BEFORE THE QUEENSTOWN LAKES DISTRICT COUNCIL

IN THE MATTER OF the Resource Management Act 1991

AND

IN THE MATTER OF Plan Change 54 – a Request for a private

plan change to the Queenstown Lakes District Council Operative District Plan by

Northlake Investments Limited

STATEMENT OF EVIDENCE OF MARC RAYMOND BRETHERTON
GENERAL MANAGER, WINTON

Dated: 6 July 2023

Counsel:

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Introduction

- 1 My full name is Marc Raymond Bretherton. Hive in Wanaka.
- I am the Wanaka General Manager for Winton Land Limited (previously known as Winton Property Limited), which is the parent company of Northlake Investments Limited (NIL). I am authorised by NIL to give this evidence on its behalf.
- I manage all aspects of the development of the land owned by NIL (Northlake) within the Northlake Special Zone. This includes overseeing design, consenting, construction, titling, sales and marketing. Ultimately, I am tasked with delivering finished residential sections, houses, multi-unit dwellings, apartments, and commercial buildings from planning inception to completion and settlement. I have held this role since the development was commenced in late 2015.
- I have more than twenty years' experience in land development, including in the position of General Manager Planning and Development with Queenstown Lakes District Council (QLDC). Prior to this, I was General Manager and a Director of a South Island property development company for seven years. I have also completed various project management assignments around New Zealand and have held consulting roles with Price Waterhouse in the UK and in Ireland.
- I have a Bachelor of Commerce (First Class Honours) and a Master of Regional & Resource Planning (Distinction) from the University of Otago. I am a full member of the New Zealand Planning Institute.

Scope of Evidence

- 6 In preparing my evidence, I have reviewed:
 - (a) The evidence of the following:
 - (i) Richard Powell
 - (ii) Kate Purton

- (b) The relevant parts of the Queenstown Lakes District Council Operative District Plan.
- (c) The Section 42A Report prepared for this hearing.
- 7 My evidence for this hearing addresses:
 - a. Water supply and provision for future water supply;
 - b. Stormwater management within Catchment A at Northlake.

Water Supply

- I have read the evidence of Richard Powell. Oddly, Mr Powell does not go into any detail about the extensive water network recently constructed and commissioned by NIL at Northlake. This network is specifically designed to service the area of Plan Change 54.
- The component parts of the network include a 500m³ reservoir, serviced by a rising falling main coming from a pumpstation at the south west corner of the Northlake site. The pump station is connected via a main to the existing QLDC reservoir on the adjacent land.
- All of the works to design and construct this portion of the network, including both QLDC's and NIL's ongoing responsibilities and obligations, are recorded in a Development Agreement signed by QLDC and NIL dated 15 March 2023. The network is specifically designed to service Stages 16, 17 and 18 (the PC54 area). The Plan Set ('Development Agreement Drawings') which provides an overview of the network on the Northlake land is attached in Schedule A.
- There are some commercial sensitivities in the Development Agreement, but I am happy to supply a copy to the Commission on a non-disclosure basis if that assists (it is 179 pages).
- 12 All hard assets within this network on the Northlake land are vested in QLDC. The network is operated by Veolia as QLDC's network operator and has been since 10 February 2023.
- From the regular fortnightly meetings between QLDC Property & Infrastructure group and NIL throughout 2022 (and which continue to be held, now on a

monthly basis) which Mr Powell attends, he is aware of the Developer Agreement between QLDC and NIL. I note that Mr Powell does not mention the provisions of this agreement which are highly relevant to his evidence.

14 I make comment on the following aspects of Mr Powell's evidence, all of which are covered in the Development Agreement.

