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Waitaki
DISTRICT COUNCIL
TE KAUNIHERA Ā ROHE O WAITAKI

To the members of the Upper Waitaki Zone Water Management Committee

MEMBERSHIP

Barry Shepherd (Chairman)
Mathew Bayliss
Jay Graybill
Lisa Anderson
Simon Cameron
Russell Armstrong
Sandra Hampstead Tipene
Moeraki Representative (vacant)

Environment Canterbury
Representative (Vacant)
John Wilkie
Richard Subtil
Craig Dawson

Notice is given of the Meeting of the Upper Waitaki Water Zone Management Committee to be held on Friday 18 November, 2016, at 9.30am

VENUE: Mackenzie Country Inn, Twizel

BUSINESS: As per agenda attached

WAYNE BARNETT
CHIEF EXECUTIVE OFFICER, MACKENZIE DISTRICT COUNCIL

MICHAEL ROSS
CHIEF EXECUTIVE OFFICER, WAITAKI DISTRICT COUNCIL

	<p align="center">Upper Waitaki Zone Committee Meeting</p> <p align="center">Friday November 18th</p> <p align="center">9:30am</p> <p align="center">Mackenzie Country Inn, Twizel</p>	
9:00 am	Arrive / Cup of tea	
9:30	Standing Items: Apologies, Minutes, Correspondence, Regional Committee update, Facilitator update	3
10:00	ZIP Delivery: Monthly verbal update on actions	Michael Hide
10:15	Strategic: Canterbury Wilding Conifer Control briefing	Graeme Sullivan
10:45	Input on consents processes	Zella Smith
11:00	Morning tea	
11:20	Strategic: Mackenzie Irrigation Company	Murray Valentine
11:40	Strategic: Mackenzie Country Trust discussion	Rob Young and Mike Neilson
12:40	General Public General Business	
1:00	Meeting close	

**ENVIRONMENT CANTERBURY
MACKENZIE AND WAITAKI DISTRICT COUNCILS**

**MINUTES OF THE MEETING OF THE UPPER WAITAKI ZONE WATER
MANAGEMENT COMMITTEE, HELD AT THE MACKENZIE COUNTRY INN,
TWIZEL, ON OCTOBER 21, 2016 AT 9.31 AM**

PRESENT:

Barry Shepherd (Chair)
Simon Cameron
Sandra Hampstead-Tipene
John Wilkie
Jay Graybill
Craig Dawson
Lisa Anderson

IN ATTENDANCE:

Nic Newman, Zone Committee Facilitator
Keri-Ann Little, Committee Secretary, Mackenzie District Council
Ian Lyttle, Environment Canterbury
Michael Hide, Environment Canterbury
Peter Ramsden, Environment Canterbury
John Benn, Department of Conservation
Rick Ramsay, Aquaculture Information Group
Barbara Nichols, Environment Canterbury
Shirley Hayward, Environment Canterbury
Max Crowe, Waitaki District Council
Gary Manch, Navigation Safety Officer, Environment Canterbury
Andrew Curtis, IrrigationNZ
2 members of the public

WELCOME:

The Chair welcomed all members and visitors to the meeting. He invited Mr Ramsden to share a karakia.

The Chair welcomed Mr Dawson, Councillor Waitaki District Council back as a member of the Zone Committee as the Waitaki District Council Representative.

APOLOGIES:

Resolved: that an apology be received from Richard Subtil, Mathew Bayliss and Peter Scott.

Chair/ John Wilkie

MINUTES AND MATTERS ARISING:

Resolved: that the minutes of the meeting held on 16 September 2016, be confirmed and adopted as a correct record with the following corrections.

Chair/ Simon Cameron

Corrections:

Page 5 Biodiversity Resolution – amended to read:

Resolved: that the Upper Waitaki Zone Water Management Committee approves a 850 metre stock fence be built at Boulton Gully Lagoon to protect and enhance a kettle hole tarn, associated wetlands and ephemeral turf communities.

Peter Skelton/ Chair

Page 5 Paragraph 9 – amended to read:

Simon Hill Station fenced off the entire true right bank of the Maryburn.

CORRESPONDENCE:

The Chair tabled a letter of thanks from Sam Carrick regarding the letter of support the Zone Committee sent to the Waitaki District Council supporting Mr Carrick's research funding request.

An email from Anne Steven had been received by the Chair. Ms Steven said the Willowburn Stream Willow Removal must be undertaken in a strategic way to prevent reestablishment, the Willowburn Stream is a great habitat.

Mr Newman tabled a correspondence update on the Mackenzie Country Trust received from Mike Neilson, Chairperson. Mr Newman confirmed Mr Neilson and a Trust Member will attend the Zone Committee meeting next month. The Committee highlighted engagement with the Community and Land Owners was required and confirming the strategic plan was essential for the Trust moving forward.

REGIONAL COMMITTEE UPDATE:

Ms Nichols reported the focus of the recent meeting was on integrating new members into the Committee followed by a field trip.

FACILATATOR UPDATE:

Mr Newman reported Mackenzie Irrigation Company are unavailable to attend today's meeting. He gave an overview of this afternoon's field trip.

ZIP Delivery: Work Programme Development

Mr Hide provided an overview of the Upper Waitaki 5 Year Work Programme. He asked the Committee to provide feedback to be incorporated into the programme. He added a new strain of the Rabbit Calicivirus will be introduced into New Zealand, a release window of March 2017 is planned.

Mr Hide updated the Committee on all work project programmes through to 2021 concentrating particularly on the Willow Burn project, Aquaculture Environment Plan and GMP. Further work was identified in the following areas; Braided Rivers, drinking water, visitor impacts and urban engagement.

The Committee asked for the Haldon Camping Ground to be included, Land Information New Zealand own the Camping Ground and had signalled work on this project would take place in 2017.

The Committee provided feedback regarding approaching the Department of Conservation (DoC) for any information they may have on the Bignose Twaddle and including the Omarama Stream and catchment.

Mr Hide will email the document to Zone members and welcomed any further feedback via email.

ZIP DELIVERY: Enabling Environmental Enhancement Projects

Mr Hide reported the purpose of his report was to inform the Zone Committee that with the establishment of zone teams, Environment Canterbury is better placed to provide support to individual landowners who wish to undertake projects that will have positive environmental outcomes. Many landowners wish to undertake such projects, however, the cost of obtaining resources consents “the paper work” had been identified as being the barrier to these projects proceeding.

Mr Hide provided examples of enhancement projects and project criteria.

The Committee adjourned for morning tea at 10:55am and reconvened at 11:10am.

STRATEGIC: Recreation and Amenity – Jet Boating:

Attached to the agenda on page 16 for Committee member’s information was a copy of the Upper Waitaki section of a regional committee report on jet boating in Canterbury.

Mr Newman asked the Committee to receive the report and note the information attached, Jet Boating New Zealand had expressed an interest in attending the Zone Committee December meeting for further discussion.

Resolved: that the report be received, noted and information received.

