

QLDC Council
23 June 2017

Report for Agenda Item: 8

Department: Property & Infrastructure

Easement to Aurora Energy – Lake Hawea Holiday Park

Purpose

The purpose of this report is to consider granting an electrical easement over Recreation Reserve with legal description Section 2 Block II Lower Hawea Survey District to Aurora Energy Ltd. The easement is required to replace existing overhead lines and transformer with a new underground power cable and ground based transformer.

Recommendation

That Council:

1. **Note** the contents of this report;
2. **Approve** an electrical easement over Recreation Reserve, Section 2 Block II Lower Hawea Survey District be granted subject to section 48 (1)(d) of the Reserves Act 1977, to Aurora Energy Ltd subject to the following conditions:
 - a. Aurora Energy Ltd to notify and liaise with QLDC Infrastructure Department and the lessee of the land Glen Dene Holdings Ltd in advance of any onsite works so that they can oversee and provide input relating to existing in ground infrastructure;
 - b. Requirement for a bond payable to QLDC prior to construction works commencing will be waived in this instance;
 - c. The work site to be evidenced by before and after photographs or video to be provided by the applicant;
 - d. A comprehensive safety plan must be prepared and implemented, at the applicant's cost, to ensure a safe environment is maintained around the subject site;
 - e. Certificate of adequate public liability cover to be received;
 - f. Reinstatement of the area to be completed immediately following installation and to the satisfaction of QLDC's Property & Infrastructure Department and lessee Glen Dene Holdings Ltd. Reinstatement to include any fencing or other structures.
 - g. Within 3 months of completion of the work, the applicant to provide QLDC with a surveyed easement and signed Deed of Easement.

3. **Endorse a recommendation** to full Council on 23 June 2017, that notification of the intention to grant the easement is not required, as the statutory test in section 48(3) of Reserves Act 1977 is met for the reasons set out in this report;

Prepared by:



Dan Cruickshank
APL Property – Property
Advisor

7/06/2017

Reviewed and Authorised by:



Aaron Burt
Senior Planner: Parks &
Reserves

2/06/2017

Background

- 1 Council administers the reserve over which the Lake Hawea Holiday Park is situated, legally described as Section 2 Block II Lower Hawea Survey District, Certificate of title 370244.
- 2 The reserve is classified as Recreation Reserve under NZ Gazette 1986 p 2401, and vested in Council to administer under NZ Gazette 1999 p 2418.
- 3 The land carries an existing overhead power line and transformer, owned by lines company Aurora Energy Ltd. These assets have been in place for some decades and are now in need of replacement due to their condition. The existing lines were installed prior to the Electricity Act 1992, and therefore did not require an easement at the time.
- 4 The land upon which the easement will be placed is in the general vicinity of the existing powerline, on land leased to Glen Dene Holdings Ltd as a camping ground, with lease expiry on the 31/12/2036. Glen Dene Holdings also hold a commercial licence from Council for the surrounding reserve land, however this area is unaffected by the easement location.
- 5 This report will be considered by the Wanaka Community Board at its meeting on 22 June. The recommendation is that the Board endorse the recommendation.

Comment

- 6 Aurora wish to replace existing overhead lines with an underground power cable that will run for approximately 110m, terminating at an above ground transformer. This is intended to ensure a safe supply of electricity to the site, currently considered potentially at risk.
- 7 Access to the site will be able to be made through the main reserve area and camping ground, in conjunction with the lessees, who are keen to see the work take place with urgency.

- 8 The undergrounding of the power lines will create an area of land that will need to be reinstated by Aurora afterwards, along with replacement of any vegetation. As most of the area is in the main built area of the camping ground, it is suggested that this aspect be coordinated directly with the lessee.
- 9 The underground cable will require a 3m wide easement channel and the transformer requires an area of 3x4m, equating to a total area of 342m². There is also the possibility that the underground cable easement width may be reduced if ducting can be provided.
- 10 As per the Easement Policy 2008, an application fee and a one-off underground services easement fee are applicable. In accordance with the policy, the easement fee is calculated at \$249.66 plus GST.

