

STAFF REPORT

TO: Mayor and Councillors

FROM: Susan Edwards, Strategic Development Manager

REFERENCE: A503-3

DATE: 1 June 2009

SUBJECT: **Overview Report Covering Submissions on the Draft Ten Year Plan, Engineering and Community Services Projects, and Other Matters**

PURPOSE

To seek Council decisions on wording and funding changes for inclusion in the final Ten Year Plan 2009-2019, as a result of the submissions and hearing process on the draft Ten Year Plan 2009-2019.

BACKGROUND

The Council publicly notified its draft Ten Year Plan 2009-2019 on 27 March 2009. Submissions on the draft Plan closed on 27 April 2009.

Over 4500 submissions were received. Of those, around 370 submitters wished to present their submissions to the Council. The Council heard the submitters at Council meetings between 11 and 21 May 2009.

The Council held three days of workshops from 26-28 May to discuss all the submissions and to give staff direction on what matters to bring to the Council on 10 June for a decision on whether they are to be included in the final Ten Year Plan.

This report will cover the majority of the matters the Council asked staff to re-work for consideration at this meeting. However, there are separate reports on this agenda covering the following key matters for decisions on:

- Whether to proceed with the proposed holding company
- Whether to change the Uniform Annual General Charge from what was proposed in the draft Plan
- What changes to make to the Tourism Targeted Rate
- Any amendments Council may wish to make to the Development Contributions Policy
- Any amendments to the Fees and Charges Policy

- What changes to make to in relation to the funding for the Tasman Bay Heritage Trust
- Torrent Bay beach replenishment.

MATTERS FOR DISCUSSION

Interest Rate Change

The draft Ten Year Plan makes the assumption that the interest rate that Council can borrow money at for the ten years of the Plan will be at 7.9 percent. At the time when the draft Plan was prepared this interest rate was appropriate. However, since then interest rates have dropped. Council has put in place long term swaps for around one-third of its debt, possibly rising to half the debt. This provides for considerable hedging against interest rate changes. Officers' modelling of debt interest rates indicates that on a weighted average basis 7.2 percent should not be exceeded in the next three years.

Therefore, officers recommend that the interest rate assumption and the rate used as the basis for preparing the funding information in the final Ten Year Plan be amended to 7.2 percent.

Transportation, Roothing and Cycleways/Walkways

A number of submissions on the draft Ten Year Plan commented on roading related matters. Some submitters wanted more money spent on roading and various sealing projects brought forward. While other submitters wanted less money spent of roading and more money spent on public transport, cycleways and walkways.

Attachment 1 is a report from the Engineering Manager outlining savings from the road maintenance contracts in Tasman and Waimea, along with suggestions of road sealing, public transport and cycle/walkway projects that could be advanced. The report also notes changes to the roading section of Schedule II of the Development Contributions Policy.

Attachment 1 recommends:

- Reallocating funds resulting from the contract savings
- Moving the Ruby Bay Bypass cycle connections forward and including funding for the Dominion Road connection
- Moving forward the Eighty-Eight Valley Road and Gibbs Valley Road seal extensions
- Bringing forward some funding for passenger transport services between Richmond and Nelson
- Extending the annual reseal programme
- Reallocating funds to accommodate the development contributions adjustments
- Adjusting the roading expenditure budgets and programme to accommodate the above changes.

Attachment 2 outlines further information on the shared cycle and walking path connections to the Ruby Bay Bypass and Dominion Road.

Attachment 3 outlines further information on the passenger transport proposal in association with Nelson City Council.

Motueka Water Supply

The draft Ten Year Plan contains a proposal to provide a reticulated water supply to the majority of Motueka township (the remainder of Motueka currently has a reticulated water supply scheme). The purpose of the reticulated water supply scheme is to reduce the potential public health risk associated with bore water use, provide adequate fire fighting capacity, and to ensure there is adequate water available for the long term needs of the growing Motueka community. The project is planned to commence in year 2 of the Plan. The construction cost is estimated at 17.4 million.

Refer to Attachment 4 for further details on the proposal and a summary of the 134 submissions that commented on the matter.

The key concerns raised by submitters opposing the scheme are:

- The high cost and associated concerns about affordability
- People are happy with their bore water supplies, they consider the health risks are low and they wish to retain control over their supplies
- Motueka water being supplied to the Coastal Tasman and Mapua areas.

These matters are covered in further detail in Attachment 4.

Council officers have been in discussion with Ministry of Health officials and there is potential for Council to receive a Government subsidy to offset some of the costs of the reticulated water supply.

Officers recommend that the reticulated water supply scheme proceeds, subject to receiving a satisfactory Government subsidy to help offset some of the capital costs of the project.

Lower Motueka River Flood Control Scheme and Gravel Extraction

The existing Lower Motueka River stopbank was completed around 1956. A review of the system undertaken in 2008 identified issues with stopbank stability and an inability for the scheme to meet the original 1:50 year flood protection standard.

The draft Ten Year Plan included a proposal to improve the Lower Motueka River flood control scheme to provide a current 1:100 year flood protection standard. The proposed project included further design and investigation work and public consultation during the first three years, with construction starting in year 4 and continuing over a 17 year period. The total construction cost is estimated at \$19.2 million.

There were 94 submissions that commented on the flood protection proposal. Varying views were expressed by the submitters, with some supporting the project and others against it proceeding.

