

KAITANGATA

Kaitangata is a small township located about 10km east of Balclutha. It is situated on the Matau Branch of the Clutha River.

Coal has been mined in the area since the 1850s, and the coal mine remains a significant part of the township and is the main employer in the town itself. The surrounding area is used mostly for sheep and dairy farming, while many residents commute to Balclutha for employment.

How is Kaitangata predicted to change?

A number of Kaitangata residents work in Balclutha at the Silver Fern Farms Finegand or Fonterra Stirling plants. However, it also still serves the adjacent coal mine. Population has been declining (11% loss between 1991 and 2001 censuses) and for many years the property market was very weak. These problems have been compounded by the township being spread out and so having a relatively large infrastructure for its population, which puts pressure on rates.

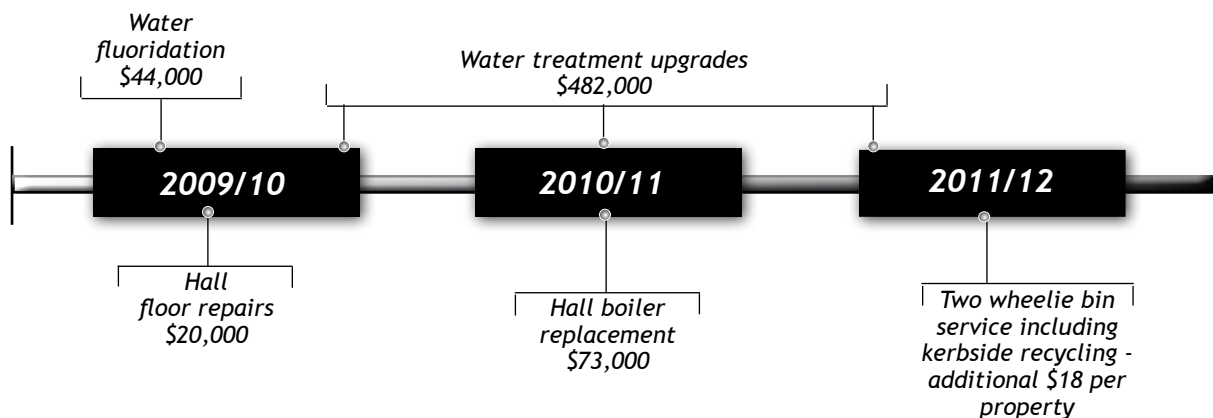
Population increase in Kaitangata is desirable (sections are available, there is spare capacity in existing infrastructure and it would reduce rates) and there has been a population increase in the period between the 2001 and 2006 census. Although house sales have improved dramatically in the last few years, little new (infill or extension) construction is occurring.

Kaitangata has seen a major increase in community development activity in recent times as a result of the higher profile of Kaitangata Promotions, due to the employment of a Community Coordinator. These developments have seen a strong, positive profile emerge for the Kaitangata area as the Promotions group increases events and promotional activity.

The Kaitangata Total Usually Resident population in 2006 was 810 people. This is an increase of 18 people, or 2.3% since the 2001 Census.

Population Assumption: 2011 780; 2016 770; 2021 760

Proposed projects of note in Kaitangata



What's planned for Kaitangata during the next 10 years

Water quality

Kaitangata has received \$275,912 in government assistance for the \$437,900 upgrade of its water supply. This work is due to legislation which requires all drinking water supplies to “take all reasonably practical steps” to comply with the New Zealand Drinking Water Standards 2005. The local share of the upgrade falls largely on the Wangaloa Rural Water Scheme as their flow portion is unsubsidised. Extra operating costs from the upgrade will add about \$12 to the Kaitangata water rate.

Water fluoridation

The Kaitangata, Milton, and Tapanui communities have indicated by non-binding referenda in 2007 that they are substantially in support of fluoridation of their water supplies. The Ministry of Health promotes fluoridation of water supplies as a cost-effective public health intervention which improves oral health and produces significant savings in dental health costs. Following further public consultation in 2008, Council applied for 100% subsidy funding from the Ministry of Health for the capital costs of fluoridation of these supplies, estimated at \$43,600 +GST each. However the additional operating costs (chemical plus labour) are not eligible for subsidy, and are estimated to add an extra \$24 to the Kaitangata water rate.