Land value of property	= \$390,000
Size of property	= 160,000 m ²
Easement area	= 342 m ²

Calculation:

\$390,000 / 160,000 m ²	= \$2.44 / m ²
30% of \$2.44	= \$0.73 / m ²
\$0.73 x 342 m ²	= \$249.66 plus GST

- 11 Existing infrastructure may exist in the recreation reserve which may be crossed by the easement. The applicant will need to liaise with QLDC's Infrastructure team to ensure existing infrastructure is not damaged during the installation.
- 12 Under the Reserves Act 1977, Ministerial consent is required before an easement can be granted over a reserve. This consent is now delegated to Council and must be granted prior to the easement being lodged with LINZ.
- 13 Granting an easement is permitted by the Reserves Act 1977, however, such easement must be publicly notified in accordance with Section 48(2) unless it can be shown that people's ability to enjoy the reserve is not affected and that there is no long-term effect on the land. These matters are considered below.

Does the easement affect the ability of people to use and enjoy the reserve?

- 14 While there would be some temporary minor disruption during the installation of the underground power lines, long term there will be no detrimental effect on the ability of the public to use and enjoy the reserve. Once the installation is complete, users of the reserve would be unaware that any changes have been made to the reserve.

Does the easement create any long term permanent effect on the reserve?

- 15 Aside from during the installation process, this easement will not affect the ability of the reserve to provide for its current purpose. As the infrastructure will be mostly underground apart from the transformer, it is considered that the creation of the easement will not have any long-term effect on the reserve.

- 16 Taking into account the above factors, it is not considered that the easement will permanently affect the reserve or the ability of people to use and enjoy the reserve, and therefore public notification is not deemed necessary.
- 17 This report recommends that any approval granted for an easement be subject to the following conditions:
- a. Aurora Energy Ltd to notify and liaise with QLDC Property & Infrastructure Department and the lessee of the land Glen Dene Holdings in advance of any onsite works so that they can oversee and provide input relating to existing in ground infrastructure;
 - b. Requirement for a bond payable to QLDC prior to construction works commencing will be waived in this instance;
 - c. The work site to be evidenced by before and after photographs or video to be provided by the applicant;
 - d. A comprehensive safety plan must be prepared and implemented, at the applicant's cost, to ensure a safe environment is maintained around the subject site;
 - e. Certificate of adequate public liability cover to be received;
 - f. Reinstatement of the area to be completed immediately following installation and to the satisfaction of QLDC's Infrastructure Department and lessee Glen Dene Holdings Ltd. Reinstatement to include any fencing or other structures.
 - g. Within 3 months of completion of the work, the applicant is to provide QLDC with a surveyed easement and signed Deed of Easement.

Options

- 18 This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002.
- 19 Option 1 Endorse a recommendation to full Council to grant the easement over Recreation Reserve, Section 2 Block II Lower Hawea Survey District, subject to the conditions outlined above.

Advantages:

- 20 The power supply to Lake Hawea Holiday Park will be upgraded and undergrounded at no cost to the ratepayers, community or lessee.
- 21 A potential health and safety concern will be removed from the property.
- 22 Council will receive an easement fee of approximately \$249.66 plus GST.

Disadvantages:

- 23 The easement area will not be available for other utility infrastructure, without the consent of Aurora Energy.

- 24 Access to a small area of the camping ground will be temporarily limited during the undergrounding process.
- 25 Option 2 Recommend to full Council to grant the easement over Recreation Reserve, Section 2 Block II Lower Hawea Survey District, subject to alternative conditions.

Advantages:

- 26 Similar to Option 1

Disadvantages:

- 27 Similar to Option 1.

- 28 Option 3 Recommend to full Council to decline the easement over Recreation Reserve, Section 2 Block II Lower Hawea Survey District.

Advantages:

- 29 The easement area would be available for other utility infrastructure.
- 30 Access to a small area of the camping ground would not be temporarily limited during the undergrounding process.

Disadvantages:

- 31 The power supply to Lake Hawea Holiday Park would not be upgraded and undergrounded at no cost to the ratepayers, community or lessee.
- 32 A potential health and safety concern would not be removed from the property.
- 33 Council would not receive an easement fee of approximately \$249.66 plus GST.
- 34 This report recommends **Option 1** for addressing the matter, as it will improve and underground the electricity supply to a Council property and lease area.

Significance and Engagement

- 35 This matter is of low significance, as determined by reference to the Council's Significance and Engagement policy because it does not involve a Council strategic asset, is of low importance to the Queenstown Lakes District, is not of interest to the general community, is not inconsistent with policy and strategy and does not impact on Council's capability and capacity.

Risk

- 36 This matter relates to operation risk OR011A, 'Decision Making'. The risk is classed as moderate. A perpetual property right contained in the recreational reserve does carry risk to Council for any future development, and this risk needs to be highlighted when considering approving the easement.

