



NEWSLETTER

MANUHERIKIA CATCHMENT WATER STRATEGY GROUP



CONTACTS
Allan Kane
Chairman
03 443 1543

Gary Kelliher
Deputy Chairman
03 448 7869



July 2014

For next week's diary!

Farmers' 'other halves' are invited to learn more about the MCWSG's work over:

Coffee at the Black Forest Café in Naseby on Monday July 28 at 10am, and/or

Wine and cheese at the Wedderburn Hotel on Monday July 28 at 7pm

MCWSG members Jan Manson and Hilary Weber would love to see you there!

The countdown is on...

The feasibility study on the most effective and efficient ways to use the Manuherikia catchment's water is on track and **there's now just seven months until landowners will be asked to choose their preferred option** or options.

It may sound like a reasonable amount of time, but you've got a lot of research to do in the meantime, and a lot of talking with your family, and your farm and financial advisors. Please bear in mind there aren't many business advisors in Central Otago and a lot of their clients will be facing the same decisions as you are, so get in touch with them early.

The indicative costs for various land uses are already on the website. Go to www.mcwater.co.nz and click on the 'information' page. These are not expected to change a great deal in the final analysis, which will be completed in October, so are sufficient for basing your research on. Keep a regular eye on the website too, as new and updated information is being added as it becomes available.

Below is a timeline to help you plan your decision-making process:

2014	
August	
September	
October	Finalised costs of the various options will be given to landowners by the end of the month
November	
December	Voting papers on the various options will be delivered to landowners by Christmas
2015	
January	
February	Voting closes at the end of February

Allan Kane
Chairman
Manuherikia Catchment Water Strategy Group

Update from the project manager:

June was a busy time for the project group, with several forums hosted throughout the month. In early June I attended the Central Otago District Council's land use intensification forum to discuss the work that the group is undertaking, including nutrient management. Later in the month there was a fantastic turnout of approximately 100 people at the group's irrigation issues and options session which was held in Omakau and then another strong turnout at a nutrient management workshop in late June.

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Project manager's update continues...

Progress on the project in recent weeks has included Golders completing work on a number of preliminary geotechnical and engineering components. This information will be put on the MCWSG's website when it becomes available. All the field work has now been completed by Golders. The next phase of the project will focus on the distribution design and the costs associated with the various options, plus the economics components including refining the on-farm costs and, once costs are available from the engineers, work will begin on assessing the off-farm costs.

Nutrient assessment work by AgResearch is also now underway, with particular focus on the potential for nutrient outputs under a range of land use scenarios. AgResearch has completed a preliminary report which outlines the work they have done in the past for the Otago Regional Council and provides some background on the work they will be doing for the MCWSG.

July is also shaping up to be a busy month, with work continuing on the consent strategy, including work by John Williamson on private water rights and how private water rights' holders might form part of the catchment-wide consenting approach. We hope to circulate the draft paper to the farmer/irrigator advisory group for review by the end of the July, with a view to consulting with the wider private water rights' holders in August.

Kate Scott
Project manager
Manuherikia Catchment Water Strategy Group

This month we profile two key members of the MCWSG – the deputy chairman, Gary Kelliher and one of Forest and Bird's representatives, Matt Sole...

Gary Kelliher:

Gary Kelliher is the deputy chairman of the Manuherikia Catchment Water Strategy Group. A third-generation farmer at Springvale, near Alexandra, Gary and his wife Kathy farm sheep and deer, with the help of Gary's parents. They

also run a gravel and clay quarry, and an accounting and office management business.

Gary returned to the family farm in 2002 after training as a civil engineer and working for an engineering consultancy firm, and also spending five years in Ireland running a project management business.

Gary is also chairperson of the Manuherikia Irrigation Co-operative Society and is in his first term as an Otago regional councillor, representing Central Otago. Gary first became involved with the Manuherikia Irrigation Co-operative Society board in 2002 and said he realised early on that the board could not deal with all the issues it faced on its own.

"I personally think that being part of a catchment-wide group is the best possible way forward, to improve our irrigation reliability and to put in place the consenting security required, so we can farm on with confidence.

"I grew up with irrigation and know that it's the difference as to whether we are viable as a farm or not."

Gary said community support for the project was also vital, "so that environmentally and socially we improve, rather than degrade, this wonderful place we live in."

The Kelliher's farm and other businesses plus Gary's off-farm roles take up the majority of his time, but he tries to fit in a few days of skiing with the family each winter.

"And I gaze longingly at every helicopter I see and have done a bit of training in one, but really am just waiting for the day when time and money allows."

Gary and Kathy have two daughters who are 10 and 8 years old.



Gary Kelliher



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Matt Sole...

Matt Sole is one of Forest and Bird's representatives on the Manuherikia Catchment Water Strategy Group.

As a consultant on archaeology, specialising in Otago goldfield heritage, with a strong interest in Central Otago's endemic flora and fauna, Matt's expertise was sought by the MCWSG to help ensure the Manuherikia Valley's landscape and biodiversity are key aspects of the project.

Matt lives at Chatto Creek with his wife Jo. They have two adult children – Tessa, who is on her OE, and Sam, who has returned to Central Otago to raise his family.

Originally from Christchurch, during the 30 years Matt has lived in Central Otago he has worked for the Ministry of Agriculture, the Department of Conservation and the Central Otago District Council, before setting up Kopuwai Consulting which also provides project management of new walking and biking tracks and photography services.

