

12. LYTTTELTON HARBOUR WASTEWATER – FUTURE MANAGEMENT

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| General Manager responsible: | General Manager City Environment, DDI 941 8608 |
| Officer responsible: | City Water and Waste Manager |
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PURPOSE OF REPORT

1. The purpose of this report is to gain the Council's approval for it to adopt a preferred option for the future management of wastewater in the Lyttelton Harbour basin, so that a report can be written to Environment Canterbury (ECan) in fulfilment of a discharge consent condition for the Diamond Harbour wastewater treatment plant. This report was considered by the Lyttelton/Mt Herbert Community Board at its meeting on 19 May 2009.

EXECUTIVE SUMMARY

2. As described in the accompanying summary (**Attachment 1**), the Lyttelton Harbour Wastewater Working Party (LHWWP) has, over the past four years, worked through a process of formulation and evaluation of a number of different options for the future management of wastewater in the Lyttelton Harbour basin. The Working Party was established in response to a condition of the Diamond Harbour discharge consent.
3. Currently the three wastewater treatment plants at Lyttelton, Governors Bay and Diamond Harbour discharge treated wastewater into the harbour, and are consented to 2023, 2010 and 2014 respectively. From an original list of nine options two were selected for a detailed feasibility study, which included establishing reliable cost estimates. These two options are:
 - (a) Decommission the three existing plants, and pump the untreated wastewater to the Christchurch Wastewater Treatment Plant (CWTP).
 - (b) Carry out a capacity upgrade on the plants (for future growth), and apply the treated wastewater to land within the harbour basin.
4. A third option of upgrading the treatment plants for both capacity and effluent quality, and continuing to discharge into the harbour was also considered as the "status quo" option, to benchmark against the other two options. Upgrading the effluent quality would be the only way to obtain consents to continue discharging to the harbour.
5. Further details of the options are provided in **Attachment 2**.
6. The costs of the three options are provided below. The Net Present Value (NPV) is based on capital costs to fully implement each option, and 20 years of operating costs.
 - (a) Pumping to CWTP: \$31,950,000
 - (b) Land Application in the Harbour basin (assuming land is bought): \$68,350,000
 - (c) Upgrade plants and discharge to Harbour: \$36,378,600
7. In working through the options the LHWWP has provided the Harbour Basin community with two opportunities to express their preferences, the most recent of which gave a very clear view that pumping to CWTP was the preferred alternative. This is the option that the Working Party has recommended and this is supported by Council officers. Funding for starting the capital work is included in the draft LTCCP, which provides the wider community with an opportunity to comment on the proposal.

8. The Working Party has also recommended that:
- (a) The design of the sewage network system storm overflows be restricted to once every two years.
 - (b) Governors Bay water and sewer loans be terminated. The understanding is that there would be no monetary consequences for other ratepayers.
9. Officers do not support either of these recommendations. The reasons for opposing item 6(a) are set out in **Attachment 3**. Item 6(b) is considered to be outside the scope of the Working Party. This issue has already been considered by the Council, and a memorandum was provided to Councillors on 2 March 2009 providing a summary of the situation and detailing the Council's previous resolution on this matter. That memo is provided in **Attachment 4**.

FINANCIAL IMPLICATIONS

10. Continuation with the existing discharges without plant upgrades is not a consentable option, so some expenditure will be necessary. The option recommended by the Working Party is the most cost effective option and funds to commence the programme of works for this option have been included in the draft LTCCP, starting with design in 2016/17 and approx \$6M in each of years 2017/18 and 2018/19. Completion of the capital works falls beyond the 2018/19 financial year.

Do the Recommendations of this Report Align with 2006-16 LTCCP budgets?

11. Yes.

LEGAL CONSIDERATIONS

12. The Diamond Harbour consent that initiated the Working Party process, requires that a final report on the preferred option(s) be provided to ECan, by October 2009, together with an implementation plan. It is expected that this condition will be met. It was, however, originally envisaged that the programme to design and construct the physical works would commence in 2009/10. With the works in the draft LTCCP not now programmed to start until 2016 it will be necessary for officers to apply for consent renewals for both Governors Bay and Diamond Harbour treatment plants. Similar consent conditions to those currently imposed will be sought.

