



**WEST COAST REGIONAL COUNCIL**  
**MEETING OF THE KOWHITIRANGI RATING DISTRICT**  
**ON**  
**Tuesday, 21 January 2025**  
**11:30 AM**  
**At the Kowhitirangi Hall**

**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 Tuesday, 17 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.



# **Kowhitirangi 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)

## 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 RD committee must decide who endorses the use of RD funds, this may be the spokesperson, the committee, or a quorum of the committee.
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



WEST COAST  
REGIONAL COUNCIL

## THE WEST COAST REGIONAL COUNCIL

### MINUTES OF THE ANNUAL MEETING OF THE KOWHITIRANGI RATING DISTRICT HELD AT KOWHITIRANGI HALL

ON 1<sup>ST</sup> MAY 2024, COMMENCING AT 11:30AM.

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

P. Cook, T. Burden, M. Hyde, N. Monk, S. Keenan, G. Burden, T. Little, T. Taft, W. Formes.

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

Cr A. Campbell (Chair), Cr P. Haddock, Cr B. Cummings, S. Morgan, K. Jacobsen, L. Crozier (Staff).

#### **APOLOGIES**

T. Matheson.

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

Cr A. Campbell opened the meeting and welcomed those present. He introduced himself and council staff.

#### **Note:**

To amend previous minutes to record an apology from Cr P. Haddock.

To make amendments to the Christchurch earthquake discussion to accurately record that when the scheme voted out of insurance it was not to do with the Christchurch earthquakes, the scheme had opted out before then, voted themselves out in 1998, S. Keenan's concern was they would have rather spent the money on rock work.

**Moved:** ***"That the minutes of the previous Annual Meeting held on 12<sup>th</sup> April 2023, be adopted as a true and correct record of that meeting.***

*Moved-S. Keenan/T. Taft-Carried.*

#### **MATTERS ARISING**

Discussion to place regarding insurance excess, K. Jacobsen said that rock is 73,684 tons and fill is 193,400m<sup>3</sup> to bring asset value to \$8,406,370.15 (Asset Replacement Cost \$9,860,672.19).

S. Morgan will review excess, and on this will confirm that it is important to know excess across multiple schemes.

S. Keenan asked what would it cover? Gravel structure not armored, S. Morgan said it relates to you AMP what would be replaced, it is understanding the risk to your scheme, we are offering cross sections.

S. Keenan mentioned that we have not experienced an overtop event, attributing the issue to gravel accumulation rather than climate. However, the possibility of an overtop is uncertain. K. Jacobsen noted that the gorge functions as a natural flow control.

S. Keenan expressed concerns about the effectiveness of spending money on insurance if it does not impact rock armor, noting that over the last thirty years, there may have been only 600 tons involved. K. Jacobsen suggested that insurance is intended for much larger events and recommended getting this modelled to understand the flow analysis.

S. Morgan estimated a 1/100 year return with a one hundred freeboard, affirming that this is a well-designed scheme capable of handling such events. The preference is to allocate funds towards LiDAR and updated flow analysis. LiDAR has been re-flown region-wide, including the Hokitika catchment, and is currently undergoing quality control. This will provide long section data and assist with cross sections; we can come back with an insurance protocol.

No one else contributes to this scheme, it is the farmers doing the whole thing, S. Morgan highlighted this approach has benefited multiple schemes multiple times, discussed class actions being committed as a council will bring this back in October.

Excess hard with small scheme but multiple event it is pro rata out, another discussion around excess, premium not access that is the warranty.

Cr P. Haddock advised that WCRC is responsible, consents bound by resource consent act, without Rating Districts we don't have control of rivers, discussion about other agencies like Kiwi Rail and NZTA contributing to schemes, (other schemes that they contribute to for repairs and maintenance e.g. a bridge).

S. Keenan noted that we exited the scheme in 1998, when we discussed the Christchurch earthquake, we were only just comparing pricing.

Cr A. Campbell commented, move back to catchment board where government gives us a subsidy, rating schemes protect infrastructures.



### **FINANCIAL UPDATE**

S. Morgan on the financial report for the period of 1<sup>st</sup> July 2022 to 30<sup>th</sup> June 2023 financial year, she advised the Kowhitirangi Rating District had an opening balance of \$180,882.20 with a total revenue of \$22,860.55 less expenses of \$9,394.00 for a closing balance of \$194,348.75.

