

Chaquan Nepia

From: James Gardner-Hopkins <james@jgh.nz>
Sent: Tuesday, 17 October 2023 6:48 pm
To: Plan Change 92 Hearing
Cc: Shae Crossan; John Dillon
Subject: Re: PC92: Memorandum addressing errors in the Council's reply
Attachments: 1. Wastewater FINCO Model - Total New Dwellings.pdf; 2. Wastewater Capex.pdf; 3. Issues & Options Paper - TP WWTP1.pdf; 4. Minute - Resolution to Proceed with New Te Puke Wastewater Treatment Plant.pdf

Thank you Chaquan,

I also now **attach** copies of the materials referred to in the memorandum, which I omitted (in error) to include with my original email. I am sure that the Panel could have asked Council officers for them, but this may be more efficient. The materials comprise:

1. Copy of the Wastewater Model – Red Line Highlights Total New Dwellings to get to 13,000 population.
2. Copy of the Wastewater Capex – Includes Te Puke Wastewater Treatment Plant which issues and option paper confirms only necessary for population beyond 13,000. Key issue - highlights that although Councils model is based on 13,000 people, they have capex for items beyond this and this makes up part of the current FINCO
3. Issues & Options Paper – Wastewater Treatment Plant – explains that WWTP is only needed for population to grow to 16,000
4. Hearing Minute – Resolution to Proceed with New Wastewater Treatment Plant

Any queries let me know.

Kind regards
James

**JAMES
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Thank you.

On 17/10/2023, at 10:21 AM, Plan Change 92 Hearing <pc92hearing@westernbay.govt.nz> wrote:

Good morning James,

Thank you for your email. This is confirmation that Council have received your memorandum, and confirmation that the Panel have not closed the hearing. With regard to whether the Panel will receive your memorandum on record for consideration, once Council have been given clear direction on the next step we will be sure to inform you. If you have any other questions, please do not hesitate to get in touch.

Ngā mihi,

Chaquan Nepia
Hearings Manager

Kaiwhakarite Mahere Taiao



**Western
Bay of Plenty**
District Council

**For our
people**

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From: James Gardner-Hopkins <james@jgh.nz>

Sent: Monday, October 16, 2023 6:34 PM

To: Plan Change 92 Hearing <pc92hearing@westernbay.govt.nz>

Cc: Shae Crossan <shae.crossan@stratum.nz>; John Dillon <jrdillon98@gmail.com>

Subject: PC92: Memorandum addressing errors in the Council's reply

Dear Chaquan,

Please find **attached** a memorandum for filing addressing factual matters that appear to be in error, which have only just come to my attention.

I would be grateful if you could confirm if the Panel will receive this memorandum onto the record for its consideration. It is not clear if the Panel has closed the hearing, and I am happy to address the principles and waiver of timing requirements if need be.

Kind regards

James

**JAMES
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Thank you.

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Annual Plan 2023/24

Te Puke Wastewater Treatment Plant Upgrade

Issue and Options Paper



Internal submission	
	Te Puke Wastewater Treatment Plant Upgrade – Additional funding required
Activity	Wastewater
Issue	Implications from progressing concept design to preliminary design and cost escalations. Cost share and impact to Council, Developers and Quayside
Project No	225632 - Te Puke Wastewater Treatment Plant Upgrade; 225635 - Rangiuru Business Park share of the Contribution towards the Cost of the Treatment Plant Upgrade
Related strategies	

Staff Narrative
<p><u>Purpose</u></p> <p>To approve an increase in the budget for the upgrading of the Te Puke Waste water treatment plant and amend the timing from a 2 stage upgrade to a single construction project.</p> <p>The original budget was developed some years ago based on the concept of a 2 stage upgrade with the timing between the stages dependant on development, flows and consent conditions. It was developed at the concept level and we have now progressed to preliminary design which has shown that to meet consent requirements and earthquake resilience standards that a new treatment plant is the best option.</p> <p>The new discharge consent requires and upgrade to the treatment to be in place by mid 2025. Additional capacity is required to service Rangiuru Business park flows from late 2025. The design caters for 106 L/sec treatment flows to match the consent. We will require peak wet weather flow buffering to ensure the quality of the treatment. With a single new plant the existing plant can provide around 2,000 cubic mt buffering storage.</p> <p>The existing treatment plant was constructed in the 1987 and is now 35 years old. The concrete structure has an expected life of 80 years and is essentially halfway through its life. The current plant cannot meet the consent standards without upgrading. It does not meet current earthquake design standards.</p>

The option of a new plant has been tested against the concept of an upgrade to the existing plant and a new parallel plant in order to use the existing asset. The parallel plant is required now as the treated flow of the existing plant has to be blended with the new plant to meet consent standards.