Simon Cameron/ Craig Dawson

Gary Manch, Navigation Safety Officer from Environment Canterbury reported changes to the recently adopted Navigational Safety Bylaw. He said the bylaw no longer restricted jet boat speeds on Hopkins, Godley, Dobson and Tekapo Rivers.

Jay Graybill expressed his concern regarding nesting birds’ habitat affected by speeding jet boats at particular times of the year. He added it is a primary function of the Zone Committee to monitor these risks, remaining informed and offering assistance.

Mrs Anderson asked what next steps can be taken to express the Zone Committees concern regarding the changes to the bylaw and the gap that exists now in protection. Mr Newman said he will extend an invitation to Jet Boat New Zealand to attend the December Zone meeting and the committee can keep an eye on and support any other initiatives to fill the gap in protection (this is Canterbury wide). Mr Graybill said he is happy to report back any information he receives.

ZIP DELIVERY: Water Use Efficiency: Smart Irrigation and Watering Initiatives

The Chair welcomed Andrew Curtis from Irrigation New Zealand (IrrigationNZ).

Mr Curtis updated the Committee on “Smart Irrigation” (good management practice), standards and codes of practice, checklists, guides and manuals available.

He highlighted the Smart Watering Public Awareness Campaign is raising awareness to summer garden water use efficiency, sustainable future and cost effective options.

Mr Newman suggested an irrigation training day available in the Mackenzie. Mr Lyttle said a field day next season is being planned.

Mr Wilkie asked how overspray of irrigators onto roads is being controlled.

Mr Curtis replied that the overspray was primarily caused by the “end guns” and was an operational error.

GENERAL BUSINESS; GENERAL PUBLIC:

The Chair noted a newspaper article printed in the Timaru Herald on the 19th of October 2016 regarding Mackenzie District Council declining to be included in Freedom Camping discussions with Government. Mr Newman said a representative from the Mackenzie District Council will be present at the next Zone Committee meeting and may be able to alleviate the Zone Committee’s concerns.

Lisa Anderson noted the new Freedom Camping Bylaw had come into force in the Waitaki District.

Mr Benn said a non-notified consent had been issued on the Forks Stream, he asked that DoC be consulted on all resource consents in the basin from now on for non-notified consent for water extraction. Mr Hide will follow up and report back to the Committee regarding requirement of notification to land users, land owners and the community.

Lisa Anderson asked for clarification as to who within Environment Canterbury decides who is notified.

Mr Hide said there is a requirement under the Resource Management Act to inform certain parties, also informed are parties who Environment Canterbury decide maybe affected.

NEXT MEETING:

The next meeting will be on Friday 18 November 2016 at the Mackenzie Country Inn in Twizel.

Mr Ramsden shared a karakia to close the meeting.

**THERE BEING NO FURTHER BUSINESS
THE CHAIRMAN DECLARED THE MEETING CLOSED AT 12:18PM**

CHAIRMAN:

DATE:

Canterbury Wilding Conifer Control Programme 2016/17

In June this year the Minister of Finance announced that \$16 million would be provided over 4 years to assist with the costs of implementing a national programme for managing wilding conifers. This contribution supplements the current annual spend of \$11million from agencies, landholders and philanthropic sources. Since this time, agencies and others have worked together to prepare a national programme of work, prepared and costed detailed operational plans and considered the logistics of delivering a much expanded control programme.

One of the logistical issues to be resolved was the efficient transfer of Crown funding from source to “coal face”. A Wilding Governance Group has been formed to provide national oversight of the control programme, including funding and allocation decisions. Regional Councils in the affected regions are taking on the role of “banker” on behalf of the Crown.

The Wilding Conifer Governance Group has allocated \$5,022,188 of Crown funding to the 16/17 national conifer control programme of which \$2.9 million has been allocated to Canterbury. Canterbury will implement 6 control programmes in 16/17 with a total budget of just under \$4 million including the Crown funding. Funding from landholders, Environment Canterbury, DoC and LINZ make up the difference between Crown funding and the total control programme budget.

A prioritisation of wilding conifer infestations in a national context has been undertaken and this will guide the control work for the first 4 years. Other **priority areas in the Waitaki catchment targeted for control are Ohau, Ben Ohau, Pukaki, Tekapo and St Mary/Ida**. The latter is part of a much larger programme involving Kakanui and Naesby in Otago and this work will be managed by ORC.

A summary of the 6 wilding conifer programmes to be implemented in 16/17, a map of each management unit (with the exception of Hakatere) and map of the proposed areas for initial control across NZ incorporating priority 1, 2 and 3 areas follows.

Management Unit	Funding sources	Funding
Godley	MPI	239,714
(137,256 ha)	ECAN	60,000
	DOC	30,000
	LINZ	2,000
	Landowners	39,000
	TOTAL	378,714

Management Unit	Funding sources	Funding
Four Peaks	MPI	72259
(40,140 ha)	ECAN	48000
	DOC	11000
	LINZ	0
	Landowners	17000
	TOTAL	148259

Management Unit	Funding sources	Funding
Hakatere A	MPI	311,800
(180,256 ha)	ECAN	25,000
	DOC	30,000
	LINZ	2,000
	Landowners	14,700
	TOTAL	383,500

Management Unit	Funding sources	Funding
Porters	MPI	224,968
(189,742 ha)	ECAN	52,000
	DOC	57,000
	LINZ	0
	Landowners	32,500
	TOTAL	366,468

Management Unit	Funding sources	Funding
Craigieburn	MPI	1,591,600
(53,750 ha)	ECAN	40,000
	DOC	70,000
	LINZ	0
	Landowners	327,500
	TOTAL	2,029,100

Management Unit	Funding sources	Funding
Lewis	MPI	457,500
(295,919 ha)	ECAN	48,000
	DOC	35,000
	LINZ	0
	Landowners	40,500
	TOTAL	581,000

	Total Funding	(\$)
	MPI	2,897,841
	ECAN	273,000
	DOC	233,000
	LINZ	4,000
	Landowners	471,200
Total 896,807 ha		3,879,041



