



THE WEST COAST
REGIONAL COUNCIL

Matainui Rating District 2021-2024 Asset Management Plan



West Coast Regional Council

388 Main South Road
Greymouth
7805

Table of Contents

1.0	Purpose of this Document	3
2.0	Asset Management Objectives	3
3.0	Matainui Rating District Background	4
4.0	Matainui Rating District	5
5.0	Description of Assets	5
5.1	Physical Assets	5
5.2	Asset Map	6
6.0	Existing Standard	7
6.1	Service Level.....	7
6.2	Maintenance Programme	7
6.3	Damage and Risk Exposure	8
6.4	Prudent Reserve.....	8
7.0	Funding	9
7.1	Maintenance	9
7.2	Damage Repairs	9
7.4	Depreciation.....	10
7.5	Works Expenditure.....	10
8.0	Performance Measures	12
8.1	AMP Review and Monitoring	13

1.0 Purpose of this Document

The purpose of this document is to summarise the management philosophy that is applied to the Matainui Rating District including the infrastructure assets and services. This approach ensures that acceptable levels of service are provided in the most cost effective manner and contribute to the achievement of the community outcomes identified in the West Coast Regional Council's Long-Term-Plan (LTP).

This AMP defines the objectives and performance standards of the Matainui Rating District for which the West Coast Regional Council bears the maintenance responsibility, including providing a basis upon which the effectiveness can be measured. The key purposes of this AMP are to:

- Provide a history of the Matainui protection scheme.
- Convey the long-term strategy for the management of the Matainui Rating District.
- Provide a tool to assist with management assets in a cost effective and sustainable manner.
- Manage the environmental, service delivery and financial risks of asset failure.
- Demonstrate that the service potential of the rivers and drainage assets is being maintained.

2.0 Asset Management Objectives

West Coast Regional Council recognises that the Matainui Asset Management Plan is the fundamental driver of flood protection for the scheme. This AMP has been developed in accordance with the Local Government Act 2002, with the first AMP completed in 2003 with three yearly updates or earlier where information indicates a significant change from what is stated in the current AMP.

In order to fulfil the outcomes, vision, goals and objectives of these assets, the West Coast Regional Council have adopted a systematic approach to the long-term management of its assets and services on the Matainui Rating District by preparing this AMP.

West Coast Regional Council is committed to best appropriate practice asset management in order to achieve the following key objectives:

- Meet the service expectations of the Matainui community.
- Ensure maintenance activities achieve efficient results with optimal benefits.
- Demonstrate Council's approach to managing risk and meeting growth requirements towards a sustainable future.
- Comply with all statutory requirements.

3.0 Matainui Rating District Background

Matainui Creek is known to have caused flooding problems to the Whataroa township area prior to 1960 before records were kept.

In April 1963 the Canterbury Education Board wrote to the Westland Catchment Board with concern about the overtopping of Matainui Creek and the flooding of the Whataroa School Grounds.

Staff of the Westland Catchment Board inspected the creek in May 1963 and advised the Education Board that some channel clearing and a small stopbank were required to block off an overflow channel to prevent further flooding.

As a result of floods in January and February 1967, the Matainui Creek bed aggraded substantially requiring it to be excavated over a distance of 200 lineal metres. The gravel excavated from the channel was utilised in the reconstruction of the washed out stopbank.

Between the period of 1967-1981 intermittent channel clearing and rock protection works were carried out in the vicinity of the Whataroa Township.

On the 18th of September 1984 the owner of the Whataroa Hotel expressed concern at the flooding under the Hotel during heavy rain. This involved the lower Golf Course area through to the State Highway Bridge. Floodwater from upstream was ponding behind the stopbank immediately upstream of the State Highway and flooding the car park behind the Hotel. A small channel was excavated through the stopbank at the downstream end to remedy this problem.

As a result of further substantial flooding a meeting was held on the 4th of October 1993 at Whataroa to discuss the funding of a flood and bank protection scheme to prevent future flooding of the Whataroa Township and Golf Course.

