



Carterton District Council

Proposed 2010/11 Annual Plan Summary

Mayor's & Chief Executive's Introduction

We have pleasure in introducing this summary of the Carterton District Council's Proposed Annual Plan for the 2010/11 financial year. The Annual Plan outlines the activities to be undertaken by Council and sets the budget and rates for the coming financial year from 1 July 2010.

This year's Annual Plan is based on the activities in the Council's Long Term Council Community Plan 2009-19 (LTCCP), and in particular the information in the LTCCP relating to the 2010/11 year. In some cases, the details have been modified by Council in this year's Annual Plan to reflect the latest information available and the Council's current priorities.

Detailed information on the Council's proposed activities and finances are contained in the full Annual Plan document. As in previous years, the majority of Council's expenditure will be on providing and maintaining infrastructure for the District like roading and water. Some details relating to the more significant activities and projects for the coming year are outlined in the next section – Projects and Plans.

To fund next year's proposed activities requires an average increase in rates per property of 6.9%. The LTCCP predicted a 6.1% increase in rates for this coming year. The main reason for this difference is higher than expected interest rates for the loans that funded several significant infrastructure projects completed during the past year. These projects included a new water reservoir and installation of UV treatment for the town water supply, the substantial upgrade to the main road through the shopping area, major stormwater improvements on the east side of Carterton, and providing water and sewerage infrastructure in the Waingawa industrial area.

The actual rates for individual properties will vary depending upon the targeted rates that are applicable to that property and the rating valuation of each property. The Carterton District was revalued as at September 2009 and there have been some significant shifts in valuations for many properties which will affect the rates to be paid. These changes are beyond Council's control.

Another factor that could affect your rates during this coming year is the possible change in GST. At present 12.5% of your rates goes directly to central government and this will increase if the government alters the GST rate.

The Proposed Annual Plan 2010/11 is now open for submissions. This is your opportunity to let Council know your views on impending Council activities.

Submissions need to be received by Council by 14 June 2010 at the latest. Council will then consider all submissions and make decisions in relation to the final Annual Plan.

We look forward to receiving your submissions on this Annual Plan so that you can assist Council as it plans for the Carterton District's ongoing future.



Gary McPhee
Mayor



Colin Wright
Chief Executive

Projects & Plans for 2010/11

The following is an outline of the more significant projects and plans that Council proposes for the coming 2010/11 financial year.

Events Centre

The Carterton Events Centre is planned for construction in this financial year as was included in the 2009 LTCCP. The Events Centre is the multi-purpose community building that will be built behind and alongside the public library in Holloway Street.

The project includes –

- Refurbishment and extension of the library building which was originally built in 1881. This will include earthquake strengthening of this historic building
- A new public auditorium/town hall which will be able to host large meetings, shows, cultural and community activities, exhibitions, conferences and social events
- The refurbishment of the Scout hall to provide a centre for youth activities
- Plunket rooms, the toy library, the Carterton Information Centre, and two meeting rooms where local and visiting groups can gather.

This project has been under discussion for some 10 years and the design has evolved over that time. The demolition of the 120 year old Municipal Hall and of the Phoenix theatre, because of their poor condition, has hastened the need for better community facilities in Carterton. The Events Centre will provide the focal point for future development of a strong and vibrant community and by bringing all these facilities together in one place will provide economies of scale.

The overall cost of this project is six million dollars and the earlier proposal was to seek up to three million dollars of external funding. However, this external funding target proved to be too optimistic. Council has therefore recently reviewed the project and after considering other funding possibilities, decided to proceed in the coming financial year.

Funding of the project is now proposed to be \$2 million from the Major Projects Fund, a \$1 million long-term loan, a more realistic target of \$1.5 million from external sources, and the remaining \$1.5 million from a combination of logging from Council's forestry, the sale of surplus assets (Exhibition Centre building and Waiohine crusher land), and the recreation reserve.

The Council regards the Events Centre as a once in a lifetime project that is important for the community's future social and community life.

Wastewater Treatment Improvements

The resource consent that allows the Dalefield Road wastewater treatment plant to discharge to land for the summer months and to the Mangaterere River for the remainder of the year, has expired. Council has applied to the Regional Council for a new consent based on adding micro-filtration technology to further improve the quality of the treatment plant discharge. The plant can continue to operate while this consent application is being considered.

Over the longer term, Council aims to dispose of an increasing proportion of the treated effluent on to land by irrigation rather than discharging it to the Mangaterere River to improve environmental and cultural outcomes. Council would strongly prefer to achieve this by making suitable arrangements with landholders rather than Council having to buy additional land.

The current treatment plant is already the most advanced in the Wairarapa and adding a micro-filtration process will further improve the effluent and allow it to potentially be used on dairy farm land. Council is currently consulting on the consent application and also its longer term proposals with Iwi and other interested groups like Fish and Game and Sustainable Wairarapa.

