



Waioeka-Otara Rivers Scheme Advisory Group Meeting

Wednesday 27 March 2024 at 10am

Agenda

- 1 **Welcome**
- 2 **Apologies**
- 3 **Notes from previous meeting held on 27 September 2023**
- 4 **Matters arising from previous meeting**
- 5 **Long Term Plan and Rivers and Drainage Asset Management Plan proposed budgets and changes**
- 6 **Capital Works Programme Update**
- 7 **Maintenance Works Programme Update**
- 8 **Essential Freshwater update**
- 9 **Finance Report**
- 10 **Gravel Management Update**
- 11 **General business**
- 12 **Public forum**
- 13 **Meeting closure**

Waioeka-Otara Rivers Scheme Advisory Group

Meeting notes

Commencing:	Wednesday, 27 September 2023, 10.00 am
Venue:	Ōpōtiki Golf Course, 14 Fromow Road, Opotiki
Chairperson:	Cr Ken Shirley
Members:	Robbie Petersen (Urban), Barry Hennessey (Urban), Jessica Wiseman (Otara Catchment), Cr Dean Petersen (ODC Elected Rep), Cr Steve Nelson (ODC Elected Rep), Nathan Hughes (ODC staff rep), Maude Maxwell (Ngāti Ngahere),
BOPRC Elected Members:	Chairman D Leeder, Cr Malcolm Campbell
BOPRC staff:	Chris Ingle (GM Integrated Catchments), Kirsty Brown (Rivers and Drainage Assets Manager), Mark Townsend (Engineering Manager), Dan Batten (Rivers and Drainage Operations Manager), Tony Dunlop (Area Engineer), Hemi Barsdell (Asset Management Specialist), Paula Chapman (Project Manager), Kelly Sarjeant (Executive Assistant), Laura Boucher (Communications Partner)
Public:	David Moore (ODC Mayor)
Apologies:	Cr T Iti, Kim Douglas (Ngāti Ira), Loris Hastie (Management Accountant), Stephen Lamb (BOPRC),

1. Opening

Chair opened the meeting. The following item was tabled:

1. Email from Shay Dean, Environmental Scientist regarding forest monitoring.

2. Apologies

Apologies were noted as above.

3. Previous Meeting Notes

3.1 Resolved:

That the Waioeka-Otara Rivers Scheme Advisory Group:

Confirmed the notes of the meeting held 5 April 2023 are a true and correct record.

Noted that action points covered in staff presentations.

Maxwell/ Hennessey

CARRIED

4. Agenda items

4.1 Long Term Plan 2024-34 and Rivers and Drainage Asset Management Plan 2024-74

Presented by: Kirsty Brown, Hemi Barsdell and Laura Boucher.
Agenda report taken as read.

Key Points:

- The proposed budget figures are currently in their initial stages and will undergo further refinement following group feedback.
- External pressures such as Central government regulations, inflation and climate change contributing to unavoidable cost increases.
- Budget forecasts aim to achieve an appropriate balance between affordability and service provision, including appropriate risk management and alignment with national standards.
- The proposed operational expenditure is comparative to previous years, with proposed increases for asset defect remediation, Bylaws compliance and monitoring and ecological offset work.
- Potential future financial pressures to be aware of:
 - The review of the BOPRC Regional Natural Resources Plan to implement the National Policy Statement for Freshwater Management may impose additional expenditure requirements for the scheme, such as the need to obtain resource consent for currently permitted activities. A change such as this would likely bring additional compliance/monitoring and ecological impact offsetting costs.
 - Aon Ltd has indicated that there could be a significant increase in infrastructure insurance premiums due to recent national and international weather events.
- Room for the River - entering a period of change for river management, with evolving principles and best practices, along with central government reforms and policy changes. Room for the Rivers is used globally to restore the natural flow path of rivers. It is expected that, overtime, this approach will pay a pivotal role in future decision making for river management.
- Detailed comprehensive budgets with rating implications will be presented to the Advisory Group during the March 2024 meeting.

- Update from Laura Boucher, Comms Partner - affordability for communities is top of mind and focus is on core deliveries. Provided overview of the communications plan for LTP.

Discussion:

- Members raised concerns regarding Room for the River for river management. Staff advised application is only in the development stage and engagement will follow in due course.
- Question raised about the funding source for the Waioeka-Otara stopbank construction. Staff clarified that it is included in the 'Before the Deluge' application submitted to the central government, and a decision is anticipated after the upcoming election. A placeholder value has been allocated with additional details to be provided in the future.
- River Scheme Sustainability project currently in consultation process, will identify work outcomes when it is completed.
- It was noted that the Rivers and Drainage Asset Management Plan has allowances for climate change.
- Concern raised about the sustainability of expenditure for the future. Staff advised that the existing budgets uphold the current level of service, highlighting that the focus is primarily on the initial three years, while future budgets are considered as placeholders. Staff had been actively seeking ways to reduce costs for ratepayers. Including potential future changes to levels of service to manage renewal costs.
- Member raised concerns around the Room for the River and Snell Road, wanting protection from erosion due to many assets in the area and aspirations for the land by Whakatohea.

