

THE WEST COAST REGIONAL COUNCIL

MEETING OF THE MOKIHINUI RATING DISTRICT

ON

11th April 2024, at 4pm

At the Mokihiui Campground Hall

AGENDA

1. Welcome
2. Apologies
3. Minutes of last meeting
4. Matters Arising
5. Financial Update
6. Annual Works Report
7. Election of Committee
8. Dept Allocation (*verbal report*)
9. Constitution (*verbal report*)
10. Impairment
11. Classification/Review (*verbal report*)
12. General Business
 - 12a. Flood Protection Management Bylaws (*verbal report*)

Please let WCRC know if there is anything you would like discussed at this meeting that is not on the agenda by **Friday 5th April**.

Please contact Lillian Crozier (lillian.crozier@wrc.govt.nz) or Paulette Birchfield (pauletteb@wrc.govt.nz) with your queries.

THE WEST COAST REGIONAL COUNCIL

**MINUTES OF THE ANNUAL MEETING OF THE
MOKIHINUI RATING DISTRICT
HELD AT THE MOKIHINUI CAMPGROUND HALL
ON 16TH MAY 2023, COMMENCING AT 3:00PM.**

PRESENT (Rating District Members)

J. Climo, M. Schroder, F. Spillane, Cr T. O’Keefe (BDC), M. Spillane, T. McNabb, J. McTaggart, M. Adams, J. Woodward, B. Hanham, B&E. Lynch

IN ATTENDANCE (Staff)

Cr B. Cummings, Cr F. Dooley, (Councillors)
S. Scott, C. Munn, P. Birchfield, B. Murphy, L. Crozier (Staff)

APOLOGIES

K. McKenzie, M. Coleman, S. Morgan, C. Woodward, P. McNabb, C. Tihema, Cr P. Haddock, Cr M. McIntyre.

Moved-J. Climo/M. Spillane-carried.

Welcome and Minutes of the Last Meeting

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

Moved: *"That the minutes of the previous Annual Meeting held on 28th January 2022, be adopted as a true and correct record of that meeting."*

Moved-J. Climo/M. Spillane-carried.

MATTERS ARISING

Discussed previous action points- J. Climo asked if a stopbank was classed as a road and is it on road reserve.

Culvert on 1 Lewis Street to be discussed with BDC, B. Morgan. The result was that it is considered sufficient in size. P. Birchfield had offer of pump but needed quote to install, in meantime funding for Richard Measures from NIWA to do an assessment came through but still waiting for report as the writer has been held up in floods in Gisborne and Hawkes Bay. Richard Measures looked at all factors as it is a complex problem. P. Birchfield said he was after lidar which has not been QA yet but has been flown. Report will be done by June.

Cr F. Dooley will follow up with Cr L. Coll-McLaughlin from last action points. P. Birchfield said T. Blyth our bio security person is talking to jobs for nature Cr T O’Keefe is going to follow up with BDC.

Culvert is on Wilson Street, there is one on Lewis Street, typo error from draft minutes, Swannie’s Creek is on Lewis Street, rock protection is there with the two culverts (Sam has noted),

3.

FINANCIAL REPORT

C. Munn spoke on the financial report for the period of 1st July 2021 to 30th June 2022. He advised that the Mokihinui Rating District had an opening balance of \$48,607.67 with a total revenue of \$18,697.06, less expenses of \$13,788.00 for a closing balance of \$53,516.73.

