

Report 12.375
Date 15 August 2012
File MF/06/07/06

Committee Council
Author Barry Leonard, Manager Forestry

Maungakotukutuku Forest – Sale of land (1.77ha) to Kapiti Coast District Council

1. Purpose

To approve the sale of 1.77 hectares of land in Maungakotukutuku Forest to Kapiti Coast District Council (KCDC) to become part of its water supply project.

2. The decision-making process and significance

Officers recognise that the matters referenced in this report may have a high degree of importance to affected or interested parties.

The matter requiring decision in this report has been considered by officers against the requirements of Part 6 of the Local Government Act 2002 (the Act). Part 6 sets out the obligations of local authorities in relation to the making of decisions.

2.1 Significance of the decision

Part 6 requires Greater Wellington (GW) to consider the significance of the decision. The term ‘significance’ has a statutory definition set out in the Act.

Officers have considered the significance of the matter, taking the Council's significance policy and decision-making guidelines into account. Officers recommend that the matter be considered to have low significance.

The land required by KCDC is part of two blocks of land (217.9 and 14.2 hectares) owned by GW and part of the plantation forestry estate. Provision is made in the Council's Significance Policy to dispose of small parts of its forest network, including water supply catchments, without making reference to the sale in the Council's Long Term Plan. Officers are of the view that the sale of 1.77 hectares fits within this provision.

Officers do not consider that a formal record outlining consideration of the decision-making process is required in this instance.

3. Background

Earlier this year GW was approached by the Kapiti Coast District Council, which sought to purchase a small parcel of land in the north of the Maungakotukutuku forest. KCDC had engaged Beca Consultants to look at options to improve the performance and resilience of the KCDC water supply system.

One of the longer term options proposed by Beca is for a dam on the Maungakotukutuku Stream. This requires the purchase of some land from nearby landowners. In GW's case the purchase of 1.77ha is in the southern end of KCDC's dam site.

KCDC, through their solicitors, presented an agreement that was altered slightly after consideration by GW's solicitors Oakley Moran. The agreement includes the following clause "2.3 The parties acknowledge and agree that the required land is held for an existing public work by Greater Wellington (waterworks) and is being disposed of by Greater Wellington to the Council pursuant to section 50 of the Public Works Act (PWA) for the purposes of another public work (water supply and related purposes) as provided for in Section 50 (1) of the PWA."

The agreement which was dated 26 June 2012 was conditional upon:

- a) The Kapiti Coast District Council approving the purchase within 40 Working Days of the date of the agreement (21 August 2012);
- b) The Wellington Regional Council approving the sale within 40 Working Days of the date of the agreement (21 August 2012);
- c) The Kapiti Coast District Council obtaining all consents or approvals needed to vary or partially surrender the Conversation Covenant by 31 July 2012; and
- d) The Kapiti Coast District Council completing due diligence on the land within 20 Working days of the date of the agreement.

4. Consideration

KCDC has offered \$13,000 plus GST (if any) for the land based on the advice of their valuer. GW asked its property consultant to review the valuation and offer price. The conclusion reached was the offer was fair to GW. On this basis, a formal valuation was not obtained by GW.

5. Communication

No communication is considered necessary.

6. Recommendations

That the Council:

1. **Approves** the sale of 1.77ha (subject to survey) of land to the Kapiti Coast District Council for \$13,000 plus GST (if any).
2. **Delegates** to the Chief Executive the right to sign all agreements and other instruments related to the sale.

Report prepared by:



Barry Leonard
Manager Forestry

Report approved by:

Murray Kennedy
General Manager
Development