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AGENDA AND SUPPORTING PAPERS FOR SPECIAL MEETING

30 JUNE 2017

DATE: 30 June 2017

TIME: 10.30 a.m.

VENUE: Council Chambers
West Coast Regional Council Offices
388 Main South Road
Paroa

- AGENDA:**
1. Consideration of Annual Plan Submissions and Decisions Relating to those Submissions.
 2. Confirmation of Annual Plan 2017 / 18 (subject to decisions taken in 1)

THE WEST COAST REGIONAL COUNCIL

Prepared for: Special Council Meeting 30 June 2017
Prepared by: Robert Mallinson – Corporate Services Manager
Date: 28 June 2017
Subject: Staff Report on 2017/18 Annual Plan Submissions.

Background

The 2017/18 Annual Plan consultative document was released for public consultation in late May, with submissions closing on 23 June.

34 submissions were received plus two late submissions were accepted at the meeting, giving a total of 36 submissions. Public hearings took place on 27 June 2017 at a Special Council meeting.

Matters submitted on included Cobden Flood Protection (8), Neil's Beach Rating (10), Punakaiki Seawall extension (11), Kaniere protection works extension (2), Regional Civil Defence Emergency Management ** (2), Other matters (3)

** where the CDEM proposals were the main thrust of the submission.

Cobden Flood Protection

There were a number of submissions in support of the Cobden stop-bank proposal, and one in opposition. One submitter appeared in person at the hearing who spoke in favour of Council doing something about protecting properties in the lower Cobden area near the dog park.

Council Operations Manager Randal Beal advises that receipt of a NIWA report is imminent and that it will include a recommendation with regard to the Cobden stop-bank proposal. Randal Beal believes that a decision on the Cobden stop-bank proposal should be deferred until after the NIWA report is received

I allowed for loan repayment charges (\$19,440 per annum @ 4%, 10 years) in the Rate for Greymouth Floodwall (Loan) Rate for 17/18. If the stop-bank doesn't go ahead we will need to adjust the proposed rate.

Neil's Beach

Submitters were unanimous in their opposition to a differential Class A & B approach, and pointed out that they had run their own survey which indicated > 70% of responders supporting a simple rate on CV without differentials.

To comply with the consultation requirements of the Local Government Act 2002, Council needs to validate the results of that survey.

Punakaiki Seawall extension

Submitters from Class B were very concerned about the impact of the existing proposal on the financial sustainability of their properties and were opposed to the proposed extension.

I have modelled the impact of changes to the differentials for Class B and D, comparing various scenarios against the existing proposal.

I selected a \$325,000 CV property from Class A; a \$475,000 property from Class B; a \$405,000 CV property from Class C; and a \$385,000 CV property from Class D. The results were as follows:

	Actual 16/17 Mtce Rate	Existing proposal <i>B = 80%</i> <i>D = 20%</i> <i>(Rating Impact)</i>	<i>B = 65%</i> <i>D = 25%</i> <i>(Rating Impact)</i>	<i>B = 65%</i> <i>D = 30%</i> <i>(Rating Impact)</i>	<i>B = 70%</i> <i>D = 30%</i> <i>(Rating Impact)</i>
Class A \$325,000 CV	\$3,893	Extn \$549 Mtce \$3,674 <u>Total \$4223</u>	Extn \$553 Mtce \$3701 <u>Total \$4254</u>	Extn \$536 Mtce \$3598 <u>Total \$4134</u>	Extn \$530 Mtce \$3556 <u>Total \$4086</u>
Class B \$475,000 CV	\$3,514	Extn \$641 Mtce \$4296 <u>Total \$4,937</u>	Extn \$525 Mtce \$3516 <u>Total \$4,041</u>	Extn \$509 Mtce \$3418 <u>Total \$3927</u>	Extn \$542 Mtce \$3638 <u>Total \$4180</u>
Class C \$405,000 CV	\$2,987	Extn \$410 Mtce \$2747 <u>Total \$3157</u>	Extn \$413 Mtce \$2767 <u>Total \$3180</u>	Extn \$401 Mtce \$2690 <u>Total \$3091</u>	Extn \$396 Mtce \$2659 <u>Total \$3055</u>
Class D \$385,000 CV	\$949	Extn \$130 Mtce \$871 <u>Total \$1001</u>	Extn \$164 Mtce \$1096 <u>Total \$1260</u>	Extn \$191 Mtce \$1279 <u>Total \$1470</u>	Extn \$188 Mtce \$1264 <u>Total \$1452</u>

Kaniere Extension

Both submissions received were supportive of the proposal. No decision is required by Council.

