

**KAIKOURA EARTHQUAKE RECOVERY COMMITTEE MEETING HELD  
ON WEDNESDAY 15 MARCH 2017 AT COUNCIL CHAMBERS,  
KAIKOURA CIVIC BUILDING, 96 WEST END, KAIKOURA.**

**AGENDA**

1. *Apologies*
2. *Declarations of Interest*
3. *Matters of Importance to be raised as Urgent Business*
4. *Confirmation of Minutes 21/02/2017*

*page 1*

**5. Minutes Action List**

<b>Meeting</b>	<b>Action Required</b>	<b>By</b>	<b>Progress</b>
Earthquake Recovery Committee 25/01/2017	Prepare MOU with Marlborough District Council regarding assistance with daily functions which were being undertaken for the Northern communities of the district.	Chief Executive Officer	In progress
Earthquake Recovery Committee 21/12/2016	Review roading programme and identify time periods for projects	Operations and Maintenance Manager	Awaiting on consultants reports.
Earthquake Recovery Committee 25/01/2017	Arrange for roadside mowing to be undertaken.	Operations and Maintenance Manager	A new road of roadside mowing has commenced.
Earthquake Recovery Committee 25/01/2017	Circulate the scope of emergency harbour works to elected members.	Chief Executive Officer	Completed.
Earthquake Recovery Committee 21/02/2017	Follow up with D Brash re funding for Waipapa slipway	Chief Executive Officer	In progress
Earthquake Recovery Committee 21/02/2017	Follow up regarding roof repairs at the Airport	Operations and Maintenance Manager	In progress
Earthquake Recovery Committee 21/02/2017	Raise with Ngai Tahu the issues associated with the trees at the end of the runway and the urgency in which something needed to be done.	Chief Executive Officer	Complete and awaiting response.

<b>6. Building and Planning Update</b>	<b>page 4</b>
<b>7. Recovery Manager's Report</b>	<b>page 7</b>
<b>8. Earthquake Generated Hazards</b>	<b>page 8</b>
<b>9. Temporary Accommodation</b>	<b>page 16</b>
<b>10. Infrastructure Update</b>	<b>page 20</b>
<b>11. Insurance Update</b>	<b>page 23</b>
<b>12. Urgent Business</b>	

## Building and Planning Update

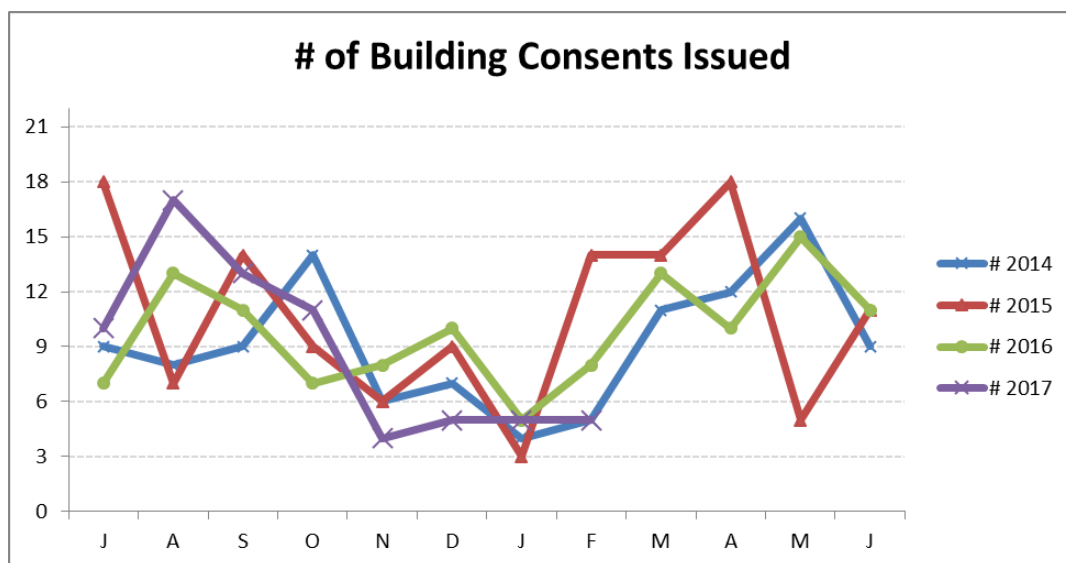
### Building:

There were 5 Building Consents with a combined construction value of \$396,800 issued during February 2017. These consents were for:

- 1 residential extension
- 1 residential dwelling
- 1 shed
- 2 marquees

We currently have 11 consents being processed.

15 Land Information Memorandums and 2 Code Compliance Certificates were issued in the month of February 2017.



Consents have been coming in slowly, two earthquake consents have been received for the replacement of dairy sheds. Building Control officers have begun to do some processing for Hurunui District Council to help them out.

We have started working through our Building Warrant of Fitness audits and are also organising the swimming pool audits. It will be good to get these out of the way in this less busy period.

Work is continuing on plans to develop our current procedures for consent processing and inspections with a view to using specialised software, GoGet and possibly GoShift. Both will work to streamline the whole building consent process and increase productivity.

Prepared by:	Jacqui Marsden, Building Administration Officer
Authorised by:	Angela Oosthuizen, Chief Executive Officer

## Planning:

### Consents

Six applications were received in this reporting period, only the consents from North Canterbury Transport Infrastructure Recovery (NCTIR) relate to earthquake events.

Consent was granted to NCTIR for restoration work on the coastal route at sites 2 (Iron Gate), 6 and 7 (Ohau).

A second NCTIR application has been received for all remaining restoration works north of Kaikoura. In accordance with legislation this consent will be granted on, or before 8 March.

Discussion with NCTIR regarding depot sites continues. At this stage no depots have been notified in accordance with the Order.

