

Lower Waitaki River erosion Remediation works proposal

For public consultation:
Friday 31 July 2020

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Overview

Environment Canterbury coordinates river engineering work in the Waitaki River downstream of the Waitaki dam on behalf of the Lower Waitaki Rating District (Canterbury and Otago ratepayers). The objective of this work is to control unwanted vegetation growth in the central part of the riverbed and encourage vegetation growth on the river berms/margins. This work limits the extent of erosion in the riverbed margins and adjacent productive land with the aim of reducing the impacts of flooding and erosion on people and property.

Over the summer of 2019-20 there were a series of heavy rainfall events in the Southern Alps that filled the lakes in the upper catchment and resulted in high flows in the lower river system. These very high flow events, followed by subsequent continuous high flows in the river, have caused significant erosion at 13 different locations down the river.

To control the erosion at the 13 locations will require remediation work with an estimated cost of \$1 million. These costs are in addition to the existing \$500,000 routine river control programme, which is currently financed through an existing funding model.

The proposal outlined below uses that same funding model to raise the extra \$1 million required for a programme of remediation at each of the 13 sites.

There will be a public meeting to discuss this situation and gather community views on the proposed work and funding model:

DATE: Friday 31 July

TIME: 9.00am

LOCATION: Waitaki Bridge Hall, 2 Cross Street

We acknowledge that this meeting may be short notice for you and sincerely apologise in advance if you cannot attend. If you would like to make any comments on this matter please address them to shaun.mccracken@ecan.govt.nz and ensure they are received by Monday 3 August.

Approved funding for routine works

In recent years, the routine expenditure for river engineering works on behalf of the rating district has cost approximately \$500,000 per year. The specifics of where and how this money is spent varies from year to year, but covers the following activities listed generally in order of highest to lowest cost:

- Channel re-alignment, braid direction control
- Spraying of unwanted vegetation
- Berm vegetation layering (rejuvenating and extending existing vegetation)
- New vegetation establishment on eroding edges (Anchored Tree Protection)
- New vegetation planting (Pole Planting)
- Rock groynes, maintenance and renewal

How does Environment Canterbury fund routine works?

The flow chart below shows how the total cost of works is funded.

This funding model was last reviewed and implemented in 2015. A copy of the report reviewing this information is available online at bit.ly/LowerWaitakiSchemeReview.

