



**Far North  
District Council**



**Te Kaunihera o Tai Tokerau ki te Raki**

# **AGENDA**

## **Infrastructure Committee Meeting**


**Wednesday, 27 July 2022**

**Time: 9:30 am**

**Location: Virtually via Microsoft Teams**

**Membership:**

Chairperson Felicity Foy  
Mayor John Carter  
Deputy Mayor Ann Court  
Cr Dave Collard  
Cr Rachel Smith  
Cr Kelly Stratford  
Cr John Vujcich  
Member Adele Gardner

 <p>Far North District Council <i>Te Kaunihera o Tai Tokerau ki te Raki</i></p>	<b>Authorising Body</b>	Mayor/Council
	<b>Status</b>	Standing Committee
<b>COUNCIL COMMITTEE</b>	<b>Title</b>	Infrastructure Committee Terms of Reference
	<b>Approval Date</b>	7 May 2020
	<b>Responsible Officer</b>	Chief Executive

**Purpose**

The purpose of the Infrastructure Committee (the Committee) is to ensure cost effective, quality and sustainable infrastructure decisions are made to meet the current and future needs of Far North communities and that Councils infrastructure assets are effectively maintained and operated.

The Committee will review the effectiveness of the following aspects:

- Affordable core infrastructure to support healthy and sustainable living.
- Operational performance including monitoring and reporting on significant infrastructure projects
- Delivery of quality infrastructure and district facilities
- Financial spend and reprogramming of capital works
- Property and other assets

To perform his or her role effectively, each Committee member must develop and maintain his or her skills and knowledge, including an understanding of the Committee’s responsibilities, Councils’ infrastructure assets such as roading, three waters and district facilities.

**Membership**

The Council will determine the membership of the Infrastructure Committee.

The Infrastructure Committee will comprise of at least six elected members (one of which will be the chairperson).

- Mayor Carter
- Felicity Foy – Chairperson
- Ann Court – Deputy Chairperson
- Dave Collard
- Kelly Stratford
- John Vujcich
- Rachel Smith
- Adele Gardner

Non-appointed Councillors may attend meetings with speaking rights, but not voting rights.

### **Quorum**

The quorum at a meeting of the Infrastructure Committee is 5 members.

### **Frequency of Meetings**

The Infrastructure Committee shall meet every 6 weeks but may be cancelled if there is no business.

### **Power to Delegate**

The Infrastructure Committee may not delegate any of its responsibilities, duties or powers.

### **Committees Responsibilities**

The Committees responsibilities are described below:

#### **Quality infrastructure and Facilities**

- Assess and provide advice to Council on strategic issues relating to the provision of Council's infrastructural activities and district facilities
- Review, and recommend to Council, policy and strategies for the delivery of infrastructural asset services
- Monitor achievement of outcomes included in the Infrastructure Strategy and other infrastructure strategies e.g District Transport Strategy
- Ensure that Council protects its investment in its infrastructural assets in accordance with accepted professional standards
- Monitor the risks, financial and operational performance of the Council's infrastructural activities and facilities
- Monitor major contract performance measures/key result areas (KRAs)

#### **Significant Projects – spend, monitoring and reporting**

- Monitor significant projects
- Approve budget overspend (above tolerance levels in the CE delegations) and any reprogramming of capex for a project or programme provided that:
  - The overall budget is met from savings
  - The overall budget for capex is not exceeded. Where this is not the case, the Committee must either:
    - Recommend to Council that additional funding is approved (outside the Annual Plan or Long-Term Plan process), or
    - Recommend as part of the next round of Long-Term Plan or Annual Plan process that the funding is considered for inclusion.
- Approve tenders and contracts provided they are:
  - Up to \$3 million,
  - in accordance with the current year's plan, whether that be Annual Plan or Long-Term Plan, and
  - deemed low by the Significance and Engagement Policy

#### **Compliance**

- Ensure that operational functions comply with legislative requirements and Council policy

- Ensure that consents associated with Council's infrastructure are being met and renewals are planned for

### **Service levels (non-regulatory)**

- Recommend service level changes and new initiatives to the Long Term and Annual Plan processes.

### **Relationships**

- Monitoring Council's relationship with the Northland Transportation Alliance
  - Receive quarterly performance reports
- Monitoring Council's relationship with the Far North Waters Alliance Partner

### **Property**

- Recommend to Council the acquisition or disposal of assets.
- Approve new leases and lease renewals (of non-reserve land), in accordance with the current years' plan, whether that be Annual Plan or Long-Term Plan.

