



Manawatu District Council

Annual Plan 2016/17

Consultation Document

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Purpose of Local Government

To enable democratic local decision-making and action by, and on behalf of, communities; and to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

Introduction

Message from Mayor Margaret Kouvelis

Last year we updated our Long Term Plan (LTP) which set out our priorities for the next 10 years to achieve our vision for the district: connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand.

As with all plans they are reliant on the information known at the time, and therefore they must have the ability to be updated if and when the situation changes.

The Annual Plan is created to ensure we focus on the priorities set out in the LTP, identify any changes that are necessary and confirm the resources Council needs to achieve them.

Affordability remains at the forefront of our minds. We are committed to ensuring we deliver quality services in the most cost effective way.

This year we have not made any significant changes to the Plan, although we are delaying some work as we investigate what is required and the best way to achieve it. Projects such as the Feilding water supply trunk main have been deferred due to the unexpected condition of the pipeline and the proposed relining of the pipe being no longer viable.

So finally, we propose an overall rates increase of 4.8%, which is less than the 5.8% we had suggested in our Long Term Plan.

We are asking for your thoughts about the changes we are proposing so we can make the best possible decisions on your behalf. Please take the time to read this document, attend a meeting and ask questions. More importantly please take a few extra moments to send us your thoughts, if it is important to you it is important to us.

Here are our headlines.

We are proposing to:

- Make savings where we can
- Delay some projects
- Take up a subsidy for water supply
- Add new projects
- Provide services and projects as planned with some minor adjustments
- Increase rates by 4.8%



Where you can find more information

- Visit the Feilding Library
- Talk to any Councillor
- Go on line: www.haveyoursay.kiwi.nz
- Phone 06 323 0000
- Check out the 2015-25 Long Term Plan – available on mdc.govt.nz

We are also holding meetings in your community

Thursday 31 March	7 - 8pm	Rongotea , Te Kawau Memorial Recreation Centre
Monday 11 April	7 - 8pm	Kimbolton , Kimbolton Hall
Tuesday 12 April	6 - 7pm	Nga Manu Taiko , District Council Building
Wednesday 20 April	7 - 8pm	Feilding , District Council Building

Come along and tell the Councillors what you think.

How to have your say

We welcome your submission between now and 4pm Friday, 29 April 2016

There are two ways to provide submissions depending on what suits you.

- Complete the submission form at the back of this document
- Complete the online electronic form (www.haveyoursay.kiwi.nz)

All feedback received will help Councillors make informed decisions on the Annual Plan for 2016/17.

You can speak to the council about your submission at the public hearings

Final decisions will be published on the Council's website after the Annual Plan is adopted on 23 June.

This Annual Plan is different

In 2014, amendments to the Local Government Act changed the way Councils are required to prepare and consult on Annual Plans. Councils are still required to prepare an Annual Plan annually and a Long Term Plan every three years.

However, **the Annual Plan now focuses on any differences** from what was agreed to in the Long Term Plan. Duplicating information contained in the Long Term Plan is no longer necessary. Other changes mean consultation on the Annual Plan is only necessary if there is something significantly different or material from what was proposed in the Long Term Plan.

This might include:

- Variations or changes to financial statements or policies
- New spending on significant projects
- Delays to, or abandonment of projects.

This is our Annual Plan Consultation Document prepared according to the Act, and outlines what we are doing, as well as proposed changes.

It is important to note that the Annual Plan is not intended to revisit decisions already made in the Long Term Plan and that remain unchanged.

Submission tips

The submission form

- Write legibly
- Use pen (pencil is hard to scan)

Presenting at the public hearing

- You will have 15 minutes to present your case
- Handouts – you will need to bring 15 copies
- If you have an electronic presentation, we will need it the day prior on CD, DVD or data stick.



Variations for you to know about

Our Long Term Plan sets out the plans and work priorities for the next ten years, but sometimes plans need to change. We need to inform you of the variations we have identified in our draft Annual Plan, so you have the option to make any comments about the proposed changes before the plan is finalised. We want to hear from you!

Himatangi Beach Community Centre

Himatangi Beach is a popular recreation destination. While it is possible to drive onto the beach not everyone is comfortable doing this or has a vehicle suited to driving on the sand. The Council is proposing to reseal the carpark area, making it easier to park and walk down onto the beach. The project has been budgeted at a cost of \$20,000 and will increase rates.