'An already constrained water network'

- Mr Powell makes the comment that "an already constrained water network within the north Wanaka area would be further impacted by intensifying demand through additional zoned land as proposed".
- The Development Agreement specifically provides Northlake with priority on water within the newly commissioned system.
- 17 In the Development Agreement the QLDC has committed to "making capacity available to the Development (Northlake) as it becomes necessary from time to time to service the Development up to the Maximum Developer Capacity".
- The Maximum Developer Capacity means "capacity in the Upgraded Works to service up to 240 Dwelling Equivalents in the Development". NIL was very careful to ensure that in agreeing to this maximum number of lots, all of the potential future lots within the proposed Plan Change 54 area were included in addition to all lots yet to be constructed in the remainder of the already zoned Northlake development.
- To summarise, QLDC has committed via contract with NIL to ensure that Northlake has first priority over water in the network for development including within the Plan Change 54 area and has accordingly factored this into its wider supply obligations.

Options to Increase Water Supply

20 Provision is made in the Development Agreement for easements to provide full and unfettered access for QLDC to operate this part of the North Wanaka water network. The easement plan from the Development Agreement is in the attached Plan Set at Sheet 105. These easements were all registered in April 2023.

- 21 Specifically, provision is made for a Services Easement which is defined as:
 - "An easement in gross in favour of QLDC to convey water and any other services required by QLDC for any purpose over the Services Easement Area"
- This Services Easement was not required to service any aspect of the Northlake development specifically. It was inserted at the request of QLDC to allow the QLDC to increase the supply from the lake to the wider Wanaka network. It runs along the Sticky Forest boundary on the Northlake land. Recognising the benefit to the wider Wanaka water supply network, NIL agreed in good faith to make provision for this easement across its land at no cost to QLDC.
- The Services Easement is shown as Easement In Gross G on the attached Easement Plan. This corresponds to Route D1 in Figure 1 in Mr Powell's evidence.
- In nearly three years discussing water infrastructure at Northlake with QLDC, the subsequent spend of several million dollars by NIL to construct the network and vest it with QLDC, the registration of easements to secure the operational aspects of the network, including provision for a future water intake (D1), Mr Powell's proposed Route D3 has never been raised with NIL by the QLDC. Accordingly, this disconnected view looks to be Mr Powell's own, rather than the position of the QLDC.
- I take further issue with Mr Powell's comment that the new 'high level' water reservoir at Northlake would need to be 'raised' to achieve adequate residential pressures or a secondary higher reservoir will need to be built. He describes this as a 'feasible solution'. Both of these nonsensical suggestions seem to indicate that Mr Powell simply does not understand how the network is designed to operate, nor the extensive discussions and ultimately agreement between the QLDC and NIL on these matters.
- The existing (and brand new) reservoir will not be raised, nor will there be a second higher reservoir provided. QLDC has requested provision for a second reservoir right next to (and at the exact same level as) the new reservoir within the Tank Easement Area (Easement C). This is again documented at length in the Developer Agreement. As per the requirements of that Agreement, NIL has created the platform with sufficient space for a second reservoir, designed and

sized the pipe network to accommodate the second reservoir, and physically installed / constructed all works contemplated to provide for this second reservoir.

- Additionally, there will be a booster pump required to service those lots that cannot achieve the necessary pressure higher up on the Northlake site. The booster pump has been presented in all technical reporting and water modelling to QLDC over the last couple of years. In discussion with QLDC, the location and connections for the future booster pump have been designed into the reservoir compound and have subsequently been constructed.
- NIL simply does not agree with large parts of Mr Powell's evidence which is out of date or just plain incorrect. Mr Powell's evidence does not reflect the QLDC's position as evidenced by the Development Agreement between the parties.

Stormwater

- The Northlake stormwater network has been progressively designed, approved, constructed and vested with QLDC since 2016.
- The Northlake site spans two catchments. Catchment A is roughly 70% of the original NIL Northlake landholding. It also includes a large proportion of the adjoining land to the south now owned by WFH Properties Limited, the land to the east of Outlet Road being progressively developed by Exclusive Developments Limited as well as a number of smaller landowners.
- In general terms, this catchment flows from Sticky Forest to the west, through Northlake and the WFH land, through the developed stages of Northlake, through a pipe under Outlet Road to the neighbouring downstream land, known as the Hikuwai development, and through Hikuwai to the DOC Reserve (DOC Reserve). Rockabilly Gully as referred to in Kate Purton's evidence is within the DOC Reserve. Attached in Schedule B is a plan of Catchment A which contains about 214 hectares.
- The PC54 land is wholly contained in Catchment A and contains 11 hectares in total (or an additional 4 hectares of <u>new</u> residential zoning). The PC54 area comprises around 5% of the total catchment A area (or seeks to rezone less than 2% of the total Catchment A as new residential zoning).