\$750,000 has been budgeted for this treatment upgrade work in the coming year. This will be funded by a \$500,000 long-term loan and \$250,000 from infrastructure contributions that are received from new developments.

Rating Review

Council began a review of the rating system during the current financial year. The current rating system consists of a general rate based on land value and with nine different differentials based largely on zonings in the old Carterton District Plan. There is also a uniform annual general charge on all properties plus targeted rates for a number of services where the users can be identified e.g. a water rate for those connected to the water supply system.

Central government set up an independent rating inquiry in 2007 and this panel recommended, amongst other things, that councils should consider rating for general rates on a capital value basis without differentials as this was seen to be a fairer approach overall. They also recommended using targeted rates for specific services wherever practical.

After examining the present arrangements, Council has concluded that it is not practical to introduce any new targeted rates as those activities that are suitable for this approach are already being funded in this way. However, Council has identified some issues with the current differentials on the land based general rates and it plans to do some further study on this and on the option of a capital value based general rate.

Council will consult with the public if any significant changes are proposed to the rating system, but would welcome any comments in the meantime.

District Plan Changes

Over the past two years Council has been preparing structure plans for the southern portion of Carterton and for the Waingawa industrial area. Structure plans are a recognised way of determining the overall pattern of future roading layouts and other requirements that are desired for new developments in an area. The alternative is to let subdivision development occur in an ad-hoc manner as each developer prefers.

Structure plans have now been adopted for South Carterton and Waingawa. These plans were subject to several stages of consultation with the public and with property owners in the affected areas.

Council is now planning to include the structure plan contents within the new Wairarapa Combined District Plan by proposing changes to this District Plan. There has already been consultation on the draft changes and there will be further consultation during the more formal district plan change process.

The proposed future roading layouts, etc will only occur when and if property owners choose to subdivide.

Swimming Pool

Council is proposing to trial free admission to the outdoor swimming pool over the coming summer. This is seen as an opportunity to encourage families to use this local facility and encourage children to learn to swim.

Trade Waste Charges

Since July 2008 a trade waste bylaw has applied to the more significant industrial and commercial discharges to the sewerage system. Charges for receiving trade wastes based on various discharge parameters, such as flow and suspended solids, were introduced from 1 July 2009 as part of this bylaw. However, after receiving submissions, Council decided last year to defer the implementing of those fees that were based on the nutrient levels in the discharges. Council now proposes to introduce these nutrient-related trade waste charges evenly over the next 3 financial years.

Roading Improvements

Roading continues to be the Council's largest ongoing expenditure item absorbing 24% of all rates in the coming year. Amongst other improvements to the District's roading network, Council was able to seal three sections of rural gravel roads totalling 2.3 kilometres in the past year. This work followed feedback to last year's LTCCP where there was general support for the concept of sealing approximately a kilometre of gravel road per year. This recent sealing was the first new sealing undertaken by Council for many years and Council was able to benefit from the very competitive tendering market.

Unfortunately new sealing is very expensive and there is now no specific subsidy available from government for this work as was the case in the past. Council will be

examining whether it can undertake further sealing in this coming year provided the work is economically justified and the Council can obtain subsidy for it. Further improvements to street lighting and footpaths are planned.

Shared Services / Governance Review

The Council is increasingly looking to achieve efficiencies by working in collaboration with other councils. Current examples are the combined Wairarapa District Plan and the joint library arrangements with the South Wairarapa District Council. Recently Council has let a joint contract in conjunction with the Masterton District Council for future rubbish and recycling collection and disposal.

Council intends to examine other ways in which it can work with other councils during the coming year. At the same time, a study has commenced to examine governance issues in the wider Wellington Region. This study has been supported by all councils in the region and a report is expected at the end of 2010.

Water System Pressures

Council is considering reducing the operating pressure of the town's water system. A lot of effort has been put into eliminating leaks from the town water supply system in recent years and overall water usage has dropped noticeably. Most of the system operates at pressures that are well above the levels considered to be optimum for urban supplies. A reduction in operating pressure would result in less water leaks and dripping taps plus pipe bursts, thus saving significant money over time.

It is a relatively simple matter to install a suitable pressure reducing valve on the system, but at present the pressure in the town is governed by the need to provide water to consumers on the very old pipeline in Chester Road north of the railway line. Council has already begun consultation with people in this area as to options for the future and plans to continue this investigation.