The new plant has been estimated at the preliminary design stage by Quantity Surveyors at between \$58.5 and \$61.9m.

The upgrade of the existing plant and parallel new plant is estimated at \$55.6m.

Given the small difference between the estimates and the increased resilience of the new plant the recommended direction is to proceed with a totally new plant in a single stage.

Timeframes

In order to meet the consent requirements and the connection of the RBP the design has to proceed in January. Based on this recommendation we will be progressing the single stage new plant option at a preliminary design estimate of \$61.8m. An ECI (Early Contractor Involvement) procurement is being utilised which has contractor input in the design process to improve efficiency of construction.

Background and Context

The key drivers for the upgrade of the Te Puke Wastewater Treatment Plant are:

- Meeting the upgraded conditions of the new Resource Consent by May 2025
- Allow for growth of Te Puke comprising new developments up to 13,021 people, and growth due to intensification up to 16,500 people as per plan change 92.
- Allow for treating flows from Rangioru Business Park

Not only has the Te Puke Wastewater Treatment Plant to be upgraded, but an alternative options study is also underway to find alternative means for disposal of the final effluent, so that it is not discharged directly to the Waiari Stream. This work is still under progress and is not included in this IOP as it's a future separate decision making process.

Description	Option 1: New WWTP	Option 2: Upgrade Existing and Build New WWTP
	<i>\$,000.00</i>	<i>\$,000.00</i>
Expected Estimate – preliminary design	61,886	55,607

The increases in the cost estimates are due to a combination of several factors, e.g.:

- 1 Te Puke population growth forecast increased to 13,021 (from the Master Plan figure of 10,710).

- 2 Plan Change 92 further increases the growth to 16,236. Note that the design team must allow for these flows in the capacity of the Inlet Works to be constructed now, even if PC92 is not finally approved.
- 3 The costs for Ground Improvement were not included in the Master Plan. Preliminary design concluded that significant ground improvement is required for the structures.
- 4 The Preliminary Design firmed up several items that was not clear at the Master Plan stage, e.g. it was concluded that the existing aeration system is inadequate, adding to the latest Cost Estimates.
- 5 Inflation and post-Covid 19 cost increases. The budget was only increased by 3.3% in 2022/23 where all other construction projects increased by 10% and a further 10% in 2023/24.

Cost Share:

We split the costs relative to the flows arriving at the Plant (see table below) and then considered the different components of the Plant to allocate the costs accordingly. The cost share includes a credit to existing users for the current plant, land and infrastructure.

Table: Flows generated from sources

Description	Average dry Weather Flows	
	m ³ /d	%
Te Puke Current Population	1729	36%
Te Puke Growth to 13,021	641	13%
Te Puke Growth to 16,236	585	12%
Rangiuru Business Park Stage 1	769	16%
Rangiuru Business Park Stage 2	1802	22%

The peak wet weather flow is mainly generated from the existing pipe network as new systems are sealed to reduce storm and ground water inflows.

Budget Implications

The below table sets out the current LTP budget and Options 1 and 2. It shows the proportion allocated to RBP with the balance funded by existing users and Te Puke growth. As plan change 92 hasn't been approved that share will be held by Council in the interim until it can be allocated. If Plan Change 92 zoning isn't approved then that share will need to be reallocated.

The treatment plant size and cost doesn't because of the Plan change 92 population, it just alters the peak wet weather flow storage requirements.

The additional cost to existing users will be incurred in all scenarios, it is funded through the UTR and via the Waste water loan balance.

