

MILTON

As the second largest town in the Clutha District, Milton is the main provider of commercial, social and education and medical services for the north-eastern part of the district.

Located on State Highway 1, it is an important commercial and industrial centre for the Tokomairiro Plains and the main thoroughfare for those travelling north to Dunedin, or south to Southland or Central Otago.

The town and surrounding area has a sound industry base including timber sawmilling and processing, building construction, textiles, boat and trailer manufacturing, heavy transport and lime production.

How is Milton predicted to change?

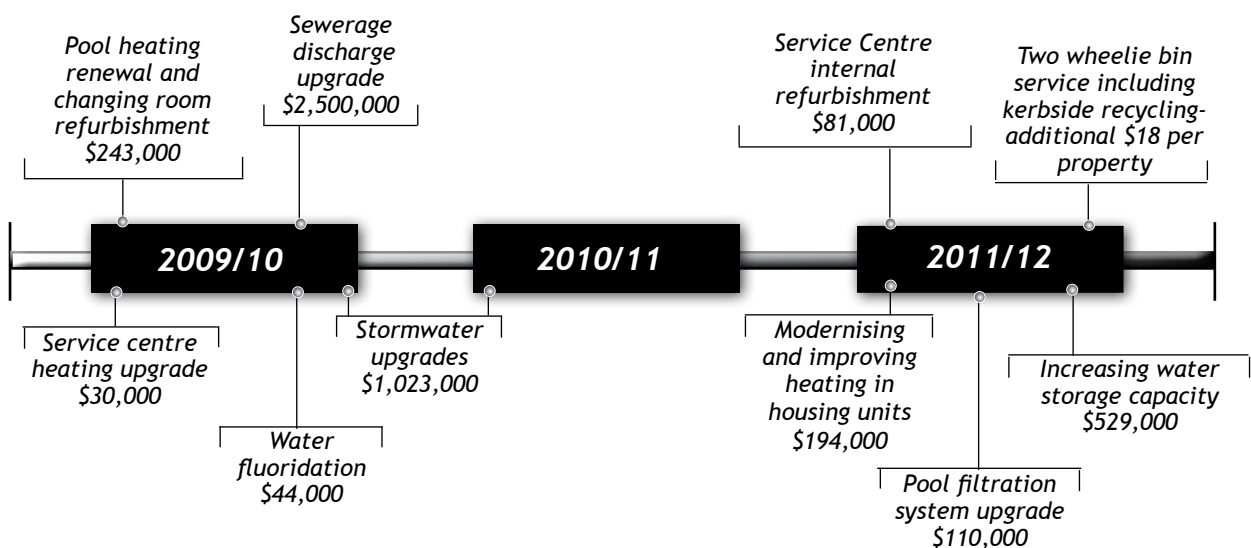
After going through decline in past years (population loss of 8% between 1991 and 2001 censuses) Milton has recently become a hotbed of activity. Further development is almost inevitable given the combination of affordable flat land, good transport infrastructure, proximity to Dunedin and Port Otago, and the shortage of suitable land for industrial development in Dunedin. However the total Usually Resident Population in 2006 was 1,887 people which is a decrease of 30 people, or 1.6%, since the 2001 Census. This reflects that a number of people commute to the greater Milton area for employment but live north of the Clutha District boundary in the greater Dunedin area.

There is capacity to supply both water and sewer services north of Milton but in some areas it will require extension of pipelines and possibly some sewage pre-treatment. It also appears likely that the types of industry to come into this area will be commercial / light industrial and will not require significant water or sewerage services. This is based on interest from developers to date and the fact that this type of development will fit better with the existing residential and lifestyle properties in the area.

However, there will be pressure on the roading infrastructure. State Highway One is a Limited Access Road through this area and any major new access points will need to be well planned.

The commercial development outlined above has also given rise to strong interest in housing in the area. The current developments may bring an extra 200-250 jobs into the area by 2010, but it is very unlikely that there will be housing available (or sought) for all of those people. However, assuming 100 of these new workers are in Milton by 2010 there will have to be significant new housing developed. There is some potential for infill, but the majority of new houses will have to be outside the existing urban area. By 2016, even without any further new

Proposed projects of note in Milton



developments we can assume 200-250 new workers living in the Milton area.

As far as the location of new residential developments, the easiest area to service would be Tokoiti due to its proximity to water and sewerage infrastructure. However, indications from professionals involved in development and real estate are that demand will be elsewhere - Helensbrook, Springfield and nearby rural lifestyle areas.

Population assumption: 2011 2,195 (incl 335 prison); 2016 2,320 (incl 500 prison).

Note that if other new major employers establish in the Milton-Milburn area over this period then the population growth could be significantly greater.

What's planned for Milton during the next 10 years

Sewerage upgrades

Council has obtained a new consent from the Otago Regional Council for a long term discharge consent for the Milton Sewage Treatment Plant. This application was made to cater for the increased load from the Otago Regional Correctional Facility and population growth in and around Milton. The new consent requires upgrades to the Milton Sewage Treatment Plant in order to continue discharging treated effluent to the Tokomairiro River. Council pursued this option, after finding land based disposal would have been uneconomic.

