



# WEST COAST REGIONAL COUNCIL

**WEST COAST REGIONAL COUNCIL  
MEETING OF THE KARAMEA RATING DISTRICT  
ON  
Wednesday, 11 December 2024  
1:30 PM  
At the Karamea RSA**

**AGENDA**

- 1. Welcome**
- 2. Apologies**
- 3. Minutes of last meeting**
- 4. Matters Arising**
- 5. Election of the Committee**
- 6. Signing of the Rating District Agreement**
- 7. Reports**
  - a. Insurance Report
  - b. Survey Report
  - c. Finance Report
  - d. Annual Works Report
- 8. General Business**

Please let WCRC know if there is anything you would like discussed at this meeting that is not on the agenda by Friday, 6 December 2024

Please contact Lillian Crozier ([lillian.crozier@wrc.govt.nz](mailto:lillian.crozier@wrc.govt.nz)) or Shanti Morgan ([shanti.morgan@wrc.govt.nz](mailto:shanti.morgan@wrc.govt.nz)) with your queries.



WEST COAST  
REGIONAL COUNCIL

## THE WEST COAST REGIONAL COUNCIL

### MINUTES OF THE ANNUAL MEETING OF THE KARAMEA RATING DISTRICT HELD AT KARAMEA RSA ON 16<sup>TH</sup> April 2024, COMMENCING AT 1:30PM.

#### **PRESENT (Rating District Members)**

B. Jones, F. Volckman, B. Langford, J. Fowler, E. Swaze, D. Linton, P. Langford, T&I Shepherd, M. Aitkon, P. King, A. Brunning, K. Well, W. Flett, P. Raskin, D. Langford, B. Bjerring, K. Brumm, B. Thomson, L. Avery, P. Avery, J. James, D. Wood, P. Murray, A. Doomen, B. Marloson, Sanda Vues, E. Schmitthauslu, C. Sam, C. Christine.

#### **IN ATTENDANCE (Staff)**

Cr B. Cummings, Cr M. McIntyre. (Councillor's)  
S. Morgan, P. Birchfield, B. Murphy, L Crozier (Staff)

#### **APOLOGIES**

Cr P. Haddock, Cr F. Dooley, A. Hamson,

*Movers-B. Jones /F. Volckman - Carried*

#### **WELCOME AND MINUTES OF THE LAST MEETING**

Cr. B Cummings opened the meeting and welcomed those present, introduced himself and council staff.

*Movers-B. Jones /F. Volckman - Carried*

**Moved:** ***"That the minutes of the previous Annual Meeting held on 16<sup>th</sup> May 2023, be adopted as a true and correct record of that meeting."***

#### **MATTERS ARISING**

Those present asked if this a meeting for the regional plan. Cr B. Cumming advised this is a targeted rate meeting only.

#### **FINANCIAL REPORT**

S. Morgan spoke on the financial report for the period of 1<sup>st</sup> July 2022 to 30<sup>th</sup> June 2023. She advised that the Karamea Rating District had an opening balance of \$184,312.75 with a total revenue of \$122,202.44, less expenses of \$102,871.66 for a closing balance of \$203,643.53.

## **WORKS REPORT**

Paulette spoke to this – Works in 2022 were partly funded by NIWA, total maintenance works for the 2022-23 financial year was \$867.00, capital works for this period was \$85,075.00 and administration of \$254.68. Future maintenance works to be carried out has been done but do not have invoice yet.

Discussed cross section funds and note: 4. Future maintenance works to be carried out should read 2023-2024 not 2022-2023.

Movers F. Volckman/D. Linton-Carried

## **RATES 2024 / 2025**

P. Birchfield advised that the balance of the Rating District account at the beginning of the 2024-2025 financial year was likely to be \$240,000 she proposed a rates strike of \$67,058 which included \$50,000 of rates maintenance \$9,209.00 of infrastructure insurance and \$7,848 of engineering cost recovery.

