Agenda

Welcome

- **Item 1:** Apologies
- **Item 2:** Confirmation of Agenda
- **Item 3:** Disclosures of Interest
- **Item 4:** Confirmation of Minutes (pages 5-12)
- **Item 5:** Matters Arising/Issues and Actions (pages 13-17)
- **Item 6:** Chairman’s Report (page 18)
Agenda

• **Item 7:** West Coast Zone Status Report (pages 19-30)

• **Item 8:** Annual Plan 2017/18 Budget Increases (pages 31-39)

• **Item 9:** Department of Conservation – Management of the Whitebait Fishery (page 40)

• **Item 10:** West Coast Zone Prioritisation Review (pages 41-48)

• **Item 11:** Integrated Catchment Management Committee Meeting Reports (pages 49-80)

• **Item 12:** Items for the next meeting
Item 5: Matters Arising/Issues and Actions from previous West Coast Catchments Committee meetings (pages 14-16)

Recommendation:
That the report “Issues & Actions from previous West Coast Catchments Committee meeting 1 March 2016” (Doc #9989442 dated 20 February 2017) be received.
Item 6: Chairperson’s Report (page 17)

- Introduction to new committee members
- General update on any issues of significance or relevance for the West Coast Zone.

**Recommendation:**

That the report “Chairperson’s Report” *(Doc #9994498 dated 21 February 2017)* be received for information.
Item 7: West Coast Zone Status Report to 31 January 2017 (pages 18-29)

Zone overview

- Catchment management (northern):
  - Additional resource allocated in October 2015
  - Harbour catchments: ecological connectivity, water quality, biodiversity
  - High-value projects: Lake Harihari, Toreparu Wetland
  - Fencing, restoration planting, land retirement, erosion control
Toreparu Wetland Fencing
Cornes property – 2.3km completed, 2km to go

Toreparu Wetland Fencing
Munns Farm – 1km completed, 1.6km to go

Healthy environment
Strong economy
Vibrant communities
Oparau Station Fencing – 8km of harbour margin and wetlands; 7,500 plants
Kokonga Farms – Kauri Protection Fencing
Zone overview continued:

- Catchment management (southern)
  - Raising community awareness
  - HCEF project – soil conservation, water quality and biodiversity
  - Awakino, Lower Mokau, Mangaotaki (HCEF)
  - 70% subsidy for landowners
  - Fencing, restoration planting, land retirement, erosion control
Mokau River: fencing of limestone bluffs
Awakino – pole planting of eroding gully faces
Zone overview continued:

- River management:
  - Waitetuna, Mangaotaki, Waikawau
  - Vegetation blockage issues
Waitetuna Stream –
before Willow clearance

Waitetuna Stream –
after Willow clearance. Fencing and planting still to be completed
Mapiu Stream blockage – before

Mapiu Stream blockage – after
Zone overview continued:

- Strategic initiatives
  - Zone plan completed and used to guide internal work programmes
  - Continued collaboration and communication with Key Stakeholders
  - HCEF promotion and raising awareness
  - Department of Conservation partnership
  - Health & Safety and Environmental Compliance auditing
  - Biodiversity and biosecurity programmes are continuing as planned
Additional Funding for West Coast Zone Works

- **Nga Whenua Rahui**: government funding for the protection of indigenous ecosystems on Maori Land
- **QEII Trust**: assists private landowners to permanently protect special natural and cultural features on their land
- **DOC**: Community Partnerships Programme, Pest Control,
- **MPI**: HCEF, Afforestation Grant Scheme (AGS)
- **Tindall Foundation**: conservation funding to protect Kauri stands
- **Waikato District Council**: Conservation Fund

Has added an additional $600,000 to Catchment management projects since 2010 for Whaingaroa catchment

Next two years, additional $1.5 million (WRC contribution of $544,000) for WCZ projects.
2016/17
On-ground project works
2016/17 Programme Status - Financials

West Coast Zone Annual Plan Budget: $1,201,276

- Hill Country Erosion (includes MPI contribution): $406,008
- Catchment New Works: $294,081
- River Management: $278,370
- Catchment Oversight: $125,207
- Info & Advice: $57,934
- Maintenance: $39,676
2016/17 Programme Status - Financials

- 41% of the 2016/17 expended from 1 June 2016 – 31 January 2017
- Zone expenditure is on track with year to date forecast
# 2016/17 Programme Status - Financials

