

# ORDER PAPER

## EREWHON RURAL WATER SUPPLY MANAGEMENT SUB-COMMITTEE MEETING

**Date:** Tuesday, 7 March 2023

**Time:** 4.00pm

**Venue:** Kokako Street Pavilion  
2 Kokako Street  
Taihape

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**Chair:** Mr Jock Stratton

**Membership:** Mr Peter Batley  
Mr Geoff Duncan  
Mr Barry Thomas  
Mr Simon Plimmer  
Mr Paul McLaren  
Mr Benjamin Mallalieu  
Mr Steven Stoney (Aorangi Awarua Trust Representative)  
Cr Greg Maughan  
Cr Jeff Wong  
HWTM Andy Watson

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<b>Locations:</b>	<table border="0" style="width: 100%;"> <tr> <td style="vertical-align: top; width: 50%;"> <u>Marton</u>            Head Office            46 High Street            Marton         </td> <td style="vertical-align: top; width: 50%;"> <u>Bulls</u>            Bulls Information Centre            Te Matapihi            4 Criterion Street            Bulls         </td> </tr> <tr> <td colspan="2" style="text-align: center; padding-top: 20px;"> <u>Taihape</u>            Taihape Information Centre            102 Hautapu Street (SH1)            Taihape         </td> </tr> </table>	<u>Marton</u> Head Office 46 High Street Marton	<u>Bulls</u> Bulls Information Centre Te Matapihi 4 Criterion Street Bulls	<u>Taihape</u> Taihape Information Centre 102 Hautapu Street (SH1) Taihape	
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**Notice is hereby given that a Erewhon Rural Water Supply Management Sub-Committee Meeting of the Rangitīkei District Council will be held in the Kokako Street Pavilion, 2 Kokako Street, Taihape on Tuesday, 7 March 2023 at 4.00pm.**

## **Order Of Business**

<b>1</b>	<b>Welcome / Prayer .....</b>	<b>4</b>
<b>2</b>	<b>Apologies .....</b>	<b>4</b>
<b>3</b>	<b>Public Forum .....</b>	<b>4</b>
<b>4</b>	<b>Conflict of Interest Declarations.....</b>	<b>4</b>
<b>5</b>	<b>Confirmation of Order of Business .....</b>	<b>4</b>
<b>6</b>	<b>Confirmation of Minutes .....</b>	<b>5</b>
	6.1 Confirmation of Minutes .....	5
<b>7</b>	<b>Follow-up Action Items from Previous Meetings .....</b>	<b>12</b>
	7.1 Follow-up Action Items from previous Erewhon Rural Water Supply Meetings .....	12
<b>8</b>	<b>Chair's Report .....</b>	<b>14</b>
	8.1 Chair's Report - March 2023.....	14
<b>9</b>	<b>Reports for Information.....</b>	<b>15</b>
	9.1 Financial Summary - January 2023 .....	15
	9.2 Operations Report-March 2023 .....	17
	9.3 Three Waters Submission.....	19
<b>10</b>	<b>Closed Meeting .....</b>	<b>20</b>

## **AGENDA**

### **1 Welcome / Prayer**

### **2 Apologies**

### **3 Public Forum**

### **4 Conflict of Interest Declarations**

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of items on this agenda.

### **5 Confirmation of Order of Business**

That, taking into account the explanation provided why the item is not on the meeting agenda and why the discussion of the item cannot be delayed until a subsequent meeting, [enter item number](#) be dealt as a late item at this meeting.

## 6 Confirmation of Minutes

### 6.1 Confirmation of Minutes

**Author:** Kezia Spence, Governance Advisor

#### 1. Reason for Report

- 1.1 The minutes from **Erewhon Rural Water Supply Management Sub-Committee Meeting held on 29 November 2022** are attached.

#### Attachments

1. **Erewhon Rural Water Supply Management Sub-Committee Meeting - 29 November 2022**

#### Recommendation

That the minutes of Erewhon Rural Water Supply Management Sub-Committee Meeting held on 29 November 2022 **[as amended/without amendment]** be taken as read and verified as an accurate and correct record of the meeting, and that the electronic signature of the Chair of this Committee be added to the official minutes document as a formal record.