Wilding Conifer Control - Godley Control Area -

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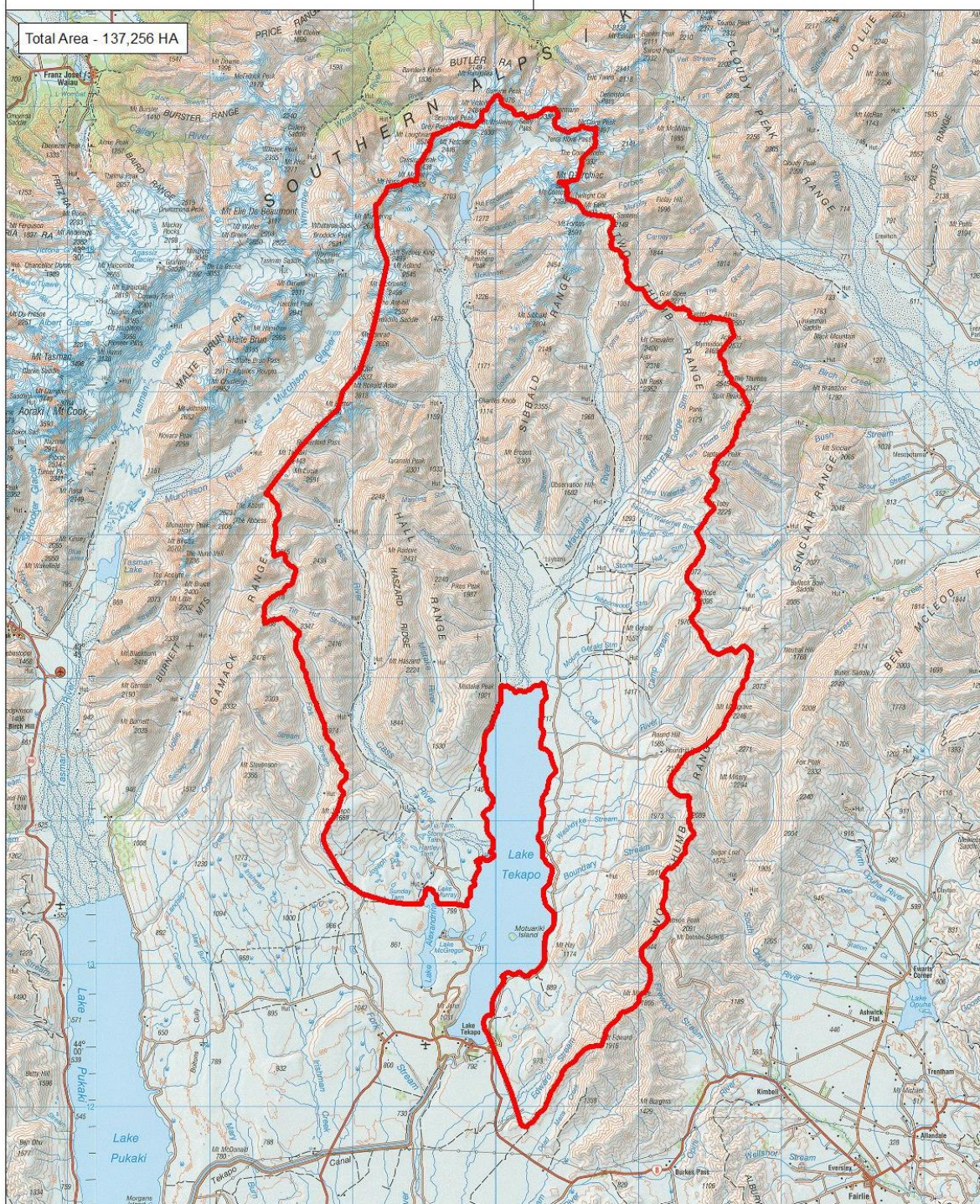
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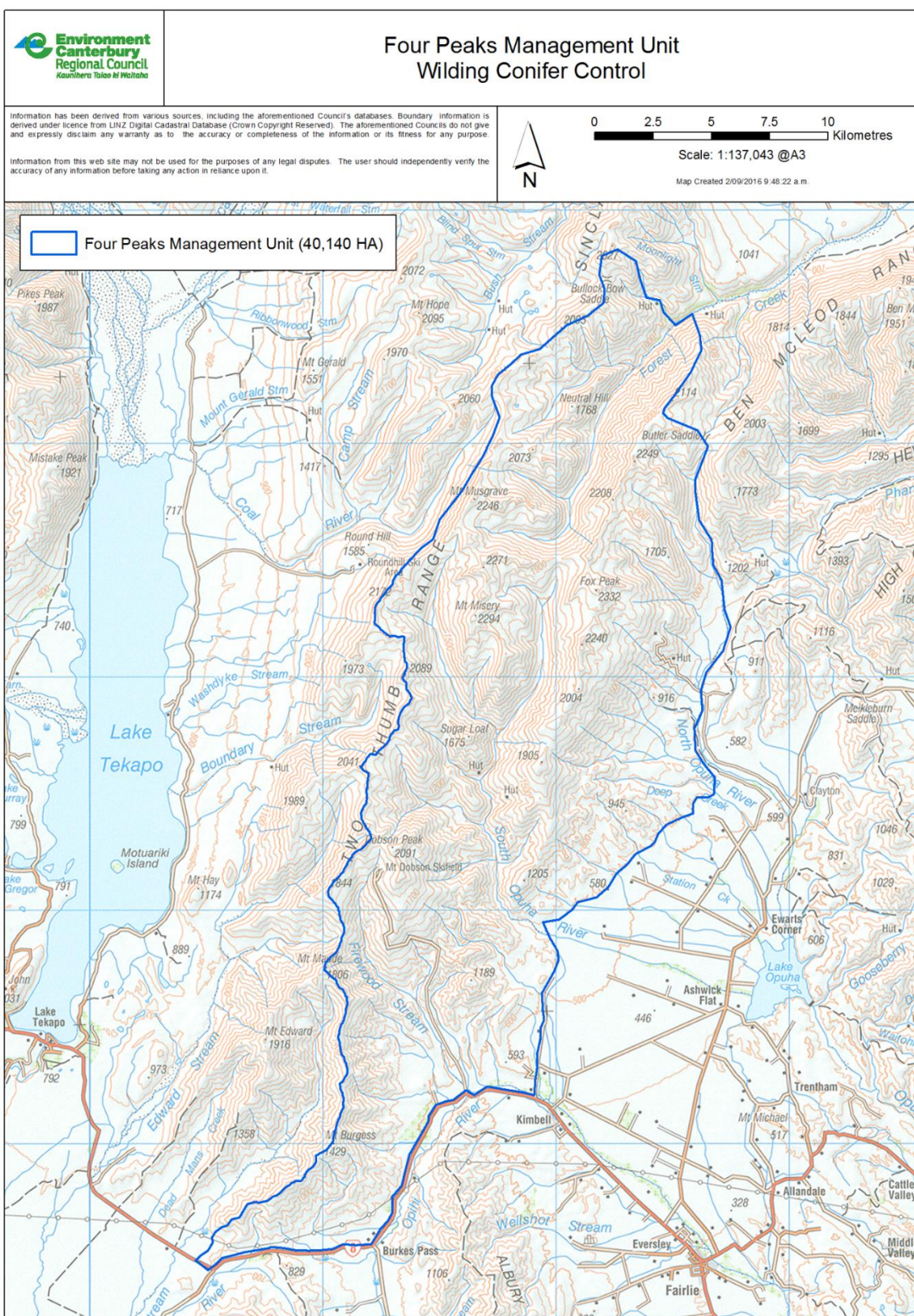


0 5 10 15 20
Kilometres

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Lewis Management Unit Wilding Conifer Control

