

Extraordinary Meeting of the Hawke's Bay Regional Council

Date: 13 February 2025
Time: 10.00am
Venue: Council Chamber
Wairoa District Council
97 Queen Street
WAIROA

Agenda

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Subject: Public Forum

Reason for report

1. This item provides the means for Council to give members of the public an opportunity to address the Council on matters of interest relating to the Council's functions.

Background

2. The Hawke's Bay Regional Council's Standing Orders (14.) provide for public forums which are run as follows.
 - 2.1. Public forums are a defined period of time of up to 30 minutes, usually at the start of a meeting, put aside for the purpose of public input. Public forums are designed to enable members of the public to bring matters to the attention of the local authority.
 - 2.2. Any issue, idea or matter raised in a public forum must fall within the terms of reference and ideally, relate to an agenda item for that meeting.
 - 2.3. Requests to speak at public forums are to be submitted to the HBRC Governance Team (06 88359200 or governanceteam@hbrc.govt.nz) at least 2 working days prior to the meeting it relates to.
3. Some time limits and restrictions apply, including:
 - 3.1. A period of up to 30 minutes will be set aside for the Public Forum and each speaker allocated up to 5 minutes to speak. If the number of people wishing to speak in the public forum exceeds 6 in total, the meeting Chairperson has discretion to restrict the speaking time permitted for all presenters.
 - 3.2. The meeting Chairperson has the discretion to decline to hear a speaker or to terminate a presentation at any time if:
 - 3.2.1. the speaker's topic / issue is not within the terms of reference for the Committee or on the Agenda for the meeting
 - 3.2.2. the speaker is repeating views presented by a previous speaker
 - 3.2.3. the speaker is criticising elected members and/or staff
 - 3.2.4. the speaker is being repetitious, disrespectful or offensive
 - 3.2.5. the speaker has previously spoken on the same issue
 - 3.2.6. the matter is subject to legal proceedings
 - 3.2.7. the matter is subject to a hearing, including the hearing of submissions where the local authority or committee sits in a quasi-judicial capacity.
4. At the conclusion of a speaker's time, the Chairperson has the discretion to allow councillors to ask questions of speakers to obtain information or clarification on matters raised by the speaker.
5. Following the public forum no debate or decisions will be made at the meeting on issues raised during the forum unless related to decision items already on the agenda.

Decision-making considerations

6. Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded that, as this report is for information only, the decision-making provisions do not apply.

Recommendation

That Hawke's Bay Regional Council receives and notes the *Public Forum speakers' verbal presentations*.

Authored by:

Leeanne Hooper
Team Leader Governance

Approved by:

Desiree Cull
Strategy & Governance Manager

Attachment/s

There are no attachments for this report.

Subject: North Island Weather Events (NIWE) Wairoa Flood Mitigation

Reason for report

1. This item provides the Council with:
 - 1.1. an overview of the NIWE funded Wairoa Flood Mitigation project progress to date
 - 1.2. an update on the engagement with mana whenua, key stakeholders and the community
 - 1.3. the position of the Crown Manager and Tripartite Partners – Wairoa District Council (WDC) and Tātau Tātau o te Wairoa Trust (TToTW) – on a preferred option for flood mitigation for the area of Wairoa with the land categorisation of 2C.
2. The information above is provided to enable the Council to make the decisions to:
 - 2.1. adopt the preferred option for flood mitigation for the category 2C area of Wairoa
 - 2.2. approve proceeding with a Project Delivery Plan submission to Crown for approval and granting of the \$70m funding reserved for the Wairoa Flood Protection Scheme
 - 2.3. Identify critical next steps for the project, particularly in regard to working with landowners.
3. The critical next steps for the project, particularly in regard to working with impacted landowners, are identified within this report.
4. Given the project's scale and its potential to significantly enhance the safety and resilience of Wairoa community, this decision is of paramount importance to both the local community and the broader region.

Staff recommendations

5. Staff recommend that councillors consider the information presented in this agenda item, North Island Weather Events (NIWE) – Wairoa Flood Mitigation, to inform the Council decisions necessary for the project to proceed.
6. Further, staff recommend that Council adopts Option 1C as the preferred option for flood mitigation works for the area of the Wairoa township in category 2C, to enable the submission of a Project Development Plan to the Crown and the next stages of landowner engagement to begin.
7. The Council is also asked to acknowledge that the preferred option will only proceed upon completion of:
 - 7.1. The satisfactory findings of an independent review of Option 1C by the Crown.
 - 7.2. The completion and approval of a Project Delivery Plan that satisfies the requirements of the Crown and relevant Ministers.
 - 7.3. Land access being secured in accordance with the Public Works Act 1981 to enable delivery of the preferred option.
 - 7.4. Positive outcomes from working with the Māori Land Court and Te Tumu Paeroa over the next 3 to 4 months to secure access to whenua Māori blocks in accordance with Te Ture Whenua Maori Act 1993.
 - 7.5. The final design of Option 1C may require modifications to the preliminary designs.
 - 7.6. In discussion with the Crown and Crown Manager, staff will pause design work on Option 1C, over the period to secure land access.

