

AGENDA FOR A MEETING OF THE COUNCIL TO BE HELD AT WAITAKERE CENTRAL,
6 HENDERSON VALLEY ROAD, HENDERSON, WAITAKERE, ON WEDNESDAY,
29 AUGUST 2007 COMMENCING AT 5.30 PM

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29 AUGUST 2007 COMMENCING AT 5.30 PM**

PART A - OPENING OF MEETING

1 OPENING PRAYER

Pastor Derek Jones from the Community Christian Fellowship will say the Opening Prayer.



2 APOLOGIES



3 CONFIRMATION OF MINUTES

Extraordinary Meeting Minutes - Tuesday, 3 July 2007
Meeting Minutes - Wednesday, 11 July 2007
Meeting Minutes - Wednesday, 25 July 2007
Meeting Minutes - Wednesday, 15 August 2007
Meeting Minutes - Tuesday, 26 June 2007

NOTE: The minutes of the Council meeting of 26 June 2007 were confirmed at the Council meeting held on Wednesday, 25 July 2007. However, the minutes confirmed at that time were an incorrect version, containing an incorrect schedule and not the schedule recommended by the Long Term Council Community Plan and Annual Plan Special Committee. In order to rectify this, the corrected minutes need to be reconfirmed.

RECOMMENDATION

That the minutes of the Meetings of the Council held on Tuesday, 26 June 2007, Tuesday, 3 July 2007, Wednesday, 11 July 2007, Wednesday, 25 July 2007 and Wednesday, 15 August 2007, including the public excluded minutes, as circulated, be taken as read and now be confirmed.

*Page 1-6
Part H*

The public excluded minutes are attached at pages 1 to 6 of the Confidential Supplement labelled Part H.



4 URGENT BUSINESS

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 provides that where an item of business is not on the agenda, it may only be dealt with at the meeting if:

- (i) the Council by resolution so decides; and
- (ii) the Chairman has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion and decision, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting.

The Council may make a decision on a matter determined to be urgent.

NOTE: Urgent Business need not be dealt with now and may be delayed until later in the meeting.



5 **CONFLICTS OF INTEREST**

The Council has acknowledged in its Code of Conduct that Elected Members need to be vigilant to stand aside from decision making when a conflict arises between their role as a member of the Council and any private or other external interest they might have. This note is provided as a reminder to members to check that no such conflicts arise in relation to any items on this agenda.



PART B - REPORT OF THE MAYOR

6 **REPORT OF THE MAYOR**

The report of the Mayor will be circulated under separate cover with this agenda.

RECOMMENDATION

That the Report of the Mayor be received.

RA Harvey, QSO, JP

MAYOR OF WAITAKERE



PART C - REPORTS OF NEW LYNN COMMUNITY BOARD, WAITAKERE COMMUNITY BOARD, MASSEY COMMUNITY BOARD, HENDERSON COMMUNITY BOARD AND WAITAKERE YOUTH COUNCIL

7 **NEW LYNN COMMUNITY BOARD**

THE BOARD SUBMITS THE FOLLOWING REPORT OF ITS MEETING HELD ON MONDAY, 30 JULY 2007

MATTERS CONSIDERED

*Pages 1-5
Part C*

The Board dealt with a number of items for which it has delegated powers to act and a copy of the minutes of the meeting is attached at pages 1 to 5 in the supplement labelled Part C.

The Board Recommends:

That the report of the Meeting of the New Lynn Community Board held on Monday, 30 July 2007 be received.

P van der Voort, JP

CHAIRMAN



8 **WAITAKERE COMMUNITY BOARD**

THE BOARD SUBMITS THE FOLLOWING REPORT OF ITS MEETING HELD ON TUESDAY, 31 JULY 2007

MATTERS CONSIDERED

*Pages 6-11
Part C*

The Board dealt with a number of items for which it has delegated powers to act and a copy of the minutes of the meeting is attached at pages 6 to 11 in the supplement labelled Part C.

The Board Recommends:

That the report of the Meeting of the Waitakere Community Board held on Tuesday, 31 July 2007 be received.

CA Shepherd, JP
CHAIRMAN



9 **MASSEY COMMUNITY BOARD**

THE BOARD SUBMITS THE FOLLOWING REPORT OF ITS MEETING HELD ON WEDNESDAY, 1 AUGUST 2007

MATTERS CONSIDERED

*Pages 12-16
Part C*

The Board dealt with a number of items for which it has delegated powers to act and a copy of the minutes of the meeting is attached at pages 12 to 16 in the supplement labelled Part C.

