

Replacement Report

ORDINARY ITEMS FOR CONSIDERATION

REPORTS THROUGH THE GENERAL MANAGER

REPORTS FROM THE DIRECTOR COMMUNITY AND NATURAL RESOURCES

13 [CNR-CM] Parkes Lane, Terranora Proposed Partial Sewerage Scheme

SUBMITTED BY: Water



Supporting Community Life

SUMMARY OF REPORT:

The Parkes Lane, Terranora area has long been a problem in that the lot size and site conditions are not suitable for on-site sewage management systems and a number of such systems are failing. It has been Council's position to sewer Parkes Lane when Area E development reaches a suitable stage.

Three property owners in Parkes Lane have taken the initiative and, with approval, constructed a pressure sewer scheme connected to Council's sewerage system. The cost of the common infrastructure, namely the rising main, within the road reserve was \$28,861.07.

Other property owners in the area now wish to join the system but there is a degree of inequity as a major component of the infrastructure has been paid for by others. Ad hoc extension of the system will add to the inequity.

The Department of Family and Community Services – Ageing Disability and Home Care have an existing group home at 30 Parkes Lane and wish to connect. By extending the scheme to 30 Parkes Lane, up to twelve properties could be connected, although the system may be limited by the size of the pressure pipe to ten properties. This option would cost Council \$31,000 to take over and extend with the expectation of recovering the costs through contributions from each connection. Such a scheme should be voluntary at this stage and lots not connected would not be liable for the Sewer Access Charge.

An alternative scheme would be to maximise the number of properties connected via the current system. An option costing \$72,000 would service twenty-two properties. With this quantum of expenditure it would need to be a compulsory scheme. This would require consultation with all affected owners and would not proceed unless there was a 70% acceptance.

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RECOMMENDATION:

That:

1. Council:

- a. Approves a voluntary participation pressure sewer scheme that could service numbers 15, 17, 19, 20, 21, 22, 23, 24, 25, 26, 28 and 30 Parkes Lane, Terranora that provides a sewer rising main network based on the system recently constructed by 22, 23 and 25 Parkes Lane, Terranora.
- b. Advertises the proposed sewer charge of \$4320 for the Parkes Lane, Terranora Partial Sewerage Scheme for a period of 28 days and reports back to Council.
- c. Notes that in addition to the scheme contribution each property is still required to pay the relevant Section 64 Capital Contribution.
- d. Reimburses the property owners of 22, 23 and 25 Parkes Lane, Terranora a combined amount of \$15,901.07, being the cost of the rising mains constructed by them, less the value of the proposed sewer charge, as follows:

22 Parkes Lane	\$11,211.29
23 Parkes Lane	\$ 2,344.89
25 Parkes Lane	\$ 2,344.89

2. Only properties connected to the scheme are to be levied for the Sewer Access Charge in accordance with Section 552 of the Local Government Act 1993.

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Location of Failing OSSMs in Parkes Lane.

More recently, the Major Projects application by Newlands Developments to the Department of Planning has brought the sewerage of this area to the fore and Council Water Unit is now projecting this in the forward works program for 2018/19. Provision for capacity in the subdivision's infrastructure has been negotiated with Newlands.

In 2004, it was opportune to provide a short gravity sewer extension to service several houses on the uphill side of Parkes Lane near Fraser Drive in conjunction with the Dobbys Crescent Sewerage Scheme.

Following this, the owner of 8 Parkes Lane was given permission to connect to sewer but has not proceeded.

