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Report PE 01.78

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

Possible Land Purchase – Tauherenikau Delta

1. Purpose

To seek approval for the purchase of land adjacent to the lower Tauherenikau River.

2. Public Excluded

Grounds for exclusion of the public under Section 48(1) of the Local Government and Official Information and meetings Act 1987 are that the public conduct of the whole or relevant part of the meeting would be likely to result in the disclosure of information for which good reasons for withholding exist – that is to enable negotiations by the public authority without prejudice or disadvantage.

3. Background

Report 00.714 to the 10 October 2000 Committee meeting outlined the preferred medium and long term approaches to the management of the Tauherenikau River in the delta area. These approaches were prepared for the Lower Wairarapa Valley Development Scheme (LWVDS) by the consultant Gary Williams as the bed of the river is approaching a similar height to the top of the stopbank in a number of places. The medium and long-term approaches have been endorsed by both the LWVDS advisory committee and by the Rural Services and Wairarapa Committee.

As part of the medium term approach, the stopbank adjacent to the Gillett property was to be lowered to form a spillway, i.e. flood flows would spill out of the river channel at a defined point. Therefore the land adjacent to the river will receive a lower standard of protection from flooding.

At the same time a containment bank set back from the river will be upgraded so that overflows on to the surrounding land are controlled.

As part of the long-term approach, staff were to undertake other investigations including discussions and negotiations with Mrs Gillett regarding any related land purchase matters.

4. Subsequent Events

The major floods in October 2000 resulted in further damage to the Tauherenikau stopbank system and overflows onto the Gillett land. Damage to the stopbank further upstream has been repaired. However, it is not economic to repair the present stopbank breach in the lower section, as the risk of further failures is very high. Instead a proposal to construct the spillway now has been prepared and discussed with Mrs Gillett. It is hoped to commence construction in late February-early March.

Mrs Gillett is happy to proceed with the spillway construction subject to the upgrade of the present containment bank on her land and the Council pursuing purchase of the affected land as soon as practicable. Mrs Gillett would lease the land back following any purchase of the land by the Council.

An experienced rural valuer (David Baker & Associates) has completed a valuation of the parts of the Gillett property likely to be affected by both the construction of the spillway and, in the longer term, the location of the river further east.

The results of the valuation are as follows (see map attached);

Parcel	Valuation
1 st parcel	\$ 2,960
2 nd parcel	\$150,390
Improvements	\$ 13, 000
Total	\$166,350
3 rd parcel	\$222,750
Improvements	\$ 17,000
Total	\$239,750
Grand Total	\$406,100

Parcel 1 is effectively the present river bed. Parcel 2 is the most affected by the proposed spillway construction.

5. Options

The spillway construction and upgrading of the containment bank can be funded from existing budgets, but there is no provision in current budgets or the Long term Financial Strategy for associated land purchase. It is not appropriate to construct the spillway without having some agreement with Mrs Gillett regarding the timing of land purchase as a result of this change in river management.

At this time it is only necessary to consider purchase of parcels 1 and 2, i.e. approximately \$170,000 is involved. Parcel 3 can be purchased sometime after 2004 depending on the works programme. This would be considered at the time of the next Long Term Financial Strategy review.

The preferred option is to agree to purchase Parcels 1 and 2 with payment in the next financial year, 2001/02. However, the Council may not wish to add the additional \$170,000 to the draft budgets at this time given that there is no provision in the current

Long term Financial Strategy. There is also no clear indication of urgency for this action. An alternative therefore is to agree in principle with land purchase in 2001/02, but delay a final decision on providing the appropriate budget amount until consideration of the final Annual Plan in June. By that time there will have been opportunity for further negotiation with Mrs Gillett and consideration by the LWVDS advisory committee.

A third option would be for the amount to be added to the Long Term Financial Strategy Year 3 numbers i.e. 2002/03 which would not affect the coming year's rates. This option may not assist an amicable agreement with Mrs Gillett, but could be tested in negotiations.

Note that while the LWVDS advisory committee has agreed in principle to the purchase of this land there has been no consideration at this time of particular purchase details or timing.

6. Conclusion

Ongoing flood damage in the Tauherenikau Delta has made it uneconomic to continue the current river management strategy. The construction of the spillway now will greatly assist the management of the river. As part of this change it is proposed that the Council agree to purchase parcels 1 and 2 with payment in the 2001/02 financial year.

7. Communications

Negotiations will be undertaken with Mrs Gillett and the outcome of the negotiations will be discussed with the scheme advisory committee. No other communications are considered necessary.

8. Recommendation

That the Committee recommends to the Policy & Finance Committee that;

- (1) The Council agrees in principle to purchase parcels 1 and 2 of the Gillett property with payment in the 2001/02 financial year subject to the endorsement of the Lower Wairarapa Development Scheme Advisory Committee.*
- (2) That a decision on adding the required \$170,000 to the 2001/02 budget be made at the time that Council considers submissions on the Annual Plan.*

Report prepared by:

Approved for submission by:

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