

Private Plan Change 84 - Mangawhai Hills

Oral submission of Clive Boonham: Submitter 6

As a country we are at the cross roads with the RMA being replaced and with the promise of new strategies for land development and funding for development. Kaipara is suffering from severe damage to infrastructure, high debt, high rates, and a lack of funding for the future.

Further development in an already crowded township is not a very inviting proposition, especially when ratepayers have been historically landed with the cost of funding development and the resulting debts.

Kaipara is being driven down the development path based on its current District Plan and other plans such as the Mangawhai Spatial Plan. These are the work of consultants and the KDC staff with the community having minimum input.

There is no input from the community or the elected members on the overall, visionary development of Mangawhai.

As a result development in Kaipara grows like Topsy, unplanned and without any consideration of the effects on community amenities, or on the ability of the KDC to provide the necessary infrastructure. It also imposes a massive financial liability on ratepayers who are obliged to pay the interest on infrastructure debt, and then pay any residual debt that is not repaid by development contributions.

The Mangawhai Community Wastewater Scheme (MCWWS) had bled Kaipara dry over the last fourteen years. In 2012 the Auditor-General estimated that it had cost \$63 million to build. Since then many more millions have been sunk into it.

I estimate that it has cost over 100 million, and there is still a debt of \$26 million owing. With capacity being reached this year there is no means of repaying that debt.

The commissioners and successive councils failed to charge enough in development contributions to repay the debt. The community has had to meet interest costs in their rates, and now it will be required to repay the stranded debt.

My fear is that we have not learnt from the past. We have not learnt from Mangawhai Central, and we have not learnt from the financial debacle.

Wastewater capacity

At the hearing of Plan Change 78 for Mangawhai Central, KDC staff, their consultants and the consultants for the applicants stated initially that there was existing adequate capacity in the MCWWS for the development. When this was proved to be wrong during the hearing, the KDC presented further evidence that there was enough planned capacity in the draft long

term plan. This also proved to be incorrect. The hearing panel recommended that the plan change be approved. Council adopted the plan change.

On appeal the Environment Court ruled: before further consents could be issued the following condition was to be inserted:

That there is adequate existing wastewater infrastructure, or funding for adequate wastewater infrastructure to support the development is identified in a long term plan

Except for the some commercial development, the Mangawhai Central development site remains desolate. There is insufficient capacity in the wastewater scheme

Plan Change 84

In this plan change we should make certain that the requirements of the Environment Court are foremost in our assessments of wastewater capacity.

I am concerned, therefore, that many of the assertions of the expert consultants appear either optimistic, or uncertain. They give no confidence that capacity will be available. They also fail to overlook other factors that will affect the availability of capacity for the development.

I will first consider the comments of the expert consultants and then consider the factual evidence.

In the extracts from expert reports on wastewater the important comments are in bold.

There are comments that I consider to be suppositions or of general nature and some that I believe do not reflect the facts. These are highlighted in yellow. My own comments are in blue.

Appendix 7 report of Chester (23 February 2023)

https://www.kaipara.govt.nz/uploads/districtplan_operative/planchanges/PPC84%20Mangawhai%20Hills/Appendix%207%20Land%20Development%20Report.pdf

8.2.2 Existing network Constraints Summary

*In our opinion because the land area does not appear to be a constraint, **there is likely to be viable solutions to increase** WWTP capacity as required, and **the general acceptance is** that the existing WWTP will need to be upgraded to accommodate the future growth being planned for in Mangawhai.*

Basic truths.

8.4 Potential Wastewater Strategies

*It is acknowledged that the PPC inadvertently creates an expectation that wastewater infrastructure will be provided to enable residential development. As documented above **the Council has a commitment to the continued upgrades** of the*

existing wastewater infrastructure to enable development, but 160ha of the PPC area has not been currently allowed for in the plans prepared to date.

“Commitment” means nothing.

Three options are presented.

1. *Individual wastewater systems*

The drawback of this approach is the reduction in density and the inefficient utilisation of suitable land for residential use. The density reduction is necessary to accommodate onsite wastewater disposal as the individual lots need to generally be larger to accommodate both the primary and reserve wastewater disposal fields; typically, site sizes would be a minimum of 2500m².