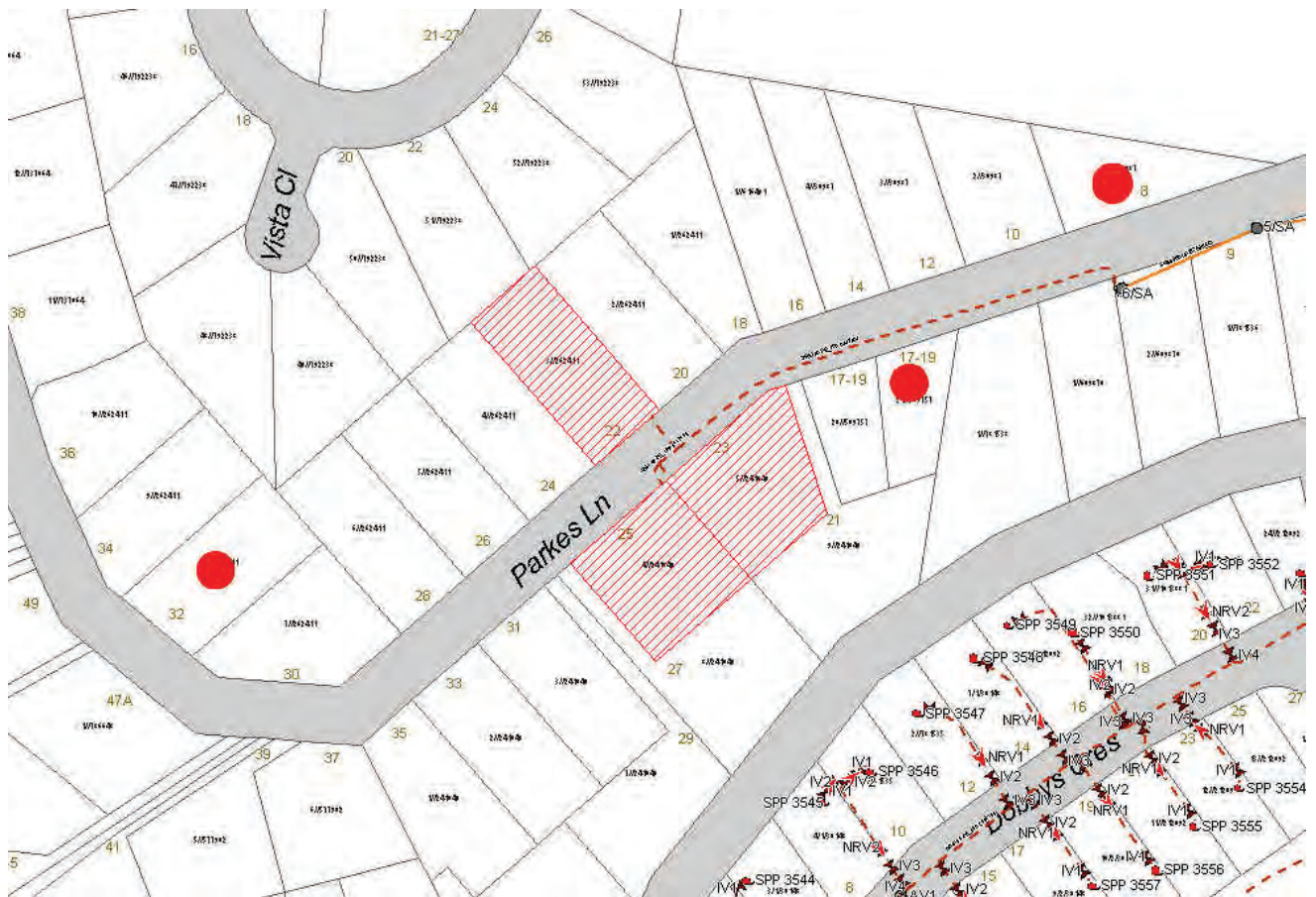
Recently, the proprietors of a new dwelling applied to connect to the gravity sewerage by pressure pump system. Two other property owners subsequently joined with the first to share the cost between the three properties. The three properties are:

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- 23 Parkes Lane (newly constructed house)
- 25 Parkes Lane
- 22 Parkes Lane

The work has been completed and sewer capital contributions have been required of all three properties. At this stage one has paid on connection. Implicit in the approval was the concept that the works on the road reserve would become Council's asset and spare capacity in the line could be used to connect other properties if necessary. At least one of the three objected to this provision and argued that if Council allowed others to connect to the rising main system, the people who paid for it should be compensated in some measure.

The existing system could service five additional lots without any extension.



Existing Privately Funded Pressure Sewer Extension

Various other properties in the area have expressed interest in connecting to the rising main, in particular 21 Parkes Lane and 30 Parkes Lane. The latter property houses a number of persons and has a higher output than a normal dwelling. An application in respect of this property was received during the course of preparation of this report and has been put on hold pending Council's decision. The owner of No 21 Parkes Lane has already applied to Council and received approval from the Building and Environment Unit to install a private pump station and to connect to sewer.

The minimum size pipe used for the rising main means that it is likely that around ten dwellings could be connected through the existing main. There is also a section of gravity

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sewer in the downstream system that is at or close to capacity. For these reasons, it is considered that no more than 10 houses can be connected to this sewer system at present.