## Jan-17 NZD

<table>
<thead>
<tr>
<th></th>
<th>YTD Actual</th>
<th>YTD Budget (Revised)</th>
<th>Variance</th>
<th>FY Budget (Revised)</th>
<th>FY Budget Ann Plan</th>
<th>% Spent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MAINTENANCE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catchment Oversight</td>
<td>116,000</td>
<td>74,381</td>
<td>(41,619)</td>
<td>125,077</td>
<td>125,077</td>
<td>93%</td>
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<tr>
<td>Information and Advice</td>
<td>25,288</td>
<td>33,789</td>
<td>8,501</td>
<td>57,934</td>
<td>57,934</td>
<td>44%</td>
</tr>
<tr>
<td>Catchment Maintenance</td>
<td>8,310</td>
<td>21,330</td>
<td>15,020</td>
<td>39,676</td>
<td>39,676</td>
<td>16%</td>
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<tr>
<td>Catchment New Works</td>
<td>159,929</td>
<td>123,149</td>
<td>(36,780)</td>
<td>294,081</td>
<td>294,081</td>
<td>54%</td>
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<tr>
<td>River Management</td>
<td>88,089</td>
<td>111,350</td>
<td>23,271</td>
<td>243,400</td>
<td>243,400</td>
<td>36%</td>
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<tr>
<td>Hill Country Erosion</td>
<td>84,370</td>
<td>146,010</td>
<td>61,640</td>
<td>406,008</td>
<td>406,008</td>
<td>21%</td>
</tr>
<tr>
<td></td>
<td>479,986</td>
<td>310,019</td>
<td>30,033</td>
<td>1,166,175</td>
<td>1,166,175</td>
<td>41%</td>
</tr>
</tbody>
</table>

**Interest on reserve expense**

|                      | 0          | 0                    | 0        | 0                   | 0                   | n/m     |
|                      | 0          | 0                    | 0        | 0                   | 0                   |         |

**TOTAL OPERATING EXP (OPEX)**

|                      | 479,986    | 310,019              | 30,033   | 1,166,175           | 1,166,175          | 41%     |

## CAPITAL

**FUNDED BY**

|                      | 232,564    | 232,564              | 0        | 398,698             | 398,698            | (58)%   |
|                      | 235,339    | 232,564              | 2,775    | 398,698             | 398,698            | (59)%   |
| Government Grant     | 24,783     | 1,688                | 23,095   | 135,000             | 135,000            | (18)%   |
| Direct Charges       | 5,598      | 0                    | 5,598    | 0                   | 0                   | n/m     |
| Interest on reserve  | 6,447      | 6,480                | (33)     | 12,000              | 12,000              | (54)%   |

**TOTAL REVENUE**

|                      | 504,731    | 473,296              | 31,435   | 944,396             | 944,396            | (55)%   |

**NET SURPLUS / (DEFICIT)**

|                      | 24,744     | (59,323)             | 84,067   | (256,749)           | (256,749)          | 10%     |

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**Healthy environment**

**Strong economy**

**Vibrant communities**
Key project update 2016/17

- Strong team and programme
- Community engagement
  - Zone newsletter, presentations, field days, collaboration, HCEF
- Hill Country Erosion Fund
  - 10 farm plans, on-ground works (bush retirement, pole planting soil conservation, riparian retirement and planting and wetland protection works)
  - Field days: Onetai, Mangaotaki
- Harbour Catchments - Waitetuna
- River Management – Waitetuna, priority areas, Mangaotaiki
2016/17
On-ground project works
Recommendation:
That the report “West Coast Zone Status Report to 31 January 2017” (Doc #9988508, dated 08 March 2017) be received for information.
Background

- ICM directorate responsible for:
  - Land management (and soil conservation)
  - River Management
  - Flood Control and management
- ICM budget = $44 million (Figure 1)
- Flood protection and river management are the two largest areas of expenditure (Figure 2)
- Majority of revenue derives from the targeted rate

- West Coast Zone budget = $1.17 million
- Assets within zone important to all Waikato ratepayers
- Revenue: 50% from General Rates, 50% from Targeted Rate
ICM expenditure

- Catchment Oversight: $1,023,293.14
- Information and Advice: $627,380.00
- Catchment Maintenance: $739,309.67
- Catchment New Works: $2,127,673.29
- CMA Works & Services: $4,403,778.53
- Catchment Planning, Land & Lakes: $1,187,000.00
- River Management: $3,391,171.55
- Flood Protection: $2,177,416.63
- Land Drainage: $10,675,485.53

Healthy environment
Strong economy
Vibrant communities
Variation Overview

- Council co-funding of MPI Hill Country Erosion Project for 2017/18
  - $181,000 ($92,000 West Coast Rate and $92,000 General Rates)

- Implementation of the Zone Plan - Direct Costs increase
  - $110,000 ($55,000 West Coast Rate and $55,000 General Rates)

- Catchment Planning
  - $50,000 (100% funded from general rate)
    - Adopted during draft annual plan deliberation 7 February 2017
MPI Hill Country Erosion Fund project (HCEF)

- Annual costs associated with hill country erosion in NZ est. $100 million
- Waikato has 23,832ha of erodible land, majority in West Coast Zone
- Protecting erosion-prone hill country prevents damage to both rural and urban businesses, communities, and infrastructure.
- MPI HCEF grant to encourage landowners in priority catchments (Awakino, Mokau, Mangaotaki) to undertake works to minimise erosion
- Co-funded agreement with Council
- 4 years from 2015/16
- Staggered increase in funding until completion in 2019

Item 8: 2016/2017 Annual Plan Budget Increases (pages 31-39)
2017/18 Rate Variations

- $461,692 rate increase across the general and targeted West Coast rate
- Due mainly to $180,000 council co-funding of the hill country erosion project with MPI
- First year HCEF council contribution is funded from rates
- Previous two years funded from West Coast Zone account reserves
- Reserves will be exhausted at the end of 2016/17 financial year

