

THE WEST COAST REGIONAL COUNCIL

MINUTES OF THE ANNUAL MEETING OF THE WANGANUI RATING DISTRICT HELD AT THE HARI HARI RESTROOMS ON 14 OCTOBER 2009, COMMENCING AT 9.35 AM.

PRESENT

B. McGrath, J. Sullivan, A. Campbell, D. Lane, J. Stewart, A. Harris, R. Hodgkinson,
B. Thomson

IN ATTENDANCE

West Coast Regional Council
B. Chinn, (Councillor), D. Davidson (Councillor)
S. Moran, W. Moen, T. Jellyman (Staff)

APOLOGIES

J. Arnold, B. Adamson,

A. Campbell / J. Stewart - Carried

BUSINESS

B. Chinn opened the meeting and welcomed those present.
He introduced himself and the Council staff.

Moved: *"That the minutes of the previous Annual General Meeting held on 16 October 2008, be adopted as a true and correct record of that meeting."*

J. Stewart / A. Campbell - Carried

MATTERS ARISING

J. Sullivan queried the \$10,000 cost for staff time. He feels this had a lot to do with Kevin Garland's resource consent. J. Sullivan wonders why the rating district is being charged for this when Mr Garland paid for the resource consent himself.

W. Moen explained that the rating district on the other side of the river from Mr Garland was named as an affected party. W. Moen had to do quite a bit of work for the rating district for this consent and when he is working on behalf of the rating district then the rating district is charged for his time. J. Sullivan stated he would query this again this year as last year the rating district struck a rate of \$50,000 and now over \$10,000 of this has gone on administration costs again this year. S. Moran clarified that each party pays for their own costs and in this case as the rating district is an affected party W. Moen coordinated the rating districts response to Mr Garland's resource consent. S. Moran advised that if the rating district committee had done this work themselves there would have been no cost. W. Moen stated that as this was major works he was not prepared to sign off on it on behalf of the rating district without involvement from the rating district committee. J. Sullivan asked how much time was spent of this consent. W. Moen advised that he spent approximately about 100 hours of his time over 12 days on this consent. He stated that the more the rating district committee could do themselves the more money they can save. S. Moran advised that there are a number of contracts tendered out in this area and these often require site visits and a careful eye is kept on contractors working in the area. J. Sullivan thanked W. Moen for this explanation. W. Moen stated that the Wanganui Rating District is the biggest rating district on the West Coast with the highest expenditure.

B. Thomson asked if the rock that was being placed in the area, which J. Stewart spoke about last year, has been completed. W. Moen advised that MBD Contracting are working on this contract at the moment and they have been advised to re-stack the rock using a digger and J. Stewart is to show them exactly where to place this rock.

A. Harris asked if a decision has been made on Clark's Hook and whether or not it is to be replenished. W. Moen responded that the rating district committee agreed to leave this as there has been no movement and he recommends that it be left in place.

A. Harris asked what is happening with the Wanganui Quarry. S. Moran advised that the quarry permit doesn't run out until 2037, he advised that John Ellis (Quarry Consultant) has advised that there is very little life left in the quarry unless the rating district wants to spend more money on it. Mr Ellis advised that the quarry could be benched down from the top at a significant investment. S. Moran advised that \$100,000 could be spent to get 10 or 15 years out of it and this would be money well spent. S. Moran advised that a decision needs to be made as to whether or not to go ahead and spend money on this quarry. S. Moran stated that in its current state council does have concerns about it and it is the worst quarry council has. S. Moran advised that his recommendation to council would be to restore the quarry to the extent required then get out of it. He advised that if anyone in the rating district wanted to take over the licence then this could be arranged and it would then become a private quarry. S. Moran stated that council has concerns over how much rock is left. A. Campbell stated that the money set aside for restoration could be used to pay the road off. S. Moran advised that this quarry is used solely by the rating district but the rating district is not prepared to pay for the restoration, he advised there is just over \$30,000 set aside for restoration. A. Campbell stated that \$30,000 is owed on the road; this was the cost to build the road and one day the road has to be paid off. B. McGrath said not to worry about paying off the road. The loan for the road is slowly being paid off through the rating district. S. Moran is keen for the \$30,000 to be used for restoration. A. Harris stated that issue is whether to carry on with the quarry or look for a new rock source. Cr Chinn stated that the rating district committee needs to make their own decision on this and decide whether or not to keep the quarry open or to take it over and take it privately by paying their fees and keeping rock there for emergencies or find another rock source. B. Thomson asked about the lower part of the road and the royalty paid to Glenys Black. S. Moran confirmed that \$1 per tonne royalty is paid to go through Mrs Black's property; this agreement runs out in December of this year. Mrs Black has indicated that she is happy to stay with this figure per tonne but the term of the contract is five years and S. Moran advised that Mrs Black might wish to change the term to three years. J. Stewart stated that he wonders why a road isn't put in around the river in the bottom part of the quarry. S. Moran stated the same issues with over height would still be a problem. A. Campbell asked if there is rock available in Whataroa and could this be used in the Harihari area. W. Moen stated that the rock in Whataroa is serving Franz Josef and Waitangitona areas and this area is using a lot of rock at the moment. S. Moran advised that John Ellis is happy to come down and talk to the rating district committee on what the options are for the Wanganui Quarry. Mr Ellis is able to provide a report to the rating district committee at a relatively small cost. Cr Chinn stated that he would leave it to the rating district to make a decision on the future of the quarry.