A discussion took place around insurance, noting that it seemed expensive. Cr B. Cummings explained that the insurance covers the entire West Coast and discussed the threshold and excess for an event. The committee asked if there were other sources of income. Cr B. Cummings mentioned quarries and VCS.

A further discussion took place regarding NEMA and its role after an event, as well as local government membership. P. Birchfield advised that there is no guarantee of reimbursement when a claim is submitted, and the 60/40 cost recovery from NEMA was discussed.

**Moved:** ***“That rate strike for the Karamea Rating District is \$67,058.00 Excl GST for the 2024-2025 financial year.”***

Movers-F. Volckman/D. Linton-Carried

## **ELECTION OF OFFICERS**

**Moved:** ***“That the present committee:***

***Angela Hamson,***

***Paul McClintock,***

***Peter Langford,***

***Darryl Simkin,***

***Brian Jones,***

***Andrew Bruning,***

***and Bevan Langford to remain the committee for the 2024-2025 financial year.***

**Moved:** *“That B. Langford is re-elected/elected as Spokesperson for the 2024-2025 financial year.”*

*All in favour/Carried.*

### **MANAGERS UPDATE**

Recruitment of expertise – experienced/skilled staff in Catchment, Financial and Policy Departments.

Terms of Rating District Committee – How we make decisions on your Rating District Scheme, discussed works plan and if we make changes, e.g. unforeseen maintenance, needing to dip into prudent reserve, would you like to make decision just from the spokespersons or entire committee.

**Moved** – That the entire committee to make decisions.

*Movers-P. Drake/J. Hilton-Carried*

*All in favour/Carried.*

S. Morgan discussed the background, that 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.

### **IMPAIRMENT**

S. Morgan addressed the impairment of rating district infrastructure assets and the implications for the community, rating districts, and regional councils. She mentioned fixed assets such as culverts, not flood banks, and referred to the AMP and level of service. If impairment occurs, changes will be made in consultation with the Rating Districts. A list of assets is available on the website.

Cr B. Cummings revisited the level of service, noting that the current level is below 1/50 and not fully quantified.

P. Birchfield elaborated on the "Beyond the Deluge" initiative, including cross sections and flood modelling for 1/20- and 1/50-year floods. The lidar data is undergoing quality control and peer review. Once completed, they will determine the desired level of service. Funding for the "Before the Deluge" initiative was also mentioned. For Karamea, an upgrade of the full scheme has been applied for, requiring community contribution along with 60% government funding. In response to J. Hilton's inquiry about extending stopbanks, P. Birchfield discussed the classification review.

S. Morgan talked about benefit classes classification and their accuracy in reflecting the benefits provided by the scheme. Contributions to local share examples were given, such as Westland Milk Products and Hokitika, with \$850,000 requested for Karamea.

P. Drake spoke about the willingness to fund this initiative. There was discussion around Franz Josef, with the council buying out farmland being deemed unaffordable. The Blue Duck area was also discussed, and P. Birchfield stated that they would return to the Rating District with better pricing. S. Morgan emphasized the need to communicate to the government that the community is willing. B. Jones suggested the community should be prepared to contribute to protect other properties, mentioning Wharf Road and the estuary. He also highlighted that residents did not want their view obstructed. The history of the scheme was reviewed, and B. Jones noted that glacier rivers are completely different from local ones. Cr B. Cummings discussed the history of catchment boards and the change in government funding, highlighting the "Before the Deluge" funding by the new government.

P. Birchfield stated that overflow can be modelled. A community member inquired about the maintenance of scrub, to which P. Birchfield responded that if it impacts infrastructure, it can be removed. Greymouth and Westport developments were also discussed. Gravel extraction from rivers was mentioned, with Cr B. Cummings advising it is not cost-effective to sell the gravel. P. Birchfield added that the amount of gravel extracted will never be sufficient to stop a flood. The issue of transporting prebuilt houses across the Mokihinui River was discussed, and Cr B. Cummings noted that the Transport Plan is currently up for consultation.

