

Notes of the Rangitāiki-Tarawera Rivers Scheme Advisory Group meeting held in Whakaari Room EastBay REAP, 21 Pyne Street, Whakatane, on Wednesday, 8 November 2017 commencing at 11:00 am

Chair: Councillor Norm Bruning

Scribe: Cleo Hanlon

BOPRC Staff: Kirsty Brown (Asset Management Specialist), Mark Townsend (Engineering Manager), Roger Waugh (Rivers and Drainage Asset Manager), Tony Dunlop (Flood Restoration Project Engineer), Bruce Crabbe (Rivers and Drainage Operations Manager), Andy Dixon (Management Accountant Team Leader), Chris Ingle (GM Integrated Catchments), Paula Chapman (Project Manager Recovery Project)

Advisory Group: Peter Askey, Shona Pedersen, Councillor Alison Silcock, Graham Smeaton, Maurice Warbrick, Alan Law, Linda Virbickas

Apologies: Jim Finlay (for lateness), Councillor Tiipene Marr

Tabled Item: Priority of flood damage repairs

1 **Welcome and introduction**

A round table of introductions was made. The new members were welcomed to the group.

2 **Apologies**

Apologies were received from Councillor Marr and Jim Finlay for lateness.

3 **Rangitāiki-Tarawera Rivers Scheme Overview**

Roger Waugh provided an overview of the Rangitāiki-Tarawera Rivers Scheme to the new members. Key points covered were:

- Advisory Groups have evolved from the previous Liaison Groups. Two meetings are to be held each year, in March and September (with the exception of this current meeting). Meetings are chaired by an elected Regional Councillor.
- Representation is made up of an urban representative, Rangitāiki Plains representatives (3), Galatea/Waiohau representative (1), Hill Country (1) representative and Whakatāne District Council representatives (1 elected and 1 staff).
- Scheme funding (via the targeted rate) is based on a whole-of-catchment land area differential rating system.
- Targeted rates pay 80% of the scheme's funding, and the regional contribution makes up the remaining 20%.

- The scheme's asset valuation is \$77.1 million. There is currently capital debt of \$21.97 million and reserve balances are \$630,951.

There was some discussion regarding the input other advisory groups have towards this scheme.

4 **Previous meeting notes 8 March 2017**

The notes from the meeting of the 8 March 2017 were tabled.

5 **April 2017 Flood**

5.1 **Rangitāiki River Scheme Report (Cullen Review)**

Chris Ingle gave a presentation on the Rangitāiki River Scheme Review report (otherwise known as the Cullen Review). The following key points were raised:

- The review investigated the cause of the breach and the operation of the Rangitāiki River Scheme assets including design, engineering, maintenance and management.
- It was highlighted that as a result of the high rainfall in the catchment from March onwards, the ground was saturated prior to ex-Tropical Cyclone Debbie.
- The independent review was commissioned by the Regional Council a day after the breach at College Road, Edgumbe. The review panel was chaired by Sir Michael Cullen, and supported by two technical experts - Charlie Price, a geotechnical engineer and Kyle Christensen, a water resources engineer. The panel spoke to various groups and individuals, and received submissions.
- There is no certainty as to why the wall breached, as much of the evidence was washed away in the flood.
- It was a 200 year event upstream of Matahina Dam, and was managed down to a 100 year event downstream of the dam.
- The unfinished Reid's Floodway is scheduled to be completed in 2019/2020. The report questioned whether this had a significant contribution to the breach. Bringing the completion date forward is not possible, after taking consultation and actual physical works into account.
- Evacuation planning was a key highlight of the Cullen Report.
- Additional rain gauge sites are budgeted for in the Long Term Plan (LTP). There will be two additional sites installed per year, as well as ongoing maintenance of existing sites, with improvements.

Chairman Leeder highlighted that this forum represents the whole Rangitāiki-Tarawera Rivers Scheme, and equal consideration to other aspects of the catchment, such as Galatea and further up is required. He suggested that everybody reads the Cullen Report as it contains issues around risk management, particularly the use of the Public Works Act and that it was reiterated that the community need to be aware of what this will mean for the community financially.

5.2 Engineering Report

5.2.1 College Road Stopbank Realignment

Mark Townsend presented the concept for the stopbank realignment at the College Road breach site. He advised that:

- Consultation has been occurring with the Edgecumbe Community Board and a technical liaison group appointed by the Community Board.
- GHD has been appointed as the designers of the realignment project.
- Realignment design options are being assessed against several criteria and the following key considerations:
 - Make room for the river.
 - Never to fail in this location again.
 - Allow for future upgrading if necessary, and
 - Not to adversely affect other parts of the river.
- Once an option is agreed, detailed design will be undertaken and the Community advised.

5.2.2 Rangitāiki Floodway

Mark continued by providing an update on the works undertaken over the last seven months on the Rangitāiki Floodway Project including:

- The completion of the floodway widening contract at Fraser's/Olsen's which involved the widening of the floodway by 20 metres and re-profiling the berm.
- Completion of the drainage wicks installation on the Hammond's farm.

Mark advised that a major piece of work scheduled for the 2017/2018 financial year was the floodway widening bifurcation on the left bank of the floodway below Thornton Hall Road. Staff is currently working on land acquisition for this work.

