

Kenepuru and Central Sounds Residents' Association

President's Annual Report - AGM 2025

Dear Members

I am pleased to present my report to the 2025 AGM.

Once again a very busy year for the Committee on a range of matters but, of course, front and centre was progressing the funding and implementation of the repair and recovery of the Kenepuru Road network.

To that end we have been, I am sure you will agree, hugely successful.

This success is testament as to both the skill base of, and the way your Committee have worked so very hard on road recovery and road maintenance matters at both an operational and policy level, as well as managing to continue with other KCSRA business. In my view it is a double credit bearing in mind the voluntary nature of the Association and its Committee.

Some Statistics: In terms of the governance and other operational statistics, the Committee met formally eight times. There were some 13 President Chatlines to members to keep you informed.

We made a number of formal submissions and presentations at the subsequent hearings to Council's Long-term Plan proposals as well as one to Central Government. The core road group had four operational roading meetings with Council/ Marlborough Roads staff/Councillors and representatives from the FH/HEBs roading JV, lots of phone calls and pre-meetings and a couple of field meetings.

I continued my practice of quiet coffee chats with the likes of the deputy Mayor (Councillor Croad) and Chair of the strategic Assets and Services - Councillor Dawson. We also engaged with Council staff both formally and informally eg the new Council Chief Financial Officer (CFO) Mr Geoff Blake.

Members of the Committee attended multiple mediation sessions concerning aspects of the provisional Marlborough Environment Plan (pMEP). We also participated in formal hearings including one with the Environment Court.

I **stress** this is not a comprehensive list but you get the flavour! I now touch on in a little more detail various aspects of the Committee's activities below.

Comment – Funding the Kenepuru Road Recovery Programme.

As you will recall, by late January 2024 the New Zealand Land Transport Authority (NZTA) had, after consideration of the Council's Sounds Future Access Study Programme Business Case document (FAS PBC), advised indicatively what Financial Assistance Rates it was prepared to supply leaving Council to find 29 % of the

considerable balance. Council used the Long Term Plan consultative process to put forward its proposals as to exactly how Marlborough Ratepayers will fund their share of essential Sounds road recovery repairs.

We were very disappointed to see Council's preference was that the likes of Kenepuru ratepayers pay a disproportionate part of a special Sounds Rates Levy. The Committee got to and prepared and presented three submissions to the Council LTP hearings. The central submission on the Roothing Funding options covering the analytical and quantitative analysis as to why and how the Council's preferred option as to funding was both unfair and arbitrary was developed and presented largely by Committee member Trevor Offen. It was, in all honesty, a masterpiece and the expert economist we engaged to assist in our review supported its analysis of the shortcomings of the Council's and its Consultant reports and business case.

As covered in the Chatlines we did not achieve all of what we thought was appropriate but a 50% per cent reduction in the average Kenepuru ratepayers' special levy was, in my view, an outstanding achievement and one acknowledged as such by Councillors and staff in private conversation.

Business As Usual (BAU) Road Maintenance.

As you will be aware, the Association always argued that the convoluted outsourcing arrangements Council put in place for BAU road maintenance and associated repair programmes of the Council road network has, over time, significantly contributed to an under maintained and less resilient Kenepuru Road network. A few years ago the Committee set out to rectify that state of affairs. As you will be aware the administrative tactic was to engage, on a fairly regular basis, via formal meetings with Council and Marlborough Roads and keep a paper trail. The subsequent injection of Alistair Cameron's significant civil contracting experience and willingness to persistently and forcibly argue as to the whys and wherefores of how to improve work methodology was most useful as we strived to gain respect and remedial action.

The more recent addition to the Committee's core road team of Scott Watson with his professional contracting background and Richard Stewart with his corporate experience have, in my view, smoothed that process. Scott now chairs the MR/MDC roading meetings. Richard in turn, has done a sterling job in setting up a Work In Progress (**WIP**) spreadsheet identifying sites that need attention and then putting it on the table at our meetings. This year saw this approach well bedded in and accepted by all. In addition some of our "push and pull" has resulted in Marlborough Roads better organising its JV contractors via the creation of Zone Managers. The working relationship Richard has developed with the Kenepuru Zone Manager (Hani Faraj) and Hani's experience, professionalism and willingness to engage with us and use the WIP to sort matters is most satisfying.

Achieving timely and competent BAU road maintenance in isolated areas like the Kenepuru will always require constructive and regular engagement. However, I am now the most optimistic I have been for some time that the Association has the structures and work relationships in place to finally achieve consistent and competent BAU road maintenance. Many thanks to the contributions of the other members of the core road team – Adrian Harvey, Kevin Bright and Stefan Schulz.

Implementing Phase Three of the Road Recovery Programme

In the second half of the year the Committee finally saw the Phase Three Road Recovery effort for the Sounds moving to the implementation phase. The NZTA approval of the Phase Three funding tranche and then the opening of Kenepuru Road to the public were significant milestones.

The Committee turned its mind to how we would continue to engage as this work programme unfolded. We agreed we would widen the scope of our semi-regular BAU maintenance meetings to include implementation of the Phase Three Road Recovery programme and seek greater involvement of key JV MRRT personnel at these meetings. With the willing cooperation of Steve Murrin of MR we have achieved this. Steve's role now is to, we understand, focus on the Recovery Programme and has been seconded to Council on this basis.

At the recent Portage public drop-in event many of you will have seen the high level planning that has been undertaken to date and the envisaged time frame for completion of these works. It has been great to see this detail start to emerge. I also get the feeling that the process now contains more commercial tension in terms of bidding for and the allocation of design and construction work. Accordingly, as I see it the role of Scott and the core road team going forward to encourage this process along. I am hopeful this will prove to be a more straightforward engagement for them.

