

STOP AUCKLAND SEWAGE OVERFLOWS COALITION

ISSUES TO CONSIDER FOR A TARGETED CHARGE/RATE TO FUND AUCKLAND STORMWATER/SEWER UPGRADE

Auckland Council is planning to upgrade drainage in the central Auckland isthmus at a likely cost in excess of \$2 billion. It is considering some form of targeted rate/charge to fund the upgrades.

Stormwater currently causes overflows in the combined stormwater/wastewater network. Without rain the current sewer network can carry wastewater safely to the Mangere Water Treatment Plant for treatment. Council is responsible for stormwater. Watercare is responsible for removal and treatment of wastewater.

We understand the upgrade project calls for

- Completing stormwater/wastewater separation in the Orakei, Pt Chevalier and Waterview areas.
- Construction of a large pipe to run from Cox's Bay, via Western Springs, Mt Albert to Mangere. Called the "Central Interceptor", it will collect stormwater/wastewater from the parts of the combined network where separation is considered prohibitively expensive.
- Construction of another pipe to link New Lynn to the North Shore – this pipe will relay wastewater from west Auckland to the underutilised Rosedale Water Treatment Plant (without this pipe a - very expensive - new treatment plant to complement Mangere would need to be built in the west).
- Ongoing local stormwater removal from the remaining combined system to further reduce overflows and ensure Mangere is not overloaded from planned population increases.

CAN TARGETING BE DONE FAIRLY?

- Stormwater infrastructure has been treated as a "public good" paid for by all via normal rates.
- Council's rating policy states stormwater upgrades are financed largely from developer levies.
- There has been an acknowledged long term underspend on isthmus stormwater infrastructure
- Past separation and stormwater upgrades funded from untargeted general rates improved the CBD, Pt Chevalier, Orakei, Parnell, Waterview, Avondale, Motions, Grey Lynn and Kingsland systems.
- Past Council Plans have included approximately \$1 billion for the Central Interceptor (through Watercare) without resort to targeted rates/charges.
- Unless all stormwater upgrades are the subject of a targeted rate, the areas targeted for this project will pay not only for their own stormwater upgrades but also (by their general rates) for upgrades for the rest of Auckland.
- At least 50% of isthmus stormwater comes from Council's roads.

WHO BENEFITS FROM THE PROJECT

Targeted charges are often used to charge those who benefit. However, given that the wastewater services in the combined pipe area do not change, beneficiaries of this project are:

- All Watercare users, who will not need to bear the cost of a new wastewater treatment plant
- All users of watercourses in the combined system area and of the Waitemata Harbour (public open space visitors, boating enthusiasts, fishers, swimmers etc), from reduced/eliminated overflows pollution
- Users (as above) of the Manukau Harbour, from reduced/eliminated premature wastewater releases.
- Isthmus residents affected by floodplain flooding from exceptionally high rainfall.
- Council/Auckland Transport because its stormwater run-off will be appropriately dealt with.

QUESTION

The expenditure is so large that Council will need to raise a loan to fund this work. Do you believe this loan should be serviced as a targeted stormwater charge/rate? If so who do you think it is fair to target?