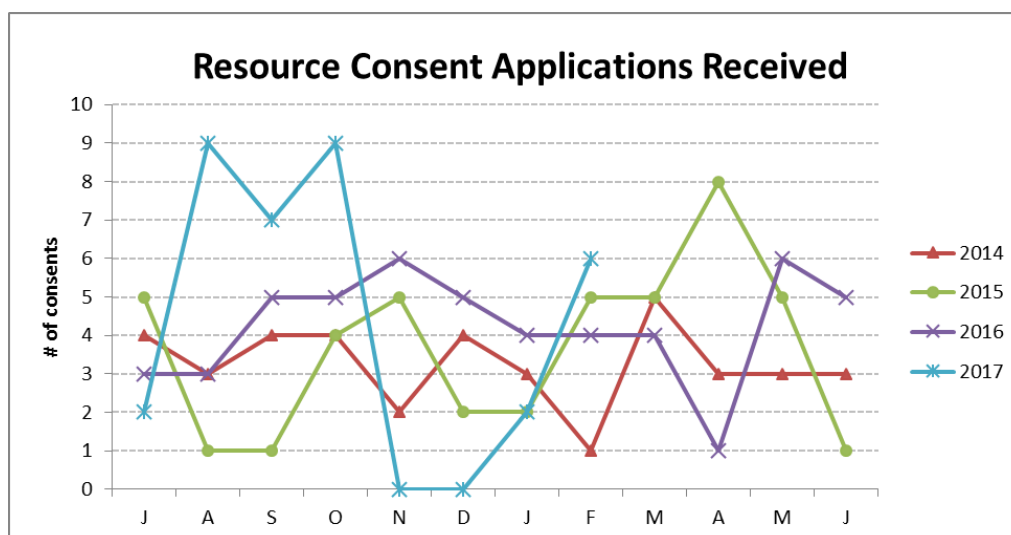
The Environment Court appeal for the WR & P Pacey application LU 1399-00 is on-going. Council has supplied all necessary information. The Court has requested an additional landscape plan which the applicant will be required to supply by 10 March. A decision is anticipated late March 2017.

### Council Policy

The Easter Sunday Shop Trading Policy submission period has closed. A separate report covering this is included.

### Staffing

Renay Weir has been seconded from Environment Canterbury and will support delivery of various planning projects. Renay is currently looking at the natural hazards chapter of the District Plan in conjunction with the Recovery Team. Planning staff are grateful to Environment Canterbury for their support.



Prepared by:	Matt Hoggard, Building and Planning Manager
Authorised by:	Angela Oosthuizen, Chief Executive Officer

Resource Consent Update from 13 February – 6 March 2017

**Resource consent decisions issued:**

Type of consent	Applicant	Address of activity	Number of Lots / Guests
Land Use	NCTIR	Coastal Route 2,6,7	

**Active consent applications currently in progress:**

Type of consent	Applicant	Address of activity	Number of Lots / Guests
ROW Approval	Parklands Southland LTD	168 Esplanade	
Subdivision	R & T Ross	45 Ludstone Road	4
Land Use	NCTIR	Coastal Route North	
Change of Conditions	Kaikoura Hire Co	170 Beach Road	

**Consent applications awaiting receipt of further information requested from applicant or on hold:**

Type of consent	Applicant	Address of activity	Number of Lots / Guests
Subdivision	Kingscote R & M	1 Cromer Street	2
Land Use	L & S Vickers	33 Kotuku Road	
Land Use	Chiwis Cafe	114 Beach Road	
Land Use	Tim Hawkins	5A Mill Road	
Land Use	Neville Mitchell	13 Swyncombe Place	
Land Use - Road setback	Kirk	26 Moa Road	
Land Use - Earthworks in Arch Site	KDC	Global for District	
Visitor Accommodation	Hammett	61 South Bay	12
Visitor Accommodation	Page	128 Torquay Street	
Visitor Accommodation	Brown	39 Kotuku Road	8
Subdivision	Vendbos Holdings Ltd	2009 SH 1	

# Recovery Manager's Report

## Recovery Overview

As time moves on for the Recovery Team we must stay focused on the meaning of recovery under the Civil Defence Emergency Management Act 2016.

Recovery means the co-ordinated efforts and processes used to bring about immediate, medium, term holistic regeneration and enhancement of a community following an emergency.

With this in mind good progress is being made in each of our 4 work streams. New challenges are being presented to the team each day and it is pleasing to see that these are being dealt with in a professional way.

## Recovery Plan

This month has seen extra effort being placed on the completion of the recovery of the recovery plan. Carrying on from previous workshops a draft Recovery strategy and action plan have now been put in place.

With the help of Christchurch City Council, a plan writer has been commissioned and a draft outline of the recovery plan is well under way.

We have a target date of mid- April 2017 to present the completed plan to Council.

On April 1<sup>st</sup> a Expo is planned. This will run over a afternoon with the aim to update the community about progress being made on the Kaikoura Districts recovery programme.

The Kaikoura Recovery Plan is only one aspect of the recovery programme. This expo will show the full participation the community has had, and demonstrate the consultation process that the Recovery Team has taken.

Presentations by 9 guest speakers with 15 minute time slots will take place throughout the afternoon. The day will start and finish with a summary of the community's ideas received and the recovery plan overview.

As mentioned in my last report a application for a extension to the transition period was applied for. This was successful and extension was granted for another 90days.

## Economic Recovery Update

- The subsidy has been extended for another 8 weeks on decreasing basis as follows: From 6 March to 2 April a fulltime employee is \$375 and Part-time employee \$225 and from 3 April to 30 April fulltime employee is \$250 and part-time \$150.
- Following on from the subsidy will be a criteria based grant process managed by an external Trust and business assessor. The grant process will be managed through a Trust with external business assessors (CDC) reviewing applications. Full details of Trust and how it will work is being discussed on Tuesday with MBIE, KDC, CECC and CDC. This will include criteria, approval process and administration costs. It will reflect the Recovery Canterbury process however will targeted specifically at Kaikoura's situation and needs.
- MBIE Small Business Roadshow will run on the 27 March at memorial hall.
- "Future Kaikoura" Business Website is being developed that will have information regarding subsidies, grants, jobs, regional business partnership, business assessors, updates, news, events, meetings and all other relevant business information for Kaikoura.

