

Submission to Taupo District Council Long-term Plan

Part 2 – Existing Items In the LTP

KRG Community Reps (April 2018)

SUMMARY

Background

- These items have already been included in the LTP
- The areas identified for a submission are areas we feel that directly affect the Kinloch Community
- There are 4 questions that the TDC are specifically asking for feedback on, we encourage all members of the Kinloch Community to go online and express their opinion on these issues to <https://submissions.taupo.govt.nz/>. As this is already set up as a survey for people to respond we have not prepared a submission specifically on these items:
 - Improving Traffic Flow
 - Upgrading Acacia Bay's Water Supply
 - Working to Reduce wastewater spills
 - Civic Administration Building

Existing LTP Items Submissions for Kinloch

In preparing this submission for the Long-term Plan (LTP) 2018 we have reviewed feedback from the Community during the LTP Consultation process and KRG meetings & workshops. We have divided our submission into 2 parts – Part 1 focussed on new LTP items and Part 2 focussed on existing LTP items.

Submissions for Part 2 Existing LTP Items to the LTP 2018 for Kinloch:

1. Water Supply Upgrade
2. Wastewater Upgrade
3. Developer Contributions Policy
4. Rates Affordability
5. Fees & Charges Policy – specifically AC Baths
6. Waste Management Minimisation Plan

1. **Water Supply Upgrade**

The Consultation Document identifies serious issues around the future supply and quality of drinking water to the Kinloch Community. This is quite a revelation considering that we are adjacent to the largest and cleanest body of water in New Zealand, Lake Taupo!

Capacity upgrades are required due to current and future development demands. Facilities upgrades are required to guarantee the health of consumers, as stormwater and, at times, sewage flows into the lake. Volume restraints under existing consent conditions, requires a behavioural change from consumers now and in the future.

Figure 1 below shows water infrastructure capital costs and Kinloch ratepayer contributions to meet the capacity demand due to development. Ratepayers have been subsidising development activity.

Significant capital funding is now required to upgrade the Kinloch water supply and there is a recognition amongst ratepayers that the quality upgrade component is being driven from central, not local government, because of contamination in other districts. Capacity increase requirements however, is development driven and the proposed development contributions are woefully short of ratepayers expectations.

At a recent Community Workshop, the council advised that the initial proposed location for the new water treatment plant was on the 'old' dumpsite on Kinloch Road. In an effort to reduce costs, locating the new plant on the reserve off Marina Terrace is being studied.

Proposed Solutions

- a. That no further consents for new development be issued by council until the development Contributions policy 2018 be revamped.
- b. That if the Marina terrace site for the new plant is favoured, then, full consultation will take place with the community, especially nearby property owners and;
 - i. appropriate noise attenuation controls will be designed.
 - ii. That the design of the plant buildings be non-industrial and are in keeping with the amenity and character of the "Kinloch Village".
- c. Council introduce the policy requirement for storage tanks to collect rainwater for laundry and outside use, to reduce further demands on treated water supply from the lake. This policy to apply to any new consents for subdivision and introduced in the near future to building consents.

Figure 1:

Kinloch Growth Projects Water and Wastewater - Actual Capital Expenditure and DC Funding July 2004 - June 2017																
		0405	0506	0607	0708	0809	0910	1011	1112	1213	1314	1415	1516	1617	Total Actual Spend	Actual Funding from DC's
Kinloch water reticulation and upgrade																
2654918	0405 Kinlochwater Intake	6,467													6,467	6,467
2654916	0506 Kinloch Water Reticulation	123,503	439,030	8,095	1,438										572,066	159,004
26549211	0607 Retic & Reservoir			60,014	10,000										70,014	36,785
26549212	0708 Retic & Reservoir				50,196	2,867									53,063	37,753
2654902	1011 Continuous Water Monitoring Equipment Kinloch							71,980	15,372	1,896					89,248	19,681
2654903	1213 Bulk Flow Meter Installation									8,674	28,206				36,880	9,625
2654901	1516 Bud tfr Security of supply												4,182	317,567	321,749	76,898
		129,971	439,030	68,109	61,634	2,867	0	71,980	15,372	10,570	28,206	0	4,182	317,567	1,149,487	346,215
Kinloch wastewater infrastructure development																
		0405	0506	0607	0708	0809	0910	1011	1112	1213	1314	1415	1516	1617	Total Actual Spend	Actual Funding from DC's
2864917	0506 Kinloch Plant Upgrade		5,725												5,725	3,038
2864914	0405 Kinloch Plant Capacity	76,927	108,328	22,968											208,222	31,124
28649181	0708 Kinloch Design			62,878	277,584	17,666									358,128	0
28649182	0708 Kinloch Land			2,160	241,310	307,145									550,614	33,422
		76,927	114,053	88,006	518,894	324,810	0	0	0	0	0	0	0	0	1,122,689	67,585
Kinloch Growth Projects Water and Wastewater - Planned Capital Expenditure and DC Funding July 2018 - June 2028																
Planned capital expenditure in LTP 2018-2031		1819	1920	2021	2122	2223	2324	2425	2526	2627	2728				Total Forecast Spend	Forecast Funding from DC's
10627	Kinloch WTP upgrade	150,000	413,000	5,407,000	930,000	490,000									7,390,000	2,198,414
10741	Kinloch Effluent Disposal Field	2,200,000													2,200,000	605,926
10742	Kinloch Wastewater TP Balance Tank	100,000	1,700,000												1,800,000	492,225
10743	Kinloch WWTP Upgrade					250,000	2,500,000								2,750,000	2,241,362
		2,450,000	2,113,000	5,407,000	930,000	740,000	2,500,000	0	0	0	0				14,140,000	5,537,927

