

## **MAYOR'S REPORT**

I am proud to introduce this Annual Report of the Masterton District Council for the 2004/05 year. The District continues to go from strength to strength with great work being done on a number of fronts. We residents have continued to foster a tremendous community spirit and we take great pride in being able to enjoy our quality of life as part of the wonderful Wairarapa.



### **Elections**

The local government election in October 2004 produced a new Council with five new and enthusiastic councillors. The new Council has settled in well and come up to speed on the large range of activities and services that this organisation provides to our community.

### **Local Economy**

The pace of development in Masterton has not slowed and this is evidenced by the number and value of building consents the Council's staff have continued to process. The region's farming sector has remained buoyant and the flow-on into the town's retail businesses is obvious. The completion of the Genesis Energy Recreation Centre (November 2004) and the start made on the new Wairarapa hospital are both significant indicators that we can have great confidence in the future of this district and region. Investment decisions such as these and the recent expenditure in the education sector on property developments have not only boosted the local construction industry, but produce benefits at a community level – positive recreation opportunities, high quality health and education facilities and low unemployment.

### **Storm Events**

Last year I reported that the Council had faced a difficult and challenging year. It seems the challenges do not stop coming. The three major storm/flood events in the past 18 months and a wet spring in 2004 have stretched Council's resources and caused considerable disruption to the rural roading infrastructure. The response of the Council staff and contractors in these events has been tremendous. The Council's emergency management headquarters actively monitored the situations and managed resources as the events unfolded. The loss of one life in the August 2004 event is acknowledged as a terrible tragedy. The deluge in March 2005 caused sections of the Mataikona Road to wash out to sea. The contractors worked quickly and effectively in restoring the road within days.

### **Sewerage Upgrade**

The Council has made determined efforts to assess, consult on and select a preferred option for the upgrading of Masterton's sewage treatment and disposal system. We have sought a range of expert advice, we have consulted affected parties and the wider community, we have looked to make good decisions based on sound, scientific research and we have sought independent peer review of the advice we have been receiving. There may be challenges opposed to the solution the Council has chosen, but the Council will continue its dual focus on both improving environmental outcomes and maintaining the economic affordability for the ratepayers of Masterton.

### **Genesis Energy Recreation Centre**

I have taken great pride this year in the completion and opening of the Genesis Energy Recreation Centre. The new facility has proved very popular and will serve the needs of the District for many years to come. The landscaping and streetscape improvements outside the new centre have created a link to the Kids Own Playground and further enhanced the town's northern precinct. The efforts of many people and a high level of funding from the community have helped the Council to provide this wonderful new facility.

### **Other Initiatives**

Masterton continues to support a wide range of community initiatives and events, for example the Healthy Homes Project, the Violence Free initiative with the Masterton Safe and Healthy Community Council, the youth-targeted Summer Hummer concert, the Wairarapa Balloon Fiesta, the Wings Over Wairarapa air show, cycling events and dragon boats. The Council has worked closely with the Police and installed security cameras in the central business area, with a resulting reduction in petty crime in the CBD.

The project to rejuvenate Queen Elizabeth Park, led by Cr Jane Terpstra, went through the planning, design and ongoing consultation phases. The community involvement from the likes of the Rose Society and the Friends of the Park has been pleasing to note and it is expected that stage one, a promenade along the park frontage on Dixon Street will be constructed in 2005/06.

### Summary

This report highlights the activities of the Masterton District Council over the last year. I hope you can take the time to read this report on the Council's achievements this year. The Council can be proud of this work and face the future with confidence.



R.C. (Bob) Francis  
Mayor



*The Genesis Energy Wairarapa International Balloon Fiesta held in March 2005 was again a popular and successful event.*

# **CHIEF EXECUTIVE OFFICER'S REPORT**

The 2004/05 Annual Report details the Council's performance in meeting the performance objectives and budget targets of Year 2 of the 2003/04 Long Term Council Community Plan (LTCCP) and 2004/05 Annual Plan. This report also highlights the activities which the Council has delivered or facilitated in striving to achieve the community outcomes as identified in the LTCCP.



## **Financial Summary**

The Council has achieved a very satisfactory operating surplus of some \$260,000 compared to the plan of \$165,000. There have been a number of under and over plan items which contributed to the overall result. Other operating revenue was 18% more than planned due largely to higher Land Transport NZ subsidies on roading and flood damage costs. Reserves contributions and building consent fees, both of which reflect building and development activity, have exceeded planned levels.

Operating expenditure was 7.9% above plan, with roading and flood damage accounting for over 5% of this. Sewerage system expenditure relating to the upgrade project was ahead of planned costs, water supply expenditure also ran ahead of planned costs while savings were achieved in the corporate services areas of the Council. Further detail on the variances to the plan can be found on page 66 and in Note 21.

