

Chairperson and Committee Members
CORPORATE BUSINESS COMMITTEE

8 DECEMBER 2011

Meeting Status: **Public**

Purpose of Report: For Decision

**REALLOCATION OF FUNDING TO ASSIST PROPOSED
WATERMAIN RENEWAL IN WELLINGTON ROAD,
PĀEKĀKĀRIKI**

PURPOSE OF REPORT

- 1 This report seeks Committee approval to reallocate budget funding to allow for the renewal of a section of watermain in Wellington Road between Robertson Road and Cecil Road, Paekākāriki.

SIGNIFICANCE OF DECISION

- 2 This report does not trigger the Council's Significance Policy.

BACKGROUND

- 3 The existing 150mm diameter asbestos cement (AC) watermain servicing Wellington Road has a frequent burst history over recent years. The pipe has burst four times since 2009, leading to emergency repairs and water outages for local residents. The watermain was installed during the early 1950's.
- 4 The Wellington Road watermain is a critical section of water supply infrastructure that links water supply from the north of Paekākāriki to the south of the community.
- 5 The draft 2012 Water Asset Management Plan (AMP) included a \$300,000 allowance in 2016-18 for pipe renewals in Wellington Road. However, the more recent pipe burst history has led to a review of the timing for this project. The sudden increase in Wellington Road pipe bursts has resulted in the project being upgraded to an urgent priority.

Table 1: Wellington Road - Pipe Burst History (Refer also to Para 14 below)

Address	Date	Description
53 Wellington Rd	25/03/2009	Mains Pipe Burst
69 Wellington Rd	27/12/2009	Mains Pipe Burst
40 Wellington Rd	26/08/2010	Mains Pipe Burst
45 Wellington Rd	13/08/2011	Mains Pipe Burst

- 6 Sections of burst pipes were sent for laboratory material testing to determine the material condition and why it was continuing to fail. The material test results did not correlate with the ongoing pipe failures. The condition report noted that AC pipes manufactured prior to the 1960's are generally known to be more robust than AC pipe manufactured at later dates.
- 7 Poor pipe installation methods (rather than poor pipe material condition) appears to be the cause of Wellington Road watermain failures. Poor installation methods can lead to hairline fractures in the pipe wall which can propagate and lead to pipe bursts.
- 8 The condition report concluded that the failure mode of the Wellington Road pipes was due to longitudinal cracking which is most likely attributable to poor installation procedures by the installation contractor.

CONSIDERATIONS

Issues

- 9 The 2011/2012 Annual Plan does not include sufficient renewals budget to replace the Wellington Road watermain.
- 10 The 2011/2012 Annual Plan includes a budget of \$171,000 to procure a second production bore for the Paekākāriki Community. The timing of the second Bore project is linked to the construction of the Transmission Gully Highway.
- 11 New Zealand Transport Authority (NZTA) have already funded the groundwater testing and site confirmation work for the second production bore. NZTA and the Water Assets Team have confirmed the preferred bore site is suitable. The development of the final production bore is currently on hold and could be deferred with no significant risk to the Paekākāriki Water Scheme.
- 12 The current 2011/2012 budget of \$171,000 for the second Paekākāriki Groundwater Production Bore, could be made available to assist with funding the Wellington Road watermain renewal.
- 13 Design investigations have determined a total pipe length of 715m is required for renewal in Wellington Road, ultimately linking Ocean Road with Beach Road.
- 14 The pipe renewal work can be procured in three stages as per Table 2. Stage 1 is the more critical and middle section of the Wellington Road watermain being an easily separable length of 225m (Robertson to Cecil). Stage 1 includes the section of watermain relating to the recent pipe bursts detailed in Table 1. The remaining sections of 195m (Beach to Robertson) and 295m (Cecil to Ocean) can be procured within the next five years as Stage 2 & 3, respectively.

Table 2: Wellington Road Watermain Renewal Stages and Budgets

	Stage 1 (2011/12)	Stage 2 (2013/14)	Stage 3 (2014/15)
Wellington Rd	Robertson Rd to Cecil Rd	Beach Rd to Robertson Rd	Cecil Rd to Ocean Rd
Length	225m	195m	295m
Budget Cost	\$200,000	\$150,000	\$235,000

- 15 If Stage 1 of the project works were programmed for 2017/2018. However, there would be significant risk of further pipe bursts if this programme was not brought forward. Each pipe burst is estimated to cost in the order of \$5,000.
- 16 Pipe bursts often occur at night and all have an immediate and significant disruptive impact on water customers. Likely increases in future pipe bursts will lead to ongoing interruptions for water customers. There would also be significant negative publicity with continued pipe failures.

Financial Considerations

- 17 There is currently no funding allocated to procure the proposed Stage 1 (Robertson to Cecil) renewal of the Wellington Road watermain.
- 18 The 2011/2012 New Paekākāriki Bore and Pipeline budget of \$171,287 could be reallocated to assist with funding Stage 1 of the Wellington Road watermain renewal. The \$171,287 could then be combined with the current reactive reticulation renewal budget of \$30,000 to achieve the required \$200,000 for Stage 1. The \$200,000 will allow for the priority section of watermain to be replaced before the end of this financial year, ie. before June 2012.
- 19 If reallocation of the 2011/12 New Paekākāriki Bore and Pipeline funds are approved to subsidise Stage 1 of the Wellington Road watermain renewal, then the additional funds will still be needed to complete the full 715m pipe length. Table 2 above, details funding for Stages 2 & 3 to be completed in 2013/14 and 2014/15, respectively. These budget values will be included in the current Long Term Plan projections.
- 20 If the recommendation in this report is approved, then funding for the New Paekākāriki Bore and Pipeline project would be considered for development in year 2012/2013 as part of the Long Term Plan process.

Legal Considerations

- 21 There are no legal considerations.

Delegation

- 22 The Corporate Business committee has the delegated authority to make this decision:

7.2 *Authority to re-allocate funding already approved by Council as part of the Annual Budget process provided that the re-allocation of funds*

does not increase the overall monies committed in the budget and is consistent with the existing LTCCP strategic policy framework.

Consultation

- 23 The Paekākāriki Community Board has been advised by the Infrastructure Group Manager of the need to upgrade the existing watermain in Wellington Road and There has not been any previous annual plan community consultation for the Wellington Road project.

Policy Implications

- 24 There are no policy implications.

Tāngata Whenua Considerations

- 25 There are no issues for consideration relating to Iwi.

Publicity Considerations

- 26 There are no publicity considerations.

RECOMMENDATION

- 27 That the Corporate Business Committee approve reallocation of the \$171,287 budget from the New Paekākāriki Bore and Pipeline project to assist with funding needed for Stage 1 of the Wellington Road Watermain Renewal in Paekākāriki.

Report prepared by:

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ATTACHMENT:

Appendix 1: Staging of Wellington Road Watermain Renewal, Paekākāriki