2. Wastewater Upgrades

When the settlement of Kinloch was first established, the disposal of sewage was managed via individual septic tank systems in each property. In May 1983, the Taupo County Council proposed a sewage scheme for all Kinloch ratepayers at the time and developers of adjoining land to provide for future development. The purpose of the Sewage Scheme was:

- a. protection of the water quality of Lake Taupo,
- b. the availability of new techniques for small treatment systems, and
- c. a subsidy from central Government to cover some of the costs.

Funding for the balance of funds required Taupo County Council raising a loan and Kinloch ratepayers were asked to consider a lump sum contribution to the capital works on the understanding that the property owner would only be required to pay for the operation and maintenance of the Sewage Scheme in the future.

Agreement was reached with 411 ratepayers to provide funding by lump sum payment or payment of a uniform annual charge for 20 years.

Due to objections, the siting of the plant was moved further away from the settlement, resulting in additional costs to ratepayers. Further costs were incurred by ratepayers when developers' reduced their contribution and chose to install additional facilities in the future at their full cost.

Figure 1 shows Kinloch wastewater infrastructure development for the past ten years. It appears that ratepayers have been subsidising capacity upgrades required as a result of the development of new sections in the Kinloch Structure Plan area.

Further upgrades of the wastewater plant are now required as a consequence of present and planned development, and ratepayers are being asked to fund an inequitable proportion of these costs.

During the LTP Consultation, Council clarified that there is a requirement to implement a new effluent disposal field, due to environmental issues. The reasons for this have not been fully explained.

Irrigation of the council owned public golf course is being proposed and this is an additional cost to ratepayers.

Summary

- Some Kinloch property owners/ratepayers are being asked to pay twice for wastewater infrastructure.
- Development contributions fall well short of the capital necessary to fund wastewater plant capacity upgrades required due to development.
- There are environmental issues with wastewater disposal that have not been fully explained to the Kinloch community.
- There is concern amongst residents adjacent to the wastewater plant around effluent disposal and the planned new access road to the plant.

Proposed Solutions

- a. That no further consents for new development be issued by council until the Development Contributions Policy 2018 has been revamped.
- b. That council engages in meaningful consultation with ratepayers and residents whose properties are located adjacent to the plant.

3. Developer Contributions Policy

The vision of the Gibbs 'and Holyoake partnership for Kinloch has now faded into a Whangamata Bay sunset. The idea of a tranquil, sylvan holiday village has been overtaken by urbanisation of the landscape through successive developments.

The humble fibro, coppers roofed bach with a sleepout, or if well off, a Lockwood, has been replaced by four bedroomed holiday houses. These have all the trappings of modern day living with tiled bathrooms and ensuites, air conditioning and are fully insulated and double glazed.

Fourteen foot ply, home built runabouts powered with Mark 1 Zephyr engines are extinct, and many types of fibreglass boats powered by 200 hp Yammies continue to use Kinloch as the gateway to the western bays. The upgraded marina provides berths for Bayliners and overnight stays on the lake are now possible.

Grandchildren and great grandchildren of Kinloch's founding fathers and early settlers, now enjoy wakeboarding and biscuiting instead of the water skiing that their parents indulged in.

Trout fishing is still popular, bag limits for trout have decreased from 12 to 3 but have increased to 6 this season. Tramping has been replaced by bushwalking and the new pursuits of jet skiing, mountain biking and rock wall climbing are enjoyed by many residents, holiday makers and visitors. Kinloch is now so popular, that it is bursting at the seams during peak holiday periods.

Kinloch sunrises are beset by a number of issues which are discussed elsewhere in this submission to the Long Term Plan, but it is the issue of 'development contributions' that is creating considerable angst for ratepayers, who are frankly, of the view, that they are now being rorted.

As far back as Taupo County Council times, in the eighties, developers' have contributed to infrastructure. The establishment of the Kinloch Sewerage Scheme is an early example.

During the LTP consultation phase, Council have kindly provided an insight into the development contributions process that has been applied to Kinloch. The attached spreadsheet shows infrastructure spend for the past ten years, planned expenditure, and the funding model.

Clearly, ratepayers have, and are being asked again to fund additional capacity to water and wastewater infrastructure that is required as a direct result of the development of additional sections in the Kinloch Structure Plan area.

Up until 2015, developers' have negotiated with Council and made a financial contribution.

Since 2015, the Taupo District Council Development Contributions Policy has been invoked for Kinloch.

It is considered that the past and present models have serious flaws, as development contributions are inadequate, and are only paid to Council at the time the developer requests LINZ for a certificate of title to sections. Moreover, canny developers' can choose the timing of this step to avoid paying part rates, by up to just under one year on the titles issued.