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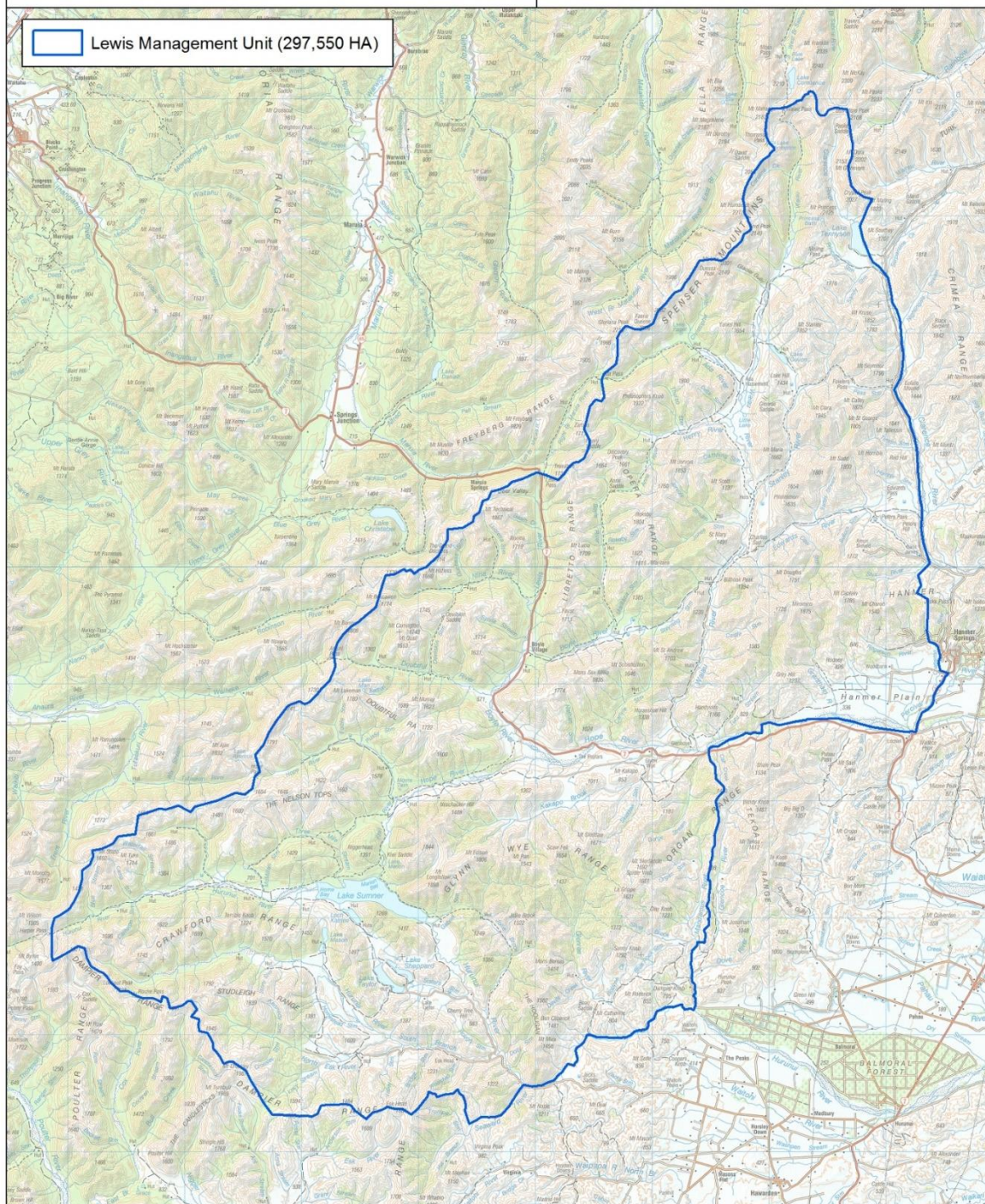


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 Lewis Management Unit (297,550 HA)



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Craigieburn Management Unit
Wilding Conifer Control

