



WEST COAST  
REGIONAL COUNCIL

## **Meeting of The Franz Josef Joint Committee**

**Rating District**

***(Te Huinga Tu)***

**Thursday, 29<sup>th</sup> August 2024**

**6:00PM**

**97 Cron Street, Medical Centre**

**FRANZ JOSEF**

## The membership of the committee is:

- Councillor Andy Campbell, West Coast Regional Council - Westland Constituency (Chair of the Joint Committee)
- Councillor Peter Haddock, West Coast Regional Council - Westland Constituency
- Councillor Brett Cummings, West Coast Regional Council - Grey Constituency (appointed as third WCRC member)
- Mayor Helen Lash (Deputy Chair of the Joint Committee)
- Deputy Mayor Ashley Cassin, Westland District Council
- Councillor Brian Manera, Westland District Council
- Paul Madgwick, Te Rūnanga o Makaawhio
- Owen Kilgour, Department of Conservation
- James Caygill, New Zealand Transport Agency
- Dale Straight, South side community representative
- Graham Berry, South side community representative
- Jeremy Williams, South side community representative
- Kelley Molloy, South side community representative
- Ian Hartshorne, North side community representative
- Grant Gibb, North side community representative
- Logan Skinner, North side community representative
- Kim Smith, North side community representative

# Franz Josef Joint Committee Rating District Meeting

## *(Te Huinga Tu)*

### AGENDA

#### *(Rarangi Take)*

	<b>Pg No.</b>
<b>1. Welcome (<i>Haere mai</i>)</b>	
<b>2. Apologies (<i>Ngā Pa Pouri</i>)</b>	
<b>3. Declarations of Interest</b>	<b>1-4</b>
<b>4. Public Forum, Petitions and Deputations (<i>He Huinga tuku korero</i>)</b>	
<b>5. Confirmation of Minutes (<i>Whakau korero</i>)</b>	
<b>5.1</b> Amended Minutes of the Franz Josef Joint Committee Rating District Meeting 18 <sup>th</sup> December 2023	<b>5-12</b>
<b>5.2</b> Minutes of the Franz Josef Joint Committee Rating District Meeting 6 <sup>th</sup> May 2024	<b>13-21</b>
<b>Matters Arising</b>	
<b>6. Actions List</b>	
<b>6.1</b> Actions List	<b>22-27</b>
<b>7. Reports</b>	
<b>7.1</b> Franz Josef Rating District Joint Committee Agreement Updated May 2024	<b>28-36</b>

<b>7.2</b>	Legal Opinion on Credit Liability to Franz Josef Rating District Ratepayers & Rock Stockpile Management	<b>37-40</b>
<b>7.3</b>	Rock Stockpile at Franz Josef	<b>41-42</b>
<b>7.4</b>	Franz Josef Joint Committee Proposed Debt Merge	<b>43-46</b>
<b>7.5</b>	Franz Josef Joint Committee Rating District-Proposed Merging of Rating Methods	<b>47-51</b>
<b>7.6</b>	River Training Downstream of Waiho Loop	<b>52-60</b>
<b>7.7</b>	Insurance Costs Clarification	<b>61</b>
<b>7.8</b>	Canavan's Knob Rock Quarry Potential	<b>62-63</b>
<b>7.9</b>	Avulsion Development	<b>64-65</b>
<b>7.10</b>	Before the Deluge 2 – Update on Waiho South Bank Capital works Proposal ( <i>late paper to be presented to the Committee prior to the meeting</i> )	

**8. General Business**

**9. Public Forum, Petitions and Deputations**

**10. Next Meeting**

**D. Lew**

**Chief Executive**

**Purpose of Local Government**

The reports contained in this agenda address the requirements of the Local Government Act 2002 in relation to decision making. Unless otherwise stated, the recommended option promotes the social, economic, environmental, and cultural well-being of communities in the present and for the future.

**Health and Safety Emergency Procedure**

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# COUNCIL MEETING

## ELECTED MEMBERS INTEREST REGISTER 2024

1. **Pecuniary** (expectation of a gain or loss of money personally), **non-pecuniary** (does not involve money)
2. Conflicts of interest can be **actual, perceived, or potential**:
  - a) An **actual** conflict of interest involves a direct conflict between an Elected Member’s current duties and responsibilities and existing private interests.
  - b) A **perceived** or apparent conflict of interest can exist where it could be perceived, or appears, that an Elected Member’s private interests could improperly influence the performance of their duties, whether or not this is the case.
  - c) A **potential** conflict of interest arises where an Elected Member has private interests that could conflict with other official duties in the future.

Date Updated	Name	Interest	Type of Interest <sup>1</sup>	Actual, Potential or Perceived Conflict of Interest <sup>2</sup>
22.12.22	<b>Mayor Helen Lash</b>	Lash Fisheries Ltd - Director	Non-Pecuniary	Nil
22.12.22		Westland Soroptimists Patron	Non-Pecuniary	Nil
22.12.22		Heritage Hokitika Patron	Non-Pecuniary	Nil
22.12.22		West Coast Mayors, Chairs, and Iwi Forum – Member	Non-Pecuniary	Nil
22.12.22		West Coast One District Plan – TTPP - Member	Non-Pecuniary	Nil
19.07.23		Takiwa Poutini – Localities Steering Group	Non-Pecuniary	Nil
19.07.23		Destination Management Plan Reference Group	Non-Pecuniary	Nil
19.07.23		West Coast Housing Forum Working Group	Non-Pecuniary	Nil
20.10.22	<b>Cr Brian Manera</b>	Hari Hari Community Association	Chairman	Non-pecuniary
20.10.22		Hari Hari Motors Limited	Director	Pecuniary
20.10.22		Kakapotahi Farms	Director	Pecuniary
20.10.22	<b>Cr Ashley Cassin (Deputy)</b>	Shining Light On The Dark (Founder)	Non-Pecuniary	Potential
20.10.22		Versatile West Coast (Employee)	Pecuniary	Actual

<sup>1</sup> The type of interest is to be defined as: pecuniary or non-pecuniary.

<sup>2</sup> The interest needs to be defined whether it is actual, potential or perceived.

Date Updated	Name	Interest	Type of Interest <sup>1</sup>	Actual, Potential or Perceived Conflict of Interest <sup>2</sup>
24.11.22		Westland Heritage Celebrations Steering Group	Non-Pecuniary	Potential
23.02.23		Community Organisation Grants Scheme West Coast	Non-Pecuniary	Potential
23.02.23		TTPP One District Plan Committee	Non-Pecuniary	Potential
11.07.23		Kiwi Rugby Football Club Committee	Non-Pecuniary	Potential
24.08.23		Te Tai O Poutini / West Coast Conservation Board	Pecuniary	Potential
26.10.23		Hokitika Touch Rugby Club – Committee Member	Non-Pecuniary	Potential
26.03.24		LGNZ – Young Elected Member, Committee Member	Non-Pecuniary	Potential

## WEST COAST REGIONAL COUNCIL COUNCILLOR INTERESTS REGISTER

Councillor	Role	Detail of Interest (including Title of the Entity involved with)
Peter Haddock	Chair of West Coast Regional Council and Councillor, Westland constituency	Equip Engineering Ltd (Director, Employee) Equipment Supplies Ltd (Director) Tamil Holdings Ltd (Director) SCF Ltd (Director) Mill Creek Mining Ltd (Director) Haddock Group Properties Ltd (Director) Quadrello Holdings (Director) Steelquip Holdings (Director) Bejoley Ltd Holdings (Director) Aspiring Exploration Ltd (Shareholder) Tiga Minerals Ltd (Shareholder) Haddock Family Trust (Trustee) Greymouth (Residential property) Paroa, Greymouth (Residential property) Punakaiki (Residential property) Okarito (Land) Greymouth (Residential property) Greymouth (Commercial property) Coal Creek, Greymouth (Land) Moana, Greymouth (Land)



Councillor	Role	Detail of Interest (including Title of the Entity involved with)
Brett Cummings	Deputy Chair of West Coast Regional Council, Chair of Resource Management Committee, and Councillor, Grey constituency	Auto Diesel Sales and Service (Director) Blackwater Coal Ltd (Director) Amalgamated Mining Ltd (Director) Management & Processing Ltd (Director) Stillwater Ltd (Director) Hydraulic Electronic Auto Diesel Services Ltd (Director, Employee) BI & DS Cummings Farm Partnership (Director) Mechanical Repairs and Mining (Employee)  Yaldhurst, Christchurch (Residential property) Greymouth (, Commercial property) Punakaiki (Land) Stillwater (Commercial property)
Andy Campbell	Councillor, Westland constituency	Bonar Farms Ltd (Farm) Hari Hari (Land)

## Item 5.1

# Minutes of the Franz Josef Joint Committee Rating District

Monday 18<sup>th</sup> December 2023 – 11am

St John Meeting Room

Franz Josef

### Present:

West Coast Regional Council, Cr A. Campbell (FJ JC Chair), Cr P. Haddock (WCRC Chairman), Cr B. Cummings (WCRC Dept Chairman), Westland District Council, Mayor H. Lash (Dept FJ JC Chair), Cr B. Manera, Cr A. Cassin (via Zoom), NZTA J. Caygill (via Zoom), Department of Conservation M. Davies

### In attendance:

West Coast Regional Council, D. Lew (CEO), S. Scott (Infrastructure Manager), K. Jacobsen (Area Engineer), L. Crozier (BSO).

### 1. Welcome

Chair A. Campbell welcomed the public and committee members to the meeting.

### 2. Apologies

P. Madgwick, (Te Rūnanga O Makaawhio) S. Bastian (WDC)  
B. Green (Community)

**Moved** (Mayor H. Lash/Chair P. Haddock) that these apologies be accepted.

*Carried*

### 3. Declarations of interest

Deputy Chair Mayor H. Lash asked for the declarations of interest register be circulated at the next meeting, Cr P. Haddock declared his son B. Haddocks part ownership of MBD Contracting who is currently completing the Franz Josef Kānoa works.

**Moved** (Cr B. Manera/Cr A. Campbell) that these declarations be noted.

*Carried*

### 4. Confirmation of Minutes

L. Skinner advised that he cannot confirm the North Side minutes until the key points that he handed over to the minute taker at the last meeting have been added, L. Skinner will send corrections to WCRC.

**Moved** (Mayor H. Lash/M. Davis) that the Joint Committee can only receive the minutes, time has gone by, and memories have changed, they have been recorded at a satisfactory level, amended minutes to be sent out to North Side only in the post with sufficient time to be read for confirmation at the next meeting.

*Carried*

### 5. Consideration of Terms of Reference

WCRC Chair Cr P. Haddock said the whole reason of this meeting today is to clarify the Joint Committee, Cr P. Haddock spoke briefly to the background, structure and operations of the committee, Terms of Reference and delegations below:

*The Franz Josef Joint committee is an advisory committee to the West Coast Regional Council. The Joint Committee purpose is to advise the Regional Council on capital upgrade, and maintenance of the flood protection assets on the north and south side of the Waiho River.*

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*The Franz Josef joint committee was formed as a result of a directive from Wellington - to enable access to continued funding a merger of the north and south side rating districts would be required.*

*As the Franz Josef committees mandate is confined to the administering of the flood protection assets, any matters associated with future land use planning on the south side including managed retreat will require a different governance arrangement. It is anticipated that central government will be represented on this governance arrangement, along with local authorities and affected landowners.*

*Recommendations from the Franz Josef committee will be referred to WCRC for decision.*

*A current term of reference exists for the Franz Josef committee. To date no community representatives have ever been formally appointed under the existing terms of reference.*

**5.1** First item is to consider a revised terms of reference regarding Structure and Operations of the Committee **extract** below:

7. Two community members will be appointed to the Joint Committee by the WCRC and WDC, following a call for nominations. The initial community members shall be the spokespersons from the previous rating districts. New community members will be appointed as vacancies arise and the term of the appointments will match the local government constituent's appointments. The nomination process shall be administered by the WCRC, in consultation with WDC.