The Board Recommends:

That the report of the Meeting of the Massey Community Board held on Wednesday, 1 August 2007 be received.

GE Barnard
CHAIRMAN



10 **HENDERSON COMMUNITY BOARD**

THE BOARD SUBMITS THE FOLLOWING REPORT OF ITS MEETING HELD ON THURSDAY, 2 AUGUST 2007

MATTERS CONSIDERED

*Pages 17-25
Part C*

The Board dealt with a number of items for which it has delegated powers to act and a copy of the minutes of the meeting is attached at pages 17 to 25 in the supplement labelled Part C.

The Board Recommends:

That the report of the Meeting of the Henderson Community Board held on Thursday, 2 August 2007 be received.

EAG Grimmer, MNZM
CHAIRMAN



11 **WAITAKERE YOUTH COUNCIL**

THE YOUTH COUNCIL THE FOLLOWING REPORT OF ITS MEETING HELD ON MONDAY, 6 AUGUST 2007

MATTERS CONSIDERED

*Pages 26-28
Part C*

The Waitakere Youth Council dealt with a number of items for which a copy of the minutes of the meeting is attached at pages 26 to 28 in the supplement labelled Part C.

The Youth Council Recommends:

That the report of the Meeting of the Waitakere Youth Council held on Monday, 6 August 2007 be received.

A Wadsworth
CHAIRMAN



PART D - REPORT OF THE CHIEF EXECUTIVE OFFICER

12 REVISED SCHEDULE OF FEES FOR WATER SUPPLY, WASTEWATER AND STORMWATER SERVICE CONNECTIONS AND OTHER SERVICES

PURPOSE OF THE REPORT

This report sets out a proposed new schedule of fees for water supply, wastewater and stormwater service connections and other services and seeks approval to proceed with the special consultative procedure for the following:

- fees for the installation of service connections for water supply, wastewater, and stormwater and other connection services; and
- fees for other three water related services provided to the public by Council

In accordance with section 150 of the Local Government Act 2002, approval is sought to proceed with using the special consultative procedure as set out in section 83 of the Act, in order to adopt the revised schedule of fees. It is proposed that the revised fees will take effect from 1 November 2007.

BACKGROUND

New construction activities in the City result in applications from developers and individuals to Council to provide new service connections for water supply and drainage. Annually these applications number approximately 1,200 for water supply, 135 for wastewater, and 70 for stormwater. Council provides this service through a term contract with a reputable contractor. The previous contract for service connections commenced in November 2002 and expired on 30 June 2007.

The Commerce Commission's determination on service connections requires Council to tender the work. The existing fees were last reviewed on 1 July 2004 and it is now necessary to increase the fees to reflect the increased cost established through the tendering process.

A report on Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater was submitted to the Tenders Subcommittee on 25 May 2007. Information was provided on the reasons for cost increases and the tenders subcommittee resolved as follows:

- “1. That the Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater report be reviewed.
2. That it be recommended to the long term council community and annual plan special committee that the budgets for the service connections be increased for 2007/2008 and 2008/2009 to be committed for contract no. Ew07006a - service connections for water supply, wastewater and stormwater as follows:

| | |
|---------------------|--------------------|
| <i>Expenditure</i> | |
| <i>Wastewater</i> | \$ 255,300 |
| <i>Stormwater</i> | \$ 159,700 |
| <i>Water supply</i> | \$ 618,600 |
| | <i>\$1,033,600</i> |
| <i>Revenue</i> | <i>\$1,033,600</i> |

3. *That the tender from Excell Corporation Ltd for Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater in the sum of \$1,885,511.10 plus \$235,688.88 GST, totalling \$2,121,199.98 be approved subject to budget being increased in recommendation 2.*
4. *That authority to enter into Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater on behalf of Council be delegated to the Group Manager: Asset Management.*
5. *That a report be submitted to Council, to recommend new connection fees for water supply, wastewater and stormwater, for public notification.”*

890/2007

STRATEGIC CONTEXT

The provision of water, wastewater and stormwater connections is an essential service that is required to ensure that buildings can be occupied and therefore enabling development of the city.

Council provides the services in the context of its water cycle strategy with the objective of reducing water use in the long term and ensuring sustainable wastewater and stormwater services.

