

# Waimea Community Dam submission hearing

*Tasman District Council Richmond Council Chambers, Monday 11 December 2017*

9.00am Hearings Meeting opened

**Present**

**Apologies:**

**Staff present:** Lindsay McKenzie, Sharon Flood, Susan Edwards, Richard Kirby, Mike Drummond, and Mark Tregurtha (Contractor)

**Submitter 17024 Ms Thomas**

Ms Thomas was strongly opposed to the dam. Her view was that it did not stack up from a financial perspective. She has lived at Ranzau Road for over 40 years, surrounded by fruit and market gardens. The land is now grazed. She explained the water use/irrigation use of the land surrounding her property over the years. Her view was the dam would only cater to a minority and cited examples where there was a waste of water in the District. She felt that ratepayers money has been wasted on this project and the dam was being built for a very few at the cost of many. Her view was that Council should be securing a safe water system for all ratepayers and that ratepayers should be able to choose if they want to pay for the dam.

Cr Sangster joined the meeting at 9.10am

**Submitter 16099 Mr Lang**

A hard copy of Mr Lang's oral submission was tabled. Mr Lang owns a 100 hectare lifestyle farm.

Cr Canton joined 9.15am

In the time that Mr Lang has owned the land there have been two major droughts. He felt the high cost of the dam was excessive for the few times the Region's water users needed additional water.

He felt the project started as an irrigation project but had changed to a community dam. He sought that the zone of benefit be reduced to exclude large areas of Redwood Valley.

In response to a query from Councillors, Mr Lang explained that he has put a system in place on his property so he has plenty of water. He is not opposed to irrigation, but thinks the system should be one where irrigators pay their full costs, not the ratepayers paying the irrigators costs.

Councillors asked if he felt Richmond users should pay more. Mr Lang felt that if Richmond wants to grow, the ratepayers in Richmond should be paying for the dam.

**Submitter 15980 Ms Walker**

Ms Walker was opposed to the dam and was of the view that the Waimea Plain had plenty of sunlight and that farmers should be encouraged to use hydroponic systems on the plains to capture rainwater and store this in buried water tanks underneath the ground. She suggested the use of solar power to drive systems. She was of the view water should be shared with Nelson City, and that Council needs to 'think smarter'. When asked if she felt there needed to be more dams in NZ to augment urban water supply, she explained that as a water user herself, she couldn't see why she shouldn't supply her own water.

**Submitter 16299 Mr Soloman**

Mr Soloman commented on the consultation process. He felt that Council's publicity on the process had referred to the dam in the present tense – presupposing it will go ahead. He was concerned at the cost of the publicity and thought there were inaccuracies in the information distributed by Hon Dr Nick Smith. He was concerned that the submissions from WIN had been edited by Council staff, and noted that a line had been missed off his submission regarding the Zone of Benefit. (*Note: subsequent to the hearing, Strategic Policy Manager Sharon Flood investigated and found that some text had been incorrectly entered. She apologised to Mr Soloman and sent the correct information to all Councillors by email on 11 December 2017*). Mr Soloman also commented on the debt position WIL will have if the dam goes ahead and noted his concerns. He calculated that WIL's debt will be 14.5%, and he did not feel Council should be guaranteeing that debt. He also queried how the dam company would cover its operational costs by a call on shareholders.

**16157 Mr Gorman**

Mr Gorman was of the view that the information presented at public meetings lacked credibility, and that that it was insulting to have information included on 'how to pay for the dam' when he had not had sufficient opportunity to have a say on whether to support the dam or not. His view was that marginal processes give rise to suspect outcomes, and the way it was packaged did not assume the community was an intelligent interested parties in the scheme. Councillors queried why Mr Gorman had put 'still undecided' on his submission, and had indicated some preference to an alternative option. Mr Gorman said that he did not now agree with some of the comments he had included on his submission form. The Chair suggested Mr Gorman speaks to Sharon Flood, Strategic Policy Manager to talk through the conflicts between his submission and the responses in the form.