8. Staff will report to Council on the progress of key project milestones.

Executive summary

9. We refer you to the *Hawke's Bay Regional Council's Land Categorisation Process and Framework following Cyclone Gabrielle dated 11 September 2023* report which outlines how HBRC applied the Government's Future of Severely Affected Land Risk Categorisation Framework following Cyclone Gabrielle. It details the process and technical framework used to assess the risk to affected residential properties in the Hawke's Bay region, primarily impacted by flooding during the cyclone. The report also discusses the funding outcomes negotiated with the Government to support recovery and flood resilience efforts.
10. On 2 August 2023, HBRC accepted the Government's offer of \$203.5 million towards flood mitigation and approved an additional \$44.15 million of debt to fund its cost-share portion. The combined funding is based on community interventions to move properties out of Category 2 to Category 1, thus limited the number of properties that might otherwise become Category 3.
11. Of this, the Wairoa Flood Mitigation project was allocated \$70 million, which is 100% Crown funded, with Council taking the funding risk for actual project costs exceeding the Crown's capped contribution.
12. The main purpose of the funding allocation is to mitigate flood risk for Category 2C residential properties, however, noting that 626 (residential, commercial, industrial and rural) properties in North Clyde and Frasertown areas of Wairoa will receive the benefit of the flood infrastructure. A further breakdown of the 626 properties are 380 residential properties with dwellings and 120 residential properties with no dwelling, with the remaining being either commercial, industrial or rural.
13. Following an eighteen month process to identify flood mitigation options a single option, known as Option 1C, has been identified as preferred and is recommended to Council.
14. Option 1C has been recommended to HBRC by the Crown Manager (**Attachment 2**) and Wairoa District Council (**Attachment 3**) via their support at the Tripartite Partners meeting dated 5 February 2025.
15. The Board of Tātau Tātau o te Wairoa has advised that for reasons of tikanga, principally that landowners need to speak for themselves about their whenua, and that it does not support an option at this stage but will continue to support Māori landowners through this process.
16. In the spirit of the partnership approach to the Tripartite Group, Wairoa District Council and Tātau Tātau o te Wairoa Trust, will speak to their positions at the 13 February 2025 Council meeting. The Crown Manager will also speak to his position at this meeting.

Background

17. Cyclone Gabrielle had a significant impact across the Hawke's Bay region, with the Wairoa town and wider district being one of the areas most impacted. The Wairoa River channel overtopped and began flooding or inundating the area around North Clyde on the morning of 14 February 2023.
18. Most of North Clyde was inundated by between 0.5m- 1.5m flood waters which drove the displacement of people from their homes and businesses and caused widespread damage.
19. On 1 May 2023 the government announced its land categorisation framework in response to Cyclone Gabrielle and Auckland Anniversary floods
20. In June 2023, the initial land categorisation decision was made for Wairoa with areas in Frasertown being categorised as Category 2P and North Clyde being categorised as Category 2A.
21. In July 2023, the Category 2P areas of Frasertown were re-categorised to Category 2A. Wairoa was assigned a Category 2A status to permit a full range of mitigation approaches to be explored.

22. On 11 April 2024, Wairoa was re-categorised from Category 2A to 2C, meaning that there were confirmed viable Category 2C solutions for Wairoa.
23. Subject to confirmation of this pathway, Category 2Cs will be released to Category 1 only when the following conditions are met:
 - 23.1. sound concept that has a consenting pathway and
 - 23.2. legal interest in favour of HBRC in the relevant land and
 - 23.3. available funding.
24. A stakeholder group was formed in October 2023 and worked through the identification of 18 potential options for flood mitigation. This was eventually shortlisted to 2 options, 1C and 1D as being the most technically viable ones.
25. On 14 August 2024, the appointment of a Crown Manager, Mr. Lawrence Yule, to Hawke's Bay Regional Council and Wairoa District Councils was made by the Minister for Local Government.
26. The role of the Crown Manager is to direct the Council(s) to address any barriers to effective flood management of the Wairoa catchment. This includes facilitating the production of a medium-term flood management plan, actions arising from the reviews of the June 2024 severe weather event and relationship management regarding decisions on flood management.
27. The Council is required, under section 258D(6) of the Act, to: co-operate with the Crown Manager so that the Crown Manager may fulfil these Terms of Reference, under which he was appointed; comply with the directions of the Crown Manager; and comply with any reasonable request of the Crown Manager to provide relevant information.
28. On 6 September 2024, using his powers under section 258D of the Local Government Act, the Crown Manager directed the separation of the delivery of the communications and engagement activity from Hawke's Bay Regional Council, and he appointed a communications and engagement lead and advisor who reports directly to the Crown Manager.
29. Project workshops to support decision making, were held and led by the Crown Manager with Wairoa District Council and Tātau Tātau o te Wairoa board on the 28 January 2025 and with Hawkes Bay Regional Council on the 29 January 2025.
30. A workshop and decision meeting were held with the Tripartite partners on 5 February 2025. The workshops listed above were the culmination of a long series of engagements to test and refine the options.