This option does not appear to be viable.

2. *Connection to the KDC wastewater network*

*Connection to the existing council wastewater network and disposal to the existing CWWTP **is feasible; the network as we understand has capacity and as detailed prior the upgrades of the plant are to be phased against development to enable future development capacity.***

“Is feasible” and “has capacity” mean nothing. Only Stages 1 and 2 have been accepted by the Council. Nothing further.

Given the 160ha of the of the PPC area is currently not anticipated to be connected to the network an additional assessment would need to be undertaken with the Council to understand the implications.

*Given the technical works completed to date, **we do not foresee an engineering limitation that would prevent the CWWTP being able to receive the 600 additional connections from the PPC area, the main current constraint the Council needs to address is the capacity of the disposal area with either additional land purchased or a coastal discharge; these works are already underway. We would expect with the discharge location resolved we expect the additional connections would not be a significant challenge to increase the plant capacity.***

There could be any kind of limitations. The works are not under way. Only Stages 1 and 2 have been approved and funded.

In order to obtain approval from KDC, suitable capacity would need to be available at the time of the subdivision consent being granted.

3. *Private scheme*

This is the preferred option and two proposals are referred to.

Request for Further Information Response Register

KDC request of 3.04.2023

https://www.kaipara.govt.nz/uploads/districtplan_operative/planchanges/PPC84%20Mangawhai%20Hills/Request%20for%20Further%20Information%20-%203%20April%202023.pdf

In terms of the options presented in the proposal for using community wastewater plants or onsite treatment solutions, please demonstrate further details in respect to the proposed phasing of the development, which considers any potential impacts on Council's network at the time of subdivision resource consents.

Chester responded on 12.05.2023

https://www.kaipara.govt.nz/uploads/districtplan_operative/planchanges/PPC84%20Mangawhai%20Hills/Infrastructure%20Response%20to%20Request%20for%20Further%20Information%20-%2012%20May%202023.pdf

Within the area owned by the applicant, it is proposed to construct 50 houses per year, over a 10 year span, with a resultant total 500 new dwellings at the end of the 10 year development period. Infrastructure required is to be constructed during Stage 1 to provide WW treatment for future stages.

A total of approximately 500 lots are proposed within the applicant's site to be served by private on-site treatment. Traffic assessments allow for a yield of 600 lots in total within the total plan change area, so there is potential for approximately 100 lots in the future that may require connection to the public wastewater network

KDC'S SECTION 42A REPORT

99. Mr Cantrell identifies that the wastewater treatment plant has a current capacity for 3,550 connections/ households, based on recent upgrades that are in the process of being commissioned. There are 2,764 existing connections meaning there is further capacity for approximately 800 additional households.

Figures open to challenge.

100. In accordance with the anticipated growth areas identified in the Spatial Plan and the associated need to service these areas, the Council has also committed to further expanding the capacity to 5,470 connections, via increased capacity for treated wastewater discharges to the Council- owned golf course in Mangawhai. This later increase is currently programmed for 2026/27. The two programmed upgrades will provide capacity for a further 2,706 connections i.e. an effective doubling of the size of the MCWWS compared to current levels. This will enable existing residentially zoned but unbuilt areas such as Mangawhai Central, the PPC83 site (in the event that plan change is confirmed), and additional greenfield areas to

be serviced. Council has only committed to Stages 1 and 2. There is no basis for the subsequent comments.

101. *The golf course discharge upgrade will be subject to obtaining any necessary regional and land use consents. Whilst subject to a future consenting process, I understand from Mr Cantrell that the proposed discharge solution is plausible from a technical engineering perspective.* Mangawhai is the fastest growing township in Kaipara District and as such the **Council is committed to delivering servicing solutions to enable growth in line with recent structure planning exercises i.e. in the unlikely event that the golf course solution does not proceed, the Council will need to deliver an alternative solution.**

“Plausible” means nothing. Council is only committed to stages 1 and 2. If the golf course solution does not materialise there may be no alternative.

102. **Mr Cantrell considers that with appropriate staging to align PPC84 build-out with planned network upgrades, it is possible to service all 600 lots relying on the MCWWS, albeit that connections for the northern two thirds of the site would need to be staged to occur after the more substantive capacity upgrades have been undertaken.**

It is not possible to ascertain if such alignment will happen.