Prepared by:	Danny Smith, Recovery Manager
Authorised by:	Angela Oosthuizen, Chief Executive Officer

---

<b>To:</b>	<b>Earthquake Recovery Committee</b>
<b>Date:</b>	15 March 2017
<b>Subject:</b>	Earthquake Generated Hazards
<b>Prepared by:</b>	Rachel Vaughan Natural Environment Recovery
<b>Authorised by:</b>	Angela Oosthuizen Chief Executive Officer

---

### **Purpose and Origin:**

The purpose of this report is to update the Committee on the status of Earthquake generated natural hazards and life risk hazards. This is to ensure the Council are aware of the life risk from these hazards and the decision processes in place to ensure that any life risk is managed.

### **Executive Summary:**

Kaikoura District Council, in working with Environment Canterbury and the Department of Geological and Nuclear Sciences, has identified 6 specific geotechnical work streams where there is a life risk. These work streams will address issues around rockfall, boulder roll, debris flow, slope stability, landslide, and shingle flows.

A further 5 geotechnical work streams covering rural land damage, flooding and drainage, lateral spread, natural hazards mapping and flood hazard mapping have not yet been costed.

To date we believe there are 6 work streams required to address landslide dams affecting life risk, local and State Highway roading, houses, schools, river beds and community facilities. There will be cost sharing opportunities associated with these as both New Zealand Transport Agency and Environment Canterbury have responsibilities in these areas.

Finally, we believe there is work necessary to address broader consenting and resilience preparedness issues. There may also be opportunity to cost share some of this work with other agencies but no cost estimates have yet been done.

Almost all of this work will be contracted out to external consultants and we also have enlisted an external geotech resource to project manage these work streams.

### **Recommendation:**

***It is recommended that Council receive this report***

### **Background:**

A M7.8 earthquake occurred north-east of Culverden, New Zealand at 00:02 NZDT on 14 November 2016. Strong to severe shaking was felt across the Kaikoura area and lasted for over two minutes.

Given the amount of ground movement, there were several localised hazard events triggered by the earthquake. These events are summarised as:

- rockfall,
- boulder roll,
- debris flow,

- slope stability,
- landslide,
- shingle flows.

### **Issues and Options:**

Table 1 outlines the main issues associated with geotechnical work streams. The table outlines an action for each of the areas. The update was as at the end of February.

The alternative option for each area is to do nothing, given that there is property and life risk, this is not deemed appropriate.

### **Community Views:**

Table 1 outlines the number of affected properties or asset for each of the work streams. The community are kept informed through public meetings or direct contact.

We have exercised powers under Section 94K, 94L and 94M of the Civil Defence Emergency Management Act 2002 in order to investigate risk of natural hazard, and prevent people and property from risk of natural hazards.

There is currently no long term solution to properties affected by life risk. These include the areas where there is a hazard from rock fall, landslide, debris flow or general land failure. Where there is a risk to life, the houses have had a placard to restrict access or prevent occupation. We have engaged the public in meetings to explain the geotech hazard.

The issue we are now facing is that there are residents who can't reoccupy their homes due to the life risk. However, there is limited damage or no damage to their building, they are not eligible for insurance cover or accommodation help from insurance. We need to keep them out of the houses until long term mitigation or land buy out options are fully explored with the Crown and the Earthquake Commission. Many of the hazards are located on other land. There is a question around who would fund any remediation, mitigation or protection as Council has no resources to fund this. The Financial impact of this is not yet quantified. There is considerable unease from residents who are now wanting a long term solution to the problem. Geotechnical investigation are ongoing under Section 94L of the Civil Defence Emergency Management Act 2002.

In addition, there are instances where public walkways or roads are restricted due to geotech risk declared under Section 94M of the Civil Defence Emergency Management Act 2002. The risk is that the weather has been dry, with autumn approaching heavy rain could exasperate earthquake generated hazards, so powers would need to be invoked without declaring another emergency.

### **Financial Implications and Risks:**

Where financial costs are known, these are included in Table One, these are estimated at \$345,000 and we are working with Civil Defence Canterbury and the Department of Geological and Nuclear Science to look at coordinated funding and research. Work has begun liaising with EQC geotechnical engineers to ensure work is not duplicated and all knowledge is shared. This ensures that work is done in the most cost effective manner. The long term advantage of knowledge sharing means that the cost of any future engineering work will be reduced.

### **Context:**

This work fits within the larger Regional Hazard identification work that has been ongoing.



**Policy:** This work falls under the Earthquake recovery work being undertaken by Council's Recovery team.

**Legislation:** We have exercised powers under Section 94K, 94L and 94M of the Civil Defence Emergency Management Act 2002 in order to investigate risk of natural hazard, and prevent people and property from risk of natural hazards.

Where there is a risk to life, the houses have had a placard to restrict access or prevent occupation under under Section 94K and 94N of the Civil Defence Emergency Management Act 2002.

Geotechnical investigation are ongoing under Section 94L of the Civil Defence Emergency Management Act 2002.

In addition, there are instances where public walkways or roads are restricted due to geotech risk declared under Section 94M of the Civil Defence Emergency Management Act 2002. The alternative to the Civil Defence Emergency Management Act 2002 is the Building Act. There are powers under Section 124 of the Building Act. These powers apply only to particular buildings; they do not apply to land. The Building Act would not give powers to investigate under Section 94L of the Civil Defence Emergency Management Act 2002, nor powers in public areas Section 94M of the Civil Defence Emergency Management Act 2002.