**Submitter 16127 Wai-West Horticulture Limited**

Mr Boeyen General Manager for Wai-West Horticulture Ltd spoke on behalf of the submission as an irrigator. The company grows boysenberries, kiwifruit and apples. The business is dependent on the community for their workers and he outlined the number of seasonal and permanent workers they employ. He also covered how their business positively impacts on other businesses in the community – cold storage, engineering etc. and what they return back to the community via jobs and income. Wai-West Horticulture Ltd fully supports the proposed dam and are of the view that water supply security is a community issue. They did not agree with the alternative options and feel that the proposed option for the dam is the best. They did have one reservation with regard to the governance structure and whether the balance of the directorship was equitable. They were comfortable

with the proposal for credit support and noted that it is clear central government is playing a role in this project with funding, for the benefit of ratepayers. Their view was that this opportunity to secure a sustainable water supply, should not be missed.

**Submitter 16176 JS Ewers Limited c/ Pierre Gargiulo**

Not in attendance. Apologies received.

**Submitter 16327 Mr Rogers**

Mr Rogers been on his property for 35 years, and opposed the dam for several reasons, including the costs of the dam. He referred to the cost of the Clyde Dam. Mr Rogers held concerns over river flows and mentioned three bores at the bottom of Queen St that could be used to supply water to Richmond instead of the dam. He disagreed with the proposed location of the dam and believed the water in the aquifers should be accessed by weirs. Mr Rogers was of the view Council should not be subsidising dairy farms as the area is not suited to this type of farming. He predicted the remaining dairy farms would disappear if it was too dry. He didn't believe that water was over allocated on the Plains.

**Submitter 16129 Ms McNae**

Ms McNae is a resident of Nelson City and supports the dam. She is a planner and resource consent consultant in the District. Ms McNae's view was that the dam provides resilience and security in water supply for future generations, both urban and rural. She expected over time that there will be more extreme weather events due to climate change and the dam will provide security of water in times of risk. She felt that town and country, urban and rural are interlinked. Ms McNae agrees with the funding model as proposed in the consultation document and that NCC should be at the table.

**Submitter 16363 Mr Bennison**

Mr Bennison made his submission as an individual but noted that he is a director of Waimea Irrigators Ltd (WIL). Mr Bennison has a 5 ha property on Paton Rd and felt the current dam proposal was the best fit for the water quality issues. He referred to the National Policy Statement on Freshwater Management and highlighted the over allocation issues over the years. He noted the importance of the dam project to address water quality issues of over-extraction in the summer months. Without the dam, the new water allocations under the TRMP will have an impact on productivity, which would also flow through to the urban economy. He fully supported the funding model as proposed in the consultation document and felt the CCO was the only workable governance model. He agreed with the zone of benefit as proposed. His view was that the irrigators would not default on their loan and if they did the funding model provides for a guarantee if there was this worst case scenario.

**Submitter 16208 Kingsway Farms Ltd**

Mr King spoke on behalf of Kingsway Farms Ltd. He supported the current proposal and explained some myths that were circulating around the proposal. He referred to the 1987/88 drought and the impacts it had on the community. He noted that he had chaired the WWAC for a number of years, with various parties around the table and that the bottom line is that extractors want reliability of supply when they need it. He provided for viewing hardcopies of studies from the 1960's for water proposals for the Waimea Plains. He believed the dam in 50 years time will be worth \$1.5b (for an \$80m investment now). He supported the dam as

the best proposal, and noted that it was most unlikely irrigators would put themselves in a position to not attract commercial funding from banks if needed.

**Submitter 15971 Ms Ellis**

Ms Ellis owns a quarter acre section. She felt the cost of the dam was too expensive and should be run as a separate trading company. Councillors asked if she felt it should be a separate company like the Port company? To which Ms Ellis replied yes.

Cr Bryant left at 11.00am

**Submitter 15974 Echodale Marketing c/ Mr Malcolm**

Not in attendance

**Submitter 15999 Ms Small**

Not in attendance

**Submitter 16153 Mr Robilliard**

Not in attendance

The committee broke at 11.01am and reconvened at 11.05am

**Submitter 16125 Waimea Irrigators Limited**

The Hearings Chair clarified that Ms Berkett was not speaking until Wednesday's hearings and that she would speak to her individual submission. Mr King as Chair of WIL would speak on behalf of WIL.

