



WHAT'S THE
STORY?



2019/20

DRAFT ANNUAL PLAN
Summary



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STORY?

2019/20 Draft Annual Plan consultation document

The next five pages summarise some of the key projects coming up this year for Waipa District Council. They also outline some of the changes we're proposing since we signed off our 10-Year Plan in June last year.

MESSAGE FROM THE MAYOR

In June last year our Council finalised our most ambitious plan yet to keep our district thriving for the next 10 years.

A whole lot of effort was put into the 10-Year Plan to get it right. We talked about the Te Awamutu town centre, the Cambridge Town Hall and a \$1.26 billion infrastructure spend. All up, 820 of you had your say on Council's proposals.

Since then, we've made good progress and we're largely on track to deliver what was promised. But there are some proposed changes that have been made since we signed off our 10-Year Plan. These changes are not major but it's important you are aware of them and can provide some feedback, if you choose to, before we finalise our plans for the coming year.

One project that could change but isn't included in this draft Annual Plan is Te Ara Wai. We're progressing well on what we said we'd deliver in our 10-Year Plan but there could be an opportunity for further external funding, meaning the scope of this project could change (with no impact on rates). We'll keep you in the loop on this over the next few months.

You can find out more detail about what's planned for 2019/20 by viewing a copy of the draft Annual Plan at Council offices, libraries or by visiting waipadc.govt.nz/haveyoursay.



A handwritten signature in black ink that reads "Jim Mylchreest". The signature is written in a cursive, flowing style.

Jim Mylchreest
Mayor of Waipā

WHAT'S CHANGED?

Here's what's changed since we adopted our 10-Year Plan in June last year.

Sport and recreation centres

In September 2017, Council was asked to part-fund a new Ohaupō Sport and Recreation Centre. This is a community-led project that aims to create a central facility for community and recreation activities.

The facility will be in a similar location to the existing Ohaupō rugby clubrooms and include:

- open hall / community space
- separate clubroom facilities
- kitchen and bar facilities
- changing room facilities
- community gymnasium.

Through our 10-Year Plan Council agreed to make a \$500,000 grant towards the construction of the Ohaupō Sport and Recreation Centre. The grant will be funded by a targeted rate (paid only by those people most likely to benefit from and use the new facility).

However, in response to community feedback, Council asked that we re-look at the catchment area of the new targeted rate.

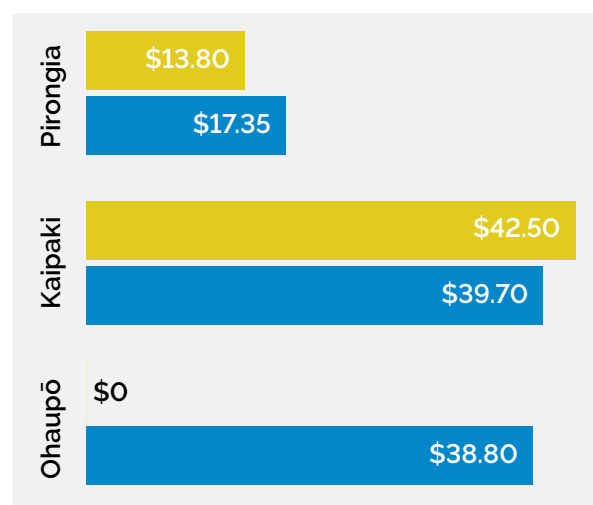
What's changing?

The Ohaupō Sport and Recreation Centre committee is close to reaching its funding target, so we're proposing to provide the \$500,000 grant in 2019/20, not 2020/21 as originally planned.

We're also proposing to change the catchment areas for sport and recreation centre targeted rates for Pirongia and Kaipaki and create a new catchment area for Ohaupō.

The proposed changes mean some properties will contribute to a different sport and recreation centre than they currently do (or not at all) and could pay a different amount. What rate you would pay depends on which centre your proposed catchment area covers.

