

THE WEST COAST REGIONAL COUNCIL

MINUTES OF THE MEETING OF THE COUNCIL HELD ON 9 APRIL 2019, AT THE OFFICES OF THE WEST COAST REGIONAL COUNCIL, 388 MAIN SOUTH ROAD, GREYMOUTH, COMMENCING AT 10.30 A.M.

PRESENT:

A. Robb (Chairman), T. Archer, N. Clementson, P. Ewen, P. McDonnell, A. Birchfield, S. Challenger

IN ATTENDANCE:

M. Meehan (Chief Executive Officer), R. Mallinson (Corporate Services Manager), H. McKay (Consents & Compliance Manager), H. Mills (Planning, Science & Innovation Manager), R. Beal (Operations Director), N. Costley (Strategy & Communications Manager), T. Jellyman (Minutes Clerk).

1. APOLOGY:

There were no apologies.

2. PUBLIC FORUM

Peter Dennehy, Richard Molloy and Sonia Pettigrew who are members of the Lower Waiho rating district (LWRD) attended this section of the meeting.

LATE ITEM

WAIHO RIVER SOUTHSIDE FLOOD RESPONSE OPTIONS

The Chairman asked the meeting if they were prepared to accept a late item regarding the above matter. The Chairman stated that once this matter has been dealt with the Council meeting will then be adjourned and the Resource Management Committee meeting will commence.

Moved (Robb / McDonnell) *That the late item be accepted.*

Carried

M. Meehan spoke to the late item. He explained that the late item relates to the recent flood event which led to the partial destruction of the Milton & Others stopbank (MOS). M. Meehan advised that Council's Engineer was on site prior and during the event and initiated some short term de-watering work by putting in a gravel stopbank with a bulldozer and some river channelling work as well as some early rock recovery work. M. Meehan displayed a detailed map of the exact location of the affected area on the TV screen. He advised that affected areas include large dairy farms, lifestyle blocks, other private properties, the Lower Waiho Road, water also has gone through old river channels including the 68 channel. Two additional river engineers were also on site during the event and advice was sought from Matt Gardner during this time. M. Meehan advised that following feedback from the community costs for a cut through the Waiho Loop are being investigated along with what benefit this work would bring. M. Meehan spoke of a meeting held in Franz Josef last week with attendees from WDC, WCRC, elected members, NZTA and civil defence staff. M. Meehan advised that Mr Peter Dennehy has taken on the role as spokesperson for the south side community and he also was present at the meeting. Following the meeting it was agreed that options would be investigated these include, reinstatement of the bank, slight alteration on the bank, or compensation options to the community. M. Meehan stated that now there is really only one option which is reinstatement of the MOS as the government does not have an appetite for compensation. He advised that a meeting will be held in Wellington tomorrow but it is unlikely there will be anything of assistance offered.

M. Meehan advised that Council has insurance in place for rating district assets and the catastrophe fund which has just over \$1M in it. R. Mallinson is working with Council's insurer, Aon, to work through a potential claim. M. Meehan advised that MCDEM will also be approached as it was following the 2010 region wide flood event. M. Meehan advised that the LWRD currently has just over \$100,000 in its account.

M. Meehan advised that costs of reinstatement of the stopbank is likely to be over \$2.5M and would take around 13 weeks to complete. M. Meehan explained various other options to the meeting and spoke to the rest of his report. He answered questions relating to the RMA, emergency works and rock supply for this work.

It was agreed that Council would hear from members of the rating district prior to making any decisions. The Chairman explained the procedure involved in hearing from the public forum and advised that a meeting with the rating district will be held at the close of today's Council meeting.

