

12 September 2019

LETTER TO UPPER SELWYN HUTS
HUT OWNERS

Dear Hut Owner

This letter is to inform you of progress on a number of issues that affect the Upper Selwyn Huts community.

Decision from Council Meeting – 11 September 2019

Following the Council resolution from its meeting on 8 May 2019 the Subcommittee, established to review options for wastewater collection and treatment, together with the three community members have been meeting on a monthly basis to discuss wastewater solutions for the Selwyn Huts community.

The Council would like to acknowledge and thank Graham Evans, Graeme Young and Robbie Hyde for their significant contribution to achieve the following.

Council considered at its meeting on 11 September 2019 a report from the Asset Manager Water Services (copy attached) and the following resolutions were made:

‘That the Council

1. *Receives this report ‘Upper Selwyn Huts – Wastewater Working Party Update’ for information,*
2. *Acknowledges the working party’s recommendation that the preferred option for wastewater management at Upper Selwyn Huts is as follows:*
 - a) *Renew the pipe reticulation with a pumped low pressure sewer;*
 - b) *Construct a package treatment plant at the huts;*
 - c) *Construct a new disposal area at the huts reserve area with raised beds and potential for summer disposal via low lying drip irrigation;*
 - d) *That the financial table of loans repayment options be noted with the 15 year timeframe preferred;*
 - e) *The final annual rate to be determined following the wastewater design solution confirmation and in line with the consent duration.*
3. *Endorses the following action plan:*
 - a) *Complete and lodge the short term consent to continue with the operations of the existing Wastewater Treatment Plant by 20 December 2019*
 - b) *Revise licence agreement to have effect from 1 July 2020 as per Council resolution 20190612_003. Costs incurred to date and reasonably expected in the short term to be recovered through the licence*

- c) *Operate the existing plant under the proposed short term consent. This may require optimized operation including trucking of some waste, cut and carry to reduce nitrogen loading etc*
- d) *Consult and agree on medium term solution based on the subcommittee recommendation in (2) above*
- e) *Consent the medium term solution within the year 2022 and construct the medium term solution (by 2024).*

4. *That the Upper Selwyn Huts Community be advised of:*

- a) *The fore mentioned resolutions of the Upper Selwyn Huts Committee and the Council;*
- b) *That the capital cost of upgrading the wastewater treatment and disposal system, the replacement of the sewer reticulation within the huts and the annual operating cost will be funded by way of a targeted rate over the Upper Selwyn Huts area;*
- c) *That the estimated capital cost is estimated at \$3,000,000 +/- 20% and when combined with the annual operating costs that the annual targeted rate will be approximately \$4,000 +/- 20%;*
- d) *That the information contained in this resolution be included in all LIMs requested and with all licence transfer documentation requested at the Upper Selwyn Huts."*

The community meeting to be held on 14 September will consider this decision. We look forward to feedback.

Basketball Hoop Update

Council staff have been undertaking site investigations as to what is required for the compliant installation of a basketball hoop on the reserve. The hoop will be installed against the fence on the tennis court closest to the shed. Both tennis courts will not be able to be used together when this happens but we doubt that this will occur very often. The basketball hoop has been ordered and will be installed as soon as we can.

Sewer Reticulation Network Investigation

Council wrote in June 2019 to a selected number of hut owners following investigations into possible water leaks into the sewer reticulation network at the huts. It is pleasing to note that a number of hut owners have complied with the Council's request and undertake the work necessary to address this problem and advised the Council accordingly.

Staff would remind those hut owners that haven't undertaken the work that this is required to be completed by **30 September 2019**. After this date Council will re-inspect the relevant properties to assess the work. Please note that drainage work must be carried out by a suitably qualified drain layer. Please refer to Clause 13 – Water, Sewer and Sanitary of the Deed of Licence (attached extract).

If you have any issues with completing the work within the three month timeframe or for any further queries please contact the Water Services Team on (03) 347 2800 or water.services@selwyn.govt.nz.

Nomination to Heritage New Zealand

Council received notification in March that an application had been received for entering the Upper Selwyn Huts onto the New Zealand Heritage List and advised the community of this nomination in a letter dated 10 May 2019.

On 5 August 2019, Council received a further letter from Heritage New Zealand advising that the application for heritage status had been declined on the basis that the complications around expected sea level rise and issues of storm water management mean that hut licences and subsequent renewals would only be issued for a short term finite period.

