879
Staged - Additional membranes and storage	\$1,278,987	\$9,572,596
Interest	\$4,099,491	\$11,040,288

<b>WS Headworks Total</b>	<b>\$13,989,661</b>	<b>\$33,068,763</b>
Pipeline from MCS (WTP) to Cardrona Village	\$1,430,000	\$1,950,000
Interest	\$1,111,416	\$1,997,940
<b>Pipeline Total</b>	<b>\$2,541,416</b>	<b>\$3,947,940</b>

*See Appendix 2 and 3 for details on proposed increase to figures in the Ten-Year Plan 2021.*

## CONTEXT FOR INCREASING COSTS

17. Over the last 18 months rapid cost escalations in construction markets have made sector wide impacts, contributing to the proposed Cardrona drinking water supply scheme project costs increasing beyond the budgets that formed part of the 2021-2031 Ten Year Plan. This includes escalations across the board as a result of global supply chain disruptions and domestic skilled labour / professional resource shortages as a flow on effect of the COVID-19 pandemic.
18. Regulatory changes are also affecting project cost estimates. Taumata Arowai–The Water Services Regulator Act came into effect on 1 March 2021, establishing Taumata Arowai as Aotearoa New Zealand’s dedicated regulator of the Three Waters.
19. Taumata Arowai has introduced new draft drinking water rules. While existing drinking water standards will apply until they are replaced by the new standards (expected around July 2022), the design of new drinking water infrastructure must be future-proofed to ensure it meets the requirements that are being signalled.
20. Further, a national-level awareness of potential water reforms have added complexity to the process. Currently it is unknown how Three Waters assets and service delivery will transition to a resulting future model. However design and delivery must be future-proofed as much as is reasonably and practicably possible to ensure a new community drinking water supply scheme would be able to meet both the current requirements of QLDC and any reasonably foreseeable operational or legislative requirements of possible future entities.
21. As the design / layout of the proposed water supply scheme design has evolved, there is now a clearer understanding and more accurate estimate of the project cost to provide a suitable community drinking water supply scheme for the Cardrona Valley.
22. The timing of this opportunity is important. The project is shovel ready and MCS is consented to proceed with a water scheme for its development regardless of whether QLDC participates or not (as was the case with the successful delivery of the Cardrona wastewater servicing project).

## AFFORDABILITY AND VALUE FOR MONEY

### Funding of Capital Costs

23. Nationally there are increasing costs to deliver safe and clean drinking water to communities. As a comparison for this project:

- a. Tauranga City Council has recently doubled its water supply development contributions to between \$15,000 to \$20,000 per lot (Dwelling Equivalent).
  - b. Western Bay of Plenty District Council has water supply financial contributions of over \$15,000 per lot (Dwelling Equivalent).
24. Cardrona is no exception to the impacts of sector wide escalation in costs to deliver community drinking water supply schemes in Aotearoa New Zealand. Cardrona is a unique location in a high alpine environment, limited accessibility, and challenging climatic conditions. For these reasons the project has an elevated risk of cost increases compared to other similar scale small schemes, where those unique factors do not challenge the design and constructability in the same way.
25. To support affordability in the Cardrona Village, access to the Small Scheme Subsidy first introduced in the 2018-2028 Ten-Year Plan allows for the village to benefit from a 20% reduction on development contributions. This same subsidy was applied for wastewater contributions in the village. MCS does not have access to this subsidy for its development.
26. Further to this, a differential development contribution is being proposed to further mitigate the increased capital costs to the Cardrona Village. MCS will be subject to a higher development contribution, as shown below.