Receive updates on changes to national and regional policies that impact on Council provision of infrastructure and where appropriate make recommendation to Council.

### **Rules and Procedures**

Council's Standing Orders and Code of Conduct apply to all the committee's meetings.

### **Annual reporting**

The Chair of the Committee will submit a written report to the Chief Executive on an annual basis. The review will summarise the activities of the Committee and how it has contributed to the Council's governance and strategic objectives. The Chief Executive will place the report on the next available agenda of the governing body.

**Far North District Council**  
**Infrastructure Committee Meeting**  
**will be held in the Virtually via Microsoft Teams on:**  
**Wednesday 27 July 2022 at 9:30 am**

---

**Te Paeroa Mahi / Order of Business**

<b>1</b>	<b>Karakia Timatanga – Opening Prayer</b> .....	<b>7</b>
<b>2</b>	<b>Nga Whakapāha Me Ngā Pānga Mema / Apologies and Declarations of Interest</b> .....	<b>7</b>
<b>3</b>	<b>Ngā Tono Kōrero / Deputation</b> .....	<b>7</b>
<b>4</b>	<b>Confirmation of Previous Minutes</b> .....	<b>8</b>
4.1	Confirmation of Previous Minutes.....	8
<b>5</b>	<b>Reports</b> .....	<b>13</b>
5.1	Economic And Practicability Assessment For Discharge Of Treated Wastewater To Land From Hihi Wastewater Treatment Plant .....	13
<b>6</b>	<b>Information Reports</b> .....	<b>113</b>
6.1	Infrastructure Committee Action Sheet Update July 2022 .....	113
<b>7</b>	<b>Te Wāhanga Tūmataiti / Public Excluded</b> .....	<b>118</b>
7.1	Confirmation of Previous Minutes - Public Excluded .....	118
<b>8</b>	<b>Karakia Whakamutunga – Closing Prayer</b> .....	<b>119</b>
<b>6</b>	<b>Te Kapinga Hui / Meeting Close</b> .....	<b>119</b>



**1 KARAKIA TIMATANGA – OPENING PRAYER****2 NGA WHAKAPĀHA ME NGĀ PĀNGA MEMA / APOLOGIES AND DECLARATIONS OF INTEREST**

Members need to stand aside from decision-making when a conflict arises between their role as a Member of the Committee and any private or other external interest they might have. This note is provided as a reminder to Members to review the matters on the agenda and assess and identify where they may have a pecuniary or other conflict of interest, or where there may be a perception of a conflict of interest.

If a Member feels they do have a conflict of interest, they should publicly declare that at the start of the meeting or of the relevant item of business and refrain from participating in the discussion or voting on that item. If a Member thinks they may have a conflict of interest, they can seek advice from the Chief Executive Officer or the Team Leader Democracy Support (preferably before the meeting).

It is noted that while members can seek advice the final decision as to whether a conflict exists rests with the member.

**3 NGĀ TONO KŌRERO / DEPUTATION**

No requests for deputations were received at the time of the Agenda going to print.

## 4 CONFIRMATION OF PREVIOUS MINUTES

### 4.1 CONFIRMATION OF PREVIOUS MINUTES

**File Number:** A3769306

**Author:** Rhonda-May Whiu, Democracy Advisor

**Authoriser:** Aisha Huriwai, Team Leader Democracy Services

#### PURPOSE OF THE REPORT

The minutes of the previous Infrastructure Committee meeting are attached to allow the Committee to confirm that the minutes are a true and correct record.

#### RECOMMENDATION

**That the Infrastructure Committee confirm that the minutes of the meeting held 15 June 2022 be confirmed as a true and correct record.**

#### 1) BACKGROUND

Local Government Act 2002 Schedule 7 Section 28 states that a local authority must keep minutes of its proceedings. The minutes of these proceedings duly entered and authenticated as prescribed by a local authority are prima facie evidence of those meetings.

#### 2) DISCUSSION AND OPTIONS

The minutes of the meeting are attached. Far North District Council Standing Orders Section 27.3 states that no discussion shall arise on the substance of the minutes in any succeeding meeting, except as to their correctness.