**5.1a** The proposed amendments to the Franz Josef Rating District Joint Committee Agreement are as follows (additions underlined, deletions struck through) **extract** below:

2. *WCRC shall appoint three elected Councillors to the Joint Committee, being two Councillors from the Westland constituency (or a delegate) and the Chair of WCRC. If the Chair of WCRC is from the Westland constituency, then the third Councillor will be appointed from another constituency.*
3. *WDC shall appoint the Mayor for Westland, plus the two elected South Westland Councillors (or a delegate) to the Joint Committee.*
7. *~~Two~~ Four community members, two representing the north, and two representing the south side of the Waiho River, will be appointed to the Joint Committee by the WCRC and WDC, following a call for nominations. ~~The initial community members shall be the spokespersons from the previous rating districts.~~ New community members will be appointed as vacancies arise and the term of the appointments will match the local government constituent's appointments. The nomination process shall be administered by the WCRC, in consultation with WDC.*
13. *A quorum of the Committee shall be not less than ~~five~~ seven members and must include ~~one~~ two or more members from each of the two Councils (~~one~~ two or more from WCRC and ~~one~~ two or more from WDC).*

Cr P. Haddock read the above out, L. Skinner advised, most opposed the joint committee, wanted to keep the one rating group.

Discussion on how much of the maintenance costs NZTA paid.

Consideration on Terms of Reference, L. Skinner would like a quorum from at least the ratepayers to agree to this, can we go back to the rating group of rate payers, actual decisions from the rate payers not the members of the Joint Committee? D. Lew advised he understands that is the model for other rating schemes due to Kānoa.

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Cr P. Haddock advised 2022 June the Joint Committee agreement was signed and listed the parties namely Westland District Council, West Coast Regional Council, Te Rūnanga O Makaawhio, New Zealand Transport agency, Director-General of Conservation, M. Davis said at that time there was a drive to access the Kānoa funding and was a requirement of MBIE at that time to be put in place, Cr P. Haddock said it is written in there that the community members were to be put in place. I suggest we move forward.

South secretary requested four members to D. Lew. Mayor H. Lash explained the requirement by government to push forward, Te Rūnanga O Makaawhio and community members, engagement, consultation, we need to move on and get the structure right and work to that.

D. Lew said to draw down the money it was a government stipulation, twelve million for north side is not fully down for our bank account it gets drawn down in progress program milestones, second thing that there is nothing stopping more regular meetings throughout the year, Cr P. Haddock moves we go to making the agreement, number two discussed first Cr A. Campbell and I are both your representatives, and Cr B. Cummings, Westland District Council should appoint the Mayor, two elected councilors, Makaawhio and NZTA everyone is happy with that.

L. Skinner said NZTA were originally paying maintenance costs. of the works, J. Caygill will go away and confirm what NZTA protects.

Cr P. Haddock read out **point 7.** from the Structure and Operations of the Committee, Cr B. Manera said he can't see anything wrong with adding four. The community said it needs to be rate payers not just community members, advertise and call for nominations in February, South Side have decided their four they are good to go.

D. Lew said it is becoming a big committee, with quorums etc, can't be held up, L. Skinner suggested four elected but two for the quorum, amend through the chair only two on the voting but four on the community.

Discussion held by the community, there is concern that there has been no maintenance.

D. Lew advised delegations flying to Wellington in the new year as soon as we get it, we will put a programme of works together, that is the business of Joint Committee for the south side.

**Moved** (M. Davis/Mayor H. Lash) motion for four from each side join to progress a supportive community.

*Carried*

**Item 13.** *A quorum of the Committee shall be not less than five members and must include one or more members from each of the two Councils (one of more from WCRC and one or more from WDC) was discussed, three must be from the committee for a quorum, must have minimum of two from each side ability to spread representation. J. Caygill said you will need to adjust total number for quorum the crown would have wanted the committee to be able to meet sure but not entirely absent from total committee, need to add total amount, can't dilute, need a number of nine, M. Davis thinks that is reasonable for trust and confidence, eleven is for committee, nine is a reasonable number.*

**Moved** (Mayor H. Lash/Cr. B Manera) That a **quorum** be made up of two community representatives from the south side of the Waiho River, two community representatives from

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the north side, two each from WDC and WCRC, and one from either of the remaining membership NZTA, DOC and Makaawhio totaling nine as the quorum.

Minute/record DOC and NZTA agree to nine for the quorum, put to council that the rules around zoom will be changed, J. Caygill said a minimum from the other group only one member from either DOC, NZTA and Makaawhio will be a quorum NZTA, DOC are happy with that and minute/record P. Madgwick (Makaawhio) is an apology, records from committee to rate paying members and add the word ***scheme***, *pay into the scheme*, this relates to **point 7**.

WCRC to call for nominations, put a notice-on-notice board around town, L. Skinner wants it to go by mail as well. D. Lew made a suggestion, we send out a letter after Christmas to the north side calling a meeting January, February, call for nominations and a vote will be taken, if you cannot attend that meeting give us a proxy vote.

WCRC Communications Team to get in touch with Sabine a letter should go out to the rate payers, send a letter to the north side rate payers and including who to send their vote to, with clear email address of where they can address their questions to, letter will go out by the 15<sup>th</sup> of January calling a meeting for last week of January or first week of February, vote on proxy/nominations on the floor of the meetings, Cr P. Haddock said people voting will only be from the north, bring the verifications.

**Moved** (Mayor H. Lash/Cr B. Manera) There will be a call for nominations after Christmas to the North Side, there will only be a general meeting for the north side, people voting will only be from the north.

## 6. Reports

### 6.1 Impairment, condition assessment, level of service (*D. Lew verbal report*).

Discussion under 3190, formally inspects that work after construction to the design of the design engineer, design drawings and specs are signed off. Discussed accounting standard through auditor general that we are maintaining banks to level of service they are designed to.

Joint Committee must consider cost to maintain, dip into reserves to bring back to standards, discussed if you don't get it back to standards the auditor general will lower the conditional assessment and we must lower the level of service auditor general getting tough on this around the country.

D. Lew advised what would have to happen at the AGM the AGM must accept that at the service levels, D. Lew is only advising of these processes, the current service level in terms of scour in rock, will get this is out to L. Skinner in a letter. WCRC to write this up to WDC about how we want approval to upgrade this, then the assets value goes to WDC on their books, council and NZTA banks we must lower if we don't want to pay on impairment and accounting.

D. Lew said we will bring a report through to first meeting (Tetra Tech Coffey), the community asked about storm water, but WCRC said this is WDC and WDC have noted this, M. Davis said in support of D. Lew's statement this is what crowns expectation would be. Cr A. Campbell said floods change rivers, D. Lew said we don't make those changes each time the river behaves, it is the longer-term trends on the level of service, D. Lew said we need the eyes and ears of the community essential to us.

### 6.4 Update on Kānoa Funded Work

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S. Scott spoke to Kānoa funding 6.4 the most prominent works, the link bank the connection Heli port bank to Havil Bank, gone extremely well, put in toe rock to depth of four meters, was peer reviewed, Havil bank 6.6 engineering design been extensively taking into account river flows and velocity, 7-8 meters a second in a major major flood, current state and conditions, teams been doing assessments, surveyed the beds using lidar, 100 – 700 meters worth of change, level of significant toe rock, what is being processed is we duplicate that engineering standard into the Havil wall.

L. Skinner asked about cost S. Scott said it has been allowed for in the project budget, we have designed it to a particular standard, L. Skinner said about cost to ratepayers D. Lew said it is Kānoa funding, L. Skinner said we have to pay a portion he wants to have discussion, D. Lew said if the four members say they do not want to spend that money it puts the Kānoa money in jeopardy. D. Lew said we are doing it to a 100-year flood but will confirm in writing, not just capacity but incorporates velocity and scour, spending local money and government contribution.

**Moved** (Cr P. Haddock/Mayor H. Lash) to receive the verbal update on Kānoa Funded Work.

L. Skinner would like S. Scotts report in writing.

## 6.7 Update from Department of Conservation

M. Davies said he is supported by W. Costello, but any questions and details W. Costello is here to help.

Since the 2019 March event DOC been working on long term visitor strategy, need to have one visitor experience going forward, been working with NZTA strategic framework future of Franz Josef, road preferred options in terms of walking in cycling access, been talking to Iwi and community and will continue to do that, in the meantime GHD have identified very high risk section on roads very important for community to know we have taken them from very high risk to high risk but still remains, 50/50 arrangement with NZTA something in the order of ten years on the road to seek agreement on the long term visitor TTPP management plan ten year duration to go through this process and construct.

L. Skinner asked about committed funding for next ten years, if it washed out tomorrow would it be replaced, high level agreements 50/50 but those numbers are not locked in anywhere, will be focusing to obtain security around funding something in order of four hundred thousand dollars of work to maintain current road, need to have this discussions amongst DOC and NZTA, L. Skinner asked if we are all in danger of severe risks and loss of infrastructure, like for like is not a given, what all governments have been saying for years, need to plan and adapt.

The community asked about relocation of road, M. Davies said there was six maybe eight options, community member asked about consultations, M. Davies said community long-term experience, south side still concerned about road, toe, M. Davies said we have money to maintain, W. Costello said M. Healey has done a lot of work at looking at this fairly confident have not lost the toe.

The community asked about quarry being opened up to benefit community, M. Davies said if a case and application is put of course we will consider it, rock not really suitable, M. Davies said it was considered at time not being great quality.

**Moved** (Mayor H. Lash/Cr P. Haddock) to receive M. Davies (Department of Conservation) verbal report.

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### 6.8 Update New Zealand Transport Agency (verbal report)

J. Caygill had to be excused from the meeting before he could deliver his report.

*Note from J. Caygill had said nothing substantial to report will seek detailed advice to south side so committee has that next time, D. Lew said he now has it on list on funding for investigating for moving road out over next three years in discussion with DOC over this, need ten years of current road to have this happen, geotech, alignment.*

### 6.9 Update on CDEM (verbal report)

S. Scott spoke to the CDEM report, to build additional resource and infrastructure to remain intact, need to be adaptable, developing processes and plans, C. Browns team have done a lot of work alongside community response plan, on back of ten year Waiho river strategy, critical action on reviewing current response and community plans, can bolster that, intended moving into first quarter next year a meeting by full service agencies Saint John's, Police, FENZ, WCRC and importantly from the community, some of drivers around the work shop what current situation is, community response plans placed on TAG report, that will underpin some of the key decisions, C. Brown has put this brief together, strong community engagement, how do we embrace technology, any gaps and resources training, is there any new products, plan required, first quarter 2024.

Mayor H. Lash advised Franz Josef is unique, are aware of all agencies, very slick operating team, important CDEM come here to listen, learn, the river can split their town in half, each side has their own communication team, wants to see a civil defense program for a south side a combined program won't work, what they want what they need, or it will not work, they rely on themselves and needs to be understood from a civil defense action.

**Moved** (Mayor H. Lash/Cr B. Cummings) to receive CDEM verbal report.

### Financial/Annual Works Report

S. Scott spoke to the 2022-23 financial report discussed opening balance and income stream, internal interest income and rates, L. Skinner suggested the year to date, biggest cost capital expenditure on the true left, S. Scott spoke to the works report, rubbish bank stopbank, 515 tones, more recently in June replacement of rock, and expenditure for the year.

Cr P. Haddock said going forward if community representatives say works needs doing, I imagine we work with the spokesperson, and the council would of contacted those, council do emergency work as required but we need to talk to both as required, going forward L. Skinner agreed that would be ok going forward with an email going out first.