**Table 4: Summary of Development Contributions**

	Proposed Cardrona Village DC	Proposed MCS Special Zone DC
<b>2021 DCP</b>	<b>\$8,490<sup>1</sup></b>	<b>\$7,920</b>
<b>Proposed DCP</b>		
Headworks	\$19,190	\$20,070
MCS differential funding	-\$2,580	\$0
<b>Headworks contribution</b>	<b>\$16,610</b>	<b>\$20,070</b>
CV pipeline	\$4,000	\$0
<b>Contribution pre small scheme subsidy</b>	<b>\$20,610</b>	<b>\$20,070</b>
Small scheme funding @20%	-\$4,120	\$0
<b>Proposed development contribution</b>	<b>\$16,490<sup>1</sup></b>	<b>\$20,070</b>
<b>Annual general WS rate (unchanged)</b>	<b>\$800</b>	<b>\$800</b>

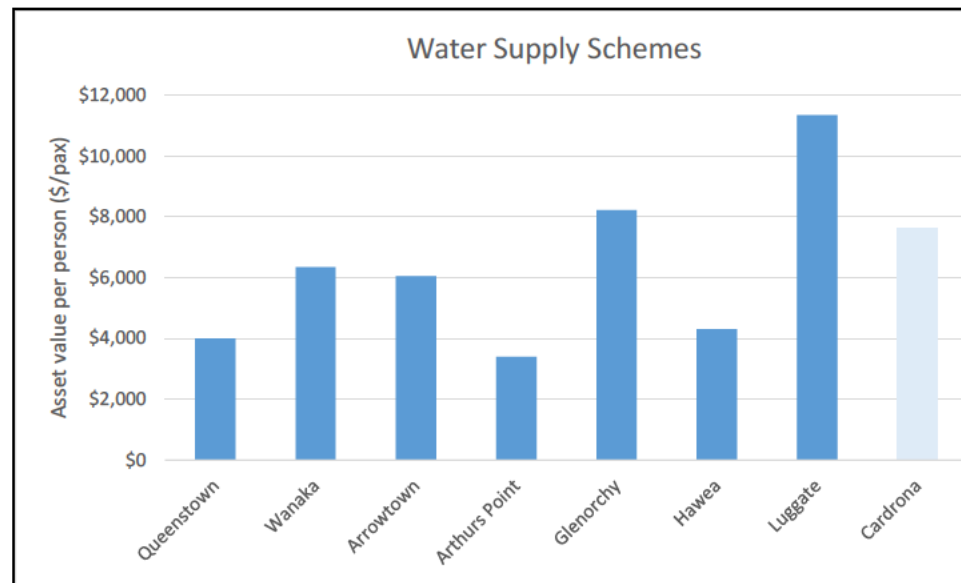
1. See clauses 29, 30, 31 below on the Targeted Capital Water Supply Rate option.

27. Early connections (and capital recovery) have long term benefits to overall scheme affordability by reducing debt early and the associated interest costs. To assist with mitigating project cost escalations and overall affordability, MCS has offered to initially pay a higher development contribution with an aim to encourage and incentivise earlier uptake of connections (for capital recovery) within the village. MCS recognises the value of a community drinking water supply scheme that is designed to meet the new legislative requirements and operated by QLDC.
28. MCS would pay the higher development contribution for an initial period of QLDC ownership of the scheme (still to be confirmed as part of ongoing negotiations), after which time the funding would revert to a standard headworks contribution for all development in the Cardrona Village and MCS special zone.