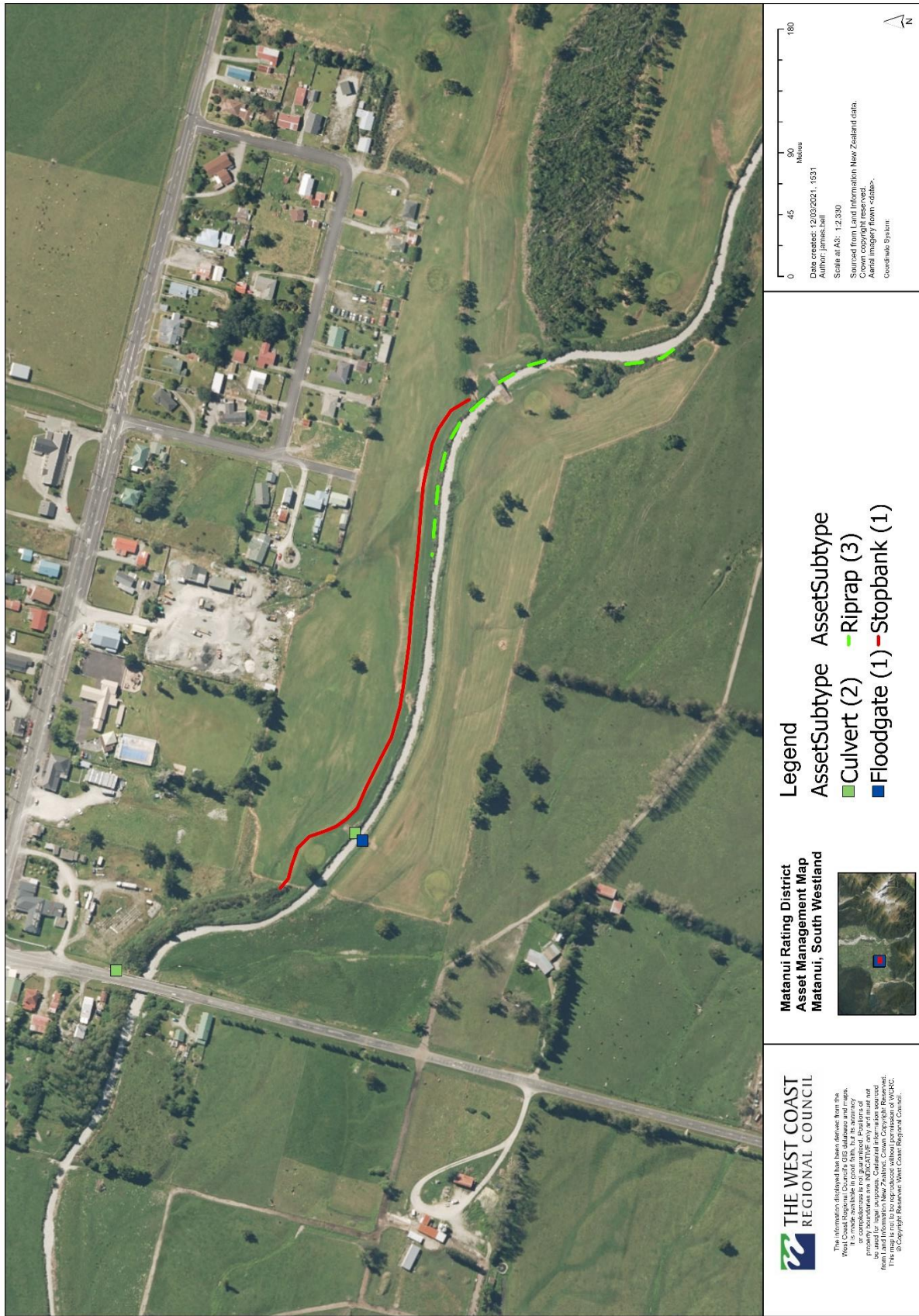
The proposed works which included the construction of a stopbank over 350 metres and the placing of rock protection on the right bank of Matainui Creek were estimated to cost \$18,000. It was agreed by the West Coast Regional Council that a postal ballot would be held to gauge support for the scheme.