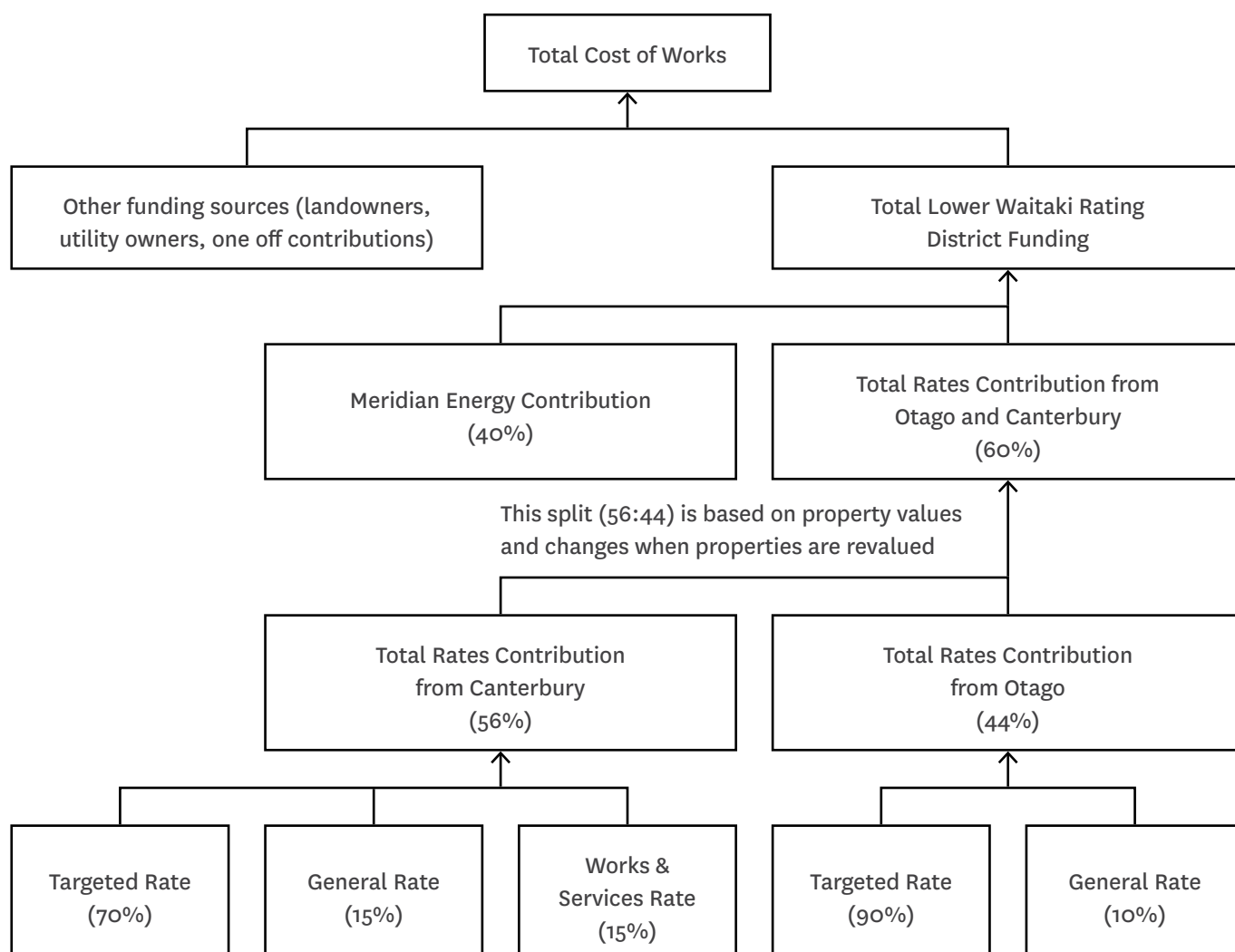
All work within the central fairway (gravel bed) of the river is fully scheme funded.

For work undertaken on the margins of the river, the report identified and prioritised these areas into three categories; Primary, Secondary and Tertiary.

- Work in Primary Zones is fully scheme funded, as erosion would typically increase flood risk and/or major course change risk to multiple landowners, settlements and utilities.
- Work in Secondary Buffer Zones is 50:50 funded with adjacent landowners as there is a lower level of community benefit.
- Any Tertiary Buffer Zone protection work is entirely funded by the adjoining landowner as the main beneficiary.
- Any enabling work such as channel alignment required to be undertaken within the riverbed is fully scheme funded regardless of margin zone.

Utility owners, such as Transpower, are expected to fund the whole cost of their protection works.

Maps of the Primary, Secondary and Tertiary zones can be found in the report linked above in Appendix 2 of the report bit.ly/LowerWaitakiSchemeReview.



How are the rating district funds collected/apportioned?

Meridian Energy

Meridian Energy contributes 40% of the cost of rating district works. This contribution was negotiated in 1992 with ECNZ (which was at the time, the manager/operator of the Lower Waitaki hydroelectric power stations) and is their contribution towards the costs of maintaining the river control scheme. The payment acknowledges the level of damage caused by the normal operation of the power generation (elevated low flows, suppression of flood flows and rapid and frequent fluctuations in flow rate) and the added difficulties involved in working in a river with artificially elevated 'low flows'. Meridian Energy's contribution is for scheme works only.

General Rates

General rates are collected from all ratepayers in both Canterbury and Otago. In this scheme, general rates make up 7.5% of the total income for the rating district.

Works & Services Rates

In Canterbury only, a rate is levied across all landowners in the Waitaki and Waimate Districts. In this scheme, works and services rates make up 5% of the total income for the rating district.