4.2 Capital Works Programme Update

Presented by: Mark Townsend. Agenda report taken as read.

Key Points:

- The individual projects within the scheme focus on Climate Change Resilience and are part of the broader River Scheme Sustainability Project. This aims to enhance the resilience of the river system in the face of climate change challenges.
- The capacity review of Waioeka-Otara stopbanks has been completed, with sections of stopbank currently not meeting the level of service. Further modelling information on options expected to be available in March 2024.
- Geotechnical investigation has taken place on various sites, some seepage areas identified, and solutions are currently being investigated.

Discussion:

- An update was provided on the live flooding occurring in the Duke Street area, and acknowledged Mark, Dan, and the team's efforts, including additional pumping systems in this location.
- The group were informed of the design report currently being prepared for the Opotiki District Council for the Duke Street area. Once

completed, combined discussion on joint solutions for this area would be required.

- David Moore raised his concerns about the Duke Street area stopbank. He emphasised that they also protect two State Highways servicing infrastructure in Eastern Bay and Gisborne. Chairman Leeder mentioned the current 80/20 funding ratio.
- Question was raised about the functionality of a flood gate on a specific property due to water not draining properly. Staff clarified that it is an ODC asset recently replaced.
- Nathan Hughes advised that the Eastern Bay of Plenty is undergoing a spatial plan process, discussing community aspirations, particularly for the south of the town. Conversations about what "Room for the River" would mean for those aspirations will be needed.
- Ōpōtiki evacuation maps drafted and next steps covered. Leaders of this plan will be ODC and EMBOP.
- Three stages for trigger points to evacuate covered.
- Nathan Hughes acknowledged the great work done in this space, thanked Mark and team.

4.3 Maintenance Works Programme Update

Presented by: Dan Batten and Tony Dunlop. Agenda report taken as read.

Key Points:

- Rock replenishment works will commence this summer.
- The electronics at the Duke Street pump station will undergo an upgrade.
- Collaborating with the Biosecurity and Land Management teams to control woolly nightshade and pampas grass spread over the scheme.
- Asset condition defect works are currently underway, with high priority stopbank defect sites first on the list.
- Progressing towards nature-based solutions in conjunction with hard engineering methods. The approach will be determined site by site.
- A drone footage survey has been conducted.

Discussion:

Staff acknowledged hapū members for their valuable assistance. This collaborative effort has proven effective in benefiting the river.

4.4 Finance Report Update

Presented by: Kirsty Brown. Report taken as read.

Key Points:

- Revenue and expenditure update for the 12 months ending 30 June 2023, noting report is draft until adoption by Council.
- Total operation revenue \$262,000 higher than budget due to unrealised gains from missing assets.
- Total operation expenditure was \$108,000 higher than budget due to the high rainfall experienced over the last 12 months.
- Resulting in a total operating surplus of \$108,000.

- Total capital revenue \$445,000 higher than budget due to the final settlement for the April 2017 floods, resulting in a total surplus of \$553,000.
- Total capital expenditure was \$17,000 higher than budget.
- Noted that the reserve information presented at the March meeting was incorrect.
- Total reserves \$1.355 million.
- Internal loans closing balance as of 30 June 2023 \$4.19 million.
- Asset valuation as at 1 July 2022 of \$56 million.

4.5 Gravel Extraction Update

Presented by: Paula Chapman. Agenda report taken as read.

Key Points:

- Returns information not yet available for allocations granted this financial year.
- Waioeka gravel extraction consent wording agreed with Ngāti Ira along with an agreement formalising the way Regional Council works alongside the hapū on gravel management.
- Bed level surveys and Waioeka River cross sections presented.

Discussion:

- Formalised agreements for extraction on the Waioeka and Otara do not apply to subsidiary rivers as they have their own consent conditions. The health of the river is at the forefront of any requests received around gravel extraction.
- It was questioned whether the gravel/sediment has an impact out to sea. Staff responded that this happens right along the coast.

4.6 General Business

Presented by: Kirsty Brown. Agenda report taken as read.

Key Points:

- 2023 Terms of Reference for all river scheme advisory groups was adopted at the 9 August 2023 Council meeting.
- Guiding principles included aligns with Council's strategic impact areas.
- Reimbursement for travel and time off work to attend meetings now available.
- Second three-year term of ratepayer membership is due to conclude in October 2023. The public nomination process is scheduled for November.

Items for staff follow up:

- Maude Maxwell requested it be considered for two hapū representatives to attend meetings.

Public Forum

- N/A

Meeting closed at 12.00 pm

CONFIRMED

**Councillor Ken Shirley
Meeting Chairperson, Waioeka-Otara
Rivers Scheme Advisory Group**

Action Sheet

Waioeka-Otara Rivers Scheme Advisory Group Meeting

27 September 2023

Action	Person Responsible	Completed	Comment
1. Maude Maxwell requested it be considered for two hapū representatives to attend meetings.	Kirsty Brown	Completed	Alternates to attend meetings

MEMORANDUM



To: Waioeka-Otara Rivers Scheme
Advisory Group

From: Hemi Barsdell
Assets Management Specialist

Date: 28 February 2024

File Ref: A4611298

Subject: Long Term Plan 2024-34 and the Rivers and Drainage Assets Management Plan 2024-74

The purpose of this memo is to provide information on the proposed draft budgets for the Long Term Plan 2024-34 and the Rivers and Drainage Asset Management Plan 2024-74. These budgets were revised following the September 2023 advisory group meeting and will be open for public consultation as part of Long Term Plan 2024-34 between 8 March and 6 April 2024.

