
Thursday, 14 October 2021

Te Hui o Te Kaunihera ā-Rohe o Heretaunga
Hastings District Council: Council Meeting

Te Rārangi Take

Report to Council

Nā:
From: Steve Cave, Senior Projects Engineer

Te Take:
Subject: Whakatū Water Treatment Plant Upgrade - Reclassification of Ngaruroro Avenue Reserve

1.0 Executive Summary – Te Kaupapa Me Te Whakarāpopototanga

- 1.1 The purpose of this report is to obtain a resolution from Council to declare under Section 24 of Reserves Act 1977 (the Act) the reclassification of part of Ngaruroro Avenue Reserve (Lot 6 DP 13882) from Recreation Reserve to Local Purpose Reserve with the sub classification of ‘public utility’ for the purpose of constructing the Whakatū water treatment plant upgrade. **See Attachment 1.**
- 1.2 This report contributes to the purpose of local government by primarily promoting Social and Economic wellbeing of communities and more specifically through the Council’s strategic objective of safe and healthy drinking water.
- 1.3 This request has arisen from the Small Communities Drinking Water Supply upgrade project to deliver a safe, compliant drinking water supply for the Whakatū community.
- 1.4 The Council already has an existing bore, drinking water and wastewater treatment/pumping and associated infrastructure located on the Recreation Reserve occupying approximately 4% (200m²) of the reserve land area.
- 1.5 Ngaruroro Avenue Reserve is currently vested as Recreation Reserve under the Act with the primary purpose of providing areas for public recreation. It features a modest open space area with a children’s playground and basketball court.
- 1.6 After considering a range of site options, officers have identified the Ngaruroro Avenue Reserve (the reserve) as the preferred site for the new Whakatū drinking water treatment plant and reservoir in conjunction with a reserve enhancement mitigation package. Any alternative site(s) identified by Officers, would require private land to be acquired by Council at greater project cost than the recommended option.
- 1.7 Both the existing infrastructure and the proposed water treatment plant and reservoir do not comply with the requirements for the management, use and development of Recreation Reserves under Section 17 of the Reserves Act.

- 1.8 Part of the reserve (720 m² representing 15% of the land area) would need to be reclassified to Local Purpose Reserve under the Act to enable this facility to be built on Ngaruroro Avenue Reserve and enable the existing infrastructure to comply with the Act.
- 1.9 The statutory process involved in reclassifying reserves is outlined in **Attachment 2**. This process has been developed in consultation with Council's Legal Counsel and external consultants The Property Group and Good Earth Matters and has the greatest degree of transparency for the community and gives protection for the remaining portion of the reserve as Recreation Reserve.
- 1.10 Under Section 24 of the Reserves Act, Council is required to publicly notify the proposal to reclassify part of the reserve and allow persons claiming to be affected by the proposal an opportunity to make a submission in writing. Also, the grant of the proposed right of way, water supply, electricity and telecommunications easements required over the balance Recreation Reserve, also require public notification to be given by Council under Section 48 of the Reserves Act.

2.0 Recommendations - *Ngā Tūhunga*

- A) That the Council Meeting receive the report titled Whakatū Water Treatment Plant Upgrade - Reclassification of Ngaruroro Avenue Reserve dated 14 October 2021.
- B) That the Council endorses part of Ngaruroro Avenue Reserve as the preferred site for the new drinking water treatment plant and reservoir for Whakatū and the accompanying reserve enhancement mitigation package.
- C) That the Council directs the CEO to enact the proposed statutory planning process, as outlined in Attachment 2, for obtaining the necessary consents to allow the construction of the new water reservoir and water treatment plant on Ngaruroro Avenue Reserve.
- D) That the Council approves the public notification of:
 - i. the proposed reclassification pursuant to section 24 of the Reserves Act 1977 of those parts of the Ngaruroro Avenue Reserve defined as:
 - a. part Lot 6 DP 13882 shown marked '0.0373 ha' on Attachment 1
 - b. part Lot 6 DP 13882 shown marked '0.0347 ha' on Attachment 1
 from Recreation Reserve to Local Purpose (Public Utility) Reserve under section 23 of the Reserves Act 1977;
 - ii. the proposed grant of a right to convey water, electricity and telecommunications easement under section 48 of the Reserves Act 1977 over that part of Lot 6 DP 13882 shaded blue on Attachment 1 for the benefit of the Local Purpose (Public Utility) Reserve marked '0.0347 ha' on Attachment 1;
 - iii. the proposed grant of a right to convey water, electricity and telecommunications easement under section 48 of the Reserves Act 1977 over that part of Lot 6 DP 13882 shaded green on Attachment 1 for the benefit of the Local Purpose (Public Utility) Reserve marked '0.0373 ha' and '0.347 ha' on Attachment 1; and
 - iv. the proposed grant of a right of way easement under section 48 of the Reserves Act 1977 over that part of Lot 6 DP 13882 shaded purple hatched on Attachment 1 for the benefit of the Local Purpose (Public Utility) Reserve marked "0.0373 ha' on Attachment 1.