- Northlake is a master planned subdivision of some 18 stages. Stages 1-15 were progressively designed, consented and constructed from 2016 2021 with infrastructure (stormwater assets included) vested with QLDC as they were constructed and made operational. Engineering approval for each stage was based on the QLDC Land Development and Subdivision Code of Practice (CoP), including meeting the requirement to ensure that post-development peak stormwater flows are no greater than pre-development peak stormwater flows. NIL has ensured that that requirement has been met throughout the Northlake development.
- On 17 June 2021 NIL was granted resource consent including Outline Development Plan approval for Stages 16 and 17. Subdivision consent for Stage 16 was granted on 19 August 2021. NIL then lodged for engineering approval for Stage 16 on 8 September 2021. This was consistent with the practice established with QLDC for the previous 15 stages in the six years preceding.
- 35 By this time an erosion issue had arisen within the DOC Reserve caused by stormwater flows draining from Catchment A. That situation resulted in the Abatement Notice dated 1 October 2021 (referred to in the s42A Report) being served by ORC on QLDC in relation to stormwater infrastructure vested in and managed by QLDC.
- This resulted in QLDC examining NIL's request for Stage 16 engineering approval much more stringently than the past and imposing far more detailed modelling requirements than had been the case previously. QLDC imposed modelling requirements on NIL which had not previously been imposed under the CoP, nor which had been applied to any other development that we are aware of (including other large development sites, previously and since, in the same catchment). These requirements included modelling of the 2-year, 5-year and 10-year and 50-year storm events (not previously required under the CoP) in addition to the 20-year and 100-year events which are specified in the CoP.
- 37 QLDC also insisted on external peer review by Beca to ensure that NIL's proposed stormwater infrastructure would meet the required standards. One of the outcomes of the initial Beca review was a disagreement between Beca and Fluent as to what the appropriate input parameters were for (NIL's stormwater designer) Fluent's hydraulic model. These related to roughness

values and infiltration rates for pervious areas. NIL believed that these parameters were unduly conservative, and as such commissioned three expert peer reviews of the appropriateness of the original Fluent parameters. All three supported the Fluent parameters as appropriate. These peer reviews were supplied to QLDC but QLDC refused to shift from the parameters suggested by Beca. Reluctantly NIL agreed to incorporate these Beca parameters into the Fluent hydraulic model as it was clear that QLDC was only prepared to listen to Beca, and not the four other stormwater experts. As a consequence, I can say that the Stage 16 stormwater infrastructure has been designed to meet the most conservative requirements of no less than five stormwater experts.

- 38 NIL's proposed Stage 16 stormwater infrastructure was eventually given engineering approval on 23 March 2023.
- 39 NIL has now applied for subdivision consent for part of Stage 17 (referred to as Stage 17B). QLDC is requiring NIL to go through the same process (relating to stormwater) as was required for Stage 16, but at subdivision consent stage rather than engineering approval stage. The same requirements, additional to what is normally required under the CoP, are being imposed on NIL and are being complied with by NIL.
- 40 Despite the frustrations with the time and immense cost of the Beca peer review process, NIL has always agreed to meet the stormwater standards and outcomes required by QLDC, including in recent times, requirements more stringent than are usually imposed under the CoP. Stages 1-16 have all been consented and constructed on that basis. The same will apply to Stages 17 and 18.
- All NIL's primary concern about the stormwater rule recommended in the s42A Report is that it would require extensive, detailed and expensive modelling to be carried out at the first stage land use consent which includes Outline Development Plan approval.
- This has flow on effects because it is not possible to carry out the stormwater modelling until detailed earthworks, subdivision design and 'all of services' engineering drawings have been completed (in fact, these are all carried out at the same time because earthworks, gravity reticulation, road gradients etc all

affect stormwater modelling and vice versa). It has never previously been required to carry out that level of detailed work at Outline Development Plan approval stage.