Himatangi Beach and Tangimoana stormwater

The June 2015 storm event caused flooding and stormwater ponding across the Manawatu District, including the communities of Himatangi Beach and Tangimoana. These communities have minimal Council-owned stormwater infrastructure.

In response to the storm event, Council has looked at the scale of options conceptually required to mitigate stormwater ponding in the key problem areas in Himatangi Beach and Tangimoana. These may include additional stormwater pipes, drains and increased pump capacity to manage water away from the houses and property. Other options include investigating the viability of restoring privately-owned legacy drains.

This information has been presented to the community committees, for consideration and for the committees to signal their preferred course of action via annual plan submission. This project will have a considerable cost with current estimations of \$1 million for Tangimoana and \$500,000 for Himatangi Beach.

Submissions by the community committees will assist with identifying the possible scope and eventual cost of stormwater work undertaken over the next few years and the implications on rates.



Johnston Park

Johnston Park boundary fencing has been identified as needing renewal. Investigation has shown the work required is less than what was initially anticipated resulting in a saving of \$21,500. There will be no effect on rates as this project was originally funded from depreciation and savings will be returned to depreciation funds.

Council Electronic Document Management

The Council has a responsibility to manage information on a wide range of topics including property, assets and community services. There are literally thousands of paper and electronic files. An electronic document management (EDM) system will enable Council to better manage this information.

This project was planned to go ahead in 2015/16, however more time is required to enable further investigation and planning. It is proposed the project and associated funding of \$615,000 be carried forward to 2016/17. As the funding is already in budget there will be no effect on rates.

Roading

The Country Road initiative promoting the beauty of Manawatu has been a fantastic success opening up the picturesque northern part of our district to increased tourism. Continuing this theme of increasing access and making driving through the district a more pleasant experience, an additional portion of Makoura Road will be sealed. The Council already had some funding in the budget for sealing of unsealed roads. While existing funding will be used for this project, additional funding is required. It is proposed that the funding be increased by an additional \$30,000 taking the total budget from \$120,000 to \$150,000.

To enable further growth in the Feilding industrial area, additional funding of \$500,000 is required for Stage II works involving the further development of Turner's Road extension, opening up more land for industrial development.

These changes will be funded from the Roothing Separate Fund and from Development Contributions. There will be not be any increase to rates as a result of these changes.



Feilding water supply

Feilding's reservoir at Almadale and the trunk water main into town have performed well since their construction in the 1960's, however, they are nearing the end of their useful lives and are in need of replacement. In the Long Term Plan we committed funds to renew and or replace these strategic assets in 2016/17.

However, detailed investigation has now shown that due to the age and condition of the trunk main the asset cannot be revitalised using lining technology as initially planned. The revised plan is to renew the worst section at a cost of \$100,000 while a full assessment of replacement options are considered. Council had budgeted \$508,500 for this project in 2016/17 but is proposing to carry forward the remaining \$408,500 to 2017/18. Work will continue when the replacement options are decided.

A water plan is in development for the Almadale Water Treatment Plant. The plan will take into consideration future capacity and storage of the plant. While some work will begin to ensure the continuity of supply, the significant anticipated work has been deferred until the plan is completed. As a result it is proposed that the planned expenditure of \$1.4m be carried forward to 2017/18. There will be not be any increase to rates as a result of these changes.

Sanson water supply subsidy

Sanson village primarily obtains its water from rainwater collection supplemented by a restricted supply Council scheme.

The current scheme has severe limitations with frequent summer supply problems resulting in water being tankered from Feilding.

Council has been successful in obtaining a Ministry of Health subsidy to develop a new water supply in Sanson. This plant will enable Council to provide Sanson residents with a continuous supply of safe drinking water that meets new drinking water standards. The total cost of the project is \$950,000.

The Ministry of Health is providing a subsidy of \$665,000 to create a reservoir and bore that will provide a sustainable clean water supply. Council will be required to provide the remaining balance of \$285,000. Council's contribution will be used to build the treatment plant. Council is proposing to redirect the funding already in the budget for the renewal of water supply pipes in Sanson towards the Water Treatment Plant costs. Although this is a new project there will be no increase to rates in 2016/17.