Stand-alone treatment plant

103. *The Chester Report identifies that as the northern area is outside of the programmed reticulation network, the ability to connect in the future is not guaranteed.* The applicant has therefore explored the provision of an on-site treatment and disposal solution. It is anticipated that such a system would remain in private ownership, with funding for its ongoing maintenance and operation undertaken via a body corporate or similar legal mechanism.

104. *The private plant and associated disposal field is proposed to be located at the northern end of the site, with the plant located adjacent to Old Waipu Road and the disposal field located at the top of the northern ‘bowl’ or valley head in an area shown on the Structure Plan as a native revegetation area (Figure 10)*

105. **Mr Cantrell confirms that in principle an on-site solution is technically feasible as an alternative. He does however raise concerns that the indicative treated wastewater irrigation field of 16ha may be too small to manage the volume of treated wastewater that is expected to be generated by 500 lots. The applicant has lodged an application with NRC (APP.045654.01.01) for the necessary regional consents, with processing of the application well advanced. It may be that the status of the application will be known by the time the hearing occurs.**

Technically feasible, but the following words suggest that it may not happen.

106. *Mr Cantrell recommends that rather than developing a stand-alone plant, consideration should be given to negotiating a developer contribution to bring*

forward the proposed upgrades to the public system as an option that may provide better overall value for the community and also reduce long-term operational and compliance risks. In short, connection of the whole site to the public system is Mr Cantrell's preferred option, however development of a stand-alone system is also plausible and acceptable (subject to obtaining the necessary NRC consents).

An interesting proposal that aligns with the Council's Engineering Standards.

Septic tanks

112. In summary, I am satisfied that there is sufficient programmed capacity in the MCWWS to meet the likely servicing demand for the PPC84 site and other residentially zoned but unbuilt areas in Mangawhai.

"Programmed capacity"? There is no evidence for such a broad statement.

Connection to the Council system will however need to be staged to align with the physical build-out of plant capacity. As an alternative, an on-site private treatment plant is a plausible solution. **Finally, whilst on-site septic tanks are a third solution and may be appropriate for isolated dwellings or small groups of houses, their application on a widespread basis is not recommended as being good practice for larger urban areas adjacent to sensitive harbour environments. If reliance on individual tanks was the only solution then I would be very cautious about recommending approval of the plan change without more information on cumulative effect risks.**

Septic tanks are therefore not a solution.

Given however that connection to reticulation (either public or private) is the preferred solution by both the applicant and Council, and that the applicant is well-advanced in seeking the necessary consents from NRC for a private system, I am satisfied that the site can be appropriately serviced for wastewater. Subject to the above recommended amendments, the proposed PPC84 provisions enable a detailed assessment of wastewater capacity and design at the time development occurs, and enable subdivision consents to be declined if sufficient capacity is not available and alternative solutions are not acceptable.

There is not enough evidence for this statement. Is it appropriate to defer consideration of capacity to the time of subdivisional consents?

Section 42A report: Appendix 5- Wastewater servicing

https://www.kaipara.govt.nz/uploads/districtplan_operative/planchanges/PPC84%20Mangawhai%20Hills/PPC84%20Wastewater%20Clinton%20Cantrell%2011042024.pdf

2.1 Mangawhai is serviced by the MCWWS. The MCWWS was first commissioned in 2009 to reduce reliance on septic tanks and improve the water quality of the Mangawhai Estuary. The existing Mangawhai Wastewater Treatment Plant (WWTP) has a current design capacity for around 3,550 connections (residential

equivalent). As of December 2023, approximately 2,764 connections are served by the WWTP.

Questionable figures.

2.2The Council is currently implementing a staged upgrade plan to address near and longer term capacity needs at the WWTP. **This plan was presented to and approved by Council in October of 2023**

The staged upgrade **plan approved by the Council** will result in the following WWTP capacity increases:

(a) The current number of connections to the WWTP is 2,764, with a current WWTP capacity of 3,550 connections; and

(b) **This capacity will be upgraded to 5,470 connections by 2026/2027 through the discharge of treated wastewater to the Mangawhai Golf course.**

The plan approved by the Council was for Stages 1 and 2 only. The subsequent stages remain a proposal only and are unfunded.