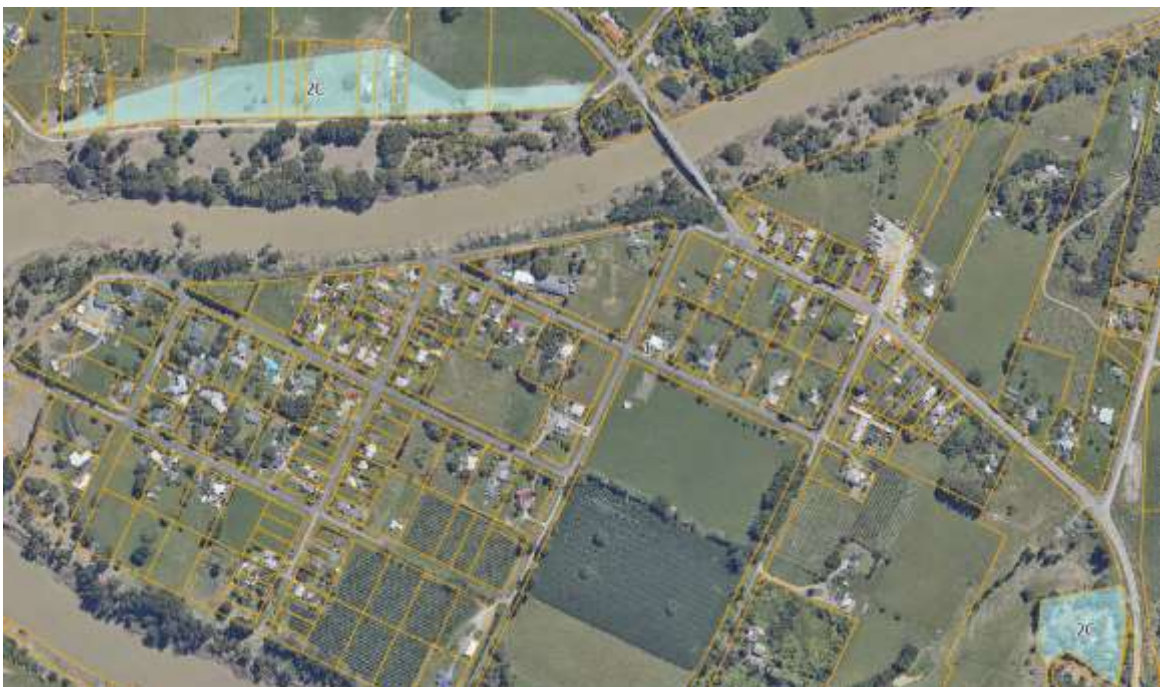
Order in Council background

31. The Government has made a short-term law change to the Resource Management Act 1991 (RMA) and associated regulations, and plans through the Severe Weather Emergency Recovery Legislation Act 2023 (SWERLA) to speed up flood protection works in Hawke's Bay.
32. The Hawke's Bay Regional Recovery Agency (HBRRA) developed the Hawke's Bay Regional Recovery Plan, which set out the outcomes, priorities, actions and funding needed for the region's recovery. The recovery plan identified flood protection works and mitigation, achieved through an Order in Council (OiC), as a key action for the region's recovery.
33. The flood protection works require resource consents under the Resource Management Act 1991 (RMA). Due to the complexity of these consents, a public notification process would usually be required. This process can take up to 9 months for a decision to be issued by the consent authority, with potentially a further 12 months or more is required if the decision is appealed to the Environment Court.
34. The OiC will help consent applicants to avoid these delays and give them greater certainty, including conditions which ensure engagement occurs.

35. The project works covered by this OiC include:
 - 35.1. the construction of stop-banks, culverts, retaining walls, bridge works, pump stations, stream alignments and earthworks
 - 35.2. activities that are concerned with the construction or reinstatement of, making safety enhancements to, or improving the resilience of land and flood protection infrastructure.
36. The OiC does not allow an existing consent to be varied. If a consent holder wants to change or cancel the conditions of an existing resource consent, they will need to use the standard s.127 RMA process.
37. The OiC will ensure that people and communities in Hawke's Bay can better recover from the effects of Cyclone Gabrielle and are protected against future events.

Category 2C Areas in Wairoa

38. The total property numbers in the **Category 2C Areas** can be summarised as follows:
 - 38.1. Number of properties = 626 (380 residential with dwellings, 120 residential with no dwelling, remaining commercial, industrial and rural)
 - 38.2. Number of residential properties = 500 (approximately)
 - 38.3. Number of residential properties with dwellings = 380
 - 38.4. Number of residential properties with no dwelling = 120
 - 38.5. Number of properties with \$0 improvement value = 140
 - 38.6. Total Land Value = \$65,638,400
 - 38.7. Total Capital Value = \$188,345,300
 - 38.8. Total Improvement Value = \$122,706,900.
39. The current Category 2C areas are in Frasertown and North Clyde, as follows.



