



Report 07.260
Date 30 April 2007
File WS/08/05/01

Committee Rural Services and Wairarapa
Authors Dave Cameron, Manager, Land Management
Graeme Campbell, Manager, Flood Protection

Targeted Scheme Rates and Balances

1. Purpose

To provide information on the proposed 2007/08 Targeted Scheme Rates to be collected for the operation and maintenance of Wairarapa Schemes, and to inform of current and projected scheme balances.

2. Background

Meetings are under way for seventeen river and catchment management schemes, to review progress, expenditure, and flood damage schedules, and to confirm proposed activities, including flood damage and funding. The catchment scheme advisory committee meetings are concluded and the river scheme advisory committee meetings will be completed in May 2007.

For each of the sixteen drainage schemes papers were circulated to ratepayers, and programmes/funding levels were subsequently confirmed with each scheme advisory committee chairperson. Note that none of the drainage schemes receive any funding from Greater Wellington Regional Council. These schemes, administered by Greater Wellington staff, are funded 100% by the beneficiaries in accordance with Council's funding policies.

A summary of current and recommended rates, as well as current and projected scheme balances, are given in the attachment to this report.

3. Discussion

The meetings have been positive and constructive reflecting a good co-operative understanding between ratepayers, councillors and staff. This is reinforced by the committees in general endorsing significant rate increases. Particular matters for comment are:

3.1 Flood Events

A significant rainfall event occurred over a 72 hour period on 3/4th July 2006. This was particularly heavy in the Hinakura/Huangarua catchments with the highest recorded 72 hour total reaching 400mm. The estimated return period is in excess of 80 years. Totals from automatic rain gauges in the Aorangi Ranges and the Wainuiomata catchment recorded 330mm and 345mm respectively.

The event was characterised by large volumes of water, surface flooding, widespread erosion, and record-high volumes of water passing through the Wairarapa floodways into Lake Wairarapa.

3.2 Producer Price Index

This index moved by 5.9% between December 2005 and December 2006. All of the river schemes have agreed to increase their rates by 5.9% except for the Waiohine, Upper Ruamahanga – Gladstone, and the Lower Wairarapa Valley Development Scheme.

3.3 Kopuaranga River Enhancement Project

There was insufficient support for the full Kopuaranga River Enhancement Project to proceed following the results of the public meeting and a postal ballot. A reduced scheme extending up to Mauriceville is now being considered.

3.4 Reclassification of River Schemes

It is expected that the reclassification of the Lower Wairarapa Valley Development Scheme will be completed this financial year. A series of public meetings have been held to outline the proposed classification. A final review committee meeting will be held in mid-May 2007 at which it is expected that the new classification will be endorsed.

3.5 Waiohine – Mangatarere Scheme

This scheme continues to be a success. The scheme reserve balance is projected to be \$326,296. The new bridge on State Highway 2 was completed this year. In this coming year, planning of the upgrade of the stopbanks upstream of the bridge will commence.

The scheme committee proposes that rates be set at a level sufficient to fund a works programme of \$280,000 for the coming year and to increase the reserve balance to an appropriate level. This will result in a net decrease in the scheme rates for the coming year.

3.6 Lower Wairarapa Valley Development Scheme

The works programme for this financial year totals \$1.8 million including flood damage work. Significant works completed included completion of flood damage work at Shelton, Guscott, Hikunui Sill, slumping in Pukio area and to the Oporua structure. It also included rewiring of the Barrage Gates and the

balance of the work at Scaddens. Removal of the old sill at Hikunui and the construction of the debris barrier for an amount of \$120,000 is being carried forward to next financial year.

The ordinary scheme reserve is projected to total \$911,000 and the Major Flood Damage Fund for this scheme is projected to total \$455,000.

The Advisory Committee meeting is scheduled for 3 May 2007. The works programme for next year is \$1.74 million, including \$870,000 development work. No rate increase will be requested at the meeting as the scheme has a reasonable reserve balance.

The scheme review and the new rating classification are in its final stage. Another Review Committee meeting will be held early next month before recommending it to the Council for adoption.

3.7 Waingawa Scheme

This scheme is overdue for a review. It is proposed that this will occur on completion of the Lower Wairarapa Valley Development Scheme review although work has commenced by gathering background data for the review. The scheme committee is keen to see the gravel moratorium in the vicinity of the State Highway and the railway bridge partially lifted. Staff have explained that this will be researched at the time of the review. The projected scheme reserves at the end of the financial year are \$16,215 which is down on last year due to additional expenditure on flood damage.

3.8 Waipoua Scheme

A number of small floods in 2006 caused damage which required \$18,500 additional expenditure to repair. The scheme will have a projected surplus of \$16,180 at the end of this financial year which will finally enable a positive reserve balance of \$7,800 to be attained, having been in deficit for a number of years. The scheme committee emphasised the need to review the scheme once the Waingawa review is complete as both the funding and protection level needs to be reviewed.