WESTERN BAY OF PLENTY DISTRICT COUNCIL LTP 2022-2031 PROJECT LIST

Project Number	Project Name	Values \$000's									
		2022 Year	2023 Year	2024 Year	2025 Year	2026 Year	2027 Year	2028 Year	2029 Year	2030 Year	TOTAL
WESTERN BAY OF PLENTY DISTRICT COUNCIL LTP 2022-2031 PROJECT LIST											
225632	TePuke Wastewater Treatment Plant Upgrade Rangiruu Business Park Share of the Contribution	1,400	4,699	5,073	-	-	-	1,082	5,562	5,711	23,527
225635	Towards the Cost of the Treatment Plant Upgrade	-	1,033	1,068	-	-	-	2,043	10,506	10,787	25,437
		1,400	5,732	6,141	-	-	-	3,125	16,068	16,498	48,964
2023/24 Annual Plan – IOP Option 1											
225632	TePuke Wastewater Treatment Plant Upgrade Rangiruu Business Park Share of the Contribution	489	1,402	7,950	17,490	5,698	-	-	-	-	33,029
225635	Towards the Cost of the Treatment Plant Upgrade	-	1,244	7,050	15,510	5,053	-	-	-	-	28,857
		489	2,646	15,000	33,000	10,751	-	-	-	-	61,886
2023/24 Annual Plan – IOP Option 2											
225632	TePuke Wastewater Treatment Plant Upgrade Rangiruu Business Park Share of the Contribution	489	1,281	7,172	14,345	3,557	-	-	-	-	26,844
225635	Towards the Cost of the Treatment Plant Upgrade	-	1,399	7,828	15,655	3,881	-	-	-	-	28,763
		489	2,680	15,000	30,000	7,438	-	-	-	-	55,607

Of note is that the individual TePuke Wastewater Activity Planning Model for the LTP 2022-31 indicated a Net Debt Surplus (Current Account and Loans Balance) for the 2025 year of \$12M and included the current LTP 2022-31 project option for years 2022-2024

Options	
1	Option 1: That Council approves the design and construction to replace the existing Te Puke Waste Water Treatment Plant and constructs a totally new Wastewater Treatment Plant. That Council approves an additional budget for FY2024 of \$8.86 million.
2	Option 2: That Council approves the design and construction to upgrade the existing Te Puke Wastewater Treatment Plant and build a parallel new Wastewater Treatment Plant. That Council approves an additional budget for FY2024 of \$8.86M

Option 1: That Council approves the design and construction to replace the existing Te Puke Waste Water Treatment Plant and constructs a totally new Wastewater Treatment Plant.

That Council approves an additional budget for FY2024 of \$8.86 million.

Advantages	Disadvantages
<ul style="list-style-type: none"> Budget certainty. Quayside funding remains essentially the same as option 2 but for a completely new plant. New Plant is designed to the latest codes reducing risks for major disruptions during earthquake events up to the design standards. New Plant with full remaining useful life expectancy. Single Plant operationally simpler for staff to manage. No re-work to be undertaken and the Detailed Design can progress based on the Preliminary Design. 	<ul style="list-style-type: none"> Additional upfront cost, however on a lifecycle analysis a single new plant is a better option.

Option 1: Implications for Work Programme/Budgets

y/e June	2023/24 \$000's
Capital cost e.g. Asset	
Capex funding	
<ul style="list-style-type: none"> Rates 	
<ul style="list-style-type: none"> Fin Contribution 	7,950
<ul style="list-style-type: none"> External 	
<ul style="list-style-type: none"> Other (<i>specify</i>)Loan 	7,050

Opex cost e.g. grants, service delivery, maintenance	
Opex funding	
• Rates	
• External	
• Other (<i>specify</i>) <i>Loan Repayment</i>	134

Option 2: That Council approves the design and construction to upgrade the existing Te Puke Wastewater Treatment Plant and build a parallel new Wastewater Treatment Plant.

That Council approves an additional budget for FY2024 of \$8.86M

Advantages

- Savings for existing ratepayers and developers compared to Option 1 due to accepting more risks, but re-using the existing structures.

Disadvantages

- Quayside to secure more funding to meet the shortfall from their contribution.
- The remaining useful life of the existing Plant reduced as some components are already more than 40years old.
- The Existing Plant has not been designed to the latest codes and present risks for major disruptions during earthquake events.
- The Te Puke Wastewater Treatment Plant is operationally more complex to operate.
- Potential delays to the Detailed Design due to re-design work required.

Option 2: Implications for Work Programme/Budgets

y/e June	2023/24 \$000's
Capital cost e.g. Asset	
Capex funding	
• Rates	
• Fin Contribution	7,828
• External	

• Other (<i>specify</i>) <i>Loan</i>	7,172
Opex cost <i>e.g. grants, service delivery, maintenance</i>	
Opex funding	
• Rates	
• External	
• Other (<i>specify</i>) <i>Loan Repayment</i>	126

Recommended Decision *(to be completed by staff prior to decision-making meeting)*

Option 1: That Council approves the design and construction to replace the existing Te Puke Waste Water Treatment Plant and constructs a totally new Wastewater Treatment Plant.