**ITEM 6.1**  
**MINUTES****ATTACHMENT 1**  
**UNCONFIRMED: EREWHON RURAL WATER SUPPLY  
MANAGEMENT SUB-COMMITTEE MEETING****Date:** Tuesday, 29 November 2022**Time:** 4.00 pm**Venue:** Kokako Street Pavilion  
2 Kokako Street  
Taihape

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**Present**

Mr Jock Stratton  
Mr Peter Batley  
Mr Geoff Duncan  
Mr Barry Thomas  
Mr Simon Plimmer (*via Zoom*)  
Mr Paul McLaren  
Cr Greg Maughan

**In attendance**

Mr Andrew van Bussel, Operations Manager (*left at 5:25pm*)  
Mr Chris Pepper, Civil Engineer Manawatu District Council (*left at 5:25pm*)  
Mr Michael Hodder, Advisor to CEO (*via Zoom*) (*left at 4:46pm*)  
Mr Dave Tombs, GM-Corporate Service (*via Zoom*) (*left at 5:46pm*)  
Cr Jeff Wong  
Mr Dene Smith, Taihape Plumbing (*left at 5:31pm*)

**Order of Business**

**1 Welcome / Prayer ..... 3**

**2 Apologies ..... 3**

**3 Public Forum ..... 3**

**No public forum ..... 3**

**4 Conflict of Interest Declarations..... 3**

**5 Confirmation of Order of Business ..... 3**

**6 Confirmation of Minutes ..... 3**

**7 Follow-up Action Items from Previous Meetings ..... 3**

7.1 Follow-up Action Items from previous Erewhon Rural Water Supply Meetings ..... 3

**8 Chair’s Report ..... 4**

8.1 Chair's Report - November 2022 ..... 4

**9 Reports for Decision ..... 4**

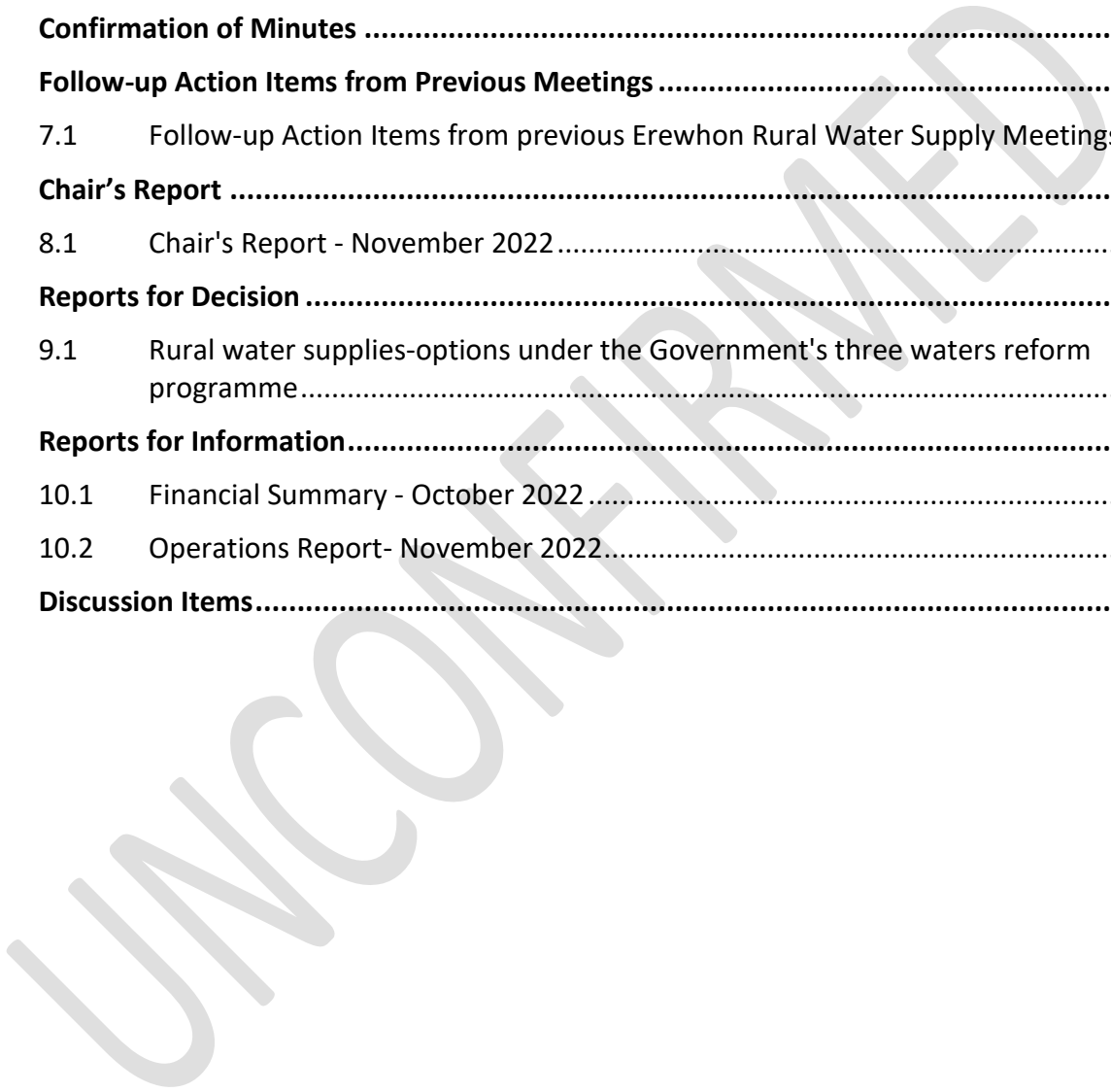
9.1 Rural water supplies-options under the Government's three waters reform programme ..... 4

