

Extra Ordinary Council Meeting

PUBLIC BUSINESS AGENDA

An Extra Ordinary Council Meeting
will be held in the Council Chamber,
Torphin Crescent, Tokoroa
on Tuesday, 13 December 2022
Commencing at 10.30am

OUR VISION

“Healthy people thriving in a safe, vibrant and sustainable community.”

Attendees

Members	Mayor (Chairperson)	G Petley
	Deputy Mayor (Deputy Chairperson)	W Machen
	Councillors	H Daine
		M Farrell
		R Garner
		T Lee
		H Nelis
		K Purdy
		M Te Kanawa
		J Teokotai
		S Wallace
Staff	Chief Executive	S Law
	Interim Executive Manager (IEM) Corporate	M Booth
	Interim Executive Manager (IEM) Transformation	D Lascelles
	Interim Executive Manager (IEM) Operations	J Hassall
	Group Manager Assets	T Anderson
	Group Manager Regulatory	S Robinson
	Head of Communications	K Fabrie
	Acting Chief Finance Officer	W Cortesi
Executive Assistant to the Mayor (Minutes)	S Curren	

Agenda Confirmed by:

S Law
Chief Executive

*RECOMMENDATIONS contained in reports are NOT to be construed as COUNCIL DECISIONS.
Refer to Council minutes for RESOLUTIONS.*

Order of Business

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- 1. **Welcome / Blessing**

- 2. **Apologies / Leave of Absences**

- 3. **Conflicts of Interest**

- 4. **Confirmation of Agenda**

5. Reports

5.1 2021-2031 Long Term Plan Amendment 2022 Adoption Report

Document Information

Report To:	Council
Meeting Date:	Tuesday, 13 December 2022
Author:	Colleen Litchfield
Author Title:	Strategy Advisor and Corporate Writer
Group Manager Lead:	Debbie Lascelles
Report Date:	Thursday, 8 December 2022

Purpose

To present the 2021-2031 Long Term Plan Amendment 2022 Adoption report for adoption by Council

Recommendation

1. That Council:
 - a. receives Report No 2022-611995, 2021-2031 Long Term Plan Amendment 2022 Adoption report dated 8 December 2022.
 - b. adopts the amended 2021-2031 Long Term Plan Amendment as proposed in the 2021-2031 Long Term Plan Amendment Consultation Document. (CD).
 - c. delegate approval to the Chief Executive Officer to make minor editorial changes as needed for publication of the 2021-2031 Long Term Plan Amendment document.

Executive Summary

2. At the 28 July 2022 Council meeting, staff were directed to start work on an amendment to the current 2021-2031 Long Term Plan (LTP) to include additional waters infrastructure projects.

22/159 Resolved - That Council:

- a) *receives Report No 2022-590161, 3 Waters Proposed New Capital Projects.*
 - b) *receive the list of priority infrastructure projects, due to changing circumstances, and which support Councils growth aspirations, loosely adding up to \$42 million, noting that the projects detailed in this report are not included in Councils LTP 2021-31.*
 - c) *endorses, dependent upon financial modelling and the outcomes of consultation, staff proceeding with the completion of the listed infrastructure project.*
 - d) *grants delegated authority to the Chief Executive to enter required contracts, to meet the required timelines detailed in this report.*
 - e) *approves staff to enter the process to produce a Long-Term Plan (LTP) 2021-31 Amendment to Council's current LTP 2021-31, which will include the approved projects from this report.*
3. A summary table of proposed projects was provided to the 28 July 2022 Council meeting that totalled \$41.7 million.

