

### **Background**

In 2001, officers of the Council began to review the race and investigate whether there was sufficient need and justification for the continued existence of the race.

This review was carried out via a postal survey process.

Factors influencing a closure were primarily the efficiency of the race system, the significant land use change in the district with many landowners converting to Dairy and the significant increase in rates that would be required to obtain a Resource Consent. These include the upgrading of the three water race intakes to keep the scheme operational and well managed.

Following Councils decision some two years ago to close the water races and the opposition to that decision, Council met with interested parties on several occasions to discuss alternatives to closure.

More recently Council representatives reached agreement with those opposed to closure as to a process to move forward to reach a binding decision.

Part of that agreement was to rerun the survey and include both a modified funding formula option and a slim line option.

### **New Survey**

The survey attached is in two parts and whilst the information gathered from both parts is important it is essential for the validity of the survey that the first section in relation to the options is returned by the due date of 16 June 2006.

Please take the time to consider the information supplied outlining our perception of what might occur in relation to the four options detailed on Page 2.

Analysis of the survey returns will provide the District Council with valuable information to assist in making a decision in relation to the continuation or otherwise of the Ellesmere Water Race System.

### **History**

The Ellesmere stock water race is a network of open channels which source water from the Rakaia and Hororata Rivers.

Distribution is via open channels and culverts to properties across the region.

Water is sourced from three intakes, two from the Rakaia namely:

Upper Rakaia River - Earlys Intake located at Steeles Road

Lower Rakaia River - located at Headworks Road

Haldon Intake located on the Hororata River at Haldon Road.

The race network was originally constructed in about 1880 by early setters in the region.

Today it serves some 405 properties with a total area of approximately 38,026 hectares.

All properties that have access to a water race are charged a water race rate per hectare (targeted rate).

## Contact Telephone Numbers 🕾



If you wish to talk to someone about the survey, the following persons can be contacted:

Mr Hugh Blake-Manson, Asset Manager Water (03) 324 8080

Mrs Keri Harrison, Asset Assistant Water (03) 324

Mr Graeme Wild (03) 324 8080 for information on alternative water supply options

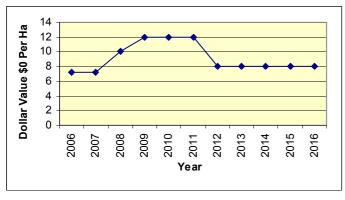
Cr Kelvin Coe (03) 329 1768

Mr Alaister Chaffey (03) 302 7288

### Four Options to be Considered:

The purpose of the survey is to allow Selwyn District Council to consult about the Ellesmere Water Race and its future.

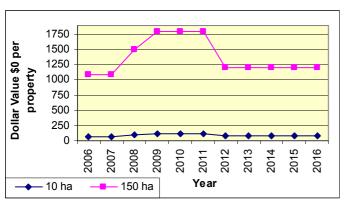
These costs are <u>indicative only, does not include an inflation adjustment and current as at 16 May 2006</u>. Four options are to be considered:



#### 1. Status Quo-Fully Open

Under this option, the water race system is to remain fully open and the rates will continue to be based on the current funding formula.

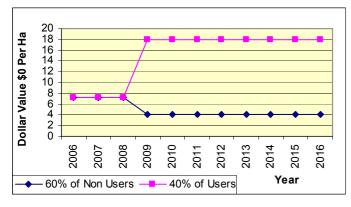
The targeted rate formula for funding operating and capital expenditure is based on the existing system. There is a noticeable increase in rating costs from 2008 to 2011 to fund the renewal of the Resource Consent and intake upgrades. From 2012 the rating formula is reduced.



#### **Status Quo Example**

Rates per annum for a:

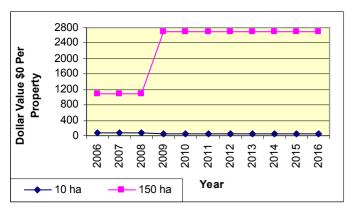
10 ha and 150 ha property



#### 2. Modified Funding Formula

Under this option, the water race system is to remain fully open with a modified funding formula. This option is based on allowing a reduced charge for those farmers who do not use the water race with the remaining farmers paying the balance of the costs of operating the water race scheme at an increased rate per hectare.

