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**Committee** Rural Services and Wairarapa  
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## Targeted Scheme Rates and Balances

### 1. Purpose

To provide information on the proposed 2005/06 Targeted Scheme Rates to be collected for the operation and maintenance of Wairarapa Schemes, and to inform of current and projected scheme balances.

### 2. Background

Meetings are planned for seventeen river and catchment management schemes, to review progress, expenditure, and flood damage schedules, and to confirm proposed activities, including flood damage and funding. The catchment scheme advisory committees met in October/November 2004 and the river scheme advisory committees in April/May 2005. The Whareama Catchment Scheme has yet to meet, as does the Upper Ruamahanga – Te Ore Ore River Scheme.

For each of the sixteen drainage schemes papers were circulated to ratepayers, and programmes/funding levels were subsequently confirmed with each scheme advisory committee chairperson. Note that none of the drainage schemes receive any funding from Greater Wellington Regional Council. These schemes, administered by Greater Wellington staff, are funded 100% by the beneficiaries in accordance with Council's funding policies.

A summary of current and recommended rates, as well as current and projected scheme balances, are given in the attachment to this report.

### 3. Discussion

The meetings have been positive and constructive reflecting a good co-operative understanding between ratepayers, councillors and staff. This is reinforced by the committees in general endorsing significant rate increases. Particular matters for comment are:

### 3.1 Flood Events

The last year has been extraordinary as far as flood events are concerned. From February 2004 to March 2005 nine flood events occurred. Out of these, five were events of over a 5 year return period. In total the flood damage repair work that was completed totalled \$1.65m (see Table 1).

**Table 1 - Flood Damage – Wairarapa River Schemes**

Scheme	Cost	Carried forward
Waiohine-Mangatarere	\$95,000	-
Waingawa	\$30,000	-
Waipoua	\$128,000	-
Upper Ruamahanga – Mt Bruce	-	-
Te Ore Ore	\$30,000	-
Gladstone	\$40,000	-
Lower Wairarapa Valley Development Scheme	\$1,325,000	\$381,000
<b>Total</b>	<b>\$1,648,000</b>	<b>\$381,000</b>

### 3.2 Government Contribution to February Floods 2004

Following the February 2004 floods the Government requested Greater Wellington to make a case for a contribution. Key information was required to demonstrate that Greater Wellington had been financially prudent and responsible in its management of river schemes. This was demonstrated by the:

- General rate contribution of 50% to all river scheme works
- River scheme and Council flood damage reserves – both the flood contingency and the flood damage reserves
- Access to other funds that Greater Wellington has if required.

The Government's response is summarised in the table below and made a contribution of 30%.

Wairarapa River Schemes	Claim	Payment	Scheme	Council Reserve
Mt Bruce	152,663	45,606.77	22,803.39	22,803.39
Te Ore Ore	142,313	42,514.79	21,257.39	21,257.39
Gladstone	45,281	13,527.43	6,763.72	6,763.72
Waipoua	130,669	39,036.31	19,518.15	19,518.15
Waingawa	93,150	27,827.86	13,913.93	13,913.93
Waiohine	103,500	30,919.85	15,459.92	15,459.92
LWVDS	996,188	297,603.52	148,801.76	148,801.75
	<b>1,663,763</b>	<b>497,036.53</b>	<b>248,518.27</b>	<b>248,518.26</b>

Note: the claim includes 15% supervision and GST.

### **3.3 Product Price Index**

This index moved by 7.8% between December 2004 and December 2005.

### **3.4 Reclassification of River Schemes**

Progress is being made on the Lower Wairarapa Valley Development Scheme Review. The review will not be completed in this financial year due to the ongoing flood damage and delays with operating a model. The model will be used to assess the degrees of benefit.

### **3.5 Waiohine – Mangatarere Scheme**

This scheme continues to be a success. Floods in the 1990's caused considerably more damage than that occurring in this past year. Despite the floods the scheme reserve balance has increased to \$86,000.

### **3.6 Lower Wairarapa Valley Development Scheme**

The total works programme for this financial year is nearly \$2.3m. Significant bank repairs were required in the upper part of the Ruamahanga River at the Shelton and Guscott properties. Stopbanks have been upgraded at Scadden's, Ashton Herrick's, Gillett's and Vollebregt's. A number of sites required remedial work due to slumping in the Hikinui and Pukio areas.

