FLAG & FARMER MEETING

FONTERRA, TAKAKA

THURSDAY 20 OCTOBER 2016

6.30 - 9.00 PM

Attending

FLAG members

Mirka Langford (ML), Tony Riley (TR), Graham Ball (GB), Greg Anderson (GA), Piers McLaren (PM), Matthew Roundtree (MR), Andrew Yuill (AY)

Farmers

Steve and Daphne Woods, Nicky Packard, Corrigan Sowman, Robert Chubb, Tyler and Wayne Langford, Dave Scotland, Sue Brown, James Nalder, Ann and Brian Jones, Lindsay Maclean, Robert Rosser

Note GBF = Golden Bay Farmer

Dairy NZ

Nick Tait (NT - Environmental Programme Manager, South Island)

TDC staff

Lisa McGlinchey (LM), Joseph Thomas (JT)

FLAG facilitator

Rochelle Selby-Neal (note taker)

These are not meeting minutes, but notes on the key topics discussed and questions asked to provide a record for future use.

ML - introduction

LM – Overview presentation.

ML – Looking at the whiteboard what is the most pressing topic you would like to talk about?

GBF - Water allocation: Reliability of supply. Expressed a concern about balancing the potential for making more water available with maintaining the reliability of supply with existing user security of supply.

Questions around the economics of investing in irrigation

Mirka and Lisa - asked the farmers, which zone they were most interested in talking about tonight w.r.t the proposed allocation regime.

- GBFs Most interest in Waingaro
- LM Security of supply what is a useful metric? Have three metrics FLAG been using. (LM outlined these). IF there are other metrics that you think would be more useful for you, please let us know.
- GBF Within days, how long are you off for? applies more to Upper Takaka. Has a cumulative impact across time.

December through to February is the key time for production system.

- JT important how you look at data. Look at Nov April period because if you look at whole year get lower metrics. Upper Takaka special case so we can meet and discuss that separately.
- GBF Yes don't want to take up time talking about Upper Takaka, but more broadly about the issues of irrigation efficiency and why we are doing it talking about production and economic effects and the effects to environment and community.
- AY I would very much like to head in that direction too. FLAG have not been able to get hold of information regarding potential economic benefit to farmers and what that looks like w.r.t. security of supply and the investment to use it.
- LM Presentation 2 Zone by Zone Allocation Summaries.

Showed table of the allocation regimes

Looked at Waingaro Zone section of presentation

- GBF question regarding Paynes Ford being in Waingaro Zone
- LM Takaka River has ended up getting chopped up into several different zones based on how linkages between ground and surface water change. Lisa explained where the various pieces sit in relation to each zone.
- LM explained what MALF means (Presentation 3 MALF). This is not the lowest that these rivers go; it is the average of the low flows.
- JT explained that for smaller rivers that don't have data correlated to similar rivers where there is data.
- LM Presentation continued

Security of supply – Under proposed approach, in dry years will get restrictions = rationing and cease take

- JT outlined some of the detailed issues around trigger compliance and practicality, methods and expense to consider for existing users
- GBF There are lots of other examples around the country where these regimes are in place how do they effectively communicate rationing and triggers?

JT – different all around the country – more challenging here with surface groundwater interactions

Plan is to provide an online link for this summer so that you can see when you would get rationing or cease take (if the proposed flow limits and triggers were in place).

Compliance keen to have meters that show you have met requirement within 24 hours (daily data)

TDC not in favour of going to weekly – want daily or better. All the meters you have now will need to have a data logger to download data.

Open to hearing your views if you have other ideas.

AMA recharge people need to be aware – FLAG wanted to give a security of supply in AMA recharge aquifer the same as Upper Takaka have got — but while the average percentage of time above the cease take trigger is the same, the number of cease take events greater than 3 or 5 days is higher. When Te Waikoropupu Springs drops it takes a lot of water to bring it up, so even with same average security of supply will have different number of cease take days.

- TR Waimea over-allocated and they have weekly metering. We're not over-allocated and suggesting daily I support daily but why isn't there consistency across the district?
- JT The reason is apart from one river take everyone is taking from the aquifers and they have the buffering effect of this. Here we don't have the same level of data.

Waimea is also going to go through claw-back of allocation if there is no dam.

Use is more even throughout the week because horticultural crops and groundwater buffering.

Here lot of river takes and a lot of groundwater takes very close to the river.