Waingawa Rates

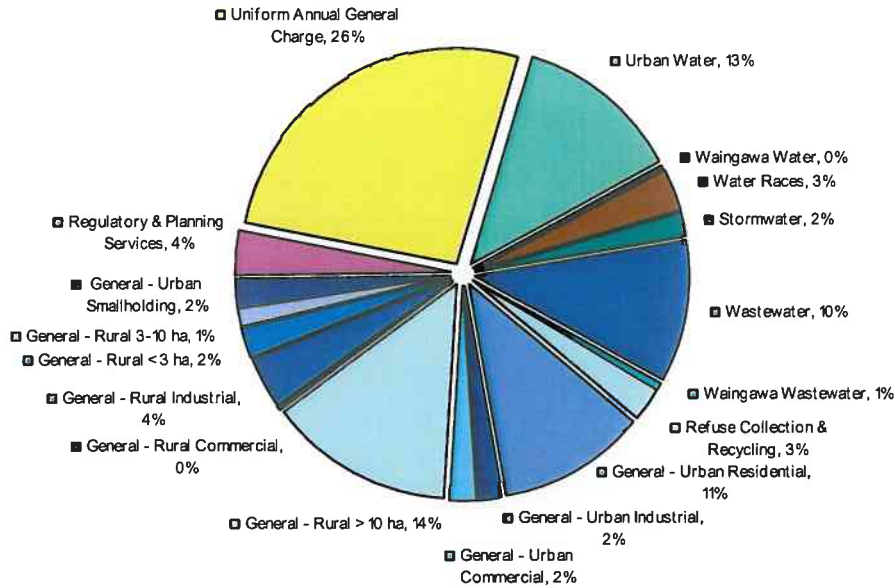
Council reticulates water and sewerage services in the Waingawa industrial area that connect, by agreement, with the Masterton systems. As the Masterton District Council is planning significant increases in its water and sewerage charges (9% and 33.9% respectively), this Council has little option but to follow suit for the targeted rates on Waingawa properties.

Rural Fire

Council is currently responsible for some aspects of rural fire activities. Full responsibility for rural fire matters is being transferred to the Wairarapa Rural Fire District from 1 July 2010. Funding for rural fire for next financial year will still come from the Council's general rate. However, the three Wairarapa Councils will be considering a possible targeted rate for rural fire in the future and the public will be consulted before any changes are made.

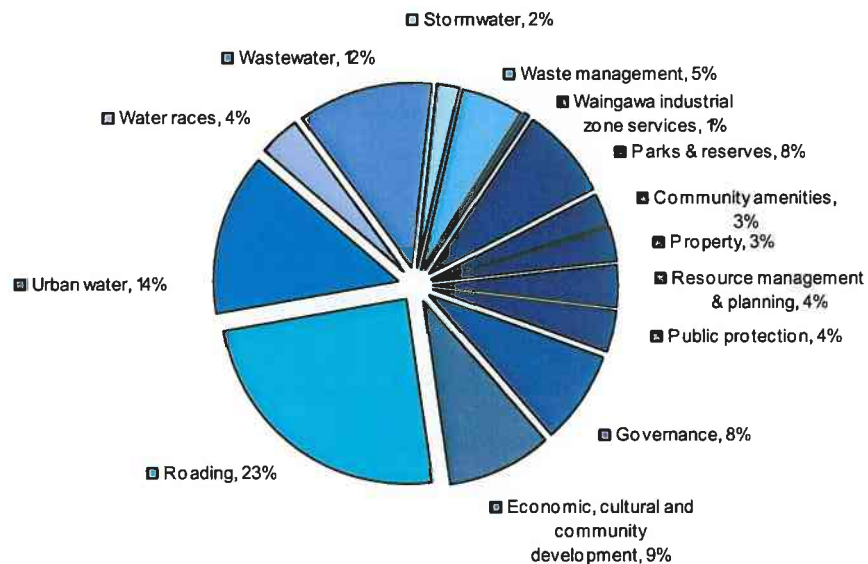
How Your Rates will be Spent

The total amount of rates to be collected for the 2010/11 year is \$7,193,923; the breakdown of which is as follows.



This money will be spent on the following activities:

Operating Expenses for Each Activity



Copies of the Proposed Annual Plan 2010/11 or this summary version, can be obtained from the Council Office, the Carterton Library, or can be downloaded from Council's website www.cartertondc.co.nz/consultation

In addition to the above you can attend a public meeting with elected members in the Carterton Exhibition Centre, 29 Holloway Street, Carterton (opposite the Council office) on Thursday 27 May 2010 at 7.30 pm.

You can also discuss your views with elected members between 10 am and 3 pm at a clinic to be held on Friday 28 May 2010 at the Carterton Exhibition Centre.

Submissions on the Proposed Annual Plan close at 4 pm on Monday 14 June 2010 and should be sent to the Carterton District Council, PO Box 9, Carterton or emailed to info@cdc.govt.nz or faxed to 06 379 7832. Please indicate if you wish to speak to your submission.

Submissions will be heard and considered by Council on Tuesday 22 June.