29. As is standard practice for Council Services, Development Contributions for connections to the community drinking water supply scheme will be levied at the usual triggers in accordance with Council Development Contribution Policy 2021 (i.e., at service connection, building consent or at subdivision consent (224c)). Development contributions do not include the private costs to connect which are to be borne by the applicant, these may include council service application fees; professional fees (e.g., design, survey) or construction services (e.g., plumbing costs).
30. For properties within the existing township there is a limited time option to amortise the cost of the development contribution over 30 years at 4% interest (loan fund the upfront payment over long term period) using a Targeted Capital Water Supply Rate.
31. The Targeted Capital Water Supply Rate is estimated to be \$1,100 p.a (this compares to an estimate of \$490 p.a. under the original proposal). This option will be available to any properties in the village that sign up to the Targeted Capital Water Supply Rate within the first rating year of council ownership of the scheme (Estimated deadline 1 July 2024). This is also available to those properties who do not need an immediate connection. This Targeted Capital Water Supply Rate option does not receive the benefit of the MCS differential funding as this is available only for a limited period.
32. Aside from the short-term differential funding from MCS, the above capital cost funding approach is in accordance with Council's usual policies and practices. However, unique factors that apply to this proposal for a community drinking water supply scheme in Cardrona are set out below:
  - i. The Targeted Capital Water Supply Rate will not be levied to any properties that choose not connect to the community drinking water supply scheme. Any properties that do not opt for the Targeted Capital Water Supply Rate within the first rating year will be required to pay the applicable development contribution (as a lump sum payment) in full at the time of any future connection.
  - ii. Differential development contributions funded by MCS.
33. At a local level, the comparison with the cost of other QLDC water supply schemes are shown below. These figures include the current asset value and the proposed future non-renewal capital expenditure. While it costs more per person in small schemes due to challenges such as delivering water in a remote location, constructability in an alpine environment and limited economies of scale – these costs are being mitigated through access to the 20% small scheme subsidy and differential development contributions between the Cardrona Village and Mount Cardrona Special Zone.



**Figure 1: Indicative comparison of water supply asset value per person by scheme**



#### **Funding of operating costs**

34. As is standard practice for Council Services, the revenue from rates is used to fund the operating costs associated with providing the community drinking water supply services to Cardrona.
35. Rates include the following:
  - i. The Cardrona Water Supply Rate (est. \$800 p.a.) will be levied on serviced (connected) rating units and
  - ii. Availability Charges are levied at 50% of the full rate (est. \$400) and will be levied on serviceable rating units (located within 100m of Council services but not yet connected) except for those properties expressly excluded in paragraph 36 below.
36. The above operating cost funding approach is standard in accordance with Council's usual policies and practices. However, unique factors that apply to this proposal for a community drinking water supply scheme in Cardrona are that availability charges will not be levied on:
  - i. Any serviceable rating unit (within 100m of but not connected to Council community drinking water supply service) that is currently connected to the existing private water schemes owned by Cardrona Water Supply Limited and Cardrona Limited (For the avoidance of doubt, such units will be required to pay relevant Development Contributions and ongoing rating charges from any point they elect to join the Council community drinking water supply scheme).
37. In 2020 when Council provided the Cardrona community with details of the proposed water scheme, some members of the community raised concerns and instituted legal proceedings about the proposal. Council took the feedback into account, the legal proceedings were resolved, and the current proposal reflects

the outcome. That includes not levying an availability charge for running costs on lots currently connected to a private water scheme. It also includes not levying development contributions on a lot to recover a share of the capital costs, until (as is also the case for rating and recovery of operating costs) the lot connects to the scheme.

## **REASONABLY PRACTICABLE OPTIONS AND ANALYSIS**

38. There are two reasonably practicable options:

1. Commit the additional funding required for QLDC to proceed with MCS to invest in a community water scheme for Cardrona Valley. This option requires increase to capital budgets in the 2021-2031 Ten-Year Plan and debt recovery in the Development Contribution Policy 2021 as proposed.
2. Do not commit the additional funding, and MCS will build a water scheme solely for its development. This option does not require increase to capital budgets in the 2021-2031 Ten-Year Plan and debt recovery in the Development Contribution Policy 2021 as proposed.



