

That the Full Council:

- 1. receives the Waimea Community Dam Project Report; and**
- 2. in principle does not support the current Waimea Dam proposal; and**
- 3. agrees in principle to not fund its share (51%) of the \$23m projected capital cost increases in the proposed Waimea Community Dam Project; and**
- 4. notes that an in principle decision to not fund the Council's share of the projected capital cost increases:**
 - a. will result in the availability of \$55 million of external funding towards the project being lost with no future opportunity to access that external funding;**
 - b. will effectively preclude the project proceeding under the current funding allocation model;**
 - c. therefore constitutes a decision not to proceed with the Dam project under the current funding allocation model; and**
- 5. notes that a final decision to not proceed with the Dam would require a Long Term Plan amendment under section 97 of the Local Government Act 2002, as it would mean a significant change to the levels of service for water supply and security currently signalled in the Long Term Plan 2018-2028; and**
- 6. notes that in order to amend the Long Term Plan to authorise a final decision to not proceed with the Dam, Council is required to consult the public on the proposed amendment using the Special Consultative Procedure; and**
- 7. notes that a decision to not proceed with the Dam project would be of a high level of significance; and**
- 8. asks staff to report back on the content, process and timing for undertaking an amendment to the Long Term Plan 2018-2028 to accommodate Council's intention to not proceed with the Dam and to exit the joint venture partnership for the Dam; and**
- 9. notes that the Tasman District Council (Waimea Water Augmentation Scheme) Bill will need to proceed through the Parliamentary process until such time as Council has completed its consultation on the Long Term Plan amendment and made a final decision on the Dam; and**
- 10. notes that Council will need to consult concurrently with the Long Term Plan amendment on changes to the Revenue and Financing Policy to address an equitable distribution of the loan funded unrecoverable and sunk costs on the community; and**
- 11. asks staff to prepare a section 101(3) analysis on the distribution of costs in 9. above; and**
- 12. request that staff inform Council's joint venture partners, Waimea Irrigators Limited and Crown Irrigation Investments Limited, of its decision in principle (and subject to the outcome of the Special Consultative Procedure at part 5**

above) to not fund Council's share of the capital cost increases for the Dam and in principle to not proceed to financial close; and

13. requests that staff inform the Ministry for the Environment that (subject to the outcome of the Special Consultative Procedure at part 5 above) Council is unlikely to proceed with the Dam and will therefore be unlikely to require the \$7 million Fresh Water Improvement Fund contribution to the Dam project; and
14. notes that staff will report back on the status of the application to the Provincial Growth Fund for a contribution towards the Dam; and
15. notes that staff will report back on the status of Plan Change 67 to the Tasman Resource Management Plan and complete the renewal and issue of the 329 Resource Consents, on a 'no dam' basis; and
16. notes that, as a consequence of parts 3 and 7 above, staff will continue the current work streams related to the Dam project pending a final decision (pursuant to the Special Consultative Procedure referred to at part 5 above); and
17. notes that there will be costs associated with a final decision to withdraw from existing contracts and agreements relating to the Dam project.