



Report 08.394
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Committee Catchment Management
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Boulcott/Hutt stopbank - Preferred alignment

1. Purpose

To obtain a recommendation from the Catchment Management Committee on a preferred alignment for the Boulcott/Hutt stopbank.

2. Significance of the decision

The matters for decision in this report do not trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Background

The Hutt River Floodplain Management Plan identifies the need to upgrade a section of stopbank from Kennedy Good Bridge down to the Ewen Bridge with provision made in the LTCCP for completion of the works by 2016. Planning for the works is underway. The first section to be undertaken is the Hutt/Boulcott stopbank which crosses the Hutt and Boulcott golf courses and continues down to Connolly Street and then along the existing stopbank to Mills Street.

September 2007

On 6 September 2007, the Hutt River Advisory Subcommittee (HRAS) considered three alignments for the proposed Boulcott/Hutt stopbank and recommended the Green alignment, as the preferred alignment, to the Landcare Committee.

On 19 September 2007, the Landcare Committee considered the HRAS recommendations, and a submission from the Boulcott Golf Club, and requested officers investigate other options for the Green alignment. Following this, GWRC officers developed the Boulcott Alternative alignment option in consultation with the Boulcott Golf Club and other stakeholders.

March 2008

On 13 March 2008, the HRAS considered the Green alignment and the Boulcott Alternative, and resolved by a majority vote to recommend to the Catchment Management Committee (CMC) that it endorse the Boulcott Alternative for Council approval subject to a number of conditions. **Attachment 1** contains the HRAS resolution and the officer's report (Report 08.123).

On 19 March 2008, the CMC resolved to postpone the consideration of the HRAS recommendation until its meeting on 1 May 2008. However, the CMC members expressed concern about the higher cost of the Boulcott Alternative and in light of this asked officers to follow up a funding proposal put forward at the meeting by Councillor Glensor.

A letter was subsequently sent to Hutt City Council on 11 April 2008 providing details of the Councillor Glensor proposal and requesting it to be placed in front of the Hutt City Council. This matter was discussed at the 21 May 2008 meeting of the Strategy and Policy Committee of Hutt City Council (HCC).

4. **Hutt City Council consideration of Councillor Glensor proposal**

The Boulcott Golf Club has offered to transfer all of its land comprising the Boulcott Golf Club to GW for the consideration of \$1.00, if the Boulcott Alternative is adopted. This transfer is subject to the proviso that GW in return grant BGC a lease in perpetuity over the land at a non-reviewable rent of \$1.00.

Councillor Glensor proposed HCC purchase approximately 2.3 ha of the BGC land to be transferred to GW (land on the landward side of the proposed new Boulcott Alternative stopbank) for between \$1.5 m and \$1.8 m from GW in 2014 when the project is completed. The purpose of the proposal was to offset some of the additional costs being faced by GW with the Boulcott Alternative.

If HCC purchased the land it would be subject to the same lease agreement as the BGC would have with GW, but should the BGC cease to exist, HCC would have the ability to dispose of (or otherwise utilise) the land as it saw fit.

On 21 May 2008, the Strategy & Policy Committee of HCC considered the land purchase proposal. The Boulcott Golf Club and GW Councillors Greig and Lamason made submissions to the Committee through public participation. GWRC officers attended the meeting and answered questions from the Committee.

After a lengthy debate, that Committee resolved to recommend to Hutt City Council that it decline support for the funding proposal. HCC considered this recommendation on 3 June 2008. **Attachment 2** contains a copy of the Strategy & Policy Committee resolution, Councillor Glensor's proposal and GW's letter to HCC.

The basic premise of HCC for not supporting the proposal was that matter is related to flood protection and is therefore responsibility of Greater Wellington.

5. Further matters considered since the March 2008 Meeting of the HRAS

5.1 Planning process and Timelines

Our proposed planning process is to designate the land under whichever is the preferred stopbank alignment and to obtain resource consents for diversion of flood waters. **Attachment 3** contains a report prepared by Tracy Berghan providing details and time frames for the proposed planning and land acquisition processes for each alignment.