Due to the constraints of bad weather and shortage of plant and boulders, approximately \$381,000 of flood damage repairs will be carried forward to next financial year (see Table 1).

Despite the flood damage the ordinary scheme reserve is projected to total \$1.14m (c/f to \$1.3m this time last year) and the Major Flood Damage Fund for this scheme is projected to total \$320,000.

### **3.7 Waingawa Scheme**

This scheme is overdue for a review. It is proposed that this will occur on completion of the Lower Wairarapa Valley Development Scheme review. The scheme committee is keen to see the gravel moratorium in the vicinity of the State Highway and the railway bridge partially lifted. Staff have explained that this will be researched at the time of the review. The projected scheme reserves at the end of the financial year are \$10,600 which is up slightly on last year.

### **3.8 Waipoua Scheme**

The ongoing flood damage is severely straining this scheme. The flood damage reserve is in deficit by \$36,000, a reduction of nearly \$4,000 on last year.

Heavy rock protection, which was not envisaged at the time of the recent scheme review, is being required to maintain the river alignment into Masterton. At the present time landowner contributions are being required to complete these works. This is not a good situation. However, a partial review

of the scheme in this coming year has been requested by the advisory committee.

### **3.9 Upper Ruamahanga Scheme – Mt Bruce Section**

This scheme is no longer in deficit with a modest reserve of \$10,000 projected for the end of this financial year. Flood damage has been restricted to the upper part of the scheme.

### **3.10 Upper Ruamahanga Scheme – Te Ore Ore Section**

Similar to Mt Bruce, this section will have a modest scheme reserve of \$5,000 at year end. Significant erosion has occurred in the vicinity of Henley Lake and opposite the Masterton oxidation ponds. Rock groynes comprising Tinui rock are about to be placed. A bulldozer has also been utilised this year to modify large beaches.

### **3.11 Upper Ruamahanga Scheme – Gladstone Section**

Flood damage has reduced the scheme reserve to \$12,370. River bank erosion has been ongoing through much of the year upstream of The Cliffs.

The Te Whiti stopbank has been upgraded. A rating scheme has been prepared to repay the loan for this capital work.

### **3.12 River Clearing Schemes**

Again, there will be no need for a scheme rate in the Taueru River this coming year.

The scheme deficit on the lower Whangaehu River is expected to be approximately \$17,000. It is likely that the loan will be paid off ahead of the scheduled timeframe of 2010.

### **3.13 Catchment Management Schemes**

Rating reviews have commenced on the Awhea, Mataikona/Whakataki and Kaiwhata schemes. The requirement to have the proposed rating classifications in the Proposed Annual Plan ruled out the achievement of new rating classifications for next financial year.

All schemes have incurred flood damage in March 2005. The worst affected catchments are the Kaiwhata, Awhea/Opouawe, and Mataikona/Whakataki. Flood damage repairs are ongoing.

All the schemes apart from the Whareama had projected credits at the time of their annual scheme meetings. These scheme reserves will cover any additional flood damage. The reserves and the ongoing works programmes reinforce that Greater Wellington is making progress in these catchment schemes.

### **3.14 Drainage Schemes**

The wet season last year put pressure on all Pump Drainage Schemes due to the increased use of power. This will result in two Pump Drainage Schemes being in deficit by 30 June 2005.

The Ahikouka gravity drainage scheme is on track to pay off its deficit within the planned 3 year period.

The Manaia gravity drainage scheme is to have a rate holiday, as their reserves have increased to a point which will cover estimated annual works programmes until 2007/2008.

### **3.15 Sub-Committee**

Given that not all schemes have held their meetings, it is recommended that a sub-committee comprising Cr Buchanan and Cr Long be given authority to approve the final recommendation for targeted rates and reserve balances prior to their submission to Greater Wellington's budget setting meeting on 9 June.

## **4. Acknowledgement**

This year the river schemes combined with flood damage issues and annual works programmes were completed in a tight timeframe in April-May. The efforts of the scheme advisory committees members, Councillors Long and Buchanan, and staff in ensuring the success of these meetings are gratefully acknowledged.

## **5. Communication**

The proposed schemes rates, as scheduled in the attachment to this report, have already been agreed to by the respective advisory committees.

## **6. Recommendation**

- (a) That the information in this report be noted.*
- (b) That Councillors Buchanan and Long form a sub-committee to approve the final scheme rates schedule to be submitted to the formal Council meeting on 9 June.*

Report prepared by:

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