Federated Farmers of NZ

The submission supported the proposed new Regional Civil Defence Emergency Management Proposal, but asked Council to consider collecting by way of a Uniform Annual General Charge (UAGC). Assuming 20,000 UAGC's, a \$700,000 cost of CDEM would require a UAGC per property of \$35. It is by no means clear that the best way to collect the \$700,000 is by a UAGC, compared to the existing rate on CV.

NZ Fire Service

This organisation supports the proposed new Regional CDEM proposal. No decision is required by Council.

NZ Farm Investment Trust

This organization seeks funding for the "Balance Farm Environment Awards" for 2018/19. Council has previously declined an identical request some months ago from them on the basis that any Environmental Awards that Council is involved with will be open to all sectors, not just the farming sector

Community & Public Health West Coast

This organisation seeks the following:

1. That Council defines its role in land and soil management as a core activity.
2. Extension of air quality monitoring to include Greymouth, Hokitika and Westport.
3. To receive Lake Brunner monitoring reports, Reefton Pm10 reports, and 3 yearly SOE reports on a routine basis.
4. Extension of access to Warm West Coast Scheme.
5. In addition they encourage Council to continue work in various areas.

Active West Coast

This organisation seeks the following:

1. Encourage Council to include climate change mitigation in current and future infrastructure activities.
2. Encourage Council to reconsider Warm West Coast insulation scheme.

RECOMMENDATIONS

1. *That all submitters be thanked for their submissions.*

Cobden Flood Protection

2. *That these submitters be advised that Council is deferring a decision regarding the proposal until it has received a NIWA report which we understand will include recommendations regarding the proposed works.*

That the proposed borrowing of \$160,000 and rating impact be deleted from the Annual Plan.

That Council continues discussions with the Cobden submitters (and other affected Cobden residents) with regard to their concerns about flooding in the lower Cobden dog-park area.

Punakaiki Seawall extension

3. *That submitters be advised that Council confirms that the sea-wall extension is to proceed.*
4. *That submitters be advised that the total cost of the works following evaluation of tender responses is \$xxx,xxx + GST.*
5. *That submitters be advised Council has agreed to amend the differentials applying to Punakaiki Rating District as follows:
Class A: remains @ 100%
Class B: changes from 80% to 65%
Class C: remains @ 60%
Class D: changes from 20% to 25%*

6. *That the Annual Plan be amended to reflect the actual cost of the project, including borrowing requirement and rating impacts.*

Neil's Beach Rating

7. *That submitters be advised that the rate of \$21,200 + GST is confirmed for 17/18.*
8. *That submitters be advised that Local Government Act 2002 consultation requirements require Council to validate the survey that a community representative undertook. This has been mailed out with a response date of 20 July. If a majority of responders support a simple rate on Capital Value then the Annual Plan will be amended to reflect that.*

Federated Farmers of NZ

9. *That submitter be advised that Council is unconvinced that a UAGC is the best way to collect the \$700,000 cost of Regional CDEM in 17/18 and that no change will be made to the Annual Plan.*

NZ Farm Investment Trust

10. *That submitter is advised that the funding request is declined. Any Council involvement in environmental awards will be across all sectors, not just the Farming sector.*

Community & Public Health

11. That submitter is advised that Council is not making any changes to the 2017/18 Annual Plan.

That submitter is advised that the monitoring reports sought are readily available upon request.

That submitter is advised that the Warm West Coast insulation scheme was not sustainable without the involvement of EECA (from a funding and quality control perspective). Council also was not prepared to run up its debt levels to fund this scheme when property owners are usually able to access their own bank funding.

That submitter also is advised that the scheme is still available to residents of Reefton in recognition of the particular air quality issues in that air shed.

Active West Coast

12. That submitter is advised that Council does take into account climate change when maintaining existing and designing new infrastructure.

That submitter be advised that the Warm West Coast insulation scheme was not sustainable without the involvement of EECA (from a funding and quality control perspective). Council also was not prepared to run up its debt levels to fund this scheme when property owners are usually able to access their own bank funding.

That the submitter also be advised that the scheme is still available to residents of Reefton in recognition of the particular air quality issues in that air shed.

13. That the Annual Plan for 2017/18 be approved, subject to the amendments included in the above recommendations.

Robert Mallinson
Corporate Services Manager