The best estimate of timing for the planning and land acquisition process for the two alignments is that the Boulcott Alternative could be up to 2 years quicker to implement. The Boulcott Alternative alignment could take between 1½ to 2½ years, and for the Green alignment would take between 2 to 4½ years. The best estimates are closer to 1½ years for the Boulcott Alternative and up to 3½ years for the Green.

Key assumptions include;

- Land owners will support the planning process for the Boulcott Alternative.
- Private land required for the Boulcott Alternative will be obtained by agreement with the land owners.
- The Green alignment will go through a more contested planning and land acquisition process because of an objection from the Boulcott Golf Club.
- If the Green alignment is adopted, the lease of the GW land occupied by the Boulcott Golf Club will not be renewed once it expires on 30 June 2009.

We have received a legal opinion which confirms that we can proceed with the planning and land acquisition processes for either the Green or Boulcott Alternative and be confident of a successful outcome.

5.2 BGC letter and response

The Boulcott Golf Club wrote to Council on 21 April 2008 and asked whether GW has treated them in the same manner as the Hutt Golf Club.

We can advise the Committee that we have used the same approach and principles with both clubs to develop a preferred alignment, however the outcomes for the two clubs have been different.

The investigation of a preferred option for the new Hutt /Boulcott stopbank has been thorough, and right from day one we have taken an open and honest “work together” approach with both clubs. Our approach to the option assessment has been the same for both clubs but the investigation has led to quite different outcomes for each club due to a combination of the following factors:

- the layout and direction of each course;
- the varied topography, which affects stopbank height and extent of earthworks;
- the relative size of the courses. The Hutt golf course is 40 hectares and Boulcott golf course is 10.7 hectares;
- the relative locations of the clubrooms, and
- GW owning 2.4 hectares of land which Boulcott golf course leases.

A formal response has been sent to the BGC.

The BGC enquiry did make us reconsider some options discarded earlier in the process and a rerun of the Multi Criteria Analysis (MCA) was completed in May 2008 to assess the Boulcott Alternative against five other possible alignments.

5.3 Final review and assessment of options

We have rerun the MCA to help assess the Boulcott Alternative (\$12.8 m) option against the Green alignment that was previously chosen as the preferred option. The five alignment options assessed against the Boulcott Alternative in this final analysis were:

- The original Red “engineering” alignment (\$11.8 m)
- The original Blue ‘golf friendly’ alignment (\$15.2 m)
- A full Green ‘Engineering’ alignment through the middle of both courses making both unviable (\$10.9 m)
- The September 2007 preferred Green alignment – with a ‘golf friendly’ section through the Hutt golf course and an ‘Engineering’ section through the Boulcott (\$10.4 m).
- An alignment with a ‘golf friendly’ section through the Boulcott golf course and an ‘Engineering’ section through the Hutt course. This would make the Hutt course unviable (\$13.1 m).

The MCA factors can be summarised into three categories; cost, environmental/social/cultural impacts, and the sustainability and security of the flood improvement option. The MCA aims to try and make an objective comparison between the various options analysed.

This rerun of the MCA tells us two things:

- The Boulcott Alternative and the Green alignment are the two best options, taking into account the cost, impacts, and sustainability and security of the chosen option.
- The choice between the Boulcott Alternative and the Green Alignment is essentially a weighing up of cost versus the impact on the Boulcott Golf Club. If a lower weighting is put on cost the Boulcott Alternative is clearly the favoured option. As cost is given a higher weighting the preferred option becomes the Green alignment.

At the latest workshop to rerun the MCA the weighting put on cost was about 15%. This gave a preferred option of the Boulcott Alternative, supporting the recommendation from the HRAS.

The subsequent sensitivity analysis showed that when the weighting on cost was raised to around 30% (see table below), the Green Alignment became the preferred option.

In summary, the Committee has to decide on weightings placed on cost, impacts and sustainability from a regional perspective when determining a preferred option for the stopbank. It is important to note that as the weighting on cost is increased, then the other factors such as river environment, impact on golf clubs, regional impacts and neighbours, must be reduced proportionately.

