

6 October 2022

All Hut Owners - Upper Selwyn Huts

Dear Sir/Madam

UPPER SELWYN HUTS - DEED OF LICENCE EXTENSION

As you know, the existing deed of licence for the Upper Selwyn Huts (Huts) expired on 30 June 2020.

Council staff reviewed the terms and conditions of the existing form of licence in 2021 but did not progress consultation with licensees as the future of wastewater management at the Huts was uncertain. In the meantime, the Council has permitted licensees to continue exercising their entitlements as licensee of the Huts pending the resolution of wastewater issues.

As noted in our update of 23 May 2022, the Council has agreed to connect the Ellesmere Wastewater Treatment Plant to the Pines Wastewater Treatment Plant in Rolleston via a pipeline along Leeston Road. Planning, design, costing and contract tendering is underway, and construction is expected during 2023/2024. This development means that the Huts could be connected to reticulated wastewater. This solution is anticipated to be more economic than a replacement onsite wastewater treatment option but the capital cost would still need to be recovered from the Huts community over time.

Notwithstanding Council's recent progress, it is aware that the Government's Three Waters Reform Programme will affect the future ownership and funding of water and wastewater infrastructure within the Huts community. Considering these uncertainties, the Council has not progressed renewed licence documentation for the Huts.

Once the above matters are resolved, the Council will be in a better position to confirm the tenure and terms and conditions of the Council's proposed new form of licence for the Huts. In the meantime, the Council appreciates that licensees require certainty about the future of the Huts community.

Accordingly, the Council has decided to extend the expiry date for all deeds of licence which were due to expire on 30 June 2020 until **30 June 2024.**

Please do not hesitate to contact me if you wish to discuss the issues covered in this letter.

Yours faithfully

Murray Washington

GROUP MANAGER - INFRASTRUCTURE AND PROPERTY