**10 Reports for Information ..... 5**

10.1 Financial Summary - October 2022 ..... 5

10.2 Operations Report- November 2022 ..... 5

**11 Discussion Items ..... 5**



## 1 Welcome / Prayer

Mr Stratton welcomed everyone to the meeting and Cr Greg Maughan introduced himself as the new council representative.

## 2 Apologies

**Resolved minute number 22/ERWS/024**

That the apologies for Mr B Mallalieu, Mr S Stoney and His Worship the Mayor be received.

Mr P Batley/Mr B Thomas. Carried

## 3 Public Forum

No public forum

## 4 Conflict of Interest Declarations

There were no conflicts of interest.

## 5 Confirmation of Order of Business

There were no changes to the order of business.

## 6 Confirmation of Minutes

**Resolved minute number 22/ERWS/025**

That the minutes of Erewhon Rural Water Supply Management Sub-Committee Meeting held on 6 September 2022 without amendment be taken as read and verified as an accurate and correct record of the meeting, and that the electronic signature of the Chair of this Committee be added to the official minutes document as a formal record.

Mr P McLaren/Mr B Thomas. Carried

## 7 Follow-up Action Items from Previous Meetings

### 7.1 Follow-up Action Items from previous Erewhon Rural Water Supply Meetings

**Resolved minute number 22/ERWS/026**

That the report 'Follow-up Action Items from previous Erewhon Rural Water Supply Meetings' be received.

Mr G Duncan/Mr P Batley. Carried



## 8 Chair's Report

### 8.1 Chair's Report - November 2022

There was no Chair's Report.

## 9 Reports for Decision

### 9.1 Rural water supplies-options under the Government's three waters reform programme

Mr Hodder spoke to his report and stated that the committee need to decide if the scheme??? is used purely for stock water or is it mixed use, if its mixed use then an exception needs to take place and council would step away but is unsure if Council could still rate. It needs to be clear to Internal Affairs what the scheme is used for. Mr Stratton said he had always been told the usage was for stock water only. Mr Hodder said there would need to be evidence and that a statement wouldn't suffice. Mr Plimmer asked how is this funded? Mr Hodder said this is only the first bill and that if the scheme is part of the entity council don't rate. Mr Tombs said council could still be rating for the next 2 – 3years and could be about 4 – 5 years for rural water schemes. Mr Hodder said they could standardise the rate. Mr Stratton said he would like to retain a role in the scheme. Mr Hodder suggested meeting with all users and recommended Option C. Mr McLaren said if they are mixed use are council allowed to be involved and Mr Hodder said no. Mr Plimmer asked if there was a timeline. Mr Hodder advised that it is better to deal with it now. Mr McLaren didn't think they should be making a recommendation just yet. Mr Stratton said it is just starting the process.

#### **Resolved minute number 22/ERWS/027**

That the memo (and attached briefing paper) 'Rural water supplies – options under the Governments three water reform programme be received.

Mr P Batley/Mr B Thomas. Carried.

#### **Resolved minute number 22/ERWS/028**

That the Erewhon Rural water Supply Management Subcommittee considers that supply to farmers on the Erewhon scheme is 'mixed use' and recommends to Council that it (a) decides (in consultation with scheme members) whether the Erewhon scheme is to be put forward as an exception to automatic transfer to the Western Central Services Entity and that (b) convenes a meeting in early 2023 with all users of the scheme.

