

From: Stavros Michael Stavros.Michael@rotorualc.nz
Subject: RE: Status Update for Rotoiti East / Rotoma Sewerage Scheme
Date: 1 March 2024 at 1:10 PM
To: Tom Macky temacky@gmail.com



Greetings Tom

Thank you for your call and the subsequent note below. My apologies if I was a bit short on the phone call as I was entering into a meeting. I hope that is ok.

With regards to your inquiries below;

The high level summary figures appear to be in order. While there may be some detail variations to those I believe the order is correct as advised earlier. As I noted, the Council's LTP consultation document will advise on the considerations for setting the final targeted rate and will seek community feedback before those rates are finalised in June 2024.

There are a couple of areas where Council is still navigating through, especially with regards to the scheme's external funding support with the Ministry for the Environment and the BOPRC. While these areas are still in transition I expect that the overall funding envelope of funding assistance will be in the order below.

Funding Support sources

Source of Funds	\$ mil	Notes
Ministry for Environment (current)	11.5	Work in progress to increase this to \$21.5m as per the Deed Agreement terms
Ministry of Health (Rotoma part)	4.46	Support to help with drinking water issues in this lake
BOPRC	8.619	In support of lakes water quality goals and East Rotoiti community high deprivation status.
RLC standard subsidy (\$1500 per/property)	1.155	Council is considering this level
RLC Lakes Enhancement rate	10.0	This would be used if the additional funds from the MfE are not offered or to replenish the MfE funds offered.
TOTAL	35.734	Totals as anticipated currently subject to final LTP decisions.

I trust that this is helpful Tom.

My regards
Stavros

Stavros Michael GM Infrastructure & Environment & Primary CDEM Controller –
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From: Tom Macky <temacky@gmail.com>
Sent: Friday, 1 March 2024 11:35 am
To: Stavros Michael <Stavros.Michael@rotorualc.nz>
Cc: Lake Rotoiti Comm. Assn. Lake <lrca@rotoiti.co.nz>
Subject: Re: Status Update for Rotoiti East / Rotoma Sewerage Scheme

Morena Stavros,

Our committee have discussed your email and feel that it will be very helpful for our community. They do feel it would be helpful if additional information could be added on the following points to improve our communities understanding of the status of the project as it effects them:

Firstly

Based on these numbers the cost to property owners would be around \$30,000 per installation calculated as follows:

Total Cost of Scheme	\$56,000,000
Deduct External Funding	\$36,000,000

Property Owner Portion	\$20,000,000
Number of Properties	770
Net Cost per property Owner	\$25,974
Cost Incl Gst to Property Owner	\$29,870

The council will set the actual targeted rate by the end of June 24etc

Secondly

A breakdown of the funding sources “around \$36 mil” which have been obtained to reduce the property owners contribution would help our property owners understand the support which has been obtained for the project.

We look forward to your further advice.

Ngā mihi,

Tom Macky.
 Lake Rotoiti Community Association.
 temacky@gmail.com - +64 22 606 2259.

On 23/02/2024, at 10:22 AM, Stavros Michael <Stavros.Michael@rotorualc.nz> wrote:

Kia ora Tom,

Great talking to you and thank you for taking the time to follow up so we establish contact for on-going communications.

I appreciate that the scheme has a long legacy background and that the local community are entitled to have any concerns raised and effectively addressed by the Council.

To recap some background in brief, the scheme was first agreed to by Council in 2014 and was adopted into the 2018 – 2028 Long-term Plan. Following significant planning by a local community steering group and engineering design work on the preferred option, the scheme applied for and was granted resource consent in late 2017. The conditions of that consent were stipulated by the regulatory authority the BOPRC and were quite challenging if not unique in that they require on-property pre-treatment systems to meet the Cultural Impact assessments undertaken by mana whenua.

The construction of the treatment plant and the reticulation of Rotoma properties (about 220) were completed by late 2020 and work in East Rotoiti began in 2021/22 after Council openly tendered and approved a contract. All parts of the scheme were delivered through public tenders and have adhered to strict resource consent conditions.

Rotorua Lakes Council staff endeavour to provide the Lake Rotoiti Community Association and other stakeholders with regular updates about how the project is progressing. These updates are also available on our [Council’s website](#).

In July 2021, after the contract for the installation of on-property systems in East Rotoiti was awarded, a [detailed letter](#) was sent to all property owners outlining the status of the scheme, the evolving actual costs vs the 2014 concept estimates, and the efforts made to keep costs as low as possible.

The project has in recent times also been affected by very high lake levels (management of lake levels sits with the BOPRC) which has meant 40-60% of all installations now require dewatering and sheet pile protection, rather than the earlier estimate of 10%.

The most recent update to the community (December 2023) also highlighted that complex maori land ownership issues continue to provide legal challenges to overcome. The project team are working through these, however this has seen the project completion practical date extended.

In 2014, based on the then only concept plans, the estimated cost of the scheme was around \$35m, with 30% uncertainty and not factoring in forward inflation and regulatory compliance with the consent conditions that were unknown at the time.

Current Status of the Scheme