5.3 Flood recovery

Paula Chapman gave a PowerPoint presentation on the April 2017 Flood Recovery Project. She advised that:

- Work to date has been focusing on capturing, quantifying and estimating costs and priorities for the flood repairs.
- Some damage sites are still inaccessible due to ongoing wet weather or elevated river levels.
- Across the four major schemes, there are over 500 damaged sites. The estimated cost is \$45 million to repair. In the Rangitāiki-Tarawera catchments there are approximately 191 sites needing repair.
- There has been a re-structure within the Rivers and Drainage Team to increase resources and improve response to large projects and events in the future.

The infrastructure funding including revenue from insurance and MCDEM was discussed, and it was noted that some assets are not insurable such as native plants and willows. Betterment was also discussed, as this is not funded.

Paula advised that insurance will cover 40% of emergency response costs, with a central government contribution of 60%. For infrastructure damage any contribution is exclusive of un-insurable assets and betterment.

Tony Dunlop continued the discussion by providing an overview of the priority and estimated costs for flood damage repairs for the scheme.

It was explained that the Council has a list of panel contractors to draw from for repair works. It was highlighted that one of the biggest problems at the moment is sourcing of rock.

6 Works report

Tony presented the maintenance works plan to the group, which includes weed spraying and tree mulching. He advised that the maintenance works will tie in with the flood damage work.

Roger added that the maintenance programme is based on the Asset Management Plan (AMP) work plans and this represents business as usual.

The maintenance of the minor pumps are managed by the community pump schemes. Staff will be concentrating on routine maintenance alongside the flood repairs, and routine operational work will continue as normal.

7 Finance report

Andy Dixon gave an overview of the scheme's revenue and expenditure for the year ending 30 June 2017 and to 30 September 2017. The following items were noted:

- There is a reserves policy for flood events over a certain level. The over-spend can be covered by money set aside for this activity. The flood management reserve has \$600,000 remaining however; this will be exhausted on remaining flood repairs.
- An error in the September report – 2016/2017 should read 2017/2018.
- There was a \$239,000 underspend at year end. This was as a result of the low interest rates enabling better funding for capital projects.
- Reserve balances as at 30 June 2017 were as follows:
 - Flood Damage Reserve \$630,951
 - Works Reserve \$217,039
 - General Reserve \$54,260
 - Outstanding Loans \$21,978,367
 - Rangitāiki-Tarawera Asset Valuation 1 July 2017 \$77,690,707
- \$800,000 from the floodway project has been carried forward.
- All loans are internal. Treasury loans the money from what they currently have to the schemes, at an advantage rate.

8 Rivers & Drainage AMP, Infrastructure Strategy and Long Term Plan 2018-2028 Progress Report

Kirsty Brown provided a progress report on the three yearly review of the Rivers and Drainage Asset Management Plan, the Infrastructure Strategy and the Long Term Plan 2018-2028 and what it means for the scheme.

The following key points were raised during the presentation:

- Council's Community Outcomes and how these are linked to the documents.
- Rivers and Drainage AMP is the most extensive AMP held by BOPRC. The asset portfolio has a replacement value of \$246 million and planned asset maintenance and renewals covering a 50-year timeframe. The AMP is reviewed by BOPRC every three years in parallel with the LTP.
- Assets of the Rangitāiki-Tarawera Rivers Scheme has an estimated total replacement cost of \$77 million and includes 124 kms of stopbanks.
- During Year 1 of the LTP there is a forecast Operating Expenditure (Opex) of \$2.7 million and Capital Expenditure (Capex) of \$13 million. The costs associated were included in the presentation.
- The Capex is \$23.4 million over 10 years. This includes April flood repairs, split evenly between Y1 and Y2, and the Rangitāiki Floodway.
- The forecast loan profile for the next 50 years starts at \$27 million in 2018 and peaks at \$47 million 2021.
- The forecast funding requirements showed potential rates increases and decreases. The worst-case scenario forecasts a rate increase of 29% in 2019. The group were advised that the figures were the initial 'raw' numbers, which does not include the revenue from flood damage repair claims from MCDEM or insurance.
- Councils are required to prepare Infrastructure Strategies as part of their LTP planning for any significant infrastructure assets. For BOPRC this is the flood protection and control works assets managed by Rivers and Drainage Section. The purpose of the strategy is to identify any significant infrastructure issues for BOPRC's flood protection and control works assets and the options for managing these issues and any associated implications.
- Council's LTP covers a ten-year period. This is Councils main planning document, and identifies the service levels to be delivered.
- The Community Outcomes for the LTP 2018-2028 have been reviewed and adopted. The Outcomes linked to the Rivers and Drainage Activity are:
 - Safe and resilient communities.
 - A healthy environment.
 - A vibrant region.
- The timing for the LTP process was discussed. Council plans to have the consultation, and hearings taking place between February and May 2018. The final LTP document will be adopted by Council on the 30 June 2018.

Discussion continued around land management issues particularly in the upper catchment and the Rivers Scheme Sustainability (RSS) Project. Chris Ingle noted that Simon Stokes (Eastern Catchments Manager) will be attending future meetings to discuss land use issues.

Chris drew the group back to the presentation slide covering the proposed rate rise. Feedback from the group members was that there needs to be more time and notice to consider any detailed information.

9 **Other business**

Group members questioned whether the twice yearly scheduled meetings would be enough at present considering the complex matters being considered for the scheme.

The group were reminded that there are many different groups and forums with differing responsibilities, input and views, for example the Rangitāiki River Forum (RRF) which is a statutory body holding significant influence.

Meeting ended: 3:50 pm