The key concerns expressed by those against the proposal were:

- The high cost and associated concerns about affordability
- Whether the level of risk justified the work
- Whether there were cheaper options, for example removing the gravel from the river bed and banks and using the gravel to improve the existing stopbanks.

Council officers and consulting engineers have reviewed the issue of whether gravel extraction is a potential solution to the flood risk and reducing the cost of the project. The key conclusions are:

- The Lower Motueka River stopbank scheme upgrade is required to bring the stopbanks up to acceptable current standards to reduce the risk of flooding damage in the plains and township. The project already requires 171,000 m³ of gravel from the river berms to increase the size and strength of the stopbanks
- The royalties gained from gravel extraction will not cover the costs of the scheme upgrade
- The reduction in crest levels in the stopbank system from gravel extraction do not provide a significant saving to the project
- Motueka River has a Water Conservation Order over it which restricts work in the river bed in order to protect groundwater and ecological values at the mouth and in the river
- Any reduction in river levels in the active channel will increase flood flow capacity. However, intensive gravel extraction will put the foundations of the stopbank at risk of stream flow attack and require Council to provide countermeasures such as rip rap (rock) protection, the cost of which will far exceed revenue from royalties
- The Motueka plains groundwater interaction with the Motueka River model indicates that lowering of the riverbed would reduce summer recharge in the plains aquifer.

The rating impact of the Lower Motueka River flood control scheme is relatively small in the first three years while investigation and design work is being carried out, and further public consultation is undertaken. Construction of any stopbank will not commence until year 4 at the earliest.

Therefore, Council officers recommend that the Lower Motueka River flood control scheme be retained in the final Ten Year Plan to enable the investigation and design work, along with public consultation to be carried out, and that the wording in the final Plan be amended to cover that the Council:

- Is aware of the affordability issue in the Motueka community

- Recognises the overlap with the Motueka water supply project and the combined rating impact
- Recognises that the Motueka water supply may not proceed if there is no acceptable Government subsidy received
- Considers that the work in the first three years of the Motueka stopbank project on investigation, consultation, resource consents, land approvals and detailed design should proceed
- Will be reviewing the scope and timing of the project as part of the work undertaken during the first three years
- Will seek a peer review of the project
- Acknowledges that taking out the gravel is not a solution to funding or managing the flood risk.

Takaka Fire Fighting Water Supply

Council carried out a special consultation process with ratepayers in the Golden Bay Ward in relation to the installation of a fire fighting water supply in Takaka. The process generated 54 submissions. A summary of the submissions and recommendations from the Hearings Panel is contained in Attachment 5.

The project was also included in the draft Ten Year Plan. Ten submissions were received on the project through the Plan consultation process. A summary of the submissions is also contained in Attachment 5.

The Golden Bay Community Board submission asked that Council review the project by undertaking further consultation with the community on a proposal to install a full fire fighting and potable water supply around the township. The basis of the submission is that if Council could achieve an acceptable Government subsidy, the overall cost to the Takaka and Golden Bay communities would be similar to the costs of the fire fighting reticulation proposal.

If the Council wishes to undertake further consultation with the community on the Community Board's suggestion, it would need to occur quickly. The wording in the final Plan could be amended to note that while the budget is retained for the fire fighting project, the Council will be consulting further with the community on whether to provide a full water supply subject to receiving an acceptable Government subsidy, and that the Council will amend the proposal if the community supports the full water supply. This proposal would mean the deferral of the project until the 2010/11 year and may require an amendment to the Ten Year Plan if the change is material. If the community does not support the amended proposal, then the fire fighting supply will be provided.

Officers recommend that the funding from the draft Plan be carried over into the final Plan and the wording be amended to note that Council will undertake further consultation with the community on the option of providing a full water supply subject to receiving an adequate Government subsidy.

Activity Contribution Maps

There are nine of the Activity Contribution Maps that may need amending as a result of submissions or minor changes in coverage of the activity. The maps and further details of the proposed amendments are outlined in Attachment 6.

Officers recommend that the maps in Attachment 6 replace the corresponding maps in the draft Ten Year Plan.

Kerbside Recycling and Solid Waste Collection

The draft Ten Year Plan contained a proposal to investigate and undertake further consultation during years 1 to 3 on the possible introduction in year 4 of a multi-bin kerbside recycling and waste collection service. The intent of the service was to significantly increase diversion of residential compostable and recyclable materials from the landfill. Current estimates indicate that typically 50 percent of residential refuse going to landfill is compostable and 35 percent is recyclable. If a multi-bin service was introduced the estimated rates increase from year 3 to year 4 would be from \$111.11 +GST to \$382.22 +GST (including inflation). Further details of the proposal are contained in Attachment 7.

The proposal generated a lot of public comment with over 3,000 submissions commenting on the matter. The majority of these were opposed to the proposal because of the increase in rates and a view that it would not lead to the waste reduction expected by the Council. Concerns were also raised about the visual impact of several bins on the street during collection days, on the ability for several bins to be stored on small properties, on the difficulty for some members of the community (e.g., elderly or those living down long driveways) to take the bins to the kerbside and on the Council removing their choice of who provides the service.

The Council will soon be commencing a review of its Waste Management and Minimisation Plan (jointly with Nelson City Council). Both Councils are also waiting to see what requirements may be imposed on councils when new waste minimisation regulation is brought in by Government. This provides an opportunity to undertake further consultation on recycling and waste management options. Any proposal that comes out of that process could be included in the next review of the Ten Year Plan. Therefore, Council may wish to delete any reference to enhancing the recycling and waste collection service from the final Ten Year Plan with appropriate wording to explain that Council will be reviewing its Waste Management and Minimisation Plan and will undertake further consultation on recycling and waste management options through that process.