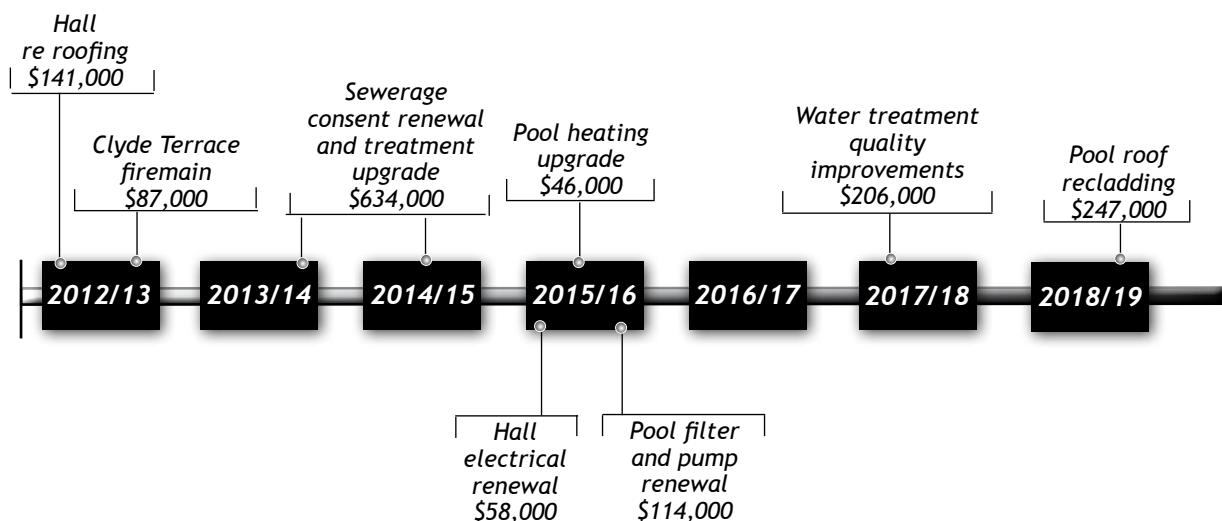
Swimming pool

Sustainability is an issue for all swimming pools owned and operated by Council. Swimming pool attendance numbers have been declining throughout the district for the past few years, but maintenance needs and renewals have increased. This means the increasing majority of funding required to operate swimming pools comes from rates (about 70%), compared with user charges (12%), and depreciation reserve funds (18%).

The Kaitangata Swimming Pool requires a \$114,357 filter and pump renewal in 2015/16, and a \$246,820 roof renewal is budgeted for 2018/19.

Another option would be to investigate the possibility of a community-operated pool, a system which has worked well in other communities such as Tapanui and Owaka for many years. With community support these can operate with significantly less cost than a fully staffed Council-operated pool. It is estimated that \$60 rates could be saved on a medium value Kaitangata property if volunteers took over management of the swimming pool, and Council would provide a \$24,000 grant to cover operating costs and depreciation.

The possibility of community ownership for both the pool and hall (see over the page) was discussed with the Kaitangata community during the Draft Long Term Plan consultation. At this stage the choice was to continue with Council ownership and management.



Modernising and improving heating in Council housing units

Council's Community Housing Units have been difficult to heat over the past few winters, and tenants have continued to report an inability to maintain comfortable living conditions. As such, Council undertook a Heating and Modernisation Assessment in 2007, which identified major maintenance issues and estimated the cost of the work required to be in the region of \$3.5 million. This work was split into three categories in order of priority and in 2008, Council agreed to the first stage of the works costing \$593,000 district-wide. This includes the installation of heat pumps in all units, insulation, as well as exterior painting, new electric ranges and re-roofing on a priority basis. This work is already underway.