#### Reason for the recommendation

The reason for the recommendation is to confirm the minutes are a true and correct record of the previous meeting.

#### 3) FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

There are no financial implications or the need for budgetary provision as a result of this report.

#### ATTACHMENTS

1. **2022-06-15 Infrastructure Committee Minutes - A3751209** [↓](#) 



**Compliance schedule:**

Full consideration has been given to the provisions of the Local Government Act 2002 S77 in relation to decision making, in particular:

1. A Local authority must, in the course of the decision-making process,
  - a) Seek to identify all reasonably practicable options for the achievement of the objective of a decision; and
  - b) Assess the options in terms of their advantages and disadvantages; and
  - c) If any of the options identified under paragraph (a) involves a significant decision in relation to land or a body of water, take into account the relationship of Māori and their culture and traditions with their ancestral land, water sites, waahi tapu, valued flora and fauna and other taonga.
2. This section is subject to Section 79 - Compliance with procedures in relation to decisions.

<b>Compliance requirement</b>	<b>Staff assessment</b>
State the level of significance (high or low) of the issue or proposal as determined by the <a href="#">Council's Significance and Engagement Policy</a>	This is a matter of low significance.
State the relevant Council policies (external or internal), legislation, and/or community outcomes (as stated in the LTP) that relate to this decision.	This report complies with the Local Government Act 2002 Schedule 7 Section 28.
State whether this issue or proposal has a District wide relevance and, if not, the ways in which the appropriate Community Board's views have been sought.	It is the responsibility of each meeting to confirm their minutes therefore the views of another meeting are not relevant.
State the possible implications for Māori and how Māori have been provided with an opportunity to contribute to decision making if this decision is significant and relates to land and/or any body of water.	There are no implications on Māori in confirming minutes from a previous meeting. Any implications on Māori arising from matters included in meeting minutes should be considered as part of the relevant report.
Identify persons likely to be affected by or have an interest in the matter, and how you have given consideration to their views or preferences (for example – youth, the aged and those with disabilities).	This report is asking for the minutes to be confirmed as true and correct record, any interests that affect other people should be considered as part of the individual reports.
State the financial implications and where budgetary provisions have been made to support this decision.	There are no financial implications or the need for budgetary provision arising from this report.
Chief Financial Officer review.	The Chief Financial Officer has not reviewed this report.

**MINUTES OF FAR NORTH DISTRICT COUNCIL  
INFRASTRUCTURE COMMITTEE MEETING  
HELD VIRTUALLY VIA MICROSOFT TEAMS  
ON WEDNESDAY, 15 JUNE 2022 AT 9:34 AM**

**PRESENT:** Chairperson Felicity Foy, Deputy Mayor Ann Court, Cr Dave Collard, Cr Kelly Stratford, Cr John Vujcich, Member Adele Gardner

**IN ATTENDANCE:** William J Taylor, MBE (General Manager Corporate Services), Andy Finch (General Manager Infrastructure and Asset Management), Darren Edwards (General Manager Strategic Planning and Policy)

**STAFF PRESENT:** Ajay Kumar (Management Accountant), Bernard Petersen (Maintenance & Operations Manager – Northland Transportation Alliance), Calvin Thomas (General Manager – Northland Transportation Alliance), Marlema Baker (Democracy Advisor), Rhonda-May Whiu (Democracy Advisor), Emma Healy (Executive Officer), Shayne Storey (Community Development Advisor)

**1 KARAKIA TIMATANGA – OPENING PRAYER**

Chairperson Felicity Foy opened the meeting with a karakia.

**2 NGĀ WHAKAPĀHA ME NGĀ PĀNGA MEMA / APOLOGIES AND DECLARATIONS OF INTEREST**

**APOLOGY**

**RESOLUTION 2022/18**

Moved: Chairperson Felicity Foy

Seconded: Member Adele Gardner

**That the apology received from Mayor John Carter and Cr Rachel Smith be accepted and leave of absence granted.**

In Favour: Felicity Foy, Ann Court, Dave Collard, Kelly Stratford, John Vujcich and Adele Gardner