39. The options analysis is summarised below:

**Table 5: Options Analysis**

Consideration	1. Commit the additional funding required for QLDC to proceed with the partnership	2. Do not commit the additional funding, and MCS will build a water scheme solely for its development
1. Fully compliant and future proofed source water supply.	✓	x
2. High degree of certainty over compliance with the rising bar of regulatory framework and legislative requirements - designed to Council's specified requirements.	✓	x
3. The largest of the existing water permits are acquired by the QLDC.	✓	x
4. Acquisition of raw water buffer reservoir to help better manage environmental impacts and seasonal fluctuations of catchment water availability for more efficient use of seasonal water availability.	✓	x
5. Fixed price certainty with development agreement, shovel ready, and fast-tracked into delivery as part of MCS development.	✓	x
6. Delivers key lead infrastructure to enable Cardrona Village to develop in line with Spatial Plan assumptions regarding wastewater treatment plant funding (funded by growth).	✓	x
7. Differential development contribution mechanism to fund the capital costs for connection to the Cardrona Village to lower the initial development contribution for Cardrona Village users.	✓	x
8. Preserves options for Cardrona Village – does not compel connections or levy any availability charges.	✓	✓

40. **Option 1** is recommended because it will provide safe, clean and best value for money drinking water to Cardrona to enable growth and better manage the environmental impacts of water consumption in the catchment.

41. The recommended option leverages off the efficiencies of a development in motion. The risk of cost escalations is transferred to the developer and further risk of delay and cost escalation from planning avoided.

42. The recommended option is in alignment with the affordability needs of the village and preserves the options, allowing for choice to remain in Cardrona for as long as the private schemes are operating. Should private schemes exit the market, a community drinking water scheme ensures there is an acceptable option to meet the key levels of service and core infrastructure requirements.

43. Realistically, because of the shrinking cap on water take consents, there will not be any similar, reasonably practicable opportunities for the Council to supply drinking water in the Cardrona Valley. In saying that, it is as yet unknown what position any new entity (scheme operator and asset manager) may take to the

provision of water supply infrastructure or development of that infrastructure, or acquisition of private schemes.

44. QLDC encourages anyone with an interest in the proposal to make a submission.

## TIMETABLE FOR CONSULTATION

45. The following dates represent the timeline of the consultation programme:

**Table 6: Key dates for consultation programme**

Date	Task
Council meeting 2 June 2022	The Council resolves to undertake a special consultative procedure on the Cardrona Water Supply Investment
17 June 2022	QLDC publishes the Statement of Proposal and submissions open
Between 20-24 June 2022	Advertisements in the Otago Daily Times, Southland Times, The Mountain Scene and the Wānaka Sun
18 July 2022	Submissions close 5.00pm
25 July 2022	Submissions heard by a subcommittee of Councillors
Council meeting 11 August 2022	The Council considers the outcome of the consultation process and makes a decision on the proposal to invest

## INSPECTION OF DOCUMENTS AND OBTAINING COPIES

46. Copies of this Statement of Proposal may be inspected, and a copy obtained, at no cost, from:

- a) Either of the QLDC offices at 10 Gorge Road, Queenstown or 47 Ardmore Street, Wānaka;
- b) Any library within the Queenstown Lakes District; or
- c) QLDC's online engagement platform Let's Talk – <https://letstalk.qldc.govt.nz/>

## RIGHT TO MAKE A SUBMISSION AND BE HEARD

47. Any person or organisation has a right to be heard on this proposal and QLDC encourages everyone with an interest to do so. Submissions should be directed toward matters that are within the scope of the proposal.

48. The preferred way to make a submission is to complete the online form at <https://letstalk.qldc.govt.nz/>

Submitters may also:

- a) Post their submission to: Property Department, Queenstown Lakes District Council, Private Bag 50072, Queenstown 9348
- b) Email their submission to [letstalk@qldc.govt.nz](mailto:letstalk@qldc.govt.nz)

49. Submissions must be received by **Monday 18 July 2022 at 5.00 PM**. QLDC will then convene a hearing, at which any party who wishes to do so can present their submission in person. QLDC will give equal consideration to written and oral submissions.

50. QLDC will permit parties to make oral submissions (without prior written material) or to make a late submission, only where it considers that special circumstances apply.

51. Every submission made to QLDC will be acknowledged in accordance with the LGA 2002, will be copied and made available to the public. Every submission will be heard in a meeting that is open to the public.