The powers would have to be transferred to those under s124 the Building Act. The Kaikoura District Council is currently managing natural hazards as a Recovery function under the Civil Defence Emergency Management Act 2002. The notice requirements completed under Section 94NA would have to be duplicated to meet the requirements of S125 of the Building Act if the hazard exists when the transitional period for civil defence finishes.

**Table 1: Main geotechnical work streams within Kaikoura District at the current recovery stage following the M 7.8 14 November 2016 Kaikoura Earthquake as of 28 February 2017.**

Work Stream Lead	Work stream name	Number of affected properties	Placard colour breakdown	Action/Tasks	Likely approx. cost	Priority	Update & Timeframes
R Vaughan	Oaro rockfall, boulder roll and potential debris flow issues	8 residential & 2 Commercial	7 Yellow 3 Red	<ul style="list-style-type: none"> <li>• Two dimensional rockfall trajectory modelling and numerical life safety risk assessment.</li> <li>• Consideration and rough order costing of potential mitigation options where and if available.</li> <li>• Drafting and reporting.</li> <li>• Independent peer review.</li> <li>• Long term solution for properties</li> </ul>	Being revised to include full numerical risk assessment and potential remedial work	1	Being worked up right now as one of three example or “pilot” packages for Government assistance.
R Vaughan	Rakautara rockfall and boulder roll issues	5 residential	1 red 4 yellow	<ul style="list-style-type: none"> <li>• Two dimensional rockfall trajectory modelling and numerical life safety risk assessment.</li> <li>• Consideration and rough order costing of potential mitigation options where and if available.</li> <li>• Drafting and reporting.</li> <li>• Independent peer review.</li> <li>• Long term solution for properties</li> </ul>	\$75,000	2	Once Boat Harbour approved and underway a similar but smaller piece of work required for approval and implementation here. Work to be done includes gathering some basic field data
R Vaughan	Clarence slope stability and faulting issues	31 rural and residential	12 red 19 Yellow	<ul style="list-style-type: none"> <li>• Detailed geomorphic and engineering geological mapping.</li> <li>• Numerical slope stability analyses.</li> <li>• Integration with GNS fault rupture maps.</li> </ul>	Not required	3	After site inspections week of 13 February this piece of work is not required. The owners themselves are now more than aware of the

Work Stream Lead	Work stream name	Number of affected properties	Placard colour breakdown	Action/Tasks	Likely approx. cost	Priority	Update & Timeframes
				<ul style="list-style-type: none"> <li>• Consideration of viability of existing and alternative house sites with respect to appropriate fault setbacks.</li> <li>• Drafting and reporting.</li> <li>• Independent peer review</li> <li>• Long term solution for properties</li> </ul>			fault locations and issues and in conjunction with their engineers and architects at the rebuild stage can incorporate appropriate buffers. Still one inaccessible property to check.
R Vaughan	Dempsey's Track Landslide stability issues	8 residential	Yellow	<ul style="list-style-type: none"> <li>• Completion of existing detailed mapping.</li> <li>• Drilling and site investigations</li> <li>• Preparation of appropriate cross sections.</li> <li>• Research and documentation of Cyclone Alison damage in same area.</li> <li>• Numerical risk assessment</li> <li>• Drafting and reporting.</li> <li>• Independent peer review.</li> <li>• Long term solution for properties</li> </ul>	\$200,000	1	One of three packages being compiled for Government assistance. T & T strongly feel a full site investigation and numerical risk assessment is required before any decisions can be made on the future of the houses. This has considerable time implications and will probably mean we have to wait out a winter while that work is done.
R Vaughan	Beach Road and Lyell Creek lateral spread issues	19 residential and rural	4 red 15 Yellow	<ul style="list-style-type: none"> <li>• Urgent mapping of existing ground cracking and damage patterns before these are destroyed or modified.</li> <li>• Collation and review of existing subsurface information.</li> </ul>		1	The third of the pilot packages compiled for Government assistance. A drilling rig is coming next week (McMillan Drilling) with a current EQC budget to do one

Work Stream Lead	Work stream name	Number of affected properties	Placard colour breakdown	Action/Tasks	Likely approx. cost	Priority	Update & Timeframes
				<ul style="list-style-type: none"> <li>• Integration of the subsurface data and the observed damage patterns with existing Ecan geomorphic mapping.</li> <li>• Initiation of representative generic subsurface investigation to provide confidence and an appropriate framework for private insurers to continue section specific geotechnical investigations.</li> <li>• Refinement of the current first cut delineation of areas requiring geotechnical investigations and reporting for future rebuilds and consented repairs.</li> <li>• Consideration of building exclusion zones for the most vulnerable locations. Drafting. Reporting. Independent peer review.</li> <li>• Long term solution for properties</li> </ul>			hole. Doing two would make lots of sense in spreading the information (and getting it quickly) but requires an additional 10k. To agree if this could be funded by Council.
R Vaughan	Rural Land damage			<ul style="list-style-type: none"> <li>• Complete mapping of landslips and land movement</li> <li>• Prepare a comprehensive soil conservation plan</li> <li>• Long term solution for properties</li> </ul>		2	To investigate if this could be undertaken by ECan.