This is approximate only as the exact figures cannot be calculated until the survey is completed. Based on the last survey response close to 70% of respondents by area supported the closure of the water race and if this pattern was repeated the costs for remaining users will be even higher than in the accompanying graph.

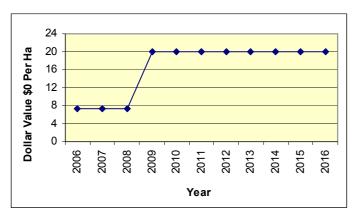


#### **Modified Funding Formula Example**

Rates per annum for a:

10 ha and 150 ha property

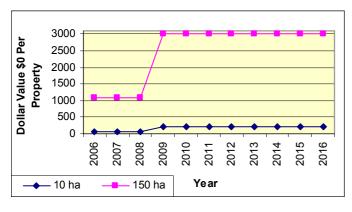




#### 3. Slim Line

Under this option, it is assumed some 40% of the main sections of water race would stay open (servicing 15,000 Ha) and 60% would be closed.

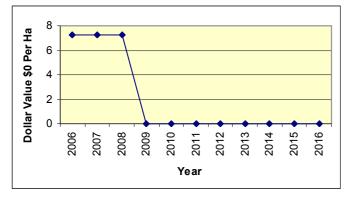
Due to the high level of uncertainly in knowing which parts of the network would remain open, assumptions have had to be made pending the collation of the survey results. This slim line version is based on the assumption that the Haldon intake would close and the Lower Rakaia and Earlys Intake would remain operational. Council would seek the renewal of the Resource Consent including the upgrading of the two intakes.



#### Slim Line Example

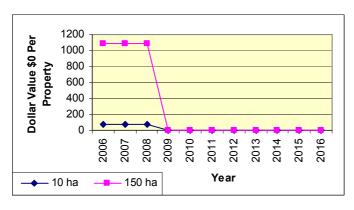
Rates per annum for a:

10 ha and 150 ha property



#### 4. Full Closure

Under this option, the water race system would be closed no later than 30 April 2008.



#### **Full Closure Example**

Rates per annum for a:

10 ha and 150 ha property





Clockwise, from left:

A. Lower Rakaia Intake B. Haldon Road Intake

C. Early's Intake with fish screen

If the scheme is to continue, the three intakes would require upgrading.

# Why are so many capital works required?

A large majority of the existing infrastructure requires upgrading. In particular all three water race intake headworks. Over the last five years no major work has been undertaken due to possible closure of the water race system.

It is also highly likely that the Resource Consent for all three intakes will require additional monitoring and new infrastructure will be required e.g. fish screens. These costs have been incorporated into the funding costs predicted. Maintenance and operating costs also increase particularly when new head works are constructed and implemented. We have taken a conservative approach on costs.



This modern fish screen at the Paparua Intake is a typical example of what may be required at the three Ellesmere water race intakes. The cost of these is around \$160,000 per intake including a fish screen & telemetry.



# How will the survey results be analysed?

The results will be analysed on two factors:

- 1. On a per ratepayer basis,
- 2. Secondly, on an area basis.

This is consistent with an approach taken by another rural based organization. It allows for those with large landholdings to have their say, but not necessarily dominate the survey response.

# If the race were to close, when would this occur?

If the survey returns a result supporting closure, the water race would either be:

- closed no later than 30 April 2008 or
- when the Council is satisfied that all property owners using the race have had the opportunity to identify reasonable alternative water sources or
- in the event of Regional Council requiring SDC to uplift and to meet all resource consent conditions contemplated by the Regional Council.

# Do I still need to clean the water race on my property?

Yes, everyone must ensure that they continue to clean their race for both the benefit of their property and for the benefit of other users in the scheme.

#### Where to from here:

Surveys sent out 18 May 2006

Public Meeting 1 June 2006, 7pm at

the Dunsandel Rugby

Rooms

Surveys due back 16 June 2006

Results available 7 July 2006