

Waimea dam – finance proposal submission – J Clifton – November 2014

I am against the building of a dam and the current funding and governance proposals.

Why should 23,000 ratepayers fund an \$80 million dam for the sole benefit of 40 people?

The headline above is simplistic and controversial but accurate and I am struggling to find a justification for this position. The Waimea Water Augmentation Committee backed by TDC are trying to get all ratepayers to pay for the commercial interests of a very small group – this isn't fair or equitable. Those same ratepayers are the most over taxed and under paid in the country and yet they are expected to keep paying.

It is clear that TDC has spent a huge amount of ratepayer money on feasibility studies and presenting the "need" for this dam, they are very keen to emphasise the community and environmental aspects and why it is a good thing for all of us to pay. However they have been very economical with data and information on current water use, why river flow levels are so low and who uses the water – why?

There will be a relatively small financial impact on the region if irrigators are gradually constrained, I do not accept the \$35 million p.a estimate produced by the WWAC. A water charging regime has to be introduced at some point in time, so it might as well be now before huge amounts of money are spent on infrastructure that may not be needed in the form proposed.

Figures

- 86% of all the available water is currently used by irrigators - approx 190 consent holders
- 9% of the water is used by households in Richmond, Stoke, Brightwater & Mapua
- 5% is used by commercial/business users (including Nelson Pine)
- Of the 190 irrigators around 40 use 80% of that water - **so 70% is used by 40 people**
- TDC rates are the third highest in the country
- TDC ratepayer debt is the second highest in the country
- Household incomes in the Tasman region are the lowest in the country

Key factors in my decision

- The finance proposal is a one horse race – only one proposal (two options) is being considered and no other alternatives are offered – the financing of the proposed dam has already been determined making this consultation a farce.
- Without the irrigators there is ample water for the foreseeable future.
- With the current proposal there is no incentive for the irrigators to conserve water - the proposal actually encourages excessive water use.
- The users aren't paying- all commercial businesses pay by volume used - the irrigators don't, TDC insists that "the user has to pay" for other infrastructure and that principle should apply here too.
- Why should one business type be subsidised at the expense of another?
- Why should ratepayers be expected to pay for two water schemes – their own and the dam?
- The current estimated cost of the dam will escalate, it is likely to exceed \$100 million if built.
- TDC are currently constructing a water mixing plant in Lower Queen Street (another \$9 million) - it is being built because the aquifer from which Richmond draws its water is polluted with nitrates and can no longer be used for drinking - the situation will continue to deteriorate unless water use on the Waimea plain is controlled.
- TDC is doing little to control the environmental impact of agricultural excess within the region.
- Under the current TDC development contributions policy all developments are required to pay in excess of \$20,000 in water related "development contributions", ratepayers in the district have paid and should not be asked to pay yet again.
- The TDC development contributions policy has the following stated aim:
"To shift the cost burden for expanded infrastructure from general ratepayers to those that drive the need for the new infrastructure, or infrastructure of increased capacity." Why isn't that policy aim being applied here?

Recommendations

Introduce a volume related pricing structure for irrigation water over a five year period. A gradual transition would allow excessive consumers to adapt and perhaps change their enterprise to suit a lower input model. The financial consequences would be spread and be minimal.

Free water is a thing of the past, water has to have a volume related price and a pricing structure that reflects the needs of all ratepayers. A seasonally adjusted price structure for irrigation water would:

- Encourage conservation and collection of water.
- Maintain higher river flow levels throughout the year.
- Reduce water consumption in the Waimea district.
- Reduce ground water and aquifer pollution.
- Rebalance land values on the Waimea plain.
- Allow a rational debate on whether a dam is really required.

TDC needs to establish a business friendly outlook and actually encourage high value business with living wage jobs to establish in the region:

- Offer land and rates packages to prospective investors.
- Have a variable rating model for business that encourages employment.
- Use the resource management act to fast track business growth in the area.

Before any more money is spent on this subject it is essential that all ratepayers are fully engaged and informed of all the facts. A ratepayer referendum should be held before making any further decisions, this can be simply added to the next rates demand with the information ratepayers need to make their decision.

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10.11.2014