Mr Peter Dennehy addressed the meeting and advised that he is the spokesperson for the LWRD and the Franz Josef Southside Preservation Group which was set up following the recent flood event. Mr Dennehy updated Council on recent meetings following the flood event and read a letter to the meeting seeking Council support. Mr Dennehy spoke of the meeting with Hon Damien O'Connor which was held on 5 April where it was realised that a government buy out to the affected landowners on the south side of the Waiho River is unlikely. Mr Dennehy stated that it was realised that the only real option is to reinstate the MOS stopbank and to use rock from the riverbed, the moraine loop and stockpiles. Mr Dennehy stated that the landowners have a legal right to reinstate this stopbank, they have unanimously agreed to this and have landowner signatures to their written formal request. Mr Dennehy stated that they expect WCRC to support this request as they are in a very vulnerable position. Mr Dennehy stated that through this flood event, the Franz Josef community has come together and has backed the landowners on the south side. He stated the aim is to keep communication on both sides free and open. Mr Dennehy read out the signed formal request which says that they feel the best way forward is to reinstate the MOS and to do so with urgency, on its original alignment but made wider, stronger, and longer. Mr Dennehy answered questions from Councillors. He explained the preferred option for the reinstatement of the stopbank. M. Meehan advised that options would be discussed with the LWRD committee following today's Council meeting and Council will then need to decide how this is funded. Extensive discussion took place on funding options, rock prices, and the design of the stopbank and potential costs. The Chairman asked the meeting if there is any possibility that others who benefit from the stopbank being in place, but don't pay into the rating district, would contribute to the costs of the work. Mr Dennehy stated that he is fairly confident of getting financial support from the township and property owners on the south side. M. Meehan clarified the boundaries for both rating districts to the meeting as well as other areas of importance. R. Mallinson advised that he has been in discussions with Council's insurer and the payout will be based on a like for like replacement. He advised this does not mean replacement has to be like for like but this is what the replacement will be based on. It was confirmed that all members of the LWRD have signed the petition. Cr McDonnell stated that he visited the area yesterday and it is obvious to him that the bank needs to be reinstated as farmers want to get their fences back in as winter is coming. Cr Challenger agreed and stated that the stopbank needs to be reinstated as it is not safe without it. He stated that the river is aggrading and it is only likely to be 10 years and the river will be up at the same level as the township. Cr Challenger spoke of the current state of stopbanks and he asked if the meeting if the stopbank should be a solid bank or should it be a protecting bank that does not cost quite so much. R. Beal advised that the LWRD want a better and longer bank. Cr Challenger outlined the area on the map and asked what advantage is there in doing phase 2 if it is likely to be damaged. R. Beal stated that the advice from all engineers is to go as far as Rata Knoll and take advantage of the high points in this area. Cr Birchfield stated that the main thrust should be getting the breach fixed and deal with Rata Knoll in stage 2. Cr Challenger feels that it needs to be a two stage process. Mr Dennehy outlined the area on the map where the breach is and spoke in detail of where the river is now, he also showed what happened during the 1982 flood. Cr Ewen agreed with Crs Challenger and Birchfield comments. It was agreed that a meeting of the LWRD would be held shortly after this meeting. Cr Birchfield read out an alternative motion to the meeting. M. Meehan requested that the second recommendation in the report is adjusted to accommodate the extension down to Rata Knoll. Cr Challenger stated that there should be an additional recommendation where the alignment to Rata Knoll is looked into in the near future. Mr Dennehy explained how the stopbank could be repaired by the contractors who are currently on site. M. Meehan advised that this is a simple design. Cr Ewen stated that he is disappointed that the Government will not look at a buyout. He stated that this could happen again and the solution must be tied in with Government and Development West Coast as the long term solution must be looked at. R. Mallinson advised that the insurance excess is \$250,000, and the intention with the Catastrophe Fund was always to fund the excess. Mr Dennehy stated the stopbank needs to be well maintained and the channel needs to be kept clear. Mr Dennehy stated that gravel is getting to the sea, he has seen this via helicopter, he stated that it is important that the channel can flush. The Chairman advised that these conversations will now be held with the rating district but the main thing with rating districts is costs and how work is going to be funded. It was agreed that M. Meehan and R. Beal would be excused from the Resource Management Committee meeting in order to meet with the LWRD

Moved (Birchfield / Ewen)

1. *That the West Coast Regional Council immediately begins reconstruction of the Milton and Others floodwall in the Lower Waiho valley.*

That the floodwall is reconstructed on its original alignment.

That an advance from the Catastrophe Fund of \$250,000 is made available immediately to help with the reconstruction.

That the advance is repaid to the Catastrophe Fund from the floodwall insurance pay out when it is received.

That the West Coast Regional Council uses Emergency Clause 3.5 in the Procurement Policy to hire the equipment which is on site to reconstruct the floodwall.

2. *That the West Coast Regional Council works with the community to investigate extension to Rata Knoll in the near future.*

Carried

M. Meehan and R. Beal left the meeting to meet with members of the LWRD. Cr Clementson thanked Messrs Dennehy and Molloy, and S. Pettigrew for their attendance.

The meeting adjourned at 11.24 a.m.

The meeting reconvened at 11.48 a.m, following the completion of the Resource Management Committee meeting.

3.1 CONFIRMATION OF MINUTES

The Chairman asked the meeting if there were any changes to the minutes of the previous meeting. There were no changes requested.

Moved (Clementson / Birchfield) that *the minutes of the Council meeting dated 12 March 2019, be confirmed as correct.*

Carried

Matters arising

There were no matters arising.

REPORTS:

4.2 WESTPORT 2100 – EXTENSION OF PROJECT BOUNDARY

N. Costley spoke to this report and advised that originally the boundary of the project was the bridges on either side of Westport. N. Costley stated that the group wanted the boundary extended to ensure that areas of critical infrastructure, population and where the river could flood were considered for the project. N. Costley reported that a paper was presented to Buller District Council and they sought to make an adjustment to ensure that the mouth of the Orowaiti Lagoon is included.

Moved (Archer / Clementson)

That the West Coast Regional Council endorses the extension to the boundary of the Westport 2100 project.

Carried

4.3 CORPORATE SERVICES MANAGER'S MONTHLY REPORT

R. Mallinson spoke to his report and advised that this is for the eight months to the end of February. He reported that the investment portfolio recovered to just under \$0.5M during January and February, which has helped reduce the deficit from \$835,000 at 31 December to \$430,000 at 28 February 2019. R. Mallinson estimated that the investment portfolio increased between 1.25 and 1.4% during March.