That Council approves an additional budget for FY2024 of \$8.86 million.

Decision

(To be completed in the decision making meeting)

Reason

(To be completed in the decision making meeting)

Te Puke Wastewater FC Model 2021-2031																
Added / Changed by Rod 14-3-23																
Actual Capex updated to: 2022																
Project	Year	Base Cost	Existing	Future	Actual Cost	Existing	Future	Total Existing	Total Future	Grand Total	Percentage of Total					
											Existing	Future	Total			
	2022										0.8%	2.7%	1.1%			
Pump stations renewals	220102	-	-	-		100%	-	0%	-	512,197	297,878	810,075				
Pump stations renewals	225615	-	-	-		100%	-	0%	-	-	-	-				
Wastewater - Te Puke Network Upgrades	225619	-	-	-		100%	-	0%	-	-	-	-				
Te Puke Wastewater Treatment Plant Upgrade	225632	1,402,000	1,031,660	370,340		74%	-	26%	-	1,031,660	370,340	1,402,000				
Rangiuru Business Park share of the contribution	225635	1,244,000	1,244,000	-		100%	-	0%	-	1,244,000	-	1,244,000				
Area 3 Phase 2	295703	-	-	-		0%	-	100%	-	-	-	-				
Wastewater - Te Puke Infiltration Rehabilitation	323603	-	-	-		100%	-	0%	-	-	-	-				
Te Puke Wastewater Treatment Plant Rock Filter	344001	-	-	-		100%	-	0%	-	-	-	-				
Te Puke Wastewater Treatment Plant - wetlands c	344101	-	-	-		100%	-	0%	-	-	-	-				
Wastewater - Te Puke Infrastructure Rehabilitation	353501	-	-	-		100%	-	0%	-	-	-	-				
Wastewater - Te Puke Network Upgrades	353502	-	-	-		100%	-	0%	-	-	-	-				
	2023									2,275,660	370,340	2,646,000	3.7%	3.4%	3.7%	
Pump stations renewals	220102	-	-	-		100%	-	0%	-	-	-	-				
Pump stations renewals	225615	-	-	-		100%	-	0%	-	-	-	-				
Wastewater - Te Puke Network Upgrades	225619	-	-	-		100%	-	0%	-	-	-	-				
Te Puke Wastewater Treatment Plant Upgrade	225632	7,950,000	5,850,000	2,100,000		74%	-	26%	-	5,850,000	2,100,000	7,950,000				
Rangiuru Business Park share of the contribution	225635	7,050,000	7,050,000	-		100%	-	0%	-	7,050,000	-	7,050,000				
Area 3 Phase 2	295703	303,225	-	303,225		0%	-	100%	-	-	303,225	303,225				
Wastewater - Te Puke Infiltration Rehabilitation	323603	-	-	-		100%	-	0%	-	-	-	-				
Te Puke Wastewater Treatment Plant Rock Filter	344001	-	-	-		100%	-	0%	-	-	-	-				
Te Puke Wastewater Treatment Plant - wetlands c	344101	-	-	-		100%	-	0%	-	-	-	-				
Wastewater - Te Puke Infrastructure Rehabilitation	353501	-	-	-		100%	-	0%	-	-	-	-				
Wastewater - Te Puke Network Upgrades	353502	-	-	-		100%	-	0%	-	-	-	-				
Total	2024									12,900,000	2,403,225	15,303,225	21.2%	22.0%	21.3%	
Pump stations renewals	220102	-	-	-		100%	-	0%	-	-	-	-				
Pump stations renewals	225615	-	-	-		100%	-	0%	-	-	-	-				