- GBF- Is it possible to have that variable eg big allocation but not being used so higher SOS now?
- LM Could set a lower allocation to get higher security of supply and then review at a later date if demand warrants increasing the allocation so not allocating all of the allocatable water straight way.
- GBF Asking a different question If set a higher allocation but it is never taken up why can't start with higher security of supply, and then if water taken up the security of supply will lower?
- ML I think what Robert is talking about is like the A & B take situation.
- LM described A & B takes where A takes are on a better security of supply (eg existing takes) and B takes (eg new takes) are on a lower security of supply.
- JT Even if the full allocation not allocated then the cease take is still the cease take it stays the same even if the whole allocation limit has not been subscribed. If the whole allocation limit is not taken up, in theory it will take longer to reach the cease take because not as much volume being taken.

- TR Regarding Corrigan's comments on timing, the economic impact high in January and February verses later in the season. For irrigators on the Waingaro five of the last seven years would have been cease takes.
- AY if a cease take lasts for enough days that it makes it economically prohibitive then it is better not to do irrigation at all.
- TR yes but at the moment all the farmers in this room have invested in irrigation and we are considering a new regime with security of supply that could have significant economic and farming consequences
- GA FLAG have talked often about storage. Is it even remotely economically feasible to consider storage?
- GBF Hasn't been necessary because there have been cheaper options. But as restrictions increase or there is more regulation or community needs then it could be considered.
- GBF Farm to your environment. It would be useful to know when the days off are in line with the peak irrigation times of the year
- GBF At last meeting gave out graphs of when the rivers got below the cease take points only one before March, 90% after March.
- ML would it be useful for Joseph to add to the graphs? Including the months at which long cease take occur?

GBFs – yes useful

JT – Can give you a table of when the 3 and 5 day events actually happen

Showed graphs for Waingaro, Anatoki, AMA – for online link that can be available for the summer

- ML If I have a list of people that are interested, I can look at the link and then I can text you on the days when you would be affected by the cease take, to give you a good feel for what the real situation would be like.
- MR Regarding Greg's question about storage Nicky can you tell the group about what you have done up at Rockhaven Farm
- GBF we built 30,000 m3 storage enough irrigation for 30 days on 30ha. Have had it in for one season. Wasn't the dry season, but we have grown more grass than ever before, but there may have been another reason for that. Probably had about a third of water stored left at end of season. Successful in that we have the water and didn't have it before and can use it when needed.

Before investing in storage we had previous five yrs data. The major droughts that we got didn't go for more than 26 days, so we aimed to cover this. So our storage gave us good security of supply.

- ML How many years to get a pay back for the investment?
- GBF Between seven 10 years

Storage water is taken directly from surface water across the farm – runoff that we catch.

We didn't have other options - Joseph told us that for a groundwater take we had to prove that it was Pupu water [ie. water from the confined AMA]. We would have to go very deep and would have to spend a lot of money drilling.

FLAG member - Is there any ongoing cost?

GBF - Yes – surface water take consent and consent to use water from storage.

[GBFs - This raised a strong reaction from farmers that TDC requiring and charging for two consents – one to take water and one to use it]

- GA We need to underline creating an incentive for storage not a disincentive
- JT outlined the two permits required
- MR Can FLAG recommend to Council that we get rid of that charge?
- GBF If we put on a take, we pay a cost to the council so if there is a cease take are we going to get charged less?
- JT No! The cost paid to Council only recovers 20% of the cost of water resource monitoring. Some councils recover far more than that.
- GBF What are the aspirations of the community regarding water quality? will we be talking about that too?
- LM Yes. Allocation & water quality questions.

Allocation means extension of milking period which may increase risks to water quality. Explained that staff recommending not tying allocation and water quality together – need to manage the water quality risks where they are caused – for example land use, because there are other things that cause water quality risks other than irrigation, including high rainfall, fertilizer use, supplementary feed, stocking rates and so forth.

Talked about Canterbury GMP matrix and Mirka's work

Also need to tailor Good Management Practice (GMP) for the Takaka context

- ML I looked at the Dairy NZ GMP, Irrigation NZ template, ECan Farm Environment Audit template, and GMP and cut and pasted what is relevant for Takaka, plus highlighted what Fonterra is already requesting and what could be easily included in a Good Management Practice approach for Takaka catchments.
- LM Waimea and Takaka FLAG have said to avoid excess regulation, duplicated effort and compliance cost. Have asked can we use existing industry standards?

Not that easy: RMA not geared up for implementing GMP into RMA framework - see Gerrard Willis report on IASM programmes regarding legal issues.