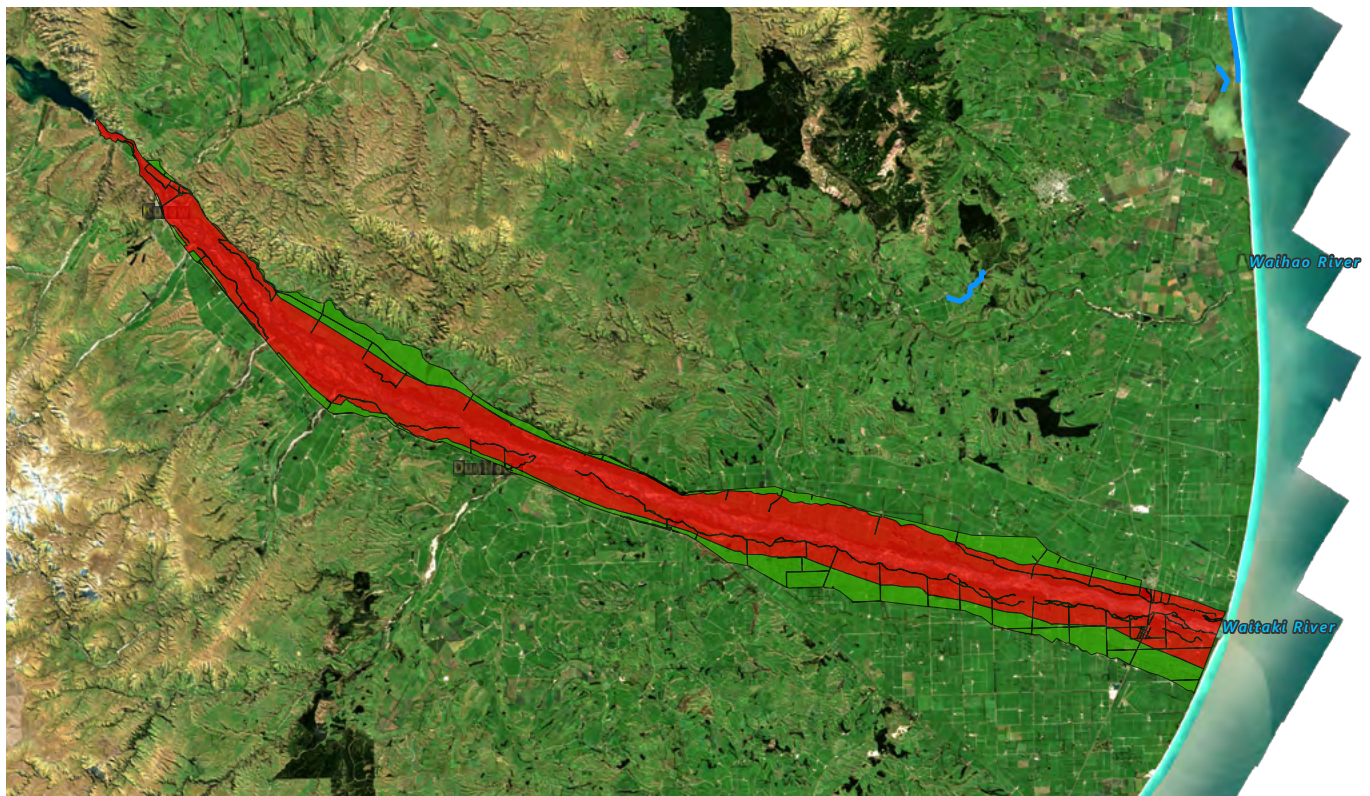
Targeted Rates

The rating classification for the Lower Waitaki targeted rate is based on flood benefit provided by the scheme.

Class A land, close to the river (red), incurs a higher rates payment (about \$70 per \$100,000 capital value) than the Class B land (green), further back and often on slightly higher ground (about \$35 per \$100,000 capital value). In this scheme, targeted rates make up 47.5% of the total income for the rating district.

The current classification for the collection of targeted rates has been in place since 1995 and is shown on the image below. Class A (red) areas pay twice as much as the Class B (green) areas and the Kurow urban area on a capital value basis.

Environment Canterbury has committed to commissioning an independent rating expert to review the current classification to assess if it is still fit-for-purpose, over the next 12 months.