Stages Two and Three of the work includes less urgent exterior painting, roof work and oven replacements; new hot water cylinders; non-urgent decorating and bathroom upgrades. This work will only be carried out if government funding can be secured through Housing New Zealand.

It is important to note that Council operates Community Housing Units as a self-funding activity and as such attracts no general rates assistance. The first stage of the upgrade work underway is being funded by reserves and loan funded from increased rental income.

Kaitangata town hall

Kaitangata and District Promotions has undertaken a feasibility study to see if other/better use could be made of the hall, and whether this may be best achieved if a community group took ownership of the hall. This could save \$20 of rates on the medium value Kaitangata property.

Urgent maintenance is required to keep the Kaitangata Town Hall open. \$20,000 is budgeted in 2009/10 for floor repairs, a \$73,000 boiler replacement is scheduled for 2010/11, and \$141,000 worth of re-roofing is programmed for 2012/13.

Sewerage upgrade

Currently treated sewage from Kaitangata township is discharged to the Matau Branch of the Clutha River. The resource consent for this discharge expires in July 2014. Council will need to work with the community closer to this time to consider upgrade options to meet increasingly stringent resource consent conditions.

Stormwater upgrades

\$50,000 has been budgeted to be spent over the next two years upgrading pipe drains in Kaitangata. This work will help to resolve issues of localised flooding problems within the existing stormwater drainage network.

Waste minimisation

Please refer to the Key Issues section of the Long Term Plan for more information.



Councillor Comment - Ted Gallagher Kaitangata-Matau Ward

"I feel that our community is making progress. Our water treatment plant is to be upgraded and this will be subsidised by 63% by the Government. Fluoride will also be added to the local supply. Our stormwater drainage system is also being overhauled. Even though we have to keep affordability in consideration at all times, the above jobs were necessary and overdue. In our ward, we have a number of pensioners and low-paid workers, so we must keep the rates rise to a minimum. I feel one issue which would help would be if we set up committees to take over responsibility for the running of the War Memorial Hall and of the Swimming Pool."

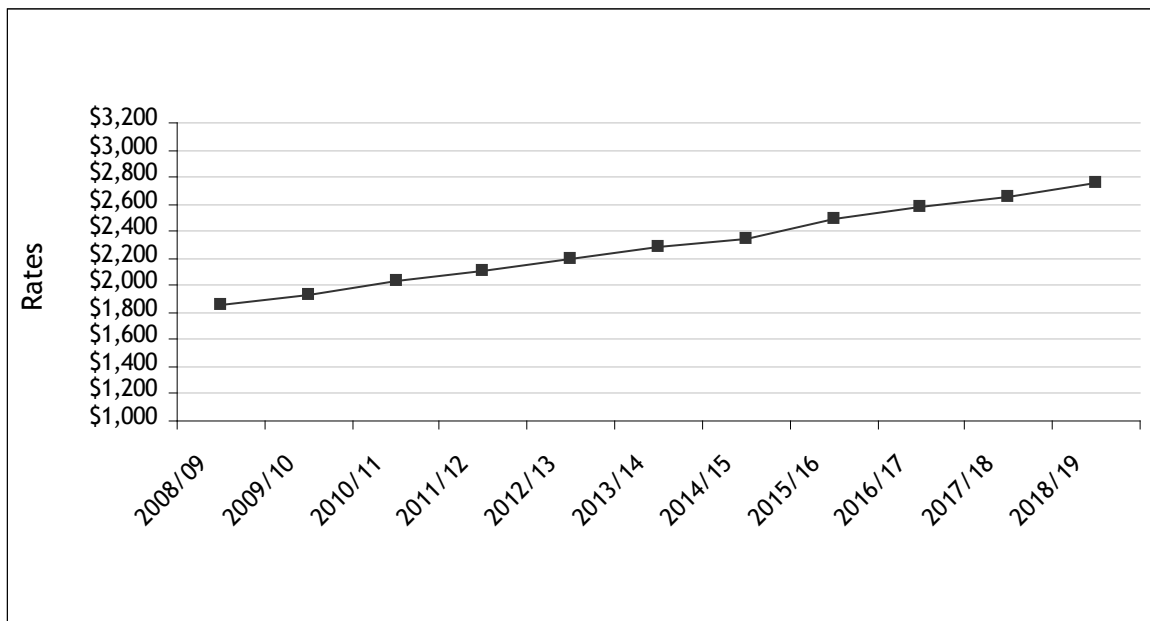
How are rates expected to change?

