



Minutes of the sixth meeting, eighth triennium, of the Catchment Operations Committee of Horizons Regional Council held in the Tararua Room, Regional House, 11-15 Victoria Avenue, Palmerston North at 10.06am on Wednesday 12 October 2011.

PRESENT Crs MC Guy (Chairman), JJ Barrow, LR Burnell, GL Cox, EB Gordon (ex officio), PW Rieger, RG Walker JP (to 2.35pm).

IN ATTENDANCE Group Manager Operations Mr AD Cook
Secretary Ms GA McRae

ALSO PRESENT Crs VJF Chettleburgh (to 11.26am and from 2.05pm to 3.30pm), CI Sheldon (from 10.25am), MW Plowman, and JJ White.

At various times during the meeting:

Mr C Mitchell (Group Manager Environmental Management), Mr J Foxall (Southern Area Engineer), Mr I McMahon (Senior Engineering Officer), Mr G Cooper (Environmental Manager - Land), Ms A Roehler (Communications Advisor), Crs Kelly, Linklater and McCann (Palmerston North City Council), and a member of the public.

APOLOGIES

There were no apologies.

LATE ITEMS

There were no late items.

The Chair advised that a presentation would be made to the Committee about the Whirikino stopbank failure judgment and an update on the Whanganui River Stage two consultation process. He advised that Item 8 would be taken first for the convenience of interested parties in the public gallery. There were no objections.

CONFIRMATION OF MINUTES

COP 11-46 *Moved* *Rieger/Walker*

that the Minutes of the meeting of the Catchment Operations Committee meeting held on Tuesday 9 August 2011, be confirmed as a correct record.

CARRIED

MEMBERS' CONFLICT OF INTEREST

Cr Plowman made a statement advising that he had a possible conflict of interest in respect of Item 13, Report No. 11-185, Splitrock Station, – Protection Mechanisms for Larger Scale Grants and Incentives. He stated that his interest was non-pecuniary and had come about as a result of his tender for part of the wider property being discussed in this report. He wished to clarify for his colleagues that interest did not relate to the planted areas under discussion.

PUBLIC SPEAKING RIGHTS

There were no requests for public speaking rights.

LOWER MANAWATU SCHEME – CITY REACH PROJECT FLOOD PROTECTION AT TURITEA CAMPUS

Report No. 11-176

This item sought the Committee's endorsement of a proposal to undertake flood protection works at the Turitea Science Campus, for inclusion in Council's Draft 2012-22 Long Term Plan (LTP). The item was introduced by the Group Manager Operations (GMO) who outlined the proposal including the physical works proposed and the extension of the City Reach project to fund the project.

Cr Sheldon joined the meeting at 10.25am

There was general support around the table about the advantages of the project but some concern about how it would be funded and the rates burden it might pose. Questions about capital valuation in the area were answered, with the understanding that the area under discussion had great economic benefit to the region but did not have a high capital valuation. Discussion extended into whether the project could be 'rated in advance' but Councillors were reminded by the Chair of the Committee that a significant building project was about to take place on the site, subject to the flood protection work going ahead. There was wide support that alternative funding mechanisms be examined to try to impose a more realistic proportion of project costs on the directly benefiting properties at Turitea.

Based on the discussion had by the Committee an amended resolution was moved by Councillor Rieger that included an additional item (d) for the GMO to explore options for a rating differential to aid the funding of the project. Further discussion saw an amendment to resolution (b) stipulating agreement was 'in principle', and resolution (e) was accepted by the mover and seconder with no objections from the Committee, requesting that the GMO report back to the Committee with funding recommendations.

COP 11-47

Moved

Rieger/Burnell

that the Committee recommends that Council:

- a. ***receives*** the information in Report No. 11-176;
- b. ***endorses***, in principle, the proposal to extend the Lower Manawatu Scheme City Reach Project to provide 0.2% AEP flood protection to the Turitea Science Campus, with the extension to be funded by way of increased loans and an extension of the present Palmerston North Special Project rating area;
- c. ***requests*** the Chief Executive to obtain confirmation of support for the proposal from Turitea property owners, prior to its presentation to the City Reach Working Party and inclusion in the Draft LTP;
- d. ***requests*** the Group Manager Operations to explore options for a rating differential on the Turitea Campus to compensate for the existing low property valuations; and

- e. **requests** the Group Manager Operations to report back to Council with recommendations for funding.

RIVER AND DRAINAGE ENGINEERING REPORT

Report No. 11-179

This item reported on progress with river and drainage activities for the two month period 1 August to 30 September 2011. The Group Manager Operations (GMO) presented two videos made by field staff showing recent works completed or underway in the City Reach project, Ashhurst Stream Scheme and at the Kopane Bridge.