Summary

- Developers', realtors, property investors and the building industry have profited handsomely from the development of Kinloch, for many years, at ratepayer expense.
- An inequitable burden for infrastructure costs is now being placed on Kinloch ratepayers.
- Council have a vision of being 'The most prosperous and liveable district in the North island by 2022'
- It is incongruous that the Council identifies a major risk to this vision as -
- 'An ageing population on fixed incomes facing increasing infrastructure costs may result in rates that unaffordable for our ratepayers'
- Council is proposing only some tinkering with the current Development Contributions Policy 2018. It currently falls well short of the 'aims to recover infrastructure costs arising from growth, created by developers'.

Proposed Solutions

- a. That the Development Contributions Policy be suspended and no new consents for the development of sections in the Kinloch Structure Plan area be granted.
- b. That a study and review of the future level of development contributions for Kinloch be initiated by Council.
- c. Kinloch ratepayers to be consulted and have input to the terms of reference and aims of this review.

4. Rates Affordability

The LTP is predicated on “keeping rates affordable and sustainable”. The 5% charge in rates for 2017/18 for Kinloch and Turangi are the highest in the district and well above the forecast “Rates percentage increase” of 3.5% shown under the Financial Strategy.

There are a number of reasons for this but a major contributing factor is the capital expenditure required to provide upgrades to water and wastewater plants to meet capacity demands due to development, and health and environment standards.

Council identifies in the current 2018 -28 Plan that “An aging population on fixed incomes facing increasing infrastructure costs may result in rates that are unaffordable to our ratepayers”.

In fact, this is not fiction, as is shown in the rates increase data in the consultation document. Baby boomers from North of the Bombay Hill relocating to “paradise” are in for some surprises. Once the house is built, property landscaped and planted, how much cash will be available for retirement living? The first rates demand from TDC will be quite a shock to them, especially when they understand that they will be paying this level of rates for the foreseeable future, largely to fund basic infrastructure that they thought was provided for in their section purchase price.

Proposed Solutions

- a. That the council very seriously consider rates affordability and pay particular attention to submissions on development contributions.
- b. That council be “open and honest” and provide to Kinloch ratepayers the projected rate increases through to 2027/28, rather than try to hoodwink ratepayers by just showing the average data in the consultation document.

5. Fees & Charges Policy

Most of the AC Baths percentage increases are out of line with both inflation and rates increases. For a facility that promotes health & wellbeing these increases are unacceptable, particularly the Family Pool memberships with increases of over 60%.

AC Baths Fee 2017/18 & 2018/19

Item	2017/18	2018/19	% Change
Casual Entry Adult	\$8	\$10	25%
Senior/student	\$5	\$6	20%
Child	\$4	\$5	25%
Under 5s including non paying adult for supervision	\$4	\$5	25%
Family Pass	\$20	\$25	25%
Memberships			
Adult pool			
3 months	\$70	\$90	29%
6 months	\$120	\$135	13%
12 months	\$210	\$225	7%
Senior/student pool			
3 months	\$45	\$60	33%
6 months	\$70	\$90	29%
12 months	\$100	\$150	50%
Child pool			
3 months	\$45	\$50	11%
6 months	\$70	\$75	7%
12 months	\$100	\$125	25%
Family pool			
3 months	\$145	\$250	72%
6 months	\$230	\$375	63%
12 months	\$390	\$625	60%
Adult pool & fitness			
3 months	\$210	\$230	10%
6 months	\$320	\$335	5%
12 months	\$560	\$575	3%
Senior/student pool and fitness			
3 months	\$130	\$145	12%
6 months	\$220	\$240	9%
12 months	\$340	\$400	18%

Proposed Solution

Review proposed increase for AC Baths services to ensure they are in line with rate percentage increase, if any increase at all

6. Waste Management Minimisation Plan

The Kinloch Community Representatives support the proposed plan, particularly for developing markets for recycled construction waste.

From a survey of 95 Kinloch residents in November 2017 it was clearly identified that a change in opening times for the Kinloch Transfer Station is desired. 2/3 of respondents asked for the times to be changed.

Survey Results

Are you happy with the current opening times of 11am to 3pm, Tuesday to Sunday?

Answer Choices	Responses	
Yes - go to question 3	33.33%	32
No	62.50%	60
Other (please specify)	4.17%	4

If no, please select the times you would be happy with? (please select all that apply)

Answer Choices	Responses	
8am-12pm Tuesday to Sunday	7.69%	5
1-5pm Tuesday to Sunday	32.31%	21
8-10am & 3-5pm Tuesday to Sunday	21.54%	14
Current time and 1 day per week at 8-10am & 3-5pm	21.54%	14
Other (please specify)	30.77%	20

Proposed Solution

- a. Change the opening hours to the most popular time of 1-5pm on Tuesday to Sunday although close behind was 8-10am & 3-5pm Tuesday to Sunday.
- b. Note that many were also asking for extra hours (particularly Monday opening) but only options utilizing the existing 4 hours a day are presented here.
- c. Keep opening hours the same all year round