Financial Implications

- 37 Council will receive an easement fee of approximately \$249.66 plus GST in accordance with the easement policy.
- 38 All costs associated with the survey and registration of the easement on Council's title will be paid for by the applicant, Aurora Energy Ltd.

Council Policies, Strategies and Bylaws

- 39 The following Council policies, strategies and bylaws were considered:
- Identify Significance & Engagement Policy 2014 – the proposal is a matter with low significance in terms of this policy as it does not impact Council's strategic assets, affect a large number of residents, ratepayers and the environment and is not expected to create a community interest in the matter.
 - Easement Policy 2008 – the application is consistent with the policy.
- 40 The recommended option is consistent with the principles set out in the named policy/policies.
- 41 This matter is not included in the 10-Year Plan/Annual Plan, however can be met from existing property operating budgets.

Local Government Act 2002 Purpose Provisions

- 42 The recommended option:
- Will help 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 by allowing a power line to be undergrounded and improved at no cost to Council;
 - Can be implemented through current funding under the 10-Year Plan and Annual Plan;
 - Is consistent with the Council's plans and policies; and
 - Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

Consultation: Community Views and Preferences

- 43 No consultation is envisaged or required by Council as it has low significance with regard to the Significance & Engagement Policy 2014, is consistent with s10 of the Local Government Act and is not included in the 10-Year Plan/Annual Plan.
- 44 The lessee Glen Dene Holdings have also confirmed that they are in approval of the electricity supply being upgraded.

Attachments

- A Site Installation Plan and Aerial

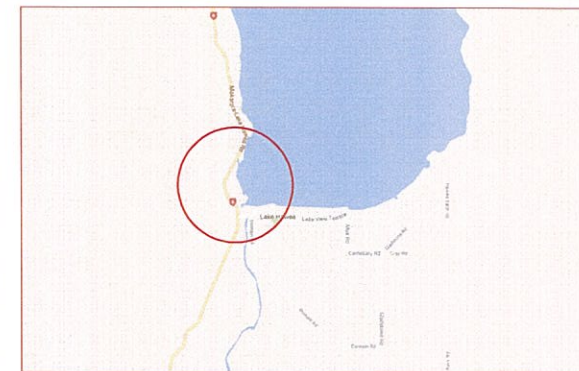
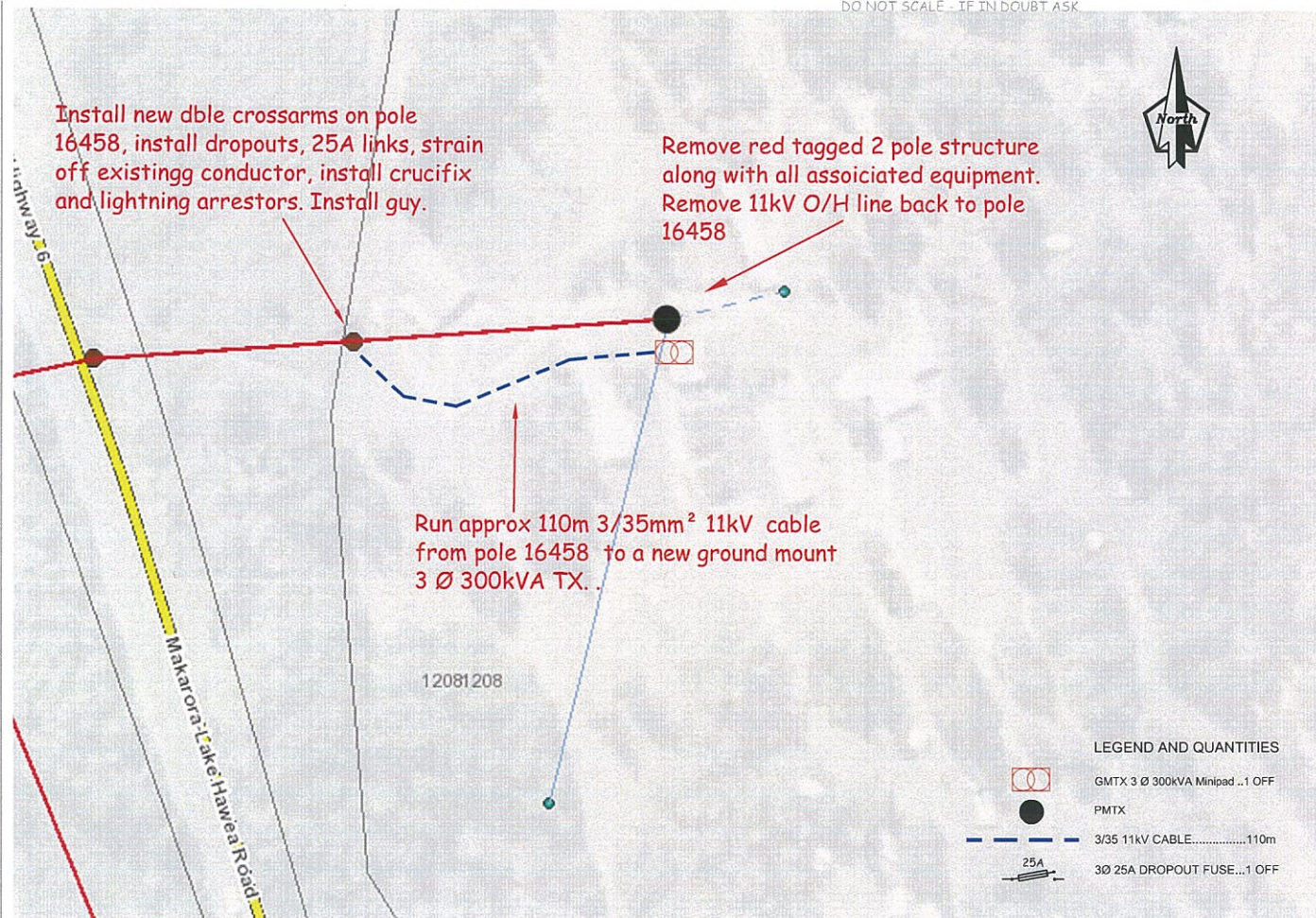
Attachment A: Site Installation Plan and Aerial