- It seems to me that the proposed rule is at odds with the purpose of an Outline Development Plan as a specified step in the overall design process within the NSZ. Under that process there are three approval stages, each of which generally requires a different level of detail:
 - a. The first stage land use consent which includes Outline Development Plan approval requires a high level assessment of proposed methods to address specific issues. As far as stormwater is concerned Council's discretion is limited to the proposed methods of Low Impact Stormwater disposal. This stage has been treated by QLDC as proof of concept that there is a viable LID solution available and that the requisite land has been set aside to provide for it.
 - b. The second stage is subdivision consent. At that stage, as far as stormwater is concerned, Council's discretion is restricted and the matters to which QLDC has reserved its control are noted as "Stormwater Disposal". In practice, the QLDC Engineer has typically described the proposal, satisfied themselves that the downstream infrastructure was adequate to attenuate the flows, both primary (5% AEP storm) and secondary (1% AEP storm), and sometimes, has recommended that a condition be imposed that a condition demonstrating that this is the case be provided as part of the Engineering Acceptance process
 - c. The third stage is Engineering Acceptance. At that stage the Council turns to its Land Development & Subdivision Engineering Code of Practice (the CoP) and undertakes a rigorous review of the proposal against the CoP with the benefit of full engineering design detail submitted by the applicant.
- I can see no reason why that work cannot be carried out at engineering approval stage, as was the case with the lengthy and detailed process required to achieve Stage 16 engineering approval. The proposed stormwater rule would result in significant cost being incurred much earlier in the subdivision process without any justification in terms of management of stormwater.

