

Mayor and Councillors
COUNCIL

25 AUGUST 2011

Meeting Status: **Public**

Purpose of Report: For Information

WATER SUPPLY PROJECT - UPDATE

PURPOSE OF REPORT

- 1 The purpose of this report is to provide an update on progress made within the Water Supply project since the last report to Council in July 2011.

BACKGROUND

- 2 Council's resolution on 19 August 2010 (refer to report AS-10-922):

...approves further drilling, testing, monitoring, modelling and assessment work on the River Recharge with groundwater option with results being reported back to Council and community stakeholders before applying for resource consents.

- 3 At the same time:

...Council confirms the Maungakotukutuku Dam as the second ranked water supply option for the Waikanae/Paraparaumu/Raumati catchment.

That Council authorises the Chief Executive to negotiate the conditional purchase of the Maungakotukutuku Dam site subject to final approval by Council.

- 4 And to continue involving Te Āti Awa ki Whakarongotai in the process with:

... a Cultural Impact assessment be commissioned from local Iwi relating to both preferred options.

- 5 The following table is the amended programme since the 14 July 2011 Council report (refer to report IS-11-261) with updates shown in italics:

<u>Activities</u>	<u>Estimated Completion & Status</u>
Information Review of Solutions	Completed
Solution Selection	Completed
River Recharge Preliminary design/AEE	<i>June 2012</i>
- develop preliminary designs	Partial
- assess environmental effects for resource consent application	Partial
- prepare for statutory assessment, resource consent lodgement	Partial
- consult affected parties	Ongoing
- provide advice on procurement options	
- improve hydrological model	Partial (<i>March 2012</i>)

Activities	Estimated Completion & Status
<ul style="list-style-type: none"> - <i>understand down-stream ecological effects</i> - <i>drill test wells</i> - <i>optimise staged development</i> - <i>cultural impact assessment</i> 	<p style="text-align: center;">Completed</p> <p style="text-align: center;">Progressing (Nov 2011)</p> <p style="text-align: center;">Partial (March 2012)</p> <p style="text-align: center;">Progressing (Oct 2011)</p>
<p>Maungakotukutuku Dam Land Purchase</p> <ul style="list-style-type: none"> - <i>cultural impact assessment</i> - <i>develop covenant agreement</i> - <i>negotiate purchase agreements</i> 	<p style="text-align: center;">2012/13</p> <p style="text-align: center;">Progressing (Oct 2011)</p> <p style="text-align: center;">Progressing</p> <p style="text-align: center;">Progressing</p>
<p>Consent Approval</p> <ul style="list-style-type: none"> - <i>consent application, lodged, processed, including possible hearings</i> 	<p style="text-align: center;">2011/12</p>
<p>Detailed Design</p> <ul style="list-style-type: none"> - <i>produce a detailed design reflecting the consent requirements and the solution selected</i> 	
<p>Construction</p> <ul style="list-style-type: none"> - <i>procure a contractor to construct the solution</i> - <i>manage and monitor the construction</i> - <i>commission the built solution</i> 	<p style="text-align: center;">} 2012 to 2014</p>

6 This report provides an update on work streams since mid-July 2011.

CONSIDERATIONS

Investigation Wells

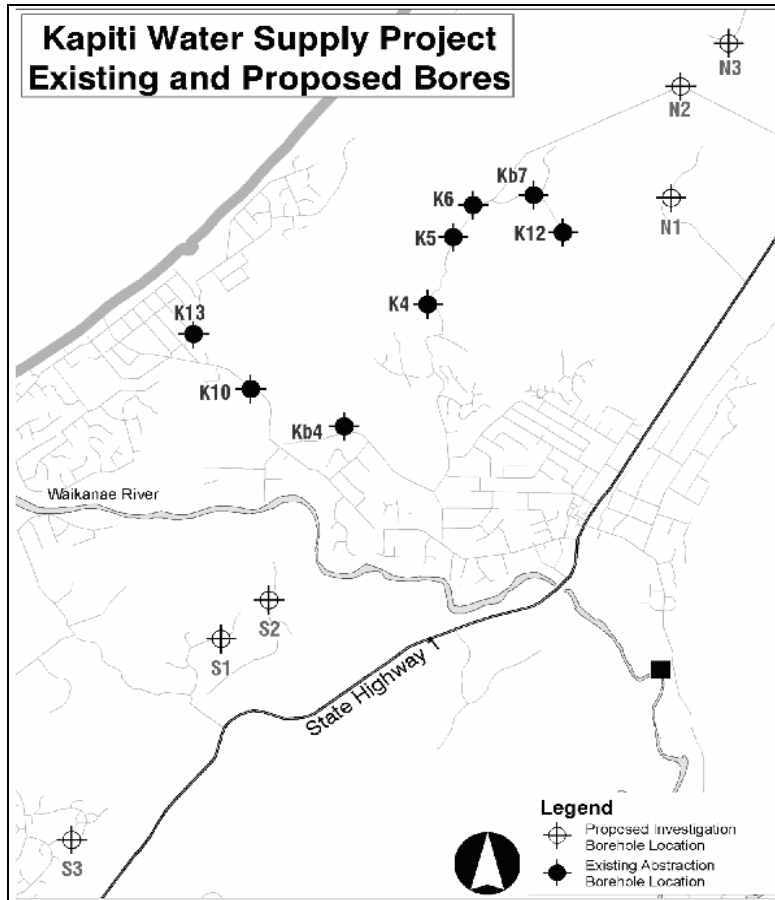
- 7 The location and order of drilling as set out in the Drilling Strategy (CH2M Beca, 1 November 2010), has been generally followed with each investigation bore being drilled in succession. This allows the findings from each well to be interpreted before confirmation of next drill location. See diagram on the following page for bore locations.
- 8 Drilling was completed at N2 (farmland) in early August with a depth of 80m being reached. Initial analysis indicated that this location would be suitable for a production bore. This location is estimated to provide 20-30 l/s of the required 41 l/s needed from each of the new bores. However, the final potential will not be known until the groundwater model has been updated with all investigation bore findings.
- 9 Drilling at S1 (Greendale) has re-commenced and is at a depth of about 80m. It is expected to be completed before the end of August. The next location is N3 (Kensington Drive) where the residents within 250m have already received a letter drop. Those properties with a dwelling within 100m have been contacted individually.