Against: Nil

**CARRIED**

**3 NGĀ TONO KŌRERO / DEPUTATION**

Nil

**4 CONFIRMATION OF PREVIOUS MINUTES**

**4.1 CONFIRMATION OF PREVIOUS MINUTES**

Agenda item 4.1 document number A3700951, pages 14 - 20 refers

**RESOLUTION 2022/19**

Moved: Cr John Vujcich

Seconded: Cr Dave Collard

**That the Infrastructure Committee confirm that the minutes of the meeting held 4 May 2022 be confirmed as a true and correct record.**

**In Favour:** Felicity Foy, Ann Court, Dave Collard, Kelly Stratford, John Vujcich and Adele Gardner

**Against:** Nil

**CARRIED**

**5 INFORMATION REPORTS**

**5.1 INFRASTRUCTURE COMMITTEE ACTION SHEET UPDATE APRIL 2022**

Agenda item 5.1 document number A3700961, pages 21 - 24 refers

**RESOLUTION 2022/20**

Moved: Chairperson Felicity Foy

Seconded: Cr John Vujcich

**That the Infrastructure Committee receive the report Action Sheet Update June 2022.**

**CARRIED**

**6 TE WĀHANGA TŪMATATI / PUBLIC EXCLUDED**

**RESOLUTION TO EXCLUDE THE PUBLIC**

**COMMITTEE RESOLUTION 2022/21**

Moved: Chairperson Felicity Foy

Seconded: Cr John Vujcich

**That the public be excluded from the following parts of the proceedings of this meeting.**

**The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:**

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
<b>6.1 - Confirmation of Previous Minutes - Public Excluded</b>	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>6.2 - Approval to award Kerikeri Clarifier Renewal Contract 7-21-404</b>	s7(2)(b)(i) - the withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret s7(2)(b)(ii) - the withholding of the	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

	<p>information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p>	
<p><u>In Favour:</u> Felicity Foy, Ann Court, Dave Collard, Kelly Stratford, John Vujcich and Adele Gardner</p>		
<p><u>Against:</u> Nil</p>		
<p><b>CARRIED</b></p>		

**7 KARAKIA WHAKAMUTUNGA – CLOSING PRAYER**

Councillor Kelly Stratford closed the meeting with a karakia.

**8 TE KAPINGA HUI / MEETING CLOSE**

The meeting closed at 9:57am.

The minutes of this meeting will be confirmed at the Infrastructure Committee Meeting held on 27 July 2022.

.....  
**CHAIRPERSON**

## 5 REPORTS

### 5.1 ECONOMIC AND PRACTICABILITY ASSESSMENT FOR DISCHARGE OF TREATED WASTEWATER TO LAND FROM HIHI WASTEWATER TREATMENT PLANT

**File Number:** A3772151

**Author:** Ben Bowden, Intermediate Infrastructure Planner

**Authoriser:** Andy Finch, General Manager - Infrastructure and Asset Management

#### TAKE PŪRONGO / PURPOSE OF THE REPORT

To seek a decision from Council, via the Infrastructure Committee, regarding the economic viability of discharging treated wastewater from the Hihi Wastewater Treatment Plant (WWTP) to land.

#### WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- The resource consent that authorises discharge of treated wastewater to the Hihi stream from the Hihi Wastewater Treatment Plant (WWTP) expires 30 November 2022. In accordance with section 124(1) of the Resource Management Act (RMA) replacement resource consent applications must be lodged with Northland Regional Council (NRC) prior to 31 August 2022. This will enable the WWTP to continue to operate under the current consents while a decision is made on the replacement applications.
- The Proposed Regional Plan for Northland (PRP) sets out that an application for resource consent to discharge municipal wastewater to water will not generally be granted unless a discharge to land has been considered and found not to be environmentally, economically, or practicably viable.
- This report seeks a decision from Council, via the Infrastructure Committee, regarding the economic viability of discharging treated wastewater to land to support the renewal of the Hihi discharge consent. This report:
  - Demonstrates, based on a desktop assessment, that discharge of treated wastewater from the Hihi WWTP to land is considered practicably viable.
  - Presents two cost estimates of \$2.85M and \$3.02M (-30% to +50%) to establish a treated wastewater to land discharge in Hihi (excluding costs for land purchase and Hihi WWTP upgrade).
  - Based on the existing rating model, estimates a targeted rating increase of \$573 - \$1290 for the first year (Y5) which will reduce to a range of \$531 - \$1195 after five financial years (Y10).
  - Determines that discharge to land is not currently considered to be economically viable using the *Rates affordability in the Far North* report (attachment 4) prepared by Business and Economic Research Ltd (BERL).
  - Recommends that Council does not pursue discharge to land as part of the current resource consent application as it is not considered economically viable within the context of Council's purpose under the Local Government Act 2002.
- Acknowledges the Three Waters Reform or a change to the rating model for wastewater may result in a discharge to land scheme becoming economically viable in the future.
- Recommends continuation of investigations into discharge to land in Hihi (separate to the resource consent application process) including gaining feedback from mana whenua and the community in Hihi.