D. Lew said two things here, look forward of 12-34 months, what is work programmed, look at finances, emergency works what typically happens is we work the phones the members, go to spokesperson from each side because we need a quick turnaround, what we will do when there is four and four are elected one and one need to be nominated for emergencies, the community asked again about having two separate sides but Cr P. Haddock said not a conversation for today, we are talking about emergency works, we will contact one from north and one from south and they will get hold of three members.

M. Davis was excused from the meeting at 1:30pm.

S. Scott said he really appreciated the feedback and putting those processes in place and thanks to the community.

L. Skinner asked about the rock stockpile, S. Scott said this will be discussed in February.



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Mayor H. Lash said in future we will make it a lot clearer in the presentation of the finances.

Community members asked about who makes the decision on the NZTA stopbank. D. Lew said we write formally to NZTA to ask them to spray out their banks, D. Lew said strong works programme for WCRC to spray. K. Jacobsen advised current best practices worldwide to remove toot to be able to inspect stopbank.

L. Skinner asked about the two years of rates and where that money has gone two lots of rates, missing two years of accounts for rating district, L. Skinner directed this question to D. Lew, L. Skinner asked can we commit to the supplying the 2019, 2020, 2021 accounts. D. Lew explained the challenges the engineering team is going back in time with the finances.

Cr P. Haddock advised how much pressure staff have been under, apologized for lack of meetings and consultation, we have recruited a good team, have a massive workload have been working flat out, going forward we have a team that want to work with your community with the best outcomes.

K. Jacobsen spoke to the community about our closing balance which we take and put with the works going out, what is not showing is engineering cost recovery going out happy to go through it with a calculator after the meeting.

L. Skinner discussed WCRC own consultation document, in covid times in 2020 WCRC council were committed to refunding that money to those who had paid into it, 2020 council meeting after the bridge went out, Mayor H. Lash said nothing can happen until we get that document.

**Moved** (Cr. P Haddock/Mayor H. Lash) to receive the Annual Works Report, to receive the requested financials at the next North Side Meeting.

L. Skinner and the Franz Josef North side committee would like to acknowledge the loss of three members who have put many hours into the river.

Tim Gibb

Paul Wilson

Peter York

**Moved** (L. Skinner/all in agreement)

*Carried*

L. Skinner said rates invoices for the town some people are paying river works and some are not, a trend across entire north side. D. Lew said through the chair, what I need in February formal mover and seconder to do a quality assurance check on classification, and the Joint Committee may want a full review to make sure all beneficiaries are paying accurately, total fresh look all direct and indirect benefices are paying costs, L. Skinner talked about the center map, he always pays into town now doesn't so are other people paying for this, D. Lew said motion to undertake formal review on existing Classification.

**Moved** (Cr P. Haddock/Cr B. Manera) to action D. Lew's suggestion of a full review.

Mayor H. Lash noted that the Franz Josef Rating District Joint Committee Terms of Reference point .24 should refer to .18 instead of 8 and that the agreed plan for the community representatives and quorum will be taken back to WDC in January to avoid any further delays for structure of documents to come back in January for formal actions.



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Proposed works will have more details of where stockpiles will be, L. Skinner discussed price of rock, K. Jacobsen said we agreed to spraying and other maintenance work.

D. Lew going away from here staff will spray banks, remove vegetation, channel works on south side, just below Canavan's.

WCRC contact details on board.

### 8. Closing Meeting

Chair A. Campbell thanked all members of the Joint Committee and closed the meeting at 2:13.

### Amendments raised at the 6<sup>th</sup> May 2024 meeting:

Minutes to state it was requested that the distribution of the meeting agenda at least two weeks prior to the meeting.

WCRC was to call for nominations for the North Side Rating District not L. Skinner.



**Minutes of the Franz Josef Joint Committee Rating District**  
**Monday 6<sup>th</sup> May 2024 – 6pm**  
**St John Meeting Room**  
**Franz Josef**

**Present: (Committee Members)**

Cr A. Campbell (WCRC Westland Constituency (Chair of the Joint Committee), Cr P. Haddock, (WCRC Westland Constituency), Cr B. Cummings (WCRC Grey Constituency, appointed as third WCRC member, Mayor H. Lash (Deputy Chair of the Joint Committee, Cr B. Manera, (WDC), Cr A. Cassin (WDC), O. Kilgour (Department of Conservation), D. Straight, G. Berry, J. Williams, K. Molloy (South side community representatives), I. Hartshorne, G. Gibb, L. Skinner, K. Smith (North side community representative).

**In attendance: (Staff)**

West Coast Regional Council, Cr A. Birchfield, Cr P. Ewen, D. Lew (CEO), S. Morgan (Interim Operations Manager), K. Jacobsen (Area Engineer), K. Maynard (Asset Management Lead), L Crozier (BSO), O. Rose (Catchment Technician), C. Zhao (Planning Technician), S. Bastian (WDC CEO).  
M. Gardner (LRS), S. Hoare (Inovo), the media

**Welcome:**

Chair A. Campbell welcomed the public and committee members to the meeting. Round the room introductions took place.

**Apologies:**

P. Madgwick (Te Runanga O Makaawhio), J. Caygill (NZTA), M. Dennehy, J. Wright, T. Brunning, P. Green, D. Molloy, J. Dentrest, R. Kayde, J. Piece,

**Public Forum:**

S. Pettigrew addressed the committee, expressing concerns about the significant devaluation of property on the south side, citing a recent Q.V. report that halved property values. She argued that this devaluation, driven by council actions, represents a conflict of interest and called for full disclosure and an explanation from the council regarding the land valuation process.

S. Bastian: Advised that Q.V. runs their process independent of council therefore there is no conflict of interest.

G. Berry: Reported a call from Q.V. about south side devaluation, stating it was not documented and put the community at a disadvantage, making it difficult to sell land and manage mortgages.

Mayor H. Lash: Agreed to bring the issue of devaluation back to the next meeting.

G. Oudemans: Questioned the difference in valuation concerning oxidation ponds adjacent to Waiho River and the lack of protection, requesting an explanation from S. Bastian, who noted the need for more detail. Mayor H. Lash advised WDC to take that as an action to find out why WDC wasn't paying targeted rates and bring back to the next meeting.

The Franz Josef Rating District members collectively spoke to the public forum they advised they were required to form one scheme, North and South but all money was spent on the North Side.

Cr A. Campbell noted ongoing efforts with government funds to address these issues.

Cr P. Haddock highlighted the new council's efforts to address past issues and discussed the ten-year program/strategy for Franz Josef from the TAG group, indicating a favourable case for future support from the government. Apologized for past actions and inactions and discussed efforts to secure funds for south side protection.

G. Oudemans asked for clarification on the amalgamation of rating districts without formal consultation, expressing concerns about the lack of community involvement and the financial burden.

Cr P. Haddock advised the decision to merge North and South was documented and minuted in previous council papers.

Cr P. Haddock had noted that the merger was a requirement from the government for the first round of funding. This Joint Committee has made the changes to the terms of reference to ensure representations from North and South side equally.

No further speakers for the public forum.

**Confirmation of minutes:**

There was a request by a number of the committee before any future meetings, that the following should have been captured in the last minutes:

- L. Skinner & K. Smith requested the reinforced need for minutes to be circulated two weeks prior.
- A greater attention to follow up on actions.
- A greater attention to accurate minute taking.

***Moved- Cr P. Haddock / Mayor H. Lash- Carried.***

**Update NZTA:**

J. Caygill from NZTA was not present for the update.

L. Skinner mentioned the bridge funding involving NZTA and requested tabling of any previous formal agreement of NZTAs involvement of flood protection for the Waiho. D. Lew suggested J. Caygill to update the next Joint Committee meeting on NZTA's protection of 55km corner and whether historically NZTA did this.

There was a discussion by committee members expressing frustration at a lack of funding for the South Side, Cr B. Cummings and Cr A. Campbell reiterated Regional Council is still in discussion with the new government on this.

No more matters arising.

**Financial Report:**

S. Morgan advised the financial report presents Lower Waiho and Franz separately but in the future will be presented as one Rating District account.

Action to ensure that all documents align to the new name of one Joint Committee.

Some committee members requested on going ring fencing and committed separation of loans, however further discussion was had that this would be inconsistent with one Rating District being formed, no formal motion was passed in respect to this matter.



K. Smith raised \$414,204.09 not accounted for on the opening balance, S. Morgan discussed the variance, agenda item to be discussed in the annual works report. K. Smith does not want to move forward on this until we have discussed these options.

D. Lew said we are still waiting to hear what the new government cost percentage is going forward for flood protection; we are still waiting for that advice.

There was considerable discussion by the committee members regarding the \$414,204.09 held in a separate WCRC account.

**S. Morgan asked for the following to be recorded in the minutes-*prudent reserve noting at 30<sup>th</sup> June 2021 \$414,204.09 acknowledging that there should be interest on that money.***

**S. Morgan read out the listed options on the Annual Works Report:**

**Proposal for the allocation of the \$414,204.09 prudent reserve (June 2021)**

In acknowledgement of the closing balance of the Franz Josef Rating district prudent reserve of \$414,204.09 on June 30, 2021, the West Coast Regional Council recommend the committee resolve to adopt one of three options presented to ensure the balance is returned to the scheme, which is currently sitting in an independent council reserve balance sheet.

**Option one:** The committee resolve to allocate the credit to offset the Franz Josef loan to reduce the long-term debt held by the community.

**Option two:** The committee resolves to allocate the credit to the Franz Josef Joint Committee prudent reserve which is currently well under the target balance of \$670,000.00.

**Option three:** The committee resolve to undertake a secondary round of consultation to ensure ratepayers agree on the allocation of the credit as the options proposed in the 2020 consultation document do not align with current council procedures.

**BRAND NEW MOTION – *motion is that the \$414,204.09 plus interest, not rock, to be refunded to the Westland District rate payers who contributed to that fund, as per correspondence dated 17<sup>th</sup> September 2020, from the WCRC that the funds would be refunded.***

**Motion to vote**

**MOTION LOST**

**Proposal to come back with four options on the table.**

Cr B. Cummings recommended WCRC seek legal advice on this matter, D. Lew agreed to action this.

***Moved - Cr B. Cummings/Cr P. Haddock that the committee receives the financial report.***

***Carried.***

**Annual Works Report:**

L. Skinner requested monthly works reports and WCRC agreed to action this for the last 12 months, this was agreed by WCRC excluding any sensitive information.

S. Morgan and K. Jacobsen spoke to the work report.

WCRC to meet with NZTA to discuss 4,300T of rock and bring back an update at next meeting.

S. Morgan noted we are not recommending a prudent reserve rate, but it is up to the committee. I recommend we move to a proposed rates strike.

S. Morgan read this from 8. of the proposed maintenance rates for the 2024/2025 financial year.

Prior to moving that motion, we need to discuss items on general business.

Discussed insurance costs, committee noted insurance normally doesn't come down, S. Morgan advised finance reports will be correct, works report are done by engineers, K. Jacobsen said could be a typo on his part, based on the LTP.

A discussion was had regarding need and cost for vegetation spraying.

***Moved-G. Berry/Cr P. Haddock that the committee receives the Annual Works Report***

***Carried.***

***All in favour.***

### **GENERAL BUSINESS:**

A discussion took place again on the 4,300t of rock.

### **Surveying or LiDAR:**

Discussions were had regarding use of Lidar and conventional survey techniques for next bed level monitoring.

K. Molloy asked if there was any appetite for other areas, D. Lew advised June 20<sup>th</sup> for Wanganui, perhaps next Joint Committee could come back with exact costs, Cr P. Ewen asked the community for show of hands.