Licence Fees 2019/2020

Invoices for hut licence fees for the 2019/2020 financial year are currently being generated and are expected to be posted week commencing 16 September approximately. The last day for payment to be eligible to receive the \$40 discount will be **30 October 2019**.

Please do not hesitate to contact me should you have any further queries.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Douglas Marshall'.

Douglas Marshall
GROUP MANAGER PROPERTY

EXTRACT FROM 2015 DEED OF LICENCE

13. WATER, SEWER AND SANITARY

13.1 The Licensee shall:

- a) obtain the Licensor's approval to connect a lateral pipeline from a Lot to any of the sewer or potable water main pipelines before any connection works are commenced;
- b) meet the Licensor's costs of, or incidental to, approving any application or undertaking any works on behalf of the Licensee;
- c) undertake any works affecting the lateral pipelines in accordance with required consents or conditions of consent including any building consents;
- d) keep any lateral pipelines which service the Lot in a state of good order and repair, free of any infiltration and obstructions; and
- e) ensure that storm water is not discharged from the Lot into the waste water system.

13.2 The costs of resolving any problems relating to a lateral pipeline shall be:

- a) shared equally between licence holders where the issue relates to a shared section of lateral pipeline from the common junction to the main pipeline; and
- b) individually the responsibility of the licence holder where the issue relates to a licence holder's section of lateral pipeline above the common junction.

REPORT

TO: Chief Executive

FOR: Council Meeting – 11 September 2019

FROM: Asset Manager Water Services

DATE: 30 August 2019

SUBJECT: **UPPER SELWYN HUTS – WASTEWATER WORKING PARTY UPDATE**

RECOMMENDATION

'That the Council

1. *Receives this report 'Upper Selwyn Huts – Wastewater Working Party Update' for information,*
2. *Acknowledges the working parties recommendation that the preferred option for wastewater management at Upper Selwyn Huts is as follows:*
 - a) *Renew the pipe reticulation with a pumped low pressure sewer;*
 - b) *Construct a package treatment plant at the huts;*
 - c) *Construct a new disposal area at the huts reserve area with raised beds and potential for summer disposal via low lying drip irrigation;*
 - d) *That the financial table of loans repayment options be noted with the 15 year timeframe preferred;*
 - e) *The final annual rate to be determined following the wastewater design solution confirmation and in line with the consent duration."*
3. *Endorses the following action plan*
 - a) *Complete and lodge the short term consent to continue with the operations of the existing Wastewater Treatment Plant by 20 December 2019*
 - b) *Revise licence agreement to have effect from 1 July 2020 as per Council resolution 20190612_003. Costs incurred to date and reasonably expected in the short term to be recovered through the licence*
 - c) *Operate the existing plant under the proposed short term consent. This may require optimized operation including trucking of some waste, cut and carry to reduce nitrogen loading etc*
 - d) *Consult and agree on medium term solution based on the subcommittee recommendation in (2) above*
 - e) *Consent the medium term solution within the year 2022 and construct the medium term solution (by 2024).*
4. *That the Upper Selwyn Huts Community be advised of:*
 - a) *The fore mentioned resolutions of the Upper Selwyn Huts Committee and the council*

- b) *That the capital cost of upgrading the wastewater treatment and disposal system, the replacement of the sewer reticulation within the huts and the annual operating cost will be funded by way of a targeted rate over the Upper Selwyn Huts area*
- c) *That the estimated capital cost is estimated at \$3,000,000 +/- 20% and when combined with the annual operating costs that the annual targeted rate will be approximately \$4,000 +/- 20%*
- d) *That the information contained in this resolution be included in all LIMs requested and with all licence transfer documentation requested at the Upper Selwyn Huts*

1. PURPOSE

The purpose of this report is to provide Council with a summary of information from the Council Sub-committee relating to the potential future wastewater servicing of Upper Selwyn Huts.

2. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT *(required heading)*

This matter has been assessed against the Significance and Engagement Policy: Consideration has been given to criteria set out in the policy, including:

- the magnitude of the net costs of the proposal or decision to the Council and / or to affected communities or groups
- the level of community interest in the proposal, decision or issue
- the values and interests of Ngāi Tahu whānau, hapū and rūnanga, as mana whenua for the region

On this basis the matter is considered to be of high significance.