Moved-F. Spillane/M. Spillane-Carried

WORKS REPORT

P. Birchfield spoke to annual report. Avery Bro's Ltd arranged for a digger to repair sacrificial seawall, along with Jono Lowe. Any work with culvert on Rawson Street is on hold waiting on report. C. Munn said council did get money for specific projects, Franz, Hokitika, Greymouth, flood warning system for Buller and we have applied for more money on second tranche, but it is all going to Hawkes Bay. Indication is that none of that will be going to us, other than money for Westport which is out of a different fund, and we are not expecting any more at this stage. Government will be asked to contribute an annual amount to be put into operating budget, and that is where the big push is. Cr F. Dooley was away when it was announced in Westport. WCRC rivers group applied for \$42m for four projects. The likelihood is that no money will be in budget. B. Lynch expressed feeling very disappointed for the community, not the WCRC who are proactive, he thought Mokihinui was included in budget (as Buller resilience) but was not made clear as money was purely for Westport, we felt very let down for that to happen, our region is desperate quite frankly built on flood plain, with threat from the ocean. The community is ready to do things about it and are very active. Very good support from Regional Council which has got us down the track with the NIWA project, B. Lynch thanked people in this room for that. Cr B. Cummings said we were being directed from upstairs, all these points we were allowed to apply for, but very specific from DIA what we were allowed to have, unfortunately you have to wait for a disaster to be asked, Cr B. Cummings said we have to get a business case, when we get report and lidar and get business case. P. Birchfield said our Natural Hazard person is trying to get modelling for the Mokihinui river, and there is potential for nature-based solutions to fund up to \$500,000 - not to actually do work but to look at concepts to move forward. B. Lynch was feeling disappointed that we missed out, and went to our MP about it, were assured Buller was in, not just Westport. Should we be waiting or provisioning in budget for what will be required, C. Munn said it is 100% grant but quite a wide range, providing a proposal not the actual work. The funding application needs to be in by June, so WCRC trying to pull all the bits together. Cr F. Dooley said it was not an issue which is confined to us, every single local body in the South Island is in the same situation. Cr F. Dooley said it is a natural issue, Cr B. Cummings said Westport got theirs because they had such a good business case, they will go for best business case for best outcome, P. Birchfield said NBS is a collaboration with BDC and Iwi, Cr. T. O'Keefe (BDC) said we are not wanting soft options and will reassess after report and get ducks in a line. Cr F. Dooley said Buller resilience are advertising for projects, we should go back to BDC, go back to trust and get a copy of application forms, Cr F. Dooley has asked for S. Scott to go back to that trust set up by Bathurst's \$250,000 to get smaller things done to help your community, Cr F. Dooley said it is ongoing, at \$200,000 a year, and they helped finance a rock wall at Ngakawau. Cr F. Dooley said community group to put in application and we just assist.

RATES 2023/ 2024

C. Munn advised that the balance of the rating district account at the beginning of the 2023-2024 financial year was likely to be \$56,000.

3.

He proposed rates strike of \$16,347.00 which included \$12,880.00 of rates, \$2,159.00 of Infrastructure Insurance and \$1,308.00 of Engineering Cost Recovery.

Moved: *"That rate strike for Mokihinui Rating District is \$16,347.00 Excl GST for the 2023-2024 financial year."*

Movers –M. Spillane/ T. McNabb, all in favour- Carried.

ELECTION OF OFFICERS

Moved: *"That B. Morgan, J. Woodward, F. Spillane, M. Spillane, T. McNabb, M. Adams, B&E Lynch be retained as the committee for the 2023/2024 financial year".*

Moved: *"That M. Adams & M. Spillane elected as Co-Spokespersons, for the 2023-2024 financial year."*

Movers-J. Climo/T. O'Keefe-Carried.

GENERAL BUSINESS

C. Munn raised flood protection bylaws, in process for renewal and will be a public process. Action point to look at map and see who owns land, Cr F. Dooley said WCRC owns stopbank. Over peak period it is becoming unsafe - need to control anti-social behaviour J. Woodward and J. Climo have pointed out. C. Munn said public nuisance is difficult that is more land ownership, and the community could put up posts. J. Climo said at present J. Woodward is spraying off own bank in motor camp, but J. Woodward retiring at end of June, need to put something in place for next caretakers. P. Birchfield said we can organise a regular programme for spraying and mowing, just been mowing top and spraying outside of it. The council stop at bridge, BDC may do work and Cr T. O'Keefe can ask. P. Birchfield said grass cover maintains integrity of the bank. Committee do want P. Birchfield to go ahead and do that. BDC Cr T. O'Keefe will get a hold of maintenance programme, will call committee after talking to BDC. In growing season it needs to be done regularly, once every two weeks at least.