L. Skinner commented he would rather spend with rock and dozer, but S. Morgan said we need to know where to target.

L. Skinner requested that WCRC consult with the committee before expenditure on any fund's capital or maintenance.

S. Morgan advised that a formal Joint Committee decision is required for capital spend. For maintenance expenditure, given that this is often required to be undertaken in a timely matter, this will be undertaken by email to Joint Committee members.

Action was noted to update the Joint Committee on the channel survey at next meeting.

### **Rates 2024/2025**

Cr P. Haddock moved a motion for a rates strike of \$158,087 which included \$1,309.00 of insurance. This motion was not passed, K. Smith and L. Skinner moved a motion to strike a total of \$154,180 which was passed.

Action to clarify insurance costs.

### **Impairment memorandum:**

S. Morgan spoke to explaining that this advice is being presented to all Rating Schemes. S. Morgan stressed the requirement which is a current focus of the auditor general to ensure that levels of monitored and maintained to negate the need for depreciation of assets.

L. Skinner raised the question, if a flood bank moves 20cm a year, service level not provided 12 months ago we should record impairment.

D. Lew commented, all of our Rating schemes are not depreciating our flood banks including this is one, if you were to accept impairment decrease level of service the direction from the auditor general said you must pay depreciation which is a cost to the scheme, which is advisable to avoid.

L. Skinner said one is we except the lower level of service, assets are worth less, level of service has gone down, can we accept the stop banks have gone up, D. Lew advised that is correct and we are saying the same thing.

D. Lew wants everyone to understand what we are facing with the auditor general, going forward we have serious potential impairment issues these flood banks are degrading, impairment or lower level of service, over the next three years we would need to pass as motion we except a lower level of service.

#### **Reports:**

**Item 9.1** Kanoa, S. Hoare updated the committee and spoke to the management report.

#### **Managers' Report:**

S. Morgan updated the Joint Committee on increased staff in the river engineering area.

#### **Land River Sea Presentation:**

M. Gardner presented his LRS power point presentation.

A number of questions were asked regarding flood protection works in non-scheme areas. D. Lew advised that council is under no obligation to provide flood protection to properties unless council has properly agreed and atone the formation of a rating scheme.

#### **Questions/Answers:**

Question how regular LiDAR is, 2016 first one went all the way to coast, recent ones have all gone to the coast, can't do LiDAR right up in catchment, (too steep), question how much goes out to sea maybe 20% exact studies may not have been



done, S. Pettigrew asked about big hook, M. Gardner said you could estimate from satellite imagery.

L. Skinner requested that a public forum session be offered at the conclusion of the agenda to allow scheme rate payers an opportunity to speak to the business discussed.

L. Skinner raised an issue around the accuracy of the scheme rating as he was aware of a property inside the footprint of the scheme that was being rated.

K. Jacobsen asked L. Skinner for a precise example.

It was actioned that WCRC was to work with L. Skinner to identify and rectify and properties not being rated inside the scheme footprint.

A rating district member asked about addressing Havil wall and oxidation ponds and lack of storm water going back into the community, I don't see why we should be funding shoddy work, K. Jacobsen responded it is called seepage we are very aware of issues have mechanisms to identify it in particular concentrated leak under a tree. K. Jacobsen said some behind new link bank pulling some through, formulating plan to investigate it, modelling connection, seismic assessment done, ground radar, radar looking for strong contrasts.

Cr P. Haddock advised through the chair WCRC won't take on wall until it is in a steady state, K. Jacobsen advised the rating district members we are going to investigate it.

L. Skinner asked if it would be done by the next meeting or could we bring an update.

It was actioned WCRC to report back on seepage in relation to Havill's wall.

G. Berry advised no cell phone coverage down in their area, we were promised years ago needs to be actioned asap, S. Morgan responded C. Brown (CDEM) is investigating that as well.

**Item 6.** *Cr P. Haddock moved to receive the 2019 minutes; motion carried by the committee.*

**Item 7.** *Mayoress H. Lash moved to ratify the terms of reference at the next meeting, motion carried by the committee.*

**Discussion took place about the following:**

K. Smith wants actions circulated within 14 days.

It was discussed next meeting to be in late July.

Overview on projects for south side, we are not doing any, no work on the south side.

K. Jacobsen advised we are doing test pits on the South Side to inform upgrade works if central government money becomes available.

Cr A. Campbell thanked S. Morgan, K. Jacobsen and L. Crozier, four months' work to get the information, thanked everyone present.

**Closed meeting at 9:25pm.**

**6**

**Actions List**

**Author**

Lillian Crozier, BSO Catchment Management Team

**Authorizer**

Darryl Lew, Chief Executive

**Public Excluded**

No

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**Report Purpose**

This report is a summary of items that require actions.

**Recommendations**

***It is recommended that the Committee resolve to:***

1. *Receive the report.*

## FJ JC RD ACTIONS LIST

Item No.	Date of Meeting	Item	Officer	Update
1.	6 May 2024	WDC paying targeted rates on pond land	WDC	WDC to provide a verbal update at the meeting.
2.	6 May 2024	NZTA to provide an update at next JC meeting about whether or not (historically) NZTA funded the 55km corner stopbank, and table any formal agreement for funding flood protection assets within the Rating District generally	NZTA	NZTA to provide a verbal update at the meeting.
3.	6 May 2024	Amend the Franz Josef JC RD TOR section 15, to include distribution of the meeting agenda at least two weeks prior to the meeting.	WCRC - Catchment Manager	Completed. Refer to Item 7.1 of the agenda "Franz Josef Rating District Joint Committee Agreement updated May 2024".
4.	6 May 2024	Amendments to 2023 minutes as per comments at April 2024 meeting	WCRC - BSO	Completed
5.	6 May 2024	Ensure FJ JC meetings are publicly advertised through the local community rep and refer to the public forum section.	WCRC - BSO	Completed
6.	6 May 2024	Ensure there is a public forum section at the start of the JC meeting and the end of the JC meeting allowing ratepayers to comment on the proceedings of the meeting formally. DL	WCRC - BSO	Completed

Item No.	Date of Meeting	Item	Officer	Update
		requested anyone can have 5 minutes ONLY to raise matters during the PF		
7.	6 May 2024	Contact NZTA regarding the 4300t of rock to be moved.	WCRC – Area Engineer	Completed. Refer to report item 7.2 of the agenda “Legal Opinion on Credit Liability to Franz Josef Joint Committee Rating District Ratepayers and Rock Stockpile Management”.
8.	6 May 2024	Identify a new location for rock stockpile. Use the above paper	WCRC – Area Engineer	Completed. “Refer to report item 7.2 of the agenda “Legal Opinion on Credit Liability to Franz Josef Joint Committee Rating District Ratepayers and Rock Stockpile Management”.
9.	6 May 2024	Contact NZTA regarding the 5300t of rock that was used for the NZTA wall to be paid at value back to the north side rate payers.	WCRC – Area Engineer	Completed. “Refer to report item 7.2 of the agenda “Legal Opinion on Credit Liability to Franz Josef Joint Committee Rating District Ratepayers and Rock Stockpile Management”.
10.	6 May 2024	Provide a fourth option regarding the \$414,000 + Interest which relates to the consultation undertaken in September 2020. <i>*A request is also being explored regarding the outcome of the vote on April 6, 2024, in reference to the JC TOR</i>	WCRC – Chief Adviser	Completed. Refer to report item 7.2 of the agenda “Legal Opinion on Credit Liability to Franz Josef Joint Committee Rating District Ratepayers and Rock Stockpile Management”.

Item No.	Date of Meeting	Item	Officer	Update
11.	6 May 2024	Seek legal opinion on the September 2020 consultation letter sent to Franz Josef ratepayers regarding the merging of the Franz Josef and Lower Waiho Rating districts which included reference to Franz Josef (also referred to as the North side) ratepayers being credited the prudent reserve balance at 30 June 2021 based on the capital value of their property. Legal opinion is to inform Council's options on allocating the credit moving forward.	WCRC - Chief Adviser	Completed. Refer to report item 7.2 of the agenda "Legal Opinion on Credit Liability to Franz Josef Joint Committee Rating District Ratepayers and Rock Stockpile Management".  Note that a full legal opinion will be tabled at the Joint Committee meeting.
12.	6 May 2024	Rating query from Logan Skinner – Area Engineer to call Logan, Logan to provide a rate statement which identifies the rate dispute enabling council staff to investigate.	WCRC – Area Engineer	Completed. A quality assurance check was undertaken on the Franz Josef Joint Committee Rating District rating information database and one property was identified as not being rated against the special rating district. This has been amended and rates will be applied from 1 July 2024.
13.	6 May 2024	Provide the FJ JC RD with the south side capital works proposal	WCRC – GM Catchment Management	A paper outlining the proposal for the Franz Josef Flood Protection Scheme Upgrade (Stage 2 – South Side) will be provided to the Joint Committee Rating District prior to the meeting.

Item No.	Date of Meeting	Item	Officer	Update
14.	6 May 2024	Provide the FJ JC RD with the Kanoa works reports and the Kanoa high level finance report excluding any commercially sensitive information.	WCRC – GM Catchment Management	Completed. Monthly Project Status Reports for Franz Josef FPS Upgrade Stage 1 are available on Council’s website: <a href="https://www.wcrc.govt.nz/Meetings-Agendas-and-Minutes-The-West-Coast-Regional-Council">Meetings, Agendas and Minutes - The West Coast Regional Council (wcr.govt.nz)</a>  More detailed project financial status information was provided to Franz Josef JC community representatives via email 10 <sup>th</sup> July 2024.
15.	6 May 2024	Refer to the rating district joint committee as the FJ JC RD (as opposed to Franz Josef RD which is the historic name of the northside RD). Ensure these changes are copied into the asset management plan and used for all reports moving forward	WCRC – GM Catchment Management	Completed
16.	6 May 2024	The Westland District Council to review the quotable value of assets on its land in Franz Josef and provide detail on the variance between construction value and QV if any	WDC	WDC to provide a verbal update at the meeting.
17.	6 May 2024	To confirm with WCRC’s finance team that the loan balance, for the Waiho loan is ringfenced to the previous Lower Waiho RD and the rating	WCRC – Corporate	Completed. Refer to Item 7.4 of the agenda “Franz Josef Joint

Item No.	Date of Meeting	Item	Officer	Update
		of that loan is also restricted to the ratepayers within the Lower Waiho RD	Services Manager	Committee Rating District - Proposed Debt Merge".
<b>18.</b>	6 May 2024	To check with WCRC's finance team on the insurance costs for 24/25 against the LTP and report back to the committee	WCRC – GM Catchment Management	Completed. Refer to Item 7.7 of the agenda "Clarification of 2024/25 Insurance Costs"
<b>19.</b>	6 May 2024	LRS latest report to be uploaded to website	WCRC - BSO	Completed
<b>20.</b>	6 May 2024	Canavan's Rock Quarry Potential	WCRC – GM Catchment Management	Completed. Refer to Item 7.8 of the agenda "Canavan's Knob – Rock Quarry Potential"
<b>21.</b>	6 May 2024	Provide an update on the outcome of the investigation regarding seepage at the Havill Wall	WCRC - Area Engineer	Verbal update to be provided at the meeting.
<b>22.</b>	6 May 2024	Provide an update on the outcome of the recent LiDAR survey of the Waiho.	WCRC - Area Engineer	Refer to Item 7.9 of the agenda "Avulsion Update".