3.0 Background – *Te Horopaki*

- 3.1 Ngaruroro Avenue Reserve "the Reserve" is a small neighbourhood reserve located off Ngaruroro Avenue in Whakatū.

- 3.2 It features a modest open space with a children's playground, basketball court and an existing water / wastewater treatment plant at the front of the reserve.
- 3.3 To meet Council's responsibilities to provide safe, compliant drinking water, as approved in the HDC Drinking Water Strategy (2018), there is a requirement to upgrade the existing drinking water infrastructure for Whakatū.
- 3.4 Small Community Drinking Water Supply upgrades have been completed at Haumoana, Waimārama, Te Pohue and Clive. Upgrades are under construction at Whirinaki / Esk and Waipātiki.
- 3.5 All of the Small Community Drinking Water Supplies have required or will require additional land area to complete the supply upgrades.
- 3.6 The proposed upgrade for Whakatū includes a new 300m³ water reservoir and new containerised water treatment plant that is near identical in size and footprint to what has recently been constructed at the Clive, Tucker Lane site.
- 3.7 Officers have identified the Reserve as the optimal location for the new water treatment plant and reservoir due to proximity to existing infrastructure and potential land availability.
- 3.8 The Reserve was vested under the Reserves Act in 1975 and is classified as Recreation Reserve.
- 3.9 This classification identifies the primary use of the reserve and helps direct its management, use and development, including how the land can be used. This increases the protection that the land has and provides the community with certainty as to the types of activities that can take place on the reserve.
- 3.10 The primary purpose of Recreation Reserves can be summarised as providing areas for recreation with an emphasis on the retention of open spaces and on outdoor recreational activities as set out in Section 17 of the Reserves Act.
- 3.11 The proposed Whakatū water treatment plant and reservoir would not comply with the requirements of Section 17 of the Reserves Act.
- 3.12 Officers have taken advice from Council's Legal Counsel and external consultants The Property Group Ltd and Good Earth Matters to confirm a recommended statutory planning process to follow to allow the proposed Whakatū drinking water supply upgrade to proceed on the Reserve.
- 3.13 Based on this recommendation, officers are proposing to change the classification for a portion of the reserve to allow existing and new activity or use which would not be consistent with the present classification, in accordance with Section 24 of the Reserves Act, with the creation of easements where required under section 48 of the Reserves Act.
- 3.14 The land area of the reserve is approximately 4,702m². The portion of the reserve to be reclassified to Local Purpose Reserve is approximately 720m² which equates to 15% of the reserve. Council already has an existing bore, water and wastewater treatment/pumping and associated infrastructure located on the reserve occupying approximately 200m² or 4% of the reserve land area.
- 3.15 The creation of easements is necessary to ensure access to an existing water bore near the basketball court as well as ensure access to the proposed reservoir site which is located behind the basketball court at the rear of the reserve. Electricity and telecommunications is also required from the bore and the new reservoir to the WTP.
- 3.16 The creation of easements avoids reclassifying more reserve land than is necessary for the water reservoir and treatment plant and ensures the greatest area of land is retained as recreation reserve.
- 3.17 The most appropriate classification for the portion of reserve required for the new water reservoir and water treatment plant would be Local Purpose Reserve.
- 3.18 The primary purpose of a Local Purpose Reserve can be summarised as land reserved for the purpose of providing and retaining areas for such educational, community, social, or other local purposes specified in the classification.