Wastewater - Te Puke Network Upgrades	225619	-	-	-		100%	-	0%	-	-	-	-				
Te Puke Wastewater Treatment Plant Upgrade	225632	17,490,000	12,870,000	4,620,000		74%	-	26%	-	12,870,000	4,620,000	17,490,000				
Rangiuru Business Park share of the contribution	225635	15,510,000	15,510,000	-		100%	-	0%	-	15,510,000	-	15,510,000				
Area 3 Phase 2	295703	196,396	-	196,396		0%	-	100%	-	-	196,396	196,396				
Wastewater - Te Puke Infiltration Rehabilitation	323603	-	-	-		100%	-	0%	-	-	-	-				
Te Puke Wastewater Treatment Plant Rock Filter	344001	-	-	-		100%	-	0%	-	-	-	-				
Te Puke Wastewater Treatment Plant - wetlands c	344101	-	-	-		100%	-	0%	-	-	-	-				
Wastewater - Te Puke Infrastructure Rehabilitation	353501	-	-	-		100%	-	0%	-	-	-	-				
Wastewater - Te Puke Network Upgrades	353502	-	-	-		100%	-	0%	-	-	-	-				
	2025									28,380,000	4,816,396	33,196,396	46.6%	44.0%	46.2%	
Pump stations renewals	220102	-	-	-		100%	-	0%	-	-	-	-				
Pump stations renewals	225615	-	-	-		100%	-	0%	-	-	-	-				
Wastewater - Te Puke Network Upgrades	225619	-	-	-		100%	-	0%	-	-	-	-				
Te Puke Wastewater Treatment Plant Upgrade	225632	5,698,000	4,192,868	1,505,132		74%	-	26%	-	4,192,868	1,505,132	5,698,000				
Rangiuru Business Park share of the contribution	225635	5,053,000	5,053,000	-		100%	-	0%	-	5,053,000	-	5,053,000				
Area 3 Phase 2	295703	-	-	-		0%	-	100%	-	-	-	-				
Wastewater - Te Puke Infiltration Rehabilitation	323603	-	-	-		100%	-	0%	-	-	-	-				
Te Puke Wastewater Treatment Plant Rock Filter	344001	-	-	-		100%	-	0%	-	-	-	-				
Te Puke Wastewater Treatment Plant - wetlands c	344101	-	-	-		100%	-	0%	-	-	-	-				
Wastewater - Te Puke Infrastructure Rehabilitation	353501	-	-	-		100%	-	0%	-	-	-	-				
Wastewater - Te Puke Network Upgrades	353502	-	-	-		100%	-	0%	-	-	-	-				
	2026									9,245,868	1,505,132	10,751,000	15.2%	13.8%	15.0%	
Pump stations renewals	220102	-	-	-		100%	-	0%	-	-	-	-				
Pump stations renewals	225615	-	-	-		100%	-	0%	-	-	-	-				
Wastewater - Te Puke Network Upgrades	225619	-	-	-		100%	-	0%	-	-	-	-				
Te Puke Wastewater Treatment Plant Upgrade	225632	-	-	-		80%	-	20%	-	-	-	-				
Rangiuru Business Park share of the contribution	225635	-	-	-		100%	-	0%	-	-	-	-				
Area 3 Phase 2	295703	-	-	-		0%	-	100%	-	-	-	-				
Wastewater - Te Puke Infiltration Rehabilitation	323603	-	-	-		100%	-	0%	-	-	-	-				
Te Puke Wastewater Treatment Plant Rock Filter	344001	-	-	-		100%	-	0%	-	-	-	-				
Te Puke Wastewater Treatment Plant - wetlands c	344101	-	-	-		100%	-	0%	-	-	-	-				
Wastewater - Te Puke Infrastructure Rehabilitation	353501	-	-	-		100%	-	0%	-	-	-	-				
Wastewater - Te Puke Network Upgrades	353502	-	-	-		100%	-	0%	-	-	-	-				