### **GENERAL BUSINESS**

Ongoing maintenance at main bank, P. Birchfield will discuss at next meeting when Mr Gibson is here, S. Morgan discussed revised bylaws coming out in July via our planning team.

Discussed general rate rise versus targeted rate, this meeting is to set the targeted rate.

J. Hilton's attempted to discuss 1080 in the river and K. Neil's attempted to talk about the landfill site near his property. S. Morgan responded she had emailed J. Hilton a response, discussion around WCRC do not commission 1080 drops, discussion around asbestos.

B. Jones through the chair asked for a point of order on the 1080 and landfill discussions as it is not anything to do with the Rating District activities, the chair agreed, B. Jones left the meeting when J. Hilton continued the discussion.

### **ACTIONS:**

L. Crozier to email WCRC Transport Plan Link to G. Clarke.

Ongoing maintenance at main bank, P. Birchfield will discuss at next meeting when Mr Gibson is here.

2:40



# **Karamea Rating District Agreement**

*Proposed – April 2024*



## DOCUMENT CONTROL

Reason for Submission	Revision Number	Revision Date	Approval
New Document		02 April 2024	
Version 2	2	11 July 2024	D.L (revision of use of funds outside of scheduled maintenance works)
Version 3	3	9 October 2024	

## **Rating District Committee Agreement**

### **BACKGROUND**

- A. 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
- B. Is empowered by the Local Government (Rating) Act 2002 to raise the funds necessary to carry out their respective function.
- C. Any flood protection structure built because of this agreement is owned by the WCRC. The land the flood defense assets are on is under various ownership.

### **STRUCTURE AND OPERATION OF THE RATING DISTRICT (RD) COMMITTEE**

1. Once each triennium immediately following the election of the West Coast Regional Council councilors the RD Committee shall be formed including the appointment of a spokesperson/chairperson, by the ratepayers within the district. The number of committee members representing the rating district shall be decided by the ratepayers within the district.
2. The quorum of the Committee members required for decision making and meetings shall be decided by the RD committee and confirmed during its formation triennially.
3. Meetings shall be held annually or as otherwise agreed by the Rating District Committee.
4. Notification of meetings and the publication of agendas 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 who is employed by the WCRC.
5. Minutes of all RD Committee meetings shall be provided to the next meeting of the RD.

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

6. Each year the RD committee shall consider any staff and/or expert reports and ascertain what work and budget requirements will be for the coming financial year to inform the WCRCs Annual Plan and Long-Term Plans.
7. The RD Committee shall not have any funding or rate-setting authority. But advises the wrc on this matter at annual meetings.
8. WCRC as the Rating Body for the Rating District is the final decision maker on the annual work plan and setting the appropriate rate to fund the agreed works.
9. The RD committee must formally decide on whether they are a maintenance scheme, a capital scheme or both. This can be changed at any time with written consent of both parties.



10. The entire RD committee is to endorse the use of RD funds.
11. For significant decisions such as major scheme capital upgrades or maintenance and associated expenditure, dissolving the scheme, rating classification reviews etc., the spokesperson, committee or WCRC can call for a full voting procedure of all scheme ratepayers. A majority vote is set at a minimum of 75% of scheme ratepayers that have voted.
12. <Note 75% can be altered to a different majority percentage by each scheme but must be documented in the terms of reference>.
13. The WCRC shall administer an asset management system for all assets in the scheme and take this to the committee annually starting the 2025/2026 FY.
14. Any resource consents required for the scheme will be applied for, held and maintained by the WCRC, including adhering to conditions.
15. The RD 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 rating classification classes, major capital works and other areas of significant public interest.

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

16. The WCRC has constituted a "Rating District" for the scheme and reserves the right to raise such funds as it may need to carry out its functions.

#### **Variation of this Agreement**

17. This agreement may be amended at any time, at the request of either the WCRC or the rating district committee, but such amendment will only take effect once both have formally received and adopted those changes sought.