2.3 To ensure there is sufficient capacity in the MCWWS to provide for growth, including the growth proposed under PPC84 at the rate identified by Mangawhai Hills Ltd, **the Council is actively planning to upgrade a number of aspects of the MCWWS.**

No. The Council has only planned and funded Stages 1 and 2. Everything else is a proposal and nothing more.

2.4 It is my professional opinion that the PPC84 area can be adequately serviced for wastewater needs for all potential scenarios assessed with the following noted assumptions:

(a) In the scenario where the developer services 500 properties with a centralized private on-site wastewater system, **it is assumed they will be granted a resource consent from NRC and can meet the specific conditions of this consent.**

(b) In the scenario where all 600 properties are serviced by the MCWWS, **it is assumed that the pace of development (approximately 60 lots per year) would be in line with the timing of planned upgrades for the Mangawhai WWTP, conveyance network, and effluent disposal systems.** It should be noted that the area where the 500 properties are planned is not part of the proposed wastewater servicing area in KDC's spatial plan. Therefore, if this scenario eventuates **KDC will need to confirm** the ability to service 600 properties based on development staging and the timing of planned wastewater network, treatment and effluent disposal upgrades. **It is technically feasible to service the 600 properties with the public wastewater system if appropriate upgrades are implemented in time.**

Too many assumptions for any certainty.

(c) In a scenario where the PPC84 area cannot be serviced by either a private wastewater system or the MCWWS, **it is technically feasible to service development with private on-lot septic systems. However, this scenario would potentially impact the maximum development yield based on the required minimum lot areas for on-lot septic systems (typically, site sizes would be a minimum of 2500m² to provide primary and secondary septic irrigation areas).**

It is not an option.

3.7 **The Council intends, over time, to progressively upgrade the capacity of the MCWWS from 3,000 to 3,550 (noting that at the time of this memorandum capacity of 3,550 connections has been achieved) and then 5,470 connections – as per Attachment B.**

“Intends” means nothing. There is nothing planned beyond an extra 550 connections.

3.10 *The existing treatment plant has a designed capacity for 3,000 connections, **recently boosted to 3,550 connections as a result of the Stage 1 upgrade.** At present there are approximately 2,764 properties connected to the treatment plant – **resulting in an estimated remaining capacity for 786 connections. KDC recently completed an optimization of the current treatment plant in preparation for near-term capacity upgrades which will be implemented in mid-2024,** further improving the existing treatment plant performance and effluent quality.*

Inaccurate figures?

How much extra capacity is to be delivered over the short term (next 3 years) through any funded/consented upgrades?

3.11 **The recently completed Stage 1 upgrades have increased the treatment plant capacity from 3,000 to 3,550 connections.** This primarily consist of installing an inDENSE system, which has boosted the plant’s capacity by addressing current limits on solids handling capacity in the CASS reactors. **The inDENSE system was installed in March 2023, and is being commissioned now.**

Has the inDENSE system been installed and is it functioning?

Evidence of Steven Rankin for the applicant (29 April 2024)

https://www.kaipara.govt.nz/uploads/districtplan_operative/planchanges/PPC84%20Manga-whai%20Hills/PC84%20Evidence%20Rankin%20Civil.pdf

41. In the specific context of the CWWTP, the plant had immediate capacity for 236 new connections. I note that it has recently completed upgrade works to enable another 550 connections meaning that it has current capacity for 786 new connections (236+550=786 with a total current capacity of 3550 connections).

Has this work been completed?

42. *The Council has a further longer-term upgrade for another 1920 connections by 2026/2027. So, an additional 1920 connections are planned to be provided between now and 2027 increasing the total available capacity from the current limit of 3550 (3000+550) connections to 5470 (3550+1920) connections.*

43. *The upgrades proposed, when completed, are estimated to provide capacity through to 2047*

These figures are taken from a report presented to the Council. They are not planned or funded.