Impact on ratepayers of Targeted West Coast rate increase:

<table>
<thead>
<tr>
<th>Capital Value</th>
<th>2016/17</th>
<th>2017/18</th>
<th>Increase $</th>
<th>Increase %</th>
</tr>
</thead>
<tbody>
<tr>
<td>250,000.00</td>
<td>48.44</td>
<td>75.42</td>
<td>26.98</td>
<td>56%</td>
</tr>
<tr>
<td>500,000.00</td>
<td>62.76</td>
<td>97.41</td>
<td>34.65</td>
<td>55%</td>
</tr>
<tr>
<td>1,000,000.00</td>
<td>91.41</td>
<td>141.38</td>
<td>49.97</td>
<td>55%</td>
</tr>
<tr>
<td>2,000,000.00</td>
<td>148.71</td>
<td>229.33</td>
<td>80.62</td>
<td>54%</td>
</tr>
</tbody>
</table>
Alternative Funding options

1) Remove the $110,000 direct costs, fund HCEF only from rate revenue.
   **Net result:** reduction of rates revenue to 43%

2) Remove the $110,000 direct costs and the HCEF from rate revenue.
   West Coast Zone accounts go into deficit to fund HCEF.
   Staggered rate increase implemented.
   Accounts replenish over time until debt is repaid.
   **Net Result:** reduction in rates revenue to 30 - 40%
   (confirmed depending on the adopted staggered rate)
Alternative Funding options continued.

3) Discuss renegotiation of agreement with MPI to longer timeframe with reduced year to year funding requirement.

Net result: reduction in rate revenue to 30 - 40% (confirmed depending on the adopted staggered rate)

4) Remove $110,000 direct costs increase and renegotiate MPI funding.

Net Result: reduction in rates revenue to 30% (confirmed depending on the renegotiation)
Item 8: 2016/2017 Annual Plan Budget Increases

Current Works programme 2016/17 compared to 2015/16
**Item 9:** Department of Conservation (DOC) Management of the Whitebait Fishery.

Presentation from:
Natasha Hayward, DOC Operations Manager – Maniapoto District
Zone Plan approved in May 2016 presents the vision:

“Healthy West Coast zone catchments for community and environmental wellbeing”

Objective 2: “Direct resources to activities and areas of greatest environmental benefit”

Key prioritisation actions in the plan are:

- First 1-4 years: focus on existing priorities established by funding agreements, community interest, interim resource assessment and staff experience.

- Regional Prioritisation Project refinement modelling
  - refine priority catchments and sub catchments and
  - define high priority areas where the greatest gains can be made
West Coast Zone Prioritisation

– Soil Conservation
West Coast Zone Prioritisation

– Water Quality
West Coast Zone Prioritisation

– Biodiversity
“Lite” Review

Staff undertook a workshop to reaffirm:

- We are delivering on the outcomes specified in the West Coast Zone Plan and
- We are engaging with landowners in the defined priority catchments

Relevant zone information was reviewed including funding agreements, current and LTP budget, prioritisation maps, anomalies etc.

Outcome:
A good balance is being achieved across the priority catchments (Harbour catchments, southern hill country) as can be seen in Figure 1.
The following table (1) displays the Budget catchment utilisation in 2016/17:

<table>
<thead>
<tr>
<th>Catchment New Works</th>
<th>River Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raglan</td>
<td>Raglan (Waitetuna)</td>
</tr>
<tr>
<td>Kawhia</td>
<td></td>
</tr>
<tr>
<td>Aotea</td>
<td></td>
</tr>
<tr>
<td>Southern</td>
<td>Southern Priority</td>
</tr>
<tr>
<td>Non-Priority</td>
<td>Southern Non-Priority</td>
</tr>
<tr>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

This year has seen a significant increase in the uptake of Environmental Programme Agreements - a direct result from the increase in resourcing and funding available in the West Coast Zone.
Opportunities identified include the following:

- The north-west area of the zone has limited works planned.
- Work considered significant under other priorities i.e. Kauri dieback.
- Awaroa River – significant erosion issues need addressing.
- Regionally significant Dune Lakes and Wetlands not highlighted specifically in the plan.

These opportunities will be explored further in future planning exercises.
Future Prioritisation work in the West Coast Zone

- Requirement for two-yearly planning meeting with the WCZ catchment committee, Iwi, key stakeholders and community groups to consider priorities/projects for the next three years
- Will be scheduled for 2018 and include:
  - Any regulation/policy changes (‘Healthy Rivers’, Harbour treaty settlements)
  - Funding availability
  - LTP/AP budget
Recommendation:

That the report “West Coast Zone Prioritisation” (Doc #9993296 dated 15 August 2016) be received for information.
Item 11: Integrated Catchment Management Committee Meeting Reports
(16 February 2017)

Recommendation:
That this report ‘Integrated Catchment Management Committee Meeting Reports (16 February 2017) (Doc # 10017652, dated 17 February 2017) be received.
Item 12: Items for the next meeting

Suggested items for the next West Coast Catchments Committee meeting scheduled for Tuesday 23 May 2017.