Matt and Jo are keen gardeners and their property includes eco-sourced rare and endangered endemic natives, blended with an eclectic collection of introduced plants. They grow sufficient organic vegetables to be self-sufficient, keep bees and are careful about recycling and reducing their carbon footprint.

Matt was involved in the establishment of the Central Otago Recreational Users Forum; he's a member of the Otago Goldfield Heritage Trust; secretary of the Lindis Pass Conservation Group, which carries out native plant restoration and weed control, and he's a rural fire officer for the Central Otago and Queenstown Lakes district councils.

Matt has been a trail boss (walking trails) for the Goldfields Cavalcade for seven years, has rowed for the Canterbury and Dunstan clubs and coached rowing. He's a keen mountain biker (although he's having trouble keeping up with his son these days!) and enjoys the occasional tramping, camping and kayaking trip.

Matt's pleased to be a part of the MCWSG as he's concerned about the lack of advocacy for the importance of biodiversity, landscape, heritage

and social impact assessment, at a central and local government level.

"As just temporary custodians, I'm pained by the heaviness of our human footprint and our generational degrading of the natural environment...to ensure Central Otago's future, a change to a cooperative, regenerative and socially responsible way is essential. A steady state relationship with our environment - via a circular closed-loop economy prioritised on the local community with a more precautionary approach - is our obligation and responsibility to future generations and the future of our planet.

"Investigations into co-operative water use need to prioritise our endemic biodiversity, both aquatic and terrestrial, and thereby sustaining water quality. Robust environmental baselines and effective monitoring needs to inform a triple bottom line approach to decision making, to avoid a slow death by a thousand cuts."



Matt Sole and his grandson Jack

See page 4 for an article comparing the Opuha irrigation scheme in South Canterbury with irrigation in the Manuherikia Valley...



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A comparison between the Opuha irrigation scheme and irrigation in the Manuherikia Valley:

About 100 farmers and agribusiness representatives attended a seminar in Omapau on June 12, at which the positive outcomes of South Canterbury's Opuha dam and irrigation scheme were discussed.

The seminar - organised by the Manuherikia Catchment Water Strategy Group and the ANZ Bank and entitled the "Opportunities, Options and Risks of Irrigation" - was presented by chartered accountant George Collier, from ICL Chartered Accountants in Alexandra; Guy Blundell from Compass Agribusiness; farmer and agribusiness consultant Nicky Hyslop, from South Canterbury; and chief economist Cameron Bagrie from the ANZ Bank.

The MCWSG is currently carrying out a full feasibility study of options for irrigation and environmental improvements in the Manuherikia catchment, which includes the Manuherikia and Ida valleys. The catchment-wide focus takes into consideration the change from mining privileges and deemed permits to Resource Management consents by 2021 and addresses the infrastructure upgrade requirements and the environmental concerns within the catchment.

The Otago Regional Council's recent water quality and water quantity plan changes were also discussed at the seminar as they will lead to some on-farm changes for farmers who currently irrigate.

Guy Blundell from Compass Agribusiness has been engaged by the MCWSG to undertake an economic analysis of the off-farm and on-farm costs the scheme improvements are likely to create. Figures were presented at the seminar which used the Omapau area supplied by the Falls Dam as an example, with farmers contributing 50% of the capital cost and the balance being borrowed by the scheme. The indicative costings at 50% were \$2760/ha off-farm capital costs for new water, and \$1250/ha for existing irrigated areas. Annual costs were predicted to be from \$380 to \$180/ha.

Nicky Hyslop spoke of the community benefits the Opuha dam creates. It enables irrigation of 16,000ha along the Opihi River in South Canterbury. Examples of productivity gains from

efficient and reliable irrigation on her family's farm were presented and showed a substantial lift in income. An indicator of the success is that, prior to investing in irrigation, the farm business paid between \$0 and \$15,000 in tax annually. Fourteen years on and with established irrigation, it now pays between \$60,000 and \$100,000 in tax per annum. The farm, which remains 227ha in size, is now a strong economic unit farming sheep, beef, cropping and dairy grazing and employing two families. Nicky also spoke about the substantial environmental and recreational benefits the dam has created for the surrounding communities. Flushing flows had improved environmental outcomes and the lake was used for many recreational pursuits, including school rowing with squads from Timaru travelling for an hour for early morning training.

The positive impact the irrigation scheme had had on the wider business community was also detailed, for example, a local transport company had grown from 20 to 80 trucks over a 14-year period, based solely on agricultural transport work. "The key is that the water must be reliable for confidence to invest," Nicky advised. "However, the environment and community interests must come first and you seem to have a good grasp on this here in the Manuherikia catchment."

The MCWSG aims to have the full feasibility study completed and with the irrigators and the community in November this year. The deadline for a decision on which options to proceed with will be February 2015.

*Gary Kelliher
Deputy chairman
Manuherikia Catchment Water Strategy Group*

Attention MCWSG members: dates to diary:

Upcoming MCWSG meetings:

- Thursday August 7, 2pm
- Thursday October 2, 2pm
- Thursday December 4, 2pm

Upcoming MCWSG executive team meetings:

- Thursday August 7, 11am
- Thursday September 4, 2pm
- Thursday October 30, 2pm