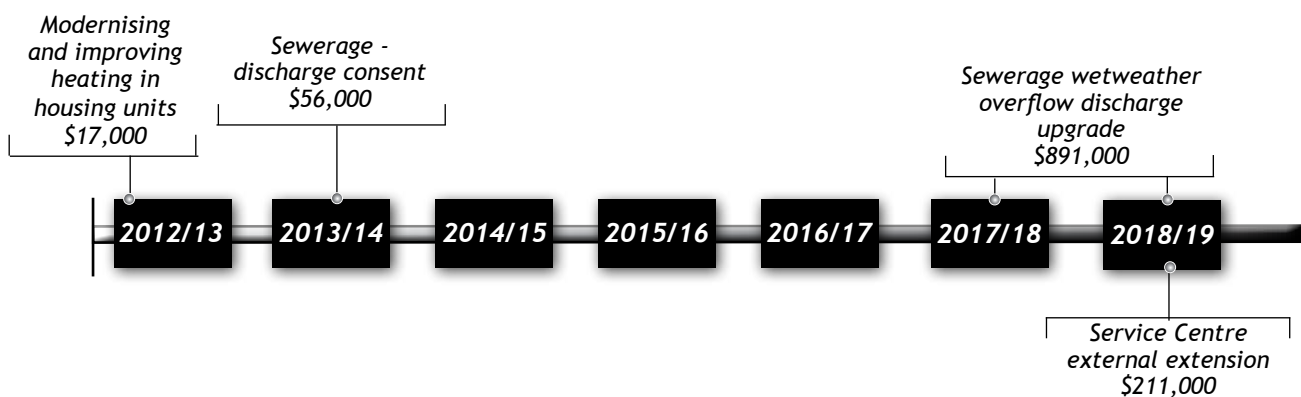
The upgrade to the Milton Sewage Treatment Plant will cost about \$2.5 million over the next two years. The capital costs of the upgrade will be met by the Department of Corrections. However, the extra operating costs as a result of this work will see the Milton sewerage rate increase by about \$120 over the next two years.

Tokoiti sewerage

Assisting the Tokoiti community in deciding on sewage treatment/disposal solutions is also an important issue for Council. Tokoiti currently has no public sewerage system. Most properties have onsite septic tank systems, but some are not working properly and discharging at the surface onto neighbouring property or roadside drains. This clearly presents a significant risk to both public health and the environment. Doing nothing is now no longer an option and Council intends to go ahead with the construction of the system. Council will continue to work and consult with the community to resolve this issue.

Stormwater upgrades

Work will continue over the next year on the \$1.1 million worth of flood protection for the Milton township. Surface flooding has caused problems in Milton in recent years, particularly during major flooding events in April



2006 and August 2007.

Council has constructed a drainage swale which will divert flood water away from the Dryden Street area in south-east Milton. Flood protection work will continue in 2009/10, with the construction of a floodbank and pumping station, and reticulation upgrades to the Milton stormwater system.

Water fluoridation

The Milton, Kaitangata, 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 \$10 to the Milton 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%).

For the Milton Swimming Pool, a \$200,000 changing room refurbishment is budgeted for 2009/10. This work will include new showers and lockers. The current changing rooms are dark, cold and in a general state of disrepair. A \$43,000 pool heating renewal is also budgeted for next year, while a \$110,000 filtration system upgrade and a \$27,000 repaint are budgeted for 2011/12. All this costs money, and as you can see - a lot of it. This is where the question of sustainability comes in. If we do not upgrade to modern standards expectations, the pool patronage may continue to decline, increasing the cost on ratepayers to keep them open.

Modernising and improving heating in 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.



Councillor Comment - Gaynor Finch Bruce Ward

“Milton has the potential for continued development, which will hopefully have spin-offs for the rest of the Clutha District. We have quite a few upgrades required over the next five years, such as the swimming pool facilities. Other very important issues that require more attention as soon as possible are the problems with sewage treatment and disposal at Tokoiti and further stormwater upgrades to further protect Milton from flooding. I am happy we are addressing the waste minimisation issue, however, the organic waste collection could have a major impact on our rates from 2012/13.”

Cemetery block numbers and information kiosk

\$4,000 is budgeted for 2009/10 for the installation of an information kiosk and block numbers at the Milton Fairfax Cemetery in an effort to make it easier for people to track down buried loved ones. The information kiosk will house a map identifying block areas, as well as some historical information. Each row of headstones will also have small, unobtrusive block numbers placed at ground level.

Service centre/library upgrades

As the Milton area is one of the communities in the Clutha District expected to experience population growth over the next decade, upgrades are planned for the local Service Centre/Library. An \$81,000 internal refurbishment is planned for 2011/12. Very little has been done to the interior of the existing building for many years and the public areas are currently looking tired and cramped. If the Milton population continues to grow at projected rates, a further extension may be required to the building within the next decade. At this stage, \$211,000 has been budgeted for such a project in 2018/19.