Attribute	Weigthing1		Weighting 2	
Cost	15%		31%	
Sustainability	16%		19%	
Impacts	69%		50%	
Alignment	Weighted Score	Relative Rank	Weighted Score	Relative Rank
Boulcott Alternative	3.89	1	3.81	2
Previously recommended Green	3.61	2	3.88	1

Attachment 4 contains a summary report on the Multi Criteria Analysis.

5.4 Public/Private benefit

The decision to proceed with the new Hutt/Boulcott stopbank has been made solely on the basis of public benefits. The proposed stopbank when completed will greatly reduce the flood risk to the Hutt CBD and provide immediate flood protection benefits to the Hathaway Avenue properties. This stopbank together with the City Centre reach to be upgraded in the future will provide the 440 year standard of protection to the Hutt CBD.

The question has been raised - is there a significant private benefit to the Boulcott Golf Club resulting from the public spending an additional \$1.8million on the Boulcott alternative option to keep the course (and club) intact? The answer is not simple. Clearly, there can be no immediate monetary gain to the club because title is transferred to the Regional Council, with a lease back to the club. The course itself is not improved in any way, apart from the flood improvements to the relocated clubrooms. It is more a case of whether the Council is willing to spend \$1.8million to retain the course substantially as is and allow the 70 year old BGC to continue to function.

The alternative Green alignment however provides a very high standard of protection to about 3.6 ha of Boulcott Golf Club land. With a zoning change this land could be worth about \$5 million (gross) benefiting the BGC membership. The Green alignment is likely to lead to the closure of the BGC, but it would provide an opportunity for the club to take the funds and merge with another club(s) strengthening that club(s).

6. Budget

The total estimated costs of the Green and the Boulcott Alternative alignments are \$10.6 million and \$12.4 million respectively. These figures were further refined from the original figures (\$10.4 m and \$12.8 respectively) taking into account the agreed extra contributions from the Boulcott Golf Club and the additional costs of a delayed planning and land acquisition process for the Green.

Following a request by the HRAS in the 13 March meeting, officers met with the BGC to discuss opportunities for further reducing the total costs of the Boulcott Alternative. However, the BGC has confirmed that any further reduction in compensation or any further increase of club's contribution is not possible.

The total budget allowed in the current LTCCP is \$6.6 million. The following table shows the current budget and indicative budget requirements for each alignment while maintaining a spend rate of \$3m to \$4m per year. The budget requirements for the Green alignment are provided on the basis of an extended planning and land acquisition process.

Description	Total cost	Spend to June 08	08/09	09/10	10/11	11/12	12/13	13/14	14/15
Current	6625	870	380	2388	2987				
Boulcott Alternative	12400	870	380	500	3000	4000	3000	650	
Green	10600	870	380	100	100	2550	3000	3000	600

Notes: 1. figures are \$'000s, 2. Bold figures are construction/compensation costs

The increased costs to the Boulcott/Hutt project will have an impact on the programme for the City Centre stopbank upgrade project. GW's 2008-2016 plan provides for completing the City Centre project by 2016. If the spend rate of \$3m-4m is maintained the new completion date for the City Centre section will be delayed until 2018.

7. Summary

The purpose of this report is to seek a decision from the Committee on a preferred alignment.

In making a decision however there are a number of actions that are set in place that need to be taken into account

Firstly the Council is proposing to implement a public work and needs to set aside the land for this purpose. The Council has the power to do this (by designating the land) as a requiring authority provided it meets certain tests. Two tests are particularly important. The first is whether the works are necessary. The Hutt River Floodplain Management Plan developed in 2001 through an extensive consultation process clearly demonstrated the need for the new stopbank. The second matter is the consideration of alternatives and the making of "a determination on a preferred option which is not unreasonable". On this point we have looked at the broadest possible range of alternatives. We have used a multi criteria analysis as a basis for considering alternatives so that there is a methodology to show how Council came to its decision. In making its decision the Committee needs to establish the weighting on project cost that should be used for this particular project, taking into consideration their judgement of cost pressures to the ratepayer and impacts of the chosen option.

