



Report 08.551
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File N/03/18/01

Committee Council
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Boulcott/Hutt stopbank - Preferred alignment

1. Purpose

To recommend that Council adopt the Boulcott Alternative as the preferred alignment for the Boulcott/Hutt stopbank project, and to seek Council approval to proceed with the design and statutory approval phase of the project. This report supersedes the previous report 08.464 presented to Council on 30 June 2008.

2. Significance of the decision

Stopbanks are considered by the Council to be strategic assets. Provision for the Boulcott/Hutt stopbank project has been made in the 2006-2016 LTCCP.

3. Background

On 13 March 2008, the Hutt River Advisory Subcommittee considered the two alignment options for the new stopbank to be constructed through the Hutt and Boulcott Golf Courses – the Green alignment and the Boulcott Alternative alignment. The Subcommittee resolved by a majority vote to recommend to the Catchment Management Committee (CMC) that it endorse the Boulcott Alternative alignment for Council approval, subject to a number of conditions.

On 18 June 2008, the CMC, after much debate and discussion on the flood security of both alignments, and the additional cost of the Boulcott Alternative, recommended that Council approve the Green alignment as the preferred alignment for the Boulcott/Hutt stopbank.

On 30 June 2008, Council resolved to let the report containing the CMC recommendation (Report 08.464) lie on the table until consideration could be given to options for funding the \$1.5 million gap between the Green alignment and the Boulcott Alternative.

Since 30 June 2008, Greater Wellington and Hutt City Council (HCC) have explored opportunities to provide the additional funding required for the

Boulcott Alternative. GW officers also had meetings with the two golf clubs to discuss options to reduce the total costs of the Boulcott Alternative.

4. Funding the Gap

The additional costs of the Boulcott Alternative, over the cheaper Green option, were initially estimated at \$2.4 million. When other factors, including consent issues and the contribution of \$400,000 from the BGC are allowed for the additional costs are now estimated at \$1.5 million. Discussions on how the remaining \$1.5 million additional cost of the Boulcott Alternative could be funded have identified three key areas for consideration.

4.1 Cost savings from design changes to the Boulcott Alternative option

Following discussions with the two golf clubs in July 2008, both clubs have agreed to a change to the alignment of the proposed Boulcott Alternative option at the boundary of the two courses. This change avoids the need to reconstruct the 7th Green of the Hutt course.

A saving of \$200,000 from the total project costs can be made by not constructing a new 7th Green and the associated filling.

4.2 Funding stormwater and Roothing improvements

The Boulcott Alternative cost estimate includes \$700,000 for stormwater outlet reconstruction and improvement. Of this cost \$500,000 is for stormwater improvements over and above the level of service provided by the existing system. HCC has agreed to fund the cost of the improvements to be undertaken while the stopbank is reconstructed.

Similarly, the project will make improvements to a section of Connolly Street over the new stopbank. HCC has agreed to manage this element of the project, which will result in a \$200,000 reduction in the cost to the stopbank project and will enable an improvement to the local roading network.

4.3 Further contribution from HCC

The remaining cost difference between the two alignments is \$600,000 once the costs savings outlined in 4.1 are applied, and the infrastructure contributions from HCC outlined in 4.2 above are taken into account.

Following discussion between the two Councils, HCC has agreed in principle to contribute a further \$300,000, being half of the remaining shortfall. The agreement from HCC is subject to endorsement at its Council meeting to be held on 12 August 2008.

5. Summary of funding for the Boulcott Alternative

As described in section 4 of this report, Hutt City Council has now agreed to fund \$1 million of the \$1.5 million difference for the Boulcott Alternative. A further \$200,000 has been saved in the design modification, leaving a funding deficit of \$300,000. It is now proposed that Greater Wellington provide an additional \$300,000 to enable the construction of the Boulcott Alternative alignment.