- 3.19 Each Local Purpose Reserve has a sub-classification applied which specifies the primary purpose, which can be anything.
- 3.20 Officers are proposing a sub-classification Local Purpose Reserve - Public Utility Purposes.
- 3.21 The process for reclassifying part of the reserve is outlined in **Attachment 2**.
- 3.22 Council is required to publicly notify the proposed change of reserve classification and grant of easements to allow persons claiming to be affected by the proposal with an opportunity to make a submission in writing.
- 3.23 Once the objection period closes, the Council is then required to consider all submissions as soon as practicable.
- 3.24 If, having considered the submissions, Council chooses to proceed with the proposal, the change of classification can be executed by the Chief Executive, as the delegated administering body under the Reserves Act.

4.0 Discussion – *Te Matapakitanga*

- 4.1 From March 2021, officers engaged with the Whakatū community, holding three public hui to discuss the proposed drinking water supply upgrade.
- 4.2 In addition, Officers have met with specific Whakatū community groups and several reserve neighbours on the proposal including the Whakatū Action Group and E tū Whakatū in June and July respectively.
- 4.3 The purpose of the engagement has been to provide rationale and context for the drinking water supply upgrade, discuss Officers' initial default position to complete the upgrade on the Reserve (due to proximity to existing infrastructure and associated cost benefits) and receive feedback for consideration.
- 4.4 Initial feedback received indicated a general understanding and acceptance of the need for the upgrade. The response from those engaged has been divided however between completing the upgrade on the reserve, or elsewhere, with strong feedback that if the upgrade were to be completed on the reserve an appropriate level of mitigation would need to be provided by HDC.
- 4.5 Officers were encouraged by the community to pursue alternative sites for the upgrade as well as investigate what mitigation measures could be put in place to minimise the visual impact and loss of space for reserve users should the proposed drinking water supply upgrade be completed on the Reserve.
- 4.6 Three alternative sites on private land were identified within Whakatū: off Groome Place, Station Street and Railway Road. The site's potential to accommodate the Whakatū drinking water supply upgrade was then investigated. All of the alternative sites would require Council to purchase land and this would be dependent on private landowner's willingness to sell.
- 4.7 Estimated additional (unbudgeted) project cost to acquire an alternative site ranged from \$290,000 to \$800,000 depending on the particular site. Two of the alternative sites would require connection to existing drinking water assets on Ngaruroro Avenue reserve and therefore require reclassification processes to proceed.
- 4.8 Concurrently, officers compiled a reserve mitigation package based on feedback from the community on potential reserve improvements that could meet community expectation and enable the drinking water upgrade to be completed on the Ngaruroro Avenue Reserve with community support.
- 4.9 The proposed reserve enhancement package includes new park equipment, a mural or montage on the reservoir, screen plantings, weed removal along the back reserve boundary and renewed fencing. The value of the reserve enhancement is estimated at \$390,000. Of this \$105,000 would be

funded from existing LTP budget provision for playground renewal and \$285,000 would be a Drinking Water upgrade project cost, of which \$185,000 is unbudgeted.