Mr McKenzie Chief Executive, explained there was an issue with submissions in multiple names and the position Council took in preparing the schedule was that if a person was submitting in their own name we did not expect to hear from them in the name of the company. However, we can't deprive an individual of rights if they are a private entity even if associated with multiple submissions. The one exception is WIL. Every director has made a submission in their own name and the company has made a submission also. The Chair will speak on behalf of the company in addition to his personal individual submission.

The Mayor clarified that this would also apply to any other group in this situation.

Mr King spoke about how irrigators have had their allocations cut under the new TRMP rules in a no dam scenario, with less than a third allocated the same amount of water rights they now hold. The new rationing regime will have an impact on decisions irrigators make if there is no dam, the water quality in the river will be poor and communities will not thrive. Irrigators are committed to raising \$22.12m in loan funding for the dam, with \$40m funding from central government.

Councillors questioned Mr King on why if WIL was a committed partner to the dam project, why have they delayed their PDS. Mr King explained the PDS was a critical piece of information which has to be accurate, and that the delays were not of their making. They expect the PDS to be issued 8 February 2018

**Submitter 16380 Cold Storage Nelson Limited c/ Mr Morison**

Not in attendance.

**Submitter 16254 Mr Shirley**

Not in attendance.

**Submitter 16400 Mr Saunders**

Mr Saunders was a Nelson City Councillor when the Maitai Dam project was underway. At the time the fishing industry needed a reliable water supply and it has proved to provide this. He saw many similarities with the dam and the fruit orchards on the plains. Mr Saunders agreed with setting up a CCO to look after the project once completed. He believed the whole area, Nelson and Tasman, should create a combined company to look at water supply for the Region.

Councillors noticed that Mr Saunders submission wasn't included in their papers. Mr Saunders was provide his submission to staff who undertook to circulate to Councillors. When Mr Saunders was asked how difficult it was to get the Maitai Dam across the line, he replied that it took six years. However he felt that the dam project was further ahead at this point in comparison to the Maitai Dam.

The meeting adjourned at 11.38am for a lunchbreak and reconvened at 12.30pm.

The Mayor did not rejoin the meeting when it reconvened, so Deputy Mayor King took over as Chair.

**Submitter 17033 B.E & M.C Halstead Trust**

Not in attendance.

**Submitter 16006 Mr Robinson**

Not in attendance.

**Submitter 17001 Mr Biggs**

Not in attendance.

**Submitter 17003 Mr Fowler**

Mr Fowler was concerned that a project of this size should not go into private hands. He preferred that Council solely owned and ran the dam, but also agreed if that was not possible that Council hold 51% ownership. He was concerned with water being put into the aquifers and river to create a higher than normal flow. His view was that this was wasting water and throwing it away. He supported a user pays system.

**Submitter 17035 Mr Gauld**

Not in attendance.

**Submitter 17606 Mr Ambauen**

Not in attendance.

**Submitter 16448 Mr Blackie**

Mr Blackie's view was the dam is a huge risk for the residents and he did not support it. He cited a newspaper article where John Palmer was quoted as saying 'the dam will provide \$40m to the irrigators', therefore Mr Blackie felt that irrigators should be paying for it. He thought the project could come in at least 20% over budget. His views was that the benefits to areas like Tapawera would be negligible, and he felt the costs need to be tightly ring fenced, so that no one outside the Waimea Dam area are paying anything towards it.

The Mayor rejoined the meeting at 12.57pm and took over the Chair role.

The meeting broke at 1.03pm and reconvened at 1.30pm to wait for hearing submitters.

**Submitter 17589 B Doron**

Not in attendance.

**Submitter 17458 Ms O'Connor on behalf of Pearl Creek Partnership**

Ms O'Connor stated her opposition to the dam. She felt that there were large financial risks associated with the project, and that the costs had risen markedly since it was first proposed. She outlined several of her concerns including: cost overruns and the risk to ratepayers if problems arise with the CCO; seismic risk; an increase in nitrate levels; small landowners being squeezed out in preference for large pip fruit orchards. She briefly outlined some other suggested alternatives to the dam. Ms O'Connor felt the dam should be owned by the community, and did not agree with the CCO. Her view was that there needed to be a broad representation with complete transparency, and that Council should fully fund the dam. She was concerned no firm costs have come through from WIL.