Having designated the land for the stopbank, the next step is to gain entry to the land for construction. For both options we must negotiate with the owners and only if this is unsuccessful would we use the compulsory acquisition provisions of the Public Works Act. For the Boulcott Alternative Alignment we have developed the basis of an agreement with the BGC and could proceed relatively quickly. For the Green alignment we have not commenced negotiations as the Green alignment is not the BGC's preference. BGC has indicated that it is likely to contest the statutory process. We have sought professional advice on this matter and are confident that we have made sufficient provision in the estimates for the possible additional statutory process costs for the Green alignment, if BGC contests the matter.

We believe that all feasible alignments have been investigated for the Boulcott/Hutt stopbank following an extensive consultation process. The Boulcott Alternative and the Green Alignment are clearly the best two options of all these alignments. The Boulcott Alternative provides a negotiated alignment that has less impact on the BGC and should be able to be implemented quickly, but has a \$1.5-1.8M higher cost. The Green Alignment has a lower estimated cost but could take up to 2 years longer to implement and has a higher degree of implementation risk as it could be contested at the various statutory stages. Our advice is that this risk is not an unreasonable one to take.

8. Communication

This project has gone through an extensive consultation process. Once a preferred alignment is selected the two Clubs will be advised of the decision and a press release will then be issued. A newsletter will be distributed advising the local community and other stakeholders of the decision.

9. Recommendations

That the Committee:

1. ***Receives the report.***
2. ***Notes the content of the report.***
3. ***Notes that the Green alignment has an 'Engineering' stopbank diagonally crossing the Boulcott course from Rentokil site to the Hutt course boundary and a 'golf friendly' stopbank following the eastern boundary of the Hutt course.***
4. ***Notes that the Boulcott Alternative alignment has 'golf friendly' stopbanks in both Boulcott and Hutt golf courses***
5. ***Either***

Recommends to Council that it adopt the Hutt River Advisory Subcommittee recommendation as follows;

5.1 That officers should proceed with obtaining statutory approvals, the detailed design and finalising the land and entry negotiations on the basis of the Boulcott Alternative alignment subject to entering a suitable arrangement with the Boulcott Golf Club that will ensure the BGC:

- ***Foregoing approximately \$200,000 of the estimated compensation due to them***
- ***Undertaking at least \$200,000 worth of work on Greens and Tees associated with the Boulcott alignment with their own resources.***
- ***Transferring the title of the BGC land to GW on the condition that GW lease back the land to the club at a nominal rate.***

- *Enter into an agreement with GW to support the Boulcott Alternative alignment through the Consent and Designation process.*

5.2 Recommends to Council

that if officers cannot reach a satisfactory agreement with the Boulcott Golf Club on the basis of Recommendation 5.1 that they should proceed with obtaining statutory approval and the detailed design for the Boulcott/Hutt stopbank on the basis of the Green alignment.

Or, If the Committee considers that cost and affordability to the ratepayer needs to be given higher consideration it;

Recommends to Council;

5.1a That *officers should proceed with obtaining statutory approval and the detailed design for the Boulcott/Hutt stopbank on the basis of the Green alignment.*

5.1 b That *the lease of the GW land occupied by Boulcott Golf Club will not be renewed once it expires on 30 June 2009.*

5.1 c Notes *that the Boulcott Golf course is unlikely to be able to continue with the Green alignment.*

6. **Recommends to Council** *that the additional funding for the preferred alignment option be considered through the upcoming 2009-2019 LTCCP process*
7. **Recommends to Council** *that the Divisional Manager, Catchment Management Division, be authorised to lodge the Notice of requirement with Hutt City Council for the alignment adopted.*

Report prepared by:

Report approved by:

Report approved by:

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Attachment 1: HRAS resolution and officers Report 08.123

Attachment 2: Hutt City Council response to Councillor Glensor's proposal

Attachment 3: Planning process and Time frames

Attachment 4: Multi Criteria Analysis – Summary document