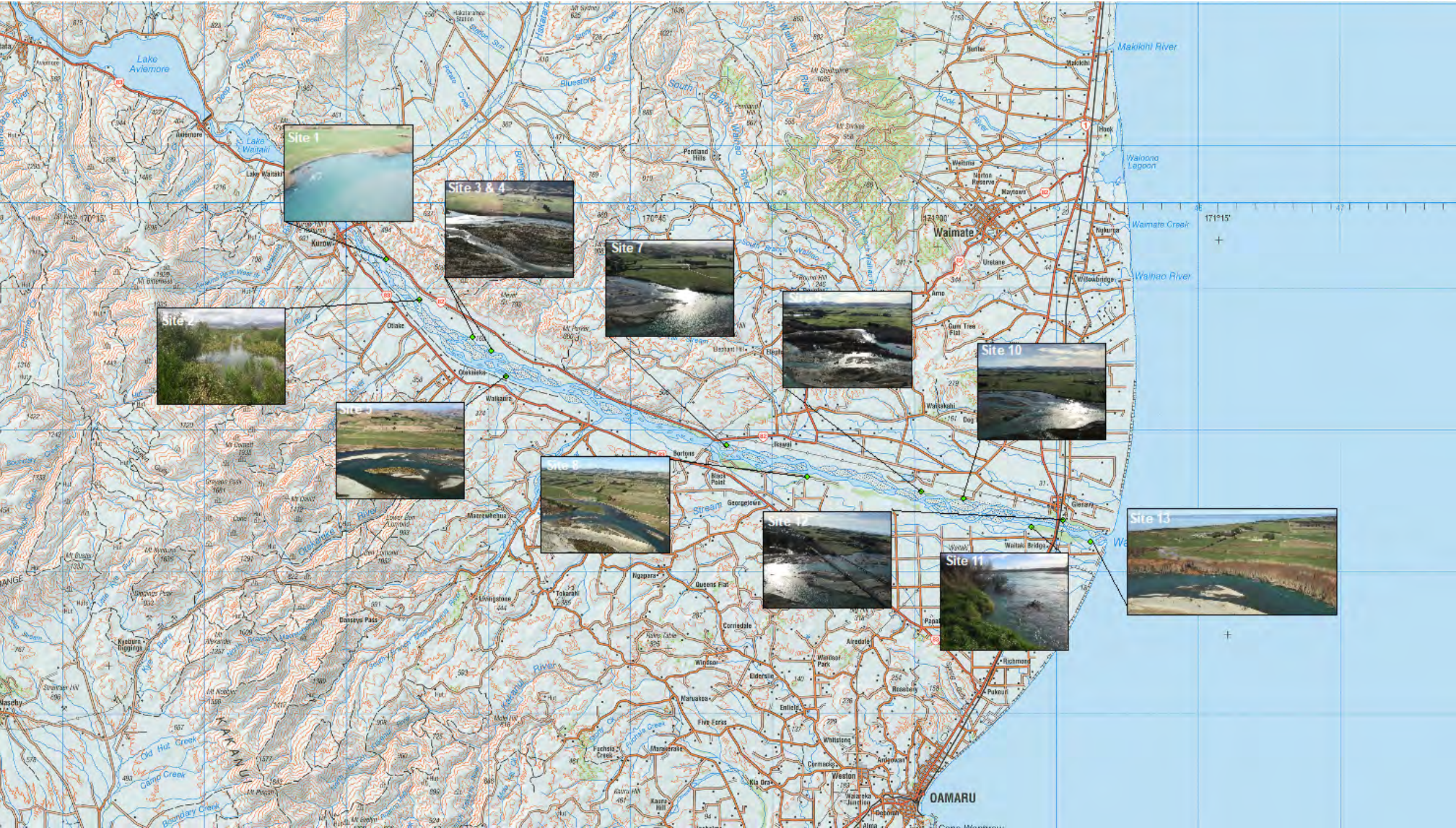


Map of Lower Waitaki River showing designation of Class A and Class B land in targeted rates scheme.

