

Report to the Rural Services and Wairarapa Committee  
from Ian Gunn, Manager, Operations

## **Separate Scheme Rates and Balances**

### **1. Purpose**

To obtain approval for the proposed 2000/01 Separate Scheme Rates, to be collected by the Wairarapa Division for scheme operation and maintenance, and to inform members of current and projected scheme balances.

### **2. Background**

- 2.1 Meetings have been held for fifteen river and catchment management schemes, to review progress and expenditure, and to confirm proposed 2000/01 activities and funding. In the case of the Whareama and Mataikona-Whakataki schemes, general meetings were held where all scheme ratepayers were invited to attend. For the other schemes, meetings were held with their elected advisory committees.
- 2.2 For each of the sixteen drainage schemes papers were circulated to ratepayers, and programmes and funding levels were subsequently confirmed with each scheme advisory committee chairman.
- 2.3 The Opaki and Fernridge water supply schemes manage their own operations as incorporated societies for which the Council collects their annual rates. They have advised their rating requirements for 2000/01, which have been set at their recent Annual General Meetings.
- 2.4 A summary of both current and projected recommended rates and scheme balances is given in the attached spreadsheet (Attachment 1).

### **3. Discussion**

The meetings have been positive and constructive, reflecting a good co-operative understanding between ratepayers, Councillors, and Council staff.

Particular matters for Committee information or discussion are:

### **3.1 Waiohine- Mangatarere**

This scheme has suffered considerable damage over recent years, and the level of maintenance has been inadequate in the past. The 60% rate increase imposed during the current financial year has allowed the maintenance programme to be increased to a more satisfactory level. This factor coupled with the lack of significant floods has enabled the repair and consolidation of sites where expensive flood damage has often occurred.

Provided there is no further flood damage, the projected \$199,900 scheme deficit will be repaid within three years. The Scheme's finances however remain vulnerable to further flood damage, initially over the period of debt repayment, and after that until satisfactory flood damage reserves are accumulated.

### **3.2 Lower Taueru**

The \$44,700 scheme deficit will be repaid in another two years. This deficit is the remaining community share of the channel clearance programme completed in 1998/99. A basic maintenance programme of debris removal, and herbicide spraying of willow re-growth, will continue indefinitely.

### **3.3 Whangaehu**

The \$50,500 scheme deficit will be repaid over a nine year period. This deficit is the remaining community share of the channel clearance programme completed in 1998/99. A basic maintenance programme of debris removal, and herbicide spraying of willow re-growth, will continue indefinitely.

### **3.4 Waipoua**

The Waipoua Scheme is recovering well, in both physical and financial terms, from the severe 1998 flood damage. The projected deficit of \$5,260 is expected to be repaid in two years, after which reserve funds will be built up to fund future flood damage.

### **3.5 Upper Ruamahanga**

The Upper Ruamahanga Scheme has an inadequate maintenance programme in comparison to the requirement identified in the asset management plan. However prior to increasing the scheme rates and maintenance programme, the ratepayer community should be consulted and hopefully their agreement obtained.

A consultation programme will be carried out over the next two years, and main issues to be addressed will be:

- The scheme service standard required
- Rating level needed
- Level of contribution from District Councils
- Fairness of the current scheme rating classification

In spite of concerns regarding scheme maintenance levels, the scheme has recovered reasonably well from the severe 1998 floods, and has a satisfactory projected reserve balance of \$27,640.

### **3.6 Whareama**

Following the extreme flooding of 1991 and 1992, Scheme ratepayers supported a 50% increase in rates to return the main river channels to a satisfactory condition, and to undertake additional willow clearing. Now that the capital work is complete, ratepayers have considered future rating options. It was resolved that rates be reduced by 20% in 2000/01. Emphasis will be given to maintenance of willow re-growth and riparian zones within major retired areas.

### **3.7 Mataikona-Whakataki**

This scheme is being reviewed. A general meeting of ratepayers considered six future options. They voted to continue with the scheme for a further five years, and agreed to amend local and district contributions to better reflect the areas of benefit.

Masterton District Council representatives had received an early briefing of the proposal and agreed to increase contributions from \$700 to \$2,000. Ratepayer contributions will be lowered by 50%.

## **4. Acknowledgement**

These meetings can be quite onerous to both members and staff, as they are concentrated within a tight six-week period. However they continue to prove most rewarding, and provide an excellent opportunity to consult with and obtain feedback from the rural community. The efforts of the Scheme Advisory Committees, Councillors Long and Buchanan, and staff in ensuring the success of these meetings are gratefully acknowledged.

## **5. Communication**

The recommended Scheme rates, as scheduled in Attachment 1, have been agreed to by the respective Scheme Advisory Committees, subject to Council approval, and will be advertised accordingly.

## **6. Recommendation**

*That the Rural Services and Wairarapa Committee resolve to recommend to Council:*

- (a) That the 2000/01 separate scheme rates be approved as scheduled.*
- (b) That a minimum rate of \$10.00 be applied to all rateable property as provided for under the Rating Powers Act 1988.*

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