A presentation on the proposed budget and its rating implications will be given at the meeting on 27 March 2024.

Background

The Long Term Plan (LTP) is Council's key strategic document. It sets out Council's priorities for the next 10 years, including what will be done, how much it will cost and how it will be funded.

The Rivers and Drainage Asset Management Plan (AMP) is a 50-year plan that provides information about the assets and how they are maintained and managed to provide levels of service. Information from the AMP feeds into the LTP.

Both plans are reviewed every three years alongside each other to make sure they are relevant and accurate.

Proposed LTP 2024-2034 Budget - Key Messages

- Investment in capital programmes over the next 10 years will support community resilience and wellbeing. Planned expenditure is reflective of the current costs associated with infrastructure construction and renewal.
- The Rivers and Drainage Operations Team is exploring and implementing cost-saving initiatives, such as conducting more work in-house, dry hiring equipment, the cost/benefit in owning machinery and plant, and nature-

based solutions for erosion management. These initiatives will/have result in cost efficiencies in the future.

- The rock replenishment rate was reduced in non-critical areas to 25% every 25 years (from 25% every 15 years) resulting in an annual saving to the scheme of \$31,000.
- In addition, the Rivers and Drainage Assets team will undertake a 'phase 2' of the previous infrastructure insurance review to further investigate self-insurance, increasing the deductible for each claim (currently \$600,000), not insuring low-risk assets, etc., to minimise the impact of rising insurance costs.
- External cost factors - such as increasing costs for materials, suppliers, and contractors, as well as central government regulations - are influencing some costs.
- In recent years there has been significant capital investment in new or upgraded flood control and protection assets, which has significantly enhanced resilience.
- The majority of capital works completed were funded through loans, with a forecasted \$6 million loan balance by 1 July 2024. Loan interest rates are set to rise to 4% in years 1 and 2 (2024/25 and 2025/26), up from the current 2.5%, leading to an additional annual cost of approximately \$90,000 compared to the current year. The loan balance is forecast to decrease to \$4.5 million in 2031/32 and increase to \$6.2M in 2033/34.
- As discussed at the September 2023 meeting, the proposed defects budget of \$72,000 and the Flood Protection and Drainage Bylaws budget of \$40,000 has increased the annual contract budget. This work is necessary to appropriately manage risks to flood protection and drainage asset integrity and to adopt best practice methodologies.
- Operating and capital expenditure varies between years, but the implication of expenditure on targeted rating is reflected in the table below under 'operating revenue by class'.
- Members are invited to provide submissions on the proposed budgets through the LTP process, described below.
- The appended table below details the proposed budget for LTP2024-2034.

LTP 2024-2034 Public Consultation Timeline and Process

- Submissions open Friday 8 March and close Tuesday 9 April 2024.
 - o Submissions can be made online through BOPRC's website: www.boprc.govt.nz/ltp-2024, via email LTP@boprc.govt.nz, or by posting a hard copy submission form to *Freepost Number 122076*,

Long Term Plan Submissions, Bay of Plenty Regional Council, PO Box 364, Whakatāne 3158

- Staff will also be present at several community events around the region with information and consultation packs.

- Hearings 14 and 16 May 2024, for those submitters that wish to speak to their submission.
- Council deliberations will take place on 29 May 2024.
- Long-Term Plan 2024-2034 adopted 30 June 2024.



Hemi Barsdell
Assets Management Specialist

Draft Long Term Plan 2024-2034

Sub Activity 213 - Waioeka-Otara Rivers Scheme by Class

Run audit: 07-Dec-2023 @ 13:36:58 - Long-Term Plan Ledger: 25PJL04

Version: 4

	Annual Plan	2024-2034 Long Term Plan									
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
OPERATING											
Operating revenue by class											
Targeted rates	1,512	1,484	1,652	1,735	1,795	1,844	1,881	2,010	2,045	2,154	2,239
External interest income	21	2	26	15	5	5	5	5	5	5	5
General rates	157	189	199	218	229	234	235	240	247	263	277
Investment income	211	217	216	230	238	244	253	262	265	276	283
Total operating revenue	1,901	1,892	2,093	2,198	2,267	2,328	2,374	2,518	2,561	2,698	2,804
Expenditure by class											
Administration expenses	2	2	2	2	2	2	2	2	2	3	2
Other expenses	279	1,520	342	370	401	435	1,073	513	522	531	526
Contract work	402	536	544	555	566	576	586	596	607	617	616
Depreciation and Amortisation	172	193	212	229	237	245	252	259	264	248	263
Expenditure (before charges and recoveries)	855	2,251	1,100	1,156	1,206	1,258	1,914	1,371	1,395	1,398	1,407
Net overhead charges and recoveries	705	642	654	678	670	663	659	654	649	695	732
Total operating expenditure	1,560	2,892	1,753	1,834	1,875	1,921	2,573	2,025	2,043	2,093	2,140
Total operating surplus (deficit)	340	(1,000)	339	364	391	407	(199)	493	518	605	664
Operating funding											
Operating transfer from reserve	0	(1,354)	(60)	(50)	(50)	(50)	(671)	0	0	0	0
Operating transfer to reserve	340	354	400	414	441	457	471	493	518	605	664
Total operating funding	340	(1,000)	339	364	391	407	(199)	493	518	605	664
CAPITAL EXPENDITURE											
Waioeka design	0	0	0	0	0	0	0	0	178	0	0
Waioeka Otara Hydrology	0	0	0	0	0	56	0	0	0	0	0
Waioeka Otara construction	368	1,759	0	0	0	0	0	0	0	2,419	0
Waioeka Otara modelling	0	0	0	0	0	0	171	174	0	0	0
Duke Street pump electronics	0	0	0	0	0	0	0	0	0	206	0