W. Moen advised that the bridge into the quarry needs to be re-certified very shortly.

J. Stewart requested a plan or aerial photograph of the quarry. B. Thomson stated that the road access, the bridge, the quantity of rock available in Whataroa all need to be weighed up before a decision is made as the quarry itself is only part of the equation.

Cr Davidson stated that he feels S. Moran should be empowered to get a cheap report so that all the facts are to hand with information from an engineer included in the report.

S. Moran estimated that a report could cost approximately \$3,000.

Moved: *"That the \$30,000 S. Moran is holding goes toward the paying off of the road".*

A. Campbell / J. Stewart - Carried

S. Moran advised that this recommendation will go to Council and they will decide whether or not to approve this recommendation.

B. Thomson asked for further clarification on this matter. S. Moran advised that the \$30,000 originally came from stockpiled rock. He advised that at a previous meeting it was suggested that the rating district pay off in a lump sum the amount owing on the road as soon as the easement was signed off. S. Moran stated that the issue for Council is that in its current state there is very little rock coming out of the quarry, it is not going to pay off the road and it is not going to have enough money in the kitty at the end for restoration of the quarry. S. Moran advised that while there is money in the kitty he proposes that it is kept there to pay for the restoration and the rating district still has to pay off the money owing on the road. It is ring fenced to spend on the Wanganui quarry.

J. Stewart asked what happened about the spraying of the stopbank that was discussed at last year's meeting. S. Moran advised that Council did not approve this recommendation but the intention is for W. Moen to come up with an amended programme for spraying so that progressive spraying is done throughout the year.

B. Thomson queried why aren't those who do their own spraying reimbursed by Council as he feels that if landowners do that spraying then it is a saving for the rating district.

S. Moran responded that by having a spraying programme in place then it can be better managed to ensure that it is spraying in a cyclical manner and W. Moen is not wasting time on sorting out which areas have been missed out. S. Moran advised that there is no mechanism in place for reimbursing those who do spray and also those that don't spray.

J. Sullivan stated that he needs to leave the meeting now but he wishes to move management's recommendation for the rate strike. It was felt that work that needs to be done should be discussed prior to setting the rate strike.

FINANCIAL MINUTES

W. Moen presented the financial statements for the financial period ending 30 June 2009. This leaves the account with a current up-to-date credit balance of approximately \$137,715.55. A. Harris voiced his concern that the balance was decreased by over \$100,000 in the year to June 2009 but there is only a rate of \$50,000 for the current year, he feels that the rating district is vulnerable if something happens.

Moved: ***"That the financial report for the 2008 / 2009 year be adopted".***
A. Harris / J. Stewart - Carried

MATTERS ARISING

There were no matters arising relating to the financial report.

WORKS REPORT

W. Moen presented the detailed works report, which covered the 12-month period: 1 July 2008 to 30 June 2009. He stated that it is quite an extensive report this year in view of the capital work that was required came in at approximately \$109,000. The maintenance works totalled \$163,261.03 with the total for all works during the period being \$272,219.78. W. Moen advised that an inspection with members of the rating district committee on 30 July 2009. Works are currently being carried out by MBD Contracting and the grading work required will be done by Fulton Hogan. A proposed allowance of \$44,800.00 for maintenance expenditure for the following 2009 / 2010 year, including \$20,000 for unforeseen maintenance.

J. Stewart advised that there are two spots that need more rock. W. Moen advised this would need to be done while the contractors are still working in this area.