3. HISTORY/BACKGROUND

Selwyn Huts is a settlement of 98 dwellings of which historically up to 19 could be permanently occupied. The current lease agreement allows for permanent occupancy. The settlement is located on Council reserve land and the day to day operation of the settlement is managed by the council.

The Selwyn Huts reticulated sewerage scheme was initially installed in the 1920s with the effluent from the septic tank discharged into the Selwyn River. A new sewage treatment and land disposal scheme was constructed in 1988. A schematic of how the current wastewater system operates is included in Appendix A. Records indicate that the original scheme(s) was funded by the hut owners / lease holders.

The huts area is low lying and any upgrade option needs to take into account future lake levels.

The Deed of Licence for the occupancy at the Upper Selwyn Huts expires on 30 June 2020. The existing wastewater consent expires in 2020.

The Council has previously decided, and regularly confirmed, via Long Term Plan and Annual Plan consultation process that the Selwyn Huts community will not be included

within the district wide rating systems for water or sewerage and during the draft annual plan preparation for 2019/2020, the Councillors reconfirmed that decision.

At the Council meeting 8 May 2019 the Council resolved to form a sub-committee of council to develop a strategy for the best way forward.

The Council resolution is provided below:

Moved (as amended) Mayor Broughton / ***Seconded*** Councillor Lyall

That Council requests the Upper Selwyn Huts community to identify 3 members by 31 May 2019 to join the Council Subcommittee to review options for wastewater collection and treatment; the cost of those options, any proposed changes to the licence agreement to have effect from 1 July 2020, and that the appointed group report back to Council with their recommended proposal to the 10 September 2019 Council meeting.

CARRIED

Members of the sub-committee included:

Council Representatives

Mayor Sam Broughton
Councillor Grant Miller,
Councillor Malcolm Lyall
Councillor Debra Hasson

Community Representatives

Graeme Young	Community Reps
Graham Evans	Community Reps
Robin Hyde	Community Reps

Minutes from the meetings held with the sub-committee are provided in appendix B. The outcome of the sub-committee deliberations is provided in Appendix B

4. PROPOSAL

Staff seek that the Council consider and implement the recommendation set out above.

5. OPTIONS

There are a number of potential options available to Council:

- a. Accept the recommendation of this report, or
- b. Accept the recommendation with amendment, or
- c. Reject the recommendation of this report

Staff preference is that the recommendation of this report is accepted.

6. VIEWS OF THOSE AFFECTED / CONSULTATION

(a) Views of those affected

At the Council meeting 8 May 2019 the Council resolved to form a sub-committee of council to develop a strategy for the best way forward.

The view of the Sub-committee was confirmed at the 28 August meeting by the following resolution:

Moved Graham Evans / **Seconded** Graeme Young

"That the preferred option for wastewater management at Upper Selwyn Huts is as follows:

- e) Renew the pipe reticulation with a pumped low pressure sewer;*
- f) Construct a package treatment plant at the huts;*
- g) Construct a new disposal area at the huts reserve area with raised beds and potential for summer disposal via low lying drip irrigation;*
- h) That the financial table of loans repayment options be noted with the 15 year timeframe preferred;*
- i) The final annual rate to be determined following the wastewater design solution confirmation and in line with the consent duration."*

CARRIED

Minutes from the meetings held with the sub-committee are provided in Appendix B

(b) Consultation

This matter has been the subject of consultation with the Hut owners for some time. The recommendation of this report is to continue this consultation on a structured basis

(c) Māori implications

Further consultation with occur as part of the ECan resource consent application.

7. FUNDING IMPLICATIONS

The cost of any wastewater solution implemented, will be paid for by the Selwyn Huts community. This cost includes both capital spent and the ongoing annual operating costs.

Council has to be very mindful that securing payment is not as straight forward due to the Council owning the land, and the improvements being owned by the licensee. Most licence holders meet their financial obligations under the licence. Some don't. An important point to note is that the hut licence does not provide the same security for payment that the Council would normally have when levying a rate, There is no ability to place a charge on the land, and remember that the Council owns the land. Claiming a hut and selling the hut is obviously an option but there would be a limited market for recovering costs. Accordingly the issue of cost and how it is funded must be carefully considered.



Murray England
ASSET MANAGER WATER SERVICES

Endorsed For Agenda



Murray Washington
GROUP MANAGER INFRASTRUCTURE

Appendices

Appendix A – Schematic of wastewater system
Appendix B – Sub-Committee minutes

Appendix A – Schematic of wastewater system