4. At the 7 September 2022 Council meeting, Council delegated authority to the Chief Executive to approve the Consultation Document and supporting documents for public consultation if required during the interregnum period.
22/194 Resolved – That Council:
 - a) *receives Report 2022-598789, Long Term Plan Amendment Update.*
 - b) *delegates the Chief Executive to approve the Consultation Document and supporting documents for public consultation if required during the interregnum period.*
5. At the 7 July 2022 Council meeting an updated table of the proposed projects with refined budgets was presented. Costs had been updated to reflect updated modelling and costings done by consultants. The figures had also been adjusted for inflation. The changes were reflected in the final 2021-2031 Long Term Plan Amendment budget and Consultation Document
6. Deloitte was engaged by the Auditor-General to assess the quality of the supporting information informing the Consultation document and draft 2021-2031 Long Term Plan Amendment document. The Auditor-Generals office provided a qualified opinion for inclusion in the Consultation Document on 11 October 2022.
7. On 14 October 2022 - Acting on delegated authority from the 7 September Council meeting, the CE approved the immediate release of the Consultation Document for public consultation.
8. Consultation occurred between the 19 October 2022 and 18 November 2022, running for four weeks
9. On 1 December 2022, Hearings and Deliberations were held for Council to view the submissions, hear the speakers and deliberate on the submissions.
10. The summary of the submissions received at the Hearings and Deliberations along with the draft 2021-31 Long Term Plan Amendment document have been reviewed as the final phase of the external audit by Deloitte and the Auditor General's Office.
11. The audit opinion has been included on pages 182-183 of the 2021-2031 Long Term Plan Amendment document. (*Attachment 1*)

Context

12. Growth and infrastructure planning to ensure adequate provision to support future needs of the District is a priority for Council.
13. Population projections confirm the District will continue to see moderate but sustained growth over the next 30 years.
14. Recent housing and business assessments undertaken for Tīrau and Tokoroa have confirmed a demand for increased residential and industrial development. The assessments have been endorsed and resolved by Council to commence workstreams to rezone additional land for development.
15. Modelling the impact of future growth on the District's three water assets has identified projects that were not currently catered for in the 2021-2031 Long Term Plan.
16. Under the National Policy Statement of Urban Development (NPS-UD), Council is required to provide infrastructure enabled land that meets demand for future development. The water reticulation and wastewater projects in the 2021-2031 Long Term Plan Amendment address this requirement. In addition, the identified stormwater projects improve community resilience in a high rainfall event, and enables intensification, also a requirement of the NPS-UD.
17. To facilitate economic growth in the District and ensure South Waikato communities benefit from a growing economy, it is imperative that adequate residential development is available to support industry growth and relocation of businesses into the South Waikato District.
18. The Council is ensuring that there is adequate land for both residential and industrial development.

Discussion

19. The additional projects identified in the draft 2021-2031 Long Term Plan Amendment are critical for the South Waikato District to secure future housing supply and economic growth. Nothing has been received through Council's extensive consultation process to change this view.

Options

20. Staff have assessed that there are only two reasonable and viable options for the Council to consider.
21. As outlined in the Consultation Document, the decision comes down to either proceeding with the projects in full or not proceeding. Delivering anything less than the full programme of works would not achieve the Council's objectives.

Linkage to Strategic Plan Priorities

22. Community outcomes are the high level measurable impacts on the community. These guide work programmes within the Council and are identified within our current 2021-2031 Long Term Plan. The proposed 2021-2031 Long Term Plan Amendment and list of infrastructure projects aligns with our Growth Community Outcome to create sustainable economic growth and increase community pride.
23. The infrastructure projects also contribute to our Resilience Community Outcome as many of the proposed projects are storm water upgrades which improve our ability to withstand significant rain events.

Financial Considerations

24. The table below outlines the final proposed projects as detailed in the consultation document. All projects will be loan funded.

#	Project	Reason for Project	Investment Category	Total Budget	Notes
1	Tokoroa water and wastewater growth projects	Support growth and development by providing costs to service proposed growth cells in Tokoroa	Growth	\$ 10,733,000	Infrastructure modelling is complete and has now been costed. These proposed projects will be scheduled for years 25/26 and 26/27 of the amended LTP, post District Plan rezoning.
2	Tirau Water Supply and Waste projects	Support growth and development by providing costs to service proposed growth cells in Tirau	Growth	\$ 12,264,000	Infrastructure modelling is complete and has now been costed. These proposed projects will be scheduled for years 25/26 and 26/27 of the amended LTP, post District Plan rezoning. There is currently provision for \$2.426 m in the existing LTP. This funding will be moved to align with new projects.
3	Tirau Stormwater	Plan for climate change effects and resilience (LOS), reduce flooding of existing section (LOS), supporting infill development	LOS	\$ 3,875,000	
4	Putāruru Stormwater	Plan for climate change effects and resilience (LOS), reduce flooding of existing	LOS	\$ 7,292,000	There is currently provision for \$2,176 m in the existing LTP between 2023 and 2026. This