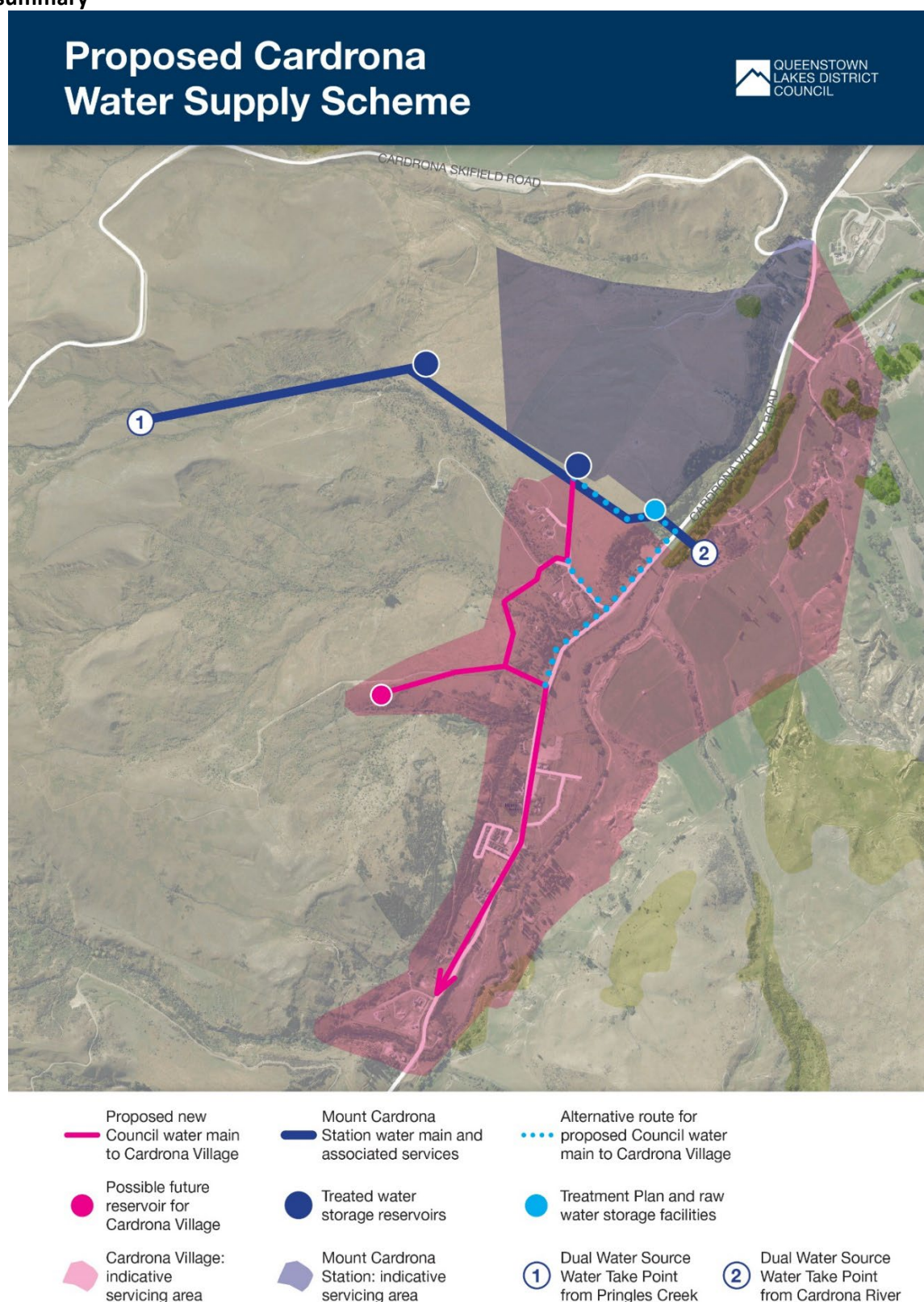
#### **MAKING AN EFFECTIVE SUBMISSION**

52. Written submissions can take any form (e.g. email or letter) but we recommend your submission be made on a standard submission form available from QLDC. An effective submission references the options of the proposal in Clause 38 you wish to submit on, states why the option is supported or not supported, and states what change to the option, if any, is sought. This may include:
- i. The increase to figures in the Ten Year Plan 2021 – 2031, Development Contribution Policy 2021 for the proposed community drinking water supply scheme in the Cardrona area.
  - ii. The introduction of a targeted capital water supply rate for the proposed community drinking water supply scheme in Cardrona
53. Submissions on matters outside the scope of the proposal cannot be considered by the Hearings Panel.