- 4.10 Officers evaluated the three alternative site options alongside the reserve enhancement mitigation option through a matrix analysis that considered criteria including proximity to existing infrastructure, additional cost above base upgrade package (base upgrade is completing works on the reserve with no mitigation) and additional value to community.
- 4.11 Through the matrix analysis, officers determined the option to complete the Whakatū drinking water supply upgrade on the reserve in conjunction with a reserve enhancement package to be the preferred option both in terms of least additional project cost (\$185,000) and added community value.
- 4.12 Officers recommend the additional project cost of \$185,000 for the Whakatū reserve enhancement mitigation package be funded from the wider Drinking Water Capital Works budget. Officers intend to bring an update for the wider overall Major Drinking Water Capital Works programme and budget to Council early in the New Year, with emphasis on impacts of the ongoing Covid environment.
- 4.13 At the most recent hui, held on 22 September, officers provided an overview of the consultative journey to date for the proposed upgrade as well as outcomes of the alternative site investigations and matrix analysis.
- 4.14 Community members present were shown updated visuals of the reservoir, container and reserve enhancements (these were loaded onto the HDC Small Communities webpage ahead of the hui) and advised that completing the upgrade on the Reserve was the project teams preferred option based on findings. **Refer Attachments 3 and 4.**
- 4.15 For the preferred option, explanation was provided on the next steps including the requirement for Council approval, the proposed statutory planning process and the project stages and timeframes to complete the physical site works for the drinking water supply upgrade and reserve enhancements and meet Hastings Drinking Water Strategy and Drinking Water Assessor requirements by 30 June 2022.
- 4.16 At the conclusion of the 22nd September hui, there was consensus and approval from those community present that the Whakatū drinking water supply upgrade be completed on the Reserve in conjunction with the proposed reserve enhancement and mitigation package.
- 4.17 To progress the preferred option to construction stage officers require:
 - 4.17.1 Council Resolution and Approval to reclassify part of Ngaruroro Avenue Reserve from Recreation Reserve to Local Purpose Reserve.
 - 4.17.2 Initiating and completing reclassification process including public notification period
 - 4.17.3 Land Use Resource Consent including Affected Party Approvals
- 4.18 Provided Reclassification and Land use consent processes progress without objection and are obtained construction works onsite will commence February 2022 and will be completed by 30 June 2022.

5.0 Options – Ngā Kōwhiringa

Option One - Recommended Option - Te Kōwhiringa Tuatahi – Te Kōwhiringa Tūtohunga

- 5.1 This option sees Council resolving to publicly notify the intention to reclassify part of Lot 6 DP 13882 from Recreation Reserve to Local Purpose Reserve (Public Utility), as defined by Section 23 of the Reserves Act 1977, and complete the drinking water supply upgrade for Whakatū and associated reserve enhancement on Ngaruroro Avenue Reserve.
- 5.2 By only reclassifying part of the reserve it clearly delineates the use and purpose for each part of the reserve for recreation and public utility and ensures the protection of the remaining reserve for

community recreation and use. It is worth noting that the reclassification process will tidy up the land status for existing water supply assets.

Advantages

- Public notification will provide greater degree of transparency for the community by giving them an opportunity to have their say on the proposal.
- Clearly delineates the use and purpose of the reserve.
- Provides the least additional project cost.
- Adds community value through reserve enhancement.
- Adds recreational value through improved reserve elements.

Disadvantages

- Public consultation may bring to the fore objections to the reclassification that may result in Council deciding to find an alternative site.
- Unquantifiable impact on the works timeframe due to public notification timeframe.

Option Two – Acquire alternative site - Te Kōwhiringa Tuarua – Te Āhuetanga o nāianeī

- 5.3 To remove the project from reclassification processes would require Council to acquire land for an alternative site for the drinking water infrastructure. Based on current investigations this will incur greater additional project cost with no additional community value.

6.0 Next steps – Te Anga Whakamua

- 6.1 By adopting Option 1 as recommended, Council will resolve to give public notice under Section 119 of the Reserves Act to reclassify part of Lot 6 DP 13882 (Ngaruroro Avenue Reserve) from Recreation Reserve to Local Purpose Reserve (Public Utility) and the proposed granting of easements over the balance Recreation Reserve.
- 6.2 Once the period of submissions has closed (1 month), Council will consider any objections, if received, and resolve whether or not to proceed under Section 24 of the Reserves Act with the proposal to reclassify part of Lot 6 DP 13882 (Ngaruroro Avenue Reserve) and grant the proposed easements accordingly.
- 6.3 If no objections have been received once the period of submissions has closed, Council needs to resolve to proceed with reclassification of part of Ngaruroro Avenue Reserve to Local Purpose Reserve – Public Utility, in accordance with Section 24 of the Reserves Act and the proposed grant of easements in accordance with Section 48 of the Act.
- 6.4 A survey will be required to delineate that part of the reserve to be reclassified and the easements required for access to existing water bore and associated infrastructure not included in the area for re-classification.
- 6.5 The final reclassification step, if approved, would be the approval of the gazette notice of the change of part of the reserve classification for Lot 6 DP 13882 and any easements for publication in the Gazette.
- 6.6 In parallel with the reclassification an application for Land Use Consent to complete the upgrade on the reserve will be applied for.