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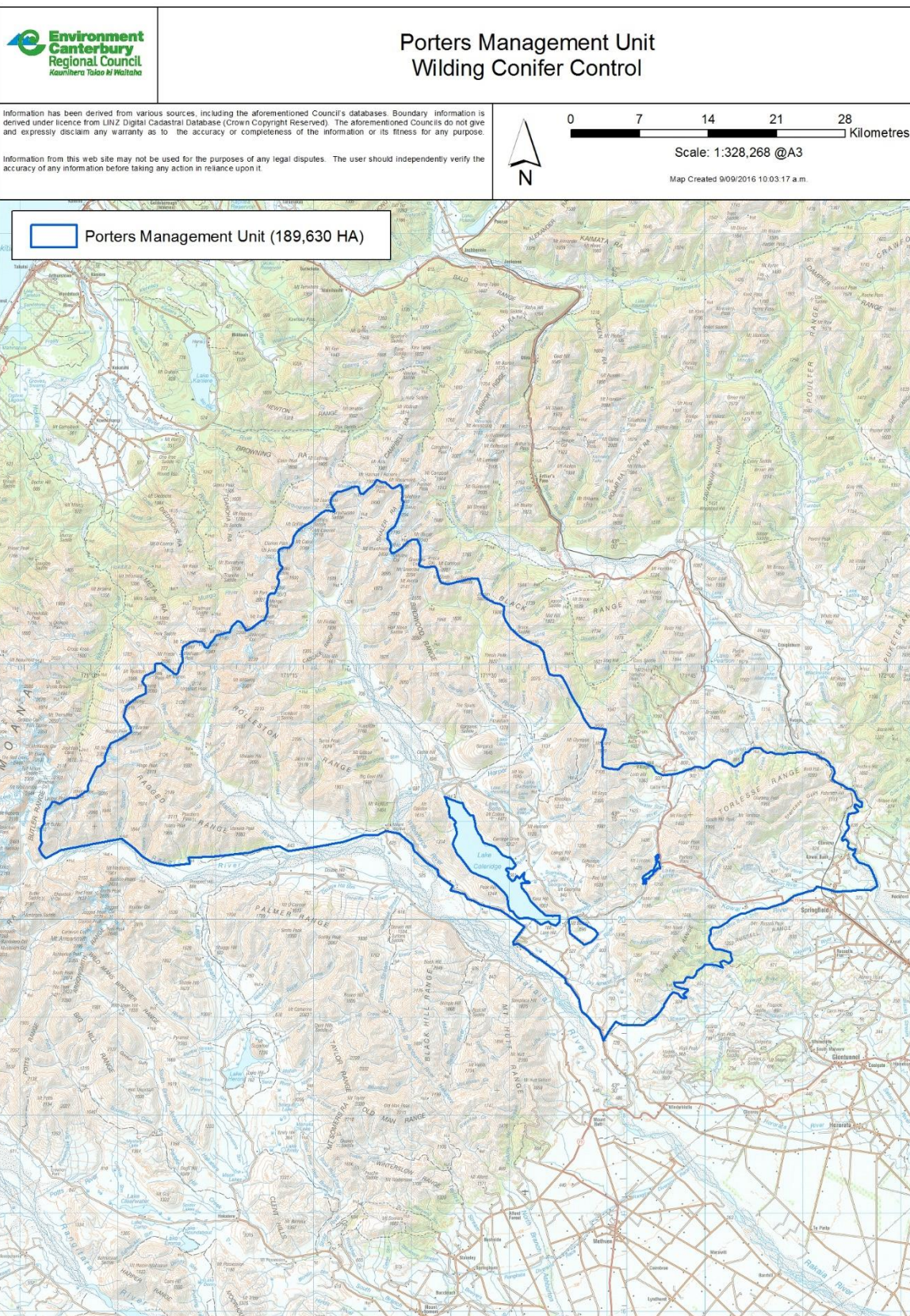
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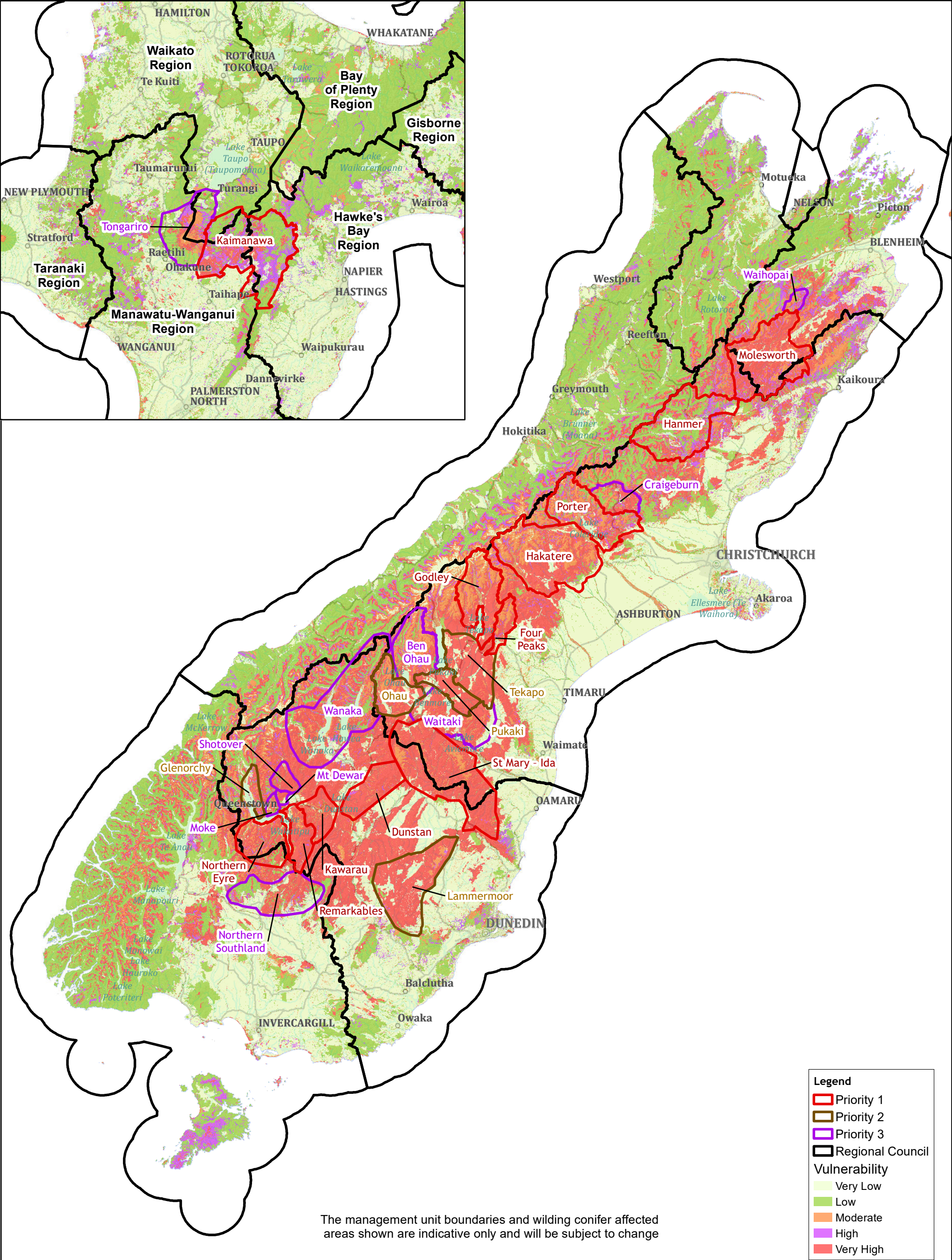


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The Wilding Conifer Problem in New Zealand

Purpose

1. This paper provides information on the wilding conifer problem in a NZ context and the full cost of a programme to protect farmland, water yield, biodiversity and iconic landscapes from invasive conifers. It also provides background on previous funding decisions related to the management of wilding conifers.

Key messages

2. Wilding conifers now occupy around 1.8 million hectares (0.11 million dense, 1.71 million scattered): almost 6% of New Zealand's total land area.
3. New Zealand currently spends approximately \$11.7¹ million per year controlling wilding conifers, however this is insufficient to deal with the scale of the issue. As a result wilding conifers are still spreading at approximately 90,000 hectares per year — equivalent to nine average-sized high country farms.
4. At the current level of control wilding conifers continue to spread and will have invaded approximately 5.4 million hectares of at risk land, 20% of New Zealand's total land area, by 2035. This is equivalent to all of the Canterbury and Marlborough regions combined.

7 million hectares of land have high or very high vulnerability to wilding conifer invasion, a further 9.8 million hectares has some degree of vulnerability.

5. Historically there has been under-investment in wilding conifer control, a lack of understanding of the scale of the problem and the need for early intervention. There is still an opportunity to act while management at a national scale is relatively affordable, however further significant delays will mean this opportunity is lost.
6. Wilding conifer forests generally have no economic value due to their dense and tangled nature, poor form and they are often in difficult to access terrain.

¹ Wilding Conifer control expenditure by central and local government was approximately \$6.7 million in 2014/15. Although difficult to quantify, expenditure by private land occupiers, industry, and philanthropic investors is likely to be at least equivalent to the Crown spend of \$5 million.

Impacts of Wilding Conifers

7. Estimated economic impacts over the next 20 years (to 2035) are likely to exceed \$1.2 billion as the coverage of dense trees expands from 110,000 to 330,000 hectares.
8. These impacts (particularly loss of water availability, productive land and biodiversity) will increase exponentially from 2035 as the coverage of dense trees expand from 330,000 hectares to the full 5.4 million hectares. This will also increase the risk from wild fires and could increase biosecurity risks to plantation forestry.
9. Dense and widespread wilding cover has a significant impact; potentially a 30–80% reduction in water yield in certain areas. This affects the amount of water available for farming, river levels, hydroelectric generation and other water use, particularly in catchments where there are long-term seasonal soil moisture deficits (e.g. Canterbury foothills, Mackenzie Basin, Otago, Canterbury, Marlborough and Nelson).
10. Private and other crown administered land is increasingly being invaded by seedlings spreading from Department of Conservation (DOC) administered land that is already infested by wilding conifers (see graph in appendix 1). This has implications for future crown liability under good neighbour rules in regional pest management plans and limits current and future land use options such as pasture development, forestry, manuka honey production and irrigation.
11. Costs of control escalate over time. It can be as little as \$1 - \$10 per hectare to treat sparse infestations. Treating dense infestations will typically cost \$2,000 per hectare to boom spray or \$10,000 per hectare if felled. This combined with the rapid rate of spread means costs of control increase exponentially. The graph in appendix 4 shows the area currently occupied by wilding conifers in New Zealand by density over the last century. Based on case studies we know that control costs increase exponentially at approximately 30% per annum.
12. Recent research into the cultural impacts of wilding conifers showed that people highly value and treasure New Zealand's iconic, wide open tussock landscapes. The majority of people don't realise that wilding conifers will impact on the areas they value most until the trees are visible. When the issue was explained to people the majority were concerned about the impact of the trees.