B. Lynch said significant progress and real will in the village, who knows where it could go in future, breakthrough came from people in this room who helped us and Cr L. Coll-McLaughlin, and not far away now from getting professional NIWA report, give credit where it is due, simple motion this meeting to acknowledge support of WCRC of progressing Envirolink application that Richard Measures has undertaken, and welcomes the report on release. P. Birchfield said it was Edith who was our one planner to who got the application over the line.

Action Points for follow up.

Action point look at map and see who owns land, Cr F. Dooley said WCRC owns stopbank (the majority of the river stopbank is river corridor so will be administered by LINZ and not owned by WCRC. The coastal seawalls are majority reserve land, and road reserve)

Organise regular spraying programme.

BDC Cr T. O'Keefe to contact BDC about their maintenance programme and contact Mokihinui to discuss.

Two culverts on Lewis Street require integrity inspection (these are BDC assets)

3.

Buller Resilience Trust \$450,000 available for funding. Assist the Seddonville councillor with the process and review potential funding opportunities (if required)

Committee to email contact list to Lil, put your address on side of your name on the red folder.
L. Crozier has received and entered the above information.

Meeting Closed 4:30pm.

DRAFT

5.

**West Coast Regional Council
Mokihinui Rating District Reserve Account
For the 12 Months to 30 June 2023**

		2022/23 YTD
Opening Balance		53,516.73
Add Incomings:		
Interest Earned	1,094.08	
Rates	16,269.12	
Total Incomings		17,363.20
		70,879.93
Less Outgoings:		
Contractors and Consultants	(1,565.00)	
Insurance	(2,110.00)	
Other Expenditure	(234.67)	
Staff Time	(1,279.00)	
Total Outgoings		(5,188.67)
Closing Balance		65,691.26

6.

West Coast Regional Council – Mokihinui Rating District

Annual Works Report on Maintaining Existing Rating District Assets

1. Maintenance works carried out from 1 July 2022 to 30 June 2023

SM Lowe-Sacrificial Seawall Repair-June 2023

Excavator ZX200-5 19hr @ \$155.00	\$1,395.00
Transportation	\$170.00

Total Works for the 2022 / 2023 Financial Year:	\$1,565.00
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2. Administration carried out from 1 July 2022 to 30 June 2023

June 2023 Mail Outs	\$234.67
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Total administration for the 2022 / 2023 Financial Year:	\$ 234.67
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3. Future Works to be carried out from 1 July 2023 to 30 June 2024

As a result of an inspection carried out during August 2023 no significant future works were identified.

A. Allow for unforeseen maintenance	\$5,000.00
B. Periodic repair of sacrificial seawall	\$5,000.00

Total estimated expenditure for the 2023 / 2024 financial year	\$ 10,000.00
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4. Mokihinui Rating District financial balance

The balance in the rating district account at the beginning of the 2024 / 2025 financial year is likely to be approximately \$ 70,000.00.

This target balance for the 'prudent reserve' for this rating district is suggested to be \$35,000.00.

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

It is likely the current reserve will only cover a portion of the actual cost of the potential damage that could occur.

5. Proposed maintenance rates for the 2024 / 2025 financial year

Rates Maintenance	\$ 12,880.00
Prudent Reserve (achieved)	\$ 0.00
Engineers Cost Recovery	\$ 1,308.00
Infrastructure Insurance	\$ 2,159.00
Total:	\$ 16,347.00

The Council recommend a maintenance rate strike of \$ 16,347.00 excluding GST.

6. General Business

- A. Set up of a programme for ongoing mowing and weed spraying of the stopbanks.
- B. The Mokihinui Township flood mitigation advice report prepared by NIWA was completed in July 2023. The report is available on the Council's website, and hard copies will be available at the annual meeting.

