



Registered Charity CC11386

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Rotorua Lakes Council  
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#### **SUBMISSION TO: WASTEWATER SERVICES STATEMENT OF PROPOSAL**

The Lake Rotoiti Community Association (LRCA) welcomes the opportunity to submit on Rotorua Lakes Council's Wastewater Services Statement of Proposal (WSSP). LRCA continues to represent a wide and significant community of interest within the Lake Rotoiti rohe/catchment.

We acknowledge that RLC signalled its intent to review the delivery of wastewater services in the 2018-28 Long Term Plan and has investigated options over the past two years. This proposal now recommends outsourcing the management and delivery of the operational component of the asset. As noted in its Three Waters Review, central Government has been moving towards regulating and devolving responsibility for these assets where territorial authorities are deemed unable to meet new environmental standards and service delivery. It is believed that most within our District would endorse the current push by LGNZ in promoting the strong case for localising greater power and decision-making to councils and communities and the preference of RLC to pursue this stance.

The preferred option of entering a service delivery contract with an external provider is clearly based on the likely cost of maintaining an ageing network and meeting evolving performance benchmarks and standards. In essence, it would amount to a longer term insurance policy against large scale failure of current assets. From the costings provided, the premium for each affected property is an additional \$50 per annum for 10 years plus annual CPI increases which seems a reasonable price to pay.

We are pleased to see that initially held concerns over the potential loss of control, as seemingly demonstrated amongst several existing precedents within country, have been largely allayed through the retention of Council ownership as an integral condition of contract. In fact, the overall contract as described in the proposal impresses and appears to provide satisfactory remedies to all foreseen consequences and risks.

Notwithstanding, misgivings are held based on 'venturing into the unknown' and whether this will ultimately lead to local control being wrested from us. Having said that, if we don't take such an initiative, we are likely to end up under central government control operations anyway. We would hope that in formulating future policy, every mitigation to offset these likelihoods would be duly considered.

The proposed contractor, Trility Group, seems largely untested in NZ with the Wastewater Treatment in Mangawhai their only local contract thus far, but they do operate some large projects in Australia and have been around since 1991. We note that in 2018 they became 100% owned by Beijing Enterprises Water Group (BEWG) who operate large-scale projects across Asia. The partnership with Fulton Hogan and Stantec is perceived to provide some welcome stability to the proposal.

We note that this proposal excludes the capital upgrade of the Wastewater Treatment Plant and future disposal methods. It seems RLC will in future seek to manage design and build with the contractor to undertake operations, maintenance and renewals.

In view of the foregoing, and given the likely alternatives, this Association would support contracting the service out as outlined in Proposal 1 of the document and seeks to ensure any future contract, if enacted, has sufficient protection of community interests.

We wish to be provided with the opportunity to speak to this submission.

Yours sincerely

*Reina Engelen*  
Chairperson