■ Class A ■ Class B

Detail of current erosion damage

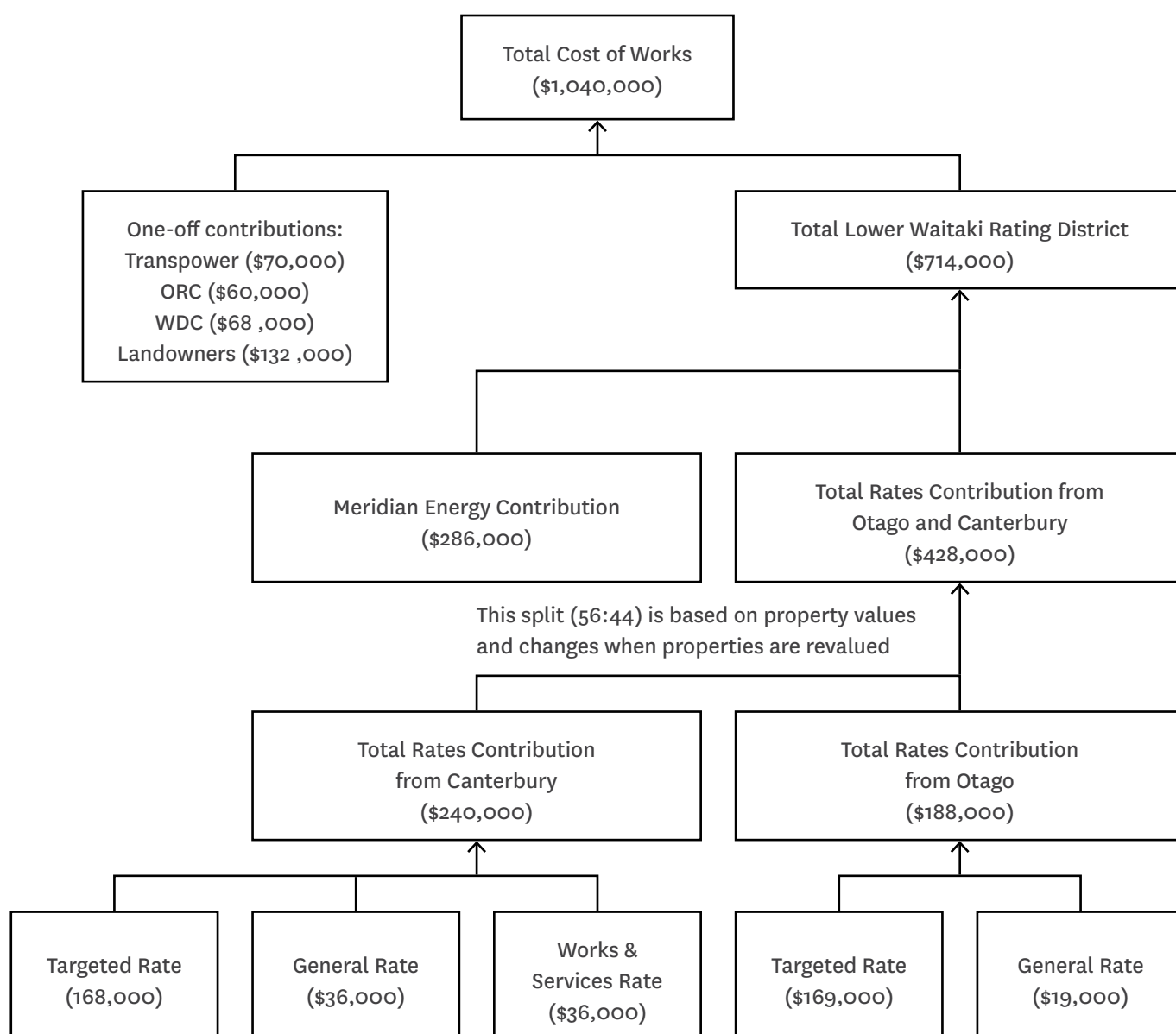
There are 13 erosion sites on 11 property frontages that have been identified as areas that need remediation works and that form part of the \$1 million works package. Details of these, and the proposed funding thereof is provided in the table below. The location of each site is provided on the map below.



