

17 February 2016

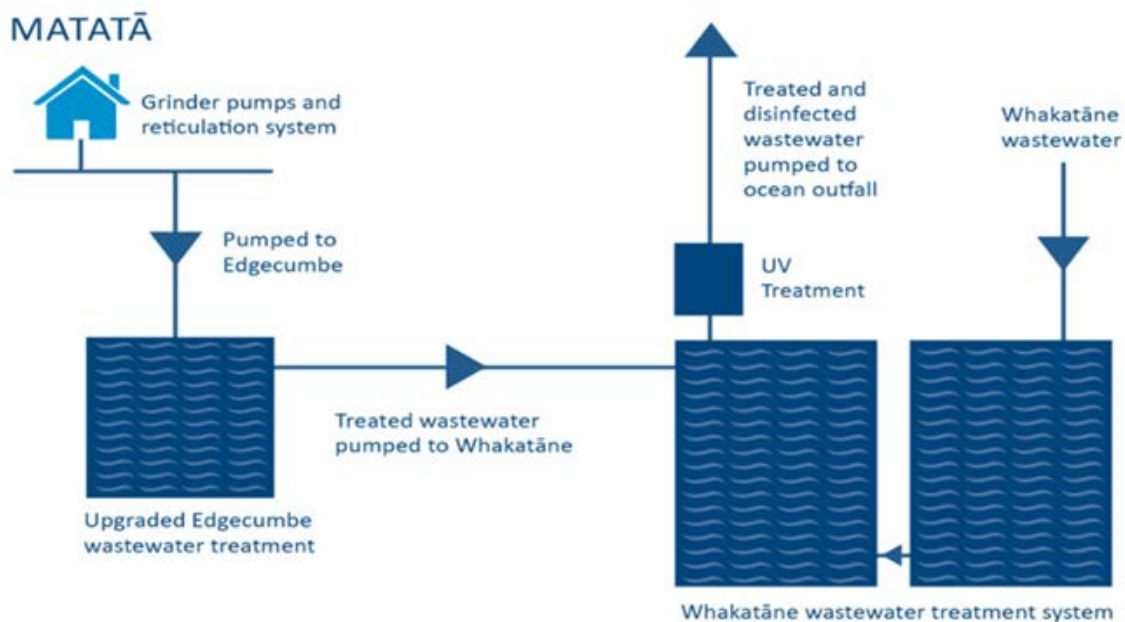
Dear _____

Re: Matatā Proposed Integrated Wastewater Treatment Scheme - Project Update

We would like to update you on progress towards the proposed Integrated Wastewater Treatment Scheme for the Matatā, Edgecumbe and Whakatāne communities.

Since our last newsletter in October 2015, Council has been working hard to secure support and additional external funding from regional and central government for development of the proposed scheme.

The proposed scheme would see Matatā's wastewater pumped to an upgraded treatment plant at Edgecumbe. Treated wastewater would be pumped to the Whakatāne wastewater treatment system and then discharged into the sea via the existing outfall.



The estimated capital cost for the proposed scheme, which includes the upgrades at the Edgecumbe and Whakatāne oxidation ponds, is \$32 million. The Matatā proportional cost is \$20M. To date, Council has secured the following funding:

Bay of Plenty Regional Council	\$1.88 million
Ministry of Health (wastewater scheme subsidy)	\$6.7 million
Whakatāne District Council	\$4.6 million
Total	\$13.2 million
Shortfall	\$18.8 million

If the Matatā project does not proceed, the Medical Officer of Health has requested the Bay of Plenty Regional Council investigate making Matatā a Maintenance Zone under the Regional Council's Regional On-site Effluent Treatment Plan. If that situation does arise, the cost of meeting the wastewater disposal standards required would fall upon individual property owners.

Earlier this year, Council representatives met with the Associate Minister of Health, Peter Dunne, and local MP, Anne Tolley to discuss funding for the scheme. Unfortunately, there is currently no additional funding available from the Ministry of Health.

The proposed wastewater treatment scheme will deliver social, environmental and health benefits to all of the communities it serves. In the coming months, Council will develop a 'Better Business Case' to take to other central government agencies, such as the ministries for the Environment, Social Development and Māori Development.

Council is committed to pursuing funding and support for development of an integrated wastewater scheme for Matatā; we will keep you informed as we progress. In the meantime, we welcome your questions and feedback.

Yours sincerely

Marty Grenfell
CHIEF EXECUTIVE