46. *The Applicant has lodged an application for a Wastewater Discharge Consent with the Northland Regional Council (NRC), specifically File 45654. The NRC issued draft conditions on 10 April 2024 and the applicant anticipates the consent would be granted in May once the conditions are reviewed and accepted.*

This is not factual evidence.

64. *The 100 lots within the catchment which are intended to be connected to the CWWTP have already been accounted for in the future planning of the plant and the development of these sites would increase the rate base contributing towards the CWWTP.*

There is no such planning beyond Stages 1 and 2. There is no evidence of the 100 lots being accounted for in any proposals of the Council.

THE FACTS

It has always been difficult to establish the actual capacity of the MCWWS and to understand whether the increases in capacity were actually planned in the legal sense, were part of a proposal, or were simply intended. However, here are some pointers.

Kaipara District Council; 25 October 2023

Reporting officer: Anin Nama, General Manager Infrastructure Services

Report on Mangawhai Wastewater Scheme Stage 1 and 2

This is the report that the expert consultants base their figures on. It states:

<https://pub-kaipara.escribemeetings.com/filestream.ashx?DocumentId=7887>

The existing Mangawhai Wastewater Treatment Plant (WWTP) has a design capacity for 3,000 connections (residential equivalent). To date, approximately 2,764

connections are served by the WWTP, with the plant reaching capacity by mid to late 2024.

In other words in the next few months the plant will reach its capacity of 3,000 connections.

Stage 1

*Works also involve designing and implementing the inDENSE system, **increasing the plant's capacity to 3,550 connections**. The system allows the plant to tolerate higher flows and loads without compromising the plant's performance.The design is planned to commence in October 2023, with construction planned for early 2024.*

That means there will be 550 connections available.

Stage 2

The existing Lincoln Downs Brown Road Farm will reach capacity by 2026..... It is proposed to commence with the concept design of the future treated wastewater disposal and irrigation systems at the Lincoln Downs Brown Road Farm and specific areas of the Mangawhai Golf Course.

Stage 2 relates to concept designing. There is no further increase in capacity.

Recommendation

That the Kaipara District Council:

a) Approves stages 1 and 2 for the Mangawhai Wastewater Scheme Project, including the suppliers and individual estimated contract values as listed in Attachment J (provided in full in the public excluded agenda), for a total sum of up to \$1.705m (Excluding GST).

b) Notes that the funding for this project has been set aside in the 2021/31 Long Term Plan and 2023/24 Annual Plan.

c) Delegates to the Chief Executive the authority to approve the procurement plan, the professional services agreement with the consortia, and the purchase agreement with World Water Works Inc for the inDENSE system and the installation of the inDENSE by Bellcon Ltd

Important points

- Stages 1 and 2 were approved by the elected members. Funding was already available from previous plans.
- All the other stages in the report are merely proposals. No funding has been arranged.
- The various reports of the applicant and the KDC state that Stage 1 has been completed and that the capacity of the system has been increased by 550 connections. Is that correct? Confirmation should be obtained from Anin Nama the KDC General Manager infrastructure.

Competition for connections

The experts supporting the plan change base their assessment of the capacity of the MCWWS as if the lots in the proposal are the only ones vying for connections in the MCWWS. There are several others.

The KDC has stated that there are on average approximately 80 connections a year to the system. They are mainly from small developments.

At this stage there are minimal connections from Mangawhai Central, but no doubt there will be. There will also be connections required for The Rise, if it is approved, and for other development that are in the pipeline. No doubt they will all be developing slowly but the cumulative effect will challenge any increase in capacity that the KDC is able to fund.

Connectable properties

There is also the issue of a number of properties which are being charged “connectable” wastewater rates because they are close to the reticulation system, but they are not connected. They are defined in the current LTP funding Impact statement as:

Properties not connected to the wastewater network as at 30 June 2021 but are capable of being connected (i.e. service available).

It is understood that about 200 properties pay this rate. (This needs to be confirmed.) Clearly if these rates are to be charged for being *capable of being connected*, connections must be reserved for them as the plant reaches capacity, otherwise the rate is not payable.

