

## **STAFF REPORT**

**TO:** Chair and Members, Engineering Services Committee

**FROM:** Jeff Cuthbertson, Utilities Asset Manager

**REFERENCE:** W199

**SUBJECT:** **Takaka Firefighting – RESC10-08-08**  
Report prepared for meeting of 19 August 2010

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### **PURPOSE**

The purpose of this report is to seek approval from the Engineering Services Committee to tender the construction of the firefighting reticulation around the central business area of Takaka.

### **BACKGROUND**

Originally Council proposed an option to install a fully reticulated water supply in Takaka township funded by a Ministry of Health subsidy and from rates. Sections of the Golden Bay community opposed the installation of the fully reticulated water supply. However, it was acknowledged that the risk of fire, especially within the central business area, posed significant risk to commercial buildings and would severely impact the Golden Bay area as a whole.

A working party which included Councillors Community Board members, community representatives, NZ Fire Service staff and Council staff was set up in February 2008. This working party recommended to Council on 26 June 2008 that a firefighting reticulation network only be installed around the central business area of Takaka. A budget of \$1,099,496 was included in the 2009-2019 Ten Year Plan. Submissions to the 2009-2019 Ten Year Plan requested that Council further investigate the option of a fully reticulated water supply for the entire Takaka township. Funding options were to consider a satisfactory Ministry of Health water subsidy to offset the cost to the community.

### **GOVERNMENT SUBSIDY**

A report to the Engineering Services Committee in September 2009 highlighted the issue that the new Government had decided to review the entire subsidy scheme. The Ministry of Health indicated to Council that a resumption of the subsidy scheme would be announced in the May 2010 budget. No announcement has been made. Recent enquiries with the Ministry of Health have yielded no further information.

### **RATES FOR FIRE RETICULATION**

Council included the design and construction of the fire reticulation network for the Takaka central business area in the 2009-2019 Ten Year Plan. Rates were struck in the 2009-2010 financial year for this purpose.

## OPTIONS

Council has proposed the installation of a fire reticulation network only and this is supported by the Golden Bay Community Board and local residents. Council has two options it could consider.

- Option 1 Install the fire reticulation network around the Takaka central business area as proposed.
- Option 2 Suspend any work until the Ministry of Health completes the review of the water subsidy scheme. The Council would again consult with the Takaka community and seek their approval for water supply reticulation of the entire Takaka township.

### Option 1 – Issues

Council has the funding available to undertake the installation of the fire reticulation network. The current risk of fire is no less than it was twelve months ago. The design for the firefighting network is complete and, if supported, could be tendered by late August with the potential for a contractor to be on site mid-to-late September.

This would provide a period of between eight to ten weeks to have the work completed by Christmas 2010.

If the required construction period resulted in the project carrying on past the Christmas-New Year break, a “no work” period, especially in Commercial Street, would be required from mid-December 2010 to early February 2011.

If the period of work did extend beyond Christmas-New Year, the reticulation installed could be made operational in stages so as to provide some level of immediate protection to some areas.

### Option 2 – Issues

There are two main issues that need to be noted with Option 2:

- a) If Council proceeds with Option 1 the chances of a subsidy, based on the old subsidy rules, would mean that the fire reticulation installed and the head works (pumps and wells), would NOT be eligible for subsidy.
- b) Council could wait for the Ministry of Health’s decision regarding the water subsidy. However, what cannot be determined is if the subsidy scheme was to recommence, what subsidy funding would be available and would Takaka still be eligible. Even if the subsidy was available we have no understanding of the funding level Council could expect to obtain and thus the effect on the rates.

If Council did decide to wait and the subsidy scheme provided some funding, it is unknown if the community would accept a fully reticulated water scheme.

Submissions to the earlier proposal to provide a reticulated water scheme for Takaka show this proposal is unlikely to be acceptable to the Takaka community, whereas the community supported the firefighting reticulation of the central business area.

## FUNDING

A report tabled to the Engineering Services Committee at the meeting of 2 April 2009 recommended that the following rates contributed be included in the Ten Year Plan 2009-2019 for the Takaka firefighting reticulation network.

Capital Project	Funding Source	Contribution
	Tasman District	10%
	Golden Bay Ward	35%
	Takaka Residential	17%
	Takaka CBD	38%

No funding was provided from the District's "Water Club" for this project as it is not a reticulated water scheme providing drinking water to the community.

## SUMMARY

- Council has undertaken a special consultative process with the Golden Bay Community regarding the installation of a reticulated firefighting water supply in the Takaka central business area which was supported by the community.
- Council has included the project in the 2009-2019 Ten Year Plan.
- Target Rates have been collected for the project during the 2009-2010 financial year, and again in the current financial year.
- It is unknown if the Ministry of Health will restart the water supply subsidy scheme and if the Takaka water supply would qualify for funding.
- Consultation to date indicates that the Golden Bay community may not clearly support a fully reticulated water supply for Takaka township.
- If Council was to approve the tendering of the Takaka central business area fire reticulation network now, work could commence well before the Christmas holiday period. Work would be completed within the current financial year and a service would be provided for the target rates being collected.

## RECOMMENDATION

**THAT the Engineering Services Committee approve the installation of the fire fighting reticulation network around the Takaka central business area as outlined in the Takaka Firefighting report ESC10-08-08.**

Jeff Cuthbertson  
**Utilities Asset Manager**