## **Highlights**

The following list is a summary of the major initiatives and activities the Council has been involved with and progressed over the twelve months to 30 June 2005.

- **Elections** - the October 2004 local government elections were completed successfully using a contracted third party supplier for both returning officer services and result counting.
- **Genesis Energy Recreation Centre** was officially opened in November 2004 after a construction period of 16 months. The lump sum fixed price contract allowed the project costs to be managed within the approved limits. The increased pool space, new leisure pools, hydroslide, sauna and stadium sports floor have all helped to revitalise the previously tired facility. Attendance numbers over the first seven months of operation have exceeded expectations.
- **Sewerage System Upgrade** - significant progress was made on the project to upgrade the Masterton urban sewage treatment and disposal system. Significant resources have been expended on research and analysis of a range of upgrade options. Both internal environmental health staff and external consultants have worked on a range of data gathering and analysis components of the project. A consultation task group was used along with a series of meetings with interested groups, information evenings, tours of the existing plant and newsletters to all ratepayers. The Council has, at times, been vigorously challenged and has endeavoured to provide answers to all people with concerns. The Council has remained mindful of its obligations to both the environment and the ratepayers who will be funding the upgrade. The year's work culminated in the Council adopting a preferred upgrade scheme in June 2005. The preferred scheme involves enhancing the existing oxidation ponds, with disposal of treated effluent to land when the Ruamahanga River is below a median flow and discharge to the river at other times. This scheme will go forward to the resource consent process.
- **Sewerage reticulation** – part of the focus of the sewerage upgrade project has been an assessment of the sewerage pipe network and the degree of infiltration from ground water. The Plan allowed for renewal of several sewer mains but this work has been delayed until the full picture of the priorities for renewals emerges from the latest phase of detailed investigative work.
- **Roading** services have been a challenge to maintain this year following the effects of three major flood events and a wet winter and spring in 2004. Immediate flood damage clean up and repairs

have received a 69% subsidy from Land Transport NZ, but in order to fund Council's share, the flood damage reserves have been drawn on heavily. Over \$2m will have been spent on repairs over a two year period as a result of these events. Higher maintenance requirements as a result of the wet winter also put the roading engineers, contractors and budgets under some pressure.

- **Water supply** - the siphon pipeline from the Waingawa River intake to the Masterton treatment plant was damaged by an earthquake in January 2005. The operation of the siphon was compromised but investigations have failed to find any single point of failure along the 450 metres of pipe. After further detailed analysis of options, the Council has decided to replace a 450m length of the intake supply main. The effects of the cryptosporidium incident in 2003 continued into this financial year. The new clear water tank was commissioned in July 2004 and an enhanced level of treatment plant maintenance has continued, while a management contract for plant supervision was entered into with Greater Wellington's bulk water division.
- **Solid waste** – the Council has supported the initiatives taken by the joint Council working group, Waste Management Wairarapa (WMW). The decision to not progress the establishment of a new landfill in the Wairarapa has allowed WMW to negotiate a very favourable contract for the disposal of the region's solid waste residual to a landfill in the Rangitikei. As part of the regional cooperation, Masterton landfill began accepting Carterton District's refuse from November 2004. Planning for a transfer station facility at Nursery Road has commenced as the landfill consent will run out in September 2006. Changes to the operation of rural landfills, as proposed in the Plan, were not implemented due to resourcing issues.
- **Riversdale sewerage scheme** was expected to be further ahead than the progress that has been achieved this year. The Eastleigh subdivision proposal went through the resource consent process and negotiations with the developers have been undertaken with a view to ensuring a single sewerage scheme for the settlement is achieved. An agreement to work together was signed and aspects of the final scheme design were under negotiation at year end.
- **Castlepoint seawall** – this project went through a resource consent process, gaining consent for stage 1 only. Contracts for the supply of rock and for construction were being negotiated at year end.
- **Building Act 2004** – compliance with the new Act has meant a large increase in workload of the building control section. The increased compliance costs have largely been passed on to those receiving the services via increased fees, but pressures on the organisation's capacity to meet compliance are acknowledged.
- **LTCCP** – the Council commenced a project during the year to develop a new Long Term Council Community Plan (LTCCP) for adoption in June 2006. A high level of detail, a range of consultation processes and good quality systems and documentation have been identified as being required to support this project.
- **Physical Activity Plan** and **Arts, Culture & Heritage Strategy** were developed during the year.

## Summary

The year has been another busy and challenging one. The Council has made good progress across the many projects it has on its work programme, it has completed the significant Recreation Centre redevelopment and it has coped with two significant flood events. I wish to thank the staff of the Council who have continued to work tirelessly to provide and maintain the services which the community both expects and demands.



Wes ten Hove  
Chief Executive Officer