

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

Separate Scheme Rates and Balances

1. Purpose

To obtain approval for the proposed 1999/2000 Separate Scheme Rates collected by the Wairarapa Division for scheme operation and maintenance, and to inform of projected scheme balances.

2. Background

2.1 Meetings have been held over the past four weeks for sixteen river and catchment management schemes, to review progress and expenditure, and to confirm proposed 1999/2000 activities and funding. In the case of the Lower Taueru, Awhea-Opouawe, Mataikona-Whakataki, and Maungaraki 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 fifteen 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 1999/2000 which have been set at their recent Annual General Meetings.

2.4 A summary of recommended rates and projected 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 had an inadequate level of maintenance and has suffered considerable damage over the past four years. A 60% rate increase has been recommended by both the Scheme Advisory Committee and staff, which provided there is no further flood damage will see the expected \$254,000 deficit repaid over a four year period, and will enable a more satisfactory level of scheme maintenance.

The Scheme's finances remain vulnerable however to further flood damage over the period of debt repayment and accumulation of satisfactory flood damage reserves. A newsletter has been sent to scheme ratepayers describing the Scheme's position and the need for a rate increase.

3.2 Lower Taueru

The \$69,000 debt represents the accumulation of the community share of capital channel clearing costs over the past five years. With the clearing programme being completed this summer, a loan will be taken out to be repaid over a 3 year period. Originally it was estimated that the capital debt would be of the order of \$125,000 to be repaid over a ten year period and therefore this outcome is pleasing for all involved.

3.3 Whangaehu

The \$44,000 debt represents the accumulation of the community share of capital channel clearing costs over the past three years. With the clearing programme being completed this summer, a loan will be taken out to be repaid over a 10 year period.

3.4 Upper Ruamahanga

This Scheme has had an inadequate level of maintenance and has suffered considerable damage over the past four years. A 7% rate increase has been recommended by the Scheme Advisory Committee, which will enable a more satisfactory level of ongoing Scheme maintenance. However, the staff had recommended a 36% increase to the advisory committee.

A newsletter had been sent to Scheme ratepayers describing the Scheme's position and need for a rate increase. This newsletter asked ratepayers to direct any feedback or enquiries to the Scheme Advisory Committee members. The feedback was taken into account before a rate increase was recommended.

3.5 Awhea-Opouawe

The Stoney Creek bed levels are gradually rising increasing the flood risk to the Tukurumuri township and White Rock Road. An investigation of flood protection options has been completed and reported to the Scheme Advisory Committee. The Advisory Committee has decided to implement the recommended stopbanking and channel management measures as part of the five year programme.

4. Acknowledgement

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

5. Recommendation

That the Rural Services and Wairarapa Committee resolve to recommend:

- (a) That the 1999/2000 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.*

Report prepared by:

Approved for submission by

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