Category 2C area in Frasertown



Category 2C area in North Clyde

Options assessment

40. A Stakeholder Group was formed in October 2023 with one of their tasks being to consider and provide feedback to the Wairoa Flood Mitigation Project Team on the various options for flood mitigations in Wairoa.
41. Membership to the Stakeholder Group was voluntary, with membership invited and appointed from the following:
 - 41.1. Wairoa District Council – 2 members
 - 41.2. Tātau Tātau o te Wairoa Trust – 2 members
 - 41.3. Hawke’s Bay Regional Council – 2 members
 - 41.4. Community members – 2 members
 - 41.5. Local farming community – 2 members
 - 41.6. Local business community – 2 members
 - 41.7. One representative each from Takitimu and Tawhiti-a-Maru Marae.
42. Eighteen long-list options were identified and then considered and assessed via a multi- criteria analysis led by Council’s contracted engineering service providers.
43. Of these options, 6 were recommended from the long list, plus 4 additional floodway options or combinations.
44. This has included seeking input from subject matter experts and a peer review of short-listed options.
45. At the 15 August 2024 Stakeholder Group Meeting, the members considered the shortlist options, with support from technical experts, resulting in their support for the 2 options of Option 1C and a refined version of Option 1D where secondary inundation impacts are minimised. It was agreed that these be forwarded to the Tripartite partners for their consideration.

46. From November 2024, the community of Wairoa was provided with a project brochure (**Attachment 1**) and presentations held at several public meetings which outlined the process to date, the 18 options, their benefits and limitations.

Option 1C and 1D analysis detail

47. A review of Options 1C and 1D has been undertaken across the 6 key criteria as follows:
 - 47.1. Cost comparison
 - 47.2. Constructability
 - 47.3. Effectiveness
 - 47.4. Overdesign and Climate Change
 - 47.5. Cultural impacts
 - 47.6. Consenting.
48. Note: this analysis is as at the time of this report being written. Staff continue fine tuning estimated costs, designs and other project components.
49. It is also important to note that the Ski Club stop bank/protective structures will be required for both options and have been incorporated in the 6 key criteria.
50. The 6 assessed criteria can be summarised as:

Cost comparison

- 50.1. **Option 1C** – has a total project cost estimate of \$69.7m inclusive of contingencies of 35% for construction and 25% for Land Access
- 50.2. **Option 1D** – has a total project cost estimate of \$65.9m inclusive of contingencies of 35% for construction and 25% for Land Access
- 50.3. **Analysis** -Based on the total project budget 1 D has the lowest overall cost but there is only a marginal difference between the 2 options, and both are presently within the project budget of \$70m.

Constructability

- 50.4. **Option 1C**- Geotechnical investigations and material testing has been conducted across the footprint and has been used to assess the availability of suitable material, ground conditions including water table depth. Based on these reports there is sufficient suitable material for this option. Due to the depth of excavation and high-water table, additional time and cost is required. A cost-effective method has been found for the disposal of the surplus cut to waste material.
- 50.5. **Option 1D**- Geotechnical investigations and material testing has been conducted across the footprint and has been used to assess the availability of suitable material, ground conditions including water table depth. Based on these reports there is sufficient suitable material for this option. Due to the lower depth of excavation, the high-water table has no significant effect.
- 50.6. **Analysis**- Based on the availability and suitability of material, no requirement to dewater the site to the extent of Option 1C and the reduced depth of excavation 1D has the better constructability.

Effectiveness

- 50.7. When considering the effectiveness of the option, the assessment considers the impacts of a 1 in 100 year event on not only the area that receives the benefit of the flood infrastructure but the remaining surrounding area.

- 50.8. **Option 1C** – This option will result in 10ha of land negatively (worse off) affected by flooding compared to doing nothing, 513ha of land positively affected (better off) by flooding compared to doing nothing. It is noted that the spillway in Option 1C is the closest to the natural course the river is taking in flooding events.
- 50.9. **Option 1D**- This option will result in 296ha of land negatively (worse off) affected by flooding compared to doing nothing, 350ha of land positively affected (better off) by flooding compared to doing nothing.
- 50.10. **Analysis**- Both options provide the required benefit in reduced flooding to the land Category 2C area in North Clyde, however Option 1C provides the most benefit with the minimal amount of negatively affected land and increased positively affected land. Option 1C is the option that is the closest to pathway that the river naturally wants to follow in a major flood situation.