**SIGNATURES**

SIGNED by

**RATING DISTRICT SPOKESPERSON**

In the presence of:

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

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

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

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

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

SIGNED by

**WEST COAST REGIONAL COUNCIL  
CHAIRPERSON**

In the presence of:

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

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

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

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

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

## Insurance Update

**Author** Shanti Morgan, Group Manager Environmental Science and Chantel Mills, Project Accountant

**Authorizer** Darryl Lew, Chief Executive

### Report Purpose

The purpose of this report is to provide the Rating Districts with an update on Councils insurances including:

1. Clarification of WCRC's deductibles (i.e. excesses) under the infrastructure insurance policy
2. An **indication** of the 2024/25 insurance premium split across rating districts, and **estimated** 2025/26 insurance premium including **estimated** premium split across rating districts for budgeting purposes.

### Recommendations

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

1. *Receive the report and note the attachment.*
2. *Provide feedback on insurance premiums and excesses as related to the Rating District scheme.*

### Issues and Discussion

#### Background

Council has a range of insurance policies covering operational risks. AON is Council's insurance broker. Council is part of a shared insurance procurement collective with other South Island Councils called the South Island Council Collective (SICC).

#### Current situation

1. WCRC's **2024/25 Infrastructure Insurance was renewed** at 4pm on 1 November 2024 for a further one-year term (expiring 4pm 1 November 2025).

A summary of 2024/25 Infrastructure Assets Listing is provided in **attachment 1**.

2. The writer would like to take this opportunity to clarify Council's **Deductibles under the infrastructure insurance policy**. WCRC have two possible deductibles (i.e. excesses) under the policy pertaining to direct physical loss suffered and depending on the peril that caused the damage / loss.
  - i. Where the damage / loss is suffered due to Earthquake, Natural Landslip, Tsunami, Tornado, Volcanic Eruption, Hydrothermal & Geothermal activity, and Subterranean Fire, WCRC's deductible (i.e. excess) is **NZD\$250,000 for each and every loss (eel), or**
  - ii. Where the damage / loss is suffered due to Flood and Windstorm (including Storm Surge), WCRC's deductible (i.e. excess) is **NZD\$1,000,000 eel**.

Any deductible under the infrastructure policy applies to 100% of the loss or damage arising out of any one event to the property or asset.

3. Council is asking for feedback from Rating Districts on the current insurance excesses, which are being clarified in this paper for the Rating Districts. The Council will receive and consider Rating District feedback when undertaking the 2025/26 insurance renewal cycle.

## Considerations

### Implications/Risks

#### 1. Deductibles and the Financial Impact on Rating Scheme Coverage

##### Current Deductibles (excesses):

- \$250,000 per event for damages / losses caused by events like earthquakes, volcanic eruptions, and subterranean fires.
- \$1,000,000 per event for damages / losses due to flood, windstorm, and storm surge.

##### Implications:

- WCRC has 23 Rating Districts Schemes, two of which have declared asset values which are less than both deductibles (*i.e. 2024/25 Neils Beach \$36,894, and Matainui Creek \$116,560*). Several Rating schemes also have damage exposure values that are less than both deductibles
- Rating Schemes with lower-value assets and lower-damage exposure values are highly unlikely to ever make damage or loss claims for isolated events due to the level of the deductible(s).
- Rating Schemes with lower value assets and/or lower damage exposure values would be more likely to make an insurance claim if assets were damaged / lost in an event affecting multiple rating districts and multiple assets as a result of a single catastrophic event.
- For a summary of the declared asset values for the 2024/25 renewal sorted by value from highest to lowest please see **attachment 1**.
- The trade-off between lowering the deductible(s) is higher premiums across all 23 rating districts.
- Parts of the Coast experienced notable weather events in April 2024 and October / November 2024. These events have not resulted in any insurance claims as yet. WCRC staff have been assessing damage and the general view at this stage is that any damage suffered in the event were estimated to be well below the \$1,000,000 flooding event deductible for each event.
- Therefore, any damage from the April 2024 and October / November 2024 events to date are being repaired by Council on behalf of the Rating Districts as repairs & maintenance or through funds within each rating district prudent reserve.