Talked about some of the issues with incorporating GMP into regulatory framework

- GBF Talked about FLAG group wanting not just wadeable but swimmable are we at swimmable now?
- LM TDC current objective is to be swimmable 98% of the time. Not meeting this requirement in some places not meeting in Pohara and Tukurua and usually get up to 97% every year but not quite to 98%
- GBF But it is not a dairy problem in Pohara?

If we are already at a swimmable level can we be the group that says let's not have any rules or regulation?

- LM Swimability is just one of the values we are seeking to protect. Swimability includes little kids playing in the water, so can apply to shallow waters too.
- GBF What does the swimability fail on?
- LM Bacteria levels E.coli in freshwater and Enterococci in marine environment
- GBF Because it fails at Pohara & Tukurua it sets the rest of the area back
- LM explained all the usual checks done at Pohara and Tukurua some farming practices and septic systems fixed now, but alerts still occurring. Lisa also explained about potentially naturally occurring *E.coli* populations and further investigations needed to confirm sources.
- GBF If we are almost already there for swimability what water quality attributes aren't we meeting?
- LM Showed the group the water quality summary map We are meeting most attributes in most places. There are a couple we don't have data for for example, mauri.
- GBF What's that?
- LM The most basic English translation is 'vital energy'
- GBF Well how do you measure that? [Post meeting note, we are discussing this with local iwi]
- LM We also don't have data in all sites for some attributes such as the clarity at Te Waikoropupu Springs, or dissolved oxygen. Lisa outlined the scientific monitoring detail of issues around measuring these attributes.
- GBF— Have you got data on anything?
- LM Yes Council monitors a lot of attributes under the State of the Environment programme (SOE), but the SOE sites and data doesn't always measure what the FLAG has indentified it needs, or where it needs it.
- GBF- Well have you got data on the key ones FLAG have identified?

- LM For many of them yes, for other we have identified additional monitoring is required for inclusion in the implementation plan.
- GBF concern that Council wasting time and money monitoring things we don't need and not monitoring for attributes we do need
- ML The State of Environment monitoring programme was put in place years ago. Takaka FLAG have said "this is what is important now" and a lot of those things are not being measured at the moment, or are not being measured in the right place for us. One of the outcomes of FLAG will be to recommend to Council what it should be monitoring and where in order to meet the communities expectation on water values and attributes.
- GBF What are we actually failing on? The GMP will have an effect on how we run our farm systems. As far as what I can hear from what you are saying you are wanting to introduce management practices without there being any problem to manage!
- LM Outlined why GMP being considered: There are areas where we know we have problems, and areas where there is good water quality and want to maintain it, and areas we want to ensure that we are managing future risks
- GBF Yes, so what future risks are you seeing and where are they?
- MR These are requirements that have been handed down by government through the NPS-FM
- LM We are seeking good practice as a minimum, not best practice
- GBF But the NPS says wadeable and you want swimmable
- LM The NPS-FM sets a national bottom line for wadeable quality, but where swimming is valued it sets a minimum acceptable quality level for this as well. Swimming is a value indentified in Takaka so the minimum acceptable quality level for swimming would apply.
- The NPS-FM is a bit of a moving target for Council. MfE will be adding attributes over time for example, we think that sediment will be added at the next review.
- MR Quite frankly wadeable is not good enough. Needs to be swimmable
- ML NOF says maintain or improve. So here we have very good water quality and it is unique in NZ the requirement is to maintain it.
- GBF Water allocation limits my initial concern was it was more about feeling rather than science. Over the last year FLAG have proved to me that they are looking at science as much as everything else, which is reassuring. With the quality one it looks the same, first based on feeling, maybe now start looking more at the science.
- GA Some of the northern streams have very high ecological values so % MALF higher.
- ML Two comments re GMP. Yes at the moment water quality is so good, so understand the question about why are you making us do this? But there is a lot of public anxiety about the possibility of increasing water allocation leading to increasing intensification which will lead to a

decline in water quality. It is a very easy option for us to look at GMP - it may allow us to allocate more water whilst retaining freedom as to what farming system we run.

Second point: Maybe Nick could explain a bit more about GMP as it is a direction many councils take and nothing to be afraid of but something we should all be aiming for regardless.

NT - My personal situation is a family farm in Hinds. Facing a 30% reduction reality in nitrate losses. Have 31 days water storage on farm.

GMP offers practical things that farmers can do that don't effect the farm system – eg don't have to change cow numbers, input and production levels – but what you can do is things like winter cropping and riparian planting that improve water quality outcomes.