*Moved-P. Cook/S. Keenan-carried.*

*All in favour.*

### **ANNUAL WORKS REPORT**

K. Jacobson spoke to the annual works report and advised no work had been undertaken in the 2022-23 financial year, but that a provisions of \$10,000 had been made for unforeseen maintenance.

Combination of lease and free hold farmers doing a lot of work.

S. Keenan said historically as a committee have meet and discussed what is required, discussed work going out to tender.

K. Jacobsen asked, do you want to increase from \$10,000-\$15,000? Two bits of work that need doing.

*Moved-P. Cook/S. Keenan-carried.*

### **RATES 2024/2025**

K. Jacobsen advised that the balance of the Kowhitirangi Rating District account and the beginning of the 2024-2025 financial year was likely to be \$198,000.

He proposed a rates maintenance strike of \$20,172.00 which included \$10,000 of rates \$6,336.00 of infrastructure insurance and \$3,836.00 of engineering cost recovery.

A motion was put forward for a total rate strike of \$20,172.00.

**Moved:** ***“That the rates strike for Kowhitirangi Rating District is \$20,172.00 excl GST for the 2024-2025 financial year.***

*Moved-P. Cook/S. Keenan-carried.*

*All in favour.*

### **ELECTION OF COMMITTEE**

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

**N. Monk**

**T. Taft**

**T. Burden**

**S. Keenan**

**P. Cook**

***Be retained as the committee for the 2024/2025 financial year.***

**Moved:** ***“That S. Keenan be re-elected as Spokesperson, P. Cook to be deputy Spokesperson, for the 2024/2-25 financial year.***

*Moved-N. Monk/T. Burden-carried.*

*All in favour.*

**Drone Discussion** S. Keenan mentioned that a committee member's son has a drone and is capable of handling related tasks.

**Vegetation Requirements** Regarding overgrown vegetation on Hook, K. Jacobsen reported a visit earlier this year. Although some totaras have grown, there's an issue with increased tot and gorse, which could compromise the stopbanks' integrity. If work is planned for Vine Creek, Kowhitirangi will also be inspected.

S. Keenan recalled in the past they worked together, and K. Jacobsen emphasized the need to relate work back to WCRC for audits and health and safety concerns. The recommendation is to use approved sprayers and coordinate tasks with another scheme to reduce costs, as ground-based operations are more economical than using helicopters. It was decided to review the areas needing spraying.

N. Monk noted that most farmers handle spot spraying themselves. Cr A. Campbell highlighted the importance of annual inspections by the engineer and committee, with the aid of a drone. Cross-sections should have been conducted in 2016 and 2022, possibly last done in 2008. K. Jacobsen presented a map with eight cross-sections and a red line indicating the Kowhitirangi long section, which was circulated among attendees.

**LiDAR Discussion** New LiDAR frequencies that can penetrate water were discussed. It was decided to seek pricing for the next rating district meeting. P. Cook noted that the height of gravel remains unchanged.

### **MANAGERES UPDATE**

S. Morgan spoke to this, new name of catchment team, CDEM is going into the house of the chief executive, more in house staff, we now have chief engineer Peter Blackwood and construction engineer J. Mandery for Westport who also support other catchments, recruited more staff for finance team.

Any assets that are depreciated will be moving forward, none for this scheme.

The committee discussed the option for members to opt into email-only communication, with comments to be noted on the attendance register.

Health and safety prequalification was also discussed; there are approximately eighteen contractors currently in the system, and the prequalification process takes about three weeks.

Discussion took place around volunteer work around assets, we will come back with a process to support you in some way, we will work through you with that and support you.

### **RATING DISTRICT AGREEMENTS**

S. Morgan spoke to this, 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.

Today we need to consult with this rating district on the use of prudent funds, outside annual works meeting, would you like just the spokesperson, quorum or many others of your choosing?

P. Cook suggested two other members with spokesperson or deputy three in total three will be fine and if we go into prudent reserve usually under emergency works, S. Morgan reminded how we have the ability under act to undertake that work.

### **IMPAIRMENT**

S. Morgan spoke to this impairment-unexpected damage to asset, why we are needing to obtain them to level of service, this is a high level of service for this scheme.

## **CLASSIFICATION**

**Classification and Reorganization** The classification system was discussed, noting that the scheme includes four benefit classes available at all times on the WCRC website. A classifier will be available next year for those interested, though it will incur a cost. S. Keenan mentioned that everyone is relatively satisfied, and no change is needed.

Cr P. Haddock discussed a reorganization at the council. The discussion included consultants and the transition of all services back in-house. The council now has a full engineering team and finance team working internally, which is more cost-effective than outsourcing. Despite a rate increase, the council cannot operate in a deficit. The goal is to maintain a strong team and efficiently complete tasks in-house.