#### TŪTOHUNGA / RECOMMENDATION

**That the Infrastructure Committee recommends to Council that:**

- 1. The option of discharging treated wastewater from the Hihi Wastewater Treatment Plant to land is not pursued at this time as part of the application to replace the resource consents authorising discharge of contaminants from the Hihi Wastewater**

**Treatment Plant, on the basis that the costs associated with that activity, are assessed as not economically viable.**

**And that the Infrastructure Committee notes that:**

**Staff will continue engagement with mana whenua and the community on a discharge to land option; and**

**Should this eventuate and a possible site(s) be identified after affected landowners have been engaged, staff will prepare a budget request for this Committee to consider making funding available for the site assessment and concept design for the discharging to land from the Hihi wastewater treatment plant that includes site specific technical, design and cost investigation of this option, in which mana whenua are included.**

**Staff are preparing a paper for Council seeking adoption of a District Wide rating policy for wastewater. This would make land-based disposal at Hihi more affordable.**

## **1) TĀHUHU KŌRERO / BACKGROUND**

### **Discharge to Land Investigations**

The resource consent held by Far North District Council (FNDC) authorising the discharge of treated wastewater to an unnamed tributary of Hihi beach from the Hihi WWTP will expire on 30 November 2022.

Operative policy D.4.3 of the PRP sets out that an application for resource consent to discharge municipal wastewater to water will not be generally granted unless a discharge to land has been considered and found not to be environmentally, economically, or practicably viable.

Staff have completed:

- Desktop assessment which identifies numerous practicably viable sites
- High-level cost estimate for top 2 practicably viable sites
- Rating impact assessment
- Comparison between rating impact and BERL report to assess affordability

The economic viability of discharge to land in Hihi should be read within the context of Council's purpose under the Local Government Act 2002. That is to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

The recommendation is being sought to support the resource consent applications for the Hihi WWTP, to be lodged before the end of August 2022. It should be noted that this recommendation does not rule out consideration of wastewater discharge to land options as part of future Long-Term Plans (LTP) or through a new three waters governing entity.

To advance investigations, the next step would be to contact identified landowners to gauge interest. If an interested landowner is found, then onsite testing can be completed, and the project can proceed to a concept design which will give a cost estimate of +/- 25%. The expected timeline to get to a concept design is 2 – 3 years with a cost of \$285k. No funding is available at present for the continuation of this project and therefore staff will report back once a preferred site is identified.

### **Engagement**

FNDC continues to engage with local iwi and the community of Hihi on the topic of discharge to land with a summary of engagement in attachment 2.

With the upcoming upgrade to the Hihi WWTP, the community confirmed that the current discharge to water after passing through the constructed wetland was acceptable due to the added costs.

Ngati Kahu was approached to discuss the Hihi WWTP and potential for discharge to land. Members of the Taipa Resource Consent Working Group have also provided support to the process.

A webpage has been set up on the FNDC website which provides an overview of the treatment process and the ongoing consent renewal project. A series of frequently asked questions and answers is part of this and includes info on discharge to land investigations.

## 2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

### Practical viability of wastewater discharge to land for Hihi

A desktop assessment of land within 5km radius of the Hihi WWTP identified several potentially suitable sites. These sites were ranked in terms of practicality using a range of criteria, the full details of which can be found in attachment 1.

This assessment was peer-reviewed by Beca engineering staff to ensure credibility and confirms that discharge to land is practicably viable in Hihi at a desktop level. The top 2 ranked sites from this assessment were then used by Beca to develop the cost estimates for establishing a discharge to land scheme in Hihi.

If further investigations are funded, then the sites can be investigated to identify a preferred site that is acceptable from technical, cultural and landowner perspectives.