On the 5th of October 1993 the Matainui Creek flooded parts of Whataroa and the Main Road.

On the 5th of April 1994 the West Coast Regional Council resolved to establish the Matainui Rating District on a flat rate capital value basis.

The works were carried out in November 1994 by H. Langridge and Sons Ltd for a total cost of \$12,588. The works involved: Stripping grass, constructing an 8,490m³ stopbank, reshaping the Creek batters over 100 metres, loading, carting, and placing 1,000 tonnes of rock rubble and placing a 600mm concrete culvert and floodgate.

5.2 Asset Map



6.0 Existing Standard

The objective of the Matainui Rating District is to reduce bank erosion and flooding along the section of Matainui Creek, from just below of the State Highway Bridge for a distance of approximately 500 metres upstream.

6.1 Service Level

The Levels of Service represented in this AMP are described and aligned with community values including affordability, quality, safety, community engagement, reliability, and sustainability.

Councils in New Zealand will generally adopt one of three methods for determining the level of service provided by a scheme:

- Agreeing on a scope of physical works with the community without reference to a target capacity or return period (low risk schemes)
- Providing physical works with a level of performance provided in terms of a target capacity (medium risk schemes)
- Providing physical works with a level of performance in terms of a target return period (high risk schemes)

Each of the three methods for determining the level of service may be suitable for a given scheme, provided that communities understand event likelihood, scheme and property vulnerability, potential consequences, and residual risk.

Where council staff have recommended physical works or analysis that did not proceed due to community resistance to cost, then councils are only able to track their service delivery through measures around maintenance works programmes or a general description of channel condition.

The historic "Existing Standard" was 300mm above the highest known flood. The Council has suggested that a re-analysis of flood protection levels be commissioned. However, the rating district has decided that they do not wish to have any new analysis undertaken to quantify the actual level of protection that the scheme currently provides. Given that there has been no analysis carried out to date, the scheme structures will continue to be maintained to the dimensions that they were originally constructed.

6.2 Maintenance Programme

An annual maintenance report is prepared each year in consultation with the Matainui Rating District to adoption by the Council for inclusion in its annual budgets.

In preparing the annual maintenance report the following will be considered:

- An inspection to identify works requiring immediate repair.
- Works anticipated as being required given a 'normal' season.
- Flexibility to meet unbudgeted damages.

An annual report will be presented to the Rating District outlining the condition of the scheme assets and maintenance works and expenditure required for the coming financial year.

6.3 Damage and Risk Exposure

Erosion works are constructed in a very high energy environment with the purpose of resisting and absorbing some of that energy. It is considered that no matter what the standard of maintenance carried, it is likely that damage will occur from time to time.

An assessment of maximum damage potential was estimated as below:

Event size (AEP)	Value	Damage ratio	Damage exposure	Prudent Reserve	Prudent reserve contribution
10%	\$98,677	5%	\$4,934	\$4,934	100%
5%	\$98,677	10%	\$9,868	\$6,907	70%
2%	\$98,677	20%	\$19,735	\$9,868	50%

It has been deemed, within reason, that all Rating Districts have a prudent reserve target balance that contributes to at least 100% of the damage exposure for a 10% AEP event, 70% for a 5% AEP event and 50% for a 2% AEP event. These percentages define what is an appropriate and acceptable level of risk for Council and the community.

6.4 Prudent Reserve

Why do we need a prudent reserve?