- GBF In Golden Bay never got to the intensity of intensive farming systems Golden Bay never got to that stage and all the information out there on intensive farming can cause anxiety in the community. We are a really different catchment, we're not down the Hinds path
- NT When GMP developed aim to focus on the good things you can do to safeguard the future. I would hate for anyone in this room to be sitting in the same situation my family is sitting in.
- GBF Interesting talking about allocation, but probably the most limiting thing for us is going to be nutrients.
- LM Waimea and Takaka FLAG don't want to use Overseer in a regulatory sense, but to assist GMP
- GBF Red herring to use Overseer in regulatory programme
- LM Don't think we are going to have "a number" (ie a nitrate limit). Don't think that is the best thing here as the system is so complex we could throw a lot of money at that black box and not get any more certainty...better to jump it. GMP gives us the ability to jump the black box. Agree that farming has the ability to effect N levels, and good practice is the way to manage that.
- GBFs Very pleased to hear that Overseer not going to be used in regulatory framework
- NT I deal in a lot of regions that are knee deep in Overseer and they are having a lot of problems
- JT There is a lot of concentration on N. The RMA is effects based. Nitrate levels are relatively very good here.
- LM Regarding GMP ideally want it to be risk based. Want farmers to have input into what this is. Eg keen to focus on sediment, nutrients, effluent, riparian management need to define what GMP means in relations to these aspects in the Takaka context.
- GBF We're different again very high rainfall and can do GMP, but then have a high rainfall and it goes to the rivers
- LM That is why GMP needs to be defined for Takaka conditions.

- GBF Aorere flood so rough in the hills, still the lower Aorere not as clear as I remember it. May take up to 10 years to get some vegetation in place to manage that. Still fine sediment happening.
- JT Motueka the same
- GBF Sediment on beaches still keeps reappearing
- ML Sinkholes have also had a lot of discussion in FLAG
- GBF Made a change a few years ago to effluent to land requirements and talked about tomos. Is there a difference between tomos and sinkholes?
- JT Joseph explained he considered tomos to be more direct links to groundwater, while sinkholes could have lots of soil material below them before reaching groundwater.
- LM the term sinkhole used in the TRMP.
- GBF Are you asking if we fence off sinkholes?
- LM Regarding stock exclusion, we are asking if these should be included and which kinds of sinkholes need to define the risks to be managed.
- GBF How do you define a sinkhole?
- GBF You have sinkholes overlaying gravels verses clay, which holds water may disperse or may go direct to aquifer. May drain faster but don't know exactly where it goes.
- LM We are at the surface trying to assess risk to what is below, and don't really know.
- JT Explained different types. Four kinds Tomo (more direct to marble or limestone), verses those around Hamama.
- GBF If they are mapping wetlands can't they map sinkholes at the same time?
- JT They are, but don't know how deep the sinkholes are
- GBF Regarding attributes Economic one listed with a question mark. Want to be sure that we are not undervaluing this or leaving it out.
- ML More an indicator it's in there because we recognise how important it is to have some economic indicators but can't find what sort of indicator to use. If you have any suggestions let us know.
- GBF- 'the amount of new Toyota Hiluxs in valley?'
- GBF The higher humus levels, the more water soil holds and less water need to put on, if looking at economic indicators shouldn't that (soil health) be in the system?
- TR More about how is the community going to benefit wider than "I'm going to get a bit more money in", is it more jobs etc, and how we measure that

- GA The community is quite aware of the potential risks and need to know other side regarding benefits
- GBF Tricky because lots of subjective ones, for example kids in schools...
- GBF Do other regions have one that we can take and use here?
- LM Haven't seen a good one yet
- AY Economic benefit seems to be the most elusive if you run your farm to the maximum you do very well when dairy price high, but when it goes down ... we need resilience in our farming systems.
- GBF There are variations around the bay different age brackets, debt levels and different systems
- AY Very different methods some farms are run like an IT system and some with no irrigation they all survive.
- GBF What is the timeframe for getting this work done. Was going to be one year and it has been two already.
- LM/JT Talked about work still to do on policy and implementation package
- GBF There are those of us holding off capital project until this happens what is causing the delay?
- GBF Questions around where is the conflict amongst FLAG, what is the conflict, where is the non-consensus?
- FLAG explained that there is good agreement on the principles, it is just some of the details like minimum flow and allocation limits that there are different views. Lisa's summary document outlines what is agreed and where there is any non-consensus including the different options. You can give your feedback on this.
- GBF All consents expire 2019. Imperative from a business perspective to get this [planning work] done.
- JT nothing in this proposed plan that is going to reduce current allocations

FINISH 9 pm