The recommendations from the report regarding immediate mitigation measures include:

1. *Modifying or removing the twin barrel farm culvert on Chatterbox Stream downstream of the highway*
2. *Upgrade the Township Catchment culvert under the highway (BDC culvert)*
3. *Frequent inspection and maintenance of flapgates.*
4. *Survey stopbank crest levels and rectify low spots where necessary.*

Council staff have met with engineers from Buller District Council to discuss the upgrade to the Township Catchment culvert. The discussion was positive but at this stage no further updates are available.

With regards to the survey of the crest levels. There is no design height to determine what height the crest level should be. Council recommends that hydrological modelling be undertaken in conjunction with survey to assess what the current level of service that the stopbanks provide to the township. Once that is ascertained the Council can discuss with the rating district what level of risk the community are willing to accept.

Council have applied to central government for funding assistance to enable the hydrological modelling to be undertaken. The dual purpose for this modelling would be for civil defence purposes, to quantify flood risk, and for flood response as the model would include both Seddonville and Mokihinui.

To date there has been no update on the application for funding assistance.

MEMORANDUM

Subject: Impairment of Rating District infrastructure assets and the associated implications for the Community, Rating Districts, and Regional Council?

Impairment is **unexpected damage** to the asset (*e.g. unscheduled damage due to a flood*), whereas depreciation is based on expected / scheduled wear and tear over the useful life of the asset based on either the straight-line or diminishing value methods.

Impairment can occur because of an unusual / one-time event (*e.g. flood event or earthquake*), and/or damage that impacts an asset (*e.g. the potential impact of climate changes leading to flood protection assets no longer being fit for purpose from a design or level of service perspective*).

Generally accepted accounting principles (GAAP) and PBE IPSAS 21: Impairment of Non-Cash-Generating Assets require **assets be tested for impairment regularly** (*i.e. WCRC complete impairment testing annually*) to ensure the asset values recorded on Councils balance sheet are not overstated. Impairment exists when an asset's fair value is less than its carrying value (or book value) on the balance sheet.

A summary of implications to WCRC due to a flood protection asset impairment event follows:

1. There would be no impact to rating district financials in the event of impairment nor would there be any more or less rates required because of it. There are however accounting impacts at an all of Council level, but no impact to rate or funding requirements *in the first instance*. There could be flow on impacts around restoring assets back to fit for purpose state.
2. It would impact Council books with asset values would go down, and there would be an accounting 'loss' that would potentially make it appear Council was in the red at the end of the financial year but would cost no cash or outgoings. It is purely an accounting book loss.
3. Impairment event could trigger a capital investment decision needed if asset levels of service are to be remediated back to a fit for purpose state, and that *would* require money from community, or the repayment of debt should the RD agree to major works on their assets. That would be no different to current practices today about levels of service (LOS) with community even without impairment. Same process would apply.
4. Impairment would impact on the community around what (LOS) they are going to accept (and Council would maintain) from their assts going forward, and any downward change in LOS should be formally documented and agreed in writing. This would be the most real world significant and strategic impact to Council and RD from a risk perspective if an impairment event were to happen.
5. The implications for a RD not accepting a Council proposal to remediate the assets back to acceptable LOS would heighten the risk to Council as it relates to their legislative duties of care around river management and flood protection. It is uncertain what sort of legal defence the Council could offer by allowing communities to drop levels of service knowing that the impact could be significant to life and property in the event of a flood scenario.
6. There would likely be insurance implications to Council assets (premiums go up due to heightened risk or become uninsurable), but also could impact private property holders who may be suddenly considered now in a high-risk area if the flood protection assets are no longer deemed fit for purpose (particularly pertinent considering the insurance retreat is already well documented elsewhere given climate change assumptions).
7. There could be impacts to planning and consents for various activities at a Regional Plan or District Council level that may no longer allow building or development in affected areas. This could impact property market values significantly and create a strong drag effect on economic development.