- Minimise the financial impact of unplanned works, such as those caused by weather events
- Ensure the rating district is able to contribute funding that is sustainable and affordable
- Ensure Council's debt level is managed, and that borrowing is still available when required
- Ensure the debt levels of the rating district do not exceed the ability to fund the repayments

This target balance for the 'prudent reserve' for this rating district is \$10,000 as agreed by council. This prudent reserve is immediately available. It is likely the current reserve will only cover a portion of the actual cost of the potential damage that could occur.

If an event were to occur and the prudent reserve does not cover the full repair and rebuild cost of the assets, it is understood by the community that the remaining costs will be paid by loan or the rating district accounts will be in overdraft. In the instance of extreme weather events, NEMA funding and the Council's private insurance will be accessed for cost recovery if the criteria are met. The West Coast Regional Council's insurance policy has a \$400,000 excess. 40% of eligible rebuild costs will be met by this policy.

Below are the key criteria that needs to be met to access the NEMA funding, which can cover up to 60% of eligible rebuild costs

The provisions for government financial support to local authorities apply whether or not a state of emergency is, or has been, in force

Government assistance will not normally be available for assets which receive a subsidy from any other source, unless:

- *the local authority has adequately protected itself through asset and risk management including mitigation, where appropriate, and the proper maintenance of infrastructure assets, or*
- *the local authority has made sound financial provisions (such as the provision of reserve funds, effective insurance, or participation in a mutual assistance scheme with other local authorities) to a level sufficient to ensure that the local authority could reasonably be expected to meet its obligation to provide for its own recovery*

Threshold

Threshold for reimbursement; As with other response claims, Government policy is to reimburse 60 percent of the combined eligible costs (response and essential infrastructure costs), above the following thresholds:

- *0.0075 percent of the net capital value of the city council, district council or unitary authority involved*
- *0.002 percent of the net capital value of unitary authorities where the assets in question are of a type that ordinarily are managed by regional councils, or*
- *0.002 percent of net capital value in the case of regional councils*

7.0 Funding

7.1 Maintenance

Maintenance is funded by targeted rates, the level of rating being determined each year in the Annual Plan process. This involves:

- a) Preparation of an annual works programme and corresponding budget.
- b) Adoption of the annual works programme and budget.
- c) Discussion of the works report and budget with the ratepayers.
- d) Adoption of final budget in the Council's Annual Plan.

The aim of maintenance is to ensure the infrastructure assets are kept at a standard where they can always perform to their service level. Where rock is required to be placed on an existing infrastructure under direct attack from the river, the protection required to maintain the existing infrastructure at its same service potential would be charged to the scheme maintenance account.

Capital works are generally defined as works which increase the service level of the scheme. Such work would include increasing the design standard or the area covered by a scheme and works to increase security or performance of an erosion control system or structure over and above that identified in the asset plan.

7.2 Damage Repairs

Routine damage repairs are funded by a combination of:

- a) Carrying out work as scheduled in annual works programme.
- b) Reprioritising works identified in the annual works programme.
- c) Use of financial reserves.

Major damage repairs would be funded by loans raised by the Council and repaid by targeted rating over a number of years.

7.3 Financial Reserves

Financial reserves are held within the rating district account to provide the following:

- a) Meet the costs of unscheduled works.
- b) Enable an immediate response to flood damage repairs.
- c) Prevent major fluctuation in rating levels annually.

The levels of financial reserves held in the rating account are determined by the estimated damage exposure and the likely need for un-programmed works.