The Councillors moved through the item page by page seeking clarification on the various activities and projects and sections outlined in the report. Discussion included progress in the study of the Foxton Loop, stormwater outlets in Whanganui, gravel erosion in the South East Ruahine scheme and others. Cr White requested that a map be provided showing the progress in the Ashhurst scheme and the GMO agreed to provide this information after the lunch-break.

Cr Chettleburgh left the meeting at 11.26am

COP 11-48

Moved

Guy/Burnell

that the Committee recommends that Council:

- a. **receives** and acknowledges the information contained in Report No. 11-179;
- b. **notes** that a Schedule of Works Completed is available for inspection.

CARRIED

TE KAWAU DRAINAGE SCHEME – CULVERT INSPECTION

Report No. 11-177

This item informed the Committee of the outcome of a recent programme of closed circuit television (CCTV) inspections of floodgated culverts under the Sluggish Main Drain stopbanks within the Te Kawau Drainage Scheme. CCTV footage was presented by the Group Manager Operations (GMO) and Mr Foxall (Area Engineer Southern) identifying significant problems that were not currently programmed for repair. It was highlighted to Councillors that as the problems had now been identified there was a responsibility to take action, and that the Scheme ratepayers needed to be consulted on how they wished to fund and proceed with repairs.

Councillors discussed the extent of the damage to the pipes and asked whether it could be expected that other culverts in the region would have equal amounts of damage in need of repair. Officers expressed that while there would be other culverts in need of repair they believed that the Te Kawau Drainage Scheme was one of the worst case scenarios due to the construction materials involved. Possibilities for repair were also discussed including collared concrete piping and internal PVC piping.

COP 11-49

Moved

Walker/Cox

that the Committee recommends that Council:

- a. **receives** the information contained in Report No. 11-177;
- b. **notes** that the findings of the culvert investigation, together with funding implications, will be discussed with the Scheme Liaison Committee and that funding provision will ultimately be made through the 2012-22 Long Term Plan.

CARRIED

The meeting adjourned at 12.08pm.

The meeting reconvened at 1.00pm.

On reconvening a brief presentation was made by Mr McMahon (Senior Engineering Officer) (as requested earlier during discussion of Item 6, Report No. 11-179), updating them on the progress made in the Ashhurst Stream Scheme. He used aerial maps to indicate where works were taking place and clarified questions about the limitations of the scheme.

LOWER MANAWATU SCHEME – RURAL FLOOD PROTECTION UPGRADE PROJECT KOPANE BRIDGE REPLACEMENT

Report No. 11-178

This item proposed for the Committee's consideration a format for the official opening of the new Kopane Bridge. The item was presented by the Group Manager Operations (GMO) who noted that the construction of the Kopane Bridge was a significant and tangible milestone of progress in the Lower Manawatu Scheme. It was questioned as to whether there was any support in the community for an opening ceremony and the GMO confirmed that the suggestion had come from within the community. There was general support for the idea and it was proposed that this be used as an opportunity to reiterate the importance of the flood protection measures with the community.

COP 11-51

Moved

Burnell/Gordon

that the Committee recommends that Council:

- a. **receives** the information contained in Report No. 11-178;
- b. **agrees** with the concept of a formal opening ceremony for the new Kopane bridge; and
- c. **instructs** the Chief Executive to confirm arrangements.

CARRIED

INFRASTRUCTURAL ASSET MANAGEMENT PLANS

Report No. 11-180

This item informed the Committee of progress with the preparation of a fifth generation of Asset Management Plans (AMP), and tabled for discussion a draft version of the AMP (Part A) that set out the asset management policies that are commonly applied across all Schemes, together with

two typical Scheme specific AMPs that detailed the Scheme specific policies and practices applicable for those Schemes. The item was introduced by the Group Manager Operations (GMO) in the absence of Mr Paul Joseph who was not present due to illness. The GMO spoke about the importance of the plans as Horizons were the custodians of significant community-owned infrastructure and must meet their duty of care in respect of those assets. He noted that the final budget and funding forecast figures had not been entered as these were not yet finalised.

Concerns were raised by Councillors about the legibility of some of the appendices, specifically pages 137-142, 197-205, and 254-266. The GMO apologised and said that while they were not material to the decision being made today, legible copies could be made available to anyone who requested them. He assured Councillors the problem would be fixed prior to the final documents being printed.

Councillors asked specific questions about information in the example documents provided. It was noted that asset management planning was a difficult issue to try and engage the community as it was often seen as quite 'dry'; however a greater effort would be made this year to obtain input to the process from the respective scheme liaison committees.

COP 11-52

Moved

Barrow/Rieger

that the Committee recommends that Council:

- a. **receives** the information in Report No. 11-180;
- b. **endorses** the Part A and sample Part B Asset Management Plans for the purpose of stakeholder consultation;
- c. **notes** that consultation around levels of service in particular and plan composition in general will be undertaken through Scheme Liaison Committees; and
- d. **notes** that final draft plans will be presented to Council for adoption in December.