## 2. **Financial Risk of Not Insuring**

- **Potential Cost of Damage:** When infrastructure assets suffer damage or loss the repair and replacement costs can escalate quickly. For example, If we consider an event affecting (5-20% of asset value) the reinstatement costs across the infrastructure assets could range between \$2,000 (Neils Beach) and \$7,925,863 (Wanganui).
- **Ratepayer Responsibility:** Without infrastructure insurance, all repair and replacement costs would need to be covered by respective Rating District reserves or through increased rates to service a loan, particularly for high-cost events.

- **Risk Tolerance:** Each Rating District will have a different risk tolerance and will need to carefully consider their respective financial capacities to finance major repairs / asset replacements independently should an event occur. How would the Rating District fund repair / replacement costs if no insurance is in place? Is Rating District willing to take the risk of not insuring it's community's flood protection assets?

### 3. **Benefits and Limitations of Insuring**

#### **Advantages of Insurance:**

- **Catastrophic Event Protection:** Insurance can protect against significant financial losses in large-scale events that exceed the deductible amount.
- **Risk Management:** Insurance may reduce the financial burden on the district in severe events which are predicted to increase with climate change.

#### **Limitations:**

- **High Deductible Costs:** Understandably, no insurance claims are made when the repair / replacement costs are under the \$250,000 or \$1,000,000 excesses. This results in a burden of cost to rating district to fund necessary repair / replacement works on damaged or lost assets up to the deductible amounts.
- **Cost-Effectiveness:** For assets with lower damage exposure or value, the insurance premium may outweigh the potential benefits due to the deductible threshold.

### 4. **Considerations for Providing Feedback**

- **Risk and Financial Impact:** Consider the likelihood and potential cost of damage for your scheme and whether your Rating District can feasibly cover these costs without insurance.
- **Priorities and Preferences:** Feedback should reflect your district's priorities—whether you value protection against catastrophic loss or prefer to self-manage smaller damages and risks.
- **Alternative Preparedness:** If opting out of insurance, think about alternative strategies (like building reserves or implementing preventive measures) to address future damage or loss.

We welcome your feedback to help Councillors decide the best approach for insurance of scheme assets for the upcoming 2025/26 financial year.

## Other Funding Risks to consider

National Emergency Management Agency (NEMA) funding may be accessed for up to 60% of eligible rebuild costs **provided key criteria are met**.

Government assistance will not normally be available for assets which receive a subsidy from any other source, unless:

- the local authority has adequately protected itself through asset and risk management including mitigation, where appropriate, and the proper maintenance of infrastructure assets, or
- the local authority has made sound financial provisions (such as the provision of reserve funds, effective insurance or participation in a mutual assistance scheme with other local authorities) to a level sufficient to ensure that the local authority could reasonably be expected to meet its obligation to provide for its own recovery.

## Significance and Engagement Policy Assessment

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

## Tangata whenua views

Staff are not aware of any issues within this report which would impact tangata whenua.

## Views of affected parties

Views of affected parties are being collated during rating district meetings and will be presented back to council on insurance needs for each scheme with an associated risk profile.

## Attachments

**Attachment 1:** Summary of 2024/25 Infrastructure Insurance renewal declared values, 2024/25 Insurance premium rating district indicative split, and 2025/26 Estimated insurance including rating scheme premium split.

**Summary** of 2024/25 Infrastructure Insurance renewal declared values, 2024/25 Insurance premium rating district **indicative split**, and **2025/26 Estimated** insurance including rating scheme premium split.