Overdesign and Climate Change

- 50.11. Cyclone Gabrielle was assessed as a 1 in 70 year flood event in Wairoa, while other areas in Hawke’s Bay experienced much more significant events. When modelling the options, we have allowed for a larger event than what occurred during Cyclone Gabrielle, being a 1 in 100 year (current climate, base on post cyclone)
- 50.12. **Option 1C** – This option, in a 1% AEP +12% climate change river flow situation will result in a building flood hazard increase of 2 buildings in North Clyde and 27 in Wairoa. Whereas the number of buildings where the flood hazard has decreased is 520 in North Clyde and 22 in Wairoa.
- 50.13. **Option 1D** – This option, in a 1% AEP +12% climate change river flow situation will result in a building flood hazard increase of 26 buildings in North Clyde and 488 in Wairoa. Whereas as the number of buildings where the flood hazard has decreased is 540 in North Clyde and 24 in Wairoa.
- 50.14. **Analysis** – In a 12% over design event there is significant negative results for property on the town side in Option 1D compared to Option 1C. In a 20% and 25% over design scenario both options perform similarly to having no flood mitigation scheme in place.

Cultural impacts

- 50.15. **Option 1C**- Cultural Impact Assessment (CIA) highlights the impacts of excavation and building work at or near the site of Pā Koutu (Kautu), work occurring around the residence of Te Kautu and the exit of the spillway occurring in the same area and work in close vicinity to Tawhiti a Maru Marae.
- 50.16. **Option 1D** - CIA highlights impacts of the spillway travelling by the Makeakea Urupā, the spillway travels over the possible site of an old whare which if unearthed would hold significant cultural significance, intersects the path travelled by kohu (mist) as described above between Makeakea urupā and Waihirere urupā, the floodway encompasses a tī kōuka (as described above) that holds significance and the spillway exit encompasses the anchorage / repair site for Takitimu.
- 50.17. **Analysis**- Based on the details of the CIA and the number of recommendations and how these can be accommodated in the project, Option 1C has the lowest cultural impact with the fewer overall recommendations that can be incorporated into final designs.

Consenting

- 50.18. **Option 1C**- The current Order in Council (OIC) allows for most of the area required for this option. An -application to increase the boundary may be required if the boundaries of the spillway cannot be adjusted to fall within the OIC area.
- 50.19. **Option 1D**- The current Order in Council (OIC) does not cover most of the area of this option. An application to include the project area in the OIC will be required and this will likely take some months.

- 50.20. **Analysis-** Both options require a change to the current OIC project mapped boundary, with Option 1C requiring the least number of changes.



Map- Option 1C and 1D with town side protection

Summary Option 1C solution

- 51. Excavated 170m wide, 1,100m long and 2m deep floodway with an average 1.2m high with 4m crest, stopbanks each side.
- 52. Stopbank/ flood mitigation structures on town side from SH2 bridge past the Ski Club and continuing upstream to higher ground. Total length approximately 1,200m.
- 53. Will potentially impact 16 houses, 6ha of Māori whenua and 18 ha of general title land.
- 54. Will protect 46ha of Māori whenua and 298 ha of general title land
- 55. Will protect community assets in Alexandra Park and private properties adjacent to Marine Parade, Churchill Ave and Mitchell Road.
- 56. To include the elevation of 2 houses on Pakowhai Road and 1 house on Frasertown Road.

Summary Option 1D solution

- 57. Consisting of a 250m wide floodway and an average 0.9m depth. The stopbanks will average 2.3m high with a 4m crest, each side.
- 58. Stopbank/ flood mitigation structures on town side from SH2 bridge past the Ski Club and continuing upstream to higher ground. Total length approximately 1,200m
- 59. Will potentially impact 6 houses, 18.4ha of Māori whenua and 26.6 ha of general title land.
- 60. Will protect 30ha of Māori whenua and 248 ha of general title land
- 61. Will protect community assets in Alexandra Park and private properties adjacent to Marine Parade, Churchill Ave and Mitchell Road.
- 62. To include the elevation of 2 houses on Pakowhai Road and 1 house on Frasertown Road.

Strategic fit

63. The Wairoa Flood Mitigation project aligns with the Strategic Plan 2020-2025 Outcomes, Goals, and Actions (pages 12-15). This project contributes towards achieving the strategic goal of sustainable and climate-resilient services and infrastructure, through increasing flood protection levels to provide practical and affordable protection to our communities.
64. This project contributes to Council's community outcomes of
 - 64.1. **Resilient Community-** Our communities are prepared for natural hazards, supported by planning and infrastructure, partnerships and knowledge sharing on the increasing effects of climate change.
 - 64.2. **Prosperous Community-** Our communities thrive from high-performing regional infrastructure that enables the region's natural and human resources to deliver goods and services that underpin prosperity and wellbeing.
65. In addition to the Strategic Plan 2020-2025 this project contributes towards achieving a resilient and prosperous community as part of the Infrastructure Strategy in our Three-Year Plan 2024-2027.

