



Final Decision on Riversdale Sewerage Contract

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A major step towards the new sewerage scheme for Riversdale Beach was taken yesterday with Masterton District Council announcing its preferred contractor.

Hopper Construction, a civil engineering construction company based on Auckland's Hibiscus Coast, was one of five contractors shortlisted by Council following an Expressions of Interest process undertaken late last year. Following detailed analysis of tenders by experts in the fields of sewerage and civil engineering, Hopper Construction was recommended for the contract.

Hopper Construction's tender is for the construction of a gravity reticulation system at Riversdale Beach for a tender price of \$5.78 million (excluding GST) and is at the low end of the council's cost estimates. The scheme is expected to be operational by March/April 2011.

Masterton Mayor, Garry Daniell said each of the five shortlisted tenderers were chosen for their technical experience and robust submissions. However, a combination of substantial experience and competitive pricing eventually placed Hopper Construction at the top of the list.

Mayor Daniell said Council had no hesitation in selecting Hopper Construction, particularly given their background in dewatering, drainage construction and bulk earthworks. Dewatering in particular will be a significant construction issue at Riversdale given its high ground-water table.

Throughout the consultation process for a new scheme at Riversdale Beach, Council and the community, with technical advice from CPG consultants have given equal consideration to both gravity and pressure reticulation systems as possible answers to the township's sewerage concerns. Both systems had similar whole-of-life costs – that is, the estimated lifetime cost of the scheme to the community.

"The choice between gravity and pressure came down to deciding on a scheme that had less system complexity, lower preventative maintenance requirements and that the majority of the community favoured," Mayor Daniell said.

"By tendering and obtaining prices for both possibilities, Council was finally in a position where it was confident it had the best long-term option for the community."

Of the five shortlisted tenders, prices ranged from \$5.78 million to \$10.07 million (each excluding GST).

The need for a sewerage scheme at Riversdale Beach was identified several years ago when it was found that land was becoming polluted by poorly treated or raw sewerage. Further investigation revealed a high water table was restricting dissipation of sewerage from the many sub-standard septic systems servicing the area, and the first steps were taken towards a solution.

Masterton District Council is an integral partner in the development and implementation of a Coastal Strategy for the Wairarapa region. Therefore the development of a sewerage scheme that would ensure the health and well-being of both current and future residents of the seaside township is seen as a high priority as was the Castlepoint sewerage scheme.

Council places a large focus on safeguarding public health by having a healthy environment and meeting iwi expectations for appropriate disposal of wastewater.

“The construction of a modern sewerage reticulation and disposal system is seen as a key element in providing people with the opportunity to enjoy the Wairarapa coast while minimising negative effects on the local community” Mayor Daniell said.

“We feel that selection of Hoppers as the contractor is hugely positive step for all concerned; the many people who have worked so hard to get the scheme built can feel confident that the project is well on track.”

Hopper Construction has indicated they will take one to two weeks to mobilise and establish themselves at Riversdale Beach before work commences next month.

Council will distribute a Riversdale Beach Sewerage Scheme Update in the near future. This will provide property owners and residents with details of the accepted scheme and information on how they can assist with work on their respective properties. It will also ask property owners to nominate their preferred payment option.

The Council has been very conscious of the issue of affordability, taking into account requests through the consultation process for a range of payment solutions and the fact the Sanitary Works subsidy provided by the Ministry of Health of \$1.92m must be used by 2013.

The Council is proposing payment options for ratepayers of lump sums over two years, or payments over five or twenty years through the rates.

The tendered option should result in the following payment options: lump sum payment of \$16,750 spread across two years, or capital rates payment of \$4,080 each year for five years, or capital rates payment of \$1,650 per year for 20 years.

The estimate for on-site costs for each property , including decommissioning of the septic tank and on-property reticulation, is \$3,000-\$5,000.

The Council considers that these options give flexibility for ratepayers depending on their individual circumstances. The funding policy on which the Riversdale Scheme payment options is based will be included in the Draft Annual Plan and will be available for public submissions in April.

This release and further information regarding the Riversdale Beach Community Sewerage Scheme can be found on www.mstn.govt.nz/projects/riversdale

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