The primary benefit of the multi-bin service was to reduce the amount of waste going to landfill. If the enhanced recycling service is dropped, the life expectancy of the current stage of the Eves Valley Landfill will be reduced and there would be a need to bring forward the capital expenditure to open up the next phase of the landfill in year 6 of the Ten Year Plan.

Officers recommend the Council does not include any proposal to introduce a multi-bin recycling and waste collection service in the final Ten Year Plan. Instead wording

is put in the final Plan noting that the Council will explore recycling and waste management options through a review of its Waste Management and Minimisation Plan. The Council will also need to re-programme the capital expenditure to open up the next phase of the Eves Valley Landfill into year 6 of the Plan.

Riverworks Maintenance Budget

The Council has recently tendered its river maintenance contract and has accepted a tender price lower than the budget estimate. The potential saving is around \$250,000 for each of the next two years. Refer Attachment 8 for details of the contract and officers recommendations on what further work needs to be undertaken to meet the Priority One works to achieve the service levels in the Rivers Activity Management Plan. Key areas for further work include riparian management, including Crack Willow control, and undertaking gravel relocation works.

Officers note that some of the potential saving could be spent on undertaking the riparian management and gravel relocation works in order to achieve agreed service levels. However, around \$50,000 for each year could be used to reduce the river rate.

Takaka Aerodrome Improvements

Capital Air has made a submission to the Ten Year Plan requesting Council upgrade the cross runway and undertake other improvements at Takaka Aerodrome.

Officers have received advice from MWH (refer Attachment 9) on the proposal and likely costs.

Officers recommend that further discussions occur with Capital Air and other Takaka Aerodrome users on what improvements are needed and how the costs of any work could be recovered from user charges/landing fees. Officers recommend adding wording in the final Ten Year Plan along those lines.

Lee Valley Dam

Council has been working with the Waimea Water Augmentation Committee on a project to construct a water storage dam in the Lee Valley. The water from the dam will be used to help address the current over-allocation issue, provide water security to all users (community supply and irrigation), provide more water for un-irrigated land, future proof community water supply needs to meet long term growth and to enhance the environmental flows in the Waimea River.

The draft Ten Year Plan notes that:

- Funding is provided in the Plan for investigation, resource consent and design work for the Lee Valley Dam over the first three years
- The exact costs of constructing the dam and the sharing of those costs between the Council and other beneficiaries of the dam have not yet been identified

- The current estimated cost of construction of the dam is around \$30 million
- Council has not made any allowance for construction costs in the draft Plan
- Construction is unlikely to commence until after the Plan is reviewed in 2012
- Any construction costs will raise the urban and industrial water rates for metered connections after 2012
- Council may need to undertake a separate consultation exercise prior to any decision by the Council to contribute to the dam's construction.

Officers were hoping that by the time of preparing the final Plan Council would be in a better position to identify the potential costs and distribution of the costs across the various parties involved in the project, which would have enabled an estimate of the construction costs for the dam to be included in the final Ten Year Plan.

However, officers are still several months away from having better construction costings (these are expected around December 2009) and from reaching agreement with the other parties as to the apportionment of costs and on the governance and ownership structure for the dam (although a community owned company is currently the preferred structure).

There may also be an opportunity to apply for central government funding for infrastructure projects or for the environmental flows component of the project.

Therefore, there is still significant uncertainty about what costs the Council may face and how those costs may have to be funded.

Several submitters on the draft Plan supported the Lee Valley Dam proposal. One submitter specifically requested that the costs be included to ensure the cost of the project was reflected in rates and water charges.

The options for inclusion in the final Ten Year Plan are:

1. Put wording in the final Plan along the lines of the wording in the draft Plan and including the following two paragraphs:

If the dam proceeds it will have an impact on Council's capital expenditure and will increase Council water supply rates and charges to help fund the project. If the dam does not proceed, the Council will incur capital costs associated with addressing the current over-allocation of the water in the Waimea plains, which will also increase Council water supply rates and charges.

Therefore, in either situation there will be an impact on Council's water supply charges. As it is not yet possible to quantify expenditure, this funding impact is not shown in the Ten Year Plan.

2. As in 1 above, with the provision that an amendment to the Ten Year Plan would occur through the Annual Planning process once further details are to hand on construction costs and the distribution of costs across the various parties

3. Put an estimate of the construction costs in the final Ten Year Plan noting that the estimate is provisional only and is likely to change, and a statement about Council's assumption that Government will make a significant contribution toward environmental flows and/or infrastructure costs.

There are still a number of uncertainties around:

- the construction costs of the dam
- how those costs would be distributed between the various parties involved in the project
- whether there will be Government funding available for major infrastructure projects
- what criteria the Government may set for infrastructure projects to receive funding.

Therefore, officers are of the view that the preferred option is Option 2.

Civil Defence

There was an error in the budget figures for Civil Defence which means the additional funding sought for training, a new operations centre and its fit-out, communications equipment upgrades and operation, the review of the Civil Defence Emergency Management Plan, and staff recruitment, were all one year out. This has the effect of placing the expenditure previously approved by the Civil Defence Emergency Management Group one year further out than is actually required for the Group to carry out the function.

Staff recommend bringing the funding forward one year.