Significance and Engagement Policy assessment

66. The Wairoa Flood Mitigation project holds a high level of significance as it directly impacts the safety, well-being, and economic stability of the Wairoa region. According to Council's Significance and Engagement Policy (SEP) contained in the Long-Term Plan (pg. 208), the significance of this project is assessed as high.
67. This high level of significance necessitates extensive community engagement to ensure that the views and concerns of all stakeholders are adequately considered.
68. The project has involved extensive engagement and collaboration with various community groups, including the Stakeholder Group, which provides a platform for representative views from different sections of the community.
69. The Crown Manager's team has made substantial progress in this area with the full knowledge, support and agreement of Council. However, there is still engagement required to ensure full compliance with our policy and other statutory obligations, including those under the Local Government Act 2002 (LGA), Public Works Act 1981 (PWA), Te Ture Whenua Māori Act 1993 and the Order in Council (OiC), specifically in relation to land access and satisfy the conditions of the OiC.

Considerations of and engagement with tangata whenua interests

70. The Wairoa Flood Mitigation Project has been approached with a view to working with the cultural, social, and economic interests of mana whenua and tangata whenua, ensuring that any infrastructure delivered with the principles of Te Tiriti o Waitangi prioritised. This section outlines the key considerations, legislative context, and mitigation measures adopted to support an approach that is consistent with Te Tiriti o Waitangi.
71. The Public Works Act (PWA) provides the statutory framework for land access for the implementation of public infrastructure projects. While the PWA does give certain rights to Council, similarly it provides protection to landowners to ensure they are treated fairly, consistently and placed in a 'no better no worse' situation than they presently enjoy. However historically, the application of the PWA has often resulted in the displacement of Māori communities and a weakening of their connection to ancestral lands, particularly in Wairoa. This challenging and painful history is acknowledged by Council.
72. When considering access to whenua Māori, Te Ture Whenua Māori Act 1991 (TTWMA) is also relevant. One of the principal purposes of TTWMA is to promote the retention of land in Māori ownership. The Māori Land Court is already engaged in this project and an order of the Court

will be required granting access to each Māori Freehold land parcel that is impacted by the project.

73. In response, the project has been developed to ensure compliance with statutory requirements with a focus on safeguarding the cultural heritage of mana whenua and tangata whenua. We are also working with the Māori Land Court to explore an approach to land access for impacted whenua Māori which ensures retention of land in Māori ownership and continued rights of access for Māori after completion of the project.
74. Further a thorough review of significant cultural sites has been integrated into the project design. This process has identified key cultural sites and practices that are integral to the community's heritage. The design incorporates measures to avoid or protect these sites, thereby ensuring that the cultural values attached to the land are maintained. Such measures include clearly defined buffer zones and protection protocols, which are integral to preserving the integrity of culturally significant areas.
75. Engagement has been conducted through established project stakeholder and governance groups, which include representation from local marae, and the wider community. These groups and individuals have provided essential input on the integration of cultural site protections and the overall approach to land access.
76. With a preferred option selected, a period of focussed engagement with mana whenua and impacted Māori landowners can commence. This will be the primary focus for the project team over the next 3 to 4 months with the Māori Land Court and Te Tumu Paeroa involved to support and oversee this engagement process. A judicial conference will be set by the Court later this month.

Financial and resource implications

77. Under the Crown Funding Agreement for the NIWE projects, signed October 2023, the Wairoa Category 2 Flood Mitigation Project was estimated at \$70m. This is fully funded by the Crown, with any project overruns to be met by Council.
78. The costs for Option 1C and 1D have been built up from various sources with the most critical being:
 - 78.1. Construction estimates are Quantity Survey estimates based on concept designs
 - 78.2. Land Access costs have been established by property experts from desk top information
 - 78.3. Professional fees and IPMO costs are based on actuals to date plus costs estimated to the project completion
79. The cost estimates critically include the following contingencies:
 - 79.1. Construction costs 35%
 - 79.2. Land Access 25%
80. Current cost estimates are:
 - 80.1. Option 1C - \$69.7m including a \$16.5m project contingency
 - 80.2. Option 1D - \$65.9m including a \$15.5m project contingency.
81. The cost estimates contain appropriate contingencies, as these are necessary at this early stage of the project lifecycle. Despite these contingencies, a robust approach to cost management throughout the term of the project will be critical to ensure the costs fall within the Crown funding limit and if possible, the project is completed within the budget. This will then create the possibility of further flood mitigation works being completed for the Wairoa township.

