

Notes of the Rangitaiki-Tarawera Rivers Scheme Advisory Group meeting held in Edgecumbe War Memorial Hall, Edgecumbe, on Tuesday, 30 March 2021 commencing at 10am

Chair: Councillor Bill Clark

Advisory Group: Shona Pedersen, Peter Askey, Councillor Alison Silcock, Hayden Johnston, Linda Virbickas, Jim Finlay, Leeann Waaka, Alan Law

BOPRC Councillors: Chairman Doug Leeder, Councillor Toi Kai Rākau Iti

BOPRC Staff: Chris Ingle (General Manager, Integrated Catchments), Kirsty Brown (Rivers and Drainage Assets Manager), Bruce Crabbe (Rivers and Drainage Operations Manager), Mark Townsend (Engineering Manager), Laura Albrey (Communications Partner), Paula Chapman (Project Manager), Mereana Toroa (Finance Support Team Lead), Hemi Barsdell (Asset Management Specialist), Andrew Pawson (Area Engineer), Charles Harley (Team Leader Eastern Catchments), Cleo Hanlon (Rivers and Drainage Coordinator)

Public: Robin Cheung, John Struthers

Apologies: None received

1 **Welcome**

Councillor Clark welcomed everyone to the meeting and Councillor Iti opened the meeting with a karakia.

Councillor Clark introduced Leeann Waaka (newly appointed urban representative), Laura Albrey (Communications Partner) and Mereana Toroa (Finance Support Team Lead).

2 **Apologies**

Apologies received as recorded above.

3 **Notes of previous meeting held 9 September 2020**

Members requested clarification on why a 20 year loan repayment term continues to be applied. General discussion ensued about Council's finance policy and the need to investigate a more scheme specific loan repayment policy.

Resolution: Council staff to report back on why a 20 year loan term was accepted, and investigate whether the Rangitāiki-Tarawera Rivers Scheme has the ability to pay off debt earlier.

**Silcock/Pedersen
CARRIED**

Resolved

That the Rangitāiki-Tarawera Rivers Scheme Advisory Group:

- 1 Confirm the notes of the meeting held 9 September 2020 as a true and correct record.**

**Virbickas/Silcock
CARRIED**

4 Matters arising from previous meeting

- An independent review of the Cardno report is in progress. Trustpower could be invited to a future meeting, once the review has been completed.
- A new flow recorder site has been installed on the Whirinaki River. Council is negotiating with NIWA and Trustpower to make their data available.
- A memo was sent to the Advisory Group members on 16 November 2020 which included information on Crown Infrastructure Partners (CIP) funding. The memo clarified this funding is a grant, and outlined the impact it would have on rates.
- The Kohika Wetland has been granted a rating exemption, to take effect next financial year. Council is looking at options for a possible policy change and the potential exclusion of managed and protected high value ecological sites from the rating scheme.
- Wilding pine removal - timing did not coincide so no wilding trees were able to be removed under the Kia Kaha programme.

5 Engineering update

Mark Townsend spoke to the agenda report and delivered a presentation.

Key points:

- The River Scheme Sustainability (RSS) Project is considering options to address the difference between the current 1% AEP level of service and what will be required taking into account climate change effects.
 - Raised stopbanks require more space, and the risk of failure remains. There is also a large cost with building stopbanks, particularly on peat.
 - Dams are an important tool in managing flood flows, and Matahina Dam has a Flood Management Plan.
- Consultation with affected parties is underway for upgrades to the lower Rangitāiki River left bank stopbank downstream of Thornton Bridge. This work has been deferred until 2021-2022 construction season.

- Rangitāiki Floodway work is progressing well. Stage 7 (Hydro Road to SH2/Awakeri Road) was held up during the Covid-19 Level 4 lockdown, however landowner approval has now been granted and works are to begin in April 2021. Stage 6a (downstream of McLean Road) has been completed, with final reinstatement work in progress. Stage 6b (left bank between SH2/Awakeri Road and McLean Road) is around 50% complete. Stage 6c (left bank between SH2/Awakeri Road and McLean Road) has consent, and culvert upgrade works are progressing. This stage has fallen behind programme due to the consent process taking longer than anticipated.
- Design of the Rangitāiki Floodway spillway has been finalised ready for consultation with affected parties. The consent application is currently being prepared and will be lodged following the final round of consultation. Physical works are programmed for 2021-2022.

Discussion:

- Alan Law suggested that in terms of the RSS project options, a reduced level of service is economically viable.
- Possible choke point at the Thornton River mouth sand bar. Mark Townsend responded that this is typical for every river mouth, and it is natural for the mouth to close with low capacity. River mouths are inspected periodically, and interventions occur as necessary.
- Peter Askey noted that the Rangitāiki Floodway project has lost an opportunity by reinstating culverts at the same size rather than looking at the wider drainage picture.

6 Gravel management

Paula Chapman spoke to the agenda report.