Attachments:

- 1 Whakatu Water Treatment Plant Land Requirement PRJ18-61-0492 Plan

2	Reserves Act reclassification process from The Property Group for Ngaruroro Avenue Reserve	PRJ18-61-0489
3	Reserve Concept Plan for Ngaruroro Avenue Reserve	PRJ18-61-0490
4	Artist impressions of Ngaruroro Avenue Reserve improvements	PRJ18-61-0491

Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

Fit with purpose of Local Government - *E noho hāngai pū ai ki te Rangatōpū-ā-Rohe*

The Council is required to give effect to the purpose of local government as set out in section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by (and on behalf of) communities, and to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

Link to the Council's Community Outcomes – *Ngā Hononga ki Ngā Putanga ā-Hapori*

Providing safe drinking water.

Māori Impact Statement - *Te Tauākī Kaupapa Māori*

Tangata Whenua will be notified of the Whakatū drinking water supply upgrade as part of the Land Use Consent process.

Sustainability - *Te Toitūtanga*

The purchase of this land contributes to a more sustainable drinking water supply.

Financial considerations - *Ngā Whakaarohanga Ahumoni*

The additional project cost of \$185,000 needs to be accommodated within the wider Drinking Water Capital Upgrade budget.

Significance and Engagement - *Te Hiranga me te Tūhonotanga*

This decision/ report has been assessed under the Council's Significance and Engagement policy as being of medium significance to the community and hence the significant engagement with the Whakatū community via a series of hui as part of project development.

Consultation – internal and/or external - *Whakawhiti Whakaaro-ā-roto / ā-waho*

There have been a number of community hui held at Whakatū as well as discussions with Whakatū Action Group and E tū Whakatū members and park neighbours to discuss the proposal and the best way forward for securing a safe, compliant drinking water supply for the community of Whakatū.

To date only a small number of people have attended the community hui (between 10 and 15 per hui). The public notification process will give an opportunity for all potentially affected persons to submit their views on the proposal within a defined timeframe.

Officers have discussed the various options for proceeding with this proposal on Ngaruroro Avenue Reserve with Internal Counsel to check what is required under the Reserves Act.

Officers have also engaged external consultants Good Earth Matters and The Property Group to provide independent planning and legal advice on the statutory actions required of Council under the Reserves Act and the Resource Management Act.

Risks

In progressing the reclassification process it is unknown how long the public notification process could take once started, however the Reserves Act is quite prescriptive about what submitters can comment on with regards to the reclassification proposal so this may help narrow the focus on what submissions are received and heard by Council.

There is the potential for Council to spend the time and money on going through the public notification process and then be stopped due to significant or unconsidered objection and required to find an alternative site on which to build the reservoir and water treatment plant should it be decided not to proceed with the application to reclassify a portion of the reserve as Local Purpose Reserve.

Pursuing alternative sites could incur additional financial and time related costs due to landowners not being willing to sell, increasing land values as well as two of the currently identified alternative sites requiring reclassification process to continue.

In either option (of progressing the drinking water upgrade on the reserve or on an alternative site) there is risk that the Whakatū drinking water supply upgrade does not meet the DWA timeframe for completion of 30 June 2022. This risk is presently being managed by keeping the DWA well informed on the Major Capital Projects Drinking Water programme through regular updates.

Opportunity: Opportunity to add community value beyond the drinking water supply upgrade through enhancing Ngaruroro Avenue Reserve.

REWARD – <i>Te Utu</i>	RISK – <i>Te Tūraru</i>
Improved recreation values for the community Safe drinking water for the community Surety of land tenure for the maintenance of the new water asset on the reclassified portion of reserve. Best value achieved for the ratepayer	Unforeseen Community opposition could delay delivery of the project

Rural Community Board – *Te Poari Tuawhenua-ā-Hapori*

Not Applicable