Marc Raymond Bretherton

General Manager, Winton

6 July 2023

Attachment A

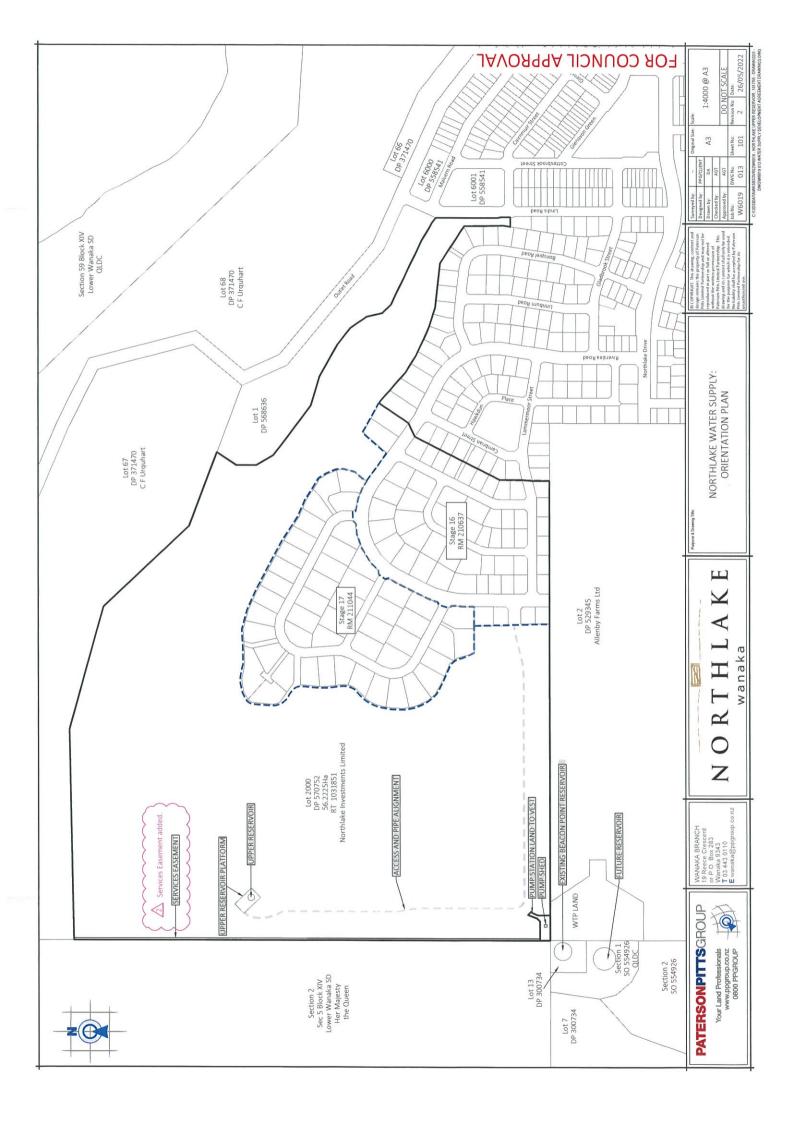
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