Waste minimisation

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

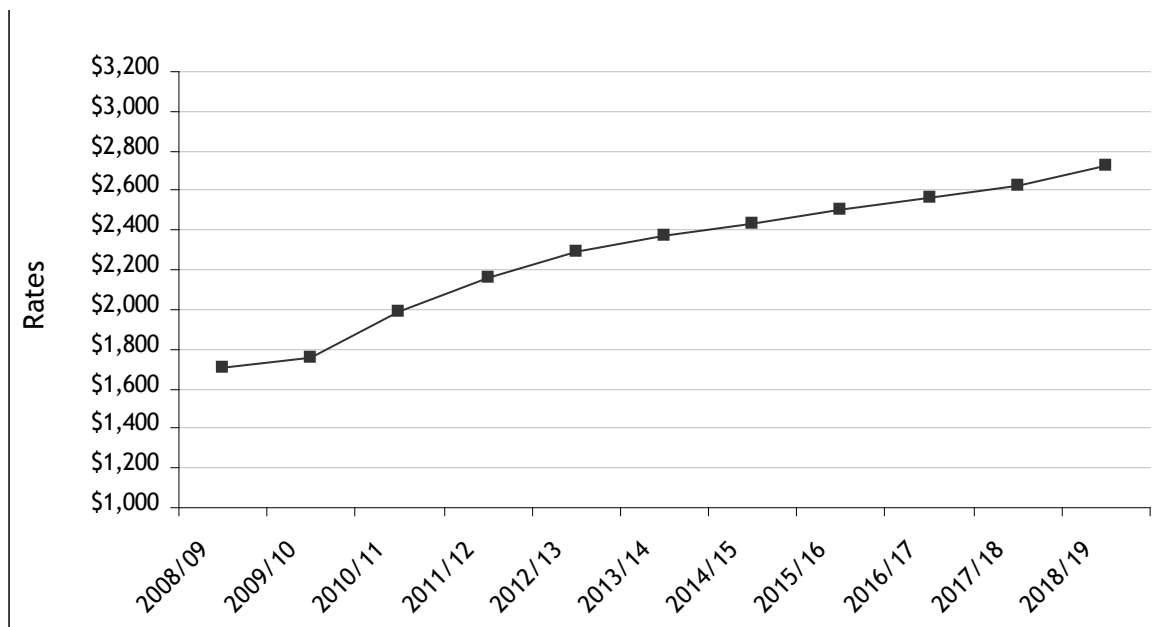
How are rates expected to change?

Medium Value Property

Rating Area: Milton		Actual	Projected				
LV = \$48,000	CV=\$138,000	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
UAGC		350.00	422.60	442.50	452.60	466.90	473.20
District Rooding		93.80	65.00	69.50	78.70	81.20	83.10
Local Rooding		171.20	157.80	168.00	187.60	193.50	197.90
Footpath Rate		55.10	33.60	34.70	35.50	36.30	37.10
Water		331.90	373.40	436.30	506.10	560.70	579.00
Wastewater		185.60	202.50	300.40	348.20	355.90	364.70
Stormwater		156.40	156.40	163.40	169.30	173.30	178.50
Wastewater Upgrade Support		0.10	-	-	0.80	1.20	1.30
Community Services		185.80	154.40	170.30	174.10	183.60	187.40
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		14.60	6.70	7.30	7.20	7.70	7.50
TOTAL		1,710.00	1,756.00	1,988.50	2,164.70	2,295.10	2,376.10
% Change			2.7%	13.2%	8.9%	6.0%	3.5%

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

Projected Rates Change 2009-19



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

Some basic statistics about the Milton rating area

Current population (2006)	1,887
Projected population (2016)	2,320 (incl 500 prison)
Number of Rate Assessments (2008/09)	985
Land Value (\$million)	49.3
Capital Value (\$million)	143.7
Rates income (2008/09)	Approx: \$1,641,000 including GST
Water supply	Full rate connections: 999 Half rated (unconnected) properties: 41 Length of reticulation: 22,018m
Sewerage scheme	Full rate connections: 949 Half rated (unconnected) properties: 62 Length of reticulation: 15,496m.
Stormwater reticulation	Full rate connections: 934 Half rated (unconnected) properties: 62 Length of piped reticulation: 11,284m
Roads	Sealed: 17km Unsealed: 1.4km
Footpaths	28,225 metres
Playgrounds, parks, reserves and sportsgrounds	Memorial Park Taylor Park Stewart Reserve Moore Park Tokomairiro showgrounds
Public conveniences	Stewart Reserve, Grey St Taylor Park, Park Rd
Cemeteries	Fairfax Cemetery, Knoll St, Tokoiti
Library/Service Centre	Combined facility on Union St.
Information Centre	Union Street, Milton
Pool	Council owned and operated. Located on Park Rd.
Hall/Community Centre	Community owned and managed facility (Milton Coronation Hall) receives \$12,500 annual grant from CDC.
Council Community Housing	16 units