Infrastructure shared services

Recent changes to the Local Government Act clearly outline increased expectations that Councils will collaborate to deliver services in the most efficient and cost effective way for residents. Manawatu District Council has a long history of positive working relationships with neighbouring Councils using shared services arrangements to deliver core infrastructure, animal control, rural fire, emergency management and building control services. We continually seek opportunities to collaborate across the wider Manawatu region.

Council has worked in partnership with Rangitikei District Council for many years. Over the past 12 months we been investigating the best way of continuing to jointly provide infrastructure services. One possibility may be that the Councils join infrastructure services and operate these together, another could be to involve additional Councils in such a service delivery model.

Although the Manawatu District Council is not proposing any change to the level of service residents experience, bringing together significant parts of different Councils businesses requires much thought and consideration. To enable further investigation and community consultation to be carried out, Manawatu District Council has included \$150,000 in the 2016/17 budget. This is new expenditure and increases rates.

Further professional development for elected members

Your elected members are required to make wise, informed and intelligent decisions on your behalf for the benefit of the community and district. The Local Government Act 2002 and numerous other statutes all provide guidance and sets out processes. There are a range of seminars and courses available from Local Government New Zealand and other agencies for elected members. Historically there has been limited funding available to take advantage of these opportunities. To further assist elected members in their decision making and performance of their roles, it is proposed to include \$20,000 in the 2016/17 budget for professional development. This is new expenditure and increases rates.





Planned Projects for 2016/17

In the Long Term Plan we have identified a number of projects that are already planned for the 2016/17 year. The projects ensure that the district continues to work well, and our community can enjoy the place they live. The projects vary in size and cost. We have included a short description about some of them so you know what is going on.

Feilding Wastewater Treatment Plant \$2.5m

Being conscious of the district's environment, the council is moving to using land-based irrigation to reduce amount of treated waste water discharged into the Oroua river. We are continuing screen planting around the irrigation area, trialling and commissioning irrigators, developing the control system and construction of a second storage pond including ancillary works. We are also commissioning a nitrogen removal system and undertaking a number of smaller projects to minimise operating costs.

Resource Recovery Centre \$750k

A purpose-built Resource Recovery Centre (Transfer Station) is planned that will receive the district's solid waste, green waste, and recyclables for consolidation and processing. The centre will be located in front of the Feilding Waste Water Treatment Plant on Kawakawa Road.

The plant will have a Materials Recovery Facility (MRF) incorporated into the single structure allowing the processing of various recyclable products such as paper, plastics, and metals for sorting and baling for resale.

Pharazyn Street urban growth \$1.4m

Pharazyn Street area is Feilding's key residential growth area.

The urban development project includes infrastructure improvements to roading, footpaths, street lighting, utilities and services.



Feilding Greenspine \$400k

Work continues on the Feilding Greenspine project to create a versatile green space running adjacent the railway trunk line. This year, work will start on the Grey Street to Kimbolton Road section and will include planting, as well as footpath and road crossing enhancements. The significant addition will be a new bridge over the Makino stream at Aorangi Street.

London's Ford Toilets \$55k

London's Ford, on the Oroua River near Kimbolton, is a popular picnic, swimming and freedom camping spot alongside the Oroua River. This year it is planned to upgrade the ageing toilets with a new composting style toilet to bring them up today's expectations and standards as part of our programme to make our leisure spaces pleasant and enjoyable.

Tangimoana Playground \$50k

The playground is a well-used recreation area for the Tangimoana Community. This year, Council will be working with the local community to have this well-used playground refurbished and some equipment replaced.