CARRIED

WHIRIKINO STOPBANK FAILURE - PRESENTATION

In response to a prior request by Councillors, the Group Manager Operations (GMO) made a presentation on the recent High Court judgement on *Eastern Agriculture Ltd/Everleigh Farming Ltd. v. Horizons Regional Council* regarding the Whirikino Stopbank Failure in 2004.

Cr Chettleburgh returned to the meeting at 2.05pm

The GMO outlined the background to the legal action, the stopbank design and mode of failure, and the plaintiff's claim. He took the Committee through the key issues identified by the Court and the findings in the judgement. He discussed with Councillors what the implications of the findings were for Council and proposed action that may need to be taken in the future.

It was noted that the decision was still in its appeal period.

LOWER WHANGANUI RIVER FLOOD PROTECTION - UPDATE

An update was provided to the Committee by the Chair of Catchment Operations about a Lower Whanganui Scheme Working Party meeting held earlier in the week with a focus on stage two of the flood protection upgrade project. Cr Guy informed Councillors that the group would meet again in about four weeks to work on ideas for consultation. In the meantime the Council intended to meet and discuss the scheme with people at the Putiki Marae.

It was noted by Councillors that they hoped the consultation garnered better feedback than previous attempts had done and that communication should be with both directly affected parties and all those within the Wanganui District boundary.

Cr Walker left the meeting at 2.35pm

SUSTAINABLE LAND USE INITIATIVE – STRATEGIC PLAN 2011-12

Report No. 11-182

This item presented to Members the Sustainable Land Use Initiative (SLUI) – Strategic Plan for 2011-12. The report was presented by the Group Manager, Environmental Management (GMEM).

There was significant discussion around the voluntary nature of the programme and whether this contributed to its success. The GMEM reiterated that it was a voluntary programme and was considered successful by staff. There was no intention to make participation mandatory. A question was raised about whether the work done in the SLUI programme was within Horizon's mandate or whether it would be more appropriately dealt with at a district/city council level.

Following discussion an amended recommendation was moved and seconded instructing the GMEM to investigate and report on methods of accelerating implementation of SLUI.

COP 11-53

Moved

Guy/Barrow

that the Committee recommends that Council:

- a. ***receives*** the Sustainable Land Use Initiative (SLUI) – Strategic Plan 2011-12; and
- b. ***instructs*** the Group Manager Environmental Management to investigate and report on methods of accelerating implementation of the Sustainable Land Use Initiative.

CARRIED

SUSTAINABLE LAND USE INITIATIVE (SLUI)

Report No. 11-175

This report updated Members of the progress on Council's Sustainable Land Use Initiative (SLUI). The report was presented by the Group Manager, Environmental Management (GMEM).

The GMEM answered questions of clarification.

COP 11-54

Moved

Rieger/Barrow

that the Committee recommends that Council:

- a. **receives** the information in Report No. 11-175 and Annexes.

CARRIED

PROTECTION MECHANISMS FOR LARGER SCALE GRANTS AND INCENTIVES

Report No. 11-185

This report provided Members with a background to larger scale and grants and incentives provided as part of the Sustainable Land Use Initiative (SLUI) and to outline the mechanisms that are available to protect any financial or physical contribution made as part of these grant or incentive initiatives. The item was presented by the Group Manager, Environmental Management (GMEM). He provided background information on the Splitrock Station venture in which Horizons had found itself an unsecured creditor and discussed the mechanisms that could be used in the future to avoid this.

An amended resolution was moved and seconded which included details of the mechanisms being endorsed and to give reference that it was only larger projects that would be subject to these mechanisms (where a financial threshold is triggered).

COP 11-55

Moved

Cox/Gordon

that the Committee recommends that Council:

- a. **receives** the information in Report No. 11-185;
- b. **endorses** the introduction of new financial protection mechanisms being a personal property securities register and/or a registered second mortgage, whereby Horizons secures any grants or cash paid in advance by way of a Register of Financial Interest where a financial threshold is likely to be triggered.

CARRIED

MEMBERS' QUESTIONS

Councillor McKellar requested further information about the source of information relayed in the Auditor-General's *Managing Freshwater Quality – Challenges for Regional Councils* report. His specific concern related to point 4.55, p 55: "Horizons Regional Council also notes that its primary non-regulatory programme for addressing sedimentation entering water from hill country (the Sustainable Land Use Initiative) might be less effective because the programme is voluntary". Officers undertook to try and provide him with that information.

The meeting closed at 3.30pm.

Confirmed

GROUP MANAGER OPERATIONS

CHAIRMAN