Waioeka Otara fish passage	0	21	21	21	31	0	0	0	0	0	0
Waioeka Otara consent new	0	0	0	16	31	78	0	0	0	0	0
Waioeka Otara structure renewal	0	31	31	32	33	34	34	35	36	36	37
SOS Stage 6 Opotiki	0	0	398	0	0	0	0	0	0	0	0
Total Capital Expenditure	368	1,811	450	70	94	168	205	209	214	2,661	37
Capital cost of borrowing											
New loans - clean heat programme	0	0	0	0	0	0	0	0	0	0	0
Clean heat loan repayments	0	0	0	0	0	0	0	0	0	0	0
Capital expenditure loan repayments	292	358	413	433	454	478	504	533	562	634	708
Total Other Capital Costs	292	358	413	433	454	478	504	533	562	634	708
Total capital expenditure	660	2,169	863	502	548	645	710	742	776	3,295	745
CAPITAL FUNDING											
Funding of Capital Expenditure											
Capital Disposals	0	0	0	0	0	0	0	0	0	0	0
Increase in debt	(368)	(1,811)	(450)	(70)	(94)	(168)	(205)	(209)	(214)	(2,661)	(37)
Funding of capital expenditure	(368)	(1,811)	(450)	(70)	(94)	(168)	(205)	(209)	(214)	(2,661)	(37)
Funding of borrowing costs											
Clean heat programme	0	0	0	0	0	0	0	0	0	0	0
Clean heat loan repayments	0	0	0	0	0	0	0	0	0	0	0
Capital expenditure loan repayments	(292)	(358)	(413)	(433)	(454)	(478)	(504)	(533)	(562)	(634)	(708)
Total loan	(292)	(358)	(413)	(433)	(454)	(478)	(504)	(533)	(562)	(634)	(708)
Total capital funding	(660)	(2,169)	(863)	(502)	(548)	(645)	(710)	(742)	(776)	(3,295)	(745)

Waioeka-Otara Catchment Control Scheme

Capital Programme 2023-2024

The following table outlines the Waioeka-Otara Rivers Scheme capital programme for 2023-2024

Waioeka-Otara Rivers Scheme Capital Budget for 2023-2024 is \$ \$441,769 inclusive of approved carry forwards.

Project name and background	Budget Annual Plan 2023-2024	Update	Milestones 2023-2024
<p>Waioeka and Otara Stopbank Design The Waioeka-Otara capacity review is complete and has identified that some sections of the flood protection system within the Waioeka-Otara scheme are not meeting the agreed level of service. Options to provide the agreed level of service, or possible alternatives, will be considered and analysed. <i>There is also budget in 2024-2025 for the construction phase</i></p>	\$368,000	<p>Geotechnical investigations completed options analysis underway in keeping with capacity modelling results. Tree removal and culvert outlet work about to commence.</p>	<ul style="list-style-type: none"> • Complete option analysis December 2023 • Consultation with iwi, stakeholders, and the community on preferred options – ongoing through to March 2024 • Options selection by June 2024.
<p>Gravel Consent Renewals (Waioeka and Otara rivers) Resource Consents to extract gravel for river management purposes from both the Waioeka and Otara rivers expired in April 2019. Renewal consent applications were lodged, meeting Section 124 Resource Management Act requirements that provide for consent holders to continue to operate under expired consents while replacement applications are processed. Currently updating the application documentation to reflect the revised approach agreed with Ngāti Ira. The next step will be to contact each submitter to advise progress on the application and to outline the changes that have been made.</p>	\$74,000	<p>Consent redrafting and consultation on the Otara River consent.</p>	<ul style="list-style-type: none"> • Resubmit revised Waioeka River gravel extraction consent conditions by 30 June 2024. • Review consent conditions for Otara River by 30 June 2024

Waioeka-Otara Rivers Scheme Maintenance Programme 2023-2024

The purpose of this report is to provide an overview of the Waioeka-Otara Rivers Scheme maintenance work programme for 2023-2024

Maintenance work programme

Maintenance works comprise activities that ensure the drainage and river flood protection networks are operational and providing the agreed level of service. These activities are programmed through the Rivers and Drainage Asset Management Plan, taking into account asset lifecycles, and maintenance and inspection schedules. Close collaboration with Hapū of the Waioeka and Otara Rivers regarding the maintenance works programme is ongoing. Maintenance programme budgets are set during the Long-Term Plan and Annual Plan processes.