R. Mallinson explained required changes to the Council Investment Policy to the meeting. Discussion took place on the performance of the investment portfolio and the Catastrophe Fund. R. Mallinson advised that the Catastrophe Fund is a conservative portfolio and its returns will always be less than the main portfolio as this is a balanced fund.

Moved (Birchfield / Clementson)

1. *That the report is received.*
2. *That the Council combined Treasury Policy (containing Investment and Borrowing Policies) be amended to provide for:*
 - a). *That Council can invest in managed fund portfolios with a Fund Manager approved by Council. These managed fund investments include a portfolio of > \$10,000 (main fund) and \$1,000,000 (Catastrophe Fund). The main fund is a "balanced" portfolio and the Catastrophe Fund is a "conservative" portfolio. These funds are invested in accordance with a "Statement of Investment Policy Objectives" which is agreed to by the Fund Manager and West Coast Regional Council.*
 - b). *That Council may make other specific investments by specific Council resolution.*

Carried

4.4 AUDIT NZ FINAL MANAGEMENT REPORT FOR YEAR TO 30 JUNE 2018

R. Mallinson spoke to this report and explained in detail various sections of the management report to the meeting. R. Mallinson answered questions from Councillors regarding delegated authority, audit and risk committees, and other minor matters.

Moved (Challenger / Birchfield) *That the report is received.*

Carried

4.1 OPERATIONS REPORT

R. Beal's report was taken as read (he and the Chief Executive were in a meeting with members of the Lower Waiho rating district). It was agreed that the contents of this report have been discussed earlier on in the meeting.

Moved (Archer / Birchfield) *That the report is received.*

Carried

5.0 CHAIRMANS REPORT

The Chairman spoke to his report. He stated that the main discussion at the recent meeting with Hon Damien O'Connor and the Mayors and Chairs group was about the Waiho River. The Chairman reported that he met with Eugenie Sage on Saturday afternoon following on from her visit to the Fox River dump site south of Franz Josef. He stated that the function of rating districts and the Waiho River were discussed at this meeting.

Moved (Robb / Archer) *that this report is received.*

Carried

6.0 CHIEF EXECUTIVE'S REPORT

This report was taken as read.

Moved (Clementson / Birchfield) *that this report is received.*

Carried

GENERAL BUSINESS

Cr Ewen asked if there is a post flood survey available of the Waiho River area. Cr Challenger advised that there would be photos available as part of the LiDAR work.

Cr Ewen asked if Council has a database of all past dump sites alongside rivers. H. McKay advised that there is no database as such, but she is currently working on putting a list together of known legacy landfill sites.

Moved (Archer / Ewen)

That Council investigates a potential Envirolink grant to identify at risk landfill sites on the West Coast.

Carried

Cr McDonnell stated that given that the government is not interested in buying out properties on the south side of the Waiho River, it is important that as much funding as possible is sought from government to replace stopbanks in this area. The Chairman stated that Minister O'Connor is mindful of setting a precedent but it was agreed that the uniqueness of this area should be considered and the importance of the roading link. Cr McDonnell stated that it would be unfair to expect the rating district to come up with \$3.5M. Cr Challenger asked if WDC has made public knowledge that this area is a flood zone and a risk and if this is included in LIM statements. It was noted that the Franz Josef avoidance zone has now been removed. R. Mallinson advised that any property that is within a rating district will be paying a targeted rate and a potential buyer would see this. Extensive discussion took place on risk and responsibilities of councils.

The meeting adjourned at 12.20 p.m.

M. Meehan and R. Beal joined the meeting at 12.20 p.m.

The meeting reconvened at 12.54 p.m.

LATE ITEM

Kotahitanga mō Te Taiao Alliance

R. Beal asked the meeting if they were prepared to accept a late item regarding the above matter. M. Meehan advised that this matter was late due to staff being busy with the recent weather event and their involvement with civil defence needs. M. Meehan stated that a response is due by 29 April and would have been too late for the May Council meeting. Cr Archer expressed concern that the late item is not on the agenda, He asked what is the difference to the last report as there are only minor amendments and in some cases, only a comma. Cr Archer stated that Council is already a signatory to this document. R. Beal advised that this is the latest version of the document.

Moved (Birchfield / McDonnell) *That the late item be accepted.*

Against Cr Archer

Carried

M. Meehan suggested that any future minor amendments are dealt with by staff. R. Beal confirmed that the changes to the original document were requested by Nelson City Council but Council has already seen these and the rest of the amendments are minor. It was noted that there are no financial implications to Council.

Moved (McDonnell / Birchfield)

- 1. That the report is received.*
- 2. That Council signs as a party to the Kotahitanga mō te Taiao Strategy.*
- 3. That staff are delegated to make minor amendments on the document on behalf of Council.*

Against Cr Archer

Carried

The meeting closed at 1.06 p.m.

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Chairman

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Date