

THE WEST COAST REGIONAL COUNCIL

MINUTES OF THE ANNUAL MEETING OF THE INCHBONNIE RATING DISTRICT HELD AT WARWICK GAULT'S RESIDENCE ON 3 OCTOBER 2019, COMMENCING AT 10.06 AM.

PRESENT

W & M. Gault, J. Keeney, D. Shaffrey, R. Adams, M. McPhail, S. Winter, D. & J. Winter, M. Adams, J. Arnold, P. Norris, D. Watts, R. Shaffrey (arrived 10.15), G. Rooney (arrived 10.21),

IN ATTENDANCE

West Coast Regional Council
A. Birchfield, A. Robb (Councillors)
B. Russ, T Jellyman, J. Ellis (Staff)

APOLOGIES

N. & V. Johnston

W. Gault / J. Keeney - Carried

BUSINESS

Cr Robb opened the meeting and welcomed those present.
He introduced himself and the Council staff.

Moved: *"That the minutes of the previous Annual Meeting held on 15 October 2018, be adopted as a true and correct record of that meeting."*

J. Keeney / M. Adams - Carried

MATTERS ARISING

There were no matters arising.

FINANCIAL REPORT

B. Russ presented the financial statements for the financial period ending 30 June 2019. He advised that the rating district account had an opening balance of \$148,929.55 and a closing balance of \$64,005.21. B. Russ reported that there was \$143,375.48 worth of expenses during the year.

B. Russ advised the meeting that following the March weather event, the rating district's infrastructure was affected and emergency works were required. He advised that that Council's insurance will pay for 40% of physical work and the Ministry of Civil Defence pay the remaining 60% with the excess of the claim paid by Council's Catastrophe Fund. B. Russ advised that once the claim is accepted approximately \$57,000 will be paid into the rating district account. Cr Robb advised that a similar situation occurred in 2010 and Council was able to claim on this event as it was a region wide event. B. Russ answered questions relating to the insurance claim, resource consents, and fees, and gravel extraction.

Moved: *"That the financial report for the 2018 / 2019 year be adopted".*

D. Watts / J. Keeney - Carried

WORKS REPORT

B. Russ presented the detailed works report, which covered the 12-month period; 1 July 2018 to 30 June 2019 and advised that \$140,000.50 worth of works were carried out during the reporting period. B. Russ advised that two lots of work was carried out in July 2018 and further work was done in March 2019 following the March flood event. He distributed maps displaying groynes to the meeting.

Extensive discussion took place on groynes and areas of concern. B. Russ explained the purpose and function of groynes to the meeting. He stated that this area is a high maintenance area. B. Russ provided detailed information on the works carried out and stated that all of the work carried out in May 2019 for Stage 2 of the contract was not eligible for insurance as this was new work. He advised that Grey District Council contributed \$35,000 toward the work carried out during the reporting period.

B. Russ reported that \$9,352 worth of work was carried out this financial year.

Discussion took place on the pipes and flap valves in the downstream area. It was agreed that B. Russ would inspect this area.

B. Russ advised that following a discussion with the spokesman, no maintenance works were identified. B. Russ recommended that \$40,000 is allowed for unforeseen maintenance. It was noted that just under \$10,000 has been spent this year. He advised that rating district pays for 50% of work, with Grey District Council paying 50%, up to \$35,000 per year. W. Gault noted that spraying has been done along the beech forest part of the riverbed. B. Russ advised that he is putting together a tender for spraying for other rating districts and can include this rating district. Thanks were passed onto to members of the rating district who have carried out their own spraying work.

Moved: *"That the works report for the 2018 / 2019 year be adopted".*

J. Keeney / D. Shaffrey – Carried

RATES 2020 / 2021

B. Russ advised that the balance in the rating district account at the beginning of the 2020 / 2021 financial year is likely to be \$125,000. He is proposing that the rate strike is \$20,000 for the 2020 / 2021 financial year. It was noted that the prudent reserve for the rating district is \$120,000. B. Russ stated that this amount is fairly light. He advised that the prudent reserve is immediately available for urgent emergency works that may be required following a major flood event. The predicted damage exposure to the schemes assets is estimated at \$200,000 - \$400,000 depending on the size of the flood (see Asset Management Plan). It is therefore likely this prudent reserve will only cover a portion of the actual costs of the potential damage that could occur, noting that Grey District Council will contribute.