## **GENERAL BUSINESS**

C. Heath in charge of quarries, will give details to S. Keenan and committee, discussed surveys at quarries, P. Cook, quarry here rock comes cheaper on an individual case should be room for different quarries and different price. Cr P. Haddock said quarry strategy, that different rates for rating districts and commercial, recognise how important quarries are for scheme but also to make a profit.

S. Keenan advised that they put a submission on stewardship plan, is the WCRC similarly aligned and submit to us? discussion around benching and expansion, if it isn't included in mineral boundary zone but it will be hard to extract and the same for the lime works, S. Morgan will raise this with quarry management, (Camelback).

S. Keenan discussed people encouraged to walk the paper trail between the quarries a danger when blasting, should not become stewardship land, Cr P. Haddock said we are trying really hard with that. That is part of quarry strategy to make them viable to subsidise rates and cheaper source of rock for rating district.

N. Monk asked about protection of scheme, two-year period, people doing work outside the scheme, gap in wall you need to work in with private guy in unarmored place, would lose 4-5 hectares if river gets to main wall, no rock there, rocking there would be substantial, (N. Monks piece) committee meeting with



WEST COAST  
REGIONAL COUNCIL

engineer, K. Jacobsen read from the AMP it is a maintenance cost not a capital cost.

Meeting closed 12:55

**ACTIONS:**

Confirm insurance excess costs across all schemes, plus insurance protocol, bring back to next meeting.

Look at what needs to be sprayed.

Pricing lidar with frequencies that go through water.

Process to support volunteers working on assets, come back with this at next meeting.

Mineral boundary zone submission (check with Chris heath this has been done for Camelback)

Committee meeting with engineer to take place.

## Insurance Update

<b>Author</b>	Shanti Morgan, Group Manager Environmental Science and Chantel Mills, Project Accountant
<b>Authorizer</b>	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**

<b>Author</b>	Max Dickens, Policy Manager, Paulette Birchfield, Area Engineer Catchment Management, Jordan Mandery, Construction Engineer.
<b>Authoriser</b>	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.

---

<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>Kowhitirangi Flood Control Rating District Financial Accounts</b>			
<b>For the 12 Months to 30 June 2024</b>			
	<b>2023/2024</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>194,348.75</b>		<b>180,882.20</b>
<b>REVENUE</b>			
Internal Interest Earned	4,955.96		3,529.97
Rental Income	-		
Other Income	-		
Rates	18,799.06	19,392.00	19,330.58
<b>TOTAL REVENUE</b>	<b>23,755.02</b>	<b>19,392.00</b>	<b>22,860.55</b>
<b>EXPENDITURE</b>			
Advertising	-		
Contractors	-	9,996.00	
Consultants	-		
Insurance	7,123.58	5,556.00	5,558.00
Other Expenditure	-		
Rates	-		
Resource Consents	-		
Staff Time	3,836.00	3,840.00	3,836.00
Surveyors	-		
Venue Hire	60.00		
<b>TOTAL EXPENDITURE</b>	<b>11,019.58</b>	<b>19,392.00</b>	<b>9,394.00</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>12,735.44</b>	<b>-</b>	<b>13,466.55</b>
Capital Expenditure			
<b>RESERVE CLOSING BALANCE 30 JUNE 2024</b>	<b>207,084.19</b>		<b>194,348.75</b>

  
 Pericles  
 5/12/2024

# West Coast Regional Council –Kowhitirangi Rating District

## Annual Works Report on Rating District Assets

### 1. Executive summary

This report outlines a summary of work undertaken as part of the Kowhitirangi 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. Maintenance works summary 2023/2024 FY

No works carried out	\$n/a
<b>Total</b>	<b>\$0.00</b>

### 3. Administration (other expenditure) 2023/2024 FY

Hall hire	\$60.00
Engineering Cost Recovery	\$3,836.00
Insurance	\$7,123.58
<b>Total</b>	<b>\$11,019.58</b>

### 4. Scheduled/completed maintenance work summary 2024/2025 FY

Work was undertaken to repair the groyne at pigeon creek. This was completed through recovery of rock and its replacement to a specified design (Image 1).