Mike Theelen

CHIEF EXECUTIVE

**APPENDIX 1: Proposed water scheme plan and indicative servicing areas map and scheme summary**



**Figure 1: Cardrona Valley Scheme Plan and Indicative Servicing Areas**

Note the above is not a proposed change to the servicing rating scheme boundary per section 17.1 - *Water Supply & Wastewater* of the final contributing area maps in the Development Contribution Policy 2021 page 27 of 40. Figure 1 is an indicative scheme area only and will be confirmed following the consultation and advanced design of the proposed Cardrona community drinking water supply scheme.

**Scheme Summary:**

The proposed Cardrona Valley community drinking water supply scheme consists of new dual abstraction sources in the Cardrona River and Pringles Creek, pumping stations, raw water storage pond to buffer seasonal fluctuations, and water treatment plant with membrane filtration and chlorination.

Treated water reservoirs will store water with emergency fire-fighting capacity. The scheme will be staged such that the plant is constructed to be scalable to demand and as well to mitigate construction delay risks.

Initially the water treatment can be serviced from a mobile containerised system initially until sufficient demand triggers further stages of plant to be built, beyond which further expansions for membranes etc will be contained within the permanent water treatment plant. The scheme will embed demand management flow meters from the outset for improved demand management and overall scheme efficiency. The scheme is also being designed and future proofed such that there are options (all parties willing) for integration of the existing Cardrona Village private drinking water supply schemes to join into a single community drinking water scheme in the future.

The proposed community drinking water supply scheme consists of two pre-existing Otago Regional Council water permits currently owned by Mount Cardrona Station that will vest into Council's ownership. RM21.628.03 (previously 2009.191.v2) Potable water permit, and RM21.628.04 (previously 2009.435.v1) irrigation permit. Both permits will vest into Council. The drinking water permits have been varied by Mount Cardrona Station to allow for Council as the scheme operator and owner to extend the allowable servicing catchment area to allow to service the township and to also update and extend further scheme boundaries in the future to accommodate growth.

The water treatment plant, raw water reservoir, rising and falling mains, and treated water reservoirs and associated ancillary infrastructure are all proposed to be constructed on Mount Cardrona Station's land, with associated land use rights including easements, resource consents, building consents, and will all vest into Council ownership.

The proposed Mount Cardrona Station subdivision reticulation network will vest into Council ownership, and Council will be responsible for the planning and delivery of the inbound pipeline to the Cardrona Village or other servicing areas.