The Committee was also conscious that Council was now covering 29 % of the Phase Three funding and Kenepuru ratepayers were picking up a decent chunk of that by way of a special rate. Accordingly, we felt we needed to make sure appropriate checks and balances were in place in terms of attributing cost claims to the various Sounds Zones and that the special rate was being spent on the right Zone. As you will be aware from the Chatlines, we have worked with the Council CFO – Geoff Blake and his team to get a transparent, accurate and verifiable set of reporting metrics to go to Councillors. I am optimistic that we are achieving this. Many thanks to Hanneke Kroon for ably assisting me on this part of our three-pronged strategy.

The proposed Marlborough Environment Plan (pMEP) – Marine Farming

We first started engaging in this “once in a generation” planning process back in 2014 and then in 2016 there was the partial notification of the proposed Marlborough Environment Plan. I say partial because Council took the, in my view, most unfortunate step of pulling a whole chunk of how the draft MEP proposed to deal with Marine Farming from what was subsequently notified.

The latter was subsequently dealt with by way of the Council notifying, in due course, several variations to the pMEP covering how it believed marine farming in the Sounds should be handled. We made extensive submissions on these variations in 2021, with the hearing decision released in April 2023. As well as then joining as an interested party to various subsequent appeals by marine farmer interests challenging what we saw as appropriate safeguards in the pMEP eg around avoiding the discharge of plastics from marine farm operations, the Association also filed its own appeal

challenging, as we saw it, inappropriately located marine farms in the Kenepuru Sound area.

As you will be aware from Chatlines, the introduction of sweeping legislative changes by the Minister of Fisheries and our own capacity issues led us to withdraw our appeal. We have retained our involvement in various third party appeals (which we joined as interested parties) and we are now grinding to the completion of the mediation process. In this regard I note we also joined as an interested party in support of the Clova Bay Resident's Association (**CBRA**) appeal. CBRA is more developed in its appeal process and given that a number of its appeal points are of Sounds wide generic applicability the Committee decided it was now able to offer a little more than moral support and made a donation of \$3000 to CBRA's on-going legal and expert witness costs.

As can be seen over the last year the Marine Sub Committee has been donkey deep in mediations concerning aspects of MEP Variation 1 (Marine farming). A big thanks to Trevor Offen, Hanneke Kroon, Richard Stewart and Adrian Harvey for putting a big effort in here.

The pMEP and integration of Round One with the pMEP Variation 1

As noted in my report to you of last year, the splitting out of Marine Farming from the first round of hearing and mediations on the pMEP was, in my view, most unfortunate. However the two processes are staring to "catch up" but we have yet to see just exactly how the two work streams will be administratively meshed together.

The pMEP - Round One Coastal Occupation Charges

As noted in my report of last year, another MEP matter from the first round was still on going. This involved aquaculture interests arguing, by way of an appeal against the decision of the Hearing panel, for a particular approach to the levying of any coastal occupation charges. This approach would have commercial interests paying on a per hectare basis and non-commercial owners of jetties, moorings, ramps etc. paying on a square metre basis. KCSRA has disputed this methodology and rationale since 2014. We decided it was timely to obtain legal and expert economic advice to rebut such an obviously, to us, inequitable approach now being championed by the appellant.

Mediation was unsuccessful and over this past year the process of getting to the Environment Court slowly unfolded. I was most heartened that our approaches to four local boat clubs resulted in useful donations to our expert witness and legal costs. However, a few days before the Court hearing in December Council advised the Court that it and the aquaculture appellants had effectively reached a settlement agreement. This was an unfortunate development. Nevertheless we presented our case supported by our expert witness as best we could at the hearing. As indicated in the Chatlines we are awaiting the decision of the Court to be released but the preliminary comments and directions of the Court suggest we are coming second.

Other Work Streams- Examples include:

Portage Subdivision – Storm Water Issues: This large proposed subdivision above the Portage resort raised in our minds several issues around the appropriate management of the discharge of storm water to avoid Kenepuru road security implications. As reported in Chatlines, Committee members Alistair Cameron, Tania Crouch and Richard Stewart prepared and presented our submission and associated evidence to the independent Commissioner. Hopefully the more detailed set of resource consent conditions that emerged will alleviate these concerns.

New KCSRA Flyer: The Committee decided it was time to update the KCSRA pamphlet/flyer covering who we are, what we do and examples of our work, Tom Wright and Stefan Schulz handled this and the subsequent mail out to prospective members.

Waitaria Jetty Replacement: What is to be done by Council re the damaged Waitaria Jetty has been the subject of a few twists and turns and mentions in our Chatlines. Many thanks to Committee member Robin Bowron for his on-going attention to this matter and his liaison with the affected community.

Annual Plan Engagement: As noted in the Chatlines we decided to engage with Council's new approach to engagement over the Annual Plan with it calling for "ideas". We took the opportunity to refresh Council with two formal submissions on the efficiencies of using locally based competent contractors on straightforward road maintenance and the need for Council to have its own in-house Road Maintenance Engineer.

Sounds Advisory Group

Ross will present a short report on this Council convened group separately.

Conclusion

As always, my thanks to Stefan Schulz for his excellent work in keeping up our website and communication to members re Chatlines and newsletters and keeping track of the numbers as well as operating our virtual meetings. Thanks to the Portage Resort for making the conference room available to us and to Committee member Murray Robson for organising this.

A big vote of thanks from me to the Committee. The Committee's work ethos has been determined, persistent and a professional, evidence based effort.

Finally, I would like to **thank you, our members - all 300 plus of you**. It's your support that helps make us the effective group that I believe we are.

Andrew Caddie
President KCSRA