Shared Facilities Rate

Submissions requesting changes to the Shared Facilities Rate were received on the following projects:

Saxton Field Development

The submissions received advised Council of a shortfall of funding for the Cricket Utility Building which is programmed for construction in the 2009/10 year. The shortfall is \$250,000 of which Tasman District Council's share is \$92,000. This project is an important part of the development of the cricket oval and is necessary if representative games are to be played there. It also provides facilities for the surrounding cricket fields. Officers recommend this project receives funding.

Sports Stadium – Saxton Field

A request was received asking Council to increase the contribution to the Sports Stadium by the rate of inflation over the construction period of the building. This is in line with what has happened with other projects such as the Moutere Hills Centre. The complex is due for completion in September and the Council's contribution would

increase from \$3.726m to \$3.838m if inflation is added. Officers recommend funding to cover inflation.

Motorsport Park

Seventeen submissions were received of which fifteen opposed any funding for motor sports. This project has been in Council's Annual Plans for the last three years and although no agreements are in place there is an expectation from the motor sports groups that Council will be providing assistance. Officers recommend this project is retained and funded in the Ten Year Plan.

Rowing/Watersports Complex

In total 265 submissions were received with 159 of these supporting the proposal to create a rowing/watersports venue on Rabbit Island. Those support the proposal argued that the project will extend the recreational capacity of Rabbit Island and bring economic benefits to the region. Those opposing the idea were mainly against any such development on Rabbit Island because it could detract from present recreational and environmental values. Some submitters also felt that more work was required on the feasibility study before any decisions are made.

Athletics/Cricket Pavilion at Saxton Field

Submissions were received requesting an increase in funding for this project and to also bring the project forward from 2010/11 to 2009/10. At the time the draft Ten Year Plan was produced the final figures for this project were not known and therefore officers had inserted an estimated figure of \$648,500 as this Council's share of the total cost. Based on the current total estimated cost of over \$3.5m Council's share of this project would be \$968,000.

It is also noted that Nelson City Council has allocated funds over two years starting in 2009/10.

Officers recommend this project receives funding and is brought forward to 2009/10.

Cycling Track

A large number of submissions were received all supporting the funding for a cycling track to be established at Saxton Field with many also asking for the work to be brought forward from 2012/13.

It is also noted that the allocation in the draft Ten Year Plan of \$568,800 was based on unknown final costs at the time the draft Plan was produced. Now that more accurate figures are known this Council's share of the total project would be \$462,000.

Nelson City Council has allocated funds in 2014/15.

Officers recommend this project receives funding.

Brook Sanctuary Fence

Requests were received to bring forward the funding for the Brook Sanctuary pest proof fence from 2012/13 to 2010/11. Officers recommend bringing forward the project.

Hydroslide – ASB Aquatic Centre

A number of submissions were received requesting the provision of a hydroslide at the Aquatic Centre sometime in the next 10 years. The estimated cost in today's figures is \$2.5m. Originally it was proposed that a hydroslide be provided after five to six years of operation of the Centre. However this has been replaced in the draft Ten Year Plan with a Learn to Swim Pool, which is required to meet the demand created by the learn to swim programme. This is still considered to be the highest priority by officers.

Nelson Softball - Lighting

The Nelson Softball Association applied for a grant of \$73,000 towards the cost of installing lighting that would be required should its bid be successful to hold the Junior Softball World Champs in 2012. Allocation of funding for this could be held over until the outcome of the bid is known and added into a future Annual Plan.

District Facilities Rate

Submissions requesting changes to the District Facilities Rate were received on the following projects:

Murchison Sport Recreation and Cultural Centre

A request was received asking Council to increase its contribution to the recently completed Centre by the rate of inflation over the construction period and also to meet the final costings shortfall. This would increase the Council's share from \$2.6m to \$2.819m. The Community has provided over \$800,000 to the total cost of the project including sports field lighting and furniture and fittings. Officers recommend supporting this request.

Motueka Swimming Pool

Twenty-seven submissions were received of which fourteen were in favour of the project staying in the Plan with funding being provided in 2011/12. This is proposed as a joint venture with the Motueka High School. Officers recommend retaining the project in the Ten Year Plan.

Golden Bay Community Facility

Twenty-eight submissions were received of which fourteen were in favour of the project staying in the Plan with funding being provided in 2012/13. A local survey of the community is currently being undertaken to establish what the Golden Bay Community requires. It is important to have the result of this survey before any

decision is made on the type of project, if any, that should be built in the Bay. Therefore, officers recommend leaving the project in the Ten Year Plan.

Richmond Community Facility

Of the twenty-five submissions received fourteen were against this facility being included in the Plan. As this is not a fair representation of the views of the wider community Council may wish to undertake a needs assessment before taking this matter any further. This could take a few months to complete which would mean that no funds would be required until after 1 January 2010. Therefore the funding requirement for the 2009/20 year could be halved. Officers recommend leaving the project in the Ten Year Plan pending the outcome of the needs assessment.

Mapua Community Hall

A few submissions supported this project however because of the amount of work and fund raising still to be done it was suggested that this work could shift from 2010/11 to 2011/12. Officers recommend moving the project out one year.

Facilities Operating Rate

A few submitters requested that the Criteria for Funding the Shared and District Facilities be amended to clarify the difference between the Shared Facilities, District Facilities and Facilities Operating rates. Officers support amendments to the wording to clarify the distinction.