Scheme maintenance work includes:

- Duke Street pump station - operation, inspections, weed clearing and maintenance.
- Culverts and floodgates - inspections and maintenance
- Stopbanks - inspections, maintenance, repairs, pest control
- River maintenance - pest plant control, vegetation maintenance, gravel beach shaping and overflow depressions, and habitat enhancement
- Erosion control - rock refurbishment, edge planting, trenched willows, willow maintenance
- Annual flood damage repairs and flood response during heavy rain events
- Repairs to defects identified through asset condition inspections.

Programme highlights 2023-2024

1. Key projects completed

- Waioeka River – Anstis/Wilsons 100 lineal metres rock replenishment completed.
- Waioeka River Left Bank Wilsons (SH2 Bridge) berm vegetation clearing /mulching
- Waioeka River Right Bank Duke Street pump access stop bank mulching
- Otara River Left Bank Ngati Ngahere stop bank, river berm mulching and vegetation removal.
- Otara River Right Bank Carters mulching large willows.
- Opotiki Drainage maintenance spray
- Flood gate repairs and maintenance

Annual Flood Damage Completed

- Waioeka River Riverlock Farms rock reshaping

Otara and Waioeka Rivers Overflow Depressions Maintained by Gravel Extraction

- Otara River – Carters 2 locations

- Otara River Petersons site
- Otara River Crosswell site
- Waioeka River Robbies Pit site
- Waioeka River Beatties site
- Waioeka River Maxwell Site



Vegetation management, Waioeka-Otara confluence



Memorial Park rock replenishment

2. Maintenance

- Duke Street Pump Station - electronics upgrade and access work.
- Memorial Park, Otara River, left bank – 120 lineal metres of rock replenishment.
- Waioeka-Otara Drainage maintenance
- Waioeka and Otara rivers beach management – overflow depressions maintenance and identified beach de-armouring gravel extractions.
- Waioeka Otara confluence, vegetation management and monitoring.
- Otara River Pest Control, Rutledge Property - Woolly Night Shade eradication/control
- Waioeka River, Waioeka Pa Site pampus eradication/control

Maintenance programme budget 2023-2024

A budget summary table for the Waioeka-Otara Rivers Scheme maintenance programme is shown below. The annual budget figures include operational costs only and excludes non-operational costs (e.g. debt servicing and infrastructural asset insurance).

Waioeka-Otara Rivers Scheme Maintenance Works Programme Budget 2023-2024	
Annual Maintenance	\$524,000
Annual Flood Damage	\$197,800
TOTAL	\$721,800

Bay of Plenty Regional Council - Toi Moana

Statement of revenue and expense: Waioeka-Otara Rivers Scheme

For the 6 months ending 31 December 2023

Year to date		Variance		Variance commentary	Annual				
Budget	Actual	\$	Variance indicator		Budget	Forecast			\$
\$000						\$000			

Line Operating revenue by class

1	General rates	78	78	0	Higher		157	157	0	Higher
2	Targeted rates	736	736	0	Higher		1,512	1,512	0	Higher
3	External interest income	10	13	2	Higher	Additional interest received due to higher interest rates	21	23	2	Higher
4	Other revenue	0	21	21	Higher	Gravel extraction revenue	0	21	21	Higher
5	Investment income	106	106	0	Higher		211	211	0	Higher
6	Total revenue	930	953	23	Higher		1,901	1,924	23	Higher

Operating expenditure by class

7	Administration expenses	1	1	0	Higher		2	2	0	Higher
8	Grants and subsidies	0	3	3	Higher		0	3	3	Higher
9	Other expenses	114	53	(61)	Lower	Materials and infrastructure insurance are slightly under and it is expected that this may continue to year end	279	218	(61)	Lower
10	Consultancy fees	0	4	4	Higher		0	4	4	Higher
11	Contract work	190	116	(74)	Lower	Work has been delayed and re-scheduled for February.	402	328	(74)	Lower
12	Depreciation and Amortisation	86	86	0	-		172	172	0	-
13	Subtotal - expenditure	391	262	(128)	Lower		855	727	(128)	Lower
14	Net overhead charges and recoveries	353	365	13	Higher		705	718	13	Higher
15	Total operating expenditure	744	628	(116)	Lower		1,560	1,445	(116)	Lower
16	Total operating surplus (deficit)	186	325	139			340	479	139	

Bay of Plenty Regional Council - Toi Moana Statement of revenue and expense: Waioeka-Otara Rivers Scheme

For the 6 months ending 31 December 2023

Year to date		Variance		Variance commentary	Annual			
Budget	Actual	\$	Variance indicator		Budget	Forecast	\$	Variance indicator
\$000					\$000			