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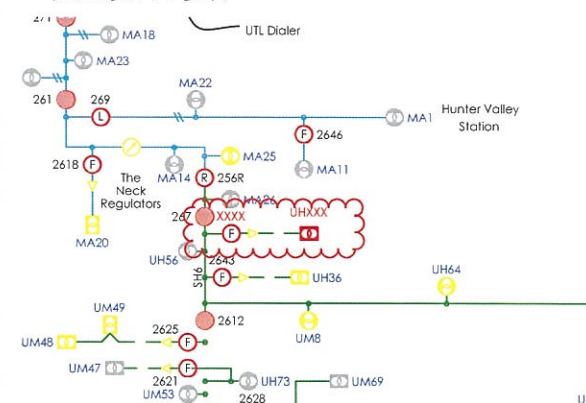
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DO NOT SCALE - IF IN DOUBT ASK

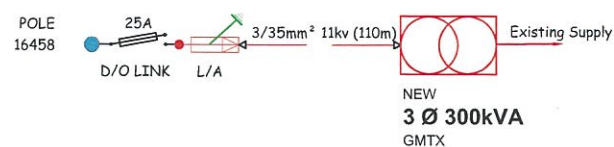


LOCALITY PLAN



HV NETWORK SCHEMATIC

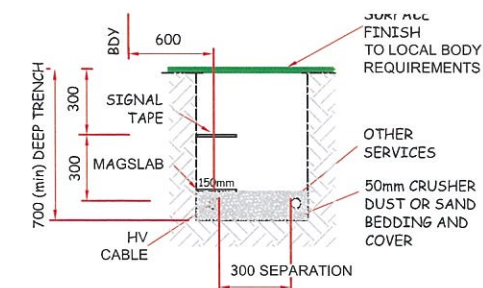
CONSTRUCTION PLAN



HV SCHEMATIC

EASEMENTS

EASEMENTS IN GROSS TO AEL REQUIRED FOR ALL OVERHEAD LINES, TRANSFORMERS 11kV AND LV CABLES AND EQUIPMENT ON PRIVATE PROPERTY



HV TRENCH DETAILS (TYP) SCALE NTS

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ISS	APPROVAL	REVISION	DATE	INTL
			MAY 17	RCM

NES CENTRAL LIMITED
CHURCH ROAD LUGGATE
PH 03 443 8340 FAX 03 444 2748
www.4nes.co.nz



PROJECT:
LAKE HAWEA CAMPING
TRANSFORMER RELOCATION

CONSTRUCTION PLAN
LAKE HAWEA CAMPING GROUND
HAWEA

APPROVED:	DESIGNED:	STATUS:	APPROVED:
PJS	PJS	ON A3	1
SCALE:	AS SHOWN	DATE:	NOV 26
PROJECT NO:	QC1611.22	REVISION:	01
DATE:	NOV 26	REVISION:	B



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