Reserves Financial Contributions

Submissions requesting funding from reserves financial contributions were received for the following projects:

District Wide Reserve Financial Contributions

Rainbow Skifield requested an interest free suspensory loan of \$90,000 to be written off over seven years. Officers recommend that a loan be granted but that it should be repaid over 10 years, subject to Nelson City and Marlborough District Councils also agreeing to provide \$90,000 each towards the skifield.

Golden Bay Reserve Financial Contributions

A children's playground was requested at the Bainham Hall at a cost of \$30,000. This project was left off the original funding list and officers recommend funding it.

Funding was requested for the upgrade of the two older tennis courts at the Golden Bay Recreation Reserve to be brought forward from 2010/11 to 2009/10. Officers recommend funding the project.

Richmond Reserve Financial Contributions

The Nelson A & P Association requested funding towards the cost of upgrading Birch Hall. Council has supported projects on the Association's grounds in the past as the facilities are well used by the community. Officers recommend funding the project at \$15,000.

Funding of \$10,000 was requested for the provision of a permanent stage at Sundial Square. This is not a necessity but would be convenient to have at the Square.

Waimea/Lakes/Murchison Reserve Financial Contributions

The following requests were made for funding from the Waimea/Lakes/Murchison reserve financial contributions account:

- Appleby School requested funding towards its new School Hall which will be used by the community on a regular basis. The total cost of the project is \$145,000 and the school currently has a shortfall of \$60,000. Council has assisted other schools build halls in the District where the community can and will use the facility. Officers recommend contributing \$30,000 towards this project.
- Golden Downs Golf Club requested funding towards its toilets upgrade. The total cost of the project is \$16,500. When Council has funded projects for other Golf Courses, the funding has been limited to one third of the costs. Officers recommend funding of \$5,500 towards the project.
- Toilets at Edward Baigent Reserve and other upgrades in Wakefield. The funding required of \$30,000 was missed from the original list prepared for the draft Ten Year Plan.
- Rough Island Equestrian Park – Request for an additional \$15,000 to the allocation already made.
- Wakefield Bowling Club – The Club wishes to construct a new artificial surface green at a total cost of \$276,000 and has asked for financial assistance from Council. A grant from Council will make it easier for the Club to obtain other grants from various funding agencies. However Council needs to be aware of the downturn in subdivisions which will affect funds in the Reserve Financial Contributions Accounts over the next year or so. Officers recommend a grant of \$50,000 towards the project.
- Tapawera Gateways Project – A request has been received for funding to assist with this project. Officers recommend a grant of \$5,000 towards the project.
- Mapua Tennis Club has requested funds for two Astroturf courts in Mapua. The existing tennis complex comprises four courts, two of which were resurfaced in recent years. The other two courts are affected by protected trees which would not make them suitable for Astroturf and there is insufficient land at the Mapua Reserve to start a new tennis complex. Long term it may be necessary to find an alternative location for tennis in

Mapua. Officers recommend providing \$50,000 towards resurfacing the courts.

- Brightwater Village Green – The Brightwater Community Association has asked Council to purchase land in central Brightwater for a future village green. Funds have been allocated in 2011/12 towards this project and also there are funds allocated for other land purchases in the current year which may not all be required. No further funding needs to be allocated.

Libraries

Submissions were received on the District's libraries relating to the following matters:

New Books

Some submissions sought a greater increase in the funding for library books. Council recognised the need to increase the libraries book stock from the current figure of 72% of the LIANZA standard during the draft Ten Year Plan workshops. The book budget has been increased by \$20,694 in 2009/10 and a further \$67,035 in 2010/11. This will increase book stocks to 85% of the LIANZA standard by 2018/19.

Shifting the Murchison Library and Service Centre

Submissions suggested that the Murchison Library and Service Centre should be shifted to the new Sports Centre in the near future. This work was proposed for 2012/13 and 2013/14. Before any decisions are finalised the Murchison community will need to be consulted.

Motueka Library Extension

Submissions acknowledged that the Motueka Library is currently about 50% of the LIANZA standard and allowance could be made for a future extension. This proposal will need to be investigated fully and once some ideas and approximate costs are known funding could be added in the future.

Library Management Software (LMS)

Allowance was made in the draft Ten Year Plan for the upgrade of the current LMS. However staff now consider it beneficial to wait until the new National Consortium has completed its investigations and then join with that project for the supply of a new LMS. This would mean that an upgrade of the current system would be required during 2009/10 but would allow \$80,000 to be transferred from the 2009/10 budget to the 2010/11 budget.

Other Issues

Submissions were received regarding library services in both Wakefield and St Arnaud. One suggested a Book Bus and the other a joint facility with the school. Both of these issues will require staff to investigate and report back at a future date.

Community Housing

Submissions were received supporting more pensioner cottages in various towns throughout the District. Allowance has been made in 2009/10 to build three new cottages in Richmond. However any further new cottages will be dependent on funding through Government subsidies.

Two submissions asked for Council to provide emergency housing in Golden Bay for victims of domestic violence. This has traditionally been a role for central government and the voluntary sector.

Nelson School of Music

Three years ago the Council agreed to provide funding of around \$35,000 per annum to the Nelson School of Music for a period of three years. The Nelson School of Music submitted on the draft Ten Year Plan asking for the funding to be continued for 2009/10 at a maximum of \$25,000.

The draft Ten Year Plan contained a budget for \$35,000 for the Nelson School of Music. Officers recommend reducing the budget in the final Ten Year Plan to \$25,000 in 2009/10 and for funding to be retained at that level for subsequent years pending further discussions with the School of Music.