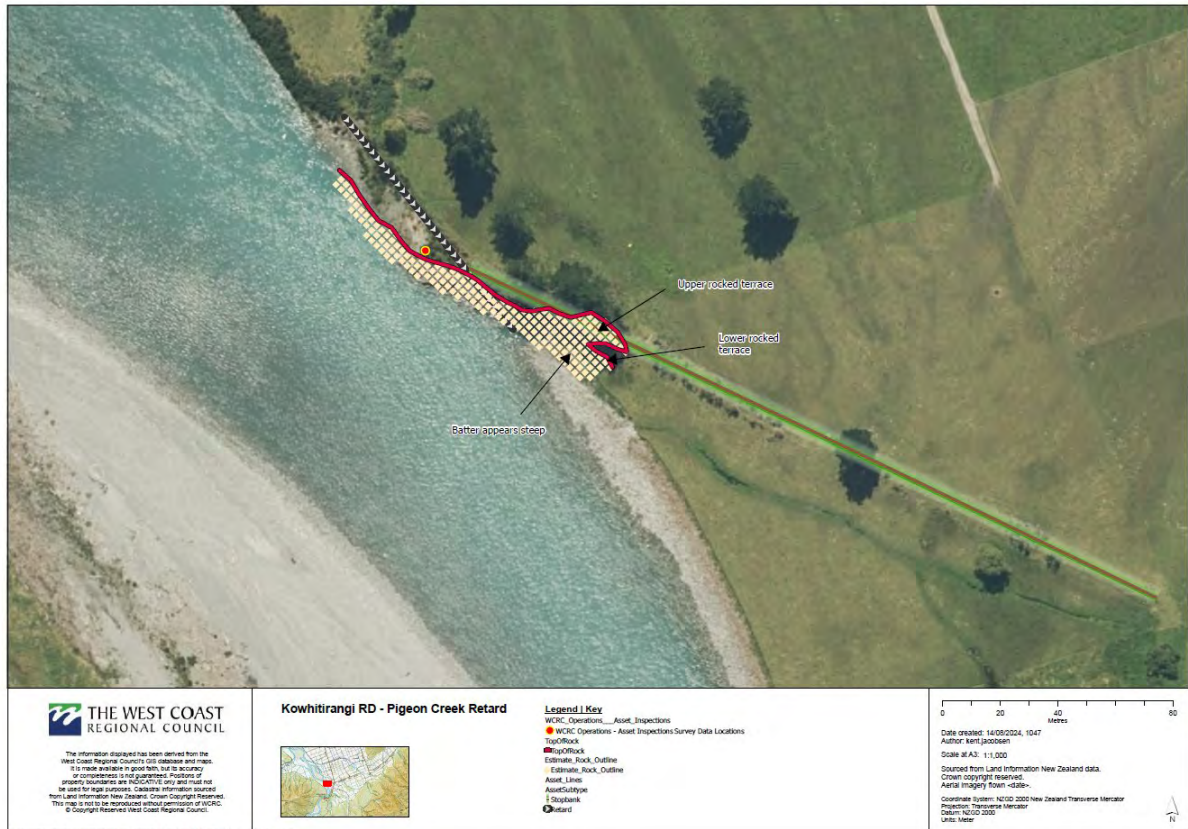


Image 1: Pigeon creek asset repair map

**Expenditure summary**

<b>Total</b>	<b>\$5,322.00</b>

**5. Kowhitirangi Rating District financial balance**

The balance in the rating district account at the beginning of the 2025 / 2026 financial year is likely to be approximately \$208,000

This target balance for the ‘prudent reserve’ for this rating district is \$100,000 and this is currently available.

This prudent reserve is immediately accessible for urgent emergency works that may be required following a major flood event.

**6. Proposed rates for the 2025 / 2026 financial year**

Rates Maintenance	\$10,322
Engineers Cost Recovery*	\$2,220.00
Infrastructure Insurance	\$ 9,849.00
<b>Total:</b>	<b>\$22,391.00</b>

Council recommends a total rate strike of \$22,391 excluding GST.

*\*The Engineer cost recovery budget has been calculated based on expected engineering contribution to the Rating district of 12 hours*

## 7. General Business.

### Vegetation maintenance

Council recommend a vegetation maintenance program followed by a full condition assessment. A recent drone operation to spray vegetation at the Waitangitaona Rating District cost around \$10,000. If the vegetation is confined to the stopbanks and not in the channel the cost is likely to be considerably less.

### Private assets

There are two private assets that have been through the '2 year setting in' period. These need to be inspected by an engineer. If the engineer's assessment is that the condition of the assets is acceptable, a report on the addition of the new assets will be put to the Rating District committee for agreement.

### Insurance

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*