

**BEFORE THE QUEENSTOWN LAKES
DISTRICT COUNCIL**

IN THE MATTER of the Resource Management Act 1991 (the "Act")

AND

IN THE MATTER of the Queenstown Lakes District Proposed District Plan
Hearing Stream 02

**EVIDENCE OF ANTONY JOHN STRAIN
21 April 2016**

(Farming, Subdivision History, Arrow Irrigation Scheme)

Ayrburn Farm Estate Limited (430)
G W Stalker Family Trust, Mike Henry, Mark Tylden, Wayne French, Dave
Finlin, and Sam Strain (534 and 535)
Slopehill Joint Venture (537)
Wakatipu Equities Limited (515)
Crosshill Farm Limited (531)

**ANDERSON LLOYD
LAWYERS
QUEENSTOWN**

Solicitor: R E Hill
(rosie.hill@andersonlloyd.co.nz)

Level 2,
13 Camp Street,
PO Box 201,
QUEENSTOWN 9348
DX ZP95010
Tel 03 450 0700
Fax 03 450 0799

1. Introduction

- 1.1 My full name is Antony John Strain. I am a third generation farmer in the Wakatipu Basin. I am also the current Chairman of Arrow Irrigation Co Limited ("**Arrow**"), a company which supplies water for irrigation purposes throughout the Wakatipu Basin.
- 1.2 I have been requested to provide evidence about the land use and subdivision history of Threepwood Farm. I have also been requested to provide evidence about the Arrow irrigation scheme ("**Scheme**").

2. Threepwood Farm

- 2.1 Threepwood Farm originally comprised the area shown outlined in red on Plan A in Schedule 1. My grandfather acquired Threepwood Farm in the mid-1930s. My family has farmed Threepwood Farm, or parts of it, since that date.
- 2.2 Over the past 20-30 years Threepwood Farm has been extensively subdivided to the point where the current title pattern is now approximately as shown on Plan A. Subdivision has occurred through various District Plan methods, including the '1 acre per 100 acres' rule which used to apply, the economic use subdivision provisions which used to apply, and the discretionary subdivision rules which I understand apply now. The result of that subdivision process is that what was Threepwood Farm now contains approximately 60 separate rural living titles as shown marked by black lot boundary lines on Plan A.
- 2.3 Most of those rural living titles were created through the Threepwood subdivision which comprises the two clusters of smaller titles shown on Plan A plus a large area of higher land located between and west of those two clusters which is commonly owned by all of the Threepwood rural living lot owners.
- 2.4 Some of the subdivision described above was carried out by our family and the rest (including the large Threepwood subdivision) was carried out by developers who bought land from our family.
- 2.5 Of the original 330ha Threepwood Farm, my wife and I now own just 30ha contained in the two long rectangular titles at the northern end of the original Threepwood Farm adjoining Lake Hayes as shown on

Plan A. We lease a further 60-70ha adjoining our land on the northern side. We run about 150 velveted stags plus about 20 cattle. That 'hobby' farming operation runs at a small surplus but not enough to be an economic farming unit.

- 2.6 The only other land within the original Threepwood Farm which is still used for grazing is the communally owned Threepwood land which I understand is leased to somebody else for grazing purposes in order to keep the grass under control. There might also be a few animals on some of the larger rural living lots.

3. **Arrow Irrigation Scheme**

- 3.1 The Scheme was originally established in about 1929. The Scheme was always intended to supply irrigation water to the Wakatipu Basin, although water has also been used for gold mining purposes.
- 3.2 The Scheme commences about 5 kilometres above Arrowtown where water in the Arrow River is collected by a weir and diverted into the upper end of the Scheme pipeline. Water is piped 5km down to Arrowtown where it enters the Wakatipu Basin irrigation network. That Wakatipu Basin network comprises about 50km of open races plus about 7km of original piping plus about 8km of new extension piping. Water is supplied from the Scheme from September to May, with a June-August shutdown period during winter for maintenance purposes when irrigation water is not required. The Scheme supplies about 600 litres of water per second, which is a very large amount of water (the main pipeline has a diameter of 760cm).
- 3.3 The Scheme was originally installed and owned by the Government. During the 1980's the Government was keen to divest itself of local irrigation systems such as the Scheme. At that point in time the Scheme was on the verge of collapse, essentially because maintenance costs exceeded income. A local farmer by the name of Max Robins organised a group of local farmers who formed Arrow and took the Scheme over from the Government.
- 3.4 Max Robins was the founding Chairman of Arrow. When Arrow took the Scheme over, the Scheme supplied water to about 60 separate farming properties.

- 3.5 I became Chairman of Arrow in about 2000. At that time the Scheme supplied about 30 individual farming properties and received annual income of approximately \$60,000-70,000.
- 3.6 At that time it was a struggle to maintain the Scheme as an economically viable business. A number of the old pipes needed replacing, and it was questionable whether pipe replacement and other required maintenance could be carried out on an ongoing basis on the income available to keep the Scheme operating.
- 3.7 That financial situation has changed significantly as a result of rural living development within the Wakatipu Basin. The Scheme now has 225 connected properties which generate approximately \$200,000 income per annum. As new users join on a regular basis, the economic health of the company increases. The current cost to replace a pipe is about \$400 per metre, which is expensive. The company is currently spending about \$60,000-\$80,000 per annum on pipe replacement. The company hopes to complete full pipe replacement (of the original pipes installed when the Scheme was created) within about 10 years at the current rate.
- 3.8 As more rural living development occurs, the Scheme is being extended. Recent extensions include extensions to service Hawthorn Estate and other developments in the Lower Shotover Road/Domain Road area, and an extension across Ladies Mile to provide irrigation water to the Shotover Country and Lake Hayes Estate urban residential zones.
- 3.9 Plan B in Schedule 2 ("**Plan B**") to this evidence shows the current extent of the Scheme in the Wakatipu Basin. Plan B demonstrates the following:
- (a) The blue lines represent the open race network, which commences at the top of the page near Arrowtown, at the downstream end of the 5km pipeline which brings the water from the Arrow River;
 - (b) The slightly thicker computer generated red dotted lines represent original piped sections within the Wakatipu Basin plus the older of the more recent extensions;
 - (c) The thinner hand drawn red dotted lines represent more recent extensions since this plan was last updated in 2012.

- 3.10 The Scheme supplies the Millbrook golfcourse and The Hills golfcourse, both of which probably could not exist without the Scheme. Discussions are currently being held in relation to a new prospective golfcourse and a consented horse polo ground proposal.
- 3.11 Of the total 225 current connections, there are only about 6 remaining connections where water is used for livestock farming. That includes our farming operation and our near neighbour Grant Stalker's farming operation, both of which are little more than hobby farming. Apart from the two golfcourses referred to above, virtually all of the other connections are rural living connections where people are using the water for amenity landscaping, water features, and the like.
- 3.12 The Scheme would probably not have survived if it had not been for rural living development over the past 15 years. Additional rural living connections enable Arrow to maintain, upgrade and extend the Scheme.
- 3.13 The Scheme has capacity for additional users. There will be more water available as the pipeline is renewed, and modern irrigation methods are replacing the traditional wild flooding so more people are using less water. To date the company has had no need to manage or monitor water usage, so there is potential for future management/monitoring measures to make the available water supply extend even further. As far as Arrow is concerned, the more connections it can achieve the better it is able to manage, maintain and extend the network.

SCHEDULE 1

Plan A – Threepwood Farm – Current Title Structure

SCHEDULE 2

Plan B – Extent of Arrow Irrigation Scheme Network in the Wakatipu Basin