7.4 Depreciation

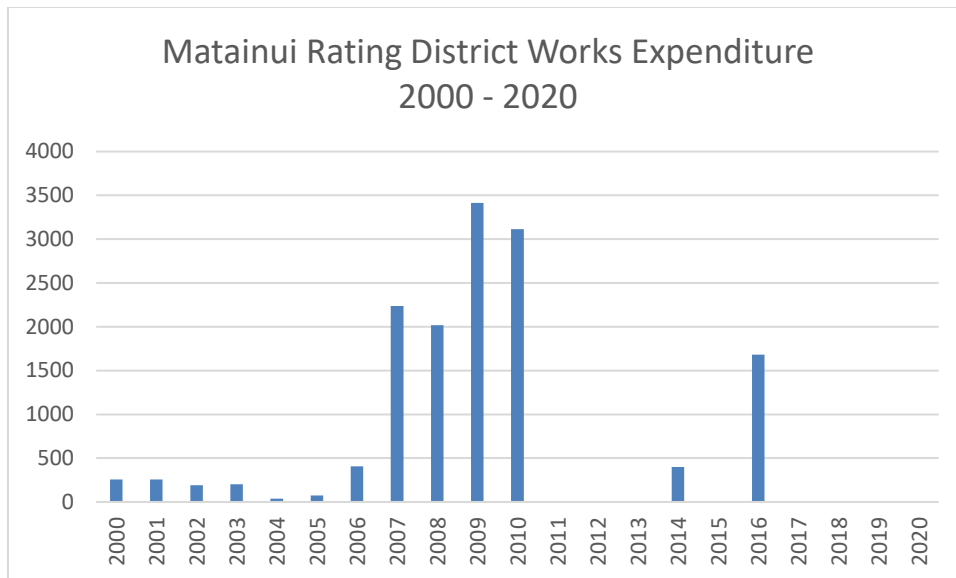
River control schemes are designed to be maintained in perpetuity by constantly repairing and replacing component parts which are damaged by floods or by the constant wear and tear encountered in a river environment.

The performance measure is that the infrastructure assets are maintained to meet their service levels at all times.

As there is a constant cycle of replacement of elements of the infrastructure as necessary, depreciation of the value of the assets is not appropriate and funding of depreciation is not necessary. This approach is consistent with the NZ Infrastructure Asset Valuation and Depreciation Guidelines, Section 5.4.4.

7.5 Works Expenditure

This chart reflects the construction costs of infrastructure assets on the Matainui Rating District. This chart **does not** reflect the total annual expense incurred by the Matainui Rating District. Please refer to the annual works and financial report for the total expenses.



Expenditure 2000 - 2020	
Total expenditure	\$42,059
Average expenditure	\$1,829
Total asset value	\$98,676

8.0 Performance Measures

The following procedures may be adopted to ensure the adequacy of maintenance.

Period	Procedure	Performance Measure
Annually	Produce annual works report for the rating district assets to include type of work to be undertaken, quantities, location, and costs.	No reports of stopbanks or erosion protection works requiring repairs without an agreed programme of remedial work in progress. Asset maintenance is current as per level of service.
	Organise contracts for agreed scheme work, oversee contract completion and report to Council.	
	Report on works undertaken during the previous financial period to the rating district ratepayers and Council.	
Triennially	Re-measure cross section river profiles to determine whether the riverbed is stable, or aggrading, and to identify management issues or options.	Report to Council and ratepayers on revaluation of assets and the Plan review.
	Revaluation of the asset schedule to include any additional rock placed on stopbanks and bank protection works over the three year period.	
	Review this Asset Management Plan	
10-yearly	Flood modelling will be undertaken to identify a range of level of services.	Report to council and ratepayers.

8.1 AMP Review and Monitoring

This plan is a living document, which is relevant and integral to daily activity. To ensure the plan remains useful and relevant the following on-going process of AMP monitoring and review activity will be undertaken:

- Formal adoption of the AMP by the West Coast Regional Council.
- Review and formally adopt Levels of Service to comply with the Rating District committee
- Revise this AMP three yearly prior to Long Term Plan (LTP) to incorporate and document changes to works programmes and outcome of service level reviews.
- Quality assurance audits of asset management information to ensure the integrity and cost effectiveness of data collected.
- Peer review and external audits will be undertaken to assess the effectiveness with which this plan meets corporate objectives. Periodic internal audits will be undertaken to assess the adequacy of asset management processes, systems and data and external audits will be undertaken to measure asset management and performance against 'best practice'.