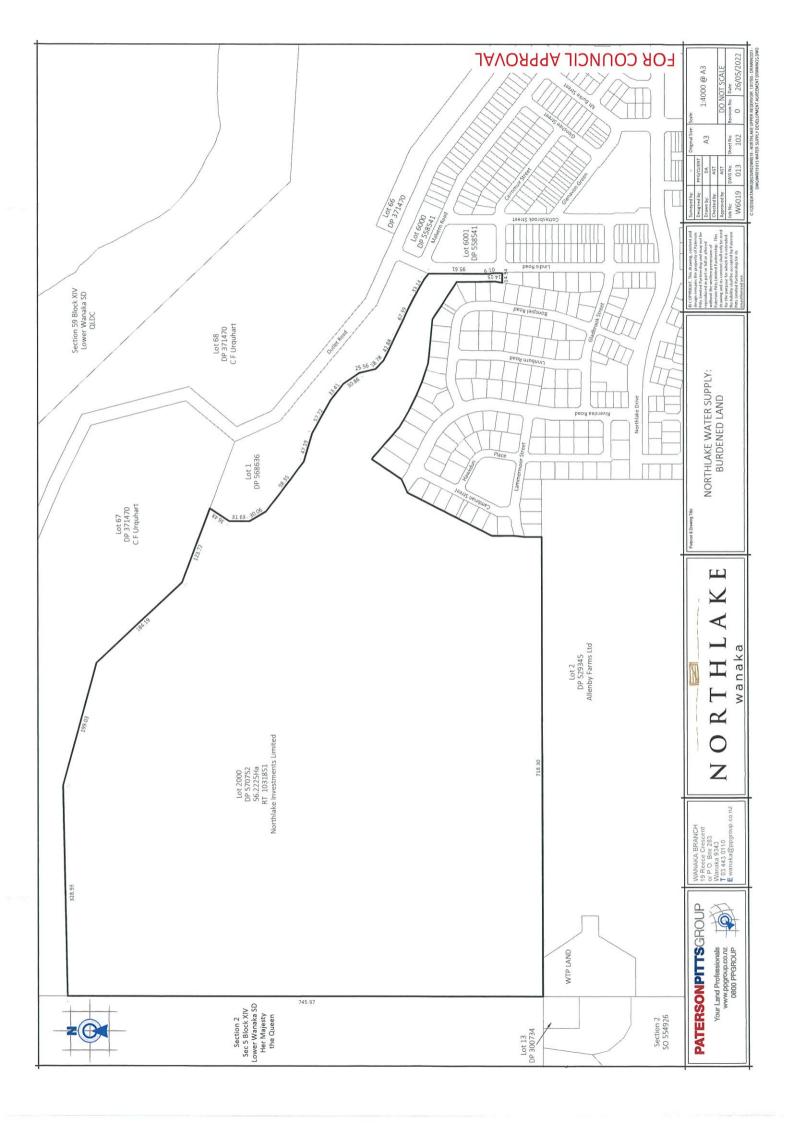
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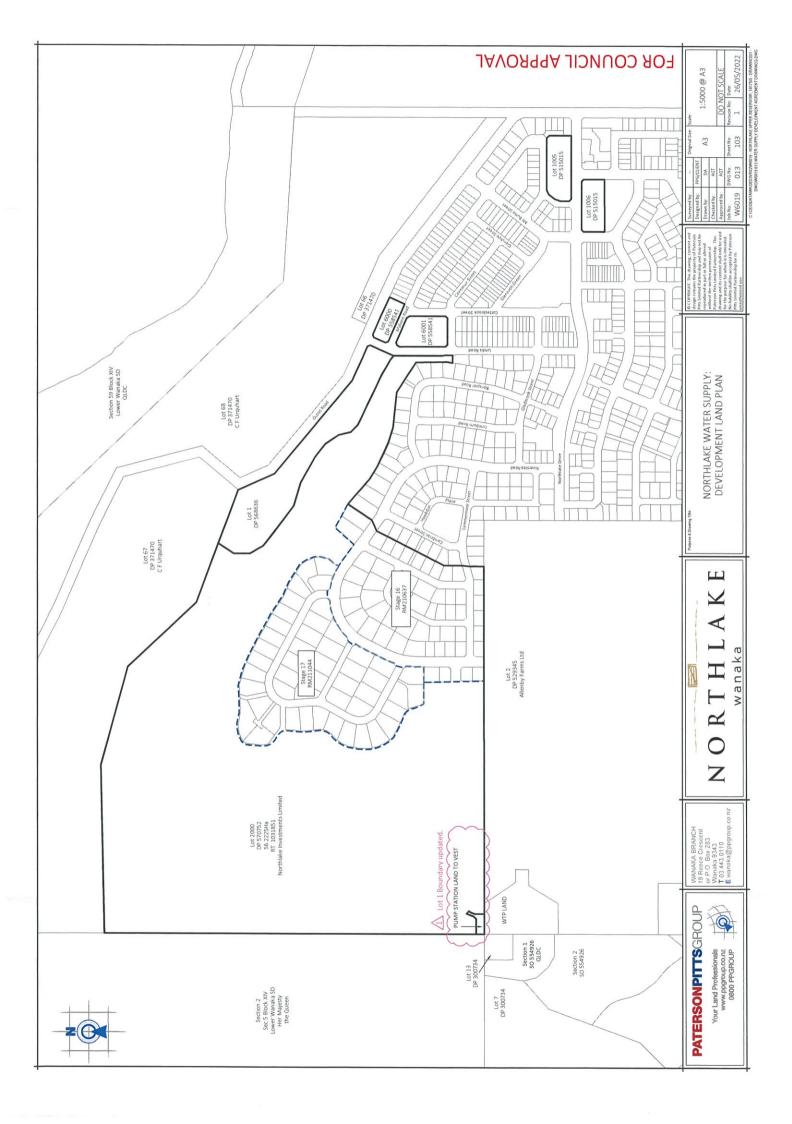