<b>Infrastructure Assets</b>	<b>Declared Value (2024/25)</b>	<b>2024/25 Premium Indication</b>	<b>Estimated 2025/26 Premium</b>
<b>Wanganui</b>	39,629,315	35,770	37,630
<b>Greymouth Floodwall</b>	24,561,725	22,170	23,323
<b>Franz Josef Combined</b>	24,254,514	21,893	23,031
<b>Taramakau</b>	23,910,670	21,582	22,704
<b>Karamea</b>	11,414,646	10,303	10,839
<b>Kowhitirangi</b>	10,372,605	9,363	9,849
<b>Hokitka Seawall Combined</b>	8,554,347	7,721	8,123
<b>Inchbonnie</b>	7,802,261	7,042	7,409
<b>Waitangi-Taona</b>	7,391,652	6,672	7,019
<b>Nelson Creek</b>	6,938,935	6,263	6,589
<b>Punakaiki</b>	5,422,853	4,895	5,149
<b>Vine Creek</b>	5,159,546	4,657	4,899
<b>Mokihinui</b>	3,202,472	2,891	3,041
<b>Westport</b>	2,406,483	2,172	2,285
<b>Kongahu *</b>	2,214,694	-	-
<b>Redjacks Creek</b>	1,805,336	1,630	1,714
<b>Okuru</b>	1,404,921	1,268	1,334
<b>Whataroa</b>	1,360,799	1,228	1,292
<b>Raft Creek</b>	1,262,372	1,139	1,199
<b>Hokitka Southside</b>	1,165,987	1,052	1,107
<b>Matainui Creek</b>	116,560	105	111
<b>Neils Beach **</b>	36,894	-	-
<b>Rating District Administration ***</b>		73,650	77,479
<b>General Rate - Kongahu *</b>		1,999	2,103
<b>General Rate - Neils Beach **</b>		33	35
<b>Grand Total</b>	<b>190,389,588</b>	<b>245,499</b>	<b>258,265</b>

\* Per 2021-31 LTP Kongahu is a drainage scheme and should be excluded from the insurance policy.

\*\* Neils Beach is a 'sacrificial bund'. The insurance premium is under \$40 per year and covered by General Rate.

\*\*\* Per 2021-31 LTP 70% of infrastructure insurance premium is paid by the Target Rate to respective Rating District(s) and 30% is funded by General Rate.



## **Report on Riverbed Level Survey Programme**

**Author** Max Dickens, Policy Manager,  
Paulette Birchfield, Area Engineer Catchment  
Management, Jordan Mandery, Construction Engineer.

**Authoriser** Shanti Morgan, Group Manager Environmental Science

### **Report Purpose**

To update rating districts on the proposed West Coast Regional Council 10-Year River and Coastal Survey Strategy.

### **Report Summary**

The WCRC has had a ten-year strategy in place for riverbed survey since 2014. This strategy is due for renewal and a new strategy has been proposed for adoption by the regional council (Attachment 1).

This report outlines the importance of riverbed and coastal surveys for the purpose of flood and coastal hazard protection.

Council have also been put forward a proposal to change the current funding model of survey work which is currently 50% funded by the relevant rating district, and 50% by the General Rate, to a 100% funding through the income council receives as a result of gravel royalties. The outcome of this proposal will be provided verbally to RDs during meetings.

### **Recommendations**

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

1. *Receive this report.*
2. *Notes the 10-year river and coastal survey strategy*

### **Issues and Discussion**

#### **Background**

## Rating District Survey update

The WCRC have had a 10-year river cross-section survey strategy in place since 2014. Historically these surveys have been funded 50% by the relevant rating district, and 50% by the General Rate. Out of the 23 West Coast Regional Council rating districts, 16 have regular cross-section surveys. The absence of regular surveys has resulted in a variation in the understanding of each scheme and the protection they provide. With some schemes having a well understood level of service where surveys have been undertaken and others a general understanding relating to historic flood levels which do not account for changing climatic conditions or changes in the physical environment.