### Economic viability of wastewater discharge to land for Hihi

A high-level cost estimate for establishing a wastewater discharge to land scheme is assessed at \$2.85M and \$3.02M, with -30% to +50% accuracy. The total range of cost is \$2.0M to \$4.5M and does not include cost estimates associated with land purchase or potential upgrades that are required at the Hihi WWTP. A copy of the cost estimate has been included as attachment 5.

It is possible that the land purchase costs can be avoided if a lease or similar arrangement is entered into between FNDC and the landowner; however, such arrangements cannot be relied upon until further engagement is carried out with specific landowners.

The investigations to develop a concept design for wastewater disposal at Hihi would include determining whether land purchase and/or WWTP upgrade costs will also need to be funded to achieve wastewater discharge to land for Hihi.

Staff used the high-level cost estimate to determine the rating impact for establishing a discharge to land scheme for Hihi. Separate rating impact options were developed to reflect the range set out in the cost estimate, using the estimated value, lower and upper margin of error values. This calculation is based on the existing scheme based rating model, and would reduce significantly should Council in the future elect to adopt a District Wide rating policy for wastewater.

Table 1 sets out the estimated rating impact of establishing a discharge to land scheme in Hihi. A copy of the rating impact assessment has been included as attachment 3.

**Table 1: Estimated targeted rating impact of wastewater discharge to land for Hihi**

Additional Capital Rate Per Connection	2025 (Y5)	2026 (Y6)	2027 (Y7)	2028 (Y8)	2029 (Y9)	2030 (Y10)
At \$2.0M	\$572.73	\$564.44	\$556.14	\$547.84	\$539.55	\$531.25
At \$2.85M	\$818.19	\$806.34	\$794.48	\$782.63	\$770.78	\$758.93
At \$3.02M	\$859.75	\$847.18	\$834.61	\$822.04	\$809.47	\$796.90
At \$4.5M	\$1,289.63	\$1,270.77	\$1,251.91	\$1,233.06	\$1,214.20	\$1,195.35

To assess affordability of establishing a discharge to land scheme in Hihi, the 2020 BERL report is used. The report does not assess the Hihi community individually but does look at the Te Hiku Ward as a whole.

The BERL report establishes that affordability, in the context of rates has two aspects:

- I. The cost relative to income (and wealth);
- II. The ability of ratepayers to earn greater income in the future from the spending of rates, e.g. investment in infrastructure. It also sets out an approximate benchmark for affordability, whereby affordability concerns will arise where rates exceed 5% of gross household income.

If discharge to land is pursued, the estimated lowest cost increase scenario will result in total rates of \$2,886, \$3,161, and \$3,335 for lower quartile, median, and upper quartile households respectively. At these values the rates would be unaffordable (>5% income) for 6 out of 8 typical household types across all 3 levels indicated in Table 2. The two household types where rates remain affordable are 'Couple, two children, both employed' and 'Two working adults, based in Auckland'.

Using the BERL report to frame considerations of affordability (under the current rating mechanism), the discharge of treated wastewater to land from the Hihi wastewater treatment plant is assessed as not economically viable. The upgrade currently being investigated for Hihi WWTP would likely at least double the rating impact for the community presented in this report. Land acquisition could also add further costs to the project.

### **Implications for consideration by the Infrastructure Committee**

#### **Decision 1a (preferred decision) – Determining that discharge of treated wastewater to land from the Hihi wastewater treatment plant is not pursued as part of the replacement consent application process.**

Council supports the staff recommendation that disposal of treated wastewater from the Hihi WWTP to land is practicably viable but not economically viable within the context and timing of the required resource consent applications. It is anticipated that this will result in a resource consent authorising discharge to water being approved for the Hihi WWTP.

This outcome does not prevent FNDC from continuing to investigate the option of wastewater discharge to land.

#### **Decision 1b - Deferring a decision on the economic viability of wastewater discharge to land for Hihi**

Council defers a decision on the economic viability of land disposal. Staff will still be required to lodge the application for replacement resource consents authorising discharge of treated wastewater to water prior to 31 August 2022. These applications would include the assessment carried out to date on wastewater discharge to land feasibility and costs but will be absent a Council decision in respect of the economic viability of establishing such a scheme.

The consequence of not including a Council decision on the matter is that staff will be required to decide on the matter and present this in the application. A determination by staff may not carry sufficient weight to be accepted either by the community or NRC's decision makers.