Mr G Duncan/Mr B Thomas. Carried.

## 10 Reports for Information

### 10.1 Financial Summary - October 2022

Mr Tombs spoke to his report.

**Resolved minute number 22/ERWS/029**

That the report 'Financial Summary – October 2022' be received.

Mr P Batley/Mr P McLaren. Carried

### 10.2 Operations Report- November 2022

Mr van Bussel spoke to his report and said the flow meter is still not calibrated and it has been relocated but needs to be blue ticked. Mr van Bussel tabled a quote from Taihape Plumbing for Rob Colliers line for consideration as he is not getting his allocated water.

Mr McLaren tabled his scope report. Mr Pepper spoke about the scope report and explained how they could approach it and that it would take him about 400 hours and estimated the cost to be between \$15 – \$20,000. Mr Pepper said he would like to survey the drain work. Mr Stratton asked if all that information should be held by council. Mr Pepper said he would need relative heights and that he could have a draft report by the next meeting. Mr van Bussel said this is just an option and the committee could still put it out for tender or ask for expressions of interest and Mr Pepper could still help with the report.

**Resolved minute number 22/ERWS/030**

That the Operations Report – 1 December 2022 Erewhon Rural Water Supply Committee be received.

Mr B Thomas/Mr G Duncan. Carried

## 11 Discussion Items

### 11.1 Quote for Rob Colliers Line

Mr Smith said he had done a couple of repairs at Pukerimu and talked about the repairs to Rob Colliers line as per the tabled quote. Mr Duncan asked about installing air relief valves. Mr Smith said he had already done that. Mr Tombs said the rate that was set is to clear the debt if there is no new capex and that the committee would need to start thinking about the rate for next year which should be set at the February meeting and a capex budget. Mr McLaren said he is unsure if just replacing 1/3 of the pipe would fix the problem. Mr Stratton would ask Mr Smith for the flow rates for the past 18 months for the Collier line and if there would be any merit in digging up the middle of the line and investigating. Mr Stratton would come back to the members with Mr Smiths response and a decision would be made then.

**11.2 Scope Report**

Mr McLaren said if the committee chose to go with Mr Pepper it is a cheaper option and he could be used to do the groundwork and still outsource people if needed, but he would like a member of the committee to have regular updates which the committee agreed should be Mr McLaren. Mr McLaren would like to meet with Mr Pepper to go over the scope report with the questions that needed to be answered. He said he would like the report to see if it is feasible to remove the weir off the trust land.

Mr McLaren would like a reminder to go out to all scheme members reminding them that if their property sells the new owner is still liable for the scheme.