Have you considered the legal implications of the issue under consideration?

13. Yes.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

14. This report supports the wastewater treatment and collection activity management plan recommended level of service, that no major or persistent breaches of resource consents for treatment plants and associated discharges occur.

Do the recommendations of this report support a level of service or project in the 2006-16 LTCCP?

15. Yes.

ALIGNMENT WITH STRATEGIES

16. There is no current wastewater strategy. At present, it is expected that it will be commenced in 2010/11.

CONSULTATION FULFILMENT

17. Community feedback was sought on the Working Party's shortlisted options in February 2008. Upon completion of the technical reports for those options, three public workshops have been held in community halls in the harbour basin. Details of the process, and the results are provided in the **appendices to Attachment 1**.
18. In-house legal opinion has been sought regarding the need for any further consultation on the preferred option. In particular, consideration was given to the need for an SCP. The advice received was that an SCP was not mandatory and that the communities who will be affected by the decision have had sufficient opportunity to provide their views on the issue. The community still has a further chance to give its views through the LTCCP submissions process. Letters have been sent to all attendees at the workshops and others who have taken an interest in the Working Party's work, to ensure this opportunity is made known to those who could be interested.
19. This report was considered by the Lyttelton/Mt Herbert Community Board at its meeting on 19 May 2009. The recommendation from the Lyttelton/Mt Herbert Community Board will be separately circulated to elected members.

STAFF RECOMMENDATION

It is recommended that the Council approve the pumping of untreated wastewater from Lyttelton, Governors Bay and Diamond Harbour to the Christchurch Wastewater Treatment Plant as the preferred option for the future management of wastewater in the Lyttelton Harbour basin.

12. LYTTTELTON HARBOUR WASTEWATER – FUTURE MANAGEMENT (Cont'd)

The Lyttelton/Mt Herbert Community Board considered the report on Lyttelton Harbour Wastewater - Future Management at its meeting on Tuesday 19 May.

STAFF RECOMMENDATION

It is recommended that the Council approve the pumping of untreated wastewater from Lyttelton, Governors Bay and Diamond Harbour to the Christchurch Wastewater Treatment Plant as the preferred option for the future management of wastewater in the Lyttelton Harbour basin.

BOARD CONSIDERATION

There was some concern amongst Board members that because this project was not due to proceed for seven years, staff and the community may have forgotten by then the robust process that had been worked through and the detail of the preferred options. Staff agreed with a suggestion that the Harrison Grierson Report entitled *Lyttelton Harbour Wastewater Management; Option 4c Preliminary Design Report* should be attached to the resolution on this matter (separately circulated).

Members of the Board noted that the Lyttelton Wastewater Working Party recommended a two year Average Recurrence Interval (ARI) sending a clear message that the community expect a high standard in relation to sewage outfall effects on the harbour. An amendment to the recommendation was moved, which read:

It is recommended that the Council approve the pumping of untreated wastewater from Lyttelton, Governors Bay and Diamond Harbour to the Christchurch Wastewater Treatment Plant as the preferred option for the future management of wastewater in the Lyttelton Harbour basin AND that the Council initiate and fund an investigation to assess and quantify environmental effects of overflows and to provide evidence to the Community Board about differences between the 6 month and 2 year Average Recurrence Interval (ARI) standards including design and cost implications associated with each ARI standard.

Other Board members agreed with these concerns but did not want to see this whole project sidetracked, and resources possibly diverted from other communities which were not yet on a reticulated sewerage system, to satisfy increased monitoring demands.

The amendment was put to the meeting and declared **lost**.

The Board did wish to acknowledge the contribution made by members of the Lyttelton Wastewater Working Party and their genuine willingness to identify an option that would work for the Lyttelton Harbour Basin.

BOARD RECOMMENDATION

It is recommended that the staff recommendation be adopted.