# **Franz Josef Rating District Joint Committee Agreement**

June 2022

Updated March 2024

**DOCUMENT CONTROL**

Reason for Submission	Revision Number	Revision Date	Approval
New Document		1 July 2021	
Version 1 - draft		November 2021	Initial review by West Coast Regional Council and Westland District Council
		December 2021	Review by Department of Conservation and Waka Kotahi
	Final	14 December 2021	Adoption by West Coast Regional Council
	Final	24 March 2022	Adoption by Westland District Council
Version 2	2	February 2024	Revision drafted to amend membership and quorum, and other minor amendments (version2)
		28 March 2024	Adoption of Version 2 by West Coast Regional Council
		28 March 2024	Adoption of Version 2 by Westland District Council
		6 May 2024	Insertion of Practice Note regarding distribution of agendas

This Deed is made this **26th** day of **July 2022**

Updated **28 March 2024**

## **PARTIES**

WESTLAND DISTRICT COUNCIL (“WDC”)

WEST COAST REGIONAL COUNCIL (“WCRC”)

TE RŪNANGA O MAKAAWHIO (“MAKAAWHIO”)

NEW ZEALAND TRANSPORT AGENCY (“WAKA KOTAHI”)

DIRECTOR-GENERAL OF CONSERVATION (“DOC”)

## **AGREEMENT**

### **BACKGROUND**

- A. The WDC is empowered by Sections 12 and 130 of the Local Government Act 2002 to manage stormwater and amenity issues within its district; and
- B. The WCRC is empowered by Section 126 of the Soil Conservation and Rivers Control Act 1941 to take such steps as are necessary for the prevention of damage by floods; and
- C. Both Councils are empowered by the Local Government (Rating) Act 2002 to raise the funds necessary to carry out their respective functions; and
- D. Both Councils are empowered by Sections 12 and 137 and clauses 30 and 30A of Schedule 7 of the Local Government Act 2002 to enter into joint agreements and form a joint committee to co-ordinate the management of overlapping functions; and
- E. Any Franz Josef flood protection structure built as a result of this agreement will be owned by the WCRC. The land the flood defence assets are on is under various ownership; and
- F. Both Councils wish to record their agreement to jointly manage the maintenance of the Franz Josef flood defence assets, via a Joint Committee of the two Councils, Makaawhio, Waka Kotahi, DOC and community members.

### **STRUCTURE AND OPERATION OF THE COMMITTEE**

1. The Joint Committee shall be formed initially, with its membership reappointed at or after the first meeting of WCRC and WDC following each triennial general election.
2. WCRC shall appoint three elected Councillors to the Joint Committee, being two Councillors from the Westland constituency (or a delegate) and the Chair of WCRC. If the Chair of WCRC is from the

Westland constituency, then the third Councillor will be appointed from another constituency.

3. WDC shall appoint the Mayor for Westland, plus the two elected South Westland Councillors (or a delegate) to the Joint Committee.
4. Makaawhio shall be represented on the Joint Committee by the Chair of Te Rūnanga O Makaawhio or a representative delegated by the Chair.
5. Waka Kotahi will appoint a member to the Joint Committee.
6. The Director-General of Conservation will appoint a member to the Joint Committee.
7. Eight community members from the rating district, to be made up of four representing the north side and four representing the south side of the Waiho River, will be appointed to the Joint Committee by the WCRC and WDC following a call for nominations. New community members will be appointed as vacancies arise and the term of the appointments will match the local government constituent's appointments. The nomination process shall be administered by the WCRC, in consultation with WDC.
8. In relation to DOC, membership of the Joint Committee does not:
  - affect any of its rights, powers or duties, in particular as they relate to river and flood management at Franz Josef (such as under the Resource Management Act 1991); or
  - bind it to any funding commitments or decisions relating to transfer of assets.
9. The Chair shall alternate one year to the next being a WDC elected representative one year and a WCRC elected representative the next, with the term of the chairpersonship being 12 months from 31 October each year except in years where the triennial election is held, where the term ends at the date of the election. The appointment of the Chair shall be made by the relevant Council who has responsibility for the Chair.
10. The function of the secretariat will alternate as per the term of chairpersonship.
11. The Council not exercising the role of Chair in any year shall appoint a Deputy Chair. The term of the deputy chairpersonship shall be 12 months from 31 October each year except in years where the triennial election is held, where the term ends at the date of the election.
12. Unless otherwise specified in this Agreement, the Committee shall use the current standing orders of the WCRC, noting that the committee wishes to achieve consensus decisions wherever possible.
13. A quorum of the Committee shall be not less than nine members, and must include:
  - two or more members from each of the two Councils (two or more from WCRC and two or more from WDC);
  - two or more of the appointed community representatives from the rating district representing the north side of the Waiho River;
  - two or more of the appointed community representatives from the rating district representing the south side of the Waiho River;

- one or more members from the other three parties to the Agreement (New Zealand Transport Agency, Director-General of Conservation, or Te Rūnanga O Mākaahio).

14. Meetings shall be held biannually or as otherwise agreed by the Joint Committee.

15. Notification of meetings and the publication of agendas<sup>1</sup> and reports shall be conducted in accordance with the requirements of Part 7 of the Local Government Official Information and Meetings Act 1987, and will be undertaken by the secretariat.

16. Minutes of all Joint Committee meetings shall be provided to the next meeting of the respective Councils.

### **TERMS OF REFERENCE & DELEGATIONS**

17. Each year the Joint Committee shall consider any staff and/or expert reports, ascertain what work and budget requirements will be for the coming year and make a recommendation to each parent Council for annual planning and action.

18. The Committee shall not have any funding or rate setting authority.

19. WCRC as the Rating Body for the Franz Josef Rating District is the final decision maker on the annual work plan and setting the appropriate rate to fund the agreed works.

20. The Joint Committee's role is to review the annual work plan provided to it by the WCRC, receive and consider any independent expert advice, and make informed recommendations to WCRC for the final decision. The Committee may also make recommendations to the WCRC regarding:

- Commissioning independent expert reports; and
- Undertaking public consultation on boundary changes, major capital works and other areas of significant public interest.

WCRC will consider any recommendations of the Committee in making any decisions on the above.

21. Where Committee recommendations relate to the functions of the WDC, WDC shall consider and make decisions on any recommendations accordingly.

22. Without limiting the ability of the Joint Committee to recommend the most appropriate arrangements for works and funding, in relation to the Franz Josef flood defence assets the WDC shall be responsible for all works and funding relating to:

- Stormwater management, including any pump station operation and maintenance and floodgates on drainpipes and their operation and maintenance.

23. Without limiting the ability of the Joint Committee to recommend the most appropriate arrangements for works and funding, in relation to the Franz Josef flood defence assets the WCRC shall be responsible for all works and funding relating to:

- The maintenance and repair of the structural integrity of the flood defence assets

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<sup>1</sup> As per the Practice Note appended to this Agreement, meeting agendas are to be distributed to members not less than 14 days prior to meetings.

- managed under WCRC Asset Management Plans;
- The provision of flood warning advice to WDC for the Waiho River; and
- Ownership of the flood defence assets as identified in WCRC Asset Management Plans.

24. The WCRC has constituted a "Franz Josef Rating District" and reserves the right to raise such funds as it may need to carry out its functions under clause 23 above from this source.
25. The WDC will fund the performance of its functions under clause 22 above from such sources that are available that it may determine.

#### **VARIATION OF THIS AGREEMENT**

26. This agreement may be amended at any time, at the request of either Council, but such amendment will only take effect once both parent Councils have formally received and adopted those changes sought.

**SIGNATURES**

SIGNED by

**WESTLAND DISTRICT COUNCIL**

In the presence of:

\_\_\_\_\_   
by its authorised signatory

\_\_\_\_\_   
Witness signature

\_\_\_\_\_   
Witness name

\_\_\_\_\_   
Witness Occupation

\_\_\_\_\_   
Witness Town of Residence

SIGNED by

**WEST COAST REGIONAL COUNCIL**

In the presence of:

\_\_\_\_\_   
by its authorised signatory

\_\_\_\_\_   
Witness signature

\_\_\_\_\_   
Witness name

\_\_\_\_\_   
Witness Occupation

\_\_\_\_\_   
Witness Town of Residence

SIGNED by

**TE RŪNANGA O MAKAAWHIO**

In the presence of:

\_\_\_\_\_   
by its authorised signatory

\_\_\_\_\_   
Witness signature

\_\_\_\_\_   
Witness name

\_\_\_\_\_   
Witness Occupation

\_\_\_\_\_   
Witness Town of Residence

SIGNED by

**NEW ZEALAND TRANSPORT AGENCY**

In the presence of:

\_\_\_\_\_   
by its authorised signatory

\_\_\_\_\_   
Witness signature

\_\_\_\_\_   
Witness name

\_\_\_\_\_   
Witness Occupation

\_\_\_\_\_   
Witness Town of Residence

SIGNED by

**DIRECTOR-GENERAL OF CONSERVATION**

In the presence of:

\_\_\_\_\_   
by its authorised signatory

\_\_\_\_\_   
Witness signature

\_\_\_\_\_   
Witness name

\_\_\_\_\_   
Witness Occupation

\_\_\_\_\_   
Witness Town of Residence



**PRACTICE NOTE:**

**Distribution of Agendas for Joint Committee meetings**

Each meeting agenda for any Joint Committee meeting shall be distributed to members not less than 14 days prior to the meeting.

<b>7.2</b>	<b>Legal Opinion on Credit Liability to Franz Josef Joint Committee Rating District Ratepayers and Rock Stockpile Management</b>
<b>Author</b>	Freya Love, Chief Advisor
<b>Authoriser</b>	Darryl Lew, Chief Executive
<b>Public Excluded</b>	No

### **Report Purpose**

This report provides the Franz Josef Joint Committee Rating District (FJJCRD) with legal advice obtained from Jonathan Salter at Simpson Grierson regarding the obligation to credit a liability to the Franz Josef Rating District ratepayers. Additionally, it presents information on the management and proposed repurposing of a rock stockpile located in Franz Josef.

### **Report Summary**

1. A legal opinion has been sought in relation to a historical consultation in 2020 concerning the merger of the Lower Waiho and Franz Josef Rating Districts and the proposed crediting of the Franz Josef Rating District's prudent reserve balance to its ratepayers.
2. Jonathan Salter's legal opinion indicates that the former Franz Josef District ratepayers have a legitimate expectation of receiving a refund, calculated based on the relative capital value of their properties.
3. Further legal advice was requested to assess the risks of not proceeding with the refund and to explore potential risk management strategies.
4. The report also includes a proposal concerning the management of a rock stockpile in Franz Josef, with options for its use in ongoing flood protection works.
5. The FJJCRD is requested to consider both the legal and practical implications outlined in this report and make decisions on the proposed actions.

### **Recommendations**

***It is recommended that the Committee resolve to:***

1. Receive the report.
2. Note the legal opinion provided by Jonathan Salter from Simpson Grierson.
3. Recommend that the West Coast Regional Council pay the refund of rating district reserves held at the time of the merger and note the risks outlined in the legal advice associated with NOT proceeding with this course of action.
4. Review and decide on the options provided for the repurposing of the Franz Josef rock stockpile.
5. Submit the chosen option regarding the rock stockpile to the West Coast Regional Council for approval.

## Issues and Discussion

### Background

In 2020, the West Coast Regional Council merged the Lower Waiho and Franz Josef Rating Districts to fulfil the co-funding requirements of a Crown Infrastructure Projects grant for flood protection improvements at Franz Josef. As part of this process, the Council proposed crediting the balance of the Franz Josef Rating District's prudent reserve to its ratepayers. A letter sent to ratepayers in September 2020 outlined this proposal, stating a refund amount based on the capital value of their properties.

The consultation, however, did not explicitly invite feedback on this refund proposal. Despite this, the 2021 Annual Report's audit opinion referenced the refund as a liability to be paid in 2022. The current balance of this liability stands at \$414,000, but it has yet to be disbursed.

Separately, there is a rock stockpile in Franz Josef, originally an asset of the Franz Josef Rating District before its merger with the Lower Waiho District. The September 2020 letter to ratepayers also proposed that this rock be sold to the Franz Josef Flood Protection Scheme Project (Stage 1) with the funds from the sale distributed to Franz Josef Rating District members. The sale and reimbursement of rating district members has not yet occurred. This stockpile, tonnes, is now considered for repurposing in ongoing flood protection projects.