## APPENDIX 2: Proposed increase to capital budgets in the QLDC Ten Year Plan 2021 – 2031

### Water Supply capital works

SUM OF CAPITAL WORKS (000's)	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Water Supply capital works	48,117	43,996	57,851	28,709	16,404	13,358	6,506	17,120	13,351	45,758	291,171
Arrowtown	310	298	1,754	2,024	2,931	3,618	247	257	1,494	391	13,324
Arrowtown Network Improvement (WS)	-	-	-	437	-	577	-	-	1,273	-	2,286
Arrowtown Reservoir Stabilisation Investigation (WS)	100	-	-	-	-	-	-	-	-	-	100
Arrowtown Water Storage (WS)	-	-	64	1,310	2,694	2,770	-	-	-	-	6,837
Masterplanning - Arrowtown (WS)	44	9	10	7	12	10	40	9	14	12	167
Telemetry - Arrowtown (WS)	5	66	-	-	-	-	-	-	-	-	71
Water Supply - Renewals - Arrowtown (WS)	137	140	106	204	218	257	202	176	200	373	2,014
Demand Management - Arrowtown (WS)	19	78	1,570	-	-	-	-	-	-	-	1,666
Hydraulic Model & System Performance - Arrowtown (WS)	5	4	4	68	7	5	5	71	6	6	182
Arthurs Point	125	80	46	462	100	53	78	73	370	834	2,220
Conveyance Capacity over Shot River (WS)	-	-	-	-	-	-	-	17	267	787	1,072
Masterplanning - Arthurs Pt (WS)	40	5	16	5	6	6	30	6	6	7	127
Telemetry - Arthurs Pt (WS)	2	23	-	-	-	-	-	-	-	-	24
Water Supply - Renewals - Arthurs Point (WS)	22	23	27	33	29	44	45	46	33	36	339
Demand Management - Arthurs Point (WS)	7	26	-	420	-	-	-	-	-	-	453
Hydraulic Model & System Performance - Arthurs Pt (WS)	54	3	3	3	65	3	3	3	64	4	205
Cardrona	1,440	6,684	6	8	58	49	9	9	57	57	8,380
Cardrona Water Supply Scheme (WS)	1,400	6,676	-	-	-	-	-	-	-	-	8,076
Masterplanning - Cardrona (WS)	40	5	5	5	6	46	6	6	6	52	179
Hydraulic Model & System Performance - Cardrona (WS)	-	3	3	3	52	3	3	3	51	4	125

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The above table and figures in the QLDC TEN YEAR PLAN 2021–2031 VOLUME ONE Page 95 Water Supply Capital Works Table: Cardrona are to be increased as per the below:

	22	23	24	25	26	27	28	29	30	31	TOTAL
Cardrona Water Supply Scheme	400	200	10,906	5,092	0	584	0	0	0	0	17,182

**APPENDIX 3: Proposed Increase to Cardrona Development Contribution in the Development Contribution Policy 2021 – page 215 and page 236 Volume 2; 2021/31 Ten Year Plan**

SCHEDULE OF DEVELOPMENT CONTRIBUTIONS PER DWELLING EQUIVALENT REQUIRED BY CONTRIBUTING AREA (EXCLUDING GST)										
Contributing area <sup>a</sup>	Water Supply	Wastewater	Stormwater	Reserve Improvements	Premier Sportsground - Reserve land contribution	Community Infrastructure	Transportation	Transportation - EAR <sup>b</sup>	Total Cash Contribution	Local/Community Reserve Land
Queenstown	\$4,454	\$6,317	\$3,670	\$1,233	\$500	\$3,711	\$3,389	\$763	\$24,037	17.5m <sup>2</sup> /DE in applicable areas <sup>c</sup>
Frankton Flats	\$4,454	\$6,317	\$4,063	\$1,233	\$500	\$3,711	\$3,389	\$763	\$25,250	
Arrowtown	\$3,941	\$3,349	\$446	\$1,233	\$500	\$3,711	\$3,389		\$16,569	
Glenorchy	\$10,688	^	\$434	\$1,233	\$500	\$3,711	\$3,389		\$19,955	
Lake Hayes	\$4,454	\$3,984		\$1,233	\$500	\$3,711	\$3,389		\$17,271	
Shotover Country	\$4,454	\$1,938		\$1,233	\$500	\$3,711	\$3,389		\$15,225	
Arthurs Point	\$1,867	\$6,317		\$1,233	\$500	\$3,711	\$3,389		\$17,017	
Kingston Township # %	\$9,516 #	^	^	\$1,233	\$500	\$3,711	\$3,389		\$18,349	
Kingston - KVL zone *9%	\$1,977	\$2,719	\$1,388	\$1,233	\$500	\$3,711	\$3,389		\$14,917	
Ladies Mile	\$4,454	\$2,384	^	\$1,233	\$500	\$3,711	\$3,389		\$15,671	
Southern Corridor	\$4,454	\$6,317		\$1,233	\$500	\$3,711	\$3,389		\$19,604	
Wānaka	\$7,034	\$5,821	\$2,119	\$2,434		\$3,808	\$1,873		\$23,089	
Hāwea	\$5,543	\$16,942	\$403	\$2,434		\$3,808	\$1,873		\$31,003	
Albert Town	\$7,034	\$5,821	\$350	\$2,434		\$3,808	\$1,873		\$21,320	
Luggate	\$6,491	\$5,821	\$205	\$2,434		\$3,808	\$1,873		\$20,722	
Cardrona	\$8,490 #	\$15,850 #		\$2,434		\$3,808	\$1,873		\$32,455	
Cardrona - MCS zone *	\$7,920	\$12,420		\$2,434		\$3,808	\$1,873		\$28,455	
Other Wakatipu				\$1,233	\$500	\$3,711	\$3,389		\$8,833	
Other Wānaka				\$2,434		\$3,808	\$1,873		\$8,115	