Previous funding requests

13. In general wilding conifer control has had a history of under investment resulting in compromised and less cost-effective management programmes.
14. In 2004, DOC requested up to \$5.3 million annually until 2014 for wilding conifer control based on the Department's South Island wilding conifer strategy. DOC received 10% of the funding requested.

15. In 2009, the Parliamentary Commissioner for the Environment² stated that “wilding conifer control costs increase exponentially if they are not addressed promptly and consistently” and recommended the Minister of Conservation and the Minister of Tourism seek Cabinet approval for sufficient additional funding for a sustained woody weed eradication programme. No new funding was provided.
16. A funding bid was submitted for budget 2015. This was not funded and agencies were requested to undertake further work to support a bid.
17. Mid Dome in Southland provides an example of how costs of control can escalate if there is not enough money to undertake the most effective management approach.

Full programme costs

18. The ultimate objective of a management programme would be to reduce the area of affected land and transition any ongoing control of wilding conifers to regional councils and land occupiers to manage as business as usual.
19. Based on current information, and current management practices, it is estimated that between \$160 and \$180 million of additional crown funding over at least a 15 year period will be required. This is over and above the \$75 million spend from existing budgets by Crown agencies over that period. Also required is co-funding commitments from local government and land occupiers.
20. These estimates are based on the assumption that the optimal strategy would be to front-load funding and undertake the first round of control on the most priority sites in the first five to seven years. This would be followed by maintenance control to remove seedlings and surviving trees. It can take up to 10 years to clear some sites where source trees can be eradicated.
21. If provided a slower increase in funding and lower levels of increased funding this approach would result in much higher costs over a longer term. Any deferment of additional control efforts will also result in a rapid increase in control costs.
22. To get wilding conifers to a level where they can be sustainably maintained by land owners the current extent of the area invaded needs to be substantially reduced. Reducing the extent of the area invaded by wilding conifers can be done most easily by:
 - a. controlling sparsely-distributed wilding conifers, especially if they have not yet reached coning stage and preventing them from forming more dense stands, then
 - b. controlling the sources of wilding spread.

² *Change in the high country: Environmental stewardship and tenure review.*

23. A number of areas have already removed the sparse wilding conifers and are now struggling to obtain the levels of funding required to remove the source trees cost effectively, and manage the re-invasion from those source trees at the same time.
24. Any delay in Crown funding is likely to be exacerbated by a corresponding delay in co-funding commitments from regional councils and land occupiers.

Current budget initiative

25. The current budget initiative business case sets out the first phase of a full programme. Phase 1 would look to achieve the following objectives:
 - a. Increased prevention and control to slow the spread of wilding conifers and reduce the area that is currently invaded.
 - b. Implement coordinated control and prevention to be more cost-effective (\$ per hectare), and focus on national priority areas.
 - c. Gain new information for implementing national wilding conifer management.
 - d. Early control action and support for wilding conifer control activities.
26. The funding will enable control of the 360,000 hectares of new wilding conifers that occur over the first 4 years and remove approximately 500,000 hectares of scattered wildings.
27. The main limiting factor in forecasting the full-cost of a programme with complete accuracy is the lack of standardised geospatial information on wilding conifer infestations. Obtaining this information is one of the key objectives of this budget initiative.
28. The new knowledge and evidence obtained during phase one will enable the development of more robust cost projections and options to government of a long-term management plan to ensure sustainable control of wilding conifers. This will include the associated funding options which will likely include an additional funding bid

Leveraging Co-funding

29. Operational management cost shares, informed by the biosecurity funding principles, have been developed in close consultation with funding partners. These cost shares are intended to provide a framework for negotiation between potential funding parties at a regional and local scale.
30. Negotiation and agreement from key stakeholders to contribute funding for a broader programme, including secure resource commitments at both a national and regional level will also be initiated in phase one. Based on the cost share model in the strategy for every \$1 the crown invests there could be an additional investment (cash and/or in-kind) between \$0.40 and \$2.30 for legacy plantings and wildings depending on land tenure.

31. Spread from new plantings will primarily be the responsibility of the source land occupier (e.g. forest owner or farmer who plant them).
32. It is proposed that MPI will lead the process to determine the actual contributions required from the various parties and to formalise agreements around these with key funders. A programme would also look to increase contributions from charitable and philanthropic organisations.

Control tools are effective and success is achievable

33. The characteristics of wilding conifers mean that unlike many other pest plants, control is generally practical and technically feasible. While there is ongoing work to refine and improve control tools (especially for dense infestations) the basic technical (mechanical and chemical) control methods are proven and effective.
34. There have been significant successes at sites where there have been coordinated and focused efforts by stakeholders³. Improved control tools have enhanced control capabilities and reduced costs.

Rationale for additional Crown funding

35. Much of the ongoing wilding conifer spread onto public and private lands is several generations removed from the original source plantings. Plantings of conifer trees that have subsequently resulted in wilding spread were established for reasons including erosion control, research, shelter and landscaping, hydro lake stabilisation and production forests.

These 'legacy plantings' were established by both private occupiers and government organisations such as catchment boards, the New Zealand Forest Service and the National Water and Soil Conservation Authority. Today, extensive areas are affected by wilding conifers that have spread from these historic plantings, many of which have changed hands multiple times. These wilding conifers are now acting as a source for further spread.