Youth Strategy

A few submissions asked Council to allocate resource towards developing more opportunities for youth in our District. This would involve working alongside youth in our community to determine the best outcomes and ways to support youth. Officers recommend a budget of \$10,000 be set aside for preparation of a youth strategy, for youth events and other youth related matters.

Waimea Estuary Management Plan

Several submitters requested Council prepare a Waimea Estuary Management Plan. Council officers support the preparation of such a plan and consider that it could be accommodated in the future through existing Environment & Planning budgets and in the department's work programme. No additional funding is required.

Tata Beach Urban Drainage Area

A few Tata Beach residents raised concerns in their submissions about being included in the Urban Drainage Area. Council could undertake a review of the inclusion of Tata Beach in the Urban Drainage Area over the coming year and consult with all the Tata Beach ratepayers as part of the review. There are a number of issues that would need to be considered in such a review, including considering the implications of removing Tata Beach from the Urban Drainage Area on the stormwater club and how the Council could recover the costs of the stormwater capital works in the Tata Beach area.

RECOMMENDATIONS

That the Tasman District Council:

Interest rate

1. Agrees to amend the interest rate assumption and the interest rate used as the basis for preparing the funding information in the final Ten Year Plan 2009-2019 to 7.2 percent.

Transportation and Roothing

2. Notes the report and Attachment 1 and the implications with regard to the reallocation of funds resulting from the tender prices for Contracts 757 and 758.
3. Agrees to reallocate funds to move the Ruby Bay Bypass cycle connections (at Gardner Valley and Tasman Domain) from Years 2 and 3 into Year 1, and approve the funding needed for the Dominion Road connection and also fund this connection in Year 1.
4. Agrees to reallocate funds to move forward the Eighty-Eight Valley Road Seal Extension project from Year 3 to Year 1 in the Ten Year Plan.
5. Agrees to reallocate funds to move forward the Gibbs Valley Road Seal Extension project from Year 9 and 10 to Years 2 and 3 in the Ten Year Plan.
6. Agrees to reallocate funds of \$60,000 (local share) in Year 1 for Passenger Transport services between Richmond and Nelson, and \$120,000 (local share) for Year 2 onwards in the Ten Year Plan.
7. Agrees to reallocate funds for extending the annual reseal programme to the minimum of 65kms per year.
8. Agrees to reallocate funds to accommodate the Development Contribution adjustment for Roothing within the transportation budget.
9. Agrees to adjust its roading expenditure budgets and programme accordingly to accommodate the above changes so that the overall transportation budget does not require any additional general rate funding in Years 1, 2 and 3 of the Ten Year Plan.

Motueka Water Supply

10. Agrees to the Motueka township reticulated water supply project being included in the final Ten Year Plan.
11. Agrees to Council officers applying for a Government subsidy for the Motueka township reticulated water supply.

12. Agrees to consider the rates required for this project in the 2010/11 Annual Plan
13. Agrees to wording being incorporated into the Ten Year Plan explaining that the Motueka township reticulated water supply project will only proceed if it gains a satisfactory Government subsidy.

Lower Motueka River Flood Control Scheme

14. Agrees to the Lower Motueka River flood control scheme being included in the final Ten Year Plan to enable the investigation and design work for the project, along with further public consultation, to be carried out prior to any decision to proceed with the project construction.
15. Agrees to the wording in the final Ten Year Plan noting that the Council:
 - Is aware of the affordability issue in the Motueka community
 - Recognises the overlap with the Motueka water supply project and the combined rating impact
 - Recognises that the Motueka water supply may not proceed if there is no acceptable Government subsidy received
 - Considers that the work in the first three years of the Motueka stopbank project on investigation, consultation, resource consents , land approvals and design should proceed
 - Will be reviewing the scope and timing of the project as part of the work undertaken during the first three years
 - Will seek a peer review of the project
 - Acknowledges that taking out the gravel is not a solution to the project funding or managing the flood risk.

Takaka Fire Fighting Water Supply

16. Agrees to consult with the ratepayers of the Golden Bay Ward to seek their views on the option of constructing a fully reticulated water supply in Takaka township.
17. Agrees that if the Golden Bay Ward supports a fully reticulated water supply in Takaka township, Council will apply for a Government subsidy and include any new targeted rates required for the project in the 2010/11 Annual Plan.
18. Agrees that appropriate wording is incorporated into the final Ten Year Plan explaining that the Takaka township fully reticulated water supply project will only proceed if it gains a satisfactory Government subsidy and community support.
19. Agrees that if the Golden Bay Ward does not support a fully reticulated water supply in Takaka township or does not gain a satisfactory Government subsidy, Council will proceed with the construction of the Takaka Fire Fighting Water

Supply around the central business district as proposed in the draft Ten Year Plan.

20. Agrees to include in the final Ten Year Plan the construction costs for the Takaka Fire Fighting Water Supply, as determined in accordance with the recommendations of the Hearings Panel following the special consultative procedure undertaken earlier in 2009.
21. Agrees to appropriate wording being included in the final Ten Year Plan to explain the options and the reasons why this matter is being reconsidered.