Work Stream Lead	Work stream name	Number of affected properties	Placard colour breakdown	Action/Tasks	Likely approx. cost	Priority	Update & Timeframes
G Essenberg	Flooding and Drainage			<ul style="list-style-type: none"> <li>Assess flooding risk to urban areas</li> <li>Options for mitigation of flooding risk</li> <li>Stormwater management</li> </ul>		1	To investigate if this could be undertaken by ECan.
G Essenberg	Shingle Flows on active fans  River bed aggradation			<ul style="list-style-type: none"> <li>Detailed geomorphic and engineering geological mapping.</li> <li>Assess level of risk increased from event</li> <li>Effect on road and infrastructure</li> </ul>	\$70,000	2	
R Vaughan	Kowhai fan lateral spread issues	unknown		<ul style="list-style-type: none"> <li>Urgent mapping of existing ground cracking and damage patterns before these are destroyed or modified.</li> <li>Collation and review of existing subsurface information. Integration of the subsurface data and the observed damage patterns with existing Ecan geomorphic mapping for the area. Initiation of representative generic subsurface investigation to provide confidence and an appropriate framework for private insurers to continue with section specific geotechnical investigations.</li> <li>Refinement of the current first cut delineation of areas that require geotechnical investigations and reporting for</li> </ul>		1	Evaluation of this area is being included in the pilot package for Lyell Creek but we are also enlisting University of Canterbury in some parts of this where we suspect there may be active faulting breaking through to the ground surface

Work Stream Lead	Work stream name	Number of affected properties	Placard colour breakdown	Action/Tasks	Likely approx. cost	Priority	Update & Timeframes
				future rebuilds and consented repairs. <ul style="list-style-type: none"> <li>• Consideration of building exclusion zones for the most vulnerable locations.</li> <li>• Drafting.</li> <li>• Reporting.</li> <li>• Independent peer review.</li> </ul>			
M Hoggard	Natural Hazards Mapping -slope stability	Unknown		<ul style="list-style-type: none"> <li>• Collation of all land investigation</li> <li>• Mapping of all land investigation to meet requirements for Building Act, RMA, and District Plan</li> <li>• Long term policy or rules around maps</li> </ul>		1	
M Hoggard	Mapping flood hazard	unknown		Flood hazard modelling on latest LIDAR data			To determine if this could be done by ECan.

---

<b>To:</b>	<b>Earthquake Recovery Committee</b>
<b>Date:</b>	15 March 2017
<b>Subject:</b>	Temporary Accommodation – Ministry of Business, Innovation and Employment
<b>Prepared by:</b>	Susi Haberstock Social Recovery
<b>Authorised by:</b>	Angela Oosthuizen Chief Executive Officer

---

### **Purpose and Origin:**

The purpose of this report is to update the Committee on the housing needs as reported from the Ministry of Business Innovation and Employment.

### **Executive Summary:**

The Ministry of Business Innovation and Employment have been running a temporary accommodation program to:

- Support individuals, households and communities to return to self-sufficiency as quickly as possible.
- Affirm and fulfil MBIE's fundamental temporary accommodation responsibilities and roles.
- Increase collective understanding and ability to meet the temporary accommodation needs of displaced people and affected communities.
- Identify the capacity and capabilities necessary to provide a broad range of flexible temporary accommodation options.
- Integration of temporary accommodation assistance with related community support services and long-term recovery efforts.

People affected by the Kaikoura earthquake can register with the MBIE TAS:

- Online: [www.temporaryaccommodation.mbie.govt.nz](http://www.temporaryaccommodation.mbie.govt.nz),
- In person with Ministry of Social Development (MSD) staff at Recovery Hubs or a Work and Income Office
- By calling MSD on 0800 673 227

Independent work

- Community Energy Action has planned to undertake a scoping exercise of home heating at no cost to Kaikoura residents.