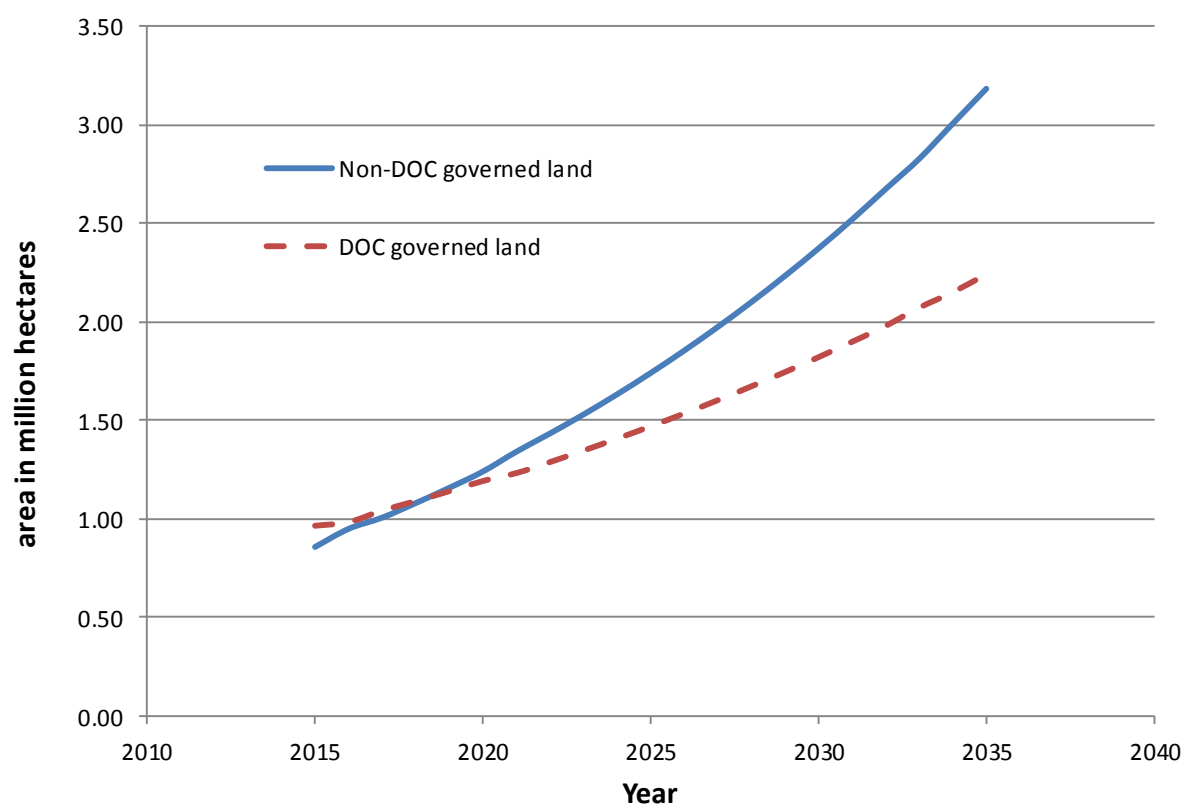
36. Current landowners are reluctant to fund control when they view the problem as being caused by the actions of others. Seeking funds from those who planted unwanted conifers is rarely, if ever, feasible and legal liability is not easy to determine.

³ Waiouru Military Training Ground, Mount Tarawera, Rainbow Mountain Scenic Reserve, Ruahine Corner, Red Hills in Marlborough, Kirkliston in Twizel. Mid Dome is now the only major site in Southland; in 2001 there were 19 sites in Southland.

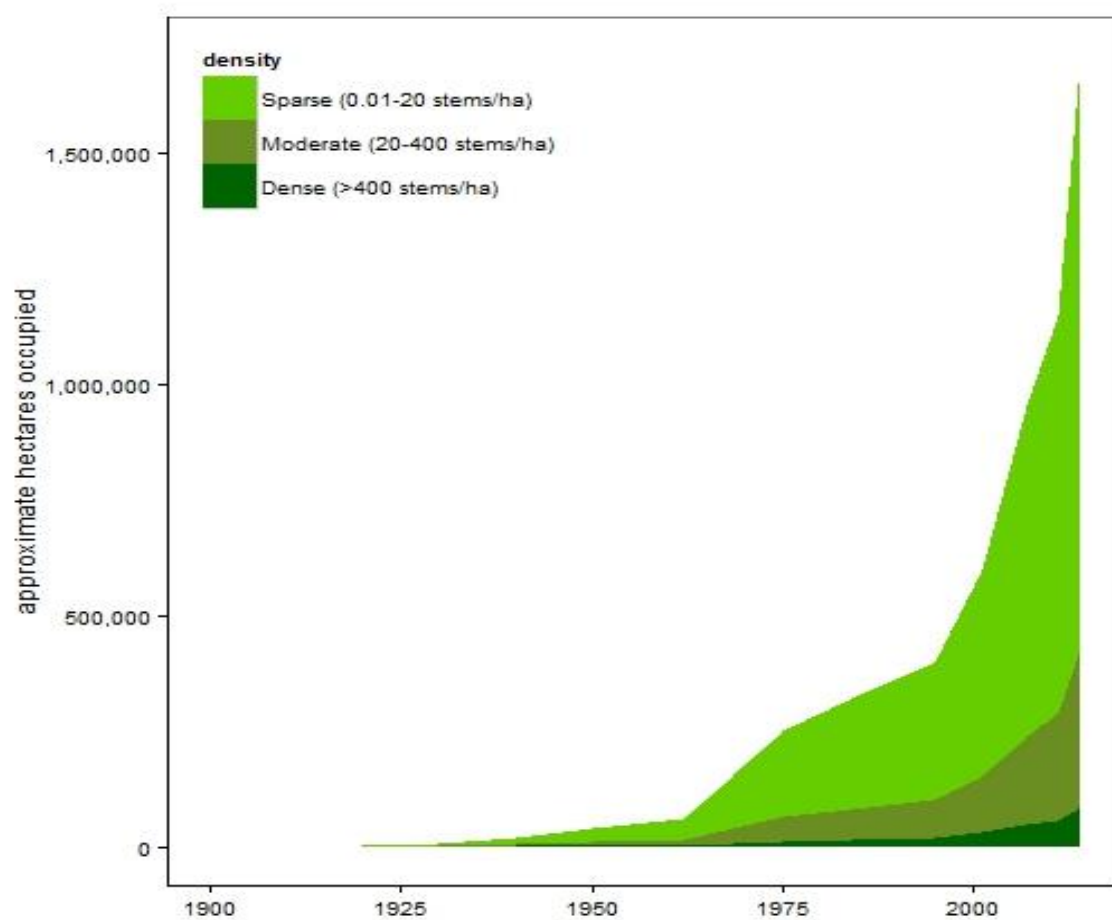
37. MPI considers that there is clear rationale for the Crown to contribute to wilding conifer management on the biases that:

- a. There are significant public benefits from managing wilding conifers, including protecting water resources, primary production, native ecosystems and landscapes.
- b. There are significant stands of wilding conifers on Crown land that are sources of wilding conifer spread to neighbouring landowners; and
- c. The high initial control costs for removing established stands of wilding conifers mean that community groups and land owners need financial support initially to get populations under control.

Appendix 1: Estimated areas of DOC managed land and non-DOC managed land infested by wilding conifers between 2015 and 2035



Appendix 2 Approximate area currently occupied by wilding conifers in New Zealand by density and year.



UPPER WAITAKI ZONE COMMITTEE-
FOR THE MEETING OF * 2016

Report for Agenda Item No *

Prepared by **Zella Smith, Environment Canterbury**

Title **Input on Consent Process**

Purpose of Report

This agenda item is a chance to

- Inform the Zone Committee of the difference between interested and affected parties in relation to the consent process.

In the process of considering a resource consent application there may be parties who are interested in and parties who are potentially affected by the proposal. Some people and organisations may have an interest in a proposal, however Environment Canterbury may not consider them affected parties.