The three owners who have paid for the works to date have submitted details of their costs including invoices for most items. They expressed a desire that Council should take ownership of the whole scheme including the single property pump stations on the basis that this is how Council has serviced Dobby's Crescent, parts of Uki and parts of the Burringbar Mooball scheme. However it is considered that as this scheme would be for voluntary connection as a means to address failing on-site sewage management systems and the area is zoned 1(c) Rural Living, that Council should not be burdened with the cost of maintaining these single property pump stations. As private pump stations, each will be required to obtain approval to install and operate under Section 68 of the Local Government Act to ensure they are installed and maintained properly.

Accordingly, the costs have been apportioned to each property and to the rising main network in the road reserve which is Council infrastructure. The cost of the existing common rising mains, excluding the amount of \$3750 claimed for supervision and coordination of subcontractors by one of the property owners, was \$28,861.07. This includes the road crossing, the cost of which has been borne by the owners of 22 Parkes Lane, Terranora alone.

Five additional properties including No 21 Parkes Lane could be connected to the existing rising mains without any significant additional works. An extension proposed to service the No 30 Parkes Lane home would be able to service three additional properties. Further properties could be connected by extensions of the rising mains along the nature strips on both sides of Parkes Lane.

Each property connected should be required to pay a capital contribution to the cost of the rising main network and a capital contribution in respect of the conveyancing and treatment plant development (equivalent to a Development Contribution for one Equivalent Tenement). It may be that the home at No 30 Parkes Lane is exempt from Development charges under the provisions of the Development Servicing Plan Guidelines but this should be tested by applying the fees to their approval to connect.

If Council proceeds with a scheme, Council would reimburse the three original participants the sum of \$28,861.07, less the contribution per property for the three properties. It is understood that the three participants shared the cost of the works on the southern side of Parkes Lane, but the owners of 22 Parkes Lane paid the full cost of the road crossing which amounted to \$8866.39. Accordingly it is proposed that the reimbursement to each party take this into account.

OPTIONS:

Option A. Option A would be to take over the existing system and extend it to connect 30 Parkes Lane. This would allow up to twelve lots including the existing contributors to connect, but as there is a limitation, the costing should be based on ten connections in total.

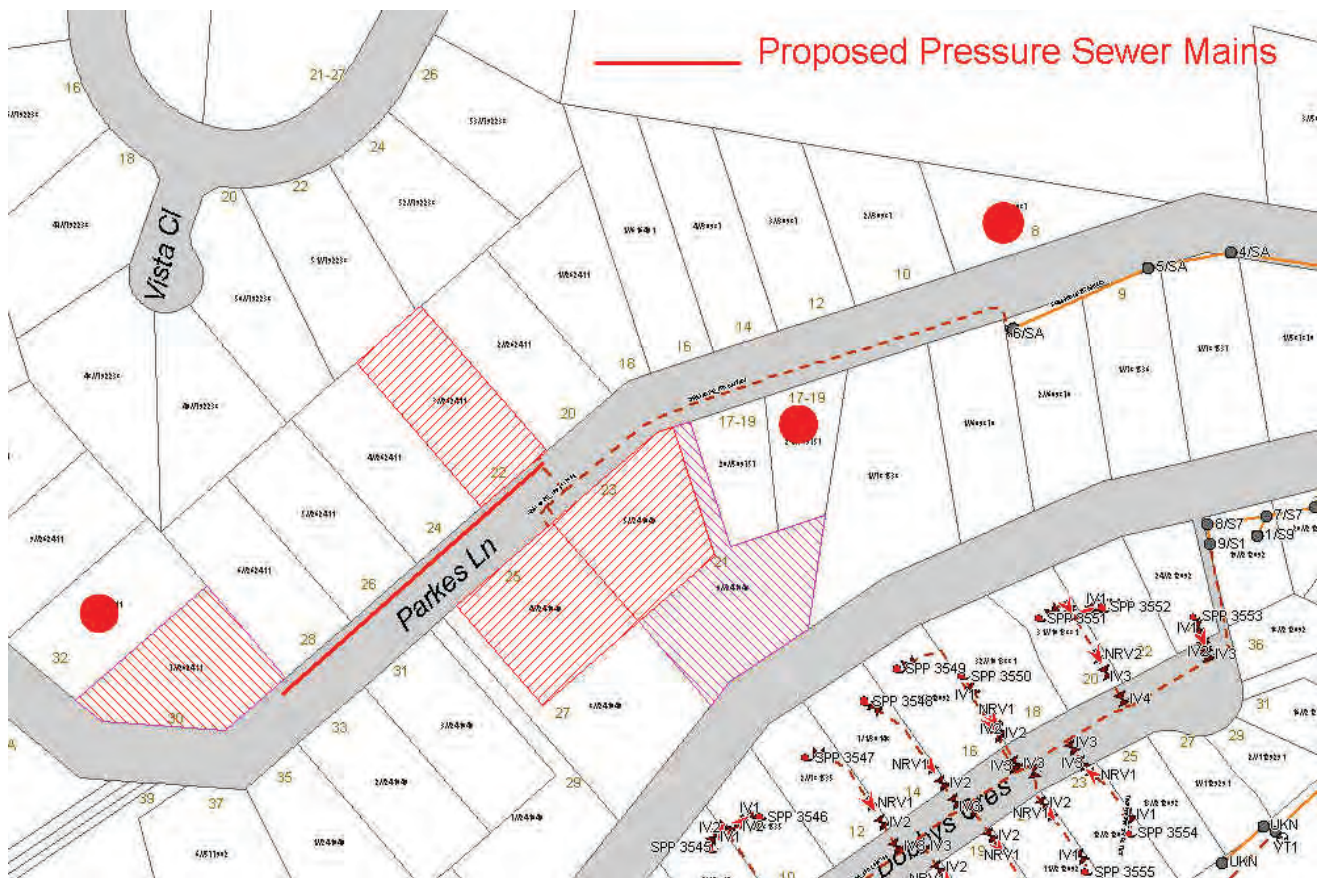
Cost to Council	
Reimbursement of initial works	\$15,901.07
Extension to 30 Parkes Lane	<u>\$15,000.00</u>