Capital revenue by class

17	Total capital revenue	0	0	0	-		0	0	0	-
18	Total surplus (deficit)	186	325	139			340	479	139	

Capital expenditure by project

19	Waioeka Otara Flood Damage Repairs	0	18	18	Higher		0	20	20	Higher
20	Gravel consent renewals	0	0	0	-		74	74	0	-
21	Waioeka design	0	10	10	Higher		0	10	10	Higher
22	Waioeka Otara construction	184	0	(184)	Lower		368	285	(82)	Lower
23	Total capital expenditure	184	28	(156)			442	389	(52)	

Bay of Plenty Regional Council - Toi Moana

Statement of revenue and expense: Waioeka-Otara Rivers Scheme

For the 6 months ending 31 December 2023

Year to date		Variance			Annual			
Budget	Actual	\$	Variance indicator	Variance commentary	Budget	Forecast	\$	Variance indicator
\$000					\$000			

24 **Reserves**

Opening Balance \$000	Movement \$000	Closing Balance \$000
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Flood Damage Reserve	463	102	565	Funds available
Asset Replacement Reserve	-367	11	-356	No funds used to fund capital
Works Reserve	1237	135	1372	Funds available

25 Total Reserves **1333 248 1581**

26 **Loans**

Opening Balance \$000	Movement \$000	Closing Balance \$000
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4198 -254 3944

27 **Asset Valuation**

Balance 01/07/2022 \$000	Movement \$000	Balance 01/07/2023 \$000
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56209 -158 56051

MEETING REPORT



To: Waioeka-Otara Rivers Scheme Advisory Group – 27 March Meeting

Author: Mark Townsend, Engineering Manager

Date: 8 March 2024

Subject: Gravel Management Update

1 General

Natural Environmental Regional Monitoring Network Report 2011 to 2018

The updated Natural Environmental Regional Monitoring Network (NERMN) Report for River and Stream Channel Monitoring was published in 2021 and is available on Council's website. Cross section surveys are carried out regularly on 15 rivers and streams, with occasional additional surveys. This information helps develop an understanding of the movement of gravel in the river systems of the Bay of Plenty region.

Extraction

Extractions are undertaken to support river management by de-armouring beaches, installing and maintaining overflow depressions. These allow water flows in elevated river conditions to loosen gravel and assist movement of gravel through the river system.

Waioeka River – the quantity considered sustainable in the Waioeka River is approximately 20,000 m³ per annum within the floodplain reach. Additional to this are significant quantities in the Waioeka Gorge on high beaches which should be judiciously lowered and loosened to facilitate travel of gravel downstream to the farmland reach.

Otara River – analysis of data collected since 2007-2008 shows that the gravel supply rate is expected to average 20,000 to 25,000m³ per year. Extraction rates have increased over the last two years, and this should be further increased and encouraged to keep the river at its desirable bed level. Following several years of low extraction quantities, extraction above the average supply rate is warranted to reduce flood risks. Although extraction rates have increased over the last 2 years an inspection on 16 March 2023 by the Environmental Engineer showed the river to be in very good shape with few erosion issues.

2 Consents

The Rivers and Drainage section currently holds resource consents to extract up to 50,000 cubic metres per annum of gravel for river management purposes from both the Waioeka (RC 61321) and Otara (RC 61322) rivers. Both consents expired in April 2019 and renewal consent applications have been lodged, meeting Section 124 Resource Management Act requirements. This provides for consent holders to continue to operate under expired consents while replacement applications are processed.

Currently working on updating the extraction consent application documentation to reflect the revised approach which has been agreed with Ngāti Ira and liaising with the consent authority on the process to progress the application from here. Our next step from there will be to contact each submitter to advise that we are intending to progress this application and to outline the changes that have been made to the application. A meeting is scheduled with Ngāti Ngahere regarding the Otara River extraction consent.

Waioeka-Otara Rivers Scheme gravel extraction summary

1 July 2020 – 30 June 2021

River	Site	Quantity extracted (m ³)
Otara River	Reach 4 left bank Riverlock Brooklyn Farms (river distance 12.9-13.1)	3,041
	Carters Upper Beach (river distance 13.2-13.6)	3,055
Total		6,096
Waioeka River	Beattie's Pit (river distance 6.3-6.8)	10,170
	Maxwell, left bank (river distance 10.2–10.7)	2,940
	Maxwell, left bank (river distance 10.2–10.7)	9,388
	Maxwell, left bank (river distance 10.1–10.8)	2,067
	Beattie's Pit LB (river distance 4.9 – 5.4)	1,000
Total		25,565

1 July 2021 – 30 June 2022

River	Site	Quantity extracted (m ³)
Otara River	Rewa Hill Keller's Pit (river distance 14.1–14.6)	6,136
	Pakihi (river distance 19.6 – 19.9)	7,640
	Gows Road (river distance 7.1 – 7.2)	1,000
	Carters Top pit reach 4 (river distance 13.2-13.6)	3,050
	Carters Lower reach 4 (river distance 12.5-12.7)	1,937
	Blue Gum pit (river distance 17.2. to 17.7)	5,103
	Carters top (river distance 13.2 to 13.6)	565
	Carters Lower (river distance 12.5-12.7)	2,419
	Edwardson's (river distance 16.5-17)	2,829
Total		30,679
Waioeka River within the floodplain reach	Beatties Pit (river distance 6.3-6.8)	4,008
	Robbies Pit overflow (river distance 5.0 -5.4)	1,008
	Beatties Pit overflow (river distance 6.3-6.8)	1,392
	Beatties Pit (river distance 6.3 to 6.8)	3,036
	Subtotal	9,444
Waioeka River outside of floodplain reach	Hughes Pit (river distance 20.3–21.3)	3,500
	Hinerae site (river distance 13.7 to 13.9)	2,500
	Michaels Pit (river distance 22.2 to 22.4)	2,736
	Graham's Bridge left bank (N/A)	5,305
	Subtotal	14,041
Total		23,485