### Current situation

#### **Legal Opinion on Refund Liability:**

Jonathan Salter's preliminary legal opinion affirms that former Franz Josef District ratepayers have a legitimate expectation of receiving the proposed refund. This expectation is grounded in the 2020 consultation materials and the subsequent Council actions. The legal opinion cautions that failing to proceed with the refund could expose the Council to legal risks, as ratepayers may seek to enforce their legitimate expectations.

A copy of the full legal opinion is included as attachment 1.

#### **Rock Stockpile Management:**

The Franz Josef rock stockpile is understood to consist of two separate stockpiles totalling approximately 5,300 tonnes of rock, with the possibility that a 1,000-tonne stockpile previously noted in past Council records may have been used and is no longer existent. The stockpile was originally part of the Franz Josef Rating District assets before being used and replaced by the New Zealand Transport Agency (NZTA) for an urgent repair.

The repurposing of the existing rock stockpile is proposed to support the deepening of the Havill wall stopbank toe-rock, which is part of the Franz Josef Flood Protection Scheme Project (Stage 1) currently underway.

## Options Analysis

### Refund Liability:

- **Proceed with the Refund:** This option aligns with the legitimate expectations of the ratepayers and mitigates legal risks.
- **Revisit the Proposal:** This option involves engaging in further consultation or considering alternative uses for the funds. However, it carries significant legal risks as it may be perceived as a breach of the original consultation commitments.

### Rock Stockpile:

1. Use the rock to upgrade the Havill wall stopbank toe-rock at no cost, thereby reducing the overall project cost.
2. Provide the rock to the project at the current market rate, replenishing the FJCRD reserve funds accordingly.
3. Provide the rock to the project at the current market rate and reimburse the beneficiaries of the former Franz Josef Rating District as per the consultation document dated 11 September 2020.

## Costs and Benefits

### Refund Liability:

- **Proceeding with the Refund:** The primary cost is the disbursement of the \$414,000 liability. The benefit is the elimination of legal risks and the fulfilment of ratepayer expectations.
- **Not Proceeding:** This could potentially save the \$414,000 but at the cost of legal challenges and reputational damage.

### Rock Stockpile:

- **Option 1:** Minimises project costs but does not replenish reserves.
- **Option 2:** Replenishes reserves, supporting future district needs.
- **Option 3:** Consistent with the proposal to refund former ratepayers as set out in the consultation document dated 11 September 2020 .

## Considerations

### Implications/Risks

Not proceeding with the refund presents a high legal risk, as the ratepayers' legitimate expectations could be enforced through legal action. Additionally, there may be reputational risks associated with not fulfilling commitments made during the 2020 consultation.

The rock stockpile management decision has implications for both the financial health of the FJCRD and the fulfilment of commitments to former ratepayers.

### **Significance and Engagement Policy Assessment**

There are no issues within this report which trigger matters in this policy.

### **Tangata whenua views**

The views of tangata whenua have not been sought in the preparation of this paper. However, Te Rūnanga o Makaawhio are represented on the Joint Committee and have the opportunity to make their views known at the Joint Committee meeting.

### **Views of affected parties**

Ratepayers within the former Franz Josef District are likely to be significantly affected by any decision regarding the refund. Their views, as inferred from the 2020 consultation, support the refund proposal.

### **Financial implications**

#### *Current budget*

The liability of \$414,000 has been recognized in the Council's financial statements. The liability of \$414,000 has been recognized in the Council's financial statements.

#### *Future implications*

Disbursing the refund will reduce the Council's cash reserves but fulfil the commitment made during the 2020 consultation. The choice of how to manage the rock stockpile will impact future reserve levels and potentially the financial contributions required from ratepayers.

### **Legal implications**

The legal opinion highlights the enforceability of ratepayer expectations and advises that the Council could face legal action if the refund is not provided as proposed. The Committee should carefully consider these legal risks before making any decision. The decision regarding the rock stockpile also needs to consider potential legal obligations to former ratepayers.

### **Attachments**

Attachment 1: Legal Opinion by Jonathan Salter, Simpson Grierson

### 7.3

### Rock Stockpile at Franz Josef

**Author**

Kent Jacobsen, Southern Area Engineer

**Authorizer**

Tom Hopkins, Group Manager Catchment Management

**Public**

No

**Excluded**

### Report Purpose

To provide the Franz Josef Joint Committee Rating District with WCRC's understanding of the history of the rock stockpile(s) on the true-right bank of the Waiho adjacent to the heliport.

### Background

The WCRC Asset Database and 2021-24 Asset Management Plan (AMP) for the Franz Josef Joint Committee Rating District identifies two [2] rock stockpiles, one at 1,000 tonnes and the other at 4,300 tonnes:



Figure 1: Location of x2 stockpiles (red squares). The stockpile further from the stopbank has not been located on the ground.

The 2023–26 Asset Management Plan identifies a total of 4,300 tonnes, a decrease of 1,000 tonnes.

Prior to the 2020 merger of the Franz Josef and Lower Waiho rating districts into the Franz Josef Joint Committee Rating District (FJJCRD), the rock stockpile was an asset of the Franz Josef Rating District (FJRD).

In 2019 the rating district stockpile was accessed by NZTA for an urgent repair and subsequently replaced. We understand that the replacement rock was rejected, but we are not clear by whom.

In any event, we have recently we had the rock that was replaced by NZTA tested. It has been deemed suitable (on size and quality) for incorporation into deepening of the Havill wall stopbank toe-rock. This will be carried out as part of the IRG Franz Josef Flood Protection Scheme Upgrade (Stage 1) that is currently underway.

We haven't as yet been able to confirm the actual volume of the rock currently stockpiled on site on site. This will be done as part of planning for its incorporation into Havill wall stopbank toe-rock.

## Options

Three options are put forward in the paper titled “Legal Opinion on Credit Liability to Franz Josef Joint Committee Rating District Ratepayers and Rock Stockpile Management”. The options presented are to use the rock to upgrade the toe of the Havill wall stopbank, and to:

- 1 provide the rock to the project at no cost, therefore lowering the cost of the project, or
- 2 provide the rock to the project at current market cost, and the current FJJCRD reserve funds are replenished accordingly
- 3 provide the rock to the project at current market cost, and the beneficiaries of the previous FJRD are reimbursed, as set out in the rating district merger consultation document dated 11 September 2020.

This paper was authored by Kent Jacobsen, the southern Area Engineer for West Coast Regional Council.



Kent Jacobsen 12 August 2024

## **7.4 Franz Josef Joint Committee Rating District – Proposed Debt Merge**

<b>Author</b>	Tom Hopkins, Group Manager – Catchment Management Aaron Pendergrast – Corporate Services Manager (Acting)
<b>Authorizer</b>	Darryl Lew, CEO
<b>Public Excluded</b>	No

### **Report Purpose**

The purpose of this report is to recommend that all historical debt related to the previous Franz Josef and Lower Waiho Rating Districts be bought into a single repayment schedule, supported by one targeted rate under the current Franz Josef Joint Committee Rating District.

### **Report Summary**

1. The recommendation of this report is that FJJCRD should accept the merging of all loan repayments (past and future) into 1 rating method.
2. This will cut down on administrative costs of Council, increase rate affordability for the community by broadening the rating base, and support future investment opportunities as it relates to the repayment of local share borrowings.
3. Creating single rating lines for all ratepayers within the FJJC boundaries will create transparency and certainty for the community and bring financial management more uniformly under the single umbrella governance of the JC.
4. Any decisions taken due to this paper will only take effect in a future financial year, and will start 1 July 2025.

### **Recommendations**

***It is recommended that the Committee resolve to:***

1. *Receive the report.*
2. *Note the preferred option of Council (option 2 discussed below)*
3. *Resolves either option 1 or 2 as the preferred way forward for the rating of loan repayments that will come into effect from 1 July 2025.*



## Issues and Discussion

### Background

1. Franz Josef and Lower Waiho were previously 2 separate rating districts (RD) and were responsible individually for their financial decisions and recommendations to Council.
2. One of the historic outcomes of this approach was the inclusion of borrowings attributable to the Lower Waiho RD for historic works that were to be repaid over 25 years in line with Council policy.
3. Franz Josef did not have a loan balance as at 30 June 2023, but with project works currently underway that includes a portion to be paid through local share, it is expected that financials as at 30 June 2024 will show new debt related to this RD.
4. In 2021, these 2 RDs were merged under 1 Joint Committee. However, the Lower Waiho debt was deemed 'ring fenced' to be paid exclusively by the Lower Waiho RD community through a historic targeted rating method using capital value. This is still the case today.
5. It should be noted that it was a condition of the government's investment in the flood protection scheme upgrade currently underway that the Franz Josef and Lower Waiho rating districts be merged and managed as a single rating district and governed by a Joint Committee.

### Current situation

1. Currently, the FJJCRD is now responsible for community representation for matters related to the catchment's asset management and investment, decision making including maintenance and capital work approvals, and recommendations to Council.
2. The committee is overseeing the delivery of projects within the catchment and have agreed to a local share contribution funding of \$1,914,055 for Stage 1 of the current flood protection scheme upgrade, which is to be debt funded for intergenerational purposes. Note that the value of the debt arising from Stage 1 will be subject to change, depending on the final cost of the current works.
3. Further investment opportunities from Central Government are being lobbied for by Council in relation to proposed future projects, and it is expected that a local share will be required to unlock this funding.
4. Council is looking to simplify their rates administration requirements, and is wanting to merge the Lower Waiho and Franz Josef debt repayments into a

single rating method to underpin the investment in the community and better support the rates increase for debt repayment related to future projects.

### **Options Analysis**

1. Do nothing and maintain status quo. This will have the effect of maintaining segregation of the 2 RDs in question despite the governance structure being a united umbrella. It will also increase the rating impact to individual communities as new local share debt is required rather than sharing the investment base. It will also require Council to maintain and administer multiple rating lines even though they are related to a single JC representative group.
2. Merge all debt repayments into 1 rating method in line with the single Joint Committee representation and governance structure. This will better support affordability of rates as debt for the JC increases, and cut down the number of rating lines and administration required by Council. This will benefit Lower Waiho initially as the full JC will support the repayment of historic loans, and will in turn support FJ community by broadening the rating base to support new borrowings.

**Option 2 is the preferred position for Council** and is recommended as the way forward. Should there be the change proposed, rating impacts would only come into effect for the 2025/26 financial year starting 1 July 2025.

It can be noted that the intention for having a joint representation and governance structure would best be served by integration of financial matters and management.

### **Considerations**

#### **Implications/Risks**

Implications for the 2 options are discussed above.

#### **Significance and Engagement Policy Assessment**

This paper does not trigger the Significant and Engagement Policy of Council. However, this report brings the subject matter for local consultation and decision-making given the likely level of interest by the local community and rating implications discussed.

### **Tangata whenua views**

The views of tangata whenua have not been sought in the preparation of this paper. However, Te Rūnanga o Makaawhio are represented on the Joint Committee and have the opportunity to make their views known at the Joint Committee meeting.

### **Views of affected parties**

N/A

### **Financial implications**

*Current budget* – No impact or change within the 2024-25 financial year.

*Future implications* – Introduction of the FJJCRD targeted rate for loan repayments. This would include repayments for historical loans and any new loans that would be drawn down for current project works and any future local share investments funded through debt. The rate would be payable by all ratepayers within the FJJCRD boundaries, based on capital value.

### **Legal implications**

This is a local democracy decision and neither option 1 nor 2 is deemed to have inherent legal risk.