When making this determination, the consenting authority considers s95E of the RMA and RMA case law. Some form of potential adverse effect on a person must be apparent for written approval or limited notification¹ to be considered necessary.

An affected person is one who is 'affected in a manner different from the public generally'. Case law has shown that being 'interested' in a manner different from the public generally is not enough. s95E of the Act states that it is the consent authority who must decide that a person is an affected person if they determine that the activity's adverse effects on that person are minor or more than minor.

The debate of affected vs interested is considered against the fact that the resource consent process must be public and participatory and that care must be exercised before removing those participatory rights.

The Supreme Court has emphasised that a notification decision is a significant decision with natural justice implications for participation in the consent and appeal process, so a consent authority needs to be cautious when excluding a party as being 'interested' only.

It is not sufficient that a person only "may" be adversely affected by an activity; it is necessary that there be sufficient information available to demonstrate that the person will be adversely affected. However the term "effect" includes "potential effects" and thus covers a person who will be adversely affected by something that only may happen, e.g., a dam failing. In such cases, the Act deems the person "adversely affected" because the definition of adverse effects includes potential effects of low probability which have high potential impacts.

¹ Limited notification is where a consent application is notified only to affected parties and only they have a chance to submit; public notification is where consents applications are notified widely and everyone may make a submission.

In identifying and considering affected persons, the consent authority must consider whether there is any adverse effect from the proposal that may affect any person. The consent authority can disregard only adverse effects that will be negligible, de minimis (i.e., trivial - even less than minor), and those effects that are only a remote possibility.

Potentially adversely affected persons (depending on the nature and scale of the resource consent application) may include:

- Owners and occupiers of the land;
- Owners and occupiers of adjacent, nearby and/or downstream or down-gradient land;
- Tangata whenua.
- Downstream or down-gradient users of the resource;
- Any Minister of the Crown with statutory responsibilities for an area or a site that could be adversely affected;
- The relevant District Council;
- Those persons or organisations whose use or enjoyment of an area could be adversely affected;
- Adjoining owners/occupiers with sensitive activities;
- Canterbury District Health Board – Community and Public Health;
- Any other person who the consent authority considers is affected in a manner different from the public generally.

If you have a particular type of consent or area of concern you are interested in, you can ask to be put on our “interested parties” list. This means our Business Support team will email you when a consent application is lodged which met the criteria you have specified, giving you the opportunity to explain to us why you may be affected, which we will consider when making our notification decision or any request for written approvals.

MACKENZIE IRRIGATION COMPANY LIMITED (“MIC”)

1.0 BACKGROUND

- 1.1 MIC was established in 2004 after settlement of litigation with Meridian regarding the rights to the Waitaki Catchment water led by Dennis Fastier and others with the \$1.2m legal and other costs funded initially by Tom Sturgess and myself.
- 1.2 MIC entered into an agreement with Meridian for the supply of 150m m³ of water for 25000ha subject to getting 90% of the Upper Waitaki farms subscribing for the voting property shares (77 properties).
- 1.3 MIC issued its first Prospectus which raised 70 property shares at \$100 and 11,897 water shares at \$5.00 (50% paid), an Initial Capital Levy (\$30.00) and a Water Quality Levy (\$20.00) (1st call) and raised \$700,000 by bank loan.
- 1.4 The Water Quality Levy was used to fund the Upper Waitaki Water Quality Trust a group charged with protecting water quality in the Upper Waitaki, a role now taken over formally by the ZIP committee.
- 1.5 In addition to these payments MIC water shareholders contributed to Mackenzie Water Research Limited on a proportional basis to produce the water quality evidence for the catchment to the combined irrigation consent hearings in 2008/9.

2.0 OPERATIONS

- 2.1 MIC does not hold any irrigation consent nor does it own any irrigation infrastructure. Its objectives were to administer the agreement with Meridian referred to in 1.2 above.
- 2.2 The Meridian (and now Meridian and Genesis) agreement provides the right for a MIC shareholder to obtain derogation approval from Meridian and/or Genesis for irrigation water at the rate of 6000m³ per ha per annum subject to conditions and apply to Ecan for a resource consent for that water.
- 2.3 MIC charges water shareholders an administration levy each year to cover the cost of operating the business.

The 2016 Administration Levy was \$2.64 per share involving \$46,180.78.

- 2.4 The bank loan was repaid during 2016.

- 2.5 The Company's Constitution provides that property shares must remain with the owner of the nominated property but can be subdivided if the original property is subdivided. They are transferred if the property is sold.

Water shares were also issued in respect of specific properties and cannot be sold except back to MIC itself.

- 2.6 The present water share issue price is:

Share price (fully paid)	\$45.00	
Initial Capital Levy	\$135.00	+ GST
	<hr/>	
	\$180.00	+ GST on the levy
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In 2014 and 2015 MIC repurchased some surplus partly paid shares issued in the original prospectus @ \$20.00 and resold them to new property owners who have more recently applied to Ecan for irrigation water.

The initial capital levy is not refunded when the shares are repurchased.

- 2.7 Shareholders recently approved the issue of shares to the Kurow Duntroon Irrigation Company Limited who take their water from the Waitaki Dam but use it outside the upper Waitaki Catchment.

Murray Valentine
Chairman
10 November 2016

AGENDA ITEM NO:	SUBJECT MATTER: Mackenzie Country Trust
REPORT BY: Nic Newman	
DATE OF MEETING: November 18 th , 2016	

Purpose: to update the Zone Committee on the work of the Mackenzie Country Trust and to ensure synergy between the Trust and the Committee

Action: The Zone Committee will receive an update from the trust and discuss synergies and opportunities

Background:

In February 2016 the Mackenzie Country Trust was established to work to give effect to the Mackenzie Agreement. The Zone Committee chair and facilitator attended the opening session of the Trust's first workshop together in April.

In December 2014 the Zone Committee resolved to use the Mackenzie Agreement to inform Zone Committee work and give effect to the agreement where appropriate. There is a strong synergy between what the Mackenzie Agreement and the Upper Waitaki Zone Committee aims to achieve in the Mackenzie country. The key elements are the same: collaborative approach to decision making, a balanced and prosperous community, a mix of landuse including irrigation, and management of the cumulative effects of landuse on water quality.

Levers that the Zone Committee has available to give effect to the agreement, within its terms of reference, are:

- Establishing limits to manage the cumulative effects of landuse on water quality (Plan Change 5)
- Enabling the balance of the 25,000ha of irrigation, within the limits and subject to other constraints (Plan Change 5)
- Providing incentives for development that is accompanied by set aside conservation areas (Plan Change 5)
- A nitrogen allocation framework that enables the development of small blocks on extensive properties (Plan Change 5).
- The collation and integration of science and monitoring across agencies
- Funding for the protection of dryland ecosystems – specifically fencing and weed control to allow ecosystem recovery (Immediate Steps Biodiversity Funding).

Aspects of the agreement which are outside the committee scope include:

- The establishment of a Mackenzie Country Trust
- Provision of national and international tourism profile and promotion
- Funding for external payments to set aside development rights
- Development of Joint Management Agreements (JMA's)