

2. WAIWETU STREET/UNDERGROUNDING WITH KERB AND CHANNEL RENEWAL

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Corporate Plan Output: 2000/2001 Capital Works Programme	

The purpose of this report is to advise the Council in regard to a submission by some residents of Waiwetu Street that the Council and these residents share the costs of undergrounding the existing overhead wiring in the street.

BACKGROUND

While undergrounding overhead services has long been an issue in the city, the introduction of Saturn as an additional network provider using overhead wiring has heightened the awareness of the implications of these services on the urban amenity. The accumulative effect of such services makes the subject of undergrounding a high priority for street residents.

Overhead wires can have a major impact on the visual quality of our city. Having a largely flat topography, the street scene is often the foremost view. Particularly in winter, when the trees have lost their leaves, the overhead wires and poles become very dominant within the street scene. The most obvious benefit of undergrounding therefore, is the improvement to the general amenity of the street scene. It not only includes the removal of unsightly poles and cables, but also allows for better provision of street trees and planting. Residents often comment that overhead services are undesirable features in their areas.

It is more beneficial to underground overhead services in conjunction with other street improvement works such as kerb and channel renewal, than to undertake the works separately. The period of disturbance for residents, and general traffic is minimised, and the completed street has a higher quality finish.

Waiwetu Street is programmed on the 2000/01 Capital Works Programme for kerb and channel renewal in the first half of the New Year as shown on the agreed plan (tabled). The residents have been advised that the cost of underground conversion is not included in the budget for kerb and channel renewal projects. The undergrounding work is funded from City Streets and Environmental Policy and Planning Unit budgets for underground conversion, and this project does not meet the criteria for inclusion in these programmes.

The estimated cost of the work is \$182,250 including GST (the actual cost would be determined after the project has been designed and tendered). The usual contributions from Orion and Telecom have already been deducted. Not included is the cost of \$20,000 for street lighting. There may be some additional cost to the residents in back sections to underground to their house.

There are 59 properties in Waiwetu Street. If **all** the residents agreed to pay in full for Telecom and Orion's overhead reticulation to be undergrounded the estimated cost of the work for each property would be \$3,090.

The Environmental Policy and Planning Unit has limited urban renewal funding available for undergrounding local roads in conjunction with kerb and channel replacements. This equates to approximately three streets per year citywide. The choice of streets to be undergrounded using urban renewal funding is normally limited to streets that are located in neighbourhood improvement areas or are in the central city. These areas are considered to be in need of urban renewal assistance to increase the level of street amenity and subsequently, the standard of housing.

Recently the Environmental Policy and Planning Unit has had a number of requests for funding the undergrounding of overhead services where residents have suggested that they contribute to the cost. Both the City Streets Unit and Environmental Policy and Planning Unit agree that a clear policy should be developed for resident funded undergrounding projects that details the maximum percentage of funding the Council is prepared to contribute towards these projects. Funds would need to be allocated for the Council's portion, and criteria for payment of the resident's portion should also be established.

Currently the urban renewal budget is fully allocated to neighbourhood improvement areas, and the level of renewal that Environmental Policy and Planning Unit wishes to undertake cannot be met because of budget limitations. Therefore funding the balance of the costs of undergrounding streets where residents pay a percentage of the cost is, at present, unlikely.

RESIDENTS PROPOSAL

A group of Waiwetu Street residents have written to the Council advising that they are prepared to pay \$90,000 towards the cost of undergrounding in Waiwetu Street. The residents' proposal appears attractive to the Council especially if the payment was made prior to a contract being let for the work. Ideally the residents' proposal could be accepted or rejected based on a formal Council policy. Unfortunately there is no policy.

FUNDING

If the residents' proposal is to be accepted the Council will still have to fund the remaining \$94,000. There is no budget item for this.

The urban renewal budget for undergrounding is fully allocated for the current financial year and there is a backlog of projects for future years.

The City Streets budget for undergrounding is also fully committed due to a decision by the Council (September 2000) to complete undergrounding of a section of the inner city in association with Saturn/Telstra works.

A copy of the undergrounding programme is tabled.

- Recommendation:**
1. That where residents request to have their overhead services undergrounded in association with kerb and channel/street reconstruction work (outside the existing programme) on the basis that they will collectively meet part of the costs, then the Council will do so only on a 50% cost sharing basis provided that:
 - (a) The Council's share is budgeted in the financial year following the request and the work be programmed/reprogrammed for the same year; and
 - (b) Full payment of the residents' share is paid and received before the work commences.
 2. That \$92,000 (being half the estimated cost) towards undergrounding Waiwetu Street be budgeted in the 2001/02 year.
 3. That the Waiwetu Street kerb and channel project be deferred until the 2001/02 year.
 4. That the project not commence until the residents have paid in full the other half (\$92,000) of the estimated undergrounding costs.