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Total \$30,901.07
Say \$31,000.

Contribution for local works from each connection	\$ 4,320.00
Capital Contribution to overall scheme (DSP)	\$ 5,838.00
Approximate costs for internal works	\$11,000.00

This scheme would be voluntary and only connected properties would pay sewer access charges. Section 552 of the Local Government Act 1993 provides that Council "may" levy a sewerage charge on properties within 75 metres of a sewer. Consequently it may take some time before Council recovers the capital outlay through the contributions.



Option B. This option would be to develop a scheme that could service all properties from 15 to 33 on the southern side of Parkes Lane and all properties from 8 to 30 on the northern side of Parkes Lane. This would encompass 22 lots.

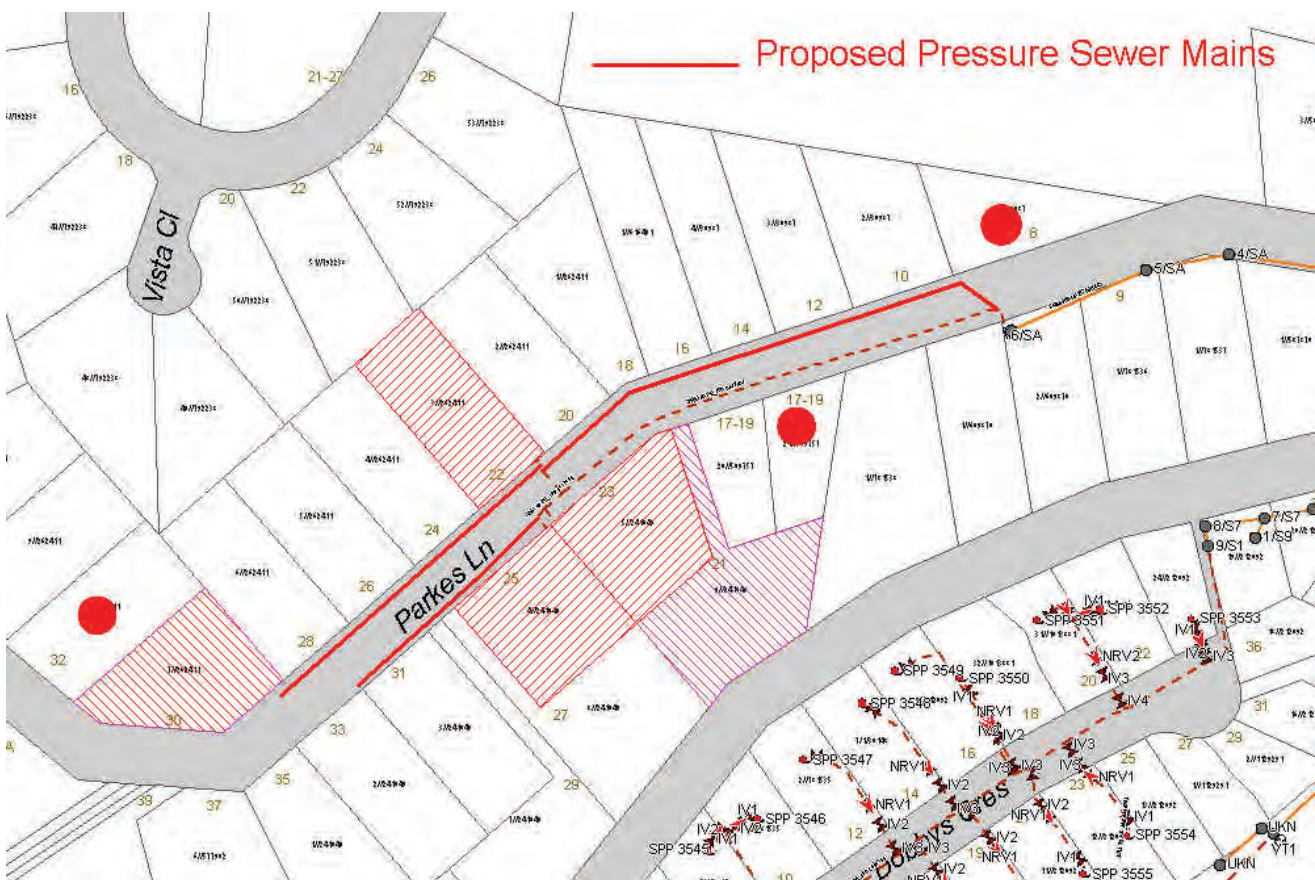
Cost to Council		
Reimbursement of initial works	\$17,536.07	
Extension to rising mains	<u>\$54,100.00</u>	
Total	\$71,636.07	Say \$72,000