Activity Contribution Maps

22. Agrees to the following maps (contained in Attachment 6) being incorporated in the final Ten Year Plan to replace the corresponding maps that were in the draft Plan.
 - Murchison Stormwater Urban Drainage Area
 - Takaka Firefighting Water Supply Takaka Commercial CBD Target Rating Area
 - Takaka Firefighting Water Supply Takaka Residential Target Rating Area
 - Motueka Water Services Contribution Map
 - Richmond Wastewater Services Activity Contribution Map
 - Richmond Wastewater Urban Drainage Area
 - Mapua Coastal Tasman Water Services Activity Contribution Map
23. Agrees that the following maps, contained in the draft Plan are not included in the final Ten Year Plan:
 - Takaka CBD Firefighting Area
 - Motueka Water Supply Community Contribution Targeted Rate

Kerbside Recycling and Solid Waste Collection

24. Agrees to not include any proposal to introduce a multi-bin recycling and waste collection service in the final Ten Year Plan.
25. Agrees to provide and retain the existing kerbside collection services from year 4.
26. Agrees to inclusion in the final Ten Year Plan wording noting that the Council will explore recycling and waste management options through a review of its Waste Management and Minimisation Plan.
27. Agrees to bring forward the capital expenditure to open up the next phase of the Eves Valley Landfill (stage 3) into year 6 of the final Ten Year Plan.

Riverworks Maintenance Budget

28. Agrees to reallocate most of the potential savings from the recent riverworks contract to undertake additional riparian management, gravel relocation and to maintain the expected Levels of Service for Priority One works.
29. Agrees to reduce its annual funding for riverworks maintenance by \$50,000 each year, as a result of the savings from the river maintenance contract.

Takaka Aerodrome Improvements

30. Agrees to officers undertaking further discussions with Capital Air and other Takaka Aerodrome users on what improvement are needed at the Aerodrome and how the costs of any work could be recovered from user charges/landing fees.
31. Agrees to wording being added into the final Ten Year Plan to note that Council will be undertaking discussions with Takaka Aerodrome users on what improvements are needed at the Aerodrome and how the costs of any work could be recovered from user charges/landing fees.

Lee Valley Dam:

32. Agrees to put wording on the Lee Valley Dam in the final Ten Year Plan to retain much of the wording in the draft Plan while including the following three paragraphs:

If the dam proceeds it will have an impact on Council's capital expenditure and will increase Council water supply rates and charges to help fund the project. If the dam does not proceed, the Council will incur capital costs associated with addressing the current over-allocation of the water in the Waimea plains, which will also increase Council water supply rates and charges.

Therefore, in either situation there will be an impact on Council's water supply charges. As it is not yet possible to quantify expenditure, this funding impact is not shown in the Ten Year Plan.

An amendment to the Ten Year Plan may occur through the Annual Plan process once further details are to hand on construction costs and the distribution of costs across the various parties.

Civil Defence

33. Agrees to bringing forward by one year the additional funding in the final Ten Year Plan sought by the Civil Defence Emergency Management Group for training, a new operations centre and its fit-out, communications equipment upgrades and operation, the review of the Civil Defence Emergency Management Plan, and staff recruitment, to correct an error in timetabling the work contained in the draft Ten Year Plan.

Shared Facilities Rate

34. Agrees to changes being made to the wording in the final Ten Year Plan relating to projects from year 2010/11 on to make it clear that funding in the Plan is a guide only and that final allocation of funds is subject to Council approval to the project.

Saxton Field Development

35. Agrees to the additional \$92,000 required for the Cricket Utility Building at Saxton Field being included in the Shared Facilities Rate with effect from 2009/10.

Sports Stadium – Saxton Field

36. Agrees that the Tasman District Council's share of the new Saxton Field Sports Stadium be increased from \$3.726m to \$3.838m with effect from 2009/10.

Motorsports Park

37. Agrees that no change be made to the allocation of funding for the Motorsports in 2009/10.

Rowing/Watersports Complex

38. Agrees that the proposed funding for the Rowing/Watersports Complex in year 2013/14 be removed from the Ten Year Plan at this stage, but that the wording in the Plan be changed to provide general support for the concept, recognising the potential economic benefits for the community and further noting that a feasibility study needs to be completed following which Council, if satisfied with the feasibility study, will undertake public consultation on the proposal and reconsider any funding to be allocated to the project.

Athletics/Cricket Pavilion at Saxtons Field

39. Agrees that the additional \$320,500 required for the Athletics/Cricket Pavilion be included in the Shared Facilities Rate with effect from 2010/11.

Cycling Track

40. Agrees that the funding allocation for the Cycling Track be reduced from \$568,800 to \$462,000 in the 2012/13 year.

Brook Sanctuary Fence

41. Agrees that the funding allocation for the Brook Sanctuary pest proof fence be brought forward from 2012/13 to 2010/11.

Hydroslide – ASB Aquatic Centre

42. Agrees that no funding be provided for a hydroslide at the ASB Aquatic Centre.

Nelson Softball Lighting

43. Agrees that no decision be made on whether to provide funds for the lighting until the outcome of the Associations bid to hold the 2012 Junior Softball World Champs are known.

District Facilities Rate

Murchison Sport, Recreation and Cultural Centre

44. Agrees that the Tasman District Council's share of the Murchison Sport, Recreation and Cultural Centre be increased from \$2.6m to \$2.819m with effect from 2009/10.

Motueka Swimming Pool

45. Agrees that no change be made to the funding of the Motueka Swimming Pool in 2011/12 from the funding contained in the draft Ten Year Plan.

Golden Bay Community Facility

46. Agrees that no change be made to the funding of the Golden Bay Community Facility in 2012/13 from the funding contained in the draft Ten Year Plan but that a wording change be made to explain that the final decision on funding will depend on the outcome of the feasibility study and public consultation.