The total amount of rates collected for the sport and recreation centres hasn't changed from last year (with the exception of Ohaupō which is a proposed new rate).



■ Current sport and recreation centre rate (per household)

■ Proposed sport and recreation centre rate 2019/20 (per household)

We've already sent a letter to all ratepayers whose rates might be affected by the proposed change.

Not sure if you're affected?

Visit waipadc.govt.nz/haveyoursay and enter your address in our rates calculator.

*Note: This proposal will not affect the Ohaupō Memorial Hall. No decision has been made about upgrading the Memorial Hall following its partial closure. This means ratepayers who currently contribute towards this hall will continue to do so.

Want to hear more? Come along to our community meeting:

Monday 18 March 2019, 6pm
Ohaupō Memorial Hall

Recycling

In July 2019, we will replace blue recycling crates with wheelie bins for all urban and rural households across the district. Wheelie bins are already used successfully in most other parts of New Zealand. We will be providing two wheelie bins per household, a smaller one just for glass and a separate one to use for plastic, tins, cans, paper and cardboard.

What's changing?

The change to wheelie bins will mean the household targeted recycling rate which funds the district-wide service will need to increase. The increase is driven by the one-off cost to purchase the wheelie bins, but also increased costs caused by the collapse of the international recycling market.

- Current cost - \$50 per year or \$1 per week
- New cost - \$81 per year or \$1.56 per week

We believe this is a positive change because:

The current service only allows for 240 litres of recycling space each month. The new wheelie bins will allow for 620 litres of recycling space each month. That's an increase of 158 per cent.

An audit of rubbish in Waipā completed in 2017 showed 16.7 per cent of what was put in pre-paid rubbish bags (by weight) was recyclable. This equates to approximately 1.5kg of recycling each week per household going to landfill.

All paper and cardboard will be inside the wheelie bin, keeping our streets cleaner.

Wheelie bins align with our 2017-23 Waste Management and Minimisation Plan, which sets a 10% reduction in rubbish and a 25% increase in resource recovery.

Complex water meters

Unlike most properties, 'complex properties' don't have an individualised Council water supply point. Instead the water supply is 'shared' with neighbours and goes through a shared water meter. Complex properties are often (but not always) older, cross-lease properties. Complex properties make up about 7% of all properties connected to Waipā's town water supply; all others have their own, dedicated meter.

In November 2017 Council considered four different options for complex properties in Waipā. They decided to split the bill equally between properties connected to a shared water meter but to review the decision in a year's time. They wanted more information before making a final decision.

What's changing?

The review has shown that most complex property owners (86%) pay less for water services with a water meter than under the old one-size-fits-all system.

Council has decided to stay with the decision to split the bill equally between separate properties connected to a shared water meter. A small number of complex residential properties (up to 140 across the district) are financially worse off from split bills. However, owners of those properties can now apply for a water rate remission. The remission means they will financially be slightly better off than when water was unmetered.

Council is also looking at providing interest-free loans (up to a maximum of \$5,000) to encourage people to separate their private plumbing and enable Council to install a separate meter for their property. Loans would be repaid by a targeted rate at a set amount per year (for the 10-year loan term) plus an administration charge. Loans would be recorded against the property and have

to be repaid in full if the property changed ownership.

If the proposal to provide loans is adopted, Council's Revenue and Financing Policy, approved as part of the 10-Year Plan, will be updated and the new rates would be introduced from 1 July 2020. Loans would be available in the 2019/20 year.

View the draft Complex Water Meter Separation Loans Policy at waipadc.govt.nz/haveyoursay

Cambridge Pool

Council has entered into a \$17.6 million fixed-price contract to build the long-awaited Cambridge Pool complex. This is an increase of \$1.6 million on what we told you in our 10-Year Plan.

Material and fuel price increases, a stretched contractor market and an unwillingness to take on risk have pushed the price up.