Contribution for local works from each connection	\$ 3,775.00
Capital Contribution to overall scheme (DSP)	\$ 5,838.00
Approximate costs for internal works	\$11,000.00

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As there would be a greater outlay, it is considered that this scheme should be compulsory which would require consultation with affected property owners prior to progressing further. In a compulsory scheme, all adjoining properties would be required to connect and would be charged sewer access regardless of whether they are connected. With the compulsory scheme, however, Council would have the option of charging the contributions over a period of time, such as ten years as was the case with the Burringbar Mooball Sewerage Scheme.

To facilitate this many additional properties, it would also be necessary to address the gravity capacity issue in Grassmere Court, however, this issue should be addressed from the point of view of existing loading increases anticipated from other developments as well and could be financed from Development Contributions generally. More than ten connections could not be permitted until this issue is resolved.



Option C. That council does not proceed with a scheme and allows the ad hoc connection to the existing system

CONCLUSION:

It is desirable to have as many properties on Parkes Lane connected to sewer as possible but connection of the whole area via the existing gravity system is not possible due to limitations in the gravity system.

Option A above would provide a voluntary option for up to ten properties including those already connected or approved to connect to sewerage at an outlay to Council of \$31,000 which would be recouped by way of contributions when individual properties voluntarily

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connect to sewer. The individual outlay for property owners would be approximately \$21,200 each including their internal pump station and capital contributions.

Option B above would provide a compulsory scheme for up to 22 lots to be connected to sewerage at an outlay to Council of \$72,000. This would be recouped by contributions from properties as they connect. As the scheme would be compulsory, sewer access charges would be levied from all properties but such a scheme would require consultation with affected property owners before adoption. The individual outlay for property owners would be approximately \$20,700 each including their internal pump station and capital contributions.

Option C is considered to be inequitable and is not recommended. It has the possibility of legal action and may ultimately be unsuccessful.

As Council intends to pursue a sewerage scheme for the whole of the Parkes Lane area when Area E has progressed to a suitable stage, it is considered that Option A for a voluntary scheme with up to ten connections is the more appropriate option.

COUNCIL IMPLICATIONS:

a. Policy:

Corporate Policy Not Applicable.

b. Budget/Long Term Financial Plan:

Option A \$31,000

Option B \$72,000

Option C Potential unknown legal costs should someone decide to take action against Council to redress a perceived inequity.

Sufficient funds are available within Council's Sewer fund for the recommended option.

c. Legal:

Nil.

d. Communication/Engagement:

Inform - We will keep you informed.

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK:

2 Supporting Community Life

2.3 Provide well serviced neighbourhoods

2.3.3 Provision of high quality and reliable wastewater service which meets health and environmental requirements and projected demand.

2.3.3.7 Deliver Capital Works Program

2.3.3.9 Implement appropriate and relevant on-site sewage management requirements and provisions

Council Meeting Date: Thursday 15 November 2012

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UNDER SEPARATE COVER/FURTHER INFORMATION:

Nil.

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