The above table and figures in the 2021-2031 TEN YEAR PLAN VOLUME TWO Development Contribution Policy 2021 - Page 215 SCHEDULE OF DEVELOPMENT CONTRIBUTIONS PER DWELLING EQUIVALENT REQUIRED BY CONTRIBUTING AREA (EXCLUDING GST) shall be increased as per the below.

Contributing area	Water supply development contribution		Total cash contribution	
	DCP 2021	Proposed increase in DCP 2021	DCP 2021	Proposed increase in DCP 2021
Cardrona Village	\$8,490	\$16,490	\$32,455	\$40,455
MCS zone	\$7,920	\$20,070	\$28,455	\$40,605



Private Developer Agreement Schemes – Water Supply

**Cardrona**

Water Supply development contributions as per provisional private development agreement – 100% of costs to be funded through development contributions.

PRIVATE DEVELOPER AGREEMENT SCHEMES – WATER SUPPLY CARDRONA	
Component	Capital Costs
WS Headworks (Intake, PS, Rising Main, Storage, Treatment)	\$8,611,183
Additional membranes and storage	\$1,278,987
Interest	\$4,099,491
<b>WS Headworks Total</b>	<b>\$13,989,661</b>
Pipeline from MCS to Cardrona Village	\$1,430,000
Interest	\$1,111,416
<b>Pipeline Total</b>	<b>\$2,541,416</b>

**Kingston**

Water Supply development contributions are as per the private development agreement – 100% of costs to be funded through growth – with options to pay the development contribution as an upfront lump sum, or over time as a targeted rate.

PRIVATE DEVELOPER AGREEMENT SCHEMES – WATER SUPPLY KINGSTON	
Component	Capital Costs
Headworks	\$12,988,276
Conveyance	\$4,270,118
Interest	\$3,335,610
<b>Total</b>	<b>\$20,594,003</b>

The above table and figures in the QLDC TEN YEAR PLAN 2021–2031 VOLUME TWO Development Contribution Policy 2021 - Page 236 PRIVATE DEVELOPER AGREEMENT SCHEMES – WATER SUPPLY CARDRONA shall be increased as per below.

PRIVATE DEVELOPER AGREEMENT SCHEMES – WATER SUPPLY CARDRONA (inflated \$s)		
Component	Capital Costs in DCP 2021	Proposed increase to capital costs in DCP 2021
WS Headworks (Intake, PS, Rising Main, Storage, Treatment)	\$8,611,183	\$12,455,879
Staged - Additional membranes and storage	\$1,278,987	\$9,572,596
Interest	\$4,099,491	\$11,040,288
<b>WS Headworks Total</b>	<b>\$13,989,661</b>	<b>\$33,068,763</b>
Pipeline from MCS (WTP) to Cardrona Village	\$1,430,000	\$1,950,000
Interest	\$1,111,416	\$1,997,940
<b>Pipeline Total</b>	<b>\$2,541,416</b>	<b>\$3,947,940</b>