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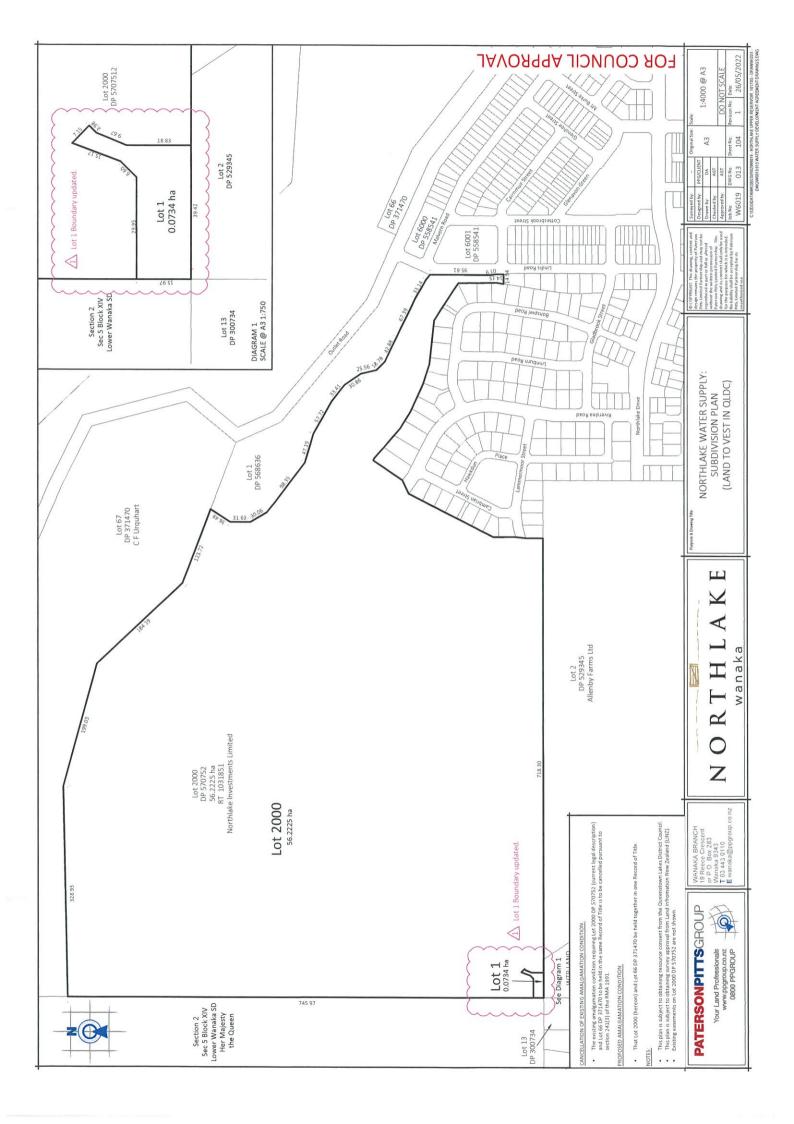
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