**Submitter 17457 Mr Wickham**

Not in attendance.

**Submitter 17027 Mr Alexander**

Mr Alexander has an engineering background, but noted he had found the information presented by Council confusing, and his view was that 'the deal has already been done'. He had concerns with understanding how maintaining the river flow will not waste water out to sea. He was concerned with the location of the dam being on an earthquake fault zone, and was worried about cost overruns quoting the Clyde Dam project. He was concerned about nitrates and believed the dam would not provide water for the next 100 years. Mr Alexander's views was that huge water savings could be made through individual behavioural changes. He was not convinced the costing for the dam was correct.

**Submitter 16755 Mr Aubrey**

Mr Aubrey came to the table to talk to his submission. Councillors asked why he had written Port Nelson on his submission and what that was in relation to. Mr Aubrey responded that he felt that a lot of money was put into Port Nelson in the past and that ratepayers should be benefitting from the dividends. Mr Aubrey noted that he was not comfortable with the rating proposals, and that he didn't agree with the proposed rating charges. Mr Aubrey felt the dam was a classic example of a regional development, and believed the water rates were too high. He is a pensioner living in a house and paying \$3,300 in rates (20% of his pension goes on rates). He referred to the Shand report and hoped that all Councillors had read it.

**Submitter 17559 Mr Carpinter**

Not in attendance.

**Submitter 16665 Horticulture New Zealand**

Mr Raine presented the submission on behalf of Horticulture NZ. He stressed that the dam would provide benefits to the Region and not just irrigators. He explained the importance of the boysenberry industry and that NZ grows 60% of the global supply. He noted that security of water supply was vital for food supply, and there were benefits from having a reliable and clean water supply. It would allow growers to provide high quality food, and water is the key to the survival of intergenerational users. The dam supports improvement of the eco systems of the Waimea River, regional economic development and more jobs. Horticulture NZ support the loan from CILL and governance and management as proposed. Mr Raine noted that increased horticulture would result in less nitrates, particularly with a reduction in dairy farms and increase in pip fruit orchards that use very little nitrogen.

**Submitter 17692 Mr Ecroyd**

Mr Ecroyd was unable to attend and sent his apologies. He requested that the following email be tabled:

“My main point in attending the hearing was to present the view that: To help ensure the longevity of the dam there should be adequate wild animal control (i.e. deer, pigs and goats) in the catchment to decrease erosion and prevent sediment going into the dam. I have seen the way other smaller and older dams in the region have completely filled with sediment eg. Brook Valley and Roding.”

**Submitter 17450 Mr Franklin**

Mr Franklin discussed several issues that he felt had consequences relating to the dam. His concerns were around - who was the driving force behind the dam and saw the proponents largely being the irrigators; the affordability of rates; issues with irrigators being able to claim back GST but needing ratepayers to front up with additional backing; interest being paid to banks due to debt; the use of his rates on what he felt was an inefficient Council and one not living within its means; that water storage tanks on all new houses should be mandatory; and that urban development was growing in Richmond using up agricultural land. He questioned what the driving force was behind the dam and whether this was just extra dollars or if there was a real concern for the Waimea plains environment.

**Submitter 17626 Mr Jackson**

Not in attendance.

**Submitter 17682 Mr Kennedy**

Not in attendance.

**Submitter 17017 Mr Malcolm (spoke on behalf of Echodale Marketing)**

Mr Malcolm spoke on behalf of Echodale Marketing who currently employs 20 people. They support the dam and have not seen one alternative option put forward by those opposed to the dam that they believe is better. Councillors queried whether they would support the funding being based on extractor based basis. The response was yes, but Mr Malcolm

noted that they needed to understand that it was not just the farmers that needed water, but the whole town.

**Submitter 17038 Mr Mortimer**

Not in attendance.