**Resolved Minute Number 22/ERWS/031**

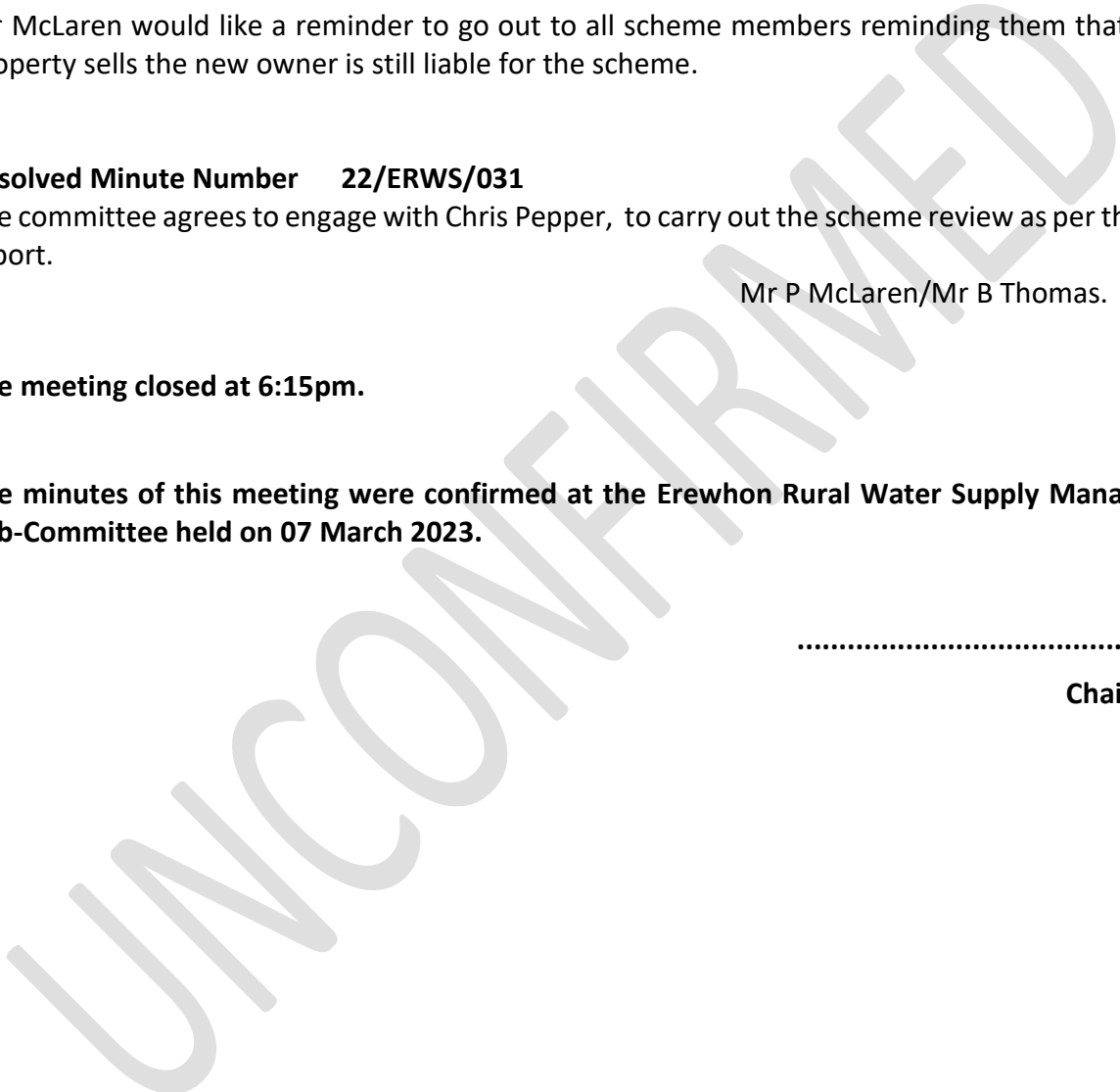
The committee agrees to engage with Chris Pepper, to carry out the scheme review as per the scope report.

Mr P McLaren/Mr B Thomas. Carried.

**The meeting closed at 6:15pm.**

**The minutes of this meeting were confirmed at the Erewhon Rural Water Supply Management Sub-Committee held on 07 March 2023.**

.....  
Chairperson



## 7 Follow-up Action Items from Previous Meetings

### 7.1 Follow-up Action Items from previous Erewhon Rural Water Supply Meetings

Author: Kezia Spence, Governance Advisor

#### 1. Reason for Report

- 1.1 On the list attached are items raised at previous Erewhon Rural Water Supply meetings. Items indicate who is responsible for follow up, and a brief status comment.

#### Attachments:

1. **Follow-up Actions Register** [↓](#)

#### Recommendation

That the report 'Follow-up Action Items from previous Erewhon Rural Water Supply Meetings' be received.

**Current Follow-up Actions**

Item	From Meeting Date	Details	Person Assigned	Status Comments	Status
	6-Sep-22	Mr Duncan asked if the invoicing could be done more frequently instead of 6 monthly he suggested 3 or 4 times a year. Mr Tombs said the financial year is set but they could change if for the next financial year. Mr Tombs also noted that all ratepayers can set up (regular) payment plans to avoid 'peaks' in their rate obligations (also, having a Payment Plan avoids the account be subject to penalties).	Committee Members	Committee Members to let Council know if they wish to change the rating cycle (in sufficient time for the appropriate Communications and system changes to be made).	Open
	8-Mar-22	As per resolution <b>22/ERWS/011</b> : Staff to discuss and recommend someone to review the hydraulics, material and technology for the scheme.	Andrew van Bussel / Anna Thompson	AVB is in discussion with Arno and hopefully they will have a resolution by 29th August – if not they will update the committee at the meeting.	In progress
	8-Mar-21	<b>Financial Statements:</b> Mr Duncan asked for a glossary of terms.	Dave Tombs	Dave asked for clarification as to 'what terms' need to be clarified at the December 2021 meeting. Awaiting response.	In progress

ITEM 8.1

## **8 Chair's Report**

### **8.1 Chair's Report - March 2023**

**Author: Jock Stratton, Chair**

#### **1. Reason for Report**

- 1.1 The Chair may provide a report at the meeting.