ISSUES

Tenders were publicly advertised through Tenderlink and daily newspapers, seventeen (17) sets of documents being downloaded. Two (2) tenders were received by the closing date of 1 May 2007.

In accordance with the conditions of tendering, tenders were evaluated in line with the Weighted Attribute Method contained in Transfund News Zealand's "Competitive Pricing Procedures Manual".

The lowest tender price was received from Excell Corporation limited and was well in excess of the pre-tender contract estimate. The reasons for the significant increase in schedule rates is that the prices of construction materials, labour and fuel have increased significantly over the past two years. Moreover the administration cost and equipment maintenance costs are currently under charged.

Service Connections

The Council provides service connections for new buildings on a cost recovery basis. Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater was publicly advertised and two tenders were received. The schedule of fees is based on the rates scheduled by the lowest tenderer. The Contract is for a period of two years, with an option for extension for a further two years.

Other Services

Council provides a range of other services to the public such as hydrant standpipe hire and permits. The fees for these services also need to be updated to reflect the actual cost and to be publicly notified.

REVISED SCHEDULE OF FEES

The revised schedule of fees is calculated to recover all the costs incurred by Council and accordingly will not have an impact on the 2007/2008 Annual Plan.

Contract No. EW07006A - Service Connections for Water Supply, Wastewater and Stormwater has been tendered and awarded to a new contractor and accordingly a new set of fees and charges are required. Where the service has variable cost based upon the extent and nature of the particular service involved, the proposed fee is expressed simply as “full cost recovery” and will be assessed according to the actual requirements of the work. A schedule of current and revised fees is included in the statement of proposal in Attachment A.

Revenue and Financing Policy

The 2006 - 2016 Long Term Council Community Plan sets out Council’s Revenue and Financing Policy in Volume 4, page 7 to 43.

The Policy confirms that the “user pays” principle is appropriate for services that are of private good, such as the provision of service connections for new buildings.

Section 8 states that: *“The allocation of revenue needs to those who directly benefit from the services or those who are responsible for causing the costs to Council is considered to be an efficient and effective method of funding the services which have the characteristics of private goods. User pays methods generally contribute to the current and future environmental and economic wellbeing of the community through efficient use of scarce resources.”*

Cost Comparisons with other Local Network Operators

It is not possible to provide cost comparison of the connection fees charged by other local network operators, in order to demonstrate the reasonableness of the proposed new fees.

The reason for this is that there is a wide range of service standards and connection policies for wastewater and stormwater. For example, some local network operators quote for services, while others allow drain layers to provide the connection under supervision.

The most common service is the provision of 20 millimetre water meter connection and the relevant fees are shown in Table 1 below:

| Connection size | Metrowater | Manukau Water | North Shore | United Water | Rodney | Waitakere (Proposed) |
|-----------------|--|--|-------------|---|--------|----------------------|
| 20mm | \$580, plus \$3,861 Network Upgrade Charges for new connections | \$2,120 plus \$1,450 + GST Network Growth Charges | \$635 | \$775 plus \$2,025 Infrastructure charge | \$740 | \$600 |

Table 1 - Comparison of fees for 20mm Water Service Connection

Special Consultative Procedure

The Local Government Act 2002 requires under Section 150 (3) (b) that Council must use the special consultative procedure, as set out in Section 83, to prescribe fees or charges.

The special consultative procedure requires Council to publicly notify the fees and allow a minimum of one month for submissions, and submitters have the right to be heard.

Therefore, the recommended timeline is as follows:

- Public notification, Thursday 29 August 2007;
- Submissions close on Monday 1 October 2007, at 9 am;
- Hearing of submission and confirmation of fees, at the Council meeting of Wednesday 10 October 2007.

RESOURCES

There are no resource issues arising from this report. Council is entitled to recover the reasonable cost incurred in providing this service, including contract costs, established through public tendering, and administration and overhead costs.

If the fees are not increased, then the additional cost will be a charge on ratepayers and thus ratepayers would be subsidising development.

CONCLUSION

The fees for water supply, wastewater and stormwater service connections and other services have not been reviewed since 1 July 2004.

The cost of services has been established through open tendering and there has been significant cost increases due to escalation of the cost of labour, plant and materials.

It is recommended that a new schedule of fees be established through the special consultative procedure in order to ensure that Council recovers all reasonable costs.