Bore Descriptor

Bore Number	Location
N1	Greenhill Road, Waikanae
N2	Farmland (Ngarara Road, Waikanae)
N3	Kensington Drive, Peka Peka
S1	Greendale Drive, Paraparaumu
S2	King Arthur Drive, Paraparaumu
S3	Waterstone Ave, Paraparaumu

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Bore Location Map



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Expressway

10 Any adverse effects that the proposed expressway may have on the water supply solution have to be mitigated by M2PP/NZTA project. The expressway route generally avoids the existing bore locations with the exception of K10. The M2PP/NZTA project is currently reviewing the design at the K10 location and pipeline crossings.

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Groundwater Model

- | 11 Any new work on the groundwater model is waiting on drilling investigations and saline intrusion monitoring results. Residents who participated in the saline monitoring have been provided their individual results. There is no evidence of abnormal intrusion.

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River Investigation

- | 12 The initial results of the river investigations indicate that groundwater mixed with river water has no adverse environmental effects. The results of this will be presented to Council, Technical Advisory Group, Te Āti Awa Water Working Group, and other key stakeholders over the next few weeks.

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Cultural Impact Assessment

- | 13 The consultant, Hapai Whenua – Environmental Advocates Ltd has conducted a series of individual interviews with Iwi members. A summary of their findings is currently being reviewed by Te Āti Awa Water Working Group. This will form the basis of the draft cultural impact assessment.
- | 14 To provide support to the cultural impact assessment, members of Te Āti Awa have visited Nelson's Maitai Dam and back-feed system in operation.
- | 15 The draft report is expected before the end of September with it being submitted for approval by Te Āti Awa in October 2011.

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Land Purchase

- | 16 Wildland Consultants have been engaged to undertake the assessment of the environmental values relating to the Department of Conservation covenant. The environmental values of the existing covenant and the estimated values after the construction of the Dam will form the basis for any agreement.
- | 17 Ikaham Holding's valuer has been on a months leave so progress has been delayed. It is expected further negotiations will be required before a final agreement will be reached.
- | 18 The Council valuer is currently preparing a valuation for the Kaitawa Forests land required for the Dam.
- | 19 No further work has been pursued at this stage with the Forestry Manager, Greater Wellington, as any agreement will be subject to the above negotiations.

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Consultation

- | 20 The Technical Advisory Group is scheduled to meet in early September to review the NIWA river investigations technical report.
- | 21 The Te Āti Awa Water Working Group has been kept informed of progress on the Water Supply project.
- | 22 A newsletter to interested members of the public who are on the project register is planned for distribution in September. It will provide an update on the results of the river investigation and investigation drilling.

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23 As part of the investigation drilling, residents that live within approximately 250m of each site have been keep informed by letter drop about timing of drilling investigations.

Financial Considerations

24 The Council resolved on 23 June 2011:

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That the Council adopts the Statement of Proposal for the 2011 Amendment to the 2009 Long Term Council Community Plan attached as Appendix 1 to this report (SP-11-255).

25 The adoption of the Water Supply project budgets in the Amended 2009 LTCCP mentioned above is reflected in the table below:

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<i>Financial Year</i>	<i>2009 LTCCP</i>	<i>June 2010 2010/11 Annual Plan</i>	<i>Amended 2009 LTCCP (Inc Dam site purchase)</i>	<i>Actual</i>
1 2009/10	\$250,000	\$1,610,000	\$1,610,000	\$1,610,000
2 2010/11	\$250,000	\$1,275,000	\$1,725,000	\$1,535,000
3 2011/12	\$850,000	\$1,725,000	\$2,425,000	
4 2012/13	\$9,500,000	\$10,120,000	\$5,361,000	
5 2013/14	\$14,000,000	\$10,120,000	\$3,535,000	
	\$24,850,000	\$24,850,000	\$14,656,000	

26 The budget set for 2010/2011 was under spent by \$190,000. This is due mainly to savings in drilling costs.

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Programme Considerations

27 The programme for the Water Supply project reported to Council in September 2010 is currently on time but subject to the final results of the drilling investigation work. It is programmed that in March 2012, the Council will make a decision whether to confirm River Recharge with Groundwater and apply for resource consent. Consent lodgement is expected by the end of June 2012.

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RECOMMENDATION

30 That the Council receives report IS-11-313 on the Water Supply Project.

Report prepared by:

Approved for submission by:

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