Medium Value Property

Rating Area: Kaitangata		Actual	Projected				
LV = \$17,000	CV=\$52,000	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
Uniform Annual General Charge		350.00	422.60	442.50	452.60	466.90	473.70
District Rooding		32.20	24.50	26.20	29.60	30.60	31.30
Local Rooding		227.90	213.60	228.60	258.70	267.10	273.30
Footpath Rate		13.50	8.80	9.10	9.30	9.60	9.80
Water		433.10	483.90	523.80	536.70	561.30	582.20
Wastewater		253.10	259.00	260.70	262.20	269.10	278.00
Stormwater		129.40	129.40	134.10	138.60	142.30	146.90
Wastewater Upgrade Support			-	-	0.30	0.50	0.50
Community Services		246.20	199.00	205.30	210.30	215.30	220.20
Solid Waste Collection		156.90	168.50	174.00	176.00	205.60	236.00
Waste Minimisation		8.60	15.10	22.10	8.00	8.10	8.30
Recycling Collection			-	-	20.60	21.10	21.60
Planning & Regulatory		5.00	2.50	2.80	2.70	2.90	2.80
TOTAL		1,855.90	1,926.90	2,029.20	2,105.60	2,200.40	2,284.60
% Change			3.8%	5.3%	3.8%	4.5%	3.8%

Projected rates changes are inflation-adjusted by approximately 3% per annum.

Projected Rates Change 2009-19



This example uses a medium valued property in Kaitangata as per the above table.

Charging for half units

In the lead up to each new Long Term Plan, Council looks at how it rates for its activities and services. During the review this time round it was highlighted that ratepayers in some towns pay half charges where their property can connect on to water or sewerage services. Other towns do not. Council has decided that it would be fair to apply half charges to all towns, not just some. If a property has the ability to hook on to the system, it should pay towards this. (This tends to apply to properties without a house or dwelling). Half rates will be applied to properties in the Kaitangata rating area, and phased in over a three year period beginning 2009/10.

	Full rate <i>(paid by properties that are connected)</i>	Half rate <i>(will apply to properties that aren't connected but the service is available to them)</i>		
		2009/10	2010/11	2011/12
Water supply	\$483.90	80.70	174.60	268.40
Sewerage	\$259.00	43.20	86.90	131.10

Some basic statistics about the Kaitangata rating area

Current population (2006)	810
Projected population (2016)	770
Number of Rate Assessments (2008/09)	554
Land Value (\$million)	2.11
Capital Value(\$million)	28.10
Rates income (2008/09)	Approx. \$759,000 including GST
Water supply	Full rate connections: 324 Half rated (unconnected) properties: 68 Length of reticulation: 14,931m
Sewerage scheme	Full rate connections: 299 Half rated (unconnected) properties: 66 Length of reticulation: 13,519m
Stormwater reticulation	Full rate connections: 348 Half rated (unconnected) properties: 0 Length of piped reticulation: 2,507m Length of open drain reticulation: 5,930m
Roads	Sealed: 10.9km Unsealed: 5.3km
Footpaths	14,710 metres
Playgrounds, parks, reserves and sportsgrounds	Victoria Park Old Cemetery Playground Kaitangata Sportsground
Public conveniences	2 at Victoria Park, Eddystone St
Cemeteries	Kaitangata Old Cemetery Salcombe St Kaitangata Cemetery Lakeside Rd
Library	Voluntary Library
Pool	Council owned and operated. Located at Victoria Park, Eddystone St
Hall/Community Centre	Kaitangata Town Hall
Council Community Housing	3 units