Long Term Plan 2024- 2027 Consultation document

The KDC has been allowed to adopt a 3 year long term plan because of the damage caused to infrastructure during recent weather events.

https://www.kaipara.govt.nz/uploads/LTP%202024-2027/KDC_LTP%20CD%202024_WEB.pdf

NOT BUDGETED FOR (in this LTP)

*Our primary focus for this three year period is recovering from the extreme weather events we faced in 2022 and 2023. We need to focus all our efforts on repairing and then getting back to the level of maintenance and service our communities expect from us at pre-event levels, both in our budgets and in our work programmes, and we need to ensure rates remain affordable. **This has meant that some planned or considered projects have had to be deferred or stopped.***

With the Three Waters legislation being repealed, Council is in an unfortunate position where investment over the next three years has been significantly reduced to ensure rates remain affordable. For example, a sum of \$154 million over three years was forecasted in what was to be Entity A’s Asset Management Plan, compared to less than \$32 million included in the draft budgets for the Long Term Plan 2024–2027.

Deferred work includes plant upgrades for the Mangawhai wastewater treatment plant and wastewater sub surface irrigation.

It is unclear what this means in practice. Stages 1 and 2 of the MCWWS proposals are signed off and already funded, but it is clear that for the next three years of the LTP there will be no further development of the MCWWS.

Subsequently, the poor financial position of the KDC with a huge outstanding debt owing on the MCWWS, suggests that there will be many urgent priorities ahead of providing extra wastewater capacity for further development. Unless of course that capacity is funded by the developer.

The residents of Mangawhai have had enough. They do not want to fund more development. They are adamant that the township simply cannot cope with the ad hoc development and population increase that developers and the KDC staff are driving.

It is the view of many in the community that there should be a moratorium on any further large scale development until a new concept plan is developed for the future of Mangawhai - led by the community and not KDC staff and consultants.

The KDC is not providing a reticulated water supply and the prevailing view is that wastewater infrastructure should be the same. Or, if any development is to proceed then the developer should fund the required increase in infrastructure.

This aligns with the KDC Engineering Standards which state:

7.1.1. If the existing network does not have sufficient capacity at the nominated connection location to receive the number of sections or peak flows from the development, the Developer will either need to:

- *Design and construct an appropriately sized attenuating storage to reduce peak flows to level compatible with the network.*
- *Convey sewage to a different location in the network where adequate capacity exists.*
- ***Pay for the required upgrade to the system.***

Unexpected Consequences

One of the unexpected consequence of a plan change is that with the zoning change the QV land value of larger lots and lifestyle lots in the plan change area will increase substantially. That means a substantial increase in rates.

I note that the development of Mangawhai Hills will extend over ten years, but the increase in land value and rates will be immediate.

In fact it appears that the latest QV revaluation land values, and consequently rates, have already increased substantially for properties in the PC84 zone.

The revaluation should be based on values as at 1 September 2023, but it appears from a brief perusal of the Council's rates database that QV has assumed that Plan Change 84 has been adopted and has based land values on that basis.

As an example, the Church land at 30 Urlich Drive has increased in land value from \$915,000 to \$4.72 million. The current rates are \$6,719.41. They will increase to \$21,607.72 from 1 July 2024.

The land value of the 6.418 hectares at 106B Moir Street has increased from \$580,000 to \$3.52 million. Rates will increase from \$4,726.26 to \$16,503.88.

The land value of 24.5037 hectares at 106 Moir Street has risen from \$880,000 to \$9.6 million with proposed rates increasing from \$6,511.15 to \$42,363.34.

I have not been able to locate details for Frecklington farm.

The development at The Rise has been treated in the same way. Although the revaluation was based on values at 1 September 2023 the new QV land values are based on the plan change having been adopted by the KDC. At this stage the hearing panel has not even made a recommendation.

The land value of a ten acre lifestyle block (4.095 ha) in The Rise has increased from \$660,000 to \$6.27 million which is an 850 per cent increase. The proposed rates for the property have increased from \$4,456.80 to \$23,517.12, a 428 per cent increase. That is typical of the rates rises across all properties in The Rise.

Many of the lot owners in The Rise development area are not supportive of the plan change. This has hit them very hard and may force them to sell their properties.

I do not know if all of the lot owners in the Mangawhai Hills area are supportive of the plan change, but this is an issue that all lot owners will have to look at.