### **Current situation**

The current 10-year strategy concludes this year. The Catchment Management group have drafted a new 10-year strategy (ref. Attachment 1) to conduct surveys across selected schemes to support and maintain the understanding of the level of service provided by the schemes maintained by the WCRC. This work will include, but is not limited to:

- bed and crest level surveys, with an increase in frequency/scope and scale in areas where gravel extraction is taking place,
- areas where additional monitoring or surveys may be needed depending on the nature of the gravel extraction application.
- other areas where surveying is considered necessary.

The new program aims to ensure compliance with regulatory consent conditions, improve infrastructure management, enhance flood prevention efforts, and provide valuable data for long-term planning and informed decision-making with regards to the effects of gravel extraction on the region's rivers and coastlines. This strategy provided a schedule for surveys of the rating districts where surveys were required.

This programme will build on the regular program of established surveys with additional cross section surveys and Mean Bed Level (MBL) analysis funded via the use of gravel royalties. This will provide high level data for flooding and infrastructure needs, as well as ensuring that an appropriate amount of gravel is being taken.

The new bed level survey programme will vary from 6 monthly to a 5-year return period<sup>1</sup> depending on the river in question. The programme will be developed considering what is achievable from both a budgetary and practical perspective. It may also include measuring coastal data if this is considered relevant.

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<sup>1</sup> Please note that following major events officers will likely need to re-survey affected schemes over and above the regular programme.

## Rating District Survey update

The programme will be designed specifically to ensure that it will be covered by a varying percentage of the gravel royalties. It will be flexible to ensure capacity for adjustments based on priority, funding availability, and emergent needs.

A proposal to fund this work program has been put forward to the WCRC which would result in a change to the current 50% by the relevant rating district, and 50% by the General Rate to a 100% funding through the income council receives as a result of gravel royalties. The outcome of this proposal will be provided verbally to RDs during meetings.

### **Considerations**

#### **Implications/Risks**

There are safety and infrastructure management risks associated with not improving our data around rivers.

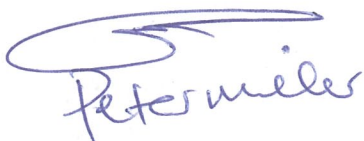
#### **Significance and Engagement Policy Assessment**

This policy does not trigger the significance and engagement policy.

#### **Attachments**

Attachment 1: To be supplied at the meeting

<b>West Coast Regional Council</b>			
<b>Karamea Rating District Financial Accounts</b>			
<b>For the 12 Months to 30 June 2024</b>			
	<b>2023/24</b>	<b>2023/24</b>	<b>2022/23</b>
	<b>ACTUAL</b>	<b>BUDGET</b>	<b>ACTUAL</b>
<b>RESERVES OPENING BALANCE 1 July 2023</b>	<b>203,643.53</b>		<b>184,312.75</b>
<b>REVENUE</b>			
Insurance Recoveries	-		51,045.00
Internal Interest Earned	5,725.77		3,661.19
Other Income	-		415.00
Rates	71,993.96	72,060.00	67,081.25
<b>TOTAL REVENUE</b>	<b>77,719.73</b>	<b>72,060.00</b>	<b>122,202.44</b>
<b>EXPENDITURE</b>			
Advertising	-		
Aircraft Hire	-		
Contractors	-	54,996.00	887.00
Consultants	-		
Insurance	10,583.28	9,204.00	9,002.00
Other Consultants	-		
Administration Fees	-		
Other Expenses	-		234.68
Depreciation	-		
Rates	-		
Resource Consents	-		
Staff Time	7,849.00	7,848.00	7,673.00
Surveyors	2,713.57		
Venue Hire	73.91		
<b>TOTAL EXPENDITURE</b>	<b>21,219.76</b>	<b>72,048.00</b>	<b>17,796.68</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>56,499.97</b>	<b>12.00</b>	<b>104,405.76</b>
			-
Capital Expenditure			85,074.98
<b>RESERVE CLOSING BALANCE 30 JUNE 2024</b>	<b>260,143.50</b>		<b>203,643.53</b>