Timona Park Playground \$45k

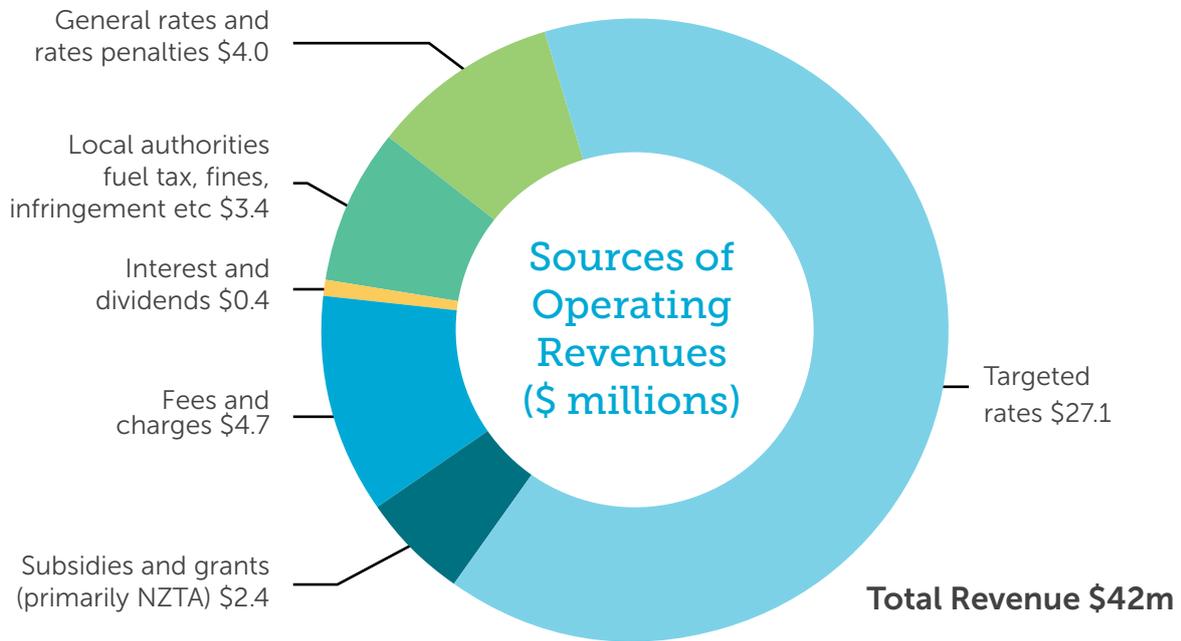
The Timona Park playground at the northern end of Timona Park will receive a significant upgrade, with safety surfaces installed, some new equipment, and existing equipment refurbished.

Clock Tower lighting \$50k

Feilding's clock tower will have its lighting replaced. Many of the original ground lights no longer function as intended and need replacement.

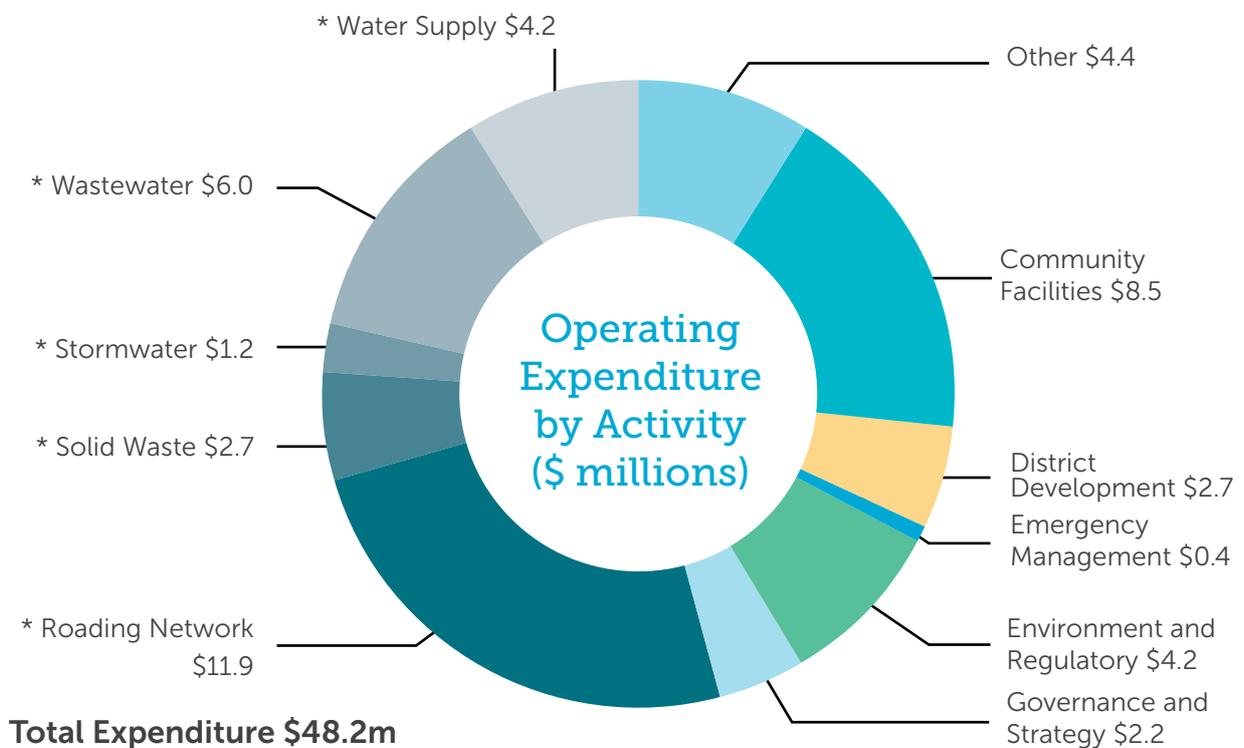
How much does it cost?