**Submitter 17460 Ms O'Connor**

It was noted that the points in this submission were the same as raised by Ms O'Connor's submission (submitter 17441).

**Submitter 17441 Ms O'Connor**

It was noted that the points in this submission were the same as raised by Ms O'Connor's submission (submitter 17460).

As there were no more presenters available the meeting broke at 2.23pm and reconvened at 3.30pm.

**Submitter 17586 Mr Tohill**

Not in attendance.

**Submitter 17663 Ms Turner**

Not in attendance.

**Submitter 17036 Mr Walker**

Mr Walker noted that he had lived in the area for 37 years, and was dependent on rainwater for the last 30 years. He stated that he never been without water during that time. Mr Walker noted that he was an academic and had practical experience in fields related to the dam. He objected to the construction of the dam; ratepayer funds being expended on it; and was concerned about the rising costs for the project. He was concerned about safety due to the fault lines located near the dam. He referred to a Tonkin & Taylor report that stated vertical waves had not been taken into consideration in the seismic risk for the dam. He queried whether Council's dam consultants had ever designed any other large dams? He was concerned about insurance cover should the dam fail.

**Submitter 15916 Mr Kuipers**

Mr Kuipers stated his opposition to the dam. He tabled hardcopies of a photo and graph that were associated with his submission. He felt the dam was not supported by the majority of the public. He believed that irrigators should be responsible for their own water and that ratepayers should not be providing funding for the dam. He noted his concern about the rising costs of the dam over the years, and felt that the cost would 'blow out'. Mr Kuipers was concerned about the river environment and referred to a photo he had tabled. His concern was over the build up of silt in the rivers. He believed that silt is currently effecting the invertebrates and fish life in the river, and was concerned the dam would have a further detrimental effect on the environment. The Council graph tabled by Mr Kuipers referred to river flows into the proposed dam. He did not think this was correct as he believed the graph showed all three river flows together. His view was that it would take a year to fill the dam.



**Submitter 16135 Mr Sutton**

Mr Sutton tabled hard copies of his submission. Mr Sutton owns a 60ha farm in Hope growing boysenberries and apples and is a supporter of the dam. He has been on the WWAC Committee from its inception 15 years ago. He felt the biggest mistake to date was to suggest that all ratepayers on the Plains should fund the dam, and that this has spawned an anti-dam lobby who have spread misinformation. Mr Sutton said the facts were simple - with the new TRMP plan to sustain minimum flows in the river there will be severe rationing and all water users will not have enough water. He objected to the alternative option of riverside storage which would encroach on 30ha of their fruit growing business. Sutton explained that his business employs 8 full time staff, and at peak about 100 staff in total. Thirty hectares is mainly boysenberries where harvest coincides with the summer student work season. He considered the current model to be fully user pays. He didn't believe the general urban water consumer was aware of how severe the water restrictions would be in the future.

**Submitter 16120 Mr Johnston**

Mr Johnston had prepared a detailed submission commenting on seismic issues and availability of water from the aquifers below the Waimea Dam. He asked for questions from Councillors. One Councillor asked his opinion on sediment build up in the reservoirs. Mr Johnston explained that he had not done any calculations on sediment load on rivers, but that his feeling would be that it would be low. He noted if there was a major seismic event there could be landslide risks into the rivers. However there will be increased silt going down the rivers in any major event. A seismic event in the Eastern ranges could trigger it.

Cr Sangster left at 4.26pm

Councillors queried if Mr Johnston could give them any comfort on what might happen in a seismic event either during construction or post construction. Mr Johnston said he couldn't as these events are the reality of living in NZ and that we needed to recognise the hazards and design accordingly. He noted that during construction the chance of a major earthquake was low. Post construction – the dam was designed to stay there – but that there were risks with material going down the river, or into the reservoirs. Mr Johnston explained that there are thousands of fault lines between here and the Wairau Valley. Some are 'dead' faults, and risks are associated with active fault systems.

The Mayor thanked all submitters for their presentations and noted that any further late submissions would be received on Friday at the final submissions hearing.

**The meeting adjourned at 4.38pm to be reconvened in Golden Bay on Tuesday 12 December 2017**