RECOMMENDATION

1. ***That the Works Report covering the 2008 / 2009 financial year be adopted.***

2. ***That the 2009 / 2010 works proposals be approved.***

A. Campbell / J. Stewart – Carried

RATES 2010 / 2011

Discussion ensued regarding the rate strike. J. Sullivan moved this recommendation prior to leaving the meeting and it was agreed that this motion still stands.

RECOMMENDATION

"That the rate strike for the 2010 / 2011 financial Year is \$100,000 (GST Excl)."

J. Sullivan / A. Campbell - Carried

ELECTION OF OFFICERS

Cr Davidson reminded the meeting that this rating district has a rotation policy in place. A. Campbell and J. Stewart are due to stand down from the committee but they offered themselves for re-election. W. Moen asked who would be standing down next year. It was agreed that R. Hodgkinson and G. Robertson would stand down next year. Cr Chinn asked if anyone else wishes to stand. A. Campbell asked if these not present would remain on the committee it was agreed that the current committee would remain the same for this year.

Moved: ***"That the following members, namely:***

J. Arnold

J. Stewart

A. Campbell

R. Hodgkinson

G. Robertson be elected as the committee for the 2009 / 2010 financial year."

A. Harris / B. McGrath - Carried

Moved: ***"That A. Campbell be re- elected as the spokesperson for the 2009 / 2010 financial year."***

J. Stewart / A. Harris - Carried

Moved: ***"That two of the committee members stand down by rotation starting from next year. They will be R. Hodgkinson and G. Robertson".***

A. Campbell / J. Stewart - Carried

GENERAL BUSINESS

D. Lane spoke to the meeting and advised that he has a problem with Harold Creek. He stated last time there was a flood the water came over the road. Someone put a digger into the bottom section and dug the creek out. D. Lane stated that Transit is on one side of the creek and the rating district on the other side of the creek. D. Lane stated that he would like the creek to be cleared out past the tributaries as the tributaries are causing

problems to his property and affecting his septic tanks. D. Lane stated he has four septic tanks and soak pits on his property and for these to be fixed he is looking at over \$20,000. D. Lane stated he has asked the Regional Council and Transit NZ to fix this problem. He is a ratepayer and wants this problem fixed but nobody will take it on. D. Lane stated he would like Transit NZ contract to include both sides of Harold Creek into their contract so that when they do the top and bottom of the creek the sides can be included. D. Lane asked W. Moen where does he stand with getting this work paid for. W. Moen advised that he did approach Transit NZ to clean out the entire Harold Creek area but they are not prepared to clean out the bottom area of Harold Creek. W. Moen advised that the rating district considered cleaning the creek out but they were mindful that if Transit didn't do anything upstream it would compound the problem. D. Lane asked if WCRC could ask Transit NZ to divert Harold Creek back to the Wanganui River, as this is where it used to be. W. Moen stated this would never happen. S. Moran advised that WCRC has tried to get Transit NZ to deal with this problem on a number of occasions without success, he advised that the best thing D. Lane could do is to ring Mark Pinner the Area Manager for Transit NZ. W. Moen clarified that Harold Creek is not part of the rating district scheme and therefore no money goes into it. Cr Chinn stated that Transit NZ will only provide funds once damage is already done. A. Harris stated that the gravel from Harold Creek is going all the way down to La Fontaine Road. He has put in two large culverts to keep the gravel out. A. Harris stated that part of the problem is that people are not taking gravel from the right part of the creek and this is compounding the problem. It was agreed that S. Moran would provide D. Lane with Mark Pinner from Transit NZ contact details.

B. Thomson spoke to the meeting regarding the rating district scheme and the infrastructure that is in place. B. Thomson stated that he is referring mainly to the south bank of the Wanganui River, he feels that in last 15 – 20years 80-90% of the capital and the maintenance money, which comes from rates, has been spent in a concentrated area of the river. B. Thomson spoke of the old subsidised scheme where major infrastructure was put in place in this area which was needed and is still needed. He stated that this is where a large percentage of rating monies go but up river there is not as much of this infrastructure. In a major flood event the landowners up river would have to put in a large amount of capital expenditure. B. Thomson spoke of the bank that is being put in on the north side and when it is included in the scheme it will require a lot more money to maintain it and this will come from the entire rating district. B. Thomson feels that the upstream past and present farmers rates for the past 15 –20 years have been used to maintain a concentrated area of the bank and there is now nothing left in the pot. He stated that the rules of the scheme don't allow any capital works upstream if needed.