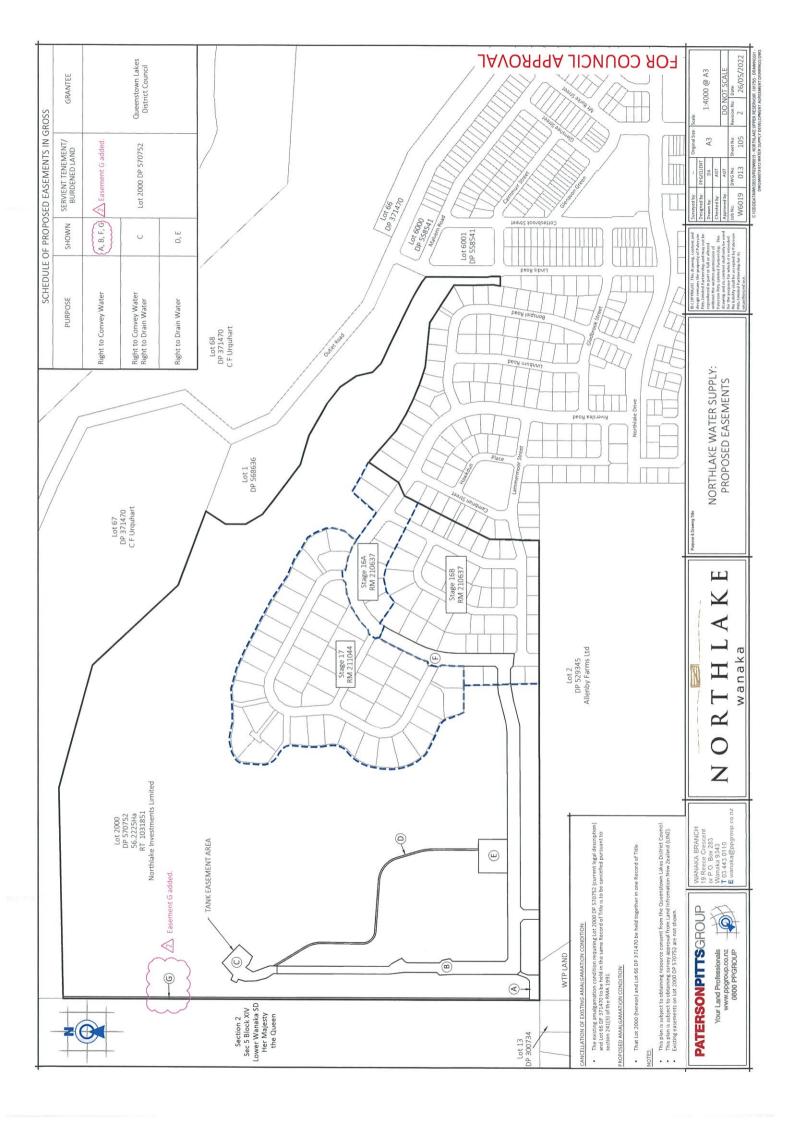
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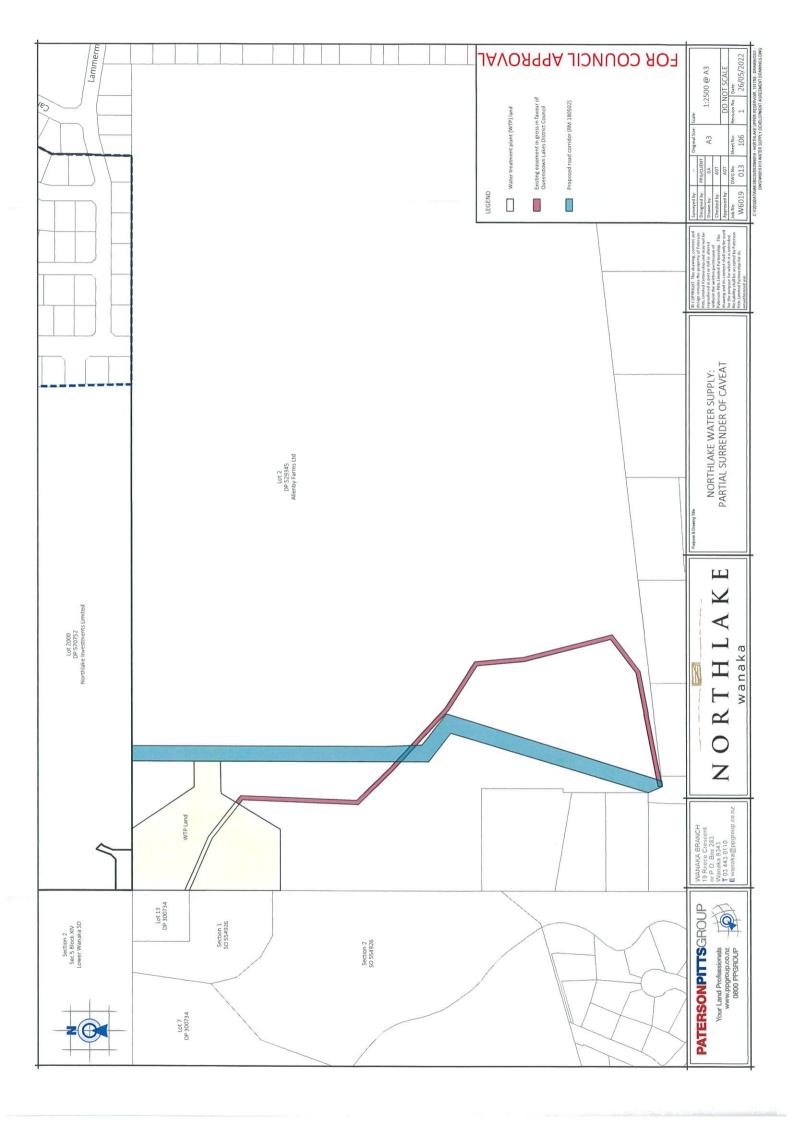












Attachment B