Te Puke Wastewater FC Model 2021-2031		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
TOTAL PROJECT COST	\$ 71,794,837																																			
SHARE TO ADDITIONAL CAPACITY	15.24%																				-35.2															35.2
Year of expenditure (% = year total)	100.0%	4.4%	0.2%	0.5%	0.0%	0.0%	0.1%	0.6%	0.1%	0.0%	0.1%	0.6%	0.2%	0.7%	0.2%	0.3%	0.1%	0.3%	0.4%	0.6%	1.3%	1.1%	0.7%	1.1%	3.7%	21.3%	46.2%	15.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
Annual Long Term INFLATION	2.0%	1.00000	1.02000	1.04040	1.06121	1.08243	1.10408	1.12616	1.14869	1.17166	1.19509	1.21899	1.24337	1.26824	1.29361	1.31948	1.34587	1.37279	1.40024	1.42825	1.45681	1.48595	1.51567	1.54598	1.57690	1.60844	1.64061	1.67342	1.70689	1.74102	1.77584	1.81136	1.84759	1.88454	1.92223	
Changes made to 2018 Fincos Numbers per 2016 AP Council Decision																																				
RESIDENTIAL PROPERTIES																																				
EXISTING PROPERTIES	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	3,026	
ADDITIONAL LOTS	1,694	34	30	30	30	30	30	34	40	40	40	40	13	18	16	10	9	16	45	76	20	28	19	100	100	100	100	100	100	100	100	100	100	100	101	
ADDITIONAL LOTS (OLD DATA)	1,204	34	30	30	30	30	30	34	40	40	40	40	13	18	16	10	10	42	51	51	54	65	65	65	65	65	65	66	67	68						
CUMULATIVE NEW ARRIVALS	1,694	34	64	94	125	155	185	219	259	299	339	353	370	386	395	219	404	420	465	469	546	566	594	613	713	813	913	1,013	1,113	1,213	1,313	1,413	1,513	1,593	1,694	
TOTAL PROPERTIES	4,719.65	3,060	3,090	3,120	3,151	3,181	3,211	3,245	3,285	3,325	3,365	3,379	3,396	3,412	3,421	3,430	3,446	3,491	3,495	3,572	3,592	3,620	3,639	3,739	3,839	3,939	4,039	4,139	4,239	4,339	4,439	4,539	4,619	4,720		
TOTAL AC CAPEX (Current \$)	\$ 10,941,349	\$ 874,578	-	-	-	-	-	\$ 163,359	\$ 31,909	(\$ 8,123)	\$ 37,866	\$ 118,702	\$ 43,077	\$ 207,380	-	-	-	-	\$ 12,516	\$ 33,647	\$ 26,402	\$ 7,066	-	\$ 297,878	\$ 370,340	\$ 2,403,225	\$ 4,816,396	\$ 1,505,132	-	-	-	-	-	-		
Year of expenditure (% = Future allocation)	100.0%	8.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%	0.3%	-0.1%	0.3%	1.1%	0.4%	1.9%	0.0%	0.0%	0.0%	0.0%	0.1%	0.3%	0.2%	0.1%	0.0%	2.7%	3.4%	22.0%	44.0%	13.8%	0.0%	0.0%	0.0%	0.0%	0.0%			
INTEREST RATE	5.0%	\$ 43,729	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,168	\$ 1,595	(\$ 406)	\$ 1,893	\$ 5,935	\$ 2,154	\$ 10,369	\$ -	\$ -	\$ -	\$ -	\$ 751	\$ 2,019	\$ 1,584	\$ 424	\$ -	\$ 11,319	\$ 15,739	\$ 120,161	\$ 240,820	\$ 75,257	\$ -	\$ -	\$ -	\$ -	\$ -			
ANNUAL COST	\$ 711,750																																			
FINANCIAL CONTRIBUTION	\$ 4,537.43	\$ 362.69																																		
FINANCIAL CONT INFLATION ADJUSTED	\$ 4,537	\$ 4,628	\$ 4,721	\$ 4,815	\$ 4,911	\$ 5,010	\$ 5,110	\$ 5,212	\$ 5,316	\$ 5,423	\$ 5,531	\$ 5,642	\$ 5,755	\$ 5,870	\$ 5,987	\$ 6,107	\$ 6,229	\$ 6,353	\$ 6,481	\$ 6,610	\$ 6,742	\$ 6,877	\$ 7,015	\$ 7,155	\$ 7,298	\$ 7,444	\$ 7,593	\$ 7,745	\$ 7,900	\$ 8,058	\$ 8,219	\$ 8,383	\$ 8,551	\$ 8,722		