The benefits of adopting the Boulcott Alternative alignment are:

- The retention of the Boulcott golf course with the continuation of the 70 year old Boulcott Golf Club.
- Faster implementation of these important flood protection works because we avoid a contested, and potentially lengthy, RMA and land acquisition statutory process.
- Uncontested transfer of land currently owned by the BGC to GW, ensuring appropriate controls over the management and use of this land into the future. The transfer also ensures no private party can benefit from the construction of the more expensive golf friendly alignment. This land transfer will also involve a subsidiary agreement with HCC that will register their 50% interest in the land on the city side of the stopbank.
- That it maintains the strong spirit of co-operation between GWRC and HCC to the timely implementation of these, (and future) important flood protection works to reduce the flood risk to Hutt City.

Our recommendation that GW fund \$300,000 of the additional cost of the Boulcott Alternative is subject to the commitments from both the BGC and HCC. The commitments from the BGC are embodied in our letter to them on 12 March 2008 (Attachment 1) and summarised in the recommendations. The BGC has responded accepting the conditions set out in the letter.

The agreement from HCC is still to be confirmed at its Council meeting on 12 August 2008. An exchange of letters encompassing the agreement in principle has been made (Attachment 2) and forms the basis of the conditions contained in the recommendations.

6. Budget

The total estimated budget requirement for the Boulcott Alternative is \$12.2 million. Hutt City Council has agreed to fund \$1 million of stormwater, roading and other improvements to be undertaken as part of the project. The total contribution from HCC is \$1 million in 2008 dollars and will be adjusted for inflation, between now and the time the funding is required, by HCC making the necessary adjustments to the sums as part of their normal LTCCP process.

The following table provides the total estimated budget requirements from GW and HCC for the construction of the Boulcott Alternative.

Council	Spent to June 08 on land purchase	08/09	09/10	10/11	11/12	12/13	Total
GWRC	500	380	900	3,020	3,300	3,100	11,200
HCC				250	450	300	1,000
Project Total	500	380	900	3,270	3,750	3,400	12,200

Note: amounts are in \$'000 and correct as of August 2008

Greater Wellington has to make provision for this expenditure as part of the 2009/19 LTCCP round if the project is to proceed. The current 2006 – 2016 LTCCP only provides a budget of \$6.6 million for the new Boulcott/Hutt stopbank.

7. Communication

This project has gone through an extensive consultation process and received considerable publicity through the local press. Once a preferred alignment is adopted by Council, 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 and of the programme for the next stages of the project.

8. Recommendations

That the Council:

1. **Receives** the report.
2. **Notes** the content of the report.
3. **Notes** that adoption of the Boulcott Alternative alignment would enable 'golf friendly' stopbanks to be constructed in both the Boulcott and Hutt golf courses.
4. **Approves** officers proceeding with obtaining statutory approvals, detailed design and finalising the land and entry negotiations on the basis of the Boulcott Alternative alignment subject to:

(a) The Boulcott Golf Club

- *Foregoing approximately \$200,000 of the estimated compensation due to it*
- *Undertaking at least \$200,000 worth of work on Greens and Tees associated with the Boulcott alignment with its 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.*
- *Entering into an agreement with GW to support the Boulcott Alternative alignment through the Consent and Designation process.*

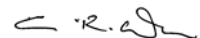
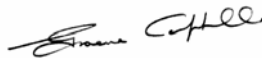
(b) The Hutt City Council

- *Funding \$500,000 of stormwater improvement works included in the Boulcott/Hutt stopbank project*
 - *Funding \$200,000 of roading improvement works included in the Boulcott/Hutt stopbank project*
 - *Contributing \$300,000 towards the general cost of the project by way of a special payment to GW.*
5. *Agrees that the required funding for the Boulcott/Hutt stopbank project totalling \$11.2 million be provided in the proposed 2009-2019 LTCCP.*
6. *Authorises the Divisional Manager, Catchment Management Division, to lodge the Notice of Requirement with Hutt City Council for the Boulcott Alternative alignment.*

Report prepared by:

Report approved by:

Report approved by:



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Attachment 1: GWRC letter to the Boulcott Golf Club

Attachment 2: Correspondence between CEO, GW (18 July 08) and CEO, HCC (4 Aug 08)