The total project budget is now \$20.7 million and will not change. This includes all professional services, planning and consent costs, fit-out (furniture, equipment) and solar power for the building. Of this, \$2 million has come from external fundraising.

What's changing?

The increase in costs will be covered by better than expected returns from the sale of Council land already identified to fund this part of the project. There will be no increase in rates to fund the increased pool costs.

Treasury Policy

Our current Treasury Policy sets a trigger point that means no more than \$30 million of our debt can be refinanced in any 12-month period. This means if we have external debt over \$30

million, our existing trigger point will restrict Council's ability to optimise debt maturities.

What's changing?

Through our 10-Year Plan we shared that our external debt will peak in excess of \$180 million over the next 10 years. Because of this we are proposing to change our Treasury Policy to allow us greater flexibility in structuring the maturity profile of our projected debt.

Bancorp Treasury Services (Council's advisor) has recommended Council increase the trigger point to \$70 million.

Bancorp Treasury Services (Council's advisor) has recommended Council increases the trigger point to \$70 million. This provides a practical level of refinancing while still prudently reducing the risks associated with a tight credit market when refinancing is needed.

Fees and charges

Each year we review our fees and charges. This covers everything from dog registration fees to the cost of a resource or building consent.

What's changing?

We're proposing a number of changes. View the full document and list of changes at waipadc.govt.nz/haveyoursay or hardcopies are available for viewing at Council offices and libraries.

Rates

We're proposing an annual average rates increase of 3.7%. This is the same as we said in our 10-Year Plan.

Find out exactly what your proposed rates for 2019/20 are by visiting waipadc.govt.nz/haveyoursay and entering your address in our rates calculator.

COMING UP IN 2019/20

Over the next year we're planning to spend **\$122.7 million** on capital works to expand and run our district. This includes...

\$99.8
MILLION

on infrastructure (water, wastewater, stormwater and roading)

\$20.5
MILLION

on community projects that make our district such a great place to be - like a new playground at Centennial Park and extending the Te Awa River Ride.

This includes

\$31.7
MILLION

on growth projects (of which \$12.5 million is funded by development contributions)

Avantidrome intersection

We're planning to build a roundabout at the intersection of Hanlin and Cambridge Roads to improve safety. Work is expected to start at the end of 2019 or early 2020 and will cater for motor vehicles, pedestrians and people on bikes.

Launch of Te Ara Wai journeys

We're building a digital storytelling platform to link our significant historical sites located across the district. As well as a printed booklet and on-site signage, there will be a mobile-friendly website to take users on an interactive journey through Waipā's heritage sites. Phase one is due to go live in August 2019 and will showcase the history of Karāpiro, Lake Ngāroto, and the Pirongia township.

Te Awamutu water supply

We're investing \$25.9 million to increase the Te Awamutu water supply. This includes upgrading the existing Parallel Road Water Treatment

Plant, taking water from the Waikato River and pumping the treated water to Te Awamutu. Work will start this year and we expect it to be completed by January 2021.

Opportunities to reduce debt

Council has approached crown agencies (particularly Crown Infrastructure Partners) to look at opportunities to help fund our significant growth related infrastructure. Through our 10-Year Plan we budgeted to meet the cost of growth, but if we are able to identify alternative funding options through crown agencies this would help reduce our financial risk and debt.

Elections

In October this year, our local body elections will take place. This is your chance to vote for the Mayor, councillors and community board members who represent your ward, town and district. The first step is to make sure you're enrolled to vote. For more information checkout waipadc.govt.nz/elections.

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Want more detail?

You can see a full copy of the 2019/20 draft Annual Plan at waipadc.govt.nz/haveyoursay

Hard copies can also be viewed at Council offices and libraries in Te Awamutu and Cambridge.

Want us to present at your community meeting?

Email submissions@waipadc.govt.nz

0800 924 723

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DISTRICT COUNCIL