#### **Decision 1c - Deciding that wastewater discharge to land for Hihi is economically viable**

A decision that wastewater discharge to land is economically viable will require a staged consenting process. Staff will be required to lodge a consent application for discharge to water to cover the ongoing discharge whilst the site selection, land purchase, consenting, design, delivery and LTP requirements are covered.

It is anticipated that a short-term consent would not be inconsistent with Policy D.4.3 because it can be demonstrated that it is not practicably viable to deliver a wastewater discharge to land scheme within the time constraints associated with the above. Additional costs associated with land purchase



and potential upgrade options for the Hihi wastewater treatment plant will need to be assessed and included in the proposal.

Staff will engage with mana whenua, landowners, and other stakeholders, to determine a preferred site based on practicality, cost, cultural considerations, landowner participation and the potential for wastewater to become a resource (i.e., irrigation) on the preferred site.

Funding will then be required to progress on-site investigations to assess if the land is suitable to receive treated wastewater as predicted at a desktop level. Providing that a preferred site is successfully identified and verified through site investigations, a concept design and cost estimate will be developed for a wastewater discharge to land scheme including potential upgrades that may be required at the treatment plant.

The concept design can then be progressed into a detailed design to be implemented should the activity of discharging treated wastewater to land become economically viable in future for Hihi.

### **Take Tūtohunga / Reason for the recommendation**

Due to the necessary upgrade at Hihi WWTP and estimated rating impact on households that are connected to the Hihi wastewater scheme, it has been determined that a wastewater discharge to land scheme is currently unaffordable for the community of Hihi.

As such, it is recommended that a wastewater discharge to land scheme is determined as economically non-viable, and that the replacement consent application seeking to continue discharging to the unnamed tributary of Hihi beach is supported.

### **3) PĀNGA PŪTEA ME NGĀ WĀHANGA TAHUA / FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION**






This report recommends the discharge to land under the current rating model is unaffordable for the community of Hihi. If this recommendation is endorsed, then no budgetary provisions will be required.

If it is determined that investigations should be progressed to a concept design stage, funding of approx. \$285k over 2 – 3 years is estimated as the requirement.

Should Council decide that discharge to land is affordable then further investigations will need to be conducted in collaboration with local community and iwi. The cost of these investigations and implementation of a discharge to land scheme is between \$2.85M - \$3.02M at -30% to +50% accuracy.

The Three Water reforms are also expected to take effect from 1 July 2024.

### **ĀPITIHINGA / ATTACHMENTS**

1. **Hihi Land Disposal Assessment Report 09-2021 - A3773993** [↓](#) 
2. **Hihi WWTP Engagement Overview - June 2022 - A3774072** [↓](#) 
3. **Rating Impact Assessments - Hihi DtL Options - A3774030** [↓](#) 
4. **Rate's affordability in the Far North 2020 - A3773995** [↓](#) 
5. **20210705 Beca - Hihi WWTP Discharge to Land Cost Estimate Letter - A3773991** [↓](#) 

**Hōtaka Take Ōkawa / Compliance Schedule:**

Full consideration has been given to the provisions of the Local Government Act 2002 S77 in relation to decision making, in particular:

1. A Local authority must, in the course of the decision-making process,
  - a) Seek to identify all reasonably practicable options for the achievement of the objective of a decision; and
  - b) Assess the options in terms of their advantages and disadvantages; and
  - c) If any of the options identified under paragraph (a) involves a significant decision in relation to land or a body of water, take into account the relationship of Māori and their culture and traditions with their ancestral land, water sites, waahi tapu, valued flora and fauna and other taonga.
2. This section is subject to Section 79 - Compliance with procedures in relation to decisions.