#### **Recommendation**

That the Chair's Report – March 2023 be received.

## 9 Reports for Information

### 9.1 Financial Summary - January 2023

**Author:** Dave Tombs, Group Manager - Corporate Services

**Authoriser:** Dave Tombs, Group Manager - Corporate Services

#### 1. Reason for Report

- 1.1 This Report provides the Scheme's Financial Results for the 7 months ended 31 January 2023.

#### 2. Commentary

##### Operating Statement

- 2.1 This shows:
  - 2.1.1 An operating cash surplus of \$114k for the seven months; and
  - 2.1.2 Capital expenditure of \$9k for the seven months; and
  - 2.1.3 Funding Deficit of \$63k at 31 January 2023.

#### Attachments:

1. **ERWS Financial Summary - January 2023** [↓](#)

#### Recommendation

That the report 'Financial Summary – January 2023' be received.

ITEM 9.1  
ATTACHMENT 1

Erewhon Rural Water Scheme  
Operating Statement 2022/23

	YTD 7 Months Ended Jan 2023	2022/23 Full Year Budget	2021/22 Actual	2021/22 Budget
<b>OPERATING INCOME</b>				
Metered Charges	162,237	324,388	162,237	162,194
	<b>162,237</b>	<b>324,388</b>	<b>162,237</b>	<b>162,194</b>
<b>OPERATING EXPENSES</b>				
Contractors and Prof Services	30,339	91,344	87,267	94,116
Professional Services MDC	2,022	5,784		
Rates	0	11,422	12,806	11,065
Erewhon Waterboard Lease	1,459	7,086	5,594	6,866
Resource Consents	0	1,416	1,237	1,372
Telephone Costs	243	612	724	588
Materials	0	108	1,994	108
Insurance	13,383	13,092	12,254	7,930
Finance Costs	1,000	1,065	6,460	4,919
	<b>48,446</b>	<b>131,929</b>	<b>128,336</b>	<b>126,964</b>
Depreciation	89,833	118,572	129,117	134,580
Internal Charges	44,784	78,367	0	0
<b>Accounting Surplus/(Deficit)</b>	<b>(20,826)</b>	<b>(4,480)</b>	<b>(95,216)</b>	<b>(99,350)</b>
<b>Add back</b>				
Depreciation	89,833	118,572	129,117	134,580
Internal Charges	44,784	78,367	0	0
<b>Operating Cash Surplus</b>	<b>113,791</b>	<b>192,459</b>	<b>33,901</b>	<b>35,230</b>
<b>Capital Expenditure</b>	<b>9,046</b>	<b>124,803</b>	<b>278,923</b>	<b>120,000</b>

Capital Expenditure relates to plumbing works.

<b>Available Finance</b>			
Funding Deficit b/f	(167,783)		64,796
Operating Cash Surplus	113,791		46,344
Capital Expenditure	(9,046)		(278,923)
<b>Funding Deficit c/f</b>	<b>(63,038)</b>		<b>(167,783)</b>

**Note** Finance Costs for 2021/22 have been amended to reflect the interest rate as per September 2022 meeting

Finance Costs for 2022/23 will be calculated at year end. A notional amount has been included above.