Key points:

- There has been some gravel extraction in the Horomanga River.
- There was 5,000 m³ extracted from the Kopuriki Stream last year with further allocations pending. The stream is perched, and the engineer's recommendation is that extractions continue.
- Chris Ingle updated members on ongoing discussions with Pioneer Energy on the Lake Aniwanuiwa gravel issues.
- Members questioned if there has been an increased demand for gravel from forestry. Staff responded that the market for gravel is dependent on the surrounding land use as cartage costs can be high.

7 Operations update

Bruce Crabbe took the agenda report as read and Andrew Pawson delivered a presentation.

Key points:

- A recent condition assessment of the Rangitāiki-Tarawera stopbank system has identified asset defects that have been prioritised and programmed for

remediation. Expenditure may be slightly over budget to year end as a result of this additional work.

- The Operations Team continue to explore habitat creation and native planting opportunities.
- Piping issues under the Old Rangitāiki Channel floodgates have been identified. Commercial divers were brought in to investigate and inform a repair or replace decision and options. A temporary repair will be undertaken while the Engineering Team model and design an appropriate replacement option.
- Alligator weed (*Alternanthera philoxeroides*) has been found and identified in the region. Council's Biosecurity staff have a control programme in place. Chilean rhubarb (*Gunnera tinctoria*) has also been identified on the Rangitāiki River.
- Rabbits are a high risk to stopbanks and control occurs throughout the year. Recently a warren was located that contained 32 rabbits.
- Council are working through the procurement and maritime processes to purchase a purpose-built airboat for spraying aquatic weed.
- New drone technology is a useful tool in monitoring gravel extraction quantities.

Discussion:

- Councillor Iti commented that alligator weed is a substantial threat, and can be inadvertently spread when trying to remove it. If it is found, it is important that it is reported.
- Alison Silcock questioned the difference between annual budget and job estimates sub-totals in the maintenance work programme. Bruce Crabbe responded that the annual budget is generated from the Asset Management Plan, asset lifecycle information and maintenance schedules. The allocation of the budget across the works programme is not set in stone and there is flexibility to expend more money in one area and less in another if required.

8 April 2017 Flood Repair Project update

Paula Chapman spoke to the agenda report.

Key points:

- The Flood Repair Project is currently in Year 4. There are 22 remaining flood repair sites in the scheme. Four sites are currently underway with the remaining 18 sites to be completed, weather permitting, by 30 June 2021.
- The estimated cost of the entire programme was \$50 million, with an approximate completion cost of \$42 million. The Rangitāiki-Tarawera expenditure is currently at \$17 million, with an expected completion cost of \$21 million. Recoveries to date are \$6.8 million.
- Council has been working through a supply chain process and options to stockpile rock from quarries. Council looked at the option of owning a quarry, however it was considered not financially advantageous and that the better option was to go through a procurement process and stockpile rock.

- An error was noted in the Programme Delivery section of the report. 133 sites have been completed in the Rangitāiki-Tarawera Rivers Scheme, not 279 as stated.

9 Finance report

Kirsty Brown spoke to the Finance Report covering the six months to 31 December 2020.

Key points:

- Total operating revenue - \$119,000 lower than budget
- Total operating expenditure - \$713,000 higher than budget, mainly due to maintenance works being ahead of schedule.
- Resulting in an operating deficit of \$832,000
- Total capital revenue was \$1.9 million lower than budget, due to delays in formalising central government funding.
- Total capital expenditure was \$795,000 lower than budget, but is expected to be close to budget at year end.
- Total reserves funds - \$3 million available
- Loan balance at 31 December 2020 - \$39.4 million
- Scheme asset value at 1 July 2020 - \$115 million
- Council has been reporting to central government on works with Provincial Growth Fund contributions. Monthly and quarterly reporting on financials and social procurement outcomes is required. The funding agreements are set up so Council can claim quarterly and in advance. This means Council is not carrying any additional expense.

10 Rates forecast

The rates forecasts were discussed as part of the River Scheme Planning discussion (Item 11).

11 River Scheme Planning (AMP & LTP)

Hemi Barsdell delivered a presentation on the Asset Management Plan and Long Term Plan.

Key points:

- Changes to the capital and maintenance work programmes and budgets were discussed.
- A reduced loan interest rate of 2% (down from 5%) has been used for forecasting in this Long Term Plan round. This creates a significant saving to the scheme and offsets the increases in maintenance costs discussed at the September 2020 meeting.

- The Finance and Revenue Policy is approved by Council as part of each Long Term Plan round. This policy determines that borrowed funding for capital expenditure will be paid off over a 20 year term. This applies to all schemes.

12 **Co-governance/community group updates**

There were no updates to report.

13 **General business**

Kirsty Brown took the report provided in the agenda pack as read. The report provided updates on the infrastructure insurance review and Flood Protection and Drainage Bylaws 2020. No discussion followed.

14 **Public forum**

- Alan Law tabled a list of local contractors and growers for maize growing.
- Robin Cheung voiced her support of Council and their response to the April 2017 flood event.

Meeting closed at 12.38pm