Please note, costs below are estimates only and may vary. Final costs will depend on site and river conditions.

			Proposed Funding Split			
Site (by location upstream to downstream)	Cost Estimate	Berm Classification	Landowner Contribution	Other External Funding	Balance Rating District	Comments ATP: Anchored Tree Protection ORC: Otago Regional Council WDC: Waitaki District Council
Site 1	\$125,000	Tertiary	\$12,500	\$62,500	\$50,000	Transpower funds 100% groynes plus 50% of ATP (Anchored Tree Protection). Landowner funds 50% of ATP. Rating District funds channel alignment.
Site 2	\$30,000	Primary			\$30,000	100% rating district funded with farmer to retire land to enable future planting.
Site 3	\$57,000	Primary			\$57,000	100% rating district funded. Impossible to totally dewater due to Deer Island. Follow up planting needed.
Site 4	\$26,000	Secondary	\$3,000		\$23,000	Rating District fully funds channel alignment. Landowner funds 50% of layering.
Site 5	\$29,000	Secondary	\$3,500		\$25,500	Landowner funds 50% ATP. Rating District funds pole planting and 50% ATP.
Site 6	\$32,000	Tertiary	100% of ATP & Planting Refer to comment		\$32,000	Rating District Fund channel alignment. Landowner paying 100% of ATP & planting costs as remediation for buffer zone & wetland vegetation clearance
Site 7	\$122,000	Primary			\$122,000	100% rating district funded.
Site 8	\$125,000	Tertiary	\$25,000	\$50,000	\$50,000	Rating district funds channel alignment, Otago Regional Council (ORC) and landowner split the ATP.
Site 9	\$28,000	Secondary			\$28,000	100% rating district funded.
Site 10	\$322,000	Secondary	\$68,000	\$68,000	\$186,000	Rating District Funds channel alignment, pole planting and 50% of ATP & groynes. Landowner and Waitaki District Council (WDC) pay 25% each for ATP & groynes.
Site 11	\$45,000	Secondary	\$12,500		\$32,500	Rating District pays for channel alignment and 50% of ATP.
Site 12	\$40,000	Tertiary	\$7,500	\$7,500	\$25,000	Rating District fund channel alignment and pole planting. ATP costs shared by landowner and Transpower.
Site 13	\$60,000	Tertiary		\$10,000	\$50,000	ORC fund layering, rating district funds channel work.
TOTAL COST	\$1,041,000		\$132,000	\$198,000	\$711,000	

What is being proposed to fund this work?



How would this affect my rates?

If these works were to proceed as outlined, Environment Canterbury would raise a loan for the rating district portion (\$714,000) of costs and recover these through rates (60%) and Meridian contributions (40%). The term of repayment for such a loan is not yet fixed. As an example:

Currently class A targeted rates are approximately \$70 per \$100,000 capital value. Class B targeted rates are approximately half this amount.

These could be increased by:

- A 20% increase for a period of five years (\$85 per \$100,000 capital value), or
- A 100% increase for one year (\$140 per \$100,000 capital value)

Importantly, this is only a portion of your total rates bill. This does not mean that your total rates bill would increase by 20% (or 100%), only the targeted rate for the Lower Waitaki River Rating District.

What commitment do you have from the other funding partners?

We have agreement in principle from Meridian, ORC and WDC that they will contribute the suggested proportions above.

What about the government's 'shovel-ready' funding?

Part of Environment Canterbury's submission to the government for shovel-ready projects included a \$10m region-wide tree planting and weed clearance project. If successful, some of that money would be spent in the Waitaki River, lowering (but likely not eliminating) the required rates increase. We are currently awaiting the funding decision from government.

Has Meridian Energy complied with its resource consents?

We are aware that some of the community has concerns regarding Environment Canterbury's monitoring of the suite of Meridian Energy resource consents in relation to the operation of dams in the Waitaki catchment. Environment Canterbury's view is that the interpretation and monitoring of these consents is appropriate. Meridian has been deemed compliant with their consents and the overall intent, purpose and outcome provided for in the consent conditions has been met.

It is noted that these resource consents are due to expire in 2025.