		section (LOS), supporting infill development			funding will be moved to align with the new projects.
5	Tokoroa Baird Road Stormwater*	Plan for climate change effects and resilience (LOS), reduce flooding of existing section (LOS), supporting infill development	LOS	\$ 2,824,000	
6	Tokoroa Dreghorn Place Stormwater*	Plan for climate change effects and resilience (LOS), reduce flooding of existing section (LOS), supporting infill development	LOS	\$ 1,271,000	
7	Tokoroa St Andrews Drive Stormwater*	Plan for climate change effects and resilience (LOS), reduce flooding of existing section (LOS), supporting infill development	LOS	\$ 1,094,000	
8	Tokoroa Giles Street and Pellikan Place Stormwater*	Plan for climate change effects and resilience (LOS), reduce flooding of existing section (LOS), supporting infill development	LOS	\$ 8,170,000	
9	Maraetai Road Intermodal Business Park (MRIPB) Stormwater and Watermain	Allow for the development of the industrial park and sale/lease of sections	Growth	\$ 4,001,000	
10	Honowhenua development Water (adjacent to Strathmore Park)	Support growth and development by providing reticulation up to boundary of developable lands	Growth	\$ 311,000	
11	Strathmore Park Stormwater	Plan for climate change effects and resilience (LOS), reduce flooding of existing section (LOS), supporting infill development	LOS	\$ 3,475,000	
12	Districtwide Water and Wastewater Telemetry and SCADA upgrades	Compliance with wastewater Resource Consents and drinking water standards	Renewal	\$ 2,310,000	
	Total budget			\$ 57,620,000	

Risks

25. These projects are over and above what is planned in Council's current 2021-2031 Long Term Plan. This may result in increased fiscal and delivery risk.
26. There could be added pressure on Business as Usual activities.
27. Additional staffing resource in the project management field to effectively manage these significantly large projects could be required.
28. Labour shortages in the current market could affect procurement of design and engineering consultants.

29. Increase of levels of rates and debt in the short to medium term carry financial risk.
30. Sustained cost escalation driven by global trends in supply could impact affordability in the medium term.

Significance & Engagement Policy

Significance

31. Staff have considered the total quantum of costs for the proposed infrastructure projects under the Significance and Engagement Policy and have deemed that the level of change is significant and required a Long Term Plan Amendment under the Local Government Act 2002.

Engagement and Consultation

Engagement

32. Community views and preferences are already known to the Council as consultation using the *Local Government Act 2022 (LGA) – Section 83 a Special Consultative Procedure (SCP)* was undertaken as the matters were considered significant changes to the 2021-31 Long Term plan.
 - *The consultation period ran from the 19 October 2022 and closed at 5pm on 18 November 2022, running for four weeks.*
 - *A media promotion campaign, including social media posts, print and website activities ran for the four week consultation period. Council conducted two public drop-in sessions at Tokoroa and Putaruru, presenting a project overview to respond to community feedback and questions.*
 - *An online platform was available for submissions, Facebook for private messages, and hardcopies could be mailed or delivered to Council offices, Libraries or the Dog in Tīrau. Submissions could also be emailed to our info email address.*
 - *Social posts shared to primary community Facebook pages resulted in questions and comments.*

The below questions were asked:

- **Question one** – Councils preference is to proceed with Option A (the infrastructure projects), what is your preference. Option A – proceed with the projects. Option B – don't proceed with the projects.
- **Question two** - Explain (your preference).
- **Question three** – Looking at the list of projects do you have any comments to add: Please include the project number from the consultation document.
- **Question four** – Anything further that you would like Council to consider.

Attachments

- 1: ECM 613250 - *Final Audited 2021-2031 Long Term Plan Amendment document 8 December 2022*

6. Meeting closed

Council Outcomes

Growth - Activities and strategies that facilitate sustainable economic growth and lift community pride.

Resilience - A resilient district with good infrastructure, services, a sound financial position, rates affordability and a healthy environment that has the ability to anticipate, resist, respond to and recover from significant change or events.

Relationships - Strong relationships with Iwi and Māori, Pacific Peoples and community and business groups that can achieve growth and a resilient community.