Where does the money come from?



The information in this graph is from the Whole of Council Funding Impact Statement and excludes capital revenues

How does the money get used?



The information in this graph is from the Statement of Comprehensive Revenue and Expenditure.

Please note "Other" expenditure relates to shared service and support service activities that are funded by external revenue sources. For example, a significant portion relates to the infrastructure shared service where revenue is received from Rangitikei District Council. The treasury function also attracts revenue from external sources (rates penalties, interest and dividends).

* These are infrastructure related expenditure

How will my rates be used?

	Feilding Resident Based on a property with a Capital Value of \$270,000	Rural Resident Based on a property with a Capital Value of \$755,000 without services
Rates (Total annual)	\$2,997.00	\$1,844.00
Rates (Total per week)	\$57.63 per week	\$35.36 per week
	Water \$8.20 per week	
	Wastewater \$12.80 per week	
	Stormwater \$2.04 per week	
	Solid Waste \$3.98 per week	\$1.62 per week
	Roading \$7.37 per week	\$11.83 per week
	Environmental Services \$3.03 per week	\$3.02 per week
	Governance & Strategy \$3.55 per week	\$3.55 per week
	Cemeteries 0.47¢ per week	0.47¢ per week
	Civil Defence 0.31¢ per week	0.31¢ per week
	Animal Control 0.28¢ per week	0.28¢ per week
	Halls & Recreation Complexes 0.69¢ per week	0.69¢ per week
	Library & Makino \$5.12 per week	\$3.63 per week
	Parks & Reserves \$3.56 per week	\$3.06 per week
	Public Conveniences 0.59¢ per week	0.59¢ per week
	General \$5.64 per week	\$6.31 per week



How will my rates change?

Rating Category	Capital Value	2015/16 Total Rates (GST Incl)	2016/17 Total Rates (GST Incl)	\$ Annual Change	% Change
Feilding Residential	\$295,000	\$2,912	\$3,066	\$154	5.3%
Feilding Residential (multit-unit)*	\$1,850,000	\$29,525	\$31,114	\$1,589	5.4%
Feilding Rural	\$430,000	\$2,516	\$2,651	\$135	5.3%
Feilding Rural	\$600,000	\$1,908	\$2,011	\$103	5.4%
Feilding CBD	\$310,000	\$7,043	\$7,358	\$315	4.5%
Feilding CBD	\$510,000	\$7,533	\$7,853	\$320	4.2%
Rural with no services	\$140,000	\$982	\$1,043	\$61	6.2%
Rural with no services	\$630,000	\$1,589	\$1,678	\$89	5.6%
Rural with services	\$180,000	\$2,157	\$2,308	\$151	7.0%
Rural with services	\$200,000	\$2,183	\$2,341	\$158	7.2%
Rural with wastewater	\$240,000	\$1,741	\$1,838	\$97	5.6%
Rural with farming as one remission	\$960,000	\$1,188	\$1,243	\$55	4.6%
Rural with farming as one remission	\$4,550,000	\$5,633	\$5,891	\$258	4.6%
Industrial/Commercial	\$1,260,000	\$6,815	\$7,129	\$314	4.6%
Industrial/Commercial	\$7,732,000	\$31,053	\$32,389	\$1,336	4.3%
Utilities	\$5,000,000	\$22,955	\$24,003	\$1,048	4.6%
Utilities	\$7,000,000	\$31,786	\$33,229	\$1,443	4.5%

* Does not include volumetric charges (sewerage and water)



Manawatu District Council
135 Manchester Street
Private Bag 10001
Feilding 4743

P 06 323 0000
F 06 323 0822
E public@mdc.govt.nz
www.mdc.govt.nz