12. FEASIBILITY STUDIES: CENTRAL PLAINS WATER MANAGEMENT

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The purpose of this report is to obtain approval for the initial steps required to enable Central Plains Water Management and Irrigation feasibility studies to be undertaken.

BACKGROUND

It will be recalled that the Council, through its 1999/00 Annual Plan approval processes, has allowed funds (\$150,000) to assist with studying the viability of irrigation development in the Central Plains area. This area is roughly defined as lying between the Rakaia and Waimakariri Rivers and west of State Highway 1 up to the foothills.

Concurrently, and independently, the Selwyn District Council has approved a similar amount (\$125,000) for the same purpose and it has been accepted that the project should be advanced as a joint initiative but including other key stakeholders.

Also of interest and signalling the resurgence of interest in irrigation is the announcement by the Central Government of a \$2M fund to assist with "water studies", the pressure for such funding arising out of recent drought experiences. Water Management/Irrigation studies will be the main focus of these subsidies.

With funding approved, discussion at officer level between the two councils has suggested how the study might be managed at a political level and implemented and this report sets out proposals for this Council's approval. A similar approval is being sought from the Selwyn District Council.

It should be noted that the rationale for this feasibility work does not require or imply any commitment by the City Council to invest in irrigation at some future date. If scheme viability is sound the main shareholding will come from the users; whether or not the city invests will be a decision for the future. No inference of commitment to such support need be drawn from a decision to proceed with these investigations.

OBJECTIVE OF STUDIES

The funding will allow detailed feasibility study of all of the elements affecting the viability of a scheme: water source(s) and consents, intake, storage and distribution options, environmental effects and opportunities, on-farm operations, production options, markets and prices, costs, benefits and user buy in. It will also examine less central issues like the hydro-electric power possibilities, aquifer recharge and stream flow supplementation and will report on likely scheme impacts on employment and on the regional economy.

The first stage of investigations is likely to be a Scoping Study. This will consist largely of a desktop review of studies completed to date and the preparation of terms of reference for detailed feasibility studies.

The goal of these studies will be to allow the key stakeholders, in particular the ultimate owners and users of a scheme, to decide whether or not to proceed toward implementation. Assuming the work indicates viability, the report will allow the key stakeholders to identify the favoured option and plan next steps which would include detailed design and costings and resource consent applications.

At some point prior to a decision to implement a scheme it is envisaged that the management of the process would move to a company structure whose shareholding would be taken up by the key stakeholders, principally the users.

INITIAL STRUCTURES AND STEPS

While it is not necessary to establish an elaborate management structure in order to carry out feasibility work, it is believed essential to involve the key parties from the beginning both to get buy-in and ownership for decisions made and to resolve differences of view in a cooperative forum rather than have them contentiously debated at the resource consent hearing stages. To do this it is proposed that we establish two bodies: a small steering committee set up as a joint committee of the two councils and including key stakeholders; and secondly a consultative and reviewing working party consisting of a wider representation of interest groups.

1. Steering Committee

This would be a special joint committee of the two councils but including the key farmer individuals and organisations representing the interests of the eventual owners and users of a scheme. Committee membership would be established by appointing a Councillor from each Council and calling for expressions of interest from the community. Total membership would be kept small, say 6-8. It would normally meet at Darfield, secure secretarial services from the Selwyn District Council and be serviced by officers from each Council.

2. Consultative and Reviewing Working Party

This group would be established from the same expression of interest process but would include such partners as:

- Canterbury Development Corporation
- Canterbury Regional Council
- Tangata Whenua representation
- Department of Conservation
- Fish and Game Council
- Special farming interest groups (e.g. organic farming)
- Ministry for the Environment
- Community Board and other community representation
- Forest and Bird Society representation
- Salmon Anglers Association representation
- Ashburton District Council
- Waimakariri District Council
- Lincoln University

This group would act as a sounding board for steering committee proposals and would provide early warning of issues requiring resolution. It would meet at a location to suit the membership, receive secretarial service from one of the councils and ideally be convened by an independent facilitator. During the feasibility stage of the work the group would meet at an early stage and then about six-monthly.

Once established, the steering committee's main initial task will be to brief and commission the feasibility work. Related issues it must consider are:

- how to undertake the work (e.g. an initial scoping study followed by detailed feasibility work?)
- how to communicate its activity to all interested groups
- how to resource its own project management needs
- whether and when to apply for Agmardt funding
- the relationship it wishes to establish with competitors for the water resources south of the Rakaia and north of the Waimakariri Rivers

To allow progress it is recommended that approval be given for the officers of the two councils to take the steps necessary to establish a Central Plains Irrigation Steering Committee as a joint committee of the two councils and a Consultation and Review Working Party.

Recommendation:

- 1. That the Council approve the establishment of a Central Plains Irrigation Steering Committee as a special joint committee of the Selwyn District and Christchurch City Councils.
- 2. That membership of the steering committee consist of one councillor from each council plus a further 4-6 members selected by the two councils following a publicly notified call for expressions of interest.
- 3. That the purpose of the committee be to manage within budget execution of feasibility studies for Central Plains Irrigation.
- 4. That draft terms of reference and decision-making and reporting requirements be prepared and approved by both councils prior to the first meeting of the steering committee.
- 5. That the steering committee be delegated authority, subject to the normal monitoring processes of the councils, to expend \$150,000 included in the 1999/00 Christchurch City Council Annual Plan and \$125,000 included in the 1999/00 Selwyn District Council Annual Plan.

6. That the Council approve the establishment of a Central Plains Irrigation Consultative and Review Working Party with membership to include the significant interest groups and to be influenced by the outcome of the publicly notified call for expressions of interest.

Chairman's

Recommendation: That the above recommendation be adopted