3.9 Upper Ruamahanga Scheme – Mt Bruce Section

There has been a focus on channel, beach, and edge protection work over this past year. There has also been extensive pole planting and lopping.

This scheme has a projected reserve of \$33,505 for the end of this financial year. Flood damage repairs have been restricted to the area of Black Rock Road. The initial repairs will need further heavy protection works added involving some funding contribution from Masterton District Council if the road is to be given more security from river erosion.

3.10 Upper Ruamahanga Scheme – Te Ore Ore Section

Work completed included trenching at Henley Lake, planting, beach lowering and channel alignment through out the scheme. Rock groynes were placed at Olivers. This section will have a scheme reserve of \$25,000 at year end.

3.11 Upper Ruamahanga Scheme – Gladstone Section

Channel alignment works and debris clearance have been completed over the length of the scheme. Following a period of higher flows in July and November flood damage repairs were carried out at five sites.

The scheme reserve is projected to be \$12,881 at the end of this financial year.

3.12 River Clearing Schemes

The Taueru River Scheme is projected to have scheme reserve of \$8,000 at year end.

The scheme deficit on the lower Whangaehu River is projected to be less than \$1,000 at the end of this 2006/07 year. Therefore the loan will be paid off ahead of the scheduled timeframe of 2010 and a scheme reserve of \$7,000 should be saved by the end of 2007/08.

3.13 Catchment Management Schemes

Flood damage repairs following July 2006 continue. Given the scale of this flood event, the limited flood damage reinforces the value of the Catchment Schemes and Farm Plans. Continuing to invest annually significantly increases the resilience of the land and provides ongoing protection to community assets such as roads and bridges.

All the schemes had projected credits at the time of their annual scheme meetings. These scheme reserves cover any additional flood damage. The reserves and the ongoing works programmes reinforce that Greater Wellington is making good progress in these catchment schemes.

Reviews of the rating classifications for the Awhea/Opouawe and Mataikona/Whakataki schemes have been completed. It is hoped that a review of the Whareama scheme classification will take place in 2008.

Rate increases have been approved at all of the Advisory Committee meetings held to date. Generally these have followed movements in the Producer Price Index. However, for the second year in a row the Kaiwhata Committee has approved a 50% rate increase. This will enable final clearance work from the March 2005 event to be tidied up, and the Storm Damage Reserve build up to pre-flood levels.

A review of the Homewood Catchment Scheme has been endorsed by a general meeting of ratepayers. This Scheme was first approved in 1974 and continues to provide excellent protection for this community situated south of Riversdale Beach.

3.14 Drainage Schemes

The wet season last July/August put financial pressure on all Pump Drainage Schemes due to the increased use of power. As a result of this wet season the majority of the Pump Drainage Schemes are projected by the end of the 2006/07 financial year to have a reserve deficit.

To reduce this deficit meetings have taken place with 3 Pump Schemes which were identified at the time as requiring a rate increase.

For the 2007-2008 financial year the following Pump Drainage Schemes will incur a rate increase. These are:

Te Hopai
Papatahi
Moonmoot

Gravity Drainage schemes which are coming off a rates holiday due to insufficient reserves to cover the cost of next years works are:

East Pukio
Te Whiti
Whakawiriwiri

Financially the total income collected for next year is greater than the budgeted expenditure. This will begin the process of bringing the drainage scheme reserves back to a healthy balance.

3.15 Sub-Committee

Given that not all schemes have held their meetings, it is recommended that a sub-committee comprising Councillors Long and Buchanan be given authority to approve the final recommendation for targeted rates and reserve balances prior to their submission to Greater Wellington's rate setting meeting on 29 June.

4. Acknowledgement

This year the river scheme meetings combined with flood damage issues and annual works programmes were completed in a tight timeframe in late April/May. This included an additional four meetings associated with the review of the Lower Valley Development Scheme. The efforts of the scheme Advisory Committees members, Councillors Long and Buchanan, and staff in ensuring the success of these meetings are gratefully acknowledged.

5. Communication

The proposed schemes rates, as scheduled in Attachment 1 to this report, have already been agreed to by the respective advisory committees.

6. Recommendations

That the Committee:

- (1) *Note the information in this report.*

- (2) *Approve Councillors Buchanan and Long forming a sub-committee to approve the final scheme rates schedule to be submitted to the formal Council meeting at its meeting on 12 June 2007.*

Report prepared by:

Report prepared by:

David Cameron
Manager, Land Management

Graeme Campbell
Manager, Flood Protection

Report approved by:

Geoff Dick
Divisional Manager, Catchment Management