

# July and August 2014 Storm Damage Budget Request

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<b>TO</b>	Thames-Coromandel District Council
<b>FROM</b>	Matt Busch - Roading Manager
<b>DATE</b>	10 September 2014
<b>SUBJECT</b>	<b>July and August 2014 Storm Damage Budget Request</b>

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## 1 Purpose of Report

To seek Council approval to fund storm damage response and reinstatement works resulting from storm events during July and August 2014, from Council's Disaster Reserve budget.

## 2 Background

On the 9<sup>th</sup>, 12<sup>th</sup> and 15<sup>th</sup> July 2014, and again on the 19<sup>th</sup> August 2014 the Coromandel Peninsula was affected by storm events which brought high rainfall and winds to the area. The estimated road repair cost of \$700,000 includes both the initial response and permanent reinstatement phases of emergency works. A location plan and photos of effected sites are included as **Attachment A** and the funding requirement associated with each site is detailed in **Attachment B** (budget estimate).

NZTA has advised that the works associated with this event and identified in this report will likely comply with their emergency works funding criteria and therefore be eligible for NZTA emergency work subsidy. This funding does not allow for additional repair work caused by the storm event but considered to fall within either maintenance or preventive maintenance work categories.

The NZTA subsidy rate for this work is calculated by comparing the total estimated cost of emergency works within any given financial year with the total general rates collected for the same period. The NZTA subsidy rate for this work (and previously approved storm event repairs for 20014/15) is expected to be 44%. The emergency work subsidy rate (over and above Council's base FAR of 43%) is determined based on the ratio of the total emergency works costs in 2014/15 (i.e. this funding application plus previously approved storm event repair costs which totals \$1,290,000) and Council's total general rates for 2014/15 (\$43.7M).

The net cost to Council of this budget request is \$392,000 as summarised below:

### July and August 2014 Storm Events

Total estimated event cost	\$700,000
Less NZTA subsidy @ 44%	\$308,000
<b>Net cost to Council</b>	<b>\$392,000</b>

## 3 Issue

Council approval is required to transfer \$392,000 from the Disaster Reserve to the road storm damage account to fund Council's share of road repair costs associated with the July and August 2014 events. All initial response costs were incurred during and immediately following the event in order to ensure public safety and to open roads closed due to slips.

Only a minor component of reinstatement works associated with this event has been undertaken to date, however all outstanding works are scheduled for completion within the 2014/15 financial year.

## **4 Discussion**

### NZTA Subsidy

The storm damage work included within this report will likely meet NZTA storm damage funding requirements with and an expected emergency work subsidy rate of 44% of the total cost for the repair work identified.

### Funding

The 2014/15 Disaster Reserve revenue budget is \$1,691,158. Therefore once the budget commitment for the June 2014 storm event (\$386,175) is deducted, the Disaster Reserve budget balance remains at \$1,304,983 and is sufficient to fund Council's share (\$392,000) of this storm event.

### Consent Requirements

Staff are currently working with Waikato Regional Council to determine their resource consent requirements relating to a number of permanent reinstatement sites associated with this event.

### Infrastructure Committee

The 23 September 2014 Infrastructure Committee meeting was cancelled due to the limited agenda, therefore a recommendation from the Infrastructure Committee is not available. Staff believe that given the urgency of the majority of remaining road reinstatement works that a Council funding decision is required to enable both the investigation and physical works phases to continue.

The three under-slip sites on Colville Road at route positions (RP) 8.5km, 16.3km and 16.4km require extensive remedial works in order to reinstate the level of service which existed prior to the storm damage occurring and to minimise the risk of further slip regression into the road formation.

The current cost estimate for the three Colville Road sites totals \$420,000. Staff therefore intend to bring back a report to the Infrastructure Committee on the recommended reinstatement option for each site, together with other options considered (with varying risk profiles) to ensure Committee members have an appropriate level comfort regarding the proposed reinstatement treatment, prior to proceeding to the physical works project phase.

## **5 Suggested Resolution(s)**

That the Thames-Coromandel District Council

1. Receives the report.
2. Approves the transfer of \$392,000 from the Disaster Reserve in 2014/15 to fund completion of storm damage repair works associated with the July and August 2014 storm events.

## **References-Tabled/Agenda Attachments**

**Attachment A** Storm Damage Location Plan and Photos

**Attachment B** Storm Damage Budget Estimate

***Attachment A***

**Attachment A - Storm Damage Location Plan and Photos**

**Attachment B**

**Attachment B - Storm Damage Budget Estimate**