### **Recommendation:**

***It is recommended that Council receive this report.***

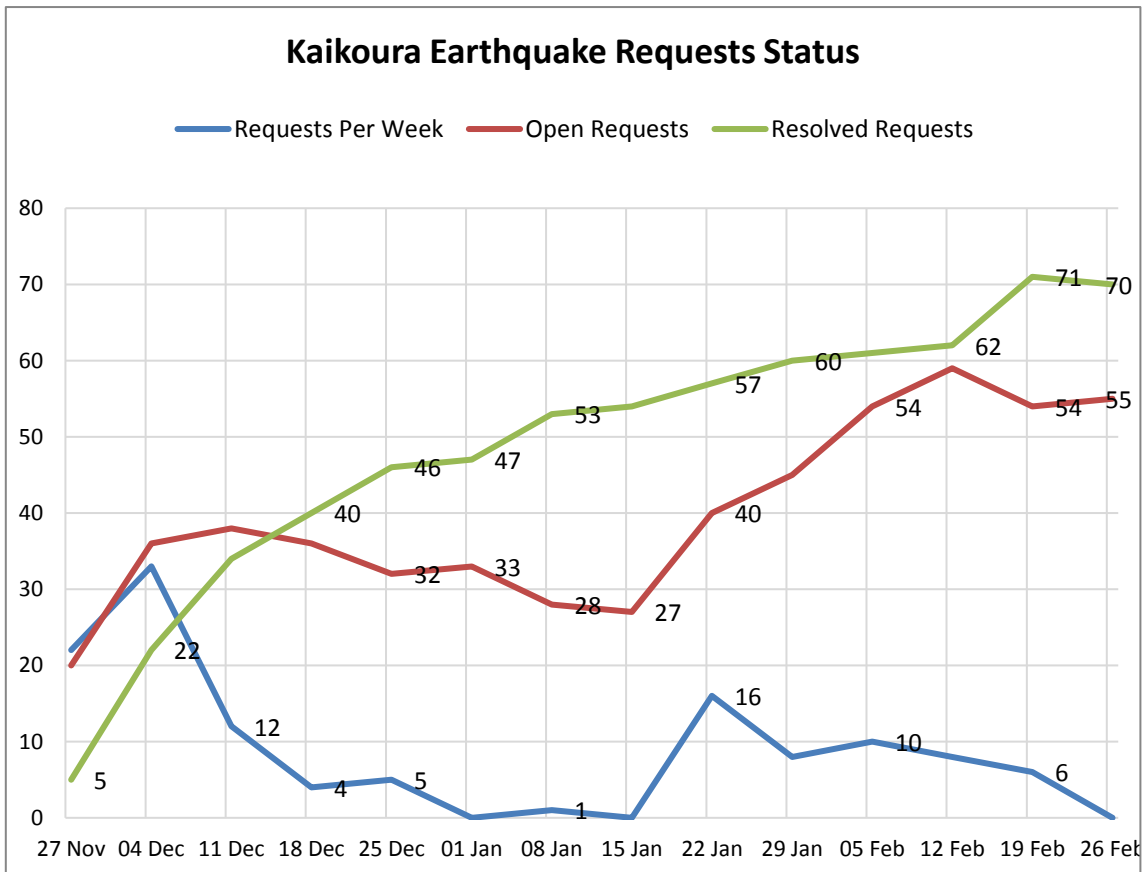
### **Background:**

#### **Requests**

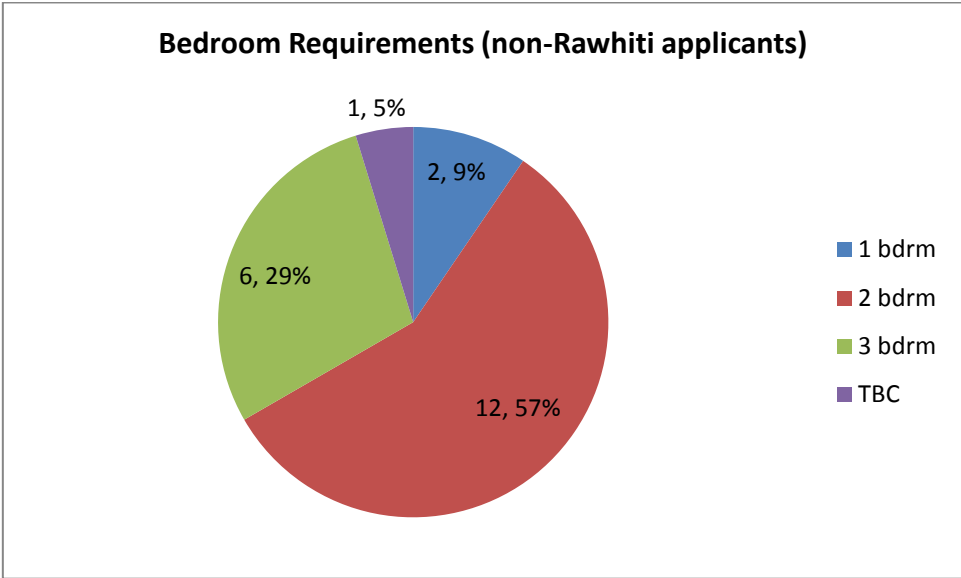
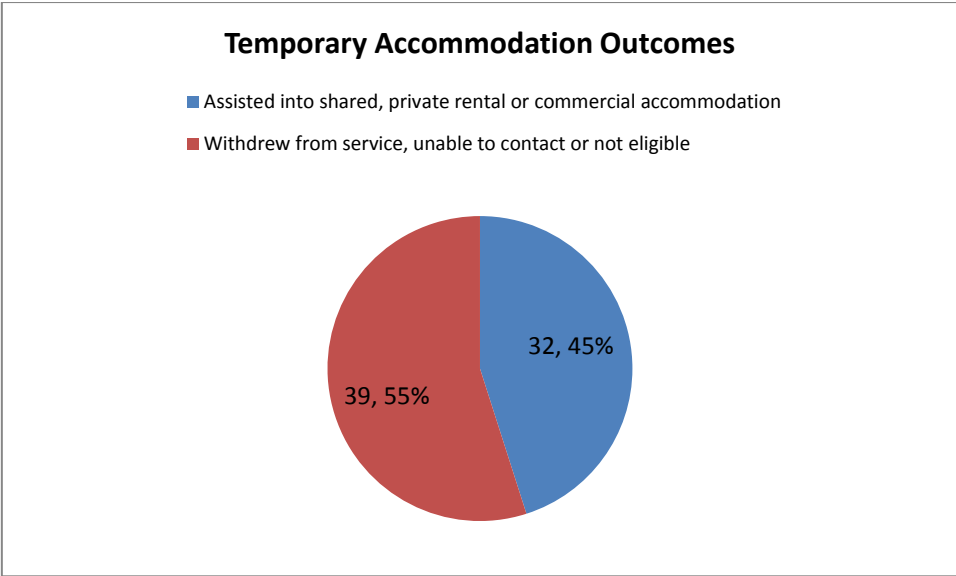
Registrations received by MBIE for temporary accommodation were as follows at 1200 on 1 March 2017. A total of 125 requests have been received since Tuesday 22 November 2016. Of these 70 have been resolved, and we are actively working with 55 requests.

	Total referrals	Cases resolved	Actively managing	To contact
1/2/17	105	60	41	4
8/2/17	115	61	53	1
15/02/17	121	62	57	2
22/02/17	125	71	54	0
1/03/17	125	70	55	0

Please note, as the needs of registered people change, cases may reopen affecting request numbers.







**Sale of Rawhiti Village units**

The status of applicants is: 18 have confirmed interested and received a conditional agreement for sale and purchase to consider; 13 are still considering the opportunity; 6 are not interested in the option; and 3 are not eligible.

**Request for Information**

A request for information (RFI) went out on 22 February 2017 seeking information from suppliers about what modular and pre-fabricated accommodation options are on the market.

**Initial Solutions**

1. Match displaced people with existing undamaged accommodation – The private market may meet a significant portion of the total demand for temporary accommodation, and our Temporary Accommodation Coordinators are helping people meet their needs in this way whenever possible.
2. Forecast demand and prepare to meet it – Displaced people may not make their needs known immediately, so it’s important that we build up a forecast of the scale of demand and geographic distribution of demand for temporary accommodation which will give an indication of the

potential scale of future demand. Continue to educate / get the message out that people need to contact Recovery / MBIE.

3. Make sure that any procured temporary accommodation is well-matched with the needs of displaced persons – We are continuing to gather intelligence to further clarify the types of accommodation needs, while also scoping the range of potential solutions. Phase one accommodation solutions (for the next three to four months) are being assessed for quality, affordability and logistical practicality given limited accessibility in some areas. Caravans are the solution likely to best meet each of these requirements.