FINAL DEBT	\$ -																																			
CAPEX SPREAD OVER:	30 Years																																			
ANNUAL CAPEX (Inflated)	\$ 11,088,484	\$ 874,578	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 163,359	\$ 31,909	(\$ 8,123)	\$ 37,866	\$ 118,702	\$ 43,077	\$ 207,380	\$ -	\$ -	\$ -	\$ -	\$ 12,516	\$ 33,647	\$ 26,402	\$ 7,066	\$ -	\$ 297,878	\$ 370,340	\$ 2,403,225	\$ 4,816,396	\$ 1,505,132	\$ -	\$ -	\$ -	\$ -	\$ -			
DEBT	\$ 874,578	\$ 763,596	\$ 661,742	\$ 551,668	\$ 433,050	\$ 305,402	\$ 331,573	\$ 202,900	(\$ 4,787)	(\$ 181,254)	(\$ 290,297)	(\$ 336,758)	(\$ 246,303)	(\$ 349,976)	(\$ 425,902)	(\$ 514,097)	(\$ 573,439)	(\$ 730,629)	(\$ 1,069,156)	(\$ 1,132,664)	(\$ 1,691,591)	(\$ 1,919,476)	(\$ 1,881,342)	(\$ 1,706,367)	(\$ 82,637)	\$ 4,096,551	\$ 5,122,905	\$ 4,619,749	\$ 4,076,249	\$ 3,490,084	\$ 2,858,812	\$ 2,179,860	\$ 1,450,523	\$ 838,972		
INTEREST	\$ 43,729	\$ 38,180	\$ 33,087	\$ 27,583	\$ 21,652	\$ 15,270	\$ 16,579	\$ 10,145	(\$ 239)	(\$ 9,063)	(\$ 14,515)	(\$ 16,838)	(\$ 12,315)	(\$ 17,499)	(\$ 21,295)	(\$ 25,705)	(\$ 31,539)	(\$ 40,185)	(\$ 58,804)	(\$ 62,297)	(\$ 93,037)	(\$ 167,182)	(\$ 262,084)	(\$ 37,719)	\$ 204,628	\$ 256,145	\$ 230,987	\$ 203,812	\$ 174,504	\$ 142,941	\$ 108,993	\$ 72,526	\$ 41,948			
NET DEBT	\$ 763,596	\$ 661,742	\$ 551,668	\$ 433,050	\$ 305,402	\$ 168,215	\$ 170,991	\$ 3,336	(\$ 219,120)	(\$ 408,999)	(\$ 379,835)	(\$ 453,683)	(\$ 349,976)	(\$ 425,902)	(\$ 514,097)	(\$ 743,145)	(\$ 1,102,803)	(\$ 1,159,067)	(\$ 1,698,656)	(\$ 1,919,476)	(\$ 2,179,220)	(\$ 2,076,707)	(\$ 2,485,862)	(\$ 816,173)	\$ 3,556,966	\$ 4,619,749	\$ 4,076,249	\$ 3,490,084	\$ 2,858,812	\$ 2,179,860	\$ 1,450,523	\$ 838,972	\$ (8)			
CUMULATIVE NEW RESIDENTIAL PROPERTIES	34	64	94	125	155	185	219	259	299	339	353	370	386	395	219	404	420	465	469	546	566	594	613	713	813	913	1,013	1,113	1,213	1,313	1,413	1,513	1,593	1,694		
TOTAL NEW RESIDENTIAL PROPERTIES	34	34	30	30	30	30	34	40	40	40	40	13	18	16	10	9	16	45	76	20	28	19	100	100	100	100	100	100	100	100	100	100	101			
\$ RECOVERED ANNUALISED	\$ 152,319	\$ 430	\$ 263	\$ 294	\$ 784	\$ 974	\$ 1,165	\$ 1,381	\$ 1,225	\$ 1,441	\$ 1,777	\$ 1,736	\$ 1,357	\$ 2,163	\$ 2,668	\$ 13,016	\$ 33,638	\$ 41,619	\$ 46,082	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
RECOVERED FINANCIAL CONTRIBUTIONS	\$ 11,988,773	\$ 154,273	\$ 139,771	\$ 142,566	\$ 145,418	\$ 148,326	\$ 151,293	\$ 175,780	\$ 208,483	\$ 212,653	\$ 216,906	\$ 73,287	\$ 98,730	\$ 89,196	\$ 55,762	\$ 53,883	\$ -	\$ 96,548	\$ 285,907	\$ 31,107	\$ 503,695	\$ 134,848	\$ 192,562	\$ 133,281	\$ 715,507	\$ 729,817	\$ 744,413	\$ 758,301	\$ 774,487	\$ 789,977	\$ 805,777	\$ 821,892	\$ 838,330	\$ 884,077	\$ 880,921	