Moved: *"That the recommended rate strike for the 2020 / 2021 financial year is \$20,000 GST Excl."*

D. Winter / D. Shaffrey - Carried

ELECTION OF OFFICERS

For this rating district all members of the rating district are on the committee. It was agreed that the status quo would remain. W. Gault was thanked for his work for the rating district.

Moved: *"That W. Gault be re-elected as the spokesperson for the Inchbonnie Rating District for the 2019 / 2020 financial year and the committee consists of all members present."*

J. Keeney / J. Arnold - Carried

GENERAL BUSINESS

M. Adams expressed concern with the lake level rising and the amount of debris following down and building up with a natural dam starting to form. She stated that there is also a lot more debris near the waterfall and this is narrowing the outlet. M. Adams stated that she was told that the resource consent to clear this area was revoked. B. Russ advised that the consent holder has been in contact with Council to get a variation to the resource consent so that the creek can be cleared from the lake towards the north. B. Russ has suggested that the side creeks are included as the lake is high due to the amount of gravel. Extensive discussion took place and it was noted that this area is not part of the

rating district and the land is road reserve, and Grey District Council is responsible for this. B. Russ advised that the consent holder is going to clean this area out.

J. Keeney asked why is rock going out of the rating district to other areas including Kaikoura. He is concerned with rock leaving the rating district and is worried that when the rating district needs rock there might not be any left. Cr Robb advised that the quarry is a regional council asset and that the regional council maintains and charges a royalty on the rock. Cr Robb stated that the Inchbonnie Quarry is one of the few quarries still operating especially with the issues around health & safety and the cost associated with retrieving rock. Cr Robb stated that had the rating district had to pay for the costs associated with the quarry, this would increase the price of rock to the rating district. Cr Robb advised that Council's CEO has suggested that an assessment is carried out to ascertain how much rock is available for future needs, and ensure that enough reserve rock is left for the rating district for the next 50 years or so. J. Ellis advised that he would like to see the make safe work done and completed. He stated that the cost of the make safe work is being covered by the rock sales. J. Ellis advised that he has spoken with the contractor this morning, who advised that he is coming to the end of the rock that he wants out of the quarry and is about to finish. J. Ellis stated that it will end up with a very safe and easy to work quarry. He stated that he would like to see a good part of the rubble go up to the stopbank and put on the riverside. J. Ellis advised that between 80,000 – 100,000 tonne of rock will have been taken by the time the contractor finishes. He stated that there is hundreds of thousands of tonnes of rock still available. J. Ellis spoke extensively about how this work is being done. He answered questions relating to rock recovery, costs involved, quality of rock, quarry contracts and operational matters relating to the Inchbonnie quarry.

Further discussion took place and it was agreed that an assessment of the quarry would be done as soon as possible, in order to work out what rock is available in the licence and make decisions based on this information. It was noted that Council will pay for the assessment and will arrange this as soon as possible. B. Russ explained the contract arrangements to the meeting. Cr Robb advised that all the financial information is publicly available and this will be included in the assessment information. J. Keeney stated that he would like to see rock sales outside of the rating district stopped altogether. Cr Robb stated that the quarry is owned by the Regional Council and is maintained and payed for by the Regional Council.

J. Ellis advised that the Inchbonnie Quarry was gazetted by Parliament in 1953 and the gazette notice defines it as a quarry for the production of armour protection rock, and does not specify which area the rock is for.

Cr Robb stated that staff will allay the rating district's concerns regarding rock takes to the new Council in the coming weeks. He stated that the new Council will need to get up to speed on this as rock is a big issue for the whole region. Cr Robb stated that Council has considered selling all of their quarries but has now decided to keep a few in order to supply rock to the community. Discussion took place on liability, risk and health and safety issues faced by those who run quarries.

Extensive discussion took place on road prices and the possibility of increasing rock prices when it is sold outside of the region.

Those present expressed their concerns with the amount of rock being supplied to contractors from outside of the region. J. Keeney stated that he feels there should be two prices, one for the rating district and one of buyers from outside of the rating district. W. Gault stated that NZTA roads are protected as highways and if there is a higher price for Inchbonnie rock supplied to these areas, the message might get back to government. It was noted that Inchbonnie rock is some of the best quality rock in New Zealand as it is hard and heavy.

There being no further business, the meeting closed at 11.35 a.m.

Action Points:

- B. Russ to arrange for an assessment of the quarry.
- Provide figures on how much rock has been sold over the past couple of years.