Peter Miller

## **West Coast Regional Council – Karamea Rating District**

### **Annual Report on Maintaining Rating District Assets for the 2023/2024 FY**

#### **1. Executive summary**

This report outlines a summary of work undertaken as part of the Karamea Rating Districts annual works program for the 2023/2024 financial year including any maintenance, capital works and surveys undertaken. Additionally, this report details scheduled work for the 2024/2025 FY and proposes work required for the 2025/2026 Financial year which includes consultation of the 2025/2026 maintenance rate, insurance premiums and engineer cost recovery.

#### **2. Asset inspections summary**

Two asset inspections using the Council’s asset inspection tool were undertaken during the 2023/2024 FY; an assessment of a stopbank as per general scheduled maintenance inspections and a second to assess possible damage to a spur. Several other inspections were undertaken as part of routine visits to the scheme, pre and post work.

#### **3. Maintenance works Summary 2023/2024 FY**

Inspections undertaken by the Area Engineer established that no maintenance was required during the 2023/2024 financial year and therefore no works were undertaken. However, vegetation maintenance was undertaken as per annual standard practice. This was funded outside of the rating district accounts through community volunteers.

#### **4. Scheduled maintenance works for the 2024/2025 FY**

<b>A.</b>	Annual vegetation removal	<b>\$1,000</b>
<b>B.</b>	Balance of flood model work	<b>\$10,000</b>
<b>C.</b>	Allow for unforeseen maintenance	<b>\$10,000</b>
<b>D.</b>	Reclassification	<b>\$20,000</b>
	<b>Total maintenance works for 2025/2026</b>	<b>\$41,000</b>

#### **5. Karamea Rating District financial balance**

The balance in the rating district maintenance account at the beginning of the 2025 / 2026 financial year is likely to be approximately \$270,000.

The target balance for the ‘prudent reserve’ for this rating district is \$150,000. This prudent reserve is immediately available for urgent emergency works that may be required following a major event.

The predicted damage exposure to the scheme’s assets is estimated at \$195,000 – \$780,000 depending on the size of the flood (see Asset Management Plan). It is therefore likely this prudent reserve will only cover a portion of the actual cost of the potential damage that could occur.

## 6. Proposed maintenance rates for 2025/ 2026 financial year

The 2025/2026 FY rates allow for forty-two hours of engineering time at the council's user fees and charges rate set within the user fees and charges policy.

General maintenance rate	\$41,000.00
Engineering cost recovery	\$8140.00
Insurance	\$10,839.00
<b>Total (excluding insurance)</b>	<b>\$59,979.00</b>

## 7. General Business

- Reclassification project
- Hydraulic modelling project update
- Insurance of scheme assets

### NEMA funding summary

Below are the key criteria that needs to be met to access the NEMA funding, which can cover up to 60% of eligible rebuild costs

*The provisions for government financial support to local authorities apply whether or not a state of emergency is, or has been, in force*

*Government assistance will not normally be available for assets which receive a subsidy from any other source, unless:*

- *the local authority has adequately protected itself through asset and risk management including mitigation, where appropriate, and the proper maintenance of infrastructure assets, or*
- *the local authority has made sound financial provisions (such as the provision of reserve funds, effective insurance or participation in a mutual assistance scheme with other local authorities) to a level sufficient to ensure that the local authority could reasonably be expected to meet its obligation to provide for its own recovery*

### **Threshold**

*Threshold for reimbursement; As with other response claims, Government policy is to reimburse 60 percent of the combined eligible costs (response and essential infrastructure costs), above the following thresholds:*

- *0.0075 percent of the net capital value of the city council, district council or unitary authority involved*
- *0.002 percent of the net capital value of unitary authorities where the assets in question are of a type that ordinarily are managed by regional councils, or*
- *0.002 percent of net capital value in the case of regional councils*