- Council predicted that these were just the first two treatment plants that required this upgrade, and that the other five treatment plants in the district would need to be upgraded in the future.
- This project would go out during the consultation period to highlight the significant changes to the budget and provide a rationale, however it would not be a project that would require community direction.

Reasons for decisions:

- Entity B would fund the installation costs if construction delayed to 2024/25.
- The design and contract could be prepared for tendering in the first quarter of 2024 with construction to occur post July 2024.

RESOLUTION APLTP23-1.13 PART 11

Moved: Cr A Sole

Seconded: Mayor J Denyer

3. That the Committee resolves the following decisions, as discussed in **Attachment 1** of the agenda report, to inform the Consultation Document for the draft Annual Plan 2023/24:

- j. Athenree and Wharawhara Water Treatment Plant Fluoridation Funding

- i. Option 1

That Council proceeds with fluoridating Athenree and Wharawhara water treatment plants in 2024/25 and that the contract be prepared and let in 2023/24 at an estimated cost of \$110,000 funded from the Water Supply activity.

NOTE: That if Ministry of Health (MoH) subsidy is received then the work will be brought forward.

Prior to proceeding with the contract, this would come back to Council for approval.

CARRIED

Part 2K TE PUKE WASTEWATER TREATMENT PLANT UPGRADE

The Committee considered the two options provided to them in relation to the Te Puke Wastewater Treatment Plant upgrade project. The below points were noted:

- The difference between the two options was that one was a partial new plant and one was a full new plant. It was noted that the cost was the same at this stage but would likely differ around 10% further into the process.
- The Deputy Chief Executive/General Manager Infrastructure Group proposed a change to the funding, from 20%FINCO loan/80% Service Charges to 100% FINCO loan funded for 1 year only.
- Council was still awaiting formal feedback from the entity regarding the two options provided. They were currently outside of their agreed timeframe so Council was following this up. The Committee was advised that during engagement in late 2022 verbal confirmation was received.
- The full new plant would be built on land adjacent to the existing plant. This would allow the current plant to continue to operate whilst the new plant was being built.

At 3:40 pm, Cr A Henry left the meeting.

Reasons for decision:

- Budget certainty.
- Quayside funding remained essentially the same as option 2 but for a completely new plant.
- The new plant was designed to the latest codes reducing risks for major disruptions during earthquake events up to the design standards.
- The new plant had a longer full remaining useful life expectancy.
- A single plant was operationally simpler for staff to manage.
- No re-work needed to be undertaken and the detailed design could progress based on the preliminary design.

- Improved transition due to the opportunity to build a new plant while the existing plant was still functioning.

RESOLUTION APLTP23-1.14 PART 12

Moved: Cr M Murray-Benge

Seconded: Cr M Grainger

3. That the Committee resolves the following decisions, as discussed in **Attachment 1** of the agenda report, to inform the Consultation Document for the draft Annual Plan 2023/24:

k. Te Puke Wastewater Treatment Plant Upgrade

i. Option 1

That Council approves the design and construction to replace the existing Te Puke Waste Water Treatment Plant and constructs a totally new Wastewater Treatment Plant.

That Council approves an additional budget for FY2024 of \$8.86 million.

CARRIED

Part 2L STRUCTURE PLAN REVIEW 2023-2024

The Committee considered the recommendation proposed regarding the Structure Plan Review 2023-2024. The below points were noted:

- The Marshall Road, Katikati upgrade had always been included in the Structure Plan due to growth, and included the required culvert upgrade and the road rehabilitation.
- Tetley Road was further down the schedule, but was due for one side of urbanisation.

RESOLUTION APLTP23-1.15 PART 13

Moved: Cr M Grainger

Seconded: Cr M Murray-Benge

3. That the Committee resolves the following decisions, as discussed in **Attachment 1** of the agenda report, to inform the Consultation Document for the draft Annual Plan 2023/24:

1. Structure Plan Review 2023-2024

i. Option 1

That the revised 2023/24 structure plan schedules and maps be adopted.

CARRIED

Part 2M USE OF GENERAL RATE RESERVE

The Committee considered the four options provided to them in relation to the use of General Rate Reserve. The below points were noted:

- The future rates impact was determined by the option that the Committee decided on. From a risk perspective, the Committee was cautioned on using too much of the General Rate Reserve as it would have a greater financial impact on future years.
- It was clarified that option 1 was the recommended option, as the additional two options would have a financial impact on future years.
- The Chief Financial Officer Tabled Item 1 which was a sample of property rates for 2024 based on option 1.
- It was clarified to the Committee that the resolution passed in relation to the Waihi Beach Library and Community Hub was for a **further** \$250,000 of what was already budgeted for.

MOTION

The Chairperson accepted the following motion from the floor:

Moved: Cr R Joyce

Seconded: Cr G Dally