Community and stakeholder engagement

82. The Tripartite partners – Wairoa District Council, Tātau Tātau o te Wairoa Trust and Hawke’s Bay Regional Council, together with the Crown Manager have been working together on communication and engagement initiatives to support the project.
83. Early in the project, these initiatives largely involved the Wairoa Flood Mitigation Project Stakeholder Group, mana whenua, river engineers and other technical experts, as the project worked to progress to a point of having technically viable options to take to the community.
84. More recently, following the Tripartite partners’ endorsement of the project’s overarching C&E Strategy, this engagement activity has extended out to include potentially impacted whānau, home and landowners as well as the broader Wairoa community.
85. Direct engagement with those home and landowners potentially impacted by Options 1C and 1D commenced from mid-October and has remained a priority area of focus for the project team. In many cases this, one-to-one engagement has continued on a regular basis at the request of individual owners.
86. Additionally, both the Māori Land Court and Te Tumu Paeroa are already engaged, and a judicial conference will likely be held later this month. Any decisions relating to whenua Māori will need to be approved by the Māori Land Court which means that decisions of the Court will be critical in progressing this project.
87. At this stage in the project, the sentiment of specific home and landowners regarding Options 1C and 1D remains varied. There are owners in both Options who have indicated they are fully supportive and prepared and ready to relocate – equally, there are owners in both Options who have indicated a preference to remain in their home or on their land.
88. Ongoing conversations with owners regarding their individual circumstances, preferences and aspirations have occurred and, where possible, refinements or adjustments to either option have been discussed.
89. Additionally, at the most recent Tripartite recommendation hui of 5 February 2025, it was agreed that an intensive, three-month period of sustained focus specifically on direct engagement with impacted land owners of bare land, including owners of whenua Māori, would remain the focus.
90. A dedicated project website (<https://www.wairoafloodproject.co.nz/>) has been developed with information, reports and updated news being loaded regularly. This site also has contact details for the project team.
91. The following table summarises the key engagement milestones described in that Communications Strategy and the achievements to date.

Date	Activity
June 2023	HBRC Comms and Engagement commences
June	Community based feedback sessions
2 October 2024	Tripartite partners endorsement of C&E Strategy
14 October	Early engagement direct w potentially impacted owners
30 October	Dedicated project website live
30 October	First wānanga for potentially impacted whānau
5 November	First community hui
5 November	First proactive media release
26 November	Second wānanga for potentially impacted whānau, home and landowners, and North Clyde 2C residents
2 December	Second community hui

Date	Activity
3 December	Cultural and 'lived experience' hui with Tātau Tātau o te Wairoa Trust Hinemihi Marae
11 December	Second proactive media release
21 January 2025	Drop-in engineers session / site visit to Wairoa A&P Showgrounds
21 January	Third wānanga for potentially impacted whānau, home and landowners, and North Clyde 2C residents
27 January	Information evening for potentially impacted owners on Wairoa town side of the river
5 February	Project update following the Tripartite recommendation hui, proactively communicated to potentially impacted home and landowners
Ongoing	Direct engagement with potentially impacted owners, as requested.

Key milestones moving forward

92. The following table summarises the key milestones that are programmed over the next 5 months.

Date	Activity
10 February	Crown review of preferred option commences
13- 28 February	Finalise Draft Project Delivery Plan
13 February	Fourth wānanga for impacted whānau, home and landowners in the preferred option area.
21 February	Kopu Road and Ngamotu Option Concept Drawing, Cost estimates, visualisations completed
6 March	Tripartite Hui- Kōpu Road, bar consideration
7 March	Final PDP completed and submitted to National Infrastructure Funding and Finance (NIFF)
10-20 March	Treasury reviews, NIFF approvals, submission to Central Government Ministers
31 March	Target for Minister approved Project Delivery Plan
February	Property Specialists and others will be engaged to work with impacted owners on behalf of Council
February - June	Focus on seeking to better understand land accessibility, working closely with Māori Land Court and Māori Trustee, through Te Tumu Paeroa, to support whenua Māori owners through the process.
As key milestones occur	Updated project reports to Council

Project risks

93. Projects of this complexity and cost all come with a degree of risk, which need to be identified, mitigated, monitored and reported on. The following are the higher risks and summarised mitigation methods in place.
94. Land access – Dedicated land access team, Clear compensation framework in place, Transparent, professional and targeted communication, Outstanding relationship management with landowners, Engagement of appropriate, people-focused, capable property services advisors.

95. Scope creep – All potential scope and design changes to go through control group process, High-value and significant design changes require senior leadership/ Council sign-off, Robust communication with all key stakeholders.
96. Extended schedule – Regular schedule reviews and updates, Identification of early work opportunities, with a view to accelerating work wherever possible.
97. Unknown presence of contaminated land and buildings – Engagement of suitable testing contractor, Early and comprehensive testing of sites and buildings.
98. Reputation lost and/or relationship damage – Media & Public – Robust relationship management, Crown Manager overseeing all comms and engagement and is working in partnership with HBRC, WDC, TToTW. Regular community and stakeholder updates, A no surprises approach.
99. Underperforming contractors – Thorough vetting during procurement process, Proactive monitoring and evaluation, Robust contract documentation, Early problem identification and rapid resolution processes initiated.
100. Disturbance resulting from construction activities – Employ best practice construction and mitigation methods (e.g. dust suppression), Proactive engagement with affected parties throughout construction, Rapid response to any complaints.