Richmond Community Facility

47. Agrees to a needs analysis being undertaken before expressions of interest are called for the provision of such a facility in Richmond and that the funding allocation for the project be moved out in the Ten Year Plan until after 1 January 2010.

Mapua Community Hall

48. Agrees that the funding allocation for the Mapua Hall be moved out in the Ten Year Plan from 2010/11 to 2011/12.

Facilities Operating Rate

49. Agrees that the wording of the Criteria for Funding for projects being funded by the Shared or District Facilities Rate be amended to make it clear what the difference is between the two Facilities Rates and the Facilities Operating Rate.

Reserves Financial Contributions

District Wide Reserve Financial Contributions

50. Agrees to provide the Rainbow Skifield with an interest free loan of \$90,000 from District Wide Reserve Financial Contributions Account for a ten year period with annual repayments of \$9,000, which can be reviewed each year, subject to both Nelson City and Marlborough District Councils agreeing to also fund \$90,000 each.
51. Agrees to the funding for the Rainbow Skifield coming from each of the ward based Reserve Financial Accounts to provide funding to the District Wide Reserve Financial Contributions Account.

Golden Bay Reserve Financial Contributions

52. Agrees to the following projects being funded from the Golden Bay Reserve Financial Contributions Account:
- Children's Playground at Bainham \$30,000
 - Share of District Wide \$7,500
 - Tennis Courts – Golden Bay Recreation Reserve in 2009/2010 \$85,210
(This is funding brought forward from 2010/11)

Motueka Reserve Financial Contribution

53. Agrees to the Share of District Wide of \$22,500 being funded from the Motueka Reserve Financial Contributions Account.

Richmond Reserve Financial Contributions

54. Agrees to the following projects being funded from the Richmond Reserve Financial Contributions Account:
- Nelson A & P Association – Birch Hall upgrade \$15,000
 - Sundial Square Stage \$0
 - Share of District Wide \$30,000

Waimea/Lakes/Murchison Reserve Financial Contributions

55. Agrees to the following projects being funded from the Waimea/Lakes/Murchison Reserve Financial Contributions Account:

2009/10

- Appleby School Hall –Contribution \$30,000
- Golden Downs Golf Club – Toilets \$5,500
- Toilets – Edward Baigent Reserve and other upgrades \$30,000

- Rough Island Equestrian Park – New building \$15,000
- Wakefield Bowling Club – Artificial green \$50,000
- Tapawera Gateway Project \$5,000
- Brightwater Village Green – No additional funds required \$0
- Share of District Wide \$30,000

2011/12

- Mapua Tennis Club – Court upgrades or new \$50,000

Libraries

56. Agrees that:

- No change needs be made to the book budget from the figures contained in the draft Ten Year Plan
- The Murchison Library/Service Centre shift remains in the final Ten Year Plan, noting that there is a need for further consultation with the Murchison community on any proposal.
- The possible extension of the Motueka Library be mentioned in the Ten Year Plan noting that Council will be investigating various options for possible extension to the library and that no funds need to be allocated at this time.
- \$80,000 of the funding for the replacement of the Library Management Software be transferred from 2009/10 to 2010/11 until the new National Consortium has completed its investigations and for the possibility of the Council joining up with the National Consortium, while retaining the remainder of the funding in the 2009/10 year for upgrading the current software.
- Officers investigate possible library services for the Wakefield and St Arnaud communities and report back to Council outside of the Ten Year Planning process.

Community Housing

57. Agrees that no additional funds be provided for new community housing above the funding allocated in the draft Ten Year Plan, however Council keeps open the option of taking up any Government subsidies that maybe offered to assist in the provision of more units.

58. Notes that the provision of emergency housing is a function for central government and the voluntary sector.

Nelson School of Music

59. Agrees that a budget of \$25,000 be included in the final Ten Year Plan for the Nelson School of Music.

Youth Strategy

60. Agrees to the inclusion in each year of the final Ten Year Plan of \$10,000 of general rate funding for preparation of a youth strategy, events and related youth matters.

Waimea Estuary Management Plan

61. Agrees that the preparation of a Waimea Estuary Management Plan be undertaken in the future through the existing Environment & Planning budget and work programme.

Tata Beach Urban Drainage Area

62. Notes the concerns raised by some Tata Beach residents about being included in the Urban Drainage Area.
63. Agrees to review the inclusion of Tata Beach in the Urban Drainage Area over the coming year and to consult with all the Tata Beach ratepayers as part of the review.

All other submissions and requests

64. Notes that it has received and considered all the written, verbal and late submissions on the draft Ten Year Plan.
65. Acknowledges that there are some matters raised in the submissions that are already covered in the draft Ten Year Plan or that can be accommodated within existing departmental budgets and therefore no changes are needed to the Plan to address these matters.
66. Acknowledges that there have been a number of submissions, on matters not addressed by specific decisions as a result of this report and other reports on this agenda, that have requested additional funding or projects, changes to the timelines in the draft Ten Year Plan or projects to be deleted.
67. Agrees not to change the final Ten Year Plan in response to the submissions referred to in 66 above, in light of their funding implications and the relative priority of those matters and activities in the context of the overall Plan.
68. Agrees to officers making appropriate changes in the final Ten Year Plan to implement the matters covered in the recommendations above and to make appropriate wording changes to take the document from a draft Plan to a final Plan, prior to the final Plan being adopted by Council.

Report prepared by

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Strategic Development Manager