



Report 08.495
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Committee Parks, Forests and Utilities
Author Murray Kennedy, Divisional Manager,
Water Supply, Parks and Forests

Divisional report for period ended 30 June 2008

1. Divisional Performance

1.1 Parks

As part of the performance indicator process, a number of reports on Parks' issues will be presented at this Committee meeting.

The Parks' assets have been revalued and the new values will be incorporated in the financial accounts as at 30 June 2008.

As part of this Committee process, there will be Hearings for the Kapiti Pony Club lease and reserving of Waitangirua Farm.

At the next Committee meeting there will be a paper on Parks and Forest Bylaws. The Council is not able to delegate making of bylaws to the Committee. However, by considering the report, there is an opportunity for the Committee to make recommendations to Council.

1.2 Marketing and Design

The annual visitor survey about our regional parks has been completed and it is pleasing to note that there has been a 25 percent increase in park visits over the last year. No doubt an excellent summer contributed to this but it is hoped that some of this gain will be maintained, even if next year's summer is more ordinary.

Water sales figures for the first three months of the metering year at 13,205 ML are 2 percent lower than the corresponding period a year earlier.

1.3 Forestry

Harvested tonnage for the metro forests for the financial year at 68,700 tonnes was just short of the target of 70,000 tonnes. Even so, this is a very good result for the year. Unfortunately, it has not been matched by returns because of the

high New Zealand dollar exchange rate, low international prices and rising cartage costs mainly because of fuel price increases. A similar target will be set for the 2008/09 financial year.

1.4 Water Supply

A high separate report outlines the work required to replace the seal at the base of the tower in Lake 1 at Te Marua. This work needs to proceed in order to have the lake filled before summer.

There is a good example in the manager's report at how we are continuing to chip away at improving the efficiency of the water supply system. A predicted annual saving of just over 300,000 kilowatt hours is significant in our quest to reduce the amount of power we purchase. In the Engineering Services' report there is also a comment about the first report we expect for self-generation of electricity.

1.5 Engineering Services

The four city councils are currently considering our proposals for short and long-term enhancements to the water supply system. A presentation is being made to Wellington City Council in early August and we are expecting all the cities to reply during that month.

2. Puketiro wind farm

We are working with our legal advisors to file a response to the Statement of Claim by the Pauatahanui Futures Society Inc. regarding aspects of the proposed wind farm associated with the Battle Hill Farm Forest Park. However, we are also evaluating whether there may be a compromise position that could be put to the other party.

3. Transmission Gully motorway

Greater Wellington Regional Council recently received an amended alignment for the part of the Transmission Gully motorway that cuts across Belmont Regional Park and Battle Hill Farm Forest Park. There was insufficient time for the implications to be analysed and reported to the Parks, Forests and Utilities Committee. Instead a report will go to Council on 11 August 2008.

A preliminary assessment is that, for the Belmont Regional Park, the changes are not significant. However, at Battle Hill Farm Forest Park the motorway cuts across the flat farmland to the west of the Horokiri Stream, whereas previously it cut across the lower hillside slopes to the east of the Horokiri Stream. The change assists in reducing the cost of the motorway and there will be reduced run-off during the construction phase, which will benefit the Pauatahanui Inlet. The downside is that it takes out a productive part of the farmland at the park. The draft submission is likely to include the Council's preference for replacement farmland adjacent to the park, rather than a cash payment or land of lesser quality elsewhere.

4. National Environmental Standard for ecological flows and water levels

At its meeting on 22 July 2008 the Regulatory Committee considered Report No. 08.517, *Submission on the proposed National Environmental Standard for ecological flows and water levels*. Although this Standard is about allocation, it does have an impact on water users. If the interim minimum flow standards were to be applied on the Hutt, Wainuiomata and Orongorongo Rivers, there would be a reduction in the available supply to metropolitan Wellington by about 40 percent. This is of considerable concern and officers from this division have assisted the Environment Management Division with preparing this part of the submission. Hopefully this is only an oversight by the Ministry for the Environment and will be corrected when the Standard is published.

5. Financial Performance as at 30 June 2008

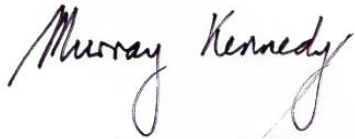
Last Year Actual \$000s		Full Year Actual \$000s	Full Year Forecast \$000s	Full year Budget \$000s
	Water Supply			
27,396	Income	27,218	27,204	27,234
27,759	Expenditure	25,802	26,342	29,166
(363)	Operating Surplus (Deficit)	1,416	862	(1,932)
387	Operations	1,264	1,175	--
1,436	Strategy and Asset	2,038	1,604	--
(2,024)	Support	(1,966)	(1,955)	(1,941)
62	Engineering Consultancy	52	10	9
(224)	Laboratory Services	28	28	--
(363)	Operating Surplus (Deficit)	1,416	862	(1,932)
	Plantation Forestry			
6,536	Income	4,661	6,846	7,338
7,731	Expenditure	6,311	6,331	6,433
1,195	Operating Surplus (Deficit)	(1,650)	515	905
	Reserve Forests			
1,051	Income	690	1,664	2,072
1,877	Expenditure	1,797	1,763	1,975
(826)	Operating Surplus (Deficit)	(1,107)	(99)	97
	Parks			
6,550	Income	6,407	6,399	6,548
6,364	Expenditure	6,465	6,480	6,869
186	Operating Surplus (Deficit)	(58)	(80)	(321)

6. Recommendations

That the Committee:

1. *Receives the report.*
2. *Notes the content of the report.*

Report prepared by:

A handwritten signature in black ink that reads "Murray Kennedy". The signature is written in a cursive style with a large initial 'M' and 'K'.

Murray Kennedy
Divisional Manager
Water Supply, Parks and Forests

Attachment 1

Parks', Marketing and Design, Forestry, Water Supply, and Engineering Services' reports for period ending 30 June 2008