Other considerations

101. The Crown Manager is recommending to Council that it proceed, with Option 1C and develop a Project Delivery Plan, submit it to the Crown for approval and the granting of the \$70m funding reserved for the Wairoa Flood Protection Scheme. His Option 1C recommendation is based on the following:
 - 101.1. It is the most direct overland path closest to where the river has gone in previous flood events. It is the best hydraulic solution of the two options.
 - 101.2. A solution has been found to the 1C water table and cut-to-waste issue, and fill may have a beneficial use elsewhere including Kopu Road.
 - 101.3. Due to a cut to waste solution, 1C can now be undertaken within the \$70m funding.
 - 101.4. Option 1C has significantly less upstream impacts.
 - 101.5. While it impacts 10 more homes than 1D, up to 10 homes will have to be lifted in 1D to avoid secondary effects.
 - 101.6. Option 1C has a smaller land footprint including significantly less Whenua Māori land.
 - 101.7. It impacts 12 parcels of Whenua Māori Land compared with 29 in 1D and avoids significant cultural sites around Makeke Urupa.
 - 101.8. Both 1C and 1D will have land access challenges and current knowledge means this is not a consideration in his recommendation.
102. The Crown Manager also wishes to inform Council that he intends, with Council support and participation, to spend the next 3 months focusing on seeking to better understand land accessibility and this may result in some movement in the exact footprint. Land access remains the key unquantified risk to the project.
103. Council is currently undertaking additional work to identify options for the flood mitigation of the Kopu Road and Ngamotu Road and the management of the Wairoa River Bar. Significant work is in progress in the upper catchment to manage erosion and sediment loss. Currently a stocktake on this is underway.

Decision-making considerations

104. Council and its committees are required to make every decision in accordance with the requirements of the Local Government Act 2002 (the Act). Staff have assessed the requirements in relation to this item and have concluded:
- 104.1. The decision does not relate to a strategic asset, as listed in the Council's Significance and Engagement Policy.
 - 104.2. The decision will involve the commencement of a new significant activity, being flood protection works for Wairoa. This type of decision needs to be provided for in the Council's Long-Term Plan (LTP), and for that reason – while the Council had not yet determined its preferred option – it included provision for this project, and others, in the 3-year LTP 2024-2027. As a result, this decision is not inconsistent with any existing Council policy or plan.
 - 104.3. The use of the special consultative procedure is not required in this situation, as provision for the decision has been included in the existing LTP.
 - 104.4. The decision is significant under the criteria contained in Council's adopted Significance and Engagement Policy.
 - 104.5. The persons affected by this decision are the Wairoa residents, mana whenua, property and business owners, whenua Māori owners and visitors to Wairoa.
 - 104.6. Given the nature and significance of the issue to be considered and decided, and reflecting on the community engagement to date. It can be concluded that Council has sufficient understanding of the views and preferences of interested parties/affected persons so that it can make the decision without any further consultation.

Recommendations

That Hawke's Bay Regional Council:

1. Receives and considers the *North Island Weather Events- Wairoa Flood Mitigation* staff report.
2. Agrees that given the nature and significance of the issues to be considered and decided, and reflecting on the community engagement to date, Council has sufficient understanding of the views and preferences of interested parties and affected persons to enable it to make the relevant decisions without consulting further with the community at this time.
3. Notes that investigation of options for flood mitigation for North Clyde (Category 2C) have been completed to a stage where a preferred option has been identified.
4. Notes that work has been guided by the Tripartite Group and the Crown Manager.
5. Adopts Option 1C as the preferred option for flood mitigation for the Category 2C area of Wairoa as it provides the best possible mitigation within budget.
6. Directs the project team to complete a Project Development Plan for submission to the Crown based on Option 1C.
7. Notes that the next step in the project, working with the Crown Manager and Tripartite Partners, will be to engage with impacted landowners in the 1C Option area to determine the probability of securing land access necessary to allow the project to proceed.
8. Notes that land access will be secured in accordance with the Public Works Act 1981.
9. Notes that land access over Māori Freehold land will be secured in accordance the Te Ture Whenua Māori Act 1993, and that the Māori Land Court and Te Tumu Paeroa are already engaged in this process.
10. Thanks mana whenua, the Wairoa community, landowners and homeowners, the Stakeholder Group, the Tripartite Group and the Crown Manager for their work in reaching this step in the project.

Authored by:

Steve Fabish
Senior Project Manager

Jess Bennett
Programme Finance & Controls Manager

Andrew Caseley
Manager Regional Projects / Programme
Director IPMO

Chris Dolley
Group Manager Asset Management

Approved by:

Nic Peet
Chief Executive

Attachment/s

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| 1 | Information for the Wairoa community 30 October 2024 | Under Separate Cover
<i>online only</i> |
| 2 | Crown Manager 10 February 2025 Recommendation to HBRC | Under Separate Cover
<i>online only</i> |
| 3 | Wairoa District Council 10 February 2025 recommendation to HBRC | Under Separate Cover
<i>online only</i> |