



NEWSLETTER

MANUHERIKIA CATCHMENT WATER STRATEGY GROUP



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April 2015

Update from the chairperson:

An expert adviser for the Government's Irrigation Acceleration Fund has been engaged to provide advice on upgrading the irrigation scheme in the Manuherikia Catchment.

Peter Lilley has a great deal of experience in developing larger-scale water infrastructure, including the networked irrigation infrastructure which was part of the Canterbury Water Management Strategy.

In detailing his background to the MCWSG, Peter wrote: "I have a long history in project strategy. This includes the physical aspects, as well as social, community and financial. I do not consider myself an expert in any of these, but rather fulfil the role of strategic assessor, seeing the interactive relationship between various scheme needs, components and costs. This is clearly not a project management role...rather it is about ensuring that no one driver is dominating over others, to the detriment of the project objectives."

The costs associated with Peter's engagement will be covered by the IAF's operating budget.

As you know, the estimated cost of raising Falls Dam and improving the associated water distribution infrastructure, provided to the MCWSG last year, has increased significantly since the pre-feasibility study was carried out in 2011. A lot of the additional costs are associated with the new earthquake strengthening standards introduced following the Canterbury earthquakes in late 2010 and 2011.

The specialists who are working on the feasibility study - which is nearing completion - are reviewing the cost estimates they have developed, with those worked out by the consultants who prepared the pre-feasibility study in 2011, with a view to amending the infrastructure design to reduce the costs to a level which is manageable for the landowners who wish to be a part of the scheme.

Part of Peter's role is to independently review the work carried out to date and, ultimately, give his expert opinion on the most suitable way forward.

His work is being done in four stages:

- Initial review of the technical reports and other research completed to date (this work has been completed);
- Field visit and detailed discussions (the field visit took place on April 16 and 17 and detailed discussions were held with MCWSG chairperson Allan Kane and project manager Kate Scott);
- Prepare advice and recommendations;
- Present advice and recommendations to the IAF and the MCWSG.

Peter expects to complete his work by mid-May.

The key areas he plans to explore include:

- The demand and reliability: what are the demand characteristics for the scheme and what reliability and certainty of supply are desired, versus what is realistic;
- The main physical components: storage and conveyance. What are the options and what "all of life" build quality, versus cost, is required to meet the project objectives;
- Staging: what are options for staging, either in terms of area and/or reliability;
- What is the relative cost of the last hectare and the last percentage reliability;
- Water charging: how will this be arranged, how is it perceived by the end user, and is it sending the right signals for efficiency and cost.



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- How the scheme will operate during "normal" years as well as during dry periods because, while its performance during a dry year requires focus, the real value is achieved during the other nine out of ten years.

The MCWSG will keep you up-to-date on progress.

Allan Kane
Chairperson
Manuherikia Catchment Water Strategy Group

Meeting invitation:

Where: Omakau Rugby Club

When: May 6, 4pm

Why: A meeting to discuss the completion of the feasibility study and the outputs received to date.

Speakers: Ian Lloyd from Golder Associates will give a brief presentation and will be able to answer any questions relating to the feasibility study.

There will also be a project update and an opportunity to discuss the optimisation process which is underway and the path forward. The Irrigation Acceleration Fund's expert adviser, Peter Lilley, who is now working on the project, will attend the meeting.