For those affected households who require a solution beyond phase one (and into winter) modular options are being considered.

The main groups of displaced people are:

- rural people who need to stay on their land
- town people who cannot live in their house and want or need to stay
- people evacuated from affected areas who need somewhere to stay.

We expect that request figures will increase in the coming weeks/months as displaced people become aware of Temporary Accommodation Solutions and look to move out of their initial emergency accommodation arrangements. For example, displaced people may stay with friends and family immediately after a natural disaster, but look to move into their own temporary dwelling several weeks or months after the disaster.

### **Needs Analysis**

- The nature of temporary accommodation – Temporary accommodation extends beyond simply providing a structure and needs to take account of complexity of individual, household and community needs and circumstances. Accommodation needs to be safe, secure and accessible. Also, temporary means temporary
- Smaller in scale but complex – Temporary accommodation needs in North Canterbury and Marlborough will be much smaller in scale than those created by the Christchurch Earthquakes, but more diverse and complex. Accordingly, solutions are likely to be more ad hoc, diverse and logistically challenging. For example, a number of displaced farmers and resident farm workers will need accommodation on their land. Access to some farms will be challenging, and we need to consider how to deliver temporary dwellings in these circumstances.
- Understand the specific needs before investing – It is crucial that the specific needs and preferences of displaced people are well understood. Otherwise there is a risk that Government-procured housing solutions will not be widely used.

### **Priority actions**

1. Ongoing - confirm the temporary accommodation needs of people who have registered with the service and coordinate the provision of temporary accommodation solutions using existing undamaged stock wherever possible.
2. Administer sale contracts to eligible rural property owners for the purchase of a Rawhiti village house.
3. Gather and analyse building assessment and insurance data intelligence, alongside Council data and housing dynamics information from MBIE housing policy to understand emerging housing needs to form a broader view about future demand.

# Infrastructure Update

## 1.0 WATER SUPPLY

All supplies operated in a post-earthquake state. New Water Safety Plans for all supplies are to be completed.

### 1.1 Urban Water

#### Operations – Kaikoura Urban Supply

In South Bay, the works associated with the water supply project, in particular the removal of poles, are still not complete.

The earthquake on 14 November caused ongoing significant damage with the consequential results and work:

- A report on the borehead and well security has been completed and work is to be planned
- Potential damage on facilities and pipelines still to be assessed
- The new main along Mt Fyffe Road has been undergrounded. The rider main and laterals lying on the berm on the east side of the road are now being undergrounded with a new 100mm main. This work upsizes the pipe from 63mm to 100mm and includes fire hydrants. The difference in size and the fire hydrants are a charge to renewals. This project is planned to be completed by Easter.

### 1.2 Suburban Water Supply

A boil water notice was removed but reintroduced due to high turbidity.

### 1.3 Kincaid Water Supply

The boil water notice is no longer in place.

### 1.4 Oaro Water Supply

The boil water notice is in place with testing being taken to have this removed. The requirements included installing a telemetry system that communicates to the SCADA network and placing Acuflows on the properties on Waitane Road as this is a lower pressure area that could provide backflow. The Acuflows have been installed and work on installing SCADA has been initiated. The cost of the telemetry system is to renewals however as it is a result of the earthquake an attempt will be made to have the cost reimbursed.

### 1.5 Fernleigh Water Supply

The boil water notice is in place with testing being taken to have this removed, other measures to be confirmed.

### 1.6 Ocean Ridge Water Supply

Replacement of the reservoir liner and minor repairs are being initiated.

### 1.7 Peketa Water Supply

The boil water notice is in place this is likely to be long term until a new source is identified.

### 1.8 East Coast Water Supply

The boil water notice is in place with testing being taken to have this removed.

## 2.0 SEWER SYSTEM

The earthquake on 14 November caused significant damage:

- All properties have now been reconnected.

- Testing of Lyell Creek is continuing. All the beaches have been confirmed to be safe for swimming.

### **3.0 STORMWATER**

Potential damage is still to be assessed.

## **4.0 PARKS AND RESERVES, BUILDINGS AND MISCELLANEOUS**

### **4.1 Parks and Reserves**

The parks and reserves were satisfactorily maintained during the reporting month with works being undertaken under the new contract. The area in Deal Street and behind the Civic Building is being landscaped and planted.

### **4.2 Airport and Buildings**

There have been issues with as a result of the earthquake that are being resolved. Initial reports have been received but most significant buildings including the Memorial Hall require additional investigation.

- The old council building electrical repair work is occurring.

## **5.0 ROADING**

### **5.1 Roads**

The status as at 14 February is:

- All roads except upper Clarence Valley Road open, the alternative route on the South Bank is being upgraded
- Sealing still to occur on Mill and Red Swamp Roads
- Damaged culverts on Mt Fyffe, Schoolhouse, Postmans and Old Beach Roads are being replaced.
- Minor repairable damage to roads and bridges.
- A new round of roadside mowing has commenced.

Council has received information from New Zealand Transport Agency (NZTA) that the subsidy for maintenance, operations and renewals has been increased to 51% from 48% backdated to 1 July 2017. NZTA have also advised that the earthquake subsidy rate for approved works will be 95%. This is yet to be officially confirmed from their approved minutes.

### **5.2 Footpaths**

There have been issues as a result of the earthquake that will be worked on.

### **5.3 Streetlights**

There have been issues as a result of the earthquake that will be worked on. Streetlights in Takahanga Terrace and on the corner of Scarborough and Killarney are being replaced.

### **5.4 State Highway 1**

Further meetings of NCTIR on the future of State Highway 1 north and south were attended by the Operations and Maintenance Manager.

State Highway One south continues to be closed due to weather events and for periods of work. It will be some time before it becomes resilient and reliable access to Christchurch.