1 July 2022 – 30 June 2023

River	Site	Quantity extracted (m ³)
Otara River	Rewa Hill Keller's Pit (river distance 14.1–14.5)	3,073
	Crosswells Overflow (19.6-19.9)	5,797
	Carters Lower Site Overflow depression (12.5 - 12.7)	482
	Blue Gum pit (17.5 -17.7)	7,245
	Tutaetoko Stream Outlet (18.2)	2,196
	Gloyne Reach 4 LB (16.2-16.5)	5,926
	Gows Road (7.1- 7.2)	1,000
	Ernest Pit (13.7-13.9)	520
	Carters Overflow Depression (13.2 – 13.6)	7,656
	Edwardson's (16.6 – 17.0)	5,085
	Rewa Hill (14.1-14.5)	6,006
Total		44,986
Waioeka River within the floodplain reach	Maxwells - Flood depression maintenance (10.3 -10.8)	5,100
	Maxwells pit (10.2-10.9)	4,065
	Beattie's Pit (6.2-6.8)	3,009
	Subtotal	12,174
Waioeka River outside of floodplain reach	Matahanea LB up stream (21-21.3)	2,237
	Swimming hole mouth of gorge (13.7 - 13.95)	1,000
	Hinerae site (13.7 - 13.9)	2,000
	Hughes Pit - right bank (20.3-21.3)	7,500
	Whakatōhea Farm Site (13.7 – 13.9)	4,114
	Graham's Bridge left bank (N/A)	5,130
	Subtotal	21,981
Total		34,155

1 July 2023 – YTD

River	Site	Quantity extracted (m ³)
Otara River	Rimu Lane Pit (17.8 -18.2)	9,940
	Blue Gum Pit (17.5-17.7)	4,053
Total		13,993
Waioeka River within the floodplain reach	Beatties Pit (6.2 – 6.8)	3,560
Waioeka River outside of floodplain reach	Hinerae swimming hole site (13.7-14)	2,398
Total		5,958

4 Gravel Extraction Fee

In conjunction with the upcoming Long Term Plan 2024 - 2034 consultation process, Regional Council will be consulting on a proposed increase to its gravel management fee. This fee is currently 90c / m³ and has remained unchanged for more than 14 years. Council is proposing an increased rate of \$2.70/m³ to adjust for inflation and to meet current resourcing costs.

This fee is being included in the Fees and Charges Policy, which is going out for public consultation at the same time as the Long Term Plan 2024 - 2034.

The review of the fee was an action from an internal audit undertaken in 2021 and adopted by the Risk and Assurance Committee.

A frequently asked questions (FAQ) sheet has been developed and has been included with consultation material. The consultation process has included direct letter communication with gravel extraction contractors and key iwi/hapū gravel contacts ahead of the public consultation period.

Written submissions are invited on the proposed change throughout the consultation process by making a submission online at www.participate.boprc.govt.nz/fees-and-charges or by email to feesandcharges@boprc.govt.nz.

Key dates are as follows:

- Long Term Plan and Fees and Charges Policy submission period opens on Friday 8 March and closes Tuesday 9 April.
- Hearings will be held between 14 and 16 May.
- Council deliberations will take place on 29 May.
- Any changes to the Long Term Plan / Fees and Charges Policy are adopted by 30 June and become operative from 1 July 2024.

Mark Townsend
Engineering Manager

Attachment – FAQ Sheet Gravel Extraction Fee Increase

Gravel Management Fee



Gravel management:

Why does Regional Council support gravel extraction?

Gravel extraction is required on certain rivers and locations around the rohe where excess gravel in the riverbed can cause an increased risk of erosion or flooding. For example, along with the naturally occurring gravel supply from upper catchment headwaters, extreme weather events that result in increased river flows can cause large gravel deposits downstream. This may then divert the flow of the river into riverbanks (and increase the risk of erosion), or greatly reduce the amount of water the river can hold (and increase the risk of flooding).

By removing controlled quantities of gravel as part of scheme maintenance, we can manage these risks for neighbouring communities.

Regional Council plays a critical role in ensuring that gravel extraction does not adversely effect the river system, and works closely with relevant organisations and tangata whenua to achieve this. Our river engineers manage extraction rates to maintain the flood capacity of the river, by seeking a balance between extraction rates and the

naturally occurring gravel supply. It is important that any proposed extraction is assessed, approved, and monitored as over extraction can degrade the riverbed and increase erosion risk.

We operate under a Regional River Gravel Management Plan, which was developed to assist Regional Council in carrying out its role effectively. This plan is informed by the Resource Management Act and the Soil Conservation and Rivers Control Act 1941.