B. Thomson stated he is happy to pay the rates he is paying and he appreciates the fact that the whole community needs the scheme but he is asking if there needs to be a review of the method of rates of the whole scheme to make sure that it still fits right in 2009. He asked if there is another way that the rating method can be worked out. B. Thomson stated that in years to come the rate strike could be \$200,000 - \$300,000 in order to maintain the scheme. W. Moen stated that when a new rating district is set up any new works that the rating district pays for whether maintenance or capital works the collective pays for it. This rating district deliberately decided to maintain what works are there but any new works that are required will be on the onus of the actual landowner affected and it is only after that work has been carried out built and after two years the scheme will take over the maintenance of it. S. Moran stated that W. Moen has advocated that the scheme looks at changing to a capital and maintenance scheme, which is the same as the other rating districts. Discussion ensued. B. Thomson stated that he is concerned about what the new bank over the river is going to do to the whole rating district and those upstream are going to be maintaining something in the bottom end of the scheme. W. Moen stated that he feels two other areas are being neglected, the north bank has not had any money spent on it for years and the La Fontaine drainage scheme is also entitled to be maintained but very little money has been spent on maintaining those drains. Discussion took place on what direction the river is heading.

A. Harris asked if it was thought that this is a case for reapportioning the rates. Cr Chinn asked staff present if it is in the powers of the rating district to change the concept of the scheme. W. Moen confirmed that this is possible. S. Moran advised that if the rating district wanted to have a 50% contribution from the scheme for capital work then that is possible. B. Thomson stated he is not interested in a capital scheme. A. Harris stated that money is spent reactively, when a weak spot is identified then rock is placed in that area. W. Moen offered to send a copy of the plan of the river to B. Thomson. W. Moen stated that the rating district has made the decision not to fund capital works in order to make their dollars go further.

Cr Chinn encouraged the rating district to have a meeting and invite all those who pay into the scheme to discuss problems in the area, including B. Thomson's concerns and D. Lane's problem along with the matter of the La Fontaine drains. Cr Chinn stated that he hopes this meeting would be held before next year.

W. Moen advised that the cross sections were done this year, the results reveal an overall build up. There is a little bit of erosion in the channel; there is a depletion of gravel around Berry's Hook. There is a build up in the riverbed between Nick Berry's Hook and Alastair Kraft's Hook. There is general erosion upstream to the State Highway Bridge. Overall in the last two years there has been an overall build up of 130,000 cubic metres of gravel over the whole riverbed. W. Moen stated this is minor compared to width of the river. B. Thomson asked if it is expected that this will change due to the new bank on the north side. W. Moen responded that gravel might build up in the lower reaches over the next couple of years. B. Thomson asked if the cross sections are taken in the same place each year. W. Moen responded that cross sections are a snapshot in time.

B. Thomson asked if the new bank on the north side of the river is going to stay there, this is the bank that Kevin Garland has built. W. Moen responded that this work has been done to a reasonable standard but the stopbank at the top end is concerning. W. Moen stated he couldn't guarantee that it will withstand a flood. B. Thomson asked when does the two year maintenance period for Mr Garland's bank commence. W. Moen advised that this will be when the structure is up to standard and the regional council is happy with this and the structure is complete. W. Moen advised that Mr Garland has indicated that he does not want the rating district scheme to maintain his structure.

A. Campbell asked if DoC have had a look at the quarry to see what they think. S. Moran responded that he is trying to avoid involving DoC. S. Moran stated that right from day one restoration of the quarry was always going to need to be dealt with.

D. Lane asked if it is cheaper to keep the quarry open and maintained that what it would be to close it and then down the track, have to re-open the quarry. S. Moran stated that at some point a decision has to be made on the quarry or another source of rock needs to be found.

Cr Davidson strongly recommended that the quarry report be progressed. He feels that 12 months down the track the rating district will still be in the same position.

RECOMMENDATION

"That \$2,000 - \$3,0000 be spent on engaging Mr John Ellis to provide an engineering report on the future of the Wanganui Quarry."

A. Harris / B. Thomson - Carried

Cr Chinn thanked the ratepayers for their attendance.

There being no further business, the meeting closed at 11.00 a.m.

Action Points for follow up

W. Moen	Provide J. Stewart with an aerial photo / plan of the quarry.
S. Moran	Get report done by John Ellis on future of Wanganui Quarry.
S. Moran	Provide D. Lane with Mark Piner's (Transit NZ) contact details
W. Moen	Send a copy of river plan to B. Thomson.