## 7.5 **Franz Josef Joint Committee Rating District – Proposed Merging of Rating Methods**

<b>Author</b>	Tom Hopkins, Group Manager – Catchment Management Aaron Pendergrast – Corporate Services Manager (Acting)
<b>Authorizer</b>	Darryl Lew, CEO
<b>Public Excluded</b>	No

### **Report Purpose**

The purpose of this report is to recommend that the Franz Josef Joint Committee Rating District (FJJCRD) communities be bought into a single repayment schedule supported by one targeted rate under the Joint Committee.

### **Report Summary**

1. The recommendation of this report is that FJJCRD should accept the merging of all current rating lines into 1 rating method.
2. This will cut down on administrative costs of Council, increase rate affordability for the catchment community by broadening the rating base, and support future maintenance cost and investment opportunities.
3. Creating single rating lines for all ratepayers within the FJJCRD boundaries will create transparency and certainty for the catchment community and bring financial management more uniformly under the single umbrella governance of the JC.
4. Any decisions taken due to this paper will only take effect in a future financial year, and will start on or after 1 July 2025.

### **Recommendations**

***It is recommended that the Committee resolve to:***

1. *Receive the report.*
2. *Note the preferred option of Council (option 2 discussed below)*
3. *Note the proposed process if Option 2 is to be explored by the Committee.*
4. *Resolves either option 1 or 2 as the preferred way forward for the rate funding of the FJJC catchment responsibilities in the future.*
5. *IF option 2 is agreed, then the Committee does/does not resolve to have Council procure the services of a qualified Classifier to investigate and report*

*on matters related to report subject and inform Committee and community decision making.*

## **Issues and Discussion**

### **Background**

1. Franz Josef and Lower Waiho were previously 2 separate rating districts (RD) and were responsible individually for their financial decisions and recommendations to Council on maintenance spend.
2. In 2021, these 2 RDs were merged under 1 Joint Committee. However, there was no change to the rating method used by Council to align this important income source under the new governance structure to support collective decision making. This is still the case today.
3. It should be noted that it was a condition of the government's investment in the flood protection scheme upgrade currently underway that the Franz Josef and Lower Waiho rating districts be merged and managed as a single rating district and governed by a Joint Committee.

### **Current situation**

1. Currently, the FJJCRD is now responsible for community representation for matters related to the catchment's asset management and invest, decision making including maintenance and capital work approvals and recommendations to Council.
2. Council is looking to simplify their rates administration requirements and is wanting to merge the Lower Waiho and Franz Josef financially under the JC with a single rating method to underpin the maintenance costs and investment in the community.
3. Franz Josef is primarily rated through a capital value method noted as Area A (see map at Attachment A) and has a secondary differential for Area B. Area A generates 88% of the rates income, and Area B 12%.
4. Lower Waiho is rated on a flat basis of capital value. Rates are calculated on all rateable land in the area, calculated on the capital value of each rating unit for the maintenance of the protection works.
5. Having these 2 'jam jars' of rating may limit the ability of the FJJCRD to manage funding decisions and maintenance requirements of the scheme's assets effectively or through a best for river/community approach since each side of the river is currently separate for planning and rating purposes.

## Options Analysis

1. Do nothing and maintain status quo. This will have the effect of maintaining segregation of the 2 RDs in question despite the governance structure being a united umbrella. It will also increase the rating impact to individual communities if new capital or seasonal maintenance is required rather than sharing the rating base. It will also require Council to maintain and administer multiple rating lines even though they are related to a single Joint Committee representative group.
2. Merge both RD rating lines into 1 rating method in line with the single Joint Committee representation and governance structure. This will better support asset investment and maintenance decisions, affordability of rates as there are more ratepayers contributing to management of flood protection infrastructure and cut down the number of rating lines and administration required by Council. Broadening the rating base to support the scheme's asset maintenance will also give some catchment community resilience financially through a pooling of risk together.

**Option 2 is the preferred position for Council** and is recommended for investigation as per below as the way forward. Should there be the change proposed, rating impacts would only come into effect for the 2025/26 financial year starting 1 July 2025 – at the earliest.

Should option 2 be agreed as the way forward to explore with community, the suggested next step would be to review the rating boundaries and potentially reclassify those identified as beneficiaries so that rates can be struck appropriately. *Council would recommend that the services of a Classifier be used to investigate and facilitate this decision-making process before new rates were agreed.* Full reporting would come back to community through this committee for recommendation and/or approval to Council.

It can be noted that the intention for having a joint representation and governance structure would best be served by integration of financial matters and management.

## Considerations

### Implications/Risks

Implications for the 2 options are discussed above.

### **Significance and Engagement Policy Assessment**

This paper does not trigger the Significant and Engagement Policy of Council. However, this report brings the subject matter for local consultation and decision-making given the likely level of interest by the local community and rating implications discussed.

### **Tangata whenua views**

The views of tangata whenua have not been sought in the preparation of this paper. However, Te Rūnanga o Makaawhio are represented on the Joint Committee and have the opportunity to make their views known at the Joint Committee meeting.

### **Views of affected parties**

N/A

### **Financial implications**

*Current budget* – No impact or change within the 2024–25 financial year.

*Future implications* – The merging of both current RD targeted rate line items, based on current RD CV, or on revised boundaries and considerations that may arise from the Classifier’s report and recommendations. The rate would be payable by all ratepayers within the FJJC boundaries in support of this representation and decision-making committee.

### **Legal implications**

This is a local democracy decision and neither option 1 nor 2 is deemed to have inherent legal risk. Reliance on classifier reporting and advice will be tempered with community consultation on any proposed changes. Legal advice may be taken by Council on matters arising from this process at its sole discretion.

### **Attachments**

Attachment 1: Map of Franz Josef Joint Committee Rating District





7.6 **Landowner Proposal for River Training Downstream of Waiho Loop**

<b>Author</b>	Kent Jacobsen, Area Engineer John Ellis, Engineering Officer
<b>Authorizer</b>	Tom Hopkins, Group Manager Catchment Management
<b>Public Excluded</b>	No

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### **Report Purpose**

The purpose of this report is to bring to the Franz Josef Rating District Joint Committee a request for assistance from rating district members on the south side of the Waiho River. The request is for assistance in training the Waiho River away from properties on the true left bank where erosion and damage to property and assets has actively been occurring.

### **Report Summary**

Riverbank erosion on the true left bank of the Waiho River below the Waiho Loop has been actively occurring, with several residences and farming infrastructure that could become compromised.

The proposal is to carry out river training using a bulldozer to attempt to constrain the river's primary flows to the north side (true right bank) of the waterway, away from the farms on the south side (true left bank). The work is estimated to cost up to \$126,000 (excluding resource consent costs and staff time) and is proposed to be funded from Franz Josef Rating District reserves.

This is presented as a one-off cost and it should be noted that further expenditure will definitely be required to continue to attempt to constrain the river's primary flows to the north side downstream of the Waiho Loop.

### **Recommendations**

***It is recommended that the Joint Committee resolve to:***

- 1. Receive the report*
- 2. Note that the proposed work does not constitute Emergency Works, that resource consent will be required to enable the work, and that*

*Council will apply for and (subject to approval by the consenting authority), obtain the consent*

3. *Note that the physical work is required to be procured in accordance with Council's Procurement Policy*
4. *The Joint Committee advise staff whether or not they authorise the use of the Rating District's reserves to fund the proposed work, noting that considerable ongoing expenditure will more than likely be required to maintain a preferential channel on the true right (north side) of the river*

## **Issues and Discussion**

### **Background**

Below the Waiho Loop there are three key farms managed by Pete Dennehy, Todd Brunning and Neil Friendrup.

These farms receive flood protection from the defences on the true left bank of the Waiho River. Should a flood breach these defences, the flood water will pursue a path to the ocean that could go through any or all of their farms.

Below the Waiho Loop on the true left bank the Milton and Others stopbank abruptly finishes, with no scheme assets downstream of this reach. This year alone there has been ongoing erosion of the bank at the edge of these farms.

Under the 10-yr strategy released in 2023 the approach to managing flood hazard on the south bank of the Waiho is to 'hold the line' while a masterplan is developed for future use of the area.

The three landowners on the true left bank downstream of Milton's and others stopbank have requested Council consider their proposed flood mitigation measures in an effort to reduce the risk of further damage to their properties during future flood events in the Waiho River.

The flood mitigation measure being proposed is to use a bulldozer to form a preferential channel braid ('river training') along the north bank of the Waiho, away from the properties in question.

### **Current situation**

At time of the most recent inspection (10th July 2024) the main braid of the Waiho was flowing into and through the Tatare Gap. From then on downstream the

dominant channel tends to follow the true right bank against the hill until well below the Brunning property.

This means that most of the left bank frontages do not have water flowing against them which also clearly exposed the large areas of river gravels and active bank erosion present with subsequent pasture loss and destruction of floodplain fencing. The land involved is without question floodplain and is consequently low lying when compared to the actual river channel and is also bereft of any woody tree plantings which could help reduce overland flow velocities and provide some protection to fences etc.

Following the inspection of 10<sup>th</sup> July a conversation with the farmers involved ensued with the following points discussed:

- That the costs involved in constructing effective Fit for Purpose protection for the individual properties would be prohibitively expensive was acknowledged by all parties,
- The only short-term alternative was to encourage the river to remain flowing along the northern right bank,
- The only viable way to achieve this goal was by the carefully planned use of a large bulldozer,
- As it happens there is a large bulldozer (90 ton) available in the immediate vicinity

However, the inspection of the Milton and Others stopbank shows that any of the proposed river training work downstream would be rather pointless unless some additional improvements are undertaken on and immediately downstream of this structure. This work is as follows:

- Repair the lower downstream section of the Milton stopbank,
- Improve the formation of the Franz Dairies owned bund immediately downstream of the Milton stopbank,
- Carry out channel capacity improvement immediately downstream of the Franz Dairies owned bund to encourage continued main flow migration toward the northern true right bank.

Should the proposal outlined in this report be implemented, river training will need to be repeated on an as and when required basis. The duration and frequency is difficult to ascertain, but will definitely be required given the shift in the Interdecadal Pacific Oscillation to favour increased westerly storms and the known issue of aggradation with the Waiho River.

Further to this, the river training concept is based on there being a preferential channel on the true right bank of the river below the Waiho Loop (as is the case at present). However, following the July 2024 LiDAR survey of the Waiho, aggradation of the riverbed below the Tartare Gap has been detected. This aggradation (which will ultimately migrate downstream to fill the preferential channel on the true right) increases the risk that the proposed river training works will be compromised and likely even rendered infeasible.

The proposal to carry out the river training work should be subject to the following:

- That this work is primarily to contribute to implementing the 10-year plan to 'hold the line' while a masterplan for the area is developed.
- That provision is made to fund ongoing maintenance of the re-trained river.
- Resource consent will be required and the funding, time and staff to obtain this has not yet been identified.

As per the Terms of Reference dated updated March 2024, *"The WCRC is empowered by Section 126 of the Soil and Conservation and Rivers Control Act 1941 to take such steps as are necessary for the prevention of damage by floods"*.

Clause 23 states: *"Without limiting the ability of the Joint Committee to recommend the most appropriate arrangements for works and funding, in relation to the Franz Josef flood defence assets, the WCRC shall be responsible for all works and funding relating to:*

- *The maintenance and repair of the structural integrity of the flood defence assets managed under WCRC Asset Management Plans;*
- *The provision of flood warning advice to WDC for the Waiho River; and*
- *Ownership of the flood defence assets as identified in WCRC Asset Management Plans.*

Furthermore, clause 24 states: *"The WCRC has constituted a "Franz Josef Rating District" and reserves the right to raise such funds as it may need to carry out its function under clause 23 above from this source"*.

## **Options Analysis**

There are three options:

1. Do nothing; Leave the river to its own agenda with the three lower farms being subject to ongoing threat from the Waiho river below the Milton and Others stopbank.