**9.2 Operations Report-March 2023****Author: Andrew van Bussel, Operations Manager****1 Work Completed**

1.1 The following work was completed by Taihape Plumbing from 27 September – 10 January 2023:

- 5/8 Carry out Monthly Check.
- 1/9 Renew Marris valve at Mangaohane F tanks.
- 5/9 Go through all old job-cards and photocopy all past Asset info sheets and send through to Council (approx. 4-year worths).
- 13/9 Pukerimu roadside. Look for and locate leak. Drop line. Load up for repairs.
- 14/9 Dig up leak area and make repairs. Block and tie down renewal area. Reinstate water supply and back fill. Unload.
- 15/9 Carry out Monthly Check.
- 27/9 No water at Jock Stratton's, Durrants and Hiwera
- 29/9 Four Monthly Checks, run lines, check tank flows and run sluices on Mangaohane Station.
- 30/9 Run lines, check tank flows, and run sluices Mangaohane Station/Kelly Land Co.
- 1/10 Mangaohane Station – Dig up and repair leak on main.
- 14/10 Run lines, check tank flows, and run sluices on Makokomiko Station, Peter Batley's and Pukerimu.
- 17/10 Begin to run lines on Rhino for four monthly checks at Makokomiko.
- 18/10 Run lines, check tank flows, and run sluices on Hennah block, Kaiangaroa, Kara Wipaki's and Moores.
- 19/10 Run lines, check flows, and run sluices on mako Deer block, Steven Stoney's, John Gilberts, Jock Stratton's and Rob Stratton properties.
- 20/10 Run lines, check tank flows, and run sluices on John Batley's, Durrant's, Hiwera, Rob Colliers, Hamish Alexandra's, Tama Wipaki's, M Gilbert and Thompson's.
- 21/10 Run lines, check tank flows, and run sluices on John Bird's, Britton, Pringle, Mary Mako and Barry Thomas properties.
- 22/10 Run lines, check tank flows, and run sluices on B Duncan's, Whale, D Duncan's and Anstis properties.
- 2/11 Supply Pipe.
- 7/11 Makokomiko – no water at tank site.
- 8/11 Load up materials – locate and dig up leak area.
- 16/11 Rakanui leak.
- 17/11 GPS not working, blow out on main at Pukerimu beside road area.
- 18/11 Dig up 150mm main beside road. Repair and reinstate.
- 21/11 Carry out monthly check.
- 5/12 Rob Collier line, locate and dig up leak in Hamish Alexanders property in gateway area. Run sluices and check flow at Collier Tank.
- 6/12 Rob Collier line, dig up and locate 20mm H/P PVC line at Electric fence, make repairs.
- 7/12 Blow out at Pukerimu down from old house – renew section of pipe.

**ITEM 9.2**

- 8/12 Unload gear, return gear to reservoir, clean up digger and return.
- 8/12 Carry out monthly check.
- 12/12 Makokomiko property (GPS not working), locate leak and drop line. Repair and reinstate.
- 15/12 Rob Collier line – Hamish Alexander property. Shut down water, remove temporary pipe and make repairs. Backfill holes.
- 29/12 Blow-out at Pukerimu beside road.
- 4/1 No water at Jock Strattons. Check flows and pressure at Thompsons Tee. Dismantle marric valve and check for blockage. Run lines. Locate leak and dig up. Travel back to town for materials, make repairs, reinstate water and backfill.
- 10/1 Carry out monthly check.

- 1.2 The intake flow meter has been calibrated for blue tick certification to meet our resource consent requirements.
- 1.3 Andrew van Bussel and Chris Pepper had a meeting with Jock Stratton and Paul McLaren will provide a verbal update at the meeting.
- 1.4 Andrew van Bussel will verbally update the Committee regarding the Rob Collier line silting issues.
- 1.5 Andrew van Bussel will update the Committee on the Gilbert line issue

**Recommendation:**

That the Operations Report – 1 March 2023 Erewhon Rural Water Supply Committee be received.

### 9.3 Three Waters Submission

**Author:** Michael Hodder, Advisor to the Chief Executive

#### 1. Three Waters Update:

- 1.1. The meetings scheduled in late January 2023 with all members of the rural scheme committees were cancelled. The new Prime Minister had signalled his intention to “re-set” some of the Government’s programmes with potential implications for the three waters reform. The Prime Minister’s statement to Parliament on 21 February 2023 signalled the Government’s intention to “refocus our reforms and work with local authorities to tackle this challenge” but without specifying the timing.
- 1.2. The other issue flagged in cancelling the January meetings was the provisions in the Water Services Legislation Bill introduced into Parliament last December. Council has made a submission to Parliament’s Finance and Expenditure Committee on this bill, and here is the link to that submission:
- 1.3. [Submission-on-Water-Services-Legislation-Bill-and-Water-Services-Economic-Efficiency-and-Consumer-Protection-Bill-16-February-2023.pdf \(rangitikei.govt.nz\)](https://www.rangitikei.govt.nz/assets/Uploads/Submission-on-Water-Services-Legislation-Bill-and-Water-Services-Economic-Efficiency-and-Consumer-Protection-Bill-16-February-2023.pdf)
- 1.4. The comments on the rural water supply schemes are on pages 6-7.

#### Recommendation

That Three Waters Submission update be received.

## **10 Closed Meeting**