NZTA have resurrected the Picton to Ashley River project to confirm the requirements and potential projects on the route to identify options that should be incorporated in the existing NCTIR projects.

***Recommendation: That this report be received.***

Prepared by:	Gerry Essenberg, Operations and Maintenance Manager
Authorised by:	Angela Oosthuizen, Chief Executive Officer

---

To: **Kaikoura District Council**

Date: 15 March 2017

Subject: Insurance Update

Prepared by: Don Young, Infrastructure Recovery Manager

Authorised by: Angela Oosthuizen, CEO

---

### **Purpose and Origin:**

The purpose of this report is to provide an update to the Council on the insurance situation as it relates to the recovery costs of damage to infrastructure and community facilities resulting from the 14<sup>th</sup> November earthquake.

### **Executive Summary:**

The process of identifying the Recovery costs from the November earthquake is well advanced, with increasing confidence around the projections. These projections have been advised to the Council as part of other reports. The insurers have been kept well informed, but as yet the development of a formal claim process has not yet commenced.

It would be advantageous for the Council to establish a sub-committee that would be more responsive to issues that arose during the negotiation process and to consider the Council's approach and response to these insurance issues or discuss.

### **Recommendation:**

*It is recommended that the Kaikoura District Council*

- 1. receives this report for its information,*
- 2. requests a further update from the CEO as the insurance formal claim progresses further*
- 3. agrees to form an Earthquake Insurance Subcommittee, and appoints Councillors to it*
- 4. delegates authority to the Insurance Subcommittee to make financial decisions relating to the insurance negotiations, and advise the CEO accordingly.*

### **Background:**

As a result of the earthquake on 14<sup>th</sup> November 2016, the Council incurred damage to a number of its infrastructural assets, roads, and community facilities. In responding to the earthquake, the Council incurred immediate Response costs, such as the civil emergency costs, costs of inspections and immediate repairs to services to make them operable and/or safe. This report does not address those costs, which will be reported separately, but rather addresses the infrastructural and property recovery costs – i.e. those costs of returning an asset or a facility to its original state of functionality.

The Council has coverage against the Recovery costs of earthquake damage in the following ways:

1. a Material Damage Policy that covers its community facilities (halls, buildings, toilets, swimming pool, etc.), some infrastructural assets (reservoirs, wastewater pump stations, Wastewater treatment plant) and the harbour facilities (both South Bay and Wakatu Quay)
2. membership of the Local Authority Protection Programme (LAPP) for its water, wastewater and stormwater reticulation

3. Damage to roads and roading structures is funded by the Council and NZTA, with the percentage payable by NZTA being 20% higher than the normal Funding Assistance Rate.

Since the earthquake, the following recovery focussed activities have been undertaken:

- Meeting with the loss adjustors for the Material Damage policy, the LAPP representatives, and NZTA representatives in Kaikoura to view the extent of the damage.
- Appointing consultants to undertake assessments of the Council's assets and facilities.
- The scope of these contractual assignments has been to:
  - formally assess the extent and estimate the damage incurred
  - estimate the cost of re-instatement/ replacement
  - consider potential options of re-instatement/ replacement

The areas formal assessments are in progress for are:

- Buildings – Opus
- Wastewater treatment plant, pumpstations and reticulation – Lowe Environmental
- Water reservoirs, bores and reticulation – GHD
- Harbour facilities – Tonkin & Taylor
- Assisting and facilitating for the consultants to be able to obtain appropriate base information, and access to sites, and undertake inspections and/or testing as necessary
- Receiving and reviewing the assessment reports from the consultants as they arrive
- Collating and updating the financial implications as determined and advised
- Meeting with, and keeping the insurers and their advisors informed as the confidence in the financial implications improves

At time of writing, all of the reports have now been received in final or draft form, with the exception of the final inspections of complex or damaged buildings.

The conclusions and recommendations are being included into the wider council financial forecasts that are informing the Council's Annual Plan, the government business cases, and the insurance claims.

The steps that are yet to be completed include:

- Submission of a detailed claim to the Material Damage loss adjustors, and the LAPP representatives.
- Request for a legal opinion on the Material Damage insurer's stance that the uplift of the South Bay and Wakatu Quay facilities is not an insurable event

Negotiation and resolution of a settlement with the Material Damage insurers and LAPP. A detailed claim is anticipated to be completed by end of April with negotiations following. The detailed claim for LAPP will take some time as it is required to be prepared justifying the claim on an asset by asset basis. Generally the discussions with the insurers and the LAPP representatives have been positive and informative. All parties are generally aware of the current estimate of costs, and are reasonably comfortable with the assumed allocation method.

The Council has kept the funders informed about our inspection process, our assessment methodology, and our method of cost estimation.

However, as yet the detailed claim negotiations have not begun, and it is at this point that closer examination of the basis for each element of the claim will occur.

### **Issues**

The exception to the general agreement noted above, is that the Material Damage insurer has advised that they do not believe the uplift to the South Bay and Wakatu Quay facilities is an insurable event, as the facilities have not been “damaged” by the earthquake, but rather the surrounding ground has moved. The Council staff intend to seek a legal opinion on this to determine whether there is a case for an alternative interpretation.

It is noted that there are likely to be a number of judgement calls made during the negotiations, and it is believed that the Council’s responsiveness to these negotiations would be improved by appointing an “Insurance Subcommittee” and delegating the authority to it to make financial decisions on behalf of the Council, and advise the CEO accordingly.

### **Community Views:**

The wider community will be directly and indirectly affected, in terms of the costs, timeframes, and levels of service. There will be the opportunity for the community to be consulted as part of the Annual Plan process.

### **Financial Implications and Risks:**

The expected costs of the recovery works, and the assumed funding allocations are being separately reported to the Council.

### **Context:**

This report is presented as part of keeping Council informed on post-earthquake operational matters.