2. Do as proposed; The river training works may provide some relief to the three lower farms while we 'hold the line' in accordance with the 10-yr Waiho Strategy
3. Alternative option; Neither of the above. This could range in scope from installing stopbanks, rocking the river-training works or introducing other engineering controls. Other controls such as stopbanking are less favourable, possibly not being practically viable and likely prohibitively expensive. Adequate protection of the exposed banks would require literally tens of thousands of tons of rock which apart from the cost is actually not immediately available for placement in any case.

### **Costs and Benefits**

The cost of the work was proposed by the applicants at \$120,000. This was on the basis that there is a current contractor with plant available on-site. Mobilisation of plant (bulldozer) from e.g. Greymouth is roughly estimated at an additional cost of \$15,000 each way.

Staff estimate the cost of the proposed work to be as follows:

	Item	Quantity	Rate	Cost
1/	Channel improvement/enhancement RB northern bank, 90t Bulldozer	150hrs	\$600	\$90,000
2/	Repair lower Milton and Others stopbank, improve Franz Dairies bund and channels D/S, 90t Bulldozer	60hrs	\$600	\$36,000
				\$126,000

At various stages during the inspection and ongoing conversation it was pointed out to the participants that the proposed flood mitigation methodology is very susceptible to damage from the river during high flows and they agreed any work in the river was very dependent upon subsequent weather events. With this in mind it was recommended that rather than expend all available resources at once it would make more sense to carry out the more obvious channel reconfiguration as estimated in Item 1 above to say an 80- or 90-hours machine time limit for the bulldozer and hold the balance in credit until required. A smaller machine should be adequate to carry out any follow-up work.

The improvement work proposed at Miltons in Item 2 above should still proceed as described above, noting that some or all of this work could be included in scope for the second stage of the Franz Josef Flood Protection Scheme Upgrade, the offer to the community for this project having been formally announced by Central Government on Monday 12<sup>th</sup> August.

## Considerations

### Implications/Risks

Policy:

- Risk of interpretation to ensure this workstream does not set a precedent for other river training works on waterways in the catchment.

Cost:

- Risk of expending funds to carry out the river training work when even a moderate flood could result in the river migrating back toward the true left bank. A significant forward program of channel training to keep the river on the true right will likely be required, along with associated ongoing expenditure

### Significance and Engagement Policy Assessment

There are no issues within this report which trigger matters in this policy.

### Tangata whenua views

Tangata whenua are present on the Franz Josef Rating District Joint Committee and consideration of this paper this will provide the platform for their input, together with any cultural opportunity through the resource consenting phase (if required).

### Views of affected parties

Both WCRC's Area Engineer Kent Jacobsen and Engineering Officer John Ellis have spoken with each of the lower three landowners and visited the locations where erosion is occurring. The landowners have all stated they pay into the special rating district for protection upstream of their farmland. They feel it is important to try to obtain funding for protection alongside their properties from rating district reserves.

### Financial implications

This proposal is considered a maintenance activity and attracts operational expenditure as opposed to capital. As there is no other operational fund source available, funding for the proposal must come from rating district reserves.

Current budget

Council is currently working through reconciling its accounts for the 2023/24 financial year ahead of producing annual works and financial reports for the next round of rating district meetings (scheduled for the coming spring months).

Based on the information available at present, the best estimate of the rating district reserve balance at the start of the 2024/25 financial year is \$34,400.00. However, it should be noted that if items of work carried out during 2023/24 and considered to be capital expenditure are transferred from the rating district's maintenance account to the rating district's loan account, the rating district's maintenance reserve balance at the start of the 2024/25 financial year would be approximately \$175,000.

The annual budget for maintenance proposed (but yet to be struck) for the 2024/25 year is \$106,800 (excluding Engineer Cost Recovery and Insurance).

Therefore, total funds available to the rating district for maintenance for 2024/25 will be approximately:

- \$141,200 if items of work carried out during 2023/24 and classified as capital expenditure ARE NOT transferred to the rating district's loan account
- \$281,800 if items of work carried out during 2023/24 and classified as capital expenditure ARE transferred to the rating district's loan account

#### Future implications

Funding any further work required to continue to train the river away from south side farms

#### **Legal implications**

No specific legal advice has been sought.

#### **Attachments**

Attachment 1 of 3: Photo of erosion

Attachment 2 of 3: Photo of erosion

Attachment 3 of 3: Photo of erosion

Map of training works based on 20<sup>th</sup> February 2024 communications





*Figure 1 Natural bank erosion beside Todd Brunners property*



*Figure 2: Bank erosion including compromised fencing*



*Figure 3: A new, recently formed channel through farmland resulting in scour and erosion. Fencing remnants covered in debris.*





Figure 4: Map of proposed river training from 20th February 2024.



# WEST COAST REGIONAL COUNCIL

**To:** Franz Josef Joint Committee  
**From:** Darryl Lew  
**Date:** 02 August 2024  
**Re:** Clarification of 24/25 Insurance costs

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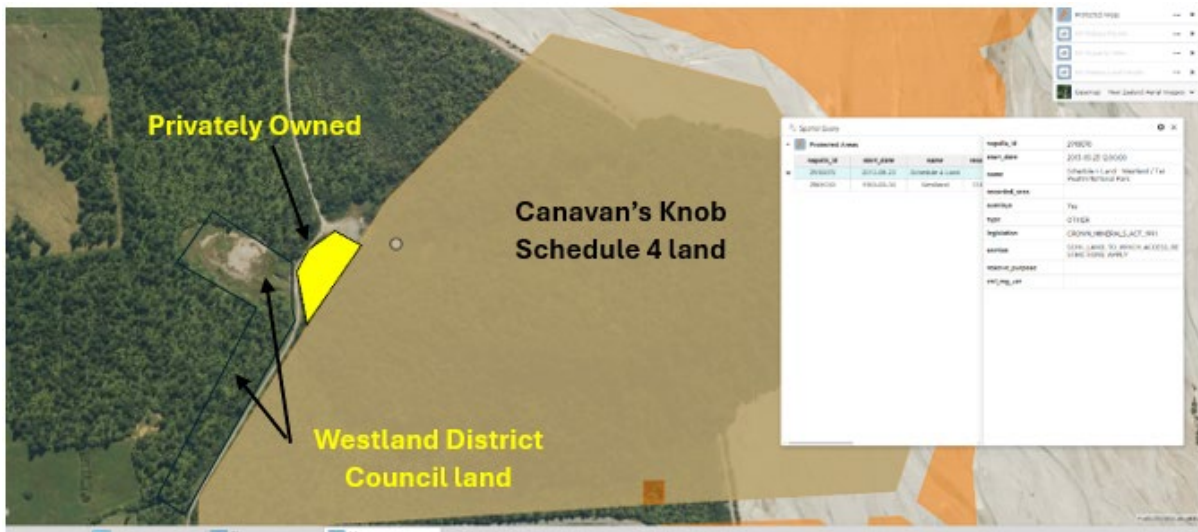
1. The Franz Josef Joint Committee were provided with the 2024/2025 proposed rate strike information at the meeting held in May 2024
2. The rate strike information was missing information detailing insurance costs
3. The joint committee endorsed the proposed rates strike at the May meeting to include insurance costs of \$13,906.00
4. The West Coast regional can confirm the assets are insured and the 2024/2025 rates are proposed to be struck to include insurance at \$13,906.00

To: Franz Josef Joint Committee

From: Chris Heath, WCRC Quarry Manager

Date: 9<sup>th</sup> August 2024

Re: Canavan's Knob – Rock Quarry Potential



A small triangle on the southern end of Canavan's Knob is privately owned. This is an area of 1Ha. The Quarry Manager has located a geological report for Canavan's Knob (completed in 1970) that indicates the rock on the southern end is adequate for Armour grade protection rock.

(See extracts of 1970 report below)

WNP & F/H 5) Canavan Knob. Worked by MWD (licence number unknown at grid ref. S71/815742. The southern half of the knob is in Westland National Park. A granite roche moutonnée draped with till. When the writer visited the quarry on March 27<sup>th</sup> 1979 there were two main stockpiles of material, one of boulders larger than 1 m<sup>3</sup>, the second, about three times larger, with largest boulders rarely above 0.2 m<sup>3</sup> and containing a mass of

7.

50 m  
rubble. Some of the large boulders, presumably derived from the overlying till, were of schist and Greenland Group rocks. The quarry is generally regarded as inadequate for obtaining the larger size fragments needed by the Catchment Board.

OK

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concealed from casual view. (photos 3721/25 and 26) [Waiho Bridge weight limit 23,000 kg].

#### Waiho River to Omoeroa River

Distance about 12 km, S71, 1:250,000 sheet 17, aerial photos 3720/5-7, 3721/25-27. Canavan Knob (5) is quarried by MWD at grid ref. S71/815742. The southern section of the Knob is in Westland National Park. The quarry, in granite, is well concealed from view. It produces a size range rather too low for Catchment Board needs, but there are rare large blocks (some of them of schist and Greenland Group from fill that blankets the granite). It is likely that jointing is variable from one part of the quarry to another, and Mansergh judged that coarser material might be quarried to the southwest of the present face.

The Omoeroa Range is composed partly of Tuhua Granite

The Quarry Manager has been in contact with the landowner to open discussions about this location as a potential quarry. The landowner has responded, a site visit was carried out on the 13<sup>th</sup> of August, and the landowner is currently considering the possibility.

**MEMO**

Waiho River – Avulsion Development: January to July 2024

**Date** 9<sup>th</sup> August 2024

**Author:** Oliver Rose, Catchment Officer

**Authoriser:** Tom Hopkins, Group Manager Catchment Management

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### **Purpose**

The purpose of this memo is to provide the Franz Josef Joint Committee Rating District with an update on the Waiho riverbed, based on the July 2024 LiDAR survey commissioned by the University of Canterbury (UC).

### **Background**

The University of Canterbury contacted the West Coast Regional Council (WCRC) to advise that they were commissioning a LiDAR survey of the Fox River for their own research purposes and offered to re-survey the Waiho River Franz at no cost to WCRC and the Rating District. WCRC accepted this offer, and we have received the results and carried out a preliminary analysis of the changes since last surveyed in January 2024.

### **Current Situation**

The change in the avulsion channel between January and July 2024 can be summarised as follows:

- The avulsion channel continues to deepen and widen as the Waiho is easily able to erode through the finer sediment of the Tatare fan. However, erosion appears to be less than the previous six months.
- As the channel continues to widen along the true right and erodes the vegetation buffer, there is potential for a secondary avulsion channel to form with upstream migration of this a risk to the farmland, the Treatment Ponds and existing infrastructure.
- The upstream extent of the channel (incision point) continues to migrate upstream as the Waiho works to create a smooth longitudinal profile through this reach. Cross sectional analysis and the longitudinal profile indicate that this has migrated a further 100 m.

- However, between a cross section approx. 650m below the treatment ponds and just upstream of Canavan's Knob, multiple incisional braids have developed, and could be related to upstream migration of the incision point and /or the narrowing of the fan surface in this location.
- At the moment, there doesn't appear to be any rapid undercutting along the Havill wall (true right). However, this could be hidden by the water level as the main flow was running along the Havill and Link stopbanks at the time of the July 2024 LiDAR collection.
- At the downstream end of the avulsion channel (immediately upstream of the Tatare cut) a fan had been forming. Over the last six months, the Waiho has incised down into this.
- The fan downstream of the Tatare Stream cut in the Waiho Loop continues to aggrade. This will likely lead to increased pressure on the farms on the Waiho Flats.

A presentation including a more detailed analysis of the outcome of the July 2024 LiDAR survey in relation to the previous survey carried out in January 2024 will be presented at the next Franz Josef Joint Committee Rating District meeting, to be scheduled over the spring months.