RECOMMENDATIONS

1. That the Revised Schedule of Fees for Water Supply, Wastewater and Stormwater Service Connections and Other Services report be received.
2. That approval be granted to proceed with the special consultative procedure, as set out in section 83 of the Local Government Act 2002, in order to set the Schedule of Fees for Water Supply, Wastewater, and Stormwater Service Connections and Services.
3. That the Schedule of Fees as set out in the Statement of Proposal and the Summary of Information attached at pages A1 to A4 to the Agenda, be approved for public consultation.

Report prepared by: Tony Miguel, Group Manager: Asset Management.

HV O'Rourke
CHIEF EXECUTIVE OFFICER



PART E - REPORTS FROM THE STANDING COMMITTEES

13 CITY DEVELOPMENT COMMITTEE

YOUR COMMITTEE SUBMITS THE FOLLOWING REPORT OF ITS MEETING HELD ON THURSDAY, 2 AUGUST 2007

MATTERS CONSIDERED

*Pages 1-6
Part E*

Your Committee dealt with a number of items for which it has delegated powers to act and a copy of the minutes of the meeting is attached at pages 1 to 6 in the supplement labelled Part E.

Your Committee Recommends:

That the report of the Meeting of the City Development Committee held on Thursday, 2 August 2007 be received.

PA Hulse
CHAIRMAN



14 FINANCE AND OPERATIONAL PERFORMANCE COMMITTEE

YOUR COMMITTEE SUBMITS THE FOLLOWING REPORT OF ITS MEETING HELD ON MONDAY, 6 AUGUST 2007

MATTERS CONSIDERED

*Pages 7-13
Part E
Page 7
Part H*

Your Committee dealt with a number of items for which it has delegated powers to act and a copy of the minutes of the meeting is attached at pages 7 to 13 in the supplement labelled Part E. The public excluded minutes are attached at page 7 of the Confidential Supplement labelled Part H.

Your Committee Recommends:

That the report of the Meeting of the Finance and Operational Performance Committee held on Monday, 6 August 2007 be received.

JM Clews, QSO, JP
CHAIRMAN



15 **PLANNING AND REGULATORY COMMITTEE**

YOUR COMMITTEE SUBMITS THE FOLLOWING REPORT OF ITS MEETING HELD ON TUESDAY, 7 AUGUST 2007

MATTERS CONSIDERED

*Pages 14-17
Part E*

Your Committee dealt with a number of items for which it has delegated powers to act and a copy of the minutes of the meeting is attached at pages 14 to 17 in the supplement labelled Part E.

Your Committee Recommends:

That the report of the Meeting of the Planning and Regulatory Committee held on Tuesday, 7 August 2007 be received.

VS Neeson, JP
CHAIRMAN



16 **TE TAUMATA RUNANGA**

I NOHO TE TAUMATA RUNANGA KOMITI RAHINA, TE KAU MA TAHI O HERE-TURI-KOKA 2007

YOUR COMMITTEE SUBMITS THE FOLLOWING REPORT OF ITS EXTRAORDINARY MEETING HELD ON SATURDAY, 11 AUGUST 2007

MATTERS CONSIDERED

*Pages 18-19
Part E*

Your Committee dealt with a number of items for which it has delegated powers to act and a copy of the minutes of the meeting is attached at pages 18 to 19 in the supplement labelled Part E.

NGA TAKE E WHIRIWHIRIA

E whakatau ana Te Taumata Runanga i nga take i whakamanangia i te ture he whakaahua o nga tuhi kua tonoa ki nga mema o te Kaunihera.

Your Committee Recommends:

That the report of the Extraordinary Meeting of Te Taumata Runanga held on Saturday, 11 August 2007 be received.

M Te Huia
DEPUTY CHAIRMAN



PART F - PRESENTATION

There are no Presentations.



PART G - PROCEDURAL MATTERS

17 QUESTIONS

Pursuant to Standing Order 39.2, any member of the local authority may at any meeting of the local authority at the appointed time, put a question to the Mayor as Chairman of the local authority, or through the Mayor to the Chairman of any standing or special committee, or to any officer of the local authority concerning any matter relevant to the role or functions of the local authority concerning any matter that does not appear on the order paper, nor arises from any committee report or recommendation submitted to that meeting.



18 NOTICES OF MOTION

Pursuant to Standing Order 28.1, notices of motion shall be in writing by the mover, stating the meeting at which it is proposed that the notice of motion be considered, and shall be delivered to the Chief Executive Officer at least five clear days before such meeting.



PART H - PUBLIC EXCLUDED MATTER



19 CLOSING PRAYER