You can view the full document on our website:
www.boprc.govt.nz/gravel-management

Do we need to remove gravel? What would happen if we didn't remove it?

Controlled gravel removal in key areas stops the riverbed from becoming perched (meaning the main channel of the river is higher than the surrounding floodplains). If this happens, it can cause flooding and erosion on the surrounding land.

By incorporating controlled gravel removal into our scheme maintenance programme for some rivers, we can manage this more effectively. We call this soft engineering, where we work with the natural environment to manage the potential for flooding and erosion (instead of building artificial structures).



The management fee:

Why is there a gravel management fee and what does it cover?

The fee helps cover the cost of Regional Council staff time required to ensure that any gravel extracted from the rivers is meeting our responsibilities under the Soil Conservation and Rivers Control Act 1941 (SCRCA) for river control and flood management.

This work programme includes ongoing surveying of the river (for example, riverbed cross sections, field work, information collection, aerial surveys, environmental data monitoring, allocation assessments and review), physical site inspection, relationship management with contractors and stakeholders, reporting and general administration.

Why is it increasing?



The fee has remained unchanged for more than 14 years. It needs to adjust for inflation and to meet current resourcing costs.

The proposed fee is based on:

- The resources needed to deliver the gravel management work programme. For example, the surveys we complete for the rivers have increased and the technical equipment we use to complete these has become more sophisticated. This gives us a more comprehensive picture of what's happening in and around the riverbeds, so we can more effectively manage gravel removal.
- Increases to staff charge-out rates over the past 14-plus years, which we need to account for in our fee. These charge-out rates can be viewed through Schedule A of the Fees and Charges Policy.

Why is this fee being included in the Fees and Charges Policy?

Including this fee in the policy gives us an opportunity to be increasingly transparent with the community by ensuring the fee is open for regular review and consultation. This will also support a more robust process around how the fee is set and what it is being used for.

To date, the gravel management fee has been in place either through consent conditions of gravel extraction or site allocation agreements (between Regional Council and contractors).

Does a change in fee change the process / rules?

No. If you are extracting gravel, you will still need to adhere to resource consent conditions in the consent or site allocation agreements, including engagement and discussion with local iwi/ hapū.

How does this fee compare to other councils who manage gravel extraction?

The fees vary widely across the country as it is impacted by the management approach and work programme required to reduce the risk of flood protection and erosion. Several councils charge their administration and monitoring separately to their gravel extraction fee, which means direct comparison is not possible. Through our research, and discussions with other councils, the fee varies from 0.15c through to \$7.70.

The consultation process:

How can I provide feedback on this change?

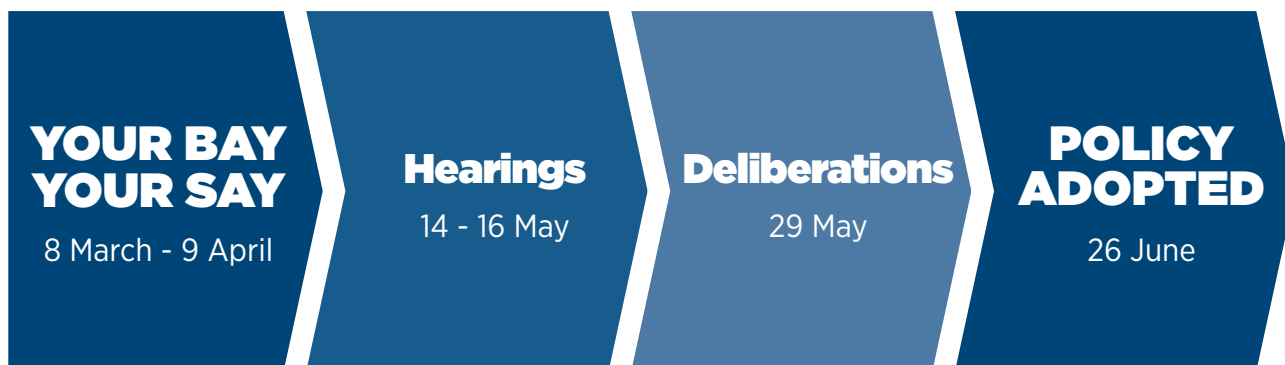
Consultation on the Fees and Charges Policy is being held in conjunction with the Long Term Plan 2024-2034 consultation process. There will be a dedicated section on the Fees and Charges Policy, which includes the proposed increase to the gravel management fee.

Council will receive feedback through written submissions.

You can make a submission online at www.participate.boprc.govt.nz or by email to feesand.charges@boprc.govt.nz

Submissions close at 5pm on Tuesday 9 April 2024.

Please note, any conversations with staff are not considered part of the consultation process, and won't be recorded as a formal submission.



What is the process after I have made a submission?

People who make a written submission can choose to speak to their submission at hearings scheduled for May 2024.

Following submissions, Council will make final decisions on the policy in June 2024. Any changes made through those decisions will be reflected in the final Fees and Charges Policy and published on Council's website, effective from 1 July 2024.

Full details on the Fees and Charges Policy (as well as supporting documents) can be found here: www.participate.boprc.govt.nz