<b>He Take Ōkawa / Compliance Requirement</b>	<b>Aromatawai Kaimahi / Staff Assessment</b>
State the level of significance (high or low) of the issue or proposal as determined by the <a href="#">Council's Significance and Engagement Policy</a>	Deciding that it is economically viable to establish wastewater disposal to land schemes for the community of Hihi has a high level of significance, which meets several criteria (for high significance) set out in the policy.
State the relevant Council policies (external or internal), legislation, and/or community outcomes (as stated in the LTP) that relate to this decision.	The Resource Management Act requires FNDC to hold resource consent to discharge contaminants into the environment. Replacement resource consent is being sought. This approach is viewed as more affordable than establishing disposal to land schemes for the subject community and is considered consistent with the community outcome of: <i>Prosperous communities supported by a sustainable economy.</i>
State whether this issue or proposal has a District wide relevance and, if not, the ways in which the appropriate Community Board's views have been sought.	The issue of establishing disposal to land schemes is a district wide issue, which has been focused via this report on the community of Hihi, because of the need to replace discharge resource consents for this community.
State the possible implications for Māori and how Māori have been provided with an opportunity to contribute to decision making if this decision is significant and relates to land and/or any body of water.  State the possible implications and how this report aligns with Te Tiriti o Waitangi / The Treaty of Waitangi.	A decision that discharges to land is not economically viable will have implications for Māori, being the continued discharge of treated effluent to water. Consultation with tangata whenua is currently underway and will include this topic, enabling tangata whenua to contribute to the resource consent application decision making process.
Identify persons likely to be affected by or have an interest in the matter, and how you have given consideration to their views or preferences (for example – youth, the aged and those with disabilities).	All rate payers that are connected to, or have the ability to connect to, a public wastewater scheme will be affected by this matter. Consideration of the economic impact of establishing land disposal schemes has been considered via the rating impact of the activity.

<p>State the financial implications and where budgetary provisions have been made to support this decision.</p>	<p>A decision that finds the activity (of land disposal) to be economically viable will have significant financial implications, which may in turn require decisions by Council to transfer funding from other areas within the organisation, or otherwise fund establishment of land disposal schemes. No budgetary provisions have yet been made either to establish land disposal schemes, or to undertake further investigation to preliminary design stage for the community of Hihi.</p>
<p>Chief Financial Officer review.</p>	<p>The Chief Financial Officer has reviewed this report.</p>

Sensitivity: General

# Hihi Wastewater Treatment Plant

## Land Disposal Options Assessment

---

**September 2021**

1

















































































































































































































## 6 INFORMATION REPORTS

### 6.1 INFRASTRUCTURE COMMITTEE ACTION SHEET UPDATE JULY 2022

**File Number:** A3769314

**Author:** Rhonda-May Whiu, Democracy Advisor

**Authoriser:** Aisha Huriwai, Team Leader Democracy Services

#### TAKE PŪRONGO / PURPOSE OF THE REPORT

To provide the Infrastructure Committee with an overview of outstanding decisions from 1 January 2020.

#### WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

- Council staff have reintroduced action sheets as a mechanism to communicate progress against decisions/resolutions and confirm when decisions have been implemented.
- The focus of this paper is on decisions made by the Infrastructure Committee.
- Action sheets are also in place for Council and Community Boards.

#### TŪTOHUNGA / RECOMMENDATION

**That the Infrastructure Committee receive the report Action Sheet Update July 2022.**

#### 1) TĀHUHU KŌRERO / BACKGROUND

The Democracy Services Team have been working on a solution to ensure that elected members can receive regular updates on progress against decisions made at meetings, in alignment with a Chief Executive Officer key performance indicator.

Action sheets have been designed as a way to close the loop and communicate with elected members on the decisions made by way of resolution at formal meetings.

Action sheets are not intended to be public information but will provide updates to elected members, who, when appropriate can report back to their communities and constituents.

#### 2) MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND OPTIONS

The outstanding tasks are multi-facet projects that take longer to fully complete.

The Democracy Services staff are working with staff to ensure that the project completion times are updated so that action sheets provided to members differentiate between work outstanding and work in progress.

#### Take Tūtohunga / Reason for the recommendation

To provide the Infrastructure Committee with an overview of outstanding committee decisions from 1 January 2020.

#### 3) PĀNGA PŪTEA ME NGĀ WĀHANGA TAHUA / FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

There are no financial implications or need for budgetary provision in receiving this report.

#### ĀPITIHINGA / ATTACHMENTS

1. **Infrastructure Committee Action Sheet July 2022 Update - A3788656** [↓](#) 









**7 TE WĀHANGA TŪMATAITI / PUBLIC EXCLUDED****RESOLUTION TO EXCLUDE THE PUBLIC****RECOMMENDATION**

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under section 48 for the passing of this resolution</b>
<b>7.1 - Confirmation of Previous Minutes - Public Excluded</b>	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

**8 KARAKIA WHAKAMUTUNGA – CLOSING PRAYER**

**6 TE KAPINGA HUI / MEETING CLOSE**