

Pental Island Levees Future Management

Newsletter 3 – September 2023



Project Progress / Upcoming Engagement

- Project Manager change – Shaun Morgan has taken over management of the project from Owen Hayden. Shaun has been with North Central CMA ('the CMA') for 15 years and is working on multiple levee related projects in response to last year's flooding.
- Steering Committee - The project Steering Committee was formed in May 2023 and the first committee meeting was held on 7th June 2023. The committee consists of local landowners, Swan Hill Rural City Council staff and Councillors, and relevant government agencies. A list of committee members and discussion points from the first meeting are included on pages 2 and 3.
- The CMA will commence engagement with the wider community in early October 2023. Engagement with all landowners and occupiers is highly desirable to ensure the consideration of all views on the levee scheme and for discussing options for revenue raising and future management. See 'Upcoming community engagement' section on page 5 for further details of how to have your say.

The history

The Pental Island levees are unique in the region. They were first built in the 1920s and then later reconstructed by the Pental Island River Improvement Board after its formation in 1957. The role of the Board was to access government grants, collect fees from landowners, and to coordinate capital works and maintenance of the levees.

The CMA inherited the levees upon its formation in 1997 but has not collected any rates from landowners since and consequently, there has not been any regular maintenance on the levees in that time.

The present

Without a consistent revenue source for ongoing maintenance, the condition of the levees is expected to deteriorate over time. A more sustainable long-term funding and management approach is required.

The 2016 Victorian Floodplain Management Strategy (VFMS) sets out the current government policy and accountabilities for levee management. The key principle for levee management is a *beneficiary-pays* approach, which means landowners need to decide on the level of service they desire and determine the funding and management arrangements to achieve it.

The community-based steering committee has been set up to assist the CMA to empower the Pental Island community to make the best decision on how to manage their flood risk. The committee also provides advice to the CMA on how best to engage the Pental Island community and will help consider community feedback and determining the next steps.

Community members are encouraged to contact the North Central CMA Project Manager - Shaun Morgan in the first instance to discuss the project, obtain more information or discuss any ideas or concerns they may have. However, committee members provide an alternative option for engagement and are willing to be contacted about the project as well. Contact details for the committee can be found on page 2.



Steering Committee Members

The Steering Committee consists of 13 members of community and agencies as follows:

Name	Role	Contact Number
Richard Carter	Committee Chair - North Central CMA Board Member	0438 457 283
Cr Bill Moar	Councillor – Swan Hill Rural City Council	0429 496 194
Cr Jacquie Kelly	Councillor – Swan Hill Rural City Council	0436 804 012
Grant Davies	Resident – Pental Island	0427 372 718
Dale Whitfield	Resident – Pental Island	0417 016 427
Brendan Kelly	Resident – Pental Island	0409 310 579
Darren Mirtschin	Resident – Pental Island	0429 372 535
Kyle Brawn	Resident – Pental Island	0428 598 439
Kerryn Zanker	Resident – Pental Island	0408 065 557
Leah Johnston	Director Infrastructure – Swan Hill Rural City Council	(03) 5036 2348
Jarrold Maeder	Parks Victoria - Crown Land Manager	0418 504 473
Dale McGraw	Goulburn Murray Water – Diversions Services Manager	0407 022 795
Shaun Morgan	Project Manager – North Central CMA	0439 554 186

The possible solutions

The below options were discussed with the committee at their 7th June meeting and are now being provided to you for consideration and further discussion with North Central CMA in upcoming engagement. These are considered the most likely options for future management, however other options could also be suggested by the community.

Option Name	Description	Cost recovery?
Continue existing arrangements	North Central CMA inherited the levees but has no established mechanism to collect any revenue to undertake maintenance. Sunken crest levels or levee weaknesses are not being addressed over time in any coordinated way. Therefore, the level of flood protection is likely declining over time and might not provide protection against future floods. If an alternative and sustainable revenue stream and management option is not identified and implemented, the CMA will follow a process to remove itself from any residual responsibility it may have for the management of the levees.	Nil – the scheme will be decommissioned by the CMA. Note: ‘decommissioned’ doesn’t mean the levees would be physically removed.
Water Management Scheme under Water Act	If there is clear support from landowners, the Minister can investigate and implement a Water Management Scheme. The scheme would be managed by either Council or CMA. Rates to fund the operation of the scheme would be collected from landowners. The scheme would be required to maintain the levees to provide a defined level of flood protection, verified by inspections and audit. Landowners can collectively choose the level of protection they can afford.	Yes Annual fees collected. Fee amount determined with community through investigation phase.
Arrangements under Local Government Act	Beneficiaries make an agreement with Council. Council imposes rates to fund maintenance and management with third-party auditing. Management could be Council-led, NCCMA-led, or community-led. Landowners can collectively choose the level of protection they can afford.	Yes – via Local Government Special Charge Scheme. Fee amount determined with community.
Hybrid Options.	Self-funded, self-managed, and self-audited Landowners can collectively choose the level of protection they can afford, required maintenance and any capital works. NCCMA/Council could provide administration support.	Likely voluntary fees. Inequities may arise between those willing to pay and those who are not or unable.



Steering Committee Meeting Discussion

The first meeting of the Steering Committee was held on 7th June 2023. The objectives of the meeting were:

1. To recount the history of the levees, detail the current management arrangements, discuss current government policies on levees, and outline options for future management arrangements.
2. To discuss the potential support from landowners to continue with a flood mitigation scheme, and
3. To gain guidance from the committee on approaches to community engagement.

The history of the levees and the current arrangements were discussed briefly back on page 1.

Steering Committee views on flood levee scheme

The community-based members of the committee that were present (4 out of 6) were asked their views on whether they:

- 1) believed the community would want the levee scheme to continue, and
- 2) believed landowners would be willing to pay for its ongoing maintenance.

On the desire to keep the levee system going, community-based members present said:

- Pental Island has a great levee system and that they wanted to keep it going.
- The levees were well-built and are generally in good working order. The protection provided by the levees is clearly demonstrated by their performance in recent major flooding in 2022.
- It was noted that works/maintenance only currently occurs reactively to the arrival of a flood.
- It was agreed that this was not the best way to approach maintenance.
- Community based members present preferred the idea of moving to some sort of managed scheme rather than responsibilities falling back onto individual land owners.
- Prior generations had, through a managed scheme, built a really good system of levees and the landowners were proud of that legacy and wanted to maintain that good system of levees.
- Members expressed that their views listed above were their own and may not represent everybody. Wider engagement with the community is required.

On the question of community willingness to pay, community-based members present said:

- Those in the room said they were willing to pay a fee each year that contributed to maintenance of the levees. However, they acknowledged that they are only a small number of landowners from Pental Island and that such discussions need to be held more widely to ensure everyone has the opportunity for input into any decision making.
- It was noted that landowners contributing fees to a central pool for levee maintenance was how the original scheme worked anyway under the Pental Island River Management Board – before North Central CMA establishment and transfer of the scheme in 1997.
- Community-based members asked about how much it might cost each year for a levee maintenance program. North Central CMA commissioned a report in 2012 (Alluvium) to provide some indicative information on possible fees and a model approach for annual levee maintenance expenditure. It was not based on actual estimates to fix the levees but attempted to balance community affordability with a functional program of levee maintenance. However that information is now a decade old and would need to be reviewed. (More information on next page)
- Community-based members also wanted assurances that any fees collected for levee management were mostly spent on on-ground works – not on overhead costs if North Central CMA (or any other agency) were to manage the scheme.
- Members expressed that their views listed above were their own and may not represent everybody. Wider engagement with the community is required.

Possible levee management scheme costs

If formal and funded management of the levee scheme was recommenced, North Central CMA has undertaken some previous work to give an indication of what a fit-for-purpose and affordable levee management program might cost to implement and a potential fee structure for landowners. It should be noted that this is only one possible method.

In 2012, North Central CMA engaged the consultancy Alluvium to explore the use of a beneficiary-pays funding model that would facilitate an ongoing and functional program of maintenance and repairs of the levee system to provide protection of all land within the levees against the 1% AEP flood. The estimated cost for a model program of maintenance and capital works over a 50-year period was \$2.7 million (in 2012 dollars). With fixed annual rates, the report estimated an annual cost to landowners of \$4.00 per hectare owned plus \$548 per house. Inflated to 2022 prices, the original estimate would increase to a total cost of around \$3.2 million (in 2022 dollars). As an annual cost that would be around \$4.71 per hectare owned plus \$644 per house in fees for landowners. The report assumed all Pental Island landowners would pay fees as beneficiaries of the levee system (e.g. access), regardless of if they are situated in high ground or not.

It is noted that the program of works proposed by Alluvium included one-off levee repair works upfront – which could be funded by State and Federal government funding programs if the levee was to be formally managed via a scheme into the future, thus reducing this capital cost from the schedule of works in the 2012 report (and hence potentially lowering annual fees).

The figures below are from the Alluvium report and are provided to give a feel for the magnitude of the rates that would need to be collected from landowners if a beneficiaries-pay scheme was introduced. It must be stressed that this is only one possible method for collecting fees and have been provided here as indicative figures only to help generate conversations with Pental Island landowners. The full Alluvium report can be made available upon request to the North Central CMA project manager. The figures have been adjusted from the 2012 amounts to reflect inflation to 2022 and rounded to the nearest dollar.

Alluvium 2012 estimated costs adjusted for inflation to 2022					
Area of land (ha)	Actual area used in calculation (ha)	No. of landholders	Cost per annum land protection (\$)	Cost per annum house protection (\$)	Cost per annum land and house protection (\$)
<5ha	2.5	6	\$ 12.00	\$ 644.00	\$ 656.00
5-10ha	7.5	11	\$ 36.00	\$ 644.00	\$ 680.00
10-50ha	30	19	\$ 141.00	\$ 644.00	\$ 785.00
50-100ha	75	16	\$ 353.00	\$ 644.00	\$ 997.00
100-200ha	150	11	\$ 707.00	\$ 644.00	\$ 1,351.00
200-400ha	300	6	\$ 1,413.00	\$ 644.00	\$ 2,057.00
400ha+	450	2	\$ 2,120.00	\$ 644.00	\$ 2,764.00

DISCLAIMER: Costs from the Alluvium (2012) report and 2022 inflation figures have been provided for discussion purposes only and to inform community discussion on possible future revenue and management arrangements. Further investigative work would need to be undertaken to determine exact costs for a functional levee management scheme, and any fees proposed to be imposed on landowners would need to reflect an appropriate balance between a functional levee management program and community affordability – should the community proceed with an ongoing levee management scheme. Determining the future revenue source and management arrangements is the primary purpose of the project, not determining the final fees to landowners. The Alluvium (2012) report is available upon request to North Central CMA.

Other funding sources

If Pental Island landowners choose to recommence the flood levee scheme, are willing to pay for ongoing maintenance, and if the levees are proven to be a cost-effective flood mitigation scheme – government grants may be available for initial upgrade works to get the levees back up to good standard.

Similarly, if there is a flood in the future that causes significant damage to the levees, it may be possible to apply for a government grant to contribute to the repairs. The likelihood of the application being successful will depend on government criteria at that time. However, governments will most likely require that the levees are managed by a government authority, with the capacity and a history of regular monitoring and auditing of the levees to maintain a defined level of protection – to ensure any further investment by government is maintained and likely to be successful in mitigating future flood risk.



Upcoming community engagement

As per the request of the committee, North Central CMA now wishes to commence broader engagement with all Pental Island landowners on the future of the Pental Island levee scheme. The objectives of engagement is to ensure North Central CMA receives the widest possible range of views and input into the future of the levee scheme. Ideally, North Central CMA would meet with every landowner or occupier of the island and we strongly encourage everyone to have a conversation with the project manager.

The key questions for engagement would be similar to that posed to the committee in June, that is:

- 1) Do Pental Island landowners want the levee scheme to continue?
 - a. Are the benefits of the levee scheme clear?
 - b. Do you have any other suggested models for revenue raising and future management?
- 2) Would landowners be willing to pay for its ongoing maintenance?
 - a. What might be a fair and affordable amount for you?
 - b. Would you rather pay a fee for works to be centrally coordinated or would you rather do the works yourself and contribute to your section of the levee?
 - c. What other models of funding/maintenance might you suggest?

How can I get involved?

North Central CMA staff will be in the area and available for in-person discussions with community and individual landowners between **2 October to 13 October 2023**, and in the following ways:

Community Information Sessions

The North Central CMA Project Manager will talk about the content of the newsletter and provide time for questions and answers from those attending the session.

Session 1

Date: Tuesday 3rd October 2023

Time: 7.30am – 8.30am

Venue: Pental Island Holiday Park Function Room, 519 Pental Island Road, Pental Island

Session 2

Date: Wednesday 11th October 2023

Time: 6.00pm – 7.00pm

Venue: Pental Island Holiday Park Function Room, 519 Pental Island Road, Pental Island

RSVPs are encouraged but not required. NCCMA staff will remain at the venue for an additional 1.5 hours after the session for further discussions with community members as required.

One on one sessions

An opportunity for landowners to meet one-on-one with NCCMA staff, noting they may not be comfortable to discuss their personal views/circumstances in a public forum. Days/times will be agreed between individuals and NCCMA staff. NCCMA staff will take notes of conversations but can anonymise any content used in community updates or project reports. Please contact the Project Manager - Shaun Morgan on 0439 554 186 to arrange a date and time if you would like to meet this way.

Small group discussions

An opportunity for groups of landowners to meet with NCCMA staff, noting they may be more comfortable to discuss their personal views/circumstances in a small group forum with friends and share ideas together. Days/times will be agreed between small groups and NCCMA staff. NCCMA staff will take notes of conversations but can anonymise any content used in community updates or project reports. Please contact the Project Manager - Shaun Morgan on 0439 554 186 to arrange a date and time if you would like to meet this way.



More information

Maps

A map of the levees can be found online using North Central CMA's iMap tool:

<https://www.nccma.vic.gov.au/imap>

Instructions:

1. Click 'Launch iMap' at the bottom of the iMap webpage (web address above)
2. At bottom left, select 'Layers'
3. At top left, click the drop-down list (default is 'public'), and select 'Pental Island Levees'.
4. Move the map and zoom into Pental Island to view the levee extents/locations.
5. By default, the 'Public Land' layer and the 'Land Subject to Inundation Overlay' layer are turned on also. These can be switched off by un-checking the 'vicMap Public Land' and 'vicMap Planning' boxes respectively.

Reports

Relevant reports for the project include:

- Pental Island River Management Board 7th and Final Annual Report
- Pental Island River Management Board Asset Register
- Alluvium (2012) – Alternate funding model for levee management on Pental Island

Copies of the above reports are available upon request to the North Central CMA project manager.

Community-based Steering Committee members

A reminder that the committee members can also be contacted to discuss the project.

The North Central CMA project manager welcomes direct contact for